

TO : Alan B. Brown, Assistant Director for Administration, Division of Raw Materials
Geo. G. Marvin, Assistant Director for Process Development

FROM : P. J. Picario, Chief, Construction and Supply Branch, Division of Raw Materials

DATE: July 6, 1955

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SUBJECT: DATA RE RESTORATION, ABANDONMENT OR SELLING BUILDING AND CERTAIN ACCESSORIES ON PROPERTY OF U. S. PHOSPHORIC PRODUCTS, EAST TAMPA, FLORIDA -- CONTRACT AT(49-1)-534

USPP PLANTS, LABS., BUILDINGS & LAND -
icy - CONTRACTS - USPP - AT(49-1) 534

SYMBOL: RM:PJP

Under Contract No. AT(49-1)-534 entered into the 5th day of May 1952, effective March 17, 1951, by and between U. S. Phosphoric Products, Division Tennessee Corporation, and U. S. Atomic Energy Commission, the Contractor was to perform certain research and development work.

In carrying out this work the contract required under Article I, paragraph 1 that among other things the Contractor was to erect a small-scale pilot plant.

A small pilot plant was constructed. The building is 40 feet long by 20 feet wide by 10 feet high at the roof eaves with a factory-type single pitch roof 10 feet high at one end and zero feet at the other, and a vault 10'8" x 11'4" x 10'. The building is of concrete block, roof is of wood construction, floor is reinforced concrete 6" thick, and the vault is of concrete block with concrete slab roof and concrete floor. A small frame wooden shed and walkways were constructed for protection and access to research equipment located outside the building. The building and other facilities are enclosed by a chain link fence.

The research and development work has been completed and the AEC has no further need for the building and other facilities at East Tampa, Florida.

An inspection of the site was made on June 22, 1955.

Under the terms of the contract Article X, Government Property, paragraph 3, the Commission shall, within 6 months ***** after expiration of the contract term *****

- a. Remove all items of Government property, or
- b. Request the Contractor to pack or otherwise prepare for shipment and ship designated items of Government property to such destinations and parties as the Commission may indicate, which request shall be carried out by the Contractor at Government expense, and the Commission

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shall remove all other items of Government property,

provided, however, that the Commission may abandon particular items of Government property if (1) the Contractor consents to such abandonment, and (2) the Commission determines that it is not in the interest of the Government to remove such property. In the event that the Commission removes the Government-owned building which houses the pilot plant, it shall restore the land to a condition similar to that at the time the building was constructed. If the Commission fails to so restore the land within 6 months of the removal, the Contractor may do so at Government expense, accounting for any salvage recovered, it being understood that the costs incurred for such restoration after the salvage deduction shall not exceed \$1,000.00.

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Under paragraph 7, the Contractor may, with prior approval of the Commission ***** (ii) itself acquire title to items of Government property at prices mutually agreed upon by the Commission and the Contractor without the execution of an amendment to this contract. The proceeds of any such transfer or disposition, and the agreed price of any such Contractor acquisition, shall be applied in reduction of any payments or reimbursements to be made by the Government to the Contractor under this contract or shall otherwise be paid in such manner as the Commission may direct.

The estimated cost of the removal of the building, walkways, shed, fence, and restoration of premises, is \$2,990.00. The salvage value of the materials is \$1,975.00. The net cost of removal and restoration is \$1,015.00

The cost of removal of the building exclusive of the shed, fence and walkways is \$2,200.00.

The cost of restoration exclusive of salvage after building is removed is \$770.00, salvage is estimated at \$275.00, therefore, net cost of restoration is \$490.00.

The area occupied by the building and accessories is bounded by manufacturing buildings on three sides, and it will be completely surrounded when the uranium extracting unit is constructed. If expansion continues, the manufacturing area will engulf the area.

During discussion with Mr. M. K. Gill, Assistant Manager, relative to the building he said he did not have use for it at present. It

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July 6, 1955

was suggested that it be used as a place for construction workers to change their clothes when they construct their uranium extraction unit. He said they would take a chance and offer us \$2,000.00 for the building and accessories.

I told him to submit his proposal to Dr. George G. Marvin. His proposal for \$2,000.00 is contained in his letter of June 27, 1955.

Under the terms of the contract as outlined above, certain items of personal property have been removed and others have been earmarked for removal and have been circularized to other AEC installations and the U. S. General Services Administration.

According to the terms of the contract the Government is obligated to remove all items of property and restore the property. The limit of Government obligation is \$1,000.00 after removal of the building and deduction of salvage. The estimated cost of restoration after deduction of salvage is \$490.00

It is to the best interests of the Government to accept the proposal of U. S. Phosphoric Products in the amount of \$2,000.00 in lieu of removal of the building and restoration which would cost \$1,015.00 and since the U. S. Phosphoric Products has no use for it as a laboratory.

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