



**Department of Energy**  
Savannah River Operations Office  
P.O. Box A  
Aiken, South Carolina 29802

**JAN 3 1 2003**

Mr. Wade Waters, Chair  
Savannah River Site Citizens Advisory Board  
308 Pinewood Drive  
Pooler, GA 31411

Dear Mr. Waters:

**SUBJECT: Citizens Advisory Board (CAB) Recommendation Number 158 – Glass  
Waste Storage Building # 2 (Your letter, 01/15/03)**

Thank you for the subject recommendation on our proposed project to build a second Glass Waste Storage Building (GWSB) at Savannah River Site (SRS). The following is my response to each component of the recommendation.

- 1. DOE revise the project implementation and prepare a contingency plan to meet the current projected need date for GWSB#2 of October 2006 and present the revised schedule and contingency plan to the CAB on or before March 25, 2003. This presentation should include justification for all schedule reductions.**

DOE recently drafted an acquisition plan and project schedule that will meet the projected date when GWSB #1 becomes filled based upon projected Defense Waste Processing Facility rates for maximum capacity provided in the Performance Management Plan. The plan is currently proceeding through the DOE approval process. DOE will provide a presentation of this plan to the CAB by March 25, 2003.

- 2. DOE investigate streamlining the current acquisition strategy, specifically requiring the contractor be responsible for the detailed project and construction management with DOE and Corp of Engineers (COE) having an overview function. Present the findings of this investigation to the CAB on or before March 25, 2003.**

DOE used standard project management wording during the presentation that may have been misleading. The COE will not manage the construction activities of the small business contractor, but more accurately provide construction oversight and reports to DOE. The small business has its own construction manager that directs its own resources. The only person who can direct the small business contractor is the DOE contracting officer. In other words, once the contract is signed, the small business contractor is totally responsible to meet the terms of the contract.

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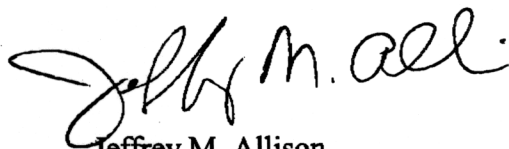
The COE function is necessary to ensure that the design and construction is completed within the terms of the contract. It recommends whether or not DOE should accept a final product so that it has a basis to pay the contractor. The COE will provide weekly progress reports to DOE that show schedule deviations and discuss positive or negative trends. It will also assist DOE to develop the procurement specification.

**3. DOE present the anticipated funding needs for GWSB#2 for FY03, FY04, FY05 and FY06 to the CAB on or before March 25, 2003.**

At this stage of the project, a funding range is required by DOE Order 413.3. The total project cost has been determined to be between \$75 and \$92.1 million. The individual budget amounts submitted for FY03, FY04 and the outyears are listed below:

FY2003	\$ 2.3 Million
FY2004	\$21.6 Million
Outyears	\$68.2 Million

Thank you for your continued interest in SRS activities. If you have any questions, or need additional information, please call me or Kim Sidey of my staff at (803) 208-7443.



Jeffrey M. Allison  
Acting Manager

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