

United States Government

Department of Energy

Rocky Flats Field Office

memorandum

DATE: | JAN 27 2000 |

REPLY TO
ATTN OF: AME:ESD:MH:00-01173

SUBJECT: Rocky Flats Field Office Commitment to Implementation of a Revised Property Management and Disposition System

TO: Robert G. Card
President
Kaiser-Hill Company, L.L.C.

The purpose of this memorandum is to formally document the Department of Energy (DOE), Rocky Flats Field Office (RFFO) commitment to use its best efforts to work with the Kaiser-Hill Company L.L.C. (K-H) to implement a responsible, closure-focused property management and disposition system that aligns with the goals of the K-H Contract DE-AC34-00RF01904.

The DOE RFFO acknowledges that the safe, timely, and cost-effective closure of the Rocky Flats Environmental Technology Site (Site) by 2006 requires an innovative approach to managing and disposing of property. The DOE RFFO and K-H commit to work cooperatively to effect changes necessary to enable and assist implementing the proposed property management and disposition system described below.

Specifically, the DOE RFFO and K-H agree the following interpretations should be expeditiously pursued for DEAR 952.245-5 and the referenced FAR 45.5 clause and the requirements detailed in the Department of Energy Accounting Handbook, Chapters 9 and 10:

1. Property in excess of the needs of the site will no longer be reported to federal and state agencies. That is, screening requirements for reportable and non-reportable property will be eliminated.
2. Physical inventory requirements for real and personal property will be eliminated.
3. Current accountable property records will be frozen. While accountable property records will not be updated during their lifecycle, accountability will be maintained. That is, new receipt accountable property will be entered into the Property Equipment Management System (PEMS), where it will remain until dispositioned from site, at which time the record will be retired.

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To ensure control of the site's property, both accountable and non-controlled, random vehicle searches will continue to be conducted by the protective force.

4. Because accountable property in the nuclear facilities will be dispositioned as hazardous or low level waste, such records will be retired from PEMS. In the event that property in a nuclear facility is not contaminated, it will be processed as any other free-releaseable property.
5. Maintenance of real property records will be limited to record close out upon demolition. Current records in the Facility Information Management System (FIMS) database and the Fixed Asset (FA) system will become static. As each structure and facility is demolished on site, the corresponding record in FIMS and FA will be closed out.

In addition to the above, the DOE RFFO and K-H agree to continue to routinely disposition personal property as follows:

1. Contaminated personal property located in industrial and administrative buildings will be dispositioned as low level or hazardous waste.
2. Free-releaseable personal property will undergo a high-risk evaluation and will be dispositioned through public auction, negotiated sale, grant/gift program, or dispositioned as sanitary waste.
3. Balancing pollution prevention and waste minimization against cost, personal property located in nuclear facilities will be dispositioned as low-level or hazardous waste if cost effective.

Additionally, both parties agree to seek continuous improvement in the property management and disposition process to enable the safe, cost effective, and timely closure of the Site.



Paul Golan
Acting Manager

cc:
J. Legare, AME&I, RFFO
C. Dan, CMD, RFFO
M. Bell, CMD, RFFO

RC 1/14/00
eg 1/14/00