

Los Alamos
NATIONAL LABORATORY
memorandum

Facilities, Safeguards, and Security
FSS-6, Facility Project Delivery

To/Ms: Christine Othart, BUS-8, MS P274
From/Ms: Garry Allen, CST-18, MS E525
Phone/FAX: 7-3394/5-2840
Symbol: FSS-6/hpn/95-20
Date: April 28, 1995

SUBJECT: SUBCONTRACT MODIFICATION REQUEST: SUBCONTRACT NO.
2666M0013-9V

Reference: letter, Sierra Rock, Inc. to Christine Othart, dated March 29, 1995

The referenced letter was evaluated by Henry Nunes of my staff and I wish to propose the following evaluation, findings, and actions:

Prior to the start of any new work, the University will settle all payment claims of the Sierra Rock, Inc. operations through April 1, 1995. All new work performed after that date will be subject to this contract modification. Attached is the Sierra Rock, Inc. statement schedule and laboratory voucher listing showing a net due of \$38,041.21. Your immediately attention to this payment is needed for the work to proceed as planned. Robert Beaver intends to claim \$1,000/day stand by for each work after April 1, 1995 as agreed to under the original contract agreement. This is based on a verbal agreement between Carl Newton and Robert Beaver to be available on-site to restart operations April 1, 1995. Please reference the April 21, 1995, letter from yourself to Robert Beaver concerning reimbursement of idle time due to work stoppage/delays caused by the University. Further, the water runoff permit is the sole responsibility of the University and Sierra Rock, Inc. needs to be formally released from any liability associated with the permit. The original contract contained no permit responsibilities for Sierra Rock, Inc. work scope. Sierra Rock, Inc., Robert Beaver requests that any invoice submitted for payment not be altered by the University. If the University feels that the invoice is deficient that he be notified prior to payment. Mr. Beaver requests that a meeting be arranged between himself and the account payable personnel to resolve billing versus pay voucher data. The University will provide after hours security for the work site.

The University accepts the Sierra Rock proposal for cleaning lead from pine needles.

The proposed method for separating pine needles from the soil is acceptable with the noted exceptions:

1. There are only 400 bags of needles on site.
2. The use of the loader with plywood to catch lead and dirt is acceptable. The needles will be checked one bag at a time
3. The cleaned needles will be checked with a metal detector prior to the needles being moved to the dumpster. The lead will be stored in steel drums. The dirt will be recycled through the soil washing process.
3. The University will supply a dumpster and drums for collection of the cleaned needles and lead.
4. The proposed materials listed are acceptable.



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The recalculated price for the pine needle cleaning is:

Labor Category	Cost/Hr	# of personnel	
Laborer	\$20/hr	1	\$20.00/hr
Operator w/loader	\$70/hr	1	\$70.00/hr
Supervisor	\$30/hr	1/2	\$15.00
		Total/hr.	\$105.00/hr.

Materials			
plywood, nails, brooms, rakes, etc.		Total Cost	\$200.00

Production Rate	# of bags	# hours	Total Cost
5 bags per hour	400	80 hours	\$8,400.00

The University accepts the Sierra Rock proposal for tree and stump removal from NE area of site:

1. The proposed method of removal is acceptable: removal slash, break up stumps, removal loose soil from stumps, check for lead contamination, disposal in county landfill when clean. The stump dirt will be placed in the waste pile and processed. The University will be billed for any dump fees incurred by Sierra Rock, Inc. on an actual cost basis plus 15% markup.
2. The proposed work force is appropriate for the task.
3. The estimated work hours, 32, appear to be appropriate for the specific task.

The calculated cost for this task is:

Labor Category	Cost/hour	# of personnel	Total Cost/hour
Laborer	\$20/hr.	1	\$20.00
Operator w/excavator	\$65/hr.	1	\$65.00
teamster w/truck	\$75/hr.	1	\$75.00
Supervisor	\$30/hr.	1/2	\$15.00
		Total Cost/Hr	\$175.00/hr.

Total Cost /hr Hour	# of Hours	Total Cost
\$175.00/hr.	32 hours	\$5,600.00

The University rejects the Sierra Rock, Inc. proposal to install its own office trailer on-site. The University will make available the existing site office trailer for its use. The trailer will house the Sierra Rock records, Sierra Rock staff, and support equipment. Sierra Rock, Inc. will also use the trailer for its site laboratory and staff.

The University agrees to a one time charge for a hard wire phone connection not to exceed \$200.00. The actual monthly phone bill plus markup, 15%, will be submitted as other direct costs.

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The University will supply the following equipment for use by Sierra Rock, Inc.:

- Desks and chairs for four staff
- Computer
- Printer
- Copier
- Fax

All equipment is to be returned to the University upon completion of the work.

The University will accept the Sierra Rock, Inc. proposal to remove the excess material and mud slurry during its remediation activities. The removal of the excess solid material to a site 1/2 mile west of the work area is acceptable. The mud slurry still must be removed to the tuff borrow pit located approximate 6 miles one-way from the work area along E. Jemez Road. The contractor is advised that the material removed must be released by the LANL Site Representative. A delay of 48 hours from final process to actual disposal release is recommended for contractor planning purposes. This timing will allow for LANL to sample and analyze for final acceptance within its laboratory the final material acceptance sample(s). The contractor's proposed cost of an additional **\$20.00/cubic yard** is reasonable. This cost figure was reached during negotiations with Christine Othart, Henry Nunes, and Robert Beaver of Sierra Rock, Inc. on April 21, 1995 to resolve the issue of contractor down time for the duration of the project. The increase was calculated by agreeing to the number of additional support staff required to remove the material, the equipment needed for the actual removal, the agreement that the costs were computed using a production of an average 125 cubic yards per day, and does include contractor profit. The net result is that Sierra Rock, Inc. will be reimbursed a total of **\$45.50/cubic yard** of material, processed and disposed, for a maximum of 5,700 cubic yards. Please modify Appendix D, 8.1, to read as follows: Description: Soil Cleaning to 450 ppm or lower; Estimated Quantity: 12,000 cubic yards; Unit: Per Yard; and Fixed Unit Price: \$45.50. Please note that the per diem costs for the Mud Pump Truck operator is permitted at \$56.00/day, not to exceed an additional **\$8,400.00** maximum. Please increase Appendix D, 8.2, of the existing contract ceiling for the allowable per diem charges to \$34,960.

The University accepts your proposal to supply an on-site XRF laboratory for the purpose of controlling the lead removal process. The University will also use the XRF laboratory to generate its needed approximately hourly samples for its reporting purposes. The cost for this effort will be **\$10.80/cubic yards**. A copy of the laboratory daily report will be attached to the job-site daily report. Sierra Rock will notify the University if any materials have been removed off-site that analyze in excess of the stipulated acceptance level of 450 ppm total lead. The removal activity will immediately cease. The University reiterates that it has to right to sample for oversight purposes finish material for final acceptance purposes. Copies of any University test results will be supplied to Sierra Rock, Inc. for their records. University results that exceed the 450 ppm maximum limit can be cause for rejection of the finish material.

The University rejects your proposal for preparation of a revised site safety plan. A site safety plan will be provided to Sierra Rock, Inc. for their review and approval. The site safety plan will conform to your current contract Appendix C. If you have any comments to make regarding the site safety plan they should be directed to Christine Othart, BUS-4, for her action. The University accepts you proposal to supply the site safety office at a cost of **\$7.75/cubic yard**. The University will require that a daily safety report will be attached to the jobsite daily report.

Following a meeting April 6, 1995, between Terry Rust and Henry Nunes of LANL and Robert Beaver of Sierra Rock, Inc., the University accepts the verbal Sierra Rock Proposal to clean the site of the existing material as follows:

Clean existing material in laydown area	# of personnel	cost/hr		
Teamster w/dump truck	2	\$63.25/hr	\$126.50	\$
operator w/5 cy loader	1	\$75.00	\$75.00	
Total hours = 32 hours @ 201.50/hr			Total Cost	\$6,448.00

Clean pond residue	# of personnel	cost/hr.		
operator w/excavator	1	\$65.00		
teamster w/dump truck	1	\$63.25		
Total hours = 24 hours @ \$128.25/hr			Total Cost	\$3,078.00

The University accepts the Sierra Rock, Inc. proposal for final cleaning of the two wash ponds. A fixed price of \$15,000 for removal of approximate 500,000 gallons of remaining water and sludge is acceptable.

To recapitulate, I recommend that we accept the Sierra Rock proposal to provide the following services with their attendant costs:

Service	Cost over 5 months
Clean Pine Needles	\$8,400.00
Clean & dispose tree stumps & slash	\$5,600.00
Establish hardwire phone line	\$200.00
Remove excess materials & mud slurry, cost/cy	114,000.00
Analytic services, cost/cy	\$61,560.00
Per diem for Mud Pump Truck Operator	\$8,400.00
Site Safety Office/ cost/cy	\$44,175.00
Initial Cleanup laydown area	\$6,448.00
Initial Cleanup pond residue	\$3,078.00
Final Pond Cleanup	\$15,000.00
Total Cost Changes	\$256,861.00

Finished
Finished
NOT Needed
Finished
Finished

So clean material 5700 yds @ \$36.50 >
To Ttl

~~132,126.00~~
 + 134,735.00
 + 145,350.00
 = 280,085.00

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Compensation for downtime will be paid on a daily basis if the delay is University directed and exceeds 2 hours. The University representative shall be contacted if Sierra Rock, Inc. intends to claim an University directed work stoppage at the time of the actual work stoppage. The University agrees to the contractor's downtime charge of \$2720.00/day. The net result of this modification changes the cost per cubic yard processed and disposed from an original bid price of \$25.50 per cubic yard to \$64.05 per cubic yard subject to the 450 ppm maximum acceptable total lead criteria.

Cy: Terry Rust, ESH-14, MS E525
Jan Novak, EES-1, MS E525
Carl Newton, EES-3, MS E525
Henry Nunes, FSS-6, MS M984



SIERRA ROCK, INC.

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FAX COVER SHEET

DATE	4/29/96
COMPANY	DOE
FAX PHONE#	214-665-7446
ATTENTION	Joel Dougherty
SENT BY	Robert Beaver
# PAGES (WITH COVER)	6
NOTES FAX AND PHONE THE SAME	
PHONE	504-649-6805.
THANK YOU	
HAVE A NICE DAY	
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