



# **Section L**

## ***Landlord & Site Services***

### **PROJECT MANAGERS**

S.H. Wisness, RL  
(509) 373-9337

J.D. Wood, FH  
(509) 372-0499

## INTRODUCTION

Landlord and Site Services consists of Project Baseline Summary (PBS) RL-SS02, Work Breakdown Structure (WBS) 3.4.2.

NOTE: Unless otherwise noted, all information contained herein is as of the end of May 2002.

Fiscal-year-to-date milestone performance (EA, DOE-HQ, and RL) shows that one milestone was completed ahead of schedule and one milestone is forecasted on schedule.

## NOTABLE ACCOMPLISHMENTS

### Landlord Services, 3.4.2.1

**Prescribed Burning Activities** – Prescribed burning of the easements along State Routes 24 and 240 began on May 16, 2002. Crews cleared tumbleweeds away from the fences where the plastic DOE signs are attached and burned along the remainder of the fence line. The tumbleweeds burn very rapidly, as the winds have dried them out over the spring. This prescribed burning activity will continue into June 2002.



**Automated Job Hazards Analysis (AJHA)** – The AJHA tool is being recognized across the complex as the hazard identification and analysis tool of choice. The tool is listed on the DOE-HQ VPP web site and has just been added as a Best Practice on the Energy Facility Contractors Group (EFCOG) Best Practices web site. The AJHA was also demonstrated at the 2002 Safety Expo and stimulated interest from the Washington State Department of Labor and Industries, the Pasco and Kennewick School Districts, and several private companies. The DOE-HQ EH Safety Expo guests, including Assistant Secretary Cook, took time to review the tool and express their interest in support of AJHA and their expectations on demonstrating the AJHA tool at the National VPP Conference in September 2002. To date five DOE sites have been provided copies of the AJHA tool. In May 2002, AJHA Administration, responding to a request for service, traveled to the Oak Ridge Y-12 Site to test the AJHA modified for Y-12, support their AJHA implementation process, and help develop an AJHA training program. The Savannah River Project also plans to implement the AJHA tool.

**No-Notice Exercise** – On May 15, 2002, the DOE-HQ Office of Emergency Operations conducted a no-notice exercise at the Hanford Site. The purpose of the exercise was to test and evaluate the ability of the Hanford Site Emergency Response Organization to respond to an unannounced simulated operational emergency. The exercise was limited in scope and focused on objectives related to key command, control, and communications functions. The initial feedback from the DOE-HQ evaluation team indicated that the site had passed the exercise objectives and the team noted good performance. A written report will be provided to the site within 45 days.



**Site Fabrication Services (SFS)** – SFS worked around the clock from swing shift May 15, 2002, until the night of May 19, 2002, to complete modifications to the "FRS N-Pool Equipment Primary Clean Machine Wash Basket" (approximate weight 1400 lbs). The basket was completed, inspected, green tagged, and shipped to Spent Nuclear Fuels.

**The Integrated Materials Management Plan** – This plan identifies and documents the strategies for Fluor Hanford's (FH) Integrated Materials Management function that includes Procurement, Warehouse Operations, and Material Disposition activities. This FH Integrated Materials Management Plan outlines the path forward for improvements in the acquisition, delivery, storage, use and disposition of material in support of the FH Mission. The Plan was submitted to RL on May 31, 2002 to meet Comprehensive 4; Performance Objective 2, Measure 2, Prepare an Integrated Materials Management Plan, including appropriate metrics by June 1, 2002 for RL for approval.

### **Analytical Services, 3.4.2.2**

**Safety Expo** – The Analytical Chemistry staff supported the 2002 Hanford Health and Safety Expo and was awarded the "Most Interactive" booth award.

### **Infrastructure Upgrades, 3.4.2.3**

**Project L-335, "Export Water Line to Meteorological Laboratory"** – This project designs and constructs a replacement waterline for the deteriorated raw water line in the 600 Area, which supplies fire protection water to the Hanford Meteorological Station. This new waterline will replace the deteriorated, existing line that is over 40 years old and has exceeded its original design life. A new PVC line will be installed parallel with the existing lines and the old line will be abandoned in place. Request for Proposals went out to four contractors on May 9, 2002 and bids were received and opened on May 30, 2002. The winning bidder will be announced after the bids have been evaluated, which is expected to be the first week of June 2002.

## **BREAKTHROUGHS / OPPORTUNITIES FOR IMPROVEMENT**

Nothing to report at this time.

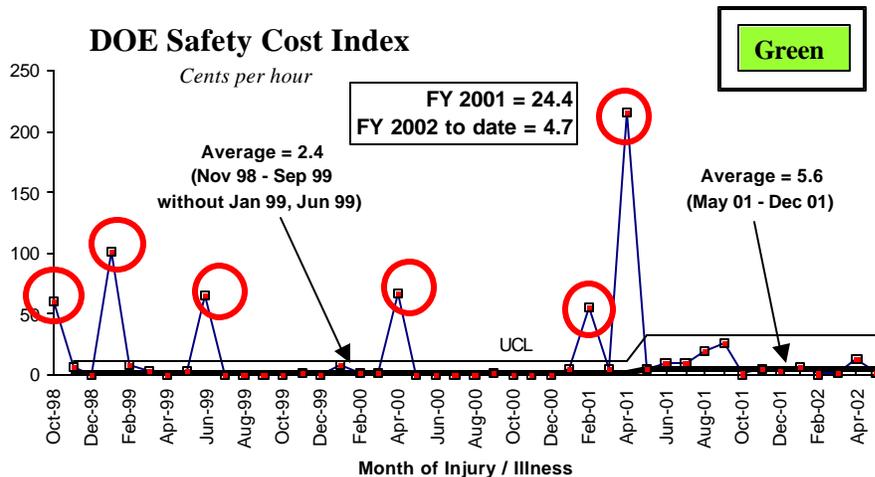
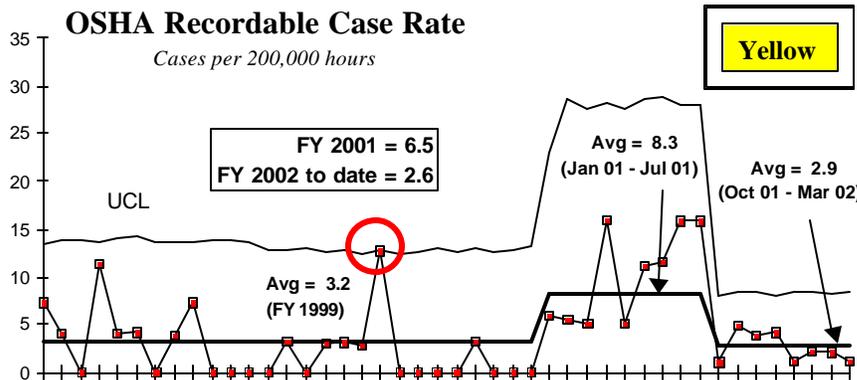
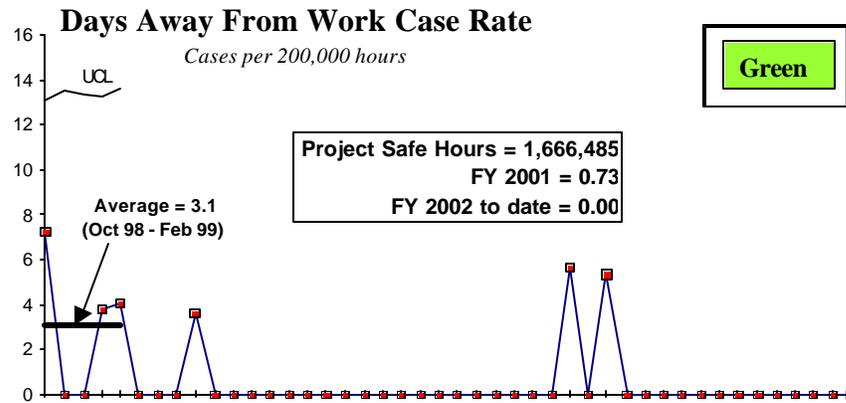
## **UPCOMING ACTIVITIES**

**Hanford Site Field Exercise** – The 2002 Annual Field Exercise, scheduled for June 20, 2002, is being conducted by the Hanford Site Emergency Preparedness Exercise Program. The purpose of the exercise is to provide emergency responders from Hanford, Washington and Oregon State, and Benton, Franklin, and Grant counties, the opportunity to respond to a simulated onsite transportation accident.

**MCO Basket Fabrication** – MCO basket fabrication activities continue for July 31, 2002 delivery of 530 mark IV storage baskets and 54 mark IV scrap baskets.

## SAFETY

Several actions have been initiated to improve safety performance including implementing a Zero Accident Council (ZAC) structure, which includes six directorate and 35 grass-roots level councils, and implementing a Safety Improvement Program. The OSHA Recordable Case Rate has been reset to Yellow since it has stabilized out at a rate higher than the DOE CY 2001 average. The DOE Safety Cost Index is stable at the new lowered baseline. In October 2001, all organizations except for IRM were added into the Landlord category. This significantly increased the population size of this group.



## MILESTONE ACHIEVEMENT FH CONTRACT MILESTONES

Number	Milestone Title	Type	Due Date	Actual Date	Forecast Date	Status/Comments
LLP-01-535	L-339, PFP Water System Isolation - Install Sanitary Water to WRAP	RL	12/28/01	12/20/01	12/21/01	Completed.
LLP-01-515	L-276, Equipment bay Const. Phase II - Complete Construction of Project L-276	RL	6/14/02		6/14/02	On Schedule.

NOTE: Above data includes all TPA/DNFSB/Performance Incentive milestones as included in the FH baseline, and provides Contract-to-Date status.

## PERFORMANCE OBJECTIVES

Nothing to report at this time.

## FY 2002 SCHEDULE / COST PERFORMANCE – ALL FUND TYPES FY TO DATE STATUS – (\$000)

By PBS	FYTD							
	BCWS	BCWP	ACWP	SV	%	CV	%	BAC
PBS SS02 WBS 3.4.2.1 Landlord Services	44,243	44,399	43,249	156	0.4%	1,150	2.6%	69,009
PBS SS02 WBS 3.4.2.2 Analytical Services	22,991	22,207	21,656	(784)	-3.4%	551	2.5%	34,647
PBS SS02 Infrastructure WBS 3.4.2.3 Upgrades	6,818	3,595	3,123	(3,223)	-47.3%	472	13.1%	11,753
PBS SS02 Project Management WBS 3.4.2.4 & Support	8,056	8,056	9,174	-	0.0%	(1,118)	-13.9%	12,104
PBS SS02 WBS 3.4.2.4 Revenue	(22,723)	(22,723)	(17,328)	-	0.0%	(5,395)	23.7%	(34,084)
<b>Total SS02</b>	59,385	55,534	59,874	(3,851)	-6.5%	(4,340)	-7.8%	93,429

## FY TO DATE SCHEDULE / COST PERFORMANCE

For all active sub-PBSs and TTPs associated with the Operations/Field Office, Fiscal Year to Date (FYTD) Cost and Schedule variances exceeding + / - 10 percent or one million dollars require submission of narratives to explain the variance.

## Schedule Variance Analysis: (-\$3.9M)

### Landlord Services — 3.4.2.1/SS02

**Description and Cause:** The \$0.2M (0.4 percent) favorable schedule variance is within established thresholds.

**Impact:** None.

**Corrective Action:** None.

### Analytical Services — 3.4.2.2/SS02

**Description and Cause:** The \$0.8M (3 percent) unfavorable schedule variance is within established thresholds.

**Impact:** None.

**Corrective Action:** None.

### Infrastructure Upgrades — 3.4.2.3/SS02

**Description and Cause:** The \$3.2M (47 percent) unfavorable schedule variance is due to the deferral, late start, or on hold status of many infrastructure construction activities (water line replacements, road refurbishments, electrical upgrades, facility upgrades, and radio frequency) and equipment replacements contracts due to FY 2002 funding issues. The negative schedule variance is skewed due to the completion of a fire truck in FY 2001 planned for completion in FY 2002 (fiscal year to date performance does not allow for performance from a prior year to count towards schedule completion in the current fiscal year).

**Impact:** The continued deferral of infrastructure upgrades and equipment may potentially impact other site operations due to unplanned failures to aging systems.

**Corrective Action:** High priority upgrades are proceeding. A baseline change request is in process to defer selected projects.

### Landlord & Site Services Project Management & Support — 3.4.2.4/SS02

**Description and Cause:** None.

**Impact:** None.

**Corrective Action:** None.

### Landlord & Site Services Revenue — 3.4.2.4/SS02

**Description and Cause:** None.

**Impact:** None.

**Corrective Action:** None.

## Cost Variance Analysis: (-\$4.3M)

### Landlord Services — 3.4.2.1/SS02

**Description and Cause:** The \$1.2M (2.6 percent) favorable cost variance is due to a reversal of FY 2001 steam over accrual, delay in contract billings from Duratek and RL, and delay in procuring chemicals for ISVAC due to procurement process. The unfavorable variance is offset by a shortfall in services revenue (occupancy and fleet). The revenue shortfall is due to transfer of 2750-E facility to CHG, lag in billings, and inadequate funds in the indirect to direct conversion to support occupancy and fleet requirements.

**Impact:** None. Corrective action addressed potential yearend overruns in occupancy and fleet revenue.

**Corrective Action:** FH reallocation of funds has partially addressed projected occupancy and fleet revenue shortfalls. Contract billings are expected to align with projected cost. Contract accruals not reflected in current performance will begin in June 2002.

**Analytical Services — 3.4.2.2/SS02**

**Description and Cause:** The \$0.5M (2.5 percent) favorable cost variance is within established thresholds.

**Impact:** None.

**Corrective Action:** None.

**Infrastructure Upgrades — 3.4.2.3/SS02**

**Description and Cause:** The \$0.5M (13 percent) favorable cost variance is due to the receipt of a favorable bid for Project L-310, "Replacement of 24-inch Export Water Line." In addition, Project L-276, "Emergency Services Vehicle Bay Renovation," costs are skewed due to understated accruals and overstated progress of the project.

**Impact:** None.

**Corrective Action:** None.

**Landlord & Site Services Project Management & Support — 3.4.2.4/SS02**

**Description and Cause:** The \$1.1M (14 percent) unfavorable cost variance is due to increased procurement support, Project Maintenance Center implementation costs, and the FY 2001 DynCorp fee accrual error in the Program Management account.

**Impact:** None.

**Corrective Action:** The DynCorp fee accrual error will be corrected prior to June 2002 reporting.

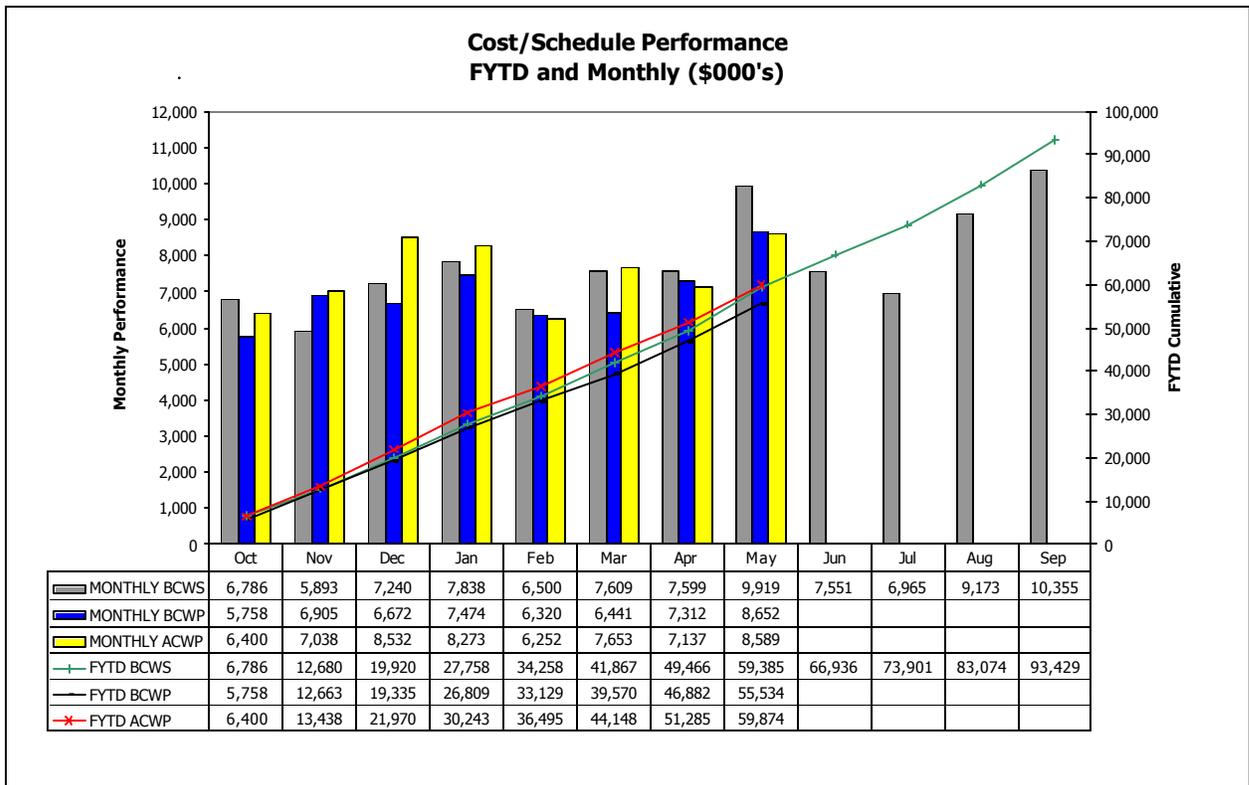
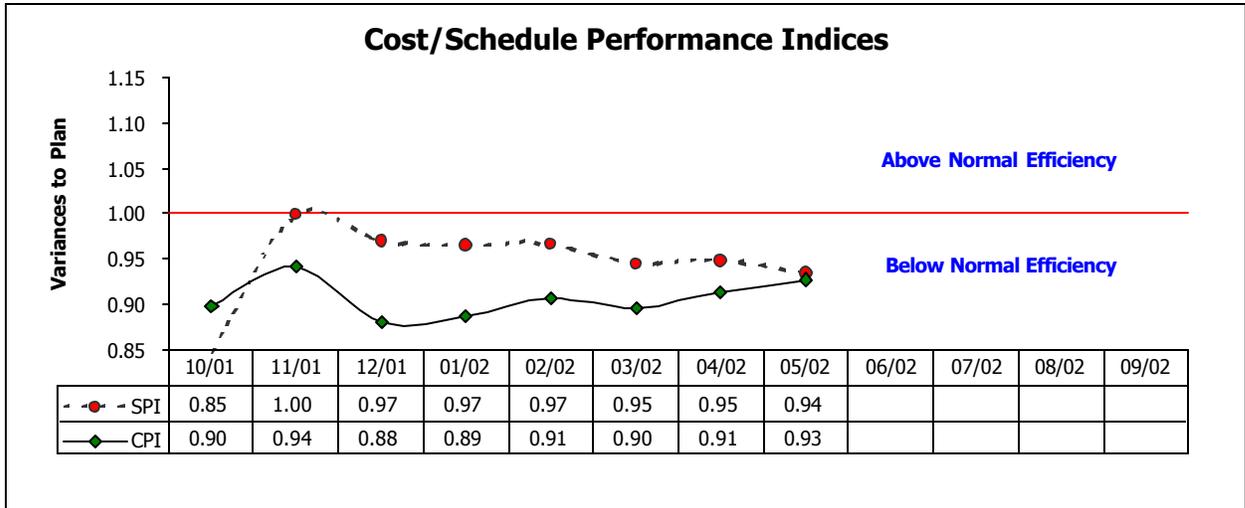
**Landlord Services Revenue — 3.4.2.4/SS02**

**Description and Cause:** The \$5.4M (24 percent) unfavorable cost variance is due to shortfalls in shared services revenue assessments to non-PHMC customers, variance in the planned versus actual direct distributable base, and a reduction in Fabrication Services direct labor adder. The maintenance, janitorial, and environmental, safety, health and quality department overheads originally assumed to be included in the shared service assessment to CHG direct distributable rate were excluded because they were not classified as a shared service in FY 2001.

**Impact:** FH reallocation of funds has partially addressed projected revenue shortfalls. However, the recently identified revenue issue (revision in direct distributable labor base assumption) results in a projected \$1.1M direct distributable shortfall.

**Corrective Action:** Discussions/analysis are ongoing regarding necessary corrective actions.

## COST / SCHEDULE PERFORMANCE (MONTHLY AND FYTD)



## FUNDS MANAGEMENT

### FYTD FUNDS VS SPENDING FORECAST (\$000)

	Expected Funds	FYSF	Variance
<b>3.4.2 Landlord &amp; Site Services - SS02</b>			
Project Completion - Operating - Line Item	\$ 91,912	\$ 92,413	\$ (501)
<b>Total</b>	<b>\$ 91,912</b>	<b>\$ 92,413</b>	<b>\$ (501)</b>

## ISSUES

### Technical, Regulatory, External, and DOE Issues and DOE Requests

**Issue:** Nothing to report at this time.

**Impacts:** None.

**Corrective Action:** None at this time.

## BASELINE CHANGE REQUESTS CURRENTLY IN PROCESS

BCR No./Level 4 WBS	Date Originated	Description	Impact		Date Approved	Status
			Days	Dollars (\$000s)		
FH-2002-007/3.4.2.1	1/23/02	Transfer Facilities per RL Letter of Direction	0	0		In process (outyear cost impact - \$1.1M).
SS02-02-025/3.4.2.1	3/8/02	Operation and Maintenance Responsibility of Lift Station Number One	0	0		Project is updating life-cycle data per request of Pre-RMB.
SS02-2002-027/3.4.2.1	3/25/02	Transfer of Mobile Offices from PBS RS03, Spent Nuclear Fuels, to PBS SS02, Landlord & Site Services	0	0		Approved by Project Director 5/22/02. Forwarded to FH-CCB for dispositioning 6/6/02.
SS02-2002-030/3.4.2.1	3/28/02	Transfer of Mobile Offices from WM to Landlord & Site Services for Deactivation/Excessing	0	0		Approved by Project Director 5/22/02. Forwarded to FH-CCB for dispositioning 6/6/02.
SS02-02-020/3.4.2.2	2/5/02	RL Requested USQ Process Change Impacts on the 222-S Laboratory	0	5		In process.
SS02-02-029/3.4.2.3	4/4/02	Rebaseline Project L-347, VHF/UHF Narrowband Migration				In development.