



Department of Energy

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Richland Operations Office
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OCT - 2 1990

90-TPA-031

Mr. James A. Martin
Assistant Director
Financial, Personnel
& Support Services
State of Washington
Department of Ecology
Mail Stop PV-11
Olympia, WA 98504-8711



Dear Mr. Martin:

FY 1991 APPLICATIONS FOR FEDERAL ASSISTANCE - RCRA AND CERCLA OVERSIGHT

The Department of Energy has reviewed your two August 14, 1990, requests for federal assistance for oversight of past practices activities and environmental activities at the Hanford Site. We are well aware of the increasing involvement that has been required of the Washington Department of Ecology. However, the two requests total of \$6,414,379 is a drastic increase (245%) over the \$2,616,246 contained in the FY 1990 grant requests. The total is also significantly higher than the previous forecasts identified in your FY 1990 request or in the FY 1991 Department of Energy, Richland Operations (DOE-RL), Waste Operations and Environmental Restoration Five-Year Plan. The FY 1991 Bush budget was based on this plan and the funding level identified there for specific activities.

The DOE-RL budget forecast for FY 1991 indicates significant shortfalls may exist for environmental activities at Hanford. We have discussed these potential shortfalls with the Hanford Project Manager and with representatives from the Governor's office, and have described the prioritization process which we recommend if adequate funding is not provided by Congress. The state grant requests must be prioritized along with other needed environmental activities. We are, therefore, requesting that you reevaluate your submittals for federal assistance to identify areas where cost savings may be made. We also request that you provide more information regarding the funding needs in the following areas:

Personnel and contracts - The combined grant requests reflect a staffing need of 54.2 full-time equivalents in addition to \$2,430,000 of support from your contractors. Please correlate these staffing and contract needs to specific tasks to be performed under the Hanford Federal Facility Agreement and Consent Order (Tri-Party Agreement). At a minimum, this explanation should include the level of personnel responsible for the task and the individuals that will be assigned to perform the work (as listed in the FY 1991 Personnel Costs table in your submittals). Also indicate the type of task work that will require outside assistance from your contractors supported by quantitative values. This information is needed to enable us to better understand the growth in your needs and how that growth aligns with our fiscal projections.

Travel - Your grant requests include funding for 658 in-state and 45 out-of-state trips at a cost of \$263,000. We assume that the main reason for this cost is the split between Ecology staff located in Lacey versus the Kennewick office. It appears that the travel costs (this year and for future years) could be significantly reduced if a larger portion of your staff were permanently assigned to the Kennewick office.

The total Hanford costs (Ecology and Department of Energy) associated with in-state travel is somewhat understated in the grant request in that the costs shown in the requests do not consider the travel costs experienced directly by DOE-RL and its supporting contractors for travel to the Lacey office. Nor do the costs reflect the loss in productive work time which is experienced when employees are travelling. When consideration is also given to the productive work time which is lost during travel, the reassignment of personnel may also result in a reduction to the total number of personnel needed.

Those staff positions which require 25 or more in-state trips per year, as well as those positions which support Hanford activities 100 percent of the time, are prime candidates for reassignment to the Kennewick office. Please conduct an analysis of the most cost effective split of the assignment of personnel between the Lacey and Kennewick offices and add a plan that allows for a relocation of certain Ecology personnel from your Lacey office to your Kennewick office.

Computer equipment - The request for federal assistance includes funding to purchase 30 computers. While we generally support the goal of one computer per person, it is difficult to support in lean funding years. We, therefore, request that you reduce your purchasing rate and spread the costs over a longer period of time.

Laboratory costs - The RCRA laboratory costs of \$25,000 appear reasonable. More information is needed, however, to support the \$112,000 request for past practice activity laboratory costs.

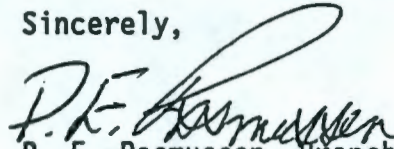
Yakima Indian Nation contract - We provide funding to the Yakima Indian Nation through a separate grant. Therefore, the inclusion in your grant request of \$100,000 for the Yakima Indian Nation is not appropriate.

Mr. James A. Martin

-3-

Please provide the requested supporting information/analyses by October 19, 1990, to enable our review and resolution of any issues before October 31, 1990. We are planning to continue your grant at the present rate of \$188,832 per month, consistent with your current spending rate, if we cannot reach agreement on the FY 1991 grant amounts before the end of October. Mr. James Rasmussen, Environmental Restoration Division, is available to answer any questions you may have regarding the additional information/analyses being requested. Mr. Rasmussen may be reached by telephone on (509) 376-2247.

Sincerely,



P. E. Rasmussen, Branch Chief
Contract Management Branch
Procurement Division

ERD:JER

cc:

P. T. Day, EPA

T. L. Nord, WDOE

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Subject FY 1991 Applications for Federal Assistance - RCRA and CERCLA Oversight

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