

## DEFENSE NUCLEAR FACILITIES SAFETY BOARD

March 4, 2005

**TO:** K. Fortenberry, Technical Director  
**FROM:** D. Grover and M. Sautman, Hanford Site Representatives  
**SUBJ:** Activity Report for the Week Ending March 4, 2005

Mr. Sautman was out of the office this week.

K Basin Closure Project (KBC): The field work and interview portions of the Fluor Hanford (FH) independent assessment of the KBC project management and broader scope issues effectiveness completed this week. The team will finalize their report and brief management on the findings next week.

KBC also conducted a value engineering session on the removal of debris and sludge from the K-East Basin. While the effort could not be formally completed in the scheduled time, actions to systematically determine efforts necessary for completion of sludge and debris removal were identified. This planning is scheduled to be complete by March 25, 2005, followed by senior management determination whether to implement the actions. This effort may improve the efficiency in removing sludge and resolve issues discussed with sludge retrieval in last week's activity report. However, the lack of an adequate systems engineering approach applied by the project to date has impacted the ability of the project to successfully complete the sludge removal on time.

The Department of Energy transmitted a letter to FH regarding a performance evaluation of the KBC. Two areas were identified to not meet minimum contractual performance requirements. These include the Failure to accurately characterize empty fuel canisters packaged for disposal at the site disposal facility and performance failures of the sludge water project representing a significant programmatic breakdown of work planning processes. This second area includes evaluation of grouting the discharge chute impacts on water clarity, engineering and testing of the sludge flocculation system, and corrective actions addressing underlying root causes for schedule delays.

The site rep. met with KBC project personnel to discuss concerns with the flowdown of requirements into the balance of sludge processing contract. The areas of concern include requirements involving nuclear safety, operations, deactivation, and Integrated Safety Management. While FH independent oversight has self identified the problems with nuclear safety the appropriate corrections still have not been made to the contract. Staff concerns with the other areas have not been resolved, however, budget shortfalls are requiring FH to restructure the contract. This may pull back some areas of concern into the scope of work performed by FH, making their inclusion in the contract unnecessary. The staff will continue to evaluate the changes in the contract to evaluate whether the appropriate requirements are imposed on the scope of work being performed.

Cc: Board Members