

A Partnership for Safe Chemical Weapons Destruction

Monthly Status Briefing

Blue Grass Chemical Agent-Destruction Pilot Plant



Project Background

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- The Blue Grass Chemical Agent-Destruction Pilot Plant (BGCAPP) will safely destroy 523 tons of chemical agent in rockets and artillery projectiles stored at the Blue Grass Army Depot in Richmond, Kentucky.
- The technology selected by the Department of Defense to destroy the Blue Grass chemical weapons stockpile is neutralization followed by Super Critical Water Oxidation (SCWO).
- The Program Manager, Assembled Chemical Weapons Alternatives (ACWA), headquartered at Aberdeen Proving Ground, Maryland is responsible for managing all aspects of the safe and environmentally sound destruction of the chemical weapons stockpiles in both Kentucky and Colorado.
- The Bechtel Parsons Blue Grass Team, a joint venture of Bechtel National, Inc. and Parsons Infrastructure and Technology Group, along with teaming partners Washington Demilitarization Company, Battelle Memorial Institute, General Atomics and General Physics, is the systems contractor selected to design, build, systemize, pilot test, operate and close the BGCAPP.



Current Project Staffing

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- As of 30 June 2007, Bechtel Parsons Blue Grass employees have worked more than 2 million job hours without a lost-time injury!!
- Bechtel Parsons Blue Grass currently employs 380 personnel located as follows:
 - Richmond, KY: 78 (15 local hires)
 - Pasadena, CA; Pasco, WA; Columbus,
 OH and San Diego, CA: 302
- Subcontractor construction workers on site: 18 - 22 each day







Acquisitions

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As of 30 June 2007:

	Construction		Project Total	
Total Awards	\$25,559,951		\$29,614,608	
Awards to Local Businesses	\$20,063,440	78%	\$20,454,203	69%
Kentucky Businesses Outside Local Area	\$761,356	3%	\$827,855	3%
Businesses Outside Kentucky	\$4,735,154	19%	\$8,332,549	28%
Total Awards to Kentucky Businesses	\$20,824,796	81%	\$21,282,058	72%



Acquisition Awards for Construction

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Awarded:

- Maintenance Building (Futron, Inc.)
- Personnel Support Building (WG&T Builders)
- Badging Facility (SRS, Inc.)
- Various Construction Support Services & Materials
 - Construction trailers
 - Bulk supply of pipe and pipe fittings
 - Construction industry supplies
 - Construction equipment rentals
 - Janitorial Services

*Contingent upon receipt of an authorizing Notice to Proceed from the Government to perform the work



Forecast Acquisitions for Construction

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Forecast Awards (near term)*

- 138kV Main Substation and Poles
- Access Control Building Inspection Canopy
- Various Construction Support Services & Materials
 - Bulk supply of electrical conduit and fittings
 - Construction industry supplies
 - Structural steel
 - Construction tools
 - Civil Testing Services

^{*}Contingent upon receipt of an authorizing Notice to Proceed from the Government to perform the work



Construction Update

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Awarded Subcontracts

Phase 1

- 1.8 mile Access Road (98% complete)
- Site preparation and rough grading (100% complete)

Phase 2A

- Roadway concrete/ACB potable water & sewer (100% complete)
- Perimeter fencing (100% complete)
- Electrical and Communications (44% complete)
- Access Control Building (62% complete)
- Active security vehicle barrier (63% complete)



Construction Update (continued)

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- Phase 2B Limited Notice to Proceed May 2007
 - Subcontracts
 - Badging Facility
 - Access Control Building Canopy
 - Personnel Support Building
 - Maintenance Building
 - Purchase Orders for Material with BGCAPP Direct Hire craft labor
 - Underground Utilities
 - Storm Drainage
 - Sanitary Sewer
 - Underground Electrical Duct banks/Lighting/Grounding
 - Underground Utilities FW/PW/NG
 - Field Support/Distribs



Construction Update (continued)

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- Phase 3 Target July 2007 *
 - 138 KVa Main Power Substation
 - MDB Horizontal Concrete Material (Rebar/Embeds/Formwork)
 - Long Lead Electrical Equipment
- Phase 4 Target February 2008 *
 - MDB/CSB Direct Hire Craft Labor
 - Permanent Plant Equipment
 - Additional Field Distribs

* Contingent upon receipt of an authorizing Notice to Proceed from the Government to perform the work



Aberdeen Property Transfer

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Significant Cost Savings

Transfer of Excess Government Property From Aberdeen to Blue Grass



Opportunity, Challenges and Benefits

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OPPORTUNITY

- Significant inventory available from the now-closed Aberdeen Chemical Agent Disposal Facility
- Potential savings of ~ \$450,000 for BGCAPP

CHALLENGES

- Working within accelerated Aberdeen closure schedule
- Evaluating condition, suitability, and potential use of equipment
- Dealing with large volume of property lists

BENEFITS

- Significant cost avoidance in procurement of new materials and equipment
- Transferred equipment will be used during construction, systemization and operations



List of materials transferred - BGCAPP

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DESCRIPTION		TOTAL TRANSFER COST	
ABERDEEN - LIGHT METER, 3631			
ABERDEEN - PRESSURE CALIBRATOR, 5674			
ABERDEEN - VIBRATION METER, 6277			
ABERDEEN - STICK THERMOMETER, TR-06 ABERDEEN - DIGITAL PRESSURE GAUGE, 6886 ABERDEEN - DIGITAL PRESSURE GAUGE, 6887 ABERDEEN - PRESSURE GAUGE, TC-06 ABERDEEN - PRESSURE GAUGE, TG-12 ABERDEEN - PRESSURE GAUGE, TG-19 ABERDEEN - PRESSURE GAUGE, TG-20 ABERDEEN - PRESSURE GAUGE, TG-21 ABERDEEN - PRESSURE GAUGE, TG-21 ABERDEEN - PRESSURE GAUGE, TG-22			
		\$6,707.85	
ABERDEEN - PRESSURE GAUGE,TG-26	1	1	
ABERDEEN - CALORIMETER	1	\$198,000.00	
ABERDEEN - SOUND SYSTEM			
ABERDEEN - CAMCORDER WITH TRIPOD ABERDEEN - PROJECTOR ABERDEEN - DIGITAL CAMERA			
		\$6,458.52	
ABERDEEN - DVD/VCR PLAYER	2		
ABERDEEN - MANIKIN, ADULT RESCUE, Russell	1	\$625.00	
ABERDEEN - WOOL BLANKETS	36	\$1,044.00	
ABERDEEN - TELEVISION		\$268.00	
ABERDEEN - PROJECTORS		\$300.00	
ABERDEEN - FILE CABINETS		\$1,800.00	
ABERDEEN - ADP EQUIPMENT		\$115,468.77	
ABERDEEN - ADP EQUIPMENT		\$6,984.41	
ABERDEEN - ADP EQUIPMENT		\$80,940.50	
ABERDEEN - TELEPHONES		\$12,503.00	
TOTAL		\$431,100.05	



Current Construction

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First Bechtel Parsons Blue Grass "direct-hire" construction workers clocking in on their first day on the job. From left, Larry Lewis, Beverly Hall, Josh Spencer and Bobby Tucker.



Current Construction

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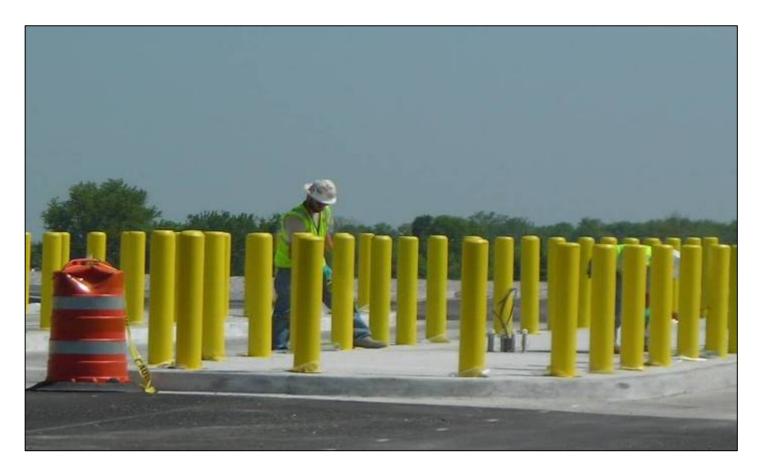


Laying final asphalt surface on the nearly-complete site access road.



Current Construction

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Painting vehicle-barrier "bollards" at the Access Control Point where all vehicles entering the project site must be inspected.



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