

Umetco Minerals Corporation



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July 18, 2011

Mr. Dominic Orlando, Project Manager
U.S. Nuclear Regulatory Commission
Fuel Cycle Facilities Branch
Division of Fuel Cycle Safety and Safeguards
Office of Nuclear Material Safety and Safeguards
Mail Stop T-8-A-33
Two White Flint North, 11545 Rockville Pike
Rockville, Maryland 20852-2738

Subject: **Above Grade Tailings Impoundment and R-9 Repository Erosion Protection Enhancement Design Report/License Amendment**

Reference: **License SUA-648. Docket No. 40-0299**

Dear Mr. Orlando:

By letter dated July 13, 2011, Umetco Minerals Corporation (Umetco) requested latitude in selection of methods proposed in the above referenced design report. Pursuant to our July 14, 2011 telephone conversation Umetco agreed to evaluate the estimated costs associated with the July 13, 2011 request.

The attached cost estimate (Bid Schedule Sheet for East Gas Hills, WY, Erosion Protection Enhancement Project, NRC Cost Estimate, May 9, 2011, Revised July 14, 2011) provides a revised cost estimate for this work which increases the estimated cost by \$266,146 to a total amount of \$3,768,458.

Also attached is the revised financial surety update for Umetco's Gas Hills site which was submitted by Umetco letter dated June 13, 2011 reflecting the updated costs for the proposed work.

If you have any questions or require additional information, please contact me at 970-256-8889 or by e-mail at gieckte@dow.com.

Regards,

Thomas E. Gieck
Remediation Leader

Attachments: As Stated

FSME21

Bid Schedule Sheet
for
East Gas Hills, WY, Erosion Protection Enhancement Project
NRC Cost Estimate, May 9, 2011, Revised July 14, 2011

Item	Reclamation Construction Task	Quantity	Unit	Third Party Unit Price Bid	Construction Oversight (12%)	Unit Cost w/Oversight	Amount in U. S. dollars
1	Mobilization / Demobilization	1	Lump Sum	\$151,032.22	\$18,123.87	\$169,156.09	\$169,156.09
2	Construction Water System and Dust Control During Construction	1	Lump Sum	\$102,261.88	\$12,271.43	\$114,533.31	\$114,533.31
3	Establish Access and Haul Routes	1	Lump Sum	\$216,460.79	\$25,975.29	\$242,436.08	\$242,436.08
4	Radon Barrier Test Trenches	425	Cubic Yards	\$61.88	\$7.43	\$69.31	\$29,454.88
5	Erosion Protection Enhancement						
5.1	Process 30/70 Blended Bedding Material	18,800	Cubic Yards	\$25.39	\$3.05	\$28.44	\$534,611.84
5.2	Transportation and Placement of 30/70 Blended Bedding Material on the AGTI and A-9 Repository	17,875	Cubic Yards	\$11.35	\$1.36	\$12.71	\$227,227.00
5.3	Transportation and Placement of Type A Bedding Material on the AGTI and A-9 Repository	15,100	Cubic Yards	\$10.56	\$1.27	\$11.83	\$178,590.72
5.4	Remove and Replace Existing Type C Erosion Protection Riprap on the AGTI and A-9 Repository	130,450	Cubic Yards	\$2.89	\$0.35	\$3.24	\$422,240.56
5.5	Transportation and Placement of 30/70 Blended Bedding Material in the Launch Rock Filter	910	Cubic Yards	\$11.81	\$1.42	\$13.23	\$12,036.75
5.6	Transportation and Placement of Type A Bedding Material in the Launch Rock Filter	2,010	Cubic Yards	\$10.85	\$1.30	\$12.15	\$24,425.52
5.7	Transportation and Placement of Type C Erosion Protection Riprap in the Launch Rock Filter	1,700	Cubic Yards	\$12.18	\$1.46	\$13.64	\$23,190.72
5.8	Transportation and Placement of Type A Bedding Material on the Apron Channel	800	Cubic Yards	\$11.73	\$1.41	\$13.14	\$10,510.08

Item	Reclamation Construction Task	Quantity	Unit	Third Party Unit Price Bid	Construction Oversight (12%)	Unit Cost w/Oversight	Amount in U. S. dollars
5.9	Transportation and Placement of Type C Erosion Protection Riprap on the Apron Channel	2,150	Cubic Yards	\$9.95	\$1.19	\$11.14	\$23,959.60
5.10	Transportation and Placement of Type C Erosion Protection Riprap to Stabilize Off-Site Erosion Features	500	Cubic Yards	\$23.63	\$2.84	\$26.47	\$13,232.80
6	Launch Rock Filter Trench Excavation	3,700	Cubic Yards	\$13.10	\$1.57	\$14.67	\$54,286.40
7	Apron Channel Construction	300	Linear Feet	\$58.10	\$6.97	\$65.07	\$19,521.60
8	Stabilization of Off-Site Erosion Features	1	Lump Sum	\$30,363.25	\$3,643.59	\$34,006.84	\$34,006.84
9	Well Abandonment						
9.1	Ground Water Well Abandonment	986	Linear Feet	\$29.98	\$3.60	\$33.58	\$33,107.51
9.2	Line Marker Well Abandonment	2	Each	\$1,187.14	\$142.46	\$1,329.60	\$2,659.19
10	Fencing	3,500	Linear Feet	\$8.89	\$1.07	\$9.96	\$34,848.80
11	Site Reclamation	10.5	Acres	\$11,635.71	\$1,396.29	\$13,032.00	\$136,835.95
12	New Quarry Operations						
12.1	Process and Stockpile Type A Bedding Material	17,910	Cubic Yards	\$20.88	\$2.51	\$23.39	\$418,836.10
12.2	Process and Stockpile Type B Bedding Material	17,875	Cubic Yards	\$21.43	\$2.57	\$24.00	\$429,028.60
12.3	Process and Stockpile Type C Rock Material	4,350	Cubic Yards	\$18.10	\$2.17	\$20.27	\$88,183.20
Sub-Total							\$3,276,920.14
15% Contingency							\$491,538.02
Total:							\$3,768,458.16

- A. **QUANTITIES:** It is to be understood that the estimated quantities (where applicable) of each item set forth on this Bid Sheet are approximate only and are subject to revision based on actual measured quantities.
- B. **BIDDER'S SOLE RESPONSIBILITY:** The undersigned has checked the foregoing figures inserted by him and understands that they are the Bidder's sole responsibility and that URS will not be responsible for any errors or omissions on the part of undersigned in preparing this Bid.
- C. **T&M RATE SCHEDULE:** The Bidder shall provide a standard time and materials rate schedule as an attachment to this Bid Sheet that includes labor and equipment rates for use if additional work is requested. The rate schedule shall include fully burdened labor rates, equipment rates (fully fueled and maintained, not including operator), standby equipment rates, and markup for materials.
- D. **COMPENSATION:** In every case the Unit Price/Unit Cost shall be applied to the applicable Unit cited in the Bid Schedule and all costs and reimbursements are understood to be made in U. S. dollars.

Cost Summary - Revised 7/18/2011

	Original Estimate		CPI then	CPI 04/11	Current \$'s
	<u>Cost</u>	<u>Date</u>			
Groundwater Monitoring ¹⁾	37,746	09/04	189.900	224.906	44,704
Radiation Safety Officer (20% of full time) ¹⁾	34,180	09/04	189.900	224.906	40,481
Site Property Taxes ¹⁾	3,450	09/04	189.900	224.906	4,086
Legal Expenses - Land transfer ¹⁾	69,000	09/04	189.900	224.906	81,719
Long-term Surveillance Fee	250,000	12/78	67.700	224.906	830,524
Erosion Protection Enhancement Project ²⁾					3,768,458
Final Completion ¹⁾	100,000	04/07	206.686	224.906	108,815
Total NRC Surety Required					<u>4,878,787</u>

1) Costs shown above are inclusive of contractor's overhead (10%) and profit (10%) applied to unit costs for the work. A 15% contingency has also been added.
Dollars are from 9/29/04 submittal

2) Costs shown are from the June 8, 2011 submittal of the Above Grade Tailings Impoundment and A-9 Repository Erosion Protection Enhancement Design Report (11-025.docx)