Kansas City Plant
National Security Asset

FY2013-2037 Twenty-Five Year Site Plan

The Kansas City Plant is operated and managed by Honeywell Federal Manufacturing & Technologies, LLC, for the NNSA.

National Nuclear Security Administration

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FY 2013 – FY 2037
Kansas City Plant
Twenty Five Year Site Plan

Prepared by
Honeywell Federal Manufacturing & Technologies

July, 2012

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Points of Contact

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Preface

This Twenty Five Year Site Plan (TYSP) for the Kansas City Plant (KCP) has been prepared in accordance with the Twenty Five Year Site Plan (TYSP) Narrative Guidance , issued May 10, 2012. It contains the sections in the order specified in the guidance in which the requirements have been fully addressed in accordance with the guidance document.

This TYSP contains the plans and strategies in place to manage the facilities and infrastructure with available funds to support all assigned missions now and throughout the next twenty five years. Questions about the contents of this TYSP should be directed to the Points of Contact listed on page 7 of this document.

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List of Abbreviations

ADAPT – Advanced Design and Production Technologies
AF&F – Arming, Fusing, and Firing
ATECC – Alternate Transportation Emergency Control Center
ATTC – Albuquerque Transportation & Technology Center
BFC – Bannister Federal Complex
BMP – best management practices
BTA – Building Technology Associates, Inc.
BTU – British Thermal Unit
CBDPP – Chronic Beryllium Disease Prevention Program
CD – Critical Decision
CME – Component and Material Evaluation
CMMS – Computerized Maintenance Management System
COTS – Commercial-Off-The-Shelf
CRADA – Cooperative Research and Development Agreement
CUP - Central Utility Plant
DDC – Direct Digital Controls
DM – Deferred Maintenance
DMSMS – Diminishing Manufacturing Sources & Material Shortages
DoD – Department of Defense
DSA – Detonator Sensing Assembly
DSW – Directed Stockpile Work
DTRA – Defense Threat Reduction Agency
EA – Environmental Assessment
EIS – Environmental Impact Statement
EMP – Energy Management Plan
ENS – Emergency Notification System
EPH – East Powerhouse
ES – Enhanced Surveillance
ESC – Enhanced Surveillance Campaigns
ESN – Enterprise Secure Network
FBI – Federal Bureau of Investigation
FEMP – Federal Energy Management Program
FIMS – Facilities Information Management System
FIRP – Facilities Infrastructure Recapitalization Program
FM&T – Federal Manufacturing & Technologies
FONSI – Finding Of No Significant Impact
FPU – First Production Unit
FYNSP – Future Years Nuclear Security Program
GPP – General Plant Projects
GSA – General Services Administration
GTS – Gas Transfer Systems
GWOT – Global War on Terror

List of Abbreviations (Cont.)

HS&E	-	Health, Safety & Environment
HVPS	–	high voltage power supplies
IPSS	–	Integrated Programmatic Scheduling System
ISS	–	Institutional Site Support
ISSM	-	Integrated Safeguards and Security Management
IT	–	Information Technology
ITT	–	Integrated Telemetry Transmitter
IWPF	–	Industrial Wastewater Pretreatment Facility
JSOC	–	Joint Special Operations Command
JTA	–	Joint Test Assembly
KAFB	–	Kirtland Air Force Base
KCP	–	Kansas City Plant
KCP&L	–	Kansas City Power and Light
KCRIMS	–	Kansas City Responsive Infrastructure Manufacturing & Sourcing
KO	–	Kirtland Operations
KV	–	kilovolt
LAC	–	Lightning Arrestor Connector
LANL	–	Los Alamos National Laboratory
LEED	–	Leadership in Energy and Environmental Design
LEP	–	Life Extension Program
LI	–	Line Item
LLNL	–	Lawrence Livermore National Laboratory
LTS	–	Long Term Stewardship (Environmental)
M&O	–	Management and Operating (contractors)
M&S	–	Maintenance & Surveillance
MDNR	–	Missouri Department of Natural Resources
MEL	–	master equipment list
MEMF	–	Mobile Electronic Maintenance Facility
MSAD	–	Mechanical Safing and Arming Device
MSOP	–	Missouri State Operating Permit
MTE	–	Major Technical Element
NEP	–	Nuclear Explosive Package
NEPA	–	National Environmental Policy Act
NNR	–	Non-nuclear Readiness
NNSA	–	National Nuclear Security Administration
NSE	-	Nuclear Security Enterprise
NSMC	–	National Secure Manufacturing Center
NSSE	–	Network of Senior Scientists and Engineers
NWSP	–	Nuclear Weapons Stockpile Plan
OCONUS	–	outside the continental United States
OMB	–	Office of Management and Budget
OPC	–	Other Project Costs
OST	–	Office of Secure Transportation
P&PD	–	Production and Planning Directive

List of Abbreviations (Cont.)

PCB	–	Polychlorinated Biphenyl
PdM	–	Predictive Maintenance
PDRD	–	Plant-Directed Research and Development
POR	–	program of requirements
RAMP	–	Roof Asset Management Program
RCRA	–	Resource Conservation and Recovery Act
RFIC	–	Radio Frequency Integrated Circuit Value
RPV	–	Replacement Plant Value
RSF	–	rentable square feet
RTBF	–	Readiness in Technical Base and Facilities
SCMC	–	Supply Chain Management Center
SGT	–	Safeguards Transporter
SNL	–	Sandia National Laboratory
SPEC	–	Scientific/Process Equipment and Capabilities
SPFPA	–	Security Police and Fire Protection Association (Union)
SPMD	–	semi-permeable membrane device
TD	–	Transformation Disposition
TECC	–	Transportation Emergency Control Center
TRALOC	–	Training Logistics Command
TSRD	–	Top Secret Restricted Data
TYSP	–	Twenty Five -Year Site Plan
UMP	–	Utilities Management Plan
VR	–	Virtual Reality
WFO	–	Work For Others
WPH	–	West Powerhouse
WR	–	War Reserve

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FY 2013

Kansas City Plant

Twenty Five Year Site Plan

1.0 Executive Summary

Honeywell Federal Manufacturing & Technologies (FM&T) is transforming the Kansas City Plant operations by significantly reducing annual operating costs and improving responsiveness to the National Nuclear Security Administration (NNSA) demand for non-nuclear components. The internal name for this project is "Kansas City Responsive Infrastructure Manufacturing and Sourcing" or KCRIMS. The initiative utilizes three interrelated thrust areas for change; strategic sourcing and sizing, business excellence facilitated by revised operating requirements, and a new modern facility sized for the future NNSA mission by the end of FY 2014.

This KCP Twenty Five Year Site Plan (TYSP) contains the status and planning of facilities, infrastructure, capital, construction, and capacity requirements for the KCP and Kirtland Operations (KO). The plans and cost projections in this TYSP reflect the activities necessary to achieve the goals set forth in the vision of the future Nuclear Security Enterprise to transform into a smaller, safer and less expensive enterprise that leverages the technical and manufacturing expertise of our workforce and meets the national security requirements.

The most visible component of KCRIMS is the acquisition of a new, modern, flexible manufacturing facility. While the current facility has served the mission well for the last six decades, the costs to maintain and reconfigure the facility in a responsive manner have become excessive relative to the costs of the primary production mission. The new facility will meet the future NNSA mission and will offer the advantages of flexibility and efficiency not currently available in the existing facility. Transition to KCRIMS is not without its share of challenges. The KCRIMS project has an active risk management program to plan, identify, grade and prioritize, handle and determine impact of project risks. High risks currently being handled include funding for the NSMC transition, technical problems affecting production build aheads, the potential impact of new NNSA beryllium rules, construction and occupancy delays, programmatic impact of funding availability and alignment and funding and support issues from design agencies for requalification efforts.

Facility Infrastructure Projects

The whole state of funding and project planning is now based on only sustaining the existing building infrastructure until KCP operations are relocated to the new facility. As a result of this posture, the KCP will be relying primarily on RTBF funding to sustain operations through the move to the KCRIMS facility located at 150 Hwy and Botts Road in Kansas City, MO.. This philosophy is reflected throughout this TYSP and is consistent with Defense Programs strategy of reduced investment in facilities planned for disposition. Through FY 2014, the current facility will continue to support the NNSA mission after which full production support transitions to the Botts Road facility. Upon completion of the relocation of NNSA operations to the new facility, the focus at the former site will shift to activities necessary to disposition the surplus real and

personal property at the Bannister Federal Complex. These activities will include actions to perform reuse screening and disposal of personal property, deactivate and stabilize utility systems no longer required for production operations, and decommission utility systems and facilities to prepare the property for transfer, sale, or safe long-term maintenance and surveillance of the property pending transfer. It is recognized that federal excess property regulations and processes must be followed during the disposition process and that environmental requirements for long term stewardship must continue to be satisfied.

Deferred Maintenance (DM)

The KCP facility is a roughly 60 year old asset and requires considerable maintenance to maintain plant operations. RTBF funding is targeted on sustaining plant operations and allowing Deferred Maintenance to grow. This approach of minimal investment is consistent with Defense Programs strategy to reduce investment in facilities planned for disposition. At the end of FY 2014, with the completion of relocation items previously considered deferred at the Bannister Facility will no longer be required.

Site Footprint Management

No new facilities for the support of any future mission assignments are being considered for the current facility. Planning will instead focus on the new facility. Projects will only be executed to ensure that the existing plant infrastructure is adequately maintained through FY 2014. KCP transformation is expected to reduce the KCP footprint from the existing 2,925,516 gross square feet floor space to 1,407,600 rentable square feet (including the National Secure Manufacturing Center (NSMC) building). The current footprint of the KCP is not expected to change prior to relocating to the new facility.

Future Space Needs

The KCRIMS planning has determined that a new facility of approximately 1.4 million rentable square feet is required to more efficiently support the KCP future mission. A new facility for the NSMC of approximately 300,000 rentable square feet will also be required to support other National Security missions and will be constructed on the same campus as the KCRIMS facility. Requirements for the new KCP building include approximately 704,000 square feet of manufacturing space and approximately 274,000 square feet of office, administration, multi-purpose and production support. An additional 207,000 square feet of common spaces that support the facility such as restrooms, mechanical and electrical rooms, corridors which are required for fire egress, lobbies and other similar needs. For KO future space needs, see the KO section in the Real Property Asset Management section.

Mission Transfers and Program Workload

Under Complex Transformation, there are no plans to transfer significant mission elements to or from the KCP requiring facility infrastructure modification. The timing of new assignments would need to be carefully analyzed to determine if it would be more economically feasible to establish the capability in the new facility, rather than having to relocate it at a later date. At this time, no new mission assignments have been identified. The infrastructure is currently in-place

and no new modifications are necessary to accommodate workload through FY 2014, when relocation to the new facility will be complete.

Capability and Capacity

The core mission of the KCP is to satisfy Directed Stockpile Work (DSW) requirements. Preparations and planning are underway to accommodate the transition from the current KCP facility to the new KCRIMS facility while satisfying DSW requirements. Because of the available capacity in the existing facilities the additional work required for build-ahead or requalification will not cause any major capacity issues.

Maintenance

Transition to a new facility requires an alternate strategy for maintaining the existing facility and equipment while maintaining the new facility during the transition years and beyond. The KCP plans to provide full maintenance support of Life Extension Program (LEP) production requirements and facility stewardship in the existing facility to meet safety and code compliance and central plant reliability throughout the transition to a new facility. Consistent with the Kansas City Responsive Infrastructure Model document, non-critical equipment and systems will be evaluated and support levels will be adjusted to enable equipment life through LEP production at the existing facility through FY 2014. After FY 2014, maintenance support will shift to a "cold shutdown" state in the existing facility.

Disposition of Equipment and Property

Planning for current facility disposition is in development. However, it is recognized that no decision will be made on a disposition alternative until an appropriate National Environmental Policy Act (NEPA) analysis has been completed. Manufacturing operations at the current location will cease in late FY 2014. Maintenance and surveillance activities necessary to maintain and prepare the vacated facilities for sale or transfer will continue through FY 2015, during which excess process equipment removal and facility preparations will be completed. To prepare the NNSA property for sale or transfer, it is envisioned that the DOE's process for transfer of property for the purposes of economic development will be pursued initially. If by the third quarter of FY 2013 there is no qualifying reuse proposal received, normal asset disposition processes and studies used by the General Services Administration (GSA) will be employed to transfer the property to a new federal or non-federal entity. Disposition of NNSA property on the NC-135 Site is currently in planning.

Long Term Stewardship (LTS)

Long term stewardship includes those activities necessary to protect public health and the environment from site hazards. Activities include monitoring, maintenance, institutional and engineering controls, information management (including records maintenance) and other activities to ensure that implemented clean-up remedies remain effective over time. Environmental clean-up activities at the existing site have, and continue to be, mandated by the Resource Conservation and Recovery Act (RCRA). The KCP has a RCRA Missouri Hazardous Waste Management Facility Part I Permit administered and overseen by the Missouri Department of Natural Resources. The permit mandates the components of the LTS program

described in this TYSP. NNSA currently forecasts $2 million average cost per year for LTS activities, such as groundwater monitoring and treatment, and is anticipated to be ongoing after the Bannister Road facility disposition.

Expected Future State

The KCRIMS program is a commitment to deliver a smaller, safer and less expensive enterprise that leverages the technical and manufacturing expertise of our workforce and meets the national security requirements. The new KCRIMS facility will offer more operational efficiency and also provide the flexibility necessary to quickly meet changing production requirements. It will support the design requirements of the LEPs and other future weapons programs without the burden of maintaining excess capacity and obsolete capabilities. Capabilities that are commercially available will be outsourced where possible and remaining in-house capabilities will be properly sized for the anticipated production rates of future weapon programs. The KCP Work for Others program will continue to be part of the overall KCP business model because of the critical need for secure engineering and manufacturing services that the KCP provides.

2.0 Site Overview and Snapshot

Location: Kansas City, Missouri
Contract Operator: Honeywell FM&T
Type: Multi-Program Site
Responsible Field Office: Kansas City Site Office
Web site: www.kcp.com
Site Manager: Mark L. Holecek

Site Overview:

For more than 60 years, the National Nuclear Security Administration's Kansas City Plant has served as one of our nation's foremost national security assets. Managed and operated by Honeywell Federal Manufacturing & Technologies LLC, the Kansas City Plant manufactures a wide array of sophisticated, nonnuclear mechanical, electronic and engineered material components to ensure the safety and security of our national defense systems.

The primary core capabilities the KCP contributes to the Nuclear Security Enterprise (NSE) are Non-Nuclear component production and testing and facilities infrastructure support.

The Kansas City Plant resides on 122 NNSA-owned acres on a 136 acre site in Kansas City, Missouri. The 3 million sq. ft. facility, along with operations in New Mexico and Arkansas, serves the NNSA, DOE, National Laboratories, DoD, other government agencies, United Kingdom and industry partners. The Kansas City Plant is recognized for its innovation, quality and safety performance. We support 40 technically demanding product families, including arming devices, microcircuits, polymers, plastics, and radars. We engage 90 advanced technologies, including forgings, concurrent engineering environments, laminates and optics.

Our unique expertise extends beyond the nuclear security enterprise to benefit national security, enhance the global competitiveness of U.S. businesses, and promote nonproliferation. Our Work for Others program helps others develop new processes and products, while defraying NNSA costs.

Kirtland Operations (KO)

KO is located on 16.2 acres of KAFB permitted property (NC-135 Site), and on leased properties (Air Park and Craddock) in Albuquerque, New Mexico. KO operations support OST secured transportation mission, NA-40 emergency response activities and various work for other activity. There are additional locations where KO provides programmatic support but whose facilities are not managed by KO. The NC-135 Site must close by the end of FY 2015 and $4.0 million has been estimated for disposition in FY 2014 and FY 2015. With NNSA approvals, KO has acquired 29,560 gross square feet of leased space at Craddock to satisfy the pressing SGT refurbishment production schedule and to help position KO operations to move off KAFB. Additional leased space is planned to be acquired for the KO activities at the NC-135 Site between FY 2012 and the end of FY 2014. The NC-135 permit was modified to remove approximately 2-acres for use by NA-40 and a separate permit for NA-40 with KAFB was obtained. The disposition of the NC-135 Site will occur in FY 2015 with site closure and return to KAFB completed by end of FY 2015.

Real Property:

- 136.1 Acres (Leased / Owned)
- 38 Buildings
  - 2,925,366 gsf Active & Operational
  - 150 gsf Non-Operational
  - 231,419 gsf Leased
- Replacement Plant Value: $1,362,766,442
- Deferred maintenance: $179,974,710
- Facility Condition Index
  - Mission Critical: 12.35%
  - Mission Dependent: 30.49%
- Asset Utilization Index (Overall): 58.24%

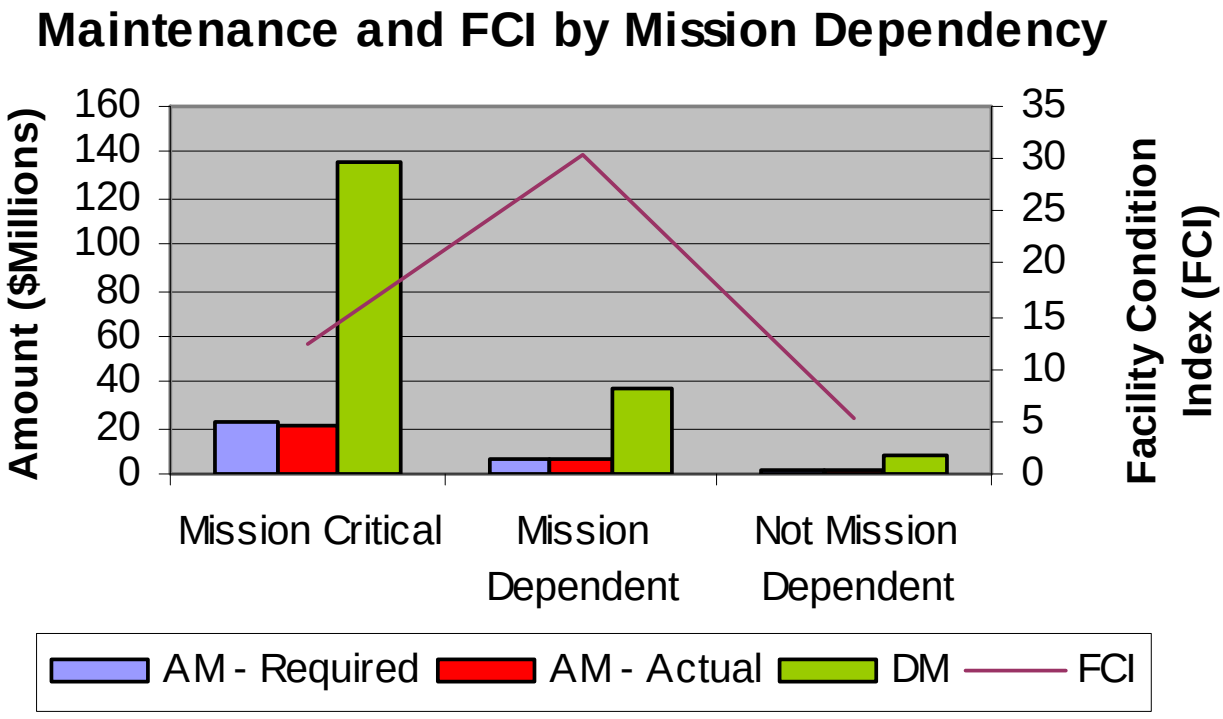

Figure 1- Kansas City Plant Site Overview

FY 2012 Funding By Source

- FY 2012 Total Site Operating Cost: $713M
- FY 2012 Total NNSA Funding: $548M
- FY 2012 Total DOE (Non-NNSA) Funding: $0
- FY 2012 Total Other Funding: $166M

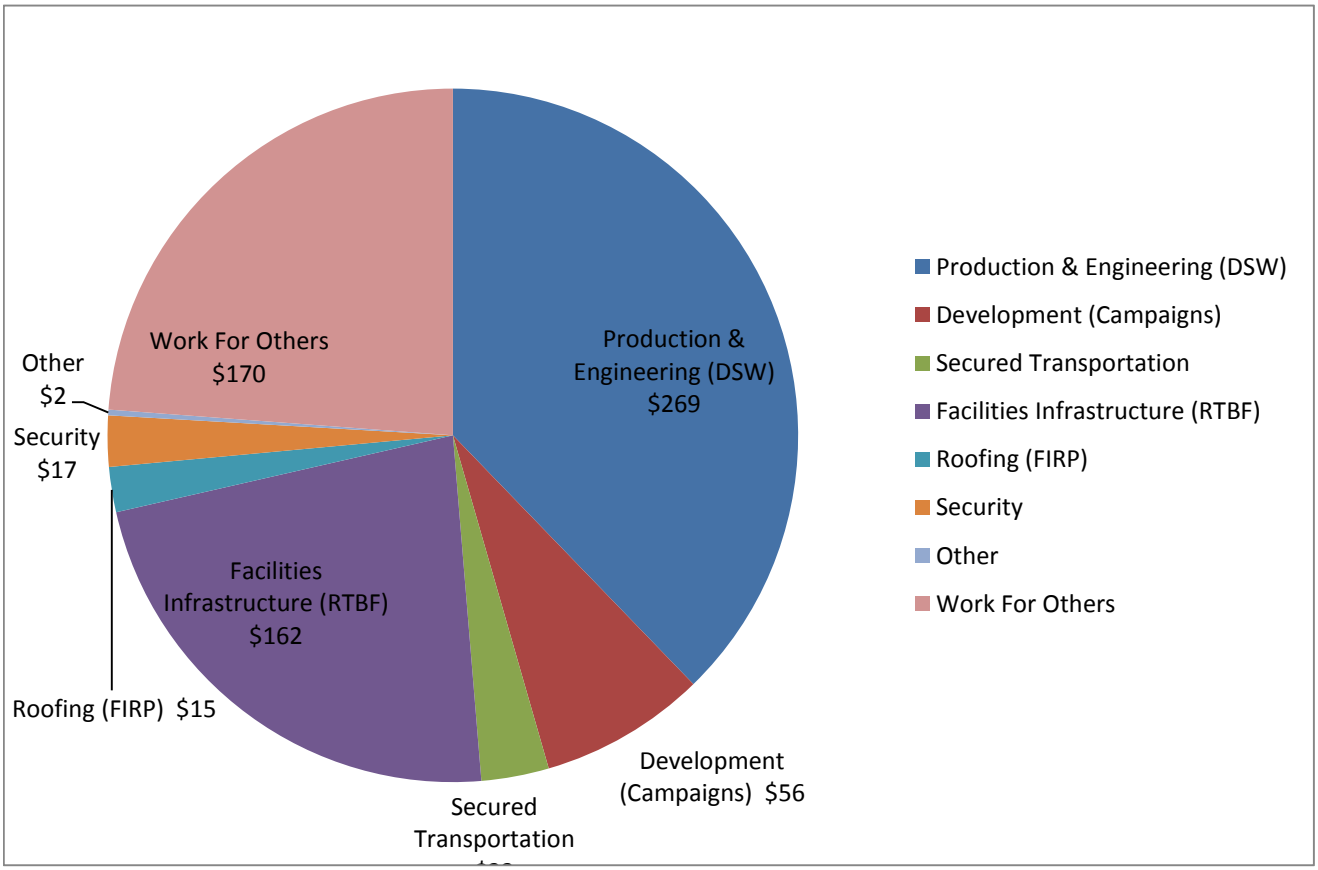

Figure 2- Kansas City Plant Site Overview (cont'd)

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3.0 Assumptions

The plans and data provided in this TYSP are consistent with the references identified in the FY 2013 TYSP Guidance provided by the NNSA in May 2012. Any deviations from these references are cited in the text.

- Site Boundaries: Boundaries of NNSA controlled property in the Bannister Federal Complex (BFC) will change upon completion of KCP relocation to the new KCRIMS facility in late FY 2014 when 231,233 gross square feet of GSA assigned leased floor space will be returned to the GSA. NNSA owned property at the BFC (2,925,516 gross square feet floor space on 136.1 acres) will be commercially sold or transferred under the NNSA's real property disposal authorities of through GSA's federal real-property management process. In either case the transfer of the surplus NNSA property is currently anticipated for late FY 2015.

- Replacement Plant Value: RPV for NNSA owned property at the BFC will be maintained as currently specified in FIMS until disposition is complete. RPV for NNSA owned property at the NC-135 Site will be maintained as currently specified in FIMS until disposition is complete.

- Deferred Maintenance: KCP recapitalization projects have been deferred indefinitely due to the planned KCRIMS project. DM for NNSA owned property at the BFC will continue to increase until KCP relocation to the new KCRIMS facility is complete in late FY 2014.

- Facility Funding: The current RTBF funding in the Future Years Nuclear Security Program (FYNSP) for the KCP based on the 2013 Presidential Budget is adequate to meet the immediate operational needs of the KCP through FY 2018. Assuming the budget profile is unchanged; the KCP can maintain operations and the KCRIMS Building Acquisition and Relocation Project. This includes the additional operational costs of two facilities during the planed transition to the Botts Road Facility. The KCRIMS project transitions the plant to a new, modern, energy-efficient factory and allows the KCP to shed the high operating costs and deferred maintenance tied to the WWII era Bannister Facility. Not funded in the plan is the project to dispose of the current Bannister Federal Complex site. This project, estimated at $85M, includes the activities to dispose of the equipment and mitigate environmental hazards necessary to dispose of the site.

  Funding in support of the relocation of the Kirtland Facilities has not been identified in the FYNSP. Funding for this project is currently being worked as part of the KO indirect rate structure for FY 2013/FY 2014.

- NA-40 currently occupies 5 buildings on Kirtland AFB. Although the buildings are identified in the KO FIMS database, KCP provides no funding for maintenance of these structures.

- Budget Constraints: The NNSA Facilities and Infrastructure Cost Projections adhere to the budget targets established in the FYNSP with exceptions noted.

- Transformation Planning: Current project plans continue to show the new facility completion in August 2012. The infrastructure and operations in the existing facility will only be sustained for production until 2014. The existing facility will be maintained in a capable state through 2015, after which the property will be excess to NNSA.

- Disposition Planning: Manufacturing operations at the BFC location will cease in late FY 2014. If the DOE's economic development process does not result in transferring the property, it is envisioned that normal asset disposition processes and studies used by the General Services Administration (GSA) and NNSA will be employed.

- Security: Remaining at a Security Protection Level 4 designation, the KCP security program is tailored like an industrial security program based upon the KCP Site Security Standard.

- Directed Stockpile Work:
  - Support increasing surveillance requirements
  - Construction complete in late2012 and occupancy by August 2014 for Botts Road facility
  - National Laboratories will be sufficiently funded to support requalification needs at Botts Road facility
  - Support emerging needs (B61 LEP, B83 GTS, W88 ALT, W87 AFA, W78 LEP, Long Range Stand Off)

- Environmental Long Term Stewardship (LTS): The Environmental LTS program is the responsibility of NNSA's Office of Environmental Operations, NA-173. The full target funding in the amount of $1.87 million for FY 2013 has been received as requested in the approved Site Execution Plan.

4.0 Changes from Prior Year TYSP

With the planned KCRIMS project relocation, all facilities and infrastructure related Line Item and General Plant Projects have been deferred or postponed indefinitely. No new FIRP projects will be started and FIRP funding has been reprogrammed to other sites. Now that GSA has signed a lease for the new KCRIMS facility, Facilities and Infrastructure projects have been canceled and FIRP projects in process have completed. As a result of this posture, the KCP will be relying primarily on RTBF funding to sustain operations; as no projects requiring Line Item, GPP or FIRP funding are planned.

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5.0 Future Vision and Core Capabilities

Acquisition of a new, modern, flexible manufacturing facility is the visible cornerstone of the KCRIMS transformation program. While the current facility has served the mission well for the last six decades, the costs to maintain and reconfigure this facility in a responsive manner have become excessive relative to the costs of the primary production mission.

The move to a new, smaller leased facility is expected to result in significant savings in maintenance and security as well as other support areas.

The new KCRIMS facility will be located at MO-150 and Botts Road on a 183 acre green field site, which is approximately 8 miles south of the existing Kansas City Plant as shown in Figure 2. The new site will consist of a 5 building campus also shown in Figure 3 below. Building 1 represents the main office building. Building 2 represents the main manufacturing building. Building 3 houses the polymer production facility and the high energy test facilities. Building 4 is the National Secure Manufacturing Center (NSMC). Building 5 is the central utilities plant.

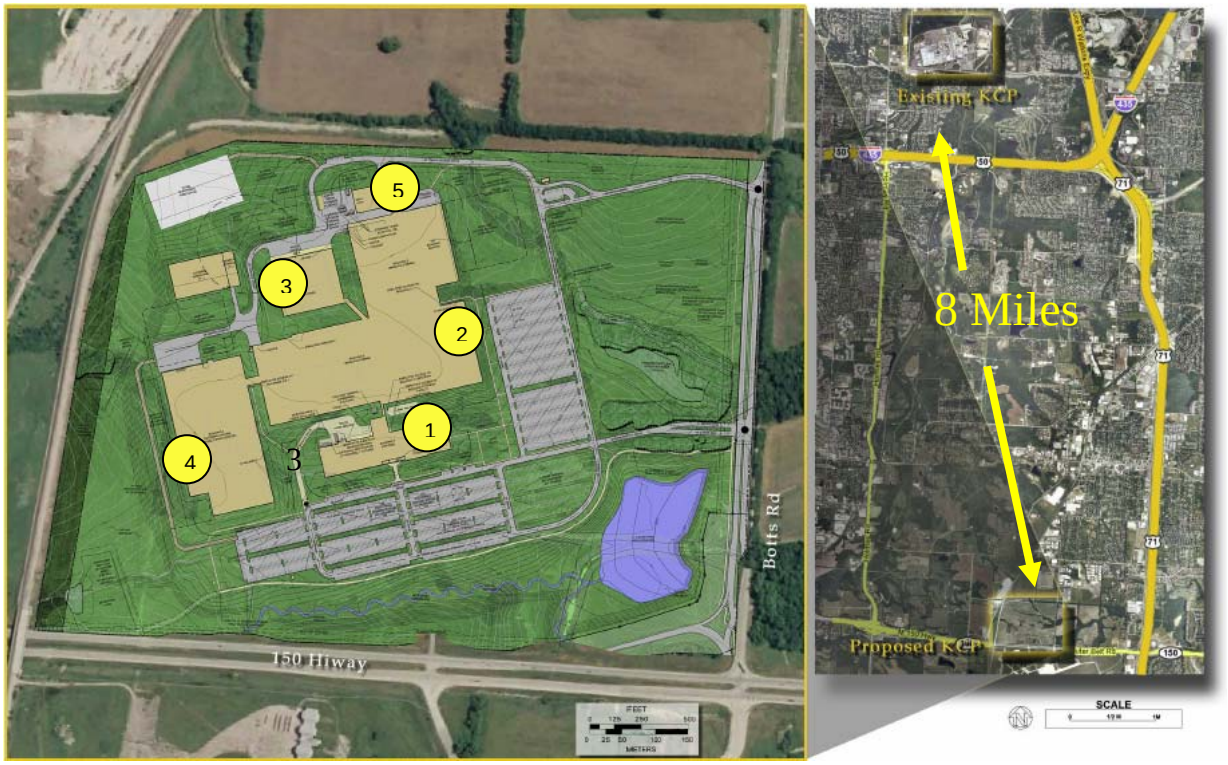


Figure 3: Location and Layout of the New KCP Site

Facility sizing has been determined based upon the identification of critical spaces and associated square footages for each.

Critical functional spaces include the following areas:

- Administration and Support – includes offices, conference rooms, restrooms, fitness center, data center, patrol headquarters/command center, cafeteria and vending, break rooms, waste management, industrial waste pretreatment facility, reverse osmosis facility, medical and printer/file/storage rooms.
- Assembly & Electrical Fabrication – includes electronic manufacturing and assembly areas along with inspection and testing of small and medium sized electrical components. Class 100, Class 10,000 and Class 100,000 Clean Rooms are also included in the area.
- Excess & Reclamation – contains shredding, grinding, milling machines and furnaces to process materials for reclamation and excess.
- Labs & Engineering Labs – Includes lab furniture, fume hoods, ovens, and testing equipment for chemical, mechanical, vibration and shock testing.
- Machining and Gas Transfer Services – includes heavy machining, welding and other material production operations. Temperature and humidity controlled modular rooms are required for inspection areas.
- Maintenance – supports operations for the entire complex, maintaining equipment in support of the mission. Area includes mechanical & electrical maintenance supplies, janitorial closets, and maintenance shops.
- Packaging and Shipping – manufactures cardboard boxes and purchases wooden crates to package and ship large and small parts.
- Paint and Heat Treat – Paint and Heat Treat involves the preparation of parts for powder coating. Powder coating requires special temperature and humidity requirements as well as powder coat application stations. Heat Treat requires media blast booths with dust collectors, heat treat and quenching operations.
- Purchase and Other Inspection – accepts incoming and in-process production material, parts and equipment. The area requires modular rooms with special temperature and humidity requirements, a leak test and x-ray area.
- Refurbishment and Dismantlement – includes bench top disassembly areas along with inspection and testing of small and medium sized electrical components.
- Rubber & Plastics – includes injection molding, presses, ovens and autoclaves to produce parts.
- Special Materials Production – includes chemical labs, material processing areas, oven rooms, foam processing, and raw and finished material storage areas. Some areas will have a high hazard classification that will also require a deluge system for fire protection and spill containment within the area.

- Stores – includes the inventory and storage management including pallet racking and automated storage retrieval system. Stores will also manage an ancillary outdoor covered storage facility used to contain large materials stored on site.
- Test Equipment, Gage, and Metrology – includes test equipment prove-in, maintenance and equipment Calibration. Rooms are required for prototyping, encapsulation, engraving, coordinate measuring machine labs, main gage lab, dimensional lab, laser and optics, and shaker areas.
- White Space (Office) – this space is available for expansion of the office and support areas.
- White Space (Manufacturing) – this space is available for expansion of the manufacturing departments or for new operations.

The design of the central utility plant (CUP) is the responsibility of the developer. The Central Utilities Plant will be operated and maintained by the developer.

Construction of the New Kansas City Plant (KCP) at the Botts Road site began in June, 2010, and is expected to be complete by November 15, 2012. The ceremonial groundbreaking was held on September 8, 2010. Figure 4 shows the current construction progress at the site as of June 05, 2012.

Figure 4: Botts Road Site Construction Progress as of June 05, 2012

The Gantt chart in Figure 5 represents the high level schedule for the KCRIMS transformation project. Design and construction activities continue on pace for on time construction completion.

The second major component of the KCRIMS transition initiative is the relocation of operations to the new facility. Relocation of manpower and equipment from the current site is expected to take a little over eighteen months and begin in January, 2013. This relocation activity is being managed to ensure no interruption to KCP weapons delivery schedules. Build-ahead requirements have been identified and have been incorporated into current production schedules. Over 2000 pieces of large equipment and 35,000-40,000 crates comprising over 3,000 truckloads of material will be moved during this eighteen month period.

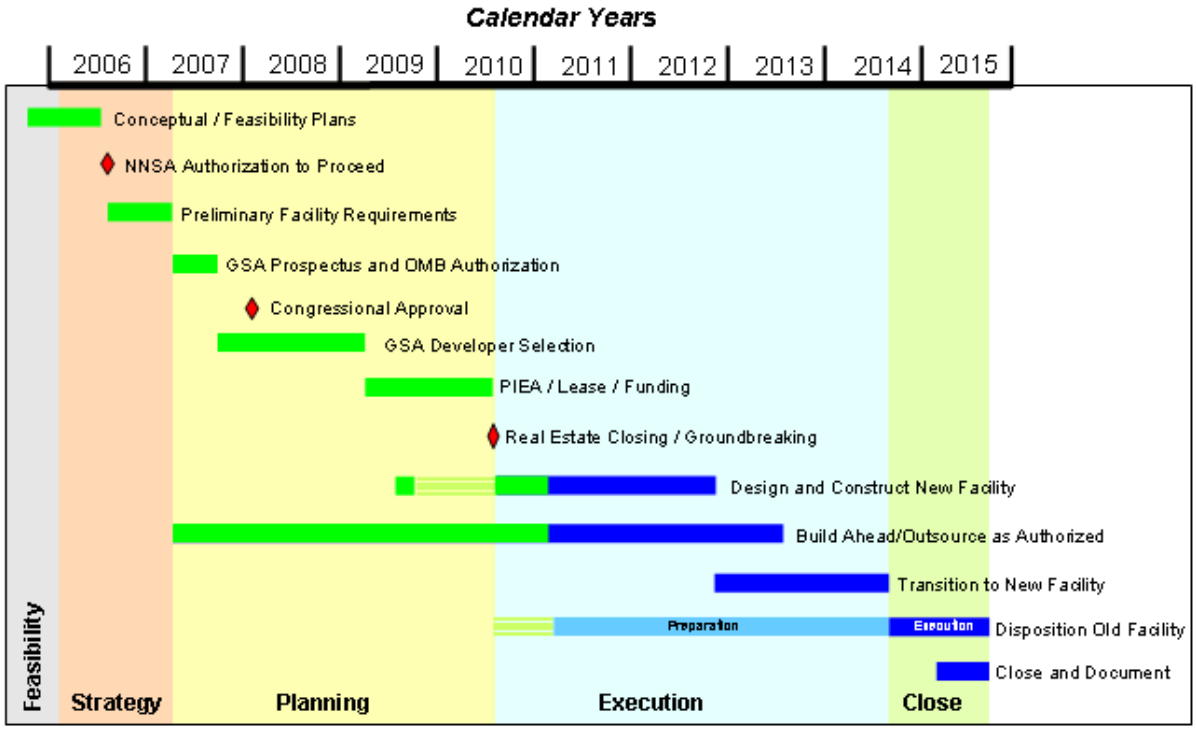


Figure 5: KCRIMS Schedule

Kirtland Operations (KO)

KO is located on 16.2 acres of KAFB permitted property (NC-135 Site), and on leased properties (Air Park and Craddock) in Albuquerque, New Mexico. KO supports OST secured transportation mission, NA-40 emergency response activities and various work for other activity. There are additional locations where KO provides programmatic support but whose facilities are not managed by KO.

The NC-135 Site must close by the end of FY 2015. SGT refurbishment was transferred to KO in FY 2011. To accommodate these changes, KO will retain and manage 48,622 gross square feet of leased space (Craddock and Air Park) and 60,008 gross square feet of NNSA-owned floor space at the 16.2-acre NC-135 Site permitted to NNSA by KAFB. With NNSA approvals, KO acquired 29,560 gross square feet of leased space in FY 2011 to satisfy the pressing SGT refurbishment production schedule. Additional leased space is planned to be acquired for the remainder of KO activities at the NC-135 Site between FY 2012 and the end of FY 2014. The NC-135 permit was modified to remove approximately 2-acres for NA-40 dedicated use. A separate permit with KAFB was prepared for the 2-acre area. This area includes 5 buildings totaling 10,468 gross square feet allocated for NA-40, and forms the NA-40 campus for its deployment activities. The NC-135 Site currently contains 60,008 gross square feet consisting of NNSA-owned and managed floor space (49,540 gross square feet used by Honeywell and 10,468 gross square feet allocated to NA-40). The disposition of the NC-135 Site will occur in FY 2015. Site closure and return to KAFB must be completed by end of FY 2015.

Mission and Program Requirements

The Kansas City Plant (KCP) is the main NNSA production site for non-nuclear weapon products. The KCP provides a broad array of products and services which are closely aligned with current and future efforts of the NNSA to ensure the safety and reliability of the nuclear stockpile. KCP manufactures and procures many of the NNSA's most intricate and technically demanding products including radars, mechanisms, programmers, reservoirs, joint test assemblies, engineered materials and mechanical cases. These products comprise approximately 85% of the components that constitute a nuclear weapon. Current issues of the Production Control Documents for each weapon system are included in the Integrated Programmatic Scheduling System (IPSS) in accordance with the Nuclear Weapons Production and Planning Directive (P&PD). They establish the basis for workload assumptions.

The core mission of the KCP is to satisfy Directed Stockpile Work (DSW) requirements, which include non-nuclear products and services to support stockpile maintenance, refurbishment, stockpile evaluation, maintenance and logistics, and dismantlement. DSW ship performance in FY 2011 was 99.97% for 121,654 pieces.

The currently approved mission and programs continue reliance on maintaining the stockpile through planned refurbishment programs and Life Extension Programs (LEPs). Stockpile maintenance and evaluation are key supporting elements, but are underfunded in the current Future Years Nuclear Security Program (FYNSP) period. Production for the W76 Mod 1 LEP is a significant portion of the KCP's future workload through 2018 based on current direction. Development activities for the B61 LEP in addition to the W88 ALT will increase work on the production floor as the W76-1 work tapers off. KCP anticipates funding below requirements in FY13 & FY14 to support preproduction activities on the W88 ALT 370. W88 ALT funding in FY15 and beyond is expected to fully support requirements. Funding shortfalls in the early years of the program will limit KCP engagement and early process development; increasing cost & schedule risks. KCP is engaging with SNL on future AF ICBM fuzes. We expect that AF fuze work (not currently assigned to NNSA) will become a significant portion of KCPs workload in beyond the FYNSP. The B61 Refurbishment Phase 6.2/2A Study is almost complete, and Phase 6.3 has been authorized, but underfunded for FY12 pending completion.

KCP appears to be fully funded through the FYNSP for the B61 LEP Option 3B (B61-12), with the exception of risk contingency funding availability, for an FPU in FY19. However, related leveraged funding (OPM - Other People's Money) from MTP, Production Support, RTBF, and technology maturation (NNR) funding is underfunded and/or uncertain and is at risk of not supporting current project scope for the planned B61 LEP FPU in FY 2019. Additionally, the B61-12 has a dependency on the W88 Alt to share development costs for several key components. If the W88 Alt is not fully funded or the schedule changes, the B61-12 will incur additional costs.

The KCP leads the Supply Chain Management Center (SCMC) that has provided significant savings by leading strategic sourcing and e-procurement methods across the nuclear security enterprise to leverage procurement spending for the participating sites. Initial efforts focused primarily on system integration and on acquisition efficiency for non-weapon cost elements of NNSA such as staffing, plant operational costs, equipment, and services. Future efforts will be increasingly focused on also driving down production material spending where appropriate.

There are no direct infrastructure requirements driven by planned and potential program workload for the current facility. In light of the KCRIMS initiative, the primary objective is to maintain the current infrastructure in support of production scheduled that is planned to be complete to accommodate workload scheduled through FY 2014, when relocation to the new facility is complete. That infrastructure is currently in-place and no new modifications are necessary to accommodate workload through FY 2014, when relocation to the new facility is planned for completion. Workload for build-ahead and requalification quantities required for relocation to the new facility are scheduled and included in KCRIMS budget forecasts.

Overall, the buildings, structures, and systems at the KCP are performing as intended and sufficient to meet current mission capacity needs. KCRIMS will alleviate $240 million of Deferred Maintenance (DM) from the old facility in 2014.

The Campaigns Program funds four major technology activities that are critical to DSW support: Advanced Design and Production Technologies (ADAPT), Non-nuclear Readiness (NNR), Pit Manufacturing, and Enhanced Surveillance (ES). ADAPT and Pit Manufacturing are unfunded, and NNR has been carrying all the technology maturation requirements for the near term LEPs and Alts. KCP appears to be fully funded in FY13 and FY14, but underfunded through the remainder of the FYNSP. Both the B61 LEP and W88 Alt are relying on NNR to complete the technology maturation for a successful FPU of both programs. Plant-Directed Research and Development (PDRD) is managed under the campaign program and is essential to supporting future DSW applications by researching and developing higher risk manufacturing processes.

The Readiness Campaign assures that materials are available, processes are designed and established and manufacturing capabilities are available to meet nuclear weapon alteration, refurbishment, and other stockpile stewardship activities. Through ADAPT and NNR (two subprograms of the Readiness Campaign), technologies are developed, matured, and demonstrated to provide turn-key insertion into DSW requirements. ADAPT projects bring lesser mature technologies to War Reserve (WR) -capable demonstration and NNR further matures the technologies to provide robust, right-scaled capabilities.

The NNSA's pit manufacturing capability is at LANL, and KCP provides non-nuclear parts, tools and gages to support LANL's pit production capability and quantity production. KCP also supports LLNL with dies for experiments.

Enhanced Surveillance (ES) protects the health of the U.S. nuclear weapons stockpile through an integrated process that predicts, detects, and assesses aging effects that may impact performance, safety, or reliability. Enhanced Surveillance will continue to provide technologies to nondestructively diagnose the health of the stockpile in the next ten years. Primary focuses will be on Component and Material Evaluations (CMEs) and embedded evaluations in support of future systems and LEPs.

A growing workload segment is the support of DoD equipment maintenance and spare parts inventory management, including trainer refurbishments, test gear recertification, handling gear reprocessing, Base and Military Spares, and other production, repair and reprocessing efforts directed by the DoD.

The KCP Security organization provides all aspects of security protection for classified and sensitive material and information, government property, and employees on a year-round, 24-hour, seven-day-a-week basis. Integrated Safeguards and Security Management (ISSM) drives security requirements into all aspects of daily operations and provides education to associates on security roles and responsibilities.

Emergency Response Support - Organizations in this support category consist of the NNSA Office of Emergency Management (NA-40), NNSA Office of Defense Nuclear Security (NA-70), the Defense Threat Reduction Agency (DTRA), the Federal Bureau of Investigation (FBI), and the Joint Special Operations Command (JSOC). KO's support includes engineering, procurement, technical and security specialists, small-scale production, logistics support, field support, and technical documentation.

A number of other non-NNSA programs are not dependent on NNSA to fund incremental needs. While facilities infrastructure capabilities are vital to perform work for customers, other than NNSA, the non-NNSA customers directly fund any additive costs. The non-NNSA reimbursable work exercises the engineering and production infrastructure in order to maintain and enhance the manufacturing capabilities and readiness of the plant to support its assigned mission into the future. Additional benefits include: 1) offsetting a portion of the fixed overhead, 2) enhancing the ability to retain and attract a highly skilled workforce, and 3) supporting national security. This work is performed on a full cost recovery basis.

Special Technologies is the work not pertaining to any of the previously described categories. It includes work for other DOE/NNSA organizations (e.g., Defense Nuclear Nonproliferation, Office of Health, Safety and Security), other government agencies (e.g., Department of Homeland Security, Department of Transportation, United States Department of Agriculture, Department of Defense, Canadian Nuclear Safety Commission), state and local governments (e.g., Kansas Department of Agriculture, Missouri Department of Transportation), and private industry (typically in the form of a Cooperative Research and Development Agreement – CRADA).

The Kansas City Plant has a growth strategy around supporting the DoD's Diminishing Manufacturing Sources & Material Shortages (DMSMS) and urgent technology sustainment needs. It also benefits the NNSA by offsetting a portion of the site's overhead cost.

KO provides engineering, technical support, information technology, training, field support, and small-scale production services to the NNSA, the national laboratories, other NNSA contractors, the Department of Defense, other government agencies, and non-DOE agencies that complement the NNSA missions. Approximately 60% of the KO work is in support of the Office of Secure Transportation (OST). In FY 2010, limited Safeguards Transporter (SGT) refurbishment started at the leased Craddock Facility to prepare that facility for full SGT refurbishment production capability in FY 2011. KO support to Emergency Response organizations continues to grow. Due to evolving NNSA Office of Emergency Response (NA-40) mission needs, five KO facilities at the NC-135 Site, totaling approximately 11,000 square feet, have been allocated for their use.

Non-Nuclear Capability Evolution

The National Security Campus is designed for flexible manufacturing to meet the changing customer's demands. This capability will meet the NNSA's mission goals for non-nuclear production as established in the RODs, in terms of both types and levels of production to meet deliverables for the stockpile. KCP will continue as the NSE's primary piece-part production plant for non-nuclear weapon components.

Due to the fact that the systems in today's stockpile are routinely sustained beyond their original design lifetimes, life extension programs have been implemented to extend the useful life of these systems. These life extension programs depend on a robust non-nuclear R&D program to identify areas in which material compatibility and aging issues may impact reliability. This R&D also includes continuous development of new technologies that will lead to more cost-effective designs with improved safety and security features in the future weapons stockpile.

The accompanying timeline graph illustrates Kansas City's collaborative efforts with other sites to achieve the future ideal. KCRIMS will equip the KCP with a modern reconfigurable infrastructure at low fixed costs. With robust NSE integration in the supply chain and program management, life cycle support is assured through a unified supply base, baseline change control, integrated schedules, cost control and shared resources.

Non-Nuclear Production

25-Year NNSA

Non Nuclear Production and R&D at a Glance

Non-nuclear components and systems are those items that are necessary to make the fission package into a viable weapon. They include such items as delivery systems; neutron generators; arming, fusing, and firing systems (AF&F), gas transfer systems, radars, and use control and safety systems. They can incorporate many advance technologies, including micro mechanisms, micro-electro-mechanical systems, power sources; rad hard integrated circuits; environmental sensing devices; polymers and plastics. To support the development and manufacture of these items, non-nuclear activities require state of the art facilities with the flexibility to meet the changing requirements of the Nuclear Weapons Complex.

Linkage to NSE Mission

Non-nuclear components must function with extremely high reliability in order for the weapon to perform within its design specifications, from placement in the stockpile to detonation or dismantlement. Many of these components also provide safety and security functions for the weapon systems.

Due to the fact that the systems in today's stockpile are routinely sustained beyond their original design lifetimes, we are implementing life extension programs (LEPs) to extend the useful life of these systems and to provide increased reliability, safety, security, and use control features.

These life extension programs depend on a robust non-nuclear R&D program to identify areas in which material compatibility and aging issues may impact reliability. Non-Nuclear NW R&D also includes continuous development of new technologies that will lead to more cost-effective designs with improved safety and security features in the future weapons stockpile. These new technologies and designs then have to be incorporated into new components that are manufactured to the stringent quality and reliability standards required by the stockpile.

Beginning State

The primary Manufacturing operations in Kansas City will be relocated to a new state of the art facility by FY2015. A few other key facilities have been revitalized or replaced in the last decade, while several others built in the Cold War era continue to show their age in terms of O&M costs and ability to meet mission needs.

PRODUCTION

KCP

National Security Campus (KCP)
Designed for flexible manufacturing to meet the changing customer's demands. Comes online 2014 LEED Gold Facility

Production capability/capacity supplemented by external suppliers

Disposition of the Bannister Federal Complex (KCP)
D&D of BFC following start of operations in the new National Security Campus

SNL

894 Battery Production Area
Consolidated in Weapon Engineering Facility

Explosive Component Facility Bldg 905
Life Extension or recapitalization. Supports the HE R&D mission performed at SNL.

R&D

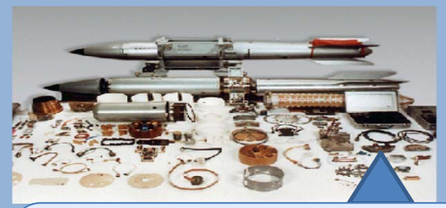
SNL-NM, Sandia Silicon Fab Refurbishment (SSiFR)
Replacement of tools supporting rad-hard CMOS and other silicon technologies. By 2014 48% of the current tools will be at high risk and will no longer be supported by vendors.

SNL-NM – Weapon Engineering Facility (WEF)
New facility to provide a sustainable infrastructure for the consolidation of classified weapons engineering, laboratories and activities that support the development and production of advanced power systems, and stockpile surveillance work

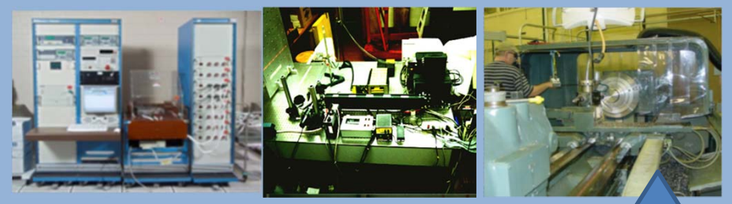
LANL - BTF Facility Management System Upgrade
Upgrade facility operations center systems to ensure reliability and safety for programmatic work being conducted in the facility.

2012 — Security, Storage, Roads & Utilities, ES&H, Hazardous Waste, Secure Transport, Communications, Recapitalization or Renovation, Decommissioning & Demolition — **2021**

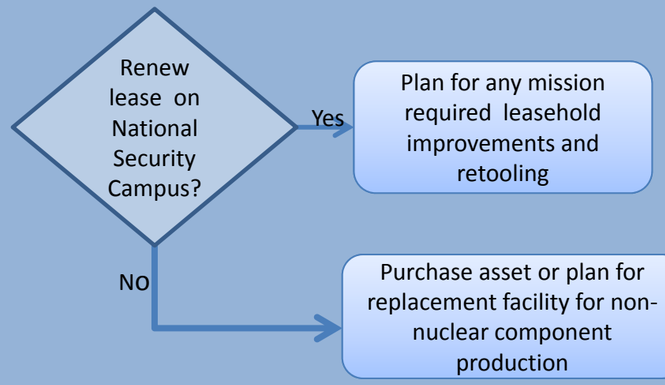
Key Capability Evolution

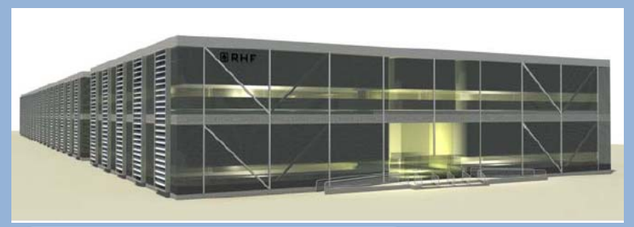


LEP renovations (KCP and SNL)
Projects to support emerging LEP needs. Includes rearrangements or infrastructure improvements in production facilities.



Capital Equipment Recapitalization
Periodic reinvestment needed at each site to maintain and modernize the production equipment at the National Security Campus (KCP) and the production and fabrication facilities at SNL



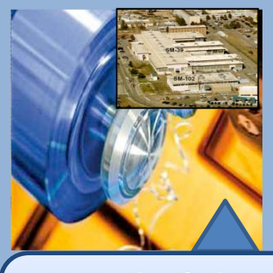


Rad Hard Foundry
Facility to replace the current SiFab infrastructure to sustain the technology and tooling for the research & development, along with production, of microsystems for NW and IAW missions.

Capital reinvestment for 870 to sustain NG production

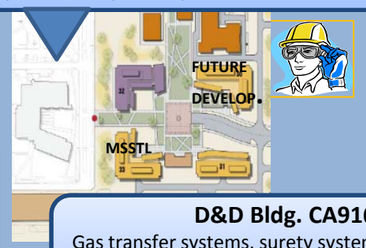
End State

Recapitalization of the Kansas City Plant's capital equipment needs will have been completed and a path forward for the leased facility in place. Several additional key facilities have been replaced by new buildings such as the Weapons Engineering Facility, which consolidated operations and personnel from several aging facilities no longer able to meet mission needs. Others have been renovated and recapitalized, with key building systems refurbished and critical equipment replaced. The coupled Non-nuclear NW R&D and Production capabilities are lean, efficient, and capable of meeting the demands of concurrent life extension programs.

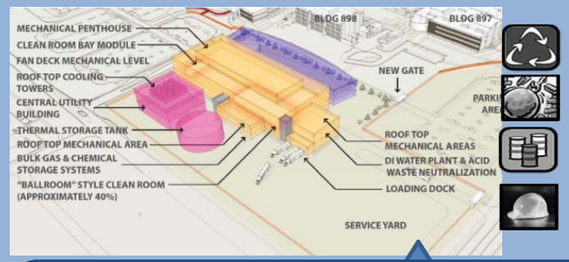


LANL - Classified Machine Shops Consolidation
Consolidated classified machining into existing facilities (SM-102 & BTF) to achieve efficiencies and improve reliability.

SNL-CA Mission Support Science and Technology Laboratory (MSSTL)
New facility to integrate existing and emerging science and technology with DSW by providing materials science R&D in the areas of gas transfer systems, surety systems, and power systems.



D&D Bldg. CA916
Gas transfer systems, surety systems, and power systems R&D moved to MSSTL and building of seismic concern removed.



SNL-NM Center for Heterogeneous Integration, Packaging and Processing (CHIP²)
Facility for research and development of (1) weapon microsystems for processing, surety, and state-of-health sensing, (2) computing technology, and (3) trust research.

SNL-CA Modern Threat Abeyance Center / Robust Secure Communications Laboratory (MTAC / RSCL)
New facility providing focused classified R&D capabilities in surety systems and communication systems.

2022 — Security, Storage, Roads & Utilities, ES&H, Hazardous Waste, Secure Transport, Communications, Recapitalization or Renovation, Decommissioning & Demolition — **2037**

6.0 Real Property Asset Management

Footprint Management and Gross Square Feet Reduction

Kansas City Plant (KCP)

The KCP is situated on approximately 136.1 acres of the approximately 300-acre Bannister Federal Complex (BFC), located 12 miles south of downtown, within the city limits of Kansas City, Missouri. The plant shares the site with other federal agencies. The area is zoned for heavy industry with the surrounding area characterized by single and multiple family dwellings, commercial establishments, industrial districts and public use lands.

The KCP portion of the BFC consists of three primary buildings in generally good condition. The Manufacturing Building, (Building #1), constructed in 1943; the Manufacturing Support Building, (Building #13), constructed in 1957; and Building 92, constructed in 1985.

The NNSA and the GSA share the 2.6 million square foot Manufacturing Building, of which the NNSA owns 1,755,593 square feet, and occupies an additional 231,233 square feet of GSA assigned space. There are approximately 1.1 million square feet of space within the additional NNSA owned buildings, for an approximate total of 3.1 million gross square feet of space at the BFC under NNSA control (2,925,516 total square feet owned).

KCRIMS is expected to reduce the KCP footprint from the existing 3.1 million gross square feet floor space to 1,407,600 rentable square feet (including the NSMC building), as shown in Attachment E. No new facilities for the support of any future mission assignments are being considered for the current facility. Planning will instead focus on the new facility, and projects at the BFC will only be executed to ensure that the existing plant infrastructure is adequately maintained through FY 2014. All other recapitalization projects and non-essential maintenance activities have been suspended.

The primary and overriding requirement for the new KCRIMS facility was that it be designed and constructed for flexibility that will enable rapid, economical reconfiguration to meet changing production requirements. This requirement took precedence over optimizing the operational profile for the current set of production, laboratory, warehouse, and office space requirements, and remains key to the transformation of the Kansas City Plant. The new KCRIMS facility is being designed to meet the LEED Gold Standard.

The default facility requirements are those typical of a commercial manufacturing environment. The requirements included items such as total space, clear height, major operational demarcations, and plant environments. In most areas, and in total, the teams were able to fit the retained capabilities in approximately the same space that was estimated. The space planning also has allowed for up to 100,000 square feet of “white space” that has portions interspersed in critical operational areas and large areas that are unassigned for any currently known use. This will allow the new facility to have considerable flexibility and be responsive to the changing needs of the complex from the very beginning, including the ability to add entirely new product lines that cannot be foreseen at this time.

The current footprint of the KCP is not expected to change prior to relocating to the new facility,

and the footprint for the new facility has been planned to meet the known needs of the KCP for the next 20 years. The asset management profile for the Kansas City Site is shown in Figure 6. A plant footprint projection for the site is shown in Figure 7. The asset management profile for Kirtland Operations is shown in Figure 8. KO's plant footprint projection is shown in Fig. 9.

		$1,362.77	Million		
Total Deferred Maintenance (DM)		$179.97	Million		
Site Wide Facility Condition Index (FCI)		13.21%			
		Facility Condition Index (FCI)	Asset Utilization Index (AUI)	# of Assets	Gross Square Feet (GSF) Buildings & Trailers (000s)
Mission Dependency	Mission Critical	12.35%	52.11%	10	2,201.651
	Mission Dependent	30.49%	82.61%	13	375.485
	Not Mission Dependent	5.35%	70.71%	15	348.380
Facility Use	Office	23.04%	80.00%	1	240.717
	Warehouse	34.51%	75.84%	4	57.499
	All Other	12.68%	55.86%	32	2,627.150

Figure 6: KCP Asset Management Profile; Kansas City Plant

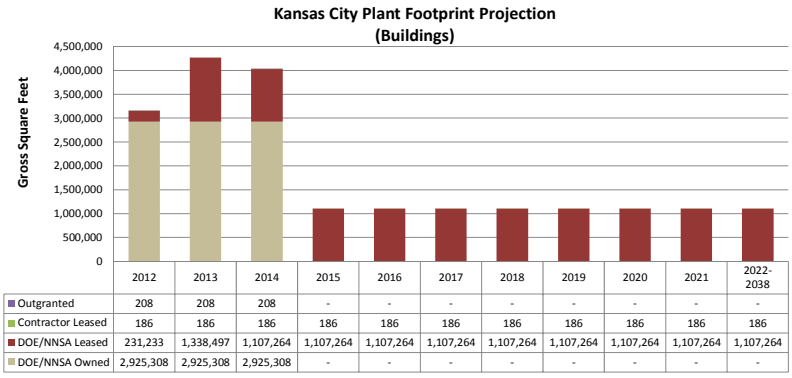


Figure 7: Footprint Projection; Kansas City Site

Replacement Plant Value (RPV)		$12.960	Million		
Total Deferred Maintenance (DM)		$0	Million		
Site Wide Facility Condition Index (FCI)		0			
		Facility Condition Index (FCI)	Asset Utilization Index (AUI)	# of Assets	Gross Square Feet (GSF) Buildings & Trailers (000s)
Mission Dependency	Mission Critical	0	97.00%	1	5.448
	Mission Dependent	0	84.07%	26	54.560
	Not Mission Dependent	0	0	0	0
Facility Use	Office	0	72.47%	13	22.133
	Warehouse	0	98.14%	5	15.922
	Laboratory	0	92.28%	4	9.514
	All Other Categories	0	86.06%	5	12.439

Figure 8: KO Asset Management Profile

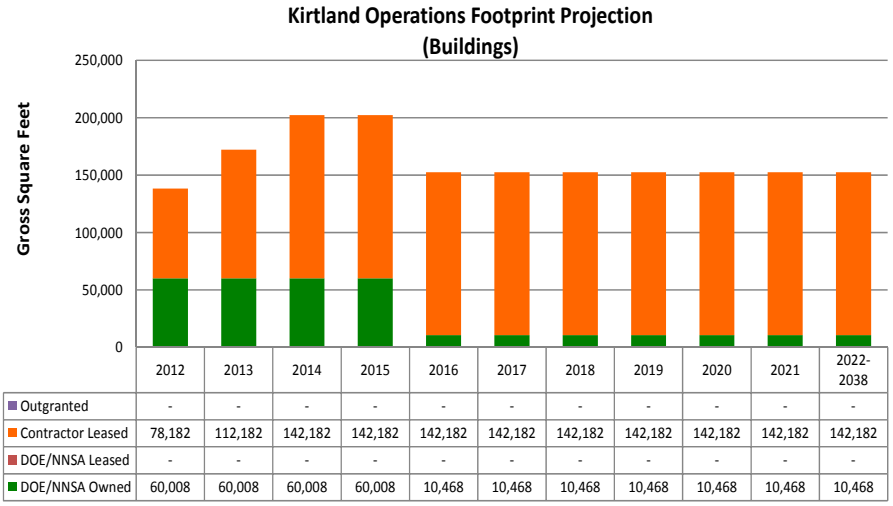


Figure 9: Footprint Projection; Kirtland Operations

Excess Facilities Disposition (Equipment and Property)

The KCP has an ongoing mission to provide non-nuclear manufacturing capability to support the NNSA weapons programs. However, in light of the KCRIMS project, preliminary planning activities for the disposition of the BFC site have been initiated. A proposed action for the disposition of the BFC has not been determined. The results of the initial planning efforts are being included to ensure awareness at all levels of the potential future funding needs.

It is recognized that excess property regulations and processes applicable to the transfer of NNSA real and personal property out of the federal inventory must be followed during the disposition process and that environmental requirements for long term stewardship must continue to be satisfied. No decision will be made on a disposition alternative until appropriate NEPA analysis has been completed. Discussions with GSA and the regulatory agency stakeholders have been initiated and will be continued to ensure these requirements are satisfied throughout the process.

For planning purposes, a forecast of costs to implement disposition activities in FY 2013 through FY 2015 is being included in this TYSP. Current disposition costs are estimated at $85 million and include personal property disposal, utility system deactivation and stabilization, facility cleanup, disposition management and surveillance and maintenance activities. For planning purposes, the middle of FY 2015 is being shown as the disposition date for NNSA owned property at the BFC.

Finally, the KCP is provided approximately $2 million per year to administer long term stewardship (LTS) activities, such as groundwater monitoring and treatment. This need continues throughout the facility preparation period, through surveillance and maintenance, and after disposition of the property.

Environmental Long Term Stewardship (LTS)

The KCP has a Missouri Hazardous Waste Management Facility Permit administered and overseen by the Missouri Department of Natural Resources (MDNR). The permit mandates the components of the LTS program which include activities such as groundwater pump and treat, groundwater, stormwater, surface water and surface sediment sampling, implementation and maintenance of institutional and engineering controls, inspection and maintenance of storm sewers impacted by historical releases, data management and reporting.

Costs for LTS remain relatively constant over time with additional funding included in specific out years for cyclical activities such as replacement of the groundwater treatment system. The FY 2012 budget, fence funded as a weapons' Line Item by NNSA's NA-173 (Office of Environmental Operations), currently has authorized $1.847 million in funding.

Facility Condition

As currently planned, by the end of FY 2014, KCP operations will be relocated into new leased modern manufacturing facilities. The existing NNSA-owned World War II era facilities that have been occupied and maintained by the KCP for more than 60 years, will have been vacated. During the interim the KCP has discontinued identification of new DM for the existing site

where DM will continue to increase. Upon completion of disposition, approximately $240 million in DM, for the vacated facilities, will be removed, because the projects comprising this DM are no longer needed after the KCRIMS facility relocation.

The KCP will be relocating to new facilities by the end of FY 2014. Condition of mission critical facilities is being sustained for LEP completion. Mission critical facilities will be maintained as needed for mission support but investment in the infrastructure has been minimized. Recapitalization projects have been postponed indefinitely. Safety and security issues will be given priority and remedied in a timely fashion.

Condition monitoring will occur on central utility systems to identify and prioritize repair and replacement of critical system components. Surveys will focus on sustaining Powerhouse central systems, roofing systems, environmental remediation systems, structural/seismic systems and safety/code compliance systems with a managed equipment lifecycle approach balanced by LEP program completion requirements for the remaining plant equipment/systems.

Kirtland Operations (KO) Condition

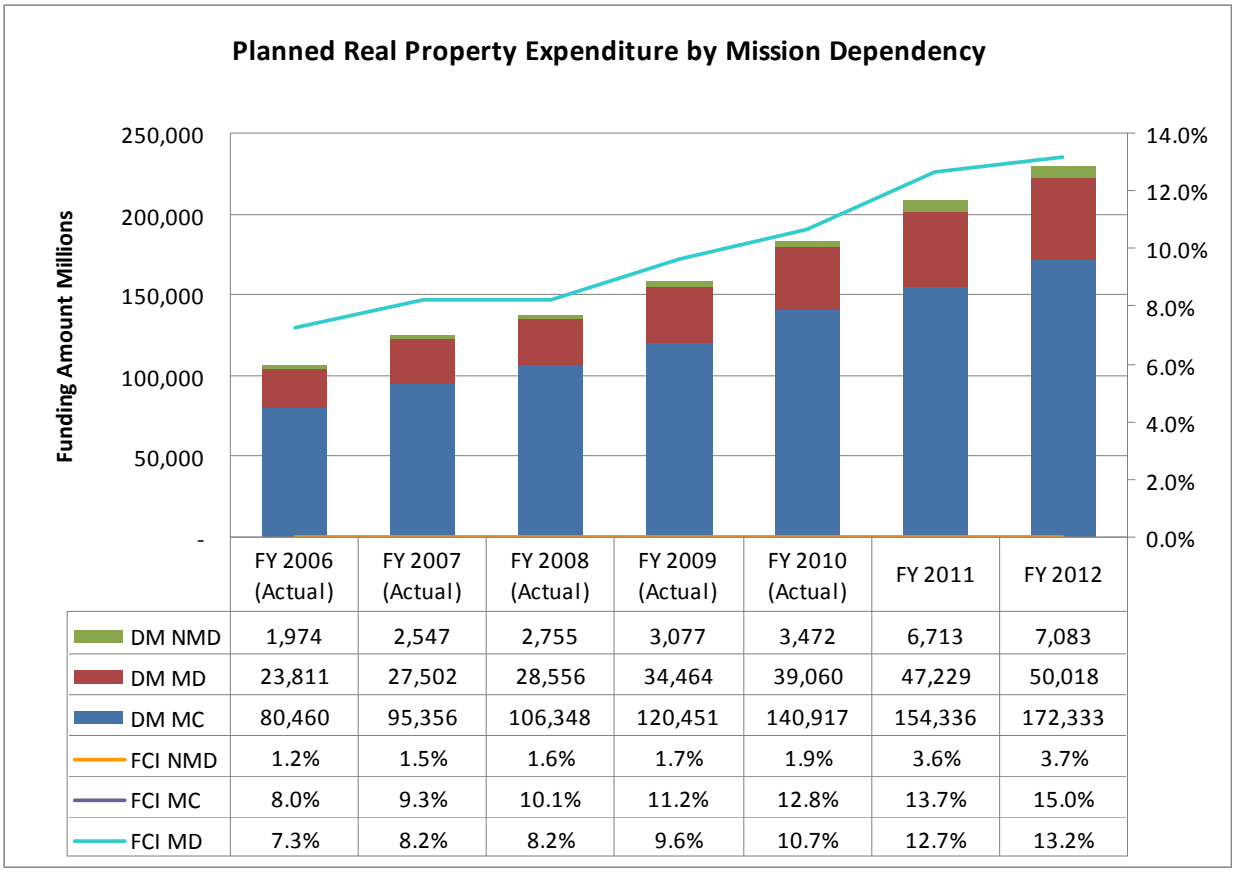
For real property management and reporting, information on KO real property assets is entered, maintained and verified in FIMS to meet the FIMS criteria. However, the FIMS summary condition survey for KO assets is misleading because deferred maintenance is entered as "zero" for each KO facility resulting in the summary condition of "excellent" for each property on the FIMS 092 report. The condition is "excellent" in the case of newer facilities.

Deferred Maintenance Reduction

With the planned relocation to the Botts Road facility, the deferred maintenance associated with the Bannister facility is being allowed to rise. The KCP focus is now on executing projects that address code compliance issues, safety issues, preserving the central infrastructure systems, or that maintain the integrity of the building envelope. Mission critical facilities will be maintained as needed for mission support and allowed to decline otherwise until those facilities are vacated. Safety and security issues will be given priority and remedied in a timely fashion.

The DM forecast reflects the end of FY 2006 projections for out-year DM based on the revised infrastructure management approach. As a result, the FY 2006 DM forecast has been carried forward.

Completion of KCP relocation to new facilities, planned for the end of FY 2014, will cause a significant reduction in DM. Once relocation is complete, items previously considered deferred will no longer be required. In FY 2014, after planned KCRIMS relocation is complete, DM is reduced to the estimated minimum. HS&E requirements and environmental monitoring will continue as required.



	FY 2006 (Actual)	FY 2007 (Actual)	FY 2008 (Actual)	FY 2009 (Actual)	FY 2010 (Actual)	FY 2011	FY 2012
DM NMD	1,974	2,547	2,755	3,077	3,472	6,713	7,083
DM MD	23,811	27,502	28,556	34,464	39,060	47,229	50,018
DM MC	80,460	95,356	106,348	120,451	140,917	154,336	172,333
FCI NMD	1.2%	1.5%	1.6%	1.7%	1.9%	3.6%	3.7%
FCI MC	8.0%	9.3%	10.1%	11.2%	12.8%	13.7%	15.0%
FCI MD	7.3%	8.2%	8.2%	9.6%	10.7%	12.7%	13.2%

Figure 10: Planned Real Property Expenditure by Mission Dependency

Space Utilization and Consolidation

Space allocation/assignment for Honeywell and NNSA/KCSO is performed at the KCP in accordance with all applicable directives and guidance, to include: 41 CFR Chapter 102-71 to 85, Public Contracts and Property Management; Executive Order 12512, Federal Property Management; and RPAM (DOE O430.1B) Real Property Asset Management. The Facilities Engineering Space Manager reviews and approves all requests for moves of personnel and equipment, supports the setup of new or temporary organizations in the determination of space requirements, and assures requirements are satisfied.

Departments requesting changes in space or in configuration submit a request for feasibility and cost study. These requests are generally submitted with a preliminary space requirement (size, configuration and process flow) and justification. Requests are analyzed by the Space Manager (consulting with the weapons Program Management organization, as needed) to assess the need, timing, location, and priority. As new program requirements and space needs are identified, the Space Manager surveys existing space conditions, obtains programming information, and coordinates all related requirements. Alternatives are developed considering criteria such as fire

protection, life safety, physical and technical security procedures and requirements, ADA compliance, UFAS requirements, and GSA mandated space utilization.

Utilization surveys are required on government property to promote optimum use and identify excess properties for disposal to minimize cost to the Government. Extensive surveys were conducted in the development of the Kansas City Responsive Infrastructure Manufacturing and Sourcing (KCRIMS) program, for the relocation of the KCP into new facilities beginning in 2013. Existing NNSA property and facilities currently occupied by the KCP will be vacated after 2014. During the interim, funding will not be used to vacate or cordon off unutilized space, to consolidate underutilized space, or to perform additional space utilization surveys. The following utilization forecasting process is being used to fulfill the DOE Facility Information Management System (FIMS) reporting requirement of DOE O 430.1B Real Property Asset Management (RPAM) and applicable directives and guidance, to include CFR-41 Ch.101.

Method - Net floor space defined by plant requirements as captured in the KCRIMS proposal will be compared to existing KCP net floor space on a building basis. This ratio, expressed as a percent, will be entered into the FIMS utilization field for each existing KCP building.

Exceptions - For existing KCP areas that cease to exist in KCRIMS (Bldg. 91, Bldg. 98 - IWPF, Bldg. 05 & 48 - Powerhouses, Guard Bldgs., and the like), surveys of the area and interviews with functional area operators were performed to determine current utilization.

Sustainability / Energy

The KCP (including both Kansas City and Kirtland operations) has developed a Site Sustainability Plan that complies to the maximum extent possible with federal regulation and executive orders regarding the conservation of energy and water, greenhouse gas reduction, sustainable planning, and pollution prevention. The plan supports the National Nuclear Security Administration (NNSA) requirement for an overall Federal Energy Management Plan for conserving fuel and energy in all its operations as required by Executive Order (EO) 12902 of March 8, 1994, Executive Order (EO) 13423 of January 26, 2007, Energy Policy Act 2005 (EPACT 2005), Executive Order (EO) 13514 of October 8, 2009 and NNSA policies for energy efficiency, renewable energy and water conservation. This plan also takes into consideration supplemental guidelines and instructions as provided by the NNSA Service Center and the Office of Kansas City Site Operations (KCSO).

Because of the KCRIMS project, the current state of funding and project planning is based on only maintaining the existing building infrastructure until operations are relocated to the new buildings. No cost effective energy efficiency projects, water conservation projects, or renewable energy projects have been found to be practical for the existing facility due to near term completion status of KCRIMS building. Potential energy saving and renewable energy projects will continue to be evaluated for both existing and new buildings. If any are found to be economical they will be implemented.

End of document.