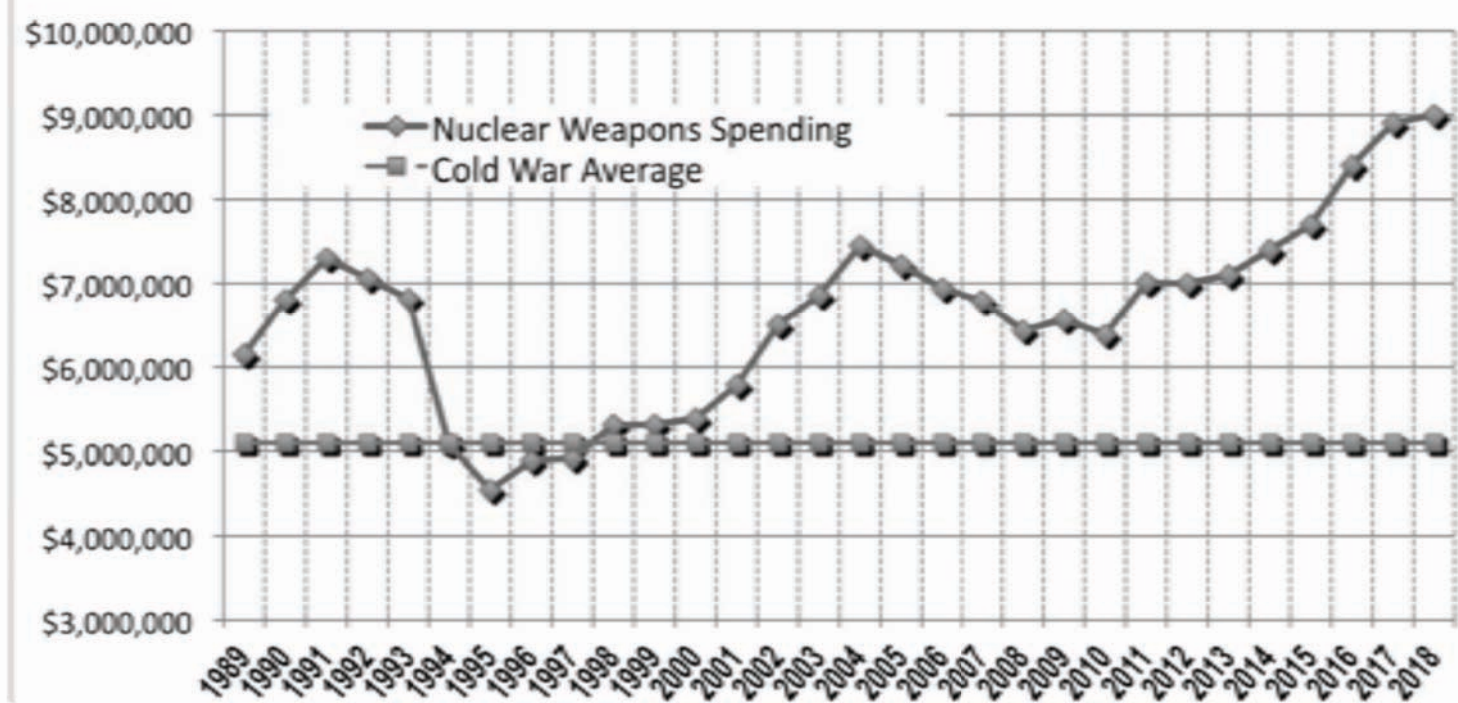


Kansas City and the U.S. Nuclear Weapons Complex

Jay Coghlan
Executive Director, Nuclear Watch New Mexico
August 14, 2010

Please visit www.nukewatch.org for this presentation and much more on the Kansas City Plant, the Los Alamos National Laboratory, nuclear weapons policies and the research and production complex.

**Follow the Money:
A Nuclear Weapons-Free World?
Energy Dept. Budgets 1989-2018**



Dollars are in \$1,000's of constant 2010 dollars; therefore the vertical scale is from \$3 to \$10 billion. The start of the horizontal scale, 1989, is the year that the Berlin Wall fell. The 2011 amount is DOE's budget request for nuclear weapons research, testing and production programs. 2012-2018 amounts are from *"Maintaining a Strong Nuclear Deterrent"* submitted by the Obama administration to Congress in May 2010. The Cold War annual average is derived from *"Atomic Audit,"* Steve Schwartz et al, Brookings Institute Press, 1998. None of these costs include Defense Dept. deployment and maintenance of a >5,000 nuclear warhead arsenal, currently estimated at ~\$30 billion per year.

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www.facebook.com/pages/Nuclear-Watch-New-Mexico/121188401241139/

U. S. Nuclear Weapons Complex

Lawrence Livermore National Lab

Nuclear Design/Engineering
Plutonium R&D
High Explosives R&D
Tritium R&D
Hydrotesting
Weapons Env. Testing

Sandia - CA (see NM Site below)

Nevada Test Site

Underground Test Readiness
High Explosives Testing
Hydrotesting

Los Alamos National Lab

Nuclear Design/Engineering
Plutonium R&D and Pit Production
Assembly/Disassembly of Secondaries
Tritium Operations
Some Non-nuclear Components
High Explosives R&D
Hydrotesting
Weapons Env. Testing

Sandia National Laboratories

Non-nuclear Design/Engineering
Some Non-nuclear Component Production
Explosive Components R&D
Major Weapons Env. Testing

Pantex Plant

Weapons Assembly/Disassembly
High Explosives R&D and Production
Weapons Dismantlement
Plutonium Pit Storage

Kansas City Plant

Non-nuclear
Components Production

Y-12 National Security Complex

Production and Dismantlement
of Secondaries
HEU Operations

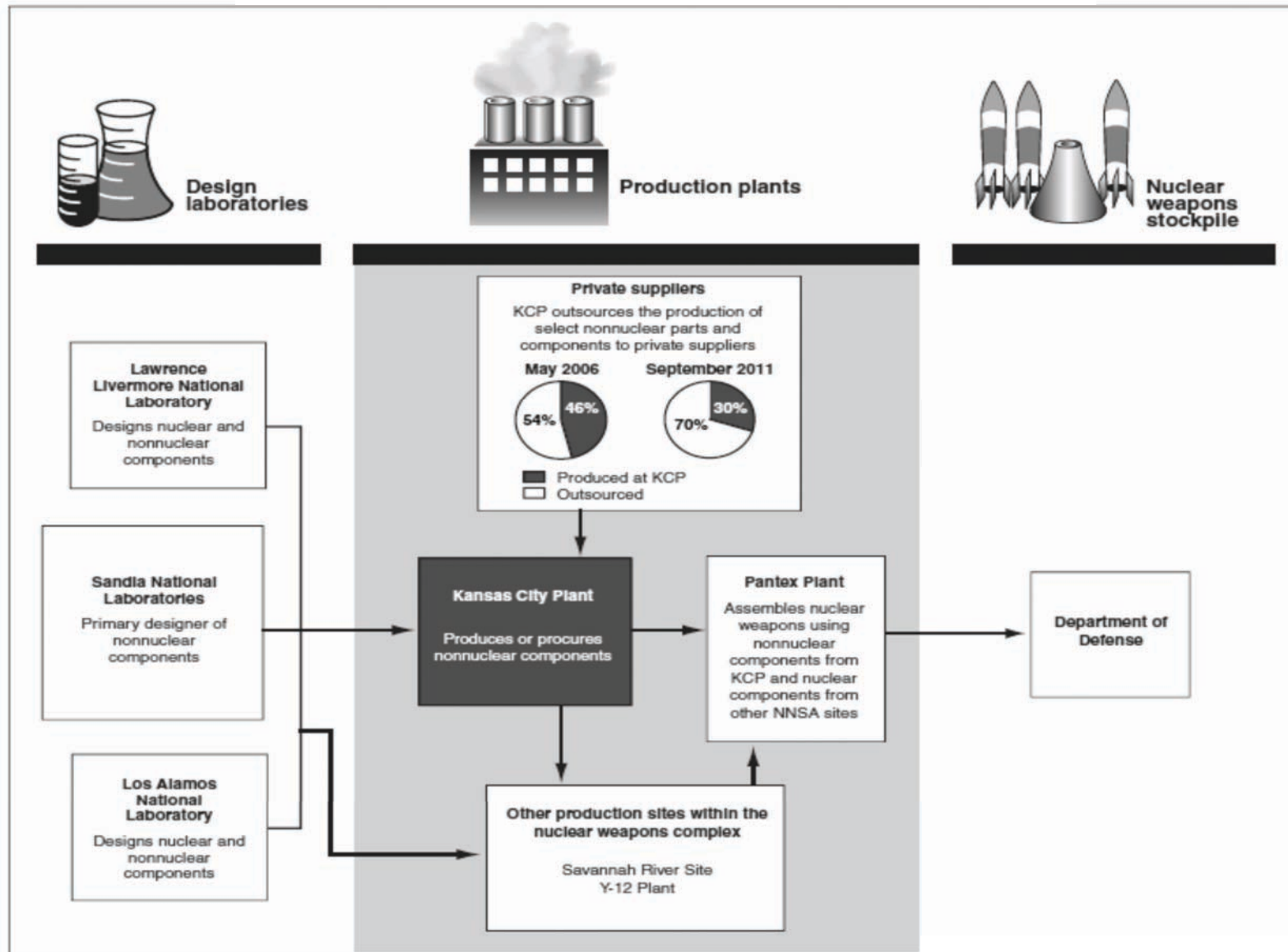
Savannah River Site

Tritium Extraction, Loading, Unloading
Tritium R&D



-map by Nuclear Watch New Mexico

How the Complex Works



Source: GAO analysis of NNSA and KCP data.



With these new facilities, the US will spend \$9 billion and expand its current annual nuclear warhead production capacity from 20 to 80 per year.

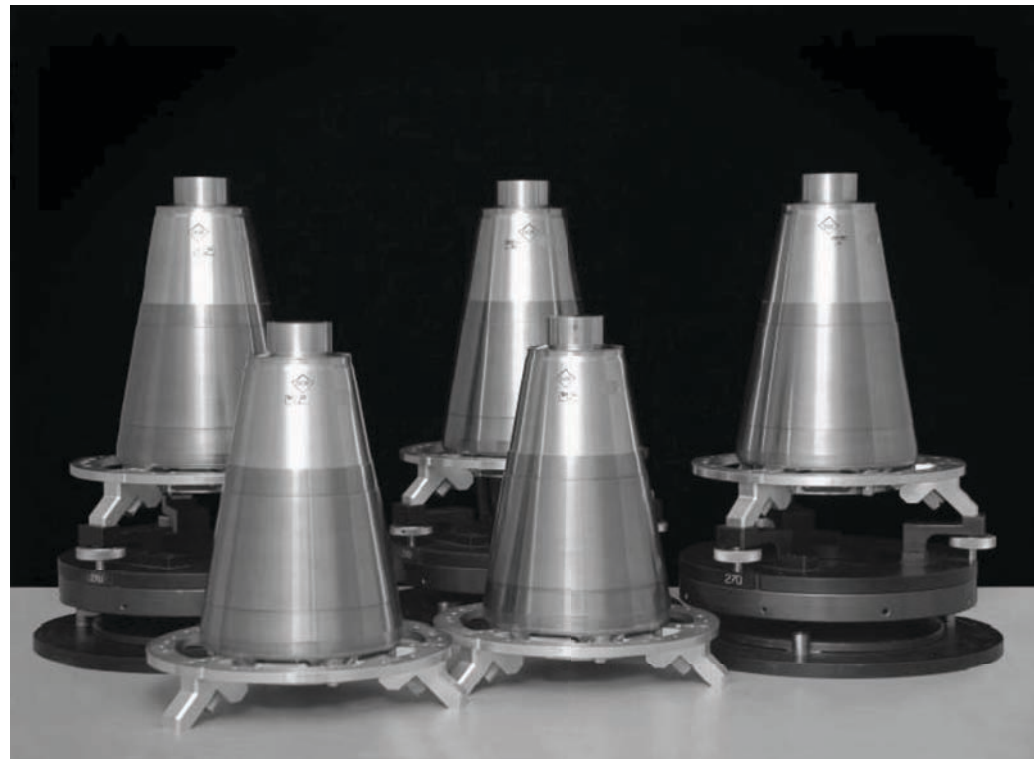
KCP is NNSA's Most Productive Facility



KCP produces and/or procures 100,000 parts annually, that is 85% of all components that go into a nuclear warhead by both type and quantity.

W76 LEP Creates a Weapon with New Military Characteristics

New **Arming Fusing & Firing** system being produced now at the Kansas City Plant is believed to endow the warhead with a selectable height of burst.



Kansas City Will Own a Federal Nuclear Weapons Plant

Kansas City will own a new federal nuclear weapons production plant for the next 20 years, after which, private developers will gain ownership of the plant. Is this the best deal for the American Taxpayer?



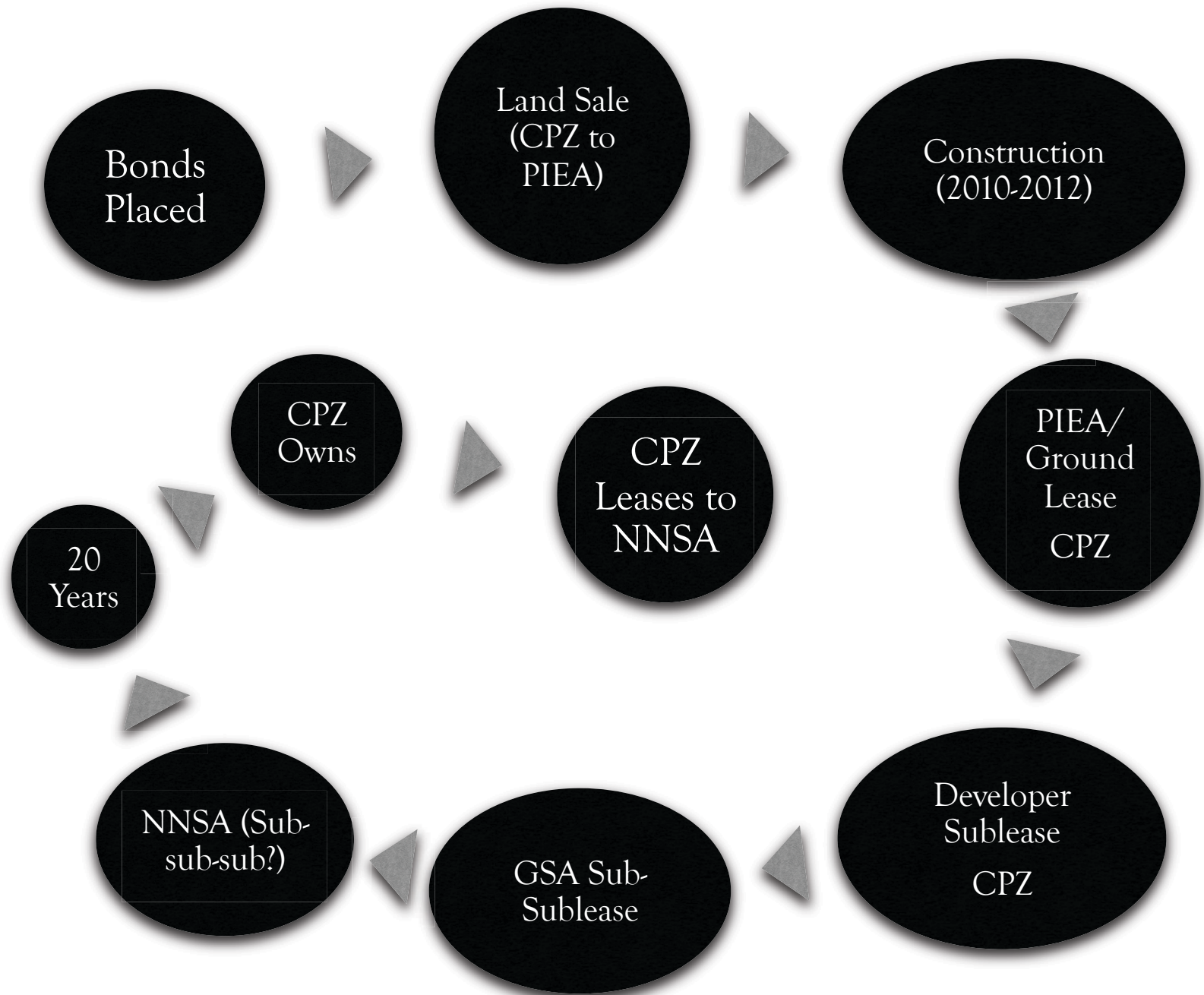
Costs/Savings?

- **Justification for new facility was claimed \$100M/yr savings**
 - ~\$100M in transition costs since 2009
 - Transition costs will continue through 2015
- **\$37M/yr will be saved with a stroke of the pen by changing security designation**
(GAO-10-115)
 - Because it does not possess weapons-grade nuclear material

Flawed Life Cycle Cost Estimate Covers only 20 years

- GSA Lease Estimate = \$4.762B
- Congressional Line Item = \$4.875B
- Leasing is more costly over the long term than constructing and owning a facility. Break even point is 22 years.
- Current LEP work scheduled to 2042.
- Building could last 40-60 years

(GAO-10-115)



PIEA Placed Bonds

PIEA [Planned Industrial Expansion Authority of Kansas City] raised \$687 million for building construction through the Industrial Development Authority

- \$45 million budgeted for Highway Interchange

Land Transferred to PIEA

PIEA will own the Land and the Project Improvements for 20 years

- **165 acres at HWY 150 and Botts Road**
- **Former producing soybean field**
 - Condemned as “blighted”
- **\$5 million to CPZ Holding, LLC for land**
 - \$26K+ per acre!
 - Recent sales of farmland in the area range from \$2 to \$4K/acre

From Beans to Bombs

“In the interest of the public health, safety, morals or welfare of the residents,” a soybean field was declared blighted for municipal tax breaks for private developers.

Quote from *Missouri Revised Statutes, Industrial Development, Section 100.320, August 28, 2007.*



“A view to the southwest in the central portion of the redevelopment area.”

(Photograph No. 4, Blight Study, May 20, 2008)

Developer/Construction

Developer is Center Point Zimmer (CPZ)

- **1.5 million square feet**
- **~\$520M construction costs**
 - (June 2009 estimate)
- **“Environmentally-friendly” nuclear weapons component plant**

General contractor is J.E. Dunn

PIEA/Ground Lease

PIEA will lease the Project to the “Ground Lessee,” CPZ Holding, LLC

- CPZ Holding, LLC is a separate entity from CPZ, LLC (developer)
- **\$61 million per year for 20 years**
 - Includes Maintenance
- **\$1.2 billion total payments**

Developer Sublease

**The Ground Lessee (sublandlord) will lease the Project to the “Developer,”
CenterPoint Zimmer, LLC**

- CenterPoint Zimmer, LLC is also Developing the CenterPoint-KCS Intermodal Center across the street at the old Richards Gebaur Airport**

GSA (Sub-)Sublease

The Developer (sub-sublandlord) will sub-sublease the Project to Government Services Administration (GSA) as sub-subtenant

- **GSA will provide the facility to NNSA**
 - Is NNSA the sub-sub-sublessee?
 - Details remain unclear as Costs remain hidden under GSA budget, not NNSA

Ground Lessee will own

Upon expiration of the
[20 year] PIEA/
Ground Lease,
Centerpoint Zimmer
will own the project.

- Cost to CPZ = \$10.00
to buy back the land
and buildings from
PIEA-KC

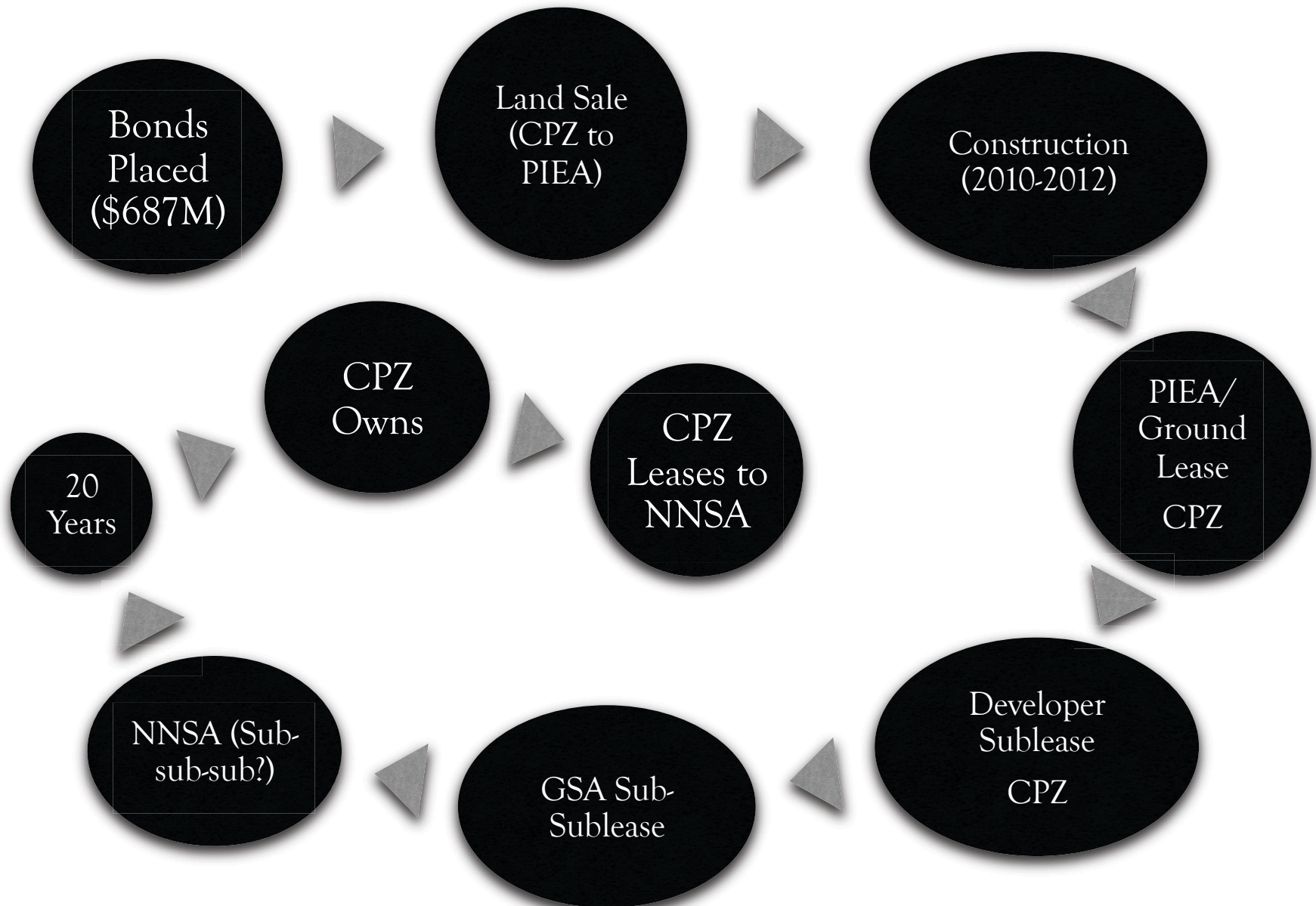


New Lease to NNSA?

CPZ (former Ground Lessee, now Owner after 2032) can then lease the Project to NNSA for the life of the Facility.

- 20-40 more years? (another \$1.2 to \$2.4 Billion?)**

Any Questions?



Posted on Wed, Aug. 11, 2010

Layoff notices arrive for 175 teachers in Kansas City School District

By JOE ROBERTSON
The Kansas City Star

Kansas City's emotional summer for teachers came to a head Wednesday.

Hundreds were celebrating the work they've done to overhaul the district's curriculum — while 175 of their colleagues were mourning the loss of their jobs. The underlying frustration — and fear — mounted through the summer as the district struggled to finish teaching assignments.

Overall, the school district has reduced its payroll by more than 1,000 employees over the past year, going from 3,380 employees to 2,380. Nearly 600 employees overall have involuntarily lost their jobs.

Most of the cuts were made earlier this summer, but not teachers, who once again learned just before school starts that they were being laid off.

"The worst thing is to find out with a week left before everything starts," said Troy Sawyer, an elementary teacher who is being laid off. He had feared this day would come. Last February, when Superintendent John Covington and his staff were meeting the district would simply cut the youngest teachers.

He had broken into tears, and Covington embraced him.

**Where could this money
be better spent?**
Schools, Hospitals...

Where's the Money for Cleanup?

Locations Where Groundwater Clean Up Standards Are Not Met: 2006



NNSA Kansas City Plant presentation to the Alliance for Nuclear Accountability, October 17, 2007, page 13.

Please Get Active



Why Bother? Because:

- The nuclear weaponeers want to build up their bomb production complex, not clean it up. But the nuclear weapons industry is (hopefully) a dying business.
- Real security: clean up to protect public health and the environment; prioritization of funds for the greatest public good (schools, hospitals, infrastructure); local green, sustainable economic development; nuclear weapons nonproliferation leading to abolition.
- Hassle your congressional delegation, make your opinions known, write letters to the editor, support your local organizations.
- Protest groundbreaking of the new Kansas City Plant. Sign up at: <http://groups.google.com/group/kcnukewatch/>
- Democracy is a muscle. Use it or lose it!
“DON”T MOURN, ORGANIZE!!!”