

**Lawrence Berkeley National Laboratory
Contract Assurance Council
Minutes of the Quarterly Meeting**

**Wednesday, October 10, 2007
University of California—Office of the President
LBNL Building 50A**

CAC members or representatives present:

Bob Foley	Patrick Reed	John Oakley
Bob Van Ness	Judy Boyette	Bill Eklund for Jeff Blair
Buck Koonce, by phone	Al Diaz	
Gary Falle for Bruce Darling, by phone	John Layton	
	Larry Coleman	

CAC members absent:

Anne Broome	John Birely
-------------	-------------

UCOP Staff:

Ron Nelson	Jim Hirahara	Sharon Eklund
------------	--------------	---------------

Guest participants:

Aundra Richards, BSO	Howard Hatayama, LBNL	John Chernowski, LBNL
David McGraw, LBNL		Ira Nishibayashi, LBNL
Sandy Merola, LBNL	Jim Krupnick, LBNL	Melanie Gravois, LBNL
	Jeffrey Fernandez, LBNL	Michelle Flynn, LBNL

Welcome/Action Items

Bob Foley welcomed Aundra Richards, Council members, and guests to the Contract Assurance Council (CAC) quarterly meeting, and David McGraw thanked the members for their participation. He said that LBNL places high value on the advice and counsel of the members. Richards complimented the Laboratory executive leadership team for their management of the Lab during her absence and UC for its dedicated support of LBNL. Jim Hirahara reported that there are currently three open action items—two of which are scheduled for future presentations and one of which will be presented at this meeting. Since Council members proposed no changes to the minutes of the September CAC meeting, the Council should consider the minutes final as distributed.

Helios/Computational Research and Theory (CRT) Project Status

Jim Krupnick provided a presentation that he recently delivered to a breakfast meeting with interested members of the community to give them a sense of the sustainable designs for two new facilities at LBNL. Several unique features of the Helios facility include

- It will be important for researchers and guests to access the Helios facility without passing through LBNL security, but it will also be necessary for anyone wishing to move from Helios to the rest of the Laboratory to pass through security; the building design addresses these access challenges.
- Helios is a UC Berkeley building to be constructed on UC property not utilizing DOE funds. The roof will be partially covered with growing grass in order to help minimize the visual impact of the new building.
- The intent is to achieve Silver or Gold LEED (Leadership in Energy Efficiency and Design) certification equivalency.
- The construction schedule provides for the building to be open in the late summer of 2010. LBNL is loaning staff to manage the construction, and the procurement is currently going through the UCB process.
- It will be important to assure that the highest ESH standards of UC Berkeley (UCB) and LBNL are applied in Helios so that researchers do not have to think about where they are working and which set of standards apply.
- There has been no evident effect of the credit crunch on the overall project cost.

Important features of the CRT Building include

- Building systems and high performance computer operation will consume from 7 MW to 17 MW. The entire Laboratory currently consumes 12 MW overall.
- The CRT will accommodate the National Energy Research Scientific Computing Center (NERSC) computers in one large room.
- The building will be constructed of concrete (a more cost effective alternative to steel).
- One major goal in the design is use of ambient external air to provide the majority of the cooling for the computers.
- This is also a UC building and is planned to open in 2011.

Simultaneously, LBNL is constructing the User Support Building and the Laboratory Guest House and taking down the Bevatron facility. A big Laboratory concern is the potential disruption to normal Laboratory operations as well as neighbor reaction to all this construction activity.

PEMP FY07 Annual Report

John Chernowski explained that the LBNL functional managers have been partnering with their UCOP counterparts to assess the Laboratory's performance toward goals 4 through 8. Due to the thoroughness of the quarterly self-assessment reviews with the Berkeley Site Office, all parties agreed to forego the validation process (unless specifically requested). Based on an initial self-assessment, the Lab appears to be on a path toward earning an extension of the contract based on their performance. Chernowski reviewed with the Council the requirements for contract extension and the assessed level of performance in each of the operations goal areas. The Council commented that, in the ESH goal (5.0), the mercury spill at the Foundry indicated that the safety plan was not implemented as written. In the business area of procurement, the Council agreed that surveying the level of

satisfaction of the 400 individuals who have been trained to initiate procurements “in the field” would be a useful future measure. It was noted that this is a critical year for LBNL as the first Office of Science laboratory where a determination will be made whether to provide a possible incentive award contract term extension.

SLI Briefing

Sandy Merola gave a briefing on the large investment DOE is making in infrastructure modernization at LBNL. DOE intends to spend \$271M over ten years at the Laboratory, with LBNL being the first Office of Science lab to get funding and getting a significant share of the available funding.

UC/LBNL Overhead

Jeffrey Fernandez explained the overhead disparities between LBNL and the UCB campus that are created by the different accounting rules that the federal government applies for making indirect cost allocations at the Laboratory versus the campus. John Layton commented that the real problems created by overhead disparities might yet be identified. The Lab is engaged in active discussions with the campus to sort through the disparities and address the most appropriate ways for both parties to account fairly for costs on joint activities, while remaining in compliance with their differing federal rules. As those discussions between the Lab and campus proceed, the Council requested that it be updated on how such issues were being addressed. Fernandez cited the Energy Biosciences Institute (EBI) project as an example of an urgent need to address these issues. The Council agreed to review the indirect cost allocation issues being discussed on the EBI project at the next monthly meeting and offered to provide any suggestions or insights to the Lab.

Merola separately told the Council that East Bay Municipal Utility District is still considering possible sites for a water tower, including one at the Laboratory.

Executive Session

The meeting ended with an executive session discussion of the Council with UCOP staff.

Action Items:

<i>#</i>	<i>Responsible Party</i>	<i>Action</i>	<i>Date Added</i>	<i>Status</i>
33	Fernandez LBNL	Report effectiveness of changes to and controls on signature authorities	08/15/07	OPEN—to be revisited in Jan. or Feb. 08

34	Fernandez LBNL	Updates on UCB/LBNL status of addressing the different indirect rate structures at the Lab versus Berkeley Campus	10/10/07 (discussions beginning on 08/15/07)	OPEN—future updates
36	Chernowski LBNL	Provide discussion of the risk assignment methodology LBNL utilizes in the Issues Management Program	08/15/07	OPEN—to be presented in Oct. or Nov. 2007
37	Fernandez LBNL	Briefing on EBI Project indirect cost allocation issues	10/10/07	OPEN—to be presented in Nov. 2007