

**Greater Kansas City Chapter of Physicians for Social
Responsibility
Nuclear Watch New Mexico**

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**Private Developers Break Ground on Kansas City Plant
First New U.S. Nuclear Weapons Production Plant in 32 Years**

Kansas City, MO - Private developers have broken ground with mass earth excavation in the first phase of construction for the first new major U.S. nuclear weapons production plant in 32 years, the new Kansas City Plant (KCP). It will continue the mission of the heavily contaminated existing plant that produces and/or procures most nonnuclear components for nuclear weapons. KCP supplies more than 100,000 parts annually—ranging from nuts and bolts, foams, sealants, radars to reservoirs for tritium (a radioactive gaseous hydrogen isotope used to “boost” nuclear weapons). In total, KCP is responsible for 85% of all nuclear weapons components, and makes thousands of shipments each year to other sites within the Department of Energy’s semi-autonomous National Nuclear Security Administration’s (NNSA’s) nuclear weapons complex. Nuclear Security Administration’s (NNSA’s) nuclear weapons complex.

The new Plant’s work will be largely geared towards “Life Extension Programs” that extend the lifetimes of existing nuclear weapons for up to 60 years. These programs are currently slated to cost ~\$12 billion over the next 12 years, with more yet to come. Some newly designed components are being installed into existing weapons that are enhancing their military capabilities, such as new fuzes with selectable heights of burst. Resources put into Life Extension Programs also block needed dismantlements that are backlogged for the next 12 years because the same facilities are needed for both assembly and disassembly of nuclear weapons. Essentially the new KCP is overwhelmingly about indefinitely preserving nuclear weapons and not dismantling them.

The new privately financed Kansas City Plant will cost taxpayers \$1.2 billion in lease costs over 20 years. However, it is just one of three new facilities that together will rebuild the production side of the U.S. nuclear weapons complex. Also on the drawing boards are a new “Chemistry and Metallurgy Research Replacement Project - Nuclear Facility” at the Los Alamos National Laboratory in northern New Mexico that will anchor an expanded production complex for plutonium pits (the fissile cores of nuclear weapons); and a “Uranium Processing Facility” for manufacturing thermonuclear secondaries at the Y-12 Plant near Oak Ridge, TN. Final costs are not yet known for these two facilities, but estimates are now as high as \$5 billion each.

In all, the NNSA's nuclear weapons budget is projected to rise from today's \$6.4 billion to \$9 billion by 2018, 75% above the historic Cold War average. Each of these three major new production facilities is expected to operate for the next half-century with the stated goal of creating the capability to produce up to 80 new nuclear warheads per year, in sharp contradiction to the declared national and global security goal of a nuclear weapons-free world.

While closing many public schools and hospitals, the Kansas City, MO municipal government is aggressively subsidizing this new federal nuclear weapons production plant through a convoluted financing scheme. The City's "Planned Industrial Expansion Authority" (PIEA), enabled by Missouri tax codes designed to fight urban blight as "necessary in the interest of the public health, safety, morals or welfare of the residents of such city," has or is issuing \$750 million in municipal bonds to build this new weapons of mass destruction production plant. The new site was mostly being actively farmed for soybeans, but nevertheless the PIEA declared it "blighted" in order to subsidize the NNSA's new bomb plant.

The PIEA is lending the money raised through the bonds to the private developers, and then turns around to grant them a lease-to-purchase. The City will own this federal nuclear weapons components production plant until the private developer pay the bonds back with guaranteed income from subleasing the Plant to the federal General Services Administration (GSA), who in turn sub-leases it to the NNSA. Because the new Kansas City Plant is "privately developed," this new nuclear weapons production plant is funded outside of the NNSA's annual budget request, with minimal Congressional oversight. It is also questionably structured as an "operating lease" that is annually appropriated for by Congress in the general GSA budget, in contrast to a "capital lease" that would violate the federal Anti-Deficiency Act prohibiting ongoing federal obligations without congressional authorization.

Under the National Environmental Policy Act proposed "major federal actions" require environmental review free of predetermination and the opportunity for public comment before decisions are made. Instead, the GSA sent solicitations of interest to potential private developers a month before it notified the public of required environmental review. More than 100 local citizens attended an initial "scoping" meeting, after which the GSA refused to hold a public hearing on the draft environmental assessment. On April 29, 2008, eight days after issuing a final environmental assessment, the GSA issued a "Finding of No Significant Impact," giving the new Kansas City Plant the formal green light.

Following that, Physicians for Social Responsibility, the Natural Resources Defense Council, Nuclear Watch New Mexico, Tri-Valley CAREs and local Kansas City citizens sued NNSA and GSA, claiming among other things that the environmental assessment was inadequate because it did not consider the "connected action" of having to clean up the old plant once NNSA vacates it. Groundwater under the old plant is heavily contaminated with PCBs and

industrial solvents. However, NNSA's position is that cleanup activities have been officially completed according to existing regulations and all that is need is perpetual monitoring with some groundwater pump and treat.

However, the Kansas City government is anxious that the old plant site can be reused for local economic redevelopment, which is highly unlikely without comprehensive cleanup, for which there is no federal commitment. In fact, it's not even clear what federal agency will be responsible for managing and paying for cleanup (estimated at greater than \$200 million) once NNSA leaves for its new bomb plant. Although the judge ruled against our case, since then previously unreported worker health concerns at the old Plant have grown increasingly controversial, to the point where both Missouri senators have called for federal investigations.

NNSA has repeatedly claimed to Congress that the new Plant will save \$100 million annually over the old plant. However, a GAO report states that \$37 million of those savings can be achieved through streamlined business practices that align with appropriately lowered security requirements that reflect the simple fact that KCP does not have "special nuclear materials" needing to be rigorously guarded. A new plant is not necessary for that. Further, GSA's first round of bidding for a private developer was a bust in that no one could come under the congressionally mandated lease cap of \$38 per square foot per year. A second bidding round was successfully held, in which GSA awarded the development project to CenterPoint Zimmer LLC. One half of that LLC, Zimmer Real Estate Services, is Kansas City's leading commercial real estate firm, who just happened to own in advance the land that GSA selected for the new plant. Following the first bid bust, NNSA asked Congress for an additional \$79 million over the next five years for relocation costs to the new Plant, when previously it boasted of how besides the lease "alternative financing" would be mostly cost-free to the government. The development agreement between Centerpoint Zimmer LLC and Kansas City for the "NNSA National Security Campus" states that in addition to just building shell costs there will also be \$113 million in "Tenant Improvements," presumably not cost-free to the taxpayer.

Ann Suellentrop of the KC Chapter of Physicians for Social Responsibility commented, "Despite the ending of the Cold War 20 years ago, the nuclear political pork and secrecy continue despite the environmental and health consequences of bomb making. **Our bloated nuclear weapon stockpile continues to soak up scarce tax funds, while half the schools in Kansas City close and infrastructure projects crumble waiting for funding.** I hope that citizens from across the country can join us August 13-16 in a conference calling for sustainable jobs and cleanup of the old plant, followed by civil resistance to the new KC bomb plant."

Jay Coghlan, Director of Nuclear Watch New Mexico and consultant to KC PSR, observed, "In terms of components and hardware produced the Kansas City

Plant is the most productive of the eight integrated sites within the NNSA nuclear weapons complex. Our national and global security ultimately lies in getting rid of nuclear weapons instead of indefinitely preserving them. **Kansas City needs sustainable jobs, not nuclear weapons jobs.** The city should create jobs by holding the federal government's feet to the fire to make them clean up so that the old plant can be reused, and not let them build up the nuclear weapons bomb-making complex!"

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A picture of earth moving equipment at the new Kansas City Plant site is available at http://www.nukewatch.org/KCP/New_KCP-SitePrep_0615.jpg For more information on the August 13-16 PSR KC conference and the old and new Kansas City Plants please see <http://kcnukeswatch.wordpress.com> and <http://www.nukewatch.org/KCNukePlant/index.html> See also the "Development Agreement Between Kansas City and Centerpoint Zimmer LLC," the "Centerpoint Zimmer Project Proposal LLC" and information on environmental contamination at the old Plant at <http://www.nukewatch.org/KCNukePlant/index.html>