

Request For Capital
Expenditures/Retirements

REPORTING CLASSIFICATION

DATE APPROVED

JOB ORDER NO.

C2

9/25/79

OC-4799

DIVISION OR COMPANY

Organic Chemicals Division

SUMMARY OF AMOUNTS

LOCATION

Chicago Plant

J.O. CONTROL POINT

097

JOB TITLE

Replace manhole and sewer line

DESCRIPTION

LOCAL CURRENCY

U.S. DOLLARS

ESTIMATED PROJECT COST

\$3,500

DISMANTLEMENT EXPENSE

700

TRANSFER EQUIPMENT

GROSS AMOUNT FOR APPROVAL

\$4200

LESS TRANSFER EQUIPMENT

LESS SALVAGE OR TRADE-IN ALLOWANCE

NET CASH REQUIRED (GOF-3027)

\$4200

RETIREMENT DATA

ECONOMICS

REVISION DETAIL (GROSS AMOUNTS)

as called for in General Procedure Memo #3
Attachment C. (Attach calculations)

	AMOUNT		REV.#	DATE	AMOUNT	CUM. AUTHORIZATION
COST	2,000	ECONOMICS PERIOD	1			
DISMANTLEMENT	700	NET SALES	2			
LESS SALVAGE		NAT (PROFIT/SAVINGS)	3			
		TOTAL INVESTMENT	4			
		% ROI (ON TOTAL INVEST.)	5			
		INTERNAL RATE OF RETURN	6			
TOTAL - CHARGE RESERVE	2,700	PAYOUT OF NEW FIXED CAPITAL	7			

DESCRIPTION AND REASONS REQUIRED

Funds of ----- \$4200
are requested to remove the existing manhole and sewer line of
approximately 40 feet in length, to the plant, and replace with new.

DismantlementAcq. DateAcq. Amt.Disposition

Manhole & Sewer Line

6/71

2,000

Scrap

SUMMARY OF ESTIMATED COST - Details on GOF-3027

ESTIMATE NO.

STARTING DATE

COMPLETION DATE

Completed

ITEM NO.	DESCRIPTION	MATERIAL	LABOR	ENGINEERING	TOTAL
	Replace manhole and sewer line	1900	2100	200	4200
	NET CASH REQUIRED	1900	2100	200	4200

ACCOUNTING TREATMENT

APPROVALS

ITEM NO.	DEPR. RATE	NAME	DATE
Dr. \$3,500 P. P. & E. (196)	7 1/4%	R Johnson	8/27/79
Cr. \$2,000 P. P. & E. (232)		AC Gaffey	8/28/79
Dr. \$2,000 Res. for Depr. (232)		John D. Gaffey	9/12/79
Dr. \$700 Res. for Depr. (432)		John D. Gaffey	9/12
ACCOUNTING TREATMENT / ECONOMICS APPROVED BY DIV. CONTROLLER (CHECK BOXES)		DIVISION PRESIDENT/DIRECTOR	
POST AUDIT PERIOD		CORPORATE OF	
DISTRIBUTION			

A. PROPOSED WORK AND COST

Funds of -----\$4,200
are requested to remove the existing manhole and sewer line of approximately
40 feet in length, to the plant, and replace with new.

B. PRESENT SITUATION

The Chicago Plant is under citation by the Metropolitan Sanitary
District of Greater Chicago (MSDGC) due to lead concentrations in the effluent
in excess of the 0.5 ppm limit.

Installation of an effluent filtration system has reduced the lead
concentration; however, due to ground water seepage into the sewer line and
manhole, there has always been a higher concentration of lead in the samples
taken at the manhole versus samples taken at the filter discharge. The MSDGC
always samples at the manhole and the latest samples shows lead concentrates
above 0.5 ppm.

C. JUSTIFICATION

Eliminating the water seepage into the sewer line and manhole, coupled
with other process changes will reduce the lead concentrate of the effluent below
0.5 ppm, thereby preventing a punitive action by the MSDGC which could be a complete
plant shutdown and/or a substantial fine.

D. COMMERCIAL FACTORS

This order supports a plant budget as follows:

<u>First Seven (7) Months of 1979</u>		
<u>Sales-Pounds</u>	<u>Sales - Dollars</u>	<u>Profit on Sales</u>
5,369,230	\$3,520,900	892,800 (25.4%)
<u>Budget for 1979</u>		
<u>Sales-Pounds</u>	<u>Sales-Dollars</u>	<u>Profit on Sales</u>
8,650,000 8,650,000	\$4,512,000	1,548,000 (34%) 955,000 (21%) - gross profit

E. DETAILS OF PROPOSAL

Excavate manhole and sewer line from the manhole to the edge of
building 19, a distance of approximately 40 feet. Replace both the manhole
and sewer line with new. Backfill with approved material.

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F. PRODUCTION FACTORS

This proposal will not alter production quality or production rates.

G. CONTINGENT FUTURE COMMITMENTS

This proposal will not require additional funds to complete.

H. ALTERNATIVES CONSIDERED

There are no alternatives.

I. RISKS

No operating risks involved.

J. CONCISE SUMMARY

Replacement of the manhole and sewer line will help to insure that the plant meets the effluent discharge requirements of the M.S.D.C.C.