

CONTRACT NO. 00017644
BECHTEL BWXT IDAHO, LLC (BBWI)
2525 Fremont Avenue

P. O. Box 1625, Idaho Falls, ID 83415-4142
OPERATING UNDER U. S. GOVERNMENT CONTRACT NO. DE-AC07-99ID13727

To: Envirocare of Utah, Inc.
605 North 5600 West
Salt Lake City, UT 84116
Confirming to: KayLin Loveland
Phone: (801) 532-1330
Fax: (801) 537-7345

Effective Date: July 23, 2003

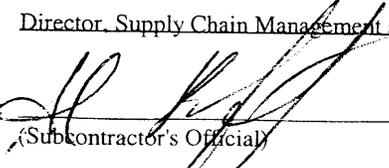
Completion Date: September 30, 2005

1. STATEMENT OF WORK

- 1.1. Envirocare of Utah (Subcontractor) shall furnish the following services, in accordance with the requirements, terms and conditions specified or referenced in this Contract: waste management support services in accordance with the "Statement of Work, Treatment for Disposition of INEEL Mixed Low-Level Waste," dated 05/29/03 (SOW-215, Rev. 1).
- 1.2. This is a fixed-unit-rate, ceiling-priced Contract for the period of July 23, 2003 through September 30, 2005. The ceiling price shown is an estimate to be used during the specified period of this Contract. The estimated ceiling does not obligate, guarantee, or imply that this amount will be purchased. Payment will be made for services rendered and accepted by BBWI, subject to established minimums. Pricing (i.e., fixed-unit-rates) is firm for the specified period of this Contract.

2. RESOURCES

- 2.1. The Subcontractor shall provide all resources, e.g., materials, labor, and equipment, necessary to fulfill the requirements of this Contract, except as otherwise specified.

Subcontract Administrator: Jim Alberico	Telephone: (208) 526-0733	Ceiling Price: XXXXXXXXXX
Ship via: BBWI carrier	F.O.B./Trans.: N/A	Cash Terms: Net 30
Billing Address: Accounts Payable BBWI P. O. Box 1625 Idaho Falls, ID 83415-3117 Jim Alberico PQA-05 JUL 23 2003	Signed:  Bechtel BWXT Idaho, LLC	7/23/2003 Date
	Title: Director, Supply Chain Management and Contracts	
	Signed:  (Subcontractor's Official)	8/5/03 Date
	Title: Executive Vice President	

PSQ APPROVAL & VALIDATION

Return one signed copy of this Contract to BBWI.

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3. APPLICABLE DOCUMENTS

3.1. The following document(s) are incorporated into, and become a part of, this Contract:

- 3.1.1. Statement of Work, Treatment for Disposition of INEEL Mixed Low-Level Waste, dated 05/29/03 (SOW-215, Rev. 1). (12 page SOW with 1 appendix and 2 attachments)
- 3.1.2. Fixed-Unit-Rate Schedule for Contract No. 00017644. (1 page)
- 3.1.3. Quality Clauses Applicable to Contract No. 00017644. (1 page)
- 3.1.4. Envirocare of Utah, Inc. Disposal Agreement for Contract No. 00017644, dated July 23, 2003. (21 pages)
- 3.1.5. Small Business Subcontracting Plan for Contract No. 00017644.
- 3.1.6. Form 414.12B (11/06/2001 Rev. 08), "ASME NQA-1 Applicability Matrix."
- 3.1.7. Form 540.33, "Information/Change Request."
- 3.1.8. Form 540.32, "Procurement Change Notice".
- 3.1.9. Form PROC-1861, "Occurrence Notification and Reporting by the Supplier."
- 3.1.10. Subcontractor Requirements Manual, required parts identified in Form 540.10 "Subcontractor Requirements Manual (SRM) Applicability," applicable to Contract No. 00017644 (<http://www.inel.gov/procurement/subcontractor-info.asp>). The Subcontractor and all lower-tiers shall perform work in accordance with the SRM, to the extent specified therein. The Subcontract Administrator (SA) shall notify the Subcontractor of changes to the SRM. The Subcontractor shall notify the SA within 15 days of the notification if any material impact on cost or schedule results from the SRM change. The notice shall include an assessment of the cost or schedule impact associated with the SRM change. The SA shall provide direction to proceed or not proceed with the SRM change. If direction is provided to proceed, the Subcontractor must proceed with the execution of the work as modified by the SRM change and a request for equitable adjustment may be submitted by the Subcontractor consistent with the Changes clause.

4. TERMS AND CONDITIONS

- 4.1. General Provisions: The following document is incorporated by reference and hereby forms a part of this action: Bechtel BWXT Idaho, LLC General Provisions for Nonconstruction Subcontracts and Purchase Orders, Form PROC-183 Rev. April 1, 2002 revised as follows:
 - 4.1.1. In Article B.7, Subcontractor's Responsibility, Paragraph 1, first sentence, after "...attributable to the conduct of Subcontractor or its Lower-tier Subcontractors, agents, or employees under this Subcontract..." insert "; provided, however, with respect to loss of fee suffered by Contractor, Subcontractor shall only be liable hereunder if the loss of fee results from the willful misconduct or gross negligence of Subcontractor, and Subcontractor's liability to Contractor for loss of fee shall be limited in any event to \$1,000,000.00".
 - 4.1.2. In Article B.9, Permits, Compliance and Indemnification, third unnumbered paragraph, first sentence, after "...their respective officers, directors, employees, agents, contractors, and successors in interest from all liability, fines," insert "civil penalties,".

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4.2. The following Special Provisions are also incorporated:

4.2.1. Special Provisions:

4.2.1.1. Regulatory Compliance, Permits and Licenses: The Subcontractor shall currently possess and maintain all applicable licenses and permits for operating the Subcontractor's facility for performance of the work, including, but not limited to, the following:

United States Nuclear Regulatory Commission (NRC) or NRC Agreement State radioactive materials license.

Air quality permits, such as, National Emissions Standards for Hazardous Air Pollutants (NESHAPs).

Water discharge permits, such as, National Pollution Discharge Elimination System (NPDES).

Resource Conservation and Recovery Act (RCRA) Part A and/or Part B Permit.

Environmental Protection Agency Identification Number and statement of generator status.

All other permits required by Federal, State, and local agencies for operating the Subcontractor's process facilities and equipment.

Copies of permit or license amendments which impact the treatment or disposal of BBWI mixed-low-level waste (MLLW) shall be provided to BBWI within 30 days of the Subcontractor request for amendment issue date, and again 30 days after regulatory agency amendment approval date. All activities associated with MLLW treatment and disposal shall be in accordance with applicable federal, state, and local statutes and regulations.

The Subcontractor must provide BBWI, within 20 days of violation notice, any and all Department of Transportation (DOT), environmental, U.S. Occupational Safety and Health Administration (OSHA), and governmental agency Notice of Violation (NOV) received by all the facilities involved in providing services under this Contract.

4.1.1.2 Insurance and Financial Assurance: The Subcontractor shall maintain adequate financial assurances in accordance with EPA regulations and NRC or NRC Agreement State requirements throughout the Contract term.

4.1.1.3 Adverse Consequences: To prevent disruption in the services to be provided, the Subcontractor shall notify BBWI within 48 hours of receipt of information that may

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adversely affect the Subcontractor's ability to perform. Such information includes, but is not limited to the following:

Information concerning pending or actual litigation.

Any incident that has occurred in a facility, or information concerning noncompliance with or violation of any applicable statute, regulation, permit condition, ordinance, or other law.

This requirement applies to all facilities to which waste is transferred through final disposition.

Note: BBWI's General Provisions are available at the following Internet address:
<http://www.inel.gov/procurement/formsdocuments.asp>.

- 4.2 **Certification of Eligibility:** Subcontractor, by entering into this Contract, certifies that it is not debarred, or proposed for debarment, or suspended or has not otherwise been declared ineligible from receiving Federal contracts. Disclosure that Subcontractor was ineligible for Federal contracts on or before the effective date of this Contract shall constitute an additional basis for termination under the Default Article of the General Provisions.
- 4.3 **Sales Tax:** BBWI has been granted Direct Pay Authority for Idaho Sales Tax by the Idaho Tax Commission.
- 4.4 **Insurance:** Prior to Subcontractor acquiring access to the INEEL to initiate on-site work required under this Contract, Subcontractor shall provide BBWI with written evidence of insurance.
- 4.5 **Responsibility of Subcontractor:** Subcontractor shall be responsible for the professional quality and technical accuracy of services provided under this Contract. Subcontractor shall perform all rework required due to errors and/or omissions by Subcontractor's personnel at no charge to BBWI. Neither BBWI's review, approval, or acceptance of, nor payment for, the services required under this Contract shall be construed to operate as a waiver of any rights under this Contract or of any cause of action arising out of the performance of this Contract, and Subcontractor shall be and remain liable to in accordance with applicable law for all reperformance of services caused by Subcontractor's own negligent performance of any of the services furnished under this Contract or any errors, omissions, or deficiencies. The rights and remedies of BBWI provided for under this Contract are in addition to any other rights and remedies provided by law. If Subcontractor is comprised of more than one legal entity, each such entity shall be jointly and severally liable hereunder. This paragraph takes precedence over all other clauses, provisions or articles in this Contract or applicable General Provisions.
- 4.6 **Hazards Training:** Pursuant to 29 CFR 1910.1200, BBWI will provide Subcontractor's personnel with necessary information and training for any hazards to which Subcontractor's personnel may be exposed while working at the INEEL.
- 4.7 **Use of Software:** Subcontractor shall not use, nor possess on BBWI or Government premises, any software for which BBWI, the Subcontractor or Subcontractor's individual user(s) cannot

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- demonstrate an express written authorization of use from the software manufacturer. Noncompliance with this prohibition shall constitute breach of contract and, as such, shall be grounds for default termination of this Contract under the General Provisions.
- 4.8 Subcontractor Employees: In carrying out the work under this Contract, the Subcontractor's employees shall be and remain employees of the Subcontractor, and shall not be deemed BBWI employees. The Subcontractor has a responsibility to convey this fact to employees performing work at BBWI facilities. As such, all personnel issues involving Subcontractor employees, such as discipline, request for pay raises, and other related matters, shall be appropriately resolved by the Subcontractor.
- 4.9 Sensitive Information: When Subcontractor's employee(s) will, or could have, access to sensitive information pertaining to any business or government agency, Subcontractor shall ensure that its employee(s) is aware of the necessity to safeguard such information by not disclosing it to individuals or companies outside of BBWI.
- 4.10 On-Site Equipment Use Requirements: All equipment, (vehicles, machinery and/or hand tools) used by the Subcontractor to perform work at the INEEL must be in good working condition for the purpose intended and meet all applicable codes and standards. Such equipment must be used and maintained only as intended by the manufacturer and in accordance with the manufacturer's instructions and limitations. The equipment must be free of defects and suitable for safe performance of the work. Contractor reserves the right, in its sole discretion, to conduct cursory inspections of subcontractor equipment prior to use. Equipment found to be unsatisfactory by the Contractor shall be promptly repaired or removed from the premises and replaced with satisfactory items at no cost to the Contractor. Contractor inspections, whether or not any equipment is found to be unsatisfactory or whether or not any defects are found by such inspections, do not relieve the Subcontractor of any responsibility or liability under this Article or for performing the work in a safe manner.
- 4.11 Service Contract Act: This Contract is subject to the provisions of the Service Contract Act. Wage Determination No. 1994-2531, Revision 21, dated 10/22/2002, attached hereto (as amended by the U.S. Department of Labor All Agency Memorandum Number 196), is made a part of this Contract. The Subcontractor agrees to the modification of this Contract to include any subsequent wage determination and that any resultant equitable adjustment shall address only incremental direct labor and fringe benefits costs. Any questions regarding payment of wages and fringe benefits should be referred to the U.S. Department of Labor Office servicing your geographical area.
- 4.12 Wage Determination: A Department of Labor Wage Determination will be issued annually during the term of this Contract and will be incorporated via amendment; the amendment will address incremental direct labor and fringe benefits costs only. If an updated wage determination is not issued then the Subcontractor shall continue to apply the wage determination currently specified in this Contract. Incorporation of the annual wage determination will serve as the only mechanism to adjust the pricing for labor under this Contract.
- 4.13 Security Requirements
- 4.13.1 Subcontractor personnel performing on-site services under this Contract shall have a

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- Building Access Only (BAO) clearance. Unless otherwise approved by BBWI in writing, Subcontractor personnel (including lower-tier Subcontractors) must be U. S. citizens to gain admittance to the site. Subcontractor shall request the number of security packets, from the BBWI Subcontract Administrator, needed for this Contract.
- 4.13.2 Within one week after placement of the Contract, Subcontractor must submit to BBWI Security a completed security packet for each person requiring BAO clearance. Approximately three weeks are required to process a BAO clearance after BBWI's receipt of an acceptable security packet.
- 4.13.3 The Subcontractor must obtain a sufficient number of BAO clearances to provide a margin for illnesses, personnel terminations and individuals whose clearances require extended processing time.
- 4.13.4 Subcontractor's failure to obtain sufficient BAO clearances to have a crew of sufficient size BAO-cleared in time to meet completion/delivery requirements may result in termination of the Contract for default.
- 4.14 Byrd Amendment: Subcontractor shall comply with FAR 52.203-12, Limitations on Payments to Influence Certain Federal Transactions.
- 4.15 Anti-Kickback Act: By acceptance of this Contract, Subcontractor certifies that it has not and shall not make or solicit kickbacks in violation of the Anti-Kickback Act of 1986.
- 4.16 Information Change Requests: All Subcontractor requests for information or change during the performance period shall be transmitted to BBWI using Form 540.33, Information/Change Request (I/CR). I/CRs shall be prepared and completed in accordance with the form instructions and submitted directly to the Subcontract Administrator. Form 540.33 is available at: <http://www.inel.gov/procurement/formsdocuments.asp>.
- 4.17 Technical Changes: Technical changes to the Contract are authorized only upon receipt and acceptance of Form 540.32, Procurement Change Notice.

5 **PRICE**

- 5.1 The ceiling price of this Contract is [REDACTED], derived as follows:
- 5.1.1 The ceiling price for treatment and disposal of waste subject to stabilization and macroencapsulation is [REDACTED] based on the estimated quantities available to be processed. See "Fixed-Unit-Rate Schedule for Contract No. 00017644" for additional requirements.
- 5.1.2 The ceiling price for on-site labor support is [REDACTED] based on 9600 total hours required to be provided. See "Fixed-Unit-Rate Schedule for Contract No. 00017644" for additional requirements.
- 5.2 Limitation of Funds: Maximum funding of [REDACTED] is available for this Contract from the date of award until otherwise notified, in writing, by the Subcontract Administrator. Subcontractor shall not exceed this maximum funding limitation, unless prior BBWI approval, in writing, is obtained from the Subcontract Administrator. BBWI's obligation for performance of this Contract beyond [REDACTED] is contingent upon the availability of appropriated funds. No liability on the part of BBWI for any payment may arise for

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performance under this Contract beyond [REDACTED]

- 5.3 Fixed-Unit-Rate Pricing: The Subcontractor shall be paid at the fixed-unit rates established in the "Fixed-Unit-Rate Schedule for Contract No. 00017644" for services rendered in performing the statement of work. The Subcontractor shall maintain suitable records so that charges can be verified; these records must be furnished to BBWI, upon BBWI's request.
- 5.4 Options and option pricing: At any time during the term of this Contract, BBWI reserves the right, in its sole discretion, to authorize the processing of mixed low-level waste (MLLW) included in any of the following MLLW disposal groups, subject to Subcontractor's submittal to BBWI of appropriate waste treatment permits, and successful completion of applicable treatability studies (See "Fixed-Unit-Rate Schedule for Contract No. 00017644" for additional requirements):

Optional Mixed Low-Level Waste Treatment and Disposal Groups	Estimated MLLW Volume Available for Treatment in cubic feet	Fixed-Unit-Rates for Treatment and Disposal per cubic foot	Ceiling Price for Option Group
Thermal/Nonthermal	706	\$	
Mercury treatment as identified in Statement of Work Paragraph 2.2.4 (a minimum quantity of 57 cubic feet of mercury waste will be provided for treatment if this option is exercised)	71	\$	
PCB	459	\$	
Dioxin/Furan	353	\$	

- 5.5 Treatment Contingency: Any BBWI mixed-low-level waste that fails to meet disposal facility Waste Acceptance Criteria (WAC) and/or Land Disposal Restrictions (LDRs) after treatment by the Subcontractor shall be reprocessed by the Subcontractor at no additional cost to BBWI until the waste qualifies for disposal. If all reasonable attempts to reprocess the waste fail, the Subcontractor shall return the waste to BBWI for storage. Subcontractor shall bear all processing and return transportation expense for any BBWI waste that Subcontractor is unable to treat.
- 5.6 Billing and Payment: Subcontractor shall be paid upon the submission of itemized monthly invoices for services rendered during the preceding calendar month, less deductions, if any, as herein provided. Invoices must be substantiated by daily time sheet records and a breakdown or list of personnel, labor category, hourly rate and dates of service covered by the invoice. Labor costs will be computed by multiplying the appropriate hourly rate set forth herein by the number of direct labor hours actually expended in performance of work. Fractional parts of an hour shall be payable to the nearest half hour. The Subcontractor shall not be compensated for travel time. The hourly rates shown are applicable to all services, regardless of whether they were performed at straight time or overtime work. If directed by BBWI, the Subcontractor shall annotate all invoices with BBWI charge numbers and the amount of cost attributable to each charge number.
 - 5.6.1 Billing and Payment for waste treatment and disposal: Subcontractor shall be paid 50%

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of the "fully processed" value of the shipped material after receipt of the material at the treatment/storage/disposal facility (TSDF), return of the shipping manifest, and submittal of a proper invoice. The remaining balance shall be paid upon Subcontractor's completion of treatment and disposal services, submittal of the final shipping manifest (if applicable) and certificate of disposal/destruction documentation, and submittal of a proper invoice. Costs shall be computed by multiplying the appropriate fixed-unit rate by the processed quantity. Courtesy copies of shipping manifests and certificate of disposal/destruction documentation shall be provided with invoices.

6 COMPLETION DATE

6.1 This Contract shall be in effect through September 30, 2005. If any treatment and disposal must be performed after September 30, 2005, Subcontractor agrees to any completion date extension necessary with no increase in the fixed-unit-rates contained in the "Fixed-Unit-Rate Schedule for Contract No. 00017644".

6.2 Shipping/Transportation Terms

6.2.1 BBWI shall arrange outbound transportation and act as shipper of record for waste shipped to the Subcontractor under this Contract.

6.2.2 If Subcontractor is unable to treat any BBWI waste, return of the waste must be coordinated with the BBWI Subcontract Administrator and the BBWI Packaging and Transportation Department (Shipping Coordinator @ 208-526-0132). BBWI must be given 30 days advance notice prior to shipment. No deliveries will be received on Fridays, Saturdays, Sundays or Holidays, nor after 3:30 p.m. Monday through Thursday, unless specific prior authorization is obtained from one of the BBWI personnel identified in the "Administration and Legal Jurisdiction" paragraph.

6.2.3 Subcontractor shall provide shipping manifests and certificate of disposal/destruction documentation to: BBWI Packaging and Transportation Department, Attn: Shipping Coordinator, INEEL, MS 4105, P.O. Box 51701, Idaho Falls, ID 83415-4105.

6.2.4 The Contract number must appear on all shipping containers, documents, invoices and correspondence.

6.3 Packing, Packaging, and Marking

6.3.1 Any hazardous material covered hereunder shall be packaged, marked, labeled and certified to be in condition for transportation, in accordance with Hazardous Material Regulations of the U.S. Department of Transportation. Costs incurred by BBWI or the Subcontractor to correct any noncompliance will be charged back to the party responsible for the noncompliance. Without limiting the force and effect of any of the other provisions, herein, the parties warrant that all of the hazardous material covered hereunder has been completely and accurately labeled pursuant to the requirements of 40CFR Part 82, "Protection of Stratospheric Ozone," or that such supplies do not require such labeling.

7 INSPECTION/ACCEPTANCE

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- 7.1 Due to the quality significance of the services being acquired by this Contract, Subcontractor's attention is directed to Article A.7 of the General Provisions. This emphasis shall not be construed in any way to diminish the mandate to comply with, or the enforceability of, any of the General Provisions or other requirements applicable to this Contract.
- 7.2 Acceptance under this Contract occurs at the time BBWI authorizes final payment.

8 ADMINISTRATION

- 8.1 Subcontractor Administration and Technical Direction: The Subcontractor's responsibilities shall be administered by KayLin Loveland. Subcontractor agrees that Paul Larsen will have overall technical direction of the work to be performed by Subcontractor and shall be available at all reasonable times in connection therewith.

Subcontractor agrees that the below listed key personnel shall be assigned to this Contract in the indicated positions:

Name	Position
Phillip Gray	Subcontractor On-site Project Team Lead and Lead for Waste Characterization Support
Adam Jones	Subcontractor Lead for Packaging and Shipping Support

Any change in assignment must have prior approval of BBWI.

- 8.2 Lower-Tier Subcontractors: The following lower-tier subcontractor has been approved by BBWI for performance of work under this Contract: Duratek Federal Services, Inc. This lower-tier subcontractor shall work under the direction of Subcontractor and to its health, safety, and quality programs as defined in this Contract. Subcontractor shall notify BBWI's Subcontract Administrator of any lower-tier subcontractor substitution or addition at least three (3) days prior to the lower-tier subcontractor's anticipated mobilization to site. All lower-tier subcontractors must be presented to and accepted by BBWI's Subcontract Administrator before they will be allowed to work on site under this Contract.
- 8.3 Administrative and Legal Jurisdiction. Unless the Subcontractor is otherwise notified in writing, BBWI's responsibilities under this action shall be administered by Jim Alberico, or an authorized Subcontract Administrator named herein, or Supply Chain Management and Contracts Manager.
- 8.4 Technical Direction and Occurrence Reporting Representative. All work performed under this Contract shall be subject to the technical direction of Kevin Kooda or his designee. Technical direction includes:
- 8.4.1 Directions to the Subcontractor which redirect the contract effort, shift work emphasis between work areas or tasks, require pursuit of certain lines of inquiry, fill in details or otherwise serve to accomplish the requirements of the Contract.
- 8.4.2 Providing written information which assists in the interpretation of drawings, specifications and technical information to be delivered under the Contract.
- 8.4.3 Coordination and compliance assurance of all ES&H requirements of the Contract.

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- 8.5 Technical direction must be within scope of work stated in the Contract. The STR does not have the authority to issue technical direction which causes an increase or decrease in the price or time of performance.
- 8.6 Notices: Any notice provided for this action shall be considered as having been given:
- 8.6.1 To BBWI, if mailed electronically via e-mail ("aaj@inel.gov") or fax, or if delivered personally to Jim Alberico, or if mailed by U. S. Mail addressed to Jim Alberico, Bechtel BWXT Idaho, LLC, Mailstop 4142, P. O. Box 1625, Idaho Falls, Idaho 83415 - 4142; or
 - 8.6.2 To the Subcontractor, if delivered personally to its duly authorized representative at the site of work, or if mailed electronically via e-mail or fax, or by U. S. Mail addressed to the Subcontractor at 605 North 5600 West, Salt Lake City, Utah 84116.