

#22488

LEASE AGREEMENT NO. 22488
BETWEEN
IDAHO INNOVATION CENTER (LANDLORD)
AND
BECHTEL BWXT, IDAHO, LLC (TENANT)

SEPTEMBER 8, 2003

INDEX

1.0	FUNDAMENTAL LEASE PROVISIONS
1.01	Summary and Reference
1.02	Conflicts
2.0	PREMISES
2.01	Additional Services
3.0	TERM
3.01	Commencement Date
3.02	Length of Term
3.03	Lease Year Defined
3.04	Lease Options
4.0	RENT
4.01	Place and Manner of Payment
4.02	Security Deposit
4.03	Non-refundable Deposit
5.0	SIGNAGE
5.01	Provisions for Signs
5.02	Signs, Awnings & Roof
6.0	USE
6.01	In General
6.02	Tenant Obligations
7.0	MAINTENANCE OF PREMISES
7.01	Maintenance by Tenant
7.02	Maintenance by Landlord
7.03	Notice of Need for Landlord' Maintenance
7.04	Tenant's Right to Cure
8.0	ALTERATIONS TO PREMISES
8.01	Consent of Landlord
8.02	Manner of Completion
8.03	Mandatory Alterations or Additions
9.0	UTILITIES
9.01	Tenant Responsibilities
9.02	Landlord Responsibilities
10.0	COMMON AREAS
10.01	Definition
10.02	Rights Respecting Common Areas
11.0	ASSIGNMENT
12.0	COVENANTS OF LANDLORD
12.01	Title
12.02	Other Tenants
13.0	DAMAGE BY FIRE
13.01	Minor Damage
13.02	Major Damage

- 14.0 INSURANCE**
- 15.0 DEFAULT**
- 16.0 CONDEMNATION**
- 17.0 COMPLIANCE WITH REGULATIONS**
- 18.0 INDEMNIFICATION**
- 19.0 OBSTRUCTION**
- 20.0 ATTORNMENT**
- 21.0 QUIET ENJOYMENT**
- 22.0 TERMINATION**
- 23.0 ATTORNEY FEES**
- 24.0 ACCESS BY LANDLORD**
- 25.0 MISCELLANEOUS**
 - 25.01 Disputes
 - 25.02 Examination of Records by the Comptroller General
 - 25.03 Hazardous Substances
 - 25.04 Force Majeure
 - 25.05 Articles Incorporated by Reference
 - 25.06 Attachments
 - 25.07 Other Agreements
 - 25.08 Other Covenants
 - 25.09 Successors
 - 25.10 Governing Law
- 26.0 NONDISCRIMINATION**
- 27.0 AUTHORITY OF SIGNATORIES**
- 28.0 NOTICES**

ATTACHMENT A - Description of Leased Property
ATTACHMENT B - Service Policies
ATTACHMENT C - Hazardous Material Policy

LEASE AGREEMENT NO. 22488

THIS LEASE AGREEMENT (The "Lease") is made and entered into by and between **IDAHO INNOVATION CENTER** (The "Landlord") and **Bechtel BWXT, Idaho, LLC** ("Tenant"), an Idaho Corporation with operating offices in Idaho falls, Idaho; acting under its Contract No. DE-AC07-99ID13727 with the United States of America, represented by the United States Department of Energy (called "DOE" or the "Government").

WITNESSETH:

1.00 FUNDAMENTAL LEASE PROVISIONS

1.01 Summary and Reference

Date of Lease: _____ September 1, 2003 _____

Landlord: _____ Idaho Innovation Center _____

Tenant: _____ Bechtel BWXT Idaho, LLC _____

Premises: 101 Technology Drive
Idaho Falls, ID 83401
(Bay #9)

Lease Term: One (1) year

Monthly Rental: \$1,200 each month.

Addresses for Notices: **Landlord:** Idaho Innovation Center
2300 N. Yellowstone Hwy
Idaho Falls, ID 83401

Tenant: Bechtel BWXT Idaho, LLC.
2525 Fremont Avenue
P.O. Box 1655
Idaho Falls, Idaho 83415-1303

1.02 Conflicts

This Article 1 is designed to summarize and reference, for the purpose of convenience, certain other articles and sections of this Lease which contain certain

fundamental provisions. In the event of any conflict between the summary set forth above and the actual language contained in the referenced article or section, or contained elsewhere in the Lease, such actual language shall control.

2.00 PREMISES

Landlord leases to Tenant and Tenant leases from Landlord certain real property (the "Premises") situated within a portion of a building (the "Incubator"), which is located in the City of Idaho Falls, County of Bonneville, State of Idaho. The space number or address of the Premises is

101 Technology Drive, Bay #9, (Attachment A) Idaho Falls, Bonneville County, Idaho, 83401 and the approximate number of square feet contained therein is 2,200 **square feet**. As used herein, the term "Incubator" shall mean the entire Incubator premises as such is constituted from time to time including the Incubator building, the buildings adjacent thereto, the parking and common areas and the peripheral free standing buildings, if any.

- 2.01** As part of this lease, Landlord shall provide in addition to the leased premises, at no additional cost, the services indicated by Attachment B.

3.00 TERM

3.01 Commencement Date

The term of this Lease Agreement and Tenant's obligation to pay rent hereunder shall commence on September 1, 2003.

3.02 Length of Term

The term of this Lease shall be for a period of one (1) year, beginning, September 1, 2003, and ending August 31, 2004.

3.03 Lease Year Defined

The term "Lease Year" as used herein shall mean a period of twelve (12) full consecutive calendar months. The Lease Year shall commence on September 1, 2003, and end on August 31, 2004.

3.04 Option Term

Tenant shall have two consecutive one year options at \$1,200 per month. Payment by Tenant and acceptance of payment by Landlord of first month rent for an option term shall constitute exercise of the option term irrespective of timely submittal by Tenant of notice to exercise the option.

4.00 RENT

4.01 Place and Manner of Payment

Tenant agrees to pay to Landlord at such place as Landlord may designate, without prior demand therefore, as rent, the sum of \$1,200 per month to be paid in **arrears** by the 1st day of each succeeding calendar month during the term of this Lease. Rent for any partial month shall be prorated on a per diem basis.

4.02 Security Deposit is non-applicable

5 SIGNAGE

5.01 Landlord will provide a portion of the building for the placing of signs at Tenant's expense (Non Refundable Deposit). These signs will be located adjacent to leased space and the front marquee of the building.

5.02 Signs, Awnings, Roof

Tenant shall not be allowed to install any exterior lighting canopies or awning, or any exterior decorations or paintings, or install any drapes, blind shades or other coverings on exterior windows and doors, erect or install any sign, window or door lettering, place cards, decorations or advertising media of any type which can be viewed from the exterior of the Premises for the conducting of its business.

6.00 USE

6.01 It is understood that Tenant shall be allowed to use the Premises for the purpose of conducting its business in support of INEEL Bioenergy Initiative Research.

6.02 Tenant's Obligation

Tenant will provide the equipment and furniture necessary for conducting business on the premises. However, it is agreed by the parties that these items will belong to the Tenant and will not be considered part of the fixed construction on the Premises and that Tenant, upon termination of this Lease will be allowed to remove said items at Tenant's cost, provided it is agreed that Tenant will be required to make any reasonable restoration to the existing buildings, structures or land as a result of the

removal of said items. Tenant will exercise reasonable care in removing said items and will make every effort not to destroy or damage any structures when removing said items. Any Tenant furniture or equipment remaining 30 days after termination of Lease shall become property of the Landlord without cost to the Landlord, *but this shall not apply to Government-owned property which shall remain property of the Government.*

Title to property of the United States Government shall not be affected by the incorporation of the property into or the attachment of it to any property not owned by the Government, nor shall such Government property, or any part thereof, be or become a fixture or lose its identity as personality by reason of affixation to any realty.

7.00 MAINTENANCE OF PREMISES

7.01 Maintenance by Tenant

Tenant, at its sole cost and expense, shall pay all telephone, electrical power, water charges, internet, janitorial and maintenance expenses incurred in the leased Premises.

7.02 Maintenance by Landlord

Landlord shall make all repairs including structural repairs, repairs to the exterior of the Premises including roof, skylight, sidewalks and parking areas, and Landlord shall make and be responsible for all repairs to the electrical, plumbing, heating, air conditioning, sprinkler and hot water systems. The Landlord shall also make any repairs necessitated by water seepage or by other causes not under Tenant's control.

7.03 Notice of Need for Landlord's Maintenance

Tenant shall give to Landlord prompt written notice of any need for repairs which are the Landlord's obligation under the terms of this Lease and such repairs shall be remedied by Landlord, at the expense of Landlord, with due diligence.

7.04 Tenant's Right to Cure

If Landlord refuses or neglects to repair and maintain the Premises as required under the Lease the Tenant as soon as ten (10) days after demand, may make such repairs without liability on its part to Landlord for any loss or damage that may accrue to Landlord by reason thereof and upon completion thereof, Landlord shall pay Tenant's cost for making such repairs within forty-five (45) days upon presentation of a bill thereof. Failure of Landlord to pay such amount within forty-five (45) days of receipt of such bill shall provide the Tenant right of offset, such that at Tenant's

election, it may subtract the amount owing from monthly rent.

8.00 ALTERATIONS TO PREMISES

8.01 Consent of Landlord

Tenant shall not make or cause to be made any alterations, additions or improvements to the Premises without first obtaining Landlord's written approval, which approval shall not be unreasonably withheld. Tenant shall present to Landlord plans and specifications for any such work at the time approval is sought. In the event Landlord consents to the making of any such alterations, additions or improvements to the Premises, the same shall be paid by Tenant at Tenant's sole cost and expense. Any restoration of Premises required by Landlord as a result of Tenant alterations, additions, or improvements to the Premises, shall be specified in the Landlord's written approval to proceed.

8.02 Manner of Completion

All such work shall be done in a good and workmanlike manner and diligently prosecuted to completion so that, except as absolutely necessary during the course of such work, the Premises shall at all times remain in a complete operating unit.

8.03 Mandatory Alterations or Additions

Should any law or ordinance, or should any governmental agency having jurisdiction, require alterations or additions to the Premises as a result of the use or occupancy by Tenant, such alterations or additions shall be properly constructed by Landlord, at its sole cost and expense.

9.00 UTILITIES

9.01 Tenant shall be solely responsible for, and shall promptly pay before delinquency, all charges (including deposits and applicable taxes, if any) for hookup and use or consumption of heat, sewer, water, gas, electric, telephone or any other utility services supplied to Tenant or to the Premises during the term hereof (including sales, utility, franchise or other applicable taxes, if any), regardless of whether such be provided by Landlord or a local utility company through separate or common meters.

9.02 Landlord agrees to provide at its own cost and expense a suitable trash receptacle and regularly scheduled pick-up service sufficient to handle Tenant's own needs in order to prevent the unsightly accumulation of trash and other debris.

10.00 COMMON AREAS

10.01 Definition of Common Areas

"Common Areas" mean those areas in the Building available for the common, "joint", use and/or benefit of Landlord, Tenant and other tenants and permanent occupants of the Building and their respective employees, agents, servants, customers and other invitees. Common Areas include, without limitations, parking areas, access roads, driveways, retaining walls, fences, fountains, parking structures, building exteriors and roofing, exterior canopies and supports for such, planters, curbs, utility lines, landscape areas, flagpoles, works of art, light poles and fixtures in parking areas or fixtures in the enclosed Building, common truck service ways or tunnels, common loading docks, pedestrian walkways, courts, stairs, ramps, sidewalks and public benches and restrooms.

10.02 Rights Respecting Common Areas

Tenant, and its employees, agents, servants, customers, and other invitees shall have, pursuant to the terms and conditions of this Lease, the non-exclusive right in common with Landlord, other tenants and permanent occupants of the Incubator (and their respective employees, agents, servants, customers and other invitees), to use and/or receive the benefit of the common areas of the Incubator as defined above, as such common areas are designated by Landlord from time to time. Landlord shall not voluntarily close Common Areas to discourage non-customer parking if such would materially and adversely affect parking areas regularly used by Tenant or affect Building access points to adjacent streets. In addition, Landlord shall only voluntarily close Common Areas to facilitate changes or repairs to the minimum extent necessary to accomplish such changes or repairs.

10.03 Common Area Operation and Maintenance

Landlord shall operate and manage the Common Areas, and, in that connection, shall have full right and authority to employ and discharge all personnel used to police and maintain the same, and shall have the right through reasonable rules, regulations and restrictive covenants promulgated by it from time to time to control the use and operation of the Common Areas in order that such use and operation may occur in a proper and orderly fashion. Landlord shall keep the Common Areas of the Building in a neat, clean and orderly condition, properly lighted and landscaped, and shall repair any damage thereto.

11.00 ASSIGNMENT

Except for assignment/transfer or sublet to the U.S. Government or to Government's designee, Tenant shall not be allowed to transfer, assign or hypothecate this Lease in

full or in part or sublet the premises or any part thereof, without the prior written consent of the Landlord, which consent shall not be unreasonably withheld.

12.00 COVENANTS OF LANDLORD

12.01 Landlord warrants that it has good and sufficient title to the property and premises leased hereunder and all improvements thereon, subject to existing right of ways and covenants.

12.02 Landlord covenants and agrees to lease the remaining space available in the Incubator to reputable businesses or entities of a professional nature. Both parties agree it is the intent of the Incubator to promote an atmosphere conducive to new businesses and Landlord agrees to make every reasonable effort to promote and maintain said atmosphere.

13.00 DAMAGE BY FIRE

13.01 Minor Damage

Landlord shall promptly repair any damage that affects only a minor portion of the Premises without rendering a major portion of the Premises unfit for Tenant's use and purposes hereunder.

13.02 Major Damage

If the Premises are so damaged or destroyed so as to render a major portion of the Premises unfit for Tenant's intended use thereof, Landlord shall have thirty (30) days to notify Tenant of its intent to restore the Premises to the same condition. Landlord shall then have ninety (90) days to restore said Premises to the same condition or this Lease shall terminate. If Landlord fails to notify Tenant of its intentions to restore within thirty (30) days, this Lease shall terminate.

14.00 Insurance

14.01 It is agreed that the Landlord and Tenant shall respectively obtain whatever insurance that they may consider prudent and necessary to protect their respective and separate best interests and that neither party shall be obliged to obtain insurance as regards the other party's real or personal property, provided however, that this provision shall not be construed as a waiver of any rights of subrogation or entitlements in law by either party.

15.0 DEFAULT is not applicable

16.00 CONDEMNATION

If the Premises shall be acquired or taken by condemnation or other related governmental or quasi-governmental proceedings, or transfer in lieu thereof, this Lease shall terminate as of the date Tenant loses the possession of the Premises. If any part of the Premises shall be acquired or taken by such proceedings, or transfer in lieu thereof, and such partial taking is sufficiently extensive to render the remaining Premises unsuitable for Tenant's business operations, then this Lease shall terminate as of the date Tenant loses possession of the part of the Premises so taken.

17.00 COMPLIANCE WITH REGULATIONS

Tenant shall promptly execute and comply with all statutes, rules, orders, ordinances, requirements, and regulations of the Landlord, State or Federal Government and any and all of its departments and bureaus applicable to said demised premises for the correction, prevention or abatement of nuisances or other grievances in, upon or connected with said premises, during the said terms arising from Tenant's occupancy of the premises or performance of its operations and business, and that periodic non-notice safety inspections may be conducted by the Fire Department, an insurance company, or other inspectors, except that all structural alterations or additions and all other actions or changes required that do not arise directly from Tenant's occupancy of the premises or performance of its operations or business, shall be made by Landlord at its expense.

18.0 NDEMNIFICATION is non-applicable

19.00 OBSTRUCTION

Tenant further agrees that it will not encumber or obstruct the said sidewalk in front of or adjacent to any building or the dock area or parking area or allow the same to be obstructed and that no goods, material or machinery or other articles shall be stored on said sidewalk or in said hallways or on the said dock area of the premises leased, or left there for a longer period than shall be absolutely necessary to transport them to or from the premises of the Tenant

20.00 ATTORNMEN

In the event of a sale or assignment of Landlord's interest in the building of which the Premises are a part, or in the event of any proceeding brought for the foreclosure of, or in the event of exercise of the power of sale under any mortgage or other security instrument given by the landlord covering the Premises, Tenant shall have the option to attorn to the assignee or purchaser and recognize such purchaser as Landlord under the Lease, or the Tenant, at its option, shall have the right to terminate this Lease.

21.00 QUIET ENJOYMENT

Tenant, upon paying the rents and observing and performing all the terms, covenants and conditions on its part to be performed hereunder, shall have the "quiet enjoyment" (as defined by law) of the Premises for the term hereof except as provided in paragraph 24.00 below.

22.00 TERMINATION OF LEASE AGREEMENT

Tenant may terminate this lease without incurring any liability for damages by giving Landlord 120 day written notice of termination. Landlord may terminate this lease without incurring any liability for damages by giving Tenant a 180 day written notice of termination.

23.00 ATTORNEYS FEES is non-applicable

24.00 ACCESS BY LANDLORD

Landlord or Landlord's agent shall have the right to enter the Leased Premises at all reasonable times to examine and inspect the same and to show them to prospective purchasers or Tenants of the building, and to make all reasonable repairs, alterations, improvements or additions as Landlord may deem necessary or desirable; and Landlord shall be allowed to take all materials into and upon Leased Premises that may be required therefor without the same constituting an eviction of Tenant in whole or in part, and the rents reserved shall in no wise abate while said repairs, alterations, improvements or additions are being made, by reason of loss or interruption of business of Tenant, or otherwise. During the six months prior to the expiration of the Lease Term of the Lease or any Renewal Term, Landlord may exhibit Leased Premises to prospective tenants and place upon Leased Premises the usual notice "To Let" or "For Rent", which notices Tenant shall permit to remain thereon without molestation.

- A. To minimize disruption of Tenant operations, Landlord may at reasonable times, and with reasonable advance notice to the authorized Tenant Technical Representative in charge, enter and inspect the same and perform any necessary maintenance or repairs thereto.
- B. Landlord must obtain advance concurrence from Tenant Technical Representative regarding planned work on power systems, plumbing, or any other item that may affect the facility function, or potentially affect the working ability, safety and/or health of the occupants.

25.00 MISCELLANEOUS

25.01 DISPUTES

- A. The parties agree that the appropriate forum for resolution of any dispute of claim pertaining to this Lease shall be a court of competent jurisdiction as follows:
 - 1. Subject to paragraph (a) (2) of this clause, any such litigation shall be brought and prosecuted exclusively in Federal District Court, with venue in the United States District Court for the District of Idaho in Pocatello, Idaho.
 - 2. Provided, however, that in the event the requirements for jurisdiction in any Federal District Court are not present, such litigation shall be brought in the District Court of the Seventh Judicial District of the State of Idaho, in and for the County of Bonneville, with venue in the District Court of the Seventh Judicial District in Idaho Falls, ID.
- B. Any substantive issue of the law in such dispute, claim, or litigation shall be determined in accordance with the body of law applicable to procurement of goods and services by the Federal Government. Nothing in this clause shall grant to the Landlord by implication any statutory rights or remedies not expressly set forth in this Lease.
- C. There shall be no interruption of this Lease during the pendency of any dispute that may arise between the parties hereto or between the Landlord and its subcontractors in support of this Lease.
- D. The Contract Disputes Act of 1978 (41 U.S.C. Sections 601-610) shall not apply to this Lease provided, however, that nothing in this clause shall prohibit Tenant, in its sole discretion, from sponsoring a claim of the Landlord for resolution under the provision of its prime contract with DOE. In the event that Tenant so sponsors a claim at the request of the Landlord, the Landlord shall be bound by the decision of the cognizant DOE contracting officer to the same extent and in the same manner as the Tenant.

25.02 EXAMINATION OF RECORDS BY THE COMPTROLLER GENERAL

- A. Landlord agrees that the Comptroller General of the United States or any of his duly authorized representatives shall, until the expiration of one (1) years after final payment under this Lease or such lesser time specified in either Appendix M of the Armed Services Procurement Regulation or the Federal Procurement Regulations Parts 1-10, as appropriate, have access to and the right to examine any directly pertinent books, documents, papers, and records of the Landlord involving transactions related to this Lease.

- B. Landlord further agrees to include in all its subcontracts hereunder a provision to the effect that the subcontractor agrees that the Comptroller General of the United States or any of his duly authorized representatives shall until the expiration of one (1) years after final payment under the subcontract or such lesser time specified in either Appendix M of the Armed Services Procurement Regulation or the Federal Procurement Regulations Parts 1-20, as appropriate, have access to and the right to examine any directly pertinent books, documents, papers, and records of such subcontractor involving transactions related to the subcontract. The term "subcontract" as used in this article excludes (1) purchase orders not exceeding \$10,000 and (2) subcontracts of purchase orders for public utility services at rates established for uniform applicability to the general public.
- C. The periods of access and examination described in A. and B., above, for records which relate to (1) appeals under the "Disputes" article of this Lease, and (2) litigation or the settlement of claims arising out of the performance of this Lease, or (3) costs and expenses of this Lease as to which exception has been taken by the Comptroller General or any of his duly authorized representatives, shall continue until such appeals litigation, claims or exceptions have been disposed of.
- D. Nothing in this Lease shall be deemed to preclude an audit by the General Accounting Office of any transaction under this Lease.

25.03 HAZARDOUS SUBSTANCES

Landlord will indemnify and hold harmless Tenant, and the federal government from all claims, damages, fines, judgements, penalties, costs, liabilities or losses (including, without limitation, all sums paid for settlement of claims, attorney fees, consultant and expert (fees) arising during or after the Lease term for or in connection with the presence of preexisting hazardous substances that flow, diffuse, migrate or percolate into, onto, or under the premises after Lease term commences. Hazardous substances, as used in this article, shall include those substances within the definition for hazardous substances under CERCLA at 40 C.F.R. 300.5. Landlord shall remove or otherwise dispose of such hazardous substances in accordance with all federal, state and local laws, regulations, and ordinances.

25.04 FORCE MAJEURE

If either Landlord or Tenant is delayed, hindered or prevented from performing any act required under this Lease because of acts of God, failure of utility power, riots, civil commotion, insurrection, war, or other reasons not the fault of the party delayed, hindered or prevented, and is beyond their control (financial inability excepted), performance of the action in question is excused for the period of delay and the period for performance of such act is extended for a period equivalent to the period of the delay.

25.05 ARTICLES INCORPORATED BY REFERENCE

The following Federal Acquisition Regulations (FAR) clauses and Federal Acts are incorporated herein by reference:

1. Affirmative Action for Handicapped Workers, FAR 52,222-36 (\$10,000).
2. Utilization of Small Business concerns and Small Business Concerns Owned and Controlled by Socially and Economically disadvantaged Individuals, FAR 52-219-8
3. Architectural Barriers Act
4. Americans with Disabilities Act

25.06 Notwithstanding anything to the contrary herein, this Lease consists of this document and the following attachments, said attachments being a part of this Lease and an integral part of the agreement of the parties:

Attachment A: DESCRIPTION OF LEASED PROPERTY

Attachment B: SERVICE POLICIES

Attachment C: HAZARDOUS MATERIAL POLICY

25.07 No agreements, other than this Lease Agreement, and attachments, made or alleged to have been made in consideration of the taking of this Lease, shall be binding or obligatory upon Landlord or Tenant, unless the same be in writing signed by the Landlord and Tenant.

25.08 All covenants and agreements herein made shall extend to and be binding or obligatory upon the heirs, devisees, executors, administrators, successors in interest and assigns of both the said Landlord and the said Tenant. No modification of this Lease shall be binding unless evidenced by an agreement in writing between the parties hereto.

25.09 Subject to the limitations of any assignment hereof, this Agreement is binding upon and shall inure to the benefit of the respective heirs, successors and assigns and personal representatives to the parties hereto.

25.10 This Lease shall be deemed to have been executed in Idaho Falls, Idaho, at the address of Tenant set forth above, and the laws of the State of Idaho shall govern the validity, performance, and enforcement of any obligation contained herein.

26.00 NONDISCRIMINATION

The Tenant agrees not to discriminate against any client, employee or applicant for employment or for services because of race, creed, color, national origin, sex or age with regards to, but not limited to the following: employment upgrading, demotion or transfer, recruitment or recruitment advertising, layoffs or termination, rates of pay or

other forms of compensation, selection for training, or rendition of services. Tenant must also comply with any applicable Affirmative Action Programs.

27.00 AUTHORITY OF SIGNATORIES

Each person executing this Lease individually and personally represents and warrants that he/she is duly authorized to execute and deliver the same on behalf of the entity for which he/she is signing (whether it be a corporation, general or limited partnership, or otherwise) and that this Lease is binding upon said entity in accordance with its terms.

28.00 NOTICES

Notices may be served by either party by mailing the same by certified mail, return receipt requested, as follows:

To the Landlord at 2300 N. YELLOWSTONE, IDAHO FALLS, IDAHO 83401

To the Tenant at 2525 Fremont Avenue, Idaho Falls, IDAHO 83401-1303, ATT: Procurement, or such other addresses as from time to time by notice as may be designated.

IN WITNESS WHEREOF, the parties have duly executed this Lease as of the 8th day of September, 2003.

**LANDLORD
IDAHO INNOVATION CENTER**

By: [Signature]
Name: JILL KRAWTZ
Title: Director

**TENANT
BECHTEL BWXT IDAHO, LLC**

By: [Signature]
Name: Margit Larnieu
Title: LEASE ADMINISTRATOR

ATTACHMENT A: Description of Leased Property

IDAHO INNOVATION CENTER

DESCRIPTION OF LEASED PROPERTY

THIS LEASE made between the County of Bonneville, an Idaho County Government, hereinafter referred to as **COUNTY**, and hereinafter referred to as **TENANT** is for the following incubator space described below:

(Includes Building Location & Designated Space Identifier with 2,200 total square feet; walled office/wet lab with water connections, sink, air and gas supply lines. Also includes 14 ft x 14 ft over-head door, restroom facilities and cement floor work area.

101 Technology Drive, Bay #9
Idaho Falls, ID. 83401

Attachment B: Services (v. 6/98)

Idaho Innovation Center/Bonneville County Technology Center

Service Policies

- 1. Professional Reception Service**
Visitors are met and greeted by a Customer Service Representative from 8:00 a.m. to 5:00 p.m. Monday through Thursday and 8:00 a.m. to 4:00 p.m. Friday. All visitors are asked to sign a visitor's log and then directed to appropriate person or business. No outside sales solicitation is allowed within the facility.
- 2. Telephone Answering/Message Service**
All calls are answered with your business name by our Customer Service Representative within four rings. Tenants can also forward calls while in their offices to the front desk. The telephone system offers an office intercom, call transfer and forwarding, conferencing, call reminder and recall. Voice mail is available to all tenants at a nominal cost. Each space is equipped with at least one digital and one analog phone line. Basic phone service and long distance carriers are the responsibility of the tenant. Our Customer Service Representative will provide assistance getting this established and additional lines will be provided at cost.
- 3. Clerical Services**
All tenants have five hours per month of clerical assistance. This can include copying, faxing, word processing, data entry and filing. All are logged and tracked by the Customer Service Representative. All requests are on a first come first serve basis. Tenant work is our highest priority. All work required over 5 hours per month is at the rate of \$8.25 per hour. Members of our staff are functional in most popular software packages.
- 4. Mail Service**
Each tenant's mail is delivered on a daily basis to a central office mailbox. Mail can also be bundled and shipped to another address for the cost of postage or shipping or held for later pick-up. We also have a postal scale and meter for mailing purposes. Postage use is tracked and billed at cost on a monthly basis. We also have bulk mailing capabilities on cost plus basis.

5. Basic Furniture

Each tenant space can be furnished with a desk, chair, and one phone handset upon availability. Other furniture may be available at a no cost basis upon availability. This may include bookshelves, filing cabinets, extra chairs, wastebaskets, and work tables. Additional phones can be rented at cost of \$4.00 per month. If additional furniture needs arise, please let the Customer Service Representative know and we will attempt to locate and obtain it at the lowest possible cost.

6. Copying Service

Copying can be done on a self-serve basis. Each tenant is given a code number to use. The facility has a copier available that can do almost any copying job. The Customer Service Representative is available for assistance on complicated jobs. Copying is billed on a monthly basis at the rate of .07 cents per copy. Copying large jobs can be done through your clerical services, but should be scheduled through the Customer Service Representative to ensure timely completion.

7. Facsimile Service

Each tenant is assigned a number to use when sending faxes (same as copier number). Faxes are billed monthly at the rate of .50 cents per page for outgoing only. Incoming faxes are billed at the rate of .50 cents per page.

8. Conference and Meeting Rooms

Each tenant has the use of the conference and meeting rooms on a first come first serve basis at no cost. All uses must be scheduled through the Customer Service Representative who maintains a schedule book. The facility has tables and chairs for nearly any room set-up. We can accommodate 20-25 in a classroom setting, and 50 or more in a theatre setting. The large conference room at IIC is wired for satellite down link capability. Each room is equipped with a white board and markers.

9. Equipment Access

The facility has the following equipment for use by tenants either in or out of the facility:

- | | |
|--------------------------|-------------------|
| A. Overhead Projector | P. Color Copier |
| B. Flip Chart Easels | Q. Heavy Staplers |
| C. LCD Projection Panel | |
| D. Lap Top Computer | |
| E. Portable Screen (60") | |
| F. 19" TV/VCR | |
| G. Equipment Cart (2) | |
| H. Binding Machine | |

- I. Paper Shredder
- J. Paper Cutter
- K. Computers
- L. Forklift
- M. Television
- N. VCR
- O. Digital Camera

All equipment must be scheduled with the Customer Service Representative and is available on a first come, first serve basis there is a charge for some of the above equipment when used away from the facility.

11. Research Services

The facility has access to several CD-ROM and online information sources. CD sources include D & B Marketplace, National Trade DataBank and Phone Pro. We are continually adding new CD resources. On line sources include SBA online, Tel-Tech, Batorlink and Knowledge Network. All tenants receive two free searches are done through the Business Development Specialist.

12. Business Assistance

High Quality business covering a wide variety of areas are available at no cost to all tenants. Available areas include: business planning, market research and planning, financial records, brochure development, competition analysis, financing options, supplier and material location, engineering personnel.

All services are provided by the local Service Corps of Retired Executives (SCORE), the Regional Small Business Development Center (SBDC) or by the Innovation Center staff (Manager, Business Development Specialist or MBA Intern).

Additional assistance is available through the Consultant's Directory on sliding scale basis, included in this directory are attorneys, accountants, advertising and marketing professionals and others who have indicated willingness to work with small businesses.

13. Library

A wide variety of books, tapes and other copy materials are available for checkout and use. A list of library contents can be obtained from the Customer

#22488

Service Representative.

ATTACHMENT C: Hazardous Material Policy

IDAHO INNOVATION CENTER/BONNEVILLE COUNTY/TECHNOLOGY CENTER

HAZARDOUS MATERIAL POLICY

This policy applies to all tenant businesses as well as to all persons associated in any way with the tenant business. This policy covers all tenant paid and unpaid employees, contractors, consultants, delivery/receiving personnel and others.

CONTROL OF NONRADIOACTIVE HAZARDOUS MATERIALS

CONTENTS

- 1. Purpose**
- 2. Requirements**
 - 2.1** Radioactive Material Policy
 - 2.2** Tenant Responsibilities
 - 2.3** Shipping and Receiving
 - 2.4** Storage
- 3. Definitions**
 - 3.1** Nonradioactive Hazardous Materials
 - 3.2** Hazardous Properties and/or Conditions
 - 3.3** Nonradioactive Materials
- 4. Guidelines for Handling Hazardous Waste**
 - 4.1** Waste Handling Practices
 - 4.2** Handling Practices for Recyclable Oil

#22488

1. PURPOSE

This section establishes the requirements and responsibilities for implementing a nonradioactive hazardous material control program for the **Idaho Innovation Center /Technology Center** and for **all tenant businesses**. This program applies to the acquisition, use, shipping, receiving, storage and disposal of nonradioactive hazardous materials, and must comply with the Toxic Substances Control Act, the Resource Conservation and Recovery Act, the Superfund Amendments and Re-authorization Act, the Occupational Safety and Health Act, the Comprehensive Environmental Response, Compensation, and Liability Act, 49 CFR 172, and other references specified herein.

2. REQUIREMENTS

2.1 Radioactive material policy:

No radioactive material that exceeds amounts described in **10 CFR 20** shall be received, handled, and/or generated in and/or at the Idaho Innovation Center.

2.2 Tenant Responsibilities

Tenant Managers Shall:

- a.** Prior to the receipt, handling, and/or generating of non-radioactive hazardous waste and/or material, the tenant must submit in writing to the incubator manager the nature and conditions of such hazardous waste. The incubator manager must give written approval that tenant activities in any way related to hazardous material are authorized prior to the receipt, handling, and/or generating of non-radioactive hazardous waste and/or material.
- b.** Implement a written, auditable Nonradioactive Hazardous Materials Program in compliance with 29 CFR 1900.1200. The program shall provide for the acquisition, shipping, receiving, storage, and disposal of nonradioactive hazardous materials in accordance with all local, state and federal requirements and incubator policies.
- c.** Maintain an inventory of hazardous materials present in work area, including identifying health and safety risks associated therewith, and enforce the necessary precautions to limit the hazard of such materials.
- d.** Ensure that employees who work with nonradioactive hazardous materials are trained for such work, and that proper precautions are taken to avoid

adverse exposure.

- e. Ensure that all hazardous materials have information available on each container in accordance with labeling requirements.
- f. Maintain a material safety data sheet file for nonradioactive hazardous materials that corresponds to the inventory.
- g. Provide hazard warnings regarding toxicity, flammability, and chemical reactivity either directly on the container or in a manner immediately retrievable by the user or emergency response personnel.
- h. Provide information on the date of receipt, job or project title, and responsible manager within the general area where the nonradioactive hazardous materials are located.
- i. Maintain an inventory of nonradioactive hazardous materials which will be available for inspection by the Incubator Manager upon reasonable notice.
- j. Implement a hazardous materials incident contingency plan in compliance with 29 CFR 1910.120. Implementation shall include communication with local response agencies for assistance in emergency situations.
- k. Comply with all inventory and spill reporting requirements under 40 CFR 300, 355, and 370.

2.3 Shipping and Receiving

- a. Inspect all received nonradioactive hazardous materials for condition and integrity of the packaging.
- b. Report any transportation or packaging violations to the incubator manager.
- c. Affix appropriate labels and warnings to nonradioactive hazardous materials as they are received.

2.4 Storage

IIC/BCTC tenants storing nonradioactive hazardous materials shall:

- a. Store nonradioactive hazardous materials per local, state, and federal requirements.
- b. Follow manufactures recommended "Shelf Life" where applicable for any material that ages to form chemically reactive products, e.g., peroxide-forming chemicals.
- c. Ensure that information concerning chemical types, nature of the hazard, and quantities present in each area is available for emergency response personnel.
- d. Maintain good chemical and laboratory housekeeping.
- e. Dispose of hazardous materials whose storage time exceeds the shelf life.
- f. Develop spill control plans where hazardous materials are stored.

3.0 DEFINITIONS

- 3.1 **Nonradioactive Hazardous Materials** - substances having a hazardous characteristic, substances identified as hazardous in a list, or in some instances substances containing an element identified as hazardous but not radioactive, in one or more of the following regulations:

29 CFR 1910 and 1926
40 CFR 240 through 280
40 CFR 300 through 310
40 CFR 355 through 372
40 CFR 702 through 799
49 CFR 172

- 3.2 Some of the properties or conditions that cause materials to be listed as "**hazardous**" are as follows:

- a. **Toxic** - A substance which at a specified dose causes harmful effects to living tissue, organs, or systems when ingested, inhaled, contacted, or absorbed through the skin.
- b. **Flammable** - A material that will ignite easily and burn rapidly.
- c. **Chemically Reactive** - A substance susceptible to release of energy due to

detonation, explosion, decomposition, or chemical change.

- d. **Pyrophoric** - A material that undergoes spontaneous ignition below 54.4 degrees C(130 degrees F).
- e. **Pathogenic** - A substance producing or capable of producing disease.
- f. **Corrosive** - A material that burns, irritates, or destructively attacks organic tissues.
- g. **Explosive** - A compound that can detonate or deflagrate as a result of shock or heat.
- h. **Mutagenic** - A substance that increases the frequency of permanent change in genetic material.
- i. **Carcinogenic** - A substance that produces abnormal cell growth.
- j. **Teratogenic** - A substance that may cause developmental malformations, e.g., biological monstrosities.
- k. **Asphyxiant** - A gas that can displace air and deprive organisms of oxygen.

3.3 Nonradioactive materials: Substances that do not exceed the amounts described in 10 CFR 20. The following has been deleted from the policy:

4. GUIDELINES FOR HANDLING HAZARDOUS WASTE

4.1 Waste Handling Practices:

- a. Label containers with red Hazardous Waste labels before adding any waste.
- b. Don't date the Hazardous Waste label - the date space on the label indicated the date the waste is removed from your lab for disposal.
- c. Remove a number label from the inventory booklet and affix it to the waste container.
- d. Keep a current record of the waste added to the container on the inventory with the same number as the container. Be accurate, specific, and

complete. Instead of "heavy metals in acid" put "PB 20 ppm, AS 50 ppm in .05M HN03". Be sure and put the pH of the final content in the space provided.

- e. When possible, refrain from mixing wastes. When it is not possible, only mix wastes that are compatible. Mixing wastes almost always increases the cost of disposal.
- f. Keep a lid on your waste. The only time a waste container should be open is while waste is being added.
- g. Keep outside of waste containers clean.
- h. A piece of tape will be placed over the lid of waste container each time waste it is inventoried. If more waste is added to the container after inventory has been performed, remove tape from across the lid and throw the tape away.
- i. DOT regulations prohibit the use of certain containers for waste.

4.2 Handling Practices for Recyclable Oil:

- a. Put a number sticker on the oil container.
- b. Do NOT put a hazardous waste label on the container, use a Recyclable Oil Label.
- c. Enter complete information in the waste inventory booklet. BE as complete a possible (e.g. recyclable silicon based oil from vacuum rough pump).
- d. Used/Unused oils that are acceptable for recycle are:
 - 1. Use or off-specification (unused) motor oils with viscosities up to and including 90 weight oil.
 - 2. Used or unused mineral oils.
 - 3. Used or unused hydraulic oils.
 - 4. Used or unused water soluble cutting oils; these oils must be handled separately.

5. Silicone-based synthetic oils.
 6. Used and unused fuel oils (No. 1, No. 2, and No. 3), as well as used and unused diesel fuel (No. 1 and No. 2) - Note: the oil must be thin enough to pump without preheating.
- e. These oils must not contain: (Samples may be required by the recycle facility prior to acceptance)
1. Greater than 1000 ppm of total halogens
 2. Greater than or equal to 50 ppm polychlorinated biphenyl (PCB's).
 3. Greater than 10% by volume, of basic sediments and water.
 4. Added hazardous waste, including but not limited to, paint thinners, gasoline, solvents, corrosives, and acids.
 5. Phosphorus.
 6. Phosphate ester or phosphate diester synthetic oil.
 7. Radioactive material.