

DOE-PACRO ASSET TRANSITION AGREEMENT

Prepared By the Department Of Energy
Portsmouth/Paducah Project Office
In Conjunction With
the Paducah Area Community Reuse Organization

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DOE-PACRO ASSET TRANSITION AGREEMENT FOR ECONOMIC DEVELOPMENT

1. BACKGROUND

Section 3155 of Public Law 103-160, the National Defense Authorization Act for Fiscal Year 1994, authorized the Secretary of Energy to transfer, for consideration, all rights, title, and interest of the United States in and to personal property and equipment if the Secretary determined that such transfers will mitigate the adverse economic consequences that might otherwise arise from the restructuring of the U.S. Department of Energy (DOE) facility.

2. PURPOSE

The purpose of this agreement is to establish a working relationship with the local Community Reuse Organization (CRO), as defined by DOE Personal Property Guidance Letter No. 970-1. The CRO is to coordinate all economic development planning and management efforts that address DOE-related impacts. The CRO shall be the Paducah Area Community Reuse Organization (hereinafter referred to as PACRO or the CRO).

By encouraging private sector entities to incorporate the land, labor, and capital resources surplus to the DOE missions into their ventures, the regional economic base can be expanded and diversified; public resources can be redeployed into the private sector; and private capital can be leveraged to achieve public sector objectives. These results can be achieved by providing information to potential business enterprises, assisting local and regional stakeholders to achieve their goals and objectives, preserving national technological assets, and directing excess DOE property to most efficient use.

3. RESPONSIBILITIES FOR THE CRO

3.1. CONTINUITY OF ECONOMIC DEVELOPMENT AND SINGLE VOICE FOR ECONOMIC DEVELOPMENT

PACRO will act as the single point of contact for identification and reuse of excess Paducah personal property for economic development.

3.2. NOTIFICATION TO THE PUBLIC

PACRO will publicly describe the purpose, scope, and method of reuse of excess Paducah personal property for economic development. These efforts should reach a broad segment of the community in an inclusive and timely way. This will assure fairness of opportunity for participation in the planning and subsequent projects it supports.

3.3. CLAIMS LIABILITY

PACRO agrees to hold the Government, its contractors and subcontractors and their officers and agents and employees harmless from any and all claims, demands, actions, losses, liabilities, judgments, costs and attorneys' fees arising out of, claimed on account of, or in any manner predicated upon loss of or damage to property or the injuries to or the death of any and all persons whatsoever, to the extent the loss, damage or injury was proximately caused by the fault of PACRO or PACRO's officers, agents, employees arising out of or in any way

connected with the storage, use of or transfer of personal property while the property is in PACRO's possession, prior to transfer to a third party.

4. AGREEMENT ASSIGNMENT

During the period of performance of this agreement it may become necessary for DOE to transfer and assign this agreement to another DOE entity, prime contractor or other designee, as applicable. Details of the transfer will be determined by DOE prior to the transfer. Any recommendations and/or suggestions on individual transfers should be submitted in writing to the Contracting Officer prior to the transfer or assignment. If the CRO does not agree with reassignment, the agreement can be terminated per Section 8.

5. DOE-PORTSMOUTH/PADUCAH PROJECT OFFICE (PPPO) ECONOMIC DEVELOPMENT POLICY

5.1. PROPERTY TRANSFER COST EVALUATION

The transfer of excess personal property from DOE to PACRO will be based on a variety of factors including cost. If the lifecycle costs for removal, handling and disposition of eligible items are greater than the costs for transfer to PACRO, then those items may be transferred at no cost to PACRO. If the lifecycle costs for removal, handling and disposition of items are less than the costs for transfer, then those items will not be transferred to PACRO unless the cost differential for removal, handling and disposition is reimbursed by PACRO to DOE. Determination of eligible excess personal property will be made solely by DOE.

5.2. TRANSFER PRIORITY

As outlined in DOE Personal Property Letter 970-1, DOE currently plans to offer excess personal property generated at the Paducah site, in condition code 7 (repairable but unusable in the current condition) or better, identified by DOE for economic development, using the following sequential priorities:

- 1) DOE-PPPO Site use;
- 2) Other DOE uses;
- 3) Transfer to PACRO.

DOE will also offer excess personal property as scrap metal (condition code S) and salvage material (condition code X) generated at the Paducah site to PACRO at the sole discretion of DOE. This material will not follow the sequential priorities noted above.

5.3. TRANSFER OF PERSONAL PROPERTY WITH HAZARDOUS MATERIALS

Transfer of eligible items that are potentially contaminated, externally or internally, with chemicals or other hazardous materials (e.g., asbestos, lead, etc.) may be transferred to PACRO provided the following conditions are met:

- The PACRO representative/contractor/subcontractor receiving, handling, remediating and/or disposing of the article/material is certified and/or licensed to handle the material in question.

- The waste generated by the remediation process is disposed of in accordance with all applicable regulatory requirements including submission of a final waste disposition report to DOE.

The remediation of the chemical or hazardous material can be performed on the Paducah site or at an off-site location. If performed on site, all work must be performed in accordance with all applicable federal, state and local requirements and in accordance with Paducah Site policies and safety requirements under the oversight of DOE. Any additional costs borne by DOE in providing oversight for the project will be considered in evaluating the overall cost/benefit analysis for excess personal property transferred. All cost stipulations outlined in Section 5.1 are also applicable for personal property with hazardous materials.

5.4. HIGH RISK PROPERTY

Additional terms and conditions may be required for personal property transfers that include high risk property. All property will undergo a high risk screening prior to being offered to the CRO as excess. DOE, in its sole discretion, will determine if offering such property to PACRO is appropriate. Any high risk or radiologically contaminated property transferred to PACRO would be transferred in accordance with DOE Order 458.1 and all other applicable law and/or regulation.

High risk property means that property requires special handling, control, and disposition because its unintentional or premature release could pose risks to the public, the environment, or the interests of the United States.

Types of property which meet this definition are proliferation-sensitive property, nuclear-related property or dual-use property, export controlled property, military critical technologies list property, hazardous property, radioactively contaminated property, specially designed and produced property, special nuclear material and unclassified controlled nuclear information.

DOE or its designated contractor will advise PACRO if the excess property is high risk property, and if so, what the type and nature of the high risk is; and will advise PACRO as to any special requirements related to the property, including, but not limited to handling, limitations on export, and any other special requirements that could adversely impact the value of the item or create the special risks of harm.

PACRO may elect to refuse any property offered.

5.5. CONSIDERATION

The amount of monetary consideration to DOE for personal property transferred will be mutually agreed upon and PACRO will be responsible for all transportation costs for property transferred. PPPO will provide PACRO with all eligible excess property identified in Groups 1 and 2 of DOE Personal Property Letter 970-1 [(PPL 970-1); relevant portion attached hereto as Attachment 3] at no cost, except transportation costs described above. Consideration for these items is the economic development of the community.

Eligible excess property that does not fall into Group 1 or Group 2, as defined by PPL 970-1, will be provided to PACRO in exchange for monetary consideration in cases where the incremental cost of preparation of the property for transfer to PACRO exceeds the baseline

cost for disposal of the property. This incremental cost will be determined by DOE and mutually agreed upon by both parties prior to transfer to PACRO. DOE, in its sole discretion, will determine if property is appropriate for transfer.

5.6 ALLOCATION OF PROCEEDS

Personal property programs have taken a number of different forms, although most involve the transfer of excess personal property to CROs after a determination has been made by the local DOE property manager that it is excess, scrap or salvage. CROs then make these assets available to commercial enterprises, for use in their business operations to enhance their ability to create private-sector jobs in the region. If the nature, condition, or value of assets is such that use for job creation is precluded, CROs may sell assets at auction or by other means with proceeds to be allocated to support ongoing economic development activities.

For purposes of operating excess personal property disposition programs, authorized uses of excess personal property and other eligible items/materials by PACRO, in descending order of importance, are:

- 1) The transfer to a private, commercial enterprise for use in its business operations in such a way that such use results in the creation of new employment opportunities for displaced contractor workers and/or area residents.
- 2) The offer of a transfer to a private, commercial enterprise for use in its business operations as an inducement to establish productive capacity in Paducah's geographical service area that will result in the creation of new employment opportunities for displaced contractor workers and area residents.
- 3) The transfer to a municipality or non-profit organization for use in its operations in such a way that such use results in the creation of new employment opportunities for displaced contractor workers and/or area residents or provides assistance to residents affected by Paducah downsizing.
- 4) After determination that such property has no or limited value for uses described above, PACRO may sell at auction or by other means that assures reasonable access to the general public and provides for most favorable terms of sale. Proceeds from sales must be used to support community economic development activity determined to be appropriate in consultation between PACRO and the DOE-PPPO community transition contact. Activities in this regard must be sufficiently documented to allow PACRO or DOE-PPPO to adequately respond to information requests from the general public or responsible government officials.

PACRO's personnel may have various administrative responsibilities and program management activities whereby an individual staff member may constitute an entire "program." For example, the individual responsible for monitoring business retention and expansion may also have significant administrative responsibilities. Therefore, PACRO shall closely monitor the use of proceeds from excess personal property and other eligible items/materials disposition programs to assure that they are used in support of clearly-defined community economic development purposes, in the context of local operational and economic realities. DOE-PPPO will perform program reviews of the CRO program each fiscal year to ensure compliance and will audit PACRO's use of proceeds derived from disposition of excess DOE personal property.

PACRO must conclusively meet two tests before the sale of assets for cash for program support, and that the uses for such support are limited as described below:

- Prior to making DOE-PPPO excess personal property available for sale to the general public, PACRO and DOE-PPPO, must reach a deliberate conclusion that the assets in question have no value as inducement or have no direct job creation/retention value to targeted existing area enterprises. Such a determination shall be documented in writing by PACRO and kept in the program files.
- Prior to the sale of any personal property, PACRO must have a specific plan for use of any sale proceeds in its overall economic development program and provide written documentation of that plan in its asset conversion program description. This Agreement also contains the permitted uses of these funds at Section 14. Activities of a clearly administrative nature or that do not constitute or contribute to a clear community economic development purpose may not be supported by proceeds from excess asset sales.

6. NO WARRANTY

DOE, the Government, and/or its contractors make no guarantee, warranty, or representation, expressed or implied, as to the kind, size, weight, quality, character, description, or condition of any of the property, or its fitness for any use or purpose; or that the property will not cause injury or damage to persons or property; or that any information furnished as to the property, its radioactive contamination, or other matters including other hazardous substances which may concern it, is complete or accurate; and neither DOE, its subcontractors, nor the Government shall be held responsible for such injury or damage.

The property may have quantities of radioactive material so small as not to have been recovered or removed by previous treatment. DOE intends that any such property will contain only permissible levels of radionuclides as established by DOE release standards. A copy of DOE's requirements pertaining to contaminated personal property is provided in Attachment 1. A radiation and/or contamination survey report covering the property will be prepared by a representative of the Government and a copy of this report will be available for equipment offered for sale.

7. LIMITATION ON AGENT'S OR GOVERNMENT'S LIABILITY

In any case where the liability of DOE, its contractors for DOE property disposition, or PACRO has been established, the extreme measure of each party's liability shall not in any event exceed the percentage of fault attributable to that party.

Nothing in this agreement authorizes PACRO or any other person to enter upon the Paducah Site or to perform any work on the Paducah Site by way of loading or moving property or performing any other activity in connection with property. Any access to the Paducah Site must be by prior authorization in accordance with a specific access plan approved by DOE or its contractor.

8. TERMINATION

This Agreement will remain in effect for five (5) years from the date of execution with an option to extend for an additional five (5) years, which requires the mutual agreement of DOE and the CRO. This Agreement may be terminated in whole or in part, upon 60 days written notification by either party to this Agreement.

9. FAILURE OF PARTIES TO INSIST ON COMPLIANCE

The failure of either Party to insist, in any one or more instances, upon performance of any of the terms of this Agreement shall not be construed as a waiver or relinquishment of the party's right to the future performance of any such terms, covenants, or conditions and other party's obligations with respect to such future performance shall continue in full force and effect.

10. PAYMENT

Any payment due to DOE shall be made via electronic funds transfer or by check, as specified by DOE, payable to DOE or a party otherwise specified by DOE. The payment must be sent to DOE on the effective date of transfer or on a mutually agreed to time by both parties.

Attachment 2, "Sales Agreement Terms," will be included for items sold by PACRO.

11. COOPERATION

Both parties hereto agree to cooperate fully in all matters related to or arising out of this Agreement. PACRO will have 30 days to retrieve property once it has been released by DOE and will take the property in its entirety. PACRO will work with the DOE-PPPO Property Manager and the appropriate contractor, as identified by DOE, to arrange transportation.

12. INTERPRETATIONS

This Agreement sets forth the conditions under which PACRO may receive property from DOE. Notwithstanding any other provision of this document, this document does not grant to PACRO any enforceable contractual rights against DOE, including the right to receive any property. Rather, this document is intended to set forth conditions and terms under which PACRO shall receive and hold any property which DOE may, in its discretion, elect to transfer to PACRO. Specifically, the use of the terms "contract" or "Agreement" in this document shall not be interpreted to mean that PACRO shall have any contractual rights with respect to DOE. However, PACRO shall be bound to hold any property which it receives under this document in accordance with the terms herein. DOE's activities under this agreement are subject to the availability of funds and legislative authority.

13. PROGRAM FEATURES

All of the CRO's proceeds generated from the transfer of assets to business, less reasonable administrative costs to operate the program, will be held in trust to be reinvested back into the community. In addition, the program will supply businesses with the assets necessary to grow and expand operations. PACRO will maintain an Economic Development Plan incorporating the features of the economic redevelopment program and the use of funds generated by the program. DOE may perform a review of the inflow and outflow of dollars generated by this program.

13.1. ASSETS UTILIZED TO INCREASE LOCAL BUSINESS CAPABILITIES AND GROW BUSINESS BASE

The DOE/PACRO Asset program will advertise locally to businesses. Assets may be offered to local companies at a discounted rate.

13.2. ASSETS UTILIZED AS ATTRACTORS TO RECRUIT BUSINESS AND INDUSTRY TO THE LOCAL COMMUNITY

Assets may be packaged in such a way as to offer incentives, which can be offered to businesses that make a commitment to locate in the PACRO Region.

13.3. ASSETS UTILIZED TO ASSIST REGIONAL COMMUNITIES' ECONOMIC DEVELOPMENT

DOE and the CRO will both continue to work with local communities adjacent to the Paducah area to assist them in development needs.

13.4. OUTSOURCING AND AUTOMATION OF PROCESS

The CRO will consider the development of a website that allows online viewing of the assets available. The CRO will pursue the idea of an online auction program for certain items.

14. PROCEEDS FROM THE TRANSFER OF ASSETS TO BUSINESSES

14.1. REINVESTMENT OF FUNDS FOR BUSINESS RECRUITMENT

The CRO will reinvest funds for business recruitment efforts undertaken by the PACRO Region community. Activities such as trade shows, marketing materials, etc., will be funded for the PACRO Region marketing efforts as a whole.

14.2. REINVESTMENT OF FUNDS FOR REVOLVING LOAN/EQUITY FUNDS

The CRO will provide revolving loan/equity funds, as such funds are available, to continue to support the start-up of new local businesses. The entrepreneurial spirit in the PACRO Region is extremely high, but there is a lack of funding available for higher risk ventures. These dollars would help mitigate this need.

14.3. REINVESTMENT OF FUNDS FOR MINORITY BUSINESS DEVELOPMENT PROGRAMS

The CRO may reinvest funds for minority business development. This program can be expanded to offer services such as its own revolving loan/equity fund geared specifically for minority business development.

14.4. REINVESTMENT OF FUNDS TO IMPROVE QUALITY OF LIFE (COMMUNITY DEVELOPMENT)

The CRO should reinvest funds to programs that offer assistance in improving the local quality of life.

14.5. FUNDING FOR THE REDUCTION OF THE PADUCAH SITE FOOTPRINT

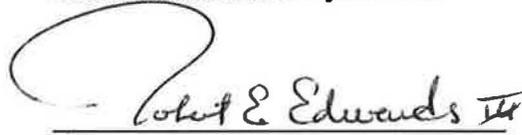
PACRO may assist in the reduction of the Paducah Site footprint by defraying the cost of disassembling and removal of certain assets not currently scheduled for excess. This may include "Butler-type" buildings and modular office units currently onsite.

15. OFFICIALS NOT TO BENEFIT

No Member or Delegate to Congress or public official shall be admitted to any share or part of this agreement or to any benefit arising from it. However, this clause does not apply to this Agreement to the extent that this Agreement is made with a corporation for the corporation's general benefit.

PROMULGATED BY:

For the Department of Energy
Portsmouth/Paducah Project Office



Robert E. Edwards, III
Manager
Portsmouth/Paducah Project Office

9/30/16

Date

And



David Lojek
Organizational Property Management Officer,
Environmental Management Consolidated Business Center

For the Paducah Area Community Reuse
Organization



Gayle Kaler
Mayor
Chairman, Executive Committee

9/27/16

Date

9/20/16

Date

Attachment 1

REQUIREMENTS FOR THE RADIOLOGICAL RELEASE OF DEPARTMENT OF ENERGY PERSONAL PROPERTY¹, e.g., EQUIPMENT AND MATERIALS²

Personal property, which could potentially contain residual radioactive materials, may be released from U.S. Department of Energy (DOE) radiological control if any residual radioactive material on or in the property has been demonstrated to be within applicable limits established and documented in accordance with the following requirements. Property shall be considered to be potentially contaminated if it has been used or stored in radiological areas that could contain unconfined radioactive material or exposed to particles capable of causing activation (neutrons, protons, etc.).

1. Applicable authorized limits for the property shall be established.
 - 1.1. Authorized Limits are defined as limits on the concentrations of residual radioactive material on the surfaces of or within property that have been derived consistent with the as low as reasonably achievable (ALARA) process, given the anticipated use of the property (unrestricted or restricted release³), and that have been authorized by DOE to permit the release of the property from DOE radiological control. The Authorized Limits for Residual Surface Activity is Table 4-1.
 - 1.2. Authorized Limits shall ensure doses to the public from all sources are less than the DOE primary public dose limit for all sources [100 millirem (mrem) in a year].
 - 1.3. Authorized Limits shall constrain the dose to the maximum exposed individual due to future use of the property to no greater than one (1) mrem in a year.
 - 1.4. Appropriate protocols for radiological survey and review of the release of property shall accompany the Authorized Limits.
 - 1.5. Authorized Limits for the release of property from DOE should be coordinated with the Nuclear Regulatory Commission (NRC) or appropriate Agreement state representatives to ensure DOE released property does not violate applicable **licensing requirements.

¹ Personal Property: Property of any kind except for real estate and interests therein (such as easements and rights-of-way), and permanent fixtures that are Government-owned, chartered, rented, or leased from commercial sources by and in the custody of DOE or its designated contractors. For the purposes of this document, examples of personal property include, but are not limited to, consumable items such as containers, "lab ware," and paper; personal items such as clothing, briefcases, respirators and gloves; office items such as computers, unused office supplies, and furniture; tools and equipment such as hand tools, power tools, construction machinery, vehicles, tool boxes, ladders, and scales; and debris such as wood, plastics, tanks, scrap metal, concrete, wiring, doors, and windows.

² These requirements derived from DOE Order 458.1, *Radiation Protection of the Public and the Environment*

³ Unrestricted release of personal property is defined as a transfer of personal property from DOE control without restrictions or controls on current or future use of the property. Restricted release is defined as a transfer of personal property from DOE control for a limited, specifically stated application subject to controls or restrictions on use implemented by a designated party or through a specific process.

****NOTE: This will require either a formal Memorandum of Understanding (MOU) or a license.**

2. DOE requires that all releases and exposures to the public be controlled to ensure they are maintained at levels that are ALARA below applicable dose limits. Accordingly, doses to the public from residual radioactive material on released property shall be maintained ALARA below the DOE primary public dose limit.
 - 2.1. A remedial action goal should be to return the levels of residual radioactive material in property being considered for release to near-background levels. In certain cases this may not be practical or even technically possible. DOE requires that all releases of property be assessed per DOE O 458.1.
 - 2.2. Generally, the use of the surface activity guidelines given in Table 4-1 (DOE O 458.1 pre-approved authorized limits) does not require a quantitative dose assessment.
 - 2.3. The DOE all-source primary public DOE limit may be assumed to be satisfied if the ALARA criterion and its associated dose constraint are adequately addressed.
3. Prior to being released, personal property shall be surveyed to determine whether any residual radioactive material, including any present on and under any coating, is in compliance with applicable, approved Authorized Limits.
 - 3.1. Surfaces of personal property shall be surveyed using instruments and techniques appropriate for detecting the guidelines given in Table 4-1.
 - 3.2. Surveys shall be conducted in accordance with DOE Contractor approved procedures.
 - 3.3. Where potentially contaminated surfaces are not accessible for surveying (as in some pipes, drains, and ductwork), such property may be released if evaluation and documentation based on both the history of its use and available measurements demonstrate that the unsurveyable surfaces are likely to be in compliance with applicable, approved Authorized Limits.
 - 3.4. Survey records shall include the following:
 - 3.4.1. A description or identification of the property.
 - 3.4.2. The date of the radiological survey(s).
 - 3.4.3. The identity of the organization and the individual who performed the survey.
 - 3.4.4. The type and identification number of survey instruments.
 - 3.4.5. The results of the survey(s).
4. Records shall be developed and maintained to document all releases of property.
 - 4.1. In addition to the survey records described in 3.4 above, these records shall include a description of:
 - 4.1.1. The property being released and its radiological history.
 - 4.1.2. The applicable, DOE-approved authorized limits.
 - 4.1.3. The ALARA analysis performed to support the release [if greater than one (1) mrem/year].

- 4.1.4. The final radiological condition of the property.
 - 4.1.5. The quantity and disposition of waste resulting from decontamination of the property.
 - 4.1.6. The disposition of the property, including the identity of the recipient of the released material.
 - 4.1.7. How the final documentation was/will be made available to the public.
- 4.2. All records shall be accurate and legible, and stored in a manner that ensures their integrity, retrievability, and security.
 - 4.3. All completed records contain sufficient detail to be understandable to those that may utilize the record in the future (i.e., intelligible to a person with training and experience equivalent to that of a person with a B.S. in health physics; for the life of the record).
5. No approval guidelines are currently available for release of property that has been contaminated in depth, such as activated material or smelted contaminated metals (e.g., radioactivity per unit volume or per unit mass). Such materials may be released only if specific, appropriate release criteria and survey techniques are approved by DOE.
 6. All DOE activities are subject to the quality assurance requirements contained in 10 *CFR* 830, "Nuclear Safety management," subpart A, "Quality Assurance Requirements." These requirements apply to the release and control processes for property containing residual radioactive material.
 7. On January 12, 2000, DOE placed a moratorium on the release of volumetrically contaminated metals pending a decision by the NRC on whether to establish national standards. The NRC continues to review this issue and the moratorium remains in effect.
 8. On July 13, 2000, DOE suspended the unrestricted release for recycling of scrap metal from radiological areas within DOE facilities. This suspension remains in effect.

**Table 4-1. DOE Residual Surface Activity Guidelines:
Allowable Residual Surface Activity (Dpm/100 cm²)^{a,b}**

Radionuclides ^c	Total Avg ^{d,e}	Total Max ^{d,e}	Removable ^f
Group 1-Transuranics, I-25, I-129, Ac-227, Ra-226, Ra-228, Th-228, Th-230, Pa-231	100	300	20
Group 2-Th-natural, Sr-90, I-126, I-131, I-133, Ra-223, Ra-224, U-232, Th-232	1,000	3,000	200
Group 3-U-natural, U-235, U-238, associated decay products, alpha emitters	5,000	5,000	1,000
Group 4-Beta gamma emitters (radionuclides with decay modes other than alpha emission or spontaneous fission) except Sr-90 and others noted above ^g	5,000	15,000	1,000
Tritium (applicable to surface and subsurface) ^h	N/A	N/A	10,000

- ^a The values in this table (except for tritium) apply to radioactive material deposited on but not incorporated into the interior or matrix of the property. No generic concentration guidelines have been approved for release of material that has been contaminated in depth, such as activated material or smelted contaminated metals (e.g., radioactivity per unit volume or per unit mass). Authorized limits for residual radioactive material in volume must be approved separately.
- ^b As used in this table, disintegrations per minute (dpm) means the rate of emission by radioactive material as determined by counts per minute measured by an appropriate detector for background, efficiency, and geometric factors associated with the instrumentation.
- ^c Where surface contamination by both alpha-emitting and beta-gama-emitting radionuclides should apply independently.
- ^d Measurements of average contamination should not be averaged over an area of more than one (1) m². Where scanning surveys are not sufficient to detect levels in the table, static counting must be used to measure surface activity. Representative sampling (static counts on the areas) may be used to demonstrate by analyses of the static counting data. The maximum contamination level applies to an area of not more than 100 centimeter squared (cm²).
- ^e The average and maximum dose rates associated with surface contamination resulting from beta-gama emitters should not exceed 0.2 millirad per hour (mrad/h) and 1.0 mrad/h, respectively, at one (1) cm.

- ^f The amount of removable material per 100 cm² of surface area should be determined by wiping an area of that size with dry filter or soft absorbent paper, applying moderate pressure, and measuring the amount of radioactive material on the wiping with an appropriate instrument of known efficiency. When removable contamination of objects on surfaces of less than 100 cm² is determined, the activity per unit area should be based on the actual area, and the entire surface should be wiped. It is not necessary to use wiping techniques to measure removable contamination levels if direct scan surveys indicate the total residual surface contamination levels are within the limits for removable contamination.
- ^g This category of radionuclides includes mixed fission products, including the Sr-90 that is present in them. It does not apply to Sr-90 that has been separated from the other fission products or mixtures where the Sr-90 has been enriched.
- ^h Measurement of tritium should be conducted by a standard smear measurement but using a damp swipe or material that will readily absorb tritium, such as polystyrene foam. Property recently exposed or decontaminated should have measurements (smears) at regular time intervals to prevent a buildup of contamination over time. Because tritium typically penetrates material it contacts, the surface guidelines in group 4 do not apply to tritium. Measurements demonstrating compliance of the removable fractions and residual tritium in mass will not cause exposures that exceed DOE dose limits and constraints.

ATTACHMENT 2 SALES AGREEMENT TERMS

In the Sale Advertisement for the item:

GENERAL

All property listed in the Invitation is property of Paducah Area Community Reuse Organization (PACRO), hereinafter called the Seller.

CONDITIONS AND LOCATION OF PROPERTY

All property listed in the Invitation is offered for sale "As is, Where is." The description is based on the best available information, but seller makes no warranty, express or implied, as to quantity, kind, character, quality, weight, size or description of any of the property or its fitness for any use or purpose. No claim for adjustment of price or rescission based on failure of the property to correspond with the standard expected will be considered. This is not a sale by sample.

WITHDRAWAL OF PROPERTY

The Seller reserves the right to withdraw any or all of the property covered by this sales agreement, prior to or after award, if a bona fide requirement for the property develops or exists prior to actual removal of the property from the Seller's control. In the event of a withdrawal under this condition, the seller shall be liable only for the refund of the bid price of the withdrawn property or such portion of the bid price as it may have received.

INELIGIBLE BIDDERS

No employee of the U.S. Department of Energy (DOE), the Seller, or of a DOE contractor who has a) participated in the determination to dispose of the property, or b) participated in the preparation of the property for sale, or c) participated in determining the method of sale, or d) acquired information not otherwise available to the general public regarding usage, condition, quality, or value of the property, may bid on or purchase any property offered for sale in the Invitation.

SCHEDULING PICKUP/REMOVAL

A schedule for removal of property will be established for each sales event. Buyer must remove all property awarded within this time limit. If for any reason removal cannot be completed within the time period, it is the responsibility of the Buyer to arrange with the Seller for an extension of time. Seller shall not be responsible for property that is not removed within the time allotted. If property is not removed within the specified removal period for the sale or scheduled for removal at a later date with the Seller's representative, the Seller will consider the property to be abandoned by the Buyer, and the Buyer shall have abandoned all right, title, and interest therein. Abandonment or late removal letters will not be sent by the Seller to the Buyer prior to exercising the right of abandonment.

In the event that the Seller extends the removal period to accommodate a buyer's needs, the Buyer understands and accepts that the liability and risk of loss shall not rest with the Seller or DOE, but shall be at the Buyer's own risk.

Buyer is responsible for rigging, loading, securing, and transporting purchased property, to include all costs and risks associated with removal. In certain situations, unless otherwise stated, the Seller will provide a free tailgate loading but will NOT guarantee a specific loading time. In consideration for this 'no cost' loading service, the Buyer agrees to release, hold harmless, and waive any and all claims, causes of actions, damages (including consequential damages and/or loss of use) or liabilities of any kind or nature against the Seller.

At the Buyer's request, the Seller's personnel may provide information on packing and shipping services. Buyer understands and acknowledges that this is informational only. Buyer further agrees to hold the Seller harmless from any liabilities, damages, or consequences resulting from the selection and use of said packing and shipping service.

Should the Buyer choose to use a transportation company for the removal of his property, the Seller will not be responsible for any of the associated costs whatsoever. The Buyer is reminded to be specific and clear in the instructions to the transportation company so that the Seller is not shown as a responsible financial party.

Either the Buyer or his authorized agent will be required to sign for all material in the presence of the Seller's representative (unless otherwise approved by an authorized Seller's agent) prior to removing property.

Note: The Buyer or his agent is responsible for property counts and verification of lots at the time of removal/delivery. Claims after that time will not be honored.

END-USE CERTIFICATE

Where an END-USE CERTIFICATE (EUC) is required to complete the transaction, no property will be released or removed until all certificates are filed and the property has been cleared for release. There will be no exceptions or exclusions to the Terms and Conditions of sale. Once it is determined that you are the high bidder, after the sales event close date, the following deadlines apply:

You will have **seven (7) business days** from the sales event closing date to submit a completed EUC to the Seller. If revisions to the EUC are necessary, you will have an additional **five (5) business days** to make revisions and submit an acceptable EUC. Buyers who have not submitted an acceptable EUC will have their winning bids voided and a **default fee** assessed equal to 25% of the winning bid amount by the Seller as liquidated damages.

The liability of the EUC for completeness, correctness, and legibility is that of the Buyer of the property. The Seller does not control the amount of time required for approval or the final decision to allow or disallow the release of the property to the individual(s) completing and filing the EUC.

The approval process for release of inventory can be a long process. For first time Buyers, the period for approval by the Seller can take forty-five days or longer. Buyers who have a current Seller clearance can expect approval (or disapproval) and the release of their purchases within 10 days in most cases. EUCs that are submitted and not approved for property removal within 180 days may have the sale voided at the

Seller's discretion, and the Seller shall have the right to dispose of the property at its choice and discretion. Additionally, if a submitted EUC is denied clearance for authorization to release property, the Seller reserves the right to assess a 25% (of purchase price and buyer's premium) penalty as liquidated damages.

In any case, property will not be invoiced or released until approval for release is received from Buyer by PACRO.

Export Control/High Risk

The Buyer and its agents shall sign the following declaration when export controlled or high risk property is purchased:

Personal Property purchased from the U.S. Government or the Seller may or may not be authorized for export/import from/into the country where the personal property is located. If export/import is allowed, the purchaser is solely responsible for obtaining required clearances or approvals. The purchaser also is required to pass on DOE's export control guidance if the property is resold or otherwise disposed of.

FOR PROPERTY NOT EXCESSED IN PLACE

– Provide the results of the Health Physics Survey (if applicable)

– Include the following language in the advertisement:

The equipment/material is (insert "radioactively contaminated or non-radioactively contaminated," as the case may be) based on DOE-approved release criteria. The results of radiological survey/monitoring are available upon request.

– If the equipment/material is radioactively contaminated, include the following language in the advertisement:

The Buyer/intended recipient of said property must possess appropriate licenses, permits, or certified written exemptions to possess said property. Written evidence of such licenses, permits, or exemptions must be provided to DOE prior to transfer/release of property.

– If the equipment/material is to be transferred/released as non-radioactively contaminated, include a disclaimer including the DOE Radiological Release Criteria (Attachment 1) used to make this determination (where applicable) and an advisement that the property may contain radioactive materials (e.g., source, by-product, or special nuclear material) in amounts below the limits of detection or below limits specified in governing regulations or DOE directives.

In The Sales Contract for the Item

– If the equipment/material is to be transferred/released as non-radioactively contaminated, include the following language in the contract:

The Buyer/intended recipient of said property is responsible for assuring that the criteria used to determine the non-radioactive contaminated status is acceptable to the host state regulator. Written evidence of such assurance must be provided to DOE prior to the transfer/release of property.

- State the recipient acknowledges that statistical sampling is not totally conclusive and accepts the material with this knowledge and in the unlikely event that contamination is discovered the item may be require special handling, storage or return to DOE.
- The recipient acknowledges that they have been provided information prior to the sale that allowed them to enter into this sales agreement with the full knowledge of the known or potential radioactive contamination on or in the item.

Prior to Release of the Item to the Successful Buyer

- If appropriate, acquire from the successful Buyer copies of applicable licenses, permits, or certified exemptions for the possession of the item being sold.
- If appropriate, review the licenses with DOE's Senior Radiological Technical Advisor and obtain written approval to proceed with the sale.

Contact Property Management and notify them the release has been approved and arrange for proper transportation and removal.

ATTACHMENT 3

Table 1

EXPEDITED REUTILIZATION PROCEDURES

These procedures only apply to excess personal property located at U.S. Department of Energy (DOE) sites which will be closed or reconfigured.

Group 1 – Local DOE Screening

Property which falls in the following Federal Supply Classification Groups, when the acquisition cost is less than \$5,000, may be determined to be excess by local DOE authority and transferred for economic development after completion of local screening. This property will not be subject to Departmental screening under the DOE Reportable Excess Automated Property System (REAPS).

<u>Group Number</u>	<u>Title</u>
25	Vehicular Equipment Components
26	Tires and Tubes
28	Engines, Turbines, and Components
29	Engine Accessories
31	Bearings
32	Woodworking Machinery and Equipment
40	Rope, Cable, Chain, and Fittings
43	Pumps and Compressors
47	Pipe, Tubing, Hose, and Fittings
48	Valves
51	Hand Tools
52	Measuring Tools
53	Hardware and Abrasives
54	Prefabricated Structures and Scaffolding
55	Lumber, Millwork, Plywood, and Veneer
56	Construction and Building Materials
59	Electrical and Electronic Equipment Components
60	Fiber Optics Materials, Components, Assemblies, and Accessories
61	Electric Wire, and Power and Distribution Equipment
62	Lighting Fixtures and Lamps
67	Photographic Equipment
69	Training Aids and Devices
72	Household and Commercial Furnishings and Appliances
73	Food Preparations and Serving Equipment
75	Office Supplies and Devices
76	Books, Maps, and Other Publications
77	Musical Instruments, Phonographs, and Home-Type Radios

ATTACHMENT 3**Table 1****EXPEDITED REUTILIZATION PROCEDURES**

<u>Group Number</u>	<u>Title</u>
78	Recreational and Athletic Equipment
79	Cleaning Equipment and Supplies
80	Brushes, Paints, Sealers, and Adhesives
81	Containers, Packaging, and Packing Supplies
83	Textiles, Leather, Furs, Apparel and Shoe Findings, Tents and Flags
84	Clothing, Individual Equipment and Insignia
85	Toiletries
87	Agricultural Supplies
88	Live Animals
89	Subsistence
91	Fuels, Lubricants, Oils, and Waxes
93	Nonmetallic Fabricated Materials
94	Nonmetallic Crude Materials

ATTACHMENT 3

Table 2

EXPEDITED REUTILIZATION PROCEDURES

Group 2 – Expedited DOE Screening

Property which falls in the following Federal Supply Classification Groups, when the acquisition cost is less than \$5,000, require a 15-day Departmental reutilization screening period before becoming eligible for transfer for economic development. These items will be entered in the REAPS for 15 calendar days. (All property considered for transfer for economic development will be in condition code 4 or better.

<u>Group Number</u>	<u>Title</u>
19	Small Craft, Pontoons, and Floating Docks (<u>Does not include Ships</u>)
23	Ground Effect Vehicles, Motor Vehicles, Trailers, and Cycles
24	Tractors
30	Mechanical Power Transmission Equipment
34	Metalworking Equipment
35	Service and Trade Equipment
36	Special Industry Machinery
37	Agricultural Machinery and Equipment
38	Construction, Mining, Excavating, and Highway Maintenance Equipment
39	Materials Handling Equipment
41	Refrigeration, Air Conditioning, and Air Circulating Equipment
42	Fire Fighting, Rescue, and Safety Equipment
44	Furnace, Steam Plant, and Drying Equipment (<u>Does not include Nuclear Reactors</u>)
45	Plumbing, Heating, and Sanitation Equipment
46	Water Purification and Sewage Treatment Equipment
47	Pipe, Tubing, Hose, and Fittings
48	Valves
49	Maintenance and Repair Shop Equipment
54	Prefabricated Structures and Scaffolding
56	Construction and Building Materials
63	Alarm, Signal, and Security Detection Systems
65	Medical, Dental and Veterinary Equipment and Supplies
68	Chemicals and Chemical Products
70	General Purpose Automatic Data Processing Equipment (Including Firmware), Software, Supplies and Support Equipment
71	Furniture
72	Household and Commercial Furnishings and Appliances
73	Food Preparation and Serving Equipment
74	Office Machines, Text Processing Systems and Visible Record Equipment
95	Metal Bars, Sheets, and Shapes
99	Miscellaneous