

ADMINISTRATIVE ACTION REFERRAL
City of Oak Ridge, Tennessee

TO: City Attorney*✓
Finance Director*
Public Works Director*

FROM: City Manager

DATE: December 18, 2012

DESCRIPTION OF SUBJECT: **RESOLUTION NO. 12-103-2012**

Adoption of a resolution to extend and modify the current water services contract between the City and the United States Department of Energy (DOE) to set forth a new pricing structure and other necessary modifications, with said contract through December 31, 2015.

TYPE OF MEETING:
CITY COUNCIL MEETING

DATE OF MEETING:
December 10, 2012

ACTION TAKEN:

Adopted.

ADMINISTRATIVE ACTION REQUESTED:

- ☒ * To Comply
- ☐ To investigate; report recommendations to this office
- ☐ No report necessary; information only
- ☐ Coordinate with
- ☐ See remarks

ATTACHMENTS

Resolution No. 12-103-2012

City Manager's Office

RESOLUTION

A RESOLUTION TO EXTEND AND MODIFY THE CURRENT WATER SERVICES CONTRACT BETWEEN THE CITY AND THE UNITED STATES DEPARTMENT OF ENERGY (DOE) TO SET FORTH A NEW PRICING STRUCTURE AND OTHER NECESSARY MODIFICATIONS, WITH SAID CONTRACT THROUGH DECEMBER 31, 2015.

WHEREAS, by Resolution 4-47-98, City Council approved a Memorandum of Understanding between the City and the United States Department of Energy (DOE) to transfer the Y-12 Water Plant from DOE to the City; and

WHEREAS, the transfer documents included a water services contract whereby DOE purchases water from the City; and

WHEREAS, the water services contract had an original term of ten years (May 1, 2000 through April 30, 2010) with DOE having the option to extend for up to six (6) months; and

WHEREAS, DOE exercised its option to extend through October 31, 2010; and

WHEREAS, by Resolutions 10-98-10, 6-46-11, 5-34-2012 and 9-69-2012, City Council amended the water services contract to provide for additional extensions through December 31, 2012; and

WHEREAS, the City and DOE have entered into negotiations to modify the existing contract to set forth a new pricing structure and other necessary modifications, and to extend the contract through December 31, 2015; and

WHEREAS, the City Manager recommends approval of the water services contract modifications and extension.

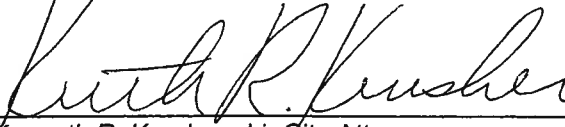
NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF OAK RIDGE, TENNESSEE:

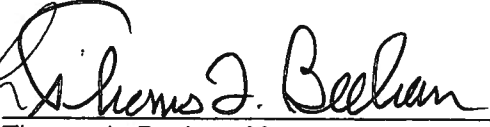
That the City is hereby authorized to enter into the necessary legal documents to modify the water services contract between the City and the United States Department of Energy to set forth a new pricing structure and other necessary modifications, and to extend the contract through December 31, 2015.

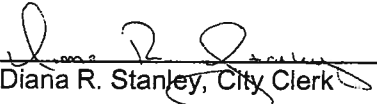
BE IT FURTHER RESOLVED that the Mayor is hereby authorized to execute the appropriate legal instruments to accomplish the same.

This the 10th day of December 2012.

APPROVED AS TO FORM AND LEGALITY:


Kenneth R. Krushenski, City Attorney



Thomas L. Beehan, Mayor


Diana R. Stanley, City Clerk

FINANCE DEPARTMENT MEMORANDUM

12-14

Date: December 05, 2012

To: Mark S. Watson, City Manager 

From: Janice E. McGinnis, Finance Director
Gary M. Cinder, P.E. , Public Works Director

Subject: DOE Water Services Agreement Contract Amendment

The accompanying resolution extends the water services contract with the US Department of Energy (DOE) for the provision of potable and non-potable water from the City of Oak Ridge. The City and DOE have operated under the subject contract since May 2000. The contract has had several modifications and short-term extensions since that time. The current proposal is to extend the contract for three additional years, ending December 31, 2015. Several significant changes are being proposed as outlined below.


Since the beginning of the contract the City has charged DOE for both potable and non-potable water based on a volumetric rate per thousand gallons of use. Over time, DOE's water use has declined and has also been shown to be highly variable, creating instability in the City revenue stream. In order to stabilize the revenue received, it is proposed that an annual fixed rate be charged for both potable and non-potable water and billed to DOE on a flat monthly basis.

It has been agreed that the initial contract year rate is a fixed cost of \$2,075,000 for potable water and \$463,750 for non-potable water, to be billed monthly. This was determined based on a review of the City's operation and maintenance costs over the previous several years with the total costs being apportioned based on the split of DOE flow and City flow. DOE currently uses 53.5% of the total water produced and the City 46.5%. DOE is the only user of non-potable water. The fixed cost will be adjusted annually using the Consumer Price Index (CPI). History has shown little variability in the total operating costs based on flow produced, however there are safeguards included in this amendment should either party experience a major increase or decrease in their annual usage. Annually, this would be reevaluated and appropriate modifications to the respective water rates would be made.

The costs identified above are exclusive of capital improvement costs. It was mutually agreed that the City would provide to DOE the capital improvement plan prepared each year. This document identifies each improvement projected for the water plant, the water booster station and the river intake facility, all components of the water treatment process. DOE would use this plan to budget for their portion of the capital costs. At such time as City Council approves a contract for a major capital project (engineering or construction) upon presentation of the approved contract to DOE it is proposed DOE would then pay for its pro-rata portion of that contract based on the previously described flow split. This would serve to reduce the City's need to borrow capital funds in the total amount of the contract.

A copy of the draft contract is attached and final approval is pending from DOE management. After both Council and DOE have approved the contract, it will be executed by both parties and will go into effect on January 1, 2013.

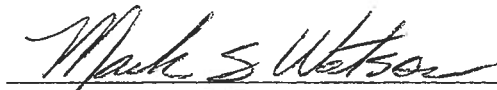
Staff recommends approval of the attached resolution.

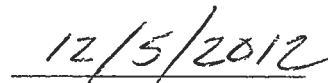

Janice E. McGinnis


Gary M. Cinder, P.E.

City Manager's Comments:

I have reviewed the above issue and recommend council action as outlined in this document.


Mark S. Watson


Date

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT		1. CONTRACT ID CODE		PAGE OF PAGES	
				1 31	
2. AMENDMENT/MODIFICATION NO.		3. EFFECTIVE DATE		4. REQUISITION/PURCHASE REQ. NO.	
057		See Block 16C		13SC001137	
6. ISSUED BY		CODE		7. ADMINISTERED BY (If other than Item 6)	
Oak Ridge U.S. Department of Energy P.O. Box 2001 Oak Ridge TN 37831		00518		CODE 00518	
8. NAME AND ADDRESS OF CONTRACTOR (No., street, county, State and ZIP Code)		9A. AMENDMENT OF SOLICITATION NO.		9B. DATED (SEE ITEM 11)	
OAK RIDGE, CITY OF Attn: JANICE MCGINNIS P.O. BOX 1 FINANCE DIRECTOR OAK RIDGE TN 37831-0001		(x)			
CODE		FACILITY CODE		10A. MODIFICATION OF CONTRACT/ORDER NO.	
049467152				DE-AC05-000R22777	
				10B. DATED (SEE ITEM 13)	
				04/15/2000	

11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS

☐ The above numbered solicitation is amended as set forth in Item 14. The hour and date specified for receipt of Offers ☐ is extended, ☐ is not extended. Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended, by one of the following methods: (a) By completing Items 8 and 15, and returning _____ copies of the amendment; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or telegram which includes a reference to the solicitation and amendment numbers. FAILURE OF YOUR ACKNOWLEDGEMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER. If by virtue of this amendment you desire to change an offer already submitted, such change may be made by telegram or letter, provided each telegram or letter makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.

12. ACCOUNTING AND APPROPRIATION DATA (If required)

See Schedule

13. THIS ITEM ONLY APPLIES TO MODIFICATION OF CONTRACTS/ORDERS. IT MODIFIES THE CONTRACT/ORDER NO. AS DESCRIBED IN ITEM 14.

CHECK ONE	A. THIS CHANGE ORDER IS ISSUED PURSUANT TO: (Specify authority) THE CHANGES SET FORTH IN ITEM 14 ARE MADE IN THE CONTRACT ORDER NO. IN ITEM 10A.
	B. THE ABOVE NUMBERED CONTRACT/ORDER IS MODIFIED TO REFLECT THE ADMINISTRATIVE CHANGES (such as changes in paying office, appropriation date, etc.) SET FORTH IN ITEM 14, PURSUANT TO THE AUTHORITY OF FAR 43.103(b).
	C. THIS SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF:
X	D. OTHER (Specify type of modification and authority) PL 95-91 and Mutual Agreement of the Parties

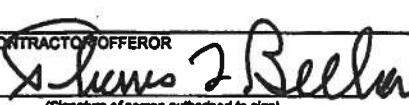
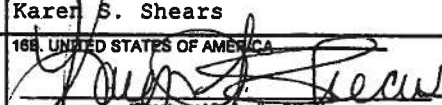
E. IMPORTANT: Contractor ☐ is not, ☒ is required to sign this document and return 1 copies to the issuing office.

14. DESCRIPTION OF AMENDMENT/MODIFICATION (Organized by UCF section headings, including solicitation/contract subject matter where feasible.)

The purpose of this modification is to extend the period of performance from December 31, 2012 through December 31, 2015. Contract is restated and attached in its entirety as a result of this extension. See pages 2-31.

Period of Performance: 05/01/2000 to 12/31/2015

Except as provided herein, all terms and conditions of the document referenced in Item 9A or 10A, as heretofore changed, remains unchanged and in full force and effect.

15A. NAME AND TITLE OF SIGNER (Type or print)		16A. NAME AND TITLE OF CONTRACTING OFFICER (Type or print)	
		Karen S. Shears	
15B. CONTRACTOR/OFFEROR	15C. DATE SIGNED	15E. UNITED STATES OF AMERICA	16C. DATE SIGNED
	12/11/12		12/19/12
(Signature of person authorized to sign)		(Signature of Contracting Officer)	

SECTION B SUPPLIES OR SERVICES AND PRICES/COSTS

B.1 DEFINITIONS

(a) As used in this Contract:

- (1) The term "Contractor" means the City of Oak Ridge ("City").
- (2) The term "Government" means the U.S. Department of Energy (DOE).
- (3) The term "Government Sites" means the DOE Sites consisting of the Y-12 Weapons Plant (Y-12) and the Oak Ridge National Laboratory (ORNL), including the Spallation Neutron Source (SNS) and the High Flux Isotope Reactor (HFIR).
- (4) The term "Potable Water" means water that meets current and future Federal and State of Tennessee drinking water standards applicable to municipalities.
- (5) The term "Non-potable Water" means water from the intake facility that has not been processed at the Water Treatment Facility located on Bear Creek Road and does not meet Potable Water standards.
- (6) The term "Government Easement" means property owned by the Government to which the City has been granted a legal easement which establishes terms and conditions for the use of that easement.
- (7) The term "back-flow prevention facilities" means those facilities which prevent the Government Sites from contaminating the City's Water Treatment Facility.

(b) This clause is hereby expanded to include the additional definitions contained in Federal Acquisition Regulation (FAR) Clause 52.201-1, Definitions (OCT 1995) (as modified by the Department of Energy Acquisition Regulation (DEAR) 952.202-1) (MAR 1985), which is included in its entirety in Section I.

B.2 OBLIGATION OF FUNDS

The total amount currently obligated to the Contract for the services described in Section C is \$33,318,707.32. It is anticipated that from time to time additional funds will be obligated to this Contract as necessary to reimburse the City at the rates established for metered quantities of both Potable and Non-potable Water supplied to the points of delivery identified in Section C throughout the term of this Contract.

The total funds are obligated specifically for metered consumption at either the Y-12 Plant or ORNL as follows:

<u>Government Site</u>	<u>B&R No.</u>	<u>Total Amount Obligated</u>
ORNL	YN1901000(0471981)	\$13,240,436.00
Y-12 Plant	YN1901000(0490941)	\$19,978,271.32

B.3 PRICE

In consideration of the performance under this Contract, the City shall be paid the consideration identified below; which consideration shall constitute complete payment for all services and materials furnished and accepted pursuant to the statement of work.

The Potable Water rate shall be the rate charged by the City to DOE for Potable Water supplied to DOE points of delivery for Potable Water as set in accordance with this Section. In accordance with the Quitclaim Deed executed on April 28, 2000, paragraph (13), at no time shall the City charge DOE a Potable Water rate which is higher than the rate the City charges the City of Oak Ridge Water Distribution Center.

Through December 31, 2012, the Non-potable Water rate shall be the rate charged by the City to DOE for Non-potable Water supplied to the Y-12 site point of delivery. During this time period, the Non-potable Water rate shall be equal to twenty-five percent (25%) of the Potable Water rate for that defined period.

From January 1, 2013, through December 31, 2015, the Non-potable Water rate is \$463,750.00 annually as adjusted on January 1 each year pursuant to Section B.4(b) and payable monthly pursuant to Section G.2.

(a) **POTABLE WATER RATES BEGINNING THE EFFECTIVE DATE OF THE CONTRACT THROUGH JUNE 30, 2005:**

- (1) From the effective date of the Contract through June 30, 2001, the Potable Water rate shall be \$0.62 per 1,000 gallons.
- (2) From July 1, 2001, through June 30, 2005, the Potable Water rate shall be subject to adjustment in accordance with the clause in Section B, entitled "Economic Price Adjustment." In addition, water rates may be adjusted by mutual agreement as provided elsewhere in the Contract.

(b) **RATE SCHEDULE – From Effective Date of Contract through June 30, 2005:**

The Potable and Non-Potable water unit rates per 1,000 gallons for each period will be as follows:

<u>Period</u>	<u>Potable Rate</u>	<u>Non-Potable Rate</u>
Effective Date - June 30, 2001	\$ 0.620	\$ 0.155
July 1, 2001 - June 30, 2002	\$ 0.641	\$ 0.160
July 1, 2002 – June 30, 2003	\$ 0.654	\$ 0.164
July 1, 2003 – June 30, 2004	\$ 0.658	\$ 0.165
July 1, 2004 – June 30, 2005	\$ 0.669	\$ 0.167

(c) **POTABLE RATES BEGINNING JULY 1, 2005:**

For the periods defined in Paragraph (d) below, entitled RATE SCHEDULE -- BEGINNING JULY 1, 2005, the Potable water rates for each period are hereby established based on the following:

- (1) For the period beginning July 1, 2005, and concluding June 30, 2007, the water unit rates shall be established based on the revenues already collected for potable and non-potable water based on the billed consumptions and no invoices shall for this period be recalculated.
- (2) No surpluses or losses will be carried forward into the period from July 1, 2007, through September 30, 2008.
- (3) For the period beginning July 1, 2007, and through June 30, 2012, the potable water unit rate for each year shall be established by dividing the annual budget for water production furnished by the City and agreed upon by DOE by the total of the projected annual potable water consumption at the DOE sites (Y-12 and ORNL) and the City of Oak Ridge.
- (4) For the period from October 1, 2008, through September 30, 2009, and through the remainder of the period of the Contract, surpluses or losses from the previous annual period shall be included as a line item in the annual budget projection for that year. DOE requests that the City furnish the reconciliation for the expenditures versus the budget for the water plant within ten (10) days of when this information becomes available each year.

(d) **RATE SCHEDULE -- BEGINNING JULY 1, 2005:**

The Potable and Non-Potable water unit rates for each period will be as follows:

<u>Period</u>	<u>Potable Rate</u>	<u>Non-Potable Rate</u>
July 1, 2005 - June 30, 2006	\$ 0.7660	\$ 0.1915
July 1, 2006 - June 30, 2007	\$ 1.0943*	\$ 0.2736*
July 1, 2007 - September 30, 2008	\$ 1.3200	\$ 0.3300
October 1, 2008 - September 30, 2009	\$ 1.3200	\$ 0.3300

* This rate is an average based on multiple billed rates for this period.

(e) **POTABLE WATER RATES BEGINNING JANUARY 1, 2013,
THROUGH DECEMBER 31, 2015:**

- (1) From January 1, 2013, through December 31, 2015, DOE shall pay the fixed rate of \$2,075,000.00 annually, as adjusted on January 1 each year pursuant to Section B.4(b) ("Current Potable Water Rate") and payable in equal monthly increments pursuant to Section G.2.
- (2) The City shall provide a notice to DOE if, during a calendar year, any of the following events occur: (a) DOE uses more than 1.96B gallons of Potable Water, (b) DOE uses less than 1.6B gallons of Potable Water, (c) the City uses more than 1.86B gallons of Potable Water, or (d) the City uses less than 1.52B gallons of Potable Water. In such event, the City and DOE shall engage in negotiations for the limited purpose of agreeing on an amendment to the Current Potable Water Rate to properly allocate the change in water usage. Any price adjustment shall be made by a Contract modification to be executed bilaterally by the City and the Contracting Officer.
- (3) Prior to July 1, 2015, DOE and the City shall use their best efforts to schedule at least one meeting to discuss the extension of this Contract and rate modifications. Prior to October 15, 2015, DOE and the City shall use their best efforts to agree upon a new Current Potable Water Rate, and if agreement is reached, the change in the Current Potable Water Rate shall be codified as part of the term extension as set forth in Section B.5.

(f) **CONTRIBUTIONS TO CAPITAL IMPROVEMENT PROJECTS**

- (1) The rules and regulations of the City require its customers to contribute to the costs of facilities construction which are commonly known as "capital improvements." Accordingly, the Government will make contributions in aid of these improvements. The Government's cost share shall be equal to fifty-three and one-half percent (53.5%) of the cost of such capital improvements.

- (2) As of June 30, 2012, the City had \$2,349,416 designated for capital improvement projects to the water treatment plant ("WTP"), and prior to January 1, 2013, the City has spent a portion of such funds (the remaining funds are referred to as the "Existing Capital Funds").
- (A) Prior to December 31, 2015, the City will incur \$750,000.00 from the Existing Capital Funds to fund minor projects for the WTP ("Minor Projects").
- (B) Until the City has expended the Existing Capital Funds, the Government shall not contribute additional funds to capital improvement projects; provided, however, that the Government shall make additional payments in the event that the City notifies the Government that a scheduled capital improvement project is expected to exceed the Existing Capital Funds as described in Section G.2.
- (3) Each year, the City shall provide the Government with a report which consists of an aid of construction budget identifying the City's planned investments and other capital improvements excluding Minor Projects to the WTP, a projected schedule to complete such improvements for the next two (2) years, and a plan for expending capital improvement funds for such improvements over the upcoming year. The report shall include a budget estimate of the work to be performed excluding Minor Projects that includes the following:
- Name and description of project;
 - Phase of project (design, construction, design/construct, etc.);
 - Engineers cost estimate; and
 - Statement of work from the bid package specifications.

After the City has provided written notification to the Government that a particular major project(s) is/are scheduled to be presented to the City Council for authorization, the Government shall obligate funds matching its cost share and shall provide written documentation of this obligation to the City. Any price adjustment shall be made by a Contract modification to be executed bilaterally by the City and the Contracting Officer.

- (4) The Government has the right to present any relevant information related to the capital improvements to the City.
- (5) Payments to the City for capital improvement projects shall be made after the Government is invoiced by the City in accordance with clause G.2 Submission of Vouchers/Invoices.

B.4 ECONOMIC PRICE ADJUSTMENT

The purpose of this clause is to establish the terms for annually adjusting the Potable Water rate and the Non-potable Water rate which are currently in effect. -The provisions set forth in section (a) apply prior to December 31, 2012, and the provisions set forth in section (b) apply beginning on January 1, 2013.

(a) ECONOMIC PRICE ADJUSTMENT PRIOR TO DECEMBER 31, 2012

The purpose of this clause is to establish the terms for annually adjusting the Potable Water rate which will be in effect through June 30, 2005. On June 30, 2001, 2002, 2003, and 2004, the Potable Water rate shall be adjusted based on the changes in the Gross Domestic Product-Price Index (GDP-PI) also referred to as the chain-type price index. The GDP-PI is published quarterly by the U.S. Department of Commerce, Bureau of Economic Analysis and is available on the Internet. The final GDP-PI for each calendar year is published in March/April of the succeeding year. The GDP-PI for 1999 is 104.55 and will be used as the base year index and the final yearly index for 2000, 2001, 2002, and 2003 shall be applied to a labor and materials base of \$.355 per 1000 gallons. The formula for calculating the economic price adjustment is given below:

$$\frac{\text{Yearly Index} - 104.55}{104.55} = \text{Percentage Amount of Cumulative Increase}$$

Example assuming the final Yearly Index for 2002 is 110:

$$\frac{110 - 104.55}{104.55} = .052 \qquad 1.052 \times .355 = .373$$

\$.373 would be the labor and materials portion of the Potable Water rate effective July 1, 2003. The full Potable Water rate based on economic price adjustment would be calculated as \$.62 - \$.355 + \$.373 = \$.638

The labor and materials base consists of personnel, engineering and lab fees, routine maintenance, chemicals, and power. Other portions of the water rate shall not be subject to economic price adjustment. The portion of the water rate which consists of tax equivalent shall be adjusted as if it were a local tax in accordance with the provisions of the clause in Section I entitled, "Federal, State, and Local Taxes (Noncompetitive Contract)."

In the event that the GDP-PI named above is discontinued or materially changed, the parties shall bilaterally agree to utilize another index which will be as nearly identical as possible in scope and content to the original index. In the event the parties cannot agree on such an index, the Government retains the right to unilaterally make the determination of an appropriate index and such determination shall be subject to the Disputes Clause of this Contract.

No economic price adjustment will be made which would cause the City to charge the Department of Energy a Potable Water rate which is higher than the rate the City charges its best customer including the City of Oak Ridge Water Distribution Center and/or the City of Oak Ridge.

(b) ECONOMIC PRICE ADJUSTMENT BEGINNING ON JANUARY 1, 2013

On January 1 of each year (the "Adjustment Date"), the Potable Water rate and the Non-potable Water rate shall be adjusted based on the Percentage Change (as defined below) in the Index (the "Index"). The term "Index" shall, for the purpose of this Contract, be the "Consumer Price Index For All Urban Consumers, U.S. City Average, All Items, Not Seasonally Adjusted, 1982 – 1984 = 100) published by the Bureau of Labor Statistics of the United States Department of Labor. The term "Percentage Change" shall mean the difference between the Index for the month of October preceding the year the rate was last established (for the initial year, October 2012) or adjusted, as appropriate (the "Base Month"), and the Index for the month of October immediately prior to the upcoming Adjustment Date, expressed as a percentage of the Index for the Base Month. The Potable Water rate shall increase annually by multiplying the then current Potable Water rate by the Percentage Change, and the Non-potable Water rate shall increase annually by multiplying the then current Non-potable Water rate by the Percentage Change; provided, however, if the Percentage Change is negative, the Potable Water rate and the Non-potable Water rate shall not be adjusted.

Any adjustment in price shall be reflected in a Contract modification to be executed bilaterally by the City and the Contracting Officer.

In the event that the Index is discontinued or materially changed, the parties shall bilaterally agree to utilize another index which will be as nearly identical as possible in scope and content to the original Index.

No economic price adjustment will be made which would cause the City to charge DOE a Potable Water rate which is higher than the rate the City charges the City of Oak Ridge Water Distribution Center.

B.5 OPTION(S) TO EXTEND THE CONTRACT

This Contract may be extended with the bilateral agreement of the City and DOE for a term agreed to by the parties. Any Contract extension shall be made by a Contract modification to be executed bilaterally by the City and the Contracting Officer.

In the event that the parties do not bilaterally agree to extend the Contract, this Contract shall expire in accordance with Section F.1.

When calculating and negotiating a future rate for the Current Potable Water Rate that will apply after December 31, 2015, the City and DOE will negotiate the potential integration of the cost for minor projects identified in Section B.3(f)(2)(A) into the new Current Potable Water Rate.

B.6 INSTALLATION OF BACK-FLOW PREVENTION STATION

If additional back-flow prevention is required by law to prevent contamination of the City's water supply by the Government Sites, the City shall construct back-flow prevention facilities (including required modifications to the system, metering relocation, piping modification, and pressure modification) on its property or on easements provided by the Government. The Government recognizes that it will be DOE's responsibility to reimburse the City for the cost of these facilities. DOE will negotiate specifications and cost with the City. The City shall not receive reimbursement in excess of the cost incurred for the Installation and shall provide the Government with documentation supporting such costs. DOE shall have the right to review and approve the design of all back-flow prevention facilities.

B.7 SUBSTANTIAL EVENTS AND CHANGES IN COSTS OF ELECTRICITY OR PAYMENTS TO TCRS

(a) SUBSTANTIAL EVENTS

- (1) If a Substantial Event occurs at any time during the term of the Contract, the City may increase the contribution to capital improvement projects identified in Section B.3. Any such increase may only be utilized to pay for the Substantial Event. The increase in the rate contributed shall terminate as soon as the cost incurred by the City as a result of the substantial event has been recovered. Any price adjustment shall be made by a Contract modification to be executed bilaterally by the City and the Contracting Officer.
- (2) For purposes of this clause, the term "Substantial Event" means an event, e.g., structural, pipe or mechanical failure, that cannot be reasonably insured against; that would occur unexpectedly; that was not the result of the City's failure to perform routine inspection, maintenance, and repair; and that would cause the City to incur costs in excess of \$500,000.

(b) CHANGES IN COSTS OF ELECTRICITY OR PAYMENTS TO TCRS

- (1) If, during a calendar year, the actual cost incurred by the City for (i) electricity or (ii) payments to the Tennessee Consolidated Retirement System ("TCRS") (based on the estimated expenses for such items provided to DOE by January 1 of each year) increases by more than the Percentage Change of the Index plus two percent (2%), the City shall notify DOE and provide an explanation with supporting information of such increased costs. DOE shall be responsible for fifty-three and one-half percent (53.5%) of the actual increased cost above the estimate for such item, as applicable. Any price adjustment shall be made by a Contract modification to be executed bilaterally by the City and the Contracting Officer, and will be payable on the next monthly invoice.
- (2) If, during a calendar year, the actual cost incurred by the City for (i) electricity or (ii) payments to the TCRS (based on the estimated expenses for such items provided to DOE by January 1 of each year) decreases by more than the Percentage Change of the Index plus two percent (2%), the City shall notify DOE and provide DOE with a credit equal to the difference of fifty-three and one-half percent (53.5%) of the estimated expense and fifty-three and one-half percent (53.5%) of the actual cost incurred by the City for such item, as applicable. Any price adjustment shall be made by a Contract modification to be executed bilaterally by the City and the Contracting Officer, and will be credited on the next monthly invoice.

B.8 ANTI-DEFICIENCY

Unless otherwise authorized by Public Law or Federal Regulation, nothing contained herein shall be construed as binding the Government to expend, in any one fiscal year, any sum in excess of the appropriation made by Congress for that fiscal year in furtherance of the matter of the Contract or to involve the Government in an obligation for the future expenditure of monies before an appropriation is made (Anti-Deficiency Act, 31 U.S.C. Section 1341).

SECTION C

DESCRIPTION/SPECIFICATIONS/WORK STATEMENT

C.1 STATEMENT OF WORK

The City shall use reasonable efforts to provide a continuous supply of Potable Water to the Government Sites as defined in Section B.1, Definitions, at the points of delivery specified below. The City shall use reasonable efforts to provide a continuous supply of Non-potable Water to the Y-12 site at the point of delivery specified below. There is no requirement for the delivery of Non-potable Water to the ORNL site.

The City shall not reconfigure, or otherwise modify, the current water distribution system to the Government Sites in a manner that could result in changes to the operational characteristic of facilities at the Government Sites without prior consultation with the DOE Contracting Officer's Representative (COR). DOE shall not modify the City's water distribution system without the consent of the City.

The City is responsible for complying with all applicable federal, state and local laws when operating the water system.

The City shall, on a monthly basis, submit an electronic spreadsheet of the Tennessee Department of Environment and Conservation, Division of Water Supply, Comprehensive Monthly Operation Report (MOR), to the Contracting Officer's Representative.

DOE is under a mandate to reduce consumption of water. Due to variations in monthly consumption of water, DOE shall provide the City with an estimate of its prospective water consumption for two (2) years annually ("Water Usage Estimate") to assist the City with planning for future water requirements. The Water Usage Estimate does not obligate DOE to make any minimum level of purchases and shall be used by the City for planning purposes only. In addition, since the High Flux Isotope Reactor (HFIR) at ORNL has a large impact on usage, the following website can be accessed for the HFIR operating schedule.

<http://neutrons.ornl.gov/facilities/HFIR/status.shtml>

C.2 POINTS OF DELIVERY

The points of delivery for Potable Water delivered to the Y-12 site shall be:

- (a) Flange of tee on downstream side of COR valve V-100 at East Elevated Water Tank
- (b) Flange of tee on downstream side of COR valve V-200 at East Elevated Water Tank

The point of delivery for Potable Water delivered to the ORNL shall be the elbow joint on the 24" line where the line turns South at Bear Creek Road.

The point of delivery for Non-potable Water delivered to the Y-12 site, shall be the flanged joint North of the Booster Pump Station on the 16" line located on the East end of the Y-12 facility.

All delivery points are identified on the map included in this Contract as Section J, Attachment A.

SECTION D
PACKAGING AND MARKING

RESERVED

SECTION E INSPECTION AND ACCEPTANCE

E.1 INSPECTION AND ACCEPTANCE

The Government reserves the right to inspect or test water quality at the points of delivery; however, the Government is not obligated to do so.

The City shall notify the Contracting Officer if any Potable Water from the Water Treatment Facility to the Government Sites fails to meet the Federal and/or State of Tennessee standards for municipal water production facilities in Tennessee. If the Potable Water delivered to any Point of Delivery does not meet these standards, the City shall be responsible for any and all corrective actions required to bring the Potable Water yet to be delivered into conformance at no cost to the Government except as provided in the clause in Section B.7(a) entitled, "Substantial Events."

The City shall not modify the chemicals used in the treatment of either Potable or Non-potable Water without reasonable notification to DOE Contracting Officer's Representative. The chemicals used in the treatment of Potable and Non-potable Water are identified in Section J, Attachment B.

SECTION F
DELIVERIES OR PERFORMANCE

F.1 TERM OF CONTRACT

This Contract shall expire on December 31, 2015, unless the parties agree to extend as described in Section B.5.

F.2 ORO F05 PRINCIPAL PLACE OF PERFORMANCE (MAY 1997)

The principal place of performance is Oak Ridge, Tennessee.

SECTION G
CONTRACT ADMINISTRATION DATA

G.1 ORO G01 CORRESPONDENCE PROCEDURES (MAY 1997) (Revised)

- (a) **Correspondence:** All correspondence submitted by the City (except for invoices and reports) shall be subject to the following procedures:
- (1) **Technical Correspondence.** Technical correspondence concerning performance of this Contract shall be addressed to the DOE COR, with an information copy of the correspondence to the DOE Contract Specialist.
 - (2) **Non-technical Administrative Correspondence.** All correspondence, other than technical correspondence, shall be addressed to the Contracting Officer or Contract Specialist designated in Clause G.4, with information copies of the correspondence to the DOE COR.
 - (3) **Subject Line(s).** All correspondence shall contain a subject line commencing with the Contract number, as illustrated below:

"SUBJECT: Contract No. DE-AC05-00OR22777 [] (Insert subject topic after Contract number, e.g., "Request for subcontract placement consent")."
- (b) **Notices:** Any notice required by this Contract shall be given in writing to the Parties designated below. Notices shall be effective
- (1) when delivered personally to any Party, or
 - (2) three (3) business days after deposited, postage fully prepaid, registered or certified, in an official receptacle of the United States Postal Service, or
 - (3) upon confirmation of receipt, if electronically communicated by electronic mail ("e-mail") or telecopier (provided that the receipt of e-mail or telecopier communication is confirmed by the other Party in writing or by return e-mail or telecopier message).

To the City: City of Oak Ridge
 Attn: Mark S. Watson, City Manager
 P.O. Box 1
 Oak Ridge, Tennessee 37831-0001

 Telephone: 865-425-3551
 Facsimile: 865-425-3420
 e-mail: mwatson@oakridgetn.gov

with a copy to: City of Oak Ridge
Department of Public Works
Attn: Gary M. Cinder
Director of Public Works
100 Woodbury Lane
Oak Ridge, Tennessee 37830

Telephone: 865-425-1875
Facsimile: 865-425-1843
e-mail: gcinder@oakridgetn.gov

Government: U.S. Department of Energy
Oak Ridge Office
Procurement and Contracts Division
Special Acquisitions Branch
Attn: Natasha White, Contract Specialist
P.O. Box 2001, MS FM-723
Oak Ridge, Tennessee 37831

Telephone: 865-576-2397
e-mail: whiten@oro.doe.gov

Without the need to modify this clause, a Party may at any time, by written notice, change the designation, address, telephone number or facsimile number of the person specified. This paragraph does not apply to notices and requests of a routine character in connection with delivery or receipt of water, or in connection with operation of facilities.

G.2 SUBMISSION OF VOUCHERS/INVOICES

The City shall measure service in accordance with the clause in Section I entitled, "Service Provisions." The City shall submit monthly invoices using the form set forth in Section J, Attachment C.

The City must submit vouchers electronically through the Oak Ridge Financial Service Center's (ORFSC) Vendor Inquiry Payment Electronic Reporting System (VIPERS). VIPERS allows vendors to submit vouchers, attach supporting documentation and check the payment status of any voucher submitted to the DOE. To obtain access to and use VIPERS, please visit the web page at <http://finweb.oro.doe.gov/vipers.htm>. Detailed instructions on how to enroll and use the system are provided on the web page. The submission of vouchers electronically will reduce correspondence and other causes for delay to a minimum and will facilitate prompt payment to the City. Do not submit a paper copy of the voucher.

G.3 ORO G20 CONTRACTING OFFICER'S REPRESENTATIVE (MAY 1997)

The Contracting Officer's Representative will be designated by separate letter and will represent the Contracting Officer in the technical phases of the work. A copy of this designation letter shall be furnished to the City. The Contracting Officer's Representative is not authorized to change any of the terms and conditions of this Contract. Changes in the Scope of Work will be made only by the Contracting Officer by properly written modification(s) to the Contract. Additional Contracting Officer's Representative(s) for other purposes as required may be designated in writing by the Contracting Officer.

G.4 ORO G25 CONTRACT ADMINISTRATION (MAY 1997)

The Contract will be administered by:

U.S. Department of Energy
Oak Ridge Office
Procurement and Contracts Division
Special Acquisitions Branch
ATTN: Natasha White
P.O. Box 2001, MS FM-723
Oak Ridge, Tennessee 37831

Written communication shall make reference to the Contract number and shall be mailed to the Contract Specialist designated via separate correspondence to the above address.

SECTION H SPECIAL CONTRACT REQUIREMENTS

H.1 ORO H05 MODIFICATION AUTHORITY (MAY 1997)

Notwithstanding any of the other clauses of this Contract, the Contracting Officer shall be the only individual authorized to:

- (a) Accept nonconforming work,
- (b) Waive any requirement of this Contract, or
- (c) Modify any term or condition of this Contract.

H.2 CHLORINE STORAGE

The City shall manage the storage and use of chlorine in a manner consistent with all applicable Regulations for municipal utilities. The City shall not exceed the current level of onsite chlorine cylinder usage and storage without notifying DOE one hundred and twenty (120) days in advance.

H.3 EXCAVATION (OCT 1999)

- (a) DOE shall notify the City and request a utility locate through the Tennessee One Call systems ("utility locate") at least three (3) working days before performing excavation on within thirty (30) feet of the water production system pipelines, unless the work is being performed in an emergency situation, under which DOE shall notify the City and request a utility locate as soon as the Government has knowledge of the need.
- (b) The City shall notify DOE ten (10) days prior to commencing any non-emergency excavation work on any portion of any parcel to which DOE has granted the City an easement. This notification will allow DOE and its contractors time to conduct monitoring activities necessary to assure the City the area in question is free of any contamination. When the City conducts activities provided by this clause on the Government Easement, DOE will provide Environmental, Safety, and Health assistance and consultation for the City since the Occupational Safety and Health Agency does not provide such oversight at DOE facilities.

H.4 CONTINUITY OF SUPPLY AND EMERGENCY RESPONSE

Since the City will be providing water to nuclear facilities, the City shall use its best efforts to provide a regular and uninterrupted supply of water to the facilities at the Government Sites pursuant to the requirements of the contract. The City agrees to treat

the Government Sites as priority customers and to divert water from other customers, if necessary, to prevent any potential nuclear incident once the DOE Oak Ridge Office (ORO) Manager or designee notifies the City's manager or designee about the threat of a potential nuclear incident. That notification will take place as soon as practicable. If the City is required to divert water to the Government Sites to prevent a potential nuclear incident, the Government waives the requirement that the water diverted to the Government Sites be Potable Water.

The City shall immediately notify the Government and the Government shall immediately notify the City when either becomes aware of the need for an emergency repair to a portion of the City's water system located on the Government Easement.

Additionally, the City agrees that in the event there is a utility line emergency in the City's distribution system, and the City cannot respond in a reasonable time and requests assistance, DOE has the option of dispatching one of its contractors to take appropriate action to assure a continuing supply of water. If a Government Site is threatened or if there is an immediate threat to human health or the environment; DOE has the option of dispatching one of its contractors to take appropriate action to assure a continuing supply of water.

DOE shall respond immediately to any utility line emergency located on the Government Easement that requires emergency service and immediately assess the portion of the property affected by the portion of the water system that is in need of repair for the presence of environmental and radioactive contamination. If contamination is not found on the portion of the water system in need of emergency repair, the City shall immediately take appropriate action to repair that portion of the water system. If contamination is found on the property, DOE shall make the appropriate repair to that portion of the water system. When making any repairs to the City's water system, DOE shall utilize generally acceptable water line repair practices.

The City further agrees to reimburse DOE for costs DOE reasonably incurs as a result of the required response of DOE's contractors, except for costs arising from environmental or radioactive contamination or other hazard existing on DOE Property that is not caused by the City.

In the event that equipment owned by the City or its subcontractors becomes contaminated during the repair of the water system, DOE or its contractors shall clean the equipment to remove the contamination. If the contamination cannot be removed from the equipment, ownership of the affected equipment shall revert to DOE, and DOE shall pay for the replacement of the affected equipment. DOE or its contractors shall use its best efforts to clean or replace any contaminated equipment as expeditiously as possible.

H.5 ORO H150 REPRESENTATIONS, CERTIFICATIONS AND OTHER STATEMENTS OF THE OFFEROR (MAY 1997)

The Representations, Certifications, and Other Statements of the Offeror, executed by the City for this Contract are, by reference, hereby incorporated in and made a part of this Contract.

H.6 FACILITY SAFEGUARDS

The City shall control access to the Water Treatment Facility with such access limited to employees or other authorized individuals. The City shall maintain the current fencing and access controls. The City will make arrangements for all eligible City employees to be badged in order to pass specific Security Checkpoints for access to those parts of Bear Creek Road which require authorization. The City shall maintain an intrusion-detection and alarm system. The City shall permit communication repeaters to remain on water tanks and provide access to DOE's other contractors and/or subcontractors to service the repeaters. Such service shall not interfere with the City's operations.

All required badging and processing of security clearances will be completed at the expense of DOE. DOE shall use reasonable efforts to assist the City to accommodate badging. To the extent that the City's ability to provide water under this Contract is compromised due to access issues, DOE recognizes that the City may have difficulty in delivering water to DOE.

H.7 THIRD PARTIES

Other than as provided in the clause in Section I, entitled "Assignment of Claims," nothing contained in this Contract, including any amendments or modifications thereto, shall be construed to grant, vest, or create any rights in any person not a party to this Contract. This provision is not intended to limit or impair the rights which any person may have under applicable Federal Statutes.

H.8 APPLICABILITY OF CONTRACT CLAUSES

The DOE is a customer of the City of Oak Ridge for the purposes of supplying water to the Government Sites. This Contract is for the purchase of water; it is not for the management and operation of the Water Treatment Facilities. Certain clauses have been added in Sections B through H of the Contract based on requirements peculiar to the Government Sites, and these clauses apply to all aspects of services provided to the Government Sites. Section I of the Contract contains a number of clauses which apply only when the City is performing services solely for the Government Sites which are not as a part of the normal maintenance and operation of the Water Treatment Facilities.

The specific clauses from Section I are listed below:

- 52.215-21 REQUIREMENTS FOR COST OR PRICING DATA OR INFORMATION
OTHER THAN COST OR PRICING DATA--MODIFICATIONS
(OCT 1997)
- 52.219-9 SMALL BUSINESS SUBCONTRACTING PLAN (OCT 1999)
- 52.219-16 LIQUIDATED DAMAGES--SUBCONTRACTING PLAN (JAN 1999)
- 52.244-5 COMPETITION IN SUBCONTRACTING (DEC 1996)
- 52.244-6 SUBCONTRACTS FOR COMMERCIAL ITEMS AND COMMERCIAL
COMPONENTS (OCT 1998)

SECTION I CONTRACT CLAUSES

I.1 52.252-2 CLAUSES INCORPORATED BY REFERENCE

This Contract incorporates the following clauses by reference with the same force and effect as if they were given in full text. Upon request, the Contracting Officer will make the full text available. Also, the full text of a clause may be accessed electronically at these addresses:

<http://www.acquisition.gov/far>
<http://professionals.pr.doe.gov/>

Clause No.	FAR/DEAR Reference	Title	<u>Fill-in Information</u> <u>See FAR 52.104(D)</u>
I.2	52.202-1	Definitions (Oct 1995)(As Modified by 952.202-1) (Mar 1985)	
I.3	52.203-3	Gratuities (Apr 1984)	
I.4	52.203-5	Covenant Against Contingent Fees (Apr 1984)	
I.5	52.203-6	Restrictions on Subcontractor Sales to the Government (Jul 1995)	
I.6	52.203-7	Anti-Kickback Procedures (Jul 1995)	
I.7	52.203-8	Cancellation, Rescission, and Recovery of Funds for Illegal or Improper Activity (Jan 1997)	
I.8	52.203-10	Price or Fee Adjustment for Illegal or Improper Activity (Jan 1997)	
I.9	52.203-12	Limitation on Payments to Influence Certain Federal Transactions (Jun 1997)	
I.10	52.204-4	Printing/Copying Double-Sided on Recycled Paper (Jun 1996)	
I.11	52.209-6	Protecting the Government's Interest when Subcontracting with Contractors Debarred, Suspended, or Proposed for Debarment (Jul 1995)	
I.12	52.215-8	Order of Precedence-Uniform Contract Format (Oct 1997)	
I.13	52.215-21	Requirements for the Cost or Pricing Data or Information Other Than Cost or Pricing Data--Modifications (Oct 1997)	
I.14	52.216-21	Requirements (Oct 1995) Alternate I (Apr 1984)	
I.15	52.217-8	Option to Extend Services (Nov 1999) (*Applies to Contract through December 31, 2012.)	
I.16		Reserved	
I.17	52.219-8	Utilization of Small Business Concerns (Oct 1999)	
I.18	52.219-9	Small Business Subcontracting Plan (Oct 1999)	

I.19	52.219-16	Liquidated Damages-Subcontracting Plan (Jan 1999)	
I.20	52.222-3	Convict labor (Aug 1996)	
I.21	52.222-21	Prohibition of Segregated Facilities (Feb 1999)	
I.22	52.222-26	Equal Opportunity (Feb 1999)	
I.23	52.222-35	Affirmative Action for Disabled Veterans and Veterans of the Vietnam Era (Apr 1998)	
I.24	52.222-36	Affirmative Action for Workers with Disabilities (Jun 1998)	
I.26	52.222-37	Employment Reports on Disabled Veterans and Veterans of the Vietnam Era (Jan 1999)	
I.27	52.223-6	Drug-Free Workplace (Jan 1997)	
I.28	52.225-13	Restrictions on Certain Foreign Purchases (Feb 2000)	
I.29	52.229-4	Federal, State, and Local Taxes (Non-Competitive Contract) (Jan 1991)	
I.30	52.232-1	Payments (Apr 1984)	
I.31	52.232-11	Extras (Apr 1984)	
I.32	52.232-23	Assignment of Claims (Jan 1986)	
I.33	52.232-25	Prompt Payment (Jun 1997)	
I.34	52.232-34	Payment by Electronic Funds Transfer – Other than Central Contractor Registration (May 1999)	
I.35	52.233-1	Disputes (Dec 1998) Alternate I (Dec 1991)	
I.36	52.233-3	Protest After Award (Aug 1996)	
I.37	52.241-2	Order of Precedence – Utilities (Feb 1995)	
I.38	52.241-4	Change in Class of Service (Feb 1995)	
I.39	52.241-5	Contractor's Facilities (Feb 1995)	
I.40	52.241-11	Multiple Service Locations (Feb 1995)	
I.41	52.242-13	Bankruptcy (Jul 1995)	
I.42	52.243-1	Changes – Fixed Price (Aug 1987) Alternate I (Apr 1984)	
I.43	52.244-5	Competition in Subcontracting (Dec 1996)	
I.44	52.244-6	Subcontracts for Commercial Items and Commercial Components (Oct 1998)	
I.45	52.246-25	Limitation of Liability – Services (Feb 1997)	
I.46	52.249-2	Termination for Convenience of the Government (Fixed-Price) (Sep 1996)	
I.47	52.249-8	Default (Fixed-Price Supply and Service) (Apr 1984)	
I.48	52.253-1	Computer Generated Forms (Jan 1991)	
I.49	952.204-2	Security (Sep 1997)	
I.50	952-242-70	Technical Direction (Dec 2000)	

In addition, the following clauses apply:

I.51 52.241-3 SCOPE AND DURATION OF CONTRACT (FEB 1995)

- (a) For the period of the Contract the City agrees to furnish and the Government agrees to purchase water utility service in accordance with the applicable tariff(s), rules,

and regulations as approved by the applicable governing regulatory body and as set forth in the contract.

- (b) It is expressly understood that neither the City nor the Government is under any obligation to continue any service under the terms and conditions of this Contract beyond the expiration date.
- (c) The City shall provide the Government with one complete set of rates, terms, and conditions of service which are in effect as of the date of this Contract and any subsequently approved rates.
- (d) The City shall be paid at the applicable rate(s) under the tariff and the Government shall be liable for the minimum monthly charge, if any, specified in this Contract commencing with the period in which service is initially furnished and continuing for the term of this Contract. Any minimum monthly charge specified in this Contract shall be equitably prorated for the period in which commencement and termination of this Contract becomes effective.

I.52 52.241-6 SERVICE PROVISIONS (FEB 1995)

(a) *Measurement of service.*

- (1) All water furnished by the City shall be measured by suitable metering equipment of standard manufacture, to be furnished, installed, maintained, repaired, calibrated, and read by the City at its expense. When more than a single meter is installed at a service location, the readings thereof may be billed conjunctively, if appropriate. In the event any meter fails to register (or registers incorrectly) the water furnished, the parties shall agree upon the length of time of meter malfunction and the quantity of water delivered during such period of time. An appropriate adjustment shall be made to the next invoice for the purpose of correcting such errors. However, any meter which registers not more than three percent (3%) slow or fast shall be deemed correct.
- (2) The City shall read all meters at periodic intervals of approximately 30 days or in accordance with the policy of the cognizant regulatory body or applicable bylaws. All billings based on meter readings of less than 30 days shall be prorated accordingly.

(b) *Meter test.*

- (1) The City, at its expense, shall periodically inspect and test City-installed meters at intervals not exceeding two years. The Government has the right to have representation during the inspection and test.
- (2) At the written request of the Contracting Officer, the City shall make additional tests of any or all such meters in the presence of Government

representatives. The cost of such additional tests shall be borne by the Government if the percentage of errors is found to be not more than three percent (3%) slow or fast.

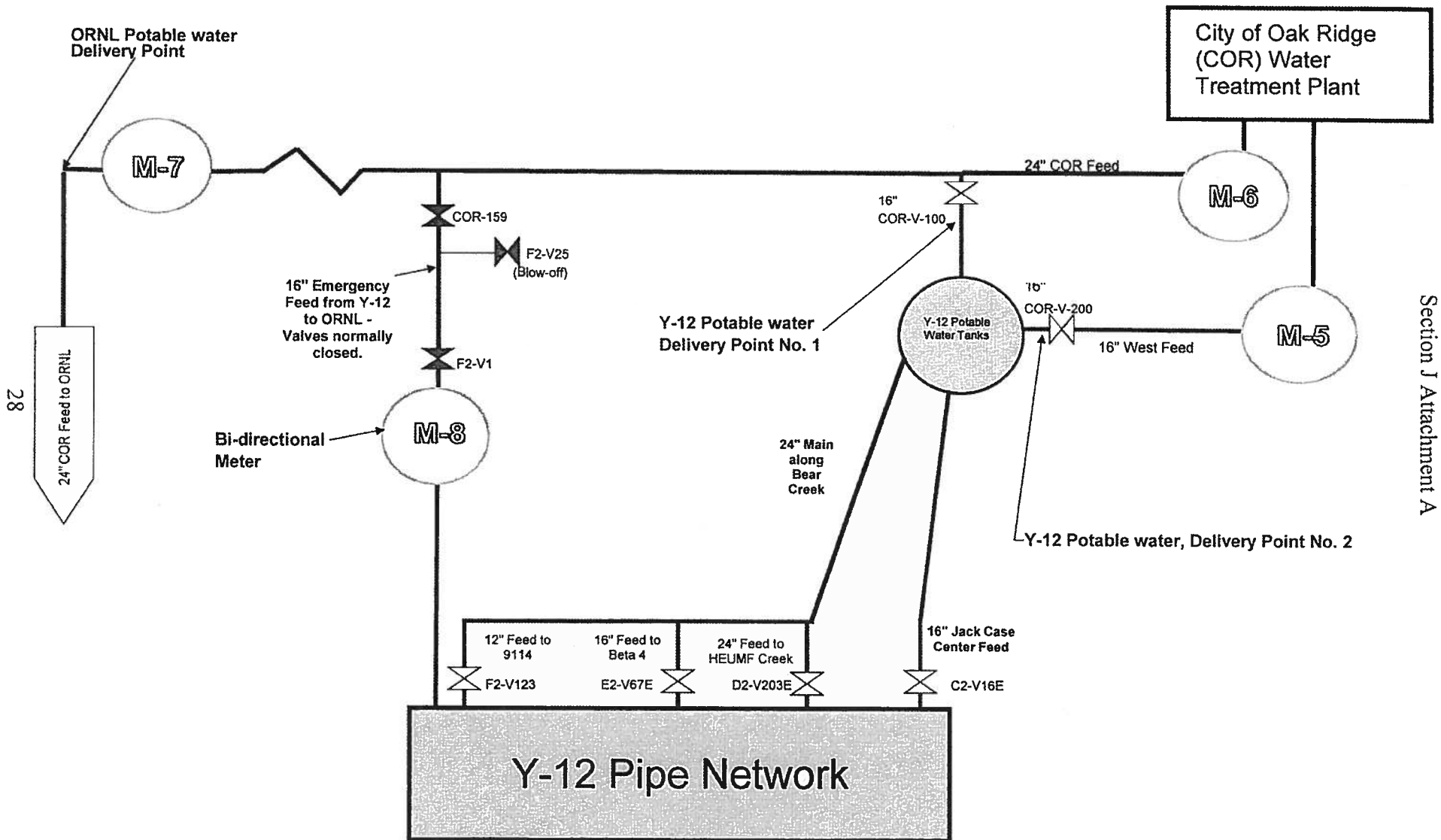
- (3) No meter shall be placed in service or allowed to remain in service which as an error in registration in excess of three percent (3%) under normal operating conditions.
- (c) *Change in volume or character.* Reasonable notice shall be given by the Contracting Officer to the City regarding any material changes anticipated in the volume or characteristics of the utility service required at each location.
- (d) *Continuity of service and consumption.* The City shall use reasonable diligence to provide a regular and uninterrupted supply of service at each service location, but shall not be liable for damages, breach of Contract or otherwise, to the Government for failure, suspension, diminution, or other variations of service occasioned by or in consequence of any cause beyond the control of the City, including but not limited to acts of God or of the public enemy, fires, floods, earthquakes, or other catastrophe, strikes, or failure or breakdown of transmission or other facilities. If any such failure, suspension, diminution, or other variation of service shall aggregate more than 168 hour(s) during any billing period hereunder, an equitable adjustment shall be made in the monthly billing specified in this Contract (including the minimum monthly charge).

SECTION J
LIST OF ATTACHMENTS

Attachment A – Map showing Points of Delivery

Attachment B – Chemicals Currently in Use at the Oak Ridge Water Plant

Attachment C – SF 1034 Public Voucher for Purchases and Services



Section J Attachment A

SECTION J

Attachment B – Chemicals Currently in Use at the Oak Ridge Water Plant

50% hydrogen peroxide
Delta Flocc 812 coagulation
Chlorine gas
Zinc phosphate
Hydrofluoric acid

Section J - Attachment C

Standard Form 1034 Revised October 1987 Department of the Treasury 1 TFM 4-2000 1034-122		PUBLIC VOUCHER FOR PURCHASES AND SERVICES OTHER THAN PERSONAL				VOUCHER NO.							
U.S. DEPARTMENT, BUREAU, OR ESTABLISHMENT AND LOCATION			DATE VOUCHER PREPARED		SCHEDULE NO.								
			CONTRACT NUMBER AND DATE										
			REQUISITION NUMBER AND DATE										
PAYEE'S NAME AND ADDRESS					PAID BY								
					DATE INVOICE RECEIVED								
					DISCOUNT TERMS								
					PAYEE'S ACCOUNT NUMBER								
SHIPPED FROM			TO		WEIGHT								
					GOVERNMENT B/L NUMBER								
NUMBER AND DATE OF ORDER		DATE OF DELIVERY OR SERVICE		ARTICLES OR SERVICES <small>(Enter description, item number of contract or Federal supply schedule, and other information deemed necessary)</small>		QUAN- TITY		UNIT PRICE		AMOUNT (¹)			
								COST PER					
(Use continuation sheets if necessary) (Payee must NOT use the space below)													
PAYMENT: <input type="checkbox"/> PROVISIONAL <input type="checkbox"/> COMPLETE <input type="checkbox"/> PARTIAL <input type="checkbox"/> FINAL <input type="checkbox"/> PROGRESS <input type="checkbox"/> ADVANCE		APPROVED FOR		EXCHANGE RATE		DIFFERENCES		TOTAL					
		BY ²		= \$1.00									
		TITLE						Amount verified; correct for (Signature or initials)					
Pursuant to authority vested in me, I certify that this voucher is correct and proper for payment.													
(Date) (Authorized Certifying Officer) ² (Title)													
ACCOUNTING CLASSIFICATION													
CHECK NUMBER		ON ACCOUNT OF U.S. TREASURY				CHECK NUMBER		ON (Name of bank)					
CASH		DATE				PAYEE ³		PER TITLE					
\$													

¹ When stated in foreign currency, insert name of currency.

² If the ability to certify and authority to approve are combined in one person, one signature only is necessary; otherwise the approving officer will sign in the space provided, over his official title.

³ When a voucher is receipted in the name of a company or corporation, the name of the person writing the company or corporate name, as well as the capacity in which he signs, must appear. For example: "John Doe Company, per John Smith, Secretary" or "Treasurer", as the case may be.

Previous edition usable

NSN 7850-00-834-4208

PRIVACY ACT STATEMENT
 The information requested on this form is required under the provisions of 31 U.S.C. 302b and 82c, for the purpose of disbursing Federal money. The information requested is to identify the particular creditor and the amounts to be paid. Failure to furnish this information will hinder discharge of the payment obligation.

SECTION J - Attachment C

Each invoice submitted shall also include the following Statement of Cost:

STATEMENT OF COST

Contractor: _____ Contract No. _____

Address: _____ Invoice No. _____

<u>Cost Elements</u>	<u>CURRENT PERIOD</u>	<u>Current Amount</u>	<u>CUMULATIVE</u>
			<u>Total Contract \$</u>
Y-12 Water Consumption			
Potable	_____ gal.		
Non-Potable	_____ gal.		
ORNL Water Consumption			
Potable	_____ gal.		
Capital Improvements			

Cumulative Billing Summary (if applicable)

Cumulative \$ _____