DOE Form 1270.1
(9-80)

U.S. DEPARTMENT OF ENERGY

INTERAGENCY AGREEMENT FACE PAGE

FUNDS-OUT INTERAGENCY AGREEMENT (IA)
Pursuant to Economy Act of 1932 as amended (31 U.S.C. 1535) a Public Law 95-91 and other applicable law.

1. IDENTIFICATION
a. DOE IA No.: DE-AI04-90AL64049
b. Other agency IA No.: N/A
c. Modification No.: N/A
d. Task order No.: N/A

2. TYPE OF ACTION:
☒ New Award ☐ Modification ☐ Extension ☐ Other

3. PROJECT TITLE/DESCRIPTION:
IA with the U.S. Air Force for payment of costs associated with the remediation of two operable units (the facility and San Jose-6) at Albuquerque's South Valley Superfund Site.

4. AGREEMENT PERIOD *(month, day, year)*
From: To:
Reference Sec. IX

5. FINANCIAL
a. Accounting and Appropriation Data:
B&R No.: GF728802
Approp. Sym.: 89X0220
Allot. Sym.: GF0091

b. Funding sources

	$
	$
	$
DOE	$
Agency	$ 300,000
Total Funding	$

c. Method of Payment:
☐ Advance ☐ Reimbursement ☐ Progress

d. Amount obligated this action: $ 300,000

e. Invoices, if any, submit to:
Department of Energy
Albuquerque Operations Office
Attn: Financial Management Division
P. O. Box 5400, Albuquerque, NM 87115

f. Voucher Form to be used:
SF-1080

6. DOE PROGRAM OFFICER
Name: Shara McBee
Address: U. S. Department of Energy,
Environmental Restoration Project Office
P. O. Box 5400
Albuquerque, NM 87115
Telephone Number: (505) 845-4887

7. PERFORMING AGENCY
a. Name: U. S. Air Force
b. Address:
Attention: Air Force Regional Civil Engineer, Central Region,
c. Program Director Environmental Planning Division (AFRCE-CR/BOV)
Name: Dallas, Texas
Address:
Telephone No.: (214) 653-3372

8. ISSUING AGENCY:
Department of Energy (DOE)
Albuquerque Operations Office
Contracts and Procurement Division
P. O. Box 5400
Albuquerque, NM 87115

9. PERFORMING AGENCY ACCEPTANCE:
U. S. Air Force
(signature) 9/24/90 (date)
Name *(typewritten)*:
Title *(typewritten)*:
Telephone:

10. DOE CONTRACTING OFFICER:
(signature) 9/25/90 (date)
Name *(typewritten)*: Bruce G. Twining
Title *(typewritten)*: Manager
Albuquerque Operations Office
Contracts and Procurement Division

TABLE OF CONTENTS

SOUTH VALLEY SUPERFUND SITE
INTERAGENCY AGREEMENT
BETWEEN THE UNITED STATES AIR FORCE
AND THE UNITED STATES DEPARTMENT OF ENERGY

SECTION		PAGE NO.
I.	STATEMENT OF FACT	1
II.	PURPOSE	1
III.	COST	2
IV.	DURATION	2
V.	RESPONSIBILITIES OF USAF AND DOE	2
VI.	AUDITING AND FINAL PAYMENT TO GE	4
VII.	REIMBURSEMENT OF PROCEEDS FROM SALE OF EQUIPMENT	5
VIII.	RESOLUTION OF DISPUTES	5
IX.	AMENDMENT, MODIFICATION, OR TERMINATION OF THIS AGREEMENT	7
X.	ORDER OF PRECEDENCE	8
XI.	NOTICES AND COMMUNICATIONS	9
XII.	EFFECTIVE DATE	9

SOUTH VALLEY SUPERFUND SITE

INTERAGENCY AGREEMENT

BETWEEN THE UNITED STATES AIR FORCE

AND THE UNITED STATES DEPARTMENT OF ENERGY

I. Statement of Fact

The United States Air Force (USAF) and the United States Department of Energy (DOE) have entered into a Settlement Agreement with the General Electric Company (GE). The Settlement Agreement sets forth each party's responsibilities and respective share of the costs of implementing the United States Environmental Protection Agency's (EPA's) Record of Decision (ROD) to remediate two (2) operable units known as former Air Force Plant 83 (the "facility") and former municipal well San Jose 6 (SJ-6) at the South Valley Superfund Site in Albuquerque, New Mexico. The aforementioned Settlement Agreement is attached hereto and is incorporated in this Interagency Agreement by reference.

II. Purpose

The purpose of this Interagency Agreement is to set forth the actions required of the USAF and DOE to fulfill their respective responsibilities pursuant to the Settlement Agreement, and to establish the mechanism by which DOE will transfer, to a fund managed by the USAF, its share of the costs set forth in the Settlement Agreement.

III. Cost

The total estimated cost for accomplishing the provisions set forth in the Settlement Agreement and the Interagency Agreement is $22,000,000.00.

IV. Duration

This Interagency Agreement shall remain in effect until final payment is made in accordance with paragraph 5(e)(1) of the Settlement Agreement, unless otherwise amended, modified, or terminated pursuant to Section IX of this Interagency Agreement.

V. Responsibilities of USAF and DOE

A. USAF and DOE will approve the annual cost estimate in accordance with paragraph 4 of the Settlement Agreement. USAF will review on behalf of itself and DOE the monthly invoices submitted by GE in accordance with paragraph 5 of the Settlement Agreement, and make payment to GE in accordance with paragraph 5 of the Settlement Agreement and in accordance with the Financial Annex which is incorporated by reference and is a part of this Interagency Agreement.

B. This Interagency Agreement sets forth the financial arrangements between USAF and DOE to enable the United States Government (USG) to comply with the provisions of the Settlement Agreement.

C. Upon the signing of both the Settlement Agreement and the Interagency Agreement by USAF and DOE, DOE will advance to USAF 43.2% of the incurred costs designated in paragraph 7(b) of the Settlement Agreement. USAF

will then issue on behalf of the USG a check to GE for 91% of the incurred costs designated in paragraph 7(b) of the Settlement Agreement. The payment will be paid according to the share allocation in paragraph 1 of the Settlement Agreement and the payment voucher will indicate the amount paid from DOE funds and USAF funds. USAF will provide DOE with a copy of the check voucher at time of payment.

D. Upon receipt of GE's annual cost proposal, submitted in accordance with paragraph 4(a) of the Settlement Agreement, the USAF and DOE will review the cost proposal to ensure that all costs are properly payable costs in accordance with paragraph 7 of the Settlement Agreement. USAF and DOE will approve the annual cost estimate. The annual cost estimate will be the annual cost proposal, reduced by any non-allowable costs included in the annual cost proposal. The Air Force Regional Civil Engineer - Central Region, Environmental Planning Division (AFRCE-CR/ROV), Dallas, Texas (or a successor organization) and the Department of Energy's Albuquerque Operations Office, Albuquerque, New Mexico agree to review and discuss GE's cost proposal and to agree upon the annual cost estimate within sixty (60) days of receipt of the cost proposal. If agreement is not reached on the annual cost estimate within sixty (60) days after receipt of the cost proposal, the matter will be referred within ten (10) days to the Cost Resolution Committee (CRC) for decision. The CRC will resolve disputes concerning interagency review and approval of the annual cost estimate. The DOE official on the CRC shall be the Director, Contracts and Procurement Division or a designee. The USAF official on the CRC shall be the Deputy Assistant Secretary of the Air Force for Environment, Safety and Occupational Health (SAF/MIQ) or a designee. The CRC will have fifteen (15) days from the day it receives the referral to

unanimously resolve the dispute and issue a written decision approving an annual cost estimate. USAF and DOE will notify GE of the approved annual cost estimate within 120 days of receipt of the annual cost proposal.

E. USAF will not make payments to GE under paragraph 5 of the Settlement Agreement for any amounts less than the full USG's share of 91% of the allowable costs. If, at the time for payment of any monthly invoice, funds from either USAF or DOE are not available to pay the respective agency's full allocated share, then no payment will be made and USAF will notify DOE and GE in writing of why payment is not being made.

VI. Auditing and Final Payment to GE

A. USAF and DOE may each exercise the right to audit and inspect GE's records pursuant to paragraph 6 of the Settlement Agreement to verify invoices submitted to the USAF for payment.

B. As set forth in paragraph 5 of the Settlement Agreement, to obtain final payment upon completion of the remedial actions, GE will promptly submit to USAF a certified completion invoice upon EPA's certification that GE has completed the remedial actions. Upon approval of the completion invoice by USAF on behalf of the USG, USAF shall issue on behalf of the USG a check to GE for 91% of the allowable costs not previously submitted by GE for payment. The payment will be divided according to the share allocation provision in paragraph 1 of the Settlement Agreement and the check voucher will indicate the amount paid from DOE funds and USAF funds. USAF will provide DOE a copy of the check voucher at time of payment. Within 120 days after USAF makes final payment to GE, USAF will issue a check to DOE for any DOE funds remaining in the account established by the Interagency Agreement and the Financial Annex .

VII. Reimbursement of Proceeds from Sale of Equipment

A. USAF will be responsible for requesting payment from GE, as provided for in paragraph 9 of the Settlement Agreement, for USAF's and DOE's share of any proceeds, credits, rebates or any other amount GE receives in consideration for the sale, lease or rental of any equipment that was purchased with funds provided or reimbursed to GE by USAF and DOE, pursuant to the Settlement Agreement.

B. USAF and DOE must both agree to any request for reimbursement. If USAF and DOE do not both agree, then no request for reimbursement will be made by either USAF or DOE.

C. Within 60 days of USAF's receipt of reimbursement from GE, USAF will issue a check to DOE for DOE's share of the reimbursed amount in accordance with paragraph 5(d) of the Financial Annex.

VIII. Resolution of Disputes

A. Except for disputes arising under paragraph V.(D) above, if a dispute arises between USAF and DOE under the terms of this Interagency Agreement, the procedures of this section shall apply. USAF and DOE agree to make diligent and reasonable efforts to informally resolve any disputes within thirty (30) days from when either agency notifies the other agency in writing that a dispute exists. Such notification will be sent to either the office of the Air Force Regional Civil Engineer - Central Region, Environmental Planning Division (AFRCE-CR/ROV), Dallas, Texas (or a successor organization), or the Department of Energy's Albuquerque Operations Office, Albuquerque, New Mexico, as applicable. During this informal dispute resolution period, the agencies

shall meet or confer by telephone as many times as necessary to discuss and attempt to resolve the dispute.

B. If agreement cannot be reached within the informal dispute resolution period, either agency may, within fifteen (15) days, elevate the dispute to the Dispute Resolution Committee (DRC) by forwarding a written statement of dispute to the DRC, including a written statement indicating why informal resolution failed. The disputing agency shall submit its position and supporting facts concerning the dispute, in writing, to the DRC and a copy thereof to the other agency. The other agency shall have 15 days to submit its response regarding the dispute to the DRC, likewise in writing, with a copy to the disputing agency. If the other agency fails to submit its response regarding the dispute within the 15 day period, the other agency shall be deemed to have agreed to the position taken by the disputing agency.

C. The DRC shall consist of one individual from the USAF and one individual from DOE. The individuals designated to serve on the DRC shall be employed at the policy level or be delegated the authority to participate on the DRC for the purpose of dispute resolution under this Interagency Agreement. The USAF member is the Chief, Environmental Division, Directorate of Engineering and Services, Headquarters, United States Air Force, or a designee. The DOE member on the DRC is the Director, Financial Management Division of DOE's Albuquerque Operations Office, or a designee.

D. The DRC shall have twenty-one (21) days from the day it receives the response to the disputing agency's statement of dispute to unanimously resolve the dispute and issue a written decision. If the DRC is unable to unanimously resolve the dispute within this 21 day period, the disputing agency's written statement of dispute, the other agency's response thereto, and the written reasons of the DRC for the failure to resolve the dispute

shall be forwarded, within seven (7) days, to the Senior Executive Committee (SEC) for resolution.

E. The SEC shall consist of one USAF official and one DOE official. The USAF member shall be the Deputy Assistant Secretary of the Air Force for Environment, Safety and Occupational Health (SAF/MIQ) or a designee. The DOE designated member shall be the DOE Manager of DOE's Albuquerque Operations Office or a designee. The SEC members shall, as appropriate, confer, meet and exert their best efforts to resolve the dispute and issue a written decision. If the SEC is unable to resolve the dispute within twenty one (21) days, the dispute shall be referred to the Secretary of the Air Force and the Secretary of Energy or their designees for final resolution.

IX. Amendment, Modification, or Termination of This Agreement

A. This Interagency Agreement may be amended or modified only by the concurrence of both the USAF and DOE. The DRC or SEC may recommend to the appropriate USAF and DOE officials that the Interagency Agreement be amended or modified to the extent such amendment or modification is determined by the DRC or SEC to be necessary to prevent future disputes. All amendments or modifications will be in writing and signed by authorized representatives of USAF and DOE.

B. This Interagency Agreement will terminate when final payment is made to GE by USAF on behalf of the USG under the terms of the Settlement Agreement and when the terms of this Interagency Agreement are satisfied.

C. This Interagency Agreement may also be terminated by the written concurrence of both USAF and DOE. The agency wishing to terminate the Interagency Agreement will give the other agency written notice, stating its

reasons for wanting to terminate the Interagency Agreement. Within thirty (30) days after receiving notice, the other agency will notify the requesting agency in writing of its concurrence or non-concurrence. If no response is received within 30 days, the other agency shall be deemed to have non-concurred. The requesting agency must then submit the matter to the SEC within 15 days after non-concurrence. The SEC shall have 30 days in which to resolve the matter. If no agreement is reached within 30 days, the matter will be referred to the Secretary of the Air Force and the Secretary of Energy, or their designees, for a determination as to whether to terminate or to amend or modify the Interagency Agreement. Such termination will be in writing and signed by authorized representatives of USAF and DOE.

D. If this Interagency Agreement is terminated under the provisions of paragraph C. above, USAF and DOE will use best efforts to negotiate an equitable resolution of all outstanding issues, both under the Settlement Agreement and the Interagency Agreement, including any outstanding invoices from GE. The resolution of these issues is subject to the dispute resolution process set forth in Section VIII of this Interagency Agreement.

X. Order of Precedence

Any inconsistency in the Settlement Agreement, Interagency Agreement or Financial Annex shall be resolved by giving precedence in the following order: (a) the Settlement Agreement; (b) the Interagency Agreement; and (c) the Financial Annex.

XI. Notices and Communications

All notices and communications with respect to this Interagency Agreement shall be made to the persons named by USAF and DOE in paragraph 13 of the Settlement Agreement.

XII. Effective Date

This Interagency Agreement is effective after both USAF and DOE have signed or on the date the Settlement Agreement becomes effective, whichever is later.

On behalf of the United States Air Force

Sep 26, 1990

Date

On behalf of the United States Department of Energy

9/25/90

Date

FINANCIAL ANNEX

TO THE INTERAGENCY AGREEMENT

BETWEEN THE US AIR FORCE (USAF) AND THE DEPARTMENT OF ENERGY (DOE)

1. GENERAL: This Financial Annex documents the financial arrangements necessary to implement the South Valley Superfund Site Interagency Agreement between the USAF and DOE. This Financial Annex is an intergral part of the Interagency Agreement and is incorporated by reference into the Interagency Agreement.

2. FUNDING RESPONSIBILITY: The USAF and DOE are responsible for providing funds to cover their allocated share of the costs as set forth in the Settlement Agreement between General Electric (GE), the USAF, and DOE. The USAF will act as the executive agent for the United States Government (USG) by maintaining accounting records and making payments to GE from funds provided by the USAF and DOE in accordance with the Settlement Agreement. Subject to the provisions of the Settlement Agreement, funds not disbursed for the costs identified above shall remain obligated and shall not be deobligated or withdrawn until after formal determination by both USAF and DOE that the provisions of the Settlement Agreement have been satisfied and that the work referenced therein has been completed, or upon the termination of the Interagency Agreement pursuant to Section IX of the Interagency Agreement.

3. FUND AVAILABILITY QUALIFICATION: All undertakings provided for in the Interagency Agreement, whereby the USAF acts on its and DOE's behalf for the USG, are expressly subject to each agency's availability of funds for such purpose, and shall create no additional financial obligation to the USAF and DOE.

4. FINANCIAL MANAGERS: The names, addresses, and telephone numbers of the organizations responsible for ensuring compliance with the provisions of this Financial Annex are listed below:

USAF: Assistant for Banking and Finance Policy (SAF/FMABB), Washington DC, 20330-1000, Autovon 227-2657, Commercial (202) 697-2657.

DOE: Director of Financial Management Division, Albuquerque Operations Office, FTS 845-4577, (202) 845-4577

5. FUNCTIONAL PROCEDURES: Current USAF accounting and finance procedures will be used to accomplish the requirements of this Financial Annex.

a. PROMPT PAYMENT ACT (PUB.L. No. 97-177): The provisions of the Prompt Payment Act do not apply to any payment made in accordance with this Financial Annex.

b. ANNUAL FUNDING: The USAF and DOE will make every reasonable effort to have funds available not later than October 1, or as soon as possible thereafter, for the payment of each fiscal year's invoiced costs to be submitted pursuant to the Settlement Agreement. Funding requirements will be based upon the annual cost estimate approved in accordance with the Settlement Agreement and the Interagency Agreement.

Should USAF and DOE funds not be available to advance a lump sum payment for the entire annual estimated costs, each agency may provide its funding at the beginning of each quarter or, in the alternative, in accordance with the Congressional continuing resolution process, until the required advance payment has been fully funded. DOE will notify the Accounting and Finance Officer (AFO), Carswell AFB, TX 76127-5260, in writing, no later than October 20 when it has reasonable belief that total annual funding will not

be available. If financial quarterly funding is implemented, DOE will issue a check to the AFO Carswell AFB, TX no later than the 20th workday after the beginning of the quarter, or in the case of the continuing resolution process, no later than the 20th workday after funds become available. The checks issued each financial quarter under this exception will represent at least one-fourth of the annual estimate or be in compliance with the continuing resolution process. DOE agrees to make every effort to obtain the full amount estimated for the year at the beginning of each fiscal year.

If USAF and DOE are notified by GE that costs are expected to exceed the annual cost estimate, USAF and DOE will make every effort to obtain their respective share of funds to pay for their portion of the approved excess costs. DOE will issue a check to the AFO, Carswell AFB, TX, for the required additional funding within 20 days of receipt of funds.

c. INVOICING AND PAYMENTS: GE, in compliance with the Settlement Agreement, shall submit its invoices for which it seeks payment to the Air Force Regional Civil Engineer-Central Region, Environmental Planning Division (AFRCE-CR/ROV), 1114 Commerce St., Dallas, TX 75242-0216, or a successor organization, for processing and approval for payment. All invoices prepared and submitted shall describe the work performed for which payment is requested and shall itemize the costs of such work. All necessary documentation, including copies of any subcontractor or consultant invoices, will be submitted to substantiate the request for payment. The USAF, acting on behalf of the USG, shall make payment of the USG's allocated share of each invoice approved by the AFRCE-CR/ROV, within 60 days of receipt of a properly prepared and documented invoice, except for final payment which will be paid pursuant to paragraph 5(e)(1) of the Settlement Agreement. Payments will be made by the AFO, Carswell AFB, TX. Pursuant to

the Settlement Agreement and the Interagency Agreement, each party's allocated share of allowable costs associated with the remediation of the facility and SJ-6 are as follows: USAF 47.8%, DOE 43.2%, and GE 9%. AFRCE-CR/ROV will provide DOE with a copy of each paid voucher indicating the amount paid from DOE funds and USAF funds.

The USAF will maintain records of payment and copies of all documentation associated with the costs invoiced by GE and will make these records available for an on-site inspection by DOE. The records will be kept in the Resource Management section of the AFRCE-CR/ROV.

The USAF will not make partial payments to GE pursuant to the Interagency Agreement or Financial Annex. If funds are not available for either USAF or DOE to pay their respective allocated share in full, then no payment will be made pursuant to this Financial Annex and the Interagency Agreement (Paragraph V.E.). USAF will notify DOE and GE in writing when this happens.

d. REFUNDS AND CREDITS: All refunds, credits, rebates, or any other monies due to the USG under the Settlement Agreement and the Interagency Agreement will be collected by the USAF and credited to the fund established for the payment of costs associated with the Settlement Agreement. When the work required by the Settlement Agreement is certified by U.S. Environmental Protection Agency (EPA) to be completed and all payments have been made, or if the Interagency Agreement is terminated pursuant to Section IX of the Interagency Agreement, any monies remaining will be deobligated and distributed by the USAF to DOE and USAF in the same ratio as the allocated shares stated in the Settlement Agreement and the Interagency Agreement.

6. FINANCIAL PROCEDURES: The financial aspects of the Interagency Agreement are outlined below and are hereby agreed to by both agencies.

A. The Air Force:

1. USAF will initiate annual funding requests based on approval of an annual cost proposal submitted by GE each April for the subsequent fiscal year. After approval of the annual cost proposal, which then becomes the annual cost estimate for budgeting purposes, AFRCE will submit the projected requirements package to HQ USAF/LEEV, Washington, DC 20330. USAF funding requests will be submitted to DoD for inclusion in the Defense Environmental Restoration Account (DERA) request to Congress. Upon receipt of DoD's annual fund allocation, the Air Force District of Washington (AFDW/ACB) will issue an annual USAF funding document to the AFO at Carswell AFB, TX, for the USAF's allocated share of the approved cost estimate. Should costs reported by GE exceed the annual cost estimate, HQ USAF/LEEV will request additional funds to cover the USAF allocated share.

2 The AFO at Carswell AFB, TX, will collect the DOE check into the USAF appropriation established for this Settlement Agreement and Interagency Agreement. A separate Responsibility Center Cost Code (RC/CC) will be established to identify DOE funds. Payment vouchers will cite the USAF appropriation with costs distributed to each applicable RC/CC for accountability purposes. The AFO will maintain control of obligation records by the use of a Miscellaneous Obligation Recording Document (MORD).

3. AFRCE-CR/ROV will audit all invoices and documentation submitted by GE requesting reimbursement. After verification, AFRCE-CR/ROV will forward the package to the appointed approving official for final approval and signature of the letter to the AFO at Carswell AFB, TX, authorizing payment of the joint USAF and DOE allocated shares of the invoices.

4. AFRCE-CR/ROV will maintain auditable records of payments and backup documentation. These files will be subject to periodic unannounced

audits by the AFO at Carswell AFB, TX. AFRCE-CR/ROV will make financial records available for on-site inspection by DOE personnel upon request.

5. The USAF will not make payments under this Interagency Agreement on behalf of DOE on a reimbursable basis. The Agencies understand and agree that USAF will not make partial payments to GE pursuant to the Settlement Agreement and the Interagency Agreement, or use one Agency's funds to pay the other Agency's allocated share of the approved costs, including costs reported by GE that exceed the annual cost estimate.

B. The Department of Energy:

1. DOE will initiate annual funding requests based on approval of an annual cost proposal submitted by GE. Once approved, the annual cost proposal becomes the annual cost estimate for budgeting purposes. DOE will follow its existing procedures for obtaining Congressional funding for its allocated share of the costs.

2. DOE will send a US Treasury check at the beginning of each fiscal year for DOE's share of the approved annual cost estimate for that year to the AFO at Carswell AFB, TX 76127-5260, as set forth above in paragraph 5(b). The check will be issued not later than the 15th workday in November. In the event Congress does not make DOE funds available at the start of the new fiscal year, DOE will advise the AFO at Carswell AFB, TX, in accordance with paragraph 5(b) of this Financial Annex. When the funds become available, DOE will ensure that a check for its entire share of the estimated annual costs is issued by the 20th workday after the funds are received. If DOE funding prevents a lump sum payment, DOE may provide funds

at the beginning of each financial quarter until the required advance payment has been fully funded.

3. DOE agrees to accept USAF procedures for:

(a) Fund control and accounting,

(b) Validation of billings and approval of payments,

(c) Control and retention of accounting records.

4. DOE is authorized to review all files associated with performance under the Settlement Agreement and the Interagency Agreement retained by the AFO at Carswell AFB, TX, upon a written request.