



**Department of Energy**  
Albuquerque Operations Office  
P.O. Box 5400  
Albuquerque, New Mexico 87115

**MAR 24 1988**

Mr. Malcolm Knapp  
Chief  
Low-Level Waste and Uranium  
Recovery Projects Branch  
Division of Waste Management  
U. S. Nuclear Regulatory Commission  
Washington, DC 20555

Dear Mr. Knapp:

Enclosed hereto for your files is an executed copy of Modification A003 to Cooperative Agreement No. DE-FC04-83AL23867 between the U. S. Department of Energy and the State of South Dakota.

Should you have any questions or comments concerning the Agreement, please direct them to me at (FTS) 844-7279.

Sincerely,

Gene R. Dixon  
Contract Specialist  
Programs and R&D Branch  
Contracts and Industrial Relations Division

CIRD:ACR:GRD  
ss:03-23/C009248-1

Enclosure

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PDR WASTE  
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1. Modification No. A003	2. Effective Date <u>MAR 22 1988</u>
3. Purchase Request No.: N/A	4. Cooperative Agreement No. DE-FC04-83AL23867
5. Issued By: Department of Energy Albuquerque Operations Office Contracts & Industrial Relations Div. P. O. Box 5400 Albuquerque, NM 87115	6. State: State of South Dakota Department of Water and Natural Resources Joe Foss Building 523 East Capitol Pierre, SD 57501-3181

## 7. Accounting and Appropriation Data/DOE Funds:

State Funds previously obligated: \$233,799 (Consisting of \$124,200 State appropriation, \$1,224 offset and \$108,375 credit)

Increase in State Funding: \$224,330 (Consisting of \$221,576 State appropriation and \$2,754 offset)

Total State Funding: \$458,129

8. ( ) The above numbered Cooperative Agreement is modified to reflect the administrative changes set forth in Block 9.

( x ) This agreement is entered into pursuant to authority of Uranium Mill Tailings Radiation Control Act of 1978, Public Law 95-604. It modifies the above numbered Cooperative Agreement as set forth in Block 9.

## 9. Description of Modification:

See Continuation Pages

Except as provided herein, all terms and conditions of the document referenced in Block 4, as heretofore changed, remain unchanged and in full force and effect.

10. ( ) State/Indian Tribe is not required to sign this document.

( x ) State is required to sign this document and return four copies to issuing office.

11. State of South Dakota

X By: [Signature]  
(Signature of person authorized to sign)

12. United States of America

[Signature]  
William C. Meyers  
Contracting Officer  
Contracts & Industrial Relations  
Division

Secretary  
Title

3/16/88  
Date Signed

MAR 22 1988  
Date Signed

13. Nuclear Regulatory Commission (Not Required to Sign This Document)

By \_\_\_\_\_  
(Signature)

I. The purposes of this modification are to:

1. Revise the estimated allowable cost for remedial action work by DOE and the State for the period from the effective date of this Agreement through September 30, 1988, and
2. Revise the State funding by modifying Article VI, Cost Limitation and Obligation of Funds, Paragraphs B., C., and D. The State obligated funds are increased by \$224,330 from "\$233,799" to "\$458,129."

II. Article VI, Cost Limitation and Obligation of Funds, is amended by revising Paragraphs B., C., and D., as follows:

"B. For the Cost Estimate Period from the effective date of this Cooperative Agreement through September 30, 1988, for the State and September 30, 1988, for DOE:

1. The summary of estimated allowable costs is as follows:

a. State -	\$ 4,420
b. DOE -	\$4,581,291
c. Total -	\$4,585,711

2. The total of the estimated allowable costs for the State is \$4,420.
3. The total of the estimated allowable costs for DOE is \$4,581,291.
4. The total estimated allowable costs that will be incurred by both DOE and the State is \$4,585,711 (hereinafter referred to as the "Total Cost Limitation").
5. At such time as either party has reason to believe that the allowable costs it will incur in performing its responsibilities under this Agreement will be greater than the respective estimated allowable costs shown above, then such party shall notify the other in writing to that effect, giving its revised estimate of allowable costs, and, upon mutual agreement regarding the estimate of allowable costs, DOE and the State shall issue a modification to this Agreement appropriately revising the estimated allowable costs shown above.

C. The State has obligated funds in the amount of \$345,776 and the parties have negotiated the State Credit in the amount of \$108,375 provided for in Paragraph G. of the article hereof entitled Payments and Allowable Costs. In addition, in order to provide for its share of the Total Cost Limitation, the State has provided an in-kind contribution of certain services of the type described in Paragraph E. of the article hereof entitled Description of Remedial Action Program. Ninety percent (90%) of the value of such services has been offset against the State's

share (10%) of the Total Cost Limitation. The value of such services is \$4,420, and the amount of the offset is \$3,978. For purposes of cost-sharing under this Agreement, the State will be deemed to have obligated funds in the total amount of \$458,129, which shall represent the total liability of the State. DOE shall not be required to continue performance of this Agreement beyond such time as the Total Cost Limitation exceeds an amount ten (10) times the amount of said State-obligated funds.

Prior to each Government fiscal year or from time to time during the performance of this Agreement, as necessary, the State shall increase the amount of funds obligated by written notice to the Contracting Officer specifying the amount of such increase. Upon such written notice DOE may issue a modification to this Agreement which reflects the increased obligation of funds by the State. In the event the State fails to obligate funds at a level necessary to ensure payment of its share of the Total Cost Limitation, DOE may elect to treat such failure as a termination by the State pursuant to the articles of this Agreement entitled Term and Termination.

- D. DOE agrees to offset against the State's share of allowable costs \$3,978, which represents ninety percent (90%) of the value of services (i.e., \$4,420) provided by the State as an in-kind contribution toward its share of allowable costs; and will obligate funds in an amount sufficient to pay to DOE's contractors and subcontractors DOE's share of those allowable costs which DOE incurs under this Agreement.

DOE shall not be liable to the State in an amount in excess of the funds it has obligated herein for payment to the State or has agreed to offset against the State's share of allowable costs; however, the State shall not be required to continue performance of this Agreement beyond such time as the amount DOE obligates or agrees to offset is less than 90 percent of the amount shown in Paragraph B.2. of this article. Prior to each Government fiscal year or from time to time under this Agreement, as necessary, DOE shall increase the amount of funds obligated by modification to this Agreement which reflects the increased obligation of funds by DOE. In the event DOE fails to obligate funds at a level necessary to ensure payment of its share of the total allowable costs to be incurred by the State, the State may elect to treat such failure as a termination by the State pursuant to the article of this Agreement entitled Term and Termination."

UNITED STATES DEPARTMENT OF ENERGY  
ALBUQUERQUE OPERATIONS OFFICE  
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PENALTY FOR PRIVATE USE \$300



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DEPARTMENT OF ENERGY  
DOE-560

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