

3/85

MEMORANDUM OF UNDERSTANDING

DE-GM02-85-CH 10230

BETWEEN

THE U.S. DEPARTMENT OF ENERGY/CHICAGO OPERATIONS OFFICE

AND

THE U.S. DEPARTMENT OF THE ARMY

MEMORANDUM OF UNDERSTANDING
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1. INTRODUCTION

a. Background

The U.S. Department of Energy (DOE), Chicago Operations Office (CH) is projecting a substantial construction program for several years into the future which may require assistance of the U.S. Department of the Army, Corps of Engineers (USACE). USACE finds it consistent with its mobilization readiness mission to assist CH in all facets of work involved with design, construction and related services required by DOE. This Memorandum of Understanding (MOU) provides a single management umbrella addressing the principles applicable to the furnishing of services to CH by USACE, and establishes procedures for effecting Interagency Agreements (IAs) which are consistent with the spirit and intent of this MOU. This MOU is consistent with and is entered into under the following statutory authorities: Section 601 of the Economy Act of 1932, as amended (31 U.S.C. 1535); Section 161.f of the Atomic Energy Act of 1954, as amended (P.L. 83-703); 10 USC 3036(d); and Section 646 of the Department of Energy Organization Act (P.L. 95-91).

b. Purpose

The purpose of this MOU is to form a procedural framework for providing design, design review and construction related services by USACE, on behalf of DOE, and to authorize the issuance and performance of implementing (IAs) by CH and the appropriate USACE Division Offices.

c. Policy

USACE is to provide design and construction related services when requested and funded by CH, subject to availability of USACE manpower. Nothing in this MOU shall be construed to require CH to use the services of USACE, nor to require USACE to accept the work of CH. However, both agencies expect implementation of this MOU to result in increased design and construction services to be rendered to CH by USACE.

2. MANAGEMENT AND PROGRAM GUIDELINES

a. Policy Management and Review

DOE will continue to establish program objectives for implementation by CH. CH will propose assignments within established objectives for USACE support and conclude mutually agreeable IAs with the assigned USACE Division Commanders for such support. Periodic management, command, or staff visits will be made by CH and USACE to assess the quality of work and provide guidance for activities being performed under IAs.

b. Guidelines

(1) Interagency Agreements

Interagency Agreements entered into under the scope of this MOU will conform generally with DOE Order 1270.1, dated June 13, 1979, as it may be amended or superseded and to the Federal Acquisition Regulation and supplements. Services to be rendered under IAs can be as diverse as those normal to the USACE activity performing under the Interagency Agreement (IA) and may include but not be limited to: (i) construction management, (ii) design, (iii) design and constructibility reviews, (iv) construction inspection, (v) construction related testing, (vi) design management services, and (vii) other services such as development of conceptual designs and design criteria, engineering studies, environmental studies, and archaeological surveys.

(2) Negotiating the IA

CH will identify needs for USACE services and initiate the negotiation of an IA by notifying the USACE Division Commander who is assigned the responsibility by the Office of the Chief of Engineers (OCE) to serve the need. CH will be responsible for preparing a draft IA. Simultaneously, USACE will propose an organization for the CH effort. The IA will set forth by fiscal year the capital design and construction program, or support thereof, expected to be accomplished under the IA. The proposed organization will have time-phased manning levels corresponding to the work requirements of the construction program, design review, or other work. An estimate of the direct and indirect costs by fiscal year of the USACE organization will be developed. When it is determined by CH and the Division Commander that the proposed organization can be manned, funded, and perform the work, the parties will develop, finalize, execute, and distribute the IA.

(3) Task Orders

IAs may provide for the issuance of task orders. Task orders are issued periodically during the IA period of performance and will specify the services to be performed by USACE. IAs will not be obligating documents when Task Orders are contemplated. Task Orders become obligation documents once signed by the CH Contracting Officer and accepted by the servicing USACE division. IAs may provide for issuance of an annual or periodic design and construction support services (general management and administrative activities) task order. The purpose of such a task order will be to confirm and direct the agreed manpower and other resources to be provided by USACE to perform the required services for CH, and to serve as a commitment by CH to fund the resultant direct and indirect costs estimated to accrue. Task orders to provide direction and authorization to commence specific design, design review and construction projects would normally be issued separately when the need can be translated into clear work requirements and funds are available. Each task order will be assigned a unique number for accounting purposes.

REPRODUCTION OF GOVERNMENT EXPENSE

c. Funding

All work accomplished by or under the management of USACE pursuant to IAs under this MOU will be authorized and funded by CH. Financing is subject to the availability of appropriations and/or continuing resolutions of the Congress.

- (1) For work under major IA, \$1 million or more, funding transfers will be accomplished by SF 1151, Nonexpenditure Transfer Authorization, pursuant to the Treasury Fiscal Requirement Manual, Volume I, Section 2060, and OMB Circular A-34, paragraph 61.2A(3). This method of transfer provides CH and USACE control via the option to preclude transfers which might be inconsistent with CH program objectives or USACE field operating capabilities.
- (2) For work under small value IAs, less than \$1 million, the reimbursement method will be used. The IA will become an obligation document once signed by the CH contracting officer and accepted by the servicing USACE division. The servicing USACE division will use the SF 1080 to submit monthly billings to CH.
- (3) The USACE "Corps of Engineers Management Information System" will be used for accounting.

d. Excess Funds

Any unobligated balances of DOE funds will be returned to CH upon CH direction to do so. Further, following termination of a IA executed pursuant to this MOU, or termination of the MOU itself, or upon completion of the work performed under an IA, any residual funds in USACE accounts shall be transferred to CH following financial closure of USACE contracts issued thereunder.

e. Management Arrangements

This MOU envisages direct communication between CH and USACE program officials involved in design review, construction management, or other related activities for CH by USACE. North Central Division (NCD) office will serve as the initial point of contact for all IAs authorized under this MOU. For each major IA, a detailed Project Management Plan tailored by the Project Manager on CH's part and District Commander on USACE's part will be developed at that level under the guidance of CH and the appropriate Division Commander. The Project Management Plan shall be made a part of the IA.

f. Manpower

Manpower resource requirements will be evaluated and updated periodically at CH's Project Manager and CH levels and at USACE's District Commander and Division Commander levels in order to assess what changes, if any, may be required to assure timely performance of forecasted workload requirements.

REPRODUCTION OF GOVERNMENT EXPENSE

g. Reports and Documentation

As appropriate, design and construction management data are to be reported periodically. Where practical, the "Automated Military Progress Reporting System" (AMPRS) will be used to provide construction management data simultaneously to Division Commanders and the Office of the Chief of Engineers, as well as to CH. The DOE Uniform Contractor Reporting System (UCRS) establishes a standard procedure for collecting and reporting information to aid the responsible DOE office in managing contractor performance. Commensurate with the nature and magnitude of the work, the UCRS will be used in conjunction with AMPRS to provide project monitoring information to DOE and USACE. Periodic narrative reports will be initiated at the field operating activity level to keep management informed of project status at higher echelons. Financial reporting will vary based on the method of funding.

- (1) For funding transfers by SF 1151, a SF 133, Report on Budget Execution, will be furnished monthly in accordance with OMB Circular A-34. In addition, USACE must advise CH by the second workday of the succeeding month, the amount of incurred obligations, accrued costs, and disbursements for the current month and cumulative from inception. Telephonic or facsimile transmission of the report is acceptable.
- (2) For the reimbursable method, USACE should submit to CH each month a DOE Form 533M, Cost Management Report, as required by UCRS. Copies of DOE Form 533M with preparation instructions will be furnished by CH.

3. ADMINISTRATION

a. Procurement Policy

All work assigned to USACE for procurement shall be in accordance with the Federal Acquisition Regulation (FAR) as implemented by the Department of Defense FAR Supplement (DFAR), the Army FAR Supplement (AFAR), and USACE's Engineer FAR Supplement policies and procedures descending from these regulations. In the formulation of its procurement plan, USACE shall give due consideration to CH concerns regarding unique procurement requirements and shall, subject to applicable procurement regulations and/or legislation, structure its procurement to meet CH's needs. CH is to be notified of USACE contractor selections before award. The Engineers' Board of Contract Appeals will be used as a forum for resolving contract disputes under USACE awarded contracts. USACE may provide assistance to CH on contracts CH has entered into prior to execution of an IA, wherein CH procedures and policies will usually continue to apply. Normally, however, USACE tasks involving procurement work will only be for contracts solicited and awarded by USACE. IAs which anticipate acquisition or other effort related to real or personal property shall detail specific items and conditions for such effort. Unless otherwise mutually agreed, upon completion of IAs or tasks thereunder involving the acquisition of property, ownership and accountability of such property shall vest in CH.

b. Safety, Security and Quality Assurance

Safety, Security and Quality Assurance provisions will be incorporated into IAs and resulting contracts as necessitated by the nature of the work. The CH reserves the right to determine, should an accident occur and is of sufficient severity or may have a significant impact on the project, to conduct and chair the accident investigation board. Generally, this will be limited to Type A Investigations as defined in Chapter I of DOE Order 5484.1, Environmental Protection, Safety and Health Protection Information Reporting Requirements. The USACE will be represented on any accident investigation board conducted by CH, having access to all reports and information available to the investigation board.

c. Patents and Technical Data

(1) Policy

The patent, technical data and copyright provisions of the FARs, DFARs and AFARs shall apply except where special patent and/or technical data provisions of DOE may be required. The parties shall coordinate any special patent and/or technical data provisions prior to issuance of specific IAs.

(2) Coordination

USACE shall coordinate with CH's Patent Counsel all patent and technical data and copyrights during administration of procurement under this MOU.

d. Public Information Coordination

USACE will consult with the CH concerning the release of any records within its possession and control pertaining to the CH which are requested pursuant to the Freedom of Information Act (FOIA). The recommendations of the DOE concerning the FOIA's request will be followed to the extent legally permitted at the District/Division levels in making recommendations to the initial denial authority who will continue coordination with CH. USACE will make public release normal to the solicitation and contract award process.

e. Congressional Inquiries

USACE will assist DOE in answering Congressional inquiries related to USACE delegated activities by preparing and furnishing to CH for review and final disposition draft responses concerning factual data on design, construction and any other services to CH by USACE.

f. Amendment and Termination

This MOU may be modified or amended by written agreement between CH and USACE. It may be terminated by mutual written agreement or by either party giving 30 days written notice to the other. In the event of termination, CH shall be responsible for the costs of closing out ongoing contracts and the costs for demobilization of personnel and facilities fully dedicated to CH programs. USACE shall retain contract administration responsibilities for contracts awarded by USACE until such contracts have been financially closed.

g. Effective Date

This MOU shall become effective upon signature by the principal signatories. It shall remain in effect indefinitely; however, upon the request of either party, usually not more often than annually, both parties shall review this MOU to assure that it continues to reflect the appropriate understandings and procedures to recognize and provide for current needs and capabilities.

U.S. DEPARTMENT OF THE ARMY

/s/ Robert K. Dawson

NAME: Robert K. Dawson

TITLE: Acting Assistant Secretary of Army (CW)

DATE: 3/27/85

U.S. DEPARTMENT OF ENERGY/CHICAGO OPERATIONS OFFICE

/s/ Hilary J. Rauch

NAME: Hilary J. Rauch

TITLE: Manager

DATE: February 1, 1985

DAEN-CWZ-FE (SPDDE/17 Dec 84) 1st End

Mr. Bickley/ele/923-0166

SUBJECT: Memorandum of Agreement No. DE4-GM08-85NV10451

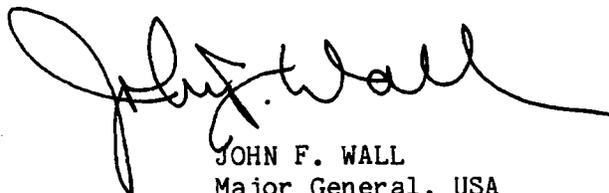
HQ US Army Corps of Engineers, Washington, DC 20314-1000

29 JAN 1985

TO: Commander, US Army Engineer Division, South Pacific

Enclosures are returned, approved and signed by the Chief of Engineers.

FOR THE COMMANDER:



JOHN F. WALL
Major General, USA
Director of Civil Works

Encl
nc

CF:

Cdr, US Army Engineer Division, North Central

ATTN: NCDED (Mr. Leonard)

DAEN-CCC

DAEN-ECC

DAEN-ECR

DAEN-RMM-M

DAEN-REA



^{MOA}
DEPARTMENT OF THE ARMY
U.S. Army Corps of Engineers
WASHINGTON, D.C. 20314-1000

REPLY TO
ATTENTION OF:

01 APR 1985

DAEN-CWZ-FE

SUBJECT: Memorandum of Understanding No. DE-GM02-85-CH 10230

Brigadier General Jerome B. Hilmes
Commander
US Army Engineer Division, North Central
536 S. Clark Street
Chicago, Illinois 60605-1592

Dear General Hilmes:

I am returning a copy of the subject Memorandum of Understanding (MOU), approved and signed by the Acting Assistant Secretary of the Army (Civil Works). I appreciate the efforts of you and your staff in developing the agreement. Please ensure that the provisions of ER 1165-2-402 are followed during the negotiations of interagency agreements and for reporting resource requirements during the life of the MOU.

Sincerely,

SIGNED

Enclosure

JOHN F. WALL
Major General, USA
Director of Civil Works

CF:

DAEN-CCC
DAEN-ECC
DAEN-ECR
DAEN-ECE
DAEN-RMM-M
DAEN-RMB-E
DAEN-REA
DAEN-CWB

REPRODUCED AT GOVERNMENT EXPENSE



DEPARTMENT OF THE ARMY
 NORTH CENTRAL DIVISION, CORPS OF ENGINEERS
 536 SOUTH CLARK STREET
 CHICAGO, ILLINOIS 60605-1592

REPLY TO
 ATTENTION OF

11 FEB 1985

Engineering Division

Major General John F. Wall, Jr.
 Director, Civil Works (DAEN-CWZ-A)
 U.S. Army Corps of Engineers
 20 Massachusetts Avenue, N.W.
 Washington, D.C. 20314-1000

Dear General Wall:

Enclosed is a Memorandum of Understanding (MOU), DE-GM02-85-CH 10230, between U.S. Department of Energy/Chicago Operations Office and the U.S. Department of the Army for providing assistance in all facets of work involved with design, construction and related services required by the Department of Energy, including the Salt and Crystalline Rock Repository Projects. This document, which was coordinated with the OCE staff and a number of Corps Divisions, has been accepted by the Chicago Operations Office and is being forwarded for acceptance and signature on behalf of the Department of the Army.

Manpower estimates for the next 3-4 years are:

Salt Repository Program. Beginning with FY 86, between 6-10 Corps personnel could work full time on this project. Nearly all of these persons would probably be located at the exploratory shaft facility site.

Crystalline Rock Repository Project. Probably starting in FY 87, 3-6 Corps personnel could be employed full time.

Consistent with our mobilization readiness mission and developed resources, we believe that the Corps is better equipped than other Government Agencies or A-E Firms to provide this type of engineering and construction management services on nation-wide projects. Therefore, we feel confident that the Corps will help achieve greater savings to the United States Government and further the Corps goal of "Support the Nation" through the implementation of the enclosed MOU to perform work for others.

Sincerely,

JEROME B. HILMES
 Brigadier General, USA
 Commanding

1 Enclosure
 As Stated