

AWARD/CONTRACT

1. CONTRACT (Proc. Inv. Ident.) NO NRC-04-82-023		2. EFFECTIVE DATE 7/1/82		3. PROVISION/IS/STATE & QUOTE PROJECT NO. RES-82-023		4. CERTIFIED FOR NATIONAL DEFENSE UNDER DDSA REG. 2 AND/OR DMD REG. 1 RATING	
5. ISSUED BY U. S. Nuclear Regulatory Commission Division of Contracts Washington, DC 20555				6. ADMINISTERED BY <i>(If other than block 5)</i>		7. DELIVERY FOR DESTI- NATION <input type="checkbox"/> OTHER (See below)	
8. CONTRACTOR NAME AND ADDRESS <i>(Street, city, county, State, and ZIP code)</i> GARD, Incorporated 7449 North Natchez Avenue Niles, IL 60648				FACILITY CODE		9. DISCOUNT FOR PROMPT PAYMENT N/A	
11. SHIP TO/MARK FOR U. S. Nuclear Regulatory Commission Office of Nuclear Regulatory Research Washington, DC 20555 ATTN: J. Muscara, NL-5650				12. PAYMENT WILL BE MADE BY N/A			

RECEIVED
SEP 24 1982
S. J. GURAPKOWSKI

13. THIS PROCUREMENT WAS ADVERTISED, NEGOTIATED, PURSUANT TO: 10 U.S.C. 2304 (a)(1) 41 U.S.C. 252 (a)(1)

14. ACCOUNTING AND APPROPRIATION DATA

15. ITEM NO.	16. SUPPLIES/SERVICES	17. QUANTITY	18. UNIT	19. UNIT PRICE	20. AMOUNT
	A NO-COST CONTRACT IN WHICH THE CONTRACTOR UTILIZES NRC-OWNED EQUIPMENT TO CONDUCT WELD MONITORING TESTS				

8210280374 821007
PDR CONTR
NRC-04-82-023 PDR

TOTAL AMOUNT OF CONTRACT \$ -0-

CONTRACTING OFFICER WILL COMPLETE BLOCK 22 OR 26 AS APPLICABLE

22. <input checked="" type="checkbox"/> CONTRACTOR'S NEGOTIATED AGREEMENT (Contractor is required to sign this document and return 4 copies to issuing office.) Contractor agrees to furnish and deliver all items or perform all the services set forth or otherwise identified above and on any continuation sheets for the consideration stated herein. The rights and obligations of the parties to this contract shall be subject to and governed by the following documents: (a) this award/contract, (b) the solicitation, if any, and (c) such provisions, representations, certifications, and specifications, as are attached or incorporated by reference herein. (Attachments are listed herein.)		26. <input type="checkbox"/> AWARD (Contractor is not required to sign this document.) Your offer on Solicitation Number _____, including the additions or changes made by you which additions or changes are set forth in full above, is hereby accepted as to the items listed above and on any continuation sheets. This award consummates the contract which consists of the following documents: (a) the Government's solicitation and your offer, and (b) this award/contract. No further contractual document is necessary.	
23. NAME OF CONTRACTOR GARD, INC. BY <i>P. A. Saigh</i> (Signature of person authorized to sign)		27. UNITED STATES OF AMERICA BY <i>Kellogg V. Morton</i> (Signature of Contracting Officer)	
24. NAME AND TITLE OF SIGNER (Type or print) P. A. Saigh Director, Government Programs		25. DATE SIGNED 10/7/82	
28. NAME OF CONTRACTING OFFICER (Type or print) Kellogg V. Morton		29. DATE SIGNED 9/1/82	

SCHEDULE

- ARTICLE I - STATEMENT OF WORK
- ARTICLE II - PERIOD OF PERFORMANCE
- ARTICLE III - REPORTING REQUIREMENTS
- ARTICLE IV - GOVERNMENT PROPERTY
- ARTICLE V - NONDISCRIMINATION
- ARTICLE VI - LIABILITY
- ARTICLE VII - PERMITS
- ARTICLE VIII - COPYRIGHT INDEMNIFICATION OF GOVERNMENT
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- ARTICLE X - NOTICE AND ASSISTANCE REGARDING PATENT AND COPYRIGHT INFRINGEMENT
- ARTICLE XI - TECHNICAL DIRECTION
- ARTICLE XII - PROJECT OFFICER

ARTICLE I - STATEMENT OF WORK

A. Background

Under Contract No. NRC-04-74-187 entitled "Inspection of Nuclear Reactor Welding Acoustic Emissions," the Contractor (GARD, Inc.) purchased with contract funds an Acoustic Emissions Weld Monitoring System (which consists of one (1) Single Channel Flaw Detector, one (1) Two Channel Flaw Detector, and one (1) Three Channel Microcomputer Flaw Characterization Monitor). Title to this equipment vests in the Government.

NRC-04-74-187 was completed on January 1, 1980, with GARD, Inc. Under NRC Loan Agreement No. NRC-04-74-187-01, GARD, Inc. was authorized usage of the equipment for a period of one year. GARD's use of the equipment was for further testing of welds in other applications. The testing was to be performed by the Contractor at its expense. In consideration for the use of NRC's equipment, GARD, Inc. agreed to provide (at no cost to NRC) periodic reports on the various weld monitoring testing programs it performed.

Contract No. NRC-04-74-187-01 has expired.

B. The Research to be Performed

- (1) The objective of this contract is to allow GARD, Inc. continued utilization of NRC-owned property. Specifically:
 - (a) One Single Channel Flaw Detector;
 - (b) One Two Channel Flaw Detector;
 - (c) One Three Channel Microcomputer Flaw Characterization Monitor
- (2) The equipment listed in Subparagraph B.(1) above shall be utilized by the Contractor to conduct weld monitoring tests. These tests shall be performed at the Contractor's expense. In exchange for the use of the equipment, the Contractor shall provide to the NRC, at no cost, periodic reports on various weld monitoring testing programs performed, as discussed in ARTICLE III.
- (3) Such work shall include:
 - (a) Work sponsored by the Contractor or others (excluding the Commission and other federal agencies), which shall be at no cost or expense to the Government;
 - (b) Work sponsored by federal agencies other than the Commission, if requested by such agencies or the Commission, which shall be at no cost or expense to the Commission; and

- (c) Work sponsored by the Commission, if and as requested from time to time by the Commission, which shall be performed at the expense of the Commission and upon such terms and conditions as the parties may agree.
- (4) The Contractor shall use its best efforts to perform work for the Commission or other federal agencies on a priority basis.
- (5) The Commission reserves the right to abandon any or all items of Government property without obligation to restore or rehabilitate the Contractor's premises.
- (6) With regard to the performance of work pursuant to Subparagraph (3)(a) above, and notwithstanding any other provision of the contract, the Contractor shall be responsible for operating, maintaining and repairing said Government property at its own cost and expense.

ARTICLE II - PERIOD OF PERFORMANCE

The period of performance under this contract shall commence on July 1, 1982 and expire June 30, 1984. The Government reserves the right to cancel this contract in whole or part at any time or to modify this contract for additional periods. Upon expiration or cancellation of this contract, the Contractor agrees to ship the property at Government expense to a location designated by the Contracting Officer.

ARTICLE III - REPORTING REQUIREMENTS

A. Monthly Technical Reports

Each month the Contractor shall submit a brief technical report in letter format in 2 copies detailing the programs for which the equipment is used. These monthly technical reports, totalling 23 over the period of performance, shall be due on the 30th day of each month and sent to the Project Officer. One (1) copy of each report shall be submitted to the Contracting Officer.

B. Semi-Annual Summary Reports

The Contractor shall submit to the Project Officer a report in 2 copies every six (6) months, totalling four (4) over the period of performance, which summarizes the use of the equipment over the report period. These reports shall be due January 1 and July 1 of each year until the contract expires. A copy of each summary report shall be submitted to the Contracting Officer.

C. Final Technical Report

The Contractor shall submit to the Project Officer a final technical report in 2 copies on the programs for which the equipment is used. This final report will be due on July 15, 1984. A copy of this final technical report shall be sent to the Contracting Officer.

ARTICLE IV - GOVERNMENT PROPERTY

The following items of property loaned by this contract to the Contractor are hereby listed as "Government property":

1. Single Channel Flaw Detector
2. Two Channel Flaw Detector
3. Three Channel Microcomputer Flaw Characterization Monitor

The Contractor shall be directly responsible for and accountable for all Government property provided under this contract. The Contractor shall establish and maintain a system to control, protect, preserve, and maintain all Government property. This system shall, upon request by the Contracting Officer be submitted for review and, if satisfactory, approved in writing by the Contracting Officer. The Contractor shall maintain and make available such records as are required by the approved system and must account for all Government property until relieved of responsibility therefore in accordance with the written instructions of the Contracting Officer. To the extent directed by the Contracting Officer, the Contractor shall identify Government property by marking, tagging, or segregating in such manner as to clearly indicate its ownership by the Government.

The Government property shall, unless otherwise provided herein or approved by the Contracting Officer, be used only for the performance of this contract.

The Contractor shall maintain and administer, in accordance with sound industrial practice a program for the utilization, maintenance, repair, protection, and preservation of Government property. The Contractor shall take all reasonable steps to comply with all appropriate directions or instructions which the Contracting Officer may prescribe as reasonably necessary for the protection of Government property.

The Government, and any persons designated by it, shall at all reasonable times have access to the premises where any of the Government property is located, for the purpose of inspecting the Government property.

ARTICLE V - NONDISCRIMINATION

The Contractor agrees to comply with the Commission's Regulation (Part 4 of Title 10, Chapter 1, Code of Federal Regulations), as amended, effectuating

the provisions of Title VI of the Civil Rights Act of 1964, and Title IV of the Energy Reorganization Act of 1974, as amended.

ARTICLE VI - LIABILITY

GARD, Inc. assumes all risks and liability resulting from the possession and use of above said Government property whether used singly or in combination with any other facility or equipment. GARD, Inc. agrees to hold harmless the U. S. Government, the Nuclear Regulatory Commission or its successors, including its officials, employees or agents, for any liability to anyone arising out of or in connection with the use of said Government property used singly or in combination with any other facility or equipment.

ARTICLE VII - PERMITS

Except as otherwise directed by the Contracting Officer, the Contractor shall procure all necessary permits or licenses and abide by all applicable laws, regulations, and ordinances of the United States and of the State, territory, and political subdivision in which the work under this contract is performed.

ARTICLE VIII - COPYRIGHT INDEMNIFICATION OF GOVERNMENT

Except as otherwise provided, the Contractor agrees to indemnify the Government, its officers, agents, servants, and employees against liability, including costs and expenses, for the infringement of any copyright in any work protected under the copyright laws of the United States arising out of the performance of this contract, including the reproduction, translation, publication or use of any such copyrighted material.

ARTICLE IX - PATENT INDEMNIFICATION OF GOVERNMENT BY CONTRACTOR

The Contractor agrees to indemnify the Government, its officers, agents, servants, and employees against liability of any kind (including costs and expenses incurred) for the use of any invention or discovery and for the infringement of any Letters Patent (not including liability, arising pursuant to Sec. 183, Title 35 (1952) U.S.C., prior to the issuance of Letters Patent) occurring in the performance of this contract or arising by reason of the use or disposal by or for the account of the Government of items manufactured or supplied under this contract.

ARTICLE X - NOTICE AND ASSISTANCE REGARDING PATENT AND COPYRIGHT INFRINGEMENT

- A. The Contractor shall report to the Contracting Officer, promptly and in reasonable written detail, each notice or claim of patent or copyright infringement based on the performance of this contract of which the Contractor has knowledge.

- B. In the event of any claim or suit against the Government, on account of any alleged patent or copyright infringement arising out of the performance of this contract or out of the use of any supplies furnished or work or services performed hereunder, the Contractor shall furnish to the Government, when requested by the Contracting Officer, all evidence and information in possession of the Contractor pertaining to such suit or claim. Such evidence and information shall be furnished at the expense of the Government except where the Contractor has agreed to indemnify the Government.

ARTICLE XI - TECHNICAL DIRECTION

Performance of the work under this contract shall be subject to the technical direction of the NRC Project Officer named in ARTICLE XII of this contract.

ARTICLE XII - PROJECT OFFICER

Dr. Joseph Muscara is hereby designated as the Contracting Officer's authorized representative (hereinafter called Project Officer) for technical aspects of this contract. The Project Officer is not authorized to approve or request any action which results in or could result in an increase in contract cost; or terminate, settle any claim or dispute arising under the contract; or issue any unilateral directive whatever.

The Project Officer is responsible for: (1) monitoring the contractor's technical progress, including surveillance and assessment of performance, and recommending to the Contracting Officer changes in requirements; (2) interpreting the scope of work; (3) performing technical evaluation as required; (4) performing technical inspections and acceptances required by this contract; and (5) assisting the contractor in the resolution of technical problems encountered during performance. Within the purview of this authority, the Project Officer is authorized to review all costs requested for reimbursement by contractors and submit recommendations for approval, disapproval, or suspension for supplies, services required under the contract. The Contracting Officer is responsible for directing or negotiating any changes in terms, conditions, or amounts cited in the contract.

For guidance from the Project Officer to the contractor to be valid, it must: (1) be consistent with the description of work set forth in the contract; (2) not constitute new assignment of work or change to the expressed terms, conditions or specifications incorporated into this contract; (3) not constitute a basis for an extension to the period of performance or contract delivery schedule; and, as stated above, (4) not constitute a basis for any increase in the contract cost.