

AGREEMENT

This agreement is entered into this 10th day of May, 1968, effective April 1, 1968, between the UNITED STATES OF AMERICA (hereinafter referred to as the "Government"), acting through the UNITED STATES ATOMIC ENERGY COMMISSION (hereinafter referred to as the "Commission"), and the CITY OF PIQUA, OHIO (hereinafter referred to as the "City").

RECITALS

The Government has terminated its contract with the City for the operation of the Piqua Nuclear Power Facility (hereinafter called the PNPf) and the City has waived its contract option to purchase the reactor and appurtenances. A lease dated March 7, 1961, from the City to the Government of the land on which the PNPf was constructed obligated the Government to decontaminate the land and structures upon termination of the operating contract. The City has released the Government from a part of this obligation and will permit certain radioactive material to remain "entombed" on-site.

The parties have further agreed that the title to the land upon which the PNPf is situated, together with such perimeter area as may be necessary for fulfillment of the Government obligations hereunder, shall be conveyed in fee simple by the City to the Government and that the Government shall assure and be responsible for the nuclear safety of such land and the structures thereon. The Government shall lease such land and the structures thereon to the City for its use and the City shall thereafter assume responsibility for the non-nuclear safety and maintenance of such property.

AGREEMENT

NOW THEREFORE, the parties hereto agree as follows:

1. The Government shall at no expense to the City do all things necessary to decontaminate the premises leased from the City on March 7, 1961, and the structures thereon, except as specifically provided hereafter, to 10 CFR 20 levels for unrestricted access to all exposed surfaces, and to assure that the reactor building and auxiliary building are left in a clean and usable condition.
2. The Government shall do all things necessary to seal off and completely isolate from access, the reactor vessel and its internals, the biological shield and any other areas which cannot be decontaminated to 10 CFR 20 levels or below.

3. The Government shall retain full responsibility to inspect the premises periodically to assure that no unsafe radiological conditions exist, until such time as the radioactivity within the isolated areas decays to 10 CFR 20 levels or below or is safely removable, and shall do all things necessary to alleviate any unsafe radiological conditions found to exist at any time prior to the expiration of such time as aforesaid. All costs of alleviating any such unsafe radiological conditions shall be borne by the Government, unless such conditions occur as a result of a breach by the City of the obligations undertaken pursuant to paragraph 6 hereof.
4. After agreement by the parties concerning the perimeter area surrounding the reactor building which should be held by the Government so that it may fulfill its responsibility for the radiological safety of the land and building, the City shall have the area surveyed. The City shall supply to the Government a record of land survey and a description of the land covered thereunder, together with a current report and certificate of title. The City shall further convey to the Government title in fee simple to such land. 4
5. When the land and structures have been made radiologically safe, the Government shall lease to the City the above land together with the structures thereon and warrant to the City the free and undisturbed use of such land and facilities except for those limitations stated herein and in such lease document.
6. The City shall not breach the barrier to the sealed radioactive source and it shall engage in no activities on the land in question which might contribute to a breach of such barrier, nor shall it permit any such activities by others.
7. The City shall report promptly to the Government any condition which it has reason to believe is causing or may cause a radiological hazard to persons or property in, on or about the premises, and shall cooperate with the Government in protecting all persons and property from any such hazards.
8. Except for the activities referred to in Section 3. above necessitated by the presence of the sealed radioactive source, the City shall be responsible for non-nuclear maintenance of the structures and facilities during the period of time it occupies the land and structures as a lessee under the lease from the Government. The City may replace, remove and dispose

of any equipment which is a part of the leased facility, provided that this action is taken in a manner which will neither impair nor tend to impair the integrity of the sealed radioactive source.

9. The deed from the City to the Government shall be recorded in the land records of the County of Miami and shall contain a restrictive covenant describing the nature of the radioactive material left in place and prohibiting any action which might disturb it. It shall also provide that title to the land shall revert automatically to the City upon a finding by the Commission or its successor in function that the radioactive level of the "entombed" material has decayed to 10 CFR 20 conditions for unrestricted areas, as they may be amended by cognizant government authority.
10. The lease from the Government to the City shall also be recorded in the land records of the County and shall prohibit any action which might impair or tend to impair the integrity of the sealed radioactive source. The lease shall expire upon the reverter of title to the City.
11. The Government assures the City that the Nuclear Hazards Indemnity Clause contained in Contract No. AT(11-1)-652 between the Government and the City survives the termination of the contract.
12. In the event of any damage or injury to persons or property resulting from nuclear causes in connection with the presence of the sealed radioactive source on the property covered by the above-described deed and lease, the Government shall hold the City, its officers, agents and employees, harmless from any liability or claims therefor, except for any such damage or injury which may result from a failure by the City to fulfill any of the responsibilities or obligations assumed by it hereunder.
13. The City shall hold the Government harmless from any liability or claim arising out of damage or injury to persons or property resulting from non-nuclear causes in connection with the land and structures covered by the lease from the Government to the City, except for such liability or claims which may result from a failure by the Government to fulfill any of the responsibilities or obligations assumed by it hereunder.
14. The City shall permit the Government, its representatives and contractors, free and ready access to the premises at any and all times for the purposes of carrying out any of the provisions of this agreement.

15. The Commission shall provide at no expense to the City an operable water level alarm system and the City shall maintain, inspect, and replace as necessary, such system or component parts thereof for such period of time as necessary to the maintenance of the sealed radiological source in a radiologically safe condition (estimated to be approximately 50 years). Upon the execution of the lease described in Section 5. hereof, the Commission shall pay, and the City shall accept, a lump sum payment of \$20,000.00 for the assumption of this obligation.
16. The Commission shall at no expense to the City make the existing cathodic protection system operable, or install a new, operable system, and the City shall maintain, inspect, and replace as necessary, such system or component parts thereof for such period of time as necessary to the maintenance of the sealed radioactive source in a radiologically safe condition (estimated to be approximately 50 years). Upon the execution of the lease described in Section 5. hereof, the Commission agrees to pay, and the City agrees to accept, a lump sum payment to be negotiated for the assumption of this obligation. The amount of such lump sum payment shall be evidenced by an exchange of correspondence without requiring a formal modification of this agreement.

IN WITNESS WHEREOF, the Government and the City have executed this agreement on the date first above written.

THE UNITED STATES OF AMERICA

CITY OF PIQUA, OHIO

BY: /s/ F. J. Walcavich

BY: /s/ Robert M. Hance

F. J. Walcavich, Deputy Manager

City Manager

Chicago Operations Office
U. S. Atomic Energy Commission

(TITLE)

WITNESSES:

/s/ Lucy D. Laug

/s/ Linda Houser

(SEAL)