

MEMORANDUM OF AGREEMENT
MAINTENANCE OF VASCO ROAD LANDSCAPING

IN FULFILLMENT of Congressional authorization and direction, the United States of America, acting by and through the Department of Energy (hereafter "DOE") granted an easement deed dated August 5, 1990 to the City of Livermore (hereafter "City") for roadway and associated purposes over a portion of its real property (hereafter "parcel") at Lawrence Livermore National Laboratory (hereafter "LLNL"). This easement, however, reserved to DOE the responsibility for maintaining that portion of landscaping installed by the City on the parcel incident to the improvement of Vasco Road.

As the City developed the landscaping plan, LLNL requested that the City tie the water for irrigation into the City's water system (in lieu of LLNL's) for the following reasons: the parcel would be watered on the same schedule as the landscaping on City property across Vasco Road thereby ensuring aesthetic and maintenance level continuity; the City's water supplier (Zone 7) is deemed less likely to reduce or restrict water allocations than LLNL's water supplier (Hetch Hetchy); and it is apparent that certain economies of scale are available with resultant savings of public monies with the City assuming the maintenance of landscaping along this area of Vasco Road.

Hence, while DOE and LLNL have the responsibility to maintain the landscaping on the parcel, it is in the interest of all parties as well as the wise and prudent allocation of public resources that DOE and LLNL enter into a Memorandum of Agreement with the City which provides the option whereby the City would irrigate and maintain landscaping on the parcel.

TO THAT END, DOE, LLNL, and the City enter into this Memorandum of Agreement this 27 day of January, 1992, on the following terms and conditions:

1. At the beginning of each year the City will present LLNL with an estimate of cost to maintain, preserve, conserve, care for, and renew the landscaping on the parcel including but not limited to such necessary and required irrigation, trimming, cutting, weed abatement, etc. The City's estimate of cost shall account for all estimated costs to be incurred by all City maintenance personnel according to the then current City wage schedules, multiplied by the standard City factor for overhead. All water cost estimates shall be in accordance with current City water rates.

2. It is understood and agreed that the City might elect to prepare an estimate of cost based upon performance of the referenced services by a landscape maintenance contractor. In such event, the estimate of cost presented by the City to LLNL will include a twenty (20%) percent mark up for City's associated administrative costs. Such costs are generally applicable to all City-administered contracts and include, but are not limited to, preparation of the maintenance contract, solicitation of bids from contractors, award and execution of the contract, inspection services by City maintenance personnel, and administration of billing and accounting processes.

3. LLNL will promptly evaluate the City's cost estimate relative to the cost for LLNL to perform the same level of maintenance services. If the services can be performed by the City or its contractor at a more economical rate, then LLNL would expeditiously enter into a contract with the City to perform those services for the term of one year. It is further understood that the form of contract might vary from year to year but be fundamentally in the nature of a LLNL purchase order or service contract with payment by LLNL for City services rendered at

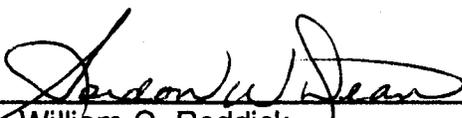
the end of each month following. Payment would be made to a City trust account established for this purpose.

4. If, as a result of cost comparison the services can be performed by LLNL at a more economical rate, then LLNL would so perform those services for the term of one year.

This Memorandum of Agreement will serve as the statement of intent by DOE, LLNL, and City to undertake and execute the foregoing provisions. If any notice is required to be given to the City hereunder, it may be given to the City's Public Works Director; if any notice is required to be given to DOE or LLNL hereunder, it may be given to LLNL's Deputy Associate Director for Plant Engineering as DOE's authorized representative. This Memorandum of Agreement may be terminated at any time by either party upon the giving of at least one hundred and eighty (180) days' written notice to the other party of the intent to terminate.

IN WITNESS WHEREOF, the parties have caused this Memorandum of Agreement to be signed on their behalf by their duly authorized representatives. This Agreement shall be effective on the date noted hereinabove which is the date of execution by the last signatory.

FOR THE UNITED STATES OF AMERICA

By: 

William C. Reddick
Assistant Manager for Facilities and
Management Services

FOR THE LAWRENCE LIVERMORE NATIONAL LABORATORY

By: Dennis K. Fisher
Dennis K. Fisher, Associate Director
for Plant Operations

FOR THE CITY OF LIVERMORE

By: Lee Horner
Lee Horner, City Manager

Approved as to form:

Thomas R. Curry
Thomas R. Curry, City Attorney