

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT		1 CONTRACT ID CODE		PAGE OF PAGES	
				1 5	
2 AMENDMENT/MODIFICATION NO		3 EFFECTIVE DATE		4 REQUISITION/PURCHASE REQ NO	
0228		See Block 16C			
5 PROJECT NO (If applicable)		6 ISSUED BY		7 ADMINISTERED BY (If other than Item 6)	
		CODE 893032		CODE 03003	
EM-Carlsbad EMCBC U.S. Department of Energy Carlsbad Project Office P.O. Box 3090 Carlsbad NM 88221		EMCBC - Carlsbad U.S. Department of Energy Carlsbad Project Office P.O. Box 3090 Carlsbad NM 88221			
8 NAME AND ADDRESS OF CONTRACTOR (No, street, county, State and ZIP Code)		(x)		9A AMENDMENT OF SOLICITATION NO	
Nuclear Waste Partnership LLC Attn: JAY HART 20501 SENECA MEADOWS PKWY SUITE 300 GERMANTOWN MD 20876					
				9B DATED (SEE ITEM 11)	
		x		10A MODIFICATION OF CONTRACT/ORDER NO DE-EM0001971	
				10B DATED (SEE ITEM 13)	
CODE 968993910		FACILITY CODE		04/20/2012	

11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS

☐ The above numbered solicitation is amended as set forth in Item 14. The hour and date specified for receipt of Offers ☐ is extended ☐ is not extended. Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended, by one of the following methods: (a) By completing Items 8 and 15, and returning _____ copies of the amendment; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or telegram which includes a reference to the solicitation and amendment numbers. FAILURE OF YOUR ACKNOWLEDGEMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER. If by virtue of this amendment you desire to change an offer already submitted, such change may be made by telegram or letter, provided each telegram or letter makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.

12. ACCOUNTING AND APPROPRIATION DATA (If required)

13. THIS ITEM ONLY APPLIES TO MODIFICATION OF CONTRACTS/ORDERS. IT MODIFIES THE CONTRACT/ORDER NO. AS DESCRIBED IN ITEM 14.

CHECK ONE	A THIS CHANGE ORDER IS ISSUED PURSUANT TO: (Specify authority) THE CHANGES SET FORTH IN ITEM 14 ARE MADE IN THE CONTRACT ORDER NO. IN ITEM 10A
	B THE ABOVE NUMBERED CONTRACT/ORDER IS MODIFIED TO REFLECT THE ADMINISTRATIVE CHANGES (such as changes in paying office, appropriation date, etc.) SET FORTH IN ITEM 14, PURSUANT TO THE AUTHORITY OF FAR 43.103(b).
X	C THIS SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF: H.9 Key Personnel, H.55 WFO, and H.62 Cost Savings Investment Incentive
	D OTHER (Specify type of modification and authority)

E. IMPORTANT: Contractor ☐ is not ☒ is required to sign this document and return 1 copies to the issuing office

14. DESCRIPTION OF AMENDMENT/MODIFICATION (Organized by UCF section headings, including solicitation/contract subject matter where feasible)

Payment:

OR for EMCBC

U.S. Department of Energy

Oak Ridge Financial Service Center

P.O. Box 5777

Oak Ridge TN 37831

Period of Performance: 10/01/2012 to 09/30/2020

Except as provided herein, all terms and conditions of the document referenced in Item 9 A or 10A, as heretofore changed, remains unchanged and in full force and effect.

15A NAME AND TITLE OF SIGNER (Type or print) Bruce C. Covert, President and Project Manager		16A NAME AND TITLE OF CONTRACTING OFFICER (Type or print) Wendy L. Baucor	
15B CONTRACTOR/OFFEROR /signature on file/	15C DATE SIGNED 12/10/18	16B UNITED STATES OF AMERICA	16C DATE SIGNED 12/10/18

The purpose of this modification is to revise Special Contract Clause H. 9 *Key Personnel* to incorporate changes to key personnel requested by the contractor on October 24, 2018 to revise the Deputy Project Manager effective November 5, 2018. DOE approved the request by letter 18-2420 dated October 30, 2018. This modification also revises Section H.55 Work Performance Under Section C, Performance Work Statement, that is Not Funded by the Carlsbad Field Office, and H.62 Cost Savings Investment Incentive.

1. Section H.9 *Key Personnel*, paragraph (d) is modified as follows:

FROM: (Modification 205)

<u>Name</u>	<u>Title</u>
Bruce Covert	President and Project Manager
Tammy Reynolds	Vice President and Deputy Project Manager
Dennis Huddleston	Operations Manager
Mark Percy	TRU Waste Program Manager
Pete Graham	Chief Mining Officer

TO: (Modification 228)

<u>Name</u>	<u>Title</u>
Bruce Covert	President and Project Manager
Eugene Balsmeier	Deputy Project Manager and Chief Operating Officer
Dennis Huddleston	Operations Manager
Mark Percy	TRU Waste Program Manager
Pete Graham	Chief Mining Officer

The modified clause is as follows:

H.9 KEY PERSONNEL (Mod 58, 77, 106, 118, 178, 205, 228)

- (a) Unless approved in advance, in writing, by the CO, should any Key Personnel be removed, replaced, or diverted by the Contractor for reasons under the Contractor's control (other than to maintain satisfactory standards of employee competency, conduct, and integrity under the clause at 48 CFR 970.5203-3, Contractor's Organization) within the first two years of performance from the effective date of the contract (SF 33, Block 2); or for a replacement Key Personnel within two years of being placed in the position, the Contractor shall forfeit \$500,000 in fee if said Key Personnel is the Project Manager, and \$250,000 in fee for each removal, replacement, or diversion of all other key personnel within two years after effective date of the contract or within two years of being placed in the position.
- (b) The personnel listed below are considered essential to the work being performed under this contract. Before removing, replacing, or diverting any of the listed or specified personnel, the Contractor must: (1) notify the Contracting Officer reasonably in advance; (2) submit justification (including proposed substitutions) in sufficient detail to permit evaluation of the impact on this contract; and (3) obtain the Contracting Officer's written approval. Notwithstanding the foregoing, if the Contractor deems immediate removal or suspension of any member of its management team is necessary to fulfill its obligation to maintain satisfactory standards of employee competency, conduct, and integrity under the clause at 48 CFR 970.5203-3, Contractor's Organization, the Contractor may remove or suspend such person at once, although the Contractor must notify Contracting Officer prior to or concurrently with such action.

- (c) The list of personnel in paragraph (d) below may, with the consent of the contracting parties, be amended from time to time during the course of the contract to add or delete personnel.
- (d) List of Key Personnel – the individuals listed below are considered Key Personnel for this contract:

<u>Name</u>	<u>Title</u>
Bruce Covert	President and Project Manager
Eugene Balsmeier	Deputy Project Manager and Chief Operating Officer
Dennis Huddleston	Operations Manager
Mark Percy	TRU Waste Program Manager
Pete Graham	Chief Mining Officer

2. Section **H.55 WORK PERFORMED UNDER SECTION C, PERFORMANCE WORK STATEMENT, THAT IS NOT FUNDED BY THE CARLSBAD FIELD OFFICE** is modified as follows:

FROM:

The contractor is authorized to negotiate fee arrangements directly with the requesting entity for work performed by the Contractor that is funded from non-Carlsbad Field Office (CBFO) funding. Such work will be in furtherance of the Performance Work Statement provided in Section C of this contract. All work performed will be on a full-cost recovery basis and reporting of all such work will be provided to CBFO on a monthly basis. This clause is effective for the period October 1, 2012 through September 30, 2017, and will be reviewed at the end of the period to determine whether there is a requirement to extend the clause.

TO:

The contractor is authorized to negotiate fee arrangements directly with the requesting entity for work performed by the Contractor that is funded from non-Carlsbad Field Office (CBFO) funding. Such work will be in furtherance of the Performance Work Statement provided in Section C of this contract. All work performed will be on a full-cost recovery basis and reporting of all such work will be provided to CBFO on a monthly basis. This clause is effective for the period October 1, 2012 through **September 30, 2020**, and will be reviewed at the end of the period to determine whether there is a requirement to extend the clause.

3. Section **H.62 COST SAVING INVESTMENT INCENTIVE (JUL 2017)** is modified as follows:

FROM:

The Contractor shall conduct a program to reduce the cost of planned activities (cost savings) as described below. The objective of this program is to enhance investment in critical improvements through improved efficiency in the conduct of planned activities. The contractor agrees to share net earnings with its employees as described below.

- a. Cost savings incentive (super-stretch) shall be above normal PEMP (Award Fee / PBIs) and exclude capital projects.

- b. Savings should be measured against an approved baseline
 - Incentivize cost savings in EY90 throughout year (i.e. approved baseline at beginning of FY)
 - Measure savings against total operational budget (exclude capital projects)
 - Completion of discrete scopes of work can be recognized throughout the year, with under run being collected in Management Reserve through a Programmatic Change Request (PCR) upon completion of the discrete scope of work. Level of effort scope cost savings shall be recognized at the end of the fiscal year.
 - Baseline reconciliation should occur during the year if, for example, the site budget is derived from a CR and there is a mismatch between funding and budget
- c. Cost savings used to supplement funding for critical infrastructure projects from the Consolidated Master Project List (CMPL).
- d. A savings incentive shall be earned through the establishment of Super Stretch PBIs. These incentives will apply cost savings as described herein to funding both the cost and fee for infrastructure projects from the CMPL, and shall include the cost, scope, and schedule for completion of said projects. A separate incentive fee (fee that is both outside of the fee pool established in Section B.2-2a, Total Available Award Fee, and is funded by savings as described in this clause) will be assigned to each scope of work covered by the Super Stretch PBI. Mutually agreed discrete milestones or progress achievements may be recognized and earned by the Contractor in a fiscal year.
- e. NWP will share half of its net earnings under this clause with employees through establishment of a formal program. This program will be formalized and communicated to the Contractor's employees no later than 90 days from the date of this contract modification.
- f. All fee earned under this clause is conditioned on the following criteria being met:
 - 1. Industrial Safety - Lost Workday Rates during the option period are maintained at a level that is less than the average for the DOE Complex.
 - 2. Radiological Safety – Zero recordable intakes and less than 500 mrem maximum dose to any worker during fiscal years 2018 and 2019.
 - 3. Nuclear Safety – The maximum number of TSR violations issued will be five (5) per year.
 - 4. Regulatory Compliance – 95% of deliverables required by permits and licenses will be submitted on or ahead of the required due date.

Failure to maintain compliance with any of the above listed criteria shall result in forfeiture of all PBI fee earned under this clause during the fee period. However, the Fee Determining Official retains the discretion to consider mitigation circumstances in enforcement of the forfeiture of fee described in this paragraph f.

TO:

The Contractor shall conduct a program to reduce the cost of planned activities (cost savings) as described below. The objective of this program is to enhance investment in critical improvements through improved efficiency in the conduct of planned activities. The contractor agrees to share net earnings with its employees as described below.

- a. Cost savings incentive (super-stretch) shall be above normal PEMP (Award Fee / PBIs) and exclude capital projects.

- b. Savings should be measured against an approved baseline
 - Incentivize cost savings in EY90 throughout year (i.e. approved baseline at beginning of FY)
 - Measure savings against total operational budget (exclude capital projects)
 - Completion of discrete scopes of work can be recognized throughout the year, with under run being collected in Management Reserve through a Programmatic Change Request (PCR) upon completion of the discrete scope of work. Level of effort scope cost savings shall be recognized at the end of the fiscal year.
 - Baseline reconciliation should occur during the year if, for example, the site budget is derived from a CR and there is a mismatch between funding and budget
- c. Cost savings used to supplement funding for critical infrastructure projects from the Consolidated Master Project List (CMPL) (or other work mutually agreed to by CBFO and NWP).
- d. A savings incentive shall be earned through the establishment of Super Stretch PBIs. These incentives will apply cost savings as described herein to funding both the cost and fee for infrastructure projects from the CMPL (or other work mutually agreed to by CBFO and NWP), and shall include the cost, scope, and schedule for completion of said projects. A separate incentive fee (fee that is both outside of the fee pool established in Section B.2-2a, Total Available Award Fee, and is funded by savings as described in this clause) will be assigned to each scope of work covered by the Super Stretch PBI. Mutually agreed discrete milestones or progress achievements may be recognized and earned by the Contractor in a fiscal year.
- e. NWP will share half of its net earnings under this clause with employees through establishment of a formal program. This program will be formalized and communicated to the Contractor's employees no later than 90 days from the date of this contract modification.
- f. All fee earned under this clause is conditioned on the following criteria being met:
 - 1. Industrial Safety - Lost Workday Rates during the option period are maintained at a level that is less than or equal to the average for the DOE Complex per year.
 - 2. Radiological Safety - Zero recordable intakes and less than 500 mrem maximum dose to any worker during fiscal years 2018 and 2019.
 - 3. Nuclear Safety - The maximum number of TSR violations issued will be five (5) per year.
 - 4. Regulatory Compliance - 95% of deliverables required by permits and licenses will be submitted on or ahead of the required due date per year.

Failure to maintain compliance with any of the above listed criteria shall result in forfeiture of all PBI fee earned under this clause during the fee period. However, the Fee Determining Official retains the discretion to consider mitigation circumstances in enforcement of the forfeiture of fee described in this paragraph f.

- 4. All other terms and conditions of this contract remain unchanged and in full force and effect.