

Background:

NWP submitted Letter CO:14:02919 on March 12, 2014 notifying the contracting officer of proposed changes to the organization, to key personnel titles, and to key personnel assignments. NWP stated that these changes were made to strengthen NWP's organization in implementing recovery efforts related to the recent WIPP Underground Fire and Radiological Event and restore TRU waste disposal operations. In follow-up letters CO:14:02920 on March 13, 2014, and CO:14:02922 on March 15, 2014, NWP provided supporting documentation and justification for these changes. The proposed changes were analyzed by the Carlsbad Field Office and approved on March 16, 2014, in Letter 14:0706. Salary costs were not included in the proposal, nor approved in the review and approval of changes to key personnel. A separate determination will be made for reasonableness of salary costs.

The contract is revised in Modification 58 to incorporate approved changes shown below to Part (d) of Special Contract Clause H.9 *Key Personnel*.

FROM: (Award 000)

(d) List of Key Personnel – the individuals listed below are considered Key Personnel for this contract:

<u>Name</u>	<u>Title</u>
Farok Sharif	Project Manager
Scott Kennedy	Operations Manager
Tammy Reynolds	Central Characterization Program Manager
Robert Gifford	Chief Financial Officer

TO: (Modification 058)

(d) List of Key Personnel – the individuals listed below are considered Key Personnel for this contract:

<u>Name</u>	<u>Title</u>
Robert McQuinn	President and Project Manager
Scott Kennedy	Operations Manager
Farok Sharif	TRU Waste Program Manager
Tammy Reynolds	Interim Recovery Project Manager
Robert Gifford	Chief Financial Officer

The revised clause is attached.

H.9 KEY PERSONNEL (Mod 58)

- (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>
Robert McQuinn	President and Project Manager
Scott Kennedy	Operations Manager
Farok Sharif	TRU Waste Program Manager
Tammy Reynolds	Interim Recovery Project Manager
Robert Gifford	Chief Financial Officer