

SECTION H
SPECIAL CONTRACT REQUIREMENTS

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H.1 ENVIRONMENT, SAFETY, HEALTH, AND QUALITY ASSURANCE (ESH&Q)

- (a) The 222-S Laboratory Analytical Services and this contract support a mission of accelerated closure. The nature of this contract along with the financial incentives such as those for accelerated completion or for cost effectiveness should never compromise or impede implementation of the Integrated Safety Management (ISM) System and ESH&Q compliance. The Contractor shall establish a single project wide ISM system, in compliance with the Section I clause, *Integration of Environment, Safety and Health into Work Planning and Execution*, and Section B clause *Conditional Payment of Fee, Profit or Incentives*. The Contractor shall submit to the CO for approval the integrated safety management system description per the above clauses 90 days after contract award. Until DOE approves this system, the Contractor must use the existing Integrated Safety Management system descriptions. Consistent with the ISMS clause, the Contractor will be provided guidance on the preparation, review, and approval of the Contractor's ISMS within 15 days following contract award.
- (b) The Contractor shall:
 - (1) Establish a structured approach to planning and control of work including identification, management and implementation of ESH&Q standards and requirements appropriate for the work to be performed and for controlling related hazards, while facilitating the effective and efficient delivery of work. The contractor shall implement the requirements identified in the Section I clause entitled, *Laws, Regulations and DOE Directives*. The contractor is encouraged to follow DEAR clause 970.5204-2(c) to tailor the requirements to the work.
 - (2) Assist the Tank Farm Contractor to track and address environmental compliance issues and implement requirements (including but not limited to permitting, environmental reporting, Consent Decrees, Tri-Party Agreement reporting/management, pollution prevention, waste minimization).
 - (3) Establish coordinated annual integrated environment, safety and health performance objectives, measures, and commitments with the Tank Farm Contractor for the 222-S Complex.
 - (4) Submit a Quality Assurance Program plan in accordance with DOE O 414.1A and 10 CFR 830.120 to DOE for approval within 60 days of contract implementation. The contractor shall accept and implement the existing QAP until the contractor's QAP is approved and implemented.

H.2 STOP-WORK AND SHUTDOWN AUTHORIZATION

- (a) Imminent Health and Safety Hazard is a given condition or situation which, if not immediately corrected, could result in a serious injury or death, including exposure to radiation and toxic/ hazardous chemicals. Imminent Danger in relation to the Facility Safety Envelope is a condition, situation, or proposed activity which, if not terminated, could cause, prevent mitigation of, or seriously increase the risk of (1) Nuclear Criticality, (2) Radiation Exposure, (3) Fire/Explosion, and/or (4) Toxic Hazardous Chemical Exposure.
- (b) Stop Work: In the event of an imminent health and safety hazard, identified by facility line management or operators or facility health and safety personnel overseeing facility operations, or other individuals, the individual or group identifying the imminent hazard

situation shall immediately take actions to eliminate or mitigate the hazard (i.e., by directing the operator/ implementer of the activity or process causing the imminent hazard to stop work, or by initiating emergency response actions or other actions) to protect the health and safety of the workers and the public and to protect DOE facilities and the environment. In the event an imminent health and safety hazard is identified, the individual or group identifying the hazard should coordinate with an appropriate Contractor official, who will direct the shutdown or other actions, as required. Such mitigating action should subsequently be coordinated with the DOE and Contractor management. The suspension or stop work order should be promptly confirmed in writing from the Contracting Officer.

- (c) Shutdown: In the event of an imminent danger in relation to the Facility Safety Envelope or a non-imminent health and safety hazard identified by facility line managers, facility operators, health and safety personnel over-viewing facility operations, or by independent oversight organizations, the individual or group identifying the potential health and safety hazard may recommend facility shutdown in addition to any immediate actions needed to mitigate the situation. However, the recommendation must be coordinated with Contractor management, and the DOE-ORP Manager. Any written direction to suspend operations shall be issued by the Contracting Officer, pursuant to clause F.4.
- (d) Facility Representatives: DOE personnel designated as Facility Representatives (FR) provide the technical oversight of operations. The FR has the authority to “stop work,” which applies to the shutdown of an entire plant, activity, or job. This stop work authority will be used for an operation of a facility which is performing work the FR believes:
 - (1) Poses an imminent danger to health and safety of workers or the public if allowed to continue;
 - (2) Could adversely affect the safe operation of, or could cause serious damage to the facility if allowed to continue; or
 - (3) Could result in the release of radiological or chemical hazards to the environment in excess of regulatory limits.

H.3 OCCUPATIONAL HEALTH RECORDS AND RADIATION EXPOSURE RECORDS

- (a) The contract clause in Section I entitled “Access to and Ownership of Records” is implemented as follows with respect to occupational health records and radiation exposure records:
 - (1) All occupational health records generated during the performance of Hanford-related activities will be maintained by the Hanford Occupational Medicine Contractor and are the property of DOE. All radiation exposure records generated during the performance of Hanford-related activities will be maintained by the Pacific Northwest National Laboratory (PNNL) and are the property of DOE.

H.4 SAFEGUARDS & SECURITY

The contractor will be custodian for accountable quantities of category IV nuclear material. The contractor shall:

- (a) Ensure appropriate levels of protection against unauthorized access; theft, diversion, loss of custody of accountable Nuclear Material (NM) or Special Nuclear Material (SNM); theft of Government property; and other hostile acts that may cause unacceptable adverse

impacts on national security or the health and safety of DOE or contractor employees, the public, or the environment.

- (b) Develop and implement a graded material control and accountability (MC&A) program for any accountable SNM or NM in accordance with DOE Orders and Manuals. The Contractor may subcontract aspects of the MC&A program (e.g., nuclear material accounting and reporting, custodian, training, etc.). The Contractor's MC&A Program is subject to DOE-ORP approval.
- (c) Provide for the protection of any classified and unclassified sensitive information generated, processed, and stored within its facilities or administrative control, at any subcontracting tier. Information Security (IS) and Operation Security (OPSEC) procedures shall be developed to ensure compliance with DOE directives.
- (d) Cooperate with the Site Management Contractor and its subcontractors who provide physical security services (e.g., site access control, security police officers, vulnerability analysis, etc.) and develop documented mutually agreed to roles and responsibilities.
- (e) Promptly prepare and submit for security clearance requests as required for work under this contract.

H.5 PUBLIC RELATIONS, MEDIA SUPPORT AND STAKEHOLDER INTERACTION

- (a) The contractor shall participate in the DOE-ORP external/internal communications program to ensure that the full range of stakeholders receives information in a timely, accurate, complete, and professional manner. Contractor external communications actions shall comply with the DOE Openness Initiatives and Public Involvement Policy and the American Indian and Alaska Native Tribal Government Policy.
- (b) The contractor shall work with DOE to ensure external/internal communications activities represent a singular and consistent DOE source of information about the Project and its relationship to the Hanford Site.
- (c) The contractor shall keep the 222-S Laboratory Analytical Services workforce informed in a timely manner of all significant issues that may affect those workers.
- (d) As requested, the contractor shall:
 - (1) Provide timely and consistent support for inter-Governmental liaison activities, including activities with Federal, State, local and Native American Governments, and the Hanford Advisory Board and public meetings as it pertains to the project.
 - (2) Respond in a timely fashion with information as requested by DOE in support of *Freedom of Information Act* and/or *Privacy Act* requests.
- (e) The contractor's external/internal communications activities include, but are not limited to:
 - (1) Public Information
 - (2) Public Involvement
 - (3) Emergency Communications Activities
 - (4) Media Relations
 - (5) 222-S Laboratory Analytical Services Tours as requested by DOE
 - (6) Preparation/Maintenance of public information Audio/Video Products and Printed Materials

H.6 HANFORD SITE INFRASTRUCTURE, UTILITIES, DATA SYSTEMS, AND STEWARDSHIP

- (a) Hanford Site infrastructure and services provide for the common needs of Hanford Site Operations. Most infrastructure/services are provided through designated Hanford prime contracts. Some services are directly funded without cost to the contractor while most are paid for either through allocating costs among the site's contractors or use based. The contractor is responsible to provide usage forecasts to the provider (e.g. electrical load). The following describes the categories of services and the terms under which services are provided. Detail information for each service can be obtained from the provider. Services that were required in conjunction with execution of the 222-S laboratory operations during FY 2003 is estimated at \$683,000. Direct Funded Services costs are not included in this estimate amount.
- (b) Data systems available for Analytical Services Performance Contractor:
- Chemical Management Database: Site wide database that keeps track of all hazardous chemicals, their locations and quantities.
 - LIMS: Laboratory Information Management System accumulates analytical data directly from instruments and from manual input. It also includes tools to convert data to the proper electronic format.
 - HANDI: Site wide financial reporting software.
 - HDTS (Hanford Document Tracking System): Provide searches for document metadata not found in one of Hanford's "core" document systems such as Records Management Information System (RMIS). This system is considered a legacy system that no longer receives data input or updates.
 - PERF/SMRF or Performance Module: A software package that manipulates data from P3, for budget performance or baseline costs, into the proper format so that it may be loaded into HANDI.
 - Primavera (P3): Scheduling software used for budgetary and life cycle planning as well as tracking monthly progress. (Requires purchase of software and license)
 - RMIS (Records Management Information System): Site wide records management and archiving system.
 - Sunflower Asset Management System (SAMS) Database Management

H.6.1 Direct Funded Services

DOE provides for the services listed in Table H-6.1 to enable critical site infrastructure and maintain services continuity without cost to this contract.

H.6.2 Centralized Site Services

Centralized services listed in Table H-6.2 are operated to the benefit of all site contractors to address Hanford wide needs and/or obtain the benefits of volume-based operations. Costs of operating each service are either allocated or based on usage. The contractor will be expected to provide reasonable personnel support for Site wide Emergency response in conjunction with the contractor's facilities and operations. In addition, for Site wide emergency responses not directly involving the 222-S laboratory operations, the contractor will be expected to provide reasonable

staff support for positions within the Site’s Emergency Response Organization to help ensure adequate staffing to respond to any emergency on the Site.

H.6.3 Direct Billed Services

Direct Billed services listed in Table H-6.3 are charged based on usage.

H.6.4 Other Site Services

Other services are available incidental to work being performed by other Hanford site contractors and may be obtained at the discretion of the Contractor. A summary listing is provided in Table H-6.4, however, the availability of these services may change without notice. DOE does not warrant any of these services.

Services are obtained by entering into agreements with the provider contractor through either an Interface Control Document, a Service Level Agreement, or equivalent which generally defines the type and level of service and agreed projected usage. Significant change by the contractor in the use of any service requires a minimum 90 day notice to the providing contractor as well as the Contracting Officer.

Table H-6.1 Direct Funded Site Services

Direct Funded Items	Provider
Badging	FHI
Access Control Entry System (ACES)	FHI
Biological Control	FHI
Hanford Environmental Information Databases	FHI
Hanford Patrol	Protec
Mapping Services	FHI
Radiological Assistance Program	FHI
Safeguards and Security Vulnerability Analysis	FHI
Steam	Johnson Controls
Electrical - BPA	BPA
Traffic Engineering	FHI
Traffic Manager	FHI
Tri-Party Agreement/Site Administrative Record/Public Information Repositories	LMSI
Utilities Operations and Maintenance - Electrical Utilities	FHI
Utilities Operations and Maintenance - Sewer Utilities	FHI
Utilities Operations and Maintenance - Water Compliance and Sampling	FHI

Utilities Operations and Maintenance - Water Utilities	FHI
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Table H-6.2 Centralized Site Services

Service	Provider
Centralized Consolidated Recycling Center (CCRC)	FHI
Sitewide Emergency Preparedness	FHI
Engineering Drawing Management	LMSI
Fire Department	FHI
Fire System Maintenance	FHI
Grounds Maintenance	FHI
Hanford Employee Trust Benefits/Human Resources	FHI
Industrial Hygiene Laboratory	FHI
Information Resource Management (HISI/PeopleCore/HID/PopFon)	FHI
Mail and Courier Services	FHI
Property System Management - SAMS & Integrated Reporting	FHI
Radio Services - Infrastructure	FHI
Records Management	LMSI
Roads and Grounds Services	LMSI
Sanitary Waste Disposal	FHI
Service Assessment Pool	FHI

Table H-6.3 Direct Billed Site Services

Direct Billed Services	Provider
Desktop services	LMSI
Dosimetry - Records portion	PNNL
HLAN Ops, Maintenance and Integration	LMSI
Laundry	UNITEC
Occupational Medicine Services	HEHF
Telecommunication Service	LMSI
Calibration Services	FHI
Fabrication Services	TFC/FHI
Paging Services	LMSI
Solid Waste Storage and Disposal	FHI
Acceptance and Inspection (Shipping and Receiving)	FHI
Biohazard Cleanup	FHI
Services of the Bargaining Unit Employees (HAMTC) of the laboratory will be provided. Employees will maintain employment with the TFC until a new collective bargaining agreement is in place between the ASPC and the collective bargaining agent, but no later than March 31, 2005.	As Noted
Services of the Radiation Control Technicians are provided through the TFC	As Noted

Table H-6.4 Other Site Services

Service	Provider
Asset Disposition (Inventory Recovery Operations)	FHI
Classified Document Management	FHI
Crane and Rigging	FHI
Dosimetry—External	FHI
Fabrication Services	FHI
Fire Systems Maintenance	FHI
Fleet Maintenance—General Services Administration (GSA) Vehicles	FHI
Forms Management	FHI
Industrial Hygiene Lab	FHI
Locksmith Services—General	FHI
Micrographics	FHI
Occupancy Pools—Government Owned/Leased Facilities	FHI
Paging Services—Non Infrastructure	FHI
Radio Services—Non Infrastructure	FHI
Refrigerated Equipment Services	FHI
Respiratory Protection	FHI
Safeguards and Security—all except the centralized portion	TFC
Vent and Balance	TFC

H.7 INCUMBENT EMPLOYEES HIRING PREFERENCES

The Contractor shall use the transition period to make hiring decisions and to establish the management structures necessary to conduct an employee relations program. In establishing the initial work force, and through the first six months after contract award, the Contractor shall give a first preference in hiring for vacancies in non-managerial positions in non-construction activities under this contract to qualified employees employed by the incumbent contractor at contract award. This hiring preference takes priority over the hiring preference provided in Clause I.113, Displaced Employee Hiring Preference. It does not apply to the contractor's hiring of management staff (i.e., first line supervisors and above).

H.8 PAY AND BENEFITS

(a) Pay

For employees employed by the incumbent contractor at contract transition who are offered and accept employment within six months of contract award, the contractor shall pay employees base salary/pay rates that are at least equivalent to the base salary/pay rates they are being paid at the time the contractor offers employment, if the position for

which the employee is hired entails duties and responsibilities that are substantially equivalent to their prior positions with the incumbent contractor.

If the base salary/pay rate that an employee is being paid by an incumbent contractor at the time the contractor offers them employment falls above the new maximum base salary/pay rate for their position, the following will apply:

- The employee shall continue to receive the same salary/pay rate paid by the incumbent contractor.
- The employee shall receive no base salary/pay adjustments until such time as the contractor's pay rate range is increased to exceed the employees base salary/pay rates.
- After the contractor's rate range is increased to exceed their base salary/pay rates, the employee shall be eligible for increases consistent with the contractor's base salary/pay rates.

If the base salary/pay rates of incumbent employees at the time the contractor offers them employment fall below the minimum rate of the new base salary/pay rates in such circumstances, the incumbent employee shall have their salary/pay rate increased to reflect the new base rates.

(b) Pensions And Other Benefits

- (1) Incumbent Employees Vested In The Hanford Site Pension Plan

PENSION BENEFITS

Incumbent employees, who are vested in the Hanford Site Pension Plan, at the time of contract transition, shall be eligible and allowed to continue participating in the Hanford Site Pension Plan for employment during the first five years of this contract. Vested employees shall retain credit for their prior Hanford service without the contract transition constituting a break in service. The contractor shall become a sponsor of the Hanford Site Pension Plan currently sponsored by the incumbent contractor. The contractor shall timely supply the Plan Administrator of the Hanford Site Pension Plan with all the information which the Administrator determines to be necessary to administer the plan effectively. Contributions to the Hanford Site Pension Plan as determined by the Plan Administrator shall be allowable costs under this contract. At contract completion, the contractor shall fully fund its withdrawal liability under the Hanford Site Pension Plan.

The contractor shall coordinate with the Hanford Site Pension Plan administrator to ensure the Department receives an annual reporting and accounting of the contractor's pension obligations, pursuant to Financial Accounting Standard (FAS) 87, for those employees participating in the Hanford Site Pension Plan under this contract. The Contractor shall coordinate with the Hanford Site Plan Administrator and supply the Administrator with all the information necessary to maintain the federal tax qualification of all Contractor and Hanford Site pension plans.

At the end of five years, the Contractor shall allow employees to participate in the Contractor pension system required in Paragraph (2) below.

OTHER BENEFITS

The Contractor shall become a sponsor of the Hanford Employee Welfare Trust (HEWT) Plan. Employees vested in the Hanford Site Pension at the time of transition shall be eligible to continue participation in the HEWT Plan and receive medical and other benefits under the HEWT Plan consistent with the terms of that Plan, as amended from time to time. The contractor shall credit the length of service of employees who are currently employed by the incumbent contractor and vested in the Hanford Site Pension Plan at the time of transition who are hired for work under this contract toward the service period required for benefits relating to vacations, sick leave, health insurance, severance, layoff, recall and other benefits.

The contractor will timely supply the Plan Administrator of the HEWT Plan with all the information required by the Administrator necessary to administer the plan effectively. Contributions into the HEWT Plan as determined by the Administrator will qualify as allowable costs under this contract.

The contractor will coordinate with the HEWT administrator to ensure the Department receives an annual reporting and accounting of the contractor's benefit obligations for those employees participating in the HEWT under this contract.

For any vested employee electing not to participate in the HEWT Plan, the contractor shall allow the employee to participate in the plan offered to the incumbent employees not vested in the Hanford Site Pension Plan at the time of transition.

(2) Incumbent Employees Not Vested In The Hanford Site Pension Plan

PENSION & BENEFITS

The contractor shall offer a market-based retirement and medical benefit package competitive for the industry for incumbent employees not vested in the Hanford Site Pension Plan. If the Contractor meets all applicable legal and tax requirements, the Contractor may establish a separate line of business pursuant to Internal Revenue Code (IRC) §410 and §414 for the purpose of maintaining the federal tax qualification of pension plans covering the contractor's employees.

Contractors shall develop and implement welfare benefit programs that meet the tests of allowability and reasonableness established by Federal Acquisition Regulations 31.205-6.

(3) Post-Contract Responsibilities For Pension And Benefit Plans

NO REPLACEMENT CONTRACTOR

If this contract expires or terminates without a replacement contractor, the Contractor shall:

- Continue as a plan sponsor of the existing pension plan and any welfare benefit plans covering those vested employees (identified during the transition period) as directed by DOE, at DOE's sole discretion, on a funding basis acceptable to DOE.

- Pension plan contribution and plan asset management costs will continue to be allowable under this contract unless other arrangements have been approved by the Contracting Officer.
- DOE and the Contractor shall meet to determine the ultimate disposition of all pension, post-retirement welfare, and post-employment plans.
- During the final 18 months of this contract, the Contracting Officer shall provide written direction to the contractor regarding all post-contract pension and welfare benefit plans.

H.9 LABOR RELATIONS

The contractor will respect the right of employees to self-organization and to form, join, or assist labor organizations, to bargain collectively through their chosen labor representatives, to engage in other concerted activities for the purpose of collective bargaining or other mutual aid or protection, and to refrain from any or all of these activities. The contractor shall develop and implement labor relations policies that will promote orderly collective bargaining relationships, equitable resolution of disputes, efficiency and economy in operations, and the judicious expenditure of public funds.

Consistent with applicable labor law and regulations, the Contractor shall recognize and bargain in good faith with the collective bargaining representative of employees performing work that has historically and traditionally been performed by Hanford Atomic Metal Trades Council (HAMTC) members. The contractor shall provide the Contracting Officer with a copy of the collective bargaining agreement within 30 to 60 days after formal ratification.

The contractor shall consult with the Contracting Officer prior to and during the course of negotiations with labor unions, and during the term of resultant contracts, on economic issues and other matters that have a potentially significant impact on work rules, make-or-buy decisions, or other matters that may cause a significant deviation from past customs or practices.

The contractor shall promptly advise the Contracting Officer of, and provide all appropriate documentation regarding any labor relations developments at the prime or subcontract level that involve or appear likely to involve:

- Possible strike situations affecting the facility;
- Referral to the Energy Labor-Management Relations Panel;
- The National Labor Relations Board at any level;
- Recourse to procedures under the Labor-Management Act of 1947 as amended, or any other Federal or state labor law;
- Any grievance that may reasonably be assumed to be arbitrated under a Collective Bargaining Agreement.

"Labor organization," as used in this clause, shall have the same meaning it has in 42 U.S.C. 2000e(d).

- (a) Unless acting in the capacity of a constructor on a particular project, the Contractor shall not –

- (1) Require bidders, offerors, contractors, or subcontractors to enter into or adhere to nor prohibit those parties from entering into or adhering to agreements with one or more labor organizations, *i.e.*, project labor agreements, that apply to construction project(s) relating to this contract; or
 - (2) Otherwise discriminate against bidders, offerors, contractors, or subcontractors for refusing to become or to remain signatories or to otherwise adhere to project labor agreements for construction project(s) relating to this contract.
- (b) When the contractor is acting in the capacity of a constructor, *i.e.*, performing a substantial portion of the construction with its own forces, it may use its discretion to require bidders, offerors, contractors, or subcontractors to enter into a project labor agreement that the contractor has negotiated for that individual project.
 - (c) Nothing in this clause shall limit the right of bidders, offerors, contractors, or subcontractors to voluntarily enter into project labor agreements.

A copy of the Hanford Site Stabilization Agreement is located at http://www.hanford.gov/procure/solicit/rcc/pdf/Exhibit_H.pdf.

H.10 WORKFORCE RESTRUCTURING

When the Contractor determines that a reduction of force is necessary, the Contractor shall notify the Contracting Officer and seek approval, if required under applicable Departmental guidance. The Contractor shall provide such information as directed by the Contracting Officer to enable compliance with section 3161 of the National Defense Authorization Act for Fiscal Year 1993 and any other Departmental guidance pertaining to employees who may be eligible for provisions of the Act. The Contractor shall comply with the Hanford Site Workforce Restructuring Plan (as amended from time to time) and shall supply workforce restructuring related information and reports as needed by the Department. The Contractor shall extend displaced employee hiring preference in accordance with Clause I. 113, Displaced Employee Hiring Preference.

H.11 WORKFORCE RESTRUCTURING

Intentionally left blank.

H.12 AGE DISCRIMINATION

The Contractor shall not discriminate against any employee, applicant for employment, or former employee on the basis of age. The Contractor shall comply with the Age Discrimination in Employment Act, with any state or local legislation regarding discrimination based on age, and with all applicable regulations thereunder.

H.13 WORKERS' COMPENSATION

- (a) Pursuant to State of Washington Revised Code (RCW) Title 51, the Department of Energy (DOE), Office of River Protection (ORP) is a group self-insurer for purposes of

workers' compensation coverage. The coverage afforded by the workers' compensation statutes shall, for performance of work under this contract at the Hanford Site, be subject to the following:

- (1) Under the terms of a Memorandum of Understanding with the Washington Department of Labor and Industries (L&I), DOE has agreed to perform all functions required by self-insurers in the State of Washington. The contractor is not required to pay for Workers' Compensation coverage or benefits except as otherwise provided below or as directed by the Contracting Officer.
- (2) The contractor shall submit to DOE (or other party as designated by DOE), for transmittal to the L & I, such payroll records as are required by Workers' Compensation laws of the State of Washington.
- (3) The contractor shall submit to DOE (or other party as designated by DOE), for transmittal to the Department, the accident reports provided for by RCW Title 51, Section 51.28.010, or any other documentation requested by DOE or the L&I pursuant to the Workers' Compensation laws of the State of Washington.
- (4) The contractor shall take such action, and only such action, as DOE requests in connection with any accident reports, including assistance in the investigation and disposition of any claim thereunder and, subject to the direction and control of DOE, the conduct of litigation in the contractor's own name in connection therewith.
- (5) Under RCW Title 51.32.073, DOE is the self-insurer and is responsible for making quarterly payments to the State DLI. In support of this arrangement, the contractor is responsible for withholding appropriate employee contributions and forwarding on a timely basis these contributions plus the employer-matching amount to DOE.
- (6) The workers' compensation program shall operate in partnership with contractor employee benefits, risk management, and environmental, safety, and health management programs. The contractor shall cooperate with DOE for the management and administration of DOE, Office of River Protection self-insurance program that provides workers' compensation benefit coverage to contractor employees under this contract.
- (7) The contractor must certify to the accuracy of the payroll record used by the Department in establishing the self-insurance claims reserves, and cooperate with any state audit.
- (8) The contractor shall submit to the Contracting Officer, a yearly evaluation and analysis of workers' compensation cost as a percent of payroll compared with the percentage of payroll cost reported by a nationally recognized Cost of Risk Survey that has been pre-approved by the Department (once DOE has provided the contractor with the necessary data to perform the analysis required in this paragraph).
- (9) The contractor shall provide statutory worker's compensation coverage for staff members performing work under this contract outside of the State of Washington and not otherwise covered by the State of Washington worker's compensation laws.
- (10) Subcontractor's performing work under this contract on behalf of the contractor are not covered by the provision of the Agreement referenced in (a)(1) of this clause. The contractor shall flow-down to its subcontractors the requirement to provide statutory worker's compensation coverage for the subcontractor's employees. The contractor shall have no responsibility for subcontractor worker's compensation when it includes this requirement in the subcontract.

H.14 ADMINISTRATION OF SUBCONTRACTS

- (a) The administration of all subcontracts entered into and/or managed by the Contractor, including responsibility for payment hereunder, shall remain with the Contractor unless assigned at the direction of DOE.
- (b) The Government reserves the right to direct the Contractor to assign to the Government or another Contractor any subcontract awarded under this Contract.
- (c) The Contractor agrees to accept transfer of existing subcontracts as determined necessary by DOE for continuity of operations. The Contractor shall attempt to negotiate changes to the assigned subcontracts incorporating mandatory flow-down provisions at no cost. If the subcontractor refuses to accept the changes or requests price adjustments, the Contractor will notify the Contracting Officer in writing.

H.15 LITIGATION MANAGEMENT

The contractor shall maintain a legal function and demonstrate sound litigation management practices to include litigation, arbitration, legal advice on environmental matters, procurement, employment, labor, and the Price-Anderson Amendment Act (PAAA); review and interpretation of legislation and laws; and research and drafting of memorandum. Within 60 days of contract award, the contractor shall provide a legal management plan compliant with 10 CFR 719. The contractor shall provide support to the Government when judged necessary by the Contracting Officer in cases of actual or threatened litigation, regulatory matters, or third-party claims and subject to applicable rules and regulations. Litigation support includes, but is not limited to: case preparation assistance, document retrieval, review and reproduction; witness preparation and testimony; expert witness testimony; and assisting Government counsel as necessary in response to discovery or other information related activities responsive to any legal proceeding.

H.16 DISPOSITION OF INTELLECTUAL PROPERTY - FAILURE TO COMPLETE CONTRACT PERFORMANCE

The following provisions shall apply in the event the Contractor does not complete contract performance for any reason:

- (a) Regarding technical data and other intellectual property, DOE may take possession of all technical data, including limited rights data and data obtained from subcontractors, licensors, and licensees, necessary to complete the project, as well as the designs, operation manuals, flowcharts, software, information, etc., necessary for performance of the work, in conformance with the purpose of this contract. Proprietary data will be protected in accordance with the limited rights data provisions of the Rights in Data clause of Section I.
- (b) The Contractor agrees to and does hereby grant to the Government an irrevocable, non-exclusive, paid-up license in and to any inventions or discoveries regardless of when conceived or actually reduced to practice by the Contractor, and any other intellectual property, including technical data, which are owned or controlled by the Contractor, at any time through completion of this contract and which are incorporated or embodied in the construction of the facilities or which are utilized in the operation or remediation of the facilities or which cover articles, materials or products manufactured at a facility, (1) to practice or to have practiced by or for the Government at the facility, and (2) to transfer such license with the transfer of that facility. The acceptance or exercise by the

Government of the aforesaid rights and license shall not prevent the Government at anytime from contesting the enforceability, validity or scope of, or title to, any rights or patents or other intellectual property herein licensed.

- (c) In addition, the Contractor will take all necessary steps to assign permits, authorizations, leases, and any licenses in any third party intellectual property for operations, remediation and closure of the facilities to DOE or such other third party as DOE may designate.

H.17 DETERMINATION OF APPROPRIATE LABOR STANDARDS

DOE shall determine the appropriate Labor Standards in accordance with the Davis-Bacon Act, the Service Contract Act, or any other applicable labor laws which shall apply to work performed under this contract. Where requested by DOE, the contractor shall provide whatever information is relevant to labor standards determinations, in the form and timeframe required by DOE, as may be necessary by DOE to make such labor standards determinations. The Contractor will then be responsible for ensuring the appropriate labor standards provisions are included in subcontracts. Any wage determinations under the Service Contract Act applicable to employees of the contractor will be added to the contract prior to the performance of the covered work, consistent with the provision of the clause entitled "Service Contract Act of 1965" in Section I.

H.18 PRICE-ANDERSON AMENDMENTS ACT NON-COMPLIANCE

The Contractor shall establish an internal Price Anderson Amendments Act (PAAA) noncompliance identification, tracking and corrective action system and shall provide access to and fully support DOE reviews of the system. The Contractor shall also implement a PAAA reporting process which meets applicable DOE standards. The Contractor shall be accountable for ensuring subcontractors adhere to the PAAA requirements.

H.19 CONTRACTOR ACCEPTANCE OF NOTICES OF VIOLATION OR ALLEGED VIOLATIONS, FINES, AND PENALTIES

- (a) The Contractor shall accept, in its own name, service of notices of violation or alleged violations (NOVs/NOAVs) issued by Federal or State regulators to the Contractor resulting from the Contractor's performance of work under this Contract, without regard to liability. The allowability of the costs associated with fines and penalties shall be subject to the other provisions of this Contract.
- (b) The Contractor shall notify DOE promptly when it receives service from the regulators of NOVs/NOAVs and fines and penalties.

H.20 ALLOCATION OF RESPONSIBILITIES FOR CONTRACTOR ENVIRONMENTAL COMPLIANCE ACTIVITIES

- (a) This clause allocates the responsibilities of DOE and the Contractor, referred to collectively as the "parties" for implementing the environmental requirements at facilities within the scope of the Contract. In this clause, the term "environmental requirements" means requirements imposed by applicable Federal, State, and local environmental laws and regulations, including, without limitation, statutes, ordinances, regulations, court orders, consent decrees, administrative orders, or compliance agreements including the

Hanford Federal Facility Agreement and Consent Order, consent orders, permits, and licenses.

- (b) Liability and responsibility for civil fines or penalties arising from or related to violations of environmental requirements shall be borne by the party causing the violation irrespective of the fact that the cognizant regulatory authority may assess any such fine or penalty upon either party or both parties without regard to the allocation of responsibility or liability under this Contract. This contractual allocation of liability for any such fine or penalty is effective regardless of which party signs permit applications, manifests, reports, or other required documents, is a permittee, or is the named subject of an enforcement action or assessment of a fine or penalty.
- (c) Regardless of which party to this contract is named subject of an enforcement action for noncompliance with environmental requirements by the cognizant regulatory authority, provisions of this contract related to allowable costs will govern liability for payment of any fine or penalty. If the named subject of an enforcement action or assessment of a fine or penalty is DOE and the fine or penalty would not otherwise be reimbursable under the allowable cost provisions of this contract if the Contractor was the named subject of the enforcement action, the Contractor will either pay the fine or penalty or reimburse DOE (if DOE pays the fine or penalty).

H.21 INVOICED AMOUNTS

In addition to the information required by other sections of this contract, the Contractor shall provide incurred cost data coded in a DOE defined format via computer. This incurred cost data must be fully edited against DOE codes such as BCR codes. The Contractor shall deliver the fully edited incurred cost data to DOE on the same day the payment is requested unless directed otherwise by DOE.

H.22 FEE REDUCTION FOR CHANGES IN KEY PERSONNEL

Key personnel are considered to be essential to the work being performed on this contract. Prior to diverting to other positions or substituting any of the specified Key individuals, or proposing them as a Key person under another contract, the Contractor shall notify the Contracting Officer in writing at least thirty (30) days in advance and shall submit justification (including proposed substitutions) in sufficient detail to permit evaluation of the impact on the work being performed under this contract. No diversion or substitution shall be made by the Contractor without the written consent of the Contracting Officer, provided that the Contracting Officer may ratify in writing such diversion or substitution and such ratification shall constitute the consent of the Contracting Officer required by this clause. Unless approved in writing by the Contracting Officer, no key personnel position will remain unfilled by a permanent replacement for more than 60 days. The key personnel list shall be amended during the course of the contract to add or delete key personnel as appropriate and approved by the Contracting Officer.

Anytime the overall 222-S Laboratory Analytical Services Project Manager is replaced or removed for any reason under the Contractor's control within two (2) years of being placed in the position, fee will be reduced by \$50,000. In addition, each time any of the other Key Personnel proposed are replaced or removed for any reason under the Contractor's control within two (2) years of being placed in the position, fee will be reduced by \$25,000 for each removed or replaced individual.

The Contractor may request, in writing, that the Contracting Officer waive all or part of a reduction, if special circumstances exist. The Contracting Officer shall have sole unilateral discretion to waive or not waive all or part of a reduction.

The following is a list of key personnel for this contract:

<u>Name</u>	<u>Position</u>
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

H.23 ALTERNATIVE DISPUTE RESOLUTION

- (a) The U.S. Department of Energy (DOE) and the Contractor both recognize that methods for fair and efficient resolution of significant disputes are essential to the successful and timely achievement of critical milestones and completion of all Contract requirements. Accordingly, the parties agree to:
 - (1) Participate in a partnering workshop to be conducted by an experienced professional jointly agreed upon by the parties and,
 - (2) Jointly select a “standing neutral” within 30 days of completion of the partnering workshop. The “standing neutral” will be available to help resolve disputes as they arise. Such “standing neutral” can be an individual, a board comprised of three independent experts, or a company with specific expertise in the Contract area. If a “standing neutral” cannot be agreed upon, the DOE Office of Dispute Resolution will make a selection. The specific ADR processes and procedures, as well as the processes for selecting the “standing neutral” will be determined at the partnering workshop.

- (b) The parties agree the following provision may be invoked for significant disputes upon mutual agreement of the DOE and the Contractor:
 - (1) DOE and the Contractor shall use their best efforts to informally resolve any dispute, claim, question, or disagreement by consulting and negotiating with each other in good faith, recognizing their mutual interests and attempting to reach a just and equitable solution satisfactory to both parties. If any agreement cannot be reached through informal negotiations within 30 days after the start of negotiations, then such disagreement shall be referred to the “standing neutral,” pursuant to the procedures jointly developed in the partnering workshop.
 - (2) The “standing neutral” will not render a decision, but will assist the parties in reaching a mutually satisfactory agreement. In the event the parties are unable after 30 days to reach such an agreement, either party may request, and the

neutral will render, a non-binding advisory opinion. Such opinion shall not be admissible in evidence in any subsequent proceedings.

- (c) If one party to this contract requests the use of the process set forth in paragraphs b(1) and b(2) of this clause and the other party disagrees, the party disagreeing must express its position in writing to the other party. On any such occasion, if the party requesting the above process wishes to file a claim under the "Disputes" clause in Section I, it must do so within 30 days of receipt of the written position from the other party.

H.24 SUCCESSOR CONTRACTOR

In the event the contractor becomes a "successor contractor," the contractor and/or its team members agrees to recognize and bargain in good faith with the certified collective bargaining agent(s) (currently Hanford Atomic Metal Trades Council) for the incumbent represented workforce, subject to and in compliance with the National Labor Relations Act requirement with respect to successor contracts.

H.25 LOBBYING RESTRICTION (ENERGY AND WATER DEVELOPMENT APPROPRIATIONS ACT, 2003)

The contractor agrees that none of the funds obligated on this award shall be expended, directly or indirectly, to influence congressional action on any legislation or appropriation matters pending before Congress, other than to communicate to Members of Congress as described in 18 U.S.C. 1913. This restriction is in addition to those prescribed elsewhere in statute and regulation.

H.26 NOTICE REGARDING THE PURCHASE OF AMERICAN-MADE EQUIPMENT AND PRODUCTS-SENSE OF CONGRESS

It is the sense of Congress that, to the greatest extent practicable, all equipment and products purchased with funds made available under this award should be American-Made.

H.27 UNCLASSIFIED CONTROLLED NUCLEAR INFORMATION (UCNI)

Documents originated by the contractor or furnished by the DOE to the contractor in connection with this contract may contain Unclassified Controlled Nuclear Information as determined pursuant to Section 148 of the Atomic Energy Act of 1954, as amended. The contractor shall be responsible for protecting such information from unauthorized dissemination in accordance with DOE Regulations and Directives.

H.28 PERMITS, APPLICATIONS, AND LICENSES

- (a) Except as directed by the CO, the contractor shall, on behalf of the DOE, procure and execute all necessary permits or licenses. The contractor shall 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. The contractor shall accept assignment of permits currently held by DOE and its existing operating contractor.

- (b) The contractor shall sign environmental permits and applications as “operator” if deemed appropriate by DOE. The contractor shall submit all reports required by permits directly to DOE to forward to the regulatory agencies unless otherwise directed by the CO.

H.29 ENVIRONMENTAL RESPONSIBILITY

General. Contractor is required to comply with all environmental laws, regulations, and procedures applicable to the work being performed under this contract. This includes, but is not limited to, compliance with applicable Federal, State and local laws and regulations, interagency agreements such as the *Hanford Federal Facility Agreement and Consent Order* [HFFACO, also known as the Tri-Party Agreement or TPA], consent orders, consent decrees, administrative orders, compliance agreements or schedules and settlement agreements between the DOE and Federal and State regulatory agencies. Changes to these requirements will be handled by baseline control.

- (a) Environmental Permits. The Contractor is responsible for compliance with applicable permits.
- (b) Copies, Technical Information. The Contractor shall provide DOE a copy of regulatory notices and documentations issued to the Contractor by the regulatory agencies within five (5) working days of receipt. DOE shall provide the Contractor copies of environmental permits, authorizations, and regulatory approvals issued by the regulatory agencies to DOE within five (5) working days of receipt.

The Contractor and DOE shall provide to the other copies of documentation, such as, letters, reports, or other such materials transmitted either to or from regulatory agencies relating to the Contract work within five (5) working days of transmittal or receipt.

The Contractor and DOE shall maintain all necessary technical information required to support applications for revision of DOE or other Hanford site Contractor environmental permits when such applications or revisions are related to Contractor’s operations. Upon request, Contractor or DOE shall provide to the other access to all necessary and available technical information required to support applications for or revisions to permits or permit applications. If certifications to regulatory agencies are required, the Contractor and DOE shall provide to each other a certification statement relating to such technical information in the form required by the following paragraph.

- (c) Certifications. When DOE is required to certify a document to an external agency or regulator, the Contractor shall provide a written certification statement as required by the applicable regulations of the agency or regulator to which the document shall be submitted. Should the applicable regulations not provide certification requirements, the Contractor shall include the following certification statement in the submittal of such materials to DOE:

“I certify under penalty of law that this document and all attachments were prepared under my direction or supervision in accordance with a system designed to assure that qualified personnel properly gather and evaluate the information submitted. Based on my inquiry of the person or persons who manage the system, or those persons directly responsible for gathering the information, the information is, to the best of my knowledge and belief, true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment for knowing violations.”

The individual(s) authorized in writing by the Contractor to sign such certification

statements submitted to Federal or State regulatory agencies under the applicable regulatory program shall sign the certification statement.

- (d) Fines, Penalties, Allowable Costs. The Contractor shall accept, in its own name, service of proposed notices, or notices of, correction, penalty, fine, violation, administrative orders, citation, or notice of alleged violations, (e.g., NOC, NOP, NOF, PNOV, NOV, NOAV) and any similar type notices issued by Federal or State regulators to the Contractor resulting from or relating to Contractor's performance of work under this contract, without regard to liability. The Contractor shall immediately notify DOE of such receipt and shall provide copies or originals of such documents as soon as possible thereafter. The allowability of the costs associated with fines and provisions of this contract and applicable law shall govern penalties.

Liability and responsibility for civil fines or penalties arising from or related to violations of environmental requirements shall be borne by the party that caused, by its acts or failure to act, the violation irrespective of the fact that the cognizant regulatory authority may assess any such fine or penalty upon either party or both parties without regard to the allocation of responsibility or liability under this Contract. This contractual allocation shall be based upon the degree to which a party's negligence or willful misconduct led or contributed to the imposition of the civil fine or penalty. This contractual allocation of liability for any such fine or penalty is effective regardless of which party signs permit applications, manifests, reports or other required documents, is a permittee, or is the named subject of an enforcement action or assessment of a fine or penalty. Nothing in subsection (d) shall be interpreted to limit or otherwise alter the obligation of the DOE to reimburse the Contractor in accordance with the Section I Clause entitled, *Pre-existing Conditions*, of this Contract.

- (e) Discussions/Interactions. Contractor personnel will work closely with DOE staff and Hanford Prime Contractors to assure that the proper preparations are made for meetings with the regulators and that strategies are developed and implemented that allow the Hanford Waste Treatment Complex to succeed at meeting regulatory and programmatic obligations for the least cost.
- (f) Termination, Expiration, Permit Transfer. In the event of expiration or termination of this contract, DOE will require the Contractor on an allowable cost basis to take all necessary steps to transfer to DOE all environmental permits held by the Contractor. DOE and/or the successor Contractor will assume responsibility for such permits, with the approval of the regulating agency, and the Contractor shall be relieved of all liability and responsibility to the extent that such liability and responsibility results from the acts or omissions of a successor Contractor, DOE, or their agents, representatives, or assigns. The Contractor shall remain liable for all unresolved costs; claims, demands, fines and penalties, including reasonable legal costs; arising prior to the date such permits are transferred to another party. Contractor shall not be liable for any such claims occurring after formal transfer of this contract unless said claims result from Contractor's action or inaction.
- (g) Miscellaneous. The Contractor shall accept as co-operator assignment or transfer of permits held by DOE associated with the 222-S Laboratory mission as described in the Contract. In the case of permit applications that are co-signed by DOE with the Contractor, DOE may sign the application through the Manager of the Richland Operations Office, or the Manager of the Office of River Protection, or both (or the Managers' authorized designees), as determined by DOE in its sole discretion.

- (h)