

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT		1. CONTRACT ID CODE	PAGE OF PAGES
2. AMENDMENT/MODIFICATION NO. M008		3. EFFECTIVE DATE See Block 16	4. REQUISITION/PURCHASE REQ. NO.
6. ISSUED BY U.S. Department of Energy Office of River Protection PO Box 450, MS H6-60 Richland, WA. 99352		5. PROJECT NO. (If applicable)	
CODE		7. ADMINISTERED BY (If other than Item 6) CODE	
8. NAME AND ADDRESS OF CONTRACTOR (No., street, city, county, state and zip code) CH2M Hill Hanford Group, Inc. P.O. Box 1500 Richland, WA 99352		(X)	9A. AMENDMENT OF SOLICITATION NO.
CODE			9B. DATED (SEE ITEM 11)
FACILITY CODE		x	10A. MODIFICATION OF CONTRACT/ ORDER NO. DE-AC06-99RL14047
			10B. DATED (SEE ITEM 13)

## 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 ACKNOWLEDGMENT 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 APPLIES ONLY TO MODIFICATIONS OF CONTRACTS/ORDERS, IT MODIFIES THE CONTRACT/ORDER NO. AS DESCRIBED IN ITEM 14.

(X)	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).
	C. THIS SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF:
X	D. OTHER (Specify type of modification and authority) H.18 "Performance Incentives and Fee Distribution"

E. IMPORTANT: Contractor  is not,  is required to sign this document and return \_\_\_\_\_ copies to the issuing office.

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

The purpose of this modification is to incorporate the attached FY 2000 Performance Incentives (PIs) listed below, into Part III, Section J, Appendix D, of the contract. These PIs were previously signed by both parties to the contract.

ORP 4.5.1 Revision 1 "Readiness To Proceed" dated 2/11/00

ORP 10.1.3 "Project Integration Office Deliverables" dated 1/26/00

All other terms and conditions of the contract are unchanged.

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

15A. NAME AND TITLE OF SIGNER (Type or print)		16A. NAME AND TITLE OF CONTRACTING OFFICER (Type or print) Jewel J. Short, II	
15B. CONTRACTOR/OFFEROR  (Signature of person authorized to sign)	15C. DATE SIGNED	16B. UNITED STATES OF AMERICA  (Signature of Contracting Officer)	16C. DATE SIGNED

## FY 2000 PERFORMANCE INCENTIVE

### SECTION 1

#### General Information

Descriptive Short Title: Phase I Part B-2 Readiness to Proceed

Project Baseline Summary (PBS): TW04

Maximum Available Incentive Fee: \$1,250,000

Type: X Standard X Stretch

### SECTION 2

#### Technical Contacts

*ORP Point of Contact: S. Wiegman/L. Erickson*

*Contractor Point of Contact: W. T. Dehn*

### SECTION 3

#### Performance Expectations and Earning Schedule

**GENERAL REQUIREMENTS:** In order to earn incentive fee under this Performance Incentive, the Contractor shall:

1. Meet the specific completion criteria and expectations set forth in this Performance Incentive; and
2. Not incur any unfavorable cost variance [(BCWP-ACWP)/BCWP] less than -5.0 percent, or incur any unfavorable schedule variance [(BCWP-BCWS)/BCWS] less than -7.5 percent, measured at the Project Baseline Summary level identified in Section 1, at the end of FY 2000.

#### STANDARD (40%)

1. Formal certification of the Contractor's ability (Memorandum of Readiness To Proceed) to provide the waste feed and infrastructure to handle the products from the BNFL waste processing plant. Submit a memorandum to ORP to that effect, by April 24, 2000. Supporting material shall be made available to DOE for an independent evaluation of the contractor's readiness.
2. Specific documents listed below will be updated or issued (if required) by April 24, 2000, in support of the Readiness-to-Proceed effort:
  - A. Integrated Resource-loaded Schedule
  - B. Supporting Documents
    - TWRS Operation Utilization Plan; Staffing Plan; Configuration Management Plan; Quality Assurance Program Plan; Safety Program Plan; Environmental Program Plan; Technical Baseline Summary; Draft Project Execution Plan
3. Provide a letter report by April 24, 2000, to the ORP B2 Decision Manager stating how the eight "Major Recommendations on the RTP evidence package," as listed in 98-WDD-032, have been resolved.

#### STRETCH (60%)

1. ORP will perform a readiness assessment. Based upon its rating by ORP B2 Decision Manager fee is earned.
  - Rated Ready to Proceed with no outstanding deficiencies on 4/30/00 earn 30%
  - Rated Ready to Proceed with no outstanding deficiencies on 6/15/00 earn 15%
  - Rated Ready to Proceed with no outstanding deficiencies on 7/01/00 earn 5%
2. Develop presentation and training materials by June 30, 2000, to assist in the understanding of the Hanford, Regional, and Congressional community on feed delivery, pretreatment processing, glass production, and glass storage system to facilitate a positive B2 decision from Congress earn 10%.
3. Analyze the impacts of the BNFL April 24<sup>th</sup> deliverables on the contractor's Readiness to Proceed Memorandum. Provide impacts and recommendations to mitigate to the B2 Decision Manager by May 31, 2000. Earn 20%.

#### NEGATIVE (100%)

- Rated Ready to Proceed with no outstanding deficiencies on 7/15/00 lose 10%
- Rated Ready to Proceed with no outstanding deficiencies 7/16/00 - 8/24/00 lose 1%/day until deficiencies are eliminated
- Rated Ready to Proceed with no outstanding deficiencies after 8/24/00 lose 2% per day until deficiencies are eliminated

**FY 2000 PERFORMANCE INCENTIVE****SECTION 4**  
**Performance Requirements**

**DEFINE COMPLETION:** *(Specify Performance Elements and describe indicators of success (quality/progress). Include baseline documentation/data against which completion documentation should be compared.)*

**STANDARD:**

1. The Memorandum will describe the approach taken for providing evidence of the Contractor's readiness to proceed to Phase 1 B-2 and serve as the executive summary. The memorandum will include:
  - A. Key Enabling Assumptions
  - B. Critical risk list and handling actions
  - C. Financial and Schedule Risk Analysis
  - D. Manageable list of deficiencies, corrective action plan for each, including date for closure.

The Memorandum will state that the contractor can:

- Provide waste feed to the privatization contractor in the specified amounts to the specified place at the required time.
  - Provide infrastructure to the privatization contractor as specified in the final privatization contract and the Interface Control Documents.
  - Ensure that it will be prepared for receiving, storing and disposing of immobilized waste products
  - Ensure that it will be prepared for receiving, managing, treating and disposing of byproducts from private contractors
  - Ensure that the contractor can support alternatives other than the current baseline
  - Ensure required administrative actions (e.g., permits, etc.) are in place
2. A and B  
The Criteria Review Assessment Documents will be used to evaluate the Integrated Schedule and other Support Documents. Provide a report to the B2 Decision Manager regarding the resolution of the eight recommendations made in 98-WDD-032.

**STRETCH:**

The Contractor's Readiness to Proceed will be assessed for deficiencies by the following:

Contractor's Memorandum of Readiness to Proceed

1. External Independent Review Team, Criteria Review Assessment Documents (CRADs) developed by ORP.
2. Submit presentation and training materials consisting of a CD ROM on feed delivery, pretreatment processing, glass production, and glass storage system together with fact sheets on key aspects of the waste feed delivery system by June 30, 2000. These materials will be used to facilitate a B2 decision from Congress.
3. Impact Analysis will be a qualitative evaluation analysis of the differences between the contractor's and BNFL deliverables (e.g. dates, planning assumptions, etc.) and recommend a solution. Submittal will be presentation materials.

**DEFINITIONS:** *(define terms)*

Deficiency – a condition which if left uncorrected or unimproved would preclude, in the opinion of the ORP B2 Decision Manager, a defensible Readiness to Proceed declaration.

**COMPLETION DOCUMENTS LIST:** *(Name the Documents, Databases, etc., which will be submitted to show completion for each Performance Expectation.)*

Readiness-to-Proceed Memorandum; Integrated Resource-Loaded Schedule; Specific RTP Supporting Documents: TWRS Operations Utilization Plan; Staffing Plan; Configuration Management Plan; Quality Assurance Program Plan; Safety Program Plan; Environmental Program Plan; Technical Baseline Summary; Draft Project Execution Plan; Letter report on Major Recommendations on RTP evidence package; Baseline evaluation of waste fee delivery rates and impacts; and training materials.

**ASSUMPTIONS/TECHNICAL BOUNDARY CONDITIONS:** *(For reasonably foreseeable impacts to performance that are not within control of Contractor. If the assumption or condition proves false, the remedy is renegotiations unless stated otherwise.)*

- Contractor may access CRADs on drive \\AP006\RPPSHARED\INF. Complete set of CRADs will be available by December 31, 1999. The contractor may suggest improvements to CRADs up until February 29, 2000.
- Review Comment Record process will be used to close out deficiencies.
- ORP will provide written guidance to CHG, on constrained funding level assumptions and priorities, no later than 2/29, 2000.
- Only changes to RTP programmatic and technical assumptions, as result of the constrained funding, will be analyzed for the constrained funding analysis.
- No special approvals are required for producing the presentation and training materials.
- Gap Analysis will be performed against BNFL deliverables received by CHG by April 25, 2000.

**FY 2000 PERFORMANCE INCENTIVE**

**SECTION 5  
Signatures**

\_\_\_\_\_  
Manager, ORP/Date

\_\_\_\_\_  
President and RPP General Manager, CHG/Date

\_\_\_\_\_  
ORP Contracting Officer/Date

\_\_\_\_\_  
CHG Contract Representative/Date

**FY 2000 PERFORMANCE INCENTIVE**

**SECTION 1  
General Information**

Descriptive Short Title: Project Integration Office (PIO) Deliverables

Project Baseline Summary (PBS): TW10

Maximum Available Incentive Fee: \$800,000

Type: Regular Stretch

**SECTION 2  
Technical Contacts**

ORP Point of Contact: Donald H. Alexander, 372-2453

Contractor Point of Contact: Carolyn C. Haass, 372-0803

**SECTION 3  
Performance Expectations and Earning Schedule**

**GENERAL REQUIREMENTS:** In order to earn incentive fee under this Performance Incentive (PI), the Contractor shall:

1. Meet the specific completion criteria and expectations set forth in this Performance Incentive; and
2. Not incur any unfavorable cost variance  $[(BCWP-ACWP)/BCWP]$  less than -5.0 percent, or incur any unfavorable schedule variance  $[(BCWP-BCWS)/BCWS]$  less than -7.5 percent, measured at the Project Baseline Summary level identified in Section 1, at the end of FY 2000.

**REGULAR (55%)**

NUMBER	DELIVERABLE DESCRIPTION	DUE DATE	FEE
1.	Requirements Management:	May 15, 2000	25%
	A. Data		
	B. Tool capability, training processes		
2.	Integrated Baseline		
	A. Initial River Protection Project Integrated Mission Schedule	April 15, 2000	5%
	B. Updated River Protection Project Integrated Mission Schedule	June 15, 2000	10%
	C. Final River Protection Project Integrated Mission Schedule	August 4, 2000	15%

**STRETCH (45%)**

Based upon a rating assigned by the Office of River Protection (ORP) Manager after the end of Fiscal Year 2000, the Contractor may earn up to 45% of the fee assigned to this Performance Incentive. Areas of assessment for rating will include:

1. The Contractor made timely delivery of the products and/or services for which it was responsible, as described in authorized PIO Technical Basis Review (TBR) packages.
2. The Contractor has provided effective project management capabilities and tools for PIO issue resolution.
3. The Contractor has been a positive influence on the PIO team.

Rating	Fee
Unsatisfactory	0%
Satisfactory	1% to 25%, based upon the ORP-PIO Manager's assessment of criteria stated above.
Outstanding	26 to 45%, based upon the ORP-PIO Manager's assessment of criteria stated above.

**SECTION 4  
Performance Requirements**

**DEFINE COMPLETION:** *(Specify Performance Elements and describe indicators of success (quality/progress).*

1. Requirements Management
  - A. Requirements management "data" is complete when a requirements source document tree baseline of existing requirements, challenge criteria and procedure, requirements management procedure and requirements improvement plan are delivered to the ORP. The deliverables shall meet the task descriptions stated in TBRs 800.220 and 800.240 (or future authorized revisions to the two TBRs).
  - B. Requirements management "Tool capability, training and processes" are complete when:
    - 1) Two file servers (one production/one backup) and the "Dynamic Object Oriented Requirements System" (DOORS) software or equivalent has been installed, tested, and readied for the production environment for management of a technical requirement baseline within the PIO. Verified by the Production Readiness Review Board (PRRB);
    - 2) The available set of River Protection Project source documents, defined by the Requirements Management Team, with associated attributes is entered into the DOORS database.
    - 3) Completed DOORS Software Training for essential PIO personnel in the use and application of the system.
2. Integrated Baseline
  - A. The Initial RPP Integrated Mission Schedule will be complete when provided in conformance with the specification listed in Assumptions.
  - B. The Updated Integrated Mission Schedule will be complete when provided (utilizing planning information from the April 24, 2000 CHG Certification of Readiness submittal and the BNFL deliverables) in conformance with the specification listed in Assumptions.
  - C. The Final RPP Integrated Mission Baseline will be complete when the Updated Integrated Mission Schedule is revised based upon expected funding constraints and final BNFL data. The Final must meet the descriptions stated in TBRs 800.400 and 800.420, and 800.410 (or future authorized revisions to these three TBRs) and conform to the specification listed in assumptions.

**DEFINITIONS:** *(define terms)*

Integrated Mission Baseline -- The Integrated Mission Baseline will include key milestones, key decisions, logic, and critical path and will have as backup information key enabling assumptions, issues, risks, and cost information.

**COMPLETION DOCUMENTS LIST:** *(Name the Documents, Databases, etc., which will be submitted to show completion for each Performance Expectation.) (See "Define Completion" above)*

**ASSUMPTIONS/TECHNICAL BOUNDARY CONDITIONS:** *(For reasonably foreseeable impacts to performance that are not within control of Contractor. If the assumption or condition proves false, the remedy is renegotiations unless stated otherwise.)*

- ORP, CHG and BNFL will mutually agree to a specification for the Integrated Mission Baseline by 2/15/00. The specification will:
- Describe the level of detail for the WBS and Logic for the Initial, Update and Final Mission Schedule
  - Provide the definition of critical path

**SECTION 5  
Signatures**

\_\_\_\_\_  
Manager, ORP/Date

\_\_\_\_\_  
President and General Manager, CHG/Date

\_\_\_\_\_  
ORP Contracting Officer/Date

\_\_\_\_\_  
CHG Contract Representative/Date