



Department of Energy
Richland Operations Office
P.O. Box 550
Richland, Washington 99352

00-PRO-700

AUG 31 2000

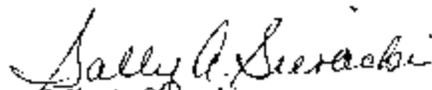
Mr. R. D. Hanson, President
Fluor Hanford, Inc.
Richland, Washington 99352

Dear Mr. Hanson:

CONTRACT NO. DE-AC06-96RI13200 – EXECUTION OF CONTRACT MODIFICATION
M112

Enclosed for your files is one fully executed original of contract modification M112,
including one duplicate original of Fiscal Year 2000 Performance Incentive FDII-CP-3, Retrieve
and Ship TRU Offsite, Revision 2. If you have any questions regarding this matter, please
contact me at (509) 376-8948.

Sincerely,


Sally A. Spracki
Contracting Officer

PRO:GFC

Enclosures

cc w/encls:
J. L. Jacobsen, FHI

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT			1. CONTRACT ID CODE	PAGE OF PAGES 1 6
2. AMENDMENT/MODIFICATION NO. M112	3. EFF. DATE August 31, 00	4. REQUISITION/PURCHASE REQ. NO.	5. PROJECT NO. (If applicable)	
6. ISSUED BY U.S. Department of Energy Richland Operations Office 825 Jadwin Avenue MSIN A7-8C Richland WA 99352		7. ADMINISTERED BY (If other than Item 6) CODE		
8. NAME AND ADDRESS OF CONTRACTOR (No., street, county, State and Zip Code) Fluor Hanford, Inc 2420 Stevens Drive P.O. Box 1000 Richland WA 99352			9A. AMENDMENT OF SOLICITATION NO.	
CODE 12345678 FACILITY CODE			9B. DATED (SEE ITEM 11)	
			10A. MODIFICATION OF CONTRACT/ORDER NO. X DE-AC05-06RL13200	
			10B. DATED (SEE ITEM 13) 08/05/1996	

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

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 data, 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: Clause H.41: Performance Objectives, Measures, Expectations
D. OTHER (Specify type of modification and authority)
E. IMPORTANT: Contractor <input type="checkbox"/> is not <input checked="" type="checkbox"/> is required to sign this document and return 2 copies to issuing office.

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

The purpose of this modification is to incorporate Fiscal Year 2000 Performance Incentive PDH-CP-3, Relieve and Ship TRU Office, Revision 2 into Part III, Section J, Appendix D of the contract.

<p>Except as provided herein, all terms and conditions of the solicitation, as amended in Item 9A or 10A, as heretofore changed, remains unchanged and in full force and effect.</p>			
<p>15A. NAME AND TITLE OF SIGNER (Type or print) Ron D. Hanson President and Chief Executive Officer</p>		<p>16A. NAME AND TITLE OF CONTRACTING OFFICER (Type or print) Sally A. Sieracki</p>	
<p>15B. CONTRACTOR/OFFEROR <i>Ron D. Hanson</i> (Signature of person authorized to sign)</p>		<p>15C. DATE SIGNED 8/14/00</p>	
<p>15D. UNITED STATES OF AMERICA BY: <i>Sally A. Sieracki</i> (Signature of Contracting Officer)</p>		<p>15E. DATE SIGNED 31 Aug 00</p>	

FY 2000 PERFORMANCE INCENTIVE: Retrieve and Ship TRU Offsite

**SECTION 1
 GENERAL INFORMATION**

**DUPLICATE
 ORIGINAL**

Performance Incentive Number: FDH-CP-3
 Performance Incentive Short Title: Retrieve and Ship TRU Offsite
 Revision Number & Date: Rev. 2, 7/20/00
 Maximum Available Incentive Fee: 14% of (available fee in Contract Clause B.4 minus \$3M)
 Performance Incentive Type: Regular Stretch Superstretch
(check appropriate box)

**SECTION 2
 PERFORMANCE OUTCOMES**

Check appropriate box:

- Outcome #1: Restore the River Corridor for multiple uses
- Outcome #2: Transition Central Plateau to support long-term waste management
- Outcome #3: Put DOE Assets to work for the future

**SECTION 3
 PERFORMANCE OBJECTIVE (S), MEASURES AND EXPECTATION (S)**

List associated performance objectives, measures, and performance expectations for FY00, FY01 & FY02. Identify associated PBS #' for each performance objective and/or measures as appropriate.

Performance Objective: Retrieve and Ship TRU Offsite

PBS RL - WM04

Measure 1 - # of drums retrieved

<u>Expectation(s)</u>	<u>Regular</u>	<u>Stretch</u>
FY00	unfunded	at least 425
FY01	unfunded	N/A
FY02	unfunded	N/A
FY03 to completion	35,416	N/A

Measure 2 - TRU and/or TRUM certification for shipment to Waste Isolation Pilot Plant (WIPP)

2.a. Complete draft TRU PMP (Support IAW TPA Milestone M-91-03)

<u>Expectation(s)</u>	<u>Regular</u>	<u>Stretch</u>
FY00	unfunded	6/30/00

2.b. Effective # of TRU and/or TRUM containers processed

<u>Expectation(s)</u>	<u>Regular</u>	<u>Stretch</u>
FY00	500	N/A
FY01	TBD	N/A
FY02	TBD	N/A
FY03 to completion	77,091	N/A

FY 2000 PERFORMANCE INCENTIVE: Retrieve and Ship TRU Offsite

2.c. Cubic meters of TRU and/or TRUM certified for shipment to WIPP

<u>Expectation(s)</u>	<u>Regular</u>	<u>Stretch</u>
FY00	at least 22	N/A
FY01	at least 55	N/A
FY02	TBD	N/A
FY03 to completion	14,850	N/A

DUPLICATE
ORIGINAL**SECTION 4
FEE SCHEDULE***Identify fee schedule by performance objective and/or measure(s)***Stretch** = 30% of the fee available for this Performance Incentive

Measure 1 - 20% of the fee available for this Performance Incentive

Measure 2 -

Expectation 2.a - 10% of the fee available for this Performance Incentive**Regular** = 70% of the fee available for this Performance Incentive

Measure 2 -

Expectation 2.b - 17.5% of the fee available for this Performance Incentive for at least 400 "effective" TRU and/or TRUM containers or 35% of the fee available for this Performance Incentive for at least 500 "effective" TRU and/or TRUM containers.**Expectation 2.c** - 17.5% of the fee available for this Performance Incentive for at least 17.6 cubic meters or 35% of the fee available for this Performance Incentive for at least 22 cubic meters of TRU and/or TRUM certified for shipment to WIPP.

Note: Fiscal Year 01 to completion is provided for future planning purposes only. No fee is assigned to these items in FY00.

**SECTION 5
PERFORMANCE REQUIREMENTS****PREVIOUS YEAR'S GATEWAY** Describe previous year's gateway (if applicable) that must be completed before fee can be paid under this performance measure. The requirements listed below are the gateway only requirements for this Performance Measure.*(N/A in FY 2000)***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 $[(BCWP-ACWP)/BCWP]$ greater than 5.0 percent, or incur any unfavorable schedule variance $[(BCWP-BCWS)/BCWS]$ greater than 7.5 percent, measured at the Project Baseline Summary level at the end of FY 2000.

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

Measure 1 - In support of TPA Milestones M-91-04/07, the contractor shall complete the retrieval of a minimum of 425 suspect-TRU drums in the Low-Level Burial Grounds by September 30, 2000. The drums do not have to be removed from the Low Level Burial Grounds to meet this completion criterion.

FY 2000 PERFORMANCE INCENTIVE: Retrieve and Ship TRU Offsite**DUPLICATE
ORIGINAL**

Measure 2 Expectation 2.a - To support meeting the requirements of TPA Milestone M-91-03, the contractor shall complete a draft final Hanford Site TRU/TRUM Project Management Plan (PMP) and transmit to RL by May 22, 2000. The PMP shall be prepared in accordance with the requirements of TPA Action Plan Section 11.5.

Expectation 2.b - The Contractor shall complete processing a minimum of 500 "effective" TRU and/or TRUM containers by September 30, 2000.

Expectation 2.c - The Contractor shall complete certification for shipment of a minimum of 22 cubic meters of TRU and/or TRUM by September 30, 2000.

DEFINITIONS: (define terms)

LLW - Low Level Waste

TRU - Transuranic Waste

TRUM - Transuranic Mixed Waste

Measure 1 - Retrieval shall consist of removing the drums from the stack and making a waste designation as to TRU or LLW, either by assaying the drums or through a RL-approved alternate methodology. Retrieval as used in this Performance Incentive does not include removal of the drums from the Low Level Burial Grounds.

Measure 2 - Expectation 2.a None

Expectation 2.b -

1. TRU and/or TRUM container processing is defined as containers processed in accordance with the Hanford Site Quality Assurance Project Plan (QAPjP) and the Hanford Site TRU Waste Certification Plan (Cert. Plan).
2. Processing one "effective" TRU and/or TRUM container is defined as completing Non Destructive Examination (NDE), Non Destructive Assay (NDA), and Headspace Gas Analysis activities. Completion of any one activity equals 1/3 "effective" TRU and/or TRUM containers processed. (This allows for processing efficiency based upon project needs for certification and shipment of TRU and/or TRUM containers.)

Expectation 2.c -

1. One cubic meter of TRU or TRUM is defined as five 55-gallon drums containing TRU and/or TRUM, or 1.25 standard waste boxes containing TRU and/or TRUM.
2. Certification for shipment to WIPP for TRU and/or TRUM containers for which NDE and Visual Examination data was collected November 26, 1999 or later is defined as completing the necessary characterization, and data validation activities, as noted by completing Attachment 2 (Reconciliation with Data Quality Objectives) of WMH-400, Section 7.1.1, for each container of TRU and/or TRUM.
3. Certification for shipment to WIPP for TRU and/or TRUM containers for which NDE and Visual Examination data was collected before November 26, 1999 is defined as completing the necessary characterization and NDA and Headspace Gas Analysis data validation activities.

FY 2000 PERFORMANCE INCENTIVE: Retrieve and Ship TRU Offsite**DUPLICATE
ORIGINAL**

COMPLETION DOCUMENTS LIST: *(In addition to the Completion Notice the document(s) that should be submitted/data that should be available/actions to be taken by evaluator, to determine actual performance to the requirements stated above).*

Measure 1 - The contractor shall submit a letter report to RL by October 20, 2000, documenting the number of drums retrieved by their associated package identification number (PIN) and the waste designation (LLW or TRU) of the drums.

Measure 2 - Expectation 2.a - The contractor shall submit to RL, by May 22, 2000, a final draft of the TRU/TRUM PMP in accordance with the requirements in TPA Action Plan Section 11.5.

Expectation 2.b - The contractor shall provide a letter report to RL by October 20, 2000, documenting the quantity of "effective" TRU and/or TRUM containers processed by Container Identification Number (CIN) and each associated process activity completed during FY 2000.

Expectation 2.c - The contractor shall submit a letter report to RL by October 20, 2000, documenting (by CIN) the cubic meters of TRU and/or TRUM certified for shipments to WIPP. In addition, the contractor shall submit complete Attachment 2 (Reconciliation with Data Quality Objectives) of WMH-400, Section 7.1.1, for each container of TRU/TRUM.

ASSUMPTIONS/TECHNICAL BOUNDARY CONDITIONS AND REMEDY STATED: *(For reasonably foreseeable impacts to performance, which are not covered under the Contract. If the assumption or condition proves false the remedy shall be in effect. If remedy is not possible the next step is renegotiation).*

Measure 1 - None

Measure 2 - Expectation 2.a - None

Expectation 2.b - Processing is completed in accordance with existing project requirements. If additional unforeseen Carlsbad Area Office (CAO) or regulatory agency characterization/certification requirements are needed, the completion criteria will be reassessed and the program will be re-baselined per RL direction.

Expectation 2.c - If additional unforeseen CAO or Regulatory agency characterization/certification requirements are needed, the completion criteria will be reassessed and the program will be re-baselined per RL direction.

FY 2000 PERFORMANCE INCENTIVE: Retrieve and Ship TRU Offsite

ORIGINAL
DUPLICATE
ORIGINAL

SECTION 6
SIGNATURES

[Signature]

E.S. Arami, Vice President
Waste Management Project

8/09/00
Date



[Signature]

R.D. Hanson, President & CEO
Fluor Hanford, Inc.

8/14/00
Date

LEGAL

[Signature]

H.F. Bilson, Assistant Manager
Environmental Restoration and Waste Management

8/30/00
Date

[Signature]

K.A. Klein, Manager
Richland Operations Office

8/25/00
Date



Department of Energy
 Richland Operations Office
 P.O. Box 550
 Richland, Washington 99352

00-PRO-700

AUG 31 2000

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 Fluor Hanford, Inc.
 Richland, Washington 99352

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Sincerely,

ORIGINAL SIGNED BY:

Sally A. Sieracki
 Contracting Officer

PRO:GFC

Enclosures

cc w/encls:
 J. L. Jacobsen, FHI

bcc w/encls:
 PRO Off File
 PRO Rdg File
 CCC Rdg File
 G. F. Champlain, PRO
 Record Note: None
 H:\Phum\Mods\M112\Mod M112ExecutionLtr

RECEIVED

**SEP 05 2000
 DOE RL/CCC**

Office >	PRO <i>JS</i>	PRO <i>JS</i>			
Surname >	CHAMPLAIN	SIERACKI			
Date >	8/29/00	31 Aug 00			

(Please return to Ros c Garza 6-7736 A7-60/FED FAX 6-5378)

Document No 22073