

**Contract Management Plan
Office of River Protection
Hanford 222-S Laboratory Analysis and Testing Services
Contract No. DE-EM0003722
November 4, 2015**

Concurrences:



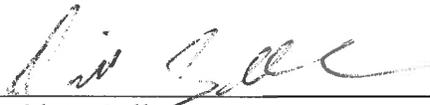
Thomas W. Fletcher
Federal Project Director, Tank Farms Project
Office of River Protection, (509) 376-3434

2/26/16
Date



Marc T. McCusker
Procurement Director
Office of River Protection, (509) 376-2760

2/25/16
Date



David A. Gallegos
Site Office Contracting Officer
Office of River Protection, (509) 376-1929

2-25-16
Date

TABLE OF CONTENTS

1.0	PURPOSE OF PLAN	5
2.0	CONTRACT SUMMARY AND BACKGROUND FOR THE SCOPE OF WORK	5
3.0	IDENTIFICATION OF KEY CONTRACT MANAGEMENT TEAM MEMBERS, INCLUDING AUTHORITIES AND LIMITATIONS	9
3.1	Contracting Officer (CO)	9
3.2	Contracting Officer's Representative (COR)	10
3.3	Legal Counsel/Litigation	11
3.4	Property Administrator (PA)	11
3.5	Accounting and Finance	12
3.6	Industrial Relations (IR)/Human Resources (HR)	13
3.7	Technical Monitors.....	14
3.8	Federal Project Director (FPD)	14
4.0	CONTRACT MANAGEMENT PROCESSES	15
4.1	Contract Transition Planning.....	15
4.2	Contract Communication Protocol	15
4.2.1	Formal Communications with the Contractor	15
4.2.2	Informal Communications with the Contractor.....	16
4.2.3	Outside Communications	16
4.3	Government Furnished Property	17
4.4	Inspection/Surveillance and Acceptance Processes	17
4.5	Stop-work Authorities	18
4.6	Contract Payment Method.....	18
4.7	Performance Evaluation Measurement Plan (PEMP) and Fee Administration.....	19
4.8	Project Management Activities and Contract Change Control Process	20
4.9	Review of Contractor's Request for Equitable Adjustment (REA)	21
4.10	Contractor Litigation Management Plan	21
4.11	Contractor Human Resource Management	21
4.12	Contract Records	22
4.13	Contract Closeout.....	22
4.14	Continuity of Operations	22
5.0	CONTRACT DELIVERABLES	23
6.0	KEY CONTRACT VULNERABILITIES OR PERFORMANCE RISK AREAS	23
7.0	CONTRACTOR PAST PERFORMANCE REPORTING REQUIREMENTS.....	24
8.0	CONTRACTOR ASSURANCE SYSTEM.....	25
9.0	UNIQUE CONTRACT TERMS AND CONDITIONS AND DEVIATIONS	26
10.0	OTHER SPECIAL EMPHASIS AREAS	27

Terms

CAO	Contract Administration Office
CFR	Code of Federal Regulations
CLIN	Contract Line Item Number
CMP	Contract Management Plan
CMT	Contract Management Team
CO	Contracting Officer
COR	Contracting Officer's Representatives
CPAR	Contractor Performance Assessment Report
CPARS	Contractor Performance Assessment Report System
CPM	Contract and Property Management Division
DOE	U.S. Department of Energy
DST	Double-shell tanks
ECD	Environmental Compliance Division
FAR	Federal Acquisition Regulation
FAST	Financial Accounting Support Tool
FDO	Fee Determining Official
FPD	Federal Project Director
FY	Fiscal Year
GFS/I	Government-Furnished Services/Information
HCA	Head of Contracting Activity
HASQARD	Hanford Analytical Services Quality Requirements Document
HQ	U.S. Department of Energy Headquarters
HPMC	HPM Corporation (provider of occupational health services at the Hanford site)
IH	Industrial Hygiene
IPT	Integrated Project Team
IR/HR	Industrial Relations/Human Resources
LA&TS	Laboratory Analysis and Testing Services
MSA	Mission Service Alliance
MSC	Mission Support Contract
NTE	Not-To-Exceed
NSD	Nuclear Safety Division
ORFSC	Oak Ridge Financial Service Center
ORP	Office of River Protection
PD	Procurement Director
PEMP	Performance Evaluation and Measurement Plan
PPIRS	Past Performance Information Retrieval System
REA	Request(s) for Equitable Adjustment
RL	Richland Operations Office
RPP	River Protection Project
QAD	Quality Assurance Division
SHD	Safety and Health Division
TECC	Total Estimated Cost of Completion
TOC	Tank Operations Contract
TOD	Tank Farms Operations Division

TPD
WRPS
WTP

Tank Farms Programs Division
Washington River Protection Solutions
Waste Treatment and Immobilization Plant

1.0 PURPOSE OF PLAN

The purpose of this Contract Management Plan (CMP) is to provide guidance to the U. S. Department of Energy (DOE), Office of River Protection (ORP) employees involved with the management and administration of Laboratory Analytical Testing and Services (LA&TS) Contract No. DE-EM0003722 to Wastren Advantage, Inc. The guidance is intended to ensure that ORP and the Contractor comply with all terms and conditions of the contract. This CMP was developed with the guiding principles that it:

- Shall be a useful tool for administering the contract
- Shall be an executive summary of the roles and responsibilities of the contracting parties
- Shall identify who is responsible for various contract administration activities
- Shall be flexible and adapt to changing circumstances

It is important to remember that the goal of the CMP is to identify activities that need to be performed by ORP employees in managing and administering the 222-S Laboratory Analytical Services Contract; however, this CMP does not include every action that ORP employees must take to make the contract successful. Instead it summarizes the higher-level requirements, deliverables, and tasks necessary and describes the overall process with which the tasks are performed. Although it describes the various contract management processes and how they fit together, it does not contain all of the step-by-step details of those processes. Therefore, this CMP should be used in conjunction with all ORP processes and procedures, to include specific desk instructions and associated documents. This being said, familiarization with this CMP and its related links is vital to all ORP employees involved in the management and administration of the 222-S Laboratory Analytical Services Contract. Therefore, each staff member involved in the oversight of this contract is required to read it.

Disclaimer

This CMP is intended solely to provide guidance to the Government employees and should not be construed to create any rights or obligations on the part of any person or entity, including the Contractor and its employees. It is not intended to be either prescriptive or inclusive of all actions necessary to support and/or administer the contract.

2.0 CONTRACT SUMMARY AND BACKGROUND FOR THE SCOPE OF WORK

ORP is responsible for the cleanup of the Hanford site under the River Protection Project (RPP). The Hanford Site is located along the Columbia River in Southeastern Washington State. The site covers 586-square-miles and consists of a plutonium production complex with nine nuclear reactors and associated processing facilities. The mission of ORP under the RPP is twofold and is accomplished through the direction of the following project teams:

- Waste Treatment Plant (WTP) project scope of work includes the design, construction, and commissioning of a vitrification facility. The goal of this project is to convert radioactive tank wastes into glass logs for long-term storage. This scope of work is accomplished through the administration and management of Contract No. DE-AC27-01RV14136 with Bechtel National, Inc. (BNI).
- Tank Farms Project scope of work includes the storage, retrieval, and treatment of Hanford tank waste. The goal of this project is to close the tank farm waste management areas for the protection of the Columbia River Valley ecosystem. This scope of work is accomplished through the administration and management of the following contracts:
 - Tank Operations Contract (TOC) No. DE-AC27-08RV14800 with Washington River Protection Solutions, LLC (WRPS): The scope of work of this contract includes operation and construction activities necessary to store, retrieve, and treat Hanford tank waste. The scope of work also includes the storage and disposal of treated waste for the closure of the tank waste management area.
 - 222-S Laboratory Analytical Services Contract No. DE-EM0003722 with Wastren Advantage, Inc. (WAI): The scope of work of this contract is for the analysis of samples in support of the Hanford Site Projects.

This CMP is concerned with the management and administration of the 222-S Laboratory Analysis and Testing Services Contract. The 222-S Laboratory Services Contract is a Hybrid contract that includes Fixed-Price with Award Fee, Cost-Reimbursement, and Labor Hour portions. This contract applies performance-based contract approaches to encourage the Contractor to innovate and implement techniques that emphasize safe, efficient, and measureable results.

Details pertaining to this contract are as follows:

Contractor Name:	Wastren Advantage, Inc.
Contract Number:	DE-EM0003722
Contract Title:	222-S Laboratory Analysis and Testing Services
Performance Period:	9/21/2015 – 9/21/2017
Total Contract Value:	\$44,562,457.09
Contractor Key Personnel:	Listed in the Contract Clause <i>Key Personnel</i>
*The total funds obligated to the contract is located in the table in Section B, <i>Supplies or Services and Prices/Costs</i> , Contract Clause B.01, <i>Type of Contract – Items Being Acquired</i> .	

The purpose of this contract is to perform the analytical services production functions of receiving, handling, analyzing, storing samples, performing special tests and reporting the results of these analyses and tests to the Contractors of DOE offices at the Hanford Site. Analysis as described herein includes approximately 15,000 to 25,000 inorganic, organic and radionuclide analyses. The sample analysis is performed on intermediate to high level radioactive and/or

hazardous samples received from multiple locations and entities on the Hanford Site. The scope of work included in the contract is as follows:

- Plan analytical work using priorities from customers. This planning incorporates the use of these priorities and the analytical data requirements of customers and the Hanford Analytical Services Quality Requirements Document (HASQARD). Additionally, the workload of the 222-S Laboratory will be managed in accordance with those criteria. Planning also includes readiness to perform new analyses and testing when these are defined by the customers.
- Receive samples that are usually highly radioactive.
- Prepare samples that are usually highly radioactive for analysis.
- Record and track all samples and related waste materials.
- Perform chemical and radionuclide analyses using necessary quality control and quality assurance.
- Report the results and archive sample remainders as required by the customer. Results shall be reported to meet customer's specified needs. The most common formats for Required Data Reporting are as follows:
 - Fully Validatable Data Package including raw data and Data Summary Reports
 - Summary Data Package including Data Summary Reports
 - Summary Data Package with Quality Assurance (QA) and Data Upload including Data
 - Prepare and submit final reports, QA qualifiers, and defined electronic deliverables
- Provide assistance in developing special test methods to perform in the 222-S Laboratory.
- Interface closely with appropriate Hanford providers for facility needs, infrastructure, services, and work systems/processes so that the overall Hanford program and objectives remain consistent among all prime contractors.
- Use the currently installed Laboratory Information Management System (OmniLIMS) for sample tracking, records and data gathering and reporting.
- Provide Standards Laboratory services for the Hanford Site. This shall include preparation and maintenance of required chemical and radionuclide standards and reagents.
- Provide annual projections for labor and equipment needs.
- Develop, maintain, and implement a nuclear materials safeguard and security program.
- Develop an Integrated Safety Management System (ISMS). The ISMS will be limited to the scope of this contract and describe interfaces and interactions with safety programs of other contractors. The ISMS shall be developed by the Contractor and implemented in coordination with the Tank Operations Contractor's (TOC) ISMS to provide overall Integrated Safety Management for the 222-S complex.

These services support cleanup and closure of the Hanford Site and are a critical activity in achieving closure goals of all Hanford projects. The base period of performance for this contract is twenty-four (24) months from written Notice to Proceed. The base period of performance includes a two (2) month contract transition period and twenty-two (22) months of Laboratory Operations. The contract includes three (3) one-year option periods. The following describes the individual contract line items (CLIN) included in the contract:

TOTAL CONTRACT COST			
CLIN Number	Description	Fixed Price/ Estimated Cost	Type
00001	Contract Transition	\$334,187.94	Fixed-Price
00002	Laboratory Operations – Base	\$12,563,843.73	Fixed-Price
00003	Award Fee- Base	\$314,096.09	N/A
00004	Work Surges –Base	\$264,726.53	Labor Hour
00005	Pension and Benefit Employer Costs	\$3,473,500.00	Cost- Reimbursement
00006	Laboratory Operations – Option 1	\$7,022,503.78	Fixed-Price
00007	Award Fee – Option 1	\$175,562.59	N/A
00008	Work Surges – Option 1	\$136,380.02	Labor Hour
00009	Pension and Benefit Employer Costs	\$1,731,500.00	Cost- Reimbursement
00010	Laboratory Operations – Option 2	\$7,209,483.70	Fixed-Price
00011	Award Fee – Option 2	\$180,37.09	N/A
00012	Work Surges- Option 2	\$139,815.30	Labor Hour
00013	Pension and Benefit Employer Costs	\$1,620,100.00	Cost- Reimbursement
00014	Laboratory Operations – Option 3	\$7,412,468.10	Fixed-Price
00015	Award Fee – Option 3	\$185,311.70	N/A
00016	Work Surges – Option 3	\$143,340.51	Labor Hour
00017	Pension and Benefit Employer Costs	\$1,655,400.00	Cost- Reimbursement
TECC (FIXED PRICE, ESTIMATED COST & ESTIMATED FEE)		44,562,457.09	

Work under the Contract Transition and Laboratory Operations CLINs 00001, 00002, 00006, 00010, and 00014 is performed on a Fixed Price basis. Award fee only applies to CLINs 00002, 00006, 00010 and 00014. The total estimated amount provided in CLINs 00004, 00008, 00012 and 00016 is for work surges in Laboratory Operations that may occur and shall be reimbursed on a labor-hour basis. The Contracting Officer (CO) must authorize work under CLINs 00004, 00008, 00012 and 00016 in order for costs under these CLINs to be allowable. The amounts provided in CLINs 00005, 00009, 00013, and 00017 are estimates and will be performed on a cost-reimbursement basis.

3.0 IDENTIFICATION OF KEY CONTRACT MANAGEMENT TEAM MEMBERS, INCLUDING AUTHORITIES AND LIMITATIONS

The ORP will be the Contracting Activity (CA) and the Contract Administration Office (CAO) responsible for the management and administration of this contract. The ORP Contract Management Team (CMT) is the group within the CAO that has the primary responsibility for assuring that the Contractor delivers the products and services necessary to support successful program element completion. The CMT will involve other personnel and/or subject matter experts, as necessary.

The CMT is an informal matrix organization coordinated by CO with support from the Tank Operations Integrated Project Team (IPT) and other ORP and Richland Operations Office (RL) functional areas. It consists of the following members, each appointed by the director of the indicated organization:

- CO: ORP Contract and Property Management Division (CPM)
- Contracting Officer's Representatives (COR): Tank Farms Programs Division (TPD)
- Legal Counsel/Litigation COR: RL Chief Counsel
- Property Administrator: ORP CPM
- Accounting and Finance: RL Finance Division and the Budget Division
- Industrial Relations (IR) / Human Resources (HR): RL Industrial Relations Team
- Technical Monitors: Tank Farms Programs Division (TPD), Nuclear Safety Division (NSD): Environmental Compliance Division (ECD), Safety and Health Division (SHD), and Quality Assurance Division (QAD)
- Federal Project Director: Tank Farms Project (TFP) Federal Project Director (FPD)

3.1 Contracting Officer (CO)

The principal CO for Contract No. DE-EM0003722 is as follows:

U.S. Department of Energy
Office of River Protection
David A. Gallegos
Contracting Officer
P.O. Box 450, MSIN H6-60
Richland, WA 99352
Phone: (509) 376-1929

Other warranted COs may execute contractual actions consistent with their delegated authorities.

Pursuant to Federal Acquisition Regulation (FAR) 1.601(a), the CO has the authority to enter into, administer, and terminate contractual actions and is responsible for ensuring performance of all necessary actions, to include compliance with the terms and conditions of the contract. The authority granted herein is established in the warrant delegated to the CO by the Head of Contracting Authority (HCA) and appointments made under the contract are provided in writing to the contractor. Further, as stated in the Section H Contract Clause *Modification Authority*, the CO is the only authorized individual to accept non-conforming work, waive any requirement of the contract, or modify any term or condition of the contract.

3.2 Contracting Officer's Representative (COR)

The following individuals have designated COR duties under Contract No. DE-EM0003722:

<u>DESIGNATED COR</u>	<u>REFERENCE OF APPOINTMENT</u>
Thomas Fletcher (Primary)	11/03/2015
Ellen Mattlin (Alternate)	11/03/2015

The aforementioned references describe in detail the duties assigned to each individual COR. The director of the Tank Farms Programs Division, Ellen Mattlin, provides routine programmatic and technical direction and serves as primary COR. Contact information is as follows:

U.S. Department of Energy
Office of River Protection
Ellen Mattlin
Contracting Officer's Representative
P.O. Box 450, MSIN H6-60
Richland, WA 99352
Phone: (509) 376-1900

The COR is an authorized representative of the CO and is responsible for providing technical direction to the Contractor in accordance with the Section I contract clause, *DEAR 952.242-70 Technical Direction (DEC 2000)*. The CO issues a written designation letter to the COR that specifies the extent of the COR's authority to act on behalf of the CO. The COR acts solely as a technical representative of the CO and is not authorized to perform any function that results in a change in the scope, price, or terms and conditions of the contract.

3.3 Legal Counsel/Litigation

The principal Legal Counsel/Litigation COR for Contract No. DE-EM0003722 is as follows:

U.S. Department of Energy
Richland Operations Office
Robert M. Carosino
Contracting Officer's Representative – Limited to Litigation Management and Legal Policy
P.O. Box 550, MSIN A4-52
Richland, WA 99352
Phone: (509) 376-2024

The legal counsel/litigation COR has primary responsibility for providing technical direction related to the area of litigation management and legal policy. Legal counsel shall advise the CO on applicable contract administration tasks as follows:

- Contract Modifications (except funding and other non-complex modifications – e.g., key personnel changes, administrative changes, etc.)
- Contract administration issues that involve legal matters – e.g., contract interpretation, contract law, requests for equitable adjustment, change orders, claims, property matters, labor law issues, etc.
- Other issues as determined necessary by the CO.

3.4 Property Administrator (PA)

The principal PA for Contract No. DE-EM0003722 is as follows:

U.S. Department of Energy
Office of River Protection
William C. Sheretz
Property Management
P.O. Box 450, MSIN H6-60
Richland, WA 99352
Phone: (509) 376-4472

The PA is an authorized representative of the CO and is responsible for administering the contract requirements and obligations relating to government property. Activities performed herein include, but are not limited to, the following:

- Evaluates Contractor property management programs;
- Makes recommendations concerning the acceptability of contractor property management systems;

- Develops and applies an oversight program and resolves property administration issues; and
- Advises the CO and the Organizational Property Management Officer (OPMO) of any contractor noncompliance with approved procedures, or other significant problems that cannot be resolved, and recommends appropriate action.

Contract requirements relating to the management of government property are further defined in the Section I contract clause, *FAR 52.245-1 Government Property (APR 2012) ALT I. (APR 2012)*.

3.5 Accounting and Finance

The principal Accounting and Finance Representative for Contract No. DE-EM0003722 is as follows:

U.S. Department of Energy
Richland Operations Office
Phillip A. Dailey
Budget Division
P.O. Box 550, MSIN A7-89
Richland, WA 99352
Phone: (509) 376-2050

The Finance Division and the Budget Division at the RL is responsible for:

- Monitoring the Contractor's accounting system to ensure that it is adequate to meet the requirements under the terms and condition of the contract.
- Executing procedures, policies, and programs related to budgeting, accounting, financial review, and financial analysis activities;
- Coordinating with the Contractor and ORP line organizations for budget preparation and tracking;
- Providing funds control for all ORP funds; and
- Analyzing baseline planned costs vs. monthly actuals to monitor burn rate.

The Accounting and Finance Office shall ensure that exchange of services between site contractors is properly tracked. These exchanges include the following:

- The LA&TS contractor consumes occupational medical services provided by HPMC, an RL-managed contract. This is a usage-based service that is direct-funded by DOE.

- The LA&TS contractor consumes MSA services that are direct-funded by DOE, for example Physical Security, Hanford Fire Department, and Badging.
- The LA&TS contractor purchases MSA usage-based services such as Hazardous Materials Management and Emergency Response (HAMMER) training, telecommunications and computer services, and Dosimetry.

Managing this contract includes developing appropriate oversight mechanisms to ensure that reimbursements for services between DOE offices/projects have a documented basis and are fair and reasonable.

3.6 Industrial Relations (IR)/Human Resources (HR)

The principal IR/HR Representative for Contract No. DE-EM0003722 is as follows:

U.S. Department of Energy
Richland Operations Office
Cindy L. Oliver
Contractor Industrial Relations
P.O. Box 550, MSIN A7-27
Richland, WA 99352
Phone: (509) 376-2216

The Contractor IR/HR Team at RL provides the following support to ORP:

- Administers the RL and ORP workforce restructuring program;
- Monitors Hanford labor relations programs and reviews/coordinates economic bargaining parameters;
- Serves as a member of the Labor Standards Board for review and approval of plant force work reviews;
- Oversees and approves personnel clauses in ORP prime contract;
- Oversees the third-party administration of Hanford contractors' workers' compensation claims;
- Provides lead oversight of the pension and benefits plans for Hanford Site contractors; and
- Provides lead oversight of identified DOE Closure Site legacy pension and benefits plans.

3.7 Technical Monitors

Technical Monitors assist the COR(s) and perform contract administration activities related to award fee determination and management of technical issues and requirements. The performance of these activities is coordinated through the COR and limited in authority as set forth below.

Laboratory Technical Performance: The TPD monitors current and future analytical needs, project scheduling, and whether analytical services are meeting the expectations and needs of the various projects. TPD also evaluates CRD implementation, and reviews accreditation and performance evaluation testing.

Environment, Safety, Health & Quality Assurance: Environmental, safety, health, and quality assurance activities are performed by the ECD, SHD, TOD, and the QAD at ORP. Together, these organizations are responsible for ensuring contractor compliance with applicable laws, standards, regulations, and permits related to environmental, safety, health, and quality performance objectives, including accident investigation.

Nuclear Safety Division (NSD): This division is responsible for safety management programs required to maintain nuclear safety. The NSD Division integrates engineering, criticality safety, and nuclear safety activities across the ORP Project and all RPP scope as a basis for authorization of a fully operational system.

3.8 Federal Project Director (FPD)

The success of the Tank Farms Project for safe storage, retrieval, and closure of Hanford's underground waste tanks relies on critical supporting services provided by the 222-S Laboratory. This contract therefore comes under the general oversight of the Tank Farms FPD:

U.S. Department of Energy
Office of River Protection
Thomas W. Fletcher
Federal Project Director
P.O. Box 450, MSIN H6-60
Richland, WA 99352
Phone: (509) 376-3434

The FPD for the Tank Farms Project is delegated specific project management roles, responsibilities and authorities. The FPD is also responsible for developing, executing, and managing projects within the approved Performance Baseline. These activities are performed in accordance with DOE Order 413.3B, *Program and Project Management for the Acquisition of Capital Assets*. The FPD is certified in accordance with the total project cost limits as defined in DOE Order 361.1B, *Acquisition Career Management Program*.

The FPD for the Tank Farms Project conducts routine meetings with individuals with oversight responsibilities as a means of ensuring that activities are performed safely, compliantly, and efficiently. Moreover, the CO and COR conduct biweekly meetings to discuss pertinent issues relating to the management and administration specific to the contract. The purpose of this meeting is to provide a forum conducive to the communication, identification, and resolution of issues which may be problematic or have a bearing on the contract performance.

4.0 CONTRACT MANAGEMENT PROCESSES

4.1 Contract Transition Planning

Transition to the (new) Contractor from the incumbent starts when the CO issues a Notice to Proceed. Transition lasts sixty days and is identified as CLIN 00001; it earns for the Contractor the firm fixed price as set forth in Contract Section B.02, Price Schedule, and carries no award fee. Transition is contractor-led; DOE's role is to oversee the process, ensuring that communications are effective, deliverables are timely received and meet DOE requirements, and the Contractor is ready to assume responsibility for its work scope at the end of the transition period.

Within seven days of Notice to Proceed:

- The Contractor prepares the Transition Plan and submits it to the CO for approval. The Transition Plan guides activities for the remainder of the Transition period.
- The Contractor prepares a Communications Plan and provides it to the CO.
- The CO provides to the Contractor a list of incumbent personnel.

Within 15 days of Notice to Proceed, DOE provides guidance to the Contractor on preparation of the Contractor's Integrated Safety Management System.

Within 60 days of Notice to Proceed the Contractor submits to DOE all remaining transition deliverables as specified in the contract Section J Attachment J.2, *List of Deliverables*.

Two deliverables due thirty days after the close of Transition are the Quality Assurance Program Plan and the Integrated Safety Management System Description, both due within 90 days of Notice to Proceed.

4.2 Contract Communication Protocol

4.2.1 Formal Communications with the Contractor

All formal correspondence between the Government and the Contractor shall be performed in accordance with Contract Section G, *Contract Administration Data*, Contract Clause G.01, *Correspondence Procedures*. All formal direction to the contractor is issued by the CO or the COR within their designated authority. Such direction should be in writing, but may be provided orally in meetings, briefings, phone, or video conferencing. A written record of direction should

be created for such oral directions. All formal written correspondence to the contractor should include the contract number within the subject line. Correspondence will include the following statement, where applicable:

“The Government considers this action to be within the scope of the existing Contract, and therefore the action does not involve or authorize any delay in delivery or additional cost to the Government, either direct or indirect.”

The following caveat should be included within the body of correspondence issued by CORs:

“This letter is not considered to constitute a change to the Contract. In the event the Contractor disagrees with this interpretation, immediately notify the Contracting Officer and request clarification prior to complying with the direction.”

The CO must be on concurrence for all correspondence to the contractor and receive a copy when issued. Only the CO has authority to interpret the contract terms and conditions or make changes to the contract.

To ensure correspondence control, all formal correspondence should be addressed to the Contractor’s local principal executive, and cite the contract number and applicable contract provision in the letter’s subject line. Formal communication from the Contractor should follow a formal contract correspondence tracking system with any commitments appropriately assigned and tracked for timely completion.

4.2.2 Informal Communications with the Contractor

Informal communications can occur between a CMT or IPT member and any contractor employee. Informal communication can take the form of electronic mail, retrievable databases, telephone, facsimile, presentations, meetings, and other means. The frequency of informal communications is determined by the CO, COR, and IPT members as required.

Informal communications between CMT and IPT members and contractor staff are needed for proper oversight coordination. This communication should be constructive in nature and should avoid requests for information that are obtainable by other means. Further, in their informal communications, CMT and IPT members need to avoid the impression that the communications are formal. Particularly, when COs or CORs are engaging in informal communications, they must be careful to identify those communications as non-binding. CORs should inform the Contractor as to whether or not the communications or portions thereof are formal or informal.

4.2.3 Outside Communications

During the performance of this contract, the Contractor will be required to communicate with parties outside ORP. The parties most likely to be involved are:

- DOE Headquarters (HQ)

- Other federal agencies and offices, including the Environmental Protection Agency, Government Accountability Office, and the Defense Nuclear Facilities Safety Board;
- Other Hanford contractors; and
- State agencies and officials, including the Washington State Departments of Ecology and Health.

Because these entities exist outside the contractual relationship between the Contractor and ORP, their communications to the Contractor should not be construed as contractual direction to change the scope or terms and conditions of the contract. It is expected, however, that these “stakeholder” communications will be coordinated and/or monitored by the CO, COR, or responsible IPT participant.

4.3 Government Furnished Property

The Government has a responsibility to enable contract performance by ensuring that Government furnished property, to include Government furnished services and information (GFS/I), is not only available, but provided in a timely manner and of the required quality as stated in the contract. The contract Section C clause *Government Furnished Facilities, Property, and Services* identifies all Government furnished property to be furnished under the contract; and the contract Section J attachment *Government Furnished Property List* provides a detailed list of the assigned property. The Contractor’s property management program shall be maintained and accounted for in accordance with FAR Sub-Part 45.5 and DEAR Sub-Part 945.5, *Support Government Property Administration*. The Contractor’s property management program is further governed by the Section I clause, FAR 52.245-1 *Government Property (APR 2012) ALT I. (APR 2012)*. The property system is reviewed and, if satisfactory, approved in writing by the ORP Organizational Property Management Officer (OPMO) and monitored by the PA, who is a member of the CMT. Government furnished property is tracked through the Sun Flower system and any transfer of government furnished property is coordinated through the assigned PA and OPMO. Custodial and property management records are maintained in accordance with the approved property management plan.

As stated the contract Section C clause *Government Furnished Facilities, Property, and Services*, services are provided and coordinated through other site contractors. A detailed list of the services provided is included as in the contract Section J attachment, *Hanford Site Services and Interface Requirements Matrix*.

4.4 Inspection/Surveillance and Acceptance Processes

Inspection, surveillance, and acceptance activities are performed as part of an integrated management system. Their purpose is to ensure contract deliverables conform to quality control standards specified in the contract Section C clause *Quality Assurance*. Inspection and acceptance activities are performed in accordance with FAR Clause 52.246-4, *Inspection of Services – Fixed Price (AUG 1996)* and FAR Clause 52.246-6, *Inspection of Services – Time-and-Materials and Labor-Hour (MAY 2001)* as specified in Contract Section E, *Inspection and*

Acceptance, of the contract. Quality Assurance program requirements are included in the Quality Assurance Program Plan, which is performed in accordance with DOE Order 414.1D, *Quality Assurance*, and is reported annually.

The surveillance process is performed in accordance with Procedure No. TRS-EM-DI-01, *Environmental Compliance Division Surveillance Program Plan*. The purpose is to verify compliance with Federal, State, and local laws and regulations applicable to the 222-S Laboratory. As stated in the procedure, the ECD Director is responsible for the environmental assessment program and appoints a team lead for each assessment or surveillance.

Surveillance leads develop the surveillance plans and checklists and notify the Contractor of the upcoming surveillance. Scheduled surveillances may include, but are not limited to, the following: Sample Management, Chemical Safety, Annual 222-S Lab Assessment, OSHA Injury/Illness Recordkeeping, Employee Concerns Program, Workplace Substance Abuse Surveillance, Implementation of DOE O 226.1B *Implementation of Department of Energy Oversight Policy*, QA Program Audit, IH Practices of Lab Technicians, and Lessons Learned Program.

Procedure No. TFP-OA-GU-01, *Tank Farms Programs and Projects Division Conduct of Program and Project Oversight Guide*, provides the overall scope and method of surveillances conducted herein and defines the responsibilities of key individuals with assigned oversight activities.

4.5 Stop-work Authorities

Stop-work orders may be issued under the authority provided by Contract Clause F.01, *FAR 52.242-15 Stop-Work Order (AUG 1989)*, and Contract Clause F.05, *Stop-Work and Shutdown Authorization*. Contract Clause F.02, *FAR 52.242-17 Government Delay of Work (APR 1984)* provides for contract price adjustment if the Stop-work is caused by CO action or inaction.

4.6 Contract Payment Method

Payment for work performed on the contract is processed in accordance with Contract Clause G.02, *Billing Instructions*. Invoices are submitted using the Standard Form 1034 electronically to the Oak Ridge Financial Service Center (ORFSC) using the Vendor Inquiry Payment Electronic Reporting System (VIPERS) for payment processing. When an invoice is received by Oak Ridge Financial Service Center (ORFSC), the CPM Approving Official will receive an email from ORFSC Mail with a link to Financial Accounting Support Tool (FAST). The CPM Approving Official will coordinate invoice review with the COR.

Contract payment is also governed by the following Section I contract clauses:

- FAR 52-232-1 *Payments (APR 1984)*;
- FAR 52.232-9 *Limitation of Withholding of Payments (APR 1984)*;

- FAR 52.232-17 *Interest (OCT 2010)*;
- FAR 52.232-18 *Availability of Funds (APR 1984)*; and
- FAR 52.232-25 *Prompt Payment (JUL 2013) – ALTI (FEB 2002)*.

4.7 Performance Evaluation Measurement Plan (PEMP) and Fee Administration

Award fee is administered in accordance with the Performance Evaluation Measurement Plan (PEMP), which is included as Attachment J-9 of the contract and further delineated by the Section H contract clause *Performance Evaluation and Measurement Plan (PEMP)*. Award fee is earnable on CLINs 00002, 00006, 00010, and 00014 and is determined by the Fee Determination Official (FDO). The award fee decision is based on reviews performed by Technical Monitors who represent their functional areas within the Award Fee Board. Technical Monitor inputs are coordinated by Award Fee Board Recorder and provided to the Award Fee Board Chair for review. Roles and responsibilities are further defined in Section C, *Responsibilities*, of the PEMP.

The PEMP includes incentives to meet project goals for cost, schedule, and technical performance. The incentives included in the PEMP are as follows:

AWARD FEE PLAN INCENTIVES

INCENTIVES	VALUE (%)
1 – Delivery	20%
2 - Evaluations/Proficiency Tests	20%
3 - Maintain Holding Times	20%
4 – Business Interfaces and Efficiency	10%
5 – Analytical Reporting and Data Quality	10%
6 – Environmental Stewardship and Compliance	10%
7 – Worker Safety, Health and Safety Culture	10%
Total Award Fee Available	100%

A definition of these incentives and the metric utilized to evaluate them is included as Attachment J.9.1 of the contract entitled “Detailed Fee Plan”. Contractor performance is evaluated through the review of contract deliverables, analysis of contractor status and progress reports, and assessments conducted of on-going work on a day-to-day basis. The result of the oversight conducted herein is documented in the following assessments, which provide the basis for the award fee determination:

- Contractor Self-Assessment
 - Submitted within 10 calendar days of completion of the performance evaluation period.
- COR Assessment
 - Submitted within 20 calendar days of completion of the performance evaluation period;
 - Includes Performance Evaluation Monitor Reports; and
 - Results in development of a Fee Recommendation Report, which is submitted to the FDO.

Changes to the PEMP may be initiated by either the Contractor or ORP. Contractor-requested changes must be received by ORP no later than 60 days prior to the beginning of the affected evaluation period. Changes are reviewed as specified in Section H, *Fee Change Procedure*, in the PEMP. If the Government exercises its power to make unilateral changes, it must provide the revised PEMP to the Contractor at least 30 days before the beginning of the period to which the changes apply.

4.8 Contract Change Control Process

4.8.1 Project Management Activities

The designated FPD for the Tank Farms Project is responsible for the overall project management activities as defined in DOE Order 413.3B, *Program and Project Management for the Acquisition of Capital Assets*. The FPD utilizes the following Integrated Project Teams (IPTs) to provide oversight of Tank Farms Project activities:

- Single-Shell Tank (SST) Retrieval IPT: This IPT is responsible for the oversight of design, procurement, permitting, construction, and operation of the SST retrieval systems that remove waste from the SSTs and transfer it to the double-shell tanks (DST) or other treatment systems.
- SST Farm (Waste Management Area) Closure IPT: This IPT is responsible for oversight aimed at ensuring the Contractor performs waste management area closure activities in accordance with site wide integrated closure activities.
- Base Operations IPT: This IPT is responsible for oversight of base tank farm activities including Tank Chemistry, DST and SST Tank integrity, tank farm upgrades and Tank Sampling.

4.8.2 Contract Change Control Process

The Tank Farms FPD is responsible for baseline development, execution, performance measurement, and reporting on the Tank Operations Contract in accordance with DOE Order 413.3B, *Program and Project Management for the Acquisition of Capital Assets*. The technical work of the Tank Farms Project and the associated cost and schedule for performing that work constitute the project performance measurement baseline. Because the great majority of samples analyzed at the 222-S Laboratory are from the tank farms and are pulled during TOC activities such as base operations, retrieval, and closure, the analytical workload at the 222-S Laboratory is directly affected by the TOC performance baseline. In view of this, it is important that impacts of the proposed TOC changes are communicated to the CMT so that the CMT can take appropriate action.

4.9 Review of Contractor's Request for Equitable Adjustment (REA)

An REA is submitted by the Contractor as a result of either a directed change issued by the CO or as an unsolicited request for equitable adjustment for alleged changes in work, to include adjustments in profit, changes in delivery schedule, or changes in any other affected terms of the contract. The CO and the FPD are responsible for resolving the REA in accordance with ORP Procedure No. CPM-AAM-IP-14, *Processing Change Orders and Requests for Equitable Adjustment*. It is important to note that REAs submitted as the result of a directed change in accordance with FAR Clause 52.243-1, *Changes – Fixed Price (August 1987)-ALT 1 (Apr 1984)* and FAR Clause 52.243-3, *Changes – Time-and-Materials or Labor Hours (SEP 2000)*, need to include a definitization schedule which does not exceed 180 days. If the change affects the cost reimbursable scope in CLINs 00005, 00009, 00013, or 00017 then FAR 52.243-2 *Changes – Cost-Reimbursement (Aug 1987)-ALT 1 (Apr 1984)* is also applicable.

4.10 Contractor Litigation Management Plan

The DOE established regulations covering contractor legal management requirements under 10 CFR 719, *Contractor Legal Management Requirements*. RL Procedure No. DOE-RL-RIMS-LS-LM, *Litigation Management – Contractor*, provides information relating to the Contractor litigation management process and legal management requirements as required under the said CFR. The information provided therein applies to ORP personnel who receive notification from a contractor seeking reimbursement under the terms of their contracts, to include general legal services such as those required to either litigate, defend, or settle a pending litigation. This procedure also details legal counsel oversight requirements inherent in contracts where the Contractor's legal costs are expected to exceed \$100,000 over the life of the matter. The principal Legal Counsel/Litigation COR is identified in Section 3.3 of this CMP.

4.11 Contractor Human Resource Management

Contractor human resource management activities are performed in accordance with Contractor human resource management as defined in the Hanford Workers Compensation Program, which is submitted as a requirement of the Section H contract clause, *Worker's Compensation*. The Hanford Worker's Compensation Program describes the Contractor's policies regarding compensation, and other benefits. The Hanford Workers Compensation Program is performed in accordance with FAR 31.205-6, *Compensation for Personal Services*, and DEAR 970.3102-05-

6, *Compensation for Personal Services ("Total Compensation Plan")*, and is implemented through the Contractor's Total Compensation System. The CO is responsible for oversight and management of the Contractor's Total Compensation System, to include any proposed changes for which DOE reimburses costs as defined in the Hanford Workers Compensation Program. The CO coordinates these efforts through the IR/HR Team at the RL Office. The IR/HR Team at the RL office provides industrial relations, labor management, and contractor human resources management guidance and advice to the CO.

Post-Contract liabilities include site pension and retiree medical expenses. The Contractor is tasked with prudently managing these benefits and it is DOE policy to limit the number of new employees eligible for post-contract benefits to the greatest extent possible. Since completion of all site work will extend beyond the performance period of the contract, management of post-contract liabilities will be transferred to the successor contractor(s).

4.12 Contract Records

All records acquired or generated by the Contractor in the performance of the contract are the property of the Government. Ownership of said records is defined in the Section I contract clause, *DEAR 970.5204-3 Access to and Ownership of Records*. These records must be made available to the Government in accordance with clause, *FAR 52.215-2 Audit and Records – Negotiation (OCT 2010)*. These records must be delivered to the Government or otherwise disposed of at contract completion or termination, as directed by the CO. Additional information concerning records maintenance requirements are provided in the Section H contract clause, *Privacy Act Systems of Records*.

As much of the work performed at the 222-S Laboratory involves hazardous materials or the possibility of exposure to radioactive materials, the DOE requires contractors and subcontractors to maintain extensive records for these workers and processes. This requirement is included in the Section I contract clause *DEAR 952.223-75 Preservation of Individual Occupational Radiation Exposure Records*. These records are the property of DOE and are maintained by the MSC as specified in Interface No. 32 of contract Section J-3. Further, all occupational health records generated during the performance of Hanford-related activities will be maintained by the occupational/medical services Contractor and are the property of DOE.

4.13 Contract Closeout

When the Contractor has completed the work scope of the contract, the process of verification of contract completion and initiation of contract closeout can commence. Completion and closeout are performed according to ORP Procedure No. CPM-AAM-DI-03, *Contract Closeout*, and the requirements of FAR 4.804, *Closeout of Contract Files*.

4.14 Continuity of Operations

The contract ensures continuity of operations during emergency situations through the implementation of DOE Order 151.1C, *Comprehensive Emergency Management System* and DOE Order 422.1, *Conduct of Operations*. As specified in the contract Section J attachment *Hanford Site Services and Interface Requirements Matrix*, emergency response services

(Interface No. 20) and emergency operations (Interfaces No. 21 and 22) are provided to the Contractor to help to ensure the continuity of operations during emergency situations. The ORP Manager or designee has the sole discretion to determine when an emergency situation exists at the Hanford Site and may also direct the activities of the Contractor throughout the duration of the emergency. These activities are performed in accordance with the Section H contract clause, *Emergency Clause*, of the contract.

5.0 CONTRACT DELIVERABLES

Contractor deliverables are listed in the Section J Attachment J.2, *List of Deliverables*. The CO is responsible for communicating to the Contractor the content, format, and distribution of the reporting requirements listed. Review and receipt of contract deliverables is performed by the CO and COR. In addition to deliverables shown on the *List of Deliverables*, the Contractor Requirements Documents identified in the Section J Attachment J.1, *List of Applicable DOE Directives* and the interfaces identified in the Section J Attachment J.3, *Hanford Site Services and Interface Requirements Matrix* may also require delivery of documents and/or information to the responsible COR or applicable support organizations.

6.0 KEY CONTRACT VULNERABILITIES OR PERFORMANCE RISK AREAS

Risks associated with 222-S Laboratory's contribution to the Tank Waste Cleanup mission are managed as part of the overall Tank Farms Risk Program. Key risks and vulnerabilities specific to management of the 222-S Laboratory contract include:

- A slow-down in tank waste sample collection that idles Contractor staff while not relieving DOE of its obligation under the fixed-price contract to make agreed-upon payments, resulting in excessive costs compared to value received;
- An extended work surge that necessitates excessive and uneconomic use of the Labor-Hour CLINs;
- Poor Contractor technical performance leading to failure to effectively support the tank waste cleanup mission and, possibly, Termination for Default;
- Emergence of unanticipated conditions that make it difficult to apply the payment model described in the contract, which relies on a distinction between "routine work" and "surge;"
- Externally-caused disruption in Laboratory infrastructure or workforce that renders the Contractor unable, through no fault of its own, to perform its contracted work scope;
- Accidental spill or release of hazardous materials that is the Contractor's fault but is beyond its financial ability to remediate;
- Excessive conflict between the Contractor and its interface partners, necessitating frequent DOE intervention;

7.0 CONTRACTOR PAST PERFORMANCE REPORTING REQUIREMENTS

The Contractor Performance Assessment Report (CPAR) is an annual assessment that is performed in accordance with FAR Sub-Part 42.15, *Contractor Performance Information*, and ORP Procedure No. CPM-AAM-IP-02, *Contractor Performance Information*. The information reported therein is based on objective facts supported by performance assessment and management data, to include program performance reporting, quality reviews, technical interchange meetings, and earned contract incentives. The reports are used to provide past performance information to acquisition professionals for use in future acquisitions. The system utilized by DOE for collecting past performance information is the Contractor Performance Assessment Reporting System (CPARS) maintained by the Department of Navy. Information input into CPARS is then centrally filed in the Past Performance Information Retrieval System (PPIRS). An annual report will be documented until the close of the contract.

The assessment of the Contractor's Past Performance is the joint responsibility of the Tank Farms Project IPT and the CO. Technical Monitors on the CMT assess the Quality of Product, Schedule, and Management CPARS categories. The CO assesses Business Relations and Cost categories. Performance narratives and associated ratings for these categories are provided no later than (NLT) 120 days following the end of the annual performance period.

The CO will review the narratives and proposed ratings and will issue the final evaluation, which is documented in the CPARS report. If the ratings are not supported by the narratives, the report will be sent back to the IPT technical members for further justification. When the ratings are adequately supported by the narratives, the CO will forward the report to the Contractor for a 30-day review period. The Contractor will review and provide comments and return the report to the CO. If the Contractor accepts the report, the CO will close out the report. If the Contractor disputes the report, the CO must forward the information to the CPM Procurement Director (PD) for resolution. The PD will review the Contractor dispute with the CO and the IPT technical member(s) who provided input to the report. The PD will make the decision to either change the report or leave the report as written and close it out. The report will not go back to the Contractor for any further reviews. The CPAR will be finalized no later than 120 days following the end of each annual performance period.

8.0 CONTRACTOR ASSURANCE SYSTEM

A Contractor Assurance System is required by DOE Order 226.1B, *Implementation of Department of Energy Oversight Policy*. The Contractor's Assurance System Description is identified in the Section C clause *Contract Transition* as a deliverable to be provided to the CO within 60 days of Notice to Proceed. The Order requires the Contract Assurance System to address operational aspects of the following program requirements:

- Environment Safety, and Health, including Quality Assurance and Integrated Safety Management;
- Safeguards and Security;
- Emergency Management; and
- Cyber Security.

The flow down of requirements included in the Order is accomplished through a system of policies, programs, plans, and implementing procedures. The Contractor then translates individual program requirements into work activities. Activities performed by the Contractor as a requirement of this Order include (but are not limited to):

- Assessments;
- Incident/event reporting processes, including accident investigations;
- Worker feedback;
- Issues management (includes causal analysis, corrective action management, and trend analysis);
- Lessons learned program; and
- Performance measures.

Because the 222-S Laboratory facility and equipment are managed by the TOC under a separate contract with DOE, responsibility for some program requirements is shared with the TOC. The two contractors establish an Administrative Interface Agreement or similar document to describe in detail how they work together to meet the requirements. Participation in these activities is as follows:

Assurance		Programs			
Activity		ES&H	Safeguards and Security	Cyber Security	Emergency Management
	Program Owner	LA&TS	Other Prime Contractor	Other Prime	Other Prime Contractor
	Assessment	● ■	● ■	● ■	● ■
	Incident/Event Reporting	● ■	● ■	● ■	●
	Worker Feedback	● ■	●	●	●
	Issues Management	● ■	●	●	●
	Lessons Learned	● ■	●	●	●
	Performance Measures	● ■	■	■	■
	Legend: ● = LA&TS assurance system activity. LA&TS responsible for full activity implementation. ■ = Interface assurance system activity. LA&TS provides support to other prime contractor. ● ■ = Shared responsibilities between LA&TS and the TOC.				

DOE Order 226.1B requires that data derived from Contractor Assurance System activities is documented and available for DOE review. Results of these processes are analyzed, reviewed, and reported to ORP on a monthly basis as described in the contract Section C clause *Management and Administration*.

The implementation of Contractor Assurance System under DOE Order *Implementation of DOE Oversight Policy* is assessed annually in accordance with ORP Procedure No. TRS-OA-IP-01, *Integrated Assessment Process*. The assessment evaluates the implementation of the Contractor's assessment programs, event reporting systems, worker feedback systems, issues management systems, lessons learned programs, and performance measures systems. Any findings are reported to the FPD for resolution.

9.0 UNIQUE CONTRACT TERMS AND CONDITIONS AND DEVIATIONS

The Government has a responsibility to enable contract performance and ensure that the requirements of the contract are fulfilled satisfactorily. Unique terms and conditions related to the scope of work of the contract are described in Contract Section C, *Performance Work Statement*. Other unique contract terms and conditions are included in Contract Section H, *Special Contract Requirements*. Some of the unique terms and conditions are found in the Section H clauses titled:

Environmental Compliance Activities:

- *Contractor Acceptance of Notices of Violation or Alleged Violations, Fines, and Penalties;*
- *Allocation of Responsibility and Liability for Contractor and U.S. Department of Energy (DOE) Environmental Compliance Activities; and*
- *Environmental Responsibility.*

Labor Relations:

- *Pension and Benefit Plans;*
- *Workers' Compensation; and*
- *Collective Bargaining Agreement(s)*

10.0 OTHER SPECIAL EMPHASIS AREAS

Contract performance and administration is reviewed and evaluated as a part of the Integrated Safety Management System under the Operating Experience and Lessons Learned Programs. The Operating Experience and Lessons Learned Programs are performed in accordance with ORP Procedure No. TRS-QSH-IP-11, *Operating Experience and Lessons Learned*. The intent of these programs is to provide a medium in which feedback and process improvement practices can be communicated within ORP as a means of preventing the recurrence of adverse operating incidents.