

<b>AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT</b>		1 CONTRACT ID CODE	PAGE OF PAGES
			1 13
2 AMENDMENT/MODIFICATION NO.	3 EFFECTIVE DATE	4. REQUISITION/PURCHASE REQ. NO.	5. PROJECT NO. (If applicable)
216	See Block 16C	10EM002897	
6 ISSUED BY	CODE	7. ADMINISTERED BY (If other than Item 6)	CODE
Richland Operations Office U.S. Department of Energy Richland Operations Office P.O. Box 550, MSIN A7-80 Richland WA 99352	00601	Richland Operations Office U.S. Department of Energy Richland Operations Office P.O. Box 550, MSIN A7-80 Richland WA 99352	00601
8. NAME AND ADDRESS OF CONTRACTOR (No., street, county, State and ZIP Code)		(x) 9A. AMENDMENT OF SOLICITATION NO.	
WASHINGTON CLOSURE HANFORD, LLC Attn: Neil Brosee, President 2620 Fermi Avenue Richland WA 99354		9B. DATED (SEE ITEM 11)	
		x 10A. MODIFICATION OF CONTRACT/ORDER NO.	
		DE-AC06-05RL14655	
		10B. DATED (SEE ITEM 13)	
CODE	FACILITY CODE	03/23/2005	
167280762			

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

CHECK ONE	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.
X	I. 70-FAR 52.243-2-Changes-Cost Reimbursement (Aug 1987)-Alt I (Apr 1984)
	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:
	D. OTHER (Specify type of modification and authority)

**E. IMPORTANT:** Contractor  is not,  is required to sign this document and return \_\_\_\_\_ 0 \_\_\_\_\_ copies to the issuing office.

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

Tax ID Number: 94-1381538

DUNS Number: 167280762

A. The purpose of this modification is to issue an undefinitized change order to incorporate reporting requirements for the Project Assessment and Reporting System (PARS II) for capital asset projects. Details are provided in Paragraphs B and C of this modification. WCH is hereby provided an immediate Notice to Proceed (NTP) with a Not to Exceed (NTE) budget authority of \$10,000.00.

SEE SF30 BLOCK 14 CONTINUATION ON PAGE 2

Period of Performance: 03/23/2005 to 09/30/2015

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
15B. CONTRACTOR/OFFEROR	16B. UNITED STATES OF AMERICA
(Signature of person authorized to sign)	(Signature of Contracting Officer)
	7-27-10
15C. DATE SIGNED	16C. DATE SIGNED

**SF 30 BLOCK 14 CONTINUATION:**

- B. WCH is directed to implement PARS II monthly reporting requirements for Environmental Management (EM) capital asset projects as detailed in Paragraph C below. The contractor is required to implement this reporting requirement beginning with the August 2010 reporting cycle. PARS II reporting requirements are included in draft CRD O 413.3B, *Program and Project Management for the Acquisition of Capital Assets*. Draft CRD O 413.3B is attached to this modification for your reference.
- C. The following change to contract Section C, Subparagraph C.5.4, Project Performance Information and Measurement, is incorporated by this modification to implement this change order. PARS II reporting requirements have been added as the last bullet under contract Section C, Subparagraph C.5.4. Changes to this contract subparagraph have been highlighted in red below.

**FROM:**

**C.5.4 PROJECT PERFORMANCE INFORMATION AND MEASUREMENT**

The Contractor shall provide DOE with the necessary project performance information to support budget planning, execution, and reporting; project planning and execution; audit and evaluation; and other DOE performance assessment and information needs.

The Contractor shall implement and maintain a project performance measurement system that provides accurate, timely, and meaningful progress information for the RC Closure Project. The Contractor shall submit a *Performance Management System Description* for DOE approval (Deliverable C.5.4.1) that describes the proposed RC Closure Project performance management approach.

The Contractor shall submit a *Monthly Performance Report* for DOE review (Deliverable C.5.4.2) that contains the following minimum information for the current month, current quarter, and cumulative-to-date:

- Evaluation of safety performance (including ISMS metrics and all recordable injuries, lost-time injuries, and near-misses);
- Evaluation of quality performance (including identification of performance trends, required corrective actions, and corrective action status);
- *Risk Management Report* (as described in Section C.6, *Risk Management*);
- Evaluation of project scope baseline accomplishments, significant accomplishments, regulatory commitments, and DOE/Congressional commitment metrics;

- Evaluation of project schedule baseline performance, variances, and critical path;
- Evaluation of project cost baseline performance and variances;
- Evaluation of performance against Target Cost, Target Fee, and schedule;
- Identification of acceleration initiatives, management actions required from DOE to enable acceleration, and Contractor evaluation of performance against acceleration initiatives;
- Evaluation of contingency utilization (linked to *Project Baseline* performance and the *Risk Management Report* [shown in Section C.6, *Risk Management*]);
- Estimates-to-complete and estimates-at-completion;
- Project change control summary (as established in the *Project Baseline Change Control Process* [Deliverable C.5.3], with each change identified as required by the Section B.5 clause entitled, *Changes to Target Cost, Target Fee, and Schedule*).
- Analysis of funds expenditure, with projections by Fiscal Year and life-cycle of the RC Closure Project;
- Identification of problems and performance trends, and the required corrective actions;
- 90-day look-ahead forecast for major activities, milestones, and GFS/I needs; and
- Business structure information to demonstrate ongoing compliance with the requirements of Clause H.13 *Self-Performed Work*.

**TO:**

#### **C.5.4 PROJECT PERFORMANCE INFORMATION AND MEASUREMENT**

The Contractor shall provide DOE with the necessary project performance information to support budget planning, execution, and reporting; project planning and execution; audit and evaluation; and other DOE performance assessment and information needs.

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- Identification of problems and performance trends, and the required corrective actions;

- 90-day look-ahead forecast for major activities, milestones, and GFS/I needs; ~~and~~
- Business structure information to demonstrate ongoing compliance with the requirements of Clause H.13 *Self-Performed Work*; ~~and~~
- Contractors must submit monthly project performance data no later than CD-2 for projects having a total project cost greater than or equal to \$20M. The required project performance data include: ANSI/EIA-748 earned value; earned value time-phased incremental cost and quantity; management reserve; schedule; variance analysis; and risk management data. For firm fixed-price contracts, the required project performance data include: schedule activity and relationship; and cost and quantity data (budget, actual, Estimate to Complete [ETC] and Estimate at Completion [EAC]) by Work Breakdown Structure (WBS) and Organizational Breakdown Structure (OBS). Data must be submitted electronically via the Project Assessment and Reporting System II (PARS-II) in accordance with the current version of the “Contractor Project Performance Upload Requirements” document maintained by OECM. Unless OECM has granted a temporary exemption, all requested data must be submitted. Data must be loaded into PARS-II no later than the last workday of every month, or as otherwise stipulated by OECM, and must be current as of the previous month’s accounting period closed. Reporting by the contractor may be required earlier than CD-2 as specified by the Contracting Officer.

- D. Contract Section C, Subparagraph C.5.4 has been revised, and contract replacement pages C-i and C-25 through C-27 are attached.
- E. WCH is directed to provide a proposal for equitable adjustment within 45 days of the date of receipt of this modification. The definitization schedule for this change order is as follows:

<b>Action</b>	<b>Date*</b>
Contractor Submits Technical, Cost, and Fee Proposal	45 days
Commence negotiations	110 days
Mutual agreement on definitization of change	120 days
Contractor submits certificate of current cost or pricing data	120 days
Execute definitization contract modification	130 days

\*Date is specified as the number of calendar days after contractor receipt of this modification.

- F. As stated in A. above, this modification establishes a Not-to-Exceed budget authority of \$10,000.00 prior to the definitization of this Change Order in accordance with Contract Clause I.70. WCH is authorized to perform the work identified in this modification up to this authorized NTE amount. Do not exceed the NTE budget authority provided herein without prior approval from the Contracting Officer via a modification to increase this amount. Notify the Contracting Officer in writing with your rationale if the NTE amount is

insufficient to proceed with the identified work. This modification does not add additional funds to the contract. Accordingly, work under the contract, such as that described herein, must be performed within the amount of funds which have been incrementally allotted to the contract in accordance with Clause I.57, "FAR 52.232-22 Limitation of Funds (Apr 1984)."

- G. Contract Modification No. 151, dated October 29, 2009, incorporated Clause H.38, Project Management Controls, into the contract, implementing similar contractor reporting requirements through the EM Project Management Information System (PMIS). The contractor is hereby notified that further implementation of EM PMIS is on hold pending an evaluation by DOE of the effectiveness of the tool.

There are no other changes to the terms and conditions of the contract.

End of Modification 216

**PART I – THE SCHEDULE**  
**SECTION C – STATEMENT OF WORK**

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*Description* for DOE approval (Deliverable C.5.4.1) that describes the proposed RC Closure Project performance management approach.

The Contractor shall submit a *Monthly Performance Report* for DOE review (Deliverable C.5.4.2) that contains the following minimum information for the current month, current quarter, and cumulative-to-date:

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- 90-day look-ahead forecast for major activities, milestones, and GFS/I needs;
- Business structure information to demonstrate ongoing compliance with the requirements of Clause H.13 *Self-Performed Work*; and
- Contractors must submit monthly project performance data no later than CD-2 for projects having a total project cost greater than or equal to \$20M. The required project performance data include: ANSI/EIA-748 earned value; earned value time-phased incremental cost and quantity; management reserve; schedule; variance analysis; and risk management data. For firm fixed-price contracts, the required project performance data include: schedule activity and relationship; and cost and quantity data (budget, actual, Estimate to Complete [ETC] and Estimate at Completion [EAC]) by Work Breakdown Structure (WBS) and Organizational



Breakdown Structure (OBS). Data must be submitted electronically via the Project Assessment and Reporting System II (PARS-II) in accordance with the current version of the "Contractor Project Performance Upload Requirements" document maintained by OECM. Unless OECM has granted a temporary exemption, all requested data must be submitted. Data must be loaded into PARS-II no later than the last workday of every month, or as otherwise stipulated by OECM, and must be current as of the previous month's accounting period closed. Reporting by the contractor may be required earlier than CD-2 as specified by the Contracting Officer.

## **C.6 RISK MANAGEMENT**

The Contractor shall develop and implement a risk management system to evaluate and take effective action on project risk. The risk management system shall address the risk to achieve RC closure, and provide a monthly *Risk Management Report* to: (1) identify all major areas of risk; (2) assess risks to establish probability, consequences, cost performance risk, and schedule performance risk; (3) manage risks to mitigate and close each area of risk; and (4) develop effective processes to identify and respond to emerging performance and regulatory risk. The Contractor shall submit for DOE approval, a *Risk Management Approach* (Deliverable C.6.1) that describes the risk management system and implementation; the *Risk Management Approach* shall be included as part of the *RC PMP* (Deliverable C.5.1). The Contractor shall submit a monthly *Risk Management Report* (Deliverable C.6.2) as part of the *Monthly Performance Report* described in Section C.5.4.

## **C.7 SAFEGUARDS AND SECURITY**

The Contractor shall develop and implement a graded approach to safeguards and security consistent with the physical security, materials accountability, and information protection required for RC closure, and in accordance with the requirements identified in Section J, Attachment J-2, *DOE Directives Applicable to the River Corridor Closure Contract*. The Contractor shall flow down applicable safeguards and security program requirements to all self-performed and subcontracted levels of work performance. The Contractor's safeguards and security program is subject to DOE approval and periodic DOE review.

### **C.7.1 PHYSICAL SECURITY**

The Contractor shall ensure protection against: unauthorized access; theft, diversion, and loss of custody of accountable nuclear material (source, other, and special nuclear material); 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.

The Contractor shall comply with Hanford Site security awareness, security badge, and site access restriction policies. This Contract does not require the handling, preparation, or storage of classified information, and the Contractor is not responsible for classified information and access authorization requirements.

### **C.7.2 MATERIALS ACCOUNTABILITY**

The Contractor is assigned responsibility for accountable quantities of Category IV nuclear materials and shall develop and implement a graded material control and accountability (MC&A) Plan for any accountable quantities of nuclear materials in accordance with DOE Orders and Manuals. The Contractor's MC&A Plan is subject to DOE-RL approval. The Contractor is not required to self-perform the MC&A Plan.

The Contractor shall develop and submit for DOE approval, a documented *Memorandum of Agreement (MOA) for the Safeguards and Security of Nuclear Materials in the RC* (Deliverable C.7.2), between the PHMC and the Contractor. This MOA would need to be in place if the Contractor does not self-perform the MC&A Plan.

The Contractor shall accept or renew/modify a Hanford Site agreement existing at the time of Contract award (Memorandum of Understanding [MOU] signed by Fluor Hanford, Inc. and Bechtel Hanford, Inc., *Memorandum of Agreement for the Safeguards and Security of Nuclear Material on Environmental Restoration Projects*, Revision 1, dated November 16, 2000). The purpose of this *Agreement* is to provide appropriate controls and a mechanism to transfer accountable quantities of nuclear materials greater than Category IV.

### **C.7.3 INFORMATION PROTECTION**

The Contractor shall protect any unclassified sensitive information generated, processed, and stored within its facilities, under its administrative control, and/or within subcontracted areas of work performance. Information Security (IS) and Operations Security (OPSEC) procedures shall be developed to comply with DOE requirements for IS and OPSEC.

The Contractor shall protect wireless communications and information systems as described in DOE CRD N 205.8, *Cyber Security Requirements for Wireless Devices and Information Systems*.

### **C.7.4 COORDINATION WITH HANFORD SITE SAFEGUARD AND SECURITY ACTIVITIES**

The Contractor shall coordinate and interface with the PHMC and its subcontractors who provide physical security services (e.g., site access control, security police officers, vulnerability analysis, etc.). The Contractor shall develop and submit for DOE approval, a *Memorandum of Agreement (MOA) for RC Physical Security Services*, identifying the division of roles and responsibilities between the Contractor and the PHMC (Deliverable C.7.4).

### **C.7.5 EMERGENCY PREPAREDNESS**

The Contractor shall develop and maintain an emergency management program as described in DOE/RL-94-02, Rev. 2, *Hanford Emergency Management Plan*. The program shall establish the processes and instructions for all RC activities, including: response actions; associated precautions and prerequisites; and identification of responsible individuals needed to carry out the appropriate action during a drill, exercise, or actual emergency.

**CONTRACTOR REQUIREMENTS DOCUMENT**  
**DOE O 413.3B, PROGRAM AND PROJECT MANAGEMENT**  
***FOR THE ACQUISITION OF CAPITAL ASSETS***

This Contractor Requirements Document (CRD) sets forth intended requirements to be applied to contractors responsible for performing program and project management of Department-owned facilities and for other contractors as determined by the Federal Project Director and Contracting Officer, in conjunction with the Federally-assigned Integrated Project Team members. Regardless of the performer of the work, the affected contractor is responsible for complying with the requirements of this CRD as included in the contract.

Guides are not requirements documents and are not to be construed as requirements in any audit or appraisal for compliance with the parent Policy, Order, Notice, or Manual. All DOE Guides are meant as suggestions or potential guidelines for content and purpose of documents.

The contractor's project management system must satisfy the following requirements:

1. The Contractor must employ a certified EVMS compliant with ANSI/EIA-748A, or as defined in the contract, and in accordance with FAR 52.234 prior to certain CD stages for applicable projects under this Order.
2. Contractors must submit monthly project performance data no later than CD-2 for projects having a total project cost greater than or equal to \$20M. The required project performance data include: ANSI/EIA-748 earned value; earned value time-phased incremental cost and quantity; management reserve; schedule; variance analysis; and risk management data. For firm fixed-price contracts, the required project performance data include: schedule activity and relationship; and cost and quantity data (budget, actual, Estimate to Complete [ETC] and Estimate at Completion [EAC]) by Work Breakdown Structure (WBS) and Organizational Breakdown Structure (OBS). Data must be submitted electronically via the Project Assessment and Reporting System II (PARS-II) in accordance with the current version of the "Contractor Project Performance Upload Requirements" document maintained by OECM. Unless OECM has granted a temporary exemption, all requested data must be submitted. Data must be loaded into PARS-II no later than the last workday of every month, or as otherwise stipulated by OECM, and must be current as of the previous month's accounting period closed. Reporting by the contractor may be required earlier than CD-2 as specified by the Contracting Officer.
3. For project contracts to be awarded as subcontracts by the contractor, the contractor must have a written Acquisition Plan that is appropriate for the requirement and dollar value of each subcontract and consistent with its contract's provisions. The Acquisition Plan for a project contract to be awarded by the contractor is to be developed by a team of contractor employees including, at a minimum, the prospective Project Manager and Contract Negotiator. The Acquisition Plan must receive the concurrence of the DOE Contracting Officer.

4. Technical performance analyses and corrective action plans must be reported to DOE for variances to the project baseline objectives resulting from design reviews, component and system tests and simulations.
5. A critical path schedule and a project master schedule must be developed and maintained.
6. Cost estimating must be an integral part of cost baseline including life-cycle cost development and maintenance, budget request development and estimates at completion.
7. Project technical, cost and schedule risks must be identified, quantified and mitigated throughout the life of the project. Risks must be identified, evaluated and mitigation strategies developed and implemented. For FAR-based contracts, a Risk Management Plan (RMP) will be developed that supports and complements the Federal RMP. This plan will cover processes and procedures that will be implemented to address risk identification, assessment (qualitative and quantitative), risk monitoring, risk reporting and lessons learned. The contractor's RMP must receive concurrence from both the FPD and the DOE Contracting Officer.
8. An integrated contractor technical, cost and schedule baseline must be developed and maintained using a contractor-level Change Control Board.
9. A configuration management process must be established that controls changes to the physical configuration of project facilities, structures, systems and components in compliance with ANSI/EIA-649 and DOE-STD-073-2003. This process must also ensure that the configuration is in agreement with the performance objectives identified in the technical baseline and the approved quality assurance plan.
10. A Value Management and Value Engineering process must be used that identifies high-cost project activities in order to realize a maximum return on investment through the use of systems engineering tradeoffs and functional analyses that identify alternate means of achieving the same function at a lower life cycle cost. Refer to DOE O 430.1B, OMB Circular A-131, and PL 104-106.
11. A Quality Assurance Program must be developed and implemented for the contract scope of work when the contractor's requirements include DOE O 414.1C, *Quality Assurance* or 10 CFR 830, Subpart A, *Quality Assurance Requirements* (as applicable).
12. An Integrated Safety Management System must be developed and implemented for the contract scope of work when the contractor is complying with the requirements of 48 CFR 970.5223-1, *Integration of Environment, Safety and Health into Work Planning and Execution*.
13. Contractors performing design for projects must, at a minimum, conduct a Preliminary and Final Design Review, in accordance with the PEP. For nuclear projects, the design review will include a focus on safety and security systems.

14. High performance and sustainable building principles must be applied to the siting, design, construction, and commissioning of new facilities and major renovations of existing facilities.
15. For projects including Hazard Category 1, 2, and 3 nuclear facilities or for projects including major modifications thereto (as defined in 10 CFR Part 830), the requirements in DOE-STD-1189, as amended, must be fully implemented. The following documents must be submitted: Safety Design Strategy (CD-1), Conceptual Safety Design Report (CD-1), Preliminary Safety Design Report (CD-2), Preliminary Documented Safety Analysis (CD-3), and Documented Safety Analysis with Technical Safety Requirements (CD-4). For major modifications, the Conceptual Safety Design Report and the Preliminary Safety Design Report may either be separate documents or be subsumed within the Preliminary Documented Safety Analysis.
16. For FAR-based contracts, a Project Management Plan (PMP) must be developed that supports and complements the Federal PEP and contract. The PMP will describe the management methods, organization, control systems and documentation for the project. The PMP must receive concurrence of both the FPD and the DOE Contracting Officer. If significant changes occur during the life-cycle of the project, the PMP will be revised.