

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT

1. CONTRACT ID OR AC

PAGES OF PAGES
1 | 4

2. AMENDMENT/MODIFICATION
A002

3. EFFECTIVE DATE
SEE BLOCK 16C

4. REQUISITION/PURCHASE REQ. NO.

5. PROJECT NO. (If applicable)

6. ISSUED BY

CODE

U. S. Department of Energy
Oak Ridge Operations Office
Procurement and Contracts Division, AD-421
P. O. Box 2001
Oak Ridge, TN 37831- 8756

7. ADMINISTERED BY (If other than Item 6)

CODE

8. NAME AND ADDRESS OF CONTRACTOR (No., street, county, State and ZIP Code)

BWXT Y-12
1055 Commerce Park Drive
Suite 300
Oak Ridge, Tennessee 37830

(X)

9A. AMENDMENT OF SOLICITATION NO.

9B. DATED (SEE ITEM 11)

X

10A. MODIFICATION OF CONTRACT/ORDER
DE-AC05-00OR22800

10B. DATED (SEE ITEM 13)
8/31/2000

CODE

FACILITY CODE

11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATION

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 YOU ACKNOWLEDGMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER. If by virtue of this amendment you desire to change an offer already submitted, such change may be made by telegram or letter, provided each telegram or letter makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.

12. ACCOUNTING AND APPROPRIATION DATA (If required) Obligate \$ 2,000,000

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

- (X) A. THIS CHANGE ORDER IS ISSUED PURSUANT TO: (Specify authority) THE CHANGES SET FORTH IN ITEM 14 ARE MADE IN THE CONTRACT/ORDER NO. IN ITEM 10A.
- B. THE ABOVE NUMBERED CONTRACT/ORDER IS MODIFIED TO REFLECT THE ADMINISTRATIVE CHANGES (such as changes in paying office, appropriation data, etc.) SET FORTH IN ITEM 14, PURSUANT TO THE AUTHORITY OF FAR 43.103(b).
- C. THIS SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF:
- X D. OTHER (Specify type of modification and authority) Article 1.90 and Public Law 95-91

E. IMPORTANT: Contractor is not, X is required to sign this document and return 2 copies to the issuing office.

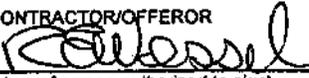
14. DESCRIPTION OF AMENDMENT/ MODIFICATION (Organized by UCF section headings, including solicitation/contract subject matter where feasible.)

SEE PAGE 2

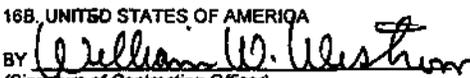
Except as provided herein, all terms and conditions of the document referenced in Item 9A and 10A, as heretofore changed, remains unchanged and in full force and effect.

15A. NAME AND TITLE OF SIGNER (Type or print)
Ron Wessel
Contracts Manager

16A. NAME AND TITLE OF CONTRACTING OFFICER (Type or print)
William W. Wistrom
Contracting Officer

15B CONTRACTOR/OFFEROR

(Signature of person authorized to sign)

15C. DATE SIGNED
10/16/00

16B. UNITED STATES OF AMERICA
BY 
(Signature of Contracting Officer)

16C. DATE SIGNED
10/16/2000

The purpose of this modification is to revise Section B; Clause F.6, Transition Activities; and Clause I-106, Obligation of Funds, as follows:

1 Clause B.2 (a), is deleted and the following is substituted:

B.2 TRANSITION COST, ESTIMATED COST, MAXIMUM AVAILABLE FEE, AND AVAILABLE FEE

a. Estimated Cost:

- (1) The term of the transition period is from September 1, 2000 through October 31, 2000. The transition period will be on a cost reimbursement basis and the estimated cost will be negotiated after contract award.
- (2) The Estimated Cost for the Fiscal Year (FY) 2001 period of performance is \$567,376,000 (including fee).

2. Clause B.4 is deleted in its entirety.

3. Clause F-6, Transition Activities, is deleted and the following is substituted:

F.6 Transition Activities

- (a) During the period of the transition, specified in the clause in Section F entitled, "Term of Contract," the Contractor shall perform those activities essential to assume responsibility for the contract work on November 1, 2000. The essential transition activities shall be conducted in accordance with the Contractor's baselined Transition Schedule dated September 22, 2000 and its revised budget dated September 14, 2000.

The Contractor shall coordinate its activities with DOE and the incumbent contractor so as to accomplish these activities in a manner that will provide an effective transition of personnel and work activities while minimizing the cost of this effort. The Contractor shall also establish effective communications with other DOE on-site prime contractors as necessary.

The due diligence activities pursuant to Clause I.113 "Pre-existing Conditions" will be done in two phases in accordance with BWXT Y-12's Due Diligence Plan. The Transition Phase will include high level walkdowns of all facilities in accordance with BWXT Y-12's detailed checklists. The results of these walkdowns will be submitted periodically during transition. Checklists describing Post-Transition Phase activities will be submitted before the close of Transition. Post Transition Due Diligence Walkdowns will be completed and a final report submitted by April 30, 2001

- (b) The Contractor shall utilize any government furnished facilities and equipment that are available in order to minimize costs. The Contractor may, subject to agreement with the incumbent contractor, utilize incumbent contractor personnel on a loaned basis or arrange for early transition of employees to the Contractor as appropriate. In addition, the Contractor may utilize the services of subcontractors of the incumbent contractor with agreement from the incumbent contractor.

(c) Costs of Transition are as follows:

Total Direct Labor, fringe	\$2,771,912
Overhead & G&A	
Facilities, supplies, etc	163,720
Temporary living and travel	675,841
Relocation expenses	984,655
Subcontracts	140,300
G&Aon Non-Labor Costs	<u>263,572</u>
Total Transition Costs	\$ 5,000,000

The allowable portion of Relocation expenses for the Management Team will be considered Transition Costs if incurred between September 01, 2000 and September 30, 2001.

The Contractor shall report costs to DOE on a weekly basis in the same format that has been previously agreed to for the Cost, Schedule & Issues Report. The total transition costs are not to exceed \$ 5,000,000 without the prior approval of the DOE Contracting Officer.

(d) The Contractor shall submit monthly invoices to the addressees prescribed below:

Original to:

U.S. Department of Energy
Oak Ridge Operations Office
Oak Ridge Financial Service Center
ATTN: Payment Services and Accounting
P.O. Box 6017
Oak Ridge, Tennessee 37831

One copy to:

U.S. Department of Energy
Oak Ridge Operations Office
ATTN: Mark Livesay
P.O. Box 2001
Oak Ridge, Tennessee 37831

One copy to:

U.S. Department of Energy
Oak Ridge Operations Office
ATTN: William Wistrom
Contracting Officer
P.O. Box 2001
Oak Ridge, Tennessee 37831

The Contractor shall provide one copy of all reports prepared as part of this transition, including but not limited to, readiness reports, readiness plans, status reports, assessments, etc. to the DOE Contracting Officer's Representative for Transition.

- (e) In addition to communications as described in paragraph (a) above, the Contractor shall provide to DOE on a timely basis the schedules for transition activities including facility walkdowns and assessments and program reviews.

While open and direct communication is essential between all parties, official contract direction or interpretation can be provided only by the Contracting Officer and the Contracting Officer's Representative for Transition.

- (f) The Readiness Determination process will consist of the following major elements:

- (1) The Contractor will declare its readiness to assume operations. Readiness will be documented by a log of sign off sheets for each essential milestone executed by the BWXT Y-12, LMES, and DOE leads for each milestone plus the DOE Transition Manager.
- (2) The Contractor will then conduct a review of the actions and activities that have taken place during the transition to demonstrate to DOE the adequacy and effectiveness of its preparations for assuming operations. This review is to be held prior to the end of the transition period to allow any remaining concerns to be addressed.
- (3) The Contractor will prepare a "Transfer Agreement" which is to be signed by BWXT Y-12, the Department of Energy, and Lockheed Martin Energy Systems, Inc. prior to November 1, 2000.

4. Clause 1.90, 970.5204-15, Obligation of Funds (Apr 1994) (Modified), is revised as follows:

The first sentence of paragraph (a) is hereby changed to read as follows: "The amount presently obligated by the Government with respect to this contract is \$5,000,000." This represents an increase of \$ 2,000,000 from the previous amount.

Contract Number DE-AC05-00R22800

Modification A001

c. Clause H.6, Government-owned Property and Equipment is revised to read:

On **November 1, 2000**, the Contractor shall accept the transfer of and accountability for Government-owned property and equipment, "as-is, where is" based on existing Personal Property Accountability records, from Contract No. DE-AC05-84OR21400. The Contractor shall be accountable for Government-owned property and equipment in accordance with the provisions of the clause entitled "Property" in Section I of this contract.

d. Clause H.9, Assignment of Existing Agreements and Subcontracts, first sentence is revised to read:

On **November 1, 2000**, existing agreements and subcontracts entered into by the incumbent Contractor under Contract No. DE-AC05-84OR21400 shall be assigned to the successor Contractor.

e. Clause H.30, Advance Understanding on Human Resources, paragraph (b) is revised to read:

Employee Transition and Continuity of Employment, Pay and Benefits. On **November 1, 2000**, all incumbent non-management employees will become employees of the Contractor.

f. Clause I.113, DEAR 970.5204-75 PREEXISTING CONDITIONS (JUN 1997) ALTERNATE II (JUN 1997) is revised as follows:

- (a) The DOE agrees to reimburse the Contractor, and the Contractor shall not be held responsible, for any liability (including without limitation, a claim involving strict or absolute liability and any civil fine or penalty), expense, or remediation cost, but limited to those of a civil nature, which may be incurred by, imposed on, or asserted against the Contractor arising out of any condition, act, or failure to act which occurred before the Contractor assumed responsibility on **November 1, 2000**. To the extent the acts or omissions of the Contractor cause or add to any liability, expense or remediation cost resulting from conditions in existence prior to **November 1, 2000**, the Contractor shall be responsible in accordance with the terms and conditions of this contract.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED