

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT

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2. AMENDMENT/MODIFICATION NO. Thirty-One (31)	3. EFFECTIVE DATE 8/31/90	4. REQUISITION/PURCHASE REQ. NO. NMS-88-005 dtd 8/13/90	5. PROJECT NO. (If applicable)
6. ISSUED BY U.S. Nuclear Regulatory Commission Division of Contracts & Property Management Washington, D.C. 20555		7. ADMINISTERED BY (If other than Item 6)	

8. NAME AND ADDRESS OF CONTRACTOR (No., street, county, State and ZIP Code) Southwest Research Institute 6220 Culebra Road San Antonio, TX 78228	(V)	9A. AMENDMENT OF SOLICITATION NO.
		9B. DATED (SEE ITEM 11)
		10A. MODIFICATION OF CONTRACT/ORDER NO. NRC-02-88-005
	X	10B. DATED (SEE ITEM 12) 10/15/87

11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS

The above numbered solicitation is amended as set forth in Item 14. The hour and date specified for receipt of Offers is extended, is not extended.

Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended, by one of the following methods:

(a) By completing Items 8 and 15, and returning _____ copies of the amendment; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or telegram which includes a reference to the solicitation and amendment numbers. FAILURE OF YOUR ACKNOWLEDGMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER. If by virtue of this amendment you desire to change an offer already submitted, such change may be made by telegram or letter, provided each telegram or letter makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.

12. ACCOUNTING AND APPROPRIATION DATA (If required)

FIN D15900 B&R No. 070-19-44-00-0 APPN: 31X0200.070 Obligate: \$66,000.00

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

(V)	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	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 _____ copies to the issuing office

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

SEE ATTACHED

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) Timothy F. Hagan
15B. CONTRACTOR/OFFEROR	16B. DATE SIGNED 9/5/90
15C. DATE SIGNED	16C. UNITED STATES OF AMERICA

The purpose of this modification is to provide incremental funding in the amount of \$66,000.00 for the Licensing Support System Operations Plan, increase authorized funding for the Licensing Support System Operations Plan by \$50,000.00, increase authorized funding for the High-Level Waste Operations Plan by \$1,402,023.00 and incorporate the award fee pool for the sixth evaluation period.

1. Therefore, the following changes are hereby made under Section B.2:

a. Paragraph B is hereby revised to read as follows:

"B. The amount presently obligated by the Government with respect to the contract is \$23,566,200.00. Estimated reimbursable costs are \$21,820,555.00. The available award fee is \$1,745,645.00. The base fee is 0."

Notwithstanding the award fee as referenced above, the actual award fee pool will be as stated in the award fee plan. The award fee plan will reflect the actual fee pool based on cumulative estimated costs for performance of approved operations plans.

b. Paragraphs D, E, and F are hereby revised to read as follows:

"D. Total funds currently obligated are as follows:

FIN: D1035
AMOUNT: \$17,344,000.00

FIN: D1070
AMOUNT: \$ 596,200.00

FIN: B6666
AMOUNT: \$ 5,460,000.00

FIN: L15900
AMOUNT: \$ 166,000.00

Total Amount Obligated: \$23,566,200.00

E. The amount authorized for each operations plan is as follows:

High-Level Waste
FIN: D1035
AMOUNT: \$17,344,000.00

Transportation
FIN: D1070
AMOUNT: \$ 596,200.00

Research
FIN: B6666
AMOUNT: \$ 4,532,732.00

Licensing Support System
FIN: L15900
AMOUNT: \$ 85,000.00

Total Amount Authorized: \$22,557,932.00

- F. The total award fee available; the award fee earned thus far and the evaluation period applicable thereto are as follows:

Evaluation Period	Available Award Fee	Award Fee Earned
Oct. 15, 1987 - Apr. 14, 1988	\$102,009	\$102,009
Apr. 15, 1988 - Oct. 14, 1988	\$158,444	\$138,639
Oct. 15, 1988 - Apr. 14, 1989	\$275,870	\$275,870
Apr. 15, 1989 - Oct. 14, 1989	\$296,996	\$278,434
Oct. 15, 1989 - Apr. 14, 1990	\$318,735	\$290,846
Apr. 15, 1990 - Oct. 14, 1990	\$445,789*	TBD"

*The available award fee for the sixth evaluation period contains the fee for one-half of period 1 of the currently approved FY 1991 Operations/Project Plans which are antiquated due to changes in DOE's program and OMB budget cuts. Consequently, the available award fee for the sixth evaluation period is subject to adjustment upon receipt of the FY 1991-1992 Operations/Project Plans.

2. Under Section J, entitled "List of Attachments," Attachment 18 is revised to reflect the revised award fee pool for the sixth evaluation period. The Award Fee Determination Plan dated April 1990 is hereby deleted in its entirety and replaced by the attached Award Fee Determination Plan dated August 1990.

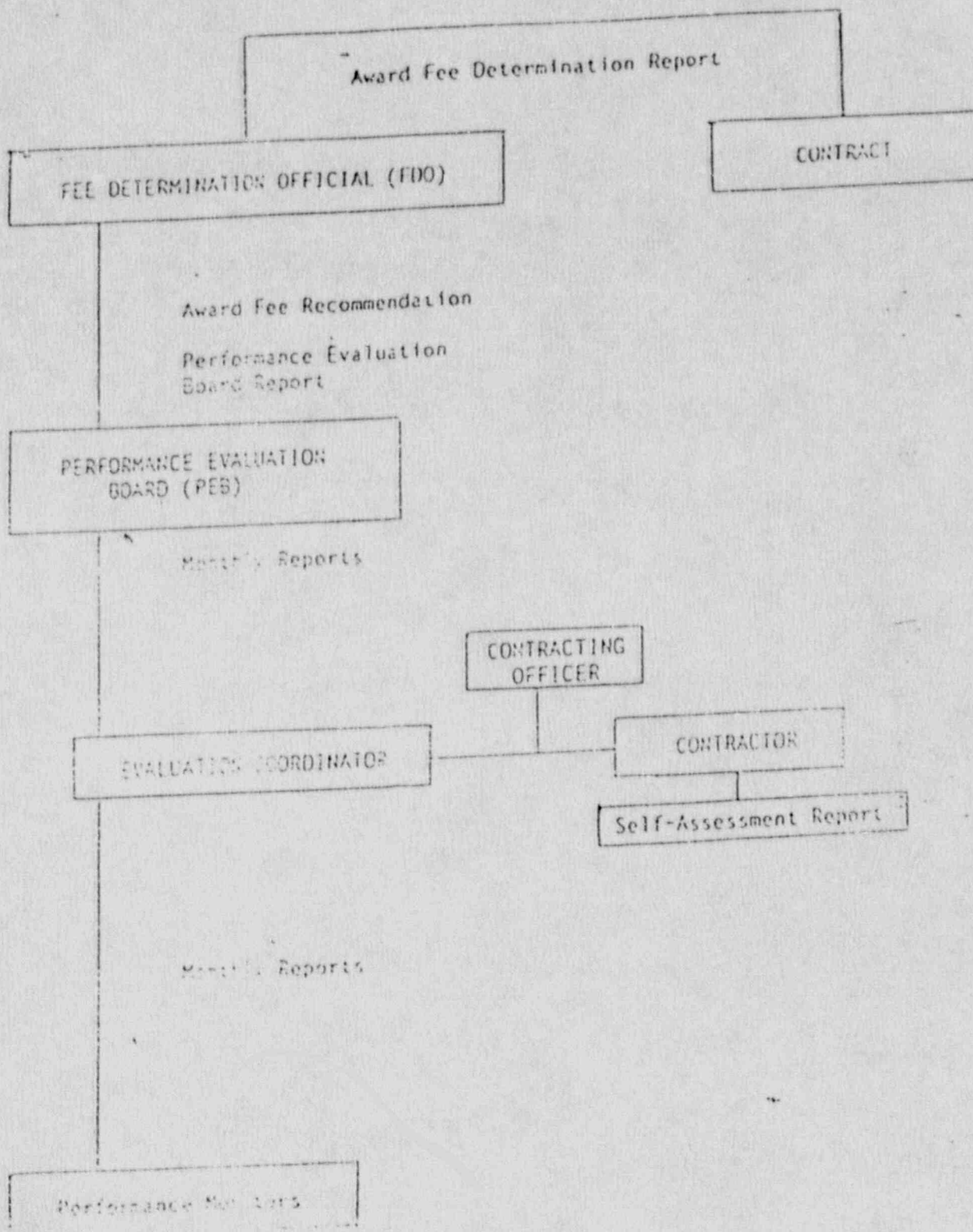
All other terms and conditions and conditions of this contract remain unchanged.

ATTACHMENT 18

AWARD FEE DETERMINATION PLAN FOR
CONTRACT NO. NRC-02-88-005 WITH SOUTHWEST RESEARCH INSTITUTE
FOR THE PERIOD OCTOBER 15, 1989 THROUGH OCTOBER 14, 1990

AUGUST 1990

CPAF CONTRACT PERFORMANCE REPORTING
REVIEW AND EVALUATION PROCEDURE



AWARD FEE DETERMINATION PLAN FOR
CONTRACT NO. NRC-02-88-005 WITH SOUTHWEST RESEARCH INSTITUTE
FOR THE PERIOD OCTOBER 15, 1988 THROUGH OCTOBER 14, 1990

Contents

Part

- A. Introduction
- B. Organization Structure for Award Fee Administration
- C. Evaluation Requirements
- D. Methods for Determining Award Fee
- E. Change in Plan Coverage

A. Purpose

1. The purpose of the Award Fee is to stimulate management actions which will motivate Center staff to strive for excellence in the overall performance of the Center, under the contractually non-competitive environment of an FFRDC. NRC interests are best served when the Center's performance is such that NRC can award the maximum fee. Therefore, any award of less than maximum fee shall be accompanied by a list of specific problems that require successful corrective action by Center Management in order to attain award of the maximum fee.

B. Introduction

1. This plan describes the administration of the award fee provisions of Contract No. D051-89-005 with Southwest Research Institute for the evaluation period from October 15, 1989 through October 14, 1990.
2. The following matters, among others, are covered in the contract.
 - a. The contractor is required to establish a Federally Funded Research and Development Center (FFRDC) for the operation of the Center for Nuclear Waste Regulatory Analyses (CNWRA).
 - b. The award fee pool is \$1,597,843.00 through October 14, 1990.
 - c. The estimated cost and award fee pool are subject to equitable adjustments on account of changes or other contract modifications.
 - d. The award fee earned and payable will be determined as specified elsewhere in this plan by the Fee Determination Official (FDO) in accordance with this plan. The FDO is Robert M. Bernero, or his designee.
 - e. Award fee determinations are not subject to the Disputes clause of the contract.
3. This award fee is provided for the establishment and maintenance of a high level of technical expertise for effective performance of functions for the NRC related to the NWPA waste management program. This award fee plan affords the contractor an opportunity to earn increased fee commensurate with the achievement of optimum performance in pursuit of contract objectives and goals. Optimum performance is not necessarily equated with the highest level of performance achievable in all

incentive areas. Rather, it represents the most favorable degree of performance obtainable considering the achievement of contract objectives in light of the complexities of the tasks, the difficulties of the schedules agreed upon, and the contractor's most effective utilization of available resources. The constraints beyond the Center's control shall be considered.

C. Organization Structure for Award Fee Administration

The following organizational structure is established for administering the award fee provisions of the contract.

1. Fee Determination Official (FDO)

- a. The FDO is Robert M. Be...ro, or his designee.
- b. Primary FDO responsibilities are:
 - (1) Determining the award fee earned and payable for each evaluation period as addressed in Part D.
 - (2) Changing the matters covered in this plan as addressed in Part E, as appropriate.

2. Center Review Group (CRG)

- a. The Chairman of the CRG will be:

Jesse L. Funches

The CRG will consist of the following members:

Robert E. Browning	Charles E. MacDonald
Timothy F. Hagan	Mel Silberberg

Advisors: Donald F. Hassell
Sharon D. Mearse

Evaluation Coordinator: Barbara Stiltenpole

- b. The Chairman may recommend the appointment of non-voting members to assist the Group in performing its functions.

c. The CRG will:

- (1) Conduct ongoing evaluations of contractor performance and submit a Performance Evaluation Report (PER) to the FDO covering the Group's findings and recommendations for each evaluation period, as addressed in Part D.
- (2) Considering proposed changes in this plan and recommending those it determines appropriate for adoption by the FDO, as addressed in Part E.

3. Performance Monitors (PM)

- a. PMs will be all Program Element Managers and the Contracting Officer.
- b. Each PM will be responsible for complying with the General Instructions for Performance Monitors, Attachment D-1, and any specific instructions of the COG Chairman as addressed in Part D. Primary PM responsibilities are:
 - (1) Monitoring, evaluating and assessing contractor performance in assigned areas.
 - (2) Periodically preparing a Performance Monitor Report (PMR) for the CRG, as appropriate.
 - (3) Recommending appropriate changes in this plan for consideration, as addressed in Part E.

J. Method for Determining Award Fee

A determination of the award fee earned for each evaluation period will be made promptly by the FDO after the end of the period. The method to be followed in monitoring, evaluating and assessing contractor performance during the period as well as for determining the award fee earned, is described below.

1. The FDO will designate the Performance Monitors. Duties and responsibilities of PMs will be in addition to, or an extension of, regular responsibilities.
2. The CRG Chairman will require that each PM receives the following:
 - o A copy of the contract and all modifications from the Contracting Officer.
 - o Appropriate orientation and guidance from the Contracting Officer.
 - o A copy of this plan along with any changes made in accordance with Part E.
 - o Specific instructions applicable to PM assigned performance areas.
3. PMs will monitor, evaluate and assess contractor performance in accordance with the General Instructions for Performance Monitors, Attachment D-1, and the specific instructions and guidance provided by the CRG Chairman.
4. PMs will submit periodic Performance Monitor Reports (PMRs) to the Evaluation Coordinator and, if required, make verbal presentations to the CRG.
5. As appropriate, the CRG Chairman will request and obtain performance information from other units or personnel normally involved in observing contractor performance.
6. Periodically, the CRG will consider PMRs and other performance information it obtains and discuss the reports and information with PMs or other personnel, as appropriate.

7. After the end of each evaluation period, the contractor shall submit to the Contracting Officer and the Evaluation Coordinator a written self-assessment of its performance during the evaluation period including the amount of award fee it feels it has earned. After receipt of the contractor's self-assessment report, the contractor may be required to meet with the CRG to discuss overall performance during the period. As requested by the CRG Chairman, PMs and other personnel involved in performance evaluations will attend the meetings and participate in discussions.
8. After any such meeting with the contractor, the CRG will consider matters presented by the contractor and establish its findings and recommendations to be included in the PER.
9. The CRG Chairman will prepare the PER for the period and submit it to the FDO for use in determining the award fee earned. The report will include a recommended award fee with supporting documentation. Prior to submitting the PER, the Chairman will discuss the CRG recommendation with the contractor and shall afford the contractor the opportunity to present any additional information for the FDO's consideration. When submitting the report, the Chairman will inform the FDO whether or not the contractor desires to present any matters to the FDO before the award fee determination is made.
10. The FDO will consider the PER and discuss it with the CRG Chairman or other personnel, as appropriate. If requested by the contractor, or if the FDO considers it appropriate, the FDO will meet with the contractor for discussions. If requested by the FDO, the CRG Chairman and any other personnel involved in performance evaluation may be required to attend the meeting with the contractor.
11. The FDO will determine the amount of award fee earned during the period. The amount determined will not result solely from mathematical summing, averaging or the application of a formula. The FDO's determination of the amount of award fee earned and the basis for this determination will be stated in the Award Fee Determination Report (AFDR). The report will be signed by the FDO and given to the contractor for attachment to its voucher requesting payment of the award fee.

E. Changes In Plan Coverage

1. Right to Make Changes

Any matters covered in this plan may be changed by mutual agreement of the parties 30 days prior to the beginning of an evaluation period by timely notice to the contractor in writing. However, when the Center and the NRC cannot agree on any proposed change the matter will be referred to the FDO for a final decision. All final changes will be made by formal modification to the contract.

2. Method of Changing Plan Coverage

The method to be followed for changing plan coverage is described below.

- a. Personnel involved in the administration of the award fee provisions of the contract are encouraged to recommend changes in plan coverage with a view toward changing management emphasis, motivating higher performance levels, or improving the award fee determination process. Recommended changes should be sent to the CRG for consideration and drafting.
- b. The CRG will coordinate proposed changes with the contractor.
- c. Prior to the end of each evaluation period, the CRG will submit changes applicable to the next evaluation period for approval by the FDO with appropriate comments and justification.

ATTACHMENT C-1 TO AFDP

CONTRACT NO. NRC-02-88-005 WITH SOUTHWEST RESEARCH INSTITUTE

EVALUATION PERIODS AND MAXIMUM
AVAILABLE AWARD FEE FOR EACH

No.	Duration	Evaluation Period	
		Ending	Maximum Available Award Fee
1	6 months	April 14, 1988	\$102,009
2	6 months	October 14, 1988	\$158,444
3	6 months	April 14, 1989	\$275,870
4	6 months	October 14, 1989	\$296,990
5	6 months	April 14, 1990	\$318,735
6	6 months	October 14, 1990	\$445,785*

*The available award fee of the sixth evaluation period contains fee for one-half of period 1 of the currently approved FY 1991 Operations/Project Plans which are antiquated due to changes in DOE's program and OMB budget cuts. Consequently, the available award fee for the sixth evaluation period is subject to adjustment upon receipt of the FY 1991-1992 Operations/Project Plans.

ATTACHMENT C-2 TO AFDP FOR
CONTRACT NO NRC-02-88-005 WITH SOUTHWEST RESEARCH INSTITUTE
EVALUATION CRITERIA FOR YEAR THREE PERFORMANCE
AREA WEIGHT 100

1. Technical and Staffing

(A) Technical - 35 Points

The extent to which the contractor provides sustained high quality technical assistance and research in support of the NRC high-level waste program. The functioning of the Center shall be consistent with the direction provided by the NRC Contracting Officer and the approved operations plans and the guidance provided by the NRC CHWRA Program Manager. Determining factors shall include:

(1) Thoroughness and Accuracy of work

The extent to which the contractor submits technical work products which are thorough, accurate and meet the contractual specification for the deliverable.

(2) Technical Independence and Initiative

The extent to which the contractor's technical efforts exhibit independence and initiative in implementing the approved operations plans and recommending activities that need to be undertaken by the NRC to meet its responsibilities.

(3) Clarity and Conciseness

The extent to which the contractor consistently submits work products that are clear and provide an adequate technical basis for NRC staff use.

(4) Timeliness

The extent to which the Center consistently submits work products on time. The degree to which delays are caused by circumstances beyond the Center's control shall be considered.

(5) Complexity

Consideration will be given to the technical difficulty and schedule requirement.

(B) Staffing - 15 Points

The extent to which the contractor has successfully implemented its proposed staffing plan, including provisions for the key personnel, in a timely manner, enabling the Center to function to fulfill its mission. The following items will be considered:

- (1) The quality and timeliness of the Center's development of a written "staffing plan".
- (2) Ability to attract and retain high quality personnel in accordance with the Center's staffing plan. Consideration will be given to difficulty in acquiring personnel because of unique circumstances (for example, an unexpected high demand for certain disciplines).
- (3) Effectiveness in assigning qualified personnel to accomplish work in approved operations plans and long term program objectives which are the basis of the staffing plan.

2. Management - 35 Points

The extent to which the contractor continues to develop the Center in accordance with requirements to bring the Center to "full capability" by the end of the third contract year. The extent to which the contractor effectively manages the program to establish appropriate priorities and perform assigned tasks in a timely manner based on the direction provided by the NRC Contracting Officer, approved Operations Plans and efficient utilization of available resources.

(A) Develop/Implement Appropriate Procedures/Practices

- (1) The extent to which the contractor develops and implements administrative and management procedures and practices needed to successfully operate a Federally Funded Research and Development Center, e.g., conflict of interest procedures.
- (2) The extent to which the Center develops, maintains and implements an effective QA program.

(A) Cost Estimation and Control

- (1) The extent to which the Contractor develops detailed and reasonable cost estimates for performance of work. Also, the extent to which the Contractor substantiates all cost estimates and/ or proposed revisions.
- (2) The extent to which the contractor performs work within the original cost estimates, if revisions to work requirements are necessary evaluation will be based on revised estimates agreed upon.
- (3) The accuracy and timeliness of information provided by the Center's integrated budgeting and cost reporting system in compliance with contract requirements.

(B) Effectiveness of Contractor's Performance in the Area of Contract Administration, including:

- (1) The extent to which the Center assures that: subcontracts are negotiated, documented and administered in accordance with the Federal Acquisition Regulations; subcontractor approval requests are submitted in a timely manner including copies of all task directives issued and modifications to subcontracts
- (2) quality and timeliness of: required administrative notifications such as limitation of funds notification; submission of reports such as periodic progress reports and subcontracting plan reports.
- (3) the review and execution of contract modifications which shall be accomplished within two weeks from the date of transmittal. When the Center takes exception to the terms of the modification, negotiations between the Center and the Contracting Officer shall be initiated within the said two week period.
- (4) effectiveness of liaison with the Contracting Officer in all aspects of contract administration
- (5) the extent to which the Center provides accurate and timely information on conflict of interest issues

ATTACHMENT C-3 GRADING TABLE

PROPOSED EVALUATION GRADES

Purpose

The purpose of the Award Fee is to stimulate management actions which will motivate Center staff to strive for excellence in the overall performance of the Center, under the contractually non-competitive environment of an FFRDC. NRC interests are best served when the Center's performance is such that NRC can award the maximum fee. Therefore, any award of less than maximum fee shall be accompanied by a list of specific problems that require successful corrective action by Center Management in order to attain award of the maximum fee.

Satisfactory - 70 to 80

The contractor's performance has met most needs, schedules, and expectations set forth in the contract. Areas of deficiencies are more frequent than in the criteria above, but are offset by areas of excellent or superior performance such that net affect on overall program was negligible.

Fair 60 to 70

Contractor's performance has not met contract requirements on numerous occasions. Areas of deficiency have had some adverse impact on the program (cost, schedule and/or performance). This rating constitutes a warning to the contractor that its performance borders on an unsatisfactory rating.

Unsatisfactory Below 60

Number and significance of deficiencies are such that the contractor's overall performance is unsatisfactory.