Fiscal Year 2012

AWARD FEE PLAN

FOR

LATA Environmental Services of Kentucky, LLC

Paducah Remediation Contract
DE-AC30-10CC40020

CONCUR:

Rob Seifert, Paducah Remediation Engineer and Deputy Federal Project Director
Portsmouth/Paducah Project Office

Reinhard Knerr, Paducah Site Lead and Federal Project Director
Portsmouth/Paducah Project Office

APPROVED:

William E. Murphie, Manager
Portsmouth/Paducah Project Office

AWARD FEE PLAN
FOR
LATA Environmental Services of Kentucky, LLC

DE-AC30-10CC40020

TABLE OF CONTENTS

	PAGE
1. INTRODUCTION	1
2. DEFINITION OF TERMS	1
3. AWARD FEE STRUCTURE	1
4. ORGANIZATIONAL STRUCTURE	2
5. RESPONSIBILITIES	2
6. AWARD FEE AMOUNTS AND PERIODS	3
7. AWARD FEE PROCESS	4
8. TERMINATION FOR CONVENIENCE	6

EXHIBITS

1. Performance Evaluation Board (PEB) Members and Advisors	7
2. Award Fee Rating Table, Award Fee Conversion Chart, Award Fee Calculations and Performance Based Incentives	8
3. Rating Criteria	16
4. Rating Summary Tables	21
5. Award Fee Process Flowchart	22

1. INTRODUCTION

The purpose of this award fee plan is to define the methodology and responsibilities associated with determining the fee to be awarded to the contractor. The plan outlines the organization, procedures, evaluation criteria and evaluation periods for implementing the award fee provisions of the contract. The objective of the award fee is to motivate the contractor to substantially exceed standards and to emphasize key areas of performance without jeopardizing minimum acceptable performance in all other areas.

2. DEFINITION OF TERMS

a. **Contracting Officer (CO):** The individual authorized to commit and obligate the government through the life of the contract. The CO is an advisor to the Performance Evaluation Board (PEB).

b. **Fee Determining Official (FDO):** The individual who makes the final determination of the amount of fee to be awarded to the contractor.

c. **Performance Evaluation Board (PEB):** The group of individuals who review the contractor's performance and recommend an award fee to the FDO. The PEB chairperson is the DOE Site Lead, Paducah. Members of and advisors to the PEB are indicated in Exhibit 1.

d. **Project Team Evaluators (PTE):** The individual(s) assigned to monitor and evaluate the contractor's performance on a continuing basis. The PTE's evaluation is the primary point of reference in determining the recommended award fee, especially the technical support area of performance. The PTE are responsible for providing their input, as requested, to the Remediation Engineer. The PTE is an advisor(s) to the PEB.

e. **Remediation Engineer (RE):** The individual who is most directly responsible for the satisfactory performance of the remediation services. The Remediation Engineer manages the award fee evaluation process, coordinates the development of the award fee plan and subsequent revisions, and also serves as the recorder, who is responsible for insuring the PEB is properly convened, which includes meeting place, time, advising all PEB members, preparing the agenda, and taking minutes. The Remediation Engineer is an advisor to the PEB.

3. AWARD FEE STRUCTURE

The award fee will be structured into two sections, a base section and a performance based incentive section.

a. The first is a base section which has been divided into the following general categories of performance: quality of regulatory documents and associated support functions, quality and effectiveness of Environment, Safety, Health and Quality Assurance (ESH&QA) Program, quality and effectiveness of waste management services, and quality and effectiveness of project management (including cost management). Each category will be evaluated separately and will receive a grade ranging from Unsatisfactory to Excellent. Safety will be a "gate criteria" where

the contractor must maintain quarterly Paducah Site cumulative Days Away, Restrictions and Transfers (DART) and Total Recordable Cases (TRC) rates at or below the Department of Energy (DOE) Environmental Management (EM) Goal by the end of each reporting period. The Fiscal Year (FY12) Goal for DART is 0.5 and for TRC is 1.3. If the contractor fails to meet this "gate criteria", 25% of the available base award fee will be unavailable to be earned during that evaluation period. The percent of fee placed on this section will be 40%.

b. The second section will include specific performance based incentive (PBI) criteria based on work to be performed during the annual evaluation period. PBIs will be determined prior to the annual evaluation period and an award fee amount assigned. Grades will be assigned from Unsatisfactory to Excellent for each specific PBI. The percent of fee placed on this section will be 60%. These PBIs will be determined during the third quarter of the evaluation period for the upcoming evaluation period. This Award Fee Plan will be updated annually to include the new PBIs and approved by the Portsmouth/Paducah Project Office Manager.

4. ORGANIZATIONAL STRUCTURE

a. The Manager, Portsmouth Paducah Project Office, will serve as the FDO and will establish a PEB. The PEB will assist the FDO in the award fee determination by recommending an award fee for the contractor's performance. If the FDO is absent, the Deputy Manager, Portsmouth Paducah Project Office, will serve as the FDO. If a PEB member is absent, the FDO will approve substitute(s) with similar qualifications. Technical and functional experts, as required, may serve in an advisory (non-voting) capacity to the PEB. See Exhibit 1 for members and potential advisors.

b. A copy of the Award Fee Plan shall be provided to the contractor 30 days prior to the start of the first evaluation period. This Award Fee Plan shall include both base and specific award fee criteria (i.e., PBIs) as described in Section 3. Changes which do not impact the award fee criteria or process, such as editorial or personnel changes may be made and implemented without being provided to the contractor 30 days prior to the start of the evaluation period.

5. RESPONSIBILITIES

a. The PTE(s) will monitor and evaluate the contractor's performance. The PTE(s) will work closely with the CO and Remediation Engineer in performing surveillance duties. PTE(s) will use Exhibit 2, Award Fee Rating Table and Exhibit 3, Rating Criteria, in monitoring and evaluating contractor's performance.

b. The Remediation Engineer will use the Award Fee Rating Table in Exhibit 2 to determine the adjective ratings to be reported to the PEB. The Remediation Engineer will be thoroughly familiar with current award fee policy, guidance, regulations, and correspondence pertinent to the award fee process. The Remediation Engineer will coordinate administrative actions required by the PTE(s), the PEB, and the FDO. Administrative actions include receiving, processing, and distributing performance evaluation inputs, scheduling and assisting with internal milestones, i.e., PEB briefings, and other actions as required for the smooth operation of the award fee process.

c. The PEB members will review the PTE's evaluation reports and the Remediation Engineer's recommended adjectival rating, consider information from other pertinent sources, and develop a fee recommendation. The PEB chairperson will give the fee recommendation to the FDO.

d. The FDO will review the PEB's recommendations, consider all appropriate data, and notify the CO in writing of the final fee determination. The CO will prepare a letter for FDO signature notifying the contractor of the award fee amount. The CO will modify the contract to reflect the earned award fee for the performance evaluation period.

6. AWARD FEE AMOUNTS AND PERIODS

a. The total award fee available is **$13,646,908.** An annual amount will be available for each fiscal year subject to contract adjustments through modification of the contract.

b. Following are the amounts currently available for each evaluation period:

Annual	Period	Amount Available*
First	07/26/2010-09/30/2010	$524,019
Second	10/01/2010-09/30/2011	$2,644,115
Third	10/01/2011-09/30/2012	$3,701,612
Fourth	10/01/2012-09/30/2013	$2,305,895
Fifth	10/01/2013-09/30/2014	$2,418,036
Sixth	10/01/2014-06/30/2015	$2,053,231

* Award fee amount includes fee that will only be available if work scope is authorized by the Contracting Officer.

c. The amounts corresponding to each evaluation period is the maximum amount that may be earned during that particular period unless the amount is increased by contract modification. In accordance with the Contract Clause B.2 (d), a "provisional payment of a proportional quarterly amount equivalent of an amount up to 75% of the available award fee for the payment period may be permitted." Any portion of award fee not awarded for an evaluation period may not be transferred to another evaluation period.

d. If the CO reduces fee in accordance with the Contract Clause I.131 entitled "DEAR 952.223.76 Conditional Payment of Fee or Profit – Safeguarding Restricted Data and Other Classified Information and Protection of Worker, Safety and Heath (AUG 2009)", the award fee pool for the evaluation period shall be decreased by the equivalent amount.

e. The Government may unilaterally revise the distribution of the award fee, as indicated in paragraph 6b above, in any subsequent evaluation periods. The CO will notify the contractor in writing of such changes in distribution before the relevant evaluation period begins and the award fee plan will be modified accordingly. After an evaluation period has begun, changes may only be made by mutual agreement of the parties. While the Government may unilaterally change the award fee amounts for each period or each rated criteria area prior to the start of each

award fee period, the total amount of award fee available may not be unilaterally changed once established at the beginning of each evaluation period.

7. AWARD FEE PROCESS (See Exhibit 4, Award Fee Process Flowchart)

a. PTE Actions

(1) PTE(s) will continually monitor and evaluate the contractor's performance using the criteria contained in Exhibit 3, Rating Criteria.

(2) For the Category of Performance (CP) items, the PTE will evaluate these items on a quarterly basis. The PTE will use the appropriate CP rating criteria in Exhibit 3 to evaluate the contractor's performance. The PTE will review and evaluate each evaluation criteria for each CP item to determine the performance level of the contractor. If a weakness appears in any way to negatively impact ES&H performance or the safeguarding of restricted data pursuant to the contract, the PTE shall notify the Site Lead and the CO. A weakness for any Category of Performance is defined as any failure to meet CP evaluation criteria. The PTE will maintain all documentation for file maintenance. The PTE will use the documentation to ensure contractor has established adequate procedures to prevent recurrence of weaknesses.

(3) At the end of each quarter the PTE will submit to the Remediation Engineer the rating criteria, Exhibit 3, for all Category of Performance items. Based on the above evaluation results, the PTE will select the appropriate adjective rating with written notes on the strengths and weaknesses of the contractor to report to the Remediation Engineer.

b. Remediation Engineer's Actions

(1) The Remediation Engineer will select an adjective rating for each of the CP items based on his/her personal observations of performance and on the adjective rating reported by the PTE.

(2) The Remediation Engineer will use Exhibit 4, Adjective Rating Summary Table, to record the PTE's adjective rating for the quarter and the Remediation Engineer's adjective rating. The Remediation Engineer is not permitted to change the PTE's adjective rating. In addition to reporting the PTE's notes on the strengths and weaknesses of the contractor, the Remediation Engineer will annotate his/her rationale for selecting a particular adjective rating.

(3) The Remediation Engineer will use Exhibit 4, Annual Adjective Rating, to compute the annual adjective rating average for the award fee.

(4) The Remediation Engineer will submit a completed Exhibit 4, Annual Adjective Rating, for presentation to the PEB.

(5) The Remediation Engineer notifies PEB members and any advisors of the date and time of the PEB meeting in accordance with the schedule established by the PEB chairperson. Additionally, the Remediation Engineer notifies the contractor of the date and time of PEB meeting and advises the contractor of when and how (written, oral, or both) he/she will be permitted to address the PEB as determined by the PEB chairperson. Generally, the contractor

will be provided the opportunity to provide written materials (limited to no more than 20 pages) and make an oral presentation of up to 30 minutes. The presentation should be provided in advance and should be in the form of a self-assessment measured against each award fee criteria section. Prior to the PEB meeting, the Remediation Engineer will provide the PEB members with a page-numbered binder to include, at a minimum, the input for the fiscal year from the PTE members, the forms required to be filled out during the evaluation meeting, and the contractor's award fee presentation.

(6) The Remediation Engineer prepares functional area evaluation reports in a briefing format as determined by the PEB chairperson. The area report briefing should include a mix of specific and global evaluation comments so the PEB can get a holistic assessment of the contractor's performance.

c. **PEB Actions**

(1) Site Lead, Paducah will chair the PEB. The FDO may approve the PEB members recommended by the chairperson. The PEB chairperson will establish dates, times, and places for the PEB meeting and notify the Remediation Engineer for appropriate notification to members, advisors, and the contractor. The chairperson will schedule the PEB meeting to ensure the PEB's recommended fee is presented to the FDO within 30 days following the close of the evaluation period.

(2) PEB members will consider all information from the following sources in determining its award fee recommendation to the FDO:

(a) Evaluations submitted by the PTEs and Remediation Engineer. Chairperson may require oral briefings by the functional area personnel.
(b) Information submitted by other sources as considered appropriate by the PEB.
(c) Contractor's written or oral (or both as determined by chairperson) self-assessment of performance.

(3) Using Exhibit 4, Annual Adjective Rating Table; each member will document their adjective rating from Exhibit 2, Award Fee Rating Table, and provide their rationale by attaching notes to Exhibit 4 for their selection.

(4) The chairperson will collect members' Annual Adjective Rating Table, Exhibit 4, and review them. If any member's adjective rating is "below standards" and this rating is lower than a PTE(s) adjective rating for that same area, appropriate discussions with that member(s) should be conducted to determine the member's rationale. Lowering the adjective rating requires specific reasons, since the contractor will be aware of all weaknesses from the PTE's quarterly evaluation. Once the chairperson is satisfied with the PEB's rating results, the chairperson will pass the individual member's rating sheets to the Remediation Engineer.

(5) The Remediation Engineer summarizes individual member's adjective ratings for the rating criteria using Exhibit 4, Summary of PEB's Rating and provides a summary of the adjective

rating to ensure PEB consensus with the resulting overall rating. The PEB will then strive to gain consensus on a fee/fee range recommendation to the FDO.

(6) The chairperson will prepare or will have the Remediation Engineer prepare a cover letter to transmit Exhibits 3 and 4; Summary of PEB's Rating, to the FDO.

(7) The PEB Chair will meet with the contractor's manager quarterly (the first through third quarters) to discuss PTE and Remediation Engineer ratings, upon request. If issues have not been previously communicated by DOE to the contractor, this gives the contractor an opportunity to make corrective actions prior to the fourth quarter meeting of the PEB.

d. **FDO's Actions**

(1) The FDO determines the final fee based upon all the information furnished and assigns a final percent of award fee earned for the evaluation period using the Exhibit 2 Award Fee Conversion Chart.

(2) The FDO notifies the CO in writing or via electronic correspondence of his/her final determination of award fee

e. **CO's Actions**

(1) The CO will prepare a letter for the FDO's signature notifying the contractor of the amount of award fee earned for the annual period. Additionally, the letter will identify any specific areas of strengths and weaknesses in the contractor's performance.

(2) The CO will unilaterally modify the contract to reflect the FDO's final determination of award fee. This modification will decrease the total value of the contract commensurate with the amount of the fee unearned. The modification will be issued to the contractor within 14 days after the CO receives the FDO's decision.

8. TERMINATION FOR CONVENIENCE

In the event that the contract is terminated for the convenience of the government (Clause I.114), the remaining award fee payable for the current period may be available for equitable adjustment in accordance with the termination clause of the contract. The remaining fee for all periods after the termination shall not be considered earned and therefore shall not be paid.

Exhibit 1

PERFORMANCE EVALUATION BOARD MEMBERS AND ADVISORS

Fee Determining Official:

Manager, PPPO Lexington	William E. Murphie

Following are PEB members and advisors:

Site Lead, Paducah (Chairperson)	Reinhard Knerr
Deputy Manager, PPPO Lexington	Larry Newman
Lead Contracting Officer, PPPO Lexington	Pamela Thompson
*Contracting Officer	Bill Creech
*Remediation Engineer	Rob Seifert
*Project Team Evaluators[1]	Cindy Zvonar Jennifer Woodard David Dollins Tom Hines Lisa Santoro Russell McCallister Deborah Kerner Dan Yaeger Buz Smith
*Attorney Advisor	Bert Gawthorp

*Advisors Only - Non-Voting Participants

[1] The PEB Chair may add, remove or replace additional PTEs throughout the contract period of performance, as appropriate.

Exhibit 2

AWARD FEE RATING TABLE		
ADJECTIVE RATING		**DEFINITION**
EXCELLENT	91%-100%	Contractor has exceeded almost all of the significant award-fee criteria and has met overall cost, schedule, and technical performance requirements of the contract as defined and measured against the criteria in the award-fee plan for the award-fee evaluation period.
VERY GOOD	76%-90%	Contractor has exceeded many of the significant award-fee criteria and has met overall cost, schedule, and technical performance requirements of the contract as defined and measured against the criteria in the award-fee plan for the award-fee evaluation period.
GOOD	51%-75%	Contractor has exceeded some of the significant award-fee criteria and has met overall cost, schedule, and technical performance requirements of the contract as defined and measured against the criteria in the award-fee plan for the award-fee evaluation period.
SATISFACTORY	No Greater Than 50%	Contractor has met overall cost, schedule, and technical performance requirements of the contract as defined and measured against the criteria in the award-fee for the award-fee evaluation period.
UNSATISFACTORY	0%	Contractor has failed to meet overall cost, schedule, and technical performance requirements of the contract as defined and measured against the criteria in the award-fee plan for the award-fee evaluation period.

Exhibit 2

AWARD FEE CONVERSION CHART		
ADJECTIVE RATING	**EVALUATION POINTS (OVERALL WEIGHTED RESULT)**	**PERCENTAGE OF AWARD FEE EARNED**
EXCELLENT	23-25	91 to 100%
VERY GOOD	19-22	76 to 90%
GOOD	14-18	51 to 75%
SATISFACTORY	8-13	No Greater Than 50%
UNSATISFACTORY	0-7	0%

CATEGORY OF PERFORMANCE (BASE)	**Weightings**
1. Quality and Effectiveness of Documents and Associated Support	25%
2. Quality and Effectiveness of Environment, Safety, Health and Quality Assurance (ESH&QA)	30%
3. Quality and Effectiveness of Project Support (Reference Section C.1.10 of the contract)	30%
4. Quality and Effectiveness of Project Management (to include cost management)	15%

CATEGORY OF PERFORMANCE (Performance Based Incentives for October 1, 2011 to September 30, 2012)	**Weightings**
1. C-340 D&D	30%
2. C-410 D&D	30%
3. Waste Disposal Options CERCLA process	20%
4. C-400 Phase II	20%
5. STRETCH	N/A[2]

Base[3] (40% of Available Fee) + PBI (60% of Available Fee) = Total Available Fee (100% of Available Fee)

[2] Any award fee not awarded in the Base (excluding fee reduced as a result of failure to stay below DART/TRC Rates as specified in Section 3a of this Award Fee Plan) or in the PBI (non-Stretch) will be available to be earned upon successful completion of the Stretch PBI. DOE reserves the right to reduce the fee available for the stretch PBI by up to 50% based on the overall performance of the non-stretch PBIs.

[3] Failure to stay below DART/TRC Rates, as specified in Section 3a of this Award Fee Plan will result in an automatic 25% reduction of the Base Award Fee.

Performance Based Incentive Summaries[4]:

1. **C-340 D&D:**

Complete all C-340 project activities by 9/30/12, including but not limited to:

a) Ensure project FY12 $ACWP_{Base}$ is less than or equal to $8.6M (assumes $ACWP_{Base}$ is $12.4M on 9/30/11);
b) Ensure project CPI and SPI for C-340 is green at the end of FY12 and is not outside the range for green for more than one consecutive month;
c) Demolition of the entire C-340 Complex to slab/grade;
d) Filling any sub-grade cavities (e.g., basements, sumps, drains, conduit) to grade, consistent with the RAWP;
e) Slab preparation;
f) Removal of all fencing;
g) Removal of all aboveground utilities to the nearest operational "trunk";
h) Disposal of all waste;
i) Site restoration (i.e., grading, backfill, seeding, etc) including lay-down yards, lots, or structures constructed or installed to support the project that have no immediate re-use;
j) Demobilization;
k) Gain regulatory approval/concurrence, as appropriate, of the Sampling and Analysis Plan for PCBs by 10/31/11. Sufficient time must be provided to DOE for thorough review and comment resolution of the document;
l) Gain regulatory approval of modification of the Action Memorandum and the Removal Action Work Plan allowing transite to remain on the facility structure during demolition. Sufficient time must be provided to DOE for thorough review and comment resolution of the document;
m) Submit D1 Removal Action Completion Report to KY and EPA by 9/30/12. Sufficient time must be provided to DOE for thorough review and comment resolution of the document;

2. **C-410 D&D**

Complete all C-410 project activities (capital and operating) by 9/30/12, including but not limited to:

a) Ensure project FY12 $ACWP_{Base}$ is less than or equal to $12M (assumes $ACWP_{Base}$ is $18M on 9/30/11);
b) Ensure project CPI and SPI for C-410 is green at the end of FY12 and is not outside the range for green for more than one consecutive month;

[4] DOE will inspect site conditions to determine whether actions have been completed. In the event the contractor has not adequately completed 100% of the PBI, DOE may, at its sole discretion, allow partial fee within the PBI, based on the amount and quality of work completed.
[5] Green: ≥ 0.90 and DOE OECM rating of Green.

c) Demolition of the entire C-410 Complex to slab/grade;
d) Filling any sub-grade cavities (e.g., basements, sumps, drains, conduit) to grade, consistent with the RAWP;
e) Slab preparation;
f) Removal of all fencing;
g) Removal of all aboveground utilities to the nearest operational "trunk";
h) Gain regulatory approval of modification of the Action Memorandum and the Removal Action Work Plan allowing transite to remain on the facility structure during demolition. Sufficient time must be provided to DOE for thorough review and comment resolution of the document;
i) Capping and removal of all cold traps to DOE approved interim storage by 12/31/11 while staying compliant with the C-410 Capital Asset baseline. Gain Kentucky and EPA written approval for long-term interim storage, including modifications of all applicable CERCLA documents prior to 12/31/11.

3. **Waste Disposal Options (WDO) Project**

Complete the following Waste Disposal Options (WDO) Project activities, including but not limited to:

a) Ensure project FY12 ACWP is less than or equal to $750K (assumes ACWP is $5.5M on 9/30/11);
b) Ensure project CPI and SPI for the WDO project is green at the end of FY12 and is not outside the range for green for more than one consecutive month;
c) Submit the WDO D1 Remedial Investigation / Feasibility Study (RI/FS) Report to the regulators by 11/30/11. Sufficient time must be provided to DOE for thorough review and comment resolution of the document. The RI/FS Report must include detailed evaluation of recycling/smelting options (e.g., microwave smelting);
d) Resolve comments on the D1 RI/FS Report and gain regulatory approval of the D2 RI/FS Report within the timeframe allotted by the FFA without extension;
e) Submit the WDO D1 Proposed Plan to the regulators by 5/31/12. Sufficient time must be provided to DOE for thorough review and comment resolution of the document;
f) Resolve comments on the WDO D1 PP and gain regulatory approval of the WDO D2 PP within the timeframe allotted by the FFA without extension;
g) Submit the WDO D0 Record of Decision to DOE PPPO by 6/30/12.
h) Conducts high quality interactive public meeting/workshop, co-sponsored with the Paducah Citizens' Advisory Board, no later than 1/31/12 that effectively explains the information in the WDO D1 RI/FS Report, including, but not limited to the site selection process, potential cell design parameters, height vs. volume vs. costs sensitivity analysis, and breach scenarios/impacts. Provide draft presentation/workshop materials and brief DOE PPPO no later than 11/30/11;
i) Complete all planning and get DOE concurrence on the approach and materials supporting the Public Meeting required after the approval of the WDO Proposed Plan by 5/31/12; and

j) Conducts high quality interactive public meeting during the Public Comment period associated with the review of the Proposed Plan. This meeting must effectively explains the information in the WDO D1 PP, including, but not limited to the site selection process, potential cell design parameters, height vs. volume vs. costs sensitivity analysis, and breach scenarios/impacts.

4. **C-400 Phase II**

Complete the following C-400 Phase II Project activities, including but not limited to:

a) Ensure project FY12 ACWP is less than or equal to $3M (assumes ACWP is $26.6M (not including capital) on 9/30/11);
b) Ensure project CPI and SPI for C-400 is green at the end of FY12 and is not outside the range for green for more than one consecutive month;
c) Identify all Phase IIa regulatory documents and associated changes required to implement Phase IIa. Obtain DOE and regulatory approval of document submittal schedules and submit the identified documents on time to support beginning construction on 7/31/12. Sufficient time must be provided to DOE for thorough review and comment resolution of the document.
d) Begin construction of the Phase IIa by 7/31/12. Begin construction is defined as 1) regulatory approvals in place, 2) mobilization initiated, and 3) physical drilling started.
e) Gain DOE concurrence and regulatory approval of all applicable decision documents up to and including ROD modification for Phase IIb to allow technology other than ERH for C-400 RGA treatment by 5/18/12.
f) Gain DOE concurrence of and submit the revised D1 Phase IIb RDWP to Kentucky and EPA by 8/29/12.

<u>Stretch</u>

As funding allows during FY12, complete the following activities by 9/30/12:

1. **C-410 D&D**

Complete all C-410 project activities (capital and operating) by 9/30/12, including but not limited to:

a) Ensure project CPI and SPI for C-410 is green at the end of FY12 and is not outside the range for green for more than one consecutive month;
b) Site restoration (i.e., grading, backfill, seeding, etc) including lay-down yards, lots, or structures constructed or installed to support the project that have no immediate re-use;
c) Demobilization

d) Submit D1 Removal Action Completion Report to KY and EPA by 9/30/12. Sufficient time must be provided to DOE for thorough review and comment resolution of the document;
e) Disposal of all waste by 9/30/12
f)

2. D&D of Inactive Facilities

The list of facilities included in this PBI, also noted in Table 1.3.2(a) of LATA's contract, is:

- C-728
- C-615-T01 through T05
- C-415
- C-746-M
- C-720-N

Complete all D&D activities associated with the inactive facilities identified above by 9/30/12, including but not limited to:

a) Ensure project CPI and SPI for the Inactive Facilities project is green at the end of FY12 and is not outside the range for green for more than one consecutive month;
b) Demolition of the facilities identified above to slab/grade;
c) Filling any sub-grade cavities (e.g., basements, sumps, drains, conduit) to grade;
d) Slab preparation;
e) Removal of all fencing, as appropriate;
f) Removal of all aboveground utilities to the nearest operational "trunk";
g) Site restoration (i.e., grading, backfill, seeding, etc) including lay-down yards, lots, or structures constructed or installed to support the project that have no immediate re-use;
h) Demobilization;
i) Disposal of all waste.

3. SWMU 4 field sampling

Complete all activities associated with SWMU 4 field sampling identified below by 9/30/12, including but not limited to:

a) Ensure project CPI and SPI for the SWMU 4 project is green at the end of FY12 and is not outside the range for green for more than one consecutive month;
b) Submit the D1 Sampling and Analysis Plan (SAP) to the regulators by 10/31/11. Sufficient time must be provided to DOE for thorough review and comment resolution of the document;
c) Resolve regulatory comments on the D1 SAP and gain regulatory approval of the D2 SAP by 1/15/12;
d) Initiate field sampling by 4/30/12;
e) Complete field sampling by 9/30/12.

Award Fee Calculation Methodology:

1. PTE assigns rating (0-25) for each Category of Performance
2. Multiply weighting percentage to each CP to arrive at weighted result.
3. Add weighted results together to arrive at overall weighted result.

Example:

PTE Ratings:

Quality and Effectiveness of Documents and Support – 23
Quality and Effectiveness of Environment, Safety, Health and Quality Assurance (ESH&QA) – 22
Quality and Effectiveness of Project Support– 24
Quality and Effectiveness of Project Management (To include cost management) – 20

Weighted Result: (23 x 25%) + (22 x 30%) + (24 x 30%) + (20 x 15%) = 22.55
Overall Weighted Result: 22.55; round up to 23.
Adjective rating (Award Fee Conversion Chart): Excellent

Rounding Rule: .5 and above is rounded up to the next whole number.

FDO Decision

The earned award-fee amount indicated by the use of a conversion table or graph is a guide to the FDO. Use of the Award Fee Conversion Chart does not remove the element of judgment from the award fee process.

RATING CRITERIA *(IDENTIFY QUARTER)*					
	RATING (Check Appropriate Box)				
CATEGORY OF PERFORMANCE (EVALUATION WEIGHTING)	EXCELLENT	VERY GOOD	GOOD	SATISFACTORY	UNSATISFACTORY
Quality and Effectiveness of Documents and Associated Support (25%)					
EVALUATION POINTS:	23-25	19-22	14-18	8-13	0-7
EVALUATION CRITERIA:	NOTES ON STRENGTHS AND WEAKNESSES				
The Contractor will be evaluated on the quality, timeliness and adequacy of their documents and submittals; the level of quality of D0 documents; the percentage of D1 documents approved by regulators; permit submittals and modifications; standard reports such as operating and quarterly groundwater reports.					
The Contractor will be evaluated on the quality and timeliness of response to inquiries from regulatory agencies, stakeholders and any other party.					
The Contractor will be evaluated on the quality, timeliness and adequacy of their ability to ensure that all environmental regulatory documents have received adequate legal review for sufficiency, accuracy and strategic impacts before being submitted to DOE and then to the regulatory agencies.					

Exhibit 3

RATING CRITERIA *(IDENTIFY QUARTER)*					
	RATING (Check Appropriate Box)				
CATEGORY OF PERFORMANCE (EVALUATION WEIGHTING)	EXCELLENT	VERY GOOD	GOOD	SATISFACTORY	UNSATISFACTORY
Quality and Effectiveness of Environment, Safety, Health, and Quality Assurance (ESH&QA) (30%)					
EVALUATION POINTS:	23-25	19-22	14-18	8-13	0-7
EVALUATION CRITERIA:	NOTES ON STRENGTHS AND WEAKNESSES				
The Contractor will be evaluated on the adequacy of their policies, plans, and procedures governing ESH&QA programs.					
The Contractor will be evaluated on their application and incorporation of ESH&QA principles and requirements into work scopes and specific programs and efforts, including but not limited to Integrated Safety Management, radiological protection, environmental protection, industrial safety, security (includes Cyber-Security), nuclear safety, waste shipping, emergency management, waste minimization, Conduct of Operations, QA, and work planning initiatives.					
The Contractor will be evaluated on their ability to effectively and timely identify, manage, prevent or correct, report and resolve deficiencies within the ISMS program. Contractor will also be evaluated on the thoroughness of their response to deficiencies to prevent recurrence of the deficiency including the manner and adequacy of tracking, trending, and root cause/lessons learned analyses, reporting, and formal closure processes.					

The Contractor will be evaluated on their ability to effectively manage and implement the PCB program including identification and implementation of any cost savings initiatives.	
The Contractor will be evaluated on its ability to effectively manage and implement the Environmental Monitoring Program including identification and implementation of any cost savings initiatives.	

Exhibit 3

RATING CRITERIA (IDENTIFY QUARTER)					
	RATING (Check Appropriate Box)				
CATEGORY OF PERFORMANCE (EVALUATION WEIGHTING)	EXCELLENT	VERY GOOD	GOOD	SATISFACTORY	UNSATISFACTORY
Quality and Effectiveness of Project Support (30%)					
EVALUATION POINTS:	23-25	19-22	14-18	8-13	0-7
EVALUATION CRITERIA:	NOTES ON STRENGTHS AND WEAKNESSES				
The contractor will be evaluated on the effectiveness, timeliness and adequacy of support provided to DOE as identified in section C.1.10 of its contract.					
Customer relations given priority consideration					
Provides efficient and effective engineering services, administrative services, project control tasks and information management services					
The contractor will be evaluated on the effectiveness, timeliness and adequacy of implementation of its public relations program.					

RATING CRITERIA (IDENTIFY QUARTER)					
	RATING (Check Appropriate Box)				
CATEGORY OF PERFORMANCE (EVALUATION WEIGHTING)	EXCELLENT	VERY GOOD	GOOD	SATISFACTORY	UNSATISFACTORY
Project Management (to include cost management) (15%)					
EVALUATION POINTS:	23-25	19-22	14-18	8-13	0-7
EVALUATION CRITERIA:	NOTES ON STRENGTHS AND WEAKNESSES				
The contractor will be evaluated on how projects are managed, costs are tracked and reported.					
The contractor will be evaluated on overall and specific project status, including CPI, SPI, and the effectiveness of project reporting tools and systems.					

Exhibit 3

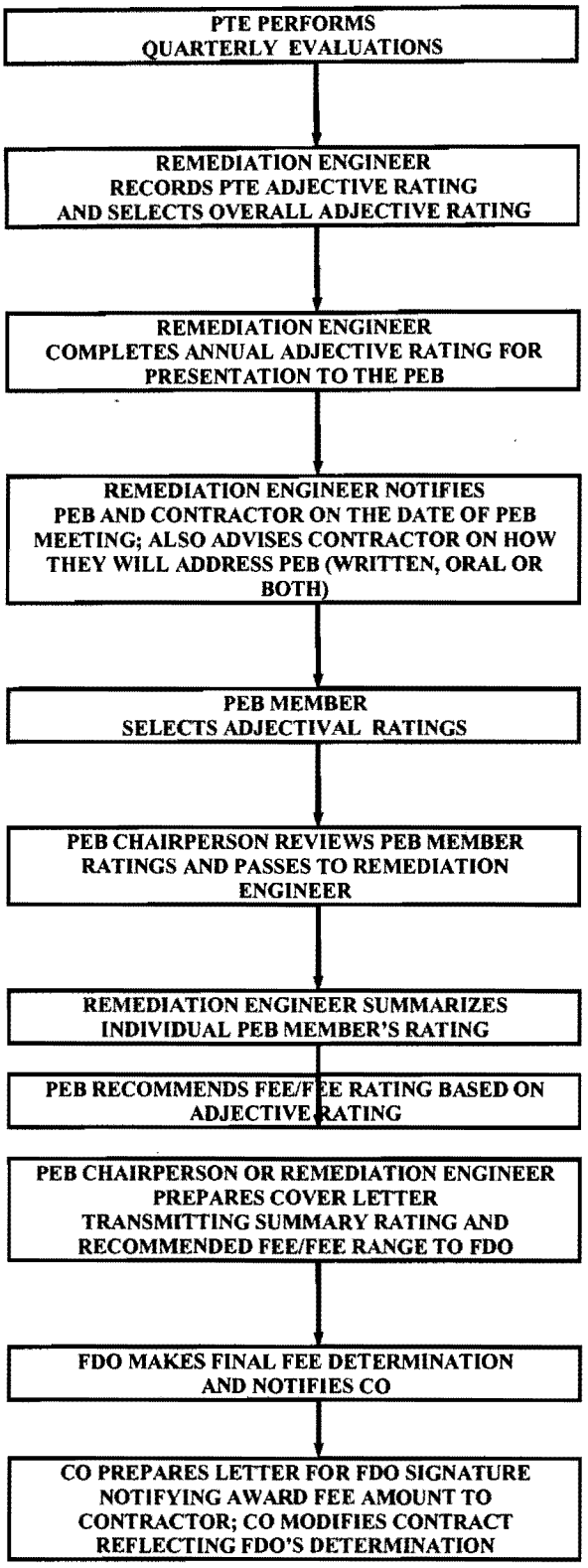
All final estimates (e.g., budget, funding, EAC, feasibility studies) provided by the contractor to DOE are of sufficient detail and quality to not require revision throughout the period of performance.	
The contractor will be evaluated on coordination and cost minimization of GFSI services, such as power, gate guard services, and other services.	
Presents initiatives which result in tangible savings to DOE (cost, schedule or risk)	
The contractor will be evaluated on the effectiveness, timeliness and adequacy of its ability to perform tasks in most cost effective manner consistent with approved baselines	

Adjective Rating Summary Table

CATEGORY OF PERFORMANCE	ADJECTIVE RATING
1. Quality and Effectiveness of Documents and Support	
2. Quality and Effectiveness of Environment, Safety, Health and Quality Assurance (ESH&QA)	
3. Quality and Effectiveness of Project Support	
4. Project Management (to include cost management)	

ANNUAL ADJECTIVE RATING *(IDENTIFY ANNUAL PERIOD)*					
CATEGORY OF PERFORMANCE	ADJECTIVE RATING				
	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Recommended Rating for the Year
1. Quality and Effectiveness of Documents and Support					
2. Quality and Effectiveness of Environment, Safety, Health and Quality Assurance (ESH&QA)					
3. Quality and Effectiveness of Project Support					
4. Project Management (to include cost management)					

SUMMARY OF PEB'S RATING *(IDENTIFY ANNUAL PERIOD)*				
Member	Project & Management	Environment, Safety, Health & Quality (ESH&Q)	Site Remediation Services	Cost Savings Initiatives
Insert Name of Voter				
Insert Name of Voter				
Insert Name of Voter				
Insert Name of Voter				
Insert Name of Voter				
TOTALS				

Exhibit 5

AWARD FEE PROCESS