

# AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT

1. CONTRACT ID CODE	PAGE	OF	PAGES
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2. AMENDMENT/MODIFICATION NO.	3. EFFECTIVE DATE	4. REQUISITION/PURCHASE REQ. NO.	5. PROJECT NO. (If applicable)
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6. ISSUED BY  CODE	7. ADMINISTERED BY (If other than Item 6)  CODE
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8. NAME AND ADDRESS OF CONTRACTOR (No., street, county, State and ZIP Code)	(X)	9A. AMENDMENT OF SOLICITATION NO.
		9B. DATED (SEE ITEM 11)
		10A. MODIFICATION OF CONTRACT/ORDER NO.
		10B. DATED (SEE ITEM 11)
CODE	FACILITY CODE	

### 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 your 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.
	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.)

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

The purpose of this modification is to make the following revisions:

1. Clause B.2 Fixed Fee - ORNL (Jun 1995) is replaced with the following:

B.2 Fixed Fee - ORNL (Jun 1995)

The Government shall pay a fixed fee to the Contractor for performing the ORNL mission work as follows:

January 1, 1996 - September 30, 1996	\$5,107,000
October 1, 1996 - September 30, 1997	\$6,925,000
October 1, 1997 - September 30, 1998	\$7,222,000

2. Clause H.24, Performance Measures (Oct 1995), is deleted and the following is substituted:

H.24 Critical Outcomes, Objectives, and Performance Indicators (May 1998)

The Contractor and DOE will use critical outcomes, objectives, and performance indicators as a means for evaluating and improving contractor performance. Prior to the beginning of each year under this contract, DOE shall determine the performance areas in which critical outcomes, objectives, and performance indicators will be developed. The Contractor and DOE shall mutually agree on the critical outcomes, objectives, and performance indicators to be applied to each performance area and how the critical outcomes, objectives, and performance indicators will be calculated or evaluated. The performance areas and critical outcomes, objectives, and performance indicators shall be incorporated into Appendix I, Critical Outcomes, Objectives, and Performance Indicators. A Critical Outcomes, Objectives, and Performance Indicators Plan shall be developed which will include the details related to the definition, accumulation, calculation, and evaluation of performance measures data.

3. The following new clauses are added to Section I, Contract Clauses:

952.226-74 Displaced Employee Hiring Preference. (JUN 1997)

- (a) Definition.

Eligible employee means a current or former employee of a contractor or subcontractor employed at a Department of Energy Defense Nuclear Facility (1) whose position of employment has been, or will be, involuntarily terminated (except if terminated for cause), (2)

who has also met the eligibility criteria contained in the Department of Energy guidance for contractor work force restructuring, as may be amended or supplemented from time to time, and (3) who is qualified for a particular job vacancy with the Department or one of its contractors with respect to work under its contract with the Department at the time the particular position is available.

(b) Consistent with Department of Energy guidance for contractor work force restructuring, as may be amended or supplemented from time to time, the contractor agrees that it will provide a preference in hiring to an eligible employee to the extent practicable for work performed under this contract.

(c) The requirements of this clause shall be included in subcontracts at any tier (except for subcontracts for commercial items pursuant to 41 U.S.C. 403) expected to exceed \$500,000.

970.5204-77 Workforce Restructuring Under Section 3161 of the National Defense Authorization Act for Fiscal Year 1993. (JUN 1997)

(a) Consistent with the objectives of Section 3161 of the National Defense Authorization Act for Fiscal Year 1993, 42 U.S.C. 7274h, in instances where the Department of Energy has determined that a change in workforce at a Department of Energy Defense Nuclear Facility is necessary, the contractor agrees to (1) comply with the Department of Energy Workforce Restructuring Plan for the facility, if applicable, and (2) use its best efforts to accomplish workforce restructuring or displacement so as to mitigate social and economic impacts.

(b) The requirements of this clause shall be included in subcontracts at any tier (except subcontracts for commercial items pursuant to 41 U.S.C. 403) expected to exceed \$500,000.

970.5204-80 Overtime Management. (JUN 1997)

(a) The contractor shall maintain adequate internal controls to ensure that employee overtime is authorized only if cost effective and necessary to ensure performance of work under this contract.

(b) The contractor shall notify the contracting officer when in any given year it is likely that overtime usage as a percentage of payroll may exceed 4%.

(c) The contracting officer may require the submission, for approval, of a formal annual overtime control plan whenever contractor overtime usage as a percentage of payroll has exceeded, or is likely to exceed, 4%, or if the contracting officer otherwise deems overtime

expenditures excessive. The plan shall include, at a minimum:

- (1) An overtime premium fund (maximum dollar amount);
- (2) Specific controls for casual overtime for non-exempt employees;
- (3) Specific parameters for allowability of exempt overtime;
- (4) An evaluation of alternatives to the use of overtime; and
- (5) Submission of a semi-annual report that includes for exempt and non-exempt employees:

- (i) Total cost of overtime;
- (ii) Total cost of straight time;
- (iii) Overtime cost as a percentage of straight-time cost;
- (iv) Total overtime hours;
- (v) Total straight-time hours; and
- (vi) Overtime hours as a percentage of straight-time hours.

4. Appendix G is revised to incorporate the attached FY 1998 Annual Cost Estimate.
5. Appendix I is revised to incorporate the attached FY 1998 Critical Outcomes, Objectives, and Performance Indicators.
6. Appendix J is revised to incorporate the attached Key Personnel list.

**Appendix G**  
**FY 98 Annual Cost Estimate**

<u>Program</u>	<u>Estimate</u>
Energy Efficiency & Renewable Energy	\$ 81,649,000
Defense Programs	15,878,000
Nuclear Energy	4,397,000
Production (Isotopes)	12,500,000
Energy Research	
Fusion	17,500,000
Physical Sciences	107,623,000
Envir/Research & Development	22,500,000
Computational & Tech R&D	<u>21,786,000</u>
Total Energy Research	\$ 169,409,000
Fossil Energy	8,672,000
Environment, Safety & Health	10,100,000
Other Services	
DOE	15,704,000
WFO	<u>31,700,000</u>
Total Other Services	\$ 47,404,000
Work for Others (OFA)	67,000,000
Environmental Management R&D	21,655,000
Capital/Construction	
Capital Equipment	22,122,000
Construction	14,819,000
<b>Total DOE/WFO/Other DOE (LRP)</b>	<b>\$ 475,605,000</b>

**Appendix I**  
**FY 98 LMER Critical Outcomes, Objectives, and Performance Indicators**

1.0 Laboratory Sponsorship

Lockheed Martin Energy Research Corporation (LMER) will foster broad support and sponsorship of the Laboratory's mission, programs and operations from: U. S. Department of Energy Headquarters; Federal and State Agencies; Scientific Community; Industrial Sector; Community Organizations; and City, County and State Government.

2.0 Preparation for Spallation Neutron Source (SNS) Project Line Item Start

3.0 Environment, Safety and Health Integration

LMER will systematically integrate ES&H into management, operations and work practices at all levels so that all work will be conducted in a manner that fully protects the environment and health and safety of our staff and public.

4.0 Leadership and Management

LMER will provide leaders and systems that effectively support the accomplishment of the Laboratory's objectives.

5.0 Life Cycle Assets Management

The laboratory will plan, acquire, operate, maintain, and dispose of its physical assets in an efficient and effective manner.

6.0 Diverse Institution

ORNL will acquire and sustain the intellectual resource needed to explore challenging scientific and technical problems and provide innovative solutions through creation of a diverse institution that fosters diversity among employees, contractors, and scientific partners.

## **Appendix J Key Personnel**

- \* President, LMER and Director, ORNL
- \* Executive Vice President, LMER and Deputy Director, ORNL
- \*\* Vice Presidents, LMER and Associate Directors, ORNL

- Advanced Materials, Physical, & Neutron Sciences
- Computing, Robotics, & Education
- Energy & Engineering Sciences
- Life Sciences & Environmental Technologies
- Operations, Environment, Safety, and Health
- Spallation Neutron Source

Vice President and General Counsel  
Chief Financial Officer

\* Personnel changes for the President and Senior Vice President of LMER require prior DOE approval. All other positions listed require coordination with DOE prior to personnel changes.

\*\* As optimum organizational structure is defined in LMER/ORNL, functions may change and additional Vice Presidents with responsibilities as either Associate Directors or Office Directors will be added to the key personnel list.