

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT		1. CONTRACT ID CODE	PAGE OF PAGES 1 6
2. AMENDMENT/MODIFICATION NO. 0384	3. EFFECTIVE DATE See Block 16C	4. REQUISITION/PURCHASE REQ. NO.	5. PROJECT NO. (If applicable)
6. ISSUED BY NNSA Los Alamos Field OFC NA-00-LA NNSA/Los Alamos Site Office 3748 West Jemez Road Los Alamos NM 87544	CODE 05003	7. ADMINISTERED BY (If other than Item 6) NNSA/Los Alamos Site Office U.S. Department of Energy Los Alamos Site Office 3747 West Jemez Road Los Alamos NM 87544	CODE 05003
8. NAME AND ADDRESS OF CONTRACTOR (No., street, county, State and ZIP Code) LOS ALAMOS NATIONAL SECURITY, LLC Attn: ANDREA MARTINEZ P.O. BOX 1663, MS M722 LOS ALAMOS NM 875450001		9A. AMENDMENT OF SOLICITATION NO. (x)	
CODE 175252894		9B. DATED (SEE ITEM 11)	
FACILITY CODE		X 10A. MODIFICATION OF CONTRACT/ORDER NO. DE-AC52-06NA25396	
		10B. DATED (SEE ITEM 13) 12/21/2005	

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.
	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:
X	D. OTHER (Specify type of modification and authority) P.L. 95-91 and Other Applicable Laws

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.)

Tax ID Number: 20-3104541
DUNS Number: 175252894
The purpose of this modification is to revise and update Part I - the Schedule, Section B, Clause B-2, Contact Type and Value and Section H, Special Contract Requirements, Clause H-45, Advance Understanding on LANL Design and/or Construction Capital Projects.

See Page 2.
Payment:

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

15A. NAME AND TITLE OF SIGNER (Type or print) Richard M. Kacich, Deputy Laboratory Director	16A. NAME AND TITLE OF CONTRACTING OFFICER (Type or print) Robert M. Poole
15B. CONTRACTOR/OFFEROR (Signature of person authorized to sign)	15C. DATE SIGNED 4-6-17
16B. CONTRACTING OFFICER (Signature of Contracting Officer)	16C. DATE SIGNED 4/6/2017

The purpose of this modification is to revise and update the following clauses:

A. Refer to Part I – the Schedule, Section B, Clause B-2, Contact Type and Value

1. The following is hereby added under subparagraph (I)(c)(1):

(ii) The Total Estimated Cost, including fee, for the DOE/NNSA work effort, excluding Reimbursable work, for the earned Award Term of the Contract is:

<u>Award Term of the Contract</u>	<u>Total Estimated Cost and Fee</u>
01Oct13 – 30Sep14	\$1,962,384,000
01Oct14 – 30Sep15	\$1,912,940,000
01Oct15 – 30Sep16	\$1,761,967,000
01Oct16 – 30Sep17	\$1,814,602,292**
01Oct17 – 30Sep18	\$1,801,283,708**

** In FY2017, the SUB-CLIN 0002B for the REI-2 project was negotiated with a Target Cost of \$215M for a two year term with a start date of 11/21/2017. The Total Estimated Cost and Fee was initially based on the project commencing on 10/01/2016 and an estimated amount of \$130M annually (\$260M for two years) was removed from the president's budget. Since the SUB-CLIN 0002B period of performance commenced on 11/21/2016, the Total Estimated Cost and Fee is updated to reflect a 22.6 month period of performance. As a result, the Total Maximum Available Fee increased in FY2017 by \$711,202 and in FY2018 by \$386,359.

2. The following is hereby added under subparagraph (I)(c)(2):

(ii) The Maximum Available Fee related to the DOE/NNSA work effort, excluding Reimbursable work, for the Basic Term of the Contract is:

<u>Award Term Contract Period</u>	<u>Maximum Available Fee</u>			<u>Earned Fee</u>		
	<u>Fixed Fee</u>	<u>At Risk Fee</u>	<u>Total Fee</u>	<u>Fixed Fee</u>	<u>At Risk Fee</u>	<u>Total Fee Earned</u>
01Oct13 – 30Sep14	\$17,147,045	\$40,009,771	\$57,156,816	\$0	\$0	\$0
01Oct14 – 30Sep15	\$16,715,010	\$39,001,689	\$55,716,699	\$14,392,059	\$23,597,036	\$37,989,095
01Oct15 – 30Sep16	\$18,390,688	\$42,911,605	\$61,302,293	\$18,390,688	\$36,410,497	\$54,801,181
01Oct16 – 30Sep17	\$35,406,874	\$8,851,718	\$44,258,592	\$TBD	\$TBD	\$TBD
01Oct17 – 30Sep18	\$35,146,999	\$8,786,750	\$43,933,749	\$TBD	\$TBD	\$TBD

3. The following is hereby added under subparagraph (I)(e):

- (2) The Estimated Cost and Fixed Fee related to the Reimbursable work effort for the specified period is:

Award Term			Total Cost Plus
<u>Contract Period</u>	<u>Estimated Cost</u>	<u>Fixed Fee</u>	<u>Fixed Fee</u>
01Oct13 – 30Sep14	\$249,982,597	\$6,249,565	\$256,232,162
01Oct14 – 30Sep15	\$238,858,933	\$5,971,473	\$244,830,406
01Oct15 – 30Sep16	\$246,686,887	\$6,167,172	\$252,854,059
01Oct16 – 30Sep17	\$TBD	\$TBD	\$TBD

B-2 CONTRACT TYPE AND VALUE [Modified by: Change to Obligation of Funds Mods; NNSA letters and Mods incorporating Estimated Cost and Fee for Reimbursable Work (WFO); Mods for Performance Fee Awards; Mods M083, M139, M151, M155, M165, M180, M212, M239, M250, M267, M288, M347, M305 and M372, M384]

II. CLIN 0002 LANL DESIGN AND/OR CONSTRUCTION OF CAPITAL PROJECTS

SUB-CLIN 0002B - Chemistry and Metallurgy Research and Replacement (CMRR) Facility, REI-2 Subproject

2.0 CONTRACT TYPE, VALUE, FEE SCHEDULE AND PROJECT COMPLETION

- (1) The contract type for this SUB-CLIN is Cost-Plus-Incentive-Fee. The Target Cost will be established pursuant to Part (d)(1).
- (2) The Project values shown below represent the current values as of the date of agreement of this modification:
 - Target Cost: \$215,000,000
 - Target Fee (5% of Target Cost): \$10,750,000
 - Maximum Fee (12% of Target Cost): \$25,800,000
 - Minimum Fee (1% of Target Cost): \$2,150,000
 - Share Ratio Cost Underrun: 60 gov't/40 Contractor
 - Share Ratio Cost Overrun: 60 gov't/40 Contractor
- (3) SUB-CLIN Scope of Work Titled, "REI2 SUB-CLIN 0002B Scope of Work," dated April 6, 2017 is hereby incorporated by reference. If there is conflict between the SUB-CLIN Scope of Work and SUB-CLIN 0002B, the SUB-CLIN Scope of Work supersedes SUB-CLIN 0002B.

- (4) Schedule: For purposes of this incentive, the schedule as of April 2017 is the baseline schedule. All schedule float within the baseline schedule is owned by the Contractor or Government, whomever requires its use until the float is used.
- (5) The Contractor shall notify the Contracting Officer in writing whenever it has reason to believe that –
 - (a) The costs the contractor expects to incur under this SUB-CLIN in the next 90 days will exceed 75 percent of the target cost specified; or
 - (b) The total cost for the performance of this SUB-CLIN, exclusive of any fee, will be either greater or less than 10% than previously estimated.
 - (c) As part of the notification, the Contractor shall provide a revised estimate of the total cost of performance.

B. Refer to Part I – the Schedule, Section H, Special Contract Requirements

H-45 ADVANCE UNDERSTANDING ON LANL DESIGN AND/OR CONSTRUCTION CAPITAL PROJECTS [MODIFIED BY MODIFICATION NO. 288, 311, 384]

- (a) In response to a DOE initiative to improve the management and structure of capital asset projects under Management and Operating type contracts, the parties have agreed to implement a pilot project to establish new terms and conditions associated with design and/or construction of one or more projects performed at LANL. This pilot project involves establishing a new Contract Line Item Number (CLIN) structure to separate agreed Design and/Construction scope (CLIN 0002) from the Management and Operations of LANL scope (CLIN 0001), as well as developing unique terms and conditions associated with performance of the capital asset pilot project. These unique terms and conditions include implementing a Hard Cost Cap or Cost Share Approach on the selected capital asset pilot project whereby if the Contractor does not meet performance targets, the cost cap or cost share will shift some cost burden to the Contractor. In consideration, a new fee structure will reward Contractor performance to meet or exceed performance targets.
- (b) The parties have selected the design and construction of the Transuranic (TRU) Waste Facility Project, Phase B Subproject as the pilot project and designated as SUB-CLIN 0001 under CLIN 0002. The design of this Phase B Subproject has been completed and construction is underway, having achieved Critical Decision - 3 “Approve Start of Construction/Execution” in mid-July 2014.

- (c) Modification # 305, dated May 1, 2016, incorporated the RLUOB Equipment Installation – 2 (REI-2) project as SUB-CLIN 0002B. The design of this Subproject has been completed and construction is underway, having achieved Critical Decision - 2/3 “Approve Start of Construction/Execution” on Oct. 31, 2016.
- (d) The adjustments to the Contract’s terms and conditions and the new unique terms and conditions to implement these projects are contained in Contract Modifications #288, #305 and #384.
- (e) The parties recognize conflicts in terms and conditions between CLIN 0001 and CLIN 0002’s SUB-CLINs and other sections of the Contract may arise. If such conflicts arise, the parties agree to 1) negotiate in good faith to resolve them; or 2) utilize the contract clause I-47 FAR 52.233-3 “DISPUTES” (JUL 2002) (Alternate 1) (Dec 1991), and update this Section H clause accordingly.
- (f) For purposes of these projects, the parties agree as follows:
- (1) Commencing in Fiscal Year 2015 and beyond, the performance of CLIN 0002 SUB-CLIN projects shall not be considered by NNSA in assessing performance or in determining Performance Incentive Fee under the Performance Evaluation Plans (pursuant to Contract Clause H-12, “PERFORMANCE BASED MANAGEMENT”) for CLIN 0001 or in determining whether to grant the Contractor Award Term (pursuant to Contract Clause H-13 AWARD TERM) for the FY 2015 performance evaluation period and beyond. Performance evaluations relating to CLIN-0001 will not be applied to, nor influence fee determinations associated with all CLIN-0002 SUB-CLINS.
 - (2) The CLIN 0002 SUB-CLIN projects shall not be included in the Fiscal Year 2015 and future Fiscal Years Performance Appraisal Process established under Contract Clause H-12, “PERFORMANCE BASED MANAGEMENT.”
 - (3) Fee earned under CLIN 0002 shall not be reduced under Contract Clause I-124, “DEAR 970.5215-3 CONDITIONAL PAYMENT OF FEE, PROFIT AND INCENTIVES – FACILITIES MANAGEMENT CONTRACTS (JAN 2004) (DEVIATION),” for any safety or security incident not related to performance of the specific project defined in the SUB-CLIN.
 - (4) Performance under CLIN 0002 may be input to the Contractor Performance Assessment Reporting System (CPARs).
 - (5) The CLIN 0001’s Total Estimated Cost, Fixed Fee and Maximum Available Performance Incentive Fee for Fiscal Years 2015 and beyond, shall exclude CLIN 0002 SUB-CLINs’ Line Item Funding (contained in the President’s Budget).

[Reference B-2, I. CLIN 001 (d)(2)) and (d)(3)]

(6) The CLIN 0001's Provisional Payment of Fee drawdown condition does not apply to CLIN 0002 SUB-CLINs. [Reference B-2, I. CLIN 0001 (f)(2)(i)]

(7) The Contract Clause I-103, "970.5243-1 -- CHANGES (DEC 2000)" does not apply to CLIN 0002 SUB-CLINs.

End of Modifications