

<b>AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT</b>		1. CONTRACT ID CODE	PAGE OF	PAGES
			1	6

2. AMENDMENT/MODIFICATION NO. <b>A039</b>	3. EFFECTIVE DATE <b>See Block 16.C</b>	4. REQUISITION/PURCHASE REQ. NO. <b>52-04NA99205</b>	5. PROJECT NO. (If applicable)
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6. ISSUED BY <b>National Nuclear Security Administration Nevada Operations Office P.O. Box 98518 Las Vegas, NV 89193-8518</b>	7. ADMINISTERED BY (If other than item 6)
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8. NAME AND ADDRESS OF CONTRACTOR (No., street, county, State and ZIP Code)  <b>Stoller-Navarro Joint Venture 7710 West Cheyenne Avenue Las Vegas, NV 89129</b>	(✓)	9A. AMENDMENT OF SOLICITATION NO.
		9B. DATED (SEE ITEM 11)
	X	10A. MODIFICATION OF CONTRACT/ORDER NO. <b>DE-AC52-03NA99205</b>
		10B. DATED (SEE ITEM 13) <b>10/01/03</b>

**EXECUTED  
COPY**

**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  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)**

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

(✓)	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) <b>FAR 52-232-22, Limitation of Funds and Clause B.3, Estimated Cost, Award Fee, and Incentive Fee</b>
	E. IMPORTANT: Contractor <input checked="" type="checkbox"/> is not, <input type="checkbox"/> 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 PAGE 2

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) <b>Laura J. Haverlock, Contracting Officer</b>
15B. CONTRACTOR/OFFEROR  (Signature of person authorized to sign)	15C. DATE SIGNED
16B. UNITED STATES OF AMERICA BY  (Signature of Contracting Officer)	16C. DATE SIGNED <b>8/10/06</b>

This modification is in accordance with FAR 52-232-22, Limitation of Funds and Clause B.3, Estimated Cost, Award Fee, and Incentive Fee and FAR 52.243-2, Changes - Cost Reimbursement and accomplishes the following:

1. Obligates \$699,536.89 in funding to the contract in support of Defense Threat Reduction Agency Environmental Restoration Program, Project Number AGR064092, STARS Value/Program Number 1720318, STARS Work For Others Value number 1023037.
2. Decreases the available Performance Based Incentive Fee for the performance period of October 01, 2005 through September 30, 2006 associated with Industrial Sites scorecard Milestone number 18 by \$6,447.00 from \$21,000.00 to \$14,553.00.
3. Decreases the available fee pool for the performance period of October 01, 2005 through September 30, 2006 by \$6,447.00 from \$2,507,593.42 to \$2,501,146.42 to reflect the reduction in available fee associated with Industrial Sites scorecard Milestone number 18. As a result, the award fee pool is \$636,164.02 and the incentive fee pool is decreased by \$6,447 from \$1,871,429.40 to \$1,864,982.40.
4. Revises the FY 2006 Performance - Based Incentive Fee Plan to reflect the Contracting Officer approved reduction to the available fee pool for the performance period of October 01, 2005 through September 30, 2006 detailed in modification M038 and item number two above.
5. Revises the Incentive Plan Milestone Chart attached to modification M038 to reflect the decrease in available Performance Based Incentive Fee for the performance period of October 01, 2005 through September 30, 2006 associated with Industrial Sites scorecard Milestone number 18.

As a result of the aforementioned changes, the following revisions are being made.

- A. Pursuant to FAR Clause 52.232-22, Limitation of Funds, funding in the amount of \$699,536.89 has been obligated to the contract increasing the total funding obligated since the inception of the contract from \$93,351,088.82 to \$ 94,050,625.71.

Block 12 of the SF-30 Accounting and Appropriations Data is as follows:

<u>Approp. Symbol</u>	<u>B&amp;R No.</u>	<u>STARS Value</u>	<u>STARS WFO Value</u>	<u>Dollar Amt.</u>	<u>ADS/TTP</u>	<u>AFP</u>	<u>Obj. Class</u>
89X0240	400403709	1720318	1023037	\$699,536.89	-	NO	25100

- B.** Contract Clause B.3, "Estimated Cost, Award Fee, and Incentive Fee" has been deleted and is replaced below in its entirety to reflect reductions made to the FY 2006 fee pool. The estimated cost of this contract remain the same at \$121,944,783.00. The estimated cost will be adjusted in the future to reflect actual hours performed upon completion of negotiations. The contract incentive fee has been decreased by \$6,447.00 to reflect a reduction to the fee associated with Industrial Sites scorecard Milestone 18 from \$21,000.00 to \$14,553.00 for the performance period of October 01, 2005 through September 30, 2006. As a result, the contract incentive fee is decreased from \$5,426,421.00 to \$5,419,974.00

**B.3 Estimated Cost, Award Fee, and Incentive Fee**

- (a) Pursuant to the Clause 52.216-7, entitled Allowable Cost and Payment, the total estimated cost of this contract is \$ **121,944,783.00**
- (b) The award fee for this contract is \$ **3,087,078.42**
- (c) The incentive fee for this contract is \$ **5,419,974.00**
- (d) The award fee for this contract shall be awarded upon the unilateral determination of the Fee Determination Official that an award fee has been earned. The unilateral decision is made solely at the discretion of the Government. This determination shall be based upon the Fee Determination Official's evaluation of the contractor's performance, as measured against the evaluation criterial set forth in the Award Fee section of the Performance-Based Fee Plan. Award Fee available for each period is as set forth in the Performance-Based Fee Plan
- (e) The incentive fee for this contract shall be awarded upon successful completion of discrete incentives as specified in the Performance-Based Fee Plan. The unilateral decision is made solely at the discretion of the Government. This determination shall be based upon the evaluation of the contractor's performance, as measured against the evaluation criterial set forth in the Incentive Fee Plan. Incentive Fee available for each period is as set forth in the Performance-Based Fee Plan.
- (f) Pursuant to FAR Clause 52.232-22, entitled, Limitation of Funds (APR 1984), the amount presently obligated under the Contract through contract modification M039 is **\$93,351,088.82**.

- C. Contract Clause B.4, "Options to Extend The Term of the Contract", has been modified to reflect a reduction in the available incentive fee for Industrial Sites scorecard Milestone 18 from \$21,000.00 to \$14,553.00 for the performance period of October 01, 2005 through September 30, 2006. As a result, Available Performance Based Incentive Fee is reduced by \$6,447.00 from \$1,871,429.40 to \$1,864,982.40 for Option Year 1 as follows.

First Option Period: 10/01/2005 - 09/30/2006

Estimated Cost:	\$ <u>40,799,364.00</u>	
Award Fee:	\$ <u>636,164.02</u>	
Incentive Fee	From \$ <u>1,871,429.40</u>	To \$ <u>1,864,982.40</u>
Total Cost Plus Fee:	From \$ <u>43,306,957.42</u>	To \$ <u>43,300,510.42</u>

- D. Contract Clause H.2, "Total Available Fee, Performance-Based Fee Plan", paragraph (b), "Annual Total Available Fee", subsection (2) fee split table, has been deleted in its entirety and replaced with the following. All versions of the fee split table issued prior to contract modification A039 are no longer valid.

**H.2 Total Available Fee, Performance - Based Fee Plan**

- (2) The fee pool will be split between Award Fee and Incentive Fee over the life of the contract as follows:

Base Contract - Year 1 10/01/2003 - 9/30/2004	\$1,220,016.00	\$1,830,024.00	\$3,050,040.00
Fee Pool Split %	40.0000%	60.0000%	100.00%
M016 PM # 5 Milestone # 1 Change	\$0.00	(\$20,000.00)	(\$20,000.00)
M016 Revised Base Year 1	\$1,220,016.00	\$1,810,024.00	\$3,030,040.00
Revised Fee Pool Split %	40.2640%	59.7360%	100.00%
Base Contract - Year 2 10/01/2004 - 9/30/2005	\$1,214,346.40	\$1,821,519.60	\$3,035,866.00
Fee Pool Split %	40.0000%	60.0000%	100.0000%
M016 PM # 5 Milestone # 1 Change	\$0.00	\$20,000.00	\$20,000.00
M016 Revised Base Year 2	\$1,214,346.40	\$1,841,519.60	\$3,055,866.00
Revised Fee Pool Split %	39.7382%	60.2618%	100.00%
M020 Measure # 2 Milestone # 19 Change	\$0.00	(\$80,000.00)	(\$80,000.00)
M020 PM # 3 Milestone # 2 Change	\$16,552.00	(\$16,552.00)	\$0.00
M020 Revised Base Year 2	\$1,230,898.40	\$1,744,967.60	\$2,975,866.00
Revised Fee Pool Split %	41.3627%	58.6373%	100.00%
Grand Total Base Contract	\$2,450,914.40	\$3,554,991.60	\$6,005,906.00
Grand Total Base Contract Fee Pool Split %	40.8084%	59.1916%	
Option Year 1 10/01/2005 - 9/30/2006	\$1,223,981.00	\$1,835,971.00	\$3,059,952.00
Fee Pool Split %	30.0000%	70.0000%	100.00%
M020 Correct Fee Dollar Amounts	\$917,985.60	\$2,141,966.40	\$3,059,952.00
Fee Pool Split %	30.0000%	70.0000%	100.00%
M020 Measure # 2 Milestone # 19 Change	\$0.00	\$80,000.00	\$80,000.00
M020 Revised Option Year 1	\$917,985.60	\$2,221,966.40	\$3,139,952.00
Revised Fee Pool Split %	29.2357%	70.7643%	100.00%
Reduction of Award Fee and Available Incentive Fee by 30.7%	281,821.58	350,537.00	632,358.58
M038 Reduced Option Year 1	636,164.02	1,871,429.40	2,507,593.42
M038 Revised Fee Split	25.3700%	74.6305%	100.00%
Reduction of Industrial Sites scorecard Milestone 18 fee by \$6,447 from \$21,000.00 to \$14,553.00	0.00	6,447.00	6,447.00
A039 Reduced Option Year 1	636,164.02	1,864,982.40	2,501,146.42
A039 Revised Fee Split %	25.4349%	74.5651%	100.00%
Option Year 2 10/01/2006 - 9/30/2007	\$1,136,049.00	\$1,704,074.00	\$2,840,123.00
Fee Pool Split %	30.00%	70.00%	100.00%
M020 Correct Fee Dollar Amounts	\$852,036.90	\$1,988,086.10	\$2,840,123.00
Fee Pool Split %	30.00%	70.00%	100.00%
Option Year 3 10/01/2007 - 9/30/2008	\$956,557.00	\$1,434,836.00	\$2,391,393.00
Fee Pool Split %	30.00%	70.00%	100.00%
M020 Correct Fee Dollar Amounts	\$717,417.90	\$1,673,975.10	\$2,391,393.00
Fee Pool Split %	30.00%	70.00%	100.00%

E. Section J, "List of Attachments," Attachment J.9 "Performance- Based Incentive Fee Plan," Part II of II, Attachment 2, "Incentive Plan Milestone Table and Scorecards," is modified by deleting the following FY 2006 Performance- Based Incentive Fee Plan Program scorecards and substituting in lieu thereof the attached scorecards revised as follows:

<b>Performance Measure Description</b>	<b>No.</b>	<b>Original Available Fee</b>	<b>Reduction Amount</b>	<b>Revised Available Fee</b>
Program Integration	1	\$206,911.00	\$19,056.42	\$187,854.58
Industrial Sites	2	\$822,527.00	\$65,859.79	\$756,667.21
UGTA	3	\$350,295.00	\$39,418.80	\$310,876.20
Off-Sites	4	\$435,000.00	\$119,730.00	\$315,270.00
DTRA	6	\$37,020.00	\$7,496.94	\$29,523.06
Compliance and Safety	7	\$343,393.00	\$105,421.65	\$237,971.35
<b>Total Revised Fee</b>		<b>\$2,195,146.00</b>	<b>\$356,983.60</b>	<b>\$1,838,162.40</b>

**(END OF MODIFICATION)**