

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT		1. CONTRACT ID CODE	PAGE OF PAGES 1 1
2. AMENDMENT/MODIFICATION NO. P00067	3. EFFECTIVE DATE See Block 16C	4. REQUISITION/PURCHASE REQ. NO.	5. PROJECT NO. (If applicable)
6. ISSUED BY U.S. Department of Energy Idaho Operations Office 1955 Fremont Avenue Idaho Falls ID 83415	CODE 892432	7. ADMINISTERED BY (If other than Item 6) U.S. Department of Energy Idaho Operations Office 1955 Fremont Avenue Idaho Falls ID 83415	CODE 00701
8. NAME AND ADDRESS OF CONTRACTOR (No., street, county, State and ZIP Code) Idaho Environmental Coalition LLC Attn: John H. MacRae, Jr. 1580 Sawtelle Street Idaho Falls ID 83402		(x)	9A. AMENDMENT OF SOLICITATION NO.
CODE			9B. DATED (SEE ITEM 11)
FACILITY CODE		x	10A. MODIFICATION OF CONTRACT/ORDER NO. 89303321DEM000061
			10B. DATED (SEE ITEM 13) 05/27/2021

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 electronic communication 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 letter or electronic communication, provided each letter or electronic communication 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 data, etc.) SET FORTH IN ITEM 14, PURSUANT TO THE AUTHORITY OF FAR 43.103(b).
X	C. THIS SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF: FAR 43.103(a) - Bilateral
	D. OTHER (Specify type of modification and authority)

E. IMPORTANT: Contractor is not is required to sign this document and return 1 copies to the issuing office.

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

DUNS Number: Not Available

UEI: LQ5ZLNE3EM27

Procurement Instrument Identifier (PIID): MASTER IDIQ

The purpose of this modification is to incorporate revisions made to Section J-17.1 - Advance Agreement for the Indirect Cost Methodology previously established on February 2, 2022 in modification P00012. The signatures provided on this SF30 form represent signature of the revised Advance Agreement. This revised Advance Agreement will take effect October 1, 2023. The Advance Agreement is attached to this modification (Section J-17.1).

Payment:

Period of Performance: 10/01/2021 to 09/30/2031

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) J.H. MacRae, Jr (Jack), Business Services & PCO		16A. NAME AND TITLE OF CONTRACTING OFFICER (Type or print) Aaron Nebeker	
15B. CONTRACTOR/OFFEROR JOHN MACRAE (Affiliate) <small>Digitally signed by JOHN MACRAE (Affiliate) Date: 2023.06.06 14:56:25 -0600</small> (Signature of person authorized to sign)	15C. DATE SIGNED	16B. UNITED STATES OF AMERICA Aaron S. Nebeker <small>Digitally signed by Aaron S. Nebeker Date: 2023.06.07 07:00:49 -0600</small> (Signature of Contracting Officer)	16C. DATE SIGNED 06/07/2023

Previous edition unusable

Attachment J-17.1

Advance Agreement
Indirect Cost Methodology

Idaho Environmental Coalition, LLC (IEC)

CONTRACT NO. 89303321DEM000061
IDIQ Master Contract

Advance Agreement Revision 1
Per FAR 31.109

Indirect Cost Methodology

Rev. 01 - Effective 10/01/2023

Background and Applicability

In accordance with FAR 31.109, this Advance Agreement (AA) sets forth the advance understanding of costs and methodology for indirect costs/rates and the application of any associated fees under the Indefinite Delivery/Indefinite Quantity (IDIQ) Idaho Cleanup Project (ICP) End State contract. Both parties recognize the importance of establishing a process that is fair and reasonable, promotes efficiencies, and establishes the appropriate drivers and controls while adhering to the required cost accounting standards. This AA is intended to avoid ambiguous interpretation and possible subsequent disallowance or dispute based on unreasonableness, unallocability or unallowability under the specific cost principles at FAR subpart 31.2.

Indirect Categories

The Idaho Environmental Coalition, LLC's (IEC) indirect categories are as follows: 1) Program Overhead (POH), 2) Fringe Benefits, 3) Pension, and 4) General & Administrative (G&A).

POH: The POH cost/pool represents the expense of completing work that is not easily identified with a specific project, but necessary for the overall operation and management of a contract. A POH cost can consist of items such as project management, support and administration; accounting, payroll and finance; human resources, benefits management and administration; information management and cyber; prime contract, subcontract and procurement; legal; budget, project controls, and estimating; training, etc. Cost accounting standards require POH costs to be allocated throughout the contract by applying a POH rate to all direct work. These rates are used to allocate the generalized support costs throughout all active task orders.

Fringe Benefits: The fringe benefit (fringe) cost/pool represents vacation pay, post-retirement benefits other than pension, health insurance, life insurance, sick leave, etc.

Pension: This represents IEC's contribution to the legacy (Pre-2005) Defined Benefit Pension Plan costs outside of the Fringe Benefit cost/pool. No fee is authorized under any task order for pension.

G&A: This represents IEC's allocated share of Home Office Allocations (HOA) and other company-wide expenses specifically proposed to and accepted by DOE as allowable. Allowability will be determined on an annual basis through the provisional rate process. Allowability may be established for those HOA costs shown as providing a direct beneficial value from the home office to the ICP program.

On an annual basis, IEC will establish its fiscal year provisional indirect rates to be submitted to DOE for review and approval. The associated indirect cost/pools shall correspond to the annual Fiscal Year Work Plan (FYWP) (Section C.9.2.01.01) when planning work activities and resources among all active and projected task orders based on projected Fiscal Year (FY) funding levels.

Fee Calculation/Indirect Cost Administration

Following Task Order 2 (TO-2), Implementation Period, all fee potentially earned or associated with POH will be managed in the Integration & Mission Continuity Task Order (TO-3), and this potential fee pool will be established as part of each respective TO-3 Phase¹. The basis of this potential fee will be all work estimated and scheduled to be part of the respective TO-3 Phase as well as all other work awarded and scheduled in other task orders during that same TO-3 Phase Period of Performance (POP). The respective POH fee pool will be included as part of the overall award fee pool to be allocated amongst objective and subjective criteria at the discretion of DOE. For work scheduled or awarded outside of a current TO-3 Phase POP, any respective fee on the indirect cost estimated for that work will be reserved and subsequently included in the TO-3 Phase proposal covering the same period of performance as that “extended” work.

It is recognized that adding or deleting direct work will generally have some impact on POH, but it is difficult and time consuming to determine what that incremental addition or deletion amount of POH may be. It is generally not zero, and it is not linear to the provisional rate in effect at the time of the proposal. To address this challenge, the parties agree to utilizing a nominal forward POH rate for changes to existing task orders, additive or deductive.² This nominal rate shall be reviewed annually as part of the FY provisional rate process. However, the current provisional indirect rates will continue to be used for new task orders or for work scheduled outside of the current TO-3 Phase POP.

It is expected that all fee associated with POH will be captured in the initial award of each respective TO-3 Phase proposal. Accordingly, any POH changes - additions or deletions - associated with changes to the work in or outside of the respective TO-3 Phase will be made on a cost basis only and without incremental fee earned on any such POH changes. Notwithstanding the foregoing, the following exceptions apply:

1. Individual changes resulting in a greater than +/- 5% change in the current FY POH pool,
or
2. Aggregate value of changes in a FY resulting in a greater than +/- 5% change in that FY POH pool.

Note: If exception 1 above applies, then incorporate either the incremental fee on associated incremental POH or the fee reduction on the associated reduction in POH into the change value formula as noted below.

Note: If exception 2 above applies, initiate a Request for Equitable Adjustment for incremental fee attributable to the POH pool increases incurred during the affected FY.

¹ While all fee associated with the entire POH pool for each phase POP will be included in its respective TO3 phase value, the POH pool itself will be allocated across outstanding Task Orders establishing a POH budget for each open Task Order.

² A bespoke POH may be requested when IEC anticipates or identifies the need for incremental POH in an amount over and above the nominal POH forward rate.

Note: A +/- 5% change will be calculated on the aggregate incremental change associated with the nominal rate for the affected FY.

While the negotiated value for each task order outside of TO-3 will include the fully burdened costs (including application of the associated indirect rates as noted above), the fee calculation, if applicable, will be based on the estimated direct costs. Direct costs include the bare labor and its associated fringe rate*, subcontract costs, and all other direct costs. This same methodology would apply to changes to existing task order changes and/or deductive changes.

*NOTE: Although fringe is considered an indirect cost, for all active task orders the estimated cost for fringe is included in the "total direct cost" base for purposes of the fee calculation.

Conclusion

This AA shall be incorporated under the Master IDIQ contract and may not be amended except by written mutual agreement of the parties. If a revision is deemed necessary, both parties agree to negotiate in good faith to reach a fair and reasonable resolution while also complying with all cost accounting standards and cost principles at FAR subpart 31.2. Any revised AA shall also be incorporated under the Master IDIQ contract.