

PART III – LIST OF DOCUMENTS, EXHIBITS AND OTHER ATTACHMENTS

SECTION J – LIST OF ATTACHMENTS

ATTACHMENT J-11 CONTRACTOR'S STAFFING PLAN

ATTACHMENT J-11 – STAFFING PLAN [SECTION 2.4]

We respect the generations of Idaho workers who have been mission-focused through the rich history of the site. The current ICP employees represent the depth and breadth of site knowledge and hands-on experience necessary to ensure continuity of operations – critical assets for achieving our mission **Consolidate, Accelerate, and Deliver**. To that end, our staffing plan includes steps to incentivize the workforce, ensuring that their goals align with DOE’s and ours, and that they share in our success. Equally important is instilling Fluor’s core values of safety, integrity, teamwork, and excellence that we bring to every project.

Success on the ICP Core Contract relies on effective and efficient resource management. This is consistent with DOE’s stated Goal 4 from the PWS to “*Achieve excellence in leadership and resource management by championing financial stewardship, integrating business processes, optimizing EM culture change, and improving communications with the objective of enhancing accountability and achieving performance results.*” Fluor’s approach to maintain and enhance the depth and breadth of qualified workers at the site is consistent with executing the PWS and delivering the contract milestones. These employees are the foundation for our success on the ICP Core Contract. Our approach to staffing builds on their expertise to provide DOE:

- **Committed Key Personnel** – Every key person has signed a letter of commitment, providing DOE a cohesive leadership team that will work together to make the ISA milestone a reality. Our Program Manager, Fred Hughes, has made a 5-year commitment to the ICP Core Contract.
- **Essential Personnel** – Seven named essential personnel provide a layer of depth and leadership supporting the key personnel in critical areas to help consolidate and transform the two contracts and cultures into an integrated whole with a singular focus – one team, one mission.
- **Knowledgeable Incumbent Personnel** – The single most important asset is the experienced workforce, providing the site knowledge and continuity essential to meeting milestones and fulfilling the contract objectives. Our ability to transition the workforce under one badge seamlessly is bolstered by incumbents and team members CH2M, North Wind, and Portage.
- **Union Partnerships** – Beginning in transition, we will collaborate with union leadership and their members to facilitate transparent communication and build a strong, trusting relationship.
- **Proven Processes and Systems** – Fluor’s approach to staffing has been refined over the past 20 years within the DOE Complex and is currently being used at SRS, Portsmouth, and Paducah.
- **Intercompany Program Integration** – Part of Fluor’s ongoing commitment to Idaho is its investment in the NuScale small modular reactor program, which will ramp-up construction in 2017. The overlap with the anticipated ICP Core ramp-down after the 2018 ISA milestone will allow for reallocating expertise and skills to new projects, mitigating potential displacements and providing new opportunities for personnel within the Idaho nuclear community.

Staffing Plan Summary & Roadmap

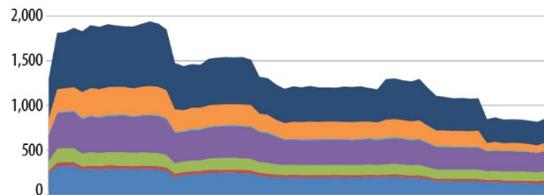
Section 2.4.1 – Fluor’s staffing approach is a continual process with activities to obtain, retain, and maintain personnel. Our process:

- Maximizes utilization of the incumbent workforce
- Ensures that training and development activities meet the needs of both individual and ICP goals
- Provides employees a unique financial incentive plan coupled with a retention opportunity with the anticipated start of the Fluor NuScale project

Section 2.4.2 – Our approach to ensuring an adequate workforce throughout the contract builds on our staffing approach and is based on forecasting resources and staffing to the valleys.

Section 2.4.3 – Major ramp-ups and ramp-downs are identified throughout the contract, with a particular focus on the general ramp-down after achieving the 2018 ISA milestone.

Section 2.4.4 – Identifies our proposed skill mix by FTE by contract year, with labor classifications consolidated into 7 categories for clarity. A thumbnail of our staffing curve is presented below.

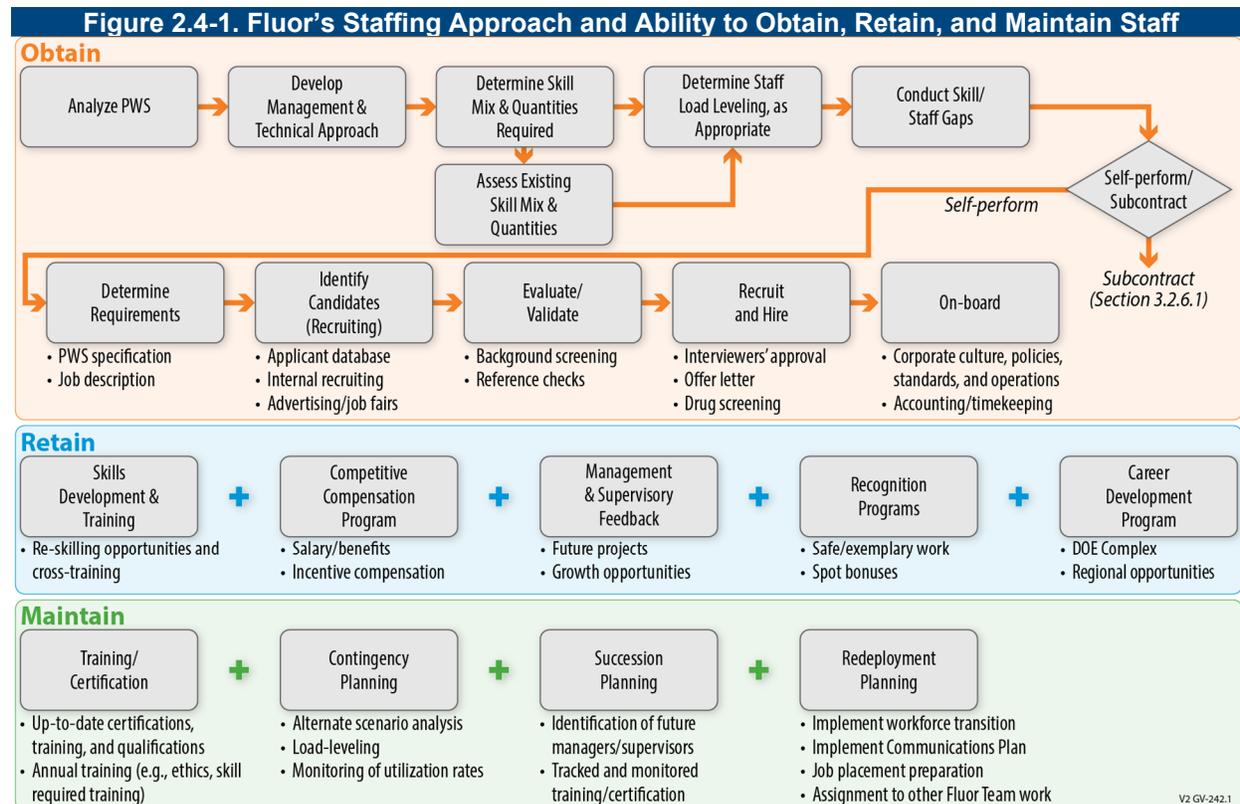


2.4.1 ABILITY TO OBTAIN, RETAIN, AND MAINTAIN STAFF NECESSARY TO ACCOMPLISH WORK

Our approach to obtaining, retaining, and maintaining staff is built into our overall lifecycle staffing process, depicted in **Figure 2.4-1**, that Fluor uses to attract, retain, and release personnel. Each area (i.e., obtain, retain, and maintain) is discussed in further detail in the following subsections. This process begins in transition and continues throughout the contract. Fluor applies the core steps of this process on all of its DOE projects, although implementation is tailored to the project based on unique missions, the workforce, and site requirements.

Our competency in staffing projects is built on identifying and forecasting what resources are needed and when they are needed with a high degree of reliability. We then develop a complete inventory of available skilled personnel (both currently on the project and external sources) and build a pipeline linking all reliable sources for each skill level. We staff to the valleys, but source to the peaks to ensure availability of qualified staff at all times. Our team subcontractors and supply chain play an important role in this area providing a flexible, non-permanent surge capacity to support our staffing. We build in flexibility to withstand changes in schedule and priority, using scenario analysis to pressure test resource availability and explore alternatives. Finally, we measure resource and skills performance over time to identify shortfalls and identify/evaluate surpluses to continually improve our system.

We implement this process using the business systems being adopted from CWI at transition, including PeopleSoft for accounting and P6/Cobra for EVMS. Our Business Director, Peggy Davis, has experience with each of these systems. She and her staff are responsible for project controls, human resources, training, and implementing our staffing process.



Fluor's staffing approach includes a linear process to obtain required personnel and skills, while activities and programs to retain and maintain personnel are done in parallel continually throughout the project.

2.4.1.1 ABILITY TO OBTAIN STAFF NECESSARY TO ACCOMPLISH WORK

TRANSITION

Obtaining critical skills begins with a well-designed and carefully executed Transition Plan that facilitates the transition of critical workers from CWI and ITG. As part of our efficient and proven mapping process discussed in our transition approach, we will evaluate incumbent staff's responsibilities and capabilities and map them to the appropriate position within the Fluor organization. We map incumbent personnel to Fluor position descriptions and skill levels and document status of qualifications and training. Section 3.2 describes our organizational structure to which employees will be mapped in further detail, including the rationale for the organization, roles and responsibilities of positions, and details on the key personnel.

To transfer an incumbent employee into the Fluor organization, an employee must be chosen for a position and be able to meet the qualifications associated with that position, such as years of experience, certifications, licenses, or training. If training for the individual employee is required for him or her to be qualified, a determination will be made as to when the training will be performed. Fluor will assess incumbent training modules to ensure adequacy. Should training associated with Fluor corporate policies require new training modules (e.g., the Fluor ethics policy), Fluor will provide the training modules during transition where necessary. We will provide DOE assurance that essential functions will be performed by personnel who are fully qualified for their duties on the contract effective date.

For those employees who do not accept Fluor employment, we will evaluate whether the vacated position needs filling immediately, and if so, recruit internally (within the incumbent organization and through our on-boarding website). If internal posting is unsuccessful, we will advertise and recruit externally, or fill through reachback into the Fluor Team, including our teaming partners, while adhering to the Section H hiring requirements. This process is discussed in more detail as part of our process to obtain resources during the contract period.

CONTRACT PERIOD & LIFECYCLE

Following transition, we continually cycle through the "obtain" process in Figure 2.4-1 to assess and forecast resource needs while maintaining a pool of recruitment sources and qualified candidates that we can access to meet project needs. This process gives us a range of capabilities:

- Forecast long-term project requirements
- Forecast worker skills required (type and quantity for given periods)
- Identify specific skills mix to accomplish work
- Inventory available resources by skill level versus level of resources required by skill mix
- Resource modeling and gap analysis
- Resource utilization rates for optimization of skills inventory

With our process, we have the ability to forecast needs and ensure the adequacy of our supply base to meet needs as they are identified. When a request for resources arises, we access our sources to fill the need. This manpower-planning methodology was originally developed by Fluor at Fernald to manage the 2,000 employees while maintaining the right number and skill mix to complete the work. We have continued to refine this rigorous resource-planning process, using it to manage the required workforce restructuring at Hanford, SRS, and Portsmouth. To maintain this capability, we track data on both needs and inventory, such as the following:

- Position profiles and skill requirements for every labor category of the skill mix
- Resource-loaded work package estimates
- Project task/work package durations integrated through predecessor and successor relationships



- Fluor Team resource inventories by skills categories (updated twice annually)
- DOE site resource availability based on project ramp-down/close-out
- Supply chain resource inventory, including incumbent suppliers, regional service providers, small businesses, and small disadvantaged businesses

We maintain a database of qualified candidates and update the inventory twice a year for our supply profile, which we measure against upcoming staffing needs. Our databases will include our team member resource base and supply chain resource base, such as regional businesses, small businesses, and other target groups in our small business plan (e.g., small disadvantaged, woman-owned, HUBZone, veteran-owned, and service-disabled veteran-owned small businesses).

Resource Metrics Tracked

We capture resource metrics to continually optimize staffing levels as follows:

- Offer-to-accept ratio
- Monthly supply versus demand deltas
- Time-to-fill and cost-to-fill
- Retention rates
- Training cost per employee, budgeted versus actual
- Time period for resource qualification or availability
- Skill mix turnover – by skill category

When internal and preferential hiring does not yield qualified candidates, we use traditional recruiting strategies, such as job fairs, college-sponsored events, external job postings, and electronic job boards to attract new candidates, beginning with regional colleges, universities, and trade schools. For example, 13,500 people participated in 5 regional SRNS job fairs to fill 2,500 ARRA positions; 3,500 people attended a CHPRC job fair for implementation of ARRA on CHPRC, resulting in 500 hires.

To bridge any gap between available resources and the future workforce, we link existing channels with enhanced employee development, a more robust supply chain network (including focus on small business sources), and new regional and local initiatives to develop a pipeline of qualified candidates. Educational institutions and military veterans are essential partners for filling the critical skills pipeline. Fluor Team member companies have initiated actions with academic institutions within Idaho and across the country to develop partnerships. Features and benefits of these sources of potential resources are detailed in **Figure 2.4-2**.

We monitor progress and make adjustments based on the detailed lifecycle baseline, conducting monthly program status meetings that discuss work forecasting, anticipated staffing needs, and resource sharing between operations organizations where possible. At Portsmouth, Fluor appointed a staff optimization team, a select team of senior project and functional managers that meets regularly to identify available resources and requirements for additional resources.

Source	Benefit
Military veterans	<ul style="list-style-type: none"> • Leadership skills • Disciplined, procedure driven • Pride in workmanship • Nuclear experience and background • Understanding of government systems and processes
Targeted Idaho and regional college/university programs	<ul style="list-style-type: none"> • Broad-based, multi-disciplined recruiting opportunities • Targeted niche markets for critical skills • Site familiarity
Internships and co-op programs	<ul style="list-style-type: none"> • Opportunity to recruit critical skills while still in college • Able to evaluate students before making hire offers • Low recruitment costs • Build college/university relationships
Rotational Programs New college graduates High potentials	<ul style="list-style-type: none"> • Increased probability of long-term retention • Opportunity to examine career possibilities • Build professional relationships and networks

Our multi-faceted approach to recruiting qualified staff ensures critical personnel resources are maintained through the contract and beyond.

This team also identifies re-training opportunities through advanced transition planning and provides informed input into the workforce restructuring process. We will use a similar process to reskill and redeploy existing employees with the objective of retaining skills and knowledge, while meeting the evolving priorities and skill mix of the project. Although we have a robust system to obtain new resources, reskilling and redeploying will be our primary approach to leverage the existing, qualified workforce on the ICP Core Contract.

ESSENTIAL PERSONNEL

As part of our ability to obtain staff, we have identified seven essential personnel to populate the top levels of our organization who will supplement the skills of our key personnel. They are “essential” due to the critical nature of their roles in delivering our technical and management approach and will act as change agents early and throughout the contract. Essential personnel are top resources from the Fluor Team and were selected for leadership, relevant experience, proven niche capabilities, and ability to meet specific ICP Core challenges. Several incumbents have been selected as essential personnel to provide continuity and maintain critical skills and leadership. A list of the positions, names, and a brief cameo are provided in **Figure 2.4-3**.

Figure 2.4-3. Fluor Idaho Essential Personnel

Position	Name	Cameo
Interface & Consolidation Manager	Erin Bognar	Current CWI Vice President for Project Integration with 10 years at ICP. Selected for continuity in leadership, the importance of current and future interfaces, and to focus on the consolidation of two incumbent contracts.
Engineering Manager	Robert Bromm	40 years of professional and managerial experience in the DOE and commercial nuclear power industries, including managing engineering organizations, leading mechanical and facility design projects, following construction and operations activities, performing systems engineering tasks, and providing technical expertise.
Liquid Waste Closure Manager	Jim Floerke	Currently the Vice President and Area Manager for INTEC. 30 years of experience managing complex nuclear projects with significant technical and logistical challenges dealing with highly radioactive and contaminated facilities. Consistently recognized for contributions in achieving organizational and project goals.
IWTU Operations Manager	Dr. William Onstot, P.E.	19 years of experience in process engineering; expertise in process simulation/modeling of new and existing units and the development of fluidized bed technology.
RH-TRU Operations Manager	Steven Poling	27 years of experience in radioactive/hazardous waste project management and nuclear operations. Professional experience includes serving as the Director of Operations and Project Manager/Control Account Manager for the RH-TRU Waste Disposition Project (\$170M over 5 years) at the Idaho National Laboratory.
Transition Manager	Bill Kaspar	Led two major DOE transitions successfully in 2014 as Transition Manager for Fluor-led teams – the Paducah Deactivation contract and Strategic Petroleum Reserve contract. Has supported three other DOE transitions, including the Fluor-led team for the Savannah River M&O.
Infrastructure Director	John Law	30 years of experience in engineering and construction, with 18 years in facility management (including nuclear) and utility operations and upgrades. Serves as the DOE Portsmouth Site Deputy Director of Site Maintenance, Infrastructure, and D&D overseeing 400 personnel with a \$72M annual budget.
Communications & Community Relations Manager	Ann Riedesel	20 years of experience in public involvement and communications in Federal and state government. Currently Communications Director for North Wind. Experienced implementing strategies for public relations and regulatory public involvement.

Fluor Idaho essential personnel support key personnel to deliver our technical approach.

CORPORATE REACHBACK/SUBJECT MATTER EXPERTS

Our Board of Directors is committed to providing resources through reachback mechanisms from each of our team members. With more than 70,000 Fluor Team employees around the world, we offer DOE an exceptionally large and capable pool of corporate reachback resources to fill any surge need or provide additional expertise where necessary. For example, both Fluor and CH2M provide reachback to capabilities such as specialty engineering (e.g., materials, logistics, analysis), LEED designers, and rapid technical response personnel.



2.4.1.2 ABILITY TO RETAIN STAFF NECESSARY TO ACCOMPLISH WORK

Fluor’s ability to retain critical skilled staff begins with providing a safe work environment so employees can return home the same way they came to work. We recognize the potential loss of labor and expertise from retirements is difficult to offset, given the relatively small pool of new workers and industry competition for talent. A large percentage of the ICP workforce is approaching retirement. Therefore, our plan includes the impact of workforce demographics on all job types and skill levels. We offer specific mitigating actions for different sections of the workforce through the mechanisms identified in **Figure 2.4-4**.

Skill Loss Category	Retention Mechanism
Retirement Eligible	<ul style="list-style-type: none"> • Flexible work schedules • Work from home • Mentoring • Job reassignment to address physical limitations
Attrition	<ul style="list-style-type: none"> • Certification pay • Incentive/retention bonuses • Professional development • Retraining • Different position
Retirees	<ul style="list-style-type: none"> • Rehire strategies • Consultants • Mentors • Hourly professionals

Our proactive suite of retention programs provides employees the ability to extend their careers.

Our approach to retaining key personnel is described in Section 3.1.3, although sample components of our key personnel retention strategy include the following three elements:

- Competitive salary and benefits commensurate with high performing organizations
- Annual incentives tied to safety and contract performance (see Incentive Program, below)
- Contribution to high profile, successful project in a challenging/enriching environment

Beyond that, Fluor implements numerous actions (discussed below) to engage the workforce through continued professional development in an effort to retain highly skilled staff.

SKILLS DEVELOPMENT AND TRAINING/RE-SKILLING OPPORTUNITIES

Continuous learning is critical to our success in supporting the ICP Core Contract, DOE-ID, and DOE-EM. As employees gain knowledge and skills, their value to the project and the DOE Complex increases. Fluor actively promotes skills training, personal development, knowledge sharing, rotational assignments, and cross training. These processes promote teamwork, provide opportunities for advancement, add flexibility to the workforce, and ensure a competent workforce is retained to support contract needs. Performance-based incentives are designed to retain key and essential personnel and those with skillsets difficult to replace.

Fluor will implement classroom, online, and on-the-job certification and training programs, including hands-on performance qualification to demonstrate required skills to achieve certification. To enhance craft skills, we will use Fluor’s craft and safety training programs used at DOE and commercial sites worldwide to improve and maintain craft skill. Where appropriate for scarce skills sets, Fluor will use subject matter experts to assist with training and act as mentors. Fluor will integrate training, planning, reskilling/retraining initiatives, and temporary reassignments between projects and sites to facilitate training. We will use established Fluor development tools, such as Fluor University and Knowledge OnLine (see highlight), to optimize employees’ skills and performance to maximize flexibility in using personnel.

Continuous Learning Opportunities

Fluor offers opportunities for continuous learning through **Fluor UniversitySM**, with access to more than 1,000 online courses and other educational programs. Fluor University’s structured training programs are complemented by on-the-job training, coaching/mentoring, lunch & learns, stretch assignments, industry associations, reading, and external classes.

Knowledge OnLineSM – Fluor’s online knowledge management system – provides a global collaboration environment, access to company expertise, and extensive reference materials (e.g., standard work practices, design standards, specifications, procedures, activity models, and training) used to execute projects.

INCENTIVE PROGRAM/COMPETITIVE COMPENSATION

The Fluor Incentive Program is designed to align the workforce to DOE's vision for the ICP Core Contract, sharing a substantial and meaningful amount of earned fee with the workforce divided into three tiers. Tier 1 includes key and essential personnel and Level 3 managers; Tier 2 includes Exempt and Non-exempt employees; and Tier 3 includes bargaining unit employees. Tier 1 is paid as a percentage of salary and earned units (an HR-determined mechanism), and Tiers 2 and 3 are paid based on earned units. We further incentivize key personnel to stay beyond their two-year commitment. We provide an additional annual incentive based upon staying beyond their signed proposal commitment. Our Incentive Program is based on successful programs implemented at SRS, ICP, Hanford, and Rocky Flats. We plan to provide the workforce with a significant portion of the earned fee. This reflects the commitment of Fluor to the workforce and DOE as it is part of our approach to achieve contract milestones. Our Incentive Program will be finalized and implemented pending approval from the Board of Directors upon contract award.

RECOGNITION PROGRAMS

Our Recognition Program (funded from our Incentive Program by the Board) will award major accomplishments and milestones, fostering a Fluor work community that values shared ideals such as safety, innovation, and achievement.

Recognition Program Examples

- Safe work
- Spot bonuses (i.e., recognition or small reward to recognize or reinforce behavior as it happens)
- Exemplary work or significant achievements
- Continuous improvement ideas
- Extraordinary performance (key contributors)
- Community volunteerism
- Employment longevity

TRANSPARENCY IN STAFF REDUCTIONS

Some portions of the ICP Core work will result in staff reduction upon milestone completion. Some resources will be reassigned while others will be at their end of assignment. Fluor believes in transparency for those reaching their end of assignment. Personnel will be informed as much in advance as possible when to expect the end of their assignment. This gives employees time to plan and to take advantage of Fluor's job placement and reskilling program.

ANNUAL MANAGEMENT AND SUPERVISORY FEEDBACK ON WORKER PERFORMANCE

A challenging work environment with the opportunity for growth provides an additional retention incentive for employees. Continuous feedback and annual evaluation on performance will provide employees recognition for work being done well, insight into areas that can be improved, and an opportunity to discuss future growth and what it takes to get there, such as cross training and planning future activities based on projects ramping up and down. Particular attention is paid to managers and supervisors to assure they understand the importance of providing feedback and know how to help personnel in their charge grow and reach their full potential.

CAREER DEVELOPMENT OPPORTUNITIES PROGRAM

We assist long-term critical skills employees with the opportunity to extend their careers. We provide employees with opportunities to advance their skills to become qualified for higher skilled, higher paying jobs. Specific retention elements include certification pay, rotational job assignments, individualized career planning, educational opportunities, certified professional development programs, and retraining. Fluor has found that there can be an issue in retention during the later years of cleanup projects, as employees essentially work themselves out of a job. Fluor offers ICP Core workers a wealth of opportunities within the Fluor Team suite of domestic and international projects, such as the onset of the NuScale project at INL. Discussed in Section 2.4.1.3, this project offers an incentive to employees to remain with Fluor and upon completion of their ICP assignment become part of the local nuclear renaissance.



2.4.1.3 ABILITY TO MAINTAIN STAFF NECESSARY TO ACCOMPLISH WORK

Fluor’s ability to maintain qualified personnel is centered on ensuring that the current workforce is trained and certified to perform their tasks and that overall we are prepared to respond to planned and unplanned peaks and valleys in required staff. Actions to maintain staff discussed below include training/certification, contingency planning, and redeployment planning.

TRAINING/CERTIFICATION

Training and certification in the “maintain area” of our approach follows closely with the training and development step in the “retain area.” However, here it is more focused on ensuring that skills and qualifications currently held are renewed and maintained as required for a worker to perform his or her assignment. HR is responsible for tracking employee training and certifications and ensuring that they are renewed on a timely basis. Through training, we ensure employees are current on industry best practices, standards revisions, and certification compliance. We also provide training opportunities to keep our skill mix aligned with forecasted project needs:

- **Voluntary training and skills development/cross-training** – With the forecast and modeling of existing vs. needed skills, we will be able to plan our training and skills development program to ensure resources are trained and available to support project needs. For example, we will cross-train workers in CPP-666 to support both fuel and RH-TRU material handling activities.
- **Supervisory and Management Training** – Key to the maintenance of the critical skills base is the deployment of effective managers and supervisors across all levels of the organization. Fluor will review prior supervisory training records and implement appropriate training modules with emphasis on worker safety and skills focused on retaining and maintaining critical skills. Training can include on- and off-site management courses, Fluor Corporate courses, Fluor UniversitySM, and industry training courses.

CONTINGENCY PLANNING

We will maintain depth and breadth of critical skills through our optimized resource planning systems and through our worker retention program. However, contingency planning is crucial to maintaining critical skills while responding to changing requirements. Fluor’s resource contingency planning process includes the following tools:

- **Load-Leveling** – Using P6 and our project controls systems, our project controls organization can help optimize work planning and efficiency through load-leveling of tasks and work orders based on resource availability and funding authorization. Load-leveling ensures utilization of available funding and optimization of resource utilization for maximum efficiency.
- **Alternate Scenario Analysis** – Fluor will evaluate alternate project scenario and conduct analysis to inform our staffing process. This allows project management and planning personnel to effectively analyze the impact of disruptions due to funding and priority changes, approvals, etc.
- **Resource Alert Notices** – These alerts are initiated when our resource forecast predicts a shortage of critical skills – especially when project priorities are changed on short notice. When a shortage is identified, we seek sources for critical skills from partners, preselected subcontractors, and our supply chain, including small businesses.
- **Monitoring of Utilization Rates** – Through monitoring of skills utilization rates, we can optimize different skill levels to more efficiently staff and plan for task orders.
- **Succession Planning** – Ensures that the next generation of employees receives the education, training, mentoring, and practical experience required to seamlessly assume positions requiring critical skills, particularly with significant number of workers approaching retirement.

REDEPLOYMENT PLANNING

Redeployment and outplacement form the end of our lifecycle staffing process, especially for projects where key, long-term elements are coming to an end (e.g., AMWTP, legacy ISA waste, IWTU). Fluor is committed to the State of Idaho and its workers for the long-term, evident by its investment in the NuScale small modular reactor technology. To fulfill our commitment, Fluor will encourage, through targeted programs, ICP Core employees at the end of assignment to consider redeployment at NuScale. Through this commitment we will enable the workforce and region to enjoy growth and new employment opportunities. Employees at the end of assignment will also have access to other potential redeployment opportunities in the suite of domestic and international projects within the Fluor Team.

Fluor will leverage relationships with affiliated organizations, such as NuScale, to help alleviate economic impacts from completing the cleanup mission. Without economic-development options, the eventual completion of ICP’s Core mission and related effect on the workforce could impact the entire region. ICP has a skilled workforce with both DOE and commercial nuclear experience – expertise and skill sets that can be applied to future technical regional projects, such as designing, building, and operating new power reactors such as NuScale’s.

An introduction to NuScale, including an overview of the program and the benefits to ICP, is provided in **Figure 2.4-5**. Fluor has already invested more than \$200 million in NuScale and currently invests \$50 million per year in the program. We will continue that commitment through at least 2018. The figure also compares the schedule and projected staffing curve of the NuScale project against the ICP Core Contract. NuScale begins ramping up construction in 2017, overlapping with the overall gradual ramp down of ICP staffing, particularly after achieving the 2018 ISA milestone. While not every skill set will match NuScale needs, there is significant overlap in the skills required and the general time frame that an integrated approach to staffing will provide the workers of ICP Core a viable local opportunity that remains in the nuclear community.

Figure 2.4-5. NuScale Introduction

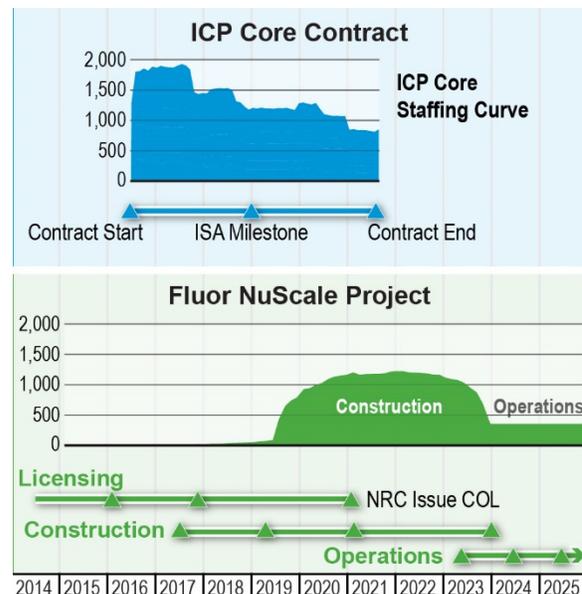
Unique Retention and Incentive Opportunity for Employees – Fluor NuScale

What is NuScale?

- Part of the Western Initiative for Nuclear (WIN), a multi-western state collaboration to investigate the demonstration and deployment of a small modular reactor
- A 45 Mwe fully-integrated Nuclear Power Plant that is factory built, including containment and reactor vessel with its own package turbine
- Recently launched NuScale Diverse Energy Platform (NuDEP) highlighting the technology as the nuclear “plug-n-play” solution for providing reliable power to diverse and mission critical applications.

What are the benefits to the ICP Core?

- Provides a source of jobs for skilled ICP Core workers as DOE projects conclude
- Project will create ~1,000 construction jobs at peak, for duration of 2-3 years and full-time plant employment of ~360 at average annual salaries of \$85,000
- Establishes Idaho as a desired location for NuScale supply chain members



The NuScale program represents part of Fluor’s ongoing commitment to Idaho and ameliorates the effects of completing the ICP Core mission on the workforce.

2.4.2 APPROACH FOR ENSURING AN ADEQUATE WORKFORCE IS AVAILABLE WITH THE SKILLS AND QUALIFICATIONS TO SAFELY AND EFFECTIVELY ACCOMPLISH THE WORK ENSURING AN ADEQUATE WORKFORCE FOR THE FULL SCOPE OF CONTRACT PERFORMANCE

The central functionality of our resource management system is an integrated work plan with resource-loaded tasks that identify the experience, training, and qualification requirements of every activity. Our proposal’s integrated resource-loaded schedule (Section 2.6) is the foundation used to forecast staffing needs down to the skill level. This forecast can be adapted as priorities change over time. The schedule comes from our project controls group, overseen by Peggy, with needs identified from Cost Account Managers responsible for the scope, schedule, and budget in their areas. The resource-loaded schedule is updated and re-evaluated monthly.

In parallel, our HR Manager inventories Team and supply chain assets by skill. The integrated work plan forecast and the inventory of available skills create a model of the workforce profile supply and demand that helps us identify skill gaps. This model drives the action plan for skills development and resource optimization. With this knowledge, Fluor will formulate an annual staffing plan, ensuring resource allocation addresses project-specific needs, including special skills and temporary resources to address initiatives or milestones.

We have established the project base staffing in our cost estimate and will staff the base load to the valleys. As shown in **Figure 2.4-6**, we will then staff peaks using overtime, reachback, subcontracts, reassignment, or hiring. The left axis shows the notional number of FTEs required, while the bottom axis shows the duration of the need. Generally, we will use current personnel on overtime to fill small peaks¹, while we will use corporate reachback into our Team members and other subcontracting for larger peaks². When numerous FTEs are needed for an extended period³, we will subcontract or hire additional personnel. For example, if we need four additional FTEs for 4 to 6 months, we will use corporate reachback. Some skill mix categories, such as AK personnel, are or will be in short supply, so we need to develop programs to find, hire, and train staff to fill projected vacancies.

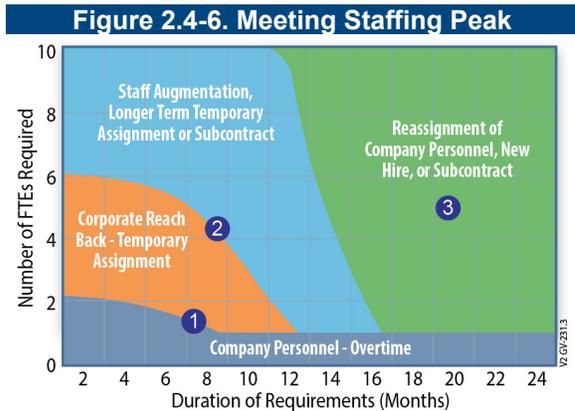


Figure 2.4-6. Meeting Staffing Peak
Fluor addresses peak requirements based on the required number and duration of FTEs.

Figure 2.4-7 summarizes initiatives that address major staffing challenges posed by the ICP Core Contract (e.g., maintaining continuity and experience while matching the required skill sets for upcoming projects; a large percentage of the workforce approaching retirement).

Figure 2.4-7. Fluor Resource Management Strategy & Benefits to DOE				
Project Staffing Approach Initiatives	Improve Schedule	Reduce Cost	Reduce Risk	Retain Unique Capabilities
1. Identify the 5-year staffing requirements of the ICP Core. Staff to the valleys, and use part-time staffing and targeted recruitment to address work of limited duration or specialty requirements		✓	✓	✓
2. Hire and retain key and essential personnel to promote our vision, safety culture, and approach	✓	✓	✓	✓
3. Interview incumbents for those who bring site knowledge and support the Fluor management approach	✓	✓	✓	✓
4. Retain workers through training, development, and incentives	✓	✓	✓	✓
5. Partner with unions for productivity enhancements	✓	✓	✓	✓

Our staffing approach provides more schedule certainty through a skilled workforce at less cost and risk.

SUBCONTRACTING WITH TEAM MEMBERS, SMALL BUSINESSES, AND REGIONAL BUSINESSES

As part of our overall planning process and baseline development, we have pre-selected work focus areas that will be performed by our integrated team member subcontractors (Section 3.2.2). For other work, we will engage small businesses and small disadvantaged businesses consistent with our Small Business Plan and basis of estimate. We adhere to maximizing regional purchasing where possible, an expectation we extend to subcontractors. Fluor will retain local small business and specialty contractors on a task order basis to cost-efficiently support infrastructure and service needs, serve as industry SMEs, and provide specialized staff augmentation resources.

UNIONS

Integral to ensuring an adequate workforce throughout the contract period is integrating the work activities performed by the four unions – USW, OE, Teamsters, and Building Trades – into a single cohesive team while maintaining continuity of operations, protecting worker safety, and optimizing productivity to meet contractual milestones. As part of our proposal efforts, we met informally with union leaders and will formally engage them early and often starting in transition. While maintaining separate labor agreements, we will negotiate a MOU during Transition to establish agreement on the use of composite crews and other enhancements, as well as incentives tied to collaboratively accomplishing milestones. We will be mindful of union concerns regarding job security and seniority. We will actively engage the union leadership and the workforce through worker participation in defining solutions and providing incentives.

ENSURING AN ADEQUATE WORKFORCE DURING TRANSITION

In addition to planning, scheduling, and identifying resources for transition as part of this proposal, Fluor commits to beginning pre-transition efforts on January 2, 2016, 3 months prior to the anticipated Notice to Proceed (NTP), to prepare a detailed Transition Plan and ensure the necessary resources are prepared and on standby. To successfully staff the 90-day transition, Fluor will complete its mobilization plan a month in advance of the anticipated NTP. A resource-loaded schedule for transition has been created that details the phased approach to personnel arriving on-site, beginning with the leadership team during the first 2 days following NTP. On average, we expect 64 personnel on-site over the course of the 90-day transition period. In accordance with our schedule, each person will arrive on a specified day, accomplish his or her task, and either return to his or her job (if a loaned employee) or remain for contract execution.

We have four categories of personnel involved with transition: key, essential, loaned team member, and consultants. Our leadership team includes key and essential personnel who will be on-site during transition and into the contract period. Loaned personnel from each of the team member companies have been identified and will be confirmed once the Mobilization Plan is finalized. Finally, consultants will also be secured at that time to fill specialty roles. We will generally not use anyone in an on-site incumbent job as part of the transition team – safety and continuity of operations is one of our top transition priorities. Our complete transition approach, including process, interface with DOE and unions, and implementation schedule is described in Section 2.5, Contract Transition Approach.

ENSURING AN ADEQUATE WORKFORCE DURING PRICED OPTIONS

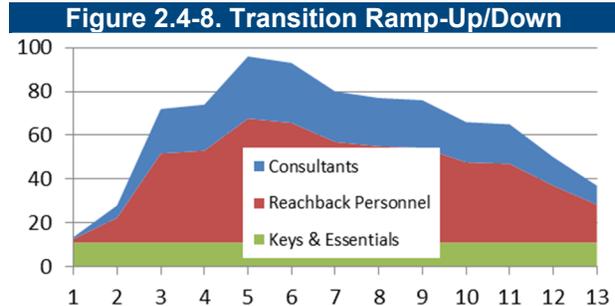
Similar to transition and other projects within the resource-loaded schedule, Fluor has estimated the work required for each of the priced options. As a result, the resource demands are already known. Accordingly our team members and our supply chain will respond with qualified personnel as described earlier.

2.4.3 RAMP-UP AND RAMP-DOWN AND ASSOCIATED IMPACTS TO PRODUCTIVITY DURING TRANSITION AND THROUGHOUT THE CONTRACT PERIOD

TRANSITION – RAMP-UP & RAMP DOWN AND ASSOCIATED IMPACTS TO PRODUCTIVITY

As described in Section 2.4.2, Fluor will begin pre-transition activities at no cost to DOE 3 months prior to anticipated NTP (March 1, 2016) to ensure resources are prepared to begin ramping up following NTP. Our leadership team, including all key personnel and essential personnel, will arrive over the first two days of transition and remain for the duration of transition.

The ramp-up and ramp-down of transition personnel is shown in **Figure 2.4-8** by week. The number of personnel ramps-up to a peak of 96 during week five of transition. The figure identifies major activities requiring the bulk of those personnel. As major activities complete, the number of personnel ramp-down over the remainder of the transition period. Our primary focus during transition will be to safely ensure readiness at the end of transition, while minimizing any impacts to incumbent productivity.



Major Activities Requiring Ramping-up

- Mapping/transferring personnel to new organization
- Reviewing and blue-sheeting procedures
- Performing facility walk downs and recording information to develop material differences
- Modifying the business systems and inputting data
- Validating accounting and personnel management system are ready for implementation
- Assuring ESH&QA processes, procedures, and permits are addressed
- Conducting readiness reviews

Transition staffing comprises key, essential, loaned team member personnel, and consultants.

CONTRACT PERIOD – RAMP-UPS & RAMP DOWNS AND ASSOCIATED IMPACTS TO PRODUCTIVITY

Our integrated resource-loaded schedule and associated staffing curve presented in Section 2.4.4 indicate an overall ramp-down, in particular after achieving the 2018 ISA milestone. This section presents an overview of this programmatic ramp-down as well as the smaller ramp-ups and ramp-downs associated with individual projects to execute the PWS. Section 2.4.4 also includes a depiction of FTEs by PWS element over the contract period (**Figure 2.4-10**), reflecting project-level fluctuations. Major project-level ramp-ups and downs are summarized in the highlight box over the next two pages by PWS element using ↑ to identify ramp-ups and ↓ for ramp-downs.

The general ramp down over the course of the contract will be addressed through attrition and reassignment accompanied by end-of-assignment if necessary. Additional ramp-down will be addressed by our redeployment process (Section 2.4.1.3).

EM Facility Infrastructure [C.3]

- ↑ Small ramp-up because infrastructure projects are additional scope vs. the current scope.
- ↓ Ramp-down in 2020 after waste completes their mission at AMWTP and ARP.

CERCLA Remediation [C.4]

- ↑ Small surge in 2016-2019 to perform the design of the RWMC SDA Cap [C.4.2]. This surge will be met through a combination team member and specialty firm subcontracting and home office reachback. Drilling new wells at TAN and CFA (both priced options) and remediation of the TRA-75 site will require small subcontracted surges as well.
- ↓ Slight ramp down over the course of the contract gained through efficiencies described in Section 2.1.1 and attenuation in workers. A number of workers likely to retire in the near term possess critical skills that will have to be backfilled through the use of subcontractors or staff augmentation in the short term, but through planning and forecasting the retirements, we can draw from our designated subcontractors, Portage and North Wind, to obtain qualified replacements.

By using Fluor’s staffing process, we will have sufficient notice to plan and prepare for both the project and programmatic fluctuations, accessing required skills and conducting appropriate training in time for work performance. This readiness capability comes from executing the staffing process described in Section 2.4.1, including:

- Pre-planned training/skills development programs
- Access to, and utilization of, Fluor Team and supply chain resources, including small businesses, small-disadvantaged businesses, etc.
- Competitive resource competitions to focus on required skills at competitive rates
- Visibility of upcoming needs – communicated to other site primes and to regional companies
- Advertising through various print and digital media for upcoming opportunities
- Utilization of resource alert notices to notify companies of upcoming needs
- Utilization of specialty technical recruiters
- Priority reachout to veterans and military personnel for openings matching their skill sets

As described in Section 2.4.2, we optimize to the valleys and use our resource pools to add staff for peaks. The result is fewer occasions requiring permanent staff ramp-downs. Nevertheless, ramp-downs will likely occur – often due to unanticipated program or funding constraints. When a resource ramp-down is required, the key is to focus on a detailed worker transition plan and an effective communications protocol, working proactively on behalf of the displaced worker. In every case, Fluor works collaboratively with DOE to implement personnel ramp-downs. Actions taken to minimize impacts of ramp-down transitions include:

- Early notice communications to workers to allow maximum planning horizons
- Notices of skills development options or training alternatives for workers capable of qualifying in other skill levels
- Availability notices to the Fluor supply chain seeking opportunities for workers who will be available for assignment
- Reverse job posting made available to all team member companies, other sites, and regional companies

Waste Management [C.5]

- ▲ To achieve the 2018 milestone, Fluor will need to increase TRU shipments to 25 per week from the current 0 per week. This will require a ramp up of trained AK personnel and staff to WIPP certify waste and transportation personnel. This ramp-up will continue through the milestone, and increased shipping will continue for 1 additional year.
- ▼ Will begin to ramp-down after achieving the 2018 milestone, but will not fully ramp-down until we catch up on the backlog of ARP waste that has been stockpiled in the meantime.

Liquid Waste Facility Closure [C.6]

- ▲ Substantial ramp-up after the first tank empties in FY16 and closure begins on the INTEC Tank Farm, New Waste Calciner Facility, IWTU, and INTEC Liquid Waste management System.

Spent Nuclear Fuel Management [C.7]

Over the contract, the SNF organization will ramp down in three phases corresponding to completing major elements of work scope. The SNF program will be flexible to adapt to funding levels and to accommodate the focus on achieving waste management milestones. If there is insufficient funding for the high production levels of Phase I, we will focus on Navy fuel movements and use any extra time for ATR fuel work.

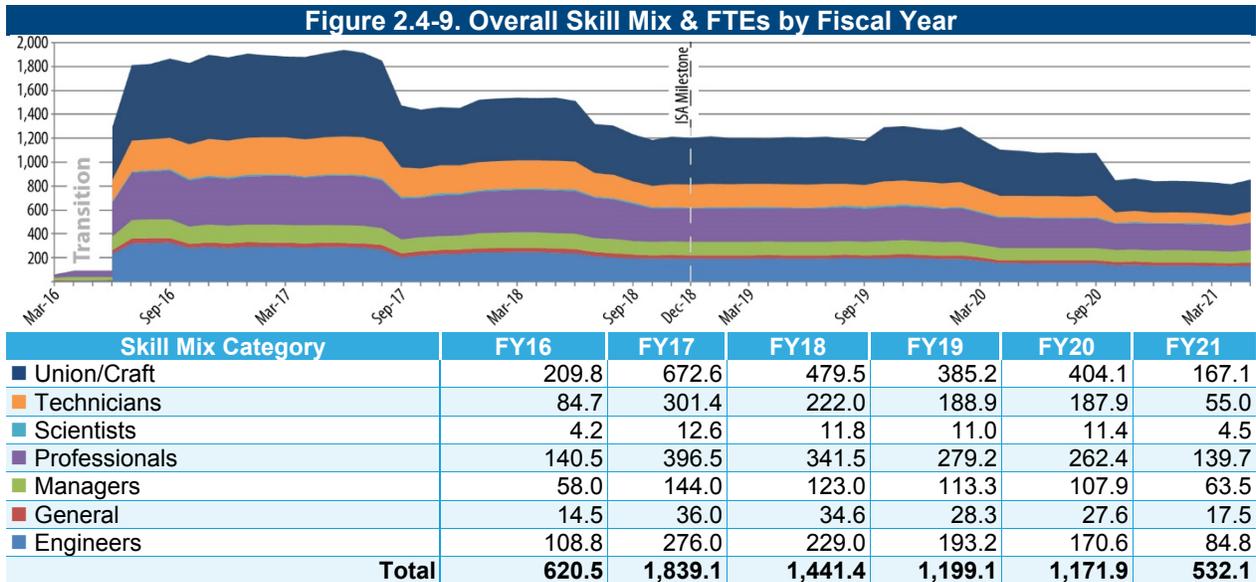
- ▼ **Phase 1:** Begins with a crew of ~60 divided into five operating crews and a support crew of facility operators. Working on a 24/7 rolling 12-hour shift schedule, they will focus primarily on Navy, ATR, and EBR fuel movements. The duration of Phase I is approximately 2.5 years.
- ▼ **Phase 2:** After 2.5 years, we will transition to a rolling 5-day/8-hour, single-shift schedule with a dedicated weekend crew instead of 24/7 operations. Accompanying this change is a reduction of 15-20 personnel until the remainder of EBR fuel is finished within about one year.
- ▼ **Phase 3:** for the remaining 1.5 years of the contract, we will move to a 4-day/10-hour, single-shift schedule, accompanied by a reduction of about 20 personnel.

Program Management & Project Support [C.8]

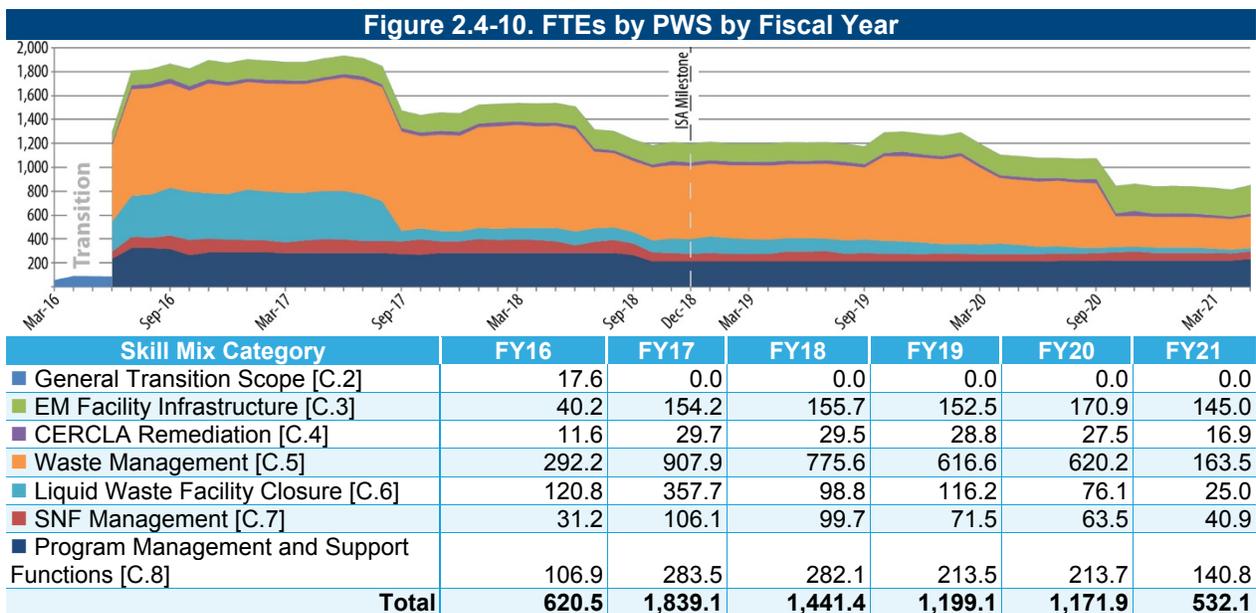
- ▼ We will reduce ~25% in redundant overhead staffing early in the contract from consolidation of the two contracts in such areas as finance/accounting, IT, records management, and HR. However, we have taken a graded approach to the reductions, minimizing reductions in areas such as safety and more generally ESH&QA.
- ▼ Following the ISA milestone and ramp down in projects, there will be a corresponding reduction of an additional 25% in overhead staffing beginning in 2019.

2.4.4 PROPOSED SKILL MIX BY FTE BY CONTRACT YEAR

Figure 2.4-9 presents the overall skill mix and FTEs for the entire contract, along with a detailed breakdown of average FTEs by category by fiscal year. While we use 289 labor categories within our estimate, we have consolidated those into the seven categories shown in the figure for the sake of clarity and brevity. For example, the Engineer category includes labor categories such as Design Engineers, Mechanical Engineers, and Chemical Engineers. Examples of Union/Craft labor categories include Radiological Control Technician, Facility Operator, and Electrician. In addition, to support our Factor 2 technical approach and description of ramp-ups and downs by PWS in Section 2.4.3, we also present a staffing curve with FTEs by PWS in Figure 2.4-10.



The Fluor Idaho staffing curve ramps-down over the length of the contract. The table shows average FTEs by fiscal year as well as during the 90-day transition period.



This staffing curve shows the ramp down in liquid waste, waste management, and SNF over the contract.