SPECTRA TECH, INC

CONTRACT NO. DE-EM0003976

Advance Agreement Revision 9
Per FAR 31.109

Related to Impacts Resulting From
Partial Stop Work Order (nonportable work only) associated with COVID
epidemic impacts at the Nuclear Regulatory Commission Licensed Facilities

CO Letter CLN200891
Dated March 25, 2020

Original - April 13, 2020 (Mod 88)
Revision 1 – June 25, 2020 (Mod 94)
Revision 2 – July 29, 2020 (Mod 97)
Revision 3 – August 27, 2020 (Mod 98)
Revision 4 – September 30, 2020 (Mod 100)
Revision 5 – October 13, 2020 (Mod 101)
Revision 6 – October 29, 2020 (Mod 104)
Revision 7 – December 16, 2020 (Mod 111)
Revision 8 – January 12, 2021 (Mod 113)
Revision 9 – January 28, 2021
Advance Agreement on Operating Principles and Advance Understanding for a Basis of an REA due to Covid-19 Pandemic Preparation, Response, and Recovery

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The World Health Organization declared on March 11, 2020, that the novel coronavirus (COVID-19) is a global pandemic. On March 13, 2020, President Trump announced the National Emergency Declaration for COVID-19 pandemic. International, Federal, State, and local response actions are expected to impact routine operations of both the DOE Federal offices at Hanford and the contractors that support the Hanford site cleanup mission.

This advance agreement establishes a mutual understanding of how special or unusual costs associated with the Covid-19 Pandemic will be addressed. It is developed in the spirit of 48 CFR 31.109, Advance Agreements (and equivalent Section H Special Contract Requirements clauses), and establishes an understanding between DOE and the Contractors regarding the allocability, allowability, and reasonableness of costs associated with COVID-19 which were not envisioned in the routine execution of the Prime Contract Statement of Work. All costs are subject to being determined allowable in accordance with the terms of the Contract, Federal Acquisition Regulation (FAR) Part 31.2 and the Department of Energy Acquisition Regulation (DEAR) Part 931.2.

This Advance Agreement attempts to identify the potential costs which may be incurred as a result of the Covid-19 Pandemic. As additional types of costs are encountered, they will be identified to the Government. The absence of an advance agreement on a specific cost will not, in itself, affect the reasonableness, allocability or the allowability under the FAR and DEAR cost principles.

This Advance Understanding of Costs shall not make an otherwise unallowable cost allowable.

In addition, this is in accordance with the recently passed Coronavirus Aid, Relief, and Economic Security Act (CARES Act) (H.R. 748 / Public Law 116-136).

The applicable text of the section of the CARES Act is as follows:

SEC. 3610. FEDERAL CONTRACTOR AUTHORITY.
Notwithstanding any other provision of law, and subject to the availability of appropriations, funds made available to an agency by this Act or any other Act may be used by such agency to modify the terms and conditions of a contract, or other agreement, without consideration, to reimburse at the minimum applicable contract billing rates not to exceed an average of 40 hours per week any paid leave, including sick leave, a contractor provides to keep its employees or
subcontractors in a ready state, including to protect the life and safety of Government and contractor personnel, but in no event beyond March 31, 2021. Such authority shall apply only to a contractor whose employees or subcontractors cannot perform work on a site that has been approved by the Federal Government, including a federally-owned or leased facility or site, due to facility closures or other restrictions, and who cannot telework because their job duties cannot be performed remotely during the public health emergency declared on January 31, 2020 for COVID-19.

Below are some examples of types of cost that would be considered allowable:

- Pandemic Planning and Preparation
- Directed Quarantine in the Interest of Public Health
- Schedule Recovery Costs
- Safeguarding of Facilities
- Demobilization and Remobilization
- Sanitation - Worker Safety
- Supply Chain Flexibility During Disruption
- Mission Continuity Amid Pandemic Disruption
- Maximizing Telework Programs in Compliance with Federal and Agency Recommendations
- Office Relocation and Occupancy due to facility decontamination
- Resolution of Potential Legal Matters Related to COVID-19; or
- Worker Safety, Minimizing Health Risks to At Risk Employees

Other items may be considered when an REA is developed. The primary responsibility will be on STI to be able to show how they were affected in a manner that DOE can perform an adequate review. Consistent with the Partial Stop Work Order Letter, dated March 25, 2020, STI has 30 days after the end of the partial stop work period to assert rights to an equitable adjustment.


extends the Partial Stop Work Order through September 30, 2020. If deemed necessary, both parties may agree to revise the Partial Stop Work Order end date.


