DEC 0 5 2000

Department of Energy
Savannah River Operations Office
P.O. Box A
Aiken, South Carolina 29802

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Dr. Lawrence Brede, Jr., Senior Vice President
and General Manager
Wackenhut Services, Incorporated
Aiken, SC 29802

Dear Dr. Brede:

SUBJECT: Award Fee Determination for April 1, 2000 through September 30, 2000, Award Fee Period 00-2 of Contract DE-AC09-99SR18950

I have completed my evaluation of the Wackenhut Services Incorporated-Savannah River Site (WSI-SRS) contract performance and determined your award fee based on the Performance Objectives and Criteria set forth in the Award Fee Plan. These objectives and criteria reflect the SRS Management Focus Areas of safety and security; technical capability and performance; community, state, and regulator relationships; cost-effectiveness; and corporate perspective.

As the Fee Determination Official for the Savannah River Operations Office, I am writing to inform you that WSI-SRS earned 99% of the available fee of $1,500,000. Overall, and as measured using established rating criteria, WSI-SRS demonstrated an excellent level of performance and technically competent leadership this period.

WSI-SRS sustained high performance in protective force operations as documented in the DOE annual Safeguards and Security surveys of 200-F, 200-H areas, and WSI Headquarters. All aspects of protective force operations and management were assessed and found to support a sound security posture. Strong performance in protective force operations was also demonstrated in the Emergency Response Organization's annual graded exercise and during the conduct of three force-on-force exercises, and two Crisis Negotiation Team/Tactical Operations Center performance tests. Over 350 individuals participated in the performance tests as controllers, evaluators, and players. No recordable accidents or injuries were sustained during the performance tests, which demonstrates your commitment to the proper planning and safe conduct of these tests.

During this period, numerous protective force staffing concerns were resolved due to WSI-SRS being proactive in addressing these issues through extensive coordination efforts with the Department of Energy (DOE) and Westinghouse Savannah River Company (WSRC) management personnel. These included resolving challenges at the K-Area Material Storage Facility, FB line, and the 235-F Shuffler project.

The United States Forest Service (USFS) credited the Aviation Operations Department (AOD) for their continued vigilance during routine patrols. WSI pilots identified seven SRS forest fires during this period. One incident site was so inaccessible that the use of AOD helicopters was necessary to transport fire fighters to the scene. The alertness and timely response of AOD personnel played a major role in early fire detection and the ultimate resolution of potentially disastrous incidents.

WSI participated in a successful recertification of the SRS Environmental Management System (EMS) for conformance with ISO 14001, the international EMS standard, as well as the South Carolina Department of Health and Environmental Control annual Comprehensive Monitoring Evaluation of hazardous waste management operations.

In an effort to promote and improve wellness and physical fitness, WSI-SRS developed a voluntary, incentive-based physical fitness program for all WSI-SRS personnel. To further meet the physical training needs for WSI-SRS, DOE, and other contractor personnel, an additional fitness facility was opened in September. Not only does this program provide direct benefits to employees, it will also potentially result in lower health care costs.

In recognition of your organization's continued commitment to support career and workforce development, the Council on Occupational Education (COE) granted accreditation to WSI in September 2000. This accreditation signifies that WSI meets or exceeds stated criteria of educational quality. It is also significant that WSI is the first private security company in the nation to achieve this status.

The sustained commitment of your organization to seek input and share your accomplishments with the DOE community and others was demonstrated again this period. At the annual meeting of the American Bar Association's Section of Dispute Resolution, WSI-SRS presented a briefing outlining the concepts behind the successful management of your conflict resolution program and continued positive relationship between management and labor. In addition, the sustained success of your organization's Voluntary Protection Program solicited a request from DOE-HQ for WSI-SRS' representation during the VPP on-site review of the security contractor at the DOE Hanford site. Also noteworthy was WSI-SRS' presentation at the 16th annual VPP Participants Association National Conference in Seattle, WA.

Deficiencies were noted during the period related to some badging operations and exercise discipline during one force on force performance test. Corrective actions were taken resolving all related issues.

Overall, WSI continues to play a leadership role in the DOE security community. Although there were areas in need of improvement, WSI-SRS was proactive in finding solutions and immediately implementing corrective actions. DOE-SR oversight personnel will be meeting with your staff to discuss this award fee evaluation in more detail. I appreciate and look forward to your continued excellent work in support of the missions at the Savannah River Site.

Sincerely,

Greg Rudy
Manager

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