

Award Fee Determination Scorecard Format

Contractor: Portage Inc.

Contract: Department of Energy Moab Uranium Mill Tailings Remedial Action Contract

Contract Number: DE-EM0000842 / DE-DT0002936

Award Period: 11/04/2011 – 09/30/2016

Basis of Evaluation: Performance and Evaluation Plan (PEMP) for Period: 10-01-2013 – 09-30-2014

Award Fee Available: \$1,401,951.46 **Award Fee Earned:** \$1,065,483.11

Award Fee Adjectival Ratings:

Project Management – 17/25 – Good

Tailings Excavation, Haul, and Disposal -- 20/25 – Very Good

Health and Safety – 16/25 – Good

Overall Weighted Result – Very Good 19.1/25 rounded to 19/25

The Contractor met the majority of performance goals and objectives for the period.

Significant Achievements: None

Significant Deficiencies: None

1. Project Management –

• Earned value performance:

- Cost performance index (CPI) = 1.03
- Schedule Performance index (SPI) = .99

• Effective baseline control management:

- A strength was Portage initiated, negotiated and added 12 contract changes
- A strength was Portage's work continuity with the Technical Assistance Contractor to make improvements to reports
- A weakness was the RAC had overruns in three Work Breakdown Structure areas

• Management of Emerging Issues:

- A strength was Portage's priority on equipment maintenance of aging project equipment
- A strength was Portage's smooth transition from radiological controls subcontractor to another subcontractor
- A weakness was that Portage was unprepared for FY14 winter shipping operations
- A weakness was that Portage's new Site Manager struggled to get up to speed with reporting, holding proper critiques, and determining ORPS reportability.

• Integration

- A weakness was Portage's first line, and mid-level managers demonstrated a reluctance to accept the Technical Assistance Contractor's oversight.

- **Initiatives Resulting in Tangible Costs Savings:**

- A strength was that Portage excavated/conditioned 348,778 more tons of RRM than planned , positive variance
- A strength was that Portage was responsive to DOE request for cost proposals
- A weakness was that Portage incurred more overtime than necessary in December 2013 and September 2014
- A weakness was that Portage's spend plan schedules were not met

- **Quantity and Compliance**

- A strength was that Portage supported major assessments, surveillances, and walkthroughs
- A weakness was the Portage demonstrated poor self identification of issues when deficiencies were identified
- A weakness was that Portage only issued three lessons learned reports, which were delayed although not complex
- A strength was that Portage used an electronic database to track employee Integrated Work Plan (IWP)/Job Safety Analysis (JSA) briefings
- A strength was that Portage presented lessons learned at work morning Moab and CJ meetings
- A strength was that Portage Identified cause/effect and response actions to ESH&Q incidents and conditions
- A weakness was that Portage had several corrective actions were open and past original due dates, 2-8 months past
- A weakness was that Portage did not include observations in the RAC Condition Reports database

- **Property Management System and Performance**

- A strength was Portage cooperated with the Technical Assistance Contractor and the EMCBC for four inventories of government property. Portage did not lose any government-furnished property during the reporting period.
- A weakness was that Portage failed to respond to request for safety status of vehicles in contaminated area.

Overall Summary of Rating Category:: DOE compared the number of strengths and weaknesses to the criteria of the rating plan, and determined a rating of **Good**, because while the contractor did have some weaknesses, they also exhibited some strengths, which somewhat outweighed the weaknesses.

The Award Fee Plan assigned a weight of 10% to this set of criteria. DOE assigned a numeric rating of **17** out of **25**.

2. Tailings Quantity Excavated, Transported, and Disposed -

- A strength was that Portage transported and disposed a total of 906,351 tons of residual radioactive material (RRM). This was 1,288 tons, or about .01%, more than the Award Fee Plan goal for Very Good (905,063 tons) for disposing of RRM at the Crescent Junction Disposal Cell.

- A strength was that Portage recovered from four missed trains in August, which was the result of a rock slide that blocked the rail line in a cut between the Moab and the Crescent Junction Sites.
- A weakness was that Portage was slow in resolving an issue of carry back of RRM during winter shipping, which resulted in lower average container weights.

Overall Summary of Rating Category:: The rating plan goal was 905,063 tons for **Very Good**, and the contractor disposed of 906,351 tons at the Crescent Junction disposal cell. The costs the contractor incurred were less than expected for the additional tailings disposed, due to increased efficiencies with the excavation operations. DOE rated the contractor's performance as Very Good.

The Award Fee Plan assigned a weight of 75% to this set of criteria. DOE assigned a numeric rating of **20** out of **25**.

3. Health and Safety –

- **Health and Safety Rates**

- A strength was that Portage had 0 OSHA recordable injuries during the rating period. They had a TRC rate = 0.0 and a DART rate = 0.0.

- **Prevention of fatalities, injuries, incidents of exposure or release and near misses –**

- A strength was that Portage had no environmental discharges, spills or incidents regarding in NOV's and noncompliance issues
- A strength was that Portage maintained individual and project wide radiation doses below DOE limits, project control levels and, ALARA goals
- A weakness was that Portage had an Incident where Linde operator moved container while RCT was working on it.
- Heads up event with heavy equipment operator backing dozer into van.

- **Accurate and Timely Incident Reporting and Notifications:**

- A weakness was that was that Portage's inconsistent in reporting incidents to DOE. This issue has continued from the previous rating period. Portage either failed to notify DOE; failed to write a report on an incident; or in some cases they were late in reporting to DOE.
- A weakness was that DOE assessments of Portage's Health and Safety (H&S) Program found numerous deficiencies in the areas of electrical safety, asbestos, fire safety, chemical control, work control, industrial hygiene, hearing protection, lock-out tag-out, excavation, and subcontractor/vendor training and oversight on the Moab Project, showing failure to comply with requirements of the National Fire Protection Act, Codes of Federal Regulation, the Moab UMTRA Health and Safety Plan, other local Moab UMTRA Project Procedures.

- **Timely and Effective Safety Corrective Actions Implementation**

- A strength was that Portage developed and sufficiently maintain a heads up program.

- A weakness was that Portage experienced 20 incidents in the rating period that required corrective actions.
- **Effective Implementation of ISM program that promotes a Project Safety Culture, Team-work, and Safety Awareness.**
 - A strength was that the RAC encouraged employees to identify and report all safety incidents, near-miss conditions, safety concerns, and process improvement suggestions through various means, such as their supervisor or management chain, safety personnel, safety committee members, or employee comment cards.
 - A strength was that the RAC maintained a Safety Action Item List
 - A weakness was that the RAC, on two consecutive Safety Conscious Work Environment (SCWE) assessments, had issues from previous assessments re-identified.
 - A weakness was that, despite numerous requests for information on Crescent Junction haul truck weighted capacity for weight, the RAC did not provide DOE with an adequate response.
 - A weakness was that the cognizant RAC managers did not perform reviews or provide safety and technical comment/input on Project procedures or other documents, resulting in finalized documents sent for signature without the benefit of their input.

Overall Summary of Rating Category: DOE compared the number of strengths and weaknesses to the criteria of the rating plan, and determined a rating of **Good**, because while the contractor did have several weaknesses, they also exhibited some strengths, which somewhat outweighed the weaknesses.

The Award Fee Plan assigned a weight of 15% to this set of criteria. DOE assigned a numerical rating of **16** out of **25**

4. SUMMARY OF AWARD FEE EVALUATION -

| Performance Requirement | Numeric Rating | Adjective Rating | Weighted Result |
|-------------------------|----------------|------------------|--------------------------------------|
| 1. Project Management | 17 | Good | 0.10 x 17 = 1.7 |
| 2. Tailings Quantity | 20 | Very Good | 0.75 x 20 = 15 |
| 3. Health & Safety | 16 | Good | 0.15 x 16 = 2.4 |
| | | Very Good | TOTAL = 19.1 rounded to 19/25 |

A 19/25 numeric score = 76% of fee earned. Calculation of Award Fee dollar amount: \$1,401,951.46 x 76% = \$1,065,483.11 for the period 10-01-2013 – 09-30-2014. The PEMP for this contract is available at: WWW.EMCBC.DOE.GOV