

**PART IV - REPRESENTATIONS AND INSTRUCTIONS**

**SECTION M**

**EVALUATION FACTORS FOR AWARD**

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**SECTION M**

**EVALUATION FACTORS FOR AWARD**

**M.1 PROPOSAL EVALUATION - GENERAL**

- (a) This acquisition will be conducted pursuant to Federal Acquisition Regulation (FAR) Part 15, Contracting by Negotiation, and Department of Energy Acquisition Regulation (DEAR) Part 915, Contracting by Negotiation. The Government will evaluate proposals in accordance with the procedures contained in FAR Part 15, DEAR Part 915, and the Evaluation Criteria hereinafter described. The Source Selection Official (SSO) will select an Offeror for Contract award using the best value analysis described in this section.
- (b) The instructions set forth in Section L are designed to provide guidance to the Offeror concerning the documentation that must be provided in the Offeror's proposal. The Offeror must furnish adequate and specific information in its proposal response. Cursory proposal responses that merely repeat or reformulate the Performance Work Statement are not acceptable. Further, a proposal will be eliminated from consideration before the evaluation if the proposal is so grossly and obviously deficient as to be totally unacceptable on its face. For example, a proposal will be deemed unacceptable if it does not represent a reasonable effort to address itself to the essential requirements of the solicitation, or if it clearly demonstrates that the Offeror does not understand the requirements of the solicitation. In the event a proposal is rejected, a notice will be sent to the Offeror stating the reason(s) that the proposal will not be considered for further evaluation under this solicitation.
- (c) A proposal deficient in any evaluation criteria will not be selected for award. A deficiency is defined in FAR 15.001.
- (d) The Government intends to evaluate proposals and award a Contract without discussions or exchanges with Offerors (except clarifications as described in FAR 15.306(a)). If a competitive range is established pursuant to FAR 15.306(c), Offerors are hereby advised that the CO may limit the number of proposals in the competitive range to the greatest number that will permit an efficient competition among the most highly rated proposals. Offerors that are not included in the competitive range will be promptly notified. Therefore, the Offeror's proposal shall contain the Offeror's best terms from a cost or price and technical standpoint. The Government reserves the right to conduct discussions if the Contracting Officer later determines them to be necessary.
- (e) Prior to award, a determination will be made regarding whether any potential Organizational Conflicts of Interest (OCI) exist with respect to the apparent successful Offeror. In making this determination, the Contracting Officer (CO) will consider the representation required by Section K of this solicitation. An award will be made if any potential OCI can be appropriately avoided, neutralized, or mitigated.

- (f) Any exceptions or deviations by the Offeror to the terms and conditions stated in this solicitation for inclusion in the resulting Contract may make the offer unacceptable for award without discussions. If an Offeror proposes exceptions to the terms and conditions of the Contract, the Government may make an award without discussions to another Offeror that did not take exception to the terms and conditions of the Contract.

## **M.2 BASIS FOR CONTRACT AWARD**

- (a) DOE intends to award one Contract to the responsible Offeror whose proposal is responsive to the Solicitation and determined to be the best value to the Government. Selection of the best value to the Government will be achieved through a process of evaluating the strengths and weaknesses of each Offeror's proposal for Criterion 2 Technical Approach, Criterion 3 Key Personnel and Organizational Structure, and Criterion 4 Relevant Experience and the favorability of each Offeror's relevant past performance information for Criterion 1 Relevant Past Performance, in accordance with the Evaluation Criteria described in Section M.4. The Government will assign adjectival ratings for each of the Technical Evaluation Criteria based upon the evaluated strengths and weaknesses and the favorability of each Offeror's relevant past performance information.
- (b) In determining the best value to the Government, the Technical Evaluation Criteria are significantly more important, when combined, than the Evaluated Price. Evaluated Price is defined in Section M.5 below. The Government is more concerned with obtaining a superior Technical and Management proposal than making award at the lowest Evaluated Price. However, the Government will not make an award at a price premium it considers disproportionate to the benefits associated with the evaluated superiority of one Offeror's Technical and Management proposal over another. The Government will assess what the strengths and weaknesses and relevant past performance information between or among competing Technical and Management proposals indicate from the standpoint of (1) what the difference might mean in terms of anticipated performance; and (2) what the evaluated cost/price to the Government would be to take advantage of the difference. The closer or more similar in merit that Offerors' Technical and Management proposals are evaluated to be, the more likely the Evaluated Price may be the determining factor in selection for award.

## **M.3 OVERALL RELATIVE IMPORTANCE OF TECHNICAL EVALUATION FACTORS**

The proposals will be adjectivally rated using information submitted by the Offerors on the four factors below:

1. Relevant Past Performance
2. Technical Approach
3. Key Personnel and Organizational Structure
4. Relevant Experience

Relevant Past Performance and Technical Approach will be considered equal in importance and, when combined, are significantly more important than Key Personnel and Organizational Structure and Relevant Experience. Key Personnel and Organizational Structure is considered more important than Relevant Experience. Areas within an evaluation criterion are not sub-criteria and will not be individually rated, but will be considered in the overall evaluation for that particular evaluation criterion.

#### **M.4 TECHNICAL EVALUATION FACTORS/CRITERIA**

##### **CRITERION 1: RELEVANT PAST PERFORMANCE**

DOE will evaluate the past performance of the Offeror, including each entity participating in the teaming arrangement thereof as defined by FAR 9.601, and each major subcontractor for contracts or projects currently on-going or completed within the last five (5) years from the date of the solicitation that encompass work similar in size, scope and complexity to the PWS.

- Size is defined as dollar value and duration
- Scope is defined as the type of work (e.g., combined nuclear and chemical operations); and
- Complexity is defined as performance challenges (e.g., regulatory environment, types of materials and waste, integration and coordination with other DOE or other government contractors and/or integration and coordination with stakeholders).

DOE will consider past performance information submitted by the Offeror on the Attachment L-2, Past Performance & Relevant Experience Reference Information Form, information submitted by the Offeror's references on Attachment L-3, Past Performance Questionnaire (where applicable for non-DOE Office of Environmental Management work or where a PPIRS record is not available), information submitted by the Offeror on the Attachment L-4, List of Contracts Terminated for Default or Convenience, and any other information obtained through the available Federal Government electronic databases, readily available Government records, and sources other than those identified by the Contractor. Contract references, including those identified by the Offeror on Attachment L-2 and Attachment L-3 and those not identified by the Offeror, but listed in E-government databases, may be contacted for information to be used in the past performance evaluation.

The higher the degree of relevance of the work described to the PWS functions that each entity is proposed to perform, the greater the consideration that may be given. Additionally, more recent relevant past performance information may also be given greater consideration. Except in unusual circumstances, work performed for DOE's Office of Environmental Management will be considered at least Somewhat Relevant.

In the case of an Offeror without a record of relevant past performance, or for whom information on relevant past performance is not available, the Offeror will be evaluated neither favorably nor unfavorably.

### **CRITERION 2: TECHNICAL APPROACH**

All aspects of the Offeror's Technical Approach will be evaluated for depth, quality, feasibility, completeness and effectiveness. DOE will assess how well the approach demonstrates an understanding of the requirements of the PWS as well as the Offeror's ability to perform the PWS. DOE will evaluate the Work Breakdown Structure (WBS) for correlation to the proposed technical approach and PWS.

DOE will evaluate whether the Offeror's TOP ensures continuity of work without disruption and provides for an orderly transfer of resources, responsibilities and accountability from the Incumbent Contractor. DOE will evaluate the TOP's approach to mobilization and transition, and the plan and schedule for assuming responsibility for the DUF6 conversion activities and cylinder surveillance and maintenance activities. DOE will evaluate whether the TOP addresses each of the activities specified in Section C.3.4.

DOE will evaluate the proposed approach, plan and schedule for conversion operations and maintenance, including the proposed quantity of DUF6 to be processed on an annual basis and over the term of the Contract, shift operations, manpower projections and consideration for maintenance and scheduled facility outages.

DOE will evaluate Offeror's proposed approach for routine cylinder yard operations which includes implementation of the cylinder surveillance and maintenance plan and conformance with the requirements of Section C.6.

DOE will evaluate the Offeror's approach for management of conversion products (i.e., uranium oxide and aqueous HF) and management and disposition of all wastes in conformance with Sections C.4 and C.5.

DOE will evaluate the three greatest risks identified by the Offeror and the proposed mitigations for the identified risks to performance of the PWS. DOE will assess the Offeror's overall approach to identifying and mitigating risk in implementing its Technical Approach.

### **CRITERION 3: KEY PERSONNEL AND ORGANIZATIONAL STRUCTURE**

The Offeror will be evaluated on the Key Personnel positions it proposes and considers to be essential to the successful accomplishment of the work being performed under the Contract, including an assessment as to whether the Offeror has proposed the appropriate Key Personnel team, with the appropriate mix of Key Personnel positions and skills for successful performance.

DOE will evaluate the suitability of the Key Personnel for their proposed positions based

on their demonstrated leadership, education, technical expertise, and experience. The Offeror will be evaluated on its designation of Key Personnel positions relative to its approach to the management and execution of the work. DOE will evaluate the Offeror's rationale for selecting the Key Personnel to their proposed positions.

**Failure to submit Letters of Commitment from all proposed Key Personnel or use the resume format identified in Attachment L-1 may result in the Offeror receiving a lower evaluation rating for this criterion or the Offeror's proposal being eliminated from further consideration for award. Failure to propose, at a minimum, a Project Manager, an ESH&Q Manager, a Portsmouth Plant Manager and a Paducah Plant Manager will result in the Offeror's proposal being eliminated from further consideration for award.**

DOE will evaluate how well the Offeror's organization and business systems support implementation of the Technical Approach proposed and provide control and accountability for Contract performance. In particular, DOE will consider the allocation of resources at the multiple sites and authority level of managers, managerial span of control, suitability of the management procedures for monitoring and controlling subcontractor performance, and access to corporate resources.

DOE will evaluate the Offeror's approach to managing fixed price work including segregating fixed price from cost reimbursable work.

DOE will evaluate the rationale for the chosen organizational structure including the Offeror's use of subcontracting or teaming arrangements (if any), as defined by FAR 9.601, to accomplish the PWS in accordance with the proposed Technical Approach. DOE will evaluate the specific business relationship (subcontract, teaming agreement, etc.) between the Offeror and each entity proposed to perform work.

DOE will evaluate the Offeror's policies, procedures, and techniques to implement its Project Management Plan. DOE will evaluate the ability of the Offeror's organizational approach and business systems to establish and maintain technical, schedule and cost baselines and ensure accurate, timely, and properly controlled changes and reporting; this will include how well the Earned Value Management System (EVMS) conforms to the requirements in Section H.

DOE will evaluate the demonstrated capability of the Offeror to provide corporate support and problem-solving resources in the performance of the Contract, the Offeror's proposed approach to providing corporate governance and routine corporate oversight, and the Offeror's proposed level of corporate involvement in Contract execution

DOE will evaluate the Offeror's decision process regarding the use of subcontractors and the Offeror's approach for managing subcontractors. The Offeror's approach to engage small business and its approach towards achieving the DOE/SBA negotiated small business subcontracting goals will also be evaluated.

#### **CRITERION 4: RELEVANT EXPERIENCE**

DOE will evaluate the Offeror's relevant experience in performing work similar in size, scope and complexity to the PWS. DOE will evaluate the relevant experience of the Offeror, including each entity participating in the teaming arrangement thereof, as defined by FAR 9.601, and each major subcontractor for the same contracts or projects referenced for past performance information on the Attachment L-2, Past Performance and Relevant Experience Reference Information Forms. DOE will evaluate the entity's relevant experience performing work similar in size, scope and complexity to the functions of the PWS that the entity is being proposed to perform as identified in the Attachment L-2 including any improvements implemented in the performance of the work.

- Size is defined as dollar value and duration
- Scope is defined as the type of work (e.g., combined nuclear and chemical operations); and
- Complexity is defined as performance challenges (e.g., regulatory environment, types of materials and waste, integration and coordination with other DOE or other government contractors and/or integration and coordination with stakeholders).

#### **M.5 COST, PRICE AND FEE EVALUATION CRITERIA**

The cost/price proposal will be evaluated but will not be point scored or assigned a rating. For CLIN 0001 – Transition, CLIN 0002 and 0004 – Conversion Operations, Project Support and Related Services and CLINs 0006 and 0007 Defined Benefit Pension Costs, DOE will evaluate the Offeror's proposed cost for realism, reasonableness and completeness. The evaluation of cost realism may include an analysis of specific elements of each Offeror's proposed cost to determine whether the proposed estimated cost elements are realistic for the work to be performed; reflect a clear understanding of the requirements; and are consistent with the methods of performance and materials described in the Offeror's technical proposal. For CLIN 0003 and 0005 – will be evaluated using price reasonableness.

The total evaluated price will be calculated by combining the most probable cost for CLIN 0001, most probable cost for CLINs 0002, 0004, 0006, and 0007, the proposed award fee for CLINs 0002 and 0004 and the proposed price for CLINs 0003 and 0005.

In the event of a conflict between the total proposed cost and fee and prices specified by the Offeror in Volume III and the proposed cost and fee and prices reflected in Section B, Section B will be used.

The Offeror has the responsibility to fully document and provide traceability of its cost and price proposal to the technical proposal. For cost reimbursable CLINs, DOE may adjust the most probable cost as part of its cost realism analysis if the Offeror does not adequately substantiate its proposed costs.

For cost reimbursable CLINs, an unreasonable, unrealistic, or incomplete Cost Proposal may be evidence of the Offeror's lack of, or poor understanding of, the requirements of the PWS and thus may adversely affect the rating of the Offeror's Technical and Management Proposal.

There should be no inconsistencies between the Cost Proposal and Technical and Management Proposal. Should the Government determine that inconsistencies exist; such inconsistency may result in an adjustment to the Offeror's proposed costs and/or may result in an adjustment under Criterion 2 and/or 3.

Certain aspects of Volume III will be evaluated for responsibility and financial capability. In accordance with FAR Part 9, the responsibility and financial capability evaluation will take into consideration whether the Contractor has adequate financial resources and the minimum insurance liability coverage per the Section H provision Insurance – Work on a Government Installation to perform the contract or has the ability to obtain it.

**M.6 FAR 52.217-5 EVALUATION OF OPTIONS (JULY 1990)**

Except when it is determined in accordance with FAR 17.206(b) not to be in the Government's best interests, the Government will evaluate offers for award purposes by adding the total price for all options to the total price for the basic requirement. Evaluation of options will not obligate the Government to exercise the option(s).