PART IV – REPRESENTATIONS AND INSTRUCTIONS

SECTION M

EVALUATION FACTORS FOR AWARD

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M.1 DOE-M-2001 PROPOSAL EVALUATION – GENERAL – ALTERNATE III (OCT 2015)

(a) Conduct of acquisition.

(1) This acquisition will be conducted pursuant to the Federal Acquisition Regulation (FAR), Part 15, Contracting by Negotiation; Department of Energy Acquisition Regulation (DEAR), Part 915, Contracting by Negotiation; and the provisions of this solicitation.

(2) DOE has established *a Source Evaluation Board* to evaluate the proposals submitted by Offerors in response to this solicitation. Proposal evaluation is an assessment of the proposal and the Offeror's ability to perform the prospective contract successfully. Proposals will be evaluated solely on the factors specified in the solicitation by assessing the relative significant strengths, strengths, weaknesses, significant weaknesses, deficiencies, and cost and performance risks of each Offeror's proposal against the evaluation factors in this Section M to determine the Offeror's ability to perform the contract.

(3) The designated source selection authority will select *an Offeror* for contract award whose proposal represents the best value to the Government. The source selection authority's decision will be based on a comparative assessment of proposals against all evaluation factors in the solicitation. The source selection authority may reject all proposals received in response to this solicitation, if doing so is in the best interest of the Government.

(b) Deficiency in proposal.

(1) A deficiency, as defined at FAR 15.001, Definitions, is a material failure of a proposal to meet a Government requirement or a combination of significant weaknesses in a proposal that increases the risk of unsuccessful contract performance to an unacceptable level. No award will be made to an Offeror whose proposal is determined to be deficient.

(2) A proposal will be eliminated from further consideration before complete evaluation if the proposal is deficient as to be totally unacceptable on its face. A proposal will be deemed unacceptable if it does not represent a reasonable initial effort to address itself to the essential requirements of the solicitation, or if it does not substantially and materially comply with the proposal preparation instructions of this solicitation. Cursory responses or responses which merely repeat or reformulate the *Performance Work Statement* will not be considered responsive to the requirements of the solicitation. In the event that 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) Responsibility. In accordance with FAR Subpart 9.1, Responsible Prospective Contractors, and DEAR Subpart 909.1, Responsible Prospective Contractors, the Contracting Officer is required to make an affirmative determination of whether a prospective contractor is responsible. The Contracting Officer may, if necessary, conduct a preaward survey of the prospective contractor as part of the considerations in determining responsibility. In the absence of information clearly

indicating that the otherwise successful Offeror is responsible, the Contracting Officer shall make a determination of nonresponsibility and no award will be made to that Offeror; unless, the apparent successful Offeror is a small business and the Small Business Administration issues a Certificate of Competency in accordance with FAR Part 19.6, Certificates of Competency and Determinations of Responsibility.

(d) Award without discussions. In accordance with paragraph (f)(4) of the provision at FAR 52.215-1, Instructions to Offerors – Competitive Acquisition, the Government intends to evaluate proposals and award a contract without conducting discussions with Offerors. Therefore, the Offeror's initial proposal shall contain the Offeror's best terms from a cost or price and technical standpoint. The Government, however, reserves the right to conduct discussions if the Contracting Officer later determines them to be necessary and may limit the competitive range for purposes of efficiency.

(e) Organizational conflicts of interest. The Offeror is required by the provision at Section K.8, Organizational Conflicts of Interest Disclosure, to provide a statement of any past, present, or currently planned interests related to the performance of the work and a statement that an actual or potential conflict of interest or unfair competitive advantage does or does not exist in connection with the instant contract. No award will be made to the apparent successful Offeror, if the Contracting Officer determines that a conflict of interest exists that cannot be avoided, neutralized, or mitigated.

(f) Facility clearance. The Offeror is required by the provision at DEAR 952.204-73, Facility Clearance, to submit information related to its foreign interests. National Defense Authorization Act for Fiscal Year 1993, § Public Law 102-484 § 836 prohibits the award of a DOE contract under a national security program to an entity controlled by a foreign government, unless a waiver is granted by the Secretary of Energy.

M.2 EVALUATION FACTOR – TECHNICAL APPROACH

DOE will evaluate the Offeror's capability, understanding and proposed technical approach to achieve the Performance Work Statement (PWS) objectives and activities (for the full scope of contract performance, including the Contract Transition Period and option periods) in the areas of Contract Transition, Contact-Handled Transuranic Waste Disposition; Surface Water; Groundwater; and RCRA Remediation.

DOE will evaluate the Offeror's approach to contract transition including the process, rationale, and planned activities and milestones necessary for conducting a safe, orderly transition; minimizing impacts on continuity of operations; identifying key issues that may arise during transition and their associated resolutions; and planned interactions with DOE, the incumbent contractor, incumbent employees, and other site contractors.

DOE will evaluate the extent to which the Offeror's technical assumptions, including the facilities and equipment to be used, key interfaces with DOE, stakeholders, or other external organizations, demonstrate the viability of its technical approach and/or support its technical understanding.

DOE will evaluate the extent to which the Offeror provides a general technical understanding that demonstrates its comprehension of the activities listed below that fall under Program Management and General Requirements (PWS C.3) and how these activities will be integrated into the overall effort.

DOE will evaluate the Offeror's technical approach for compliantly characterizing, processing, storing, transporting, and disposition of each waste type (e.g., M/LLW, LLW, CH-TRU, hazardous and universal wastes).

DOE will evaluate the Offeror's technical approach for the CH-TRU (C.4) and its associated M/LLW waste programs including the extent to which the specific steps from retrieval/exhumation through processing and disposal for the waste inventory identified in Section J, Attachment J-17, Waste Stream Quantities and Details, are identified in the accompanying waste process flow diagram(s). For the CH-TRU, DOE will evaluate the extent to which the specific steps necessary for meeting the Waste Acceptance Criteria (WAC) for the disposition of each waste type including retrieval (both intact and breached boxes/drums), characterization, repackaging, processing, sorting and/or reduction (due to void space) are detailed in the flow diagram. DOE will evaluate the extent to which the Offeror's identified opportunities to optimize (e.g., re-characterize to a different waste class) waste disposition by waste type illustrates an understanding of the technical requirements.

DOE will evaluate the extent to which the Offeror's Integrated Schedule for the full scope of contract performance, including the Contract Transition Period, the Base Period, Option Period 1, and Option Period 2 except for the IDIQ CLINs, is consistent with its proposed technical approach and provides specific schedule elements. In addition, DOE will evaluate the key milestones, deliverables, logic ties, predecessor and successor relationships between activities, activity durations, float, and the critical activities to complete the PWS.

DOE will evaluate the extent to which the Offeror's campaign approaches demonstrate integrated schedules, coordination of work scope, and compliance with Appendices B and C of the State of New Mexico Environment Department Compliance Order on Consent U.S. Department of Energy, Los Alamos National Laboratory, dated June 24, 2016.

DOE will evaluate the Offeror's identification of the three most significant technical risks to successful performance of the PWS; the rationale for the identified risks and their potential impacts; and the Offeror's approach to eliminating, avoiding, or mitigating the three most significant risks.

DOE will evaluate the Offeror's approach to meet the requirement to subcontract at least 35% of the Total Estimated Cost of the contract (exclusive of contract fee and the maximum value of the IDIQ CLINs) in a timely and effective manner. Further, DOE will evaluate the Offeror's process for identifying meaningful work (as defined in H.63, Subcontracted Work) scope that can be performance-based and performed by small business subcontractors competitively selected post-award. DOE will evaluate the Offeror's subcontracting approach including its decision process regarding use of subcontractors and approach for managing subcontractors.

DOE will evaluate the Offeror's proposed plan for applying project management and strategic planning systems and/or processes to define, plan, integrate, and administer the activities required under the contract. In addition, DOE will evaluate the effectiveness of the Offeror's approach to use these systems and/or processes to assess performance and address performance issues including those associated with technical, cost, and schedule. DOE will evaluate the application of the Offeror's systems in the following areas: PWS elements; Critical path schedule and resource-loaded schedule; performance measurement baseline; baseline change control and integration with contract change control; configuration management; earned value management; variance analysis; use and control of management reserve; resource leveling; and indirect cost management.

M.3 EVALUATION FACTOR – KEY PERSONNEL AND ORGANIZATION

(a) Key Personnel. DOE will evaluate the four proposed key personnel required in Section L.15(a) and up to five proposed key personnel and the Offeror's rationale for non-required key personnel and why they are essential to the successful performance of the contract. DOE will evaluate the proposed Key Personnel authority level and access to corporate resources.

Failure of the Offeror to propose the four required key personnel positions or to confirm the availability of all key personnel as being assigned to the contract full-time and physically located on-site will adversely affect the Government's evaluation of the proposal and may make the proposal ineligible for award.

(b) Resume. The individuals proposed as key personnel will be evaluated on the degree to which they are qualified and suitable for the proposed position in relation to the work for which they are proposed to perform and areas of responsibility. The qualifications and suitability of the individual key personnel will be evaluated on the following:

(1) Education. The key personnel will be evaluated on their education, training, certifications, and/or licenses.

(2) Experience. The key personnel will be evaluated on their relevant experience in performing work similar in scope, size, and complexity (i.e., scope – type of work; size – dollar value and contract duration; and complexity – performance

challenges, leadership roles, and risk).

(3) Demonstrated performance. The key personnel will be evaluated on their record of past success, including leadership and other accomplishments, in performing work of similar scope, size, and complexity to that required for their proposed positions, as demonstrated through the resume information and reference checks.

(4) DOE may contact references of key personnel and previous employers to verify the accuracy of the information contained in the resume and to further assess the qualifications and suitability of proposed key personnel.

(c) **Failure of the Offeror to provide a letter of commitment for each key personnel may adversely affect the Government's evaluation of the proposal**.

(d) Oral presentation – key personnel. The Offeror's key personnel, both individually and as a team, will be evaluated on their qualifications and suitability for the proposed positions as demonstrated during their preparation for and presentation of the response to the problem-solving exercise(s) provided by DOE. The key personnel will be evaluated on their demonstrated leadership, teamwork, communications, problem-solving capabilities both individually and as a team, and the quality of the solution to the problem(s). The evaluation of the Offeror's Program Manager will also consider leadership and effective utilization of the key personnel team.

(e) Oral interview –Program Manager. The Offeror's Program Manager will be evaluated for qualifications and suitability, including leadership capability for the proposed position as demonstrated during the oral interview.

(f) Organization.

(1) Organization chart. DOE will evaluate the Offeror's organization chart graphically depicting the major functional areas of the proposed organization that is essential for the management and performance of work. DOE will evaluate the Offeror's organization levels depicted on the Offeror's organization chart correlates to the proposed rationale for the organizational structure and the proposed roles, responsibilities, and lines of authority.

(2) Rationale for organizational structure. DOE will evaluate the Offeror's rationale for the proposed organizational structure in relation to the work to be performed and how the organizational structure will contribute to the successful accomplishment of the work in accordance with the proposed technical approach. DOE will evaluate how the organizational structure correlates to the Performance Work Statement, any applicable work breakdown structure, and the Offeror's approach to execute the work. If Critical Subcontractors or other performing entities are proposed, DOE will evaluate how their performance will be integrated with the Offeror's organizational structure.

(3) Roles, responsibilities and lines of authority. DOE will evaluate the clarity and effectiveness of roles, responsibilities, and lines of authority for the major

functional areas identified on the organizational chart, including lines of authority between the Offeror's organizational elements or specific individuals (including proposed key personnel), as applicable, and its subcontractors and any other performing entities.

(4) Communication and interface. DOE will evaluate the clarity and effectiveness of the Offeror's approach to communication and interface with internal organizations, critical subcontractors, other performing entities, and outside entities including DOE, other DOE contractors and subcontractors, regulatory agencies, state and local governments, the public, and other entities.

(5) Offeror entity. If the Offeror is a limited liability company (LLC), joint venture or other similar entity, DOE will evaluate how the Offeror will operate its multi-member and/or shared ownership to include who will employ the Offeror's general workforce, e.g., Offeror, parent, or team member companies and how that workforce will be managed.

(6) Subcontractors and other performing entities. DOE will evaluate the proposed use of critical subcontractors or other performing entities that will perform a portion of the work, including the rationale between subcontracting and self-performance, and the approach for integrating and controlling each performing entity within the overall work to be performed.

(7) Corporate governance. DOE will evaluate the clarity and effectiveness of the Offeror's corporate governance approach to provide oversight of performance, to ensure successful performance of the contract, and to provide monitoring of performance and resolution of issues.

(g) Workforce recruitment and retention. The Offeror will be evaluated on its approach to ensuring an adequate workforce is available with the appropriate skills and qualifications necessary to safely and effectively accomplish the work over the term of the contract. DOE will evaluate the Offeror's approaches to recruit, train, and maintain its workforce, ramp-up and ramp-down; as well as the source of the Offeror's personnel.

(h) Full-time equivalent employees (FTE). DOE will evaluate the proposed use of FTE employees by organizational element and the rationale for the FTEs for each organizational element. Also, DOE will evaluate the consistency of this data between Volume II and Volume III.

M.4 DOE-M-2007 EVALUATION FACTOR – EXPERIENCE (OCT 2015)

(a) Offeror. The Offeror will be evaluated on the degree of its recent and relevant experience performing work similar in scope, size, and complexity to that described in the Performance Work Statement to assess the Offeror's potential success in performing the work required by the contract. Recent experience is defined as currently being performed or have been performed or completed within the last ten years from the date proposals are due. Similar scope, size, and complexity are

defined as follows: scope – type of work (e.g., work as identified in the PWS); size – dollar value and contract duration (in proportion to the elements of the PWS proposed to be performed) and complexity – performance challenges and risk (managing hazard categorization level 2 and 3 nuclear facilities or commercial equivalent; managing a multi-disciplined work force; management of complex change control processes; various waste types (e.g., M/LLW, LLW, CH-TRU, hazardous and universal wastes) and retrievals, processing, and disposition; complex regulatory interfaces; complex intergovernmental and stakeholder interfaces; and Federal nuclear safety requirements or commercial equivalent). DOE will evaluate relevant experience information for contracts that are currently being performed for at least twelve months prior to the proposal due date and/or for contracts that were completed within the last ten years from the date proposal are due.

(b) Subcontractors. In addition to evaluation of the Offeror's , relevant experience, the Offeror's critical subcontractors that are proposed to perform work under the contract will be evaluated on the degree of their relevant experience, including currency, in performing work similar in scope, size, and complexity to that proposed to be performed by that individual entity. DOE will only evaluate the critical subcontractors specifically identified by the Offeror in accordance with the definition in Section L.10(a)(2).

(c) Newly formed entity. If the Offeror, or critical subcontractors are a newly formed entity with no relevant experience, the evaluation of relevant experience will be based on the experience of any parent organization(s) or member organizations in a joint venture, LLC, or other similar entity consistent with the methodology described in paragraphs (a) and (b) above. Relevant experience of predecessor companies resulting from mergers and acquisitions may also be considered.

(d) Verification of experience. The Government will consider contracts that may be, but are not limited to, contracts with federal, state, local and foreign governments and/or with commercial customers. DOE may verify experience through any information obtained by DOE from any sources including, but not limited to, third-party sources, customer references, clients, and business partners.

M.5 DOE-M-2008 EVALUATION FACTOR – PAST PERFORMANCE (OCT 2015)

(a) Offeror. The Offeror will be evaluated on the recency, relevancy, and quality of its past performance, in performing work similar in scope, size, and complexity to that described in the Performance Work Statement to assess the Offeror's potential success in performing the work required by the contract. Recent past performance is defined as currently being performed or have been performed or completed within the last ten years from the date proposals are due. Similar scope, size, and complexity are defined as follows: scope – type of work (work as identified in the PWS); size – dollar value and contract duration; and complexity – performance challenges and risk (e.g., managing hazard categorization level 2 and 3 nuclear facilities or commercial equivalent; managing a multi-disciplined work force; management of complex change control processes; various waste types (e.g., M/LLW, LLW, CH-TRU, hazardous and universal wastes) and retrievals, processing,

and disposition; complex regulatory interfaces; complex intergovernmental and stakeholder interfaces; and Federal nuclear safety requirements or commercial equivalent). DOE will evaluate past performance information for contracts that are currently being performed and/or for contracts that were completed within the last ten years from the date proposal are due. The higher the degree of relevance of the work described to the PWS, the greater consideration that may be given. Additionally, more recent relevant past performance information may also be given greater consideration.

(b) Subcontractors and Other Entities. In addition to evaluation of the Offeror's recent, relevant past performance, the Offeror's critical subcontractors and other entities that are proposed to perform work under the contract will be evaluated on the quality of their recent respective past performance in performing work similar in scope, size, and complexity to that proposed to be performed by that critical subcontractor or other entity.

(c) Newly formed entity. If the Offeror or critical subcontractors, are a newly formed entity with no record of relevant past performance, the evaluation of past performance may be based on the past performance of any parent organization(s) or member organizations in a joint venture, LLC, or other similar entity consistent with the evaluation described in paragraphs (a) and (b) above. Past performance of predecessor companies resulting from mergers and acquisitions may also be considered.

(d) No record of past performance. If the Offeror, critical subcontractors, or other performing entities do not have a record of relevant past performance or if information is not available, the Offeror will be evaluated neither favorably nor unfavorably.

(e) Degree of relevance: The Offeror will be evaluated on the record of past performance provided for the Offeror, to include all members of a teaming arrangement critical subcontractors, and other entities, related to work performed that is similar to the work that is proposed to be performed by that individual entity. The higher the degree of relevance of the work described to the PWS, the greater the consideration that may be given.

(f) Performance Information. The Offeror will be evaluated on problems encountered in performance of the provided contracts of past performance information and the corrective actions taken by the Offeror to resolve those problems. In addition, the Offeror may be evaluated on any recognized accomplishments the Offeror has received on the identified contracts.

(g) Terminated contracts. The Offeror will be evaluated on any contracts of the Offeror, critical subcontractors, or other performing entities that were terminated, including the reasons therefore, over the preceding five years from the due date for proposals.

(h) Sources of past performance information. The Government will evaluate past performance information provided by the Offeror and other available information. The Government may contact any or all of the references provided by the Offeror and will consider such information obtained in its evaluation. The Government may

also consider past performance information from sources other than those provided by the Offeror, such as commercial and government clients, government records, regulatory agencies, and government databases such as the Government's Contractor Performance Assessment Reporting System.

M.6 EVALUATION FACTOR – COST AND FEE

The Cost and Fee Proposal will not be adjectivally rated or point scored, but it will be considered in the overall evaluation of proposals in determining the best value to the Government.

DOE will evaluate the Offeror's cost proposal for realism. The evaluation of cost realism includes an analysis of specific elements of the 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 and Management Proposal. Based on its review, DOE will determine a most probable cost to the Government as prescribed by FAR 15.404-1(d).

The total evaluated price will be calculated by combining the most probable cost for the Cost-Reimbursement and Cost-Plus-Award-Fee CLINs shown in Table B.2-2, the total available award fee proposed in Table B.2-2, the IDIQ maximum value of $112,000,000.00, plus Nevada National Security Site (NNSS) disposal cost/fees as applicable. The evaluated price will be used in the best value analysis for purposes of selecting an Offeror for award of a contract.

DOE will also perform a technical analysis of the Cost and Fee Proposal, and consider this analysis in the evaluation of Volume II, Technical and Management Proposal, and as part of the evaluation of Volume III, Cost and Fee Proposal. As part of the technical analysis of the Cost and Fee Proposal, DOE will evaluate traceability between proposal volumes, errors and omissions in the Volume III proposal, and other problem areas in the Volume III proposal.

An unreasonable, unrealistic, or incomplete Cost and Fee 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 under the appropriate criterion of the Offeror's Technical and Management Proposal. Inconsistencies between the Cost and Fee Proposal, and the Technical and Management Proposal may indicate a poor understanding of the PWS requirements and negatively impact an Offeror's evaluation and rating. 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 adverse evaluations of the Technical Approach and Key Personnel and Organization factors. In addition, as stated above, a proposal may be deemed unacceptable if it does not substantially and materially comply with the proposal preparation instructions.

DOE will compare the total evaluated price to both the total anticipated contract funding and the anticipated funding by Government Fiscal Year. Because the funding is subject to change based on actual appropriation and actual award date of the contract, DOE may make an award to an Offeror whose proposed price differs from the anticipated funding profile provided in Section L. Offerors may propose to carry funds over from one year to the next. However, a total proposed price that significantly exceeds the funding profile as set forth in Section L, either by a contract period or total contract basis, may be considered unacceptable for award.

The Offeror has the responsibility to fully document its cost proposal and provide clear traceability to the PWS elements. DOE may adjust an Offeror's proposed cost as part of its cost realism analysis if the Offeror does not adequately provide this documentation and traceability.

M.7 DOE-M-2011 RELATIVE IMPORTANCE OF EVALUATION FACTORS (OCT 2015)

(a) The relative importance of the evaluation factors for the Technical and Management Proposal are listed in descending order of importance below.

(1) Technical Approach
(2) Key Personnel and Organization
(3) Past Performance
(4) Experience

Technical Approach is significantly more important than Key Personnel and Organization. Key Personnel and Organization is more important than Past Performance. Past Performance is more important than Experience.

(b) The evaluation factors for the Technical and Management Proposal, when combined, are significantly more important than the total evaluated price. Each evaluation factor applicable to this solicitation is identified and described in this and other provisions of this Section M. The descriptive elements of each evaluation factor will be considered collectively in arriving at the evaluated rating of the Offeror's proposal for that evaluation factor. Areas within an evaluation factor are not sub-factors and will not be individually rated, but will be considered in the overall evaluation for that particular evaluation factor.

M.8 FAR 52.217-5, EVALUATION OF OPTIONS (JUL 1990)

Except when it is determined in accordance with FAR Subpart 17.206, *Evaluation* not to be in the Government's best interests, the Government will evaluate Offerors for award purposes by adding the total price for all options (except for the option allowed by the Section I Clause, FAR 52.217-8, Option to Extend Services) to the total price for the basic requirement. Evaluation of options will not obligate the Government to exercise the option(s).

M.9 DOE-M-2012 BASIS FOR AWARD (OCT 2015)

The Government intends to award one contract to the responsible Offeror whose proposal is 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 each Offeror's proposal against the evaluation factors described above. The evaluation factors for the Technical and Management Proposal will be adjectivally rated. The Cost/Price evaluation factor will not be rated, however the evaluated price will be used in determining the "best value" to the Government. The Government is more concerned with obtaining a superior Technical and Management proposal than making an 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. Thus, to the extent that Offerors' Technical and Management Proposals are evaluated as close or similar in merit, the evaluated price is more likely to be a determining factor in selection for award.