

PART IV – REPRESENTATIONS AND INSTRUCTIONS

SECTION M

EVALUATION FACTORS FOR AWARD

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

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, significant weaknesses, 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.

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 so grossly and obviously 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 clearly demonstrates that the Offeror does not understand the requirements of the solicitation or if it does not substantially and materially comply with the proposal preparation of the requirements 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.

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.

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.

Organizational conflicts of interest. The Offeror is required by the provision at Section K.10, 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.

Facility clearance. The Offeror is required by the provision at DEAR 952.204-73, Facility Clearance, to submit information related to its foreign interests, and by section K.9 Additional Instruction For Submitting Foreign Ownership Control or Influence (FOCI) Information. Public Law 102-484 § 824 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 (OCT 2015)

- (a) DOE will evaluate the depth, completeness and effectiveness of the Offeror's proposed strategy and technical approach to achieve the Performance Work Statement (PWS) objectives, including technical assumptions, for the PWS elements listed in the table below.

PWS	Detailed Technical Approach
EM.PA.0040.A001.06	Paducah Contractor Transition
EM.PA.0040.A005.02	Southwest Plume Sources Remediation
EM.PA.0040.A005.03	C-400 Source Remediation
EM.PA.0040.A008.42	Utilities Operations
EM.PA.0040.A008.48	Stabilization and Deactivation & Tc-99 Thermal Treatment, including approach for revisions to Safety Basis Documentation
EM.PA.0040.A008.48.DR.08	Nickel and 99Tc Microwave Thermal Treatment Technology Study and Evaluation
EM.PA.0040.C002.03	On-Site Waste Disposal Facility (OSWDF) Capital Asset Project

- (b) DOE will evaluate the Offeror’s general technical understanding of the PWS elements listed in the table below. DOE will evaluate the Offeror’s comprehension of the scope of work to be performed and how such work will be integrated into the overall effort.

PWS	General Technical Understanding
EM.PA.0011.A001.01	Polychlorinated Biphenyls (PCBs)
EM.PA.0020.A001.03	Safeguards And Security
EM.PA.0040.A001.01	Environmental Monitoring Program
EM.PA.0040.A001.02	Pump And Treat Operations
EM.PA.0040.A001.07	Project Management Support
EM.PA.0040.A002.04	Waste Operations
EM.PA.0040.A002.05	Landfill Operations
EM.PA.0040.A008.41	Surveillance And Maintenance
EM.PA.0040.A008.43.DR	Analytical Laboratory
EM.PA.0040.A008.48.DR.09	R-114 Freon Disposition

- (c) Subcontracting and Small Business. DOE will evaluate the Offeror’s approach in meeting its subcontracting goals, to include small business goals established in the RFP, the Offeror’s process for identifying distinct subprojects that can be performance-based and performed by competitively selected small business subcontractors, and the Offeror’s use of fixed price subcontracted work.
- (d) Project Management. DOE will evaluate the Offeror’s proposed plan for applying project management processes to define, plan, integrate, and administer the activities required under the contract. In addition, DOE will evaluate the Offeror’s description of how these systems and/or processes will be used to assess performance and address performance issues – including technical, cost, and schedule.
- (e) DOE will evaluate the depth, completeness and realism of the detailed resource loaded schedule consistent with the cost worksheets and its critical path schedule for the lowest level of the PWS.
- (f) DOE will evaluate the Offeror’s approach to planning, sequencing, integrating, and optimizing all Section C requirements to optimize site operations as quickly as possible, including effective utilization of the available funds each fiscal year.

- (g) DOE will evaluate the Offeror's depth, completeness and effectiveness in identification of the three most significant project risks, rationale for the identified risks, impacts to the proposed approach, and its approach to eliminate, avoid, or mitigate these risks.
- (h) DOE will evaluate the offeror's approach to managing its workforce, including its approach to: (a) addressing workforce composition, including any immediate or anticipated workforce restructuring; (b) addressing existing issues arising under the National Labor Relations Act (NLRA) and engaging with any labor representatives and, in particular, how it has or how it will obtain expertise regarding compliance with the NLRA and engagement with labor representatives; (c) preparation and submission of bargaining parameter requests; (d) complying with wage requirements, including specifically any prevailing wage requirements applicable under section 4(c) of the Service Contract Labor Standards statute, as well as any NLRA requirements with respect to the determination of wages and benefits; (e) processing labor standards determinations for work packages; (f) providing and maintaining its proposed pension and welfare benefit plans, in particular, how it has or how it will obtain expertise regarding compliance with Internal Revenue Service qualification requirements for, as applicable, multiple employer or multi-employer defined benefit pension plans; (g) identification and resolution of any legal issues regarding any of the above, including the offeror's plan for engaging outside counsel having background in these areas ; and (h) communicating and engaging with DOE on any of the above matters.

M.3 EVALUATION FACTOR – KEY PERSONNEL AND ORGANIZATION

- (a) Key personnel. DOE will evaluate the proposed key personnel for those technical and management positions the Offeror considers essential to the successful performance of the contract. DOE will evaluate whether the proposed key personnel are employed by the prime contractor and the security levels. Failure of the Offeror to propose the required key personnel positions will adversely affect the Government's evaluation of the proposal and may make the proposal ineligible for award.

Qualifications and suitability. DOE will evaluate the proposed key personnel qualifications and suitability for the proposed position in relation to the work for which they are proposed to perform and areas of responsibility. In evaluating the Key Personnel, the Program Manager will be considered more important than other proposed Key Personnel. 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, experience, and/or licenses. Experience, in lieu of education, may be considered.
- (2) Experience. The key personnel will be evaluated on their recent relevant experience in performing work similar in scope, size, and complexity.

- (3) Demonstrated performance. The key personnel will be evaluated on their recent relevant past performance, including leadership and other accomplishments, as demonstrated through the resume information and reference checks.
- (b) 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. DOE may also consider information received from other sources in its evaluation of 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, and problem-solving capabilities, as demonstrated by 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.

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

- (e) DOE will evaluate the proposed Organization, including organizational chart, interface with corporate organizational structure, lines of authority, and communication approach.

DOE will evaluate whether the Offeror's organizational chart graphically depicts the major PWS functional areas, the extent to which the organization is aligned with the Offeror's technical approach and/or the PWS, identify the major/critical subcontractors of other performing entities, and the names of proposed key personnel.

DOE will evaluate the lines of authority within the Offeror's organization, including those between organizational elements and those between Key Personnel, and the lines of authority between the Offeror's organization and its subcontractors and other performing entities. DOE will evaluate the description of the Offeror's approach to communication and interface outside entities, including DOE, other DOE contractors and subcontractors, regulatory agencies, state and local governments, the public, and other entities.

DOE will evaluate the effective use of full-time equivalent (FTE) employees by organizational element and the rationale for the FTEs for each organizational element.

DOE will evaluate the clarity and effectiveness of the Offeror's corporate governance approach to provide oversight of the Offeror's performance of the contract. DOE will

evaluate how performance will be monitored and issues resolved. DOE will evaluate how governance and resolution of issues will be handled when multi-member, shared ownership entities are involved.

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

- (a) Offeror. The Offeror will be evaluated on its recent and relevant experience performing work similar in scope, size, and complexity to that described in the PWS. Similar scope, size, and complexity are defined as follows: Scope – type of work (e.g., stabilization and deactivation [deposit/hold-up removal, removal of all fire loading, isolating systems and facility from utilities], groundwater remediation, waste disposal cell design, utility operations and S&M); size – contract dollar value and contract duration; and complexity – performance challenges and risk (e.g., rigorous safety and quality assurance requirements, complex nuclear and regulatory environments, changing government priorities, budget fluctuations, DOE Order 413.3B requirements, integration and coordination with stakeholders).
- (b) Subcontractors. In addition to evaluation of the Offeror’s relevant experience, the Offeror’s proposed major/critical subcontractor(s) as defined in section L will be evaluated on their relevant experience, including currency, in performing work similar in scope, size, and complexity to that proposed to be performed by that individual entity.
- (c) Newly formed entity. If the Offeror, subcontractors, or other performing entities 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) DOE will evaluate the experience provided for the Offeror, major/critical subcontractors, or other entities and its relevancy to the work that is proposed to be performed by that individual entity.
- (e) Verification of experience. The evaluation of experience may consider 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 currency, relevancy, and quality of its past performance, in performing work similar in scope, size, and complexity to that described in the PWS to assess the Offeror’s potential success in performing the work required by the contract. Similar scope, size, and complexity are defined as follows: Scope – type of work (e.g., stabilization and deactivation [deposit/hold-up removal, removal of all fire loading, isolating systems and facility from utilities], groundwater remediation, waste disposal cell design, utility operations and S&M); size – contract dollar value and contract duration; and

complexity – performance challenges and risk (e.g., rigorous safety and quality assurance requirements, complex nuclear and regulatory environments, changing government priorities, budget fluctuations, DOE Order 413.3B requirements, integration and coordination with stakeholders). The higher the degree of relevance of the work described to the PWS, the greater the consideration that may be given. Additionally, more recent relevant past performance information may also be given greater consideration.

- (b) Subcontractors. In addition to evaluation of the Offeror's relevant past performance, the Offeror's proposed major/critical subcontractor(s) as defined in section L, 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 individual entity.
- (c) Newly formed entity. If the Offeror, subcontractors, or other performing entities 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, 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) 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/PRICE

- (a) Cost proposals will be evaluated for realism in accordance with one or more of the analytical techniques contained in FAR 15.404, Proposal Analysis. The evaluation of cost realism is the process of evaluating specific elements of the Offeror's proposed cost estimate to determine whether – (i) the cost elements are realistic for the work to be performed; (ii) reflect a clear understanding of the requirements; and (iii) are consistent with the unique methods of performance and materials described in the Offeror's technical and management proposal.
- (b) Probable Cost. Based on the evaluation described in paragraph (a)(1) above, the Government will determine a probable cost of performance for each Offeror. The probable cost is the Government's best estimate of the cost of any contract that is most likely to result from an Offeror's proposal. The probable cost is determined by adjusting an Offeror's proposed cost

to reflect any additions or reductions in cost to realistic levels based on the results of the cost realism analysis. The probable cost may differ from the proposed cost and will be used for purposes of evaluation to determine the best value to the Government. Probable cost will be determined for all CLINS.

- (c) Evaluated price. The evaluated price consists of the total probable cost plus proposed fee for all CLINS, plus National Nuclear Security Administration (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. The Government will evaluate the evaluated price for cost/price reasonableness, and will not award a contract to an Offeror with an unreasonably high evaluated price.
- (d) An unreasonable or incomplete Price Proposal may be evidence of the Contractor's lack of, or poor understanding of, the requirements of the PWS and thus may adversely affect the rating of the Contractor's Technical and Management Proposal.

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.

Factor 1: Technical Approach
Factor 2: Key Personnel and Organization
Factor 3: Experience
Factor 4: Past Performance

Factor 1, Technical Approach, and Factor 2, Key Personnel and Organization, are considered equal in importance, and are each significantly more important than Factor 3, Experience and Factor 4, Past Performance. Past Performance and Experience are considered equal in importance. Each evaluation factor applicable to this solicitation is identified and described in this and other provisions of this Section M.

- (b) The evaluation *factors* other than Cost or Price (i.e., Technical Approach, Key Personnel and Organization, Experience and Past Performance), when combined, are *significantly more important* than the Cost or Price.

M.8 DOE-M-2012 BASIS FOR AWARD (OCT 2015)

The Government intends to select *an Offeror* for award of *a contract* that *represents* the best value to the Government. In determining the best value to the Government, the evaluation factors for the Technical and Management Proposal, when combined, are significantly more important than the evaluated price. 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 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 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.9 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 to the total price for the basic requirement. Evaluation of options will not obligate the Government to exercise the option(s).

M.10 52.217-4 -- EVALUATION OF OPTIONS EXERCISED AT TIME OF CONTRACT AWARD (Jun 1988)

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 the total price for the basic requirement together with any option(s) exercised at the time of award.