

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)

(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 and subfactors 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.

(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 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. 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. 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

The offeror will be evaluated on the degree to which its proposal demonstrates the offeror's understanding, capability, and approach that will allow the successful accomplishment of the PWS in the areas of Contract Transition; Liquid Waste Operations; Liquid Waste Operations Support; and Liquid Waste Program Support.

The offeror will be evaluated on the degree to which the offeror's proposed approach for transitioning the work and workforce from the incumbent contractor is comprehensive, feasible, effective, and will allow a smooth and orderly transition. The evaluation will consider whether the offeror's approach demonstrates an understanding of the important activities, issues, and risks to transition and the extent to which its transition approach eliminates or mitigates the identified risks.

DOE will evaluate the offeror's technical approach to implement the PWS operational activities (C.1). DOE will evaluate the offeror's approach to liquid waste system operations and optimization, specifically including the following: 1) salt waste batching and processing; 2) sludge batching, canister production, and canister storage; 3) waste removal from tanks; and 4) salt waste disposal.

DOE will evaluate the offeror's technical approach to SWPF integration into the liquid waste system (C.2.2), transition to the Liquid Waste Contract (C.2.3), and its operation and optimization within the liquid waste system in order to maximize system throughput (C.1.4).

DOE will evaluate the offeror's approach to SDU construction (C.2.1) to ensure available storage capacity exists for receiving saltstone grout as necessary to align with the proposed technical approach to liquid waste system operations and to match proposed production rates of SWPF. DOE will evaluate the offeror's proposed technical approach to balance of plant design and construction activities.

DOE will evaluate the offeror's approach to planning and integrating the following C.2 requirements, as applicable, as part of the proposed technical approach: waste tank closures (C.2.4) and system optimization (C.2.6). DOE will evaluate the technical viability of the proposed approaches to tank closure, technology development and deployment, and production enhancements.

DOE will evaluate the offeror's approach to implementation of the safety basis upgrade program (C.2.5), including timing, staffing requirements, and managing or mitigating any potential impacts to facility operations.

DOE will evaluate the offeror's technical understanding of the Liquid Waste Program Support functions in C.3 within the PWS and the offeror's comprehension of how the support functions are integrated into the overall effort, as well as the offeror's proposed process engineering capabilities in relation to the proposed technical approach.

DOE will evaluate the offeror's three most significant identified risks to successful performance of the PWS; the offeror's 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 only the first three risks identified by the offeror.

DOE will evaluate the offeror's key technical inputs, assumptions, and justifications used to determine its technical approach and/or support its technical understanding.

DOE will evaluate the offeror's Integrated Schedule to the levels of the WBS defined in Section J, Attachment J-3 for the full scope of contract performance, including the transition period and all priced options, and the consistency of the Integrated Schedule with specific schedule elements in the offeror's proposed technical approach. Within the schedule, DOE will evaluate the offeror's key milestones, deliverables, and the critical activities to complete the PWS work scope.

DOE will evaluate the offeror's process to identify distinct and meaningful work scope that can be performance-based and performed by competitively selected subcontractors and meet the subcontracting requirements in Section H; as well as the offeror's subcontracting approach.

The offeror will be evaluated on the degree to which its proposed project management and strategic planning processes can effectively be used to define, plan, integrate, and administer the activities required in performance of the work. In addition, the offeror will be evaluated on the degree to which these processes can be effectively used to assess

performance and address performance issues related to technical, cost, and schedule.

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 any prevailing 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) ~~obtaining competent legal advice regarding the appropriate~~ 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 positions. The offeror will be evaluated on the degree to which the key personnel positions it proposes are those which are the most essential to the successful performance of the overall contract work in relation to the method the offeror proposes to perform the work. Failure of the offeror to propose the five designated key personnel positions will adversely affect the Government's evaluation of the proposal and may make the proposal ineligible for award.
- (b) Qualifications and suitability. 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 key personnel evaluated will include the following functional positions: Program Manager, Chief Operating Officer, Chief Financial Officer, Chief Engineer and Regulatory Compliance Manager. In addition, DOE will evaluate up to two other key personnel positions that are critical to the overall performance of the Contract. 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.

- (c) 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.
- (d) Failure of the offeror to provide a letter of commitment for each key personnel may adversely affect the Government's evaluation of the proposal.
- (e) 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, 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.
- (f) 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.
- (g) The offeror will be evaluated on the degree to which its proposed organizational structure and associated approach will effectively contribute to the successful management and execution of the work in accordance with its proposed technical approach. The evaluation of the offeror's proposed organization structure will consider the following:
 - (1) Alignment of the organization with the Performance Work Statement and the proposed technical approach.
 - (2) Clarity and effectiveness of roles, responsibilities, and lines of authority within the offeror's organization and between the offeror's organization and subcontractors and other performing entities (including small business subcontractors).
 - (3) Clarity and effectiveness of the offeror's approach to communication and interface with internal organizations, subcontractors and other performing entities, and outside entities including DOE, other DOE contractors and subcontractors, regulatory agencies, state and local governments, the public, and other entities.
 - (4) Operation in a seamless manner.
 - (5) Effective use of subcontractors in consideration of the trade-off between subcontracting and self-performance, and the approach for integrating and controlling subcontractors within the overall work to be performed.
 - (6) Clarity and effectiveness of the offeror's corporate governance approach to

provide oversight of performance, and monitoring and resolution of issues.

(7) Effective approach to workforce recruitment and retention to ensure that 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.

(8) Effective use of full-time equivalent employees by organizational element.

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 Performance Work Statement to assess the offeror's potential success in performing the work required by the contract.

(b) Subcontractors. In addition to evaluation of the offeror's relevant experience, the offeror's proposed major and critical subcontractors that are proposed to perform work under the contract ~~with an estimated value greater than \$500 million over the contract period (including option years)~~ 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.

(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) 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 Performance Work Statement 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., work as identified in the PWS); size – dollar value and contract duration; and complexity – performance challenges and risk (e.g., maintaining and operating aging nuclear facilities, managing a multi-disciplined work force, incorporating a new facility and staff into an existing system, management of complex change control processes, liquid radioactive waste processing, constructing large federal projects, complex regulatory interfaces, DOE nuclear safety requirements, management of a closely coupled processing system).

- (b) Subcontractors. In addition to evaluation of the offeror's relevant past performance, the offeror's proposed major and critical subcontractors that are proposed to perform work under the contract ~~with an estimated value greater than \$500 million over the contract period (including option years)~~ 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 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 and reasonableness. 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. The evaluation of cost reasonableness includes those considerations described in FAR subpart 31.2 and consistency with the anticipated funding profile in Section L. 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 total Target Activity PBI Fee proposed in Table B.2-2, and the IDIQ maximum value of \$112,000,000.

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 of the offeror's Technical and Management Proposal. There should be no inconsistencies between the Cost and Fee 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 the Technical Approach and Key Personnel and Organization factors.

DOE will compare the evaluated price to both the total anticipated contract funding and the anticipated funding by contract period. 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 evaluated price differs from the anticipated funding profile provided in Section L. However, an offeror whose evaluated price is significantly above the funding profile either on an annual or total basis may be determined ineligible for award.

The offeror has the responsibility to fully document its cost proposal and provide clear traceability to the WBS. 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.

Technical Approach

Key Personnel and Organization
Past Performance

Relevant Experience

Within this descending order of importance, Technical Approach is significantly more important than Key Personnel and Organization or Past Performance. Key Personnel and Organization and Past Performance are roughly equivalent in importance. Relevant Experience is significantly less important than Key Personnel and Organization or Past Performance.

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.

- (b) The evaluation factors for the Technical and Management Proposal, when combined, are significantly more important than the evaluated 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).