

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 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. 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

DOE will evaluate the offeror's technical approach to achieve the PWS objectives and activities (for the full scope of contract performance, including the option period) in the areas of Contract Transition; Liquid Waste Operations; Liquid Waste Operations Support; and Liquid Waste Program Support.

DOE will evaluate 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 (C.0.4). 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 and programmatic viability of the proposed approaches to tank closure and system optimization designed to meet or exceed the Contract Performance Requirements identified in Section C, Table 1.

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 demonstrate the viability of 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, the base period, and the option period (except for the IDIQ CLINs), 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 subcontractors selected competitively post-award, and meet the subcontracting requirements in Section H; as well as the offeror's subcontracting approach.

DOE will evaluate the degree to which the offeror's 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 systems and/or processes can be effectively used to assess performance and address performance issues related to technical, cost, and schedule. DOE will evaluate how the offeror's systems will be applied in the following areas: Work breakdown structure (See Section J, Attachment J-3); 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 and Liquid Waste Program Support allocations.

M.3 EVALUATION FACTOR – KEY PERSONNEL AND ORGANIZATION

- (a) Key positions. The offeror will be evaluated as to whether the five designated key personnel functional positions are proposed. 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. In addition, the offeror's evaluation and rating may be adversely affected if all five designated key personnel are not proposed to be full time employees of the prime contractor (and not of a subcontractor or affiliate) for the duration stated in each letter of commitment.
- (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 shall include the following functional positions: Program Manager, Operations Manager, Engineering and Technology Manager, Business Manager, and Environment, Safety, Health, and Quality Manager. The qualifications and suitability of the individual key personnel will be evaluated on the following:
 - (1) Experience. The key personnel will be evaluated on their relevant experience in performing work similar in scope, size, and complexity.
 - (2) Demonstrated performance. The key personnel will be evaluated on their record of past success and accomplishments in performing work of similar scope, size, and complexity to that required under the contract, as demonstrated through the resume information and reference checks.
 - (3) Education. The key personnel will be evaluated on their education, training, certifications, and/or licenses.
- (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) 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 whether the offeror’s organization levels depicted on the offeror’s organization chart align with and correlate 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, the work breakdown structure (See Section J, Attachment J-3), and the offeror’s approach to execute the work. If critical subcontractors or other performing entities are proposed (including small business subcontractors), DOE will evaluate how they 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, as applicable, and its subcontractors and any other performing entities. DOE will evaluate the processes for key decision-making and for resolving problems within the offeror’s organization and between the offeror’s organization and subcontractors and 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, 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.
 - (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 how that workforce will be managed.

- (6) Subcontractors and other performing entities. DOE will evaluate the proposed use of subcontractors or other performing entities that will perform a portion of the work, including the rationale between subcontracting and self-performance. DOE will evaluate the approach for integrating and controlling the subcontractors or other performing entities 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.
- (8) 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, including interim fluctuations in workload, ramp-up and ramp-down, as well as the source of the offeror's personnel.
- (9) Full-time equivalent employees. DOE will evaluate the proposed use of full-time equivalent (FTE) employees by organizational element and the rationale for the FTEs for each organizational element. Also, DOE will evaluate the consistency of the FTE 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 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. 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, Federal nuclear safety requirements or commercial equivalent, management of a closely coupled processing system). DOE will evaluate relevant experience information for contracts that are currently being performed and/or for contracts that were completed within the last five years from the date proposals are due.
- (b) Subcontractors. In addition to evaluation of the offeror's relevant experience, the offeror's proposed 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 Section H.46 in accordance with the definition in Section L.10(a)(2).

- (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 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. 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, Federal nuclear safety requirements or commercial equivalent, management of a closely coupled processing system). DOE will evaluate past performance information for contracts that are currently being performed and/or for contracts that were completed within the last five years from the date proposals are due. 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 critical subcontractors 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 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. 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: (1) the most probable cost for the Cost-Reimbursement and Cost-Plus-Award-Fee CLINs shown in Table B.2-2, (2) the total available award fee proposed in Table B.2-2, (3) the total Target Activity PBI Fee proposed in Table B.2-2 (if the offeror proposes performance metrics exceeding the Contract Performance Requirements in Section C, Table 1; then the additional Target Activity PBI Fee calculated by the offeror will be included in the total evaluated price), and (4) 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 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 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 (exclusive of the IDIQ maximum value) 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 total evaluated price (exclusive of the IDIQ maximum value) differs from the anticipated funding profile provided in Section L.

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 is as follows:

Technical Approach is significantly more important than Key Personnel and Organization and Past Performance, both separately and combined. Key Personnel and Organization and Past Performance are equal in importance. Experience is significantly less important than Key Personnel and Organization and Past Performance, both separately and combined.

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 total 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 total evaluated price. The Government is more concerned with obtaining a superior technical and management proposal than making award at the lowest total 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 total 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 total 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 (except for the option at Section I.40) to the total price for the basic requirement. Evaluation of options will not obligate the Government to exercise the option(s).