Part IV – Representations and Instructions

Section M

Evaluation Factors for Award
This page intentionally left blank.
Contents

M.2. Evaluation Factor – Key Personnel.................................................................................. M-2
    (Oct 2015) (Revised)........................................................................................................ M-3
M.5. Evaluation Factor – Cost and Fee..................................................................................... M-6
M.7. DOE-M-2012 Basis for Award (Oct 2015)...................................................................... M-7

(a) Conduct of acquisition.

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

(2) U.S. Department of Energy (DOE) has established a Source Evaluation Board (SEB) 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 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 entitled, 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 completing the Government’s evaluation if the proposal is deficient as to be unacceptable on its face. Deficiencies may include any exceptions or deviations to the terms of the solicitation. A proposal will be deemed unacceptable if it does not represent a reasonable initial effort to address itself to the material 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 Master Indefinite Delivery/Indefinite Quantity (IDIQ) Performance Work Statement (PWS) and/or Task Orders 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 entitled, Responsible Prospective Contractors, and DEAR Subpart 909.1 entitled, Responsible Prospective Contractors, the Procuring Contracting Officer (PCO) is required to make an affirmative determination of whether a prospective contractor is responsible. The PCO 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 PCO will 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 Subpart 19.6 entitled, 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 PCO 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 Section K provision entitled, *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 Contract resulting from the solicitation.

(f) Facility Clearance. The Offeror is required by the provision at DEAR 952.204-73 entitled, *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 – Key Personnel**

(a) Key personnel. DOE will evaluate the proposed Program Manager and other proposed key personnel along with the Offeror’s rationale for the proposed non-required key personnel and why they are essential to the successful performance of the entire Master IDIQ PWS. DOE will evaluate the Key Personnel team make-up that demonstrates the nine elements in paragraph (b)(1), below. DOE will evaluate the proposed key personnel authority level and the extent to which each key personnel position will have access to corporate resources. DOE’s evaluation of the Program Manager will be the most important aspect of the evaluation of key personnel.

Failure of the Offeror to propose the required key personnel position or to confirm the availability of all key personnel as being assigned to the Contract full-time and that their permanent duty station is located on the Hanford Site, or within the Tri-Cities and local surrounding area, will adversely affect the Government’s evaluation of the proposal and may make the proposal ineligible for award.

Note: DOE will evaluate all proposed key personnel; however, a higher number of proposed key persons will not be inherently evaluated more favorably than a lesser number of proposed key persons, as the proposed key personnel and the key personnel team will be evaluated based on the evaluation criteria in this Section.

(b) Resume. The individuals proposed as key personnel will be evaluated, both individually and collectively, 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 and the key personnel team will be evaluated on the following:

(1) Experience. The Key Personnel will be evaluated on their relevant experience in performing work similar to the work to be performed in their proposed position, including leadership and other accomplishments, with emphasis on operations and completion type work. Additionally, the SEB will consider the following nine elements for the overall Key Personnel team collectively: (i) Experienced in promoting and enabling change within an organization; (ii) Demonstrated professional career progression within the last five (5) years; (iii) Recent experience in direct project execution in the field; (iv) Experienced at formal partnering with client(s) that achieved measurable performance improvements; (v) Experienced in developing innovative approaches and their implementation; (vi) Experienced in incentive-based contracting; (vii) Experienced in employee incentive program design and implementation; (viii) Mixture of experience in commercial and public projects; and (ix) Experienced in successful regulatory interactions and
reform. While each Key Person may not necessarily possess each of the nine elements, the Key Personnel team as a whole shall demonstrate each of the elements.

(2) Education. The Key Personnel will be evaluated on their education, specialized training, certifications, and licenses.

(3) DOE may contact any or all of the 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 Person will adversely affect the Government’s evaluation of the proposal.

(d) Oral problem scenarios – key personnel. The Offeror’s Key Personnel, as a team, will be evaluated on their problem-solving ability, as demonstrated during their preparation for and presentation of the response to the problem-solving scenarios. The Key Personnel will be evaluated on their demonstrated leadership, teamwork, communications, knowledge of the Master IDIQ PWS, and problem-solving capabilities (both individually and as a team). The Program Manager will be evaluated individually also on his/her leadership and effective utilization of the Key Personnel team during the problem-solving scenarios.

(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.


(a) Technical Approach Element – Sample Task Order 2 – Single-Shell Tank Retrieval and Closure: DOE will evaluate the Offeror’s technical approach to achieve the Sample Task Order 2 – Single-Shell Tank Retrieval and Closure, including the specified performance measures and completion criteria. DOE will evaluate the viability of the technical approach (including previous successful implementation of proposed initiatives), effectiveness, and expected impacts (e.g., deferral or acceleration of work) to include risk and risk mitigation of the Offeror’s technical approach to the Hanford Site.

(b) Technical Approach Element – Task Order 3 - Efficient Base Operations: DOE will evaluate the Offeror’s technical approach to achieve Task Order 3 - Efficient Base Operations. The DOE will evaluate the Offeror’s technical approach to achieve Master IDIQ PWS Section 2.1.1, *Tank Closure Mission Strategy*. DOE will evaluate the viability of the technical approach (including previous successful implementation of proposed initiatives), effectiveness, and expected impacts to include risk and risk mitigation of the Offeror’s technical approach to the Hanford Site.

(c) Management Approach Element: DOE will evaluate the Offeror’s management approach and organizational structure to effectively manage, implement, and execute multiple task orders; to interface and collaborate with Other Hanford Contractors; and to partner with DOE and the regulators to achieve the Tank Closure Mission.

(d) Contractor Human Resource Management: DOE will evaluate the Offeror’s understanding and approach to the following Contractor Human Resource Management activities:

1. Management and administration of pension and benefit plans as described in Section H Clause entitled, DOE-H-2001, *Employee Compensation: Pay and Benefits (Oct 2014)*; and
(2) Management of a large workforce, including Union represented and non-represented labor.

As part of its approach to (2) above, DOE will evaluate the Offeror’s understanding of the Service Contract Labor Standards (as enacted in the Service Contract Act), in particular, Section 4(c), currently codified at 41 USC Chapter 67, and how it affects a Union represented workforce.

(e) Integrated Schedule: DOE will evaluate the Offeror’s Primavera P6 (P6) integrated resource-loaded schedule that identifies the time phasing of work for Task Order 1 – Transition Task Order, Sample Task Order 2 – SST Retrieval and Closure, and Task Order 3 – Efficient Base Operations. The schedule shall include the activities necessary to achieve the Task Orders (down to the Work Package Level). DOE will evaluate the Offeror’s S-curves from P6, identifying their resource usage profile and Full Time Equivalents. DOE’s evaluation will consider whether the integrated schedule includes all work specified in Task Order 1 – Transition, Sample Task Order 2 – SST Retrieval and Closure, and Task Order 3 – Efficient Base Operations is consistent with the proposed technical approach, and contains the constraints identified in Section L, Attachment L-8, Cost Assumptions.

(f) Subcontracting Approach: DOE will evaluate the Offeror’s approach to meet or exceed the small business subcontracting requirement defined in the Section H Clause entitled, Subcontracted Work, for the entire Master IDIQ PWS.


(a) Offeror. The Offeror, to include all members of a teaming arrangement, as defined in FAR 9.601(1), will be evaluated on the recency, relevancy, and favorability of the past performance information obtained for the Offeror performing work similar in scope, size, and complexity to the requirements of the Master IDIQ 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., work as identified in the Master IDIQ PWS); size – dollar value (approximate average annual value) and contract Period of Performance; and complexity – performance challenges (e.g., overcoming barriers for completion/closure-type projects to safely accelerate work scope). Additionally, the general trends in contractor performance will be considered in the evaluation.

DOE will evaluate past performance information for contracts that are currently being performed or have been completed within the last 4 years from the original solicitation issuance date.

DOE will evaluate demonstrated, actual integrated operations and prior innovations, work performance improvements, cost efficiencies, and successful partnerships with the Government, Client, and Regulators.

The Government will not apportion the favorability of past performance differently amongst the members of a Contractor’s Teaming Arrangement, as defined in FAR 9.601(1), on a past performance contract, as each entity is considered to be responsible for overall performance of the ongoing or prior contract. All partner companies on past performance contracts will be equally credited (positively and negatively) for past performance with regard to favorability. However, relevancy determinations on a past performance contract may differ depending upon what scope each entity is proposed to perform.

(b) Teaming Subcontractors. The Offeror’s proposed Teaming Subcontractors, as defined in Section L.8(a)(2), will be evaluated on the recency, relevancy, and favorability of the past performance information obtained for the Teaming Subcontractor performing work similar in scope, size, and complexity to that proposed to be performed by that Teaming Subcontractor. DOE will evaluate past performance information for contracts that are currently being performed or have been completed within the last 4 years from the original solicitation issuance date.
(c) Newly formed entity and predecessor companies. The evaluation of past performance for the Offeror and any Teaming Subcontractor(s) may be based on the past performance of its parent organization(s), member organizations in a joint venture, limited liability company, or other similar or affiliated companies, provided the Offeror’s proposal demonstrates that the resources of the parent, member, or affiliated company will be provided or relied upon in contract performance such that the parent, member, or affiliate will have meaningful involvement in contract performance. Meaningful involvement means the parent, member, or affiliate will provide material supplies, equipment, personnel, or other tangible assets to contract performance; or that the common parent will utilize the expertise, best practices, lessons learned, or similar resources from the affiliate to affect the performance of the Offeror. Past performance information from predecessor companies that existed prior to any mergers or acquisitions may also be considered where the Offeror’s proposal demonstrates such performance reasonably can be predictive of the Offeror’s performance.

(d) Work to be performed. DOE will evaluate the Offeror and all members of a teaming arrangement, as defined in FAR 9.601(1), and any Teaming Subcontractors in accordance with the work each entity is proposed to perform to cover the work scope described in the Master IDIQ PWS. The resulting rating will consider whether the Offeror’s team as a whole (including Teaming Subcontractors) have demonstrated relevancy to all Master IDIQ PWS requirements. The recency and relevancy of the information and general trends in contractor performance will be considered in the evaluation. The higher the degree of relevancy of the work, the greater the consideration that may be given. Additionally, more recent relevant past performance information may be given greater consideration.

(e) No record of past performance. If the Offeror or Teaming Subcontractor(s) do not have a record of relevant past performance or if information is not available, the Offeror or Teaming Subcontractor(s) will be evaluated neither favorably nor unfavorably.

(f) Performance information. The Offeror will be evaluated on challenges and problems encountered during performance of the provided reference contracts, the actions taken by the Offeror to address these matters, and the effect the actions had on the performance of the contract. In addition, any recognized accomplishments the Offeror has received on the reference contracts will be considered. The Offeror will also be evaluated on safety statistics (Occupational Safety and Health Administration; Days Away, Restricted or Transferred; and Total Recordable Case) and DOE enforcement actions, and/or worker safety and health, nuclear safety, and/or classified information security incidents or notifications posted to the DOE Office of Enterprise Assessments website (https://energy.gov/ea/information-center/enforcement-infocenter), and corrective actions taken to resolve those problems. The Government will only evaluate past performance information for work it considers at least somewhat relevant to the acquisition in terms of similar in scope, size, and complexity, as defined above in paragraph (a), and within the timeframe specified, as defined above in paragraph (a).

(g) Terminated contracts. The Government will consider contracts of the Offeror, to include all members of a teaming arrangement, as defined in FAR 9.601(1), and Teaming Subcontractors that were terminated for default, including the reasons therefore, over the preceding 4 years from the solicitation issuance date. The Government will only evaluate past performance information on work determined to be at least somewhat relevant to the acquisition in terms of similar in scope, size, and complexity, as defined above in paragraph (a).

(h) Sources of past performance information. The Government will consider past performance information provided by the Offeror and may consider 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. The Government will only evaluate past performance information for work it considers at least somewhat relevant to the acquisition in terms of similar in scope, size, and complexity, as defined above in paragraph (a), and within the timeframe specified, as defined above in paragraph (a).

Note: DOE contracts are not necessarily evaluated with more relevance than non-DOE contracts, based on the sole fact that it was work for DOE. The evaluation of relevancy is based on the factors listed above.

(i) List of DOE contracts. The Government will consider the information provided per Section L, Attachment L-10, List of DOE Contracts, of all DOE prime contracts (including National Nuclear Security Administration) currently being performed and/or for contracts that were completed within the last 4 years from the original solicitation issuance date. The Government will only evaluate past performance information on work determined to be at least somewhat relevant to the acquisition in terms of similar in scope, size, and complexity, as defined above in paragraph (a).

M.5. 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 Proposal. Based on its review, DOE will determine a probable cost to the Government, as prescribed by FAR 15.404-1(d). The burden of proof for cost credibility and realism rests with the Offeror.

The total evaluated price will be calculated by combining: the probable cost for Task Order 1 – Transition, probable cost for Sample Task Order 2 – Single-Shell Tank Retrieval and Closure, probable cost for Task Order 3 – Efficient Base Operations, and the adjusted fee for Sample Task Order 2 and Task Order 3. Fee adjustments will be made to Sample Task Order 2 and Task Order 3 based on the probable cost of those tasks and will be based on the fee proposed including the 70/30 (Government/Offeror) split for cost incentives.

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.

Task Order 1 – Transition (Cost Reimbursement, no fee): DOE will perform a cost realism evaluation of Offeror’s proposed cost to determine the probable cost.

Sample Task Order 2 – Single-Shell Tank Retrieval and Closure (Cost-Plus-Incentive-Fee): DOE will perform a cost realism of Offeror’s proposed cost and fee to determine the probable cost/price. The evaluated price for this Task Order will equal the probable cost plus the proposed fee. Any probable cost adjustment(s), upward or downward, will result in modifications to the Offeror’s fee accordingly.

Task Order 3 – Efficient Base Operations (Cost-Plus-Incentive-Fee): DOE will perform a cost realism of Offeror’s proposed cost and fee to determine the probable cost/price. The evaluated price for this Task
Order will equal the probable cost plus the proposed fee. Any probable cost adjustment(s), upward or downward, will result in modifications to the Offeror’s fee accordingly.

DOE will evaluate the Offeror’s proposal for price reasonableness. An unreasonable, unrealistic, or incomplete Cost and Fee Proposal may be evidence of the Offeror’s lack of an understanding of, or poor understanding of, the requirements of the Master IDIQ PWS and Task Orders and thus may adversely affect the rating under the appropriate criterion of the Offeror’s Volume II, 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 and Task Order(s) requirements and may negatively impact an Offeror’s evaluation and appropriate criterion rating of the Offeror’s Volume II, Technical and Management Proposal.


(a) The relative importance of the evaluation factors for the Technical and Management Proposal (Volume II) are below:

1. Key Personnel;
2. Technical and Management Approach; and

Key Personnel is more important than Technical and Management Approach. Technical and Management Approach is more important than Past Performance.

(b) The evaluation factors for the Technical and Management Proposal (Volume II), when combined, are significantly more important than the total evaluated price (Volume III). 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.7. 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.
This page intentionally left blank.