PART IV – REPRESENTATIONS AND INSTRUCTIONS

SECTION M

EVALUATION FACTORS FOR AWARD

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(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) 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. 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 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*. The responsibility determination includes a finding that award of the contract to the Offeror will not pose an undue risk to the common defense and security as a result of its access to classified information or special nuclear material in the performance of the contract, as prescribed in Section L provision, DEAR 952.204-73, entitled Facility Clearance, which requires submission of specific information by the Offeror related to foreign interests.

(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. 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.

**M.2. EVALUATION FACTOR – KEY PERSONNEL**

(a) Key Personnel. DOE will evaluate the proposed Program Manager, Capital Asset Projects Manager, WIPP Operations Manager, Mining/Underground Operations Manager, Environment, Safety and Health Manager and other proposed non-required key personnel along with the Offeror’s rationale for selecting the proposed non-required key personnel positions and why the positions are essential to the successful performance of the entire PWS (excluding Section C.8.0). 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(s), 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 in the local surrounding area will adversely affect the Government’s evaluation of the proposal and may make the proposal ineligible for award. Additionally, failure of the Offeror to provide a letter of commitment for each key personnel will adversely affect the Government’s evaluation of the proposal.

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

(1) Experience. The key personnel individually will be evaluated on their DOE, commercial, and/or other Government experience in performing work similar to the work to be performed in their proposed position, including leadership, experience with mines and industrial ventilation systems, if related to the position, and other accomplishments, with emphasis on baseline performance, on or ahead of schedule, within or under budget, and the ability to recover schedule variance.

(2) Education. The key personnel will be evaluated on their education, specialized training, certifications, and licenses that support the suitability for the proposed position.

(3) DOE may contact any or all of the references, and other sources of information not provided by the Offeror, to verify the accuracy of the information contained in the resume and to further assess the qualifications and suitability of proposed key personnel.

(c) Oral interviews – Program Manager and Capital Asset Projects Manager. The Offeror’s Program Manager and Capital Asset Projects Manager will be evaluated for qualifications and suitability, including leadership capability for each proposed position as demonstrated during each oral interview.

Note: DOE experience is not necessarily evaluated with more similarity than non-DOE experience, based on the sole fact that it was work for DOE. The key personnel evaluation is based on the factors listed above.

M.3. DOE-M-2008 EVALUATION FACTOR – PAST PERFORMANCE (OCT 2015) (REVISED)

(a) Offeror. The Offeror, to include all members of a teaming arrangement, as defined in FAR 9.601(1), will be evaluated on the Government’s assessment of relevant and recent past performance information obtained for the Offeror performing work similar in scope, size, and complexity to the portion of the PWS (excluding Section C.8.0) that each entity is proposed to perform. The information will be evaluated in order to assess the Offeror’s potential success in performing the work required by the contract. Similar scope, size, and complexity are defined as follows based on the portion of work that each entity is proposed to perform: scope – type of work (e.g., work as identified in the PWS [excluding Section C.8.0], including similar work of a non-nuclear nature and/or similar non-DOE work); size – dollar value (approximate average annual value in relation to the proposed work; annual contract value of approximately $200M for evaluation purposes); and complexity – performance challenges (e.g., prior innovations, work performance improvements, subcontractor management, execution of Capital Asset Project portfolio, management of large complex contracts in a highly regulated environment, comparable experience with mines and industrial ventilation systems, cost efficiencies, management of complex CHRM requirements, and successful collaboration with the Government, Client, multiple stakeholders, and Regulators). The higher the degree of relevance of the work, the greater the
consideration that may be given.

DOE will evaluate recent past performance information for contracts that are currently being performed or have a period of performance end date within the last four (4) years from the original solicitation issuance date. To the extent that performance evaluations are divisible, the Government will only evaluate performance that occurred within the four (4) year period preceding the original solicitation issuance date. More recent past performance information may be given greater consideration.

The Government will not apportion the assessment 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 information. 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.10(a)(2) will be evaluated on the assessment 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 four (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 PWS (excluding Section C.8.0). The resulting rating will consider whether the Offeror’s team as a whole (including Teaming Subcontractors) have demonstrated relevancy to all PWS (excluding Section C.8.0) requirements.

(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 Government will only evaluate past performance information for work it considers 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). The Offeror may also be evaluated on safety statistics (OSHA Days Away, Restricted or Transferred (DART) and Total Recordable Case (TRC)) 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.

(g) Terminated contracts, cure notices, and conditional payment of fee/profit/other incentive actions. The Government may consider contracts of the Offeror, to include all members of a teaming arrangement, as defined in FAR 9.601(1), and Teaming Subcontractors, that: (1) were terminated for default; (2) included a cure notice(s) in accordance with FAR 49 Termination of Contracts; and (3) included a conditional payment of fee/profit/other incentive action(s) as described in the DEAR over the preceding four (4) years from the original solicitation issuance date, including the reasoning for the aforementioned actions.

(h) Sources of past performance information. The Government may 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 (CPARS) and award fee determinations. The Government may contact any or all of the references provided by the Offeror and will consider such information obtained in its evaluation. 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. Scope, size, and complexity determinations will be made solely based on the relationship of past work to current requirements, without any preference or benefit given based on the entity for which the work was performed.

(i) List of DOE contracts. The Government may consider the information provided per Section L, Attachment L-7, List of DOE Contracts, and evaluate past performance information on work determined to be relevant to the acquisition in terms of similar in scope, size, and complexity, as defined above in paragraph (a).

M.4. EVALUATION FACTOR – MANAGEMENT APPROACH

(a) Contract Transition Approach. DOE will evaluate the Offeror’s approach to achieve the Contract Transition requirements listed in Section C of the solicitation, including implementation of Contractor Human Resources Management (CHRM) requirements, for the safe, effective, and efficient transfer of responsibility for execution of the contract with little or no disruption to ongoing operations.

(b) Defined Benefit Pension and Post-Retirement Benefits. DOE will evaluate the Offeror’s management approach to effectively sponsor, manage, and implement
defined benefit pension and post-retirement welfare plans in accordance with CHRM requirements.

(c) Management Approach. DOE will evaluate the Offeror’s management approach to include available capabilities, teaming/organizational structure and roles and responsibilities to effectively manage, implement, and execute the PWS (excluding Section C.8.0), including the Line Item Capital Asset Projects and their integration into on-going WIPP Operations (i.e., ground control, mining, and waste handling); to interface and collaborate with on site, and waste generator/ storage site contractors; and to collaborate with DOE and the Regulators.

(d) Small Business Participation. DOE will evaluate the Offeror’s approach to meet or exceed the small business subcontracting requirement of 20% of the total contract value, including subcontracting of meaningful work scope.

(e) Inclusion of Improvements to Work Processes, Procedures, and Technologies. DOE will evaluate the approach to meet the contract purpose and objective to include improvements to work processes, procedures, and technologies in the performance of the PWS (excluding Section C.8.0). throughout the period of performance.

M.5. EVALUATION FACTOR – COST AND FEE

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

Cost proposals will be evaluated for price reasonableness and cost realism in accordance with FAR 15.404-1 and FAR 15.402(a). Given the nature of performance-based management and operating contracts, Offerors are not required to provide, nor will the Government determine, an estimate of overall contract costs. The cost evaluation will include a cost realism evaluation of the Offeror’s proposed transition costs to determine whether the proposed cost elements are realistic for the work to be performed and will be compared to the Volume II proposal for consistency and understanding. The Key Personnel total reimbursable compensation costs for year one of the base period will be evaluated for price reasonableness only. Key personnel compensation is capped at $568,000 for each employee, as established by the 2018 Contractor Compensation Cap for Contracts Awarded on or after June 24, 2014 per the White House Office of Management and Budget website (https://www.whitehouse.gov/omb/management/office-federal-procurement-policy/#cece). The total amount of the performance fee proposed in the table found in Section B.3(b) will be evaluated for reasonableness by verifying the proposed fee does not exceed the identified fee limitations.

For purposes of determining the best value, the evaluated price will be the total of the probable cost for transition, the proposed Key Personnel total compensation costs for base period year one and the amount of the performance fee values proposed in the table found in Section B.3(b) not exceeding the identified performance fee limitations. Proposing in excess of the performance fee limitations, will be considered taking “exception to” a material term of the contract, which may
result in a proposal being eliminated from further consideration under the solicitation.

M.6. DOE-M-2011 RELATIVE IMPORTANCE OF EVALUATION FACTORS (OCT 2015)

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

   (1) Key Personnel;
   (2) Past Performance; and
   (3) Management Approach

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

(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 adjectively 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.