

PART IV – REPRESENTATIONS AND INSTRUCTIONS

SECTION M

EVALUATION FACTORS FOR AWARD

TABLE OF CONTENTS

| | | |
|------------|---|----------|
| M.1 | EVALUATION OF PROPOSALS..... | 1 |
| M.2 | BASIS OF CONTRACT AWARD..... | 2 |
| M.3 | FAR 52.217-5 EVALUATION OF OPTIONS (JULY 1990)..... | 2 |
| M.4 | OVERALL RELATIVE IMPORTANCE OF TECHNICAL CRITERIA..... | 2 |
| M.5 | TECHNICAL EVALUATION CRITERIA..... | 3 |
| M.6 | COST AND FEE EVALUATION CRITERIA..... | 5 |

M.1 EVALUATION OF PROPOSALS

- (a) This acquisition will be conducted pursuant to Federal Acquisition Regulation (FAR) Part 15 and Department of Energy Acquisition Regulation (DEAR) Part 915. DOE has established a Source Evaluation Board (SEB) to evaluate the proposals submitted for this acquisition.
- (b) The instructions set forth in Section L of this Request for Proposal (RFP) are designed to provide guidance to the Offeror concerning the documentation that will be evaluated by the SEB. The Offeror must furnish specific information in its response to adequately address the evaluation criteria. Cursory responses that merely repeat or reformulate the SOW are not acceptable.
- (c) A proposal will be eliminated from further consideration before the evaluation if the proposal is unacceptable on its face. For example, a proposal will be deemed unacceptable if it does not represent a reasonable effort to address itself to the essential requirements of the RFP, or if it clearly demonstrates the Offeror does not understand the requirements of the RFP. 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.
- (d) The Government will not award to an Offeror evaluated as unacceptable for any evaluation factor.
- (e) If the Offeror takes exception to Section C.2.1.1, Conformity with Section 3116 Determination, Permit, and Other Matters, including all its subparts, or DOE evaluates the Offeror's technical approach as non-compliant with Section C.2.1.1, Conformity with Section 3116 Determination, Permit, and Other Matters, including all its subparts, the Offeror's proposal may be deemed unacceptable for award.
- (f) Any exceptions or deviations to the terms of the solicitation may make the Offer unacceptable for award without discussions. The Government may award without discussions to another Offeror that did not take exception to the terms and conditions of the solicitation.
- (g) Prior to an award, a determination shall be made whether any possible Organizational Conflict of Interest (OCI) exists with respect to the apparent successful Offeror or whether there is little or no likelihood that such conflict exists. In making this determination, DOE will consider the representation required by Section K of this solicitation. An award will be made if there is no OCI or if any potential OCI can be appropriately avoided or mitigated.

- (h) Federal Law prohibits the award of the contract under a national security program to a company owned by an entity controlled by a foreign government unless the Secretary of Energy grants a waiver. In making this determination, the Government will consider the certification required by Section K, Attachment A – Foreign Ownership, Control, or Influence (FOCI).

M.2 BASIS OF CONTRACT AWARD

DOE intends to award one (1) Contract to the responsible Offeror whose proposal is responsive to the solicitation and 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 the strengths and weaknesses of each Offeror's proposal in accordance with the Evaluation Factors.

In determining best value to the Government, the Technical Evaluation Criteria are significantly more important than the evaluated price. Evaluated price is the Government-determined most probable cost plus the proposed Total Available Award Fee for the Transition Period, Basic Term and Option Period(s). The Government is more concerned with obtaining a superior technical 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 technical proposal over another. The Government will assess whether the strengths and weaknesses between or among competing technical proposals indicate superiority 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 Government will also evaluate the project, technical, schedule, and regulatory risks associated with each proposal. A risk associated with any given proposal that is evaluated as being unusually high risk to the Government may negatively impact the proposal and the Government's determination of the best value to the Government.

M.3 FAR 52.217-5 EVALUATION OF OPTIONS (JULY 1990)

Except when it is determined in accordance with FAR 17.206(b) not to be in the Government's best interests, the Government will evaluate offers for award purposes by adding the total price for all options to the total price for the basic requirement. Evaluation of options will not obligate the Government to exercise the option(s).

M.4 OVERALL RELATIVE IMPORTANCE OF TECHNICAL CRITERIA

The proposals will be evaluated using information submitted by the Offerors on the six factors below, which are listed in descending order of importance:

- Technical Approach
- Organizational Structure and Key Personnel
- Risk Management
- Safety Analysis
- Relevant Experience
- Past Performance

Within this descending order of importance, Technical Approach is significantly more important than Organizational Structure and Key Personnel. Technical Approach and Organizational Structure and Key Personnel combined are significantly more important than the other factors combined. Risk Management is slightly more important than Safety Analysis. Safety Analysis is slightly more important than either Relevant Experience or Past Performance. Relevant Experience and Past Performance are approximately equal.

M.5 TECHNICAL EVALUATION CRITERIA

The technical proposal will be adjectivally rated and will be evaluated in accordance with the following criteria.

M.5.1 Technical Approach

DOE will evaluate the Offeror's approach to the execution of the SOW and its feasibility (including risk), including transition activities to determine the extent to which it can effectively accomplish the SOW and meet or exceed the contract end state requirements. DOE will evaluate the proposed Work Breakdown Structure (WBS), integrated critical path schedule, and the sequence of work activities to determine if a safe, efficient execution of workscope is planned. DOE will evaluate the Offeror's approach to optimize system performance to maximize waste throughput at DWPF and tank closure rates while ensuring sufficient tank space for continued long term operation. DOE will evaluate the Offeror's proposal to determine whether the technical approach complies with section C.2.1.1 – Conformity with Section 3116 Determination, Permit, and Other Matters, including all its subparts. The Offeror must provide supporting documentation to demonstrate its proposal complies with section C.2.1.1 – Conformity with Section 3116 Determination, Permit and Other Matters, including all its subparts. DOE will not evaluate the Offeror's technical approach to execution of the proposed small-scale plutonium vitrification nonproliferation capability nor Tank 48H waste disposition.

M.5.2 Organizational Structure and Key Personnel

DOE will evaluate the Offeror's proposed management organization and structure, including proposed subcontractors, small businesses, and other performing entities to determine the degree to which the organizational structure effectively supports the planned approach to execute the work and the extent of small business involvement in performing the work.

The Offeror will be evaluated on the Key Personnel it proposes and considers to be essential to the successful accomplishment of the work being performed under the contract. The Key Personnel will be evaluated for demonstrated leadership; demonstrated experience in performing work similar in size and complexity to the SOW; and qualifications (e.g. education, certifications, licenses). The Offeror will be evaluated on its designation of Key Personnel positions relative to the approach to the management and execution of the work proposed by the Offeror. The evaluation will include an evaluation of the rationale for the selection of the Key Personnel positions and the selection of the Key Personnel positions and the selection of the individuals for those positions. In addition to the foregoing, the Project Manager (PM) will be evaluated for the extent of his/her qualifications in the management of large technology based industrial complexes (including cost and schedule performance) and the extent of experience in the management of diverse teams. In evaluating the Key Personnel, the PM will be considered more important than each of the remaining Key Personnel. The evaluation will also include an assessment as to whether the Offeror has proposed the appropriate Key Personnel team, with the appropriate mix of Key Personnel positions and skills, who can successfully perform the scope of the contract.

Failure to submit Letters of Commitment for Key Personnel for a minimum of two years from date of award may result in a lower rating.

M.5.3 Risk Management

The Offeror's Risk Management approach to managing the risks associated with performance of the work as defined in the SOW will be evaluated. DOE will evaluate (1) the Offeror's assessment of the significant project, technical, schedule, and regulatory risks/mitigation strategies not addressed in the LW Risk Management Plan for the Offeror's proposed approach to executing the SOW including the approach to optimize system performance to maximize waste throughput at DWPF and tank closure rates while ensuring sufficient tank space for continued long term operation; and (2) the Offeror's proposed approach to eliminate, avoid, or mitigate these risks. Proposed approaches that merely transfer risk to others may result in a lower rating for this factor. DOE will also evaluate the approach to identify and respond to emerging risks.

M.5.4 Safety Analysis

The Offeror's approach to establish a viable capability (including appropriate and adequate technical disciplines) to accomplish the safety analysis work required by the SOW and CFR 830 will be evaluated. The Offerors ability to prepare and maintain authorization basis documents (Safety Analysis Report (SAR), Basis for Interim Operation (BIO), Technical Safety Requirements (TSRs), Hazard Analysis (HA), Auditable Safety Analysis (ASA), etc.), develop nuclear criticality safety evaluations, and maintain the methodologies for such analysis will be evaluated.

M.5.5 Relevant Experience

DOE will evaluate each Offeror for its experience in performing relevant work similar in size and/or complexity to that described in the SOW. DOE will evaluate the experience of the Offeror, each of its proposed subcontractors and any other performing entities with respect to the work proposed to be performed by each entity. If the Offeror is a newly formed entity, the experience of the parent organizations or LLC members will be evaluated. DOE will also evaluate the Offeror's experience in using corporate capability to provide support and problem-solving resources, dealing with stakeholders and working with regulatory agencies at the state and federal levels, and managing and integrating regulatory requirements or agreements.

M.5.6 Past Performance

The Government will evaluate the quality of the Offeror's (including proposed subcontractors and other performing entities) past performance to determine the degree to which the past performance, including Environment, Safety and Health (ES&H), demonstrates the Offeror's ability to successfully perform the SOW. DOE will also evaluate the Offeror's past performance in meeting subcontracting goals for small businesses. DOE will evaluate information regarding past performance (if obtained) from independent data as well as data provided by Offerors. If an Offeror is a newly formed entity the past performance of the Offeror's parent organizations or LLC members will be evaluated. In the case of an Offeror without a record of relevant past performance, it shall be evaluated neither favorably nor unfavorably.

M.6 COST AND FEE EVALUATION CRITERIA

DOE will evaluate each Offeror's proposed cost, using one or more of the techniques defined in FAR 15.404, in order to determine if the proposed costs are reasonable, realistic, and complete. The government will evaluate the realism of each Offeror's proposed costs. The evaluation of cost realism includes an analysis of specific elements of each Offeror's proposed cost to determine whether the proposed estimated cost elements are sufficient 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. For evaluation purposes, DOE will compute the most probable cost associated with the Offeror's proposal. The most probable cost, for the transition period, basic contract term and all options, will be determined based on the Offeror's proposal and any upward or downward adjustments required from the evaluation of reasonableness, realism, and completeness. Cost and fee will not be adjectivally rated or scored, but will be evaluated for consistency with the Technical Proposal and will be used to determine which proposal will represent the best value to the Government.

Offerors that propose a Total Available Award Fee greater than the limit specified in Section B, Limitation on Fee, may be deemed ineligible for award. The limitation on total available fee will be calculated on the basic contract term and each option separately and not cumulatively.

In determining the best value to the Government, in accordance with M.2, the evaluated price is the Government-determined most probable cost plus the proposed Total Available Award Fee for the Transition Period, Basic Term and Option Period(s).

DOE will compare the evaluated price to both the total anticipated contract funding and the anticipated funding by 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 evaluated price differs from the anticipated funding profile provided in Section L, Table L.1. 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 without discussions.