

**Section M**

**Evaluation Factors for Award**

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**M.1 INTRODUCTION**

The instructions attachment set forth in Section L, Instructions, Conditions, and Notices to Offerors or Respondents, are designed to provide guidance to the Offeror concerning the documentation that will be evaluated by the Source Evaluation Board (SEB). The Offeror must furnish adequate and specific information in its response.

A proposal will be eliminated from further consideration before the initial ratings if the proposal is so grossly and obviously deficient as to be totally unacceptable on its face. For example, a proposal will be deemed unacceptable if it does not represent a reasonable initial effort to address itself to the essential requirements of the RFP, or if it clearly demonstrates that the Offeror does not understand the requirements of the RFP. In the event a proposal is rejected, a notice will be sent to the Offeror stating the reason(s) the proposal will not be considered for further evaluation under this solicitation.

DOE intends to evaluate proposals and award a Contract without discussions with Offerors (except clarifications as described in FAR 15.306(a)). Therefore, the Offeror's initial proposal should contain the Offeror's best terms. DOE reserves the right to conduct discussions, if the Contracting Officer determines it is necessary. Any exceptions or deviations to the terms and conditions of the solicitation may make the offer unacceptable for award without discussions. If an offeror proposes exceptions to the terms and conditions of the contract, the Government may make an award without discussions to another Offeror that did not take exception to the terms and conditions of the contract.

DOE will solicit past performance information from available sources, including references and customers identified by the Offeror, and will consider such information in its evaluation. DOE may obtain relevant past performance information from available Federal Government electronic databases or readily available Government records including pertinent DOE prime contracts.

DOE will review all information submitted, may contact some or all of the Contract references provided by the Offeror, and may contact sources of information other than those identified by the Offeror. Offerors are advised that DOE contractor personnel may assist the Government during the Government's evaluation of proposals. These persons shall be authorized access to only those portions of the proposal data and discussions that are necessary to enable them to provide specific technical or pricing advice on specialized matters. These individuals will be required to protect the confidentiality of any specifically identified trade secrets and or privileged or confidential commercial or financial information obtained as a result of their participation in this evaluation. They shall be expressly prohibited from scoring, ranking or recommending the selection of a source.

In evaluating experience and past performance, experience relates to what the offeror has done while past performance relates to how well the offeror has performed. In the case of a newly formed joint venture, limited liability company, limited liability partnership, or other similar entity formed for the purpose of competing for this contract, DOE will evaluate the experience and past performance of the entities that comprise that newly formed entity.

## **M.2 BASIS FOR AWARD**

DOE anticipates the award of one 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 criteria below.

Technical Proposals will be evaluated against the criteria set forth in Section M.3, Evaluation Factors. The Government is more concerned with obtaining superior technical and management features than with making an award at the lowest cost to the Government. However, the Government will not make an award at a cost and fee amount that is considered disproportionate to the benefits associated with the evaluated superiority of the Technical and Management Proposal. The cost/fee aspects of the proposal will be considered in the overall evaluation of proposals in the trade-off process to select the best value to the Government.

Prior to any award, a Finding shall be made by the Contracting Officer of whether possible Organizational Conflicts of Interest (OCI) and/or Foreign Ownership, Control, or Influence (FOCI) exist with respect to a particular Offeror, or whether there is little or no likelihood that such conflicts exist. An award will be made only if there is no OCI or FOCI or, if either does exist, that it is appropriately avoided or mitigated.

## **M.3 EVALUATION FACTORS**

Volume I will be reviewed for the required contents and a go/no-go decision will be determined. If the required contents are not included in Volume I, the offer will be considered non-responsive and no further evaluation will be conducted. If all required contents are included in Volume I, then the contents of Volumes II and III will be evaluated.

The following factors will be used to evaluate the offers:

1. Technical approach
2. Management Approach
3. Experience and Past Performance
4. Key Personnel
5. Environmental Safety & Health

### **M.3.1 Technical Approach**

The DOE will evaluate the Offeror's method of executing the work scope for the analytical services and testing at the 222-S Laboratory and the intended method for accomplishment of the work and describe how the work will be performed to improve lab operations, reduce turn-around time on analyses, enhance the objectives of the Hanford Site and reduce costs. The evaluation will include the identification of uncertainties in the approach, an assessment of their magnitude, and a description of how they will be managed. It will include any technical innovations that will enhance the work and details of any approach that will reduce life cycle costs for lab operations. It will include any proposed annual performance measure which may be used by the DOE to determine lab improvement. It will include any regulatory approaches to be considered in the interest of achieving further project optimization.

The evaluation will include the approach for accomplishing the following activities along with the feasibility, reasonableness, method and sequencing for the following:

- (a) Management of lab work load
- (b) Handling of highly radioactive samples
- (c) Implementing customer requirements
- (d) Anticipating and tracking waste generated during the analyses process
- (e) Managing interfaces with Hanford-wide programs
- (f) Managing analytical data entry
- (g) Providing quality assurance and quality control
- (h) Providing results to the customers

**M.3.2 Management Approach**

- (a) **Project Management:** The DOE will evaluate the Offeror's approach to managing the 222-S Laboratory analytical services starting with the management of transition activities from date of award through the transition period. The evaluation will include Project Management of activities ranging from project definition; execution and delivery to the client; organization; anticipated planning and budgeting processes; and performance analysis, reporting, and corrective action management. The evaluation will include the contractor's approach to life-cycle Performance Management Baseline (PMB) and effectiveness of managing change. The evaluation will include proposed project controls such as the use of predictors to success, metrics used to demonstrate value, and change control management.
- (b) **Sub-contractor/Joint Venture Management:** Where multiple companies will be conducting significant portions of the work-scope, DOE will evaluate the approach to operating in joint teaming, and/or sub-contractor organizations including past experience in joint ventures/teaming/sub-contractor relationships (if applicable) and how the alignment of the offerors proposed organization is effective in integrating the project team. The team must to meet small business practice requirements.
- (c) **Labor Relations:** The DOE will evaluate the approach to labor relations and experience in managing in a unionized workforce environment. Additionally, the DOE will evaluate suggested approaches to transitioning the existing workforce and dealing with employee concerns.
- (d) **Risk Management:** The DOE will evaluate the approach to identify, assess and manage future uncertainties and their programmatic risk during the performance of this contract. The evaluation will include the approach the Offeror will use to communicate uncertainty and risk to DOE during the performance of the contract.
  - (i) The DOE will evaluate the assessment of the work scope and incentive uncertainties. For the uncertainties that present a significant risk to project cost and schedule, the evaluation will include the Offeror's proposed approach for their elimination, avoidance or mitigation.
  - (ii) An evaluation of the Offeror's approach to eliminate, avoid or mitigate programmatic risks will include proposed shared responsibility. This can result in the contractor assuming total responsibility, the Government assuming total responsibility, or

a clearly defined method of sharing risk responsibility between the government and the contractor.

- (e) Corporate Commitment: The DOE will evaluate the corporate commitment to the 222-S Laboratory Project and include the percentage of corporate personnel resources committed to this workscope by management and technical categories. The DOE will evaluate how the prime and major sub-contractor organizations are committed to success. If the organization(s) has a Business Model by which it operates, it will also be evaluated.
- (f) Efficiency Improvement The DOE will evaluate any proposed methods for efficiency improvements.

### **M.3.3 Experience and Past Performance**

- (a) Experience

The DOE will evaluate the summary of relevant experience in all major work areas that demonstrate experience and capabilities in performing the scope of work. This would include work reasonably similar to the types of work identified in the this RFP. The evaluation will include specific examples of work and teaming experience where provided. The DOE will evaluate any portions of the work identified in this RFP that would be performed by an entity(ies) other than the Offeror, relationship to the prime contractor (partner, sub-contractor, etc), and relevant information concerning the experience of the entity(ies).

The DOE will evaluate the experience of all members of the Offeror's team working under rigorous quality assurance requirements such as 10 CFR 50 Appendix B, CFR 830.120, or their equivalents, in the past five years and all relevant RCRA and CERCLA experience.

- (b) Past Performance

The DOE will evaluate the information regarding specific contracts and information regarding the Offeror's overall performance.

- (c) Specific Contracts

The DOE will evaluate the past performance on similar contracts.

- (d) Overall Performance Information

The DOE will evaluate the number and types of violations and fines that have been levied on the Offeror working under the requirements of 10 CFR 830.120; (2) all serious industrial safety accidents or violations the Offeror has experienced over the past five years, including those that have occurred on DOE-owned sites as well as those resulting in enforcement action by OSHA or an equivalent agency of any state; and (3) any enforcement action taken by the NRC on any Offeror organization over the past five years.

- (1) The DOE will evaluate the past performance history in (1) providing results against plans on or ahead of schedule at or under costs, (2) addressing complex and controversial labor relations issues, and, (3) outsourcing of sample analysis to level workload.

- (2) The DOE will evaluate the list of Government contracts terminated (partially or completely) within the last three years, including dollar amount, type of contract, a brief description of the statement of work and basis for termination.

#### **M.3.4 Key Personnel**

The DOE will evaluate the written resumes for the Key Personnel. These resumes shall include at least three references. The evaluation will include the explanation and justification for the positions chosen for key personnel. The evaluation will include each key person's: 1) education, experience, demonstrated performance, suitability to proposed positions, leadership, and capability to perform the Statement of Work relative to the proposed positions; 2) degree of success in managing projects of similar complexity to the 222-S Lab analytical services scope within cost, schedule, regulatory, and technical performance objectives; 3) familiarity with the Offeror's organization and the means by which that familiarity has been achieved; and 4) rationale for selecting the key personnel positions.

#### **M.3.5 Environment, Safety and Health**

The DOE will evaluate the corporate philosophy towards ES&H. In demonstrating Managements' and the Team's commitment to safety, the following are of special interest:

- (a) How the offeror intends to plan, train, and monitor ES&H performance
- (b) Beyond measurement, how safety is designed into the workplace

The DOE will evaluate how the Offeror will execute the Statement of Work using this Integrated Safety Management (ISM) system consistent with DEAR 970.5223-1, Integration of Environment, Safety, and Health into Work Planning and Execution (December 2000), that flows down into all work, including subcontractor and customers' work activities, and shows the depth of the Offeror's understanding of ISM and how it applies to the work scope. The evaluation will include how the Offeror shows the identification and understanding of the hazards associated with the scope of work and the relative risk those hazards pose to the worker, public and environment. If the Offeror proposes to invoke paragraph C of the Section I Clause entitled, Laws, Regulations, and DOE Directives, the DOE will evaluate how the Offeror demonstrates its understanding of such an approach and how its use can benefit the project. The evaluation will include how the Offeror shows how safety and health deficiencies will be identified and resolved and how effective project-wide corrective actions will be implemented. The evaluation will include how the Offeror holds managers accountable for safe work performance, how worker involvement in ES&H is achieved, how ES&H complaints are handled, what ES&H training is conducted, how ES&H requirements flow down to subcontractors, what systems will be in place for monitoring subcontractor ES&H performance, and how self-evaluation and oversight will be achieved.

The evaluation will include the Offeror's understanding of the applicable environmental laws and regulations with particular attention to the Hanford Federal Facility Agreement and Consent Order, otherwise known as the Tri-Party Agreement (TPA). It will include an evaluation of the Offeror's strategy for interfacing with the external regulators so as to optimize project effectiveness and resolve regulatory issues before they affect the baseline and the Offeror's understanding of the relationship of the technical content of the work to the regulatory strategy.

- (g) M.3.5

#### **M.4 COST PROPOSAL EVALUATION**

The DOE will evaluate each offeror's proposed:

- (a) Cost for realism, reasonableness, and for completeness
- (b) Cost for contract scope of work, fee pertaining to the Performance-Based Incentives, and evaluation of all option years.
- (c) Financial statements and other information for financial responsibility.

The Technical and Management Proposal is of significantly greater importance than the Cost/Fee Considerations Proposal. However, the cost/fee criterion will be used to evaluate the relative value of each offer, once an evaluation of the technical and management merits of each offer is conducted.

The Government will perform a technical evaluation of the cost proposal to determine if the offeror's proposal is reasonable in nature and amount. The cost/price proposal will be evaluated to determine the evaluated probable cost, including fee, to the Government.

All costs proposed must:

- Be required to perform the contract, or are otherwise allocable to the contract
- Be of a reasonable nature
- Meet generally accepted accounting principles and practices
- Meet the standards of the Cost Accounting Standards Board
- Meet the terms of the intent of the contract
- Be incurred in an efficient manner
- Assure they are not otherwise unallowable

The Government's analysis will address the allowability, allocability, and reasonableness of the proposed cost and the reasonableness of the proposed fee for all base and option years.

#### **M.5 RELATIVE ORDER OF IMPORTANCE**

The relative value of the Technical and Management criteria in Section M.3 are in order of importance as follows:

Criterion Weighting:

- (a) Technical Approach
- (b) Business Approach
- (c) Experience and Past Performance

(d) Key Personnel

(e) Environmental Safety & Health

**M.6 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 option(s) will not obligate the Government to exercise the option(s).