

**ATTACHMENT J.4**  
**PERFORMANCE EVALUATION AND MEASUREMENT PLAN (PEMP)**

**Fiscal Year 2021**

**Performance Evaluation and Measurement Plan  
for  
CH2MHILL Plateau Remediation Company**

**Performance Period:**  
October 1, 2020, through March 31, 2021

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## **PLATEAU REMEDIATION CONTRACT PERFORMANCE EVALUATION AND MEASUREMENT PLAN DESCRIPTION**

The Performance Evaluation and Measurement Plan (PEMP) details the administration of performance incentives and allocation of Total Available Fee as defined in Section B, Supplies or Services and Prices/Costs. Please note that “PEMP” is synonymous with the term “Award Fee Plan” found in FAR 16.401(e)(3). Performance incentives may be either objective or subjective. The PEMP is the basis for the evaluation of the contractor's performance and for presenting an assessment of that performance to the Fee Determining Official (FDO). It describes specific criteria and procedures used to assess the contractor's performance and to determine the amount of fee earned. Actual award fee determinations and the methodology for determining fee are unilateral decisions made solely at the discretion of the Government.

### **1. ORGANIZATION**

The award fee organization consists of: the FDO; a Performance Evaluation Board (PEB) which consists of a chairperson, the contracting officer, a recorder, other functional area participants, and advisor members; and the Contracting Officer Representative (COR).

### **2. RESPONSIBILITIES**

- a. Fee Determining Official. The FDO approves the PEMP and any significant changes. The FDO reviews the recommendation(s) of the PEB, considers all pertinent data, and determines the earned award fee amount for the evaluation period.
- b. Performance Evaluation Board. For the purpose of this PEMP, designated RL senior managers and Contracting Officer (CO) are chartered with recommending CHPRC earned fee to the FDO. PEB members review COR evaluations of the contractor's performance, consider information from pertinent sources, prepare performance reports, and arrive at an earned fee recommendation. The PEB has the following roles and responsibilities:
  - Accountable for final selection and approval of performance incentives;
  - Responsible to assign performance monitors to evaluate completion of performance measures;
  - Provides input, reviews, and concurs on the PEMP;
  - Responsible for addressing any HQ comments concerning PEMP or Award Fee Determination;
  - Reviews CHPRC performance at the end of the evaluation period and upon completion of key milestones;
  - Evaluates CHPRC performance and recommends earned fee to the FDO.
- c. The CO is the liaison between contractor and Government personnel and shall ensure the incentive process is properly administered in accordance with agency regulations. The CO shall also modify the contract in regards to any contractual issues that may arise during the term of the contract.
- d. The COR maintains written records of the contractor's performance in their assigned evaluation area(s) so that a fair and accurate evaluation is obtained. Prepare interim and end-of-period evaluation reports as directed by the PEB.

### 3. PERFORMANCE MEASURES (PM)

Each performance measure will set forth the specific requirements, criteria and/or specifications for acceptable performance of an outcome and the amount of fee assigned to the individual performance measure. A performance measure may be either subjective or objective.

Fiscal year (FY) 2021 performance measures are found on pages J.4-7 through J.4-9.

### 4. ALLOCATION OF AVAILABLE FEE

DOE may or may not heavily weight the assignment of fee toward meeting production goals such as treatment of waste and end-product goals, such as completion of remediation projects.

### 5. PERFORMANCE MEASURE FEE STRUCTURE METHODS

Each performance measure may have a distinct fee structure to incentivize maximum performance and resource utilization by the Contractor. Individual performance measures may require the contractor to exceed approved baseline performance to earn 100 percent (%) of the fee allocated to that performance measure. DOE is not limited to the following list of Fee Structure Methods and may combine elements of multiple fee structures. Regardless of the Fee Structure Method used, payment of fee is subject to the fee reduction terms of this Contract, and FDO approval that the Contractor has achieved the stated outcome for the specific performance measure.

- a. Declining Method: This method provides 100% incremental fee for completion of the performance measure by a specific date and/or milestone, but the percentage is reduced incrementally beyond that event. The specific percentage of reduction and corresponding time or specific milestones triggering the reductions are defined within the performance measure.
  - b. Terminal Method: This method provides 100% incremental fee (which will not be awarded until final fee determination), for completion of the performance measure prior to a specific date and/or milestone; however, the Contractor will forfeit 100% of the fee allocated to the performance measure for completion of the performance measure after the passing of the specific date and/or milestone as defined within the performance measure.
  - c. Performance Measure Provisional Dependent Method: This method will no longer be used. Provisional Fee, if specifically allowed by the contracting officer, is discussed in Section B, Clause B.8, Fee Determination and Payment.
  - d. Subjective Method: This method provides the Contractor the opportunity to earn up to 100% fee for performance of Contract requirements based on subjective criteria as determined by DOE.
6. Contract work requirements by Contract Line Item Number (CLIN) are discussed in Section B, Clause B.2 "Items Being Acquired." Contract work requirements by CLIN may become fee-bearing via Performance Measures, consistent with Section B, Clause

- B.7, Fee Structure. Any features of the Offeror's proposed strategy and approach may be implemented as first- and subsequent-year performance measures.
7. In accordance with the Section B, Clause B.5, Changes to Contract Cost and Contract Fee, if for any reason the CO does not authorize work in accordance with the Section B, Clause B.14, DOE Authorization of Work, the Total Available Fee as a percentage of Total Contract Cost by Contract period, excluding non-fee bearing costs identified in the Section B, Clause B.6, Basis for Total Available Fee, may be adjusted.
  8. The Contractor's performance within the Contract Cost, as stipulated in Section B, for the performance evaluation period shall be determined by the Government. To the extent the Contractor fails to complete work within the stipulated Contract Price, the FDO may reduce in whole or in part any otherwise earned fee, subject to the limitations of Section B, Clause B.12, DEAR 970.5215-3, Conditional Payment of Fee, Profit, and Other Incentives – Facility Management Contracts.
  9. Payments of Incremental Fee shall be requested in accordance with Section B, Clause B.8, Fee Determination and Payment, paragraph (c).
  10. If a Performance Objective is not completed as specified, allocated Available Fee is unavailable in accordance with Section B, Clause B.7, Fee Structure, paragraph (b)(1). All work, whether incentivized or not, is subject to inspection and acceptance pursuant to Section E, and must conform with contract requirements. Any work that does not conform with contract requirements may result in failure to achieve the performance objective.
  11. Any Government Furnished Services and Information (GFS/I) for Performance Objectives are included in Section J, Attachment J.12, Government Furnished Services and Information (GFS/I).

## **PERFORMANCE EVALUATION BOARD ORGANIZATION**

Fee Determining Official: Individual designated by DOE Environmental Management Head of Contracting Activity

Performance Evaluation Board Chairperson: Assistant Manager for River and Plateau (AMRP)

Staff:

Deputy AMRP

AMRP Division Directors

Procurement Director

Contracting Officer

Legal Advisor

**FISCAL YEAR 2021 PERFORMANCE MEASURE**

**Introduction:**

The purpose of this award fee plan is to specifically account for the available award fee for FY 2021 and to identify the associated performance measure (PM). The award fee plan contains one subjective performance measure and one objective performance measure. Available fee under these performance measures is automatically adjusted consistent with the period that performance required, pursuant to Section F, Clause F.1, Period of Performance, paragraph (b)(6), as stipulated in Section, B, Table B.4-Option to Extend Services.

**Summary of Available FY2021 Award Fee: \$13,260,000**

<b>Performance Measure Identifier</b>	<b>Performance Measure Description</b>	<b>Sub-Element Available Fee*/Weight</b>	<b>FY 2021 Available Fee*</b>
PM-1-21	Subjective Performance Measure	50% of Available Fee	\$6,630,000
PM-2-21	Objective Performance Measure	50% of Available Fee	\$6,630,000
	Direct-Feed Low Activity Waste Support: Integrated Disposal Facility	\$663,000	
	Aging Facilities Risk Mitigation	\$1,989,000	
	Cesium/Strontium Capsule Storage Project	\$1,326,000	
	Contaminated Groundwater Treatment	\$1,326,000	
	100KW Fuel Storage Basin	\$1,326,000	
<b>Total Allocated Fee</b>			<b>\$13,260,000</b>

\*Subject to duration of the Option to Extend Period.

**SUBJECTIVE PERFORMANCE MEASURE  
 PM-1-20**

**Allocated Available Fee: \$6,630,000**

**Objective:**

This Performance Measure provides management focus on overall technical and cost performance. Cost control in work performance is of the utmost importance to the Government. In accordance with FAR 16.4, *Incentive Contracts*, specifically subparagraph (e), "Award fee shall not be earned if the contractor's overall cost, schedule, and technical performance in the

aggregate is below satisfactory.” Therefore, pursuant to FAR 16.401(e), the contractor shall not earn greater than 50% if overall cost, schedule, and technical performance (satisfactory) are not met in accordance with the PEMP. DOE will evaluate the Contractor’s performance based upon subjective performance elements; objective performance elements, or both, which includes, but is not limited to:

- Execute the balance of contract work scope within the contract requirements, terms, and conditions, demonstrating excellence in quality, schedule, management, cost control, and regulatory compliance. This element includes the Contractor’s responsiveness to the novel coronavirus pandemic. The government’s evaluation will focus on work that is not covered by the Objective Performance Measure.
- Perform work safely and in a compliant manner that assures the workers, public, and environment are protected from adverse consequences. This element includes the Contractor’s responsiveness to the novel coronavirus pandemic.
- Conduct business and administrative functions in a compliant and effective manner. This evaluation includes the effectiveness of subcontract management, including award of subcontracts as scheduled, inclusion of all requirements, subcontractor audits, and subcontract administration. Contractor will monitor subcontractor performance to ensure compliance with all requirements including small business subcontracting plans, Buy American Act, and applicable labor statutes.

#### **Completion Rating Criteria:**

Pursuant to FAR 16.401, Table 16-1, the following will be used to rate CHPRC performance against this performance measure.

Adjectival Ratings, and the associated Percentage of Allocated Fee Available to be Earned and Performance Level Description are:

- **Excellent (91%-100%)** Contractor has exceeded almost all of the significant award-fee criteria and has met overall cost, schedule, and technical performance requirements of the contract in the aggregate as defined and measured against the criteria in the award-fee plan for the award-fee evaluation period.
- **Very Good (76%-90%)** Contractor has exceeded many of the significant award-fee criteria and has met overall cost, schedule, and technical performance requirements of the contract in the aggregate as defined and measured against the criteria in the award-fee plan for the award-fee evaluation period.
- **Good (51%-75%)** Contractor has exceeded some of the significant award-fee criteria and has met overall cost, schedule, and technical performance requirements of the contract in the aggregate as defined and measured against the criteria in the award-fee plan for the award-fee evaluation period.
- **Satisfactory (No Greater Than 50%)** Contractor has met overall cost, schedule, and technical performance requirements of the contract in the aggregate as defined and

measured against the criteria in the award-fee plan for the award-fee evaluation period.

- Unsatisfactory (0%) Contractor has failed to meet overall cost, schedule, and technical performance requirements of the contract in the aggregate as defined and measured against the criteria in the award-fee plan for the award-fee evaluation period.

The Contractor, through the submission of monthly progress reports, shall identify issues potentially affecting the completion of individual outcomes and the overall success of the contract, with actions taken or recommended to resolve those issues. In the event the contractor self-discloses an issue with regard to an outcome in the PEMP and appropriately self-corrects the situation in a timely manner, fee reduction may be waived or mitigated by the FDO.

**OBJECTIVE PERFORMANCE MEASURE  
 PM-2-21**

**Allocated Available Fee: \$6,630,000**

**Objective:**

This Performance Measure provides management focus on specific technical performance elements. DOE will evaluate the Contractor’s performance against scheduled activities for the following projects proportionate to the period that performance is required:

<b>Project</b>	<b>Sub-Element Available Fee*</b>
Direct-Feed Low Activity Waste Support: Integrated Disposal Facility	\$663,000
Aging Facilities Risk Mitigation	\$1,989,000
Cesium/Strontium Capsule Storage Project	\$1,326,000
Contaminated Groundwater Treatment	\$1,326,000
100KW Fuel Storage Basin	\$1,326,000

\*Subject to duration of the Option to Extend Period.

DOE will determine the percentage of the work completed for the actual duration of the Option to Extend Services for these projects using the Contractor’s earned value data and any other relevant performance information. The Available Fee for each identified project will be multiplied by the DOE-determined percentage of the work completed to calculate the fee earned.