

**Performance Evaluation and Measurement Plan  
for  
Fluor-BWXT Portsmouth LLC**

**Portsmouth Gaseous Diffusion Plant  
Decontamination and Decommissioning  
Contract #DE-AC30-10CC400174**

**30-Month Option Period  
March 29, 2016 to September 30, 2018**

**30-Month Option Period  
October 1, 2018 to March 28, 2021**



**PERFORMANCE EVALUATION BOARD MEMBERS AND ADVISORS**

Fee Determining Official:

Manager, PPPO Lexington

Robert E. Edwards

Following are PEB members and advisors:

Portsmouth Site Lead (Chairperson)<sup>1</sup>  
Deputy Manager, PPPO Lexington  
Lead Procurement Official, PPPO Lexington

Joel Bradburne (Acting)  
Joel Bradburne  
Robert Swett

\*Contracting Officer

R. J. Bell

\*Contract Officer

As Assigned

\*Attorney Advisor

George Hellstrom

Technical Lead

M. Judson Lilly, Federal Project Director

Project Team Evaluators

Johnny Reising, Program Manager  
Kristi Wiehle, Env. Protection Spec.  
Amy Lawson, Physical Scientist  
Matt Vick, Engineer/Scientist  
Tom Hines, Nuclear Safety Oversight Lead  
Dick Mayer, System Systems Oversight  
Greg Simonton, Program Analyst  
Mark Allen, Security Specialist  
Robert Henry, Security Specialist  
(As Assigned), Program Analyst  
James Woods, Information Tech. Specialist  
(As Assigned), QA Lead

\*Advisors to PEB - Non-Voting Participants

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<sup>1</sup> The PEB Chairperson may add, remove or replace PTEs throughout the contract period of performance, as appropriate.

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## **PERFORMANCE EVALUATION and MEASUREMENT PLAN**

**1. CONTRACT ATTRIBUTES:** Contract Number DE-AC30-10CC40017, *Portsmouth Gaseous Diffusion Plant Decontamination and Decommissioning* was awarded in 2010 as a cost plus award fee (CPAF) contract. The initial 30-Month Option was awarded as a hybrid contract to include CPAF, base fee, cost plus fixed fee (CPFF), and indefinite delivery, indefinite quantity (ID/IQ) contract line item number (CLINs) for decontamination and decommissioning (D&D) and environmental remediation (ER) of the Portsmouth Gaseous Diffusion Plant (PORTS) at the U.S. Department of Energy (DOE), Piketon, Ohio. A final option for an additional 30-Month period of performance is similarly incorporated herein and will be applicable upon Contracting Officer (CO) exercise of that period of performance.

The Performance Work Statement (PWS) is developed to incentivize optimal contractor performance and reduce costs. In accordance with the contract, the contractor's performance on the cost plus award fee CLINs/Task Orders are assessed as detailed in this performance evaluation and measurement plan (PEMP). Non-D&D scope (work for others) is included in CPFF CLINs and assessed in accordance with Section I.34, FAR 52.216-8, *Fixed Fee*.

Additional in-scope Task Orders may be issued against ID/IQ CLINs. Task Orders may be issued as CPAF, CPIF, CPFF, or fixed price (FP). Task Orders issued as CPAF may include and incorporate PBIs as appropriate to incentivize that work. In accordance with Section B.5, *Aligning Contract Incentives*, successful performance of the contract includes completion of both the cost reimbursement and FP CLINs. The CLINs and the associated PWS paragraphs are identified in Section B.1 *Type of Contract and Services Being Acquired*. Fee for each CLIN and period of performance is identified in B.3 and B.4 *CLIN Structure - Performance Period* and will be updated as required during the performance period.

**2. PURPOSE:** The purpose of this PEMP is to define the methodology and responsibilities associated with determining the amount of award fee to be earned by Fluor BWXT Portsmouth LLC (FBP) (hereafter referred to as the contractor). In accordance with FAR 16.4, *Incentive Contracts*, specifically subparagraph (e), "Award fee shall not be earned if the contractors 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. To earn greater than 50% of available award fee, the contractor must exceed some, many, or almost all award fee criteria. PBIs may be structured and evaluated for completion in the period in accordance with H.58 (e) & (f) and Section J Attachment 23, *Performance Based Incentives for D&D*.

The purpose of fee is to motivate the contractor toward excellence and total contract performance and to emphasize key areas of performance without jeopardizing minimum acceptable performance in all other areas.

**3. PERIOD:** The PEMP covers the 30-month period of performance from March 29, 2016, through September 30, 2018, and an additional 30-month option period of performance if exercised by the CO. The evaluation periods for both 30 month option periods are:

Award Fee Period	Period of Performance	Number of Months
Period 1	March 29, 2016 – September 30, 2017	18 – Months
Period 2	October 1, 2017 – September 30, 2018	12 – Months
Period 3	October 1, 2018 – September 30, 2019	12 – Months
Period 4	October 1, 2019 – March 28, 2021	18 – Months

**4. PROCESS:** The PEMP outlines the organization, procedures, and evaluation periods for implementing the fee provisions of the applicable cost plus award fee CLINs/Task Orders. The Fee Determining Official (FDO) will evaluate the contractor’s performance against the subjective Category of Performance (CP) and the performance based incentives (PBIs) incorporated in Section J, Attachment 23, *Performance Based Incentives*. The total available award fee (including Section J, Attachment 22, *Task Orders*) to be evaluated is provided in B.3 and B.4.

Section B.3 includes the total award fee associated with CLINs 0003, 0008, and 0009 (CPAF Task Orders) as applicable for the initial Option Period (Award Fee Periods 1 and 2). The award fee for each CLIN in B.3 is added into one *Total Available Award Fee Pool* (TAAFP) and divided by 30 months. The 18 month evaluation period includes fee associated with the mathematical calculation ( $TAAFP / 30 \times 18 =$  Period 1, Fee Pool). The 12 month (Period 2) is calculated similarly.

Section B.4 includes the award fee associated with CLINs 0010, 0012, and 0013 (CPAF Task Orders) as applicable for the follow-on Option Period (Award Fee Periods 3 and 4). The award fee for each CLIN in B.4 is added into one *Total Available Award Fee Pool* (TAAFP) and divided by 30 months. The 12 month evaluation period includes fee associated with the mathematical calculation ( $TAAFP / 30 \times 12 =$  Period 3, Fee Pool). The 18 month (Period 4) is calculated similarly.

Modifications to CPAF CLINs and Task Orders issued during the period are added into the appropriate award fee totals.

Award fee for PBI completion, by period, is allocated in Section J, Attachment 23 at 70% of the total available award fee by CLIN and period of performance and the remaining 30% is divided (60%/40%) into two Categories of Performance (CP).

Formal performance evaluations will be conducted for the periods identified in Section 3 above, (18 or 12 months) to establish the amount of fee payable for performance. Performance reviews of contractor strengths and weaknesses will be accomplished between the contractor and the site director at each six-month interval, while a formal fee evaluation and determination by the FDO is completed in each of the 18 or 12 month periods outlined herein. Monthly performance reviews will also be presented by the contractor to the Technical Lead with a focus not only on PBI accomplishment but also on CP#1 and CP#2, performance including schedule.

Section B.5, *Aligning Contract Incentives* allows for provisional invoicing of up to 70% of award fee; however, based on the strength and weaknesses of the contractor’s performance during the period, the CO may reduce the percentage of provisional fee in the period. Should the amount of the FDO determination be less than what was previously provisionally invoiced and paid, the contractor shall provide a credit to DOE within 30 days.

In accordance with contract clause Section H.58, *Provisional Payment of Fee* (OCT 2013), payments of award fee made by the Government to the contractor prior to the end of the contract may be provisional until the FDO determines the contractor has fulfilled its ultimate contractual obligations in terms of the contract.

The final evaluation converting provisionally earned fee to final fee will be documented by the (FDO) in accordance with the criteria defined in the PEMP, Section J, Attachment 23, *Performance Based Incentives (PBIs)*, B.5, *Aligning Contract Incentives* and terms of the contract.

The contract will be modified in Section B.3 or B.4, *CLIN Structure – Performance Period* to document the earned and/or unearned fee. Award fee not earned shall not be eligible to be earned in any future period(s).

The PEMP implements the requirements of Acquisition Letter (AL)-2014-02, *Provisional Payment of Fee*, dated October 29, 2013; and the Memorandum from the Deputy Secretary of Energy entitled *Aligning Contract Incentives for Capital Asset Projects* (S-2 Memo) dated December 13, 2012.

## **5. TERMS AND CONDITIONS**

The following contract sections incorporated herein by reference work together and document award fee administration and process for provisional and final (earned) payment of fee:

- Section B.3 and B.4, *Performance Period CLINs*;
- Section B.4, *Performance Period CLINs*;
- Section B.5, *Aligning Contract Incentives*;
- Section H.58, *Provisional Payment of Fee*;
- Section J, Attachment 21, *Performance Evaluation and Measurement Plan*;
- Section J, Attachment 23, *Performance Based Incentives (PBI) for D&D and*,
- Section J, Attachment 24, *Performance Schedule*.

### **(a) TERMINATION FOR CONVENIENCE**

In the event that the contract is terminated for the convenience of the Government (Clause I.108), any remaining award fee in the current period may be available for equitable adjustment in accordance with the termination clause of the contract. All out year(s) fee in any period after termination shall be considered unearned and therefore shall not be paid.

### **(b) TERMINATION FOR DEFAULT**

In the event the contract is terminated for default, any remaining award fee in the current period shall be considered unearned and therefore shall not be paid. The remaining fee for all periods, after termination, shall be considered unearned and therefore shall not be paid.

## **6. CHANGES**

All significant changes to the PEMP, including Section J, Attachment 23, *Performance Based Incentives (PBI) for D&D* incorporated herein by reference, are approved by the FDO after DOE coordination as required. Examples of significant changes include changes to evaluation criteria, adjusting weights to redirect the contractor's emphasis to areas needing improvement, and revising the distribution of fee dollars. Contract modifications affecting estimated cost and available fee will be updated in Section B.3 and B.4, *CLIN Structure – Performance Period* and may or may not require a change to the PEMP or Section J, Attachment 23, *Performance Based Incentives (PBI) for D&D*. The CO will provide to the contractor a written 30 day advance notice of changes to the PEMP or Section J, Attachment 23, *Performance Based Incentives (PBI) for D&D* before implementation.

Changes that do not impact the approved PEMP criteria or processes, such as editorial clarifications, personnel changes or other insignificant changes may be made by the Performance Evaluation Board (PEB) Chairman and incorporated herein. The CO is not required to provide the 30 day advance notice to the contractor for editorial clarifications but will update and issue as required.

The contractor may recommend changes to the CO no later than 60 days prior to the beginning of each evaluation period; however, the CO maintains the unilateral right to incorporate changes. Such changes shall be incorporated in accordance with clause B.5, *Aligning Contract Incentives* and DOE Acquisition Guide, Chapter 16.2 (July 2012).

In the event that the contractor believes circumstances completely beyond its control may prevent successful completion of a PBI, the contractor may request DOE replace the PBI or remove and restructure the PBI fee proportionally to the remaining PBIs in the current period for the CLIN identified. The contractor's request must be made in writing to the CO and include substantial, verifiable justification in accordance with FAR 52.243-7, *Notification of Changes*. The written request must be submitted as soon as practicable after the event or events occurred; however, under no circumstances shall the request be made after the required completion date of the PBI. Upon receipt of the contractor's request, DOE will determine whether circumstances completely beyond the control of the contractor have in fact prevented the contractor from successfully completing the PBI. In the event DOE does not make a determination, the contractor's request shall be deemed denied. In the event DOE does make an affirmative determination, DOE may, in its sole discretion, replace the PBI or remove and restructure the fee proportionally to the remaining PBIs in the period. In the event the contractor does not successfully complete the replacement PBI in the identified period, the award fee associated with the replacement PBI may be forfeited and not available in this or any other award fee period.

## **7. FEE STRUCTURE AND EVALUATION PROCESS**

Section B.3 and B.4, *CLIN Structure – Performance Period* of the contract identifies by CLIN, the Base Fee; Total Available Award Fee Pool; Earned Award Fee; and Unearned Award Fee (by period) applicable to the contract and this PEMP.

All changes resulting from contract modifications impacting base and/or award fee changes, will be identified in Section B.3 and B.4, *CLIN Structure – Performance Period* by incorporating

changes to the available fee pool as well as documenting earned and unearned fee as applicable.

Fee weightings associated with PBIs are identified in Section J, Attachment 23 of the contract.

**a. BASE FEE**

DOE will assess the contractor's performance in accordance with B.5(b).

**b. AWARD FEE**

In accordance with FAR 16.4, *Incentive Contracts*, the amount of award fee earned shall be commensurate with the contractor's overall cost, schedule, and technical performance as measured against contract requirements in accordance with the criteria stated in this PEMP. The award fee process supports the principles aligning contractor and taxpayer interests as described in the Deputy Secretary's December 13, 2012, memorandum entitled *Aligning Contract Incentives for Capital Asset Projects*. Exhibit 6, *Fee Process Flowchart*, depicts the award fee process.

Section B.3 and B.4 *CLIN Structure - Performance Period* documents the award fee available by evaluation period. This PEMP describes how the fee for those CLINs may be earned in the period. The total available award fee pool, including CPAF Task Orders, is subdivided into two parts. First, subjective evaluation criteria, termed *Categories of Performance*, are utilized to evaluate 30% of the award fee pool; and second, PBIs are established for 70% of the award fee pool. See Section J, Attachment 23, *Performance Based Incentives (PBIs)* for PBI descriptions, completion criteria, completion date, and associated fee weighting percentage. Sections B.3 and B.4 *CLIN Structure - Performance Period* specific to the total available award fee pool and Section J, Attachment 23, *Performance Based Incentives (PBIs)* specific to PBI descriptions, completion criteria, completion dates, and associated fee weighting percentages, will be updated in consideration of each additional CPAF contract modification. Section J, Attachment 24, *Performance Schedule* is utilized to evaluate the contractor's ability to manage schedule in the subjective category of performance (CP #1).

PBI completion dates, consistent with FAR 16.4 (e)(3), *Award Fee Plan*, are pre-established by the Government and incorporated in Section J, Attachment 23, *Performance Based Incentives*, to incentivize completion of scope earlier and/or at a lower overall total cost to the Government than reflected in the CPB. PBIs are linked to objectives to enhance performance, but not at the expense of minimum acceptable performance in other areas.

The FDO shall evaluate the contractor's completion of PBI's against the pre-determined PBI completion criteria pursuant to FAR 16.4, *Incentive Contracts*. The FDO may consider partial payment of fee for partial completion of identified criteria in any PBI if any of the following apply: Circumstances completely beyond contractor's control have prevented successful completion of the PBI and such circumstances have been submitted/documented in accordance with the PEMP; or demonstrated and substantiated benefit has been received from contractor performance efforts of specific PBI criteria.



As determined by the FDO, with concurrence from the HCA, PBIs may be considered earned in the period performed as defined by H.58, *Provisional Payment of Fee* (Oct 2013) (AL-2014-02), paragraph (c), subparagraph (4) whereas “*earned fee for an incentive means fee due the Contractor by virtue of its meeting the contract’s requirements entitling it to fee. Earned fee does not occur until the contractor has met all conditions stated in the contract for earning fee.*”

Category of Performance adjectival ratings pursuant to FAR 16.4, *Incentive Contracts*, are identified herein as CP #1 and #2, and are used to evaluate the subjective criteria. Fee associated with subjective Categories of Performance, CP#1 and CP#2 are considered earned in the evaluation period based on the FDO recommendation.

DOE reserves the right to evaluate any and all of the contractor’s processes and procedures in these categories of performance. CP #1 is the subjective evaluation of the contractor’s management of all process or procedures during contract performance. Section J, Attachment 24, *Performance Schedule* is evaluated in CP #1, as one of many of the contractor’s processes and procedures. The evaluation of schedule is the subjective focus of the contractor’s ability to manage the schedule which may include resolving unforeseen issues, mitigating risks, aligning workforce, schedule recovery, etc., including briefing the Technical Lead in the monthly performance reviews. CP #2 focuses on the contractor’s ability to meet Environmental, Safety, Health and Quality (ESH&Q) and Regulatory requirements.

Award fee associated with not meeting a PBI or determined unearned in the subjective areas (CP #1 or CP #2), shall not be available for payment in this or any other contract period.

The contractor shall submit Contract Deliverable 114, *Self-Assessment Report* for each evaluation period describing performance in both the subjective, CP area and for each PBI. The self-assessment shall include the Contract Performance Baseline estimated cost for the work scope in the period of performance as well as the actual cost incurred for the work scope.

The contractor’s certificate of completion (provided below) shall be provided for each PBI and include associated documentation such as, acceptance/test reports, shipping manifest or other proof of completion. The Technical Lead will perform a site walk-down to verify completion.

If the contractor’s total cost of performance in the period exceeds the Contract Performance Baseline (CPB), then the total available award fee pool (TAAFP) for the evaluation period shall be reduced by the percentage shown in the table. This reduction is first applied to the total available award fee pool by the PTE and provided as a recommendation to the PEB. The reduction, if any to the TAAFP is proportionally applied to the PBIs and subjective portion (70/30). Then utilizing the defined PBI weights, the 70% is realigned to each PBI. The reduction and completion recommendations are presented to the FDO during the evaluation process. No additional fee shall be added to the contract nor shall any fee be paid on costs related to the overrun.

**Cost Overrun Table**

<b>Cost Overrun (%)</b>	<b>Available Fee Reduction (%)</b>
0 – 10.00%	0%
10.01 – 11%	1%
11.01 – 12%	2%
12.01 – 13%	3%
13.01 – 14%	4%
14.01 – 15%	5%
15.01 – 16%	7%
16.01 – 17%	9%
17.01 – 18%	11%
18.01 – 19%	13%
19.01 – 20%	15%
>20%	15%

PBI Certification of Completion: The certificate of completion for each PBI shall include supporting documentation such as acceptance/test reports, shipping manifest or other proof of completion. The *Certification of Completion* shall be delivered to DOE for each PBI with the contractor’s self-assessment. If the contractor determines that the *Certificate of Completion* submitted is incomplete or requires an update, the contractor shall immediately notify DOE and resubmit a revised *Certificate of Completion* along with the updated associated revised documentation attached. The certification may be executed by any person authorized to bind the contractor with respect to the following:

**Certification of Completion**

“I certify performance completion of PBI #\_\_\_\_\_. This certification of completion is made in good faith; the supporting data are accurate and complete to the best of my knowledge and belief; the amount requested accurately reflects the amount of fee for which the contractor believes is correct; and I am duly authorized to certify the PBI completion on behalf of the contractor.”

\_\_\_\_\_  
 Signature Date

\_\_\_\_\_  
 Title

**c. NOTIFICATION OF FEE BY CONTRACT MODIFICATION**

The contractor will be notified by contract modification of the total amount of fee earned and the amount of fee unearned in the period allowing the contractor to invoice the actual dollar amount of the determination minus the quarterly provisional fee payments.

**8. DEFINITION OF TERMS**

- a. **Award Fee Available:** The total amount of available award fee that is allocated across the performance evaluation periods.

- b. **Evaluation:** The evaluation conducted in accordance with the PEMP. This evaluation by the FDO will be used to determine the earned fee for the evaluation period.
- c. **Available Fee:** The fee the Contractor might earn but has not yet earned.
- d. **Clause:** A term or condition used in this contract.
- e. **Contract Award Fee Pool:** For the contract, the total amount of available award fee that can be allocated across all of the contract's evaluation periods.
- f. **Contracting Officer (CO):** The individual authorized to commit and obligate the government through the life of the contract. The CO is an advisor to the PEB.
- g. **Cost Plus Award Fee Contract:** A cost plus award fee contract is a cost-reimbursement contract that provides for a fee consisting of a base amount (base fee) fixed at inception of the contract and an award amount, based upon a judgmental evaluation by the Government, sufficient to provide motivation for excellence in contract performance (FAR 16.305).
- h. **Earned Award Fee:** The total amount of award fee determined earned by the Government after meeting the contractual requirements entitling it to fee. Does not occur until the contractor has met all conditions stated in the contract for earning fee.
- i. **Fee Determining Official (FDO):** The DOE Official who reviews the recommendations of the PEB and determines the amount of award fee to be earned by the contractor for the evaluation period (FAR 16.001). The FDO is the Manager of the Portsmouth/Paducah Project Office. This authority has been delegated by the Office of Environmental Management Head of Contracting Activity (HCA).
- j. **Formal Evaluation:** The evaluation conducted at the end of the contract period whereas DOE makes a determination that the contractor has met all conditions stated in the contract for earning fee. This evaluation by DOE will be used to convert provisional fee to final fee.
- k. **Final Fee:** Fee payable upon final determination that the contractor has met the contractual obligations in accordance with the terms of the contract.
- l. **Incentive:** A term or condition whose purpose is to motivate the Contractor to provide supplies or services at lower costs, and in certain instances with improved delivery or technical performance, by relating the amount of profit or fee earned to the Contractor's performance.
- m. **Performance Evaluation Board (PEB):** The group of individuals identified herein who have been designated to provide a recommendation to the FDO in making award fee determinations (FAR 16.001). Members of and advisors to the PEB are indicated in Exhibit 1.
- n. **Performance Evaluation Board Chair:** The PEB chairperson is the U.S. Department of Energy (DOE) Portsmouth Site Director. The Site Director is the senior executive responsible for all DOE activities at the Portsmouth Site.

- o. **Project Team Evaluator (PTE):** The individual(s) assigned to monitor and evaluate the contractor's performance on a continuing basis.
- p. **Provisional Award Fee:** Portion of the Award Fee Pool provisionally invoiced for performance during a particular evaluation period. Provisional fee may not become earned fee until the contractor has met all conditions of the contract as determined by the FDO.
- q. **Provisional Payment of Fee:** The Government's paying available fee for an incentive to the Contractor for making progress towards meeting the performance measures for the incentive before the Contractor has earned the available fee. Provisional payment of fee has no implications for the Government's eventual determination that the contractor has or has not earned the associated available fee. Provisional payment of fee is a separate and distinct concept from earned fee.
- r. **Technical Lead:** The individual who is responsible to lead the evaluation process.

## 9. **ORGANIZATIONAL STRUCTURE**

The organizational structure of the award fee process is established to ensure a fair and full evaluation of the contractor's performance. Independent assessments, first performed at the site level, are reviewed at each stage and presented through the Technical Lead and PEB to the FDO. The FDO then performs an independent assessment at an executive-level.

The Manager, Portsmouth/Paducah Project Office, serves as the FDO and has established the PEB. The PEB assists the FDO in the award fee determination by recommending an adjectival rating for the contractor's performance and documenting the analysis and recommendation in the Performance Evaluation Report (PER). If a PEB member is absent, the FDO will approve an alternate with similar qualifications. Technical and functional experts, as required, may serve in an advisory (non-voting) capacity to the PEB. See Exhibit 1 for PEB members and potential advisors. See Exhibit 6 for the flowchart of the Award Fee Process.

## 10. **RESPONSIBILITIES**

Exhibit 1 documents the performance evaluation board members and advisors. Advisors consist of the Technical Lead, the CO, and a Contracts Attorney. The advisors assist as requested and reviews the process to ensure the contract, PEMP, and other requirements are being followed.

### a. **Project Team Evaluators (PTEs)**

PTEs will continually monitor and evaluate the contractor's performance on the PEMP. PTEs use Exhibit 3, *Rating Criteria* to document the strengths and weaknesses to the Technical Lead on an 18 or 12 month basis. Each PTE member determines numerical ratings for the subjective CPs which are then entered into the Exhibit 4, *Rating Summary Table*. The PTEs also perform a technical assessment and summarize completion of each PBI for the period. The PTE maintains all file documentation and will ensure the contractor has

established adequate procedures to prevent recurrence of any identified weaknesses.

b. **Technical Lead**

- (1) Reviews the contractor's monthly Performance Schedule,
- (2) Compiles and presents performance strengths and weaknesses to the contractor on a semi-annual basis,
- (3) Serves as advisor to and coordinator for the PEB,
- (4) Coordinates PTE evaluations,
- (5) Compiles information from Exhibit 3 Rating Criteria,
- (6) Summarizes the PTE numerical ratings from Exhibit 4 Rating Summary Table,
- (7) Selects an adjectival rating based upon PTE numerical rating and personal observations of performance,
- (8) Compiles the PBI completion reports,
- (9) Summarizes the contractor's performance in a draft performance evaluation report,
- (10) Notifies the PEB members, advisors, and the contractor of the date and time of the PEB meeting, and
- (11) Presents the contractor performance information including (Exhibit 3, Exhibit 4, PBI status, draft PER, and the contractor's self-assessment) to the PEB.

c. **Performance Evaluation Board (PEB)**

- (1) The PEB Chairperson will regularly meet with the contractor to discuss strengths and weaknesses in performing the contract to include Section C, Performance Work Statement and Section J, Attachment 24, Performance Schedule, allowing the contractor to implement corrective actions prior to the end of the performance period.
- (2) The PEB Chairperson will establish dates, times, and location for the PEB meeting to ensure the evaluation is presented to the FDO within 45 days following the end of the evaluation period.
- (3) PEB members will consider all information from the following sources in determining its award fee recommendation to the FDO:
  - (a) Evaluations submitted by the Technical Lead including Exhibit 3, Exhibit 4, PBI status, draft PER, and the contractor's self-assessment.
  - (b) Information considered appropriate by the PEB.
  - (c) Contractor's written and/or oral critical self-assessment of performance.
- (4) Using Exhibit 5, *Rating Summary Table*; each PEB member will individually document an adjective rating from Exhibit 2, *Award Fee*

*Rating Table*, and provide supporting rationale. In addition, the PEB will arrive and document a consensus opinion using Exhibit 5.

- (5) The PEB Chairperson will collect the PEB members' *Rating Summary Table*, Exhibit 5, and review them. If any PEB member's adjective rating is below "Satisfactory" and this rating is lower than the PTE corresponding adjective rating for that same area, appropriate discussions with the member should be conducted to determine the member's rationale behind the rating. Lowering the adjective rating to below "Satisfactory" requires specific reasons and must be presented to the Chairperson.
- (6) After review, the Chairperson prepare a cover letter to the FDO to transmit Exhibit 5 adjectival ratings, final PER, and PBI evaluations.

d. **Fee Determining Official (FDO)**

- (1) The FDO approves PEB members.
- (2) The FDO determines the final adjectival rating, PBI completion, and associated provisionally earned fee for the period.
- (3) The FDO notifies the CO and signs the letter notifying the contractor of the award fee amount.

e. **Contracting Officer (CO)**

- (1) The CO will prepare the letter for the FDO's signature notifying the contractor of the amount of award fee provisionally earned for the evaluation period. The letter will identify any specific areas of strengths and weaknesses in the contractor's performance as documented in the PER.
- (2) The CO will unilaterally modify the contract to decrease the total value of the contract and award fee pool commensurate with the amount of the provisional fee unearned. The modification will be issued to the contractor within 15 days after the FDO evaluation. All fee not provisionally earned shall be forfeited and not available in subsequent evaluation periods.
- (3) In accordance with HCA, Office of Environmental Management Directive, (EM HCA Directive 2.6, Dated June 11, 2012), the CO will post the following documents to the PPPO website: (a) one-page scorecard, (b) FDOs Award Fee Determination Letter, (c) final Performance Evaluation Report.

**PERFORMANCE EVALUATION BOARD MEMBERS AND ADVISORS**

Fee Determining Official:

Manager, PPPO Lexington Robert E. Edwards

Following are PEB members and advisors:

Portsmouth Site Director (Chairperson)<sup>2</sup> Joel Bradburne (Acting)  
Deputy Manager, PPPO Lexington Joel Bradburne  
Lead Procurement Official, PPPO Lexington Robert Swett

\*Contracting Officer R. J. Bell  
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\*Advisors to PEB - Non-Voting Participants

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<sup>2</sup> The PEB Chairperson may add, remove or replace PTEs throughout the contract period of performance, as appropriate.

Component 3 – Category of Performance (Subjective Evaluation Criteria)

<b><u>AWARD FEE RATING TABLE</u></b>		
<b><u>ADJECTIVE RATING</u></b>		<b><u>DEFINITION</u></b>
<b>EXCELLENT</b>	91%-100%	Contractor has exceeded all or 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 contract and the award fee plan for the award fee evaluation period.
<b>VERY GOOD</b>	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 contract and the award fee plan for the award fee evaluation period.
<b>GOOD</b>	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 contract and the award fee plan for the award fee evaluation period.
<b>SATISFACTORY</b>	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 contract and the award fee plan for the award fee evaluation period.
<b>UNSATISFACTORY</b>	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 contract and the award fee plan for the award fee evaluation period.

\*NOTE: For those elements receiving a score of 50 or below, no fee will be provisionally earned. Any fee not provisionally earned will be forfeited and not available in subsequent evaluation periods.



Component 3 – Category of Performance (Subjective Evaluation Criteria)

<b>AWARD FEE CONVERSION CHART</b>		
<b><u>ADJECTIVE RATING</u></b>	<b><u>EVALUATION POINTS (OVERALL WEIGHTED RESULT)</u></b>	<b><u>POSSIBLE PERCENTAGE OF AWARD FEE EARNED</u></b>
EXCELLENT	23-25	91 to 100%
VERY GOOD	19-22	76 to 90%
GOOD	14-18	51 to 75%
SATISFACTORY	8-13	No Greater Than 50%
UNSATISFACTORY	0-7	0%

<b><u>CATEGORY OF PERFORMANCE (CP)</u></b>	<b><u>Relative Weightings of Fee by CP</u></b>
1. Quality and Effectiveness Performing the DOE Mission and D&D to include Project Management	60%
2. Quality and Effectiveness in Performing ESH&Q & Regulatory	40%

**CP Methodology:**

1. PTE assigns rating (0-25) for each Category of Performance.
2. Multiply weighting percentage to each CP to arrive at weighted result.
3. Add weighted results together to arrive at overall weighted result.

**Example:** PTE Ratings-

1. Quality and Effectiveness in Performing the DOE Mission and D&D = 23
2. Quality and Effectiveness in Performing ESH&Q and Regulatory = 22

Weighted Result:  $(23 \times 60\%) + (22 \times 40\%) = 22.6$  or 23

Adjective rating (Award Fee Conversion Chart) = Excellent

Rounding Rule: .5 and above is rounded up to the next whole number.

**FDO Decision**

The earned award fee amount indicated by the use of a conversion table or graph is a guide to the FDO. Use of the Award Fee Conversion Chart does not remove the element of judgment from the award fee process

<b>RATING CRITERIA</b>					
<b>COMPONENT 3 – Category of Performance (Other Established Performance Criteria)</b>					
	<b>RATING (PTE documents strengths/weaknesses –Technical Lead Recommends Rating)</b>				
<b>CATEGORY OF PERFORMANCE (EVALUATION WEIGHTING)</b>	<b>EXCELLENT</b>	<b>VERY GOOD</b>	<b>GOOD</b>	<b>SATISFACTORY</b>	<b>UNSATISFACTORY</b>
<b>(1) Performance of DOE Contract pursuant to DE-AC30-10CC40017 (60%)</b>					
EVALUATION POINTS:	23-25	19-22	14-18	8-13	0-7
EVALUATION CRITERIA:	NOTES ON STRENGTHS AND WEAKNESSES				
<p>The contractor shall demonstrate the ability to manage and perform the DOE Contract. Contractor performance shall be seamless, requiring little or no Government surveillance, intervention, corrective actions issued to the contractor, or extensions of contractor corrective action plans while maintaining maximum and effective communication with DOE and all interested parties. Performance of the contract (with the exception of health, safety, and regulatory compliance included in CP#2) will be evaluated in this section.</p> <p>The contractor will be evaluated on its ability to manage and perform all work identified in the Performance Work Statement (PWS)/Work Breakdown Structure (WBS), effectively and efficiently, completing scope in the CPB, managing and performing to Section J, Attachment 24, Performance Schedule and resolving issues at the lowest and most appropriate management level, including with and between site contractors and State and Federal Government entities. Pursuant to</p>					

HCA Directive, "Mandatory PEMP Factor for CHRM," dated Sept 11, 2015, this evaluation will include effective contractor human resources management.

**Performance of DOE Contract pursuant to DE-AC30-10CC40017 (60%) (continued)**

Methods of Surveillance/Assessment:

1. The contractor will submit a self-assessment within five working days before the end of every six month evaluation period. This self-assessment will address both the strengths and weaknesses of the contractor's performance during the evaluation period by PWS/WBS paragraph by listing and describing specific occurrences, work processes, and/or accomplishments. Where deficiencies in performance are noted, the contractor shall describe the actions planned or taken to correct such deficiencies to avoid reoccurrences.
2. Any applicable stakeholder feedback (Non-DOE) available to DOE.
3. DOE's evaluation of the quality and effectiveness of the performance will include, but not be limited to:
  - a. DOE Observations through PTE Assessments;
  - b. Technical Lead through daily assessments.

<b>RATING CRITERIA</b>					
<b>COMPONENT 3 – Category of Performance (Other Established Performance Criteria)</b>					
<b>CATEGORY OF PERFORMANCE (EVALUATION WEIGHTING)</b>	<b>RATING (PTE documents strengths/weaknesses –Technical Lead Recommends Rating)</b>				
	<b>EXCELLENT</b>	<b>VERY GOOD</b>	<b>GOOD</b>	<b>SATISFACTORY</b>	<b>UNSATISFACTORY</b>
<b>(2) ESH&amp;Q and Regulatory Requirements (40%)</b>					
EVALUATION POINTS:	23-25	19-22	14-18	8-13	0-7
<p>EVALUATION CRITERIA:            The contractor shall demonstrate the ability to meet Environment, Safety, Health and Quality (ESH&amp;Q) and Regulatory requirements while performing the DOE Contract (CP#1) scope.</p> <p>Contractor performance shall be seamless, requiring little or no Government surveillance, intervention, corrective actions issued to the contractor, or extensions of contractor corrective action plans while maintaining maximum and effective communication with DOE and all interested parties.</p> <p>While the actual performance of work scope are being evaluated in CP#1, the contractor’s ability to perform regulatory requirements as well as the ability to complete performance within ESH&amp;Q Category of Performance #2 shall include evaluation of the associated regulatory requirements and processes to complete performance.</p>	<p>NOTES ON STRENGTHS AND WEAKNESSES</p>				

<b>RATING CRITERIA</b>					
<b>COMPONENT 3 – Category of Performance (Other Established Performance Criteria)</b>					
<b>CATEGORY OF PERFORMANCE (EVALUATION WEIGHTING)</b>	<b>RATING (PTE documents strengths/weaknesses –Technical Lead Recommends Rating)</b>				
	<b>EXCELLENT</b>	<b>VERY GOOD</b>	<b>GOOD</b>	<b>SATISFACTORY</b>	<b>UNSATISFACTORY</b>
<p><b>(2) ESH&amp;Q and Regulatory Requirements (40%) (continued)</b></p> <p>Methods of Surveillance/Assessment:</p> <ol style="list-style-type: none"> <li>1. The contractor will submit a self-assessment within five working days before the end of every six month evaluation period. This self-assessment shall address both the strengths and weaknesses of the contractor’s performance during the evaluation period by paragraph by listing and describing specific occurrences and/or accomplishments. Where deficiencies in performance are noted, the Contractor shall describe the actions planned or taken to correct such deficiencies to avoid reoccurrences.</li> <li>2. Any applicable stakeholder feedback (Non-DOE) available to DOE.</li> <li>3. DOE’s evaluation of the quality and effectiveness of the performance will include, but not be limited to:               <ol style="list-style-type: none"> <li>a. DOE Observations through PTE Assessments;</li> <li>b. Technical Lead through daily Assessments.</li> </ol> </li> </ol>					

<b><u>RATING SUMMARY TABLE</u></b> <b><u>PTE RATINGS</u></b>		
<b>PTE'S CATEGORY OF PERFORMANCE RATING</b>	<b>Performance of DOE Contract pursuant to DE-AC30-10CC40017 (60%)</b>	<b>ESH&amp;Q and Regulatory Requirements (40%)</b>
<p><i>Instructions: Each PTE Member assigns ratings (0-25 evaluation points) for the applicable Category of Performance in the spaces below &amp; the Technical Lead select Adjective Rating.</i></p> <p><i>--PTE members are <u>not</u> obligated to score each category. PTE members may designate a category as "N/A" for any category not in their experience for the period.</i></p>		
<i>Signature of PTE</i>		
<i>Signature of PTE</i>		
<i>Signature of PTE</i>		
<i>Signature of PTE</i>		
<i>Signature of PTE</i>		
<i>Signature of PTE</i>		
<i>Signature of PTE</i>		
<i>Signature of PTE</i>		
<i>Signature of PTE</i>		
<i>Signature of PTE</i>		
<b>WEIGHTED RESULTS</b>		
<i>Signature and Rating of Technical Lead</i>		
<p>Technical Lead tabulates PTE ratings in the weighted results and then provides his/her own overall rating for presentation to PEB. Include comments here and also a fully documented written summary assessment.</p>		

<b><u>SUMMARY TABLE</u></b>		
<b><u>PEB EVALUATION AND SELECTION OF ADJECTIVE RATINGS</u></b> <i>PEB Member Selects Adjective Rating</i>	<b>Performance of DOE Contract pursuant to DE-AC30-10CC40017 (60%)</b>	<b>ESH&amp;Q and Regulatory Requirements (40%)</b>
<i>Signature of PEB</i>		
<i>Signature of PEB</i>		
<i>Signature of PEB</i>		
<i>Technical Lead Summarizes -</i>		

<b><u>PEB Chairperson -- Adjectival Rating</u></b>	<b><u>Adjectival Rating Recommendation and Basis of Recommendation</u></b>
<i>Signature of PEB Chairperson</i> <span style="float: right;"><i>Date</i></span>	

<b><u>PEB Chairperson -- PBI Completion Status</u></b>	<b><u>PBI Completion / Fee Recommendation and Basis of Recommendation</u></b>
<i>Signature of PEB Chairperson</i> <span style="float: right;"><i>Date</i></span>	

<b><u>Fee Determining Official (FDO)</u></b>	<b><u>FDO Determination and Basis of Determination</u></b>
<i>Signature of FDO</i> <span style="float: right;"><i>Date</i></span>	

**AWARD FEE EVALUATION PROCESS**

