

PART IV – REPRESENTATIONS AND INSTRUCTIONS

**SECTION M
EVALUATION FACTORS FOR AWARD**

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SECTION M – EVALUATION FACTORS FOR AWARD

M-1 FAR 52.217-5 EVALUATION OF OPTIONS (JUL 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 summing the total derived fee amounts, based on the proposed fee rates applied to the forecasted annual fee bases, for all options to the derived evaluated fee (see, M-5) for the basic requirement and total proposed firm fixed price transition. Evaluation of options will not obligate the Government to exercise the option(s).

M-2 EVALUATION OF PROPOSALS

- (a) This acquisition will be conducted pursuant to the Federal Acquisition Regulation (FAR) Part 15, Department of Energy Acquisition Regulation (DEAR) Part 915 and the provisions of this solicitation.
- (b) The National Nuclear Security Administration (NNSA) has established an Integrated Project Team (IPT) 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. The Source Selection Authority (SSA) will select an Offeror for contract award using the best value analysis described in this Section M.
- (c) The instructions set forth in Section L are designed to provide guidance to the Offeror concerning documentation that will be evaluated by the Government. The Offeror must furnish comprehensive 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 unacceptable on its face. For example, a proposal will be deemed unacceptable if it does not represent a reasonable initial effort to address the essential requirements of the solicitation, or if it clearly demonstrates that the Offeror does not understand the requirements of the solicitation. An overall rating of unsatisfactory in one evaluation criterion may also result in elimination of the proposal from further consideration regardless of the ratings of the other criteria. 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.
- (d) The Government intends to evaluate proposals and award a contract in accordance with FAR Part 15.306(d), *Exchanges with offerors after the establishment of the competitive range*. However, the contracting officer is not required to discuss every area where the proposal could be improved. Any exceptions or deviations by the Offeror to the terms and conditions stated in this solicitation for inclusion in the resulting contract may make the offer unacceptable for award, and the Government is not obligated to hold discussions to allow the Offeror to remedy its exceptions or deviations. If an Offeror proposes

exceptions to the terms and conditions of the Contract, the Government may make an award to another Offeror that did not take exception to the terms and conditions of the Contract. The scope and extent of discussions are solely a matter of Contracting Officer judgment. If the Government requires clarifications or revisions to an Organizational Conflict Of Interest Disclosure, including any mitigation plan, (paragraph (d) below) these will be considered clarifications rather than discussions in accordance with FAR 15.306(a).

- (e) Prior to selection for award by the SSA, the Contracting Officer will make a determination as to 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, the Contracting Officer will consider the Offeror's representation and disclosure statement required by the contract's Section K provision DEAR 952.209-8, *Organizational Conflicts Of Interest Disclosure-Advisory and Assistance Services* and the Government may also consider information from other sources. Subparagraph (c)(1) of DEAR 952.209-8, *Organizational Conflicts Of Interest Disclosure-Advisory And Assistance Services*, requires a statement, if applicable, from the Offeror of any past, present, or currently planned financial, contractual, organizational, or other interests relating to the statement of work. The Offeror should note that paragraph (c) (1) requires that the Offeror provide enough information in the statement to allow a meaningful evaluation by the Government of the potential effect of the interest on the performance of the statement of work. For any actual or significant potential organizational conflict of interest, the Offeror shall also submit a plan of actions/activities to avoid, neutralize, or mitigate such conflict. An award will be made if there is no OCI or if any OCI can be appropriately avoided, neutralized, mitigated, or if a waiver request submitted pursuant to FAR 9.503 is approved.
- (f) Federal Law prohibits the award of a 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 Offeror's certification required by the contract's Section K provision, *Certificate Pertaining to Foreign Interests*.
- (g) A Performance Guarantee Agreement in accordance with the requirements of the Solicitation's Section L provision L-7, *Requirement for Guarantee of Performance*, will be a condition of the award of this Contract, if applicable.

M-3 BASIS FOR CONTRACT AWARD

The Government intends to award one contract to the responsible Offeror whose proposal is responsive to the solicitation and 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 criteria described below. The Technical and Management Criteria in M-4 will be adjectivally rated. The Cost Criterion M-5 will not be adjectivally rated, but will be used in determining the "best-value" to the Government. In

determining the best value to the Government, the Technical and Management Criteria, when combined, are significantly more important than the Cost Criterion. Nevertheless, price is considered a substantial factor in source selection consistent with FAR Part 15.403-1(c)(1). The Government is more concerned with obtaining a superior Technical and Management proposal than making an award at the lowest evaluated cost/price. However, the Government will not make an award at a cost/price premium it considers disproportionate to the benefits associated with the evaluated superiority of one 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 cost/price is more likely to be a determining factor.

M-4 TECHNICAL AND MANAGEMENT CRITERIA

The following criteria are listed with degrees of importance. Criterion 1 is slightly more important than Criterion 2, and each is significantly more important than Criterion 3. The individual items or evaluation considerations within a Technical and Management Criterion are not listed in order of importance and will not be individually weighted, but rather will be considered as a whole in developing an overall adjectival rating for each criterion. These individual items or evaluation considerations are not "sub-factors" as described in FAR 15.304.

(a) Criterion 1: PAST PERFORMANCE

The Government will evaluate the Offeror's recent, relevant past performance to determine the extent to which it demonstrates the Offeror's ability to successfully perform the Statement of Work (SOW). Past performance that is not recent and relevant (as those terms are defined in (1) and (2) below) will not be considered. To the extent it is recent and relevant, the Government will consider past performance information submitted by the Offeror (*e.g.*, Past Performance Information Forms, related records, and list of terminated contracts), Past Performance Questionnaires, as well as past performance information that the Government obtains from other sources. The evaluation may also consider the source of the information, context of the data, and general trends in the contractor's performance. The Government will not apportion past performance under a DOE, NNSA, or other contract differently among parent companies that have teamed for the purposes of said contract. Rather, all parent companies under a contract will be equally credited (positively and negatively) for past performance for that contract. In the case of an Offeror without a meaningful record of relevant past performance or for whom information on relevant past performance is not available, the Offeror will be evaluated neither favorably nor unfavorably in this criterion, and will be assigned a neutral rating.

With respect to tasks within the Statement of Work for which only the incumbent contractor would have direct past performance, the Government will evaluate the relevance of any analogous past performance such as (i) work on other major weapons systems; (ii) work relating to nonproliferation of nuclear, radiological, chemical or biological weapons and related programs around the world; (iii) work relating to safeguards and security technology programs involving high hazard nuclear materials or other high hazard materials; and (iv) work relating to Capital Asset Projects, Line Item Projects, Major Items of Equipment, and transitioning capital asset construction projects to full operations. Additionally, each Offeror should specifically demonstrate in detail how the proposed past performance is relevant and how it qualifies the

offeror to successfully perform the applicable sections of the Statement of Work. The evaluation may also consider the source of the information, context of the data, and general trends in the contractor's performance.

Where an Offeror has proposed a team member to perform or be responsible for only specific sections of the SOW, the relevance of that entity's past performance contracts will be determined based on consideration of the specific sections of the SOW the team member is proposed to perform or be responsible for, as opposed to the entire SOW.

The Government will not apportion past performance under a DOE, NNSA, or other contract differently among parent companies that have teamed for the purposes of said contract. Rather, all parent companies under a contract will be equally credited (positively and negatively) for past performance for that contract.

- (1) Recent Past Performance. In order to be considered recent, a contract or subcontract must have at least nine months of performance within the five years preceding the proposal due date. To the extent that performance evaluations are divisible, the Government will only evaluate performance that occurred within the five-year period preceding the proposal due date.
- (2) Relevant Past Performance. Relevant past performance is performance that is similar in size, scope and complexity to the requirements in the Statement of Work. Where an Offeror has proposed a team member or subcontractor to perform or be responsible for only specific sections of the SOW, the relevance of that entity's past performance contracts will be determined based on consideration of the specific sections of the SOW the team member is proposed to perform or be responsible for, as opposed to the entire SOW.

(b) Criterion 2: SITE ORGANIZATION AND KEY PERSONNEL

The Government will evaluate the Offeror's Site Organization, Key Personnel resumes, and information provided by Key Personnel references to consider the extent to which the Offeror demonstrates:

- (1) An effective organizational structure to manage and operate the Y-12 National Security Complex and the Pantex Plant, particularly with respect to performance of the Statement of Work, and leading and implementing organizational culture change as described in clause H-20; and
- (2) Each Key Person's expertise and experience in: 1) leading and/or managing ability in work of similar size, scope, and complexity and 2) leading and implementing organizational culture change as described in clause H-20.

In addition to the references provided in the Key Personnel resumes (see Section L, L-11(b), Criterion 2), the Government may use any information received from Oral Discussions (see Section L, L-15), other sources, and references or third parties as part of its evaluation of Key Personnel. However, the Government is under no obligation to obtain additional information and may do so at its sole discretion. Failure to submit the required letters of commitment may result in the Key Person not being evaluated, negatively affecting the evaluation results for this criterion. Proposed Key Personnel who are under a service commitment for the performance of another NNSA M&O contract at the projected time of contract award (i.e. 3rd Quarter, FY21) will not be considered, which may negatively impact the Offeror's evaluation or make the proposal unacceptable.

(c) Criterion 3: SMALL BUSINESS PARTICIPATION

The Government will evaluate the effectiveness of the Offeror's approach in using small businesses and the extent of small business concern participation, including veteran-owned small business concerns, service-disabled veteran-owned small business concerns, HUBZone small business concerns, small disadvantaged business concerns, and women-owned small business concerns in performance of the contract. The extent that small businesses are proposed to be used shall be evaluated in terms of total planned subcontracted dollars and percentages, and as percentage of total contract value. Evaluation of this criterion is separate and distinct from the small business subcontracting plan or small business past performance assessments. This information shall not contradict the Offeror's Small Business Subcontracting Plan found in Section L, L-10(e).

M-5 COST CRITERION

The total evaluated price will not be rated, but will be used in determining the best value to the Government. The total evaluated price includes the Transition price, the derived fee amounts for the Management and Operation of the NPO (all periods including options), and the derived fee amounts for the Strategic Partnership Projects (all periods including options). The derived fee represents the proposed fee rates applied to the forecasted annual fee bases. The Government may use any of the price analysis techniques specified in FAR 15.404-1(b) to determine reasonableness.

CLIN 0004 (Capital Construction Projects) will not be evaluated prior to award of the contract. Rather, the Government will separately select individual Capital Construction Projects for inclusion under this CLIN, and negotiate the associated scope, cost/price, and fee (if applicable), based on project risk and complexity, after award of the Contract resulting from this solicitation.