

**Questions and Answers**  
September 19, 2017  
Draft Request for Proposal (RFP)  
DE-SOL-0011206  
Los Alamos National Laboratory

**Question 12.** Section J, Appendix A, Sections 1.2.5 and 1.2.6 are both titled “*International Material Protection and Cooperation.*” The heading for Section 1.2.6 should be corrected. Can NNSA clarify that 1.2.6 is referring to Fissile Materials Disposition? Section J, Appendix A, Section 4.1.2 references Sections 4.1.6.1 and 4.1.6.2, which do not exist. Those references should be corrected.

Answer 12. The RFP SOW references will be corrected.

**Question 13.** We are alarmed by the wording in Sections 2.1 and 2.3 of Chapter 3 of Section J, the Statement of Work, which, in our view, gives way too much latitude to the new contractor to create their own staffing plan and to hire or not hire the incumbent employees depending on whether their current position is included in the new staffing plan. This wording in the RFP, plus the discussion of “*organizational culture change*” comes across as NNSA setting up for a big layoff of incumbent staff. We find this totally unacceptable. We urge that these sections of the RFP be replaced with the following: “*The M&O contractor shall offer employment to all employees of the predecessor contractor (LANS- LLC) who as of the start of the contract period are in good standing. The M&O contractor is prohibited from conducting layoffs or transferring employees during the initial term of the contract, unless program terminations and budget cutbacks are specifically required by DOE/NNSA.*”

Answer 13. The Human Resource provisions of the SOW are intended to provide an effective and efficient transition while ensuring continuous management, operation, and staffing of Los Alamos National Laboratory. The Management and Operating Contractor must function in a dynamic environment, conduct strategic and institutional planning to meet its contract requirements, anticipate national needs, and provide practical solutions. The SOW requires the successful offeror to recruit and retain a highly skilled, motivated, and experienced workforce and does not mandate staffing requirements. While NNSA declines to define hiring decisions left to the discretion of the incoming contractor during the transition period, the Contract does provide incumbent employees a right of first refusal of employment for every position identified by the Contractor as necessary for completing the requirements of the Contract. Lastly, workforce restructuring under the Contract is subject to NNSA Contracting Officer review and approval, depending on the number and timing of positions affected.

**Question 14.** We offer for NNSA’s consideration adding to Section 3.2 on page 25 (“*Enterprise Success*”) of Section J, the Statement of Work: “*It is important that the scientific and engineering staff have input to the M&O contractor’s decisions affecting mission success.*”

Answer 14. The contract requires the site contractor to maintain world-class scientific and engineering talent. As a rule, the NNSA does not interfere in the relationship between lab management and staff, nevertheless, we assume the M&O contractor considers input from the scientific and engineering staff in all decisions affecting mission success.

**Question 15.** We recommend that the following language be added as the second sentence in Section J, Appendix A: Statement of Work Chapter II. Work Scope Structure, 3.4 Education Programs in the draft request for proposal: “*The Contractor shall seek opportunities for partnership with the Los Alamos National Laboratory Foundation in education programs to leverage past and current Government and contractor investments.*”

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Answer 15. NNSA will consider this recommendation. The NNSA recognizes the importance of working with the local community and the contract will require continued cooperation and support of the local community.

**Question 16. J Appx. A Both sections 2.19 and 3.14 may be duplicative; both are titled “Other Administrative Services” and appear to have similar requirements.**

Answer 16. Section 2.19 contains one additional entry, “*maintain a list of all deliverables required to be submitted to NNSA*”, otherwise the lists are the same. Section 2.19 falls under Site Operations – which is viewed as more hands on, tactical work, while Section 3.14 falls under Laboratory Management – which is viewed as more strategic and broader in scope (and is written to be broader in scope). The NNSA will review the SOW for any duplication prior to finalizing the SOW.

**Question 17. Section J, Appendix A, paragraph 3.3(iv): This paragraph requires the parent organizations(s) to establish an oversight entity, independent and autonomous from Laboratory management. Section J, Appendix A, paragraph 3.3(v) then requires the parent organizations(s) to establish an audit entity. One approach to accomplish both of these--one that provides both the required independence but also simplicity in form--is to establish both in the limited liability company operating agreement for the contractor entity and to have them report to the members as opposed to the LLC board. Please confirm that this satisfies the intent of the requirement.**

Answer 17. Although the entities described in paragraph 3.4 focus on independent and autonomous oversight aimed at improving performance, the level of oversight performed differs for each entity, as well as the reporting level, periodicity of reporting, and recommendations. NNSA declines to combine these entities.

**Question 18. We strongly recommend that explicit language be added in Chapter 3, Secs. 3 and 4 guaranteeing continuation of the LANS TCP-1 and TCP-2 retirement plans for transferring employees. We ask that both TCP-1 and TCP-2 or substantially equivalent plans shall also be made available to new employees, adding the following: “*The total compensation package for transferring employees should continue the TCP-1 and TCP-2 plans provided by LANS, or be substantially equivalent to those plans under the current LANS contract. Transferring employees shall carry over the length of service credit and vacation and sick leave balances accrued under the predecessor contractor as of the date of transfer.*”**

Answer 18. The NNSA notes the recommendation. Section J, Appendix A, Chapter III, Section 4.1, includes language that requires the Contractor to continue sponsorship of the existing pension plan and Post Retirement Benefit Plans:

*“[t]he Contractor will be required to become a sponsor of the existing pension plans and other Post Retirement Benefit Plans (PRB), as applicable, with responsibility for management and administration of the plans, including maintaining the qualified status of those plans. Incumbent Employees shall remain in their existing pension plans (or comparable successor plans if continuation of the existing plans is not practicable) pursuant to pension plan eligibility requirements and applicable law. The Contractor shall carry over the length of service credit and leave balances for Incumbent Employees accrued as of the date of the Base Period.”*

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**Question 19. In Section 3.1 of Chapter 3 of the Statement of Work (Section J) we recommend the inclusion of one missing critical component: external reviews of compliance with applicable wage payment laws. As the ongoing Department of Labor investigation of wage payments at LLNL demonstrates, internal reviews are not sufficient. In addition, in the next section (Section 3.2) the RFP should specify that for bargaining unit employees the union should be involved in the decision-making of what employers to include in the market surveys on which “market average pay” is determined for each relevant job classification.**

Answer 19. The NNSA notes the recommendation. Section J, Appendix A, Chapter III, Section 3.1, Total Compensation System, at (ix), requires the Contractor to include in such policies/practices/procedures a “*methodology for ensuring compliance with applicable wage payment laws and regulations (e.g., FLSA).*” In addition, with respect to prevailing wage laws, such as the Construction Wage Rate Requirement (CWRR) statute (formerly known as the Davis Bacon Act), to the extent that Contract is subject to Federal Acquisition Regulation (FAR) 52.222-6, Construction Wage Rate Requirements, the cognizant Contracting Officer is responsible for making CWRR coverage determinations and ensuring the correct wage determinations are incorporated into the Contract. See 29 C.F.R. § 5.5 and FAR 22.404-2. FAR 52.222-6 requires the Contractor pay prevailing wages to all laborers and mechanics employed in the performance of CWRR covered work. FAR 52.222-8 requires the Contractor to submit weekly payroll records to the Contracting Officer for review. Section J, Appendix A, Chapter III, Section 3.2.1, Cash Compensation, requires the Contractor to submit an annual Compensation Increase Plan (CIP) document that justifies the salary increase authorization sought for non-bargaining unit employees. Two required components of the CIP are a “(i) *Comparison of average pay to “market average pay” [and] (ii) Information regarding surveys used for comparison.*” None of the data points required in the CIP pursuant to Section 3.2.1 require the Contractor to submit pay information regarding bargaining unit employees. This is because the CIP does not determine wage increases for bargaining unit employees; rather, collective bargaining agreements (CBAs) negotiated between unions and bargaining agents determine wage increases for bargaining unit employees.

**Question 20. Draft SOW Paragraph 4.1: “Assumption of Existing Pension and Benefit Plans” (page 36) The statement that “Incumbent Employees shall remain in their existing pension plans (or comparable successor plans if continuation of the existing plans is not practicable)” is commendable. But there is no mention of current retirees. And what are the circumstances that would make it not practicable to continue the existing plans?**

Answer 20. The pension plan and defined contribution plan presently include active and retired participants. Section J, Appendix A, Chapter III, Section 4.1, requires the Contractor to continue sponsorship of the existing pension plans and PRBs. Circumstances that would not make it practicable to continue the existing plans are not known at this time. However, an example of when it will become impracticable to continue sponsorship of the defined benefit (DB) pension is when plan participation decreases to roughly 50 employees. Employee Retirement Income Security Act (ERISA) rules require a DB pension plan to benefit at least 50 employees to maintain its tax qualified status.

**Question 21. Draft SOW Paragraph 4.1.1 “... new benefit plans or change benefits under existing plans ...” (p 36-37), and Draft SOW Paragraph 4.1.3 “If the Contractor seeks to terminate any benefit plan ...” (page 37) We have similar comments and recommendations about both these**

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**paragraphs. We are very concerned about the lack of a requirement for involvement by current employees and retirees in a decision about a change that may have a profound effect on their wellbeing and lives. We recommend that employees and retirees affected by any change or termination of retirement or other benefit plan have the opportunity to comment and participate in the decision to change or terminate a plan. We also recommend that notice for any such change be given at least 90 days beforehand. We further recommend that the RFP contain a statement that after any change or termination of a retirement or other benefit plan the changed or new plan should provide benefits that are substantially equivalent to those in the current plan. Paragraphs under 4.4.5 “Terminating Plans”(p 42), and Draft SOW Paragraphs under 4.4.6 “Post Contract Responsibilities for Pension and Other Benefit Plans” (pages 43-44): As with Draft SOW Paragraphs 4.1.1, and 4.1.3, we are very concerned about the lack of a requirement for involvement by current employees and retirees in a decision about a change that may have a profound effect on their wellbeing and lives. We recommend that employees and retirees affected by any termination of retirement or other benefit plan have the opportunity to comment and participate in the decision to terminate any plan. We also recommend that notice for any such change be given at least 90 days beforehand. We further recommend that the RFP contain a statement that after any termination of a retirement or other benefit plan, any new plan should provide benefits that are substantially equivalent to those in the current plan.**

Answer 21. The NNSA notes the recommendation. Per Section J, Appendix A, Chapter III, Section 4.1, the Contractor will be required to become a sponsor of the existing pension plans and other Post Retirement Benefit Plans (PRB), as applicable, with responsibility for management and administration of the plans, including maintaining the qualified status of those plans. With respect to the method by which benefit changes could take place, Section 4.1.1 provides:

*“[t]o the extent the Contractor seeks to establish new benefit plans or change benefits under existing benefit plans at the time of transition, the Contractor shall provide justification to the Contracting Officer for all new benefit plans and for all changes to existing benefit plans, plan design, or funding methodology. Proposed changes must also include cost impact, and the basis of determining cost. The Contractor must obtain approval from the Contracting Officer prior to implementation of a new benefit plan and prior to making changes to existing benefit plans that increase cost. The Contractor shall provide 60 day advance notification to the CO of changes to benefit plans that do not increase cost or long-term liability.”*

In addition to the plan change procedures set forth in the draft RFP, in October 2015 the Department issued guidance on continued sponsorship of DB pension plans. See <https://energy.gov/management/downloads/acquisition-letter-no-al-2016-08>. In relevant part, the Secretarial policy states:

*“... in order to meet the challenge of retaining a skilled contractor workforce while maintaining the flexibility to manage the costs of competitive retirement programs in the future, it is my determination that in all future solicitations where DOE had required the outgoing contractor to become a sponsor of a defined benefit pension plan, the solicitation and new contract will require (a) new contractors to sponsor and maintain those existing defined benefit pension plans (or comparable successor plans if continuation of the existing plans is not practicable) for incumbent contractor employees; and (b) permit incumbent contractor employees to remain in their pension plans. . . Any amendments should give due consideration*

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*to the effect of such amendments on participants eligible for retirement or nearing retirement, particularly those participants who are closer to eligibility for retirement and must be consistent with Departmental policy and written instructions.”*

In addition to this statement of Departmental policy, Chapter III, Section 4.4 requires the Contractor to maintain the retirement benefit plans consistent with the Internal Revenue Code (IRC), Employee Retirement Income Security Act of 1974 as amended (ERISA) and any other applicable laws. Section 204(h) of ERISA requires a plan sponsor to provide no less than 45 day notice regarding an amendment has been made to DB plan that provides for a significant reduction in the rate of future benefit accruals.

**Question 22. Draft SOW Paragraph 4.4 “Pension Plans” (pages 39-40): The two paragraphs under this heading imply, but do not explicitly state, that the costs of administering pension plans, and maintaining their qualified status are reimbursable items in the new M&O contract. We recommend that the RFP include a statement that they are reimbursable in the new contract. Also, the paragraphs only mentions current employees. We also recommend that the RFP state that the costs of administering and maintaining the qualified status of the pension for retirees is also reimbursable in the new contract. We further recommend that RFP state that the costs of health care plans for both current employees and retirees are reimbursable in the new contract.**

Answer 22. The NNSA notes the recommendation. Section J, Appendix A, Chapter III, Section 4.4.2 states: “[t]he Contractor will be reimbursed for pension contributions in the amounts necessary to ensure that the plans are funded to meet the annual minimum required contribution under ERISA, as amended.” With respect to reimbursement for other PRBs including retiree health benefits, Section 4.4 of the draft RFP states: “[t]he Contractor will be required to become a sponsor of the existing pension plans and other Post Retirement Benefit Plans (PRB), as applicable, with responsibility for management and administration of the plans, including maintaining the qualified status of those plans.” The Contract will be subject to FAR 31.201-2, which provides that costs are allowable, when they are reasonable, allocable and compliant with Cost Accounting Standards, FAR part 31 and the terms of the contract. Costs incurred as a requirement of the Contract are allowable so far as they comply with all FAR 31.201-2 requirements. With respect to health care for active employees, the draft RFP, at Chapter III, Section 2.2 states: “[c]onsistent with the requirements identified in 3.0 COMPENSATION and 4.0 BENEFITS below, the Contractor shall develop and submit for NNSA approval a pay and benefits program to cover non-bargaining unit Incumbent Employees and non-bargaining unit Non-Incumbent Employees. It is expected that the benefits program will be developed using best practice and market-based design concepts to achieve maximum efficiency and lower cost.” Costs incurred as a requirement of the Contract are allowable so far as they comply with all FAR 31.201-2 requirements.

**Question 23. Draft SOW Paragraph 4.4.1 “Any pension plan ... shall be maintained as a separate pension plan ...” (pages 39-40): We are concerned that, as written, this paragraph may require that the pension plan for current employees be separated from that for retirees. The current LANS Defined Benefit pension plan (also called “TCP-1”) includes retirees as well as current employees. Those who have retired during the LANS M&O contract have received credit for service that clearly will not have been performed under the new contract. Thus, this paragraph seems to require that the pension plan for LANS retirees be separated from the plan for employees, which seems detrimental to employees as well as retirees, and would likely cost more to administer than a**

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**single plan. We recommend that the RFP clarify whether such a separation will be required in the new contract, and provide the reasons for such a separation.**

Answer 23. The NNSA notes the recommendation. The full sentence in Section J, Appendix A, Chapter III, Section 4.4.1 reads: “[a]ny pension plan maintained by the Contractor, for which NNSA reimburses costs, shall be maintained as a separate pension plan distinct from any other pension plan which provides credit for service not performed under this Contract.” The requirement ensures that any other benefit plans sponsored by the Contractor or its parent companies, that are unrelated to the work performed at LANL, remain distinct from the defined benefit plan that benefits former and current employees of the management and operating contractor who operate/operated in the past the Los Alamos National Laboratory.

**Question 24. Draft SOW Paragraph 4.4.2 “The Contractor will be reimbursed for pension contributions ...” (page 40): We commend NNSA for including this in the Draft RFP. Do these statements also apply to Contractor contributions to the pension plan that are needed to maintain the qualified status of the plans as described in Paragraph 4.4?**

Answer 24. Chapter III, Section 4.4.2 refers to the defined benefit plan when it states that the Contractor will be reimbursed for pension contributions in the amounts necessary to ensure that the plans are funded to meet the annual minimum required contribution under ERISA, as amended. Section 4.4 references the defined contribution plan, the terms of which/applicable law require the plan sponsor to make employee deductions and make employer matches. Section 4.4 also references other PRBs such as retiree health plans. However, retiree health benefits are not subject to ERISA funding requirements and are funded on a pay-as-you-go basis.

**Question 25. The next M&O Prime Contractor should identify a plan for attracting and retaining world-class talent and next-generation workforce through this RFP. One of the four goals identified in the LANL Strategic Plan is “attracting, inspiring, and developing world-class talent to ensure a vital future workforce.” Similarly, Section 6.1 of the Draft RFP requires that “the Contractor shall annually analyze workforce requirements consistent with current and future mission requirements and develop appropriate workforce transition strategies to ensure appropriate skills are available at the right time, in the right number, in the right place. Particular attention shall be paid to current and future critical skill.” We request that NNSA disclose in the Final RFP that there are a significant number of retirements expected at LANL over the next 5 – 10 years, and the procurement of a new contractor may accelerate their departure. Respondents should be asked to identify as part of their proposal specific strategies for hiring and retaining the world-class talent necessary to maintain LANL’s center of scientific excellence. We also request that NNSA clarify requirements with respect to the salary and benefits packages that will be offered by the contractor, as well as issues relating to retirement plans (including assumption of medical coverage). These issues appear unclear in Section 2.3 and Section 4.0 of the Scope of Work. A requirement by NNSA for continuity and certainty on these issues will calm the workforce and offer LANL employees more reason to retain their current position during a period of contractor transition. LANL traditionally has higher benefits available to its staff in order to attract/retain the best and the brightest employees, and by limiting these benefits to an arbitrary number, NNSA is effectively driving down these historical benefits. If the retirement benefits are less attractive, this will exacerbate the departure of**

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**employees, especially during this contract transition, while at the same time inhibiting LANL's ability to recruit/retain quality replacements.**

Answer 25. The NNSA notes the requests. Multiple sections of the RFP place responsibility on the Contractor for attracting and retaining the workforce to complete the mission work. Section J, Appendix A, Chapter III, Section 3.0, Compensation, states: “[t]he Contractor shall establish an integrated market based pay and benefit program to recruit and retain a highly skilled, motivated, and experienced workforce capable of carrying out the technical and other requirements set forth elsewhere in the SOW.”

Section J, Appendix A, Chapter III, Section 6.0, Workforce Planning, states: “[i]n carrying out the work under this Contract, the Contractor shall be responsible for the employment of all professional, technical, skilled and unskilled personnel engaged by the Contractor in the work hereunder, and for the training of personnel. Persons employed by the Contractor shall be and remain employees of the Contractor and shall not be deemed employees of the NNSA or the Government.”

Section J, Appendix A, Chapter III, Section 6.1 Workforce Planning General states: “[t]he Contractor shall annually analyze workforce requirements consistent with current and future mission requirements and develop appropriate workforce transition strategies to ensure appropriate skills are available at the right time, in the right number, in the right place. Particular attention shall be paid to current and future critical skills. This analysis shall be available for review upon Contracting Officer request.”

With respect to salary and benefits packages that will be offered by the Contractor, Section J, Appendix A, Chapter III, Section 2.3, requires the Contractor to provide a right of first refusal of employment for every position identified by the Contractor as necessary for completing the requirements of the Contract who meet the qualifications for a particular position. Incumbent Employees offered the same position shall be provided their same base salary/pay rate in existence at the time the offer is made. The question regarding continuity of retirement benefits for Incumbent Employees has been answered in Answer 24 above.

**Question 26. L-12 REQUIREMENT FOR GUARANTEE OF PERFORMANCE: Feedback: It is our view that leading universities have a significant role to play in the management and operation of Federally Funded Research and Development Centers (FFRDCs) including LANL. Unfortunately, certain public universities are challenged to sign the performance guarantee, as presently constructed, due to potential conflicts with State law. To ensure DOE has the widest pool of qualified bidders while simultaneously ensuring that DOE receive an enforceable commitment to supply the necessary resources and to assume all contractual obligations from bidders, we recommend request DOE allow for some flexibility with the determination of responsibility requirement. Suggestion: DOE should signal openness to considering alternative language in the performance guarantee that meets both Federal and State law in the final RFP.**

Answer 26. The guarantee of performance is required to ensure that newly formed entities, e.g., Limited Liability Company, are Responsible as defined in FAR 9.1. The NNSA will consider suggested alternative language during RFP formation but not subsequent to selection.

**Question 27. L-13, p. 15: Are we safe to assume the Government wants single-spaced text in the written proposal including graphics?**

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Answer 27. The NNSA will clarify the spacing requirement in L-13 of the final RFP.

**Question 28. Section L, Paragraphs L- 13(c) and L-16(b), pages 12 and 22: Comment: Paragraph L-13 purposefully excludes past performance information from small business (SB) team members with proposed work scope less than \$10M over the base period, yet Paragraph L-16 indicates that all teammates share in the fee pool (unless they are providing competitively-awarded FFP or FFUP products or services). These requirements seem to be inconsistent in their consideration of the worth provided by small business team members. Recommendation: Either require (or at least permit) named SB team mates to provide supporting relevant past performance information for their scope, or remove them from sharing in the fee pool.**

Answer 28. Small businesses are excluded from the fee pool. Section L-16 will be revised in the final RFP.

**Question 29. Section L, Page 12, L-13 (c): NNSA should consider revising the language in this section to increase the dollar threshold associated with Past Performance requirements for small business team members. We recommended this dollar amount be increased to \$200 million of \$250 million over the base period of the contract. This will facilitate NNSA's evaluation of small business participation that is considered both meaningful in scope and dollar threshold; without impacting the volume of written material/past performance information forms associated with the Section L, L-14(c), L-14(d), and L-15 (a), Criterion 1, Past Performance requirements. This will also support a more progressive approach to creating meaningful teaming relationships with regional small businesses without unduly burdening the restrictions associated with the proposal page count limit requirements.**

Answer 29. The NNSA notes the recommendation. NNSA has determined the current threshold of \$10 million to be adequate.

**Question 30. Are team members (L-13c) that are subcontractors to the Offeror required to submit a Performance Guarantee Agreement? Section L-14d indicates: *"The Offeror shall submit a fully completed and executed Performance Guarantee Agreement(s) (see Section G, G-3, Performance Guarantee(s)) for each teaming member (excluding subcontractors) or parent organization."***

Answer 30. NNSA anticipates that the RFP will not require team members that are subcontractors to submit a Performance Guarantee Agreement.

**Question 31. L-15(a) Criterion 1: PAST PERFORMANCE: Feedback: Suggestion: NNSA should provide further guidance on the importance of the management and business operations sections of the RFP and note that they will be weighted equally with science & technology in evaluation and scoring of proposals. This should be coupled with both evaluation of past performance, as well as the evaluation of key personnel and the approach to change management. By not instilling a preference in the procurement for M&O laboratory past performance, the NNSA opens the aperture for organizations that excel in business operations and that bring exceptional business operations leaders.**



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Answer 31. The offerors' past performance will be evaluated based on strengths and weaknesses associated with delivering mission as well as mission support. 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.

**Question 32. Is there any preference provided for Northern NM companies? Was there last time the contract was bid? We feel NNM businesses should get a preference.**

Answer 32. Thank you for your question and recommendation. It is under review for consideration in the final solicitation.

**Question 33. L-16, Proposal Preparation Instructions, Volume 3- Cost Information, page 22 states: "All proposed team members must share in the fee pool, whether they are subcontractors or members of a joint-venture, and no separate fee or profit will be paid on subcontracts with team members. The fee restriction above does not apply to members of the Contractor's team that are: (1) a competitively awarded firm-fixed price or firm-fixed unit price subcontract; or (2) competitively awarded subcontracts for commercial items as defined in FAR Subpart 2.1." This statement appears to imply that if a subcontractor is a LANL team member with a non-competitively awarded subcontract, the subcontractor's fee will be restricted to a sharing of the contract fee (which is at the 0.5 to 1% range) despite being a small business. This is a deviation from previous DOE/NNSA contracts and it will likely deter bidders from including small businesses due to the reduced fee pool (which is seemingly inconsistent with NNSA's intent given the evaluation factors related to small business utilization). Please clarify in the RFP if small businesses are exempt from the fee restriction described above, as they have been in previous acquisitions by NNSA. It is also suggested that NNSA clarify in the RFP how such pre-award competitions will be defined, so there is minimal risk to their concurrence by NNSA contracting officers postaward.**

Answer 33. NNSA will consider this recommendation. Small businesses are excluded from the fee pool. Section L-16 will be revised in the final RFP.

**Question 34. L-16 last para, p. 22: The DRFP as written discourages inclusion of small businesses as integrated subcontractors by virtue of requiring their fee be constrained to the overall team's fee pool. This is a departure from prior procurements. Please consider including language similar to the Sandia RFP (Section M-4 of DE-SOL-0008470) which states, "The fee restriction above does not apply to members of the Contractor's team that are: (1) small business(es); (2) Protégé firms as part of an approved Mentor-Protégé relationship under the Clause entitled, Mentor-Protégé Program..." Inclusion of this language would remove the disincentive toward naming small businesses as integrated subcontractors in a team.**

Answer 34. Please see answer to Question 33. Small businesses are excluded from the fee pool. Section L-16 will be revised in the final RFP.

**Question 35. L-16(b), Fee for Management and Operation of LANL, page 22: The draft states that the proposed fixed fee shall not exceed 1% of estimated costs and the proposed award fee shall not exceed 0.5% of estimated costs. There is concern that these fee percentages are not commensurate with the risk associated with this work (reputation, liability, expected return). We believe that such**

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**fee levels may result in bids primarily from not-for-profit and university institutions. For a broader participation in the re-competition, we believe the fee should be raised significantly.**

Answer 35. The NNSA is implementing recommendations from the Commission to Review the Effectiveness of the National Energy Laboratories (CRENEL) and the Congressional Advisory Panel on the Governance of the Nuclear Security Enterprise (MIES-Augustine Report), which emphasizes the public service model as opposed to fee being the main driver of performance. Employing this model under the recent Sandia Labs competition still resulted in robust competition.

**Question 36. Section L, Paragraphs L- 16(b) and L-16(c), page 22: Comments: The fee structure in the DRFP poses challenges for best-in-class corporations considering management and performance of the LANL work scope. Available fee should be commensurate with risks incurred. Significant portions of LANL's work are nuclear-production oriented, and expected increases in production rates will be extremely challenging to achieve. Similar NNSA production sites have fees in the 4%-5% range. The winning M&O entity is expected to assume command of some of the most historically problematic work in the Complex and to accept the associated brand risk that comes with it. Included among the problem areas are Capital Projects, which have been a sustained challenge for years yet are evaluated as if they were integral with the other site and mission work. Separating Capital Projects from science and nuclear production efforts will allow for increased clarity, focus and accountability to the Government. Finally, the DRFP requires that the winning contractor bring to bear Key Personnel and Past Performance that demonstrate the ability to change the culture. In short, the DRFP is asking the winning bidder to perform at a higher level than has been demonstrated in recent history, for less than half the financial return. The fee structure should encourage the desired operational improvements. Recommendations: Increase the Fixed Fee cap amounts for both CLIN 0002 and CLIN 0003 from 1.0 % to 1.5% to allow a higher level of security to bidders assuming the difficult task of culture change and site-wide process improvement, and increase the Award Fee cap from 0.5% to 1% to acknowledge future nuclear production expectations and to reward improvements in capabilities and throughput. Additionally, create a separate operational CLIN having a separate and distinct fee pool for Capital Projects, with fee assignment appropriate to the portfolio of Cost and Fixed Price-type projects.**

Answer 36. Please see answer to Question 35.

**Question 37. Section L-16 PROPOSAL PREPARATION INSTRUCTIONS – VOLUME III, COST INFORMATION: Feedback: We were pleased to see that NNSA has tied the performance fee to leadership performance and performance of the parent organizations. We would have liked to have seen more emphasis on the recommendations from the CRENEL and Mies/Augustine reports concerning the best ways to incentivize parent organizations to produce mission-based outcomes for the laboratories. Further, the government should consider creating a tie between fee and the significant risks associated with production and high risk operations at LANL. Fees at the NNSA production sites and the Nevada National Security Site reflect this risk; however, LANL continues to fold these requirements into the overall operation of the site. Suggestion: In the interest of harnessing private sector management innovation, as well as compensating parent organizations for the significant risk of production and operations, we suggest that NNSA consider using additional incentives recommended in the CRENEL and Mies/Augustine reports, such as award term, term guarantees or other performance incentives, that tie to NNSA enterprise-wide goals. In**

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**addition, NNSA should consider moving all production and associated work to a separate CLIN with a higher fee structure to compensate for the associated risk. This will incentivize greater involvement from the parent organization, not just the laboratory leadership, in the NNSA enterprise, but also help to ensure that corporate capabilities are driven into the enterprise.**

Answer 37. The NNSA is implementing recommendations from the Commission to Review the Effectiveness of the National Energy Laboratories (CRENEL) and the Congressional Advisory Panel on the Governance of the Nuclear Security Enterprise (MIES-Augustine Report).

**Question 38. Section L-33 indicates that NNSA might use outside contractors to assist during proposal evaluation, and that each outside entity will negotiate confidentiality agreements with the Offerors. We request that these outside contractors be identified to the Offerors prior to the Final Solicitation.**

Answer 38. At this time, NNSA is unsure as to whether or not it will use support service contractors to assist it in its evaluation of proposals. However, NNSA will not allow the outside support contractor access to bid and proposal information prior to: (a) conducting an Organizational Conflict of Interest review once bids are received, and (b) ensuring the outside support contractor executes a bilateral confidentiality agreement with the offerors. These measures will protect an Offeror's interests.

**Question 39. Please indicate a range of key personnel anticipated, along with select critical keys beyond the Lab Director.**

Answer 39. The NNSA does not anticipate prescribing key personnel positions beyond the Laboratory Director.

**Question 40. Section L-36. Please provide a copy of Attachment A the Performance Guarantee Agreement.**

Answer 40. NNSA anticipates that the RFP will include a template Performance Guarantee as an attachment. In the interim, an example of a Performance Guarantee can be found at appendix F, Performance Guarantee, in the current LANL contract, on page 304, publically available and at this site: <http://www.lanl.gov/about/assets/docs/conformed-prime-contract.pdf>

**Question 41. DRAFT RFP Section: L-4 FAR 52.222-24 PREAWARD ON-SITE EQUAL OPPORTUNITY COMPLIANCE EVALUATION (FEB 1999): If a contract in the amount of \$10 million or more will result from this solicitation, the prospective Contractor and its known first-tier subcontractors with anticipated subcontracts of \$10 million or more shall be subject to a pre-award compliance evaluation by the Office of Federal Contract Compliance Programs (OFCCP), unless, within the preceding 24 months, OFCCP has conducted an evaluation and found the prospective Contractor and subcontractors to be in compliance with Executive Order 11246.**

**Observation(s)/Comment(s): Based on other DOE-EM/NNSA proposal efforts, we do not feel that we should be subject to pre-award compliance evaluation if selected as a first-tier subcontractor for the subject procurement. If the FINAL RFP date is outside of the 24-month submittal window, we will successfully address the requirements of Executive Order 11246.**

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Answer 41. The NNSA notes the recommendation, and reinforces that it will comply with appropriate statutes, regulations, executive orders, etc.

**Question 42. If a new entity has no Past Performance, how would the new entity Past Performance be evaluated?**

Answer 42. In the case of an offeror without a record of relevant past performance or for whom information on past performance is not available, the offeror may not be evaluated favorably or unfavorably on past performance.

**Question 43. M-4(a), p. 4: When evaluating adverse past performance, does the Government only consider the fact that failures or shortcomings occurred, or would the Government also consider a contractor's demonstrated ability to recover from past failures and mitigate future risks for those or similar events to recur?**

Answer 43. The Government will consider both adverse past performance information, and offeror corrective actions taken (if applicable).

**Question 44. M-4(a), p. 4: Relative to past performance, how will effective and successful steps taken to learn from an event, and mitigate or eliminate future risk be evaluated?**

Answer 44. The Government will consider both adverse past performance information, and offeror corrective actions taken (if applicable).

**Question 45. M-4(a), p. 4: In evaluation of Past Performance, to what extent will the Government weight delivery of an agency's mission relative to mission support aspects of the contract? Will effective performance in delivery of mission be reflected in the strengths or significant strengths identified in a contract?**

Answer 45. Please see answer to Question 31.

**Question 46. M-4(a), Criterion 1: Past Performance, page 4: We see an improvement over earlier RFPs in that degrees of relevance of projects will be considered in the evaluation, rather than just a yes/no decision. However, it continues to be unclear as to how the overall score for past performance is determined. We recognize that individual projects do not receive a separate rating and instead all projects are looked at across the spectrum and a resulting evaluation determined. This has led to some confusion on our part as to how best to propose projects for consideration. We recommend that a more transparent system be used where projects are individually scored and it is clear how the final evaluation score is determined.**

Answer 46. Please see the answer to Question 31.

**Question 47. Although we previously alerted NNSA to several concerns regarding the assessment of Past Performance for the NNS M&O acquisition, we note that the LANL DRFP's approach for Past Performance is unchanged from earlier NNSA "short form" RFPs [LANL DRFP Section L-**

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**15(a) and Section M-4(a)]. Issues we noted relative to the NNS M&O acquisition that remain relevant with respect to the LANL DRFP include:**

- a. **There will not be appropriate consideration given for the relative timeframe of identified issues or for the overall performance trend.**
- b. **There will not be appropriate consideration given for the number or magnitude of the issues with respect to the cited contract, and the overall body of work that a company performs for NNSA.**
- c. **We believe that the use of the Performance Evaluation Reports to assess Past Performance is inappropriate. These reports are primarily used by NNSA for award fee determinations and, unlike the Contractor Performance Assessment Reporting System (CPARS), contractors are not provided the opportunity to comment on a draft report or submit comments that become part of the permanent record.**

**Given these issues and how NNSA selects “close and hand” information on non-cited projects, it can result in offerors with less NNSA experience in general, and specifically less nuclear operations experience, obtaining a higher Past Performance rating than those with significant, highly-relevant experience.**

Answer 47.

- a. The evaluation may also consider the source of the information, context of the data, and general trends in the contractor’s performance.
- b. 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.
- c. The Performance Evaluation Reports (PERs) closely parallel the information in CPARS, but in far greater detail. Bidders will either have been afforded an opportunity to respond to performance issues after issuance of PERs or during the upcoming competitive process, see block 13 of the Past Performance Information Sheet.

**Question 48. Recommend that relevant Past Performance for high-hazard, nuclear operations and technologically-complex operations be applicable and relevant to the Past Performance selection criteria and such relevant experience be acceptable for proposed Key Personnel.**

Answer 48. Please see draft RFP provisions M-4 (a) and (b).

**Question 49. Recommend Section M-4 (a) be expanded to include an explanation of the evaluation criteria and methodology to be used in assessing and ranking Past Performance Information Forms (PIIFs), one against others, for those deemed relevant.**

Answer 49. Please see Answer to Question 31.

**Question 50. Recommend organizational change be specifically called out in the scoring criteria.**

- a. **Organizational change (i.e., “culture change”) is fundamental to improving the delivery of mission at LANL. As such, we recommend that it be clearly identified in the evaluation criteria. In addition bidders should be required to show proof of successful organizational change in both Past Performance and Key Personnel.**

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- b. **Organizational change also needs to be focused on those areas that most need changing. The SOW states that “*The Contractor shall, with the highest degree of vision, quality, integrity, efficiency and technical excellence, maintain a strong multi-disciplinary scientific and engineering capability...*”. We recommend that the specific characteristics desired (as stated above or others), be clearly identified as the ones driving the requisite organizational change.**

Answer 50. NNSA will clarify the evaluation criteria as it relates to Organizational Cultural Change in the final RFP.

**Question 51. In addition to the above additional evaluation criteria, we strongly recommend that the soundness of the Long-Range Plan, commitment to LANL’s scientific breadth and quality, and scientific credentials of the proposers’ management teams be independently evaluated and ranked by at least two (2) members of the National Academy of Sciences, and/or at least two (2) members of the JASON advisory group, well versed in the national security mission of LANL, to be present at the oral presentations to NNSA, excluding any members with clear conflicts of interest or relationship to any of the proposers in the past five (5) years.**

Answer 51. NNSA appreciates the recommendation but believes we have highly qualified Agency experts who can evaluate the proposals.

**Question 52. We recommend explicit and specific RFP IT requirements and evaluation criteria for cost efficiencies of IT infrastructure, improved customer service/accountability with mutually agreed upon service levels, and adoption of new technologies and security measures. The following are a few examples to illustrate the types of specific requirements (i.e., Statement of Work) to be considered for inclusion in the Final RFP: (1) Enterprise Computing Services Summary, (2) Mission Computing Services Summary, (3) Telecommunications Services Summary, (4) Cyber Security Services Summary.**

Answer 52. NNSA appreciates the recommendation. The current evaluation criteria already provides a balance of mission and mission support requirements.

**Question 53. L-12(f)(4)(I) discusses password-protected documents. FedConnect does not have the ability to accept password-protected documents. This requirement seems to conflict with delivery requirements. In addition, section L-18 and L-19 require performance assessments. Some of these documents are marked as “*official use only.*” Our procedures (in accordance with the DOE orders) require us to password protect documents with these markings. As a result, it is not possible to upload these documents to FedConnect as well. Will DOE consider delivery of these items on thumb drives or in hard copy form only or delete the submittal of these documents as most are readily available online?**

Answer 53. According to the FedConnect Help Desk, Offerors can upload password protected documents into the system. Please contact the FedConnect Help Desk for additional questions via email at [support@fedconnect.net](mailto:support@fedconnect.net) or via telephone at 1-800-899-6665.

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**Question 54. L-13 (g), Maximum Page Limitations, page 14: Volume II is limited to 35 pages. With the deletion of an Organization discussion and associated rationale that was requested in previous RFPs, it appears the only portion of the 35 pages that is scored is for Criterion 3, Small Business. Is this what is intended? It appears that Past Performance is scored by the PPIFs (and other ratings data) and Key Personnel are scored by Resumes and the Orals evaluation and not by information provided in the 35 pages.**

Answer 54. NNSA will reconsider the appropriate page number count.

**Question 55. L-14, p. 15 and L-14(f), p. 17: The opening paragraph of L-14 states that the “information included in Volume I will not be evaluated for purposes of selection.” However, L-14(f) states that the “proposed organizational structure will be evaluated as a special responsibility standard...” Where will the government document the evaluation criteria and method?**

Answer 55. NNSA will reconsider the conflicting language and special standard requirement.

**Question 56. L-14(f), p. 17: With respect to evaluation of the proposed organizational structure, what are the special standards that will be set forth in the solicitation per FAR 9.104-2(a)?**

Answer 56. Please see answer to Question 55.

**Question 57. L-14(f), p. 17: Will the evaluation referred to in L-14(f) be conducted in a pass / fail manner?**

Answer 57. Please see answer to Question 55.

**Question 58. L-14(f), p. 17 and L-15(b), p. 19: The fact that this DRFP differs from the NNSA’s past three solicitations in that it moves the discussion of organizational structure to Volume I and separates it from the Volume II discussion of Key Personnel suggests that organizational structure is less important in this evaluation than it was in the prior three solicitations. Is that the Government’s intent?**

Answer 58. As written in the draft RFP, organizational structure is not part of the evaluation criteria described in Section M.

**Question 59. L-14(f), page 17: The organizational structure is provided in Volume I; how will it be evaluated? Also, it is not referenced in Section M – Evaluation Factors for Award.**

Answer 59. Please see answer to Questions 55 and 58.

**Question 60. Section L, Paragraph L-14(f), page 17: Comments: Paragraph L-14(f) requires the proposed organizational structure as well as their roles, responsibilities, and lines of authority, to include Key Personnel and their direct reports to be included in Volume 1, where it will not be scored and will only be evaluated as a special responsibility standard in accordance with FAR 9.104-2(a). That FAR clause requires that, “The special standards shall be set forth in the solicitation (and so identified)”. No such standards are set forth, nor so identified and, therefore, prospective**

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**bidders have no understanding of the Government's expectation of acceptability. Furthermore, because no Section L Volume II requirement nor Section M scoring criteria exist to either discuss or evaluate the organizational functioning of the bidder's team, it appears that the Government's intent is simply to hire the most elegant resumes and oral presenters with little to no consideration of whether or how those KP will manage the execution of the scope of work. Recommendation: Delete this Volume I requirement and refer to the Nevada National Security Site RFP to modify Sections L and M as necessary to provide in Volume II the organizational structure currently slated for Volume I in L-14(f) and the rationale for it, and appropriately consider and evaluate contractors' bids for how the KP and senior management team will work to successfully execute that structure.**

Answer 60. Please see answer to Questions 55 and 58.

**Question 61. Section L-14(d) indicates that annual reports need not be provided in the hard copy submission, but there are no provisions for a hard copy submission. That section also states that annual reports are required to be submitted on a flash drive. There are no instructions for submission of a flash drive. Please clarify these submission requirements.**

Answer 61. NNSA will clarify the language in Section L-14(d).

**Question 62. Provide the special responsibility standard evaluation criteria for the organizational structure in Volume I. As described in Section L-14 (f), we understand that the proposed organizational structure (including an organizational chart) to manage LANL will be included in Volume I, and that it will be evaluated as a special responsibility standard, per FAR 9.104-2(a). In the final solicitation, we recommend that NNSA include a description of the objective special standards that will be used to evaluate the organizational structure. This will allow Offerors to fully understand and address the specific objective criteria that will be used in this evaluation.**

Answer 62. Please see answer to Questions 55 and 58.

**Question 63. Paragraph (f) of Section L-14: The requirements are unclear. We recommend that the final request for proposal define the criteria for the organizational structure in Section J, Appendix A, section 3.0. Further, the final request for proposal should expand Section L-15 (b) Criterion 2: Key Personnel to include the proposed organizational structure. Section M-4 (b) Criterion 2: Key Personnel should evaluate, in addition to the qualifications and experience of the proposed key personnel, how well the proposed organizational structure meets the management needs of the performance work statement and will lead to organizational culture change. This expansion of Criterion 2, along with Criterion 3: Small Business Participation, then should become the focus of Volume II (35-page limit) and the primary basis of NNSA's evaluation of organization, key personnel, and small business. In addition, we believe the organizational discussion and chart and the key personnel qualifications should be weighted equally in criterion 2.**

Answer 63. NNSA will consider this recommendation.



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**Question 64. L-15(a), p. 17 and L-15(b), p. 19: Given the focus in the DRFP on organizational culture change, what are the specific outcomes that are being sought and in what time frame are they required?**

Answer 64. NNSA will provide clarification in the Final RFP.

**Question 65. L-15(a), p.18: Section L states that, “...the Government will evaluate the relevance of any analogous past performance such as...” with respect to non-NNSA contracts. Will the criteria of considering relevant non-NNSA experience be extended equally to evaluation of Key Personnel?**

Answer 65. NNSA anticipates evaluating 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. Please see Section M-4 (b) of the Draft RFP.

**Question 66. L-15(b), p. 20: Is the “driving optimal organizational performance” focus included in the Key Personnel resume element 5E synonymous to or distinct from the focus on leading and managing organizational culture change?**

Answer 66. NNSA is aware of this inconsistency and will address in the final RFP.

**Question 67. L-15(b), p. 20: With respect to Key Personnel resume element 5E, what does “driving optimal organizational performance” mean in the context of this procurement?**

Answer 67. Please see answer to Question 66.

**Question 68. L-15(b), p. 20 and M-4(b), p. 5: With respect to Key Personnel, the requirement to summarize a Key Person’s work history regarding “driving optimal organizational performance” cited in Section L are different than the terms used in Section M, “1) leading and/or managing ability in work of similar size, scope, and complexity and 2) leading and implementing organizational culture change.” Would the Government reconcile or clarify what is meant in these two sections?**

Answer 68. Please see answer to Question 66.

**Question 69. According to Section L-15 on page 17 of the Instructions, the offeror is required to provide past performance information on “leading and implementing organizational culture change.” We respectfully suggest that the surest path to positively changing the culture at LANL is to build trust and cooperation between all LANL stakeholders --- managers, scientists and employees --- by guaranteeing the independent scientific integrity of the lab’s leadership through the Strategic Leadership Council (SLC), prioritizing safety and safety training, ending the outsourcing of hazardous work to poorly trained subcontractors, engaging the staff and technical workforce in helping to devise safe work practices and in making the decisions that they will have to carry out through the establishment of the Science & Engineering Employees Council (SEEC). We strongly believe that these goals, promoting maximum transparency and accountability, and streamlining unnecessary management layers, will most effectively and efficiently be achieved through a non-profit M&O contractor, with a strong long- term commitment to both the scientific strength and mission success of LANL.**

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Answer 69. NNSA appreciates this comment.

**Question 70. Section L-15 (a) requires Past Performance information on the PPIF forms. Is a summary narrative of Past Performance also required?**

Answer 70. The PPIF will contain a block for Offerors to provide a description of the work for contract or project.

**Question 71. L-16(a), pp. 21-22 and M-5, p. 6: Given that cost realism is not mentioned in the DRFP, and given the lack of specific requirements for transition (duration, success criteria, etc.), on what basis should transition cost be proposed?**

Answer 71. NNSA will provide historical data on transition costs and provide information on transition requirements and deliverables in the final RFP.

**Question 72. L-16(a), pp. 21-22: What are the requirements for transition including the duration?**

Answer 72. Please see answer to Question 71.

**Question 73. L-16(a), p. 22: In order to assure the success of transition and to align what can be done with expectations of affordability, will the Government publish the ceiling price for transition in the RFP?**

Answer 73. Yes, the NNSA will publish the ceiling price in the final RFP.

**Question 74. Section L-16 Transition price. What was the approved Transition Cost for the new LANL M&O in 2005?**

Answer 74. The transition costs for the LANL M&O placed in May 2006 was \$12,584,963 over a six-month transition period.

**Question 75. Section L-16: The last paragraph of this section provides exceptions to the limitations on separate fee for subcontractors who are members of the Offeror's team. An exception for small business team members is not currently provided. Please clarify that the fee restriction does NOT apply to small business teaming subcontractors.**

Answer 75. Small businesses are excluded from the fee pool. Section L-16 will be revised in the final RFP.

**Question 76. L-16, Page 21: The proposal preparation instructions for Volume III, Cost Information, do not mention the inclusion of a Management Team Cost sheet. Will management costs not be included in the cost evaluation?**

Answer 76. Correct L-16, page 21 does not mention the inclusion of Management Team Cost. Section M-5 describes the costs that will be evaluated.

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**Question 77. L-16, Page 22: The RFP states that “All proposed team members must share in the fee pool, whether they are subcontractors or members of a joint-venture, and no separate fee or profit will be paid on subcontracts with team members.” Does that preclude the offeror from establishing subcontract relationships (e.g. IDIQ with Task Orders) that provide the subcontractors to offer GSA and DOE approved labor rates?**

Answer 77. NNSA will consider the impacts of these type of subcontracts in the Final RFP. Small businesses are excluded from the fee pool. Section L-16 will be revised in the final RFP.

**Question 78. The fee structure outlined in the DRFP does not reflect the complexity of the work to be managed at LANL; this will likely limit competition, as well as potentially limit the investment in senior leadership and corporate resources that industry will commit to the LANL mission [LANL DRFP Sections L-16(a) through (c)].**

Answer 78. Please see the answer to question 35.

**Question 79. The fee structure should be reevaluated to accurately balance the risks and rewards inherent in the proposed contract.**

- (a) Given the significant challenges associated with the upcoming LANL contract and NNSA performance expectations for mission-critical elements (i.e. production and manufacturing, laboratory operations, management and leadership, and culture change), we suggest the fee structure be adjusted upward to account for these challenges and risks, encouraging increased competition.**
- (b) We note that several NNSA contracts have significantly higher fee-earning potential, including Combined Pantex/Y-12, Kansas City Plant, Nevada National Security Site, and the present LANL contract.**

Answer 79. Please see the answer to question 35.

**Question 80. DRAFT RFP Section: (b) Fee for Management and Operation of LANL (CLIN 0002 – Fixed Fee and Award Fee) and (c) Fee for Strategic Partnership Projects (CLIN 0003 – Fixed Fee), together totals 2%. Observation(s)/Comment(s): Fee should not have to be shared with subcontractors, especially small businesses, unless the company is part of the joint-venture/LLC proposed as the Prime contractor. The Prime carries the performance risk and should have maximum control to achieve maximum fee. We believe the wording in the DRAFT should be changed from All proposed team members must share in the fee pool, to members of a joint-venture only. Further, we agree that fee restriction above does not apply to members of the Contractor’s team that are: (1) a competitively awarded firm- fixed price or firm-fixed unit price subcontract; or (2) competitively awarded subcontracts for commercial items as defined in FAR Subpart 2.1.**

Answer 80. Small businesses are excluded from the fee pool unless the small business is part of the joint-venture/LLC proposed as the prime contractor. Section L-16 will be revised in the final RFP.

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**Question 81. Section L-17 (Time, Date, Method, and Place Offers and Proposal Information Are Due) states the proposals should be submitted electronically via FedConnect. However, Section L-14 (d) states that Annual Reports shall be submitted on a flash drive and are not needed in the hard copy submission. Will NNSA require hard copies of the proposal in addition to the electronic submittal?**

Answer 81. Please see answer to Question 61.

**Question 82. Section L-17 states that proposals are due at the time (ET) and date identified on the SF33, which is essentially saying “TBD.” How many days does the government anticipate giving offerors from the release of the RFP?**

Answer 82. The Standard Form (SF) 33; Solicitation, Offer and Award (Section A, Block 9) will be populated with the required information of when offerors are to submit their proposals. This will be done at the time the final RFP is issued.

**Question 83. L-19, p. 23: The requirement does not state whether hard or electronic copies of the Oral Presentation file should be submitted with the proposal. Please clarify the total number of hard and/or electronic versions required to be submitted with the proposal.**

Answer 83. This will be addressed in the final RFP.

**Question 84. L-19, p. 23: How many days in advance of the orals will proposal weaknesses, deficiencies, etc. be provided to the respective offeror?**

Answer 84. This will be addressed in the final RFP.

**Question 85. L-19, p. 23: With respect to provision of a record of oral presentations, the statement that “a copy of the record placed in the file may be provided to the offeror” is unclear. Could the RFP specify that the Government will provide a copy of this record upon request?**

Answer 85. FAR Part 15.102(e) requires the contracting officer to maintain a record of the oral presentation, to document what the Government relied upon in making the source selection decision. A copy of the record placed in the file may be provided to the offeror.

**Question 86. L-19, p. 23: Please clarify how the oral presentations will factor into the evaluation of the offeror’s proposal. For example, how much weighting will be given to the oral presentation relative to the written proposal?**

Answer 86. Oral presentations by offerors as requested by the Government may substitute for, or augment, written information and will not be weighted separately. The evaluation criteria is described in section M.

**Question 87. L-19, Oral Presentations and Discussions, page 23: Will the Offerors be provided their significant weaknesses and deficiencies in advance of the Oral Presentations and Discussions?**

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Answer 87. NNSA will provide additional clarification regarding oral presentations and discussions in the final RFP.

**Question 88. Section L-19. Please indicate the potential location(s) for the Orals. Also please indicate the number of days between notice of Orals to the Offerors and the date of Orals.**

Answer 88. Potential locations include, but are not limited to, Albuquerque, NM, and Washington, DC. The final RFP will provide offerors with sufficient information to prepare for oral presentations.

**Question 89. Please provide additional information regarding the schedule after submission of proposals. For example, when can those bidders in the Competitive Range anticipate orals? Will the orals format be specified in the final RFP or later? How much time will elapse between notification of being down-selected and orals/discussions? These clarifications will help all potential bidders plan for future competition activities.**

Answer 89. Please see answer to Question 88.

**Question 90. Industry Day prior to or shortly after the release of the DRFP and prior to the release of the Final RFP – We believe potential offerors would benefit from a comprehensive industry day agenda, site surveys, and one-on-one meetings to ascertain critical-to-quality variables, operational and execution risks, and a better understanding of true customer needs.**

Answer 90. Information for the LANL site tour and one-on-one meetings with prospective offerors has been posted on FedConnect and the LANL M&O contract competition website.

**Question 91. L-15(b), p. 20 and M-4(b), p. 5: With respect to Key Personnel, the requirement to summarize a Key Person's work history regarding "*driving optimal organizational performance*" cited in Section L are different than the terms used in Section M, "*1) leading and/or managing ability in work of similar size, scope, and complexity and 2) leading and implementing organizational culture change.*" Would the Government reconcile or clarify what is meant in these two sections?**

Answer 91. Please see answer to Question 66.

**Question 92. Clarify how the Offeror's proposed organizational structure will be evaluated. The elements of organizational structure and Key Personnel were combined together in Criterion 2 (Organization and Key Personnel) of Volume II (Technical and Management Information) in previous solicitations. The Draft LANL Solicitation has decoupled these elements. It is not clear how the proposed organizational structure will be evaluated and how the important connection between organizational rationale and Key Personnel assessments will be made. We recommend that the Final LANL Solicitation define the objective criteria required by the special responsibility standard in accordance with FAR 9.104-2(a) cited in Volume I against which the proposed organizational structure element will be evaluated. We further recommends that an organizational rationale and governance element be included in Volume II, which will provide context for the Key Personnel information that is being evaluated.**

Answer 92. Please see answer to Questions 55 and 58.

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**Question 93. M-04a, Page 4: Section M states past performance will be evaluated for relevancy on both “1) executing work of similar size, scope and complexity as the requirements in the Statement of Work, Chapter II, Work Scope Structure and 2) leading and implementing organizational change”**

- Which of the two is of greater importance?
- How will the organizational change criteria be evaluated?
- If a site is highly relevant for the first criteria but not relevant at all for the second criteria will it be rated as partially relevant or non-relevant?

Answer 93. These individual items or evaluation considerations are not "*sub-factors*" as used in FAR 15.304 and will not be evaluated separately.

**Question 94. RFP should include an expanded, scored, and evaluated Community Commitment Plan to the Pueblos of Northern New Mexico that should be required through the lifetime of the contracting tenure of the next prime contractor.**

Answer 94. Please see answer to Question 5 released on August 11, 2017.

**Question 95. L-16(a), pp. 21-22 and M-5, p. 6: Given that cost realism is not mentioned in the DRFP, and given the lack of specific requirements for transition (duration, success criteria, etc.), on what basis should transition cost be proposed?**

Answer 95. Please see answer to Question 71.

**Question 96. M-5, p. 6: Will transition cost be evaluated for reasonableness in terms of being too low or being too high or both? Where will the government document the criteria by which reasonableness is determined?**

Answer 96. Section M-5 states, "*The Government may use any of the price analysis techniques specified in FAR 15.404-1(b).*" FAR15.404-1(b) indicates, the Government may use various price analysis techniques and procedures to ensure a fair and reasonable price. Examples of such techniques include, but are not limited to, Comparison of proposed prices received in response to the RFP. Normally, adequate price competition establishes a fair and reasonable price.

**Question 97. J Appx. A-00(a), Page 000: The SOW does not give guidance on the M&O contractor’s relationship with the other site contractors (LANL Legacy Cleanup and Protective Forces) is the M&O contractor to provide any landlord services to these contractors?**

Answer 97. The contract will contain the appropriate NNSA Prime Contracts clause that addresses the subjects described in the question.

**Question 98. Because of the unique nature of the Management and Operation of a nuclear weapons laboratory, there are unique contract terms and conditions that apply. Will NNSA provide an opportunity for potential bidders to review draft RFP sections B, H and I? (We are concerned about the impact of these on our teaming arrangement.)**

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Answer 98. Potential offerors will have an opportunity to comment and submit questions on Sections B, H, and I when the final RFP is released.

**Question 99. If the Offeror is a consortium of universities, can the consortium trustee or managing partner provide a guarantee of performance for the entire organization, similar to what is done by the Regents of the University of California or the Research Foundation for the State of New York?**

Answer 99. L-14 of the draft RFP provides instructions for completing and executing a Performance Guarantee Agreement.

**Question 100. Section L & M criteria ensure that bidders can offer innovative approaches to improve the performance at LANL and achieve NNSA's broader goals of safety excellence, performance assurance, and cost reduction. An innovation, performance, safety, element attainment (IPSE) fee incentivizing overall contract performance could be made available based on program, overhead, operational and capital expenditure reductions and savings from currently approved baselined and budgeted costs. The IPSE fee could award the contractor some percentage of savings, up to 50% of the accrued savings.**

Answer 100. NNSA appreciates this recommendation.

**Question 101. It is recommended that a separate CLIN, with a defined fee amount, be added for construction scope to attract a high quality, Tier I construction firm. Language developed and utilized by the NNSA in the Sandia National Laboratory procurement (DE-SOL-0008470) is an industry accepted model.**

Answer 101. NNSA does currently intend to have Capital Construction Projects under a separate CLIN, with projects to be defined and added post-award. The contract type specific to each added project will be determined on a case-by-case basis. Construction contract clauses will be added as applicable during contract administration.

**Question 102. Please indicate the number keys on the current and prior contract.**

Answer 102. The current LANL M&O contractor has seven Key Personnel.  
<http://www.lanl.gov/about/assets/docs/conformed-prime-contract.pdf>

**Question 103. Is a cover letter permissible in the response to the draft RFP and excluded from the three (3) page count?**

Answer 103. A cover letter is not permissible.

**Question 104. Is a new entity with no corporate parents acceptable to DOE?**

Answer 104. All offerors must be able to meet the requirements of the RFP. Please see Section L-12 and L-14(d) describing the requirement for a guarantee of performance.

**Questions and Answers**  
September 19, 2017  
Draft Request for Proposal (RFP)  
DE-SOL-0011206  
Los Alamos National Laboratory

**Question 105. What constitutes sufficient resources for this contract?**

Answer 105. Sufficient resources are those that allow the offerors to meet all the requirements of the RFP. Please see Section L-12 and L-14(d) describing the requirement for a guarantee of performance.

**Question 106. Did NNSA issue the draft RFP for the Los Alamos National Laboratory competition?**

Answer 106. Draft sections of the RFP was released on July 12, 2017 and can be found on FedConnect at <https://www.fedconnect.net/fedconnect?doc=DE-SOL-0011206&agency=DOE> or at the NNSA has established website <https://nnsa.energy.gov/aboutus/ouoperations/apm/majcontrsolicitation/los-alamos-national-laboratory-management-and>

**Question 107. How can we successfully participate on your current and upcoming contracts as we close out FY2017 and enter into FY2018?**

Answer 107. To successfully participate on the current and any upcoming contracts all offerors must be able to meet the requirements of this or any other RFP.

**Question 108. Has NNSA identified a date for the Industry Day?**

Answer 108. Information for the LANL site tour and one-on-one meetings with prospective offerors has been posted on FedConnect and the LANL M&O contract competition website.

**Question 109. How will fee for capital construction projects be handled at the site?**

Answer 109. NNSA currently anticipates that fee will be negotiated for each capital asset construction project on a case-by-case basis.

**Question 110. The arbitrary cap on fees included within the Draft RFP contradicts NNSA's goal of hiring the best contractor for LANL; this arbitrary cap will reduce the number of interested and qualified bidders if included within the Final RFP. The low caps on fees are inconsistent with Section M-3 of the RFP, which identifies that, "*The Government is more concerned with obtaining a superior Technical and Management proposal than making an award at the lowest evaluated cost/price.*" If a qualified bidder proposes a 2% or 3% fee structure, NNSA should evaluate such proposal and, as appropriate, elect to accept or reject such proposal in accordance with the full evaluation criteria. Instead of including an arbitrary cap, NNSA would be better served following the evaluation criteria identified in Section M-3, which would enable NNSA to consider price as an important - but not the primary - component of the evaluation.**

Answer 110. Please see answer to Question 35.