

**SECTION M**

**EVALUATION FACTORS FOR AWARD**

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## **M-1 EVALUATION OF PROPOSALS**

- (a) This acquisition will be conducted using the policies and procedures in Federal Acquisition Regulation (FAR) Part 15 and Department of Energy Acquisition Regulation (DEAR) Part 915. A Source Evaluation Board (SEB) will evaluate proposals using the criteria in this Section M. The Source Selection Official (SSO) will select an Offeror for contract award using the best value analysis described in this Section M.
- (b) The instructions set forth in Section L are designed to provide guidance to the Offeror concerning documentation that will be evaluated by the SEB. The Offeror must furnish adequate and specific information in its response. A proposal shall be eliminated from further consideration before the initial ratings if the proposal is so grossly and obviously deficient as to be totally unacceptable on its face. For example, a proposal will be deemed unacceptable if it does not represent a reasonable initial effort to address the essential requirements of the solicitation, or if it clearly demonstrates that the Offeror does not understand the requirements of the solicitation. 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.
- (c) The Government intends to evaluate proposals and award a Contract without discussions with Offerors (except clarifications as described in FAR 15.306(a)). The Government reserves the right to conduct discussions if the Contracting Officer later determines discussions to be necessary. 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 without discussions. If an Offeror proposes exceptions to the terms and conditions of the Contract, the Government may make an award without discussions to another Offeror that did not take exception to the terms and conditions of the Contract.
- (d) Prior to selection for award by the SSO, the Contracting Officer will make a finding 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 finding, the Contracting Officer will consider the Offeror's representation and disclosure statement required by the Contract's Section K provision entitled "DEAR 952.209-8 Organizational Conflicts Of Interest Disclosure-Advisory And Assistance Services." 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, or mitigated.

- (e) 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 entitled "Certificate Pertaining to Foreign Interests."
- (f) A Performance Guarantee Agreement in accordance with the requirements of the Solicitation's Section L provision entitled "Requirement for Guarantee of Performance" will, if applicable, be a condition of the award of this Contract.
- (g) The Government will review all past performance information submitted by the Offeror. The Government may also contact the individuals identified in the Past Performance Information Forms. The Government may contact sources other than those identified by the Offeror. The Government may also obtain relevant past performance information from available Federal Government electronic databases.

## **M-2 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 the strengths and weaknesses of each Offeror's proposal against the evaluation criteria described below. In determining the best value to the Government, the Technical and Management Evaluation Criteria are significantly more important than the evaluated cost. The Government is more concerned with obtaining a superior Technical and Management proposal than making an award at the lowest evaluated cost. However, the Government will not make an award at a 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 is more likely to be a determining factor.

**M-3 OVERALL RELATIVE IMPORTANCE OF EVALUATION CRITERIA**

(a) Technical and Management Criteria

The Technical and Management Criteria in M-4 will be point scored as described below:

Evaluation Criteria	Maximum Point Score
<b>Criterion 1. LABORATORY ORGANIZATION</b>	<b>100</b>
<b>Criterion 2. KEY PERSONNEL AND ORAL PRESENTATION</b>	<b>275</b>
<b>Criterion 3. SCIENCE &amp; TECHNOLOGY</b>	<b>300</b>
<b>Criterion 4. LABORATORY OPERATIONS</b>	<b>150</b>
<b>Criterion 5. BUSINESS OPERATIONS</b>	<b>100</b>
<b>Criterion 6. PAST PERFORMANCE</b>	<b><u>75</u></b>
<b>Total</b>	<b>1,000</b>

(b) Cost Criterion

The Cost Criterion in M-5 will not be point scored and is significantly less important than the Technical and Management Criteria.

**M-4 TECHNICAL AND MANAGEMENT CRITERIA**

The individual indicators which comprise the following Technical and Management criteria 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 point score for each criterion. The individual indicators are not subfactors as used in FAR 15.304.

(a) **Criterion 1. LABORATORY ORGANIZATION**

The Government will evaluate and assess the Offeror’s Laboratory Organization,

as follows:

- (1) the Offeror's organization structure to manage the Laboratory including: the rationale for the organization structure; the proposed roles, responsibilities, and lines of authority; the level of integration of the major functions of the Laboratory; and how the organization structure promotes individual and organization accountability to manage the Laboratory;
- (2) the involvement of the parent organizations; the structure, composition, and duties of the governing board; the level of integration and efficiency between the parent organizations, governing board, and laboratory management; and how the parent organizations will work together;
- (3) the roles and responsibilities of the Offeror's team arrangement to manage the Laboratory including: the roles and responsibilities of each individual team member; how the team arrangement will function as a well integrated, seamless business unit; and how the team members will hold each other accountable for overall contract performance; and
- (4) the extent of participation as a team member of small business concerns, veteran-owned small business concerns, service-disabled veteran-owned small business concerns, HUBZone small business concerns, small disadvantaged business concerns, or women-owned small business concerns.

**(b) Criterion 2. KEY PERSONNEL AND ORAL PRESENTATION**

- (1) (a) The Government will evaluate and assess the education, experience, demonstrated performance including accomplishment of continuous improvements, and leadership of each Key Person (excluding the Laboratory Director) based on written information, references, and their participation in the oral presentation for the proposed position.
- (b) The Government will evaluate and assess the proposed Laboratory Director's education, stature in the scientific community; and experience of the proposed Laboratory Director that demonstrates the ability to fulfill the Laboratory Directors responsibilities to: (a) certify the safety and reliability of the nuclear weapons stockpile; (b) lead a broad-based and world-class scientific organization; and (c) lead an organization that includes multiple operations and business functions. The evaluation and assessment will be based

on written information, references, and the Laboratory Director's participation in the oral presentation. The individual proposed as the Laboratory Director is considered to be very critical to the successful performance of this Contract. Therefore, this individual is significantly more important than any of the other Key Personnel.

- (c) In addition to the references provided by the Offeror, the Government may use any information received from references or third parties, other than those identified by the Offeror, as part of its evaluation of Key Personnel.
- (d) Failure to submit the required letters of commitment will result in the Key Person not being evaluated, negatively affecting the evaluation results for this criterion.

- (2) The Government will evaluate and assess the Offeror's response to four technical/managerial problems in demonstrating its understanding of the challenges created in the problems, consistency with the Offeror's written proposal, and in dealing with the problems as an integrated management team.
- (3) The Government will evaluate and assess the Offeror's strategy to retain proposed Key Personnel.

(c) **Criterion 3. SCIENCE & TECHNOLOGY**

The Government will evaluate and assess the quality and feasibility of the Offeror's capability to manage world-class Science and Technology programs at the Laboratory for each of the Statement of Work activities listed below.

- (1) Conducting major research and development programs including using an earned-value management system and fostering an environment of scientific skepticism and peer review of research programs.
- (2) Advancing science through technological innovation, public and private sector collaboration, and technology transfer to enhance U.S. economic competitiveness and national security.
- (3) Promoting enhanced communications, cooperation and integration across the Nuclear Weapons Complex (Weapons Laboratories, Production Plants

and Test Site) that will result in improvements in performance of the Nuclear Weapons Complex.

- (4) Integrating the performance of world-class science and technology with laboratory operations, business operations, and laboratory management.

(d) **Criterion 4. LABORATORY OPERATIONS**

The Government will evaluate and assess the quality and feasibility of the Offeror's capability to manage laboratory operations at the Laboratory for each of the Statement of Work activities listed below.

- (1) Security. Institutionalizing a security conscious culture that performs work securely and assigns unambiguous roles, responsibilities, authorities; and accountability while integrating excellence in safeguards and security into all Laboratory activities.
- (2) Environment, Safety and Health (ES&H). Institutionalizing an ES&H conscious culture that performs work safely and assigns unambiguous roles, responsibilities, authorities; and accountability while integrating excellence in ES&H into all Laboratory activities.
- (3) Nuclear Safety. Institutionalizing a nuclear safety conscious culture that performs work safely and assigns unambiguous roles, responsibilities, authorities, and accountability while integrating excellence in nuclear safety into all applicable Laboratory activities.
- (4) Emergency Operations. Achieving effective integration of planning, preparedness, response, and readiness assurance for emergency management.

(e) **Criterion 5. BUSINESS OPERATIONS**

The Government will evaluate and assess the quality and feasibility of the Offeror's capability to manage business operations at the Laboratory for each of the Statement of Work activities listed below.

- (1) Strategic Human Capital Management. Promoting workforce excellence by attracting and retaining a world class science and technology workforce by ensuring maintenance of critical skills for the nuclear weapons program and limiting the number and duration of vacancies in positions requiring critical skills while optimizing direct to indirect employee ratios.



- (2) Financial Management. Maintaining an integrated financial management system to collect, record, and report all financial activities that provides sound financial stewardship and public accountability.
- (3) Purchasing Management. Participating in strategic sourcing activities and centralized purchasing for the Nuclear Weapons Complex.
- (4) Information Resources Management. Providing computer resource capacity and capability sufficient to support Laboratory-wide information management requirements and Laboratory wide classified computing infrastructure using a standard non-scientific software and hardware programs/platforms for generating and storing electronic information.

(f) **Criterion 6. PAST PERFORMANCE**

The Government will evaluate and assess the Offeror's past performance during the last five-years to determine the degree to which the past performance demonstrates the Offeror's ability to successfully perform the Statement of Work.

In the case of an Offeror without a 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 on past performance.

**M-5 COST EVALUATION CRITERIA**

The cost proposal will not be point scored, but will be used in determining the best value to the Government in accordance with M-2 of this Section M. The Government will evaluate and assess the cost proposal to determine that fee has been included in the cost proposal. The total proposed maximum available fee for FY 2008 through FY 2014 will be used as the evaluated cost for purposes of the best value determination.