

PART IV – REPRESENTATIONS AND INSTRUCTIONS

SECTION M

EVALUATION FACTORS FOR AWARD

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SECTION M

EVALUATION CRITERIA FOR AWARD

M.1 FAR 52.217-5 EVALUATION OF OPTIONS (JUL 1990)

Except when it is determined in accordance with FAR 17.206(b) not to be in the Government's best interests, the Government will evaluate offers for award purposes by adding the total price for all options to the total price for the basic requirement. Evaluation of options will not obligate the Government to exercise the option(s).

**M.2 DOE-M-2001 - PROPOSAL EVALUATION - GENERAL (FEB 2019)
ALTERNATE II (OCT 2015)**

(a) Conduct of acquisition.

(1) This acquisition will be conducted pursuant to the Federal Acquisition Regulation (FAR), Part 15, Contracting by Negotiation; Department of Energy Acquisition Regulation (DEAR), Part 915, Contracting by Negotiation; and the provisions of this solicitation.

(2) DOE has established a Source Evaluation Board to evaluate the proposals submitted by offerors in response to this solicitation. Proposal evaluation is an assessment of the proposal and the offeror's ability to perform the prospective contract successfully. Proposals will be evaluated solely on the factors and subfactors specified in the solicitation by assessing the relative significant strengths, strengths, significant weaknesses, weaknesses, deficiencies, and cost and performance risks of each offeror's proposal against the evaluation factors in this Section M to determine the offeror's ability to perform the contract.

(3) The designated source selection authority will select an offeror for contract award whose proposal represents the best value to the Government. The source selection authority's decision will be based on a comparative assessment of proposals against all evaluation factors in the solicitation. The source selection authority may reject all proposals received in response to this solicitation, if doing so is in the best interest of the Government.

(b) Deficiency in proposal.

(1) A deficiency, as defined at FAR 15.001, Definitions, is a material failure of a proposal to meet a Government requirement or a combination of significant weaknesses in a proposal that increases the risk of unsuccessful contract performance to an unacceptable level. No award will be made to an offeror whose proposal is determined to be deficient.

(2) A proposal may be eliminated from further consideration before complete evaluation if the proposal is so deficient as to be unacceptable on its face. Such deficiencies may include any exceptions or deviations from the terms of the solicitation. A proposal will be deemed unacceptable if it does not represent a reasonable initial effort to address the material requirements of the solicitation, or if it does not substantially comply with the proposal preparation instructions of this solicitation. Cursory responses or responses that merely repeat or reformulate the Performance Work Statement will not be considered responsive to the requirements of the solicitation. In the event that a proposal is rejected, a notice will be sent to the Offeror stating the reason(s) that the proposal will not be considered for further evaluation under this solicitation.

(c) Responsibility. In accordance with FAR Subpart 9.1, Responsible Prospective Contractors, and DEAR Subpart 909.1, Responsible Prospective Contractors, the Contracting Officer is required to make an affirmative determination of whether a prospective contractor is responsible. The Contracting Officer may, if necessary, conduct a preaward survey of the prospective contractor as part of the considerations in determining responsibility. In the absence of information clearly indicating that the otherwise successful offeror is responsible, the Contracting Officer shall make a determination of nonresponsibility and no award will be made to that offeror; unless, the apparent successful offeror is a small business and the Small Business Administration issues a Certificate of Competency in accordance with FAR Part 19.6, Certificates of Competency and Determinations of Responsibility.

(d) Award without discussions. In accordance with paragraph (f)(4) of the provision at FAR 52.215-1, Instructions to Offerors - Competitive Acquisition, the Government intends to evaluate proposals and award a contract without conducting discussions with offerors. Therefore, the offeror's initial proposal shall contain the offeror's best terms from a cost or price and technical standpoint. The Government, however, reserves the right to conduct discussions. If the Government conducts discussions, it will conduct them with all offerors in the competitive range.

(e) Organizational conflicts of interest. The offeror is required by the provision at DEAR 952.209-8, Organizational Conflicts of Interest Disclosure - Advisory and Assistance Services, to provide a statement of any past, present, or currently planned interests related to the performance of the work and a statement that an actual or potential conflict of interest or unfair competitive advantage does or does not exist in connection with the instant contract. No award will be made to the apparent successful offeror, if the Contracting Officer determines that a conflict of interest exists that cannot be avoided, neutralized, or mitigated.

(End of Provision)

M.3 EVALUATION FACTOR 1 – TECHNICAL AND MANAGEMENT APPROACH

The evaluation of Technical and Management Approach will result in one adjectival rating that considers the following elements:

(a) Contract Transition Approach. DOE will evaluate the Offeror's proposed approach to transition activities including: the process and planned activities for conducting a safe, orderly transition; minimizing impacts on continuity of operations; identifying key issues and resolutions; the approach to overcoming barriers; and planned interactions with DOE, the incumbent SPR Contractor, incumbent employees, and other SPR Contractors. DOE will evaluate the Offeror's proposed implementation schedule identifying milestones and measurable commitments.

(b) Management Approach. DOE will evaluate the Offeror's proposed approach to managing and operating activities at the Strategic Petroleum Reserve. DOE will evaluate the depth, quality, effectiveness, and completeness of the Offeror's proposed approach to performing work described in the PWS, including implementing a contractor assurance system that identifies and corrects deficiencies; developing budgets and establishing cost controls; achieving safe and environmentally responsible performance of work; assuring the operational readiness of the storage sites/facilities; managing a large workforce; ensuring the integrity, including optimal storage capacity, of the crude oil storage caverns; and identifying specific actions to reduce contract cost.

(c) Technical Approach. DOE will evaluate all aspects of the Offeror's Technical Approach to performing the PWS including proposed improvements to work processes, procedures and technologies.

(d) Small Business Participation. DOE will evaluate the extent to which small business, HUBZone small business, small disadvantaged business, service-disabled veteran owned small business, veteran owned small business, and women-owned small business concerns are included in the Offeror's proposed approach to accomplish contract requirements, including mentor-protégés under mentor-protégé agreements, both in terms of the overall share of the work and the variety and complexity of the work to be performed.

M.4 EVALUATION FACTOR 2– KEY PERSONNEL AND ORGANIZATION

The evaluation of Key Personnel and Organization will result in one adjectival rating that considers the following elements:

(a) Key Personnel.

(1) DOE will evaluate the proposed required key personnel for suitability for the proposed position(s) based on demonstrated leadership; demonstrated experience in

performing work similar to that described in the PWS; and qualifications (e.g., education, certifications, licenses) as presented in the resumes.

Failure of the Offeror to propose the required key personnel positions, or to confirm the availability of the required key personnel as being assigned to the contract full-time and that their permanent duty station is located within 50 miles of 850 S. Clearview Parkway, New Orleans, LA 70123 will adversely affect the Government's evaluation of the proposal and may make the proposal ineligible for award.

(2) Resume. The qualifications and suitability of each individual required key person will be evaluated on the following:

- (i) Experience. The key personnel individually will be evaluated on their relevant experience in performing work similar to the work to be performed in their proposed position, including leadership and other accomplishments.
- (ii) Education. The key personnel will be evaluated on their education, specialized training, certifications, and licenses, including any experience in lieu of education that supports the suitability for the proposed position.
- (iii) DOE may contact any or all of the references, previous employers, or clients to verify the accuracy of the information contained in the resume and to further assess the qualifications and suitability of proposed key personnel.

(3) Letter of commitment. Failure of the Offeror to provide a letter of commitment for each of the required key personnel will adversely affect the Government's evaluation of the proposal.

(4) Oral Presentation Information. The oral presentation will consist of a single interview question per Key Person and one Group sample problem. DOE will evaluate the required key personnel team's oral presentation session on:

- Quality and effectiveness of the responses.
- Understanding and performance in their respective positions and as members of the Offeror's management team.
- Understanding of the management challenges posed by the operation of the Strategic Petroleum Reserve.
- Interaction and participation as an integrated management team.

(b) Organization.

DOE will evaluate the Offeror's staffing plan to demonstrate the ability to obtain, retain, and maintain adequate numbers of qualified personnel to safely, and effectively, perform

all elements of the PWS. DOE will evaluate the Offeror's organizational breakdown structure to accomplish the PWS and the benefits of its use of subcontracting or teaming arrangements (if any), including roles and responsibilities and lines of authority. DOE will evaluate the Offeror's approach to the variability in workload and work surges, and their understanding of and approach to interfacing with other site contractors, service providers, and site-wide programs providing integrated safety management and an effective safety culture. DOE will also evaluate corporate resources from parent or affiliate organizations, e.g., LLC members or other corporate divisions, which will be used or are available for use; how these resources will/may be used; and the benefit of such to the performance of the contract.

M.5 DOE-M-2008 EVALUATION FACTOR 3 – PAST PERFORMANCE (OCT 2015)
(REVISED)

(a) The Offeror to include all members of a teaming arrangement, as defined in FAR 9.601(1), will be evaluated on the recency, relevancy, and favorability of the past performance information obtained for the Offeror performing work similar in scope, size, and complexity to the requirements of the PWS to assess the Offeror's potential success in performing the work required by the contract. Similar scope, size, and complexity are defined as follows: scope – type of work; size – dollar value and contract duration; and complexity – performance challenges and risk. DOE will evaluate past performance information for contracts that are currently being performed and/or for contracts that were completed within the last three years from the final solicitation issuance date. All members of a Contractor Team Arrangement as defined in FAR 9.601(1) on a past performance contract will be equally credited (positively or negatively). The Government will not apportion past performance differently amongst the team members, as each entity is considered to be responsible for overall performance.

(b) Major subcontractor past performance. In addition to evaluation of the offeror's relevant past performance, the offeror's proposed major subcontractors as defined in Section L, DOE-L-2010(b), will be evaluated on the recency, relevancy and favorability of the past performance information obtained for the major subcontractor performing work similar in scope, size, and complexity to that proposed to be performed by that major subcontractor.

(c) Newly formed entity. If the offeror or major subcontractor is a newly formed entity with no record of relevant past performance, DOE will evaluate past performance information for its parent organization(s) or member organizations in a joint venture, LLC, or other similar or affiliated companies, provided the offeror's proposal demonstrates that the resources of the parent, member, or affiliated company will be relied upon in contract performance such that the parent or affiliate will have meaningful involvement in contract performance. Meaningful involvement means the parent, member or affiliate will provide material, supplies, equipment, personnel or other tangible assets to contract performance. If a common parent company is used to establish the nexus between the Offeror and an affiliated company, the Offeror must demonstrate

how the affiliate and Offeror rely on, for example, similar assets, resources, policies, and procedures of the common parent company. The offeror or major subcontractor, whether or not they are a newly formed entity, may also provide past performance information on predecessor companies that existed prior to any mergers or acquisitions where the Offeror's proposal demonstrates such performance reasonably can be predictive of the Offeror's performance.

(d) Sources of past performance information/close at hand information. DOE will consider past performance information provided by the offeror. DOE may contact any or all of the references provided by the offeror and will consider such information obtained in its evaluation. DOE may also consider past performance information from sources other than those provided by the offeror, such as commercial and government clients, government records, regulatory agencies, government databases, and close at hand information (i.e., information relating to the same or similar services with the same procuring activity, or information personally known to the evaluators). DOE will only evaluate past performance information for work it considers at least somewhat relevant to the acquisition in terms of its similarity in scope, size, and complexity, as defined above in paragraph (1), and within the timeframe specified, as defined above in paragraph (1).

More relevant past performance information as well as more recent past performance information may be given greater consideration.

(e) 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 not be evaluated favorably or unfavorably on past performance.

(f) Terminated contracts: Contracts of the offeror, to include all members of a teaming arrangement, as defined in FAR 9.601(1), and major subcontractors that were terminated, including the reasons therefore, over the preceding three years from the final solicitation issuance date may be considered in the evaluation.

(g) ESH&Q past performance information. DOE will consider the Offeror's past performance information related to the areas of environment, safety, health, and quality (ESH&Q). This information must be provided for the offeror, subcontractors, and other performing entities on certain past performance indicators included in the ESH&Q form contained in Attachment L-9 to Section L. This information is to be provided for those contracts contained in the Past Performance Information Form, in L-6 to Section L.

(End of Provision)

M.6 COST AND FEE EVALUATION FACTOR

Cost proposals will be evaluated for price reasonableness, cost realism, and completeness in accordance with FAR 15.404-1(d). The evaluation will include analysis of the Offeror's proposed fee, key personnel costs and transition activities costs to determine

whether the proposed cost elements are realistic for the work to be performed, reflect a clear understanding of the requirements, and are consistent with the proposed key personnel costs and the methods of performance and materials described in the Offeror's approach to transition activities. The Government will determine the most probable cost for the Offeror's proposed key personnel costs and transition costs. The most probable cost will not be point scored or adjectively rated.

For purposes of determining the best value to the Government, the evaluated price will be the total of the proposed fee for the five-year base term and the five-year option, along with the most probable cost for key personnel and transition activities. The evaluated price will be considered in accordance with DOE-M-2012 Basis for Award.

M.7 DOE-M-2011 RELATIVE IMPORTANCE OF EVALUATION FACTORS (OCT 2015) (REVISED)

(a) The relative importance of the evaluation factors for the Technical and Management Proposal (Volume II) are listed in descending order of importance below.

- (1) Factor 1 – Technical and Management Approach
- (2) Factor 2 – Key Personnel and Organization
- (3) Factor 3 – Past Performance

Each evaluation factor applicable to this solicitation is identified and described in this and other provisions of this Section M. The descriptive elements of each evaluation factor will be considered collectively in arriving at the evaluated rating of the offeror's proposal for that evaluation factor. Areas within an evaluation factor are not sub-factors and will not be individually rated but will be considered in the overall evaluation for that particular evaluation factor.

(b) The evaluation factors for the Technical and Management Proposal, when combined, are significantly more important than the evaluated price.

(End of Provision)

M.8 DOE-M-2012 BASIS FOR AWARD (OCT 2015) (REVISED)

The Government intends to select an offeror for award of a contract that represents the best value to the Government. In determining the best value to the Government, the evaluation factors for the Technical and Management Proposal, when combined, are significantly more important than the evaluated price. Evaluated price is the Government-determined most probable cost for proposed key personnel and transition activities plus the proposed total available award fee for the base and option periods. The Government is more concerned with obtaining a superior technical and management proposal than making award at the lowest evaluated price. 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 offeror's technical and management proposal over another.

(End of Provision)