

**Responses to Questions and Comments on Draft Solicitation Documents
(DE-SOL-0008470) for the Sandia National Laboratories (SNL) Management and
Operating (M&O) Contract Competition**

1. **Question.** We suggest a complete site tour of the SNL given the size and diversity of the lab. Pre-proposal meeting. Ideally, the pre-proposal meeting should occur before issuance of the Final RFP (FRFP). Scheduling these events in parallel negatively impacts the quality and completeness of the proposal. One-on-one discussions: One-on-one discussions should be incorporated into the competition process to take advantage of face-to-face interactions that improve the solicitation, inform the bidders, and result in higher quality proposals.

Answer. In response to the suggestion, a site tour of SNL's Albuquerque, New Mexico location took place on Wednesday, April 27, 2016. One-on-One discussions were held on April 28 & 29, 2016. Information regarding the site tour and One-on-Ones has been provided to offerors via FedConnect.

2. **Question. a. Proposed Fee** - While the fee is lower than we anticipated, we understand and accept the Government's direction. Given the nature of the fee structure in the draft RFP and the risks that the contractor will assume, we encourage the government to maximize the allowability of appropriate costs under the contract consistent with the provisions of the FAR and other associated regulations.

b. Page Limits - Draft RFP Section L-13(g) indicates: The Technical and Management Information (Volume II) shall not exceed 25 pages; however, certain pages are excluded from the page count as noted below. An Executive Summary or Overview of Volume II may be provided in Volume II and shall be included in the 25 page limitation. We suggest that the Final RFP Section L. 13(g) should be changed to: The Technical and Management Information (Volume II) shall not exceed 50 pages; however, certain pages are excluded from the page count as noted below. An Executive Summary or Overview of Volume II may be provided in Volume II and shall be included in the 50 page limitation.

c. Key Personnel - And Managers Who Report Directly To Them - Draft RFP Section L-15 (b) (ii) indicates: Individual roles, responsibilities, and lines of authority to include Key Personnel and managers that report directly to him/her (only Key Personnel must be named) Draft RFP Section L-16 (a) indicates: ...However, the Offeror must propose Management Team Costs (Key Personnel and their direct report managers) and Fee... Management Team Costs: An Offeror's Management Team consists of the Key Personnel and managers who report directly to them consistent with the Offeror's organizational structure. The Offeror shall propose total reimbursable compensation for each proposed position of its Management Team even if that proposed position is not yet staffed by the Offeror. Costs shall be proposed for the Management Team for the Contract's base term years 1 and 2. If the proposed positions of the Management Team, excluding Key Personnel, are not yet staffed by the Offeror, the Offeror shall provide the compensation ranges for all forms of eligible compensation associated for the proposed position. The Government will use the highest salary and other forms of compensation identified in the range for evaluation purposes. We suggest that the government provide current cost data for relevant Key Personnel and Managers that report directly to them for the Sandia National Laboratories.

d. Draft RFP Section M-3 (c) Criterion 3: SMALL BUSINESS PARTICIPATION indicates: This information shall not contradict the information provided in the offeror's subcontracting plan found in Section L- Attachment C. The Section L - Attachment C was not released with the draft RFP. Please make the Attachment C available as soon as possible.

Answer.

- a. Comment noted.
- b. The page limitation for Volume II will increase from 25 to 35.
- c. The government will not provide the current cost data for Key Personnel and managers. Offeror's should provide Management Team Cost information as described in L-16(a).
- d. Attachment C – Small Business Subcontracting plan will be released with the Final RFP. This attachment is similar to other NNSA M&O contract competitions.

3. **Question.** a. The proposed fee level is low and is not consistent with the fee available at other NNSA sites. For example, the Lawrence Livermore National Laboratory contract was extended in January 2016, with a higher fee level. It is our view the fee level, as proposed in the draft solicitation, will not attract a broad, qualified field of bidders and, as a result, could limit competition for the Sandia M&O contract. For large, publically traded companies or universities accountable to stockholders or oversight boards, the low fee makes it difficult to justify bidding. Further, the lower fee does not allow for balancing risk and reward between the Government and the contractor. At such fee levels, we would expect to see DOE/NNSA retain most of the risk under this contract.

b. There are several different contracting models that can deliver value at Sandia. While various contracting models have been used throughout the history of the DOE/NNSA Weapons Complex (beginning with the AEC an LLC) has delivered the most consistent success in meeting performance expectations and mission requirements. We believe the public-service model is also workable. The public-service approach has the potential to exceed the Government's expectations for mission performance, if there is a clear, unambiguous single entity responsible to the DOE/NNSA for delivery of the mission. Regardless of the model chosen, NNSA should select a bidder that has proven leadership performance in managing complex facilities and sites, and a demonstrated commitment to partner with NNSA.

c. DOE/NNSA should consider consolidating option/extension periods into a single, 5-year extension option. Historically, a longer extension period that provides more certainty for the contractor as well as the Government results in cost efficiencies, ensures the retention of essential human capital resources, and minimizes disruptions caused by successions and transitions. A longer option period would also be more attractive to bidders, garnering more participation in the competition.

d. DOE/NNSA should consider allowing bidders to offer "Essential Personnel" in addition to "Key Personnel." Under the current model, bidders can offer Essential Personnel, but those individuals are not scored, even though they must be included in the cost structure. By expanding the definition of "Key Personnel" in L-15 (b) 2, offers would be encouraged to propose more diverse and specialized human resources to the bid.

e. DOE/NNSA should consider providing a Cross Matrix index identifying the sections required to be submitted and their relationship to the selection criteria.

f. Please explain the relationship between the criteria identified in B-7 "Leadership Performance Evaluation" to fee? As currently stated, the relationship of these criteria to the proposal evaluation criteria identified in Section M or the annual Performance Evaluation Plan is not clear. Will the criteria in B-7 be applied through an additional evaluation process?

g. Is it the Government's intent to seek parity of pensions going forward with those of Government agencies and industry practices, or continue with SNL's current pension approach? Should the Government chose to end the current pension plan and convert to one that has parity with recently awarded Government contracts or industry pension plans it could substantially influence potential bidder's proposals.

Answer.

- a. Comment noted. Fees will not be increased.
- b. Comment noted.
- c. Comment noted. NNSA believes the current 5 year base period plus 5 one year optional periods best serves the Government.
- d. As stated in L-15(b) (2), the Offeror has the flexibility in determining which positions they consider key to perform the Statement of Work.
- e. Attachment L - Appendix D Cross Reference Matrix will be provided in the solicitation.
- f. Section B-7 applies to the performance measure for the "at risk" fee and is only applicable to the successful offeror during contract administration; it does not apply to the evaluation of proposals.
- g. As stated in the Statement of Work, Chapter III, 6.1, 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. 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 laws.

4. **Question. a.** Statement of Work - Section J, Appendix A, 4.0 refers to Location of Performance. Sandia National Laboratories has additional locations including Carlsbad, NM; Eagan, MN; Sandia Science and Technology Park; and Washington DC.

b. Terms and Conditions - Without the ability to review Section H – Special Contract Requirements and Section I – Contract Clauses, Offerors cannot fully comprehend the risks or assess potential exposure. In addition to the advantages of surfacing bidders concerns early, the opportunity to review special contract requirements and clauses prior to the final RFP release alleviates the bidder's risk of non-compliance if an exception is taken later.

c. Transition Period - The incumbent team is the parent company of Sandia Corporation. The workforce has been employed by Sandia Corporation since the inception of the Laboratories in 1949. Sandia Corporation provides the management and operating policies, procedures and practices to execute the mission at Sandia National Laboratories. The continued use of Sandia Corporation eliminates the need to terminate and rehire employees, and to re-establish policies, systems, processes, tools and controls, thereby reducing both risk and contract transition costs.

d. Compensation - Paragraph 5.2.3 (v) states that the dollar amount authorized to fund the variable pay program shall not exceed 2.5% for exempt employees only. However, the current program at SNL has a limit of 4.9%, nearly twice as much as identified in the Draft RFP, and includes all exempt and non-exempt employees not covered by a collective bargaining agreement. A 4.9% non-base is important to the workforce, justifiable by external market comparisons, and recognizes short-term achievements without adding cumulative costs. If the variable pay is capped at 2.5%, then a multi-year transition is critical to minimize impact on high-performer and critical skills retention and the attraction of top talent. Either retaining 4.9% or providing a multiyear transition is consistent with the incumbent pay practice and the market based studies that Sandia provides NNSA each year.

e. Benefits - The benefit value appears to only exclude incumbent employee pension plan whereas a fair comparison would restrict the benefits measure to new hires only. Without removing incumbent employees benefit value, more than two years would be needed to align to 1.05 without serious consequences to mission delivery. Overall, the current benefits value practices are restrictive in terms of changing the benefits mix and reducing the ability to manage costs. Additional flexibility would enable meaningful benefit choices based on workforce needs and concerns, and potentially provide cost savings opportunities for NNSA.

f. Parent Organization(s) - The introduction of industry best practices to the laboratories by the parent company is a key tenet of the FFRDC M&O Model. The parent company is encouraged to identify opportunities to utilize corporate systems and personnel to improve performance, reduce costs, streamline administrative and business systems, adapt private sector expertise to laboratory practices, and assist with mission and operational requirements. As a result of parent company involvement, Sandia National Laboratories has benefitted from implementing industry best practices such as Earned Value Management System, leadership talent and development, and risk management. With a large diverse aerospace contractor parent company, Sandia has enjoyed significant savings from larger buying power providing direct benefit to taxpayers.

g. CLIN Structure - Our interpretation of the DRFP CLIN structure is that the work performed by SNL under CLIN 0001 is sponsored entirely by the NNSA and DOE, and CLIN 0002 includes SNL's support to Strategic Partnerships Projects (SPP). There does not seem to be a solid rationale for excluding approximately 40% of SNL's cost base from participation in the award fee pool, while maintaining 100% M&O contractor support and 100% performance guarantee. We recommend adding award fee for CLIN 0002. CLIN 0003 places an unknown level of responsibility and risk on the M&O contractor in managing Capital Construction Projects. Additional information in Section B and Section H is needed for bidders to fully appreciate the responsibility and risk exposure related to Capital Construction Projects.

h. Unallowable Costs - Unallowable costs continue to put pressure on the realized fee of an M&O contractor across the NNSA Enterprise. It is imperative that unallowable costs determination has a reasonable time limit after an audit or incurred cost to make the process more predictable. A formal escalation process is recommended when allowability is debatable. As part of the Leadership Performance Evaluation criteria identified in Section B, Paragraph B-7, the contractor's M&O leadership performance will be evaluated based on the success of technology transfer. SNL uses university partnerships, CRADAs, SPP customers, IP portfolio licensing, and the Entrepreneurial Program to transfer technology. In addition to these efforts, Technology Ventures Corporation (TVC) has played a significant role in technology transfer. For over two decades, TVC has supported entrepreneurial training programs and the development of business plans to aid

small businesses and individuals in the commercializing of technology developed at SNL. Based on the Performance Evaluation Criteria outlined in the Draft RFP, we would expect that the work performed by Technology Ventures Corporation or similar entities become an allowable expense in support of tech transfer.

i. Contract Fee Structures - It is important that risk and increasing pressure on unallowable cost be considered under the modest fee requirement identified in the Draft RFP. The NNSA is requiring the M&O contractor to be more accountable while accepting additional risk, all without a commensurate increase in fee. A reasonable balance between risk and fee is needed to incentivize safe, efficient, and effective performance by the M&O contractor. Strategic Partnership Projects are a vital part of the Sandia National Laboratories mission. The NNSA requires effective, efficient, and safe performance of all SPP efforts, exposing the M&O contractor to significant risk if performance is below expectations. We highly recommend that award fee equally apply to both CLINs 0001 and 0002. We are seeking a contract fee structure that is market based, commensurate with the risk exposure to the parent organizations. The fee structure should consider the value of the parent's investments in the nuclear enterprise, inclusive of but not limited to leadership, corporate talent, and management systems. Consideration should also be given to the risk and responsibility assumed by the parent company and the size and complexity of the contract. The tangible and reputational risk assumed justifies an increase of the Sandia M&O contract fee to a number in-line with the fee provided at other NNSA sites.

- Answer.**
- a. Comment noted.
 - b. Section H and Section I will be released with the Final RFP.
 - c. Comment noted. NNSA will not transfer Sandia Corporation to the successful offeror. NNSA does not expect to retain the Sandia Corporation name.
 - d. The Government will not change the Incentive Compensation Plan. See the Final RFP.
 - e. Section 4.2.2 will be changed to allow the contractor to propose a different time-period for bringing the contractor's benefits program into compliance with 105% threshold. The Contracting Officer will have the discretion to change the time period for bringing the benefits program into compliance if necessary.
 - f. Comments noted.
 - g. Comments noted. An award fee will not be applied to CLIN 0002.
 - h. Section H will address this issue. See the final RFP.
 - i. Fee structure will remain.

5. **Question.** – a. **Section B:** Paragraph 2, Table 1, and Page 3 - This table does not provide an estimated cost of work inside of the DOE but outside of NNSA. CLIN 1 cost estimates appear to reflect the Weapons Activities funding level from Congressional Budgets. Does the Government intend to add an additional column in the Final RFP for DOE work that is outside of NNSA? If so, what is the estimated cost of the non-NNSA DOE work from the base year to the end of the contract? We assume that this additional work scope would also be subject to both fixed and award fee.

b. Section B: New Clause - This RFP places a very strong emphasis on small business (SB) participation. As a stand-alone evaluation criterion, it could be inferred that direct participation of SB within the bidding entity in a meaningful way would be viewed positively in evaluation of proposals. But, as written, participation within the bidding entity would require the SBs to share

the designated fee pool. If the SB was actually inside an LLC formed specifically for bidding this contract, they would then be required to sign a Performance Guarantee. This is problematic from the perspective of both large and small business. From the SB perspective, most will not sign a joint and severable Performance Guarantee as it creates the potential for extraordinarily large liabilities. From the large business perspective, it is difficult to find SBs that have the governance structure and financial stability to be an integral part of an operating LLC. In the past, DOE has included a Section B clause that excludes SBs from the designated fee pool in order to provide stronger incentive for SB participation. The following clause is an example from a very recent DOE bid. ALLOWABILITY OF SUBCONTRACTOR FEE (a) Separate, additional subcontractor fee is not an allowable cost under this Contract for individual team members, or for a subcontractor, supplier, or lower-tier subcontractor that is wholly-owned by, majority-owned by, or affiliated with any team member. (b) The subcontractor fee restriction in paragraph (a) 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 Section H Clause entitled, Mentor-Protégé Program; (3) a competitively awarded firm-fixed price or firm-fixed unit price subcontract; or (4) competitively awarded subcontracts for commercial items as defined in FAR Subpart 2.1.

c. Section H & I: These sections and the special terms and conditions that are contained within these sections are exceedingly important for all Offerors to review and have the opportunity to provide comments. If the Government does not provide these documents for review and comment prior to the release of the Final RFP, this could represent an unfair advantage to the incumbent, who has been operating under these or similar conditions. Would the Government consider issuing a modification to the Draft RFP and provide those draft documents for review and comment?

d. Section L: Per documented Federal Government registration guidance, it takes several weeks to establish a legal entity and meet all of the requirements outlined in the Draft RFP. For example, obtaining a tax id number, a DUNS number, a CAGE code, and successful SAM registration are each multi-day/week required components of the entity registration process. Each of these components is an essential step to meet RFP requirements and electronically upload a proposal. In establishing the Final RFP and ultimate delivery dates for this proposal, it is a request to the Government to consider this and provide sufficient time to accomplish these tasks. Without providing sufficient time for Offerors to establish these legal entities, potential Offerors may be forced to make a no-bid decision.

e. Section L: 13(e), Page 158 & 34, Page 174 - We appreciate that the Government sees the benefits of scheduling an on-site tour for potential Offerors. It is believed the Government and Offerors would benefit from a comprehensive industry day agenda and one-on-one meetings to ascertain critical-to-quality variables, operational and execution risks, and a better understanding of customer needs. The dates above imply a Final RFP release date of early April. We request that the pre-proposal meeting and site tour be held prior to the release of the Final RFP. This timing will enable Offerors to use the knowledge gained from the pre-proposal meeting and site tour to propose more compelling and innovative offers. Alternatively, additional time could be provided to the Offerors by extending the due date for proposals.

f. Section L: 13(g), Page 160 - To adequately describe our offering in the Technical Volume, 25 pages may not be sufficient. The ability to accomplish the broad SNL mission in accordance with the Draft RFP Section M language of a simple organization with less complex relationships requires

a comprehensive discussion of organization rationale and key personnel roles, responsibilities, and authorities. It is recommended that NNSA consider expanding the total page count to 35 pages.

g. Section L: L-3, Page 155 & 16(a), Page 168 - The current scope of work at SNL is broad and contains SOW aspects rarely found together on a single contract or in the other NNSA/DOE Labs. Specifically, the nuclear weapons activities include aspects of design and development as well as production and maintenance, and stockpile certification. A critical part of every major corporation's bid/no-bid decision process is a thorough analysis of the project's risk/reward ratio. Accordingly, we request that the Government consider raising the maximum fee commensurate with the scope risk. It is suggested that the Government consider raising the maximum fixed fee for CLIN 1 from 1.0% to 1.5% and the award fee from .5% to 1.0%. Additionally, CLIN 2 for SPP could be incentivized while regulating growth and controlling long-term liabilities sometimes associated with SPP activities. It is recommended that the Government consider raising the fixed fee for CLIN 2 from 1% to 1.5%.

Answer. a. Table 1 for CLIN 0001 will be completed by the Contracting Officer at the effective date of contract award. Appendix I – Summary, Fixed Fee and Award Fee contains the estimated cost for DOE and NNSA work for the contract period of performance. The successful offeror will receive a Fixed Fee and an Award Fee for work performed under CLIN 0001. Table 2 for CLIN 0002 will be completed each year by the Contracting Officer for SPP projects. Attachment I – Summary, Fixed Fee and Award Fee contains the projected estimated cost for non-NNSA work over the contract period of performance. The successful offeror will receive a Fixed Fee for work performed under CLIN 0002.

- b.** Comment noted and information is in the Final RFP.
- c.** See answer 4b.
- d.** Comment noted. The government intends to give prospective offerors sufficient time to develop and submit their proposals.
- e.** See answer 1 and 5d.
- f.** See answer 2b.
- g.** Comment noted. See answer 3a.

6. **Question. a.** Comment: The fee structure as proposed in the draft solicitation Sections B and L-16 (c) is deemed appropriate.

b. Recommendation #1: Increase the page limit for Volume II to a minimum of 50 pages, and exclude a brief (perhaps 5-6 page) Executive Summary from the page count.

c. Recommendation #2: Ensure that current Sandia salary ranges for managers reporting to Key Personnel are made available through the competition web site.

d. Recommendation #3: Consider adding Orals to the evaluation process.

e. Recommendation #4: Make key background information available as rapidly as feasible through the competition website.

f. Clarification: Question #1: What is DOE NNSA's intent with regards to the Sandia Corporation if the contract is awarded to a new contractor? The current M&O contract makes provision for

transfer of the shares of the Sandia Corporation to a successor contractor at the direction of NNSA. The draft RFP, however, makes no reference to the Sandia Corporation.

g. Section L-16 Volume III Cost Information states that the Offeror's Management Team consists of the Key Personnel and managers who report directly to them consistent with the Offeror's organizational structure. It also states that the Offeror shall propose total reimbursable compensation for each proposed position of its Management Team even if that proposed position is not yet staffed by the Offeror. Will the Government clarify if the Offeror should include costs for all managers who report directly to Key Personnel? Using the current Sandia organization as reference, this would consist of more than 90 staff members.

Answer.

- a.** Comment noted.
- b.** See answer 2b.
- c.** This information will not be provided. See answer 2c.
- d.** Comment noted. Oral presentations will not be part of the evaluation process.
- e.** NNSA will make pertinent information regarding this requirement available as quickly as possible. Additional background information has already been posted to the website.
- f.** See answer 4c.
- g.** Yes, offeror's shall include costs for all managers that report directly to Key Personnel. See L-16(a). An Offeror's Management Team consists of the Key Personnel and managers who report directly to them as determined by the offeror and is supported in the Offeror's proposed organizational structure. The organization structure for Sandia is posted. See answer 2c.

7. **Question. a.** 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 all three CLINS. This will incentivize greater involvement from the parent organization, not just the laboratory leadership, in the NNSA enterprise, and help to ensure that corporate capabilities are driven into the enterprise.

b. Criterion 1 - NNSA should provide further information, in particular the priority of the elements of the SOW and the types of deliverables associated in each of the major sub-elements, along with the funding stream associated with each. It is recommended that NNSA provide potential offerors details of the deliverables (services or equivalent production units) in priority order, along with information such as FTE and funding levels. This type of information will not only allow an offeror to provide the most relevant past performance experience associated with each part of the statement of work, and will also allow offerors to bring the best organizational structure to manage such efforts.

c. Criterion 2 - In Section L-15(b), add the following underlined language to Criterion 2: “(b) Criterion 2: LABORATORY ORGANIZATION AND QUALIFICATIONS OF KEY PERSONNEL” “(b) Criterion 2: LABORATORY ORGANIZATION AND QUALIFICATIONS OF KEY PERSONNEL (1) The Offeror shall describe its proposed organizational structure (including an organizational chart) to manage the Sandia National Laboratories, particularly with respect to performance of the Statement of Work, Chapter II, and the following: (i) The rationale for the organizational structure; (ii) Individual roles, responsibilities, and lines of authority to include Key Personnel and managers that report directly to him/her (only Key Personnel must be named); (iii) A description of the structure, composition,

duties of the involved organization(s), and any resources available outside of the site to ensure performance under the Contract without loss of efficiency. Include a strategic vision and associated implementation plan to demonstrate how the SNL mission-relevant experience and corporate capabilities of each team member and/or subcontractor described in the past performance qualifications will contribute to the delivery of NNSA mission objectives and enterprise success factors. (iv) How the proposed organizational structure ensures coherent governance across the Laboratories. “Associated with this recommendation, NNSA should consider an increase to the page count for the Technical and Management Volume to minimum of 40 pages and allow a minimum of 60 days for response to the solicitation”.

d. Criterion 3 - NNSA has the ability to evaluate how the offeror will promote small businesses in accordance with FAR 52.219-8 through the use of Criterion 3. In order to best present the chances of long term success, we recommend NNSA modify Criterion 3 to request the historical performance data of all core partners along with the approach as currently requested in Section L. Historical past performance data could be obtained through submission of data from the Electronic Subcontractor Reporting System (eSRS). The Small Business Subcontracting Plan should be submitted after award, during the transition period and not as part of the proposal.

e. In addition, B-7, LEADERSHIP PERFORMANCE EVALUATION should be amended to include “(h) Demonstrated parent company involvement/commitment to the promotion of small businesses” so that long-term small business actions are evaluated over the life of the contract, not just at proposal submission with documents that may never be implemented.

f. Section M - Instead of “Criterion 1 is more important than Criteria 2 and 3 combined, and Criterion 2 is more important than Criterion 3,” recommend instead “Criterion 1 equals Criteria 2; each are much more important than Criterion 3.” NNSA should also consider Orals presentations as part of the evaluation of Criteria 2. Criterion 2 - In Section M-3(a), add the following underlined language to Criterion 2: “(b) Criterion 2: LABORATORY ORGANIZATION AND QUALIFICATIONS OF KEY PERSONNEL The Government will evaluate the Offeror’s Laboratory Organization to consider the extent to which the Offeror demonstrates: (1) An effective, coherent organizational structure to manage and govern the Sandia National Laboratories, particularly with respect to performance of the Statement of Work, Chapter II. As it relates to the organizational structure, the Government will also evaluate the Offeror's strategic vision and implementation plans to enact that vision, demonstrating how NNSA benefits from the SNL mission-relevant experience and corporate capabilities of the team member and/or subcontractor described in the past performance qualifications. Implementation plan should comprehensively address the diverse Sandia mission. Offerors that propose a simple organizational structure with less complex relationships may be evaluated more favorably.....”NNSA should consider Orals presentations as part of the evaluation of Criteria 2.

g. ADDITIONAL QUESTIONS: L-14 (d) states that “The Offeror shall submit a fully completed and executed Performance Guarantee Agreement(s).....for each teaming member (excluding subcontractors) or parent organization.” Since public universities operate in the public interest, may they be exempted from this requirement as long as they are not in a prime role? (Private universities will still need to complete the performance guarantee.)

h. L-16 PROPOSAL PREPARATION INSTRUCTIONS – VOL III, COST INFORMATION (a) Management Team Costs requires significant information on costs of key personnel and managers in the

proposal submission. Is it possible to include the current organizational chart and salaries of all managers on the website so that offerors have view of historical perspective?

i. L-29 RESTRICTION ON OFFEROR CONTACTS WITH EMPLOYEES OF PREDECESSOR CONTRACTORS states “Contacts with employees regarding future employment are permitted; however, such contacts and interviews must take place outside the normal working hours of such employees and at off-site locations. No on-site contacts of any kind with employees of the current incumbent Contractor are permitted related to this solicitation until contract award.” Are current employees limited from signing future employment offers with more than one potential offeror? If not, may current employees be proposed as key personnel on multiple bids?

Answer.

- a. Comment noted. NNSA has added FAR 52.219-10 Incentive Subcontracting Program to Final RFP.
- b. Comment noted. Additional information added to the Final RFP.
- c. Comment noted. See answer 2b.
- d. Comment noted. Additional information added to the Final RFP.
- e. Comment noted.
- f. Comment noted. See answer 1.
- g. No, subcontractors are not required to provide performance guarantee.
- h. No. See answer 2c and 6g.
- i. The purpose of this provision is to prohibit prospective offerors from recruiting/contacting incumbent employees during working hours. This is not appropriate. The government does not get involved in negotiations between prospective offerors and their proposed Key Personnel. In an Offeror’s response to the solicitation a signed commitment letter and resume is required of all key personnel.

8. **Question. a.** Suggestion the current structure of the RFP is inappropriate for something as large, substantial and complicated as the management and operation of SNL. This does not provide a legitimate opportunity for non-incumbent to differentiate themselves from the incumbent and show the value of their team.

b. Evaluation Criteria (Section M) - The current structure of having Past Performance (Criterion 1) considered more than twice as important as the Key Personnel and Management Approach (Criterion 2) that any team brings also will not result in the best management team being proposed. And, considering that Criterion 2 is also evaluated only slightly more important than the Small Business Plan (Criterion 3), seems out of balance with the mission need, it is the key personnel and the intended approach that is a more likely barometer of success, not corporate past performance. Moreover, in M-3(a), when relevant past performance is considered “past performance similar in size, scope and complexity to the requirements of the Statement of Work”, how many projects outside of SNL or Los Alamos National Laboratory really exist that meet the size, complexity and subject matter/mission expertise required at SNL. Coupled with this, the notion that offerors without a record of past performance or for whom relevant past performance cannot be assessed, will score a neutral rating, will almost certainly result in the incumbent having the most relevant and therefore, scoreable past performance. Again, further ensuring the unlikelihood of a successful non-incumbent offer. It is suggested that this guidance be clarified to suggest relevance to “elements of the Statement of Work” versus the entire scope. An even better alternative, would be to equate Past Performance evaluation with the Key Personnel and Management Approach Criteria, with significant evaluation enhancements for proposed key

personnel that also were responsible for delivering the past performance projects included in an offerors proposal.

c. Available Fee – Even though, the max available fee in the Draft Solicitation is consistent with the historical SNL contract, it is believed this available fee pool will limit competition for this project. As the single largest and arguable most complex M&O in the NNSA, suggesting it should be delivered with the corporate capabilities and resources necessary for successful performance, but at a fee pool less than all the other M&O’s across the system, makes little sense. If it is NNSA’s intent to keep the available fee pool at the current rate, it is recommended that it changes Section L-22 to allow for Alternative Proposals that can deliver this project under the available fee pool, but under a different construct.

Answer. a. Comment noted.
b. Comment noted. Additional information included in the Final RFP.
c. Comment noted. See answer 3a. In addition, L-22 will not be revised to allow alternative proposals.

9. **Question.** a. Suggest the contract values does not appear to reflect work performed for DOE organizations outside of NNSA (principally Science and Energy). It is recommended that the fee table be revised to reflect that work. The fee cap applied in this solicitation are significantly lower than those in Los Alamos and Lawrence Livermore national labs. Fee levels should reflect both risks assumed by the M&O contractor and the desired engagement by the parent companies. Suggest revising mission fee to 1.5% fixed and .5% incentive. SPP/SIPP activities should be revised to 1.5% to reflect the operational risks associated with these activities.

b. CLIN 0003: Capital Construction Projects - No guidance is provided on fee caps for CLIN 0003 capital construction projects. Will these be negotiated separately on each project? Suggest that a cap of 5-6% fee (fixed or incentive) be placed on these projects.

c. L-34 Site Tour and Pre-Proposal Meeting - The draft RFP establishes the week of April 25 for the site tour and pre-proposal meeting. Will one-on-one meetings be allowed at the pre-proposal conference? This information is found to be of great value in prior NNSA solicitations.

Answer. a. Comment noted. See answer 3a and 5a.
b. Work performed under this CLIN will be negotiated separately during contract administration.
c. See answer 1.

10. **Question.** a. Suggestion #1 for the draft solicitation documents - The state of New Mexico has been experiencing challenging economic conditions since the Great Recession, a condition that can negatively impact the National Laboratories’ ability to attract the outstanding talent that it needs to replace an aging workforce. The successes demonstrated by the collaborations between us and other research universities with New Mexico’s National Laboratories in technology commercialization represent a positive step in regional and national economic development. In light of this, we respectfully suggests that the draft solicitation documents include language that reflects this. b. Suggestion for the draft solicitation documents - Given the complexity and breadth of the activities and work scope structure articulated in the Draft Statement of Work contained in the draft solicitation documents for the SNL M&O Contract Competition, we respectfully suggests

that the Maximum Page Limitations (Section L-13 (g)) be increased to enable proposals that are more fully responsive.

Answer. a. Comment noted.
b. See answer 2b.

11. **Question.** We are concerned that the Draft RFP's proposed page limit for proposals would not allow a university system to adequately describe their potential contributions to the NNSA missions through SNL. Combined with the Draft RFP's instructions to focus on past performance, key personnel, and small-business plan, the page limit will prevent a bidding team from describing the novel benefits that a university system such as ours can provide to SNL, NNSA, and the nation-- benefits that cannot be inferred from past performance. We respectfully request an increase in the page limit.

Answer. Comment noted. See answer 2b.

12. **Question.** The draft RFP does not sufficiently address the unique and complex nature of stewardship of an FFRDC or the special role that Laboratory Directors play as intellectual leaders in the nuclear security mission space and as members of the DOE/NNSA senior leadership team. In particular the disproportionate emphasis placed on past contractor performance and the reduction of the evaluation process for key personnel to a simple resume and reference checking exercise are not consistent with the degree of difficulty attendant with managing a national laboratory. From my opinion, the quality of the senior leadership team and their approach to ensuring successful accomplishment of the science and mission objectives of the laboratory should be paramount in any evaluation process. Limiting the technical and management information to a twenty-five page document, with no oral presentations to assess the quality or likely effectiveness of the key personnel or management approach, greatly underestimates the challenges inherent in managing such a large and complex R&D organization. We believe it essential that the performance of the M&O contractor be evaluated based on outcomes: successful execution of science and mission work; effective operations; development of partnerships with industry and academic institutions; and outstanding support of DOE/NNSA stakeholders in achieving their mission objectives. The highest priority must be placed on quality of science and mission impact. National laboratory business and operational functions exist to enable and facilitate accomplishment of scientific and mission objectives, not as an independent goal unto themselves. This makes the proposed over emphasis on past contractor performance particularly problematic. It is essential that this evaluation be focused and weighted against an appropriate set of metrics.

Answer. Comment noted. See answer 2b.

13. **Question.** We suggest that oral presentations be planned a part of the ultimate selection process to provide the clearest picture of the technology, the quality of faculty and staff, and the real cross-cutting capabilities and competencies of prospective universities.

Answer. Comment noted. See answer 6d.

14. **Question.** We welcome the opportunity to demonstrate the ways in which we can support mission-critical advances for Sandia National Laboratory. However, the page limit and emphasis areas

greatly restrict the ability to describe the unique ways in which we can help to shape the Laboratory's future. We suggest that such opportunities be provided in the final RFP.

Answer. Comment noted. See answer 2b.

15. Recommend NNSA provide the draft T&Cs to the bidders for review and comment prior to the FRFP release. This will safeguard NNSA against contract exceptions and protest and give the M&O insight into contractual risks.

Answer. See answer 4b.

16. We recommend applying Award Fee for Strategic Partnership Projects (SPP) which makes up approximately 40% of SNL's cost base. The tangible and reputational risk assumed justifies an increase of the Sandia M&O contract fee to a number in-line with the fee provided at other NNSA sites

Answer. There is no award fee available for Strategic Partnership Projects (SPP) in this solicitation. Strategic Partnership Projects are complementary projects performed on behalf of non-DOE entities through the Sandia National Laboratories.

17. We recommend a contract fee structure that is market based, commensurate with the risk exposure to the parent organizations. The fee structure should consider the value of the parent's investments in the nuclear enterprise, inclusive of but not limited to leadership, corporate talent, and management systems. Consideration should also be given to the risk and responsibility assumed by the parent company and the size and complexity of the contract. The tangible and reputational risk assumed justifies an increase of the Sandia M&O contract fee to a number-in-line with the fee provided at other NNSA sites.

Answer. Comment noted. See responses to 3a and 5a.

18. Will the NNSA consider delaying the Final RFP by two months?

Answer. Comment noted. However, NNSA has a scheduled time line for the release of the Final RFP, receipt of proposals, evaluation of proposals, and an award decision. The current contract expires April 30, 2017. As stated in previous public notifications, NNSA plans to issue the final RFP in the 3rd Quarter of FY16 in order to meet the schedule time line, and those plans remain unchanged.

19. Must universities submit reps & certs, performance guarantees, and past performance forms?

Answer. Universities must submit reps and certs, they may be exempt from submitting performance guarantee depending on the structure of the offer see Clause G4 in the RFP, and they must submit past performance forms.

20. We recommend a period of performance of one (1) 5-year base and three (3) 5-year options, similar to the approach of National Institute of Health and the National Cancer Institute. A longer contract provides stability for the laboratories and reduces costs for both the NNSA and the M&O contractor.

Answer. The DOE Acquisition Regulation 970.1706(a) states that “Effective work performance under a management and operation contract is facilitated by the use of a relatively long contract term of up to term (10) years.” The contract period of performance will remain one 5-year base term and 5 one-year optional periods. The optional periods can be exercised in increments of one year, two years, and three years based on contractor performance and market conditions.

21. It is unclear how the option terms will be awarded. We recommend performance thresholds for option terms vs. unilaterally determined by the contract office.

Answer. Options will be exercised according to DEAR 970.1706-1(b) which requires the contracting officer to assess whether competing the contract will produce a more advantageous offer than exercising the option. This assessment addresses the incumbent contractor’s past performance under the contract, the extent to which performance based management concepts are present in the contract, and the impact of a change in contractor on the delivery of mission requirement.

22. Recommend NNSA allow provisional billing for up to 50% of the available award fee on a monthly basis. (Similar to Nevada RFP).

Answer. NNSA has considered your request, however the award fee will be paid after a determination by the Fee Determining Official and not on a provisional basis.

23. Recommend clarifying conflicting statements describing payment of FF on CLIN 0002, such as removing the word "Provisional" on pg. 5, for consistency.

Answer. The word “Provisional” will be removed, but the following will remain “the FF for the Base Term of the Contract shall be paid monthly at the rate of one-twelfth (1/12) of the annual FF per month.”

24. Given the emphasis the Secretary has put on Diversity, please clarify if diversity programs will be evaluated either as selection criteria or as part of leadership performance evaluation criteria.

Answer. The Contractor is required to prepare and complete a Diversity Plan. The requirement will be part of the contract administration function.

25. Please provide additional details surrounding CLIN 0003 to better understand the risk the M&O will be responsible for. Please provide an anticipated Business Flow for CLIN 0003 Capital Construction Projects with delineated expectations for the M&O and the NNSA.

Answer. The Final Request for Proposal provides clarity regarding the Construction Projects.

26. When a team member has a defined scope of work (e.g., a subcontractor provides leadership for a distinct portion of the overall SOW), how does NNSA weight those Past Performance scores in comparison to those team members who are responsible for the overall SOW?

Answer. NNSA has provide evaluation criteria that will be used for all proposals received in response to this solicitation. (See Section M, M-3 Criterion 1 – Past Performance)

27. Given that Past Performance is a combination of relevance and performance, how does NNSA weight these two criteria?

Answer. Please see Section M-3, Criterion 1, Past Performance, of the final RFP.

28. When assessing relevance of past performance projects, will NNSA determine relevance as a “go-no-go”, or will relevance be graded across a spectrum (high to low)?

Answer. NNSA will consider the relevance of the past performance information. Please see Section M-3, Criterion 1, Past Performance, of the final RFP.

29. In addition to size, scope, and complexity, if an NNSA project is chosen, would that enhance its relevance?

Answer. NNSA will not speculate on how NNSA versus non-NNSA projects will be evaluated. Please see Section M-3, Criterion 1, Past Performance, of the final RFP.

30. How does NNSA evaluate the “effectiveness” of the approach to small business?

Answer. Offeror’s are responsible for demonstrating in their proposals the effectiveness of their approach and NNSA evaluate it in accordance with the evaluation criterion.

31. The highest weighted evaluation criteria is Past Performance, especially NNSA related past performance. SOW element 1.1 Nuclear Weapons includes sub-elements such as stockpile management, weapons certification, surety, and surveillance activities. Only the incumbent has direct experience with these activities and while an offeror may have similar experiences, most offerors will not have the specific, direct experiences required in the Draft RFP (Sections L and M of the Draft RFP call out “similar size, scope, and complexity to the SOW”). We ask that the Final RFP clarifies that “similar” relevant and related expertise be experience that is not necessarily nuclear weapons specific performance in SOW 1.1, but include experience in complex science, technology, and engineering programs with similar technical, systems, production, and assessment features. Unless these non-nuclear weapons experiences can score equally well as direct nuclear weapons experiences, the incumbent will have a structural scoring advantage.

Answer. Offerors are encouraged to submit information for the past performance projects/contracts which they believe are the most relevant to the requirements of the SOW. The Final RFP recognizes that past performance analogous, but not exactly the same as, to the functions described in the Statement of Work may be relevant (as determined by the evaluation), however, each Offeror should demonstrate in its proposal the relevance of its past performance and how the past performance qualifies the Offeror to perform the SOW (especially where the past performance is not obvious). Note that the past performance information form includes space for describing the relevance of each past performance contract/project in accordance with the stated evaluation criteria taking into consideration all information properly submitted in the proposal.

32. Will an offeror that includes small business subcontractors be more favorably evaluated than an offeror that does not?

Answer. NNSA will evaluate the offeror as presented. It is not in the Government's best interest to pre-determine how a proposal will be evaluated without reading it in its entirety.

33. Criteria 2 asks for an organizational construct and salary data down to second level managers. Only the incumbent has access to this information. No organization chart is published for Sandia, no salary range data are available, yet bidders are asked to propose structure and cost information at this level. This appears to give the incumbent an unfair competitive advantage in this second most important evaluation criteria. We ask that the Final RFP provides the current organization chart down to level 3 along with salary range data to help inform our thinking and help us develop our own organizational structure and salary ranges.

Answer. NNSA has posted the current organization chart at the SNL competition website. Offeror's are required to provide their own organization structure for the management and operation of the Sandia National Laboratories. Offeror's are also required to provide salary for Key personnel and managers that report to Key personnel. See answer 2c.

34. We are very encouraged by the strong focus on small business participation in the solicitation. Based on publically available data, Sandia currently subcontracts a very large amount of work, with a large fraction going to small businesses. We ask that the Final RFP include a list of the top 100 small businesses currently working with the lab, their scope of work, small business code information, performance data, and contract value. This information will allow all competitors to have the same level of insight regarding potential small business partners that the incumbent currently has.

Answer. NNSA will provide as much information as possible regarding the type of small business that currently is supplying products or services to the Sandia National Laboratories, however offerors are required to conduct their own research on the use and potential use of small businesses at the Laboratory sites.

35. To successfully complete its mission, Sandia would benefit from robust and extensive interactions with the research community at large, particularly with research universities. These interactions should be twofold. First, targeted and sustained collaboration, along with the opportunity for peer review, brings new ideas to the laboratories and DOE, while increasing Sandia's research productivity and impact. Second, given the aging demographics of Sandia's scientists and engineers, workforce development for Sandia's programs will be essential to secure the future of the laboratory. Since future Sandia employees will be educated and trained at universities, a strong connection will allow for recruitment of the best and brightest. Public universities and national laboratories share a culture of public service, and understand the nature of taxpayer support for their respective missions. This share commitment to service, combined to with the university community's success with innovation and technology transfer, would be powerful drivers of innovation at Sandia.

Yet, the draft RFP – while clearly stating that university could be “interested parties” – give not substantial consideration to the experience and impact universities could bring to the management of SNL. While we certainly understand the emphasis in the draft RFP on small business development and strategies, there appears to be little opportunity in the RFP as drafted to consider and evaluate the benefits of university engagement, as outlined above, on the R&D experience, the Sandia workforce, and technology transfer. We recommend the final RFP enhance the competition for this nuclear security laboratory by clearly recognizing in the evaluation criteria that universities have an opportunity to make important contributions to the management and operations of SNL.

Answer. NNSA acknowledges the potentially valuable contributions of universities, non-profit research institutions, or other similar organizations. However, as written, the evaluation criteria neither favor nor disfavor any particular type of organizations or organizational structures. Offerors are encouraged to propose teams and organizational structures which they believe will be the most advantageous to the Government, and it is the responsibility of the Offerors to clearly and convincingly demonstrate in their proposals such benefits as it relates to the stated evaluation criteria. NNSA will only evaluate the proposals in accordance with the criteria stated in the RFP.

36. Section L-14(d) states that the offeror shall submit a Performance Guarantee Agreement for each team member with a parenthetical qualifier that says “excluding subcontractors.” The statement as currently written implies that any subcontractor does not need to submit a performance guarantee.

Answer. This is correct. This has been reiterated and clarified in the final RFP.

37. In Section L of the draft RFP, the DOE/NNSA contemplates in several sections that a university or a consortium of universities, and other nonprofits could be “offerors” for purposes of this competition. In Section L-12, the NNSA stated that the Guarantee of Performance must be “satisfactory in all respects to the DOE.” And, Section L, L-14(d), the NNSA clearly requires a fully completed and executed Performance Guarantee Agreement. In many states, however, there are substantial restrictions placed on public universities that would preclude such universities from signing an unconditional and unlimited performance guarantee such as the standard performance guarantee DOE typically requires of Management and Operation contractors. Universities certainly understand—and support – the objective of holding the offeror to the highest level of commitment to the terms of the contract and expectations of the NNSA enterprise. Given the opportunity presented in the draft RFP for public universities to engage in this procurement, has the NNSA contemplated the terms of a Performance Guarantee Agreement that would be “satisfactory in all respects to the DOE,” and that would be constitutionally permissible for state institutions of higher education to execute?

Answer. NNSA acknowledges your concern, however, if a separate legal entity is formed to perform this contract, the parent organizations of that entity shall be required to sign a performance guarantee. This is required in order to satisfy the responsibility requirements of FAR Subpart 9.1 and DEAR Subpart 970.09 by ensuring that the contractor has available to it sufficient resources to successfully perform the contract.

38. Sec. B – B1 Services being Acquired

Concern/Comment: Historically, a longer extension period that provides more certainty for the Contractor as well as the Government results in cost efficiencies, ensures the retention of essential human capital resources, and minimizes disruptions caused by successions and transitions. A longer option period would be more attractive to bidders, garnering more participation in the competition.

Answer. NNSA has considered your comment. However, NNSA believes it is in the Government's best interest to retain the maximum period of performance for this solicitation/contract as 10 years, with a four month transition period in accordance with Department of Energy Acquisition Regulation (DEAR) 970.1706-1 "Award, renewal, and extension."

39. Sec. L – L-16 Proposal Preparation Instructions. Volume III, Cost Information.

Comment/Concern: Bidders are required to provide cost estimates for Key Personnel and their direct report managers. While bidders will propose Key Personnel, most of their direct report will be incumbent Sandia employees. Without information from NNSA regarding the grade or salary levels of those direct report managers, it will be difficult for any bidder, other than the incumbent, to price those individuals, as required by the draft RFP.

Answer. NNSA has released the current organizational chart for the Sandia National Laboratories. Offerors are expected to propose their own organization structures and Key Personnel which they believe will best support the management and operation of Sandia National Laboratories.

40. Sec. L- L-15(b). Comment/Concern: Can you clarify who is to provide references for Key Personnel? The "Resume Elements" template requires a supervisor's name. In most cases, a proposed individual's past supervisor will be a member of the bidding entity's management team. In past solicitations, NNSA has to ask for an additional reference from outside the bidding entity's management team. This appeared to slow the procurement down.

Answer. Please review the Resume template carefully. Key personnel are required to provide three (3) references that are familiar with the person's knowledge, skills, and abilities.

41. Sec. H (not provided in the draft RFP).

Concern/Comment: It is unclear whether NNSA expects a new contractor to take ownership of Sandia Corporation or replace Sandia Corporation with a new organization. Many of the functions vested in Sandia Corporation are tied to the incumbent contract. Providing more guidance regarding how a new contractor will be expected to assume the functions currently vested in the Sandia Corporation would allow bidders more effective bids and meet NNSA expectation. Bidders would benefit greatly from the opportunity to review all contract language. Bidders would be allowed time to fully engage legal departments to review that language.

Answer. See answer to 4c.

42. Sec. H (not provided in the draft RFP).

Concern/Comment: It is difficult for bidders to fully assess the potential risks and optimal bidding structure without access to all the proposed H-clauses. Recent NNSA contracts are dramatically different from the existing, 20+ year only Sandia M&O contract.

Answer. See answer 4b.

43. Sec. L – L-14(d) & (e)

Concern/Comment: Including small business or university partners in the Site operating company (either as a JV or LLC partner) could decrease the amount of work available for award to existing or prospective university or small business contracts. A small business placed on a team is also like to grow out of its small business status within a few years. If a small business were included as a member or the bidding entity and subsequently loses its 8(a) status prior to the end of the contract, the winning bidder could see a reduction in its small business awards. In addition, for universities there is a similar dilemma, Sandia currently executes several hundred CRDAs and research contracts with universities. This cooperation include a relationship with every major research university in the country. Including a university or a university consortium in the bidding entity could create a conflict of interest for the bidding university and could create a future conflict, if that bidding university were to manage Sandia contract awards to other universities, which could be in competition with the bidding university.

Answer. NNSA acknowledges this concern but Offerors will have to determine their team members and how individual team member conflict of interest will be avoided, neutralized, and/or mitigated. There are a variety of ways that Organizational Conflicts of Interest can be addressed. Before award, the Contracting Officer must make a determination that any significant potential Organizational Conflicts of Interest can be avoided, neutralized, or mitigated. During contract administration, the Contractor is required to continuously survey its organization and current work to make sure no additional conflicts of interest arise. If a situation does arise, then the Contractor must disclose to the Contracting Officer how the conflict will be avoided, neutralized, and/or mitigated and work with the CO to achieve and agree to an acceptable resolution.

44. If one bidder were to team with New Mexico universities, it could disadvantage NNSA. Sandia has a long history of close, productive collaboration with New Mexico and other regional universities. If one team were to team with those universities on an exclusive basis, it could jeopardize ongoing and future collaboration with Sandia. NNSA should consider “leveling the playing field” by ensuring that any team selected as the new Sandia M&O will continue to work with the New Mexico universities

Answer. NNSA notes the comment but disagrees. Please see response to question 43 regarding organizational conflicts of interest. Further, collaboration between Sandia and any university is a matter that is decided between those Parties after contract award. It is within any university’s rights and discretion to determine whether it will collaborate with any team or with the winning contractor after contract award (except to the extent they are already contractually bound to collaborate with Sandia via existing contractual arrangements).

45. It is unclear what level of deferred maintenance, if any, exists at Sandia.

Answer. Here is the table which summarizes Deferred Maintenance (DM) from the Ten-Year Site Plan for Fiscal Year 2016. **The total Deferred Maintenance (DM) for Sandia is \$603M which is 9.7% of the Replacement Plant Value (RPV).**

Table 2.2. Real Property Distribution at SNL

Location	Number of Buildings and Trailers	Number of Other Structures and Facilities (OSFs)	Acres	Gross Square Feet (GSF)	Deferred Maintenance (DM)	Replacement Plant Value (RPV)
Albuquerque, NM	697	61	13,758	5,951,906	\$421,298,655	\$4,814,976,740
Livermore, CA	77	36	410	881,216	\$108,073,608	\$879,925,756
Tonopah Test Range (TTR), NV	82	58	179,200	121,937	\$51,780,885	\$333,689,247
Kauai Test Facility (KTF) and Maui, HI	56	53	133	50,317	\$22,290,751	\$99,611,692
Leases	18	1	19	397,876	—	\$115,519,174
Permits	98	2	—	216,019	—	—
SNL Total	1,028	211	193,520	7,619,270	603,443,899	\$6,243,722,608

Note: Data was pulled from the FY 2014 FIMS Snapshot. DM values are low and they do not reflect SNL's FY 2014 RPV site factor changes required from the FY 2014 FIMS data validation.

47. **Question/Recommendations:** With the emphasis on small business participation in this DRFP, would the government incorporate the following into the past performance criterion?
- Provide information substantiating the Offeror's track record of utilizing small business on past contracts to include SF294 and SF295 (or Individual Subcontracting Summary Subcontracting Reports in eSRS) information for government contracts with these reporting requirement for the past three years.
 - Provide a statement indicating whether any negative information has been reported in the past five years concerning the Offeror's past compliance with FAR 52.219-8.

Answer. NNSA acknowledges this comment and will incorporate various parts of the comment as appropriate into the Final RFP.

48. **Question/Recommendations:** Because of the importance of small business participation in this DRFP, will the government incorporate the following into Criterion 3:
- Demonstrate the extent of commitment to use firms as listed in the L-15 (c) (e.g. enforceable commitments such as signed teaming agreements are to be considered more heavily than non-enforceable ones)
 - Demonstrate the complexity and variety of the work small business firms are proposed to perform in completion of this contract
 - Demonstrate the extent of utilization of small business firms on prior contracts.
 - Demonstrate the extent of participation of small business firm on this acquisition in terms of the value of the total acquisition.

Answer. The government will review the entire small business approach proposed by the offeror; however these suggested indicators are good examples of small business program involvement and commitment. NNSA has incorporated some of the proposed language in the Final RFP.

49. **Question:** To minimize the potential of small business being let go after performing only one year on this contract, will the government consider a subcontracting plan for more than one year?

Answer. NNSA acknowledges this concern, however, Offerors are required to provide a subcontracting plan with the submission of their proposal and annually thereafter, which includes changes to the DOE/NNSA subcontracting goals. The Government is not privy to the Offeror's subcontracts with small businesses and therefore, could not prescribe how and when an Offeror should replace small businesses working under this contract.

50. CLIN 0003 – Capital Construction Projects

No guidance is provided on fee caps for CLIN 0002 capital construction projects. Will these be negotiated separately on each project? Suggest that a cap of 5-6% fee (fixed or incentive) be place on these projects.

Answer. NNSA will clarify this comment. Each Capital Construction Project will be negotiated separately and an appropriate fee will be determine based on the project.

51. M.3 (b) Laboratory Organization and Qualifications of Key Personnel

The evaluation criterion for organization includes the following phrase: "Offerors that propose a simple organizational structure with less complex relationships, may be evaluated more favorably." We are concerned that the ambiguity of this phrase will potentially result in a protest of the award. We suggest that the word "may" be eliminated or the conditional phrasing be further explained.

Answer. Comment noted, however, the evaluation criterion will remain as written. While the word "may" is used to indicate that a less complex organizational structure is desirable, this alone will not be the only consideration. The government will evaluate the effectiveness of the proposed organizational structure as a whole.

52. Please provide the briefing sign-in sheets so small businesses can contact offerors?

Answer. NNSA cannot provide the briefing sign-in sheets. Some potential offerors have not given NNSA the authority to publicize their company information. Companies that have given the authorization and small business capabilities are located at the SNL competition website.

53. Can you please publish the tour attendance list?

Answer. NNSA cannot publish the tour attendance list as all companies has not given NNSA the authority to publish this information.

54. Can the NNSA correlate the Technical Areas (TA1-5) with the Statement of Work (released with the draft RFP)?

Answer. The sections of the SOW (mission areas) do not correlate with the different Tech Areas (TAs). Some TAs do have a prominent mission focus, but it is not a one-to-one correlation. As a

matter of fact, individual buildings in a TA serve multi-missions. To complicate things further, a large fraction of scientists and engineers work in more than one mission area.

55. Can we get a copy of Mr. Duvall's slides and transcript?

Answer. Mr. Duvall's slides are posted to the SNL Competition website with an updated copy that contain his notes.

56. We note that Sandia Corporation pre-dates the incumbent contract and also that Sandia.gov states that "Sandia Corporation is a wholly owned subsidiary of Lockheed Martin..." Are we to assume that the winning contractor will take ownership of Sandia Corporation, or are we to propose replacing Sandia Corporation with a new organization of our own?

Answer. See answer 4c.

57. Will it be acceptable to the NNSA to propose a solid small business plan that ensures continuous small business participation instead of placing a small business(es) on a team?

Answer. NNSA acknowledges your question, see answers 30 and 32.

58. Sec. B – B-1, CLIN 0003 Capital Construction Projects. Concern/Comment: Clarify what bidders are required to provide to meet the requirements of materials, supplies, and service [and] otherwise do all things necessary [for] management and/or Performance of Capital Construction Projects. We want to confirm that the team has to have the reach back into their corporate qualifications to perform CLIN 0003 tasks. This impacts how teams are formed and which references are used. Comment/Concern: The only construction line item in the FY-17 request is 16-D-515, Albuquerque Complex Project. Can you provide additional information regarding what capital construction projects we should anticipate and rough order of the capital spend?

Answer. NNSA has acknowledged that at this time there are no known capital construction projects over \$10 million dollars anticipated. This contract however will cover a period of 10 years and there is potential that construction projects will be required as the infrastructure ages, therefore CLIN 0003 is added to the solicitation and the resulting contract for such projects should they occur.