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# **Idaho Cleanup Project**

## **Final RFP Overview**

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ICP SEB Chair



# Protocol for RFP Review

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- Briefing the major highlights of the final RFP
- No Questions and Answers
- Formal Qs & As submitted through the web page
- Final RFP supercedes any potential conflicts presented tonight or on the site tours



# ICP Acquisition to Date

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- Information conference June 18-19, 2003
- Draft RFP issued Feb 5, 2004
- One-on-one meetings Feb 17-19, 2004
- Site tours April 27-28, 2004
- Final RFP issued July 21, 2004



# Idaho Cleanup Project Contract Goals

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Safely accomplish as much of EM's cleanup mission as possible within available funding while meeting regulatory requirements

- Continuous improvement against high safety expectations
- Focus on high risk-reduction activities and reduce EM footprint
- Minimize EM's post-contract liabilities
- Challenge existing work plans with aggressive, less-costly alternatives
- Minimize construction of new facilities with a bias towards reutilization of existing facilities
- Minimize newly generated waste



## Section B - Supplies or Services and Prices/Costs

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Cost Plus Incentive Fee contract cost and schedule performance incentives:

- Fee increases above target fee by \$0.30 for every dollar under target cost up to maximum fee (to be proposed)
- Fee decreases below target fee by \$0.30 for every dollar over target cost down to \$0
- Additional fee negotiated for added scope within target cost
- Fee decreased for not meeting 2012 schedule (\$5.0 Million for every 1% negative schedule variance)
- Provisional fee converted to earned fee up to 35% of total target fee for major work scope completions



## Section B - Supplies or Services and Prices/Costs

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- The contractor shall schedule and perform work within annual and total funding limits
- Funding profile for target cost plus fee
- Uncosted funds carry forward

### Planned Funding Profile

(\$M)	FY 2005 (5 mos.)	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	Total
Planned Funding	\$237	\$477	\$464	\$371	\$357	\$335	\$337	\$335	\$2,913



## Section B - Supplies or Services and Prices/Costs

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- Section B.5 – Items not Included in Target Cost
- Section B.6 – Fee payment schedule and adjustments
  - First two quarters provisional fee fixed (B.6.a)
  - Earned fee up to 35% of total target fee (B.6.c)
  - TRU waste shipment penalty (B.6.d)



## Section B - Supplies or Services and Prices/Costs

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- One time opportunity for a request for equitable adjustment (REA) for differences in site work status at contract takeover vs the final RFP (B.10.a)
- REAs may be pursued for changes beyond contractor control such as:
  - DOE directed new work or new regulatory requirements
  - Changes to a Record of Decision (ROD) resulting in a 20% or greater cost increase to contractor baseline estimate
  - Reduced funding by the Government
  - Contaminated soil requiring excavation exceeds 453,000 cubic yards (excluding WAG 7 retrievals)
  - Litigation costs in excess of \$5 Million per year for existing lawsuits
  - DOE direction to treat SBW as high level waste



## Section B - Supplies or Services and Prices/Costs

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Changes for which the contractor is accountable and for which no REA will be entertained by DOE:

- ES&H Violations or accidents by the contractor or subcontractor
- Fines or penalties imposed by DOE or other regulatory agencies due to the contractor's action or inaction
- Changes in mandatory or Other Site Services costs renegotiated by the contractor
- Regulatory agency approved end states that differ from the contractor-proposed end states for high risk facilities disposition and for CERCLA remediations
- Failure to eliminate, avoid, or mitigate risks
- Defined benefit pension plan, defined contribution (investment) plan and post-retirement medical benefits costs
- Litigation arising during the contract term for matters within the contractor's control
- Employee severance cost



# Statement of Work Outline

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- C.1.1 thru C.1.10 - General contract requirements for work activities in C.2 thru C.8
- C.2 thru C. 7 - geographic area requirements
- C.8 - Additional Work Scope
- C.9 - Project Support
- C.10 - DOE Support
- C.11 - Potential Work Outside of Target Cost
- C.12 – Government Property



## Section C - Statement of Work

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- Comply with all regulatory agreements and commitments (C.1.4)
- Site-wide coordination role for RCRA/CERCLA
- Remediate past releases under the FFA/CO at all facilities except Argonne National Laboratory - West and Naval Reactors Facility
- Complete Voluntary Consent Order (VCO) requirements for approximately 68 tank systems
- Operate LLW pit at RWMC for disposal of CH-LLW
- Dispose of EM wastes
- Purchase mandatory site services (Exhibit C.4-1) from the INL contractor through January 31, 2007
- The current site infrastructure and Other Site Services (Exhibit C.4-2) will be maintained and shared by the INL (42%) and ICP (58%) contractors until January 31, 2007 (accomplished primarily by hiring BBWI overhead employees)



## Section C.1.6.4

# High Risk Facility Disposition

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- Individual building end states for high risk facilities have not yet been defined and shall be proposed by the offeror
- The contractor shall develop and achieve end states that meet the following disposition attributes:
  - Reduce the risk and source term to the maximum extent practicable;
  - Place the facility in the lowest life-cycle cost end state possible;
  - Minimize future work and costs to support ultimate demolition or post closure stewardship activities; and
  - Regulatory approval, if required
  - If the regulator approves an end state different from the contractor proposed end state, the contractor shall meet the regulatory approved end state and the difference shall not be the basis for an equitable adjustment



## Section C.1.6.4

# High Risk Facility Disposition

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- Examples of specific end states for high-risk facilities may include but not be limited to:
  - Removal or immobilization of all water, sludge and debris in wet storage pools and basins.
  - Evaluation and selection of ultimate disposition options for nuclear reactors and associated containment and support buildings (from a range of alternatives from complete demolition and removal to immobilization in-place).
  - Radiological contamination shall be removed or fixed for all facilities in accordance with 10 CFR Part 835 and DOE Order 5400.5.
  - Buildings are demolished or immobilized including utility or process system isolation or rerouting, asbestos abatement, waste removal, and final grading if appropriate.



## Section C.2 – Idaho Nuclear Technology and Engineering Center (INTEC)

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- Demolish or disposition all excess facilities
- Treat liquid Sodium Bearing Waste (SBW) and dispose at WIPP
- Empty and disposition all Tank Farm Facility waste tanks
- Place all EM Spent Nuclear Fuel (SNF) in safe dry storage
- Deactivate EM SNF wet storage basins (CPP-603)
- Dispose or disposition all excess nuclear material
- Complete all VCO tank system actions
- Complete all required OU 3-13 remediation, including CERCLA Tank Farm Interim Action
- Maintain and operate the INEEL CERCLA Disposal Facility (ICDF)



## Section C.2 - INTEC

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- Demolish 112 facilities in Exhibit C.5a (C.2.1.1)
  - Coal-Fired Steam Generation Facilities after 2/1/07
- Disposition four high-risk facilities (C.2.1.2):
  - CPP-601, Fuel Process Building
  - CPP-640, Head End Process Plant
  - CPP-603 Wet Basins (three basins)
  - CPP-648, Sludge Tank Control House



## Section C.2 - INTEC

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- Sodium Bearing Waste (C.2.4.3) \*
  - Treat, package and ship the SBW to WIPP as TRU waste
  - Provide an alternative technical approach to prepare this waste for disposal as HLW in the geologic repository for spent fuel. (L.3.b.1.i.a)
- Tank Farm Closure (C.2.8.1) \*
  - The contractor shall stabilize the residual solids and dispose of them as waste incidental to reprocessing that is disposed of as low level waste, and complete in-place closure of the tank farm

*\* In light of the legal uncertainty, all work under paragraph C.2.4.3 and the stabilization and disposal of residual solids and the in-place closure of the tank farm per Section C.2.8.1 shall require specific authorization by DOE.*



## Section C.2 - INTEC

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After 2012, only the following INTEC cleanup work remains:

- Retrieval, packaging and off-site shipment of 4,440 m<sup>3</sup> HLW calcine
- Safe Dry Storage and SNF ultimate disposition (safe dry storage and off-site shipment)
- Completion of OU 3-14 remediation and documentation
- Demolition of remaining INTEC buildings and structures



## Section C.3 – Radioactive Waste Management Complex (RWMC)

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- Retrieve stored remote-handled (RH) low level waste (LLW) and dispose at the Subsurface Disposal Area (SDA), or other appropriate disposal facility
- Retrieve stored RH transuranic (TRU) waste and dispose at WIPP or transfer to ANL-W
- Retrieve and dispose of waste resulting from EM cleanup activities including low level, hazardous, mixed low level, alpha-contaminated mixed low level and newly generated mixed and non-mixed TRU waste at an appropriate disposal facility
- Demolish and remove facilities no longer needed
- Continue operation of the vacuum vapor extraction system
- Continue groundwater monitoring program
- Complete remediation of buried TRU waste, including exhumation and disposal as necessary
- Complete and implement Final Comprehensive Record of Decision (ROD) for Waste Area Group (WAG) 7 (OU 7-13/14)



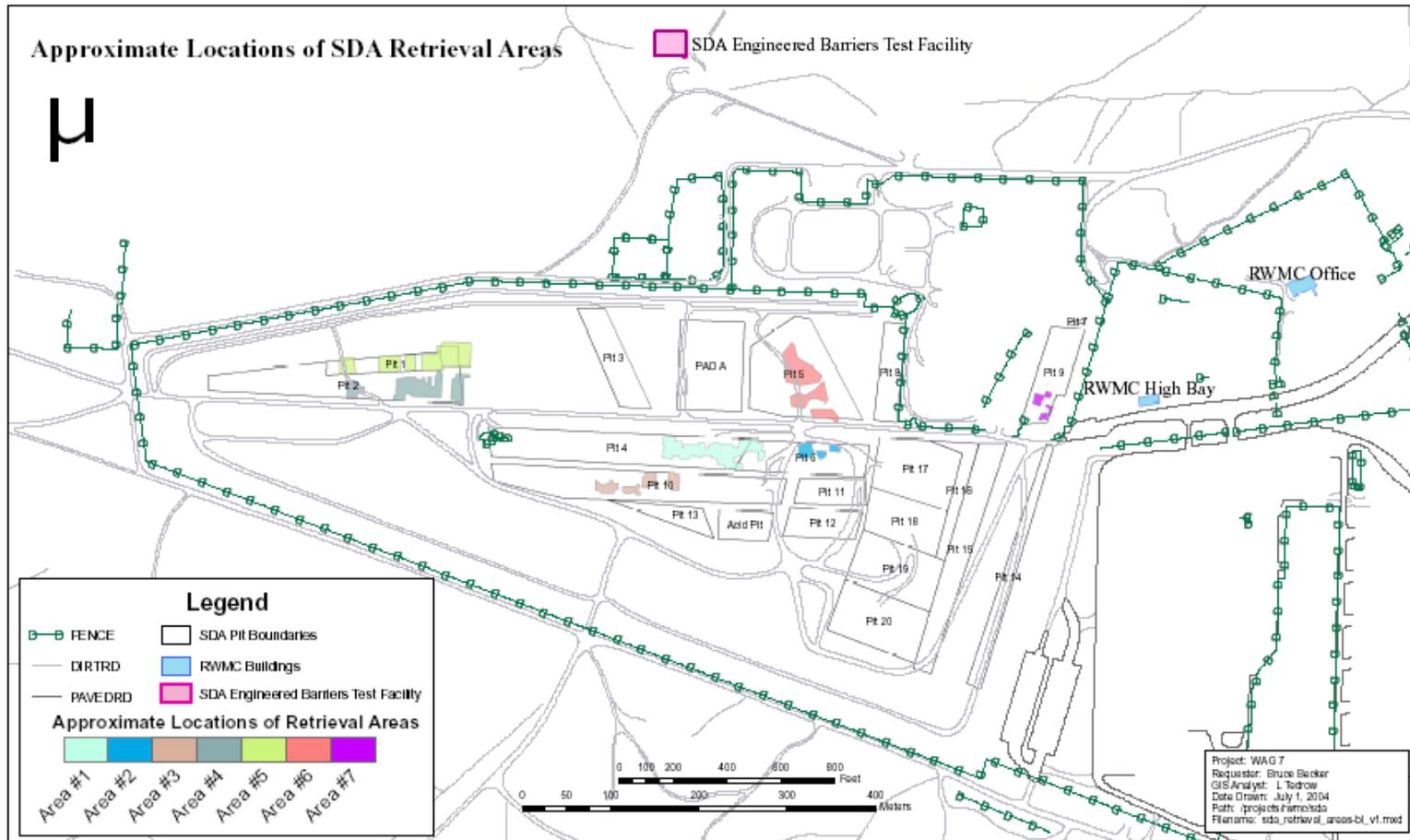
## Section C.3 – RWMC

It is the purpose and intent of this contract to address potential releases to the SRPA from TRU wastes located in the retrieval areas (Table C.5) by removing the wastes identified below and simultaneously removing other collocated contaminants of concern. If retrieval activities are dependent on the outcome of pending NEPA, CERCLA, or other applicable regulatory processes, the contractor is authorized to continue those activities to the extent they are consistent with applicable NEPA, CERCLA, or other regulatory decisions and do not prejudice the selection of future retrieval activities.

Retrieval area number	Geographic area
1	Pit 4-east
2	Pit 6-north
3	Pit 10
4	Pit 2 east
5	Pit 1
6	Pit 5
7	Pit 9



# WAG 7 Retrieval Area Map





## Section C.4 – Test Area North (TAN)

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- Demolish all EM facilities (only facilities required for groundwater remediation remain)
- Complete all VCO tank system actions
- Complete all remediation of contaminated soils and tanks at Test Area North (TAN) (OU 1-10)
- Continue CERCLA remedial pump and treat activities (OU 1-07B)
- Close or transfer TAN landfill to INL contractor following completion of TAN demolition



## Section C.4 – Test Area North (TAN)

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- Demolish 19 excess facilities in Exhibit C.9a
- Disposition two high-risk facilities:
  - TAN-607 - Hot Shop Complex
  - TAN-650 – Loss of Fluid Test (LOFT) Reactor Containment Complex



## Section C.5 – Test Reactor Area (TRA)

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- Demolish all EM-owned facilities
- Disposition the Engineering Test Reactor (ETR) and the Materials Test Reactor (MTR)
- Complete all VCO Tank system actions
- Complete Five-year review of OU 2-13
- Complete remedial actions for Test Reactor Area (TRA) release sites under OU 10-08



## Section C.5 – TRA

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- Demolish 23 facilities in Exhibit C.10a
- Disposition two high-risk facilities:
  - TRA-642 ETR
  - TRA-603 MTR
    - Demolition of the TRA-604 Laboratory shall not commence before February 1, 2007 and basement utility systems must stay in the same general operational status as at contract takeover
- Disposition all nuclear materials in table C.6



## Section C.6 – Power Burst Facility (PBF)

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- Disposition Power Burst Facility (PBF) Reactor
- Complete Five-year review of OU 5-12
- Disposition waste and demolish and remove CERCLA storage unit at Auxiliary Reactor Area



## Section C.6 –PBF

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Disposition one high-risk facility:

- PBF- 620 PBF Reactor and Building
  - Experimental Cells 10 and 13 are highly contaminated (Exhibit C.11b)



## Section C.7 - Miscellaneous Sites

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- Complete all required remedial actions for OU 10-04
- Perform actions necessary to complete the OU 10-08 ROD by the enforceable milestone and implement the ROD if it is finalized and signed during the contract period.



## C.8 – Additional Work Scope

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If the cleanup scope in this SOW is accomplished earlier than the contract completion date and funds are available, DOE will add work scope to be completed by September 30, 2012. The additional work to be performed, the estimated cost, and the associated fee will be negotiated and the contract will be modified prior to the contractor commencing any such work. Funding must be available to cover the costs and negotiated fee for any additional work scope. Fee earned as a result of completion of additional work scope will not be subject to the Maximum Fee limit stipulated in Section B.4(a).



## C.9 – Project Support

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- Project Management System
- Integrated Safety Management System (ISMS) and Environmental Safety and Health Program (ES&H)
- Records Management
- Safeguards, Security, and Counterintelligence
- Legacy Management



## C.10 – DOE Support

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- The contractor shall support DOE in its interactions with stakeholder and oversight organizations by providing information and technical data, supporting tours, and other reasonable items
- The contractor shall provide on-site office space for approximately 25 DOE personnel (INTEC-11, RWMC-10, TAN-2, and TRA-2)



## C.11 – Potential Work Outside Target Cost

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- Certain waste and SNF activities
- AMWTP waste
- Energy Employees Occupational Illness Compensation Program Act (EEOICPA) claims



## C.12 – Government Property

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The Government will furnish to the ICP contractor, via transfer from the incumbent contractor, government property, including a fleet of motorized vehicles and related equipment, for use in connection with and under the terms of this contract. The ICP contractor shall coordinate with the INL contractor to establish and maintain a program for the use, maintenance, repair, protection and preservation of government property for use in connection with and under the terms of this contract.



## Section F – Deliveries or Performance

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- The Contracting Officer (CO) may require the contractor to stop work for a period of 90 days.
- All contractor and Department of Energy (DOE) employees have the right to stop any activity if continuation of that activity would be considered an imminent danger situation or have a negative impact on the environment, safety or health of the site workers, or the public
- The contract term is May 1, 2005 thru September 30, 2012
- The contractor shall provide a Transition Plan (limit of 20 pages) to the CO within 10 days after contract award detailing its approach to accomplishing contract transition and any other activities the contractor proposes to accomplish during the transition period.



## Section H – Special Contract Requirements

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- The contractor shall use a project control system that accurately reflects project status relative to cost and schedule performance, and tracks changes to the baseline. This system shall be fully integrated with the financial accounting systems to ensure consistent reporting of costs (H.1).
- The contractor shall maintain a risk management plan explaining how it will address key programmatic risks (H.2)
- DOE Oversight (H.3)
- GFSI commitments by DOE (H.4)
- Small and disadvantaged business subcontracting plan (H.10)



## Section H – Special Contract Requirements

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- Workforce Transition and Human Resources Management (H.21)
  - The contractor shall offer employment to the BBWI direct employees (approximately 2,089) who have not been hired by the INL contractor
  - The contractor shall also offer employment to the BBWI overhead employees (approximately 540) who have not been hired by that time by the INL contractor.
  - Employees will be provided substantially equivalent pay and comparable benefits to the pay and benefits that BBWI employees were receiving
  - Employees hired by the contractor who were employed by BBWI or the University of Chicago (Argonne National Laboratory-West) during contract transition and who are participants (both vested and non-vested) in the BBWI defined benefit pension plan (“grandfathered employees”) shall be allowed to accrue credit under the current defined benefit pension plan sponsored by the INL contractor with benefits and terms substantially equivalent to those pertaining under the BBWI defined benefit plan at contract award for service under this contract.



## Section L – Instructions, Conditions, and Notices to Offerors

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- Proposals due at 3:00 pm Mountain Time, September 20, 2004 – 200 page limit
  - Technical Approach and Risk Management
    - Alternative approach summary (not to exceed 10 pages) required for approach and impacts if SBW is dispositioned as HLW and the tank residual solids cannot be dispositioned as low level waste (LLW)
  - Business Acumen
  - Integrated Safety Management
  - Past Performance and experience
  - Small Business
  - Key Performance Measures



## Section L – Instructions, Conditions, and Notices to Offerors

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- Technical Approach and Risk Management
  - The offeror shall describe its performance-based technical approach and schedule to complete the work scope elements for each geographic area
    - **Alternative Required** -- The offeror shall provide a summary of its alternative technical approach if SBW is dispositioned as HLW and the tank residual solids cannot be dispositioned as low level waste (LLW)
  - The offeror shall also describe how an integrated safety management system will be integrated into its work approaches
  - The offeror shall complete Section L, Attachment 9, identifying all applicable key performance measures over the term of the contract.
  - The offeror shall provide its assessment of the work scope uncertainties that will form the basis for the initial risk management plan



# Section L – Instructions, Conditions, and Notices to Offerors

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## Business Acumen

- The offeror must provide written resumes for all key personnel. Oral interviews will be conducted (L.3.b.2.i)
  - 1 hour open presentation by offeror
  - Technical interview
    - SEB identifies specific portion of work for further description
    - 30 min preparation period
    - Up to 60 min presentation by offeror
    - Up to 30 min Q and A by SEB
- The offeror shall describe its proposed management approach and organization for achieving the cleanup requirements in the SOW. (L.3.b.2.ii)



## Section L – Instructions, Conditions, and Notices to Offerors

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- Integrated Safety Management System
  - The offeror shall describe how it will execute a single site-wide Integrated Safety Management System that flows down into all work activities, including subcontractors
  - The offeror's description of its technical approach to accomplishing the scope of work shall include integration of safety from initial work identification to work execution
  - The offeror shall describe how worker safety will be ensured during the first 90 days after the contract takeover date as well as through the balance of the contract period



## Section L – Instructions, Conditions, and Notices to Offerors

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- Past Performance and Experience
  - The offeror shall furnish a summary of relevant and recent experience demonstrating experience and capabilities in performing the scope of work
  - The offeror shall describe its experience in managing a multi-disciplined workforce, working with regulatory agencies, using corporate capability to provide support, oversight and problem solving; and in working with stakeholders and community groups
  - The offeror shall describe its experience with management and integration of regulatory agreements with the objective of site cleanup under resource limitations
  - The offeror shall submit a completed Offeror Past Performance Reference Information Form and Questionnaire



## Section L – Instructions, Conditions, and Notices to Offerors

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- Small Business
  - The offeror shall describe the participation of such small business as part of the offeror's plan to accomplish project requirements
  - The offeror shall include information regarding three recent (not more than five years old) contracts that describes its past performance in meeting subcontracting targets for small and small disadvantaged businesses



## Section L.5 – Cost and Fee Proposal

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For evaluation purposes only, the Cost Proposal shall include a breakdown of cost correlated (at a minimum) with the WBS provided in Section L, Attachment 8 with summary roll-ups. The Cost Proposal shall include all costs associated with completing the entire SOW in Sections C.1 through C.12 (excluding Sections C.8 and C.11) for the contract period through September 30, 2012. Offerors may include additional WBS elements to ensure that all cost elements for the complete SOW are included in the Cost Proposal. The Cost Proposal shall describe the methodology used to determine the cost and provide a confidence level for the proposal. Cost and financial data should be fully supported and organized in a manner that facilitates review. Offerors should clearly indicate (1) what data is existing and verifiable, (2) judgmental factors applied in projecting from known source data to the estimate, (3) contingencies, (4) key assumptions (not in conflict with the SOW), and (5) the basis for each cost element.



## **Section L.36 – Availability of Referenced Documents, DVD, Maps and Nuclear Materials Data**

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- Offerors may request:
  - Video tour (DVD) of key facilities
  - Maps Section L, Attachment 7
  - SNM data - Section L, Attachment 10



## Section M – Evaluation Factors for Award

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The Government intends to evaluate proposals and award a contract without discussions with offerors (except clarifications as described in FAR 15.306(a)). Therefore, the offeror's initial proposal should contain the offeror's best terms from a cost or price and technical standpoint. The Government reserves the right to conduct discussions if the Contracting Officer later determines them to be necessary



## Section M – Evaluation Factors for Award

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<b>Evaluation Factor</b>	<b>Weight</b>
Technical Approach and Risk Management	400
Business Acumen	350
Integrated Safety Management	150
Experience	50
Small Business	50



## Section M – Evaluation Factors for Award

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- Sub-factor Technical Approach is more important than sub-factor Risk Management.
- The Technical Approach sub-sub-factors are weighted in descending order of importance as follows:
  - INTEC Cleanup
  - RWMC Cleanup
  - TRA Cleanup
  - TAN Cleanup
  - PBF Cleanup
  - Miscellaneous Sites
  - Key Performance Measures



## Section M – Evaluation Factors for Award

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- **Technical Approach and Risk Management**
  - DOE will evaluate the feasibility of each offeror's performance-based technical approach to accomplish the work scope at each geographic area
  - DOE will evaluate each offeror's:
    - Key performance measures for completeness, reasonableness, consistency with the offeror's proposal, and compliance with regulatory agreements/milestones
    - Technical approach and the impacts of the alternative approach for SBW treatment, HLW calcine, and tank farm closure
    - Assessment of work scope uncertainties and its ability to identify, assess, and manage risk



## Section M – Evaluation Factors for Award

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- **Business Acumen**
  - DOE will evaluate each offeror's:
    - Open presentation, technical interview and written proposal to assess the education, qualifications, experience, past performance, knowledge of the statement of work, suitability for their proposed positions, and leadership of Key Personnel
    - Capabilities, management systems and evaluation process to recruit, retain and remove ( if necessary) Key Personnel including the Project Manager
    - Approach for integrating the performance schedules to complete all of the requirements in the SOW while remaining within the annual and total funding limitation
    - Organizational structure, project structure relating the organization to the SOW, Work Breakdown Structure (WBS), and its approach for managing project performance to control cost and schedule



## Section M – Evaluation Factors for Award

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- Integrated Safety Management System
  - DOE will evaluate each offeror's:
    - Proposed process to effectively execute a single Integrated Safety Management System that flows down into all work activities, including subcontractors
    - Integration of safety into its performance based technical approach
    - Proposed hazard reduction or mitigation strategies detailed in its technical approach to work accomplishment
    - Approach to ensure worker safety during the first 90 days after contract takeover as well as through the balance of the contract



## Section M – Evaluation Factors for Award

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- Experience
  - DOE will evaluate each offeror's:
    - Cleanup experience on projects similar in type, scope, complexity, duration and risk to the ICP, including the offeror's experience in using corporate capability to provide support, oversight, and problem solving
    - Experience in dealing with stakeholders and working with regulatory agencies at the state and federal levels.
    - Experience with management and integration of regulatory agreements with the objective of site cleanup under resource limitations.
    - Experience in managing a multi-disciplined work force



## Section M – Evaluation Factors for Award

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- Small Business
  - DOE will evaluate each offeror's:
    - Participation and extent to which small business are included in the offeror's proposed plan to accomplish project requirements, in terms of the overall share of the work, the variety and complexity of the work to be performed, and participation in management of the work.
    - Past performance in meeting subcontracting goals for small business and small disadvantaged businesses
    - Past performance obtained from independent data



## Section M – Evaluation Factors for Award

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- Past Performance
  - DOE will evaluate each offeror's:
    - Corporate past performance under existing and prior contracts regarding the execution of work similar to the SOW in type, scope, complexity and risk
    - Information provided on problems encountered on contracts, the list of contracts terminated within the past three years, and other relevant information available to DOE



## Section M – Evaluation Factors for Award

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- Cost and Fee
  - DOE will evaluate each offeror's:
    - Proposed target cost and target fee to ensure total contract cost and fee do not exceed annual and total funding limitations
    - Proposed target cost for realism, reasonableness and completeness to determine a most probable cost
    - Transition costs for reasonableness and completeness and determine a most probable transition cost
  - The evaluated price will be calculated by combining the most probable target cost with the fee associated with the most probable target cost, based on the fee share ratio and the most probable transition cost. The evaluated price will be used to make the determination of best value to the government



## ICP RFP Schedule

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Issue Final RFP	July 21, 2004
Questions submitted (NLT)	Aug 19, 2004
Receipt of Proposals	Sep 20, 2004
Contract Award	Mar 15, 2005
Contractor Take-over Date	May 1, 2005