

PART III – LIST OF DOCUMENTS, EXHIBITS AND OTHER ATTACHMENTS
SECTION J – LIST OF ATTACHMENTS
ATTACHMENT D – SMALL BUSINESS SUBCONTRACTING PLAN

Name of Contractor: Bechtel B&W Idaho, LLC (BBWI)
Address: 8180 Greensboro Drive, Suite 900
Solicitation Number: DE-RP07-99ID13727

This subcontracting plan describes Bechtel B&W Idaho, LLC's (BBWI) approach to involving small businesses, small disadvantaged businesses, 8(a) certified small businesses, women-owned small businesses, and Native American-owned small businesses in the management and operation of the Idaho National Engineering and Environmental Laboratory for the Department of Energy.

BBWI supports DOE's strong, long-term commitment to diversity. We believe that diversity is much more than affirmative action in the workplace. This belief—transformed into action—provides us with a competitive advantage over other organizations, both in the workplace and in the business community. For both Bechtel and B&W (Babcock and Wilcox), BBWI's two parent organizations, it is an operating principle of management that plays a key role in our success. Diversity in subcontracting provides vital links to the local community, increases our flexibility in meeting project goals, strengthens the local economy, creates new opportunities, is cost effective, and represents best business practice.

Bechtel and B&W have long-established records of involving small business concerns in meaningful roles in government and commercial contracting. By building on our experience and by setting challenging and aggressive goals, we have made small business participation and development an integral aspect of our approach to project execution. BBWI will follow this approach at INEEL.

In executing the INEEL M&O contract, BBWI will comply with FAR 52.219-8 and 52.219-9, prime contract requirements, and current DOE policies and practices. It is BBWI's policy to aggressively encourage the participation of small business concerns to the maximum extent practicable consistent with efficient performance of the INEEL scope of work. All procurements are reviewed to identify opportunities for including small business suppliers and contractors, developing good working relationships with them, and encouraging them to offer their products and services to the INEEL.

1. Goals

Table 1 shows BBWI's small business goals expressed in terms of percentages and estimated procurement dollars of total planned subcontracting dollars.

2. Statement of Total Planned and Available Subcontracting:

- (i) Total planned and available for subcontracting to small business concerns: \$105M
- (ii) Total planned and available for subcontracting to HUBZone small business concerns (included in SB concern numbers): \$9M
- (iii) Total planned and available for subcontracting to SDB concerns (included in SB concern numbers): \$22.5M
- (iv) Total planned and available for subcontracting to 8(a) certified small business concerns (included in SB and SDB concern numbers): \$6M

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- (v) Total planned and available subcontracting to WOSB concerns (included in SB concern numbers): \$10.5M
- (vi) Total planned and available subcontracting to NAB concerns (included in SB and SDB concern numbers): \$3M
- (vii) Total dollars to Idaho firms (includes large and small business): \$75M
- (viii) Total number of actions to Idaho firms (percentage of total actions) (includes large and small business): 80%

Table 1. Total Planned Subcontracting Dollars

| FY 2000 ANNUAL PERCENTAGE SUBCONTRACTING GOALS BASED ON TOTAL ESTIMATED PROCUREMENT DOLLARS OF \$150,000,000 | | |
|--|---|----------------------|
| CATEGORY | % OF TOTAL ESTIMATED SUBCONTRACTING EFFORT AVAILABLE | DOLLAR AMOUNT |
| Total planned and available for subcontracting to SB concerns | 70.0% | \$105,000,000 |
| Total planned and available for subcontracting to HUBZone SB concerns (included in SB concern numbers) | 6.0% | \$9,000,000 |
| Total planned and available for subcontracting to SDB concerns (included in SB concern numbers) | 15.0% | \$22,500,000 |
| Total planned and available for subcontracting to 8(a) certified SB concerns (included in SB concern numbers) | 4.0% | \$ 6,000,000 |
| Total planned and available for subcontracting to WOSB concerns (included in SB and partially in SDB concern numbers) | 7.0% | \$ 10,500,000 |
| Total planned and available for subcontracting to Native American-Owned Business (NAB) concerns (included in SB concern numbers) | 2.0% | \$3,000,000 |
| Total dollars to Idaho firms (includes large and small business) | 50.0% | \$ 75,000,000 |
| Total number of actions to Idaho firms (percentage of total actions - includes large and small businesses) | 80.0% | N/A |

3. Potential Subcontract Opportunities for Small Business

Table 2 lists the principal categories of subcontracting opportunities that will be made available for small business concerns. The categories shown are for general work groupings only. As additional opportunities are identified, the list will be expanded and goal percentages revised

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accordingly. Opportunities that are directed, or for which there is only a single supplier, are not considered available and are therefore not included in these goals.

Table 2. Principal Categories of Subcontracting Opportunities

| Subcontracting Potential | Small Business | HUBZone Small Business | Small Disadvantaged Business | Women-Owned Small Business |
|--|-----------------------|-------------------------------|-------------------------------------|-----------------------------------|
| Computer equipment | ✓ | * | ✓ | |
| Office furniture/equipment | ✓ | * | | ✓ |
| Office supplies | ✓ | * | ✓ | ✓ |
| Communications equipment | ✓ | * | | ✓ |
| Electrical and electronic supplies | ✓ | * | ✓ | ✓ |
| Fuel and petroleum products | ✓ | * | ✓ | ✓ |
| Lab equipment/instrumentation | ✓ | * | | |
| Safety equipment and supplies | ✓ | * | | ✓ |
| Small tools | ✓ | * | ✓ | ✓ |
| Construction equipment/vehicle rental | ✓ | * | ✓ | |
| Building materials | ✓ | * | ✓ | |
| General construction | ✓ | * | ✓ | ✓ |
| Facilities maintenance and repair | ✓ | * | ✓ | |
| Road maintenance and repair | ✓ | * | | |
| Maintenance services (janitorial/equip) | ✓ | * | ✓ | ✓ |
| Technical and personnel services | ✓ | * | ✓ | ✓ |
| Computer service/maintenance | ✓ | * | | |
| Administrative services (printing/copying/advertising) | ✓ | * | ✓ | ✓ |
| Travel services (ticketing, hotel, etc.) | ✓ | * | | |

* We understand that SBA will begin accepting applications for the HUBZone program in April 1999. To date, there are no approved HUBZone businesses available through the SBA's PRONET website. When this information becomes available, we will use HUBZone SDBs to the maximum extent practicable to achieve our goals.

4. Method Used to Develop Subcontracting Goals

To establish our subcontracting goals and commitments, we gathered available INEEL information, forecasted probable acquisition needs, and studied and analyzed project estimates. We also used our collective past DOE experience to determine potential requirements and contingencies. Our subcontracting goals are both realistic and attainable.

5. Methods Used to Identify Potential Sources for Solicitation

We continually identify and review all potential sources of supplies and services, including, but not limited to, the following:

- Online access to US Small Business Administration PRONET

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- BBWI's proprietary Supplier Information System, which includes past performance data
- National Minority Purchasing Council Vendor Information Services
- Historical reports and data showing products and services obtained from small business concerns by other associate contractors
- Various directories and source lists such as the following:
 - Minority Supplier Development Council
 - Local US Small Business Administration listings
 - National Association of Minority Contractors
 - MBISYS (National Minority Supplier Development Council database)
 - Dun & Bradstreet Procurement Planning Directory for Small Business Products and Services
 - National Minority Business Directory "Try Us!"
 - Minority Business Development Agency– Department of Commerce
 - "Funded Organizations," published by US Minority Business Development Agency
 - "National Directory of Minority-Owned Business Information System," published by Business Research Services, Inc.
 - "Minority and Women-Owned Business Information System," published by Source Publications, Inc.
 - "Minority-Owned High Technology Business Directory," published by Business Research Services, Inc.
- BBWI's small business fairs and forums designed to attract additional small business sources

6. Indirect Costs

Indirect costs are not included in the goals under this plan.

7. Administrator of Subcontracting Plan

George Provencher, BBWI's Procurement Manager, is designated to administer this Subcontracting Plan. He will ensure that the following activities are managed in a timely and effective manner:

- Maintain source lists of potential small business subcontractors.
- When the number of prospective sources is not adequate, seek out other small businesses through the use of mass media tools such as Internet bulletin boards.
- Mentor existing small business concerns currently under subcontract, enhancing their ability to provide timely, cost-effective, and quality services.
- Advise and train project management personnel on the purposes of this plan and foster adequate support.
- Keep records describing performance against the goals established herein.
- Submit Standard Form (SF) 294, Subcontracting Report for Individual Contracts, and SF 295, Summary Subcontract Report, in accordance with the prime contract and instructions provided by the Contracting Officer.
- Verify that subcontracts contain the flow-down clauses pertaining to small business concerns when required and maintain the policies and procedures required by the prime contract.

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- Maintain liaison and good working relationships with Small Business Administration representatives to obtain assistance and coordination in finding capable small businesses.
- Maintain a close working relationship with DOE to ensure that BBWI's project objectives and activities are consistent with the DOE program.
- Require lower-tier subcontractors to submit subcontracting plans, and monitor for compliance with those plans.
- Make monthly reports to BBWI's President and General Manager concerning progress made toward achievement of goals under this program.

8. Implementation

The following additional functions will be performed to effectively implement this plan:

- Package solicitations (including time for preparation, scope of work, quantities, specifications, and delivery schedules) to facilitate participation by small businesses in subcontracting opportunities and solicitation, bid, and proposal activities.
- Establish and maintain contacts with small business trade associations and business development organizations.
- Conduct internal workshops, seminars, and training programs to ensure that internal customers and buyers are acquainted with BBWI's policy and prime contract requirements, and to ensure that, externally, small businesses are familiar with requirements for doing business at the INEEL site.
- Maintain an effective outreach program by sponsoring and attending regional procurement conferences, trade fairs, and other functions, to locate additional qualified sources.
- Implement an ongoing "inreach" program that gives small businesses access and exposure to key project planners and managers.
- Develop a comprehensive small business project source list (which also includes past performance) that is easily accessible and useful to buyers.
- Preselect and qualify small business concerns to perform specific scopes of work.
- Structure the program to help develop the capabilities and quality of services provided by small business suppliers and subcontractors currently performing work at the site.

In addition to these efforts, BBWI will institute two innovative programs to attract and assist small business concerns and increase opportunities for such firms to participate in the INEEL work. Such efforts are intended to broaden the available competitive base of suppliers and contractors and to help small business concerns develop their business, technical expertise, and ability to provide quality service to the government and commercial sectors. The following sections briefly describe these two innovative programs.

Business Assistance Program. BBWI will make available our Chief Financial Officer and selected members of Finance and Accounting, Procurement, Project Controls, and other departments to provide counseling to small business representatives. Counseling will be available for areas such as:

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- Business and management techniques
- Cost control and monitoring systems
- Scheduling techniques
- Finance and accounting
- Resource identification
- Negotiation techniques
- Labor relations counseling
- Contracting under the FAR
- Obtaining insurance and bonding for government construction projects
- Business development practices
- Marketing and proposal services

We will establish an aggressive program to provide business assistance to these firms, with our goal being to help them develop in-house resources and capabilities and compete for larger and more complex work scopes at the INEEL site and in the commercial sector.

Technical Assistance Program. We will provide technical personnel and resources to guide and train small business contractors. BBWI's experience in implementing efficient, cost-effective, safe, and environmentally sound techniques and work methodologies will enable participants in the technical assistance program to provide high quality services at lower cost and within schedule requirements. Technical assistance will be provided in, but not limited to:

- Industrial safety and health
- Training for specialized equipment, operations, and techniques
- Prequalifying subcontractor-owned equipment for use on the INEEL site
- Overviews of federal, state, and local regulations or DOE Orders that regulate a contractor's performance while working on the INEEL site

Technical assistance and technology transfer is not new to BBWI. We have formalized programs such as these for numerous domestic and overseas projects, in both the government and commercial sectors. The ultimate goal of such initiatives is to help small emerging businesses enhance their technical execution capabilities and achieve self-sufficiency.

9. Subcontract Terms and Conditions

BBWI incorporates the flowdown clause requirements of FAR 52.219-8 applicable to solicitations and subcontracts exceeding \$10,000 and \$500,000, respectively, and will ensure that those subcontractors with awards of \$500,000 will adopt a similar plan. The BBWI Procurement Manager will be responsible for implementing and monitoring this phase of the Subcontracting Plan.

10. Reports, Studies, and Surveys

BBWI will (i) cooperate in any studies or surveys as may be required, (ii) submit periodic reports to allow the government to determine the extent of our compliance with this Subcontracting Plan, (iii) submit SF 294, Subcontracting Report for Individual Contracts, and/or SF 295,

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Summary Subcontract Report, in accordance with the instructions on the forms as provided in agency regulations, and (iv) ensure that our subcontractors agree to submit SF 294 and SF 295.

11. Records

The types of records that will be maintained to demonstrate the procedures adopted to ensure compliance with the requirements and goals of the subcontract plan include:

- (i) Source lists (e.g., PRONET), guides, and other data that identify small business, HUBZone small business, small disadvantaged business, and women-owned small business concerns
- (ii) Organizations contacted in an attempt to locate sources that are small business, HUBZone small business, small disadvantaged business, and women-owned small business concerns
- (iii) Records on each subcontract solicitation resulting in an award of more than \$100,000 indicating:
 - Whether small business concerns were solicited and, if not, why not
 - Whether HUBZone small business concerns were solicited and, if not, why not
 - Whether small disadvantaged business concerns were solicited and, if not, why not
 - Whether women-owned small business concerns were solicited and, if not, why not
 - If applicable, the reason award was not made to a small business concern
- (iv) Records of any outreach efforts to contact:
 - Trade associations
 - Business development organizations
 - Conferences and trade fairs to locate small, HUBZone small, small disadvantaged, and women-owned small business sources
- (v) Records of internal guidance and encouragement provided to buyers through:
 - Workshops, seminars, training, etc.
 - Monitoring performance to evaluate compliance with program requirements
- (vi) On a contract-by-contract basis, records to support award data submitted by the offeror to the government, including the name, address, and business size of each subcontractor

(signatures on following page)

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SUBMITTED BY:

Signature: *(original signature on file at DOE Idaho Operations Office, Procurement Services Division)*

Typed Name: Craig Weaver

Title: Principal Vice President
Bechtel National, Inc.

Date: March 22, 1999

PLAN ACCEPTED BY:

Signature: *(Per Contract Award Signature by Contracting Officer on Standard Form 33 Block 27)*

Typed Name: R. Jeffrey Hoyles

Title: Contracting Officer

Date: *(Per Standard Form 33 Block 28)*