



**To: Daniel J. Saiz
Contracting Officer
SEB1@doeal.gov**

**Subject: Draft RFP for Single Management and Operating contract competition for the operations of the Y-12 National Security Complex, the Pantex Plant, the Y-12 Uranium Processing Facility, with an option for Savannah River Tritium Operations
Request for Proposal No. DE-SOL-0001458**

Mr. Saiz,

My name is Jonathan Williams and I'm the 2011 Chairman of the Tennessee Veterans Business Association. We represent over 100 small veteran owned businesses in the East TN area and many of our members have current contracts at the 4 facilities affected by this project.

As an Association, we support the Department of Energy's efforts to reduce costs by bundling the Management and Operation of these three sites under one contract. We believe that there are potential savings through reduced overhead and more efficient standardized approaches and programs covering all three sites. However, we are concerned about small business subcontracting participation under this contract which represents such a large percentage of DOE and NNSA's total annual funding. We believe that the President's Interagency Task Force on Federal Contracting Opportunities for Small Business captured many of our concerns and provided 13 Key Recommendations. Based upon these recommendations, provisions contained in other DOE procurement documents, and our direct experience in subcontracting with incumbent DOE prime contractors, we have developed the following comments and suggested changes:

Please refer to SECTION B, SUPPLIES OR SERVICES AND PRICES/COSTS

Please refer to Clause B-3, SINGLE FEE. This clause should be modified to allow the fee associated with small business members of the Prime Team to be an allowable cost. This approach would encourage large business primes to include small businesses on their teams. Without this type of incentive, the large businesses will not include small business team members if they have to share the fee pool with them. Our proposed language is:

“(a) If the Contractor is part of a teaming arrangement as described in FAR Subpart 9.6, *Contractor Team Arrangements*, the team shall share in the *Total Available Fee* as shown in Table XX.X. 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 a wholly-owned, majority-owned, or affiliate of 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) subcontractors under a competitively awarded firm-fixed price or firm-fixed unit price subcontract; or (4) commercial items as defined in FAR Subpart 2.1, *Definitions of Words and Terms*. “

Please refer to Clause B-7 PERFORMANCE EVALUATION PLAN (PEP), article (c) Determination of Performance Incentive Fee.

The Offerors Fee should contain a factor for obtaining the goals listed in the Small Business Subcontracting Plan. We are proposing a factor to reduce the Offeror’s Fee should they fail to meet their goals. This reduction is in addition to the Liquidated Damages listed in Section I-28. Our proposed new Section B Clause is:

“SMALL BUSINESS SUBCONTRACTING FEE REDUCTION

For the purpose of implementing this Clause, the percentage goals established in the Section J Attachment entitled, *Small Business Subcontracting Plan*, will remain in effect for the duration of the Contract.

“(a) The Contractor’s performance in meeting small business performance percentage goals in accordance with the Section I-25 Clause entitled, **UTILIZATION OF SMALL BUSINESS CONCERNS**

(1) Two year period concluding at the end of the *2nd* year of the Base Period of Contract performance;

(2) At the end of the Base Period of Contract performance;

(3) Two year period concluding at the end of the 2nd year of the Option Period of Contract performance; and

(4) At the end of the Option Period of Contract performance.

(b) If the Contractor has not met any or all of the subcontracting goals, and/or has failed to provide meaningful involvement for small business, DOE may reduce the Semi-annual award fee earned. The reduction amount may be up to 25% of the Semi-annual award fee earned. The reduction will occur for the current Semi-annual award fee period in which each of the four (4) multi-year periods described above are accomplished.”

Please refer to SECTION H, SPECIAL CONTRACT REQUIREMENTS

We believe that the DOE and SBA Mentor Protégé Programs are very important to the development of Small Businesses. As such, we request that a new Clause be added to Section H.

“H.13 MENTOR-PROTÉGÉ PROGRAM

(a) Both the U.S. Department of Energy (DOE) and the Small Business Administration (SBA) have established Mentor-Protégé Programs to encourage federal prime contractors to assist small businesses, firms certified under Section 8(a) of the Small Business Act by the SBA, other small disadvantaged businesses, women-owned small businesses, historically black colleges and universities and minority institutions, other minority institutions of higher learning, and small business concerns owned and controlled by service disabled veterans in enhancing its business abilities. The Contractor is strongly encouraged to participate in the DOE and/or SBA Mentor-Protégé Programs. Mentor and Protégé firms will develop and submit —lessons learned evaluations to DOE at the conclusion of the Contract.

(b) DOE Mentor-Protégé Agreements shall be in accordance with DEAR Subpart 919.70, The Department of Energy Mentor-Protégé Program.

(c) SBA Mentor-Protégé Agreements shall be in accordance with applicable SBA regulations.

Please refer to SECTION I, CONTRACT CLAUSES

Please refer to Clause I-25, Utilization of Small Business Concerns, Article (a). Please change the first sentence of this article to read.

“It is the policy of the United States and the Department of Energy that its Contractors shall comply with the Small Business Act and the small business regulations contained in 13 CFR 121 through 125 and that small business concerns, veteran-owned small business concerns, service-disabled veteran-owned small business concerns, HUBZone small business concerns, small disadvantaged business concerns, and women-owned small business concerns shall have the maximum practicable opportunity to participate in performing contracts let by any Federal agency, including contracts and subcontracts for subsystems, assemblies, components, and related services for major systems.”

Please refer to Clause I-25, Article (b). Please change this article to read.

“(b) The Contractor agrees to subcontract a minimum of 20% of the Total Contract Value (TCV), excluding the construction of the Uranium Processing Facility, to small business during the first year of the contract. The goal for the Construction of the UPF shall be 30% of the TCV for the UPF portion of the contract. The Contractor further agrees to comply with all small business laws and SBA regulations and cooperate in any studies, size appeals or determinations as may be conducted by the United States Small Business Administration or the awarding agency of the United States as may be necessary to determine the extent of the Contractor's compliance with this clause.”

Please refer to Article I-26, Small Business Subcontracting Plan, sub-item (c).

We believe that the Offerors should provide a Small Business Subcontracting Plan in their proposals for evaluation by the Government. As such, please change the first sentence of this paragraph to read

“Proposals submitted in response to this solicitation shall include a subcontracting plan addressing the first five years of performance that separately addresses subcontracting with small business, veteran-owned small business, service-disabled veteran-owned small business, HUBZone small business, small disadvantaged business, and women-owned small business concerns.”

In addition, please change the last sentence of this sub-item (c) to read:

“The subcontracting plan shall be evaluated as part of the overall criteria for award. Failure to submit an acceptable subcontracting plan that meets the Government established goals for this contract shall make the offeror ineligible for award of a contract.”

Please refer to Article I-26, sub-item (d). paragraph (1).

We believe that the Offerors Small Business Subcontracting Plan and their performance on previous plans should be part of the evaluation for this bundled contract.

Please change this paragraph to read.

(1) “Offeror’s plan to ensure compliance with Government established Goals, expressed in terms of percentages of total contract value, for the use of small business, veteran-owned small business, service-disabled veteran-owned small business, HUBZone small business, small disadvantaged business, and women-owned small business concerns as subcontractors. The offeror shall include all subcontracts that contribute to contract performance, and may include a proportionate share of products and services that are normally allocated as indirect costs. In accordance with 43 U.S.C. 1626:”

We believe that the Government should establish the small business goals for this contract, not the Offeror through the amount of work that they subcontract. These goals should be based upon the a percentage of the Total Contract Value

Please refer to Article I-26, paragraph (3).

We believe that the Offeror Small Business Subcontracting Plan should identify the appropriate NAICS Code and size standards for the work scopes listed in order for the Government to have all of the information necessary to evaluate their plan. As such please change the first sentence to read.

“A description of the principal types of supplies and services to be subcontracted, the proposed NAICS Codes and size standards for each, and an identification of the types planned for subcontracting to”

Please refer to Article I-26, sub-item (10) paragraph (i).

We believe that the SBA should be involved in certain small business aspects of this contract in order to provide consistency between this contract and other government procurements. Please change this sentence to read.

“(i) Cooperate in any size appeals or determinations, studies or surveys as may be required”

Please refer to Article I-26, sub-item (11).

Please add the following sentence to this sub-item

“It is the Government’s intent to use its centralized systems such as FEDBIZOPS to the maximum extent possible to communicate to the small business community.”

Please refer to Article I-26, sub-item (e), paragraph (6).

A detailed debrief is a very important consideration for small businesses. FAR 15.506 provides them with a return on their investment in a government proposal in the form of information that allows them to either improve their approach and offerings or to determine that they cannot be competitive and stop bidding. The information on all members of the team is necessary to determine if the successful bidder is in fact a small business. Please change this paragraph to read:

“(6) For all competitive subcontracts over the simplified acquisition threshold in which a small business concern received a small business preference, upon determination of the successful subcontract offeror, the Contractor must provide each unsuccessful small business subcontract offeror with a debriefing consistent with FAR 15.506 and the name and location of the apparent successful offeror prior to award of the contract. If the successful Offeror is a teaming arrangement under FAR 9.601, then all members of the team should be identified.”

Please refer to Article I-26, sub-item (g). We do not understand the meaning of a commercial small business subcontracting plan on a government contract. Commercial entities generally do not have small business subcontracting plans, just subcontracting plans. The small business subcontracting plan should be specific to this work scope and the small business requirements of this procurement.

“(g) A **commercial plan is the preferred type of subcontracting plan** for contractors furnishing commercial items. The **commercial plan shall relate to the offeror’s planned subcontracting generally**, for both commercial and Government business, rather than **solely to the Government contract**. Once the **Contractor’s commercial plan has been approved, the Government will not require another subcontracting plan** from the same Contractor while the plan remains in effect, as long as the product or service being provided by the Contractor continues to meet the definition of a commercial item. A contractor with a commercial plan shall comply with the reporting requirements stated in paragraph (d)(10) of this clause by submitting one SSR in eSRS for all contracts covered by its commercial plan. This report shall be acknowledged or rejected in eSRS by the Contracting Officer who approved the plan. This report shall be submitted within 30 days after the end of the Government’s fiscal year.”

Please refer to SECTION L, INSTRUCTIONS, CONDITIONS, AND NOTICES TO OFFERORS OR RESPONDENTS

Please refer to Clause L-12, Proposal Preparation Instructions-General, paragraph (i) Maximum Page Limitations and paragraph (3) which states “Information in Volume II will only be read and evaluated to the limitation of 100 pages.”

We believe that the 100 pages for Volume II are not sufficient to discuss how the Offerors are going to maintain and operate three sites and construct a major nuclear facility (UPF). The page limitation should be increased to 250 pages.

Please refer to L-14, Proposal Preparation Instructions - VOLUME II, Technical and Management Information

Please refer to Article L-14, Section (a) Criterion A. Key Personnel and Orals, sub-item (iii) which states that “The offeror shall complete and submit Section L, Attachment B with all of the names and titles of the proposed Key Personnel.”

We believe that the person responsible for implementing the small business plan for this contract should be one of the key personnel submitted for evaluation.

Please refer to Article L-14, Section (c) Criterion C. Corporate Experience. Please add the following new sub-item (6).

“(6) Implementing a small business plan for an operating facility and achieving government specified small business contracting goals including operations, maintenance, decontamination and decommissioning, waste management, and construction.

Please refer to Article L-14, Section (g) Criterion C. Past Performance. Please add the following new sub-item (3).

“(3) The offeror shall provide for each team member, a list of all Small Business Subcontracting Plans which were not met for any reason (partially or completely) within the five years preceding the RFP issuance date, including dollar amount of contract, party contracted with, brief description of the work, reason for the failure to meet the goals, and name and telephone number of the contracting official for the Contract.”

M-7 CLIN 0002 TECHNICAL AND MANAGEMENT EVALUATION CRITERIA

Please refer to Article M-7, (b) Criterion B. Corporate Experience. Please add the following new sub-item (4).

“(4) Performance on implementing Small Business Subcontracting Plans and meeting the Government established small business subcontracting goals.”