

the laboratory connection

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your community's link
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at Los Alamos National Laboratory

July/August 2004

A Message from the Associate Director for Administration



Richard Marquez

For many months, the Administration Directorate has been addressing issues related to organization, staffing, leadership, processes and tools.

Did we accomplish a lot by way of improving our business processes? I think so. Do we still have much to do? Very definitely.

Will change continue to be our way of life? Yes, for the foreseeable future.

We have implemented many new initiatives in the directorate, including the Procurement Improvement Project, the Contingent Worker Project, and the formation of three business committees (See story page 1.) Our next area of emphasis will be the Human Resources Division, which has already implemented some changes, but will start a formal projectized transformation within the next few months.

I have described the strategic vision for business improvement in three phases: assessment, repair and redesign (the emphasis for FY03); laying a firm foundation for excellent performance (the focus for FY04); and a sustainable business model commensurate with the requirements of the Laboratory's mission (FY05 and beyond).

A firm foundation for excellent performance must include a close look at our people issues that have not received the emphasis they should have because we focused on "fire fighting" in FY03. We must also include a viable solution that helps address the systems issues that sometimes hamstring our effectiveness and efficiency. We will also try to make procurement a strength of this Laboratory as part of an integrated supply chain management model.

In the end, the challenge will be to develop success measures that link improved business processes to mission success.



Senior Management Procurement Council members Al Sattelberger, Chemistry Division, and Vernon Brown, Procurement, confer with Council chairman Rich Marquez.

External Committees Making Progress on Business Initiatives

In the spring of 2004, the Laboratory inaugurated three new committees to address procurement and business needs. The Senior Management Procurement Council brings together senior Laboratory managers to provide corporate leadership and best-management practices in the Lab's acquisition of a variety of goods and services. The Business Advisory Council, whose members include Laboratory and New Mexico business community representatives, will advise the Laboratory on the effectiveness of its business practices as they impact business stakeholders and specific targeted business operational areas. The Consortium of Major LANL Subcontractors brings together Laboratory subcontractors who have provided economic development proposals as part of their contracts with the Laboratory.

"Lab procurements have a major economic impact on northern New Mexico," said Associate Lab Director for Administration Richard Marquez. "These committees will give the Laboratory

Business Initiatives, continued from page 1

a three-pronged approach to managing procurements They are an excellent way to make sure we meet our contractual responsibilities to promote economic development, while maintaining effective business practices at the Lab.”

Marquez chairs the Senior Management Procurement Council (SMPC), which meets monthly. Members are senior Lab managers with responsibility for significant resource management or procurement activity who can examine and determine methods and opportunities for acquiring goods and services from an institutional, rather than organizational, point of view.

The SMPC will review the Lab’s annual socioeconomic objectives and promote compliance with NNSA requirements to assist small, disadvantaged, minority- and women-owned businesses, as well as HubZone and the prime contract requirement related to northern New Mexico economic development. The council will also provide corporate oversight of vendor quality and serve as competition advocates for the Lab in connection with significant procurements.

SMPC members are required to attend all meetings or send a representative empowered to act on their behalf. At a recent meeting, the council received a briefing on acquisition forecasting and discussed ways that the council could provide assistance with this effort. They were also briefed on recent customer complaints regarding procurement, and members provided suggestions for addressing these complaints. A discussion on make-buy issues at the Laboratory was scheduled for the group’s June meeting.



Lab Director Pete Nanos greets Española businessman Jay Gould at the kickoff meeting of the Business Advisory Committee. Behind them is Carlos Chacon of the Lab’s Small Business Advocacy team.

The Business Advisory Committee (BAC) has held three meetings. The BAC is co-chaired by Former Governor, Toney Anaya, and Communications and External Relations Division Leader, David McCumber. The first meeting in March included a welcome by Laboratory Director, Pete Nanos, and a briefing on the Contingent Worker Project. The second meeting, held in April, featured a briefing on the Procurement Improvement Project and the establishment of subcommittees to focus on Procurement, Economic Development, and Business Standards. The subcommittees met to develop work plans in May and early June. On June 23, the full BAC met in Santa Fe to receive subcommittee reports.

“The BAC and its three subcommittees are integral to improving the Lab’s relationship with New Mexico businesses,” said McCumber. “The fact that businessmen and women from throughout New Mexico are

willing to give their time and energy to help the Lab be a better business partner through the BAC is very exciting.”

The Consortium of Major Suppliers provides a venue for integrated planning and resource-management activities that will promote and leverage regional economic development and increase small business procurement opportunities with smaller Laboratory contractors.

The Consortium has also held two meetings. KSL General Manager, Ed Burckle, and Teresa Trujillo of the Lab’s Supply Chain Management Division are leading the effort for this committee. At the last meeting, Consortium members were asked to complete a self-assessment of their economic development activities, which will be used to develop an inventory of all efforts. Additionally, the Regional Development Corporation was introduced as a

Water, Water Not Everywhere... and Getting Scarcer

The old southwestern saying that “whiskey’s for drinkin’ and water’s for fightin’ over” is never more true than in times of drought. Add to the lack of precipitation an increase in economic development, home construction, leisure facilities, and massive construction projects and you have a critical set of circumstances bordering on, if not leading to, crisis. Such has been the case in most of New Mexico since the last great “gully washer,” which is but a dim memory.

Recent drought conditions across the Southwest have amplified the need to develop and communicate a scientific understanding of water resources, especially in the context of advancing sustainable growth and infrastructure security in Northern New Mexico. The reality is that there are significant gaps in our basic scientific understanding regarding how much groundwater is available in the central basin, what its chemical qualities are, and how it can be economically developed.

Numerous federal and state agencies, and local governments, including Pueblos, have undertaken work in areas of drought, hydrology and geology studies, water supply, wastewater collection and treatment, water quality, and water allocation in the Española Basin in Northern New Mexico. What doesn’t exist is a central location or facility that draws together the information from these disparate activities in a comprehensive and archival manner, then promotes the sharing of information as well as collaboration on research efforts and technical assistance.

For example, recently the U.S. Geological Survey formed an Española Basin Technical Advisory Group made up of a number of scientists performing geologic and hydrologic studies in the basin. This group was formed to share technical information, avoid duplication of research, and develop a research agenda for closing the gaps in knowledge about the water resources in the basin. But the means to distribute this information and data remains a challenge. Hydrogeological information is not readily available, nor is it widely communicated to those entities that might benefit from it. This is one of the areas in which LANL can be helpful, as it has been over the years, by providing technical assistance and educational

outreach activities to the Northern New Mexico region.

Accordingly, the Lab will develop a Water Research Technical Assistance Office intended to eliminate communication shortcomings by archiving and sharing information, and promoting relationships, collaborations, and partnerships among the agencies and communities within the basin. The office will be established “off the hill” in a Northern New Mexico community. Its mission statement will include the following:

- Promoting scientific collaborations on water research,
- Sharing of water resources data and information,
- Assisting local communities with water resources questions and problems,
- Providing educational materials and speakers related to water research,
- Assisting local communities with water-related economic development, and
- Assisting small business in technology development, evaluation, and commercialization.

More specifically, what is proposed is a research and technical assistance office that bridges the communication gap between all entities within the Española Basin. This office will develop strategic partnerships and collaborations among agencies, governmental bodies, Pueblos, communities, and stakeholders regarding water research with the basin.

Centralizing and sharing information will be a foundation block in building relationships among these entities. The office will focus on disseminating information and providing technical assistance to those entities that have water-related problems and issues. Educational materials will be developed and distributed to local schools to enhance the understanding of water science and water resource management. Additionally, the office will pursue collaborative funding opportunities for vital water research needed to complete the necessary technical understanding of basin water resources, providing those entities responsible for managing water resources and development in the basin with the information to support the best possible informed decisions by state and local authorities.

We anticipate that LANL efforts will

- Fill the scientific information “gaps” so as to enable better water resource management decisions,
- Strengthen the partnerships and collaborations among all entities who reside in the Española Basin,
- Provide technical service and assistance to those entities with water-related problems and issues,
- Promote education of local students and residents regarding water science and management, and
- Support water-related economic development.



This photo, taken from Overlook Park in White Rock, shows the Rio Grande. Education materials about New Mexico’s dwindling water supply will be developed and distributed to local schools to enhance the understanding of water science and water resource management.

BUSINESS FORUM: Ask the Lab Small Business Advocates

Q: How does one actually start doing business with LANL?

A: Contact LANL Small Business Outreach Specialists for an appointment by calling (505) 667-7473 or 1-800-472-9896I. The website is www.lanl.gov/orgs/cr/cr_lsba.shtml.

Q: How do I get my business listed on the Laboratory's Bidders' List?

A: LANL does not have a "bidders' list" as such because Lab buyers maintain their individual source selection lists. However, we suggest that all potential suppliers register in the federal government Central Contractor Registration (CCR) database, which can be reached at www.ccr.gov. All Lab buyers are trained on the use of CCR to identify regional suppliers. CCR will also provide suppliers with information on other Federal contracting opportunities.

Q: When will the Just-In-Time (JIT) contracts be recompeted?

A: Recompetition of JIT contracts will occur after the Enterprise Project is up and running.

The project will modernize the administrative computing infrastructure, and many businesses will have to make system investments to interface with the new Lab system and manage JIT contracts.

Q: How do I get security clearances for my employees so that they can do business with the Laboratory?

A: Unless you have an established contract that requires on-site work, security clearances are not needed. The LANL contractor administrator/buyer will make the determination as to clearance need at the time the contract is awarded and will facilitate the clearance process.

Q: Does the Laboratory have procurement set aside programs for small businesses?

A: Yes. Under federal procurement guidelines, LANL conducts set asides for exclusive small businesses, HubZone, and 8a firms, provided that there are at least two known small businesses that meet the minimum requirements. If the procurement is a small business set-aside, all categories of businesses

can participate. There are times when exclusive HubZone and 8(a) set-asides are conducted, and in those cases, the bid list is restricted to only those that qualify.

Q: To whom can one go with a sensitive and proprietary business concern relating to a LANL contract?

A: The first point of contact should be with the contract administrator. If no resolution is found, then the LANL Ombuds Office may be contacted at www.lanl.gov/orgs/ombuds or (505) 665-2837.

Q: Is there a preference program for Northern New Mexico businesses?

A: Under LANL's Regional Purchasing Program, the Laboratory will seek out and target known Northern New Mexico business concerns as potential sources of supply. When the Lab cannot identify regional firms, it will expand its search outside the region. The Laboratory cannot legitimately deny any small businesses from outside the region the opportunity to participate in any Lab subcontract.

Contract Corner

ADVANCE NOTICE OF PROPOSED SUBCONTRACT FOR ENVIRONMENT OPERATIONS SUPPORT SERVICES (EOSS)	
SOL. No.: 96631-001-04	
Major Procurement/Assistance Actions For FY 2004 Worksheet	
National Nuclear Security Administration	
1. Contracting activity and individual point of contact: Los Alamos National Laboratory Procurement Contact: Rita J. Smotherman at (505) 665-4269	
2. Estimated dollar value (including options): \$ \$55,000,000	
3. Percentage (in %) of requirement set-aside for SB, SDB, WOB, and/or HUBzone concerns: \$55,000,000 (100%)	
4. NAICS Code 562910 (Environmental Remediation Services) 541330 (Environmental Engineering Services)	SIC Code 4959, 8711, 8748
5. New award or modification: New Award	
6. Estimated month of solicitation issuance: June 2004	
7. Estimated month of award: September 2004	
8. Degree of confidence that action will be funded (High, Medium, Low): High	
9. Brief description of work: Provide Environmental Operations Support Services (EOSS) in the areas of Project Management, Quality, Environmental Safety and Health (ES&H), including Integrated Safety Management (ISM) and Security, and Integration Safeguards and Security Management (ISSM).	

For more information, contact the Laboratory Small Business Advocacy Team toll-free at 1-800-472-9861 or via e-mail at lsba@lanl.gov. More information is also available at the following web addresses: http://www.lanl.gov/orgs/cr/cr_lsba.shtml or https://eweb1.sba.gov/naics/dsp_naicssearch2.cfm.

Calendar of Events

Training Courses

July 1, 2004	8 (a) Business Development Program Application Workshop (Small Business Administration)	Course presented from 1 to 3 p.m. at the Hispano Chamber, 1309 4th St. SW, Albuquerque, NM. Learn more about the 8(a) certification process and increase your chances for 8(a) certification. Discover the benefits, gain information about other government procurement programs, and learn what other SBA Services are available. No charge but seating is limited. For more information, contact Irene Farmer by telephone at 505-346-7909 or 505-346-6751 or by e-mail at Irene.farmer@sba.gov.
July 8, 2004	Manual Bookkeeping for Artists	Course presented from 1:30 to 4:30 p.m. at the Northern New Mexico Community College in the Small Business Development Center. No fee. For more information, contact 747-2236.
July 16, 2004	Essentials for Starting a New Business (Society of Retired Business Executives)	Course presented from 8:30 a.m. to 4:30 p.m. at the Small Business Administration Conference Room at 625 Silver, SW, Suite 320, Albuquerque, NM. Workshop fee of \$35.00 per person. The workshop emphasizes all the essential elements needed for successful business practices. Topics include Anatomy of a Business; The Law and Business; Necessary Insurance; Record Keeping Elements; Tax Considerations; Banking and Borrowing and SBA Programs and Resources. For more information, contact SCORE at 505-346-6750 or 505-346-7909.
August 5, 2004	8 (a) Business Development Program Application Workshop (Small Business Administration)	Course presented from 1 to 3 p.m. at the Small Business Administration Conference Room at 625 Silver, SW, Suite 320, Albuquerque, NM. Learn more about the 8(a) certification process and increase your chances for 8(a) certification. Discover the benefits, gain information about other government procurement programs, and learn what other SBA Services are available. No charge, but seating is limited. For more information, contact Irene Farmer by telephone at 505-346-7909 or 505-346-6751 or by e-mail at Irene.farmer@sba.gov.

Events

July 6-9, 2004	DOE 5th Annual Small Business Conference	Philadelphia Marriot Downtown, Philadelphia. For more information, contact Carlos Chacon 665-4284.
July 13, 2004	Northern New Mexico Supplier Alliance Luncheon	This is the monthly Northern New Mexico Supplier Alliance luncheon. For more information, contact Tim Martinez at 667-2390.
July 28-29, 2004	23rd Annual Rio Grande Minority Purchasing Council Trade Fair	<p>The 23rd Annual Partners for Progress Trade Fair will take place at the Technical Vocational Institute (TVI) Workforce Training Center located at 5600 Eagle Rock Rd, NE in Albuquerque, NM.</p> <p>On Wednesday, July 28 from 9:15 to noon, workshops include the following :</p> <ul style="list-style-type: none"> • How to become a GSA Multiple Award Schedule Contractor • Doing Business with Government Agencies • Preparing an Effective Capability Statement and Marketing Materials • Department of Labor Small Business Issues • GSA e-buy for Government Agency Buyers and Contracting Officers. <p>The Trade Fair exhibitors are available from 1 to 5 p.m.</p> <p>On Thursday, July 29 from 8:30 to 11 a.m., workshops include the following:</p> <ul style="list-style-type: none"> • Doing Business with Sandia Laboratories • Doing Business with Los Alamos National Laboratory • Understanding Requests for Proposals • Access to Capital • E-buy for GSA Schedule Contractors • Connecting Business to Opportunity (emercado.com) <p>The Banquet Luncheon is from 11:30 a.m. to 1 p.m. The Trade Fair exhibitors are available from 1 to 3:30 p.m. The Networking Ice Cream Social is from 3:30 to 5:30 p.m. For more information, contact Vangie Trujillo at 665-2963.</p>
August 10, 2004	Northern New Mexico Supplier Alliance Matchmaker Luncheon	This is the monthly Northern New Mexico Supplier Alliance luncheon. For more information, contact Tim Martinez at 667-2390.

Tsay Corporation Brings Broad Perspective and Ample Determination



Tsay Corporation CEO Ron Lovato (at left), and San Juan Pueblo Governor Earl Salazar, are working to diversify economic development in northern New Mexico. Tsay has partnered with the City of Espanola, the state of New Mexico, and other local small businesses to improve the local infrastructure.

Tsay Corporation, established in 1990, has grown to be one of the largest employers in northern New Mexico. As a federal corporation under Section 17 of the Indian Reorganization Act, Tsay employs more than 450 people and has continued to provide new job opportunities to the Española Valley.

“The Tsay Corporation is the business arm of San Juan Pueblo,” said Governor Earl Salazar. “Ron (Lovato), Chief Executive Officer, is responsible for most of the economic development projects for the Pueblo and also handles the day-to-day operations. He is the main liaison between the Lab and the Pueblo and other businesses and the Pueblo.”

Tsay’s construction division, established in 1995, is a HUBzone-certified small business. It also has both the 8 (a) and DBE certification application in process. It has provided

both skilled and unskilled jobs in the Decommissioning and Demolition (D&D) arena since 2001 during the Cerro Grande Fire cleanup. Tsay was just awarded its first competitive D&D contract at one of the Laboratory’s technical areas.

“One of the reasons we’ve been successful in Los Alamos is that we have the business infrastructure in place,” Lovato explained. “We have the support staff with the expertise to learn and manage projects as dictated by LANL.”

Governor Salazar said, “Not only do we have the business infrastructure in place, we’re very interested in diversifying the economic development of Northern New Mexico. We don’t want to rely so heavily on gaming. It’s our intent to be a part of the valley’s economic diversification. Too much reliance on one industry sector isn’t healthy.”

Tsay has successfully partnered with the city and state, as well as other local small businesses like Ross Sanchez from Cross Connections, Melvin Cordova from MCI Electric and GLM from Mora, New Mexico.

“We’re working on strengthening the area’s infrastructure to improve water, waste water, telecommunications, and gas lines so that we can attract diverse businesses to Northern New Mexico,” Governor Salazar said. “Economic development relies on the physical infrastructure that we don’t currently have here. But, we’re working with the state, county, and city to develop it.”

During the Cerro Grande Fire cleanup, Tsay worked with Steve Mee and others from the Lab who walked them through all the LANL requirements.

“Even though our business infrastructure was in place, it’s still pretty tough to get through all of the LANL requirements,” Lovato explained. “Especially if you’ve never done work with the Lab before.”

Tsay has now successfully completed five D&D projects for the Laboratory. Additionally, Tsay’s workforce has been praised for its

ingenuity and its impeccable safety record, Lovato said.

“We’re interested in good, trustful, respectful and cooperative projects and relationships,” Governor Salazar added. “We feel that we’ve established a firm relationship with the Laboratory, and we want to continue to strengthen that. Furthermore, we hope our relationship with LANL will lead to other opportunities at other DOE facilities around the country. We believe in the mission of the Lab, and we believe in the people who work there.” Governor Salazar, who has been a Laboratory employee for 23 years, is currently on a two-year Tribal Government leave of absence.

Both Governor Salazar and CEO Lovato expressed some frustration and disappointment in what they’ve called Tsay’s “marginal” success in winning Lab contracts. They also expressed interest in providing feedback about how to strengthen the Lab’s procurement program in northern New Mexico. Ron Lovato is a member of the Laboratory-initiated Business Advisory Council, administered out of Richard Marquez’s office.

“Hopefully, we’ll have more success in the future. We’re willing to continue to work with the Tribal Relations Team, Patrick Woehrl, David McCumber, and Director Nanos,” said Governor Salazar. “They’ve been very good at listening to our concerns and they’re doing what they can. I believe that everyone is taking a harder look at all of the contracts.”

Lovato said that the Laboratory needs to continue working with, and to give credence to, groups like the Northern New Mexico Supplier Alliance. The Lab also should adopt aggressive procurement goals and a Northern New Mexico set-aside program, or a Northern New Mexico HubZone points program. These would provide local businesses with improved opportunities to compete and win Lab contracts.

Tsay’s airport, its most recent development project, will have a 5,200-foot runway. Governor Salazar hopes to use it as a catalyst for economic development.

Tsay, continued from page 6



One of Tsay Corporation's most recent development initiatives is its new airport which, when complete, will have a 5,200-foot runway. Both Governor Salazar and Lovato hope to use the airport as a catalyst for increased economic development in Northern New Mexico.

"I would love to see some type of aerospace manufacturing business locate at the airport," Governor Salazar said. "Additionally, San Juan continues to pursue other development initiatives and is offering long-term land leases at very attractive rates in an effort to attract businesses to consider locating on our lands."

Lovato added, "We're always open to new opportunities. There's a huge opportunity for

this valley and Los Alamos to collaborate and provide a link. Our airport can create that link by providing traffic flow and regionalization of the area."

Governor Salazar explained one of Tsay's business philosophies: "As one of the largest employers out here, we have a responsibility to run good businesses. We sincerely want economic development for all of northern

New Mexico. We want to mentor other small businesses too, perhaps other tribes, but we have to begin by doing more business with the Laboratory and getting to that point. We're not there yet."



External Committees, continued from page 2

resource for Consortium members to help with their economic development plans.

"The consortium of major LANL subcontractors will be able to leverage their economic development commitments by examining community needs on a holistic basis," Burckle said. "I expect that when we look at the overall outreach efforts of member companies, we're going to find there is some overlap and possibly some gaps when measured against the needs of northern New Mexico. The consortium will provide a forum for the companies to see 'needs' on a regional basis and then work with LANL to redirect their commitments. I'm excited about the possibilities of working collectively on community projects instead of working independently."



The Laboratory's Associate Director for Administration, Rich Marquez, chairs a meeting of the Senior Management Procurement Council, made up of Lab managers who control significant procurement activities in their groups or divisions.

All three committees will report findings and recommendations to Marquez on a regular basis.

"These committees demonstrate the Lab's commitment to improving business practices

through enhancement of business relationships with suppliers and the expansion of opportunities for New Mexico suppliers," Marquez said.



Los Alamos Chamberfest Provides Something for All Ages



Hundreds of residents and visitors visited booths or played in the sand and sun at the annual Los Alamos Chamberfest in June. Staff from the Community Relations Office and the University of California answered questions about business and environmental issues. Nearby, children played in the giant sandpile in front of the post office.

Inside

External Committees Making Progress on Business Initiatives

Water, Water Not Everywhere... and Getting Scarcer

Business Forum: Ask the Lab Small Business Advocates

Contract Corner

Calendar of Events

Tsay Corporation Brings Broad Perspective and Ample Determination

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