



# Source Selection Statement For the Plateau Remediation Contract U.S. Department of Energy, Hanford Site

Solicitation Number DE-RP06-07RL14788

Prepared by:

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**EM** Environmental Management

safety ✦ performance ✦ cleanup ✦ closure

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**SOURCE SELECTION STATEMENT  
FOR THE PLATEAU REMEDIATION CONTRACT  
SOLICITATION NUMBER DE-RP06-07RL14788**

**Introduction**

I was designated as the Source Selection Official (SSO) to select a contractor for the Plateau Remediation Contract (PRC). The purpose of the PRC is to continue the environmental cleanup of select portions of the Department of Energy's (DOE) Hanford Site. A Source Evaluation Board (SEB) was established to solicit and evaluate proposals for the PRC. In reaching my decision, I have reviewed the PRC Source Evaluation Board Report dated June 5, 2008 and have received briefings from the SEB. In addition, I attended the oral presentations, reviewed the technical and management proposals, and conferred with ex-officio members of the SEB. Exercising my independent judgment, I select CH2M HILL Plateau Remediation Company, LLC (CPRC), as the Offeror that provides the best value to the Government.

**Scope of Work**

The purpose of this acquisition is to select a single contractor to continue the environmental cleanup of select portions of the United States Department of Energy's Hanford Site. The scope of work for the PRC is diverse and will be performed over a large geographic area within the Hanford Site. The scope of work includes:

- Plutonium Finishing Plant (PFP) Closure
- Waste Treatment and Disposal
- Groundwater/Vadose Zone Project
- Facility and Waste Site Minimum Safe/Surveillance and Maintenance
- Fast Flux Test Facility
- Geographical Zone Remediation
- Groundwater, Soil, and Facility Regulatory Decision/Other Documents
- 100 K Area
- 618-10 and 618-11 Burial Grounds

For purposes of work authorization, the scope of work is divided into five Contract Line Item Numbers. A Cost Plus Award Fee Contract will be utilized to incentivize the Contractor in performing this scope of work.

**Solicitation and Submission of Proposals**

On November 17, 2006, the SEB issued a draft Request for Proposals for industry comment. In addition, from December 12-15, 2006, the SEB conducted one-on-one information exchanges with industry for the purposes described in FAR 15.201(b). DOE considered all recommendations received on the draft Solicitation from the industry information exchanges, and the final Solicitation was revised, as appropriate, to incorporate industry recommendations, consistent with programmatic and acquisition objectives.

Source Selection Statement  
For the Plateau Remediation Contract  
Solicitation No. DE-RP06-07RL14788

The final Solicitation was issued on June 25, 2007. The SEB subsequently issued six amendments to the Solicitation. The SEB received timely proposals by the Solicitation closing date of September 21, 2007 from the following two offerors:

CH2M Hill Plateau Remediation Company, LLC (CPRC) – CPRC is a newly-formed business entity with CH2M Hill Constructors, Inc. as its first tier parent. CPRC's pre-selected subcontractors consist of AREVA Federal Services, LLC; East Tennessee Materials & Energy Corporation, Inc.; and Fluor Federal Services, Inc.

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The Offerors made oral presentations to DOE October 18-19, 2007.

**Evaluation Procedures**

Section L, *Instructions, Conditions, and Notices to Offerors*, of the Solicitation provided proposal instructions to the Offerors concerning the type and depth of information necessary for DOE to conduct an informed evaluation. The SEB performed a comprehensive evaluation of the proposals in accordance with FAR Part 15 and against the evaluation criteria set forth in the Solicitation.

Section M specified the basis for contract award, the evaluation criteria, the overall relative importance of the evaluation factors, and stated DOE's intent to award without discussions. This section also stated that DOE intended to award one contract to the responsible Offeror whose proposal is responsive to the Solicitation and determined to be the best value and most advantageous to the Government.

Section M of the RFP stated that factor G, *Cost and Fee*, would not be adjectively rated or point scored, but would be considered in the overall evaluation of proposals in determining the best value to the Government. Section M of the RFP also defined how cost and fee would be evaluated. The SEB independently reviewed and evaluated each Offeror's cost proposal for cost reasonableness and realism using applicable techniques and processes described in FAR 15.404-1(c) and (d). The result of these evaluations was used to determine the most probable cost (MPC) to the Government and the evaluated price for determining best value.

Section M of the RFP stated that in determining best value to the Government, the technical and management evaluation factors are significantly more important than the evaluated price. The Government is more concerned with obtaining a superior technical and management proposal than making an award at the lowest evaluated price. However, the Government will not make an award at a price premium it considers disproportionate to the benefits associated with the evaluated superiority of one technical and management proposal over another. The Government will assess the strengths and weaknesses between or among competing technical proposals from the standpoint of: (1) what the difference might mean in terms of anticipated performance; and (2) what the evaluated price to the Government would be to take advantage of the difference. The closer or more similar in merit that Offerors' technical and management proposals are evaluated; the more likely the evaluated price may be the determining factor.

**Evaluation Results**

Volume I, Offer and Other Documents

The Contracting Officer (CO) made an initial review of Volume I, *Offer and Other Documents*, and determined that none of the proposals were so grossly deficient as to be unacceptable on its face. However, during the CO's initial review, the CO noted that CPRC did not complete its online representation and certifications application (ORCA). The issue was corrected through clarifications in accordance with FAR 15.306(a)(2). With this correction, the Contracting Officer (CO) determined that CPRC and ~~DELETED~~ proposals satisfied Volume I.

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Volume II, Technical and Management Proposal

The SEB evaluated and rated adjectively each proposal according to the technical and management evaluation factors listed in Section M of the Solicitation. The adjectival ratings in order from best to worst were: excellent, very good, satisfactory, marginal, and unsatisfactory, as defined in the SEB Report, Table III-3, *Adjectival Rating Definitions*. The adjectival ratings took into consideration the quantity, nature, and significance of the identified strengths and weaknesses as they relate to the probability of achieving contract requirements and meeting performance expectations. Table V-1, *Summary of Technical and Management Evaluation Results*, from the SEB report, shown below, summarizes the technical and management evaluation results. This table shows the relative order of importance of the technical and management evaluation factors A, B, C, D, E and F as represented visually by both font size and indenture.

**Table V-1. Summary of Technical and Management Evaluation Results**

Technical and Management Factors		CPRC	
A	Technical and Management Approach		
B	Organizational Structure and Key Personnel		
C	Environment, Safety, Health, and Quality		
D	Project Management		
E	Past Performance		
F	Experience		

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Volume III, Cost and Fee Proposal

The cost and fee proposal was evaluated against factor G, *Cost and Fee*, and was considered in the overall evaluation of proposals in determining the best value to the Government in accordance with the Provision entitled *Basis for Contract Award* of this Solicitation. The SEB determined that both offerors were within the fee range specified in Section L of the Solicitation entitled *Proposal Preparation Instructions – Volume III, Cost and Fee Proposal*. The SEB performed a detailed cost realism analysis on both of the proposals and made the necessary

adjustments to arrive at the MPC and the Evaluated Price. The SEB analysis is summarized below in the table below, *Evaluated Price Summary*:

**Evaluated Price Summary**  
(Transition + Base + Option Periods, \$ in 1,000)

Cost and Fee Element	CPRC	DELETED
Offeror-Proposed Total Contract Price (including fee)	\$4,515,556	
SEB Evaluated Price (Most Probable Cost plus fee)	DELETED	DELETED

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**Comparative Assessment of Proposals**

I am satisfied that the SEB's evaluation of proposals was rigorous, thorough, and compliant with the established evaluation criteria and applicable procedures. The SEB provided me with an extensive evaluation and analysis of the Offerors' technical and management proposals and cost proposals for my best value analysis and selection decision. In addition, I reviewed the Offerors' written proposals, attended oral presentations, read the SEB report, and discussed with the SEB the results of their evaluation.

The following represents my comparative analysis of the Offerors' proposals, beginning with the Technical and Management Factors:

The first evaluation factor—**Technical and Management Approach (Factor A)**—was the most important evaluation factor. For this factor, the SEB evaluated

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As set forth in the SEB Report,

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I have considered the narrative evaluation for both offerors and the relative merits of the offerors' evaluation for Factor A. I find that overall for Factor A that CPRC has a significant advantage over \_\_\_\_\_ and find that Factor A is a significant discriminator between the two offerors in favor of CPRC.

(b3)

The second evaluation factor—**Organizational Structure and Key Personnel (Factor B)**—was the second most important evaluation factor. This evaluation factor contemplated the project manager being the most important part of the evaluation. This evaluation factor had written (including references) and oral components. For this factor, the SEB rated

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As set forth in the SEB Report,

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I have attended the oral presentations for both offerors. I have also considered the narrative evaluation for both offerors and the relative merits of the offerors' evaluation for Factor B. I find that overall for Factor B that CPRC has a significant advantage over . CPRC's Project

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I find that Factor B is a significant discriminator between the two offerors in favor of CPRC.

The third and fourth evaluation factors—**ESH&Q (Factor C)**— and —**Project Management (Factor D)**— were the next most important evaluation factors and of equal importance.

For the third evaluation factor—**ESH&Q (Factor C)**—The SEB rated

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I have considered the narrative evaluation for both offerors and the relative merits of the offerors' evaluation for Factor C. I find that overall for Factor C that CPRC has a significant advantage over (b3)

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C is a significant discriminator between the two offerors in favor of CPRC.

I find that Factor (b5)

For the fourth evaluation factor—**Project Management (Factor D)**— The SEB rated

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I have considered the narrative evaluation for both offerors and the relative merits of the offerors' evaluation for Factor D. I find that overall for Factor D that CPRC has a significant advantage over

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D is a significant discriminator between the two offerors in favor of CPRC.

I find that Factor

The fifth and sixth evaluation factors—**Past Performance (Factor E)** and **Experience (Factor F)**—were the least important evaluation factors and of equal importance.

For the fifth evaluation factor—**Past Performance (Factor E)**—

As part of my comparative analysis of the

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I find that Factor E is not a discriminator between the two offerors.

For the sixth evaluation factor—**Experience (Factor F)**—

I find that Factor F is not a discriminator between the two offerors.

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Consideration of CPRC and (b3) Technical and Management Proposals

(b5) as documented in the Board Report and summarized in Table VI-1 above. I find that overall the CPRC proposal was well prepared, addressed each of the evaluation factors, and offered many advantages to the Government over the (b3) proposal. As discussed above, the CPRC proposal offered

significant advantage over the (b3) proposal on each of the four most important evaluation factors (A, B, C, and D). The least two evaluation factors (E and F) did not serve as discriminators between the two proposals. Taking these relative positions into account, I conclude that overall the CPRC proposal represented a significant selection advantage with an increased probability of successful contract performance as compared to (b3)

Consideration of the Cost/Fee Proposals

As set forth in the Cost/Fee Criterion, the cost and fee proposals were not adjectively rated or point scored. The SEB evaluated the cost proposals for reasonableness, realism, and arrived at a most probable cost for each offeror. The SEB provided me with an extensive and detailed evaluation and analysis of the offerors' cost proposals to consider as part of my best value analysis and selection decision. I have reviewed the SEB's analysis and find that it was complete and thorough. This information is summarized in the Board Report, with key figures set forth in Table VI-1 *Evaluated Price Summary*.

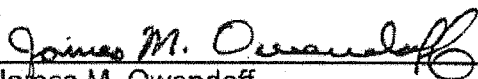
CPRC's evaluated price is (b4) (b3)'s evaluated price is (b3) . The difference in price is approximately (b4) in favor of CPRC.

Best Value Analysis and Selection Decision

Hanford's Plateau Remediation Contract is a large, complex, and vital environmental remediation project within DOE's critical environmental management program. To satisfy this requirement, I am presented with a clear and obvious choice in this selection. CPRC has presented a clearly superior technical and management proposal. CPRC was better or equal to (b3) for every evaluation factor. CPRC's evaluated price is approximately (b4) less than (b3)'s evaluated price.

With a superior technical and management proposal and a lower evaluated price, I find that CPRC clearly presents the best value to the government. Accordingly, I select CH2M Hill Plateau Remediation Company, LLC for award of the Plateau Remediation Contract.

6/18/08  
Date

  
James M. Owendoff  
Source Selection Official