Contract Competition
The ‘M&O’ Contract
for Brookhaven National Laboratory

BNL Community Advisory Council

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Tonight’s presentation

- Competition process for new management and operations (M&O) contract for BNL
  - BNL Contract History
  - New M&O Contract
  - M&O Contract Competition Process
    - Overview, Pre-Proposal, Evaluation, Considerations
BNL Contract History

- BNL is a DOE Office of Science multi-program laboratory.

- BNL is a DOE-sponsored Federally Funded Research and Development Center (FFRDC).
BNL Contract History, cont.

- 1947-1997: M&O contractor was Associated Universities Inc.

- 1997: Competition for new M&O contractor
  - Competition limited to nonprofit organizations

- BSA: 50-50 partnership of Battelle Memorial Institute and the Research Foundation of the State University of NY
- 10-year, performance-based M&O contract
2008: BSA contract is extended for up to two years beyond original term to accommodate the contract competition process.

- Contract competition is now standard for SC M&O contracts. It is not a reflection on BSA performance.
New M&O Contract

- Contract term

- Contract award date
  - Tentatively late Oct./early Nov. 2009
  - To allow ~60-day transition period
New M&O Contract, cont.

- Performance-based, cost-reimbursement contract with performance fee
- Estimated annual Laboratory funding: $540 million
- One-year award term incentives
  - To begin after initial contract period
  - Earned annually based on performance
  - Original contract plus one-year incentives not to exceed 20 years
M&O Competition Process

- Governed by law and regulation
  - Federal Acquisition Regulation (FAR) Part 15, Contracting by Negotiation
  - DOE Acquisition Regulations (DEAR)

- Request for Proposals (RFP)
  - Section L, Instructions, Conditions, and Notices to Offerors or Respondents
  - Section M, Evaluation Factors for Award

- Case Law/Decisional Guidance

- Process has evolved since 1997.
Pre-Proposal:
- Information website established
- Expression of Interest posted to convey DOE intent and identify interested parties
- New Contract/Request for Proposal (RFP) is in development.
- RFP release *tentatively* scheduled for 2Q09
- Proposals due in 60 days, not usual 45, to facilitate inquiries, comments, etc.
M&O Competition, cont.

- Issues already recognized:
  - Employee retention
  - Wages and benefits
  - Retiree benefits
  - Bargaining units
  - Environmental concerns
  - Community relations
Proposal Evaluation

- Source Evaluation Board (SEB) formed
- SEB evaluates proposals
- SEB reports to Source Selection Official
- Source Selection Official selects successful proposal
Contract Considerations

- Until finalized and released to the public, the RFP/contract is ‘source selection sensitive information.’
- For examples of recent RFPs and M&O contracts, go to websites listed at the end of this presentation.
BNL RFP and Other Websites

- BNL RFP website:
  - http://rfpbnl.sc.energy.gov

- Recent contract/RFP websites:
  - http://rfpppl1.sc.energy.gov
  - http://rfpames.sc.energy.gov
  - http://rfpanl.sc.energy.gov
  - http://rfpfnal.sc.energy.gov

- FAR website:
  - http://farsite.hill.af.mil