



*U.S. Department of Energy's  
Office of Science*

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**Contract Competition**  
The 'M&O' Contract  
for Brookhaven National Laboratory  
*BNL Community Advisory Council*

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# Tonight's presentation

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- 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



# BNL Contract History, cont.

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- 1998: BNL M&O contract awarded to Brookhaven Science Associates, LLC.
  - 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



# BNL Contract History, cont.

- 2008: BSA contract is extended for up to two years beyond original term to accommodate the contract competition process.
  - Current BSA contract expires Jan. 4, 2010.
  - Contract competition is now standard for SC M&O contracts. It is not a reflection on BSA performance.



# New M&O Contract

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- Contract term
  - *Tentatively* Jan. 5, 2010 through Jan. 4, 2015
  
- 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.



# M&O Competition, cont.

- 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.

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



# M&O Competition, cont.

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



# M&O Competition, cont.

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- 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://rfppppl.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>