



**Department of Energy**  
Chicago Operations Office  
9800 South Cass Avenue  
Argonne, Illinois 60439

**Ernest Orlando Lawrence Berkeley National Laboratory**

**Executive Summary**

**Draft Solicitation No. DE-RP02-05CH11231**

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October 15, 2004

TO: Prospective Offerors

SUBJECT: DRAFT REQUEST FOR PROPOSAL (RFP) NO. DE-RP02-05CH11231  
FOR THE SELECTION OF A MANAGEMENT AND OPERATING  
CONTRACTOR FOR THE ERNEST ORLANDO LAWRENCE BERKELEY  
NATIONAL LABORATORY (LBNL)

The Department of Energy (DOE), Chicago Office is releasing the draft RFP for award of a contract for the management and operation of LBNL. DOE is seeking proposals from qualified organizations interested in competing for this contract. Specific details of the contract performance requirements are described in the RFP. The draft RFP can be found on the Industry Interactive Procurement System (IIPS) at URL <http://e-center.doe.gov>. The DOE encourages comments on the draft RFP, including suggested changes to the draft contract provisions. All comments, questions, and suggested changes must be submitted through the "Submit Questions" feature on IIPS. The Government asks that this process be used rather than letters, e-mails, and/or telephone calls. Responses, if required, will also be posted on IIPS. It is requested that all questions and/or comments on the draft RFP be submitted by November 15, 2004, although prospective Offerors are requested to submit as many questions and/or comments, as is possible, prior to the Comment Workshop which is scheduled to be held on October 28, 2004. After consideration of comments received, the DOE expects to issue the final RFP for this requirement during December, 2004.

LBNL is a multi-program DOE national research laboratory located on a 200 acre site owned by the University of California (UC). The site is leased by DOE from UC under a set of leases (refer to Section L, Appendix 5 of the RFP). DOE intends to enter into independent arrangements with UC to assure that the LBNL facilities are available to the selected Contractor for the duration of the contract term.

LBNL conducts key elements of DOE's missions in science, energy, and the environment. In support of these missions, LBNL: (i) performs leading multidisciplinary research in the physical sciences, computing sciences, energy sciences, biosciences, and general sciences in a manner that ensures employee and public safety, and protection of the environment; (ii) develops and operates unique national experimental facilities that are available to qualified investigators; (iii) educates and trains future generations of scientists and engineers to promote national science and education goals; and (iv) transfers knowledge and technological innovations and fosters productive relationships between LBNL research programs, universities, and industry to promote national economic competitiveness. LBNL is a leading national science and technology research center which operates the following national user facilities: Advanced Light Source, Biomedical Isotope Facility, National Energy Research Scientific Computing Center, and the National Center for Electron Microscopy. A national nanoscience research center, the Molecular Foundry, is currently under construction at LBNL. Anticipated funding for FY 2005 for LBNL, from all sources, is approximately \$469,000,000 based on the President's Office of Management and Budget Request and Work for Others projections.

In order to further the Government's policy of maximizing electronic commerce and making the acquisition process optimally cost effective, electronic media will be the chief method of communication from the Government regarding this solicitation. The solicitation, solicitation amendments, responses to questions, and other official communications from the Government will be posted on IIPS. An information library regarding the solicitation is located at URL <http://rfplbnl.sc.doe.gov>. Offerors are responsible for checking IIPS and the information library website frequently for information, notices, and updates regarding this solicitation.

The objective of the solicitation is to select the Contractor most capable of managing and operating the LBNL programs and facilities. A Source Evaluation Board (SEB) has been established to evaluate proposals submitted in response to the RFP. The SEB will conduct its activities in accordance with DOE's regulations and policies. Proposals will be evaluated in accordance with the specific methodology and evaluation criteria set forth in Part IV, Section M of the RFP.

**Significant items of interest concerning this solicitation**

Offerors are encouraged to pay particular attention to the following aspects of the RFP:

Contract Type. DOE will award a single, cost-reimbursement performance-based management and operating contract to the responsible Offeror whose proposal represents the best value to the Government. The Government intends to evaluate proposals and award a contract without discussions with Offerors (except clarifications as described in FAR 15.306(a)). Therefore, the Offeror's initial proposal should contain the Offeror's best terms from a technical and cost or price standpoint. The Government reserves the right to conduct discussions if the Contracting Officer later determines them to be necessary (Refer to Section L, Provision L.15).

Award Term Incentive. The base term of the contract is five years. The proposed contract contains a non-monetary performance incentive which will allow the selected offeror to earn up to an additional fifteen years of contract term for outstanding performance. (Refer to Section F, Clause F.2)

Fee(s). DOE anticipates awarding performance fee under this contract. The total available fee pool for this contract for the five-year contract term shall not exceed \$34 Million. Offerors must propose a maximum performance fee for each period set forth in Section B, Clause B.3(b) which does not exceed the maximum performance fee specified for each fiscal year specified in Section L., Provision L.9(c). In addition, Offerors must also propose a maximum annual earnable performance fee in Clause B.3(c) for the first five years of any additional award term. The total available performance fee pool for the first five years of any additional award term shall not exceed \$34 Million. No fee is payable for the contractor's performance of any Transition Activities. (Refer to Section B, Provision B.3, Section H, Clause 42, and Section L, Provision L.9.)

Performance Evaluation and Measurement Plan. The Appendix B set forth in Section J as Attachment J.2 is a draft Appendix B which contains the actual FY04 Performance Objectives, Criterion and Measures used to evaluate performance for Laboratory Leadership; Science and Technology; Environment, Safety and Health; Project/Facilities and Construction Management; Financial Management; Human Resources; Procurement; and Property Management; as well as the Assessment and Appraisal Process to be used in FY04. This Appendix is provided for informational purposes only since DOE intends to issue a revised Appendix B as part of the final RFP. (Refer to Section L, Provision L.56 and Section J, Attachment J.2)

Employee Retention. Subject to appropriation of the requisite funding, the selected Offeror will be required to retain the current workforce, with the exception of the senior management reflected on the LBNL organization chart in Section L, Appendix 6. (Refer to Section H, Clause H.21 and Section L, Provision L.38.)

Compensation. The selected Offeror shall provide a total compensation package with respect to salaries, health/welfare benefits, and pensions comparable to that provided by the current incumbent contractor. (Refer to Section H, Clause H.21 and Section L, Provision L.38.)

Pension Plan. The selected Offeror will establish a separate pension plan (but see Clause H.41), distinct from a corporate pension plan, meeting the requirements of IRC and ERISA, as applicable, that credits earnings and vested status and/or length of service under the University of California Retirement Plan. (Refer to Section H, Clause H.21 and Section L, Provision L.38.)

Bargaining Agreements. The selected Offeror will be expected to provide employment terms and conditions consistent with those provided under the current agreements, until bargaining unit employees electing to organize have transitioned to new collective bargaining agreements. (Refer to Section H, Clause H.21, Section L, Provision L.38 and Section L, Appendix 7.)

Facilities. The DOE LBNL facilities are subject to either an Occupancy Agreement or one of six Lease Agreements. Section L, Appendix 5 provides a listing of all current leases and occupancy agreements and their expiration dates. The DOE will enter into independent arrangements with UC to assure that the LBNL facilities are available to the Contractor for the duration of the contract term. (Refer to Section H, Clause H.40A and Section L, Provision L.38.)

California Environmental Quality Act (CEQA). As a State instrumentality, UC is subject to CEQA. LBNL facilities are sited on UC land and are subject to special constraints arising out of the fact that: 1) UC owns the land upon which the LBNL facilities have been constructed, and 2) that UC is subject to CEQA. (Refer to Section H, Clause H.40 and Section L, Provision L.39.)

Small Business Plan. Offerors are required to submit an acceptable Small Business Subcontracting Plan with their offer. The Plan requires 50% of all planned subcontracting to be awarded to small businesses. Failure to submit an acceptable subcontracting plan shall make the Offeror ineligible for award of the contract. Offerors are also advised that DOE has identified three areas for direct federal contracts with small businesses: independent audit services, infrastructure computer supplies and equipment, and copier services that are currently obtained by LBNL through subcontracts issued by the Laboratory. (Refer to Section L, Provision L.12 and Section J, Attachment J.8)

Transition Plan. Offerors are required to provide a transition plan covering a phase-in period of a maximum of two months prior to assuming responsibility for the management and operations of LBNL. This plan should address specific steps necessary to assume full responsibility for management and operation of LBNL as of 12:01 A.M., April 1, 2005. (Refer to Section H, Clause H.42 and Section L, Provision L.6.)

Transition Cost. Offerors are required to submit a cost estimate for all transition activities in the format described in Section L, Appendix 3. The transition period will be on a cost-reimbursement (**no fee**) basis, subject to the cost principles of FAR 31 and DEAR Part 931, and limited to the amount specified in the Offeror's transition cost proposal. (Refer to Section H, Clause H.42 and Section L, Provision L.9.)

Comment Workshop. A comment workshop is scheduled for 8:30 a.m., October 28, 2004, at the Roybal Auditorium, Oakland Federal Building, 1301 Clay Street, Oakland, CA 94612. Offerors are encouraged to attend.

Pre-proposal Conference. A pre-proposal conference is expected to be held shortly after the release of the final RFP, in the Berkeley, California area. Offerors are encouraged to attend. The exact time and place will be posted on the information library website and IIPS at a later date. (Refer to Section L, Provision L.42.)

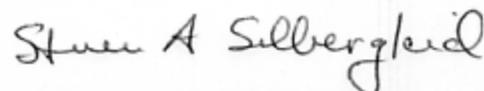
Site Tours. Site tours of LBNL are anticipated to be scheduled in the future, most likely in conjunction with the pre-proposal conference. Offerors are encouraged to attend. Additional information will be posted on the information library website and IIPS at a later date. (Refer to Section L, Provision L.43.)

Proposal Due Date. Proposals, and any modifications or revisions, are due 45 days after issuance of the final RFP by 4:30 p.m., Central Standard Time. Proposals may be submitted in writing or electronically through IIPS. Instructions for submission of proposals are located in Section L. Late proposals, modifications, and withdrawals will be treated in accordance with Provision L.15 - FAR 52.215-1 – Instructions to Offerors – Competitive Acquisition (Jan 2004). (Refer to Section L, Provision L.14.)

Oral Presentations. All Offerors are required to make oral presentations to the SEB approximately two weeks after submission of proposals. The SEB will schedule the oral presentations via lottery and will notify each Offeror, within five working days after the date for receipt of proposals, of the date, time, and location of its oral presentation. The Government reserves the right to reschedule the oral presentation at its discretion, and the Government shall not consider requests to reschedule the oral presentation except in extenuating circumstances. Evaluation of proposals will be based on both the written information and the oral presentation (Refer to Section L, Provision L.13.).

Evaluation Criteria. The draft RFP describes the criteria DOE will use in selecting a successful future contractor. Key criteria include the potential contractor's management approach to achieving excellence in both world-class scientific research and development, as well as in operations and business management; key personnel, including the proposed laboratory director; experience and past performance in both science and business management; and strategy for fulfilling DOE's mission for the laboratory. (Refer to Section M and Section L, Provisions L.2-L.8.)

Sincerely,



Steven A. Silbergleid, Chairman  
Source Evaluation Board

Enclosure:  
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