



## Community Engagement Subcommittee

Thursday, February 18, 2016 @ 6:30 p.m.

### Agenda

**Chair**  
Renie Barger

**Vice-Chair**  
Mike Kemp

**Subcommittee Members**  
Cindy Butterbaugh  
Cindy Ragland  
Ken Wheeler  
Ralph Young

**Call to Order**

**Introduction**

**Overview of DOE EM Contracting**

**Next Steps and Actions**

**Adjourn**

Jennifer Woodard  
*DOE DDFO*

Buz Smith  
*DOE Federal Coordinator*

**Board Liaisons**

April Webb  
*Division of Waste  
Management*

Julie Corkran  
*Environmental Protection Agency*

Mike Hardin  
*Fish and Wildlife Resources*

Stephanie Brock  
*Radiation Health Branch*

**Support Services**

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**ENERGY**

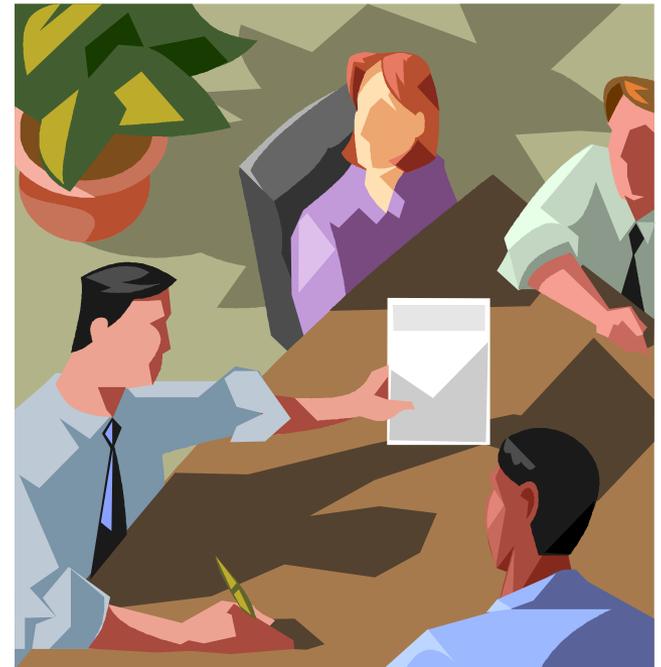
# **DOE Acquisition Process**

Paducah CAB  
Community Engagement  
Subcommittee  
February 18, 2016

## Why Is DOE not doing this presentation

Procurement Integrity Act may apply criminal, civil and/or administrative penalties for inappropriate actions related to ongoing procurements

- Applies to Current Federal Employees
- Former Federal Employees
- Individuals acting on the behalf of or advising the government on the procurement



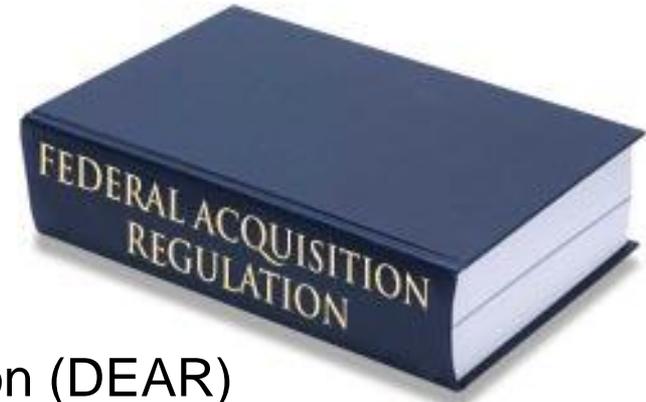
# Office of Environmental Management

- The Office of Environmental Management (EM) is responsible for environmental restoration, waste management, facility transition and management.
- EM oversees an annual budget of approximately **\$6 billion** dollars.
- Over **90 percent** of EM's budget is contracted out to industry.
- The federal government's acquisition process is very different in some respects from commercial transactions between private parties.



# Acquisition Regulations

- The Federal Acquisition Regulation (FAR) (48 CFR 1) is a single, uniform regulation that applies to most executive agencies, including the Department of Energy.
- The Department of Energy Acquisition Regulation (DEAR) (48 CFR 9) implements and supplements the FAR for the Department's unique needs.
- Internal agency policies on procedures are also issued by the Senior Procurement Executive via Acquisition Letter and the Department of Energy Acquisition Guide.



# Acquisition Process

- The acquisition process for contracts is typically divided into four phases:
  - Pre-Solicitation (Acquisition Planning)
  - Solicitation and Evaluation
  - Contract Administration
  - Closeout



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## **Pre-Solicitation (Acquisition Planning)**

- Identifying the need for products or services
- **Preparing a performance work statement with measurable performance standards and a quality assurance assessment plan**
- Researching the market for vendors of the required goods or services (Expression of Interest)
- Committing sufficient funds to acquire the deliverable

# Solicitation

- Establishing technical, price-related, and other evaluation criteria for competitive acquisition
- Determining the method of acquisition
- **Drafting the solicitation**
- Publicizing the proposed acquisition
- Answering inquiries from potential offerors and conducting pre-bid or pre-proposal conferences



# Evaluation

- **Evaluating bids or proposals based on the evaluation plan for the acquisition and the criteria in the solicitation**
- Setting the competitive range and discussing proposals with offerors
- Determining the responsibility of the potential awardee
- Providing advance notification of award to Congress
- Awarding the contract
- As necessary, responding to protests of the award by unsuccessful offerors



# Procurement Schedule



\*If not protested

## Potential Impacts to Successful Award

- A formal protest by unsuccessful bidders challenging the results of the evaluation
- Asserting the integrity of the procurement has been compromised

**Potential  
Impacts**

**Delay of  
Award**

**Cancellation  
of Award**



## PADUCAH GASEOUS DIFFUSION PLANT CITIZENS ADVISORY BOARD

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### Paducah Gaseous Diffusion Plant Citizens Advisory Board Community Engagement Subcommittee Session Summary February 18, 2016

*The Citizens Advisory Board (CAB) met at the Environmental Information Center (EIC) in Paducah, Kentucky on Thursday, February 18th at 6:30 p.m.*

**Board members present:** Cindy Ragland, Cindy Butterbaugh, Judy Clayton, Tom Grassham, Shay Morgan, Bill Murphy, Richard Rushing, Carol Young, Mike Kemp, and Renie Barger.

**DOE and subcontractors present:** Jennifer Woodard, Buz Smith, DOE; Eric Roberts, Jim Ethridge, EHI Consultants (EHI); Yvette Cantrell, Restoration Services Inc. (RSI); Eddie Spraggs, Pro2Serve (P2S).

**Board Regulators present:** none

**Public present:** William Lankford, First Response, Inc.

**Roberts** opened the meeting. He then reviewed the issuing of the President's budget for the site cleanup. **Woodard** then made comments about it and told the group that the budget for the site was \$272 million for FY17. The budget would then go through Congress for additional funds to possibly be added. **Woodard** indicated that since it was an election year, they would be in continuing resolution which would mean that they can only count on getting the FY16 budget level of \$263 million.

The meeting was then turned over to **Cantrell** for a presentation on DOE contracts. She proceeded by explaining the Procurement Integrity Act and why she was making the presentation instead of a DOE employee.

**Murphy** asked how important "low bid" was. **Cantrell** indicated that it depends on what you are bidding on. If all things were the same, then the low bid would be the logical choice. She also said that while a low bid is important, it is not the most important thing.

**Murphy** asked where we were on the procurement cycle. Cantrell indicated that there were two being reviewed at this time. One was the DUF6 conversion contract, and the other was the deactivation contract.

**Clayton** asked about the current DUF6 contract extensions. **Woodard** said that the current DUF6 contractor was given a three month extension on their contract in December 2015 that runs through the end of March 2016 and could get another one to extend their contract until the end of June 2016. She also said that it was to keep their continuity of operations and keep going.

**Murphy** asked what slowed the DUF6 contract award down. **Cantrell** said there were a couple of possibilities. One would be questions from the bidders, while another would be someone at headquarters on travel that needed to sign paperwork to proceed. She also indicated that politics might influence the process and slow it down.

**Young** asked for an explanation of low bid and low bidder. **Cantrell** said a low bid indicated that the bidder may have missed considering a part of the work to bid on. The low bidder is the company that has the lowest bid.

**Barger** asked if the current contractor would ever have an advantage over a new bidder when bidding on a contract. **Cantrell** explained that that was something that all contractors did not particularly like. The incumbent contractor was always the incumbent. If they are doing a good job and are well liked, they might be seen to have an advantage. She said that that is why when a contract's bids is being evaluated, it is done away from the site so the evaluations cannot be influenced by the current contractor.

**Clayton** asked why the number of bidding contractors diminished over the past several years. **Cantrell** explained that in her opinion one reason was that it helped to share the proposal cost among other bidders, so they would join forces to bid on a contract instead of each of them bidding by themselves. She also said that the length of the contract period used to be longer and more companies wanted to bid on those types of contracts. The shorter length of contract period allows DOE to get out of a bad situation gracefully if needed, she added.

The meeting adjourned at 7:20 pm.