

Ninth Set of
Questions & Answers to the Final RFP

Question: We believe it is important that the NNSA Site Office and Contractor headquarters be located close to each other to assure effective and efficient interactions on such subjects as evaluation, approval and validation of cost reduction proposals. Proposing an effective organization and management approach will require the Contractor to specify its HQ location without knowing the NNSA Site Office location if NNSA does not so specify well in advance of the proposal due date. How might that situation affect the evaluation; e.g., an offeror proposes to locate its HQ at Pantex and then NNSA decides after proposal receipt to locate their Site Office/contract decision maker at Y-12 (or Forrestal)?

Question: Has the Government determined where the consolidated federal site office will be located in support of this contract and when this is scheduled to be in place?

Answer to Both: The NNSA Production Office will be a single federal office with geographically dispersed functional leads that enable mission, manage the contract, and provide oversight at multiple NNSA production sites. The Production Office Manager is Steve Erhart and he will be located in Oak Ridge, Tennessee. Pantex and Y-12 will have Deputy Managers, who will play a key role in operations at their respective sites. This is scheduled to be in place prior to contract award.

Reference: Section B-2 (a) (2) and NNSA CD spreadsheet file “6-Budget Spreadsheet-FY09-FY22”

Question: Do the FY11 budgets as stated (\$1.33B for both Pantex plant and Y-12, and \$1.5B for the SRTO option) include Safeguards & Security Pro-Force? If so, what are the annual budgets without Pro-Force? If the FY2011 budgets are adjusted to remove the Pro-Force, is that also a change to the maximum total available fee range in Section L, Tables 1 and 2?

Answer: The FY11 budget of \$1.33B includes Pro-Force at Pantex, which was approximately \$122M, but does not include the Pro-Force at Y-12. The FY11 budget of \$1.5B does not include the Pro-Force for SRTO. The stated FY11 budgets were used as benchmarks to establish the fee range in Tables 1 and 2 of Section L which will be unchanged through the term of the contract pursuant to Section B, B-2(a)(7).

Reference: First question response in Question & Answer set 3.

Question: The response stated that offerors should complete the table in Section L, Attachment E using unescalated dollars. For consistency across all offers, in what year dollars should the table be completed?

Answer: Per Amendment 002, Offerors shall now complete the table at Section L, Attachment E using then-year dollars. Offerors shall annotate the table to explain the factors utilized to calculate then-year dollars.

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Reference: Section L – Attachment E, Table 1

Question: The cumulative savings column on Table 1 in Attachment E is defined as “expected sustained cost savings over the period of performance of the contract. The sum of each year’s Cost Reduction Proposal Savings multiplied against the remaining years of the project.” As the cost reduction proposal savings are net savings (less implementation costs), multiplying that net savings against the remaining years understates the cumulative savings since most implementation costs are one-time costs and not sustained over the entire contract period, as are the gross savings. Will NNSA consider revising the provided cumulative savings formula or providing additional direction on how to account for one-time implementation costs in Attachment E?

Answer: In accordance with the Contract’s Section I Clause entitled “DEAR 970.5215-4, Cost Reduction” “[t]he Government makes no commitment to fund implementation costs but will consider those within budget on the merits of the savings proposed.” The amount of savings that was offset by the one-time execution costs can be considered new savings in a future year (in the table). In the example appearing on Questions and Answers Set 8, the table would appear, in part, as follows:

Example Assumptions:

- Gross Savings of \$2 in Year 1
- Execution Costs: \$1 in Year 1 only
- No Additional New Savings

	Base Years					Option Years					Total Savings	Cumulative Savings
	1	2	3	4	5	6	7	8	9	10		
Cost Reduction Proposal Savings (\$)	A1 \$1	A2 \$1	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	A1 + A2 + ... + A10 \$2	(A1*10) + (A2*9) + ... + (A10*1) \$19

Cost Reduction Proposal Savings Calculations:

$$A1 = \$2 \text{ (gross)} - \$1 \text{ (execution costs)} = \$1$$

$$A2 = \$1 \text{ (gross)} - \$0 \text{ (execution costs)} = \$1$$

Reference: Details of site tours

Question: Will NNSA post the briefings provided to the tour participants at Pantex, Y-12 and SRTO?

Answer: The Site Tour Briefings have been made available under the Other Information link on the left launch bar.

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Reference: Section L, L-14(b)(2) – Oral Presentation

Question: Will NNSA provide more details on the schedule, format, content and presentation elements of the oral presentation?

Answer: Not at this time. As stated in Section L, L-14(b)(2)(iii), DOE/NNSA will schedule the oral presentations based on a drawing of lots and will notify each offeror within five working days after the proposal submission deadline of the date, time, schedule, location, and other instructions related to its oral presentation. The oral presentation will commence within approximately twenty to thirty working days thereafter. DOE/NNSA reserves the right to conduct the oral presentations prior to this timeline or reschedule an offeror's presentation. DOE/NNSA will not consider a request from an offeror to reschedule its presentation, except under extenuating circumstances, e.g., sickness or emergency.