

**NAS10-99001**  
**JOINT BASE OPERATIONS AND SUPPORT**  
**CONTRACT**

**ATTACHMENT J-8**

**AWARD FEE EVALUATION PLAN**

## AWARD FEE EVALUATION PLAN

- A. PURPOSE. The purpose of this Award Fee Evaluation Plan is to encourage and reward the contractor for safe, high quality, cost conscious performance in fulfilling the requirements set forth in this contract; to provide flexibility for changes in management, business and performance emphasis; and to promote effective communications and customer service. The use of award fee permits the government to focus on overall operational and cost performance and to emphasize those aspects of critical milestone achievements essential to reach performance objectives.
- B. ORGANIZATIONAL STRUCTURE. Award fee administration and evaluations are prepared by the Joint Performance Management Office (JPMO) for presentation to the Award Fee Board and Fee Determination Official.
1. Fee Determination Official. The Chair of the Board of Directors will be the Fee Determination Official for the J-BOSC and will make final award fee determinations. The determinations will be provided in writing to the Contracting Officer.
  2. Award Fee Board. The Award Fee Board will be comprised of the voting members of the Board of Directors. The Award Fee Board and the Fee Determination Official will review the award fee presentations prepared by the JPMO on a semi-annual basis.
  3. Joint Performance Management Office. The JPMO will prepare the award fee performance presentations for the Award Fee Board and the Fee Determination Official on a semi-annual basis. The JPMO will consolidate performance recommendations and develop award fee performance evaluation reports and presentations and will be the focal point for all formal discussions with contractor management on award fee matters. The JPMO will monitor, evaluate, and assess contractor performance through insight of performance based activities.
- C. EVALUATION PROCEDURES
1. Award Fee Evaluation Criteria.
    - a. No later than 30 calendar days prior to the start of the ensuing evaluation period, the contractor may submit evaluation criteria recommendations to the contracting officer's technical representative for consideration and potential inclusion in the evaluation criteria. The recommendations must be within the general scope of the statement of work. Consideration will be given to the contractor's recommendations; however, it is the government's obligation to establish the evaluation criteria for each period.

- b. No later than 15 calendar days prior to the start of each evaluation period, the contracting officer will transmit to the contractor the evaluation criteria for the ensuing period.
- c. The criteria will identify the performance elements of particular importance which are deserving of special attention during the evaluation period. Paragraph G. of this plan delineates contractor proposed performance elements which the Government will include in the evaluation criteria for one or more evaluation periods. The evaluation criteria will not detail the entire spectrum of performance that will be evaluated in determining the performance score and award fee. Other pertinent factors included under the contract and general factors bearing upon overall contractor performance will be considered as the facts and circumstances of each period may require.

2. Award Fee Performance Evaluation.

- a. The contractor will be apprised by the JPMO of a general assessment of performance at the mid-point of the evaluation period and at such other times as it may be deemed appropriate.
- b. The JPMO will summarize its findings and recommendations into a performance evaluation report. Prior to transmittal to the Award Fee Board and the Fee Determination Official, a copy of the report will be provided to the contractor. No numerical score or adjective rating will be included in the report, but it will be formal in nature and will cover the contractor's performance over the entire evaluation period. The contractor will be offered five (5) calendar days to comment to the JPMO on the report and, if it so desires, submit additional data bearing on the evaluation. The contractor's written comments, if any, will be forwarded to the Award Fee Board and the Fee Determination Official with the final performance evaluation report.
- c. The final evaluation report to be transmitted by the JPMO to the Award Fee Board and the Fee Determination Official will include an adjective rating and a recommended performance score.
- d. The contractor may make an oral presentation to the Award Fee Board and the Fee Determination Official providing a self assessment of its demonstrated performance during the evaluation period. The presentation shall conform to the evaluation criteria set forth in the J-BOSC Award Fee Plan.

D. EVALUATION FACTORS AND WEIGHTED SCORING SYSTEM

1. Performance Evaluation Factor. The contractor's demonstrated performance will be measured against performance standards and metrics in order to balance subjective assessments with objective considerations. The government will evaluate major elements of contractor performance, such as managerial and business performance, efficiency and effectiveness of operations, safety, quality, communications and customer support, and develop a performance evaluation score (PES).
2. Subcontracting Performance Factor. The government will evaluate the contractor's effectiveness in meeting the small business subcontracting plan and will consider the quality as well as the quantity of work. The government will evaluate the contractor's management of subcontractor performance, as reflected in the effectiveness of subcontractor performance, efficiency of the management process and seamlessness of the interfaces, and develop a subcontracting performance evaluation score (SES).
3. Cost Control Evaluation Factor. The government will evaluate the contractor's cost management, managerial and business performance (Mod 107) and develop a cost control evaluation score (CES). The predominant consideration of this factor will be a measurement of the contractor's performance against the negotiated estimated cost of the contract for the evaluation period. This estimated cost may be adjusted to include the value of undefinitized change orders and for costs outside of the contractor's control.
4. Weighted Award Fee Scoring System.
  - a. Weights. A weighted scoring system will be utilized in determining contractor award fee. The performance evaluation factor's weight shall be 55%, the subcontracting performance factor's weight shall be 15%, and the cost control factor's weight shall be 30% for each evaluation period. Each evaluation factor will be scored against the period's criteria on a scale of 0-100. The numerical score for each factor will be multiplied by the weighting for that factor to determine the weighted score using the formula in paragraph c. below.
  - b. Performance Threshold. The contractor may earn up to the maximum cost score only if the weighted average\* numerical score for the performance evaluation factor (PES) and the subcontracting performance evaluation factor (SES) is "81" or above. Average scores falling within the range "61" to "80" will permit the contractor to be rewarded for cost control, but not at the maximum cost control score, to the degree that the contractor prudently managed costs while meeting contract requirements. The contractor shall receive a score of zero (0) for cost control if the weighted average numerical score for performance evaluation and subcontracting performance is less than "61" or if the contractor significantly overruns costs within its control. The contractor is not limited to cost control scores

of zero (0) if overruns are insignificant; however, cost control scores will decrease sharply as overruns increase.

\* Note: Weighted average numerical score is determined by multiplying the raw numerical scores for performance evaluation by 55 and for subcontracting performance by 15 and dividing the sum of those two products by 70.

- c. Score Calculation. The definitions and formula used to determine the total performance score and resultant award fee are as follows:

Definitions

Weighted Evaluation Score	=	WES	
Performance Evaluation Score	=	PES	
Performance Weight (55%)	=	PW	
Subcontracting Performance Eval Score	=	SES	
Subcontracting Weight (15%)	=	SW	
Cost Control Evaluation Score	=	CES	
Cost Weight (30%)	=	CW	

Formula

$$WES = (PES) (PW) + (SES) (SW) + (CES) (CW)$$

E. AWARD FEE PERFORMANCE DETERMINATION

After consulting with the Board of Directors of the Award Fee Board and the JP MO, the Fee Determination Official shall make a final, unilateral performance score and award fee determination. Generally, the Fee Determination Official will make the award fee determination within 45 days from the end of the period being evaluated. The Fee Determination Official’s unilateral determination shall not be subject to the clause of this contract entitled “Disputes” and there are no provisions for additional appeal rights. After receipt of the Fee Determination Official’s award fee determination letter, the Contracting Officer shall promptly prepare a contract modification reflecting the award fee adjective rating, performance score, and award fee earned.

F. NUMERICAL SCORES, ADJECTIVE DEFINITIONS AND AWARD FEE SCALE

- 1. Numerical Scores and Award Fee Scale. The Fee Determination Official may award numerical scores from a range of zero (0) to 100. Weighted evaluation scores of zero (0) to 60 earn zero percent of available award fee for that evaluation period. Weighted evaluation scores of 61 and greater have a linear relationship to the percentage of award fee earned for that evaluation period. For example, a numerical score of 85 would earn 85% of available award fee for that evaluation period.

2. Adjective Rating, Definitions and Numerical Range. The following adjective ratings, definitions and numerical ranges shall be used to define the various levels of performance under the contract:

<u>NUMERICAL RANGE</u>	<u>ADJECTIVE RATING</u>	<u>ADJECTIVE DEFINITION</u>
91 - 100	Excellent	Exceptional performance; exemplary performance in a timely, efficient, and economical manner; very minor (if any) deficiencies with no adverse effect on overall performance
81 - 90	Very Good	Very effective performance; fully responsive to contract requirements; contract requirements accomplished in a timely, efficient, and economical manner for the most part; only minor deficiencies
71 - 80	Good	Effective performance; responsive to contract requirements; favorable results; reportable deficiencies with minor identifiable effect on overall performance
61 - 70	Satisfactory	Adequate performance; responsive to most contract requirements; adequate results; reportable deficiencies with identifiable effect on overall performance
60 and below	Poor/Unsatisfactory	Inferior performance; does not meet contract requirements in multiple areas; remedial action required in multiple areas; reportable deficiencies with detrimental effect on overall performance

G. CONTRACTOR PROPOSED PERFORMANCE ELEMENTS

The following performance elements will be included in appropriate award fee evaluation criteria for appropriate period(s):

- Reduction of 20 trailers from the J-BOSC real property list assigned at contract start – Award Fee Period #1
- Implementation of OSHA Voluntary Protection Program
  - establish agreement with OSHA – Award Fee Period #1
  - VPP OSHA compliance -- Award Fee Period #2
  - maintain VPP OSHA compliance – Award Fee Period #3 and beyond
- Initiatives/innovations derived in the Transformation Office
  - complete waste water optimization feasibility study – Award Fee Period #2
  - complete consolidation of shops resulting in disposition/reassignment of 91,510 square feet of Government facility space – Award Fee Period #2

