COMMENTS ON DRAFT LANL RFP

Submitted by University Professional and Technical Employees (UPTE/CWA Local 9119)

2855 Telegraph Ave., Suite 310, Berkeley, CA 94705

Contact: Dr. Jeff Colvin, Executive Vice President

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UPTE first commends the NNSA for eliminating the Performance-Based Incentive (PBI) management bonus and re-structuring the new M&O contract to be largely a Fixed Fee contract, with the fee capped at 1%. With the 0.5% Award Fee, applying only to DOE’s portion of the Lab budget, it means that overall, this is a management fee structure that levels the playing field between for-profit and non-profit contractor bids. UPTE believes that the present for-profit contract is the root cause of many problems besetting LANL, so that the draft RFP fee structure represents a big step in the right direction.

There are several ways that the draft RFP for LANL could be significantly improved even further:

1. The bid proposal evaluation criteria delineated in Sections L and M are identical to those in the Sandia RFP. These evaluation criteria as they stand are inadequate and ill-suited to a more complex national laboratory like Los Alamos, whose science and national security missions cannot be fulfilled without a first-class, stable scientific and engineering base. Consequently, UPTE recommends that the evaluation criteria be amended and expanded to require prospective contractors to:
   (a) Develop a Long-Range (10 year) Strategic Plan for LANL, to be updated periodically;
   (b) Commit to maintaining the scientific breadth and quality of staff necessary to realize that plan, and provide a detailed roadmap for its funding;
   (c) Establish an independent Strategic Leadership Council (SLC), headed by the LANL Director, as a Governing Board to steer LANL, in accordance with the Long-Range Plan, composed of distinguished Laboratory Fellows, scientists and engineers, appointed by and directly accountable to the NNSA Administrator and DOE Secretary;
   (d) Make a firm commitment to management transparency, streamlining and accountability;
   (e) Establish a Science & Engineering Employees Council (SEEC) consistent with Section 8(a)(2) of the National Labor Relations Act to include LANL technical staff and employees in the ongoing planning and decision-making process.

2. In addition to the above additional evaluation criteria, UPTE strongly recommends that the soundness of the Long-Range Plan, commitment to LANL’s scientific breadth and quality, and scientific credentials of the proposers’ management teams be independently evaluated and ranked by at least two (2) members of the National Academy of Sciences, and/or at least two (2) members of the JASON advisory group, well versed in the national security mission of LANL, to be present at the oral presentations to NNSA, excluding any members with clear conflicts of interest or relationship to any of the proposers in the past five (5) years.
3. In item 1.e we offer for NNSA’s consideration adding to Section 3.2 on page 25 (“Enterprise Success”) of Section J, the Statement of Work: “It is important that the scientific and engineering staff have input to the M&O contractor’s decisions affecting mission success.”

4. UPTE is alarmed by the wording in Sections 2.1 and 2.3 of Chapter 3 of Section J, the Statement of Work, which, in our view, gives way too much latitude to the new contractor to create their own staffing plan and to hire or not hire the incumbent employees depending on whether their current position is included in the new staffing plan. This wording in the RFP, plus the discussion of “organizational culture change” comes across as NNSA setting up for a big layoff of incumbent staff. UPTE finds this totally unacceptable. UPTE urges that these sections of the RFP be replaced with the following: “The M&O contractor shall offer employment to all employees of the predecessor contractor (LANS-LLC) who as of the start of the contract period are in good standing. The M&O contractor is prohibited from conducting layoffs or transferring employees during the initial term of the contract, unless program terminations and budget cutbacks are specifically required by DOE/NNSA.”

5. UPTE also strongly recommends that explicit language be added in Chapter 3, Secs. 3 and 4 guaranteeing continuation of the LANS TCP-1 and TCP-2 retirement plans for transferring employees. UPTE asks that both TCP-1 and TCP-2 or substantially equivalent plans shall also be made available to new employees, adding the following: “The total compensation package for transferring employees should continue the TCP-1 and TCP-2 plans provided by LANS, or be substantially equivalent to those plans under the current LANS contract. Transferring employees shall carry over the length of service credit and vacation and sick leave balances accrued under the predecessor contractor as of the date of transfer.”

6. In Section 3.1 of Chapter 3 of the Statement of Work (Section J) UPTE recommends the inclusion of one missing critical component: external reviews of compliance with applicable wage payment laws. As the ongoing Department of Labor investigation of wage payments at LLNL demonstrates, internal reviews are not sufficient. In addition, in the next section (Section 3.2) the RFP should specify that for bargaining unit employees the union should be involved in the decision-making of what employers to include in the market surveys on which “market average pay” is determined for each relevant job classification.

According to Section L-15 on page 17 of the Instructions, the offeror is required to provide past performance information on “leading and implementing organizational culture change.” UPTE respectfully suggests that the surest path to positively changing the culture at LANL is to build trust and cooperation between all LANL stakeholders --- managers, scientists and employees --- by guaranteeing the independent scientific integrity of the lab’s leadership through the SLC, prioritizing safety and safety training, ending the outsourcing of hazardous work to poorly trained subcontractors, engaging the staff and technical workforce in helping to devise safe work practices and in making the decisions that they will have to carry out through the
establishment of the SEEC. UPTE strongly believes that these goals, promoting maximum transparency and accountability, and streamlining unnecessary management layers, will most effectively and efficiently be achieved through a non-profit M&O contractor, with a strong long-term commitment to both the scientific strength and mission success of LANL.

These recommendations are a synopsis of those proposed in the 7-page Proposed Framework document, which was forwarded to DOE Secretary Perry by all five members of the NM Congressional Delegation, and is available at the UPTE website http://deprivatizethelabs.org/