

**Section B**  
**KNIGHT/JACOBS JOINT VENTURE**  
**PROPOSAL INSTRUCTIONS AND CONDITIONS**

**RFP No.: F5-2681-02-RFP02-1045**

**1. DEFINITIONS.**

The term "Subcontract Documents" denotes all proposal documents, including the Request for Proposal Letter.

The Owner is the United States Department of Energy (DOE). DOE has designated the Spallation Neutron Source (SNS) an Associate Laboratory of Oak Ridge National Laboratory (ORNL). DOE has entered into an agreement with UT-Battelle, LLC (UT-Battelle) under Prime Contract Number DE-AC05-00OR22725, to design and construct the SNS. For the purposes of this Subcontract, whenever the term Owner is used, it shall mean the Department of Energy.

The Engineer is the Knight/Jacobs Joint Venture, an association of Lester B. Knight, Inc. and Sverdrup CRSS, a division of Jacobs Facilities, Inc. For purposes of this Subcontract, whenever the terms Engineer, Architect, Architect-Engineer (AE), Designer or Design Consultant are used, they shall mean the Knight/Jacobs Joint Venture.

The Construction Manager is Knight/Jacobs Joint Venture, an association of Lester B. Knight and Sverdrup CRSS, a division of Jacobs Facilities, Inc. for purposes of this Subcontract, whenever the term Construction Manager (CM) is used, it shall mean Knight/Jacobs Joint Venture.

For purposes of this Subcontract, the successful Offeror shall be one in the same as the Subcontractor.

**2. PREPARATION OF OFFERS.**

Offerors are expected to examine the complete solicitation, including drawings, specifications, and the Subcontract Documents, including articles, schedule, provisions, clauses, appendices, attachments, all instructions and solicitation addenda/amendments which might in any way affect the cost or the performance of any work. Failure to do so will be at the Offeror's risk and no relief for errors or omissions by the Offeror can be given, after subcontract award. It is understood and agreed that all actions taken and information furnished by the Offeror as a result of this solicitation are at no cost or obligation to the CM, UT-Battelle, and/or the Owner and shall not be construed as an obligation on the part of the CM to enter into a subcontract with the Offeror, whether or not the requirements reflected in this solicitation are terminated or modified.

Each proposal shall show the full legal name and business address of the Offeror, including its street address, if it differs from the mailing address, and shall be signed bearing the original signature by the person or persons authorized to bind the Offeror, and shall be dated. Proposals by a partnership or joint venture shall be signed by an authorized representative of each joint

venture partner and list the full names and addresses of all partners or joint venture officers. Partnerships and joint ventures are subject to the approval of the CM, UT-Battelle, and the Owner. The place of incorporation of Offeror shall be stated in the Proposal. The name of each signatory shall be typed or otherwise clearly imprinted below each signature. When requested, satisfactory evidence of the authority of any signature on behalf of the Offeror shall be furnished.

**3. SUBMITTAL OF OFFERS.**

The Offeror shall submit Offer in accordance with paragraph 6. Offers shall be submitted in sealed envelopes or packages, addressed to the office specified below, and shall show the time specified for receipt, the Request for Proposal Number, and the name and address of the Offeror.

**No public opening will be held.**

**Offerors are advised that facsimile or electronic mail will not be accepted.**

**MARK EXTERIOR ENVELOPE/PACKAGE AS FOLLOWS:**

Knight/Jacobs Joint Venture  
SNS Project Office  
701 Scarboro Road, Room 132  
Oak Ridge, TN 37830  
Attention: Ralph S. Helton  
Solicitation No: F5-2681-02-RFP02-1045  
Proposal Due: **March 19, 2002, 4PM Local**  
Marked: "DO NOT OPEN IN MAIL ROOM"

**Note: Reference Solicitation, Offer, and Subcontract Award document (see Section A) to obtain the above needed information.**

**4. EXAMINATION OF SPECIFICATIONS NOT ATTACHED TO THIS SOLICITATION.**

Specifications, standards, regulations, orders, etc. cited by reference in this solicitation may not be available for distribution. The CM will make every attempt to have these available at the pre-proposal meeting, if held, for review by prospective offerors. Following the pre-proposal meeting, offerors may examine these documents at the CM's office, by submission of a written request to the AE/CM PM or his designee. The request should identify the solicitation number and the specification, etc. requested by date, title, and number, as cited in the solicitation. Standards that are not available to offerors from the CM may be obtained from the organization responsible for their preparation, maintenance, or publication.

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**5. QUESTIONS AND EXPLANATIONS TO OFFERORS.**

Should the Offeror find discrepancies in or omissions from the solicitation or Subcontract Documents, or should their intent or meaning appear unclear or ambiguous, or should any other question arise relative to the Solicitation Documents, the Offeror shall promptly notify the CM in writing. All questions or comments regarding this solicitation shall be directed to the individual identified in the Request For Proposal cover letter. Any explanations desired by an Offeror regarding the meaning or interpretation of the solicitation must be requested in writing and with sufficient time allowed for a reply to reach all Offerors before submission of their offers. Oral explanations or instructions given before award shall not be binding upon either party. Any information given to an Offeror concerning a solicitation will be furnished to all Offerors as an addendum/amendment to the solicitation if such information is necessary to submit a responsive offer.

**All questions must be submitted in writing no later than February 28, 2002, 4 P.M. local time**

Any revision to the above date submission of questions will be discussed in the pre-proposal meeting. Questions may be submitted via electronic mail to the point of contact identified in the Solicitation, Offer, and Subcontract Award document (see Section A).

**6. PROPOSAL FORM/VOLUMES.**

(a) The Offeror's proposal shall be submitted in three (3) separate Volumes.

- Volume I - Subcontract Requirements,**
- Volume II- Technical Requirements,**
- Volume III – Management Requirements.**

(b) Requirements of Offeror's proposal may be placed on the spaces provided in the accompanying Proposal Forms provided in this section where applicable. The Offerors proposal volumes shall be bound in separate three-ring binders and provided as indicated for each volume relative to number of copies, maximum pages and contents. The Offeror shall not submit its proposal in GBC or wire bound binders. To be responsive, Offeror's initial proposal must be in compliant and in strict adherence to contents and form as instructed. Failure to be responsive may result in rejection of Offer without discussion. Other submission details are as follows:

- Each Volume shall be in a separate three (3) ring binder.
- The following information shall be included as a cover and on the spine of each binder:

- Volume Number and Title
- Request For Proposal Number
- Table of Contents
- Name of Offeror submitting Proposal
- Use Standard 8-1/2 paper, double space and Times Roman 11 font.
- **Proposal Organization**

Volume	#Copies	Total Page Limits
<b>I. Subcontract Requirements</b>	Orig. + 5	
Executive Summary		10
Table of Contents		
<b>II. Technical Requirements</b>	Orig. + 5	
Part I- Project Execution		15
Part II - ES&H		15
Part III-Capability/Capacity		15
<b>III. Management Requirement</b>	Orig. + 5	30
Volume	*Attachment Submittal	Page Limits
<b>I. Subcontract Requirements</b>	Proc-1015	NA
	Proc-1027	NA
	Proc-1012	NA
	Proc-1040	NA
	Proc-1007	NA
	Exhibit 5	NA
<b>II. Technical Requirements</b>		
Part I - Project Execution	Schedule	NA
Part II- ES&H	EMR Rates	NA
Part III-Capabilities	Proc-1025	NA
	Proc-1030	NA
	Proc-1029	NA
	Proc-1026	NA
<b>III. Management Requirements</b>	QC Plan	NA

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\* "PROC" refers to Procurement Attachment Form number located at bottom of the form page. (See instruction letter).

**Volume I - Subcontract Requirements.** Submit one (1) original and five (5) copies clearly marked "Original" or "Copy".

Volume I documentation shall contain:

- Executive Summary (Contains only highlights and no new information not included in each volume),
- Table of Contents,
- Solicitation, Offer and Award Document,
- Pricing Schedule and Pricing Support,
- Bid Bond and Evidence of ability to obtain Performance and Payment bonds,
- Evidence of Insurability,
- Representations and Certifications,
- Small Business Subcontracting Plan, and
- List of Exceptions to Specifications/Drawings and Terms and Conditions.

**Volume II - Technical Requirements.** Submit one (1) original and five (5) copies clearly marked "Original" or "Copy".

Volume II documentation shall contain:

Table of Contents

**Part I - Project Execution Plan** (Documentation limited to 15 type written pages, exclusive of attachments) consist of:

- Project Approach,
- Job Execution Plan,
- Preliminary Resource Loaded Schedule in Primavera (P3) software,
- Direct Craft Labor Hours,
- Planned Work Schedule,
- Proposed Construction Progress Schedule,
- Temporary Power and Lighting Plan,
- Material Delivery, Storage, Staging and Lay Down Plan,
- Equipment Utilization Plan (e.g., crane),

- Risk Mitigation Plan, and
- Exceptions to Specifications/Drawings

**Part II- Environmental, Safety and Health** (Documentation limited to 15 type written pages, exclusive of attachments) consist of:

- Carrier Experience Modification Rate (EMR),
- Job Specific Site Storm Water Control and Pollution Prevention Plan, and
- Employee Safety Program.

**Part III- Technical Capability and Capacity** (Documentation limited to 15 type written pages, exclusive of attachments) consist of:

- Record of Relevant Work and References,
- Past Performance Information,
- Major Subcontractors/Suppliers Experience Statement (**Attachment 2**),
- Subcontractors/Suppliers list (**Attachment 3**),
- Resumes of Key Personnel (**Attachment 4**),
- Construction Plant and Equipment List (**Attachment 5**),
- Pre-Award Survey, and
- Present Workload.

**Volume III - Management Requirements.** Submit one (1) original and five (5) copies clearly marked "Original" or "Copy". (Documentation limited to 30 type written pages exclusive of attachments)

Volume III documentation shall contain

Table of Contents:

- Small Business Participation,
- Quality Control Plan,
- Management and Level of Involvement and,
- Problem Solving and Dispute Resolution.

**7. PROPOSAL EVALUATION AND CRITERIA FOR AWARD.**

a. **General**

Construction Manager shall evaluate all proposals that have been determined to be responsive to the solicitation. CM reserves the right to reject any proposals that have been determined non-responsive and such will not be subject to further consideration.

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The CM shall conduct its award evaluation in accordance with the steps indicated below:

- Receipt of Proposals – Written Proposals will be received from all prospective Offerors. The CM will make a determination as to the responsiveness of each proposal to the solicitation requirement. The CM will provide proposal clarification questions to the respective Offerors to address in subsequent oral presentations.
- All responsive Offerors will make oral presentations of their proposals as discussed in this solicitation. Offerors will be chosen and scheduled randomly; each Offeror shall present its proposal and responses to clarification questions within the time frame allowed by this solicitation. The submission of new, or additional proposal information not contained in the written proposal will be prohibited.
- Evaluation – Upon conclusion of oral presentations, a determination will be made to evaluate and process an award, or to initiate further discussion with those Offerors determined to be within the competitive range. Offerors are advised to submit their best initial written proposal and oral presentation as the CM may award without further discussions.
- Award – The CM shall rate the technical merit and rank proposals (upon conclusion of oral presentations, or after completion of discussions) according to price. The rating of proposals will be accomplished by using a color-coded system. The color codes to be used are defined, as follows:

Blue ratings will be assigned to proposals that are judged to be clearly superior in meeting technical requirements of the solicitation, demonstrate an exemplary understanding of the work, and have nominal to low average risk associated with the Offerors proposal.

Green ratings are assigned to proposals that are judged to adequately meet technical requirements of solicitation, demonstrate an understanding of the work, and have average risk associated with the Offerors proposal.

Yellow ratings are given to proposals that are judged to meet the minimum technical requirements of the solicitation, demonstrate a basic understanding of the work and have

high risk associated with the Offerors proposal.

Red ratings are assigned to proposals that are judged to be inadequate in meeting the technical requirements of the solicitation, demonstrate a lack of understanding of the work, or have unacceptable risks associated with the Offerors proposal.

A determination will be made as to technical tradeoffs versus price in selection of the awardee. Price is less important than technical merit. The proposal selected for award will be that which offers the best value to the CM and may not be the lowest priced offer or the highest technically rated offer.

The extent of discussions with the Offerors will depend on the circumstances of the subcontract requirements and the Offeror's proposal as submitted. The written and or oral discussions are intended to assist the CM in accomplishing (1) a full understanding of the offers and their strengths and weaknesses, and (2) assurance that the subcontract provisions and requirements have been adequately understood by the Offeror.

Proposals received after the established time may be determined unresponsive and not further considered for award. The debriefing of unsuccessful Offerors will be considered upon the receipt of written request to the AE/CM PM or the designated Procurement Specialist. The CM reserves the right to award this effort based on the initial proposal, as received without discussion.

The CM may solicit from available sources, including references and clients identified by the Offeror, experience and past performance data on an Offeror or key personnel; and consider such information in its evaluation.

**b. Evaluation Criteria**

The Offeror's proposal will be evaluated to determine the Offeror's overall understanding of and capability to perform the subcontract in accordance with the Summary of Work, drawings and specifications. Except for the consideration of price, a color rated system will be used for the evaluation of offers to assess performance and proposal risk, and best value to the CM. Oral presentations are required as indicated.

The following criterion and submission requirements will be evaluated:

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- (1) **Criterion 1.0 – Project Execution**
- (a) Demonstrate technical understanding of the overall project. Describe and or provide the following:
- **Project Approach** – Demonstrating technical understanding of the work, and all the phases of work to be done. Which illustrate that Offeror understands and requirements for mobilization, phased completion of work, work to be performed by separate subcontractors, directed procurements, materials & equipment provided by others, coordination with existing construction, seasonal variations, environmental control, and project milestones.
  - **Job Execution Plan** - Describing the various stages for each major portion of the work and Offeror's construction logic, estimated duration, and resource allocation. Include in plan all elements of the work: purchasing, fabrication, deliveries, installation, testing, adjusting, startup and placement into final use and operation.
  - **Preliminary Resource Loaded Schedule** – Demonstrating a practical work plan, in a time-scaled format, to complete the work in the subcontract duration with compliance to milestone dates as defined in Section E; Summary of Work. The schedule should also address the sequence and interdependence of all significant work items necessary to achieve the milestone dates as defined in the Summary of Work.
  - **Direct Craft Labor Hours** – Demonstrating a clear understanding of direct craft labor hours required to perform the work items, including work by the lower-tier contractors. Provide adequate referencing of all work items to identify lower-tier contractors.
  - **Planned Work Schedule** – Demonstrating a clear understating of the planned work schedule (e.g., 40/50-hour work week).
  - **Proposed Construction Progress Schedule** - Demonstrating a practical work plan, in a time-scaled format, to complete the work in the subcontract duration and complete those portions of work related to intermediate milestone dates.
    - Identify the direct craft labor hours to perform the work items, including work by subcontractors. Provide adequate referencing of all work items to identify subcontractors or work by others.
- Address the order, sequence and interdependence of all significant work items, including construction, procurement, fabrication, and delivery of critical or special materials and equipment; utility interruption coordination; submittals and approvals of critical samples, shop drawings and procedures; and contract milestones. Indicate where construction activity within major areas must be sequenced or integrated with other construction activities to provide the following:
    - Structural Completion
    - Permanent space enclosure
    - Completion of Mechanical installation
    - Completion of Electrical portion of work
    - Substantial Completion
- **Temporary Power and Lighting Plan** – Demonstrating a clear understating of the extension of provided services to include utilities (e.g., electrical and water).
  - **Material Delivery, Storage, Staging and Lay Down Plan** – Demonstrating a clear understanding of the storage, staging and lay down space limitations at the site per Summary of Work, paragraph 1.11.B.
  - **Equipment Utilization Plan** – Demonstrating a clear understating of the equipment required (e.g., crane).
  - **Risk mitigation** - Discuss potential risks associated with work and present clear approach to mitigate any potential risks.
  - **Exceptions to specifications/drawings** – Provide and discuss any exceptions to specifications/drawings. Discuss their relevancy and impact on proposal and requirement for resolution.

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**(2) Criterion 2.0- Environmental, Safety and Health**

(a) Demonstrate understanding and importance of ES&H requirements. Describe and or provide the following:

- **Carrier EMR- Mandatory essential requirement for evaluation.** Submit clear evidence of Carrier Experience Modification Rate (EMR) of less than 1.0 for the previous three years to include major lower-tier contractors. Offerors shall provide EMR rates for 2002, 2001, 2000, 1999 and 1998. This criterion is a pass / fail indicator.
- **Job Specific Site Storm Water Control and Pollution Prevention Plan** – Demonstrating a clear understating and requirements for compliance with Site Storm Water Control and Pollution requirements.
- **Employee Safety Program** – Submit Offeror's Safety Program to include current history to access offeror's understanding and ability to comply with Environmental, Safety and Health requirements.

**(3) Criterion 3.0- Technical Capability and Capacity**

(a) Demonstrate Offeror fully possesses the capability and capacity to perform the required work as proposed.

- **Relevant Work/References** – Provide current references and evidence of related work experience on projects of similar magnitude and complexity within the industry.
- **Past Performance Information** – Provide past contracts (e.g., last 10 consecutive Federal, State, and Private) for efforts similar in magnitude and complexity of the requirements stated herein. Limit to contracts within the past five (5) years. Offeror's shall include (1) contract number, (2) type of contract, (3) whether performed a s the prime or subcontractor, (4) name of the contracting office to include point of contact and phone number, (5) project title, (6) contract start date/schedule completion date and current/final completing date, percent complete as of date of submission of offer, and (7) comments, if desired.
- **Major Subcontractors/Suppliers Experience Statement** - Submit Proc- 1025, Section B,

Attachment 2, listing of Lower-Tier Subcontractors and Suppliers experiences evidencing ability to support Offeror's material and work efforts.

- **Subcontractor/Supplier List** – Submit Proc-1030, Section B, Attachment 3, evidence demonstrating performance of work and capability of major sub-contractors.
- **Resumes of Key Personnel** – Submit Proc-1029, Section B, Attachment 4, evidencing qualification of Key Personnel: Project Manager, Lead Project Scheduler, Project Safety Representative, Project Quality Assurance Representative, and Project Procurement/Contracts Representative.
- **Construction Plant and Equipment List** – Submit Proc-1026, Section B, Attachment 5, evidencing plant capacity, relevancy and capability of plant and equipment.
- **Present Workload** – Submit evidence of present workload to include any anticipate workload during period of performance of project or immediately following that may be impacted do to extension of subcontract.
- **Pre-award Survey (if required)**- The CM, if required reserves the right to conduct a survey of the Offeror's and its major subcontractor's facilities to verify the technical capacity and capabilities as proposed.

**(4) Criterion 4.0- Management Approach**

(a) Offerors must demonstrate it's ability to independently manage project, meeting a required high level of quality while complying with social and economical business requirements.

- **Small Business Participation** - Submit proposed Small Business Participation plan evidencing plan for compliance with established small business goals.
- **Quality Control Plan** – Submit plan evidencing organization, assignments, experience and responsibility of personnel.
- **Management Involvement** – Submit proposed organizational structure (charts), and interrelationships, (delegations of responsibility and interface with the CM).
  - Discuss ability of organization to assign an adequate number of qualified personnel and to support project expansion or acceleration.

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- Discuss level and frequency of management involvement throughout project. Specific functions and responsibility.
- **Problem Solving/ Dispute Resolution** – Submit and discuss plan and ability to timely solve potential problems and resolve disputes. Discuss ability to resolve disputes pertaining to changes and equitable adjustments.

**c. Overall Relative Importance of Evaluation Criteria**

The relevant order of each subcontract evaluation criterion is shown below in descending order of importance to the CM.

- Project Execution
- Environment, Safety and Health
- Technical Capability and Capacity
- Management Approach

**8. ORAL PRESENTATIONS**

The Oral Presentation shall be presented on 8½" x 11" copies of the overheads or any PowerPoint presentation format. The presentation shall highlight the proposal criterion required within the solicitation. All printed copies must be legible. No other written documentation of the oral presentation will be accepted. There should be no changes in content from the written proposal submitted in response to the RFP.

- a. Oral presentations will be scheduled approximately one (1) week after receipt of written proposals.
- b. The oral presentation shall begin with the identification of the lead presenter and other representatives (if any) by name, position, and company representative.
- c. Oral presentations are to be attended by a maximum of seven (7) representatives of the Offeror. These representatives are to be the key personnel that are to assigned to the Project, with the exception of the senior management, and as such are subject to Clause 9.3, Subcontractor Employees, of the Terms and Conditions These representatives are to be as follows:
  - i. Senior Management of Offeror (2)

- ii. Proposed Project Onsite Manager
- iii. Proposed Field Superintendent
- iv. Proposed Onsite Environment, Safety and Health Official
- v. Proposed Onsite Quality Manager
- vi. Proposed Onsite Project Scheduler

d. The oral presentation shall address the criterion as outlined in paragraph 7b, Evaluation Criteria. The Offerors' presentation material shall be clearly identified using the same format as outlined in paragraph 7b of these instructions.

e. The Offeror is responsible for providing personnel to handle large flips charts or PowerPoint presentation used during the oral presentation. The additional personnel, (if required) is not included in the maximum representation required by paragraph 8c above.

f. It is the responsibility of the Offeror to ensure that the briefing room has the adequate audio/visual capability for their needs prior to the oral presentation. The oral presentation materials shall not include references to price in any manner whatsoever.

g. Oral presentations are to be limited to a time frame of not more than two (2) hours, (strictly enforced). The presenter will address any clarification questions previously provided by the CM. Upon completion of the oral presentation the CM will authorize a 45-minute recess. Upon the resumption of the oral presentation there will be a 45-minute session at which time the Offeror will address additional questions the CM may have.

**9. AWARD OF SUBCONTRACT.**

Construction Manager may accept within the time specified therein, any offer (or part thereof) whether or not there are negotiations subsequent to its receipt, unless the offer is withdrawn by written notice received by the CM prior to award. If subsequent negotiations are conducted, they shall not constitute a rejection or counter offer on the part of Construction Manager.

Construction Manager reserves the right to award a subcontract to other than the lowest offer and to reject any or all offers. The primary consideration for award will be which offeror, conforming to the solicitation, can

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perform the subcontract in a manner most advantageous to Construction Manager.

Award may not be made to any Offeror who has not responded to all instructions, certifications, and representations indicated in this Solicitation. However, the CM reserves the right to waive informalities and minor irregularities in offers received.

Construction Manager may award a Subcontract, based on initial written proposal and oral presentations without discussion on such offers. Construction Manager may make award based on any or all line items listed in the solicitation.

Any financial data submitted hereunder or any representation concerning facilities or financing will not form a part of any resulting subcontract. If the resulting subcontract contains a clause for price reduction for defective cost or pricing data, the subcontract will be subject to reduction of cost or price if the cost or pricing data furnished is incomplete, inaccurate or not current.

**10. ACKNOWLEDGMENT OF ADDENDUMS OR AMENDMENTS.**

Receipt of an addendum/amendment to this solicitation by an Offeror must be acknowledged (a) by signing and returning the addendum/amendment acknowledgement form, (b) by letter or facsimile, and must also indicate receipt in the space provided on the Solicitation, Offer, and Subcontract Award form. Such acknowledgment must be received prior to the hour and date specified for receipt of offers.

**11. LATE PROPOSALS, MODIFICATION OF PROPOSALS, AND WITHDRAWAL OF PROPOSALS.**

Any proposal received at the office designated in the solicitation after the exact time specified for receipt may not be considered, except under the following conditions: it is received before award is made, it is the only proposal received, or where it is advantageous to the CM to accept late proposals.

Proposals may be withdrawn by written notice received at any time prior to the date specified for receipt of proposals.

**12. PROPOSAL VALIDITY AND EXCEPTIONS TO TERMS.**

The submission of an offer in response to this solicitation constitutes acceptance of these Proposal Instructions and Conditions, the subcontract terms and conditions and such provisions, representations, certifications and specifications identified as a part of the solicitation unless the Offeror identifies any exceptions thereto. Exceptions must be clearly identified and the rationale fully supported by the Offeror. Proposals shall be firm for acceptance within

the minimum number of days as identified in section II of the Solicitation, Offer, and Subcontract Award document (see Section A).

**13. PENALTY FOR MAKING FALSE STATEMENTS.**

The penalty for making false statements in proposals is prescribed in 18 U.S.C. 1001.

**14. PERFORMANCE AND PAYMENT BOND REQUIREMENTS.**

Prior to commencing work on the site or within ten (10) calendar days from award of the Subcontract, whichever is sooner, the Subcontractor shall deliver to the CM, a Performance Bond and Payment Bond in accordance with the terms and conditions found in General Conditions (see Section H).

**15. BID BOND GUARANTEE.**

The Offeror shall submit, with its proposal, a Bid Bond Guarantee, of at least 20 percent of the Offeror's proposed price. Failure to furnish a Bid Bond Guarantee in the proper form and amount, by the time set for opening of proposals, may be cause for rejection of the offer. The Offeror shall furnish a Bid Bond Guarantee in the form of a firm commitment, e.g., bid bond supported by good and sufficient surety or sureties acceptable to the CM, postal money order, certified check, cashier's check, irrevocable letter of credit, or in accordance with Treasury Department Circular 570, certain bonds or notes of the United States. Construction Manager may, upon written request, return Bid Bond Guarantees (1) to unsuccessful Offerors as soon as practicable after the selection of the Subcontractor and (2) to the successful Offeror upon execution of contractual documents and bonds (including any necessary coinsurance or reinsurance agreements), as required by the proposal as accepted.

If the successful Offeror, upon acceptance of its proposal by the CM, within the period specified for acceptance, fails to execute all contractual documents or furnish executed bond(s) within ten (10) days after subcontract award by the Offeror, the CM may terminate the subcontract for default.

In the event the Subcontract is terminated for default, the Offeror is liable for any cost of acquiring the work that exceeds the amount of its Bid Bond Guarantee is available to offset the difference.

**16. PRE-PROPOSAL CONFERENCE AND SITE VISIT.**

A pre-proposal conference and site visit is scheduled Friday, February 22, 2002, at 10:00 A.M., Local Time, at the CM's offices located at 701 Scarboro Road,

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Conference Room 101B. Please contact the Knight/Jacobs Procurement Office at 865/241-3672 or 865/241-7592 by the close of business February 21, 2002 to confirm your attendance at this conference.

**ATTENDANCE IS STRONGLY ENCOURAGED**

This is the only official pre-proposal/site visit scheduled. Offerors are directed to Section H; Terms and Conditions for Construction, paragraph 10.2; Site Investigations and Conditions Affecting the Work. By submission of your proposal you are acknowledging that you have taken steps reasonably necessary to ascertain the nature and location of the work and has investigated and satisfied itself as to the general and local conditions that can affect the work and its costs.

**17. NORTH AMERICAN INDUSTRY CLASSIFICATION SYSTEM (NAICS).**

**Subfactor 233, Building, Developing and General Construction. NAICS Code 233320, Commercial and Institutional Building Construction.**

**Size Standard: 27.5 M**

The "annual receipts" of a concern that has been in business for three or more complete fiscal years means the annual average gross revenue of the concern taken for the last three fiscal years. For the purpose of this definition, gross revenue of the concern includes revenues from the sale of products and services, interests, rents, fees, commissions, and/or whatever other sources derived; but less returns and allowances, sales of fixed assets, inter-affiliate transactions between a concern and its domestic and foreign affiliates, and taxes collected for remittance (and if due, remitted) to a third party.

A small business concern for the purpose of this procurement is a concern, including its affiliates, which is independently owned and operated, is not dominant in the field of operation in which it is submitting offers for Owner contracts, and can further qualify under the criteria concerning number of employees, average annual receipts, or other criteria, as prescribed by the Small Business Administration. (see Code of Federal Regulations, Title 13, Part 121, as amended, which contains detailed industry definitions and related procedures.)

**18. SUBCONTRACTING PLAN (Applicable only to Large Businesses whose Offers are \$1,000,000 and above).**

The Offeror, if a large business, will be required to submit a "Small Business Subcontracting Plan" with its proposal, for the utilization of small business concerns and small business concerns owned and controlled by socially and economically disadvantaged individuals

which may or may not also be woman-owned firms. The AE/CM's subcontracting goals for the SNS Project are:

**40% to Small Businesses;**

**10% to Small-Disadvantaged Businesses,**

**5% to Small, Woman-Owned Businesses, and**

**0.5% to HUB Zone Business.**

Offerors when developing their Small Business Subcontracting Plan should consider these goals. No award shall be made prior to the CM approval of Offeror's Small Business Subcontracting Plan.

**19. THE CM, UT-BATTELLE, AND/OR OWNER-FURNISHED PROPERTY.**

Construction Manager, UT-Battelle, and/or the Owner will furnish no material, labor, or facilities unless otherwise provided for in the solicitation.

**20. PRE-AWARD SURVEY OF OFFEROR'S FACILITIES.**

Construction Manager may accomplish a pre-award survey of Offeror's facilities. The purpose of this survey is to determine if Offeror has an acceptable facility and adequate tools, personnel, and resources to accomplish the work called for in the solicitation. The survey may also evaluate your system for determining the financial and technical ability of any proposed lower-tier Subcontractors or suppliers. Any equipment to be used in performance of the proposed subcontract is also subject to inspection and approval. The results of the survey, if performed, will be included in the evaluation criteria for award.

**21. FAILURE TO SUBMIT OFFERS.**

Recipients of this solicitation not responding with an offer should not return this solicitation. Instead, they should advise the issuing office by letter whether they want to receive future solicitations for similar requirements. If a recipient does not submit an offer and does not notify the issuing office that future solicitations are desired, the recipient's name may be removed from the CM source lists.

**22. RESTRICTION ON DISCLOSURE AND USE OF DATA.**

Offerors who include in their proposals data that they do not want disclosed to the public for any purpose or used by the CM, UT-Battelle, and the Owner, except for evaluation purposes shall:

- a) Mark the title page with the following legend:

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"This proposal includes data that shall not be disclosed outside the CM (including UT-Battelle and the Owner) and shall not be duplicated, used, or disclosed — in whole or in part — for any purpose other than to evaluate this proposal. If, however, a Subcontract is awarded to this Offeror as a result of, or in connection with the submission of this data, the CM, UT-Battelle, and the Owner shall have the right to duplicate, use or disclose the data to the extent provided in the resulting Subcontract. This restriction does not limit the CM's, UT-Battelle's, or the Owner's/ Owner's rights to use information contained in this data if it is obtained from another source without restriction. The data subject to this restriction are contained in sheets (insert numbers or other identification of sheet)."

- b) Mark each sheet of data they wish to restrict with the following legend:

*"Use or disclosure of data contained on this sheet is subject to the restriction on the title page of this proposal."*

**23. OTHER SPECIAL REQUIREMENTS.**

The Offeror is advised that notwithstanding any of the requirements set forth in these Proposal Instructions and Conditions, it is the responsibility of the Offeror to familiarize itself thoroughly with all conditions of this solicitation that will have an impact on the performance of any resulting subcontract award. The Offeror is hereby cautioned to completely read and comprehend those requirements set forth in the enclosed Special Conditions, Specifications and Drawings, General Conditions for Construction and all other solicitations documents. The Offerors failure to have a clear understanding of the requirements of the aforementioned documents shall not be cause for an equitable adjustment to any resulting subcontract.

**24. SALES AND USE TAXES—REPORTING AND PAYMENT.**

The offeror is advised that the SNS Project has been deemed exempt from sales and use taxes by the State of Tennessee.

The resulting subcontract award requires the subcontractor to obtain a subcontract specific State of Tennessee Sales and Use Tax Exemption for the SNS Project. The subcontractor is required to submit relevant information to the CM to imitate the application

process. The information required is detailed under Section H, Exhibit 6.

**25. UNBALANCED PRICES**

Proposed prices will be analyzed to determine if they are unbalanced with respect to the unit price line items. A line item amount will be considered mathematically unbalanced if it is based on individual line item or unit prices that are significantly less than the cost for some scheduled line items and significantly overstated in the costs for others, or in comparison of other offeror's line item or unit prices for the same services. An offer is considered materially unbalanced if it is mathematically unbalanced and (1) there is a reasonable doubt the offer would result in the lowest overall cost to the Contractor, and (2) the offer is so grossly unbalanced in relation to the specifications and technical requirements portions of the offer that acceptance would be tantamount to defective cost or pricing. Offers that are mathematically or materially unbalanced will be considered non-responsive and rejected.

**26. EVALUATION OF OPTIONS**

The CM will evaluate offers for award purposes by adding the total price for all options to the total price for the base requirement (CLIN 0001). Evaluation of options will not obligate the CM to exercise the option(s).

**End of Proposal Instructions**