

WM2016 Conference Panel Report

PANEL SESSION 56: **Addressing the Small Business Barriers in Contracting with the US DOE**

Co-Chairs: **Jim Fiore**, *Fiore Consulting*
John Coffman, *ReNuke Services, Inc.*

Panel Reporter: **Vanessa Hatfield**, *E2 Consulting Engineers, Inc.*

Panelists:

1. **Jack Surash**, *Environmental Management Deputy Assistant Secretary for Acquisition and Project Management, US DOE EM*
2. **John Hale**, *Director, Office of Small and Disadvantaged Business Utilization, US DOE*
3. **Greg Gonzales**, *Small Business Program Manager, US DOE – NNSA*
4. **Kevin Pour**, *Vice President, Portage, Inc.*

There were approximately 55 attendees present for the presentations, which focused on barriers for small businesses in contracting with the US DOE and was delivered from the perspective of both DOE and NNSA. Small businesses were encouraged to respond to Sources Sought and Requests for Information by “answering the mail” and not simply submitting generic qualification packages. Small businesses should know the project and its requirements and address the requirements in their entirety. When considering a response, small businesses should recognize when your company does not have the capabilities to meet all the requirements and develop teaming strategies to be successful in your submissions.

Summary of Presentations

Jack Surash stated that DOE EM is committed to creating sustainable contract opportunities for small business by increasing the amount of meaningful work for small business prime contracting. He provided EM’s key strategies.

- Increase the amount of meaningful work for small business prime contracting by working closely with the EM sites
- Continue to expand outreach to Socio-Economic small business
- Expand ordering capability of small business contracts to other DOE Program offices, such as EM’s small business IDIQ contact(s) for D&D services
- Work with DOE’s Office of Small and Disadvantaged Business Utilization and EM Sites to develop small business contracting strategies

Mr. Surash EM prime contract funding trends, FY2015 funding by small business subcategories and current major small business contracts. He discussed the only planned direct to EM procurement which is for Headquarters IT services and is scheduled out 12/15 with anticipated 2016/2017 award. He provided EM Small Business Advocates names and contact information and helpful websites.

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John Hale opened by stating that DOE's mission was:

1. Energy Security
2. Nuclear Security
3. Environmental Responsibility
4. Enhance efforts in Scientific Discovery and Innovation

The mission of the Office of Small and Disadvantaged Business Utilization is "building sustainable small businesses to enable the Department to achieve its mission through innovation and creativity" and that the defining characteristics of small businesses are:

- Creativity
- Innovation
- Agility
- Niche capabilities

He discussed the four Power Administrations and encouraged small business to actively watch for procurements from them as they do not follow the FAR. He provide information regarding Site and Facility Management Contractors procurements as well as numerous forecasted opportunities.

Mr. Hale encouraged small businesses to participate in DOE's annual conference and summits to network and hear the latest comments from DOE and DOE prime contractors, offering the following information:

- Office of EM Small Business Forum, Savannah River Site, Aiken, SC May 19-20, 2016
- DOE Small Business Forum & Expo, Atlanta, GA May 23-25, 2016

Mr. Hale provided forecast website information as well as contact information.

Greg Gonzales went over the FY 2016 NNSA Budget Request of \$12.6B and provided the following breakdown.

- Legacy Contractor Pensions 3.0%
- Federal Workforce 3.2%
- Reducing Global Nuclear Security Threats 15.5%
- Maintaining the Nuclear Deterrent 25.6%
- Strengthening Science, Technology & Engineering 13.1%
- Physical and Cyber Security 6.3%
- Modernizing the Infrastructure 22.3%
- Providing Naval Nuclear Propulsion 11.0%

Mr. Gonzales provided details of upcoming procurement opportunities – several small business set aside and others that the acquisition approach has not been determined to date. Opportunities include:

1. DICCE II - Nuclear Nonproliferation Program
2. Technical Research, Engineering and Development Services
3. Protective Force Services at the Nevada National Security Site

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4. Enterprise Wide Technical Services BPA
5. Enterprise Wide Administrative Services BPA
6. Enterprise Construction Management Services

Mr. Gonzales provided procurement website information as well as contact information for himself and Gary Lyttek, NNSA Business Source Manager - Headquarters

Kevin Poor gave an overview of Portage and provided information for new small businesses to get off to the right start -

- Attract and keep strong performers
- Keep work environment flexible and family friendly
- Develop benefit programs that meet the needs of families
- Offer the best possible customer service
- Build our reputation one project at a time

He suggested some of the early barriers and sustainability issues then provided some thoughts for overcoming the barriers

- Contract types sometimes not favorable
- Bid and Proposal requirement (Varies)
- Staff Augmentation/Task order projects
- Small Business Size Standards
 - Create ability for entry into markets
 - Can feel like you are being penalized for success by limiting your ability to compete for your historic work with existing clients when you exceed size standard
- Fixed Price
 - Transfers majority of risk to those least able to manage or absorb it
 - Can make or break a SB or a project
- Overcoming Barriers
 - Small Business set asides
 - Lose a competitive job – get a debrief!
 - Win a competitive job – get a debrief!
 - Strategic partnerships with LBs or SBs
 - Mentor/Protégé opportunities including JVs (UNDERSTAND 13 CFR 121!)
 - Subcontracting Plans (large businesses)
 - Acquisitions or mergers

Question and Answer

1. Question - Is DOE discouraging M&O contractors from using staff augmentation contracts.
 - a. Answer – No, they have not discouraged and are looking to M&O's to provide small business awards as they see fit given that DOE also gets small business credits for M&O small business subcontracting.
2. Question – Is DOE looking at modeling the NDA process of RFP release then one-on-ones for clarification and an even playing field for all bidders.
 - a. Answer – Not at this time but appreciates the comment.