

# Nevada Site Office – FY 2006 Performance Evaluation Report

## FY 2006 PERFORMANCE EVALUATION REPORT

JULY 1, 2006 THROUGH SEPTEMBER 30, 2006

CONTRACT NUMBER DE-AC52-06NA25946

NATIONAL SECURITY TECHNOLOGIES, LLC

### I. EXECUTIVE SUMMARY

This Performance Evaluation Report (PER) evaluates National Security Technologies, LLC's (NSTec) performance in overall management effectiveness, timeliness, and quality of support within the three Performance Objectives (PO's) identified in the Fiscal Year 2006 (FY 2006) Fourth Quarter Performance Evaluation Plan (PEP). The NSO's proposed use of a **fixed fee** structure for the first three-month period under the NSTec contract for the period July 1 – September 30, 2006 was approved by the FDO based on the short time period to be covered by the PEP and the fact it would be difficult to reasonably develop Performance Objectives/ Measures/Targets for this short period of performance. As such, the PEP for this period was composed of a fixed fee component only.

Overall, NSTec's performance during this evaluation period exceeded expectations in support of the NSO. The PEP was structured using three high-level PO's: General Management, Mission, and Operations. This evaluation includes a brief assessment of NSTec's overall responsiveness, senior management involvement, partnerships and teamwork in support of the National Nuclear Security Administration (NNSA) Nevada Site Office (NSO) Strategic Initiatives and site priorities for the three-month period of July 1, 2006 through September 30, 2006.

### II. PERFORMANCE OBJECTIVES

#### 1.0 General Management

The General Management objective is global in nature and considers activities important to NSO senior management. The performance of NSTec's senior management during this period is commendable. Overall, NSTec demonstrated leadership and integration leading to the continuation and/or successful completion of a wide range of activities during the rating period. They worked hard to establish effective communications across their internal organizations as well as to build effective communications with the NSO management. NSTec worked hard to be responsive & customer focused. The effort to review existing procedures continued in order to identify areas where changes might be needed that will lead to a more effective organization. NSTec also demonstrated their corporate commitment within the community by implementing a new charitable contribution process. They have also been recognized for their continued support in the educational community.

#### 2.0 Mission

The Mission objective considered the contractor's performance in supporting completion of FY2006 fourth quarter support to Los Alamos National Laboratory, Lawrence Livermore

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National Laboratory, and Sandia National Laboratory; Emergency Response Program customer mission requirements; key initiatives relative to the NNSA complex weapons program planning needs; accomplishment of the DAF mission, and accomplishment of the Environmental Management Program goals. Overall, NSTec's performance exceeded expectations in these areas.

The transition from the previous Management & Operating (M&O) contractor to NSTec occurred during a critical time for many Stockpile Stewardship actions. The transition to NSTec did not impact the Laboratory Stockpile Stewardship work scope and work remained on schedule during this rating period. Diagnostic development, in support of the various experiments, also continued uninterrupted.

Specifically, UNICORN was successfully executed in support of the LANL DSW. NSTec provide the requisite support to LANL and all data channels were successfully recorded. The NSTec UNICORN project management team executed project closeout plans to include lessons learned documentation, financial closeout, return of leased equipment, and archiving of project files. Other examples of key accomplishments during this brief rating period included actions such as:

- At JASPER, the SNM experiment, PDV-1, was executed in September 2006. All milestones and deliverables were met, validated, and accepted.
- At BEEF, the FFT1 shot table cleanup was complete without incident.
- Major mechanical and electrical assembly for NIF was completed to support test and deployment of diagnostics in FY 2007
- The SNL VISAR instrumentation was moved into U1a in preparation for Thermos confirmatory support
- The planning for recertifying the containment designs at the higher Z machine magnetic pressures continued.

NSTec excelled in the area of National Security Response. NSTec performed notably in their execution of the DOE-led consequence management exercise, SOUTHERN CROSSING. This was a major event that incorporated players from other federal agencies and a number of states. NSTec also responded well to other special events during this rating period.

NSTec provided good project management, engineering, and maintenance support to the National Weapons Laboratories at the Device Assembly Facility (DAF). Work priorities and requirements were well coordinated and NSTec showed initiative in preparing changes to various procedures in order to bring the Project Manager and Facility Manager into the change package approval process early in the process.

NSTec also successfully supported key initiatives relative to the Environmental Management (EM) Program. Milestones were accomplished during this period that would facilitate the closure of the Waste Management project. Numerous regulatory Environmental Restoration milestones were submitted and/or completed.

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### 3.0 Operations

Under this objective, NSTec was expected to maintain operational performance and efficiency consistent with past performance in the areas of: Project Management; Construction; Facilities & Infrastructure Recapitalization Program (FIRP); Facility Management and Maintenance; Emergency Management; Contractor Assurance System (CAS); Integrated Safety Management (ISM); Enforcement/Price Anderson Amendment Act (PAAA); Conduct of Operations; Operations Coordination; Quality Assurance and Safety Authorization Basis (10 CRF 830 Subparts A and B); Integrated Safeguards and Security Management (ISSM); Classification and Controlled Information Programs; and Business Systems. NSTec was also expected to complete the transition of the Material Control & Accountability (MC&A) Program to develop a compliant and effective MC&A Program.

While performance in some areas will require close senior management attention, NSTec's overall operational performance exceeded expectations. NSTec exceeded expectations in the areas of Construction, FIRP, Facility Management & Maintenance, Emergency Management, Conduct of Operations, Operations Coordination, ISSM, Classification and Controlled Information Programs, Business Systems and MC&A. Although NSTec's performance met expectations, additional attention will be required in the areas of Project Management, CAS, ISM, PAAA, and Quality Assurance and Safety Authorization Basis.

### III. SUMMARY

Because the fee pool for this performance period was established on a fixed-fee basis, individual scores were not developed for the performance objectives. Under this scenario, the Contractor's compliance with the terms and conditions of the contract results in their earning of the established fee pool. The evaluation provided above demonstrates the Contractor did indeed carry out their obligations under this contract during the rating period.