



Committed to keeping the Lab strong during transition

April 4, 2016

Many Northern New Mexico community leaders have probably read that the contract to manage and operate Los Alamos National Laboratory will be competed by the National Nuclear Security Administration (NNSA).

The current contract expires September 30, 2017. Los Alamos National Security, LLC (LANS) and the federal government are discussing the possibilities of a contract extension. Consequently, we do not yet know the exact date when the NNSA might select an entity for a new contract.

Undoubtedly, this news has prompted questions about the process and the impacts to the region and state. The Laboratory is committed to providing the most recent information so our community leaders can better understand the process and assess the impacts. It is important to note that this is not the first time the Laboratory Management and Operating (M&O) contract has been put out to bid. The current contract was awarded in 2006 to LANS, which continues to manage the Laboratory.

During his most recent visit to the Laboratory in March, NNSA Administrator Frank Klotz addressed the Laboratory workforce. With regard to the Los Alamos contract competition, Klotz said, "NNSA solicitations routinely require successor contractors to give incumbent employees a right of first refusal of employment, with the exception of positions that are occupied by 'key personnel'." Los Alamos "key personnel" comprise about 20 upper management positions at the Laboratory.

"In October [2015], the Secretary of Energy issued policy guidance that requires successor contractors to sponsor and maintain existing defined-benefit pension plans for incumbent employees, and to permit incumbent employees to remain in their pension plans," Klotz added. "And of course, if NNSA is going to engage in a competition for an M&O contract, we are going to follow the guidance of the DOE."

The NNSA Administrator pledged to do everything possible to reduce uncertainty during the contract transition, and he assured Los Alamos employees that no matter who the successful bidder turns out to be, work at Los Alamos will go on.

Laboratory Director Charlie McMillan and the Laboratory Executive Management Team have committed to a strong Laboratory through contract transition, with a continuing focus on mission success, advancing science and technology, supporting the Laboratory's workforce, and ensuring effective operations that protect our workers.

LANS—a private company formed by the University of California; Bechtel; BWXT Government Group, Inc.; and URS, an AECOM company—has also affirmed its continuing commitment to Northern New Mexico by approving \$2.5 million for 2016 to support education, economic development, and non-profit organizations.

Please be assured that the Community Partnerships Office will remain engaged with our neighbors and will continue to find community partners who share a vision for building a stronger region with ample opportunities for families to live and thrive.

- *Kathy Keith*

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