

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT		1. CONTRACT ID CODE	PAGE OF PAGES 1 11
2. AMENDMENT/MODIFICATION NO. 0001	3. EFFECTIVE DATE 2003 May 20	4. REQUISITION/PURCHASE REQ. NO. PRDSCRJRKDF100	5. PROJECT NO. (If applicable)
6. ISSUED BY Defense Supply Center Richmond ATTN: DSCR Procurement 8000 Jefferson Davis Highway Richmond, VA 23297- Initiator: J. RICHARDSON PZGKDB3 (804) 279-6336 / FAX: (804)279-2418 E-mail: Janice.Richardson@dla.mil	CODE SP0400	7. ADMINISTERED BY (If other than Item 6) CODE	
8. NAME AND ADDRESS OF CONTRACTOR (No., street, city, county, State and ZIP Code)		(X) 9A. AMENDMENT OF SOLICITATION NO. SP0412-03-R-3410	
		X 9B. DATED (SEE ITEM 11) 2003 MAY 19	
		10A. MODIFICATION OF CONTRACT/ORDER NO.	
		10B. DATED (SEE ITEM 13)	
CODE	FACILITY CODE		

11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS

The above numbered solicitation is amended as set forth in Item 14. The hour and date specified for receipt of Offers is extended, is not extended.

Offeror must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended, by one of the following methods:

(a) By completing Items 8 and 15, and returning 1 copies of the amendment; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or telegram which includes a reference to the solicitation and amendment numbers. FAILURE OF YOUR ACKNOWLEDGMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER. If by virtue of this amendment you desire to change an offer already submitted, such change may be made by telegram or letter, provided each telegram or letter makes reference to the solicitation and this amendment, and is received prior to the closing hour and date specified.

12. Accounting and Appropriation Data (If required)

13. THIS ITEM APPLIES ONLY TO MODIFICATIONS OF CONTRACTS/ORDERS, IT MODIFIES THE CONTRACT/ORDER NO. AS DESCRIBED IN ITEM 14.

(X) A. THIS CHANGE ORDER IS ISSUED PURSUANT TO: (Specify authority) THE CHANGES SET FORTH IN ITEM 14 ARE MADE IN THE CONTRACT ORDER NO. IN ITEM 10A.

B. THE ABOVE NUMBERED CONTRACT/ORDER IS MODIFIED TO REFLECT THE ADMINISTRATIVE CHANGES (such as changes in paying office, appropriation data, etc). SET FORTH IN ITEM 14, PURSUANT TO THE AUTHORITY OF FAR 43.103(b).

C. THIS SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF:

D. OTHER (Specify type of modification and authority)

E. IMPORTANT: Contractor is not, is required to sign this document and return _____ copies to the issuing office.

14. DESCRIPTION OF AMENDMENT/MODIFICATION (Organized by UCF section headings, including solicitation/contract subject matter where feasible.)

NSN: 1560-01-165-6027

The purpose of this amendment is to make all contractors aware of the proposal preparation instructions which are attached.

The Defense Supply Center Richmond (DSCR), an Inventory Control Point (ICP) of the logistics Agency (DLA), may issue delivery orders to the awardees for supplies cited in Attachment 1 for shipment to DLA distribution depots as designated on each Delivery Order (DO), to include, but not be limited to DLA stock locations in:

Anniston, AL
Albany, GA
Barstow, CA

CONTINUED ON FOLLOWING PAGE(S)

Except as provided herein, all terms and conditions of the document referenced in Item 9A or 10A, as heretofore changed, remains unchanged and in full force and effect.

15A. NAME AND TITLE OF SIGNER (Type or print)		16A. NAME AND TITLE OF CONTRACTING OFFICER (Type or print)	
15B. CONTRACTOR/OFFEROR	15C. DATE SIGNED	16B. UNITED STATES OF AMERICA BY <i>Janice Richardson</i> (Signature of Contracting Officer)	16C. DATE SIGNED <i>5/20/03</i>
(Signature of person authorized to sign)			

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Cherry Point, NC
Columbus, OH
Corpus Christi, TX
San Diego, CA
Hill, UT
San Joaquin, CA
Jacksonville, FL
McClellan, CA
Norfolk, VA
Oklahoma City, OK
Puget Sound, WA
Red River, TX
Richmond, VA
Mechanicsburg, PA
New Cumberland, PA
San Antonio, TX
Tobyhanna, PA
Warner Robins, GA

Also, the following attached clauses have been added to this solicitation.

The closing date remains unchanged.

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INCORPORATE THE FOLLOWING CLAUSES

**F17 52.211-9G51 INDEFINITE QUANTITY (PPP)
DSCR (FEB 1996)**

(a) This is an indefinite quantity contract for the supplies or services specified in the schedule and for the period set forth therein. Delivery or performance shall be made only as authorized by orders issued in accordance with the "Ordering" Clause of this contract. The quantities of supplies or services specified herein are estimates only and are not purchased hereby.

(b) The contractor shall furnish to the Government, when and if ordered, the supplies or services set forth in the schedule up to and including the quantity designated in the schedule. However, the contractor may (at his option) accept an order for an additional 30 percent of the award quantity of any one item number. The Government shall order the quantity of supplies or services designated as the "minimum." The minimum is defined as supplies or services having an aggregate value, at the prices payable under this contract, of \$100.00. If no delivery orders are placed against a contract, the contractor will submit an invoice for the established minimum (\$100.00). The invoice will not be submitted until the contract has expired. All invoices for the minimum must be submitted to:

DFAS Columbus Center
ATTN: DFAS-CO-SEG
P. O. Box 182317
Columbus, OH 43218-6231

Invoices for the minimum must be submitted to DFAS before 60 days after expiration of the contract.

(c) Orders issued during the effective period of this contract and not completed within that time shall be completed by the contractor within the time specified in the order, and the rights and obligations of the contractor and the Government respecting those orders shall be governed by the terms of the contract to the same extent as if completed during the effective period of this contract, provided that the contractor shall not be required to make any deliveries under this contract after 365 days after the expiration of the ordering period.

(d) The Government may issue orders which provide for delivery to or performance at multiple destinations.

******ORDERING******

(a) Supplies or services to be furnished under this contract shall be ordered by the issuance of delivery orders by the

Orders may be issued under this contract from through

(b) All delivery orders issued hereunder are subject to the terms and conditions of this contract. This contract shall control in the event of conflict with any delivery order.

(c) When mailed, a delivery order shall be "issued" for purposes of this contract at the time the Government deposits the order in the mail.

******DELIVERY ORDER LIMITATIONS******

(a) Minimum order: When the Government requires supplies or services covered by this contract in an amount less than the minimum quantity applicable to the method of delivery called for by the item(s) as specified elsewhere in this contract, the Government shall not be obligated to purchase, nor the contractor obligated to furnish, any supplies or services under this contract.

(b) Maximum order: The contractor shall not be obligated to honor (except at his option) any order which exceeds the total quantity of any one item number designated in the schedule; however, the maximum quantity which may be ordered and which the contractor may honor is the award quantity of any one item number plus thirty (30) percent.

(c) Notwithstanding the foregoing, the contractor shall not honor any order which exceeds the maximum order limitation set forth above or any order, which in the aggregate with previous orders, exceeds the maximum order limitation set forth above. If the maximum order limitations are

exceeded, the order(s) which exceed the maximum limitations shall be returned to the issuing office within ten (10) days from the date of issue thereof, together with written notice of intent not to make shipment of the items called for and the reasons thereof.

******DELIVERY TIME******

(a) Commencing from the date the order is mailed or otherwise furnished the contractor, the contractor shall have the number of days indicated below within which to complete delivery. The contractor shall not, however, except at its option, be required to deliver in any 30 day period a quantity in excess of 15 percent of each contract line item or a quantity in excess of the minimum order quantity, whichever is greater. For contracts of six months duration, 20 percent in lieu of 15 percent above shall apply.

(b) Notwithstanding the above. In no event shall the contractor, except at its option, be required to deliver in any 30 day period a quantity in excess of 15 percent or 20 percent, as applicable, of the aggregate quantity of one grade, type or symbol of product awarded under the contract.

F.O.B. DESTINATION	F.O.B. ORIGIN
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IN CONTRACTOR-FURNISHED
55-GALLON DRUMS ANY QUANTITY:

IN 5-GALLON PAILS
ANY QUANTITY:

BULK (EXCEPT TW DELIVERIES
INTO VESSEL)

QTYS 50,000 GALS OR OVER:

QTYS LESS THAN 50,000 GALS:

TANK WAGON DELIVERIES
INTO VESSEL:

(c) The contractor also guarantees that supplies will be delivered at point of destination within the time specified in paragraph (a) above for shipments f.o.b. destination. For purposes of this contract, a common carrier transporting supplies shall be considered a sub-contractor of the contractor.

I89F 252.217-9006 LIMITATIONS ON SURGE AND
SUSTAINMENT (S&S) INVESTMENTS
DLAD (JUL 1999)

I183 52.230-2 COST ACCOUNTING STANDARDS
(APR 1998)

I184 52.230-3 DISCLOSURE AND CONSISTENCY OF
COST ACCOUNTING PRACTICES
(APR 1998)

L50C 52.215-20 REQUIREMENTS FOR COST OR PRICING
DATA OR INFORMATION OTHER THAN
COST OR PRICING DATA (OCT 1997)

DSCR NOTE: The Standard Forms (SF) 1411 and 1448 have been eliminated and are no longer available for use. Offerors must prepare and submit cost or pricing data and supporting attachments as specified in Table 15-2 of FAR 15.408, unless an exception applies or cost or pricing data is required to be submitted on one of the termination forms as specified in FAR Subpart 49.6. When an exception applies, offerors must submit information other than cost or pricing as prescribed in paragraph (a) of provision 52.215-20 above. Submission of information other than cost or pricing data does not preclude the Contracting Officer from requiring cost or pricing data under paragraph (b) of provision 52.215-20 above. DSCR (MAR 1999)

L59DA 52.217-9G26 SURGE & SUSTAINMENT CAPABILITY
ASSESSMENT DSCR (JUNE 2001)

(a) Proposals submitted in response to this solicitation shall include a proposed approach to meeting the Surge & Sustainment (S&S) requirement identified in the schedule. The proposed approach shall include the initial ramp up (surge) and subsequent production and delivery

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(sustainment) of supplies to support simultaneous contingencies. The contractor's proposed approach shall be supported by a production capability assessment, as an attachment to the proposal, containing, but not limited to, the following areas:

(1) The contractor's methodology enabling visibility of supplier base resources on a continuing basis.

(2) Identify supplier base inventories, production capability, on-demand manufacturing and advanced technology capabilities, or any other means of support available to meet S&S requirements and, based on this identification, a description of S&S strategies for all items.

(3) Identify "problem" items for which S&S cannot be easily met, proposed solutions for these items, and any significant investments (dollars or otherwise) needed to implement these solutions, including investments by the Government.

(4) Describe access to, and plans for, coordinating distribution and transportation services for meeting S&S requirements.

(5) The contractor's agreements with suppliers and service providers that reflect access to S&S resources.

(6) Clearly identify any significant investments (dollars or otherwise) required to resolve the problem areas identified under subparagraph (3), or other subparagraphs above, needed to develop S&S capability, including, but not limited to, the following information:

- (i) Why the investment is needed;
- (ii) what will be purchased with the investment;
- (iii) basis for the investment cost;
- (iv) the S&S capability to be gained from the investment; and,
- (v) for investments needed to affect strategies, an analysis of what strategies were considered and why the proposed strategies are the most cost effective.

(7) If the S&S requirements can be easily met with current levels of production, the following information may be provided in lieu of the detailed assessment requested above:

- (i) The contractor's rationale for concluding the required S&S resources are readily available; and,
- (ii) the contractor's ability to meet the S&S requirements through access to these resources.

(Note: The commercial nature of an item, in and of itself, is not an adequate rationale for concluding the item is readily available. The information submitted shall include a description of access to, and plans for, coordinating distribution and transportation services for meeting S&S requirements.)

M10F 52.215-9G05 AUTOMATED BEST VALUE SYSTEM
DSCR (JUL 2002)

(a) The Automated Best Value System (ABVS) Score as an Element of Past Performance Evaluation.

(1) ABVS scores do not determine eligibility for award or technical acceptability. The Government shall use ABVS scores to compare past performance among offerors, not to make determinations of responsibility.

(2) To evaluate each offeror's past performance, DLA will assign an ABVS score to each offeror based on the offeror's past performance. ABVS scores for performance in each Federal Supply Class (FSC score) will be based on DLA consolidated performance history. An offeror may have multiple FSC scores but will have only one DLA score, which is a compilation of the offeror's FSC scores for all business conducted with DLA. These scores will be calculated monthly and remain in effect for a month. The ABVS score is a combination of an offeror's delivery and quality scores. The quality score reflects validated contractor caused product and packaging nonconformances during the rating period. For administrative purposes, the rating period excludes the most recent 30 days. The

delivery score reflects all lines shown as delinquent during the rating period. For administrative purposes, the rating period excludes the most recent 60 days. For ABVS purposes, delinquent lines represent shipments not shipped and/or received in their entirety by the contract delivery date. The 30 and 60 day offset periods are NOT grace periods.

(3) Business Systems Modernization.

(i) The Defense Logistics Agency is developing and installing a new suite of commercial business software we call Business Systems Modernization (BSM). BSM will replace the old material management systems with the best of today's business applications. The first phase of BSM that will affect both DLA and our business partners is called the Concept Demonstration. This Concept Demonstration will use actual BSM software, real time data and actual transactions such as solicitations and awards. But because of the new software being tested, certain processes will change during the test and one of the most important is the change in ABVS. The collection of past performance information for certain NSNs in ABVS has been changed by the new software and will be affected by this Concept Demonstration beginning in August 2002.

(ii) Beginning in August 2002, ABVS will not collect performance information on NSNs that are included in this BSM test. The performance data for quality and delivery performance from new contract awards for these NSNs will not be used in the calculation of FSC scores. The contract line items will also not be included in the total number of contract line items on which the FSC score is based. Subsequently, the DLA score, which is a compilation of the FSC scores, will not include performance data from new awards on these NSNs. For NSNs, which are not in the BSM test, ABVS will continue to work as it does today.

(iii) In order to determine if a NSN or FSC is included in this BSM test, go to the BSM Supplier Information Resource Center, <http://www.dla.mil/j-6/bsm/SIRC/SIRC.htm>. Awards not included in the ABVS performance data will be identified by contract numbers beginning with SPM0XX or SPEXXX in lieu of SPOXXX (this does not apply to orders issued against non-DLA Basic Ordering Agreements or contracts).

(iv) This change also means that your ABVS score in BSM will be your DLA score only; the FSC score will not be visible. This initial release will provide an opportunity for DLA, our customers, and our suppliers to use the new technology and processes to improve our supply chain effectiveness. Further information is found at the BSM Vendor Information Center at <http://131.70.202.70/j%2D6/bsm/test/vic.htm>.

(4) DSCR will make negative quality and delivery data reflected in the ABVS score available to offerors by the 15th day of the month via the ABVS Website. The offeror's negative performance data will be posted before it is reflected in the ABVS score (Preview Period), to give offerors an opportunity to review and verify data. An offeror must challenge any negative data within the Preview Period to assure corrections are posted before calculation of the score. Offerors must submit challenges and substantiating evidence (e.g. invoices, DD Form 250s, modifications) to the ABVS Administrator. The "Center" field will identify the appropriate focal point. For those identified as "DSCR," send challenges to:

Defense Supply Center Richmond
Attn: DSCR-OZP (ABVS)
8000 Jefferson-Davis Highway
Richmond, VA 23297-5516

Telephone (804) 279-6881
FAX (804) 279-5042

(5) Though offerors may challenge negative data at any time, it is to the offeror's advantage to challenge negative data during the Preview Period before it has an opportunity to be reflected in the ABVS score. Accordingly, an offeror should review performance data on a monthly basis at a minimum. When a challenge is received, the ABVS score will be flagged. The flag will remain until the challenge is resolved. If an offer under evaluation involves a challenged score, then the Contracting Officer will consider the nature of the challenged data and its relevance to the acquisition as part of the award decision. The ABVS Administrator will adjust the ABVS score if the Administrator upholds an offeror's challenge. Scores

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created in the update cycle immediately following the determination will reflect the adjustment.

(6) When there is a discrepancy between the offeror's challenged data and the Government's data, it becomes disputed data. The Government will make every effort to resolve the discrepancy expeditiously. However, the Government is the final authority for resolution of disputed data and its use in the source selection process, and may make an award decision despite the existence of an unresolved challenge.

(b) Using the ABVS score for evaluation.

(1) The contracting officer will first evaluate offers using the FSC score for the solicited FSC in effect at the time offers are evaluated. The contracting officer will use an offeror's DLA score to evaluate an offeror without an FSC score for that particular FSC. The contracting officer may consider the volume of business on which the FSC score is based as a measure of confidence in the score's indication of performance risk. The contracting officer may choose to use the DLA score if he or she lacks confidence in the FSC score. The contracting officer also may use the DLA score if the FSC scores among offerors are relatively equal. An offeror with no performance history will not be evaluated favorably or unfavorably and will be assigned a "999.9" in the ABVS. A "999.9" is used to designate those instances wherein the offeror has no past performance history, has no history for the particular FSC or has no history for the timeframe being rated.

(2) Contractor caused discrepancies or delinquencies will be reflected in the ABVS as an indicator of past performance. Repair, replacement or reimbursement of quality and packaging defects will not provide relief of negative ABVS data. Contractor caused delivery extensions, regardless of consideration paid, will be reflected in the delivery score.

M10G 52.215-9G06 EVALUATION AND AWARD
DSCR (FEB 2000)

(a) AWARD. The Government intends to evaluate proposals and, if necessary, conduct discussions with all responsible offerors within the competitive range. The award will be made to the offeror whose proposal conforms to the terms and conditions of the solicitation and represents the best value to the Government. Therefore, award may be made to other than the lowest priced or the highest technically rated offer.

(b) RELATIVE IMPORTANCE AND TRADE-OFFS. The Government will base the determination of best value on a comparative assessment of the offerors' prices, past performance, and the other evaluation factors identified elsewhere in this solicitation. The determination of best value also considers the relative importance of the evaluation factors. All evaluation factors, when combined, are:

- significantly more important than cost or price. As other evaluation factors become more equal, the evaluated cost or price becomes more important.
- approximately equal to cost or price; or
- significantly less important than cost or price. As the evaluated cost/price becomes more equal, relative importance of all other evaluation factors becomes more significant.

The final award decision may involve a trade-off among cost or price and the non-price factors. Factors that may be considered in the trade-off process include, but are not limited to:

Item criticality and weapons system application
Delivery schedule and current inventory status
Historical delivery or quality problems
Concerns over limited supply sources and industrial base
Benefits from obtaining new sources

(c) COST OR PRICE. The Government will evaluate the offered cost or price for cost realism, as defined in FAR 15.401, and reasonableness. The Government will add any other cost or price evaluation factors identified elsewhere in this solicitation (e.g. Buy American Act or FOB Origin

transportation costs) to arrive at the offeror's evaluated cost or price. The evaluated cost or price will be used in conjunction with the other non-price factors to determine the best value to the Government.

(d) PAST PERFORMANCE EVALUATION FACTORS. The Government will use the past performance evaluation factors marked below in addition to cost or price and other evaluation factors specified in the solicitation. Unless indicated otherwise, past performance is significantly more important than other non-price factors. Within the past performance subfactors, ABVS scores will be weighed most heavily because of their relevance to DSCR awards. Quality history and delivery schedule compliance will be weighed more heavily than the remaining past performance subfactors. All other non-price evaluation factors specified in this solicitation weigh equally, unless otherwise indicated.

- ABVS Score (52.215-9G05)
- Quality History
- Delivery Schedule Compliance
- Javits-Wagner-O'Day (JWOD) (52.215-9005)
- Mentoring Business Agreements (MBA)
(52.219-9003)
- Socioeconomic Support (52.215-9003)
- Other (specify):

(e) PAST PERFORMANCE. Past performance includes, but is not limited to, the offeror's record of conforming to contract requirements and standards of good workmanship; adherence to contract schedules, including the administrative aspects of performance; the offeror's reputation for reasonable and cooperative behavior and commitment to customer satisfaction; and generally, the offeror's business-like concern for the customer's interest.

(i) Offerors may submit with their offer information on past and current Federal (non-DSCR), State and local government and private sector contracts performed by the offeror at the proposed performance location within the last three years that are similar in nature to this acquisition. Offerors electing to submit this data must furnish at least the following information: name and address of the contracting entity; the contract number; award and completion dates; the dollar value; the contract type; the items or services provided; two references, with title and phone number; and any problems encountered and the corrective action taken by the offeror.

(ii) By submitting past performance information, the offeror agrees to permit the Government's representatives to contact the listed references and inquire of the offeror's performance. If more than three contracts are identified, the Government reserves the right to randomly select and limit its review to three contracts. In addition to the information provided, the Government may consider information obtained from other sources when evaluating the offeror's past performance. Offerors will be given the opportunity to discuss negative past performance information obtained from references if the offeror has not had a previous opportunity to comment on that information.

(iii) In addition to the information above, DSCR will use the Automated Best Value System (ABVS) to evaluate quality and past performance on DLA awards (see 52.215-9G05).

(iv) Offerors with no past performance history (whether internal or external to the Federal government) will not be evaluated favorably or unfavorably.

M18 52.217-9G11 EVALUATION OF OPTION TO EXTEND
THE TERM OF THE CONTRACT -
SUPPLIES DSCR (JAN 1996)

The evaluation of options to extend the term of the contract as required by either FAR Clause 52.217-5 (Section M) or 52.212-2 will be based on the highest possible option price offered for each option as specified in DSCR Clause

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52.217-9G08 (Section I).

M19CA 52.217-9G27 SURGE & SUSTAINMENT EVALUATION -
MINIMUM REQUIREMENT
DSCR (JUNE 2001)

(a) Evaluation. The surge & sustainment (S&S) requirement identified in the schedule represents a minimum requirement for award; therefore, offerors that fail to offer for the S&S requirement or submit proposals that are deficient may be rejected. The S&S capability assessment specified in 52.217-9G26 will be evaluated to determine the offeror's ability to meet the increased quantity/accelerated delivery requirements identified in the schedule for S&S.

(b) Acceptable Standard. Acceptable proposals must:

(1) describe a methodology which enables visibility of supplier base resources on a continuing basis;

(2) identify supplier base inventories, production capability, on-demand manufacturing and advanced technology capabilities, or any other means of support available to meet S&S requirements and, based on this identification, provide a description of S&S strategies for all items;

(3) identify problem items for which S&S cannot be easily met, propose solutions for these items, and identify any significant investments (dollars or otherwise) needed to implement these solutions;

(4) describe access to, and plans for, coordinating distribution and transportation services for meeting S&S requirements; and

(5) provide information regarding agreements with subcontractors, suppliers and service providers, if applicable, that reflect access to S&S resources;

(6) identify any significant investment (dollars or otherwise) under (3) or other subparagraphs above, needed to develop S&S capability, with the following information:

(i) An explanation of why the investment is needed.

(ii) A description of what items or materials will need to be purchased with the investment.

(iii) Provide a justification/basis for the investment cost.

(iv) Identify the S&S capability to be gained from the investment.

(v) For investments to effect S&S strategies, an analysis of what strategies were considered and why the proposed strategies are the most cost effective.

(c) Acceptable Standard Commercial. The following standard shall apply in lieu of paragraph (b) for commercial items that are readily available and accessible in sufficient quantities to meet the S&S requirements. Adequate proposals shall:

(1) provide information to support the rationale for concluding that the S&S items are readily available;

(2) describe how access to these resources will provide the ability to meet S&S requirements; and

(3) identify a plan for coordinating distribution and transportation services for meeting S&S requirements

(d) Deficient Proposals. Proposal revisions to correct deficiencies in S&S capability may be addressed during negotiations with offerors determined within the competitive range.

(e) Price. Price(s) associated with S&S items will be evaluated for reasonableness and realism in accordance with proposal analysis techniques specified in FAR 15.404. The total evaluated price associated with a proposal will include S&S prices/costs only to the extent such prices/costs represent:

(1) the dollar amount that must be obligated or reserved at time of award to implement and or maintain the S&S capability and

(2) the dollar amount associated with a confirmed requirement to support an actual contingency.

(f) Materially Unbalanced Offers. The Government may determine that a proposal is unacceptable if the prices

proposed are materially unbalanced between line items or subline items. Unbalanced pricing exists when, despite an acceptable total evaluated price, the price of one or more contract lines is significantly overstated or understated as indicated by application of cost or price analysis techniques. A proposal may be rejected if the Contracting Officer determines that lack of balance poses an unacceptable risk to the Government.

SECTION L

PROPOSAL PREPARATION INSTRUCTIONS

1.0 GENERAL. These instructions are a guide for preparing proposals. These instructions generally describe the type and extent of information you should provide and emphasize the significant topic areas you should address in your proposal. You are expected to review the Statement of Work contained in the Request for Proposal for further insight into the areas that your proposal must address. You should include in the proposal sufficient information to enable the evaluators to determine your understanding of the requirements in each of the evaluated areas.

The Defense Supply Center Richmond has a waiver of the Non-Manufacturer rule specified at FAR Subpart 19.102(f)(1) as defined by FAR 19.001 for bearings. However, the Offeror must also comply with clause (I102) 52.219-14, Limitations on Subcontracting, as applicable.

1.1 Proposal Format. Submit your proposal as specified in Sections 2.0 through 2.4.5. Proposals not structured in accordance with these instructions may be considered incomplete, may not be evaluated, and may be returned at the Offeror's expense.

2.0 PROPOSAL PREPARATION. The proposal shall be prepared and authored by a person or persons regularly employed by the Offeror. No samples or descriptive literature are to be specially prepared for submission with your proposal. Adherence to the prescribed formats will simplify the review process for the Source Selection Authority (SSA) and/or the evaluator(s).

2.1 Price Proposal. The Offeror shall submit a pricing proposal for spare parts listed in Attachment 1. The Pricing Proposal shall be prepared based on your selection of one or more specific National Stock Numbers (NSNs) from Attachment 1. For each NSN selected, prices shall be submitted using Attachment 1. Pricing shall include F.O.B. Destination to DLA stock location in Richmond, VA.

In addition, the Offeror shall propose pricing for Surge Quantities in Attachment 2, if applicable.

The Offeror shall submit prices on the Estimated Annual Demand (EAD). The EAD numbers are based on the best projections available at the time of this solicitation and are subject to change. The EAD considers demand forecast and current stock on hand. While the Government will evaluate prices based on the EAD, Offeror's are encouraged to consider the Minimum Order Quantity (MOQ) when submitting pricing. In some cases, the actual MOQ may be greater than the EAD due to current stock on hand as of the date of this solicitation. You should review clauses (F17) 52.211-9G51, (I67) 52.216-19, and (I71) 52.216-22 for additional information.

The Offeror shall submit a hard copy of the solicitation and attachments that require contractor's pricing.

The Offeror shall fill in all columns on Attachments 1 and 2 for pricing. These columns include the following:

- Offeror's Unit Price Base Period, Attachment 1
- Offeror's Unit Price Option Period 1, Attachment 1
- Surge Pricing, Attachment 2

2.2 Cost/Pricing Data Requirements. The Government anticipates receiving competitive proposals. However, if an exception to FAR Subpart 15.403-1 (b)(1) does **not** exist, the Government reserves the right to request cost or pricing data and/or information other than cost or pricing data to establish the reasonableness of the proposed contract and/or subcontract prices **after** receipt of proposals. Accordingly, if the Government notifies the Offeror that cost or pricing data is required, the Offeror shall prepare and submit cost and pricing data with supporting documentation. Instructions for the preparation of cost or pricing data must be submitted in accordance with instructions specified at FAR 15.403-5 and Table 15.2, FAR 15.408. If applicable, as soon as practicable after negotiating an agreement on price, but before contract award, the Offeror shall submit a Certificate of Current Cost or Pricing Data as prescribed by FAR 15.406-2. Offerors should review FAR clause (L50C) 52.215-20 for additional information on exceptions.

2.2.1 Precious Metals. The Government made a preliminary assessment that the NSNs in Attachment 1 did not contain precious metals; however, it is possible that some NSNs may contain precious metals. If after reviewing the drawings, precious metals are required for any NSN, the Offeror shall identify the NSN that requires the precious metal and advise the Government as to the type and quantity of precious metals required to manufacture the part. Refined precious metals are defined at DFAR 208.7301. The Offeror shall provide dual pricing if any of the NSNs contain precious metals. Dual pricing means that the Offeror shall provide two sets of pricing: (1) One price for contractor-furnished precious metals; and (2) one with prices for Government Furnished Property (GFP), precious metals. The Government will provide GFP information during negotiation. The Offeror shall be responsible for adding a field in the spreadsheet of Attachment 1 to cover pricing for the precious metals only if applicable.

2.3 Delivery/Production Lead Times. Clause 52.211-9G50 (F16) in the solicitation contains the targeted production lead times (PLT) for all the NSNs on this solicitation (100 DARO).

2.4 Section A, Solicitation

2.4.1 Executed and Signed RFP. Complete page 1, blocks 12 through 15, SF 33.

2.4.2 Section B, Business Practices Statement. The Offeror shall comply with the following information as follows:

Chapter 1: Delivery Compliance. The Offeror shall comply with the targeted delivery requirements requested in the solicitation.

Chapter 2: Quality Assurance Compliance. The Offeror shall comply with the requested ISO9001:2000 quality system or its equivalent.

Chapter 3: System Interface Capability. The Offeror shall comply with the Statement of Work (SOW), Section 4.1 and clause (C3) 52.211-9G33 (POPS- Computer Compatibility).

Chapter 4: Past Performance. The Government shall also use information from the DLA Automated Best Value System (ABVS), clause (M10F) 52.215-9G05. It is incumbent upon the Offeror to ensure that the ABVS information is accurate. The Offeror may obtain additional information pertaining to ABVS at:

<http://www.dscr.dla.mil/proc/abvm/About%20ABVS%20Revised.doc>.

If the Offeror does not have ABVS scores on file with DLA/DSCR, the Government may request additional past performance information. If no ABVS scores exist, the Offeror may be requested to complete a Past Performance Questionnaire, Attachment 5. The Offeror may be requested to provide past performance information for three projects performed that are similar in size, scope, and complexity to the requirements specified in the SOW within the last five years. The Offeror is not precluded from submitting additional Past Performance information on a voluntary basis (i.e. examples of achievements such as the Malcolm Baldrige Award). DLA/DSCR reserves the right to contact Government (state, local or Federal) and/or commercial points of contact or project officials who have been involved with any of the contracts you identify in your proposal for the purpose of verifying information concerning your past performance.

2.4.5 Section C, Surge and Sustainment. The Offeror shall follow the instructions in Section L, clause (L59DA) 52.217-9G26, SURGE & SUSTAINMENT CAPABILITY ASSESSMENT DSCR (JUNE 2001) for guidance on submitting a proposed approach to meeting Surge and Sustainment Requirements for the NSNs identified in the Attachment 2. Additional information on Surge may be obtained by reviewing Section I, clauses (I89F) 252.217-9006 and (I88G) 52.217-7001.

SECTION M

EVALUATION PROCEDURES

1.0 GENERAL. The Government anticipates splitting the awards on a line item basis in accordance with the source selection procedures discussed below. The Government may issue as one or more awards resulting from the line item evaluation for each NSN in this solicitation.

2.0 SOURCE SELECTION PROCESS. The Government will follow the source selection process outlined at FAR 15.101-2, lowest price technically acceptable. The awards will be made on the basis of the lowest evaluated price considering the base and the option period for each NSN that meets or exceeds the acceptability standards for the non-cost, technical evaluation factors. Accordingly, the best value trade-off process described at FAR 15.101-1 is not applicable. Technical, non-price evaluation factors will not be ranked. Prices considered unrealistically low would be analyzed for cost realism in accordance with FAR 15.404-1(d)(3).

3.0 EVALUATION FACTORS AND SUBFACTORS. The following evaluation factors and subfactors will be considered in the evaluation of proposals received under this solicitation:

- (a) Cost/Price Evaluation Factor
- (b) Technical, Non-price Evaluation Factors:
 - Business Practices
 - Delivery Compliance
 - Quality Assurance Compliance
 - System Interface Capability
 - Past Performance
 - Surge and Sustainment Compliance

To be eligible for award, an offeror must receive a rating of technically acceptable for both the Business Practices subfactors and the Surge and Sustainment Plan Compliance.

3.1 Cost/Price Proposal. The Government will evaluate the Offeror's proposed prices for the NSNs listed in Attachment 1 on a line item basis. Pricing shall be evaluated for the entire five (5) year period, inclusive of the option period as specified in clause (M18) 52.217-9G11. Pricing shall be evaluated based on the Estimated Annual Demand Quantities (EAD), or if quantity breaks are offered with various prices, the highest price offered in accordance with DSCR clause (M12) 52.216-9G09.

The Offeror shall provide pricing on First Articles Testing (FAT), if a FAT is specified in the Quality Matrix, Attachment 4. The line item evaluation will include the cost of the

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FAT, if FAT is applicable. The Offeror will also be requested to propose separate pricing for NSNs with precious metals furnished by the Government as GFP vs. procuring on the open market, if after reviewing the drawings precious metals are contained on the part.

The Contracting Officer is responsible for the determination of price reasonableness for the prime contract, including all subcontracting costs for the base and each option period. Therefore, the Offeror shall ensure that all subcontracting costs are fair and reasonable **prior** to submission of the pricing proposal. Price reasonableness is a judgment of the proposed price as compared to competitive prices received, current market conditions, Independent Government Cost Estimates (IGCE) historical prices, certified cost or pricing data or information other than certified cost or pricing data, the application of the appropriate industry indices, value analysis and/or other relevant measures. The Government may utilize any one or a combination of these techniques to ensure that prices are determined fair and reasonable.

3.2 Business Practices. To be considered technically acceptable, the Offeror must (1) be able to meet or exceed the targeted delivery requirements; (2) be ISO 9001:2000 compliant or have an acceptable quality system equivalent to ISO 9001:2000; (3) comply with the system interface requirements in the SOW, Section 4.1 and clause (C3) 52.211-9G33-POPS-Computer Compatibility; and (4) have an history of satisfactory past performance as evidenced by the scores obtained from the DLA's Automated Best Value System (AVBS) and other past performance information, if submitted.

The Government will evaluate ABVS in accordance with clause (M10F) 52.215-9G05 - Automated Best Value System and (M10G) 52.215-9G06. If an Offeror does not have ABVS scores, the Government reserves the right to contact and evaluate additional relevant past performance references. If additional references are requested, the Offeror's references must indicate that they were satisfied with the work that was performed. The Offeror will be requested to complete a past performance questionnaire, if ABVS scores do not exist. This customer satisfaction assessment will include if the references were satisfied with the record of compliance with contract terms and conditions, including delivery and the Offeror's ability to identify and resolve problems. If additional past performance information is submitted on a voluntary basis, that information will be also evaluated for customer satisfaction.

Pursuant to FAR Subpart 15.305(a)(2)(iv), an Offeror without a record of relevant past performance or for whom information on past performance is not available will not be evaluated favorably or unfavorably on past performance.

3.3 Surge and Sustainment Plan. To be determined technically acceptable, the Government will evaluate the Offeror's Surge and Sustainment in accordance with clause (M19CA) 52.217-9G27 SURGE & SUSTAINMENT EVALUATION - MINIMUM REQUIREMENT, DSCR (JUNE 2001).