

# AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT

1. CONTRACT ID CODE	PAGE	OF	PAGES
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2. AMENDMENT/MODIFICATION NO.	3. EFFECTIVE DATE	4. REQUISITION/PURCHASE REQ. NO.	5. PROJECT NO. (If applicable)
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6. ISSUED BY  CODE	7. ADMINISTERED BY (If other than Item 6)  CODE
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8. NAME AND ADDRESS OF CONTRACTOR (No., street, county, State and ZIP Code)	(X)	9A. AMENDMENT OF SOLICITATION NO.
		9B. DATED (SEE ITEM 11)
		10A. MODIFICATION OF CONTRACT/ORDER NO.
		10B. DATED (SEE ITEM 11)
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. Offers 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 \_\_\_\_\_ 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 your 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 opening hour and date specified.

12. ACCOUNTING AND APPROPRIATION DATA (If required)

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

CHECK ONE	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 date, 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.)

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  (Signature of person authorized to sign)	15C. DATE SIGNED
16B. UNITED STATES OF AMERICA  (Signature of Contracting Officer)	16C. DATE SIGNED

Amended provisions under subject RFP are provided as follows:

1. Minor revisions have been made to the Economic Price Adjustment (EPA) clause included as attachment A to Amendment 0001. Accordingly, attachment A to Amendment 0001 is hereby deleted and replaced by Attachment A to this amendment (Amendment 0002). Details of the changes are as follows:
  - a. Section (d), paragraph 2 – deleted the word “Proposed” from the calculation for the first and second option periods.
  - b. Section (d), paragraph 3 – deleted in its entirety
  - c. Section (f) – deleted “proposed” from the first sentence
  - d. Section (i) – reworded to clarify use of index other than CPI
2. Potential bidders are reminded to verify that they have the latest version of the Pricing Spreadsheet (dated 12/24/03) in order to provide your offer. The updated spreadsheet allows you to individually price all years of the base period (years 1-5). Please include an explanation in your business proposal for any adjustments to the price proposed for years 2 – 5.
3. The Bid data has been updated for NSN 4730-01-463-6231.
4. It has been noted that some supplemental drawings were missing from baskets R1.5365A, R1.5365B (shims) and P1.6240 (lamp). Subject drawings have been added to the drawing files available at: <http://www.ctc-dev.com/odm/>.
5. If you have identified any drawings that are still not available, please include a statement on your offer to identify the items you cannot bid on due to lack of drawings. In order to be considered responsive on less than 100% of the items within a basket, you must demonstrate that you notified DLA of the missing drawings in a timely manner.

## ATTACHMENT A

(a) The contractor warrants that the contract unit prices do not include allowances for any portion of the contingency covered by this clause.

(b) Consumer Price Indexes (CPIs) are published by the U.S. Department of Labor, Bureau of Labor Statistics. The CPI for the Category "CPI-U, US City Average, All Items, Not Seasonally Adjusted" will be the economic indicator used for calculating the Proposed New Unit Price for any Option Period to be exercised by the Government. The CPI, as used in this clause, means the index, as published monthly, not seasonally adjusted, for all Urban Consumers (CPI-U), U.S. City Average. The index for a given month is available approximately two weeks into the following month.

**(c) Price Adjustments Based Upon CPI Changes.**

1. Price adjustments (increases and decreases) based upon changes in the CPI indexes are authorized once for each Option Period provided the Government elects to exercise that Option. Price increases must be requested by the Contractor. Any Request for a price increase must be submitted to the contracting officer at least thirty days prior to the expiration of the current contract period in order for a price increase to take effect at the same time the upcoming Option Period takes effect (all indexes used to calculate the base and adjusting indexes should be available by this time). The request must include the calculations used to compute the Proposed New Unit Price and a comparison of the appropriate benchmarks to the Proposed New Unit Price. Price decreases are mandated by this clause. The Contractor shall notify the Contracting Officer of any price decreases in accordance with the same timeframe and provide the same information as required for increases above.

2. Price Increases: If a request is not submitted within the required timeframe, increases will not take effect until 30 days after the request is received. If no request is received within 60 days after the New Option Period takes effect, the Contractor waives its right to a price increase for that Option Period. Price Decreases: If the Contractor fails to report any price decrease, the Contracting Officer will unilaterally establish a New Option Period Unit Price based upon the parameters for adjustment under this clause.

**(d) Calculation of the UNIT PRICE for the Option Periods Based Upon Changes In The CPI.**

1. A "Base" and "Adjusting" index shall be established for each Option Period. (see paragraph (e) below).

2. The Unit Price for the Contract Period about to expire will be increased, subject to the limitation in paragraph (f), or decreased based upon the percentage change from the Base Index to the applicable Adjusting Index using the formulas below.

First Option Period:

$$\frac{\text{New U/P for}}{\text{First Option Period}} = \frac{\text{Adjusting Index}}{\text{Base Index}} \times \text{Current Contract U/P for the} \\ \text{expiring Base Period}$$

Subsequent Option Periods:

$$\frac{\text{New U/P for}}{\text{Upcoming Option Period}} = \frac{\text{Adjusting Index}}{\text{Base Index}} \times \text{Current Contract U/P for the} \\ \text{expiring Option Period}$$

**(e) Determining the "Base" and "Adjusting" Indexes For Price Changes Based Upon the CPI.** A Base and Adjusting Index shall be established for each Option Period.

1. For the first Option Period, the Base Index shall be the arithmetic average of the CPI indexes published for the month before and the actual month the award is made. The Adjusting Index shall be the arithmetic average of the CPI indexes published for the third and fourth month prior to the month the Base Period expires (e.g., if the Base Period expires in June, the Adjusting Index would be the average of the indexes published for February and March of the Base Period.)

2. For subsequent Option Periods, the Base Index for any Upcoming Option Period shall be the previously established Adjusting Index (e.g., the Base Index for the upcoming second Option Period shall be the Adjusting Index established for the first Option Period.) The Adjusting Index for any Upcoming Option Period shall be the arithmetic average of the CPI Indexes published for the third and fourth months prior to the month the current option period expires (e.g., if the first Option Period expires in June, the Adjusting Index for the upcoming second Option Period would be the average of the indexes published for February and March of the first Option Period).

(f) Any New Unit Price calculated as a result of using the formula in (d) above shall not exceed the maximum ceiling Unit Price calculated by escalating the expiring contract period unit price by 10% (e.g., the ceiling for the first Option Period Unit Price will be based on the Base Period Unit Price escalated by 10%; the ceiling for the third Option Period Unit Price will be based on the second Option Period Unit Price escalated by 10%.) *(Applies to price increases only. There is no percentage limit on downward adjustments under this clause.);*

(g) All price increases or decreases under this clause shall be effected through the issuance of a modification. The modification shall indicate the New Unit Price and the effective date of that price, which, in most cases, should be on the same date the Option Period takes effect. All delivery orders issued after the effective date shall be priced using the New Unit Price. The modification shall also include the Adjusting Index.

(h) Payment on each delivery order under this contract shall be at the contract unit price in effect at the time the order is issued.

(i) In the event—

(i) publication of any CPI Index used under this clause is discontinued or its derivation is altered substantially; or

(ii) the contracting officer determines that the index consistently and substantially fails to reflect market conditions,--

the parties shall agree upon an appropriate substitute index for determining price adjustments hereunder. The contract shall be modified to reflect such substitute index, effective on the date the index specified in the contract is no longer published or began to consistently and substantially fail to reflect market conditions.

(j) Any pricing actions pursuant to paragraph (c) entitled "Changes" of FAR Clause 52.212-4 (including any revisions by addendum thereto) or any other provisions of the contract shall be priced as though there were no provisions for economic price adjustment.

**(k) Voluntary Price Reductions (VPR):**

1. A “special or discount” offered by the Contractor which results in a voluntary price reduction for an item or group of items for a given period of time. The Contractor may offer a VPR at any time. The price reductions resulting from these VPRs will be in addition to any price reductions mandated by this EPA clause. The contractor shall notify the Contracting Officer when the VPR takes effect, the applicable items included, and the length of time the VPR will remain in effect. Once the “special or discount” period expires, prices will revert to the Contract Unit Prices that would be in effect at that time.

2. If any VPR is in effect when a price decrease is mandated under this clause, the VPR will remain in effect until it expires if it is lower than the price decrease. If the Contractor requests a price increase based upon an increase in the CPI indexes when a VPR is in effect, the VPR shall remain in effect until it expires. Upon expiration of the VPR, prices will revert to the adjusted Contract Unit Prices, as calculated in accordance with this clause as if no VPR had been in effect.

(End of clause)