

CAUTION NOTICE

Solicitation Notice: SP0300-02-R-7049

This acquisition is for Meal, Ready-to-eat, Individual (MRE) and Humanitarian Daily Ration (HDR) menus. Product shall be procured in accordance with 10 USC 2304(C) (3) and limited to those contractors with whom Industrial Preparedness Agreements exist. Best Value Continuum Procedures, specifically the Tradeoff process, shall be utilized.

This solicitation will result in an Indefinite-Quantity Contract (IQC), as provided in FAR Clause 52.216-22 Indefinite Quantity. In an IQC the government awards a range of quantities rather than a single fixed quantity. The bottom of the range is the minimum (the IQC minimum quantity), which the government is obliged to order and which is all it is committed to order. The top of the range is the maximum (the IQC maximum quantity) which is the largest quantity the government may order, and which the contractor agrees to provide if ordered. The government may order any quantity within that range. Sometimes an estimated quantity is stated also; this may be the same as the minimum or the maximum, or it may be a quantity within the IQC range.

PDMs (Procurement Demonstration Models) are required for this solicitation. See Sections L and M for detailed information.

This solicitation contains a new provision, at Surge Option Clause 252.217-7001, that requires all potential vendors to provide company profile and item surge and production data online at the Defense Supply Center Philadelphia's Subsistence Planning Integrated Data Enterprise Readiness System (SPIDERS) website at <http://dscp362.dscp.dla.mil/spiders/home.htm>. This secure web server uses https protocol with 128-bit encryption. New users must register online. By submission of its offer, the offeror agrees to accelerate deliveries up to the quantities entered in the table entitled "Committed Time Phased Surge". A printed copy of the company profile and surge production data also must be returned with this solicitation. SPIDERS is an integrated application developed for the Defense Supply Center Philadelphia (DSCP) to assist readiness analysts in predicting, evaluating and improving the ability of private industry to meet an increase in the Government's demands in a surge situation. Surges in the Government's requirements occur during military operations, humanitarian assistance missions, and domestic or foreign natural disaster relief. Please contact Mr. Carmen Viola at 215-737-4517 or Mr. Richard Golden at 215-737-7502 if you have any concerns or questions.

"All wooden pallets and wood containers produced entirely or in part of non-manufactured softwood species shall be constructed from Heat Treated (HT TO 56 DEGREES centigrade for 30 minutes) coniferous material and certified accordingly by an accredited agency recognized by the American Lumber Standards Committee (ALSC) in accordance with Non-manufactured Wood Packing Policy and Non-manufactured Wood Packing Enforcement Regulations both dated May 30, 2001. All wooden pallets and containers produced entirely of non-manufactured hardwood species shall be identified by a permanent marking of "NC," 1.25 inches or greater in height, accompanied by the Cage code of the contracted manufacturer and the month and year of the contract. On pallets, the marking shall be applied to the stringer or block on opposite sides and ends of the pallet and be contrasting and clearly visible. On containers, the marking shall be applied on a side other than the top or bottom, contrasting and clearly visible."

SOLICITATION AND OFFER		1. THIS CONTRACT IS A RATED ORDER UNDER DPAS (15 CFR 700)		RATING DO-C1	PAGE 1 OF 130 PAGE(S)
2. SOLICITATION NUMBER SP0300-02-R-7049		3. TYPE OF SOLICITATION <input type="checkbox"/> SEALED BID (IFB) <input checked="" type="checkbox"/> NEGOTIATED		4. DATE ISSUED 29 July 2002	
6. ADDRESS MAILED OFFER TO: DEFENSE LOGISTICS AGENCY DEFENSE SUPPLY CENTER PHILADELPHIA PO BOX 56667 PHILADELPHIA, PA 19111-6667		CODE SPO 300	7. DELIVER HANDCARRIED OFFER, INCLUDING DELIVERY BY COMMERCIAL CARRIER, TO: DEFENSE SUPPLY CENTER PHILADELPHIA BUSINESS OPPORTUNITIES OFFICE BLDG. 36, 2ND FLOOR PHILADELPHIA, PA 19111-5092		
6A. FOR INFORMATION CALL (No Collect Calls) 215-737-2969		7A. ADDRESS ELECTRONIC TRANSMISSIONS To: Facsimile:(215)737-9300, 9301, 9302, or 9303			
6B. PURCHASING AGENT: Frank Tallent CONTRACTING OFFICER: James A. Lecollier OFFICE SYMBOL: DSCP-HRAA					
SOLICITATION					
8. Sealed offers will be received at the Defense Supply Center Philadelphia, Business Opportunities Office, Bldg. 36-2-S, until (hour) local time (date) 28 AUG 2002 . To assure prompt delivery, mailed offers should be addressed per block 6, electronic transmissions per block 7A, and handcarried offers delivered to the specific location set forth in block 7. If offering, your reply envelope must be plainly marked with the solicitation number, date, and time set forth for receipt of offers. CAUTION: FAILURE TO SUBMIT OFFER: When not responding to the solicitation with an offer, complete the reverse side, fold, affix postage and mail. If the solicitation is a sealed bid, see the provision at 52.214-9 in Section L. LATE SUBMISSIONS, MODIFICATIONS AND WITHDRAWALS: See Section L, provision 52.214-7 if the solicitation is a sealed bid.					
8A. NOTICE: ANY CONTRACT AWARDED TO A CONTRACTOR WHO, AT THE TIME OF AWARD WAS SUSPENDED, DEBARRED, INELIGIBLE FOR RECEIPT OF CONTRACTS WITH GOVERNMENT AGENCIES OR IN RECEIPT OF A NOTICE OF PROPOSED DEBARMENT FROM ANY GOVERNMENT AGENCY, IS VOIDABLE AT THE OPTION OF THE GOVERNMENT.					
9. THIS SOLICITATION IS FOR MRE (Meal, Ready-to-Eat) and HDR (Humanitarian Daily Ration) AND IS					
<input type="checkbox"/> HubZone Small Business Set-Aside <input type="checkbox"/> Price Evaluation Preference <input type="checkbox"/> Total Set Aside for SDB Concerns <input type="checkbox"/> Total Set Aside for Small Business Concerns <input type="checkbox"/> Partial Set-Aside for Small Business Concerns with Preferential Consideration for SOB Concerns <input checked="" type="checkbox"/> Unrestricted Acquisition with Evaluation Preference for SOB Concerns <input checked="" type="checkbox"/> Unrestricted Acquisition					
OFFER (MUST BE FULLY COMPLETED BY OFFEROR)					
NOTE: ITEM 10 DOES NOT APPLY IF THE SOLICITATION INCLUDES SECTION K PROVISION NO. 52.214-16, MINIMUM BID ACCEPTANCE PERIOD					
10. In compliance with the above, the undersigned agrees, if this offer is accepted within _____ calendar days (60 calendar days unless a different period is inserted by the offeror) from the date for receipt of offers specified above, to furnish any or all items upon which prices are offered at the price set opposite each item, delivered at the designated point(s), within the time specified in the schedule.					
11. DISCOUNT FOR PROMPT PAYMENT (See Section I, Clause No. 52.232-8)		10 CALENDAR DAYS %	20 CALENDAR DAYS %	30 CALENDAR DAYS %	CALENDAR DAYS %
12. ACKNOWLEDGMENT OF AMENDMENTS (The offeror acknowledges receipt of amendments to the Solicitation for offers and related documents numbered and dated)		AMENDMENT NO.	DATE	AMENDMENT NO.	DATE
13. CAGE CODE _____ FACILITY CODE _____					
NAME AND ADDRESS OF OFFEROR (Street, City, County, State and Zip Code)					AREA CODE AND TELEPHONE NO.
<input type="checkbox"/> Check if remittance address is different from above. Enter such address in schedule (see DSCP Provision 52.242-9P18).					
14. NAME AND TITLE OF PERSON AUTHORIZED TO SIGN OFFER (Type or print)					
15. SIGNATURE					16. OFFER DATE

SOLICITATION NO.

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NO OFFER SUBMITTED FOR REASON(S) CHECKED

CANNOT COMPLY WITH SPECIFICATIONS

CANNOT MEET DELIVERY REQUIREMENT

NO OPEN PRODUCTION CAPACITY AT PLANT

DO NOT REGULARLY MANUFACTURE OR SELL THE TYPE OF ITEMS INVOLVED

OTHER (Specify)

WE DO

WE DO NOT DESIRE TO BE RETAINED ON THE MAILING LIST FOR FUTURE SOLICITATIONS OF THE TYPE OF ITEM(S) INVOLVED

NAME AND ADDRESS OF FIRM (Include zip code)

SIGNATURE

TYPE OR PRINT NAME AND TITLE OF SIGNER

fold

fold

FROM:

AFFIX STAMP HERE

TO: DEFENSE LOGISTICS AGENCY
DEFENSE SUPPLY CENTER PHILADELPHIA
P.O. BOX 56667
PHILADELPHIA, PA 19111-6667

SOLICITATION NO.

OPENING/CLOSING DATE AND LOCAL TIME

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Section M – Evaluation Factors for Award

** These sections are included as part of the technical Data Package which is a separate document from the solicitation. (Section D is also partially enclosed in the solicitation.)

SECTION B – SUPPLIES OR SERVICES AND PRICES

The items in B-1 below are set-aside as follows:

<u>Item(s)</u> <u>Employee #</u>	<u>Set-Aside/Unrestricted</u>	<u>NAICS</u>	<u>SB</u>
0001	Unrestricted as to Business Size Restricted to Contractors With Industrial Preparedness Agreements	311422	1,000
0002	Unrestricted as to Business Size Restricted to Contractors With Industrial Preparedness Agreements	311422	1,000

B-1 Supplies

Estimated Requirements

Line	Description/NSN	Base Year	Unit Price	Option Year 1	Unit Price	Option Year 2	Unit Price
0001	Meal Ready-to-Eat, (MRE), Menus No 1-24, 12 menus per Case NSN: 8970-00-149-1094 F.B.O. Origin Type-2	2,900,000 BX	\$ _____	2,900,000 BX	\$ _____	2,900,000 BX	\$ _____
0002	Humanitarian Daily Ration (HDR) Each meal bag is for one person for one day, no beef, pork, poultry, fish or any other animal or animal by-product including animal based cooking fats or oils, except as permitted by this document. NSN: 8970-01-375-0516 F.O.B.: Origin Type-2	30,000 BX	\$ _____	30,000 BX	\$ _____	30,000 BX	\$ _____

Note: MREs contain 12 menus per case
HDRs contain 10 menus per case

SECTION B - SUPPLIES OR SERVICES AND PRICES

Note: Box is the official unit of issue for the MRE and HDR however cases and boxes will be used synonymously in this solicitation.

B-2 General Information:

1. The effective period of the contract for the base year will be from date of award through December 31, 2003. The contract consists of two one year option periods. For each option year respectively, the effective period will be from date of award **through 365 days thereafter.** This applies to both item 0001, MRE and item 0002, HDR.

2. The supplies below represent the minimum, estimated and maximum requirements for end-item operational ration items expected to be purchased from those contractors with whom industrial agreements exist over the next three years.

3. Offerors are requested to submit offers for the base term and the two option years. Offers on the option years are mandatory in accordance with Clause 52.217-9P12 on page 57. Offerors may submit their offered quantities, prices and (pricing information) using the (pricing sheets) contained in this solicitation or using their own, similar format.

B-3 Indefinite Quantity Contracts (IQCs)/Multiple Sourcing:

1. IQCs will be awarded under this solicitation as provided in FAR Clause 52.216-22, Indefinite Quantity, located on page 56. In an IQC the Government awards a range of quantities rather than a single fixed quantity. The bottom range is the IQC minimum quantity, which is the only quantity the Government is obligated to order. The IQC maximum quantity is the largest quantity the Government may order under the contract. The Government may order any quantity within that range.

2. The quantities shown in B-1 represent the estimated annual quantities for each item, i.e., those quantities expected to be ordered in each program year. The IQC minimum quantities and IQC maximum quantities for each line item for each year are as follows:

ITEMS	MINIMUM QUANTITY	MAXIMUM
0001 MRE Assembly		
base year	2,500,000 boxes	3,750,000 boxes
(each) option year	2,500,000 boxes	3,750,000 boxes
0002 HDR	30,000 boxes	750,000 boxes

SECTION B - SUPPLIES OR SERVICES AND PRICES

B-1 Supplies (Continued)

Pricing shall be offered in 5% increments as follows:

Price Tiers for MRE IQC Minimum Quantities Awarded

IQC-Minimum Quantity Tiers	Base Year Price
20% (1 - 500,000 cs)	_____
25% (500,001 - 625,000 cs)	_____
30% (625,001 - 750,000 cs)	_____
35% (750,001 - 875,000 cs)	_____
40% (875,001 - 1,000,000 cs)	_____
45% (1,000,001 - 1,125,000 cs)	_____
50% (1,125,001 - 1,250,000 cs)	_____

Option-Year IQC-Min Quantity Tiers	Option Year One Price	Option Year Two Price
20% (1 - 500,000 cs)	_____	_____
25% (500,001 - 625,000 cs)	_____	_____
30% (625,001 - 750,000 cs)	_____	_____
35% (750,001 - 875,000 cs)	_____	_____
40% (875,001 - 1,000,000 cs)	_____	_____
45% (1,000,001 - 1,125,000 cs)	_____	_____
50% (1,125,001 - 1,250,000 cs)	_____	_____

While offerors are requested to submit offers in 5% increments (from 20% to 50% of the overall minimum quantity requirement) the Government reserves the right to award option quantities within the range of those increments for the option year. Offerors must state that the prices for a particular increment covers the quantity range to the next increment. For example, an award could be made of an IQC minimum quantity of 588,000 cases, which falls into the tier identified as the 30% tier and is 28.00% of the option-year Government Overall Minimum Requirement (GOMR).

See Section L for further details.

SECTION B - SUPPLIES OR SERVICES AND PRICES

ITEM 0001 - MRE ASSEMBLY:

The minimum quantity is 2,500,000 Cs for the base year and each option year respectively. The maximum quantity is 150% of the minimum quantity for the base year and option year respectively.

ITEM 0002 - HDR:

The estimated quantity for the base year and each option year respectively is 30,000 boxes. The maximum quantity for the base year and each option year respectively is 750,000Cs of the estimated quantity.

3. It is the intention of the Government to multisource items 0001 (MRE Assembly) and 0002 (HDR) under this solicitation, i.e., to make more than one award for each item.

4. It is the Government's intention to issue delivery orders for the minimum quantities for item 0001 MRE concurrent with award of the basic contract. Subsequent delivery orders against maximum quantities will be based upon the evaluation factors cited in Section M of this solicitation and will be issued in accordance with clause 52.216-18 and 52.216-9P06.

Delivery orders for item 0002, HDR, will be issued as needed, for at least the minimum quantity.

5. Tiered pricing, also called "block bidding," is permitted under this solicitation.

Note: For item 0001, MRE Assembly, offers for less than 20% of the annual minimum requirement, or for more than 50% of the annual minimum requirement, shall not be considered by the Government. See sections L and M for further instructions.

B-4 New Items:

Continuous menu improvements in the Operational Rations may result in new menu items over the life of this contract, and items required in the option year(s) may be different than those awarded and produced during the base year. The replacement of one product over another will be accomplished through a unilateral change order in accordance with clause 52.243-1, Changes - Fixed Price, and subsequently definitized for any cost increase(s) or decrease(s). A change in item pricing will result in a corresponding change in the contract minimum and maximum dollar values.

SECTION B - SUPPLIES OR SERVICES AND PRICES

B-5 Economic Price Adjustment (EPAs):

EPA provisions in accordance with clause 52.216-9P17 (Feb 1999) are applicable where it is necessary to protect the Contractor and the Government against significant fluctuations in material costs. Economic indicators and publications are included in the clause attachment.

B-6 Meal, Ready-to-Eat (MRE), Individual and Component Items:

1. The 24 entrees are as follows:

Bean and Rice Burrito
 Beef Enchiladas
 Beef Patty
 Beef Ravioli
 Beef Roast w/Vegetables
 Beef Steak w/Mushrooms
 Beef Stew
 Beef Teriyaki
 Boneless Pork Rib
 Cheese Tortellini
 Chicken Tetrazini
 Chicken w/Cavetelli
 Chicken w/Noodles
 Chicken w/Salsa
 Chili & Macaroni
 Country Captain Chicken
 Chicken Breast Fillet
 Jambalaya
 Meatloaf w/Gravy
 Pasta w/Vegetables
 Spaghetti w/Meat Sauce
 Thai Chicken
 Turkey Breast Pot/Gravy
 Vegetable Manicotti

2. In addition to the 24 entrees, the following items will not be considered for GFM, but shall be supplied as CFM:

Applesauce (Type I)
 Applesauce, Raspberry (Type VI)
 BBQ Sauce
 Beef Snacks
 - Buttered Noodles
 Cappuccino, French Vanilla
 Cappuccino, Mocha
 Chocolate Chip Cookies

SECTION B - SUPPLIES OR SERVICES AND PRICES

Chocolate Mint Cookies
Chocolate Disc Cookie
Chocolate Sports Bar
Clam Chowder
Crackers Plain
Crackers, vegetable
Dairy Shake
Flameless Ration Heater
Hot Sauce
Mashed Potatoes
Minestrone (Stew)
Noodles, Chow Mien
Oatmeal Cookie
Picante Sauce
Potato Sticks
Pretzels
Pretzels Cheese Filled-Dhdr/Ncho
Red Pepper, Ground
Rice Mexican
Rice Yellow/Wild Pilaf
Roasted Peanuts
Seasoning Blend, Salt Free
Vanilla Sugar Cream Wafer Cookie
Western Beans

In addition to the above CFM, MRE assembly contractors shall provide all services and materials not specifically designated as GFM which are necessary for the required assembly, palletization and unitization of completed cases and for the loading, blocking and bracing of complete pallets onto shipping conveyances.

Components will be assembled into menus 1-24 for the MRE as specified in MIL-M-44074

B-7 Product Demonstration Models (PDMs):

Product Demonstration Models are required for all items as stated in Sections L and M. PDMs for new items discussed in section M shall be submitted in accordance with instructions in L & M 45 days prior to the end of the contract term (for option year one, 45 days prior to end of base year term; for option year two, 45 days prior to end of option year one). -

SECTION B - SUPPLIES OR SERVICES AND PRICES

B-8 Options:

This acquisition contains two one year options. Acceptance of the option provision(s)/clause(s) contained herein is mandatory. The option is deemed exercised when mailed or otherwise furnished to the contractor.

Option Pricing:

Failure to indicate offer of the option by annotating the offeror's option price in the schedule at Section B may be deemed non-acceptance of the option and could result in rejection of the offeror's entire proposal.

Offeror's may offer option unit prices, which differ from the unit prices for the base ordering period. These prices may vary with the quantities actually ordered and the dates when ordered.

Prior to the award of any contract which will contain one or more priced options totaling \$550,000.00 or more, the submission of certified cost or pricing data covering the basic contract and the option(s) shall be required regardless of when the option(s) may be exercised, unless an exception thereto is appropriate in accordance with FAR 15.403-4.

Option Pricing and EPA's:

Option Year One and Option Year Two pricing consists of a firm fixed price portion and a portion subject to EPA.

**52.214-9001 SCHEDULE – FIRM FIXED PRICE & FIXED PRICE WITH
ECONOMIC
PRICE ADJUSTMENT (JUL 1996) DLAD**

For the following items, the base unit price {before any economic price adjustment (EPA)} is comprised of two portions:

(1) a portion subject to adjustment under the EPA clause of this contract,
plus

(2) the (remaining) firm fixed price portion (for which separate pricing is permitted for option periods) pursuant to the clause of this contract entitled, "Option to Extend the Term of the Contract – Separate Firm Fixed Price & Fixed Price with Economic Price Adjustment Portions".

**52.217-9001 OPTION TO EXTEND THE TERM OF THE CONTRACT –
SEPARATE****FIRM FIXED PRICE & FIXED PRICE WITH ECONOMIC PRICE
ADJUSTMENT PORTIONS (JUL 1996) DLAD**

(a) The Government may extend the term of this indefinite-quantity contract for one or more additional one-year periods by written notice to the contractor no later than three days prior to the expiration of the contract; provided, that the Government shall give the contractor a preliminary written notice of its intent to extend at least sixty days before the contract expires. The preliminary notice does not commit the Government to an extension.

(b) If the Government exercises this option, the extended contract shall be considered to include this option clause, and the estimated quantities specified in the schedule for that option period will apply. The modification exercising the option will also modify DSCP Clause 52.217-9P16, Effective Period of Contract – Indefinite Delivery Contract, to cover the base ordering period and the additional option period(s) exercised to date. The total duration of this contract, including the exercise of any options under this clause, shall not exceed five years.

(c) The offeror agrees to furnish during the option period those items cited in the schedule that are subject to economic price adjustment (EPA), at unit prices made up of two portions:

(1) a portion applicable to the purchase costs of the specified material subject to the EPA, at the dollar value per unit in the award, modified by any adjustment under the EPA clause of this contract, and

(2) the (remaining) firm fixed price portion of the price for the same contract line item, using the applicable amount for each option period as follows:

Item No.	Item Description	Option Year 1		Option Year 2	
		Firm Fixed Price Portion	Portion Subject to EPA	Firm-Fixed Price Portion	Portion Subject to EPA
0001	Meal, Ready-to-Eat (MRE), Individual 8970-00-149-1094		LDPE Resins Large Buyer, Market Clearing		LDPE Resins Large Buyer, Market Clearing
			Linerboard (42 lb.), East. Sh. Ton		Linerboard (42 lb.), East Sh. Ton
			Bnles Proc Bf/Bf Trimming, FOB Ohama. Wtd., 85% Fresh (BPN U- 24)		Bnles Proc Bf/Bf Trimming, FOB Ohama. Wtd., 85% Fresh (BPN U-24)
			IMPS 167A Trimmed Knuckle, Wtd. (BPN U-24)		IMPS 167A Trimmed Knuckle, Wtd. (BPN U-24)

			Heavy Type Hen, S.E. Live Hen Market, at Farm Buyer Loading, Wtd.		Heavy Type Hen, S.E. Live Hen Market, at Farm Buyer Loading, Wtd.
			Breasts, B/S, GA F.O.B. Dock Prices, Wtd.		Breasts, B/S, GA F.O.B. Dock Prices, Wtd.
			Boston Butt, 1/4" Trim, 4-8 #, Wtd.		Boston Butt, 1/4" Trim, 4-8 #, Wtd.
			Pk. Loins, Reg, Fresh, 14-18#, BPN U-40, Wtd.		Pk. Loins, Reg, Fresh, 14-18#, BPN U-40, Wtd.

**52.216-9P17 ECONOMIC PRICE ADJUSTMENT – ESTABLISHED MARKET PRICE -
(JUN 1995) ALTERNATE II (FEB. 1999) DSCP**

(a) The Contractor warrants that the unit prices included in the Schedule do not include allowances for any portion of the contingency covered by this clause.

(b) An established market price is a price that is established in the course of ordinary and usual trade between buyers and sellers free to bargain and that can be substantiated by data from sources independent of the offeror(s). The established market price under this clause may reflect industry-wide and/or geographically based market price fluctuations for commodity groups or specific supplies. The established market price that shall be used for adjustments to contract prices under this clause, shall be the price for the economic indicators and corresponding publications described at paragraph (m) below.

(1) The base unit price for the purpose of the adjustment calculations under this clause shall be the arithmetic average of the published prices for the period specified and as described at paragraph (m) below immediately preceding (i) the closing date for proposals, if no discussions are held, (ii) the due date for final proposal revisions, if discussions are held, or (iii) the opening date, if sealed bidding is used.

(2) The adjusting unit price shall be the arithmetic average of the published prices for the period specified and as described on the spreadsheet at paragraph (m) below prior to the effective date of each term option exercised.

(c) With respect to increases or decreases under this clause, no adjustment shall be made to the base term contract unit prices. One adjustment calculation shall be made annually to determine the unit prices applicable to the forthcoming option term (if exercised), except linerboard which will be adjusted on a semi-annual basis.

(d) Allowance Factor. For the purpose of price adjustment pursuant to this clause, it shall be conclusively presumed that the amount shown under "Portion Subject to EPA" in the schedule on DLAD clause 52.217-9001, represents the cost of each item that is subject to adjustment. This allowance factor remains fixed throughout the life of the contract unless a Government authorized change is made to the contract which affects this allowance.

(e) Adjustments shall be calculated as follows: (Round to four decimal places)

- (1) Compute the Adjusting Unit Price and the Base Unit Price of each ingredient.
- (2) $\text{Adjusting Unit Price} - \text{Base Unit Price} / \text{Base Unit Price} = \text{Market Price Change}$
- (+ or -)
- (3) $\text{Market Price Change} \times \text{Allowance Factor} = \text{Price Adjustment (+ or -)}$
- (4) Determine the Contract Unit Price Adjustment by computing the sum total of the Price Adjustments for each contract item.

(5) The original option unit price(s) for each option will be the sum of the firm fixed price portion and the portion subject to the EPA (Allowance Factor). The adjusted unit price(s) for each option shall be determined by increasing or decreasing (as appropriate) the Allowance Factor by the Contract Unit Price Adjustment and adding that to the firm fixed price portion agreed to at the time of award for the option period being adjusted.

(f) Price adjustments pursuant to this clause shall be made by contract modification showing the calculations used to derive the adjusted contract unit prices.

(g) Payment on this contract shall be at the current contract price pending issuance of an adjusting modification.

(h) Any pricing actions pursuant to the CHANGES clause or other provisions of the contract will be priced as though there were no provisions for economic price adjustment.

(i) No adjustment will be made under this clause unless the total change in the contract amount is \$500.00 or more.

(j) The total increase in any contract unit price shall not exceed 10% per annum of the original option unit prices agreed to at time of award. If at any time during the term of the contract, a proposed economic price adjustment will exceed this ceiling, either party may cancel the contract effective 60 days after receipt of written notice of the cancellation. There is no percentage limit on downward adjustments under this clause.

(k) In the event (i) any applicable market price indicator is discontinued or its method of derivation is altered substantially or (ii) the Contracting Officer determines that the market price indicator consistently and substantially fails to reflect market conditions, the parties shall mutually agree upon an appropriate and comparable substitute and the contract shall be modified to reflect such substitute effective on the date the indicator was discontinued, altered, or began to consistently and substantially fail to reflect market conditions. If the parties fail to agree on an appropriate substitute, the matter shall be resolved in accordance with the DISPUTES clause of the contract.

(l) The Contractor shall certify on the final invoice that amounts invoiced under this contract reflect all decreases required by this clause.

(m) Attached spreadsheet entitled "Economic Price Adjustment Information" lists the EPA Factors, Economic Indicators, Sources/Publications, Frequency of Sources/Publications, Publishers, Allowance Factor, Base Unit Price, and Adjusting Unit Price that shall be used for adjustments to contract prices under this clause.

Economic Price Adjustment Information
Attachment to Clause 52.216-9P17 Economic Price Adjustment (EPA) Alternate II

Item	Economic Indicator	Publication	Frequency of Publication	Publisher	Allowance Factor	Base Unit Price	Adjusting Unit Price
Beef Enchiladas	IMPS 167A Round, Knuckle, Trimmed, Wtd. Avg. (BPN U-12)	Weekly National Carlot Meat Report	Weekly	USDA		52-week period	52-week period
Beef Patty	Boneless Processing Beef/Beef Trimmings, FOB Omaha, Wtd. Avg. 85% fr (BPN U-24)	Weekly National Carlot Meat Report	Weekly	USDA		52-week period	52-week period
Beef Ravioli	Boneless Processing Beef/Beef Trimmings, FOB Omaha, Wtd. Avg. 85% fr (BPN U-24)	Weekly National Carlot Meat Report	Weekly	USDA		52-week period	52-week period
Beef Steak w/ Mushrooms	Boneless Processing Beef/Beef Trimmings, FOB Omaha, Wtd. Avg. 85% fr (BPN U-24)	Weekly National Carlot Meat Report	Weekly	USDA		52-week period	52-week period
Beef Stew	IMPS 167A Round, Knuckle, Trimmed, Wtd. Avg. (BPN U-12)	Weekly National Carlot Meat Report	Weekly	USDA		52-week period	52-week period
Beef Teriyaki	IMPS 167A Round, Knuckle, Trimmed, Wtd. Avg. (BPN U-12)	Weekly National Carlot Meat Report	Weekly	USDA		52-week period	52-week period
Beef Roast w/ Vegetables	Boneless Processing Beef/Beef Trimmings, FOB Omaha, Wtd. Avg. 85% fr (BPN U-24)	Weekly National Carlot Meat Report	Weekly	USDA		52-week period	52-week period
Boneless Pork Rib	Loin, Bone-in, Fresh, 1/4" Trim 13-19#, C4, Wtd. Avg. (BPN U-40)	Weekly National Carlot Meat Report	Weekly	USDA		52-week period	52-week period
Chicken Tetrazini	Heavy Type Hens, S.E. Heavy Live Hen Report, At Farm Buyer Loading, Wtd. Avg.	USDA Broiler Market News Report (Monday Edition)	Weekly	USDA		52-week period	52-week period
Chicken w/ Cavatelli	Breasts, B/S, Georgia F.O.B. Dock, Wtd. Avg. Price	USDA Broiler Market News Report (Monday Edition)	Weekly	USDA		52-week period	52-week period
Chicken w/ Noodles	Heavy Type Hens, S.E. Heavy Live Hen Report, At Farm Buyer Loading, Wtd. Avg.	USDA Broiler Market News Report (Monday Edition)	Weekly	USDA		52-week period	52-week period
Chicken w/ Salsa	Breasts, B/S, Georgia F.O.B. Dock, Wtd. Avg. Price	USDA Broiler Market News Report (Monday Edition)	Weekly	USDA		52-week period	52-week period
Chicken w/ Thai Sauce	Heavy Type Hens, S.E. Heavy Live Hen Report, At Farm Buyer Loading, Wtd. Avg.	USDA Broiler Market News Report (Monday Edition)	Weekly	USDA		52-week period	52-week period

Economic Price Adjustment Information
 Attachment to Clause 52.216-9P17 Economic Price Adjustment (EPA) Alternate II

Item	Economic Indicator	Publication	Frequency of Publication		Allowance Factor	Base Unit Price	Adjusting Unit Price
			Publication	Publisher			
Chili & Macaroni	Boneless Processing Beef/Beef Trimmings, FOB Omaha, Wtd. Avg. 85% fr (BPN U-24)	Weekly National Cattle Meat Report	Weekly	USDA		52-week period	52-week period
Country Captain Chicken	Breasts, B/S, Georgia F.O.B. Dock, Wtd. Avg. Price	USDA Broiler Market News Report (Monday Edition)	Weekly	USDA		52-week period	52-week period
Chicken Breast	Breasts, B/S, Georgia F.O.B. Dock, Wtd. Avg. Price	USDA Broiler Market News Report (Monday Edition)	Weekly	USDA		52-week period	52-week period
Meatloaf w/ Gravy	Boneless Processing Beef/Beef Trimmings, FOB Omaha, Wtd. Avg. 85% fr (BPN U-24)	Weekly National Cattle Meat Report	Weekly	USDA		52-week period	52-week period
Spaghetti w/ Meat Sauce	Boneless Processing Beef/Beef Trimmings, FOB Omaha, Wtd. Avg. 85% fr (BPN U-24)	Weekly National Cattle Meat Report	Weekly	USDA		52-week period	52-week period
Turkey Breast Pot/Gravy	Breasts, B/S, TOM, National Young Turkey Parts & Bulk Meat, Wtd. Avg. Price	USDA Turkey Market News Report (Monday Edition)	Weekly	USDA		52-week period	52-week period
Beef Snacks	IMPS 171B Round, Outside Round, Wtd. Avg. (BPN U-31)	Weekly National Cattle Meat Report	Weekly	USDA		52-week period	52-week period
MRE Assembly	Linerboard (42-lb) Unbleached kraft, East, Sh. Ton	Pulp & Paper Week	Weekly but Prices are Published Monthly	Miller Freeman, Inc.		6-month period	6-month period

Item No.	Item Description	Base Year	Option Year 1	Option Year 2
0001	Meal, Ready-to-Eat, Individual (MRE), Menus No. 1-24 NSN: 8970-00-149-1094			
	Firm Fixed Price Portion	<hr/>	<hr/>	<hr/>
	Portion Subject to EPA:			
	Bean and Rice Burrito	<hr/>	<hr/>	<hr/>
	Beef Enchiladas	<hr/>	<hr/>	<hr/>
	Beef Patty	<hr/>	<hr/>	<hr/>
	Beef Ravioli	<hr/>	<hr/>	<hr/>
	Beefsteak w/ Mushrooms	<hr/>	<hr/>	<hr/>
	Beef Stew	<hr/>	<hr/>	<hr/>
	Beef Teriyaki	<hr/>	<hr/>	<hr/>
	Beef Roast w/ Veggies.	<hr/>	<hr/>	<hr/>
	Pork Rib	<hr/>	<hr/>	<hr/>
	Cheese Tortellini	<hr/>	<hr/>	<hr/>
	Chicken Tetrazini	<hr/>	<hr/>	<hr/>
	Chicken w/ Cavetelli	<hr/>	<hr/>	<hr/>
	Chicken w/ Noodles	<hr/>	<hr/>	<hr/>
	Chicken w/ Salsa	<hr/>	<hr/>	<hr/>
	Chicken w/ Thai Sauce	<hr/>	<hr/>	<hr/>
	Chili & Macaroni	<hr/>	<hr/>	<hr/>
	Country Captain Chicken	<hr/>	<hr/>	<hr/>
	Chicken Breast	<hr/>	<hr/>	<hr/>
	Jambalaya	<hr/>	<hr/>	<hr/>
	Meatloaf w/ Gravy	<hr/>	<hr/>	<hr/>
	Pasta w/ Vegetables	<hr/>	<hr/>	<hr/>
	Spaghetti w/ Meat Sauce	<hr/>	<hr/>	<hr/>
	Turkey Breast Pot/Gravy	<hr/>	<hr/>	<hr/>
	Beef Snacks	<hr/>	<hr/>	<hr/>
	Vegetable Manicotti	<hr/>	<hr/>	<hr/>
	MRE Assembly - Linerboard	<hr/>	<hr/>	<hr/>
	Total	<hr/>	<hr/>	<hr/>
	Unit Price	<hr/>	<hr/>	<hr/>
	(Firm Fixed Price + Portion Subject to EPA)	<hr/>	<hr/>	<hr/>

2. Since this is a multisource acquisition (more than one award is contemplated and more than one award may be made for each item) the IQC minimum and IQC maximum for each award will be a proportion of the overall quantity range; and if a line item is split between or among different offerors, the IQC range for that line will be a proportion of the range for the entire line item. For example, if two equal awards are made for the entire solicited quantity, each awardee would receive half of the overall IQC minimum and half of the overall IQC maximum.

Pricing Breakdown for MRE Individual:

Offerors for item 0001 MRE individual shall provide the prices for all quantity levels and contract periods as described in L-1. A separate pricing breakdown should be made for each proposal.

Contract Period	Base Year	# of Cases	
CFM ITEM	QUANTITY/CS	UNIT PRICE	CASE PRICE
1. The 24 entrees are as follows:			
Bean and Rice Burrito	_____	_____	_____
Beef Enchiladas	_____	_____	_____
Beef Patty	_____	_____	_____
Beef Ravioli	_____	_____	_____
Beef Steak w/Mushrooms	_____	_____	_____
Beef Stew	_____	_____	_____
Beef Teriyaki	_____	_____	_____
Beef Roast w/Vegs.	_____	_____	_____
Pork Rib	_____	_____	_____
Cheese Tortellini	_____	_____	_____
Chicken Tetrazzini	_____	_____	_____
Chicken w/Cavetelli	_____	_____	_____
Chicken w/Noodles	_____	_____	_____
Chicken w/Salsa	_____	_____	_____

SECTION B - SUPPLIES OR SERVICES AND PRICES

CFM ITEM	QUANTITY/CS	UNIT PRICE	CASE PRICE
Chili & Macaroni	_____	_____	_____
Country Captain Chicken	_____	_____	_____
Chicken Breast	_____	_____	_____
Jambalaya	_____	_____	_____
Meatloaf w/Gravy	_____	_____	_____
Pasta w/Vegetables	_____	_____	_____
Spaghetti w/Meat Sauce	_____	_____	_____
Thai Chicken	_____	_____	_____
Turkey Breast Pot/Gravy	_____	_____	_____
Vegitable Manicotti	_____	_____	_____

2. In addition to the 24 entrees, the following will not be considered for GFM, but shall be supplied as CFM:

Applesauce (Type I)	_____	_____	_____
Applesauce, Raspberry (Type VI)	_____	_____	_____
BBQ Sauce	_____	_____	_____
Beef Snacks	_____	_____	_____
Buttered Noodles	_____	_____	_____
Cappuccino, French Vanilla	_____	_____	_____
Cappuccino, Mocha	_____	_____	_____
Chocolate Chip	_____	_____	_____
Chocolate Mint	_____	_____	_____
Chocolate Disc Cookie	_____	_____	_____
Chocolate Sports Bar	_____	_____	_____
Chow Mein Noodles	_____	_____	_____

SECTION B - SUPPLIES OR SERVICES AND PRICES

CFM ITEM	QUANTITY/CS	UNIT PRICE	CASE PRICE
Clam Chowder	_____	_____	_____
Crackers	_____	_____	_____
Crackers, Vegetable	_____	_____	_____
Dairy Shake	_____	_____	_____
Flameless Ration Heater	_____	_____	_____
Hot Sauce	_____	_____	_____
Mashed Potatoes	_____	_____	_____
Noodles, Chow Mien	_____	_____	_____
Picante Sauce	_____	_____	_____
Potato Sticks	_____	_____	_____
Pretzels	_____	_____	_____
Pretzels Cheese Filled Dhdr/Ncho	_____	_____	_____
Red Pepper, Ground	_____	_____	_____
Rice Mexican	_____	_____	_____
Rice Yellow	_____	_____	_____
Roasted Peanuts	_____	_____	_____
Seasoning Blend/Salt Free	_____	_____	_____

SECTION B - SUPPLIES OR SERVICES AND PRICES

CFM ITEM	QUANTITY/CS	UNIT PRICE	CASE PRICE
Vanilla Sugar Cookie	_____	_____	_____
Packaging Materials	_____	_____	_____
Accessory Assembly	_____	_____	_____
Menu Assembly	_____	_____	_____
Final Assembly	_____	_____	_____
Inspection Cost	_____	_____	_____
Total Cost	_____	_____	_____
Total Price	_____	_____	_____

Contractors are required to provide updated information during each option year period.

SECTION F - DELIVERIES/PERFORMANCE**F-1 Item 0001 MRE Assembly:**

Delivery of the basic contract shall be January 02, 2003 through December 31, 2003 in equal monthly quantities. Delivery of the first option is scheduled for January 02, 2004 through December 31, 2004. Delivery of the second option is scheduled for January 02, 2005 through December 31, 2005.

F.O.B. Origin terms are applicable. Inspection and Acceptance shall be at origin. Destination locations shall be forwarded from DSCP via the basic contract/delivery orders or subsequent contract diversion modifications. Contractor shall coordinate with DCMC Transportation regarding issuance of Government Bills of Lading (GBLs) and scheduling of shipping containers/vans/trucks, etc. The DCMC is responsible for issuing GBLs to the contractor. The contractor is responsible for arranging for direct transportation with carriers.

F-2 GFM Component Items:

Advance Notice of Shipment - GFM contractors shall provide Notice of Shipment to the assembly destinations to include the scheduled delivery date, the item nomenclature, the lot number and quantity being shipped. Such information shall be provided via facsimile or through the transmission of the ASCX12 856 transaction.

F-3 Electronic Transmissions:

It is anticipated that the shipping and receipt of GFM components will be done electronically as follows:

The GFM contractor shall transmit the ASCX12 856 Advance Notice of Shipment transaction to DSCP and the assembler when it ships the product to the assembler. (Note: The inspection DD 250 shall still accompany each shipment).

The MRE assembler, or Government verification inspector, shall transmit the ASCX12 856 receipt transaction to DSCP when it accepts the shipment as GFM. The GFM contractor may invoice using the ASCX12 810 invoice transaction.

In the event any assembler is not able to perform the above EDI transactions, the assembler shall be responsible for manually requisitioning GFM components from the DSCP Contracting Officer, and processing receipted DD Forms 250. In the event a GFM contractor is unable to conduct the EDI transactions, DSCP will manually (facsimile) transmit delivery orders to the GFM contractor, and the GFM contractor shall distribute DD Forms 250 to DSCP.

SECTION F DELIVERIES OR PERFORMANCE

NOTICE: THE FOLLOWING SOLICITATION PROVISIONS AND/OR CONTRACT CLAUSES PERTINENT TO THIS SECTION ARE HEREBY INCORPORATED BY REFERENCE:

- 52.211-17 Delivery of Excess Quantities (Sep 1989)
- 52.242-15 Stop-Work Order (Aug. 1989)
- 52.247-29 F.o.b. Origin (Jun 1988)
- 52.247-52 Clearance and Documentation Requirements -- Shipments to DoD Air or Water Terminal Transshipment Points (Apr 1984)
- 52.247-58 Loading, Blocking, and Bracing of Freight Car Shipments (Apr 1984)
- 52.247-59 F.o.b. Origin -- Carload and Truckload Shipments (Apr 1984)

The following clauses are incorporated in full text:

52.211-9P20 CONTRACT DELIVERIES (JAN 1992) DSCP

Acceleration of delivery after award will be permitted only as authorized by the contracting officer or commissary officer. Notwithstanding this restriction, the contracting officer is to be advised whenever acceleration is possible.

52.211-9P22 DELIVERY REQUIREMENTS (JAN 1992) DSCP

(a) The government will insist on delivery in strict accordance with the contractual delivery schedule. The dates specified for delivery are the dates for arrival of the supplies at destination when transportation terms are F.O.B. origin, delivery shall be accomplished by the contractor releasing the shipment to the carrier 15 days prior to the date shown in the schedule.

(b) When DSCP Clause 52.211-9P21 entitled "Accelerated Deliveries" applies, the contractor may deliver any time prior to, but no later than the specified delivery date as defined in paragraph (a) above.

(c) When DSCP Clause 52.211-9P20 entitled "Contract Deliveries" applies, contractor may deliver as follows without prior authorization:

(1) For an F.O.B. Origin award, contractor may release the shipment 15 to 30 days prior to the F.O.B. destination delivery date cited in the contract.

(2) For an F.O.B. Destination award, contractor may deliver up to 15 days prior to the scheduled delivery date.

52.211-9P27 DELAYS IN SHIPMENT OF PRODUCTS REQUIRING USDA LABORATORY ANALYSIS (JAN 1992) DSCP

The specifications of this contract require a USDA Laboratory Analysis of samples of the product to be delivered. Offerors should consider this requirement when submitting offers so that appropriate consideration is given to planning production schedules. If

there are delays in performing the USDA analysis of the samples, or if there are delays in receiving the USDA analysis due to the postal service, the contractor shall so notify the contracting officer. An extension in shipping time may be authorized when the conditions of (a) below, and if applicable, (b) below are satisfied.

(a) When all production lots intended in offered unit were produced at least 12 calendar days in advance of the required delivery date (RDD) specified in the contract, and the laboratory results for the samples taken from these production lots are not made available to the contractor by the estimated shipping date (defined as date scheduled to ship in order to meet the RDD), the RDD will be extended by that number of days that receipt of the results by the contractor exceeds the estimated shipping date. (The adjusted RDD will be computed beginning with the day following receipt of the analysis from the USDA Laboratory.)

EXAMPLE:	<u>RDD</u>	<u>Shipping Date</u>	<u>Receipt of Analysis</u>
<u>Adjusted RDD</u>	30 Nov	27 Nov	28 Nov
Dec			

(b) If provisions in (a) above are met and the contractor elects to use a reserve sample for any production lot, an added extension to the RDD will be made on the formula provided above when the following conditions are met:

- (1) The contractor notifies the USDA Inspector to mail the reserve sample within one day after the contractor is notified of results on the original sample (if notification is received on Saturday, the reserve sample is to be mailed no later than the next business day), and
- (2) The reserve sample is in compliance with specifications.

52.211-9P43 VARIATION IN QUANTITY - ASSEMBLY CONTRACTS (FEB 1997) DSCP

During the final delivery assembly period, the contractor will be required, at the determination of the contracting officer, to assemble and deliver the maximum number of cases possible consistent with the number of components and packaging materials available, and with any substitutions or changes that may be authorized by the contracting officer.

52.242-9P05 F.O.B. ORIGIN -- GOVERNMENT BILLS OF LADING OR PREPAID POSTAGE

(JAN 1992) DSCP

Government bill of lading can be obtained by submitting DD Form 1659, Application for U.S. Government Shipping Documentation/Instructions, to the contract administration office.

52.247-9P03 SHIPMENT CONTROL AND DOCUMENTATION (JAN 1992) DSCP

(a) Shipping Documents Covering F.O.B. Origin Shipments.

(1) Government Bills of Lading.

- (i) Except as provided in paragraph (a)(2) below, when this contract specifies that supplies shall be delivered F.O.B. origin with transportation charges borne by the government, shipments will be made

SECTION F DELIVERIES OR PERFORMANCE

on a Government Bill of Lading (GBL). The contractor shall request issuance of GBLs by submitting DD Form 1659, Application for U.S. Government Shipping Documentation/Instructions in triplicate to the transportation office of the cognizant administration office specified in the contract. Such request shall be made at least 10 days prior to the date the material will be available for shipment.

(ii) The administering contracting officer (ACO) may authorize the contractor to ship on a Commercial Bill of Lading (CBL) for conversion to a GBL only when delivery is extremely urgent and GBLs are not readily available.

(2) Use of Prepaid Commercial Bills of Lading (CBLs).

(i) When economical or other wise justified, the ACO or its representative may authorize the contractor to make the following F.O.B. origin freight or express shipments (if they have no security classification) at government expense on prepaid CBLs to domestic destinations, including United States military air terminals and water terminals:

(A) shipments not exceeding 150 pounds by any form of commercial transportation;
(B) shipments not exceeding 250 pounds by railway express or bus express;
(C) shipments not exceeding 1,000 pounds by other common carriers; or
(D) shipments by common carriers, other than specified in (A) and (B) above, which can be consolidated with the contractor's own prepaid shipments for delivery to one or more destinations provided that all appropriate F.O.B. origin shipments under one or more government contracts, have been consolidated initially. The contractor may be authorized to consolidate less-load government shipments with its own shipments to take advantage of lower carload or truckload freight costs, and the Government will assume its pro rata share of the combined shipment cost. Overall transportation costs will be evaluated prior to authorizing any movement to assure that savings will be realized by the Government consistent with other contract and traffic management considerations. When consolidation is authorized, a copy of the CBL will be mailed promptly to the consignee.

(ii) A contract modification is not required when shipment is made under a prepaid CBL as authorized in (2)(I) above. Unless otherwise provided in the contract, the supplies will move for the account and at the risk of the Government, and will become government property when loaded on the carrier's equipment and the contractor has obtained the carrier's receipt. The contractor agrees to pay the transportation charges and will be reimbursed by the Government. Loss or damage claims shall be processed by the Government.

(iii) Unless otherwise provided by the contract, when the contractor is authorized to ship on a prepaid CBL in lieu of a GBL, the contractor shall cite the prepaid transportation charges, or apportioned charges as agreed (see (2)(i)(D) above), as a separate item on the invoice for each individual shipment of supplies and shall include a notation that such prepaid freight, express or commercial air, as applicable, was authorized. The invoice shall be supported with a copy of the CBL marked or stamped "To be Prepaid" or "Paid" and signed by the carrier's agent in the space for carrier's acceptance of shipment. In the absence of the carrier's signature evidencing payment, the CBL shall be annotated by the contractor with its check number and the date paid.

(b) Shipments to Military Air or Water Port Terminals.

In order for the Government to exercise movement control and documentation with respect to shipments from contractors which are to move via the Defense Transportation System, the contractor shall not ship directly to a military air or water port terminal

SECTION F DELIVERIES OR PERFORMANCE

(including shipments to a consolidation point for subsequent forwarding to a port area for export) without first securing authorization for the shipment from the transportation office of the cognizant administration office specified in the contract. THIS PROHIBITION APPLIES WHETHER SHIPMENTS MOVE ON COMMERCIAL OR GOVERNMENT BILLS OF LADING. Unless otherwise directed by the administering transportation office, mail shipments to military air or water port terminals are not authorized.

(c) Shipment Marking and Freight Routing.

Any data necessary for shipment marking and freight routing will also be obtained from the designated point of contact at the administering transportation office.

52.247-9P11 SHIPMENTS DIRECT TO PORT TERMINALS FOR EXPORT (JAN 1992) DSCP

(a) Contractor agrees to ship within the shipping period in the export release (when such release is required) for semiperishable subsistence, or in the contract/order for perishable subsistence. The contractor shall be responsible for any additional charges that may accrue at the port terminal due to nonacceptance because of untimely delivery.

(b) Transportation Control Number (TCN).

The principal means of export shipment identification is the 17 digit alphanumeric code known as the TCN, e.g., AK4WC 15090 7800 XAX.

(1) Configuration of the first 15 digits shall be set forth in the contract. When a determination is made to use seavan containers for semiperishable acquisitions, the responsible transportation officer shall furnish an additional TCN for use solely in the marking and control of the seavan.

(2) The last 2 digits shall be inserted by the contractor. The 16th digit shall be used to identify the partial and/or complete shipment. The 17th digit shall always be "X".

(i) If only one load constitutes a complete shipment, the 16th digit will be "X".

(ii) If there are 25 carloads/truckloads or less with the same TCN, the 16th digit shall reflect each partial shipment utilizing the letter "A" for the first load, "B" for the second, etc., except that the letter "X" shall not be used and the letter "Z" shall always be used to identify the final shipment.

(iii) When there are more than 25 carloads/truckloads, an additional TCN shall be provided by the responsible transportation officer to identify separately the 25th and each subsequent partial, including the last partial. The final shipment shall be indicated by using "Z" as the 16th digit in the TCN provided.

(c) Notice of Shipment.

On the day shipment is made, contractor shall send a prepaid telegram to the contracting officer who awarded the contract and to the DCMAO administrative contracting officer when the contract has been assigned to a DCMAO for administration. The telegram shall indicate the contract number, purchase request number, quantity shipped, method of shipment, name of carrier and bill(s) of lading number(s).

(d) Advance Notice of Proposed Shipment.

The contractor shall provide the following information to the responsible transportation officer when the number of pieces, weight or cube for proposed shipments is other than set forth in the contract:

- (1) TCN (including all TCNs in a consolidated shipment).
- (2) Contract and purchase request numbers.
- (3) Planned shipment date.
- (4) Brief item nomenclature(s).

- (5) Number of pieces (for each TCN).
- (6) Weight and cube (for each TCN).
- (7) Origin point.
- (8) Planned mode of transportation (number of carloads, truckloads, seavans, etc.).
- (9) Name of contractor.

Such information must be furnished 10 days in advance of shipment if shipping point is outside the port terminal area or 3 days in advance for shipments originating in the port terminal area.

(e) Documentation to Accompany all Seavan Shipments.

Four copies of a document showing the contents of the van, and including the words "date stuffed" with such date, will be placed in a waterproof envelope marked "milstamp documentation" and attached either to the interior of the loading door of the van or to one of the packages visible immediately upon opening. (This document may be any one of the following: contract, delivery order, packing/loading list, DD Form 250, transportation control and movement document (TCMD), bill of lading or other document which identifies the contents.)

52.247-9P15 UTILIZATION OF CONTAINERS (SEAVANS) FOR EXPORT SHIPMENTS (JAN 1992) DSCP

(a) The government reserves the right, where the origin points of successful offerors permit containerized shipments, to direct any or all shipments on contracts resulting from this solicitation to be made in containers.

(b) The responsible transportation officer may direct container shipments on awards providing for delivery F.O.B. origin.

(c) The contracting officer only may direct thru-container movement on F.O.B. destination offers or awards. When container shipment is directed, the government will bear the transportation costs. In such event, the offer/contract price of the supplies shall be reduced as follows:

(1) Shipments planned for transport by contractor-owned or leased truck(s), and so certified by the contractor, shall be reduced in contract price by an amount equal to 70% of the lowest applicable rate(s) published in common carrier tariffs as of the date of shipment.

(2) Shipments planned for transport by common or contract carrier shall be reduced in contract price by the applicable published tariff rate(s) for commercial shipments by common carrier, or by the transportation rate(s), if any, agreed upon between the contractor and his carrier and which would have been payable.

(d) The conversion of F.O.B. terms will be by contract modification. However, the government further reserves the right, where available container service is established before award at the origin point of a successful offeror, to award any resulting contracts on the basis of an origin container movement. The contract price for such award will be that price adjusted downward on the basis set forth in paragraph (c) above.

(e) When thru-container movement is directed, the responsible government transportation officer (after coordination with the contractor) shall order the container(s) from the carrier for stuffing by the contractor, and furnish partially prepared government bills of lading (GBLs) or partially prepared transportation control and movement

documents (TCMDs), and partially prepared seavan consists, DD Form 3542, with mailing envelopes, as applicable.

(f) The contractor will be responsible for:

(1) Advising the above transportation officer of the following:

- (i) Requirements for GBLs.
- (ii) Number of containers required for loading and placement of containers.
- (iii) Date(s) containers are required.
- (iv) If containers have not arrived as scheduled.
- (v) If it is desired to change the placement of the containers.

(2) Stuffing (loading) and sealing the container.

(3) For perishable supplies:

(i) Maintaining seavan refrigeration if there are delays in loading.

(ii) Assuring that the thermostat is set at appropriate temperature when loading is completed.

(4) Documentation.

Complete two copies of seavan consist, DSCP Form 3542, or equivalent automated listing which identifies the seavan and line item contents thereof, place them in waterproof envelope marked "MILSTAMP Documentation" and attach either to the interior of the loading door of the van or to one of the packages visible immediately upon opening. Instructions as to additional distribution of the consist document will be provided by the responsible government transportation officer. When partially prepared seavan consists are not furnished, place into the above-mentioned envelope two copies of a contract, delivery order, packing/loading list, or other document which identifies the contents, the transportation control number (TCN), date shipped, van number, seal number, van owner, seavan TCN, total pieces, total weight and total cube.

(5) Applying shipment address marking on a waterproof military shipping label (DD Form 1387), and attaching to the rear exterior of the seavan. (Note: No address markings are required to be applied to the supplies loaded in the container.)

(6) When partially prepared GBLs are furnished:

(i) Completing the GBL by inserting thereon the following:

- (A) Seavan Number (not license number).
- (B) Seal Number and whether carrier or shipper applied the seal.
- (C) Total number of pieces in the seavan.
- (D) total gross weight of all pieces in the seavan.
- (E) Total cube of all pieces in the seavan.
- (F) Date shipped.
- (G) Include the statement: "Shipper's Load and Count".
- (H) Signature of driver.

(ii) Distributing the completed GBL as follows:

(A) One signed original BGL (SF 1103) and four copies (1 blue, 1 pink and 2 white copies standard forms 1103B, 1104, 1105 and 1106) to carrier.

(B) Retain 1 yellow memorandum copy (SF 1103A).

(C) Forward 3 yellow memorandum copies (SF 1103A) to transportation officer.

(D) Attach 1 yellow memorandum copy (SF 1103A) marked "Invoice Copy" to invoice.

(7) When partially prepared TCMDs are furnished:

(i) Completing the TCMD by inserting thereon the following:

- (A) Block 2 - Container Number.

- (B) Block 15 - Date Shipped.
- (C) Block 22 - Number of Pieces.
- (D) Block 23 - Gross Weight.
- (E) Block 24 - Total Cube.
- (ii) Distributing as follows:
 - (A) Attach signed original (marked "Invoice Copy") to invoice.
 - (B) Three copies to carrier.
 - (C) One copy to the transportation officer.
 - (D) One copy to be retained by contractor.
- (8) Submitting a report of shipment (REPSHIP) by telephone to the transportation officer immediately after the seavan has been loaded, furnishing the following information:
 - (i) GBL Number(s).
 - (ii) Van Number(s).
 - (iii) Seal Number(s).
 - (iv) Commodity.
 - (v) Total Number of Pieces.
 - (vi) Total Weight.
 - (vii) Total Cube.
 - (viii) Date Shipped.
- (9) Detention charge for each container not released to the carrier within the free time authorized by the carrier.
- (10) Complying with any additional instruction peculiar to a particular commodity, when provided by the transportation officer.

52.246-9P29 Administrative cost to the Government in processing contract modifications (Jan 1992) DSCP.

Where contract modifications are issued solely for the benefit of the contractor, e.g., acceptance of nonconforming supplies or change in place of performance or delivery, the sum of \$100.00 (the government's administrative cost to process the modification) shall be obtained from the contractor in addition to any other monetary consideration.

SECTION G - CONTRACT ADMINISTRATION DATA

G-1 Contract Administration:

Will be performed by Office listed in Block 6 of SF 26 to be designated at time of award of the resultant contract(s).

G-2 Correspondence:

All pertinent correspondence relative to this contract shall be directed to the above office, except requests for acceptance of nonconforming supplies (including requests for deviation from specification) will not be delegated to the above office. Contractor's request for acceptance of nonconforming supplies should be submitted to the assigned Quality Assurance Representative, ie., U.S. Army Veterinary Inspector (AVI), USDA Inspection or DCMC QAR as applicable. The QAR should forward your request directly to the Contracting Office with an information copy to the Administrative Contracting Officer (ACO). A copy of correspondence notifying the contractor of acceptance/rejection of waiver/deviation requests will be furnished to the ACO by the Contracting Officer.

G-3 Invoices:

For items inspected and accepted at origin, the contractor will include the following with his invoice when it is submitted for payment: (1) a copy of the Bill of Lading for FOB Origin shipments and (2) a copy of DD Form 250, Material Inspection and Receiving Report, signed in Block 21, by an authorized Government Representative.

All contractors are encouraged to enter into Electronic Data Interchange (EDI) arrangements with DSCP to use the ASCX12 810 invoice transaction set for invoicing.

In accordance with FAR 52.246-9P27, Distribution of Material and Receiving Reports (DD Form 250), the "Purchasing Office" copy shall be annotated at the top of the form, and forwarded to the Defense Supply Center Philadelphia, 700 Robbins Avenue, Philadelphia, PA 19111-5092, Attn: DSCP-HRAA/James A. Lecollier. A separate DD Form 250 shall be annotated, "Inventory Clerk" at the top of the form, and forwarded to the Defense Supply Philadelphia, PA Attn: DSCP-HRAA.

SECTION G - CONTRACT ADMINISTRATION DATA**G-4 Manufacturing Directive Number (MDN):**

An MDN will be assigned to any assembly contract awarded for which the Government will provide Government Furnished Property (GFP) or Government Furnished Materials (GFM). This MDN will be used by all contractors to identify all GFP/GFM transactions. This number will be entered on receiving, shipping, or disposition documents prepared under contract terms, to identify each shipment of GFM components into the assembler's plant and each shipment leaving the assembler's plant. This applies to assembled rations and/or components, including shipments to other contractors, shipments to consignees, material shipped at the end of the contract, and material reported as destroyed. GFM transaction identification is required on the receiving document for components entering the contractor's plant and the shipping document for items leaving the assembly contractor's plant.

a. On each receiving report (DD Form 250 or other shipping document) for all shipments of components from GFM component suppliers (other than packaging, packing, or crating), the contractor will enter in the "Mark For" block the MDN and the last four digits of the assembly contract number, i.e., MDN XXX and Contract XXXX.

b. On any shipment by the assembly contractor, the MDN will be entered in Block 9 of the DD Form 250 directly under the prime contractor's name and address, i.e., MDN XXX.

THE MDNS FOR THE CONTRACTS RESULTING FROM THIS SOLICITATION SHALL BE PROVIDED AT TIME OF AWARD.

52.211-9008 As prescribed in 11.290, insert a clause substantially as follows:

**BAR CODING REQUIREMENTS FOR DIRECT VENDOR DELIVERY (DVD) SHIPMENTS
(DEC 2001) - DLAD**

(a) This bar coding requirement is applicable only to shipments directly to a customer and shipments through a port or Container Consolidation Point (CCP) to a customer. These Direct Vendor Delivery shipments are identified by a "Mark For" and a Transportation Control Number (TCN).

(b) In addition to other marking requirements in this contract, the following separate lines of bar coded data, with Human Readable Interpretation (HRI) printed directly below the element, shall be provided:

- (1) Document number and suffix.
- (2) National Stock Number (NSN) (in absence of the NSN, the CAGE and Part Number).
- (3) ICP Routing Identifier Code (RIC), Unit of Issue, quantity, followed by an "A" and eight zeros.

(c) These bar code markings shall either be placed on or printed on labels affixed to either the DD Form 250/250c or the commercial packing list. If used on DD Form 250/250c, it should be in blocks 15, 16, 17, etc. In either case, these documents shall be furnished in Packing List Envelopes affixed to the outside of the shipping container.

(d) The bar code symbology shall be Code 3 of 9 (Code 39) in accordance with AIM BC1.

NOTES: In bar code element 1 above, the Document Number consists of a 14-character (15 characters when a suffix is included) alphanumeric code. It may be listed on a contract/award as the Requisition Number, Transportation Control Number (TCN), etc.

In bar code element 2 above, the NSN will appear as a 13-digit code without the dashes.

In bar code element 3 above:

The RIC for each procuring activity is as follows:

~~S9C - Defense Supply Center Columbus - Construction~~
~~S9E - Defense Supply Center Columbus - Electronics~~
~~S9G - Defense Supply Center Richmond~~
~~S9I - Defense Supply Center Philadelphia - General and Industrial~~
~~S9T - Defense Supply Center Philadelphia - Clothing and Textiles~~
~~S9M - Defense Supply Center Philadelphia - Medical Materiel~~
~~S9P - Defense Supply Center Philadelphia - Perishable Subsistence~~
 → S9S - Defense Supply Center Philadelphia - Semi-perishable Subsistence
~~SMS - Defense Supply Center - Defense Logistics Agency - Contracts Awarded Using Business System Modernization Software~~

The appropriate unit of issue (U/I) will appear as a two digit alpha character.

The quantity will appear as a five-position number, including zero fillers on the left.

The above will be followed by an "A" and eight zeros, (i.e. "A00000000")

NO SPACES SHALL SEPARATE THE INDIVIDUAL DATA ELEMENTS WITHIN EACH LINE.

A copy of AIM BC1 is available from:

AIM USA
634 Alpha Drive
Pittsburgh, PA 15238-2802
(412) 963-8588

SECTION H - SPECIAL CONTRACT REQUIREMENTS

H-1 Replacement of Defective Components (applicable to GFM components):

For cases of bulk-packed component items, if upon opening the case or during assembly a number of defective units are discovered in the case which cannot be readily segregated from useable components, e.g. leaking spreads or excessive accessory pack issues, the case shall be removed from the assembly line and upon such verification from the Army Vet Inspector (AVI), the entire case shall be considered defective, and placed on hold. The Contracting Officer shall be given written notice of the defective product including the name and signature of the confirming AVI inspector. The assembler shall include information regarding defective components and replacement of such components in its inventory reports required at H-7 below. Assemblers are reminded that they are financially accountable for all GFM received into the assembly facility.

H-2 Storage of Component Items:

Components will be stored in such a manner as to protect them from damage due to temperature or humidity changes. DSCP may be contacted for assistance concerning individual component storage problems or concerns regarding proper method. Candy components (excluding type X and type XII candies) and chocolate covered cookies and brownies shall be stored in the following manner prior to assembly:

1. If held in storage more than one, but less than four months to assembly, they shall not be stored at a temperature higher than 60 degrees F,
2. If held in storage four to six months prior to assembly, they shall not be stored at a temperature higher than 55 degrees F.
3. If held in storage greater than six months prior to assembly, special temperature requirements will be established on a case-by-case basis; contractor will contact the contracting officer 60 days in advance to establish these requirements.
4. GFM shall not be stored in a frozen state unless approved by the contracting officer.

SECTION H - SPECIAL CONTRACT REQUIREMENTS

5. If bulk-packaged chocolate covered cookies and brownies are removed from storage in a frozen condition, they shall not be exposed to high temperatures and/or humidity without first being tempered. Tempering shall be done by raising the temperature to no greater than 40 degrees F the first 24 hours; and to no more than 65 degrees F and 55 percent humidity the second 24 hours. Packaging material shall not be removed prior to completing the tempering procedure.

H-3 FIFO Requirements:

Components will be utilized in assembly operations on the first-in, first-out (FIFO) basis (or oldest manufacturer's date of pack when receipted). A manufacturer's component lot, described by the Julian date of pack, shall be completely assembled and exhausted before assembling the next component lot.

H-4 Bulk Component Packaging:

To assure the unwrapped components are packaged in a satisfactory manner, the following minimum sanitation requirements are established in the performance of any contract awarded:

- a. Strict adherence to Good Manufacturing Practices is required.
- b. An appropriate level of sanitation will be maintained in the bulk product packaging area in accordance with the facility sanitation program.
- c. Personnel involved in packaging operations will be provided with clean white frocks as needed.
- d. The hands of personnel participating in bulk product packaging operations must be clean at all times and free from sores, cuts, and/or abrasions.
- e. Personnel involved in packaging operations will be required to wear head coverings (hat or hair net) and beard nets, when appropriate.

SECTION H - SPECIAL CONTRACT REQUIREMENTS

H-5 Subassemblies:

Payment to MRE assemblers will be based upon the number of completed boxes assembled and delivered. No compensation will be allowed for subassemblies which are not incorporated into completed boxes. However, all such subassemblies which contain GFM components shall become the sole property of the Government and shall be accounted for as residual inventory.

H-6 Title of Containers and Packaging Materials:

As part of the consideration for the services to be performed, all containers and packaging materials in which GFM is delivered shall, upon separation from the contents, be retained by and title thereto shall vest in the contractor. Contractor agrees to re-use, without cost to the Government, such containers and packaging materials necessary to re-ship GFM as directed by the Contracting Officer.

H-7 Special Provisions - Government Furnished Material (GFM)

a. Delivery/Inspection of GFM Components:

1. All component items received will be palletized. The GFM contractor will deliver any GFM components by truck or by rail, to the assemblers plant. The assembly contractor will promptly unload all GFM delivered FOB his plant. The Government will not be liable in any manner or form for any demurrage charge accruing as a result of the contractor's failure or inability to unload cars promptly. It is the assembly contractor's responsibility to have adequate warehousing and offloading abilities for the GFM. Failure to have adequate offloading capabilities may result in Government storage of product, either at a Government or commercial facility, which would be charged to the assembly contractor. Any and all charges resulting from the contractor's failure to unload cars shall be the liability of the contractor.

2. Consistent with Section E, it will be the responsibility of the contractor to promptly inspect all GFM arriving at his plant for count, condition, and identity and to promptly annotate bills of lading and any Material Inspection and Receiving Reports (DD Form 250) furnished by the component contractor as to any shortage or damage, after notice to and verification by the Army Veterinary Inspector (AVI). The final responsibility for acceptance of the product, and signing any DD Form 250 submitted, rests with the Government inspector even though this acceptance may be based on the contractor's inspection results. It will be the responsibility of the contractor to promptly transmit the EDI shipment acceptance ASC X12 856 transaction, or manually forward acceptance DD Form 250 to the following:

SECTION H - SPECIAL CONTRACT REQUIREMENTS

One copy sent by facsimile transmission daily and mailed weekly to:

Mr. James Lecollier
DSCP-HRAA
700 Robbins Avenue
Philadelphia, PA 19111-5092
Facsimile #215-737-3625

One copy should be sent to the payment office.

Failure to forward this transaction set or documentation as stipulated which results in a delay of payment to the GFM contractor, will result in the findings by the PCO that the assembler is the cause of any delays in the assembly operations due to insufficient GFM supplied by subcontractor, and that any lost payment discounts to the Government as a result of late submissions of the acceptance documents shall be assessed against the assemblers.

3. The assemblers shall promptly notify the Contracting Officer of any receipted GFM shipments which are found to be nonconforming and unacceptable for use in the MRE.

4. Manufacturer/transportation damages not annotated at time of receipt inspection in accordance with section E will be considered assembler damage, unless promptly made available for verification by the AVI and the AVE determines damage not to be caused by assembler. In general, manufacturer/transportation damages shall be annotated at time of receipt inspection only, unless concealed damages can be ascertained by the AVI. See Section (b)(1) for a definition of the damage classifications.

SECTION H - SPECIAL CONTRACT REQUIREMENTS**b. Use of GFM Components:****1. Definitions:**

a. "Unusable Subsistence" means a food item which is fit for human consumption but its condition is such that it must be issued within a limited time frame and due to its condition cannot be used as a component within the meal assembly, or a food item which is in such condition as to be unfit for human consumption and which must be destroyed by burning, burial, or other means. Disposition of such supplies will be directed by the contracting officer and will be at the expense of the contractor. The contractor is responsible for all handling, storage, preparation for shipment, and authorized destruction for all GFM at no cost to the Government.

b. "Manufacturer's damage" is defined as that damage to Government furnished property discovered at the time of ration assembler's inspection of incoming shipments as verified by the Government representative (except damage directly attributable to transportation) or found to be unusable during production operations due to defects obviously originating at the manufacturers plant.

c. "Assembler's damage" is defined as that damage to GFM ration components which is not attributable to manufacturers damage, concealed damage, inspection incurred damage, or transportation damage.

d. "Concealed damage" is defined as that damage where the cause of responsibility cannot be determined by the Government representative upon receipt inspection, is discovered subsequent to receiving inspection and not identifiable as manufacturer damage or assembler incurred, i.e., which are discovered after the components have been accepted by the assembler but prior to, or during, assembly. Concealed damage shall be verified by the AVI and shall be certified by the AVI as not being assembler damage.

e. "Inspection incurred damage" is defined as those components damaged or destroyed in verification examination, components submitted to the laboratory for destructive or special testing, and components destroyed by the contractor in required contractor examination and testing.

2. The Government reserves the right to substitute any of the GFM components or alternate components, and the contractor shall not be entitled to any additional compensation so long as the substituted items are of substantially the same size as the components for which they are substituted.

SECTION H - SPECIAL CONTRACT REQUIREMENTS

5. Assemblers will be permitted a tolerance for assembler damage of any components provided as GFM as follows:

<u>COMPONENT</u>	<u>ALLOWABLE LOSS</u>
Peanut Butter, Jellies, Jams, and Cheese Spread	.0001
Retort Items	.001
Cocoa, Beverage Items	.0003
Bakery Items	.0005
Accessory Components	.0003
Candies	.001

The loss allowable rate will be applied against the unit net receipts under the resultant contracts; i.e., total shipments and residual transfers received minus any GFM transfer shipments out. See Section I for reporting damages to GFM components.

6. On-Hand Inventory/Work-in-Process Reports:

a. In order to reduce end-of-contract residual quantities and allow for contingent needs for GFM component items, GFM component items will be purchased using Indefinite Delivery Type Contracts (IDTCs). In most cases, the minimum quantity purchased under these IDTCs shall be 90% of the total quantity required to assemble the final MRE quantity (exclusive of any other tolerance factor) and the maximum quantity shall be 175% for the base year and 200% for each option year of the total required quantity.

b. MRE assemblers shall be responsible for keeping complete inventory and accountability records on any GFM delivered. To allow for careful monitoring of GFM deliveries and to ensure adequate and timely supplies for MRE assemblers, the following type of report shall be submitted by the assembly contractor for all GFM components (quantities and notes below are for example only):

SECTION H - SPECIAL CONTRACT REQUIREMENTS

3. The contractor shall not incorporate any defective CFM or GFM components into the assembled meals, but shall, at its own expense, screen, set aside, store, and handle such defective components in accordance with instruction provided by the contracting officer and the provisions herein. The contractor shall segregate all defective GFM components and identify such units with the Government representative's guidance and direction, under a GFM damage classification (i.e., manufacturer's, assembler's, or concealed damage). All damaged GFM, after screening by the contractor and verification by the Government representative, shall be reported to the contracting officer for disposition. Such information may be submitted on DSCP Form 2651 or may be submitted via the Inventory report as described in para. e. below. The report(s) shall be submitted on a monthly basis and numbered sequentially, i.e., the first months report will be #1, the second months report #2, etc. DSCP Forms 2651-1, 2651-2, 2651-3, and 2651-4 will be supplied by the assigned Government representative. Monthly damage reports shall be provided to the contracting officer no later than the 7th of the following month. Failure to submit applicable DSCP Form 2651 or other authorized forms, on a monthly basis, will result in the findings by the PCO that the assembler will be the cause of delays in the assembly operation by reason of insufficient GFM, and is therefore liable for any resultant costs. The submitted DSCP Form 2651 or other report must be executed by the Government representative or the document will not be considered valid and therefore will not relieve the contractor of this requirement or of its liability for any assembly shutdown. In addition, nonconformances detected in GFM must be reported to the PCO on a daily basis.

4. In the event that the quantity of such defective GFM components exceeds 5% of the total quantity of that component furnished, an equitable adjustment shall be made in the contract price to compensate the contractor for its costs of storing and handling that quantity and the contract shall be modified in writing accordingly. Failure to agree to any adjustment shall be a dispute concerning a question of fact within the meaning of the clause of this contract entitled "Disputes". However, nothing in this clause shall excuse the contractor from proceeding with the contract. In addition, the cost data detailing contractor cost, if any, for storage and handling the quantity of defective components in excess of 5% of the total quantity of that component furnished must be submitted within 10 days of completion of the screening operation. Failure to submit this cost data within 10 days of completion of this operation shall result in your agreement that this screening operation was performed at no cost to the Government. In the event that the contractor discovers excessive defects for any GFM component, the AVI should be notified immediately, so that they can perform a warranty inspection if such is determined applicable.

SECTION H - SPECIAL CONTRACT REQUIREMENTSGFM as of 01 November 2002:

GFM Component: Peanut Butter:

	<u>ACTUAL</u>	<u>SCHEDULED</u>	<u>+/-</u>	<u>NOTES</u>
Total Quantity Required:	1,800,000	1,800,000	0	
Residual & Transfers In:	5,046	0	+5,046	(1)
GFM Contract Receipts:	<u>912,000</u>	900,000	<u>+12,000</u>	
Total Receipts:	917,046	900,000	+17,046	
On Hold:				
Damages	1,980	0	+1,980	(2)
Losses:	267	900	-633	
Transfers Out	0	0	0	
Assembled & Shipped Out:	600,000	600,000	0	
Work in Process:	<u>2,943</u>	<u>0</u>	<u>+2,943</u>	
Total Used:	605,190	600,900	+4,290	
Current Inventory:	311,856	299,100	+12,756	
Balance Needed:	882,954	900,000	+17,046	

Section H-2 Defective Qty. Def: Qty. Replaced:

Notes: 1. MRE XXII transfer (DSCP-HRAA letter of 02 January 2003).

2. ABC Contractor lot #00118.

c. The above Report, or similar contractor report showing the same information, shall be submitted on a monthly basis or whenever requested to the contracting officer by mail or facsimile transmission (215-737-7774). Reports shall be cumulative and include all inventories through the last day of the inventory month. Reports shall be due to the contracting officer by the 7th of the following month, e.g. April 2003 Report shall include all receipts/inventory data through 30 April 2003 and be provided to the contracting officer no later than 07 May 2003.

d. "Receipts" above shall include all quantities accepted. "Work in process" shall include all quantities assembled in accessory packets, cracker packets, menu bags, and final cases not yet accepted under FOB Origin Acceptance DD Form 250s.

SECTION H - SPECIAL CONTRACT REQUIREMENTS**c. Liability of the assembly contractor for loss and damages to GFM components**

Liability shall be calculated as follows:

1. A final physical inventory will be performed by the assembly contractor and the results furnished to the procuring contracting officer (PCO) with a copy to the DCMC administrative contracting officer (ACO), within 14 days after completion of the contract. The final physical inventory will be performed on an item by item basis and at a minimum give the quantities, dates of pack and use status for all components. The contractor will provide any and all resources necessary for DCMC verification of the final inventory at no cost to the Government.

2. Additionally, the contractor shall prepare a final reconciliation as described below and provide this report to the PCO and ACO within 30 days from contract completion. For the purpose of the final inventory reports, contract completion shall be the date the final assembled case is produced and accepted. Failure to comply with these timely submissions will be deemed a breach of contract and could result in the following:

a) The determination that the contractor is liable for the value of any and all GFM determined unsuitable for use in the following contract due to the age of such product, if such determination as to the suitability of the subject GFM is made within 21 days from receipt of the contractor's final physical inventory report.

b) The determination that the Government shall not be liable for any costs associated with start-up delays on any follow up MRE assembly contract or option(s) caused by unavailability of any GFM component(s).

c) The above determination shall not be subject to the Disputes provisions incorporated in resultant contracts.

SECTION H - SPECIAL CONTRACT REQUIREMENTS

3. The contractor will be responsible to reimburse the Government for any and all losses to the components based on the final inventory reconciliation report. The following final inventory reconciliation report (including each variety/flavor of the item) shall be prepared for each GFM component item:

- + Quantity Received per Component (including Residuals and other Transfers)
- Quantity Shipped out in Completed Cases
- Quantity Transferred out on DD Form 250s
- Manufacturer, Concealed, and Inspection Damage
- Actual Assembler Damage
- = Calculated Residual Quantity

4. The residual figure as calculated above will be compared to the physical inventory. If the actual physical inventory is less than the calculated residual, the contractor will be liable to the Government for the difference in the monetary value of that item. The dollar value will be calculated by multiplying the unit price or the weighted average price of the item by the number of components unaccounted for. Offsets may be made only in the area of homogenous items, described below. Offsets for homogenous items will be made based on the values of the items, e.g. a calculated shortage of \$2,000 for peanut butter may be offset by a calculated overage of \$2,000 for cheese spread. In no event shall the contractor be reimbursed if the value of actual physical inventory exceeds the value of calculated residual.

5. If the contractor's assembler damage exceeds the allowable loss percentage for an item, the contractor will reimburse the Government. The contractor's liability will be calculated as follows: the unit price or weighted average price of the component multiplied by the number of units in excess of the allowable loss. The monetary loss of any one component due to excessive damage cannot be reduced by the savings from another component. Therefore, if the total dollar value of the contract damages (computed as the sum of the total dollar value of the damages allowed for each individual GFM item) is less than the total dollar value of the damages allowed under the contract, but various individual component items were damaged over the allowable tolerance, the contractor is still liable for the cost of these individual component damages. However, for homogeneous items offsets may be taken. Offsets will be calculated on a value basis as described above. For example, if the actual losses for cheese spread have exceeded the allowable losses but the actual losses for peanut butter, a homogeneous item, are less than the allowable loss quantity, the dollar difference between the actual and allowable losses for peanut butter can be applied to the value of the excess losses of cheese spread to reduce the contractor liability for the cheese spread. This procedure is allowed only for homogeneous items.

SECTION H - SPECIAL CONTRACT REQUIREMENTS

6. A 5% surcharge will be added to the total liability for loss and damages to account for administrative handling and transportation charges.

7. Homogeneous items are defined under residual paragraph 4 (above) for like items are:

Spreads: Peanut Butter and cheese spreads

Jelly/Jams: All types.

Sugar Beverage Base: All Flavors

Cakes: All Flavors

Wet Pack Fruit: All Flavors (except spiced apple)

d. **Shipment/Documentation for GFM:** DD Form 250, or other forms approved for use by the contracting officer, shall be used for all shipments of GFM from an assembly contractors plant. This includes and is not limited to, return shipments of warranted GFM and GFM transferred from one assembly facility to another.

e. **Government Liability for Delinquent Components:** The Government will not be liable for assembly delays due to non-availability of GFM components if the MRE assembler does not advise the Contracting Officer in writing at least 10 days prior to such non-availability. In the event of a final assembly shutdown solely due to the lack of GFM components, the Government shall be liable for only those additional and unavoidable direct costs incurred by the contractor as a result of the shutdown. The Government shall not be liable for any claims of unabsorbed indirect costs (i.e.) manufacturing, OH or G&A unless the shutdown is the sole cause of the contractor's inability to complete contract performance within the contract delivery period (including any option periods invoked).

f. The contractor will, if required, continue to store, handle and prepare for shipment or dispose of residual GFM for a period of ninety calendar days after agreement to the final inventory reconciliation has been reached between the contractor and the Government, at no cost to the Government. In the event the contractor storage of GFM exceeds this period, the Government will only be liable for those additional and direct costs incurred by the contractor as a result of this extended storage. Disposition will be in accordance with instructions from the contracting officer.

g. An amount of money not to exceed 5% of the total contract amount, or \$50,000, whichever is smaller, will be withheld pending determination of contractor's liability for GFP.

SECTION H – SPECIAL CONTRACT REQUIREMENTS

- h. The property administrator designated for this contract will be located at the assigned DCMC activity.

H – 8 Distribution of Production Progress Reports:

- a. The contractor shall prepare DD form 375 (Production Progress Report), and DD Form 375C if and as required by the Administrative Contracting Officer.

SECTION H Special Contract Requirements

The following clauses are incorporated in full text:

52.211-9P36 FDA COMPLIANCE (JAN 1992) DSCP

If any supplies acquired hereunder are recalled under the provisions of the Federal Food, Drug and Cosmetic Act, and regulations thereunder, the contractor shall, at the Government's option, either reimburse the Government or repair/replace the recalled supplies. Additionally, the contractor shall notify the contracting officer immediately when a firm decides to voluntarily recall or withdraw any product from the marketplace. Upon notification by the contracting officer that supplies acquired hereunder have been recalled, the contractor shall either (a) accept Certificates of Destruction from the Government after the supplies have been properly disposed of, (b) request return of the supplies, or (c) if supplies may be repaired on site without transporting them from their location, furnish all materials necessary to effect repairs. Replacement or reimbursement will be accomplished by the contractor immediately on receipt of Certificates of Destruction or returned supplies. The costs of replacement or repair of supplies, and transportation and handling costs for movement of returned, replaced or repaired supplies within the continental United States shall be paid by the contractor. The provisions of this clause are applicable only when the value of the recalled supplies in the possession of the Government amounts to \$100 or more. The rights and remedies of the Government provided in this clause are in addition to, and do not limit, any rights afforded to the Government by any other clause in the contract.

52.223-9P02 FEDERAL INSECTICIDE, FUNGICIDE, AND RODENTICIDE ACT (FIFRA)
(JAN 1992) DSCP

The contractor warrants that all pesticidal, insecticidal, fungicidal, etc., chemicals utilized in the production of the finished supplies delivered under this contract comply with the Federal Insecticide, Fungicide, and Rodenticide Act (FIFRA) as amended (7 USC, SEC 136 ET SEQ.) and the regulations for the enforcement of the Federal Insecticide, Fungicide and Rodenticide Act as amended 14 May (40 CFR 162 and FR VOL 49 NO. 94). The contractor specifically warrants that all such pesticidal chemicals utilized were properly labeled for use as applied in the production of the supplies and that the label of the pesticide utilized was, at the time of production of the supplies, registered with the registration division, environmental protection agency. When a pesticidal chemical is required by an applicable specification which, at the time of the bid offering, is not available with an EPA approved label authorizing the use as required in the specification, the act shall take precedence. In such cases, the contractor shall request that the government authorize a deviation from the specification and designate a substitute pesticidal chemical which is, at that time, produced with an EPA approved label designating the use as required by the specification.

52.246-9P31 SANITARY CONDITIONS (JAN 1998) DSCP

(a) Food Establishments.

(1) establishments furnishing food items under DSCP contracts are subject to approval by the Military Medical Service or another agency acceptable to the Military Medical Service. The government does not intend to make any award for, nor accept, any subsistence products manufactured or processed in a plant which is operating under such unsanitary conditions as may lead to product contamination or constitute a health hazard, or which has not been listed in an appropriate government directory as a sanitarily approved establishment when required. Accordingly, the supplier agrees that, except as indicated in paragraphs (2) and (3) below, products furnished as a result of this

SECTION H Special Contract Requirements

contract will originate only in establishments listed in the "Directory of Sanitarily Approved Food Establishments for Armed Forces Procurement", published by the U.S. Army Veterinary Command. Suppliers also agree to inform the contracting officer immediately upon notification that a manufacturing plant is no longer sanitarily approved and/or deleted from another agency's listing, as indicated in paragraph (2) below. The contracting officer will also be notified when sanitary approval is regained and listing is reinstated.

(1) Establishments furnishing food items under DSCP contracts are subject to approval by the Military Medical Service or another agency acceptable to the Military Medical Service. The government does not intend to make any award for, nor accept, any subsistence products manufactured or processed in a plant which is operating under such unsanitary conditions as may lead to product contamination or constitute a health hazard, or which has not been listed in an appropriate government directory as a sanitarily approved establishment when required. Accordingly, the supplier agrees that, except as indicated in paragraphs (2) and (3) below, products furnished as a result of this contract will originate only in establishments listed in the "Directory of Sanitarily Approved Food Establishments for Armed Forces Procurement", published by the U.S. Army Veterinary Command. Bread and bakery products from an establishment inspected by the American Institute of Baking need not be listed in the "Directory of Sanitarily Approved Food Establishments for Armed Forces Procurement" if the contractor certifies in writing that the establishment is currently in good standing. If the establishment should lose their good standing with the American Institute of Baking, the contractor must notify the contracting officer and provide a new source of supply.

(2) Establishments furnishing the products listed below and appearing in the publications indicated need not be listed in the "Directory of Sanitarily Approved Food Establishments".

(i) Meat and meat products and poultry and poultry products from establishments which are currently listed in the "Meat and Poultry Inspection Directory", published by the Meat and Poultry Inspection Program AMS, USDA. The item, to be acceptable, shall, on delivery, include on the product, its wrappers or shipping container, as applicable, the official inspection legend or label of the agency.

(ii) Meat and meat products for direct delivery to military installations within the same state may be supplied when the items are processed under state inspection in establishments certified by the USDA as being equal to federal meat inspection requirements.

(iii) Poultry, poultry products, and shell eggs from establishments listed in the "List of Plants Operating under USDA Poultry and Egg Grading Programs" published by Poultry Programs, Grading Branch, AMS, USDA. Egg products (liquid, dehydrated) from establishments listed in the "Meat and Poultry Directory" published by the Food Safety Inspection Service. All products, to be acceptable, shall, on delivery, bear on the product, its wrappers or shipping container, as applicable, the official inspection legend or label of the agency.

(iv) Fish and fishery products from establishments listed in the "Approved List--Sanitary Inspected Fish Establishments", published by the U.S. Department of

SECTION H Special Contract Requirements

Commerce, National Oceanic and Atmospheric Administration, National Marine Fisheries Service.

(v) Milk and milk products from plants having a pasteurization plant compliance rating of 90 or more, as certified by a state milk sanitation rating officer and listed in "Sanitation Compliance and Enforcement Ratings of Interstate Milk Shippers", published by the U.S. Public Health Service. These may serve as sources of pasteurized milk and milk products as defined in paragraph N, Section I, Part II of the "Grade 'A' Pasteurized Milk Ordinance, 1978 Recommendations of the U.S. Public Health Service", Public Health Service Publication No. 229.

(vi) "Dairy Plants Surveyed and Approved for USDA Grading Service", published by Dairy Division, Grading Branch, AMS, USDA.

(vii) Oysters, clams and mussels from plants listed in the "Interstate Certified Shellfish Shippers Lists", published by the U.S. Public Health Service.

(3) Establishments furnishing the following products are exempt from appearing in the "Directory of Sanitarily Approved Food Establishments for Armed Forces Procurement", or other publication, but will remain subject to inspection and approval by the Military Medical Service or by another inspection agency acceptable to the Military Medical Service:

(i) Fruits, vegetables and juices thereof.

(ii) Special dietary foods and food specialty preparations (except animal products, unless such animal products are produced in establishments covered by paragraphs (2)(i), (2)(iii), or (2)(iv) above).

(iii) Food oils and fats (except animal products, unless such animal products are produced in establishments covered by paragraph (2)(i), (2)(iii), or (2)(iv) above).

(iv) Foreign establishments whose prepackaged finished items are imported by distributors or brokers into the United States as brand name items and then sold to armed forces procurement agencies for commissary store resale.

(4) Subsistence items other than those exempt from listing in the U.S. Army Veterinary Command "Directory of Sanitarily Approved Food Establishments for Armed Forces Procurement", bearing labels reading "Distributed By", etc., are not acceptable unless the source of manufacturing/processing is indicated on the label or on accompanying shipment documentation.

(5) When the Military Medical Service or other inspection agency acceptable to the Military Medical Service determines that the sanitary conditions of the establishment or its products have or may lead to product contamination, the contracting officer will suspend the work until such conditions are remedied to the satisfaction of the appropriate inspection agency. Suspension of the work shall not extend the life of the contract, nor shall it be considered sufficient cause for the contractor to request an extension of any delivery date. In the event the contractor fails to correct such objectionable conditions within the time specified by the contracting officer, the government shall have the right to terminate the contract in accordance with the "Default" clause of the contract.

(b) Delivery Conveyances.

The supplies delivered under this contract shall be transported in delivery conveyances maintained to prevent contamination of the supplies, and if applicable, equipped to maintain any prescribed temperature. (Semiperishable supplies shall be delivered in a non-refrigerated conveyance.) The delivery conveyances shall be subject to inspection by the government at all reasonable times and places. When the sanitary conditions of the delivery conveyance have led, or may lead to product contamination, or

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they constitute a health hazard, or the delivery conveyance is not equipped to maintain prescribed temperatures, supplies tendered for acceptance may be rejected without further inspection.

52.246-9P32 FEDERAL FOOD, DRUG AND COSMETIC ACT-WHOLESOME MEAT ACT (JAN 1992) DSCP

(a) The contractor warrants that the supplies delivered under this contract comply with the Federal Food, Drug and Cosmetic Act and the Wholesome Meat Act, and regulations thereunder. This warranty will apply regardless of whether or not the supplies have been:

- (1) Shipped in interstate commerce,
- (2) Seized under either act or inspected by the Food and Drug Administration or

Department of Agriculture.

(3) Inspected, accepted, paid for or consumed, or any or all of these, provided however, that the supplies are not required to comply with requirements of said acts and regulations thereunder when a specific paragraph of the applicable specification directs otherwise and the supplies are being contracted for military rations, not for resale.

(b) The government shall have six months from the date of delivery of the supplies to the government within which to discover a breach of this warranty. Notwithstanding the time at which such breach is discovered, the right is reserved to give notice of breach of this warranty at any time within such applicable period or within 30 days after expiration of such period, and any such notice shall preserve the rights and remedies provided herein.

(c) Within a reasonable time after notice to the contractor of breach of this warranty, the government may, at its election:

- (1) Retain all or part of the supplies and recover from the contractor, or deduct from the contract price, a sum determined to be equitable under the circumstances;
- (2) Return or offer to return all or part of the supplies to the contractor in place and recover the contract price and transportation, handling, inspection and storage costs expended therefore; provided, that if the supplies are seized under either act, such seizure, at government option, shall be deemed a return of supplies within the meaning of this clause and thereby allow the government to pursue the remedy provided herein. Failure to agree to any deduction or recovery provided herein shall be a dispute of a question of fact within the meaning of the clause of this contract entitled "disputes" other rights and remedies provided by law or under this contract, nor shall pursuit of a remedy (d) The rights and remedies provided by this clause shall not be exclusive and are in addition to herein or by law either jointly, severally or alternatively, whether simultaneously or at different times, constitute an election of remedies.

52.246-9P55 ENTRY INTO PLANT BY GOVERNMENT EMPLOYEES FOR MEAL, READY-TO-EAT (MRE) AND TRAY PACK ITEMS (FEB 1997) DSCP

The contracting officer or any government personnel designated by him shall be permitted entry into contractor's and subcontractor's plants during performance of manufacturing and assembly operations. Except for inspection service, the contracting officer shall give prior notice of the purpose of the meetings, and shall furnish dates of the visit.

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The following clauses are incorporated by reference:

52.202-1 Definitions (Dec 2001)

52.203-3 Gratuities (Apr 1984)

52.203-5 Covenant Against Contingent Fees (Apr 1984)

52.203-6 Restrictions on Subcontractor Sales to the Government (Jul 1995)

52.203-7 Anti-Kickback Procedures (Jul 1995)

52.203-8 Cancellation, Rescission, and Recovery of Funds for Illegal or Improper
Activity (Jan 1997)

52.203-10 Price or Fee Adjustment for Illegal or Improper Activity (Jan 1997)

52.203-12 Limitation on Payments to Influence Certain Federal Transactions
(Jun 1997)

52.204-4 Printed or Copied Double-Sided on Recycled Paper (Aug 2000)

52.209-6 Protecting the Government's Interest When Subcontracting with
Contractors Debarred, Suspended, or Proposed for Debarment (Jul 1995)

52.211-5 Material Requirements (Aug 2000)

52.211-15 Defense Priority and Allocation Requirement (Sep 1990)

52.215-2 Audit and Records -- Negotiation (Jun 1999)

52.215-8 Order of Precedence -- Uniform Contract Format (Oct 1997)

52.215-11 Price Reduction for Defective Cost or Pricing Data -- Modifications (Oct
1997)

52.215-13 Subcontractor Cost or Pricing Data -- Modifications (Oct 1997)

52.215-14 Integrity of Unit Prices (Oct 1997)

52.215-21 Requirements for Cost or Pricing Data or Information Other Than Cost
or Pricing Data -- Modifications (Oct 1997)

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- 52.219-8 Utilization of Small Business Concerns (Oct 2000)
- 52.219-9 Small Business Subcontracting Plan (Jan 2002)
- 52.219-16 Liquidated Damages -- Subcontracting Plan (Jan 1999)
- 52.222-20 Walsh-Healey Public Contracts Act (Dec 1996)
- 52.222-35 Equal Opportunity for Special Disabled Veterans, Veterans of the Vietnam Era, and Other Eligible Veterans (Dec 2001)
- 52.222-36 Affirmative Action for Workers With Disabilities (Jun 1998)
- 52.222-37 Employment Reports on Special Disabled Veterans, Veterans of the Vietnam Era, and Other Eligible Veterans (Dec 2001)
- 52.223-3 Hazardous Material Identification and Material Safety Data (Jan 1997)
- 52.223-6 Drug-Free Workplace (May 2001)

- 52.225-11 Buy American Act--Construction Materials Under Trade Agreements (May 2002)
- 52.226-1 Utilization of Indian Organizations and Indian-Owned Economic Enterprises (Jun 2000)
- 52.227-1 Authorization and Consent (Jul 1995)
- 52.227-2 Notice and Assistance Regarding Patent and Copyright Infringement (Aug. 1996)
- 52.227-3 Patent Indemnity (Apr 1984)
- 52.229-3 Federal, State, and Local Taxes (Jan 1991)
- 52.229-5 Taxes -- Contracts Performed in U.S. Possessions or Puerto Rico (Apr 1984)

SECTION I Special Contract Requirements

52.230-2 Cost Accounting Standards (Apr 1998)

52.232-1 Payments (Apr. 1984)

52.232-8 Discounts for Prompt Payment (Feb 2002)

52.232-11 Extras (Apr 1984)

52.232-16 Progress Payments (Feb 2002)

52.232-17 Interest (Jun 1996)

52.232-23 Assignment of Claims (Jan 1986)

52.232-25 Prompt Payment (Feb 2002)

52.233-1 Disputes (Dec 1998)

52.233-3 Protest after Award (Aug. 1996)

52.242-12 Report of Shipment (REPSHIP) (Jul 1995)

52.242-13 Bankruptcy (Jul 1995)

52.242-17 Government Delay of Work (Apr 1984)

52.243-1 Changes -- Fixed Price (Aug. 1987)

52.244-5 Competition in Subcontracting (Dec 1996)

52.246-23 Limitation of Liability (Feb 1997)

52.247-65 F.o.b. Origin, Prepaid Freight -- Small Package Shipments (Jan 1991)

52.248-1 Value Engineering (Feb 2000) Alternate III (Apr 1984)

52.249-2 Termination for Convenience of the Government (Fixed-Price) (Sep 1996)

52.249-8 Default (Fixed-Price Supply and Service) (Apr 1984)

252.203-7001 PROHIBITION ON PERSONS CONVICTED OF FRAUD OR

OTHER DEFENSE-CONTRACT-RELATED FELONIES (MAR 1999)DFARS

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252.203-7002 DISPLAY OF DOD HOTLINE POSTER (DEC 1991)DFARS

252.204-7003 CONTROL OF GOVERNMENT PERSONNEL WORK
PRODUCT (APR 1992)

252.205-7000 PROVISION OF INFORMATION TO COOPERATIVE
AGREEMENT HOLDERS (DEC 1991)

252.209-7004 SUBCONTRACTING WITH FIRMS THAT ARE OWNED OR
CONTROLLED BY THE GOVERNMENT OF A TERRORIST
COUNTRY (MAR 1998)

252.215-7000 PRICING ADJUSTMENTS (DEC 1991)

252.217-7017 TIME OF DELIVERY (DEC 1991)

252.217-7019 SANITARY CONDITIONS (DEC 1991)

252.219- 7003 SMALL, SMALL DISADVANTAGED AND WOMEN-OWNED
SMALL BUSINESS SUBCONTRACTING PLAN (DOD
CONTRACTS) (APR 1996)

252.225-7001 BUY AMERICAN ACT AND BALANCE OF PAYMENTS
PROGRAM (MAR 1998)

252.225-7002 QUALIFYING COUNTRY SOURCES AS SUBCONTRACTORS
(DEC 1991)

252.225-7009 DUTY-FREE ENTRY--QUALIFYING COUNTRY SUPPLIES
(END PRODUCTS AND COMPONENTS (AUG 2000)

252.225-7010 DUTY-FREE ENTRY--ADDITIONAL PROVISIONS (AUG 2000)

SECTION I Special Contract Requirements

252.225-7012 PREFERENCE FOR CERTAIN DOMESTIC COMMODITIES

APR 2002)

252.225-7031 SECONDARY ARAB BOYCOTT OF ISRAEL (JUN 1992)

252.242-7000 POSTAWARD CONFERENCE (DEC 1991)

252.242-7003 APPLICATION FOR U.S. GOVERNMENT SHIPPING

DOCUMENTATION/INSTRUCTIONS (DEC 1991)

252.242-7004 MATERIAL MANAGEMENT AND ACCOUNTING SYSTEM

(DEC 2000)

252.243-7001 PRICING OF CONTRACT MODIFICATIONS (DEC 1991)

252.246-7000 MATERIAL INSPECTION AND RECEIVING REPORT (DEC

1991)

52.214-9P01 PLACE OF PRODUCTION OF AN INDUSTRIAL PREPAREDNESS PROGRAM (IPP) PLANNED ITEM (JAN 1992) DSCP

Production of the deliverable end item will be accomplished utilizing the facilities constituting the basis for the qualifying IPP Agreement except as otherwise approved by the contracting officer.

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52.216-18 Ordering (Oct 1995)

- (a) Any supplies and services to be furnished under this contract shall be ordered by issuance of delivery orders or task orders by the individuals or activities designated in the Schedule. Such orders may be issued from * _____ through * _____ *The ordering period may begin three months before the end of the base contract or after the option is exercised whichever comes later.
- (b) All delivery orders or task orders are subject to the terms and conditions of this contract. In the event of conflict between a delivery order or task order and this contract, the contract shall control.
- (c) If mailed, a delivery order or task order is considered "issued" when the Government deposits the order in the mail. Orders may be issued orally, by facsimile, or by electronic commerce methods only if authorized in the Schedule.
- (b) Delivery or performance shall be made only as authorized by orders issued in accordance with the Ordering clause. The Contractor shall furnish to the Government, when and if ordered, the supplies or services specified in the Schedule up to and including the quantity designated in the Schedule as the "maximum." The Government shall order at least the quantity of supplies or services designated in the Schedule as the "minimum."
- (c) Except for any limitations on quantities in the Order Limitations clause or in the Schedule, there is no limit on the number of orders that may be issued. The Government may issue orders requiring delivery to multiple destinations or performance at multiple locations.
- (d) Any order issued during the effective period of this contract and not completed within that period shall be completed by the Contractor within the time specified in the order. The contract shall govern the Contractor's and Government's rights and obligations with respect to that order to the same extent as if the order were completed during the contract's effective period; provided, that the Contractor shall not be required to make any deliveries under this contract 120 days after the contract expires except at the request of the contractor.

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52.216-9P06 DELIVERY ORDER LIMITATIONS (JAN 1992) DSCP

(a) Minimum Order.

When the government requires supplies or services covered by this contract in an amount of less than no minimum, the government is not obligated to purchase, nor is the contractor obligated to furnish, those supplies or services under the contract.

(b) Maximum Order.

The contractor is not obligated to honor--

- (1) Any order for single item in excess of _____ * _____;
- (2) Any order for a combination of items in excess of _____; or
- (3) A series of orders from the same ordering office within _____ days that together call for quantities exceeding the limitation in subparagraph (1) or (2) above.

(c) If this is a requirements contract (i.e., includes the requirements clause at subsection 52.216-21 of the Federal Acquisition Regulation (FAR), the government is not required to order a part of any one requirement from the contractor if that requirement exceeds the maximum-order limitations in paragraph (b) above.

(d) Notwithstanding paragraphs (b) and (c) above, the contractor shall honor any order exceeding the maximum order limitations in paragraph (b), unless that order(s) is returned to the ordering office within _____ days after issuance, with written notice stating the contractor's intent not to ship the item (or items) called for and the reasons. Upon receiving this notice, the government may acquire the supplies or services from another source.

(e) The delivery order(s) shall specify delivery(ies) no less than _____ days from the date of issuance of the delivery order. Changes and/or cancellations to delivery order(s) may be made by giving contractor no less than _____ hours notice to be computed from time of receipt by the contractor of the written or oral change(s) or cancellation(s).

* Not applicable to the first delivery orders. For the remainder of the quantity under the contract the following applies: MRE=150% HDR=700%

52.216-22 Indefinite Quantity (Oct 1995)

(a) This is an indefinite-quantity contract for the supplies or services specified, and effective for the period stated, in the Schedule. The quantities of supplies and services specified in the Schedule are estimates only and are not purchased by this contract.

(b) Delivery or performance shall be made only as authorized by orders issued in accordance with the Ordering clause. The Contractor shall furnish to the Government, when and if ordered, the supplies or services specified in the Schedule up to and including the quantity designated in the Schedule as the "maximum." The Government shall order at least the quantity of supplies or services designated in the Schedule as the "minimum."

(c) Except for any limitations on quantities in the Order Limitations clause or in the Schedule, there is no limit on the number of orders that may be issued. The Government may issue orders requiring delivery to multiple destinations or performance at multiple locations.

Any order issued during the effective period of this contract and not completed within that period shall be completed by the Contractor within the time specified in the order. The contract shall govern the Contractor's and Government's rights and obligations with respect to that order to the same extent as if the order were completed during the contract's effective period; provided, that the Contractor shall not be required to make any deliveries under this contract after 60 days.

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52.217-9P12 OPTION FOR INDEFINITE-DELIVERY, INDEFINITE-QUANTITY CONTRACT TERM EXTENSION (JUL 1998) DSCP

(a) Acceptance of the option provision(s)/clauses contained herein is mandatory. Failure to indicate acceptance of the option by annotating the offeror's option price in the schedule or elsewhere in the solicitation will be deemed non-acceptance of the option and may result in rejection of the offeror's entire bid/proposal.

(b) Offerors may offer options at unit prices which differ from the unit prices for the base ordering period. These prices may vary with the quantities actually ordered and the dates when ordered.

(c) The contracting officer may extend the term of this contract for two additional optional period(s) by written notice to the contractor within the time specified in the schedule; provided that the contracting officer shall give the contractor a preliminary written notice of intent to extend at least 60 days before expiration of the contract. The preliminary notice does not commit the government to an extension.

(d) Performance under the option period shall continue at the same performance level specified for the basic contract.

(e) The option to extend the term of the contract shall be exercised not later than three (3) days before the expiration date of the contract.

(f) The option is deemed exercised when mailed or otherwise furnished to the contractor.

(g) If the contracting officer exercises this option, the extended contract shall be considered to include this option clause and the minimum and maximum quantities specified in the award for that option period will apply. The modification exercising the option will also modify DSCP clause 52.217-9P16, Effective Period of Contract--Indefinite-Delivery, Indefinite-Quantity Contract, to cover the base ordering period and the additional option period(s) exercised to date.

(h) The total duration of any options exercised under this clause shall not exceed 365 days for each option year exercised.

(i) The following provisions apply only to negotiated acquisitions:

(1) If an option has been priced under this solicitation and is to be exercised at time of award of the basic contract, the submission of certified cost or pricing data shall be required prior to award where the combined dollar value of the basic contract and option exceeds \$500,000, unless an exemption thereto is appropriate in accordance with FAR 15.403-1.

(2) Prior to the award of any contract which will contain one or more priced options totaling \$500,000 or more, the submission of certified cost or pricing data covering the basic contract and the option(s) shall be required regardless of when the option(s) may be exercised, unless an exemption thereto is appropriate in accordance with FAR 15.403-1.

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Section I Contract Clauses

52.209-9P04 CERTIFICATION OR DISCLOSURE OF SUSPENDED SUBCONTRACTORS, SUPPLIERS OR INDIVIDUALS (JAN 1992) DSCP

(a) Contractors are prohibited from using suspended or debarred contractors as subcontractors or suppliers.

(1) Except as listed in paragraph (3) below, the offeror certifies by submission of its offer, that no part of the work called for by any contract resulting from this solicitation shall be performed by any subcontractor, of any tier, or supplier appearing in the lists of parties excluded from federal procurement or nonprocurement programs.

(2) Verification of any contractor suspected of appearing in the above list may be obtained by contacting the contracting officer at the office shown on page 1 of the solicitation.

(3) Debarred or suspended contractors proposed as subcontractors or suppliers:

Name and Address of Contractor(s)

(4) Approval to use a debarred or suspended contractor as a subcontractor or supplier shall not be given by the government unless there are compelling reasons for this approval.

(5) Failure on the part of the offeror to comply with this clause in any contract resulting from this solicitation may result in the government terminating the entire contract, or any portion thereof, pursuant to the "default" clause of such contract.

(6) The offeror agrees, if awarded a contract under this solicitation, to insert the substance of this clause, including this paragraph (6), in every subcontract resulting from such contract and to require its subcontractors and suppliers to do likewise.

(b) In addition, offerors are required to identify below, as indicated any suspended or debarred individuals appearing in the list in paragraph (a)(1) above whom they employ, associate with or have a relationship to. Such employment, business associations and relationships will be examined to determine the impact of those ties on the responsibility of the offeror as a government contractor. Verification of suspected suspended/debarred individuals may be obtained as indicated in paragraph (a)(2) above.

Name and Title of Association/ Suspended or Debarred (e.g., <u>Individual(s):</u> <u>consultant</u>)	Organization: (If <u>other than offeror</u>)	Describe Relationship: <u>employee,</u>
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_____	_____	
_____	_____	
_____	_____	
_____	_____	
_____	_____	

SECTION I Special Contract Requirements

52.219-9003 DLA MENTORING BUSINESS AGREEMENTS (MBA)
PERFORMANCE (DEC 1997) DLAD

(a) The contractor's proposed MBA plan shall become part of this contract upon award. The contractor is hereby obligated, as part of its contractual undertaking, to enter into a written, binding mentoring business agreement with a protégé based on and reflective of this plan. Performance under the MBA plan shall be evaluated by the contracting officer, and may become a consideration prior to option exercise for the follow-on years of long-term contracts. MBA plan implementation may also become an independent evaluation factor and/or part of the overall past performance evaluation factor in future source-selection decisions.

(b) The contractor-mentor and its protege(s) shall meet semi-annually with the DLA contracting officer and the small business specialist(s) from the buying activity and/or the DCMA component to review progress/accomplishments under applicable MBA proposals. The contractor is also required to submit periodic progress reports (no less frequently than annually) to the contracting officer regarding proposal fulfillment. Any MBA with a protege that has voluntarily been submitted to the Government shall be compared by the contracting officer to the contractor's proposed plan, hereby incorporated into this contract, to ensure that it adequately reflects the mentor's obligations expressed therein.

52.223-9000 MATERIAL SAFETY DATA SHEETS AND HAZARD WARNING
LABELS (MAR 1992)- DLAD

(a)(1) This clause is to be used in conjunction with FAR clause 52.223-3, Hazardous Material Identification and Material Safety Data, and DFARS clause 252.223-7001, Hazard Warning Labels. Material Safety Data Sheets (MSDSs) and Hazard Warning Labels (HWLs) shall be required to be submitted by the apparently successful offeror prior to contract award. Notwithstanding paragraph 4. of the latest Federal Standard (FED-STD) 313, the contractor shall submit MSDSs and accompanying HWLs to the contracting office, rather than directly to the Defense Supply Center Richmond (DSCR). This will satisfy the FED-STD requirement on the part of the contractor.

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(2) The MSDS must cite the solicitation number and the applicable CAGE code of the manufacturer, the part number, and, where so identified, the National Stock Number (NSN).

52.244-6 Subcontracts for Commercial Items (May 2002)

(a) Definitions. As used in this clause--

"Commercial item" has the meaning contained in the clause at 52.202-1, Definitions.

"Subcontract" includes a transfer of commercial items between divisions, subsidiaries, or affiliates of the Contractor or subcontractor at any tier.

(b) To the maximum extent practicable, the Contractor shall incorporate, and require its subcontractors at all tiers to incorporate, commercial items or nondevelopmental items as components of items to be supplied under this contract.

(1) The Contractor shall insert the following clauses in subcontracts for commercial items:

(i) 52.219-8, Utilization of Small Business Concerns (Oct 200) (15 U.S.C.

637(d)(2)(3)), in all subcontracts that offer further subcontracting opportunities. If the subcontract (except subcontracts to small business concerns) exceed \$500,000 (\$1,000,000 for construction of any public facility), the subcontractor must include 52.219-8 in lower tier subcontracts that offer subcontracting opportunities.

(ii) 52.222-26, Equal Opportunity (Apr 2002) (E.O. 11246).

(iii) 52.222-35, Equal Opportunity for Special Disabled Veterans, Veterans of the Vietnam Era, and Other Eligible Veterans (Dec 2001) (38 U.S.C. 4212(a));

(iv) 52.222-36, Affirmative Action for Workers with Disabilities (Jun 1998) (29 U.S.C. 793).

(v) 52.247-64, Preference for Privately Owned U.S.-Flag Commercial Vessels (Jun 2000) (46 U.S.C. Appx 1241) (flow down not required for subcontracts awarded beginning May 1, 1996).

SECTION I Special Contract Requirements

(2) While not required, the Contractor may flow down to subcontracts for commercial items a minimal number of additional clauses necessary to satisfy its contractual obligations.

(d) The Contractor shall include the terms of this clause, including this paragraph (d), in subcontracts awarded under this contract.

52.249-9000 ADMINISTRATIVE COSTS OF REPROCUREMENT AFTER DEFAULT (MAY 1988) - DLAD

If this contract is terminated in whole or in part for default pursuant to the clause included herein entitled "Default," and the supplies or services covered by the contract so terminated are repurchased by the Government, the Government will incur administrative costs in such repurchases. The Contractor and the Government expressly agree that, in addition to any excess costs of repurchase, as provided in paragraph (b) of the "Default" clause of the contract, or any other damages resulting from such default, the Contractor shall pay, and the Government shall accept, the sum of [insert administrative cost figure] as payment in full for the administrative costs of such repurchase. This assessment of damages for administrative costs shall apply for any termination for default following which the Government repurchases the terminated supplies or services, regardless of whether any other damages are incurred and/or assessed.

52.252-2 Clauses Incorporated by Reference (Feb 1998)

This contract incorporates one or more clauses by reference, with the same force and effect as if they were given in full text. Upon request, the Contracting Officer will make their full text available. Also, the full text of a clause may be accessed electronically at this address

<http://www.dla.mil/j-3/y-336/icps.htm> or <http://www.dla.mil/y-3/y-336/logisticspolicy/procurementlinks2.htm>

SECTION I Special Contract Requirements

252.223-7001 HAZARD WARNING LABELS (DEC 1991)

(a) "Hazardous material," as used in this clause, is defined in the Hazardous Material Identification and Material Safety Data clause of this contract.

(b) The Contractor shall label the item package (unit container) of any hazardous material to be delivered under this contract in accordance with the Hazard Communication Standard (29 CFR 1910.1200 et seq). The Standard requires that the hazard warning label conform to the requirements of the standard unless the material is otherwise subject to the labelling requirements of one of the following statutes:

- (1) Federal Insecticide, Fungicide and Rodenticide Act;
- (2) Federal Food, Drug and Cosmetics Act;
- (3) Consumer Product Safety Act;
- (4) Federal Hazardous Substances Act; or
- (5) Federal Alcohol Administration Act.

(c) The Offeror shall list which hazardous material listed in the Hazardous Material Identification and Material Safety Data clause of this contract will be labeled in accordance with one of the Acts in paragraphs (b)(1) through (5) of this clause instead of the Hazard Communication Standard. Any hazardous material not listed will be interpreted to mean that a label is required in accordance with the Hazard Communication Standard Material (If None, Insert "None.") Act.

(d) The apparently successful Offeror agrees to submit, before award, a copy of the hazard warning label for all hazardous materials not listed in paragraph (c) of this clause. The Offeror shall submit the label with the Material Safety Data Sheet being furnished under the Hazardous Material Identification and Material Safety Data clause of this contract.

(e) The Contractor shall also comply with MIL-STD-129, Marking for Shipment and Storage (including revisions adopted during the term of this contract).

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52.211-9002 PRIORITY RATING (MAR 2000) - DLAD

This contract is assigned a priority rating under the Defense Priorities and Allocations System (DPAS) regulations (15 CFR 700) which requires contractors to utilize *the* assigned rating in obtaining the products, materials, and supplies needed to fill their contracts. In the event the contractor is unable to obtain the necessary products, materials, and supplies to complete the contract, the contractor shall immediately advise *the Defense Contract management Agency DCMA* or the appropriate DSC DPAS officer through the *cognizant Administrative Contracting Officer* or *Procuring Contracting officer*. The DPAS officer or the DCMA plant representative will provide necessary assistance or provide the necessary instructions to complete DoC ITA Form 999, Request for Special Priorities Assistance. This form will be processed through appropriate channels to the DoC who *will review* and take action to make the needed supplies available to the applicant *when deemed appropriate*.

52.215-9006 JAVITS-WAGNER-O'DAY ACT ENTITY SUPPORT - CONTRACTOR REPORTING (DEC 1997) - DLAD

The contractor shall submit periodic progress reports (no less frequently than annually) to the contracting officer regarding the contractor's subcontracting efforts relative to JWOD entities. There is no standard or prescribed format for this requirement; however, performance data accumulated and reported by the contractor must be as specified in its offer.

52.222-26 -- Equal Opportunity (Apr 2002)

(a) Definition. "United States," as used in this clause, means the 50 States, the District of Columbia, Puerto Rico, the Northern Mariana Islands, American Samoa, Guam, the U.S. Virgin Islands, and Wake Island.

(b) If, during any 12-month period (including the 12 months preceding the award of this contract), the Contractor has been or is awarded nonexempt Federal contracts and/or subcontracts that have an aggregate value in excess of \$10,000, the Contractor shall comply with paragraphs (b)(1) through (b)(11) of this clause, except for work performed outside the United States by employees who were not recruited within the United States. Upon request, the Contractor shall provide information necessary to determine the applicability of this clause.

- (1) The Contractor shall not discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origin. However, it shall not be a violation of this clause for the Contractor to extend a publicly announced preference in employment to Indians living on or near an Indian

reservation, in connection with employment opportunities on or near an Indian reservation, as permitted by 41 CFR 60-1.5.

(2) (2) The Contractor shall take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, sex, or national origin. This shall include, but not belimited to --

(i) Employment;

(ii) Upgrading;

(iii) Demotion;

(iv) Transfer;

(v) Recruitment or recruitment advertising;

(vi) Layoff or termination;

(vii) Rates of pay or other forms of compensation; and

(viii) Selection for training, including apprenticeship.

(3) The Contractor shall post in conspicuous places available to employees and applicants for employment the notices to be provided by the Contracting Officer that explain this clause.

(4) The Contractor shall, in all solicitations or advertisements for employees placed by or on behalf of the Contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, or national origin.

(5) The Contractor shall send, to each labor union or representative of workers with which it has a collective bargaining agreement or other contract or understanding, the notice to be provided by the Contracting Officer advising the labor union or workers' representative of the Contractor's commitments under this clause, and post copies of the notice in conspicuous places available to employees and applicants for employment.

(6) The Contractor shall comply with Executive Order 11246, as amended, and the rules, regulations, and orders of the Secretary of Labor.

(7) The Contractor shall furnish to the contracting agency all information required by Executive Order 11246, as amended, and by the rules, regulations, and orders of the Secretary of Labor. The Contractor shall also file Standard Form 100 (EEO-1), or any successor form, as prescribed in 41 CFR part 60-1. Unless the Contractor has filed within the 12 months preceding the date of contract award, the Contractor shall, within 30 days after contract award, apply to either the regional Office of Federal Contract Compliance Programs (OFCCP) or the local office of the Equal Employment Opportunity Commission for the necessary forms.

(8) The Contractor shall permit access to its premises, during normal business hours, by the contracting agency or the (OFCCP) for the purpose of conducting on-site compliance evaluations and complaint investigations. The Contractor shall permit the Government to inspect and copy any books, accounts, records (including computerized records), and other material that may be relevant to the matter under investigation and pertinent to compliance with Executive Order 11246, as amended, and rules and regulations that implement the Executive Order.

(9) If the OFCCP determines that the Contractor is not in compliance with this clause or any rule, regulation, or order of the Secretary of Labor, this contract may be canceled, terminated, or suspended in whole or in part and the Contractor may be declared ineligible for further Government contracts, under the procedures authorized in Executive Order 11246, as amended. In addition, sanctions may be imposed and remedies invoked against the Contractor as provided in Executive Order 11246, as amended, in the rules, regulations, and orders of the Secretary of Labor, or as otherwise provided by law.

(10) The Contractor shall include the terms and conditions of subparagraphs (b)(1) through (11) of this clause in every subcontract or purchase order that is not exempted by the rules, regulations, or orders of the Secretary of Labor issued under Executive Order 11246, as amended, so that these terms and conditions will be binding upon each subcontractor or vendor.

(11) The Contractor shall take such action with respect to any subcontract or purchase order as the contracting officer may direct as a means of enforcing these terms and conditions, including sanctions for noncompliance; provided, that if the Contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of any direction, the Contractor may request the United States to enter into the litigation to protect the interests of the United States.

(c) Notwithstanding any other clause in this contract, disputes relative to this clause will be governed by the procedures in 41CFR 60-1.1.

(End of Clause)

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52.252-6 Authorized Deviations in Clauses (Apr 1984)

- (a) The use in this solicitation or contract of any Federal Acquisition Regulation (48 CFR Chapter 1) clause with an authorized deviation is indicated by the addition of "(DEVIATION)" after the date of the clause.
- (b) The use in this solicitation or contract of any Defense FAR Supplement (48 CFR Chapter 2) clause with an authorized deviation is indicated by the addition of "(DEVIATION)" after the name of the regulation.

52.249-9000 ADMINISTRATIVE COSTS OF REPROCUREMENT AFTER
DEFAULT (MAY 1988) - DLAD

If this contract is terminated in whole or in part for default pursuant to the clause included herein entitled "Default," and the supplies or services covered by the contract so terminated are repurchased by the Government, the Government will incur administrative costs in such repurchases. The Contractor and the Government expressly agree that, in addition to any excess costs of repurchase, as provided in paragraph (b) of the "Default" clause of the contract, or any other damages resulting from such default, the Contractor shall pay, and the Government shall accept, the sum of [insert administrative cost figure] as payment in full for the administrative costs of such repurchase. *This assessment of damages for administrative costs shall* apply for any termination for default following which the Government repurchases the terminated supplies or services, regardless of whether any other damages are incurred and/or assessed.

52.246-9P35 WARRANTY OF SUPPLIES (JAN 1992) DSCP

(a) Definitions.

"Acceptance", as used in this clause, means the act of an authorized representative of the government by which the government assumes for itself, or as an agent of another, ownership of existing supplies, or approves specific services as partial or complete performance of the contract.

"Correction", as used in this clause, means the elimination of a defect.

"Supplies", as used in this clause, means the end item furnished by the contractor and related services required under the contract. The word does not include "data".

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(b) Contractor's Obligations.

(1) Notwithstanding inspection and acceptance by the government of supplies furnished under this contract, or any condition of this contract concerning the conclusiveness thereof, the contractor warrants that for 6 months after receipt of supplies at destination:

(i) all supplies furnished under this contract will be free from defects in material or workmanship and will conform with all requirements of this contract; and

(ii) the preservation, packaging, packing and marking, and the preparation for, and method of, shipment of such supplies will conform with the requirements of this contract.

(2) When return of the supplies to the contractor and redelivery, if applicable, is required, transportation charges and responsibility for the supplies while in transit shall be borne by the contractor. Contractor shall also be liable for:

(i) handling costs and incidental charges incurred by the government in the preparation of the above described supplies for return to the contractor and in return of said supplies to storage, after redelivery by the contractor; and

(ii) for cost of government examination of the corrected or replaced supplies computed and charged at the flat rate of \$49.28 per hour.

(3) Any supplies or parts thereof, corrected or furnished in replacement under this clause, shall also be subject to the terms of this clause to the same extent as supplies initially delivered. The warranty, with respect to supplies or parts thereof, shall be equal in duration to that in paragraph (b)(1) of this clause and shall run from the date of receipt at destination of the corrected or replaced supplies.

(4) All implied warranties of merchantability and "fitness for a particular purpose" are excluded from any obligation contained in this contract.

(c) Remedies Available to the Government.

(1) The contracting officer shall give written notice to the contractor of any breach of warranties in paragraph (b)(1) of this clause within 7 months from receipt of supplies at destination.

(2) Conformance of supplies or parts thereof subject to warranty action shall be determined in accordance with the inspection and acceptance procedures contained in the contract except as provided herein. If the contract provides for sampling, the contracting officer may group any supplies delivered under this contract. The size of the sample shall be that required by the sampling procedure specified in the contract for the quantity of supplies on which warranty action is proposed, except when projecting sampling results. Warranty sampling results may be projected over supplies in the same shipment or other supplies contained in other shipments even though all of such supplies are not present at the point of reinspection and regardless of whether such supplies have been issued or consumed, provided; the supplies from which the samples were drawn are reasonably representative of the quantity on which warranty action is proposed; and the defects found in the sample size are sufficient to reject the quantity of supplies on which warranty action is proposed, even though the sample size may be less than that required for such quantity. The original inspection lots need not be reconstituted, nor shall the contracting officer be required to use the same lot size as on original inspection. Within a reasonable time after the notice, the contracting officer may exercise one or more of the following options, and also, following the exercise of any option, may unilaterally change it to one or more of the other options set forth below:

(i) Require an equitable adjustment in the contract price for any supplies or group of supplies;

SECTION I Special Contract Requirements

(ii) Screen the supplies grouped under this clause at contractor's expense and return all nonconforming supplies to the contractor for correction or replacement;

(iii) Require the contractor to screen the supplies at depots designated by the government within the continental united states and to correct or replace all nonconforming supplies;

(iv) Return any supplies or group of supplies under this clause to the contractor (irrespective of the F.O.B. point or the point of acceptance) for screening and correction or replacement;

(v) Return or hold for contractor's account any supplies or group of supplies delivered hereunder, whereupon the contractor shall repay the contract price paid therefore. In such event, the government may reprocur similar supplies upon such terms and in such manner as the contracting officer may deem appropriate, and charge to the contractor the additional cost occasioned the government thereby.

(3) When either option three or four of this clause is exercised, the contractor is required to submit in writing and within 30 days after receipt of notice of such invocation a schedule for either:

(i) correction and/or replacement of all defective supplies and subsequent redelivery of the returned supplies; or,

(ii) screening defective supplies at each depot involved and subsequent redelivery of all corrected and/or replaced supplies.

Such schedule will become a part of the contract delivery schedule upon agreement thereto by the government. If the contractor fails to provide an agreeable schedule within the specified period, or any extension agreed to by the government, the government may correct the items and charge the contractor's account, or issue a contract for correction of the items and charge the contractor's account, or exercise one or more of the remedies specified in paragraph (4) below.

(4) If the contractor fails to accept return of the nonconforming supplies, or fails to make redelivery of the corrected or replaced supplies to the government within the time established, or fails to make progress after their return to correct or replace them so as to endanger performance within the time established for redelivery and does not cure such failure within a period of 10 days (or such longer period as the contracting officer may authorize in writing) after receipt of notice from the contracting officer specifying such failure, the contracting officer may exercise one or more of the following remedies:

(i) Retain or have the contractor return the nonconforming supplies and require an equitable adjustment in the contract price.

(ii) Return or hold the nonconforming supplies for contractor's account, or require the return of the nonconforming supplies and then hold for contractor's account, whereupon the contractor shall repay the contract price therefore. In such event, the government may reprocur similar supplies upon such terms and in such manner as the contracting officer may deem appropriate, and charge to the contractor the additional costs occasioned the government thereby.

(iii) If the contractor fails to furnish timely disposition instructions, dispose of the nonconforming supplies for the contractor's account in a reasonable manner, in which case the government is entitled to reimbursement from the contractor or from the proceeds for the reasonable expenses of the care and disposition of the nonconforming supplies, as well as for any other costs incurred or to be incurred.

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(5) The rights and remedies of the government provided in this clause are in addition to, and do not limit, any rights afforded to the government by any other clause of this contract.

(d) Failure to agree upon any determination to be made under this clause shall be a dispute concerning a question of fact within the meaning of the "disputes" clause of this contract.

(e) When the contract specifies ultimate delivery of supplies to a location outside the contiguous United States, such location shall be deemed the destination for purposes of this clause.

Notice: The following solicitation provisions and/or contract clauses pertinent to this section are hereby incorporated by reference:

- 52.215-15 Pension Adjustments and Asset Reversions (Dec 1998)
- 52.215-18 Reversion or Adjustment of Plans for Postretirement Benefits (PRB) Other Than Pensions (Oct 1997)
- 52.219-25 Small Disadvantaged Business Participation Program-Disadvantaged Status and Reporting (Oct 1999)
- 52.219-26 Small Disadvantaged Business Participation Program-Incentive Subcontracting (Oct 2000)
- 252.209-7004 SUBCONTRACTING WITH FIRMS THAT ARE OWNED OR CONTROLLED BY THE GOVERNMENT OF A TERRORIST COUNTRY (MAR 1998)DFARS
- 52.215-15 - Pension Adjustments and Asset Reversions (Dec 1998)
- 52.215-18 Reversion or Adjustment of Plans for Postretirement Benefits (PRB) Other Than Pensions (Oct 1997)Small Disadvantaged Business Participation Program-Disadvantaged Status and Reporting (Oct 1999)
- 52.219-25 - Small Disadvantaged Business Participation Program-Disadvantaged Status and Reporting (Oct 1999)
- 52.219-26 - Small Disadvantaged Business Participation Program-Incentive Subcontracting (Oct 2000)
- 252.243-7002 REQUESTS FOR EQUITABLE ADJUSTMENT (MAR 1998)DFARS

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52.203-11 -- Certification and Disclosure Regarding Payments to Influence Certain Federal Transactions (Apr 1991)

52.204-5 -- Women-Owned Business Other Than Small Business (May 1999)

252.209-7000 DISCLOSURE OF OWNERSHIP OR CONTROL BY THE GOVERNMENT OF A TERRORIST COUNTRY (MAR 1998)

52.203-2 Certificate of Independent Price Determination (Apr 1985)

(a) The offeror certifies that --

(1) The prices in this offer have been arrived at independently, without, for the purpose of restricting competition, any consultation, communication, or agreement with any other offeror or competitor relating to --

(i) Those prices;

(ii) The intention to submit an offer, or

(iii) The methods or factors used to calculate the prices offered.

(2) The prices in this offer have not been and will not be knowingly disclosed by the offeror, directly or indirectly, to any other offeror or competitor before bid opening (in the case of a sealed bid solicitation) or contract award (in the case of a negotiated solicitation) unless otherwise required by law; and

(3) (3) No attempt has been made or will be made by the offeror to induce any other concern to submit or not to submit an offer for the purpose of restricting competition.

(b) Each signature on the offer is considered to be a certification by the signatory that the signatory --

(1) Is the person in the offeror's organization responsible for determining the prices being offered in this bid or proposal, and that the signatory has not participated and will not participate in any action contrary to subparagraphs (a)(1) through (a)(3) of this provision; or

(2) (i) Has been authorized, in writing, to act as agent for the following principals in certifying that those principals have not participated, and will not participate in any action contrary to subparagraphs (a)(1) through (a)(3) of this provision _____ [insert full name of person(s) in the

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offeror's organization responsible for determining the prices offered in this bid or proposal, and the title of his or her position in the offeror's organization];

- (ii) As an authorized agent, does certify that the principals named in subdivision (b)(2)(i) of this provision have not participated, and will not participate, in any action contrary to subparagraphs (a)(1) through (a)(3) of this provision; and

(iii) As an agent, has not personally participated, and will not participate, in any action contrary to subparagraphs (a)(1) through (a)(3) of this provision.

(c) If the offeror deletes or modifies subparagraph (a)(2) of this provision, the offeror must furnish with its offer a signed statement setting forth in detail the circumstances of the disclosure.

52.204-3 Taxpayer Identification (Oct 1998)**(a) Definitions.**

"Common parent," as used in this solicitation provision, means that corporate entity that owns or controls an affiliated group of corporations that files its Federal income tax returns on a consolidated basis, and of which the offeror is a member.

"Taxpayer Identification Number (TIN)," as used in this provision, means the number required by the Internal Revenue Service (IRS) to be used by the offeror in reporting income tax and other returns. The TIN may be either a Social Security Number or an Employer Identification Number.

- (b) All offerors must submit the information required in paragraphs (d) through (f) of this provision to comply with debt collection requirements of 31 U.S.C. 7701(c) and 3325(d), reporting requirements of 26 U.S.C. 6041, 6041A, and 6050M and implementing regulations issued by the IRS. If the resulting contract is subject to the reporting requirements described in Federal Acquisition Regulation (FAR) 4.904, the failure or refusal by the offeror to furnish the information may result in a 31 percent reduction of payments otherwise due under the contract.
- (c) (c) The TIN may be used by the Government to collect and report on any delinquent amounts arising out of the offeror's relationship with the government (31 U.S.C. 7701(c)(3)). If the resulting contract is subject

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to the payment reporting requirements described in FAR 4.904, the TIN provided hereunder may be matched with IRS records to verify the accuracy of the offeror's TIN.

(d) Taxpayer Identification Number (TIN).

* TIN: _____.

* TIN has been applied for.

* TIN is not required because:

* Offeror is a nonresident alien, foreign corporation, or foreign partnership that does not have income effectively connected with the conduct of a trade or business in the United States and does not have an office or place of business or a fiscal paying agent in the United States;

* Offeror is an agency or instrumentality of a foreign government;

* Offeror is an agency or instrumentality of a Federal Government;

* Other. State basis. _____

(e) Type of organization.

* Sole proprietorship;

* Partnership;

* Corporate entity (not tax-exempt):

* Corporate entity (tax-exempt):

* Government entity (Federal, State, or local);

* Foreign government;

* International organization per 26 CFR 1.6049-4;

* Other _____.

(f) Common Parent.

* Offeror is not owned or controlled by a common parent as defined in paragraph (a) of this provision.

52.245-2 Government Property (Fixed-Price Contracts) (Dec 1989)

(a) Government-furnished property.

(1) The Government shall deliver to the Contractor, for use in connection with and under the terms of this contract, the Government-furnished property described in the Schedule or specifications together with any related data and information that the Contractor may request and is reasonably required for the intended use of the property (hereinafter referred to as "Government-furnished property").

(2) The delivery or performance dates for this contract are based upon the expectation that Government-furnished property suitable for use (except for property furnished "as is") will be delivered to the Contractor at the times stated in the Schedule or, if not so stated, in sufficient time to enable the Contractor to meet the contract's delivery or performance dates.

(3) If Government-furnished property is received by the Contractor in a condition not suitable for the intended use, the Contractor shall, upon receipt of it, notify the Contracting Officer, detailing the facts, and, as directed by the Contracting Officer and at Government expense, either repair, modify, return, or otherwise dispose of the property. After completing the directed action and upon written request of the Contractor, the Contracting Officer shall make an equitable adjustment as provided in paragraph (h) of this clause.

(4) If Government-furnished property is not delivered to the Contractor by the required time, the Contracting Officer shall, upon the Contractor's timely written request, make a determination of the delay, if any, caused the Contractor and shall make an equitable adjustment in accordance with paragraph (h) of this clause.

(b) Changes in Government-furnished property.

(1) The Contracting Officer may, by written notice,

(i) decrease the Government-furnished property provided or to be provided under this contract, or

(ii) substitute other Government-furnished property for the property to be provided by the Government, or to be acquired by the Contractor for the Government, under this contract. The Contractor shall promptly take such action as the Contracting Officer may direct regarding the removal, shipment, or disposal of the property covered by such notice.

(2) Upon the Contractor's written request, the Contracting Officer shall make an equitable adjustment to the contract in accordance with paragraph (h) of this clause, if the Government has agreed in the Schedule to make the property available for performing this contract and there is any --

(i) Decrease or substitution in this property pursuant to subparagraph (b)(1) of this clause; or

(ii) Withdrawal of authority to use this property, if provided under any other contract or lease.

(c) Title in Government property.

(1) The Government shall retain title to all Government-furnished property.

(2) All Government-furnished property and all property acquired by the Contractor, title to which vests in the Government under this paragraph (collectively referred to as "Government property"), are subject to the provisions of this clause. However, special tooling accountable to this contract is subject to the provisions of the Special Tooling clause and is not subject to the provisions of this clause. Title to Government property shall not be affected by its incorporation into or attachment to any property not owned by the Government, nor shall Government property become a fixture or lose its identity as personal property by being attached to any real property.

(3) Title to each item of facilities and special test equipment acquired by the Contractor for the Government under this contract shall pass to and vest in the Government when its use in performing this contract commences or when the Government has paid for it, whichever is earlier, whether or not title previously vested in the Government.

(4) If this contract contains a provision directing the Contractor to purchase material for which the Government will reimburse the Contractor as a direct item of cost under this contract --

(i) Title to material purchased from a vendor shall pass to and vest in the Government upon the vendor's delivery of such material; and

(ii) Title to all other material shall pass to and vest in the Government upon -

(A) Issuance of the material for use in contract performance;

(B) Commencement of processing of the material or its use in contract performance; or

(C) Reimbursement of the cost of the material by the Government, whichever occurs first.

(d) Use of Government property. The Government property shall be used only for performing this contract, unless otherwise provided in this contract or approved by the Contracting Officer.

(e) Property administration.

(1) The Contractor shall be responsible and accountable for all Government property provided under this contract and shall comply with Federal Acquisition Regulation (FAR) Subpart 45.5, as in effect on the date of this contract.

(2) The Contractor shall establish and maintain a program for the use, maintenance, repair, protection, and preservation of Government property in accordance with sound industrial practice and the applicable provisions of Subpart 45.5 of the FAR.

(3) If damage occurs to Government property, the risk of which has been assumed by the Government under this contract, the Government shall replace the items or the Contractor shall make such repairs as the Government directs. However, if the Contractor cannot effect such repairs within the time required, the Contractor shall dispose of the property as directed by the Contracting Officer. When any property for which the Government is responsible is replaced or repaired, the Contracting Officer shall make an equitable adjustment in accordance with paragraph (h) of this clause.

(4) The Contractor represents that the contract price does not include any amount for repairs or replacement for which the Government is responsible. Repair or replacement of property for which the Contractor is responsible shall be accomplished by the Contractor at its own expense.

(f) Access. The Government and all its designees shall have access at all reasonable times to the premises in which any Government property is located for the purpose of inspecting the Government property.

(g) Risk of loss. Unless otherwise provided in this contract, the Contractor assumes the risk of, and shall be responsible for, any loss or destruction of, or damage to, Government property upon its delivery to the Contractor or upon passage of title to the Government under paragraph (c) of this clause. However, the Contractor is not

responsible for reasonable wear and tear to Government property or for Government property properly consumed in performing this contract.

(h) Equitable adjustment. When this clause specifies an equitable adjustment, it shall be made to any affected contract provision in accordance with the procedures of the Changes clause. When appropriate, the Contracting Officer may initiate an equitable adjustment in favor of the Government. The right to an equitable adjustment shall be the Contractor's exclusive remedy. The Government shall not be liable to suit for breach of contract for --

(1) Any delay in delivery of Government-furnished property;

(2) Delivery of Government-furnished property in a condition not suitable for its intended use;

(3) A decrease in or substitution of Government-furnished property; or

(4) Failure to repair or replace Government property for which the Government is responsible.

(i) Final accounting and disposition of Government property. Upon completing this contract, or at such earlier dates as may be fixed by the Contracting Officer, the Contractor shall submit, in a form acceptable to the Contracting Officer, inventory schedules covering all items of Government property (including any resulting scrap) not consumed in performing this contract or delivered to the Government. The Contractor shall prepare for shipment, deliver f.o.b. origin, or dispose of the Government property as may be directed or authorized by the Contracting Officer. The net proceeds of any such disposal shall be credited to the contract price or shall be paid to the Government as the Contracting Officer directs.

(j) Abandonment and restoration of Contractor's premises. Unless otherwise provided herein, the Government

(1) May abandon any Government property in place, at which time all obligations of the Government regarding such abandoned property shall cease; and

(2) Has no obligation to restore or rehabilitate the Contractor's premises under any circumstances (e.g., abandonment, disposition upon completion of need, or upon contract completion). However, if the Government-furnished property (listed in the Schedule or specifications) is withdrawn or is unsuitable for the intended use, or if other Government property is substituted, then the equitable adjustment under paragraph (h) of this clause may properly include restoration or rehabilitation costs.

(k) Communications. All communications under this clause shall be in writing.

(l) Overseas contracts. If this contract is to be performed outside of the United States of America, its territories, or possessions, the words "Government" and "Government-furnished" (wherever they appear in this clause) shall be construed as "United States Government" and "United States Government-furnished," respectively.

PROPOSED DFARS CLAUSE LANGUAGE

252.217-7001

SURGE OPTION (AUG 1992)

(a) General. The Government has the option to-

(1) Increase the quantity of supplies or services called for under this contract by no more than * percent; and/or

*** To be determined at the time this option is exercised. However, the maximum quantity which may be acquired will not exceed the parameters set forth in paragraph (c)(3) of this clause.**

(2) Accelerate the rate of delivery called for under this contract, at a price or cost established before contract award or to be established by negotiation as provided in this clause.

(b) Schedule.

(1) When the Production Surge Plan (DI-MGMT-80969) is included in the contract, the option delivery schedule shall be the production rate provided with the Plan. If the Plan was negotiated before contract award, then the negotiated schedule shall be used. **

**** The offeror must submit a company profile and surge production data online through the Defense Supply Center Philadelphia's Subsistence Planning Integrated Data Enterprise Readiness System (SPIDERS) website at <https://dscp362.dscp.dla.mil/spiders/home.htm>. A printed copy of the company profile and the "Committed Time-Phased Surge" production data must also be returned with this solicitation. This information shall be the Production Surge Plan under the contract, and the contractor shall be obligated to accelerate deliveries under the terms of this clause up to the quantities entered in the Production Surge Plan.**

(2) If there is no Production Surge Plan in the contract, the Contractor shall, within 30 days from the date of award, furnish the Contracting Officer a delivery schedule showing the maximum sustainable rate of delivery for items in this contract. This delivery schedule shall provide acceleration by month up to the maximum sustainable rate of delivery achievable within the Contractor's existing facilities, equipment, and subcontracting structure.

(3) The Contractor shall not revise the option delivery schedule without approval from the Contracting Officer.

(c) Exercise of Option.

(1) The Contracting Officer may exercise this option at any time before acceptance by the Government of the final scheduled delivery.

(2) The Contracting Officer will provide a preliminary oral or written notice to the Contractor stating the quantities to be added or accelerated under the terms of this clause, followed by a contract modification incorporating the transmitted information and instructions. The notice and modification will establish a not-to-exceed price equal to the highest contract unit price or cost of the added or accelerated items as of the date of the notice.

(3) The Contractor will not be required to deliver at a rate greater than the maximum sustainable delivery rate under paragraphs (b)(1) of this clause, nor will the exercise of this option extend delivery more than 24 months beyond the scheduled final delivery.

(d) Price Negotiation.

(1) Unless the option cost or price was previously agreed upon, the Contractor shall, within 30 days from the date of option exercise, submit to the Contracting Officer a cost or price proposal (including a cost breakdown) for the added or accelerated items.

(2) Failure to agree on a cost or price in negotiations resulting from the exercise of this option shall constitute a dispute concerning a question of fact within the meaning of the Disputes clause of this contract. However, nothing in this clause shall excuse the Contractor from proceeding with the performance of the contract, as modified, while any resulting claim is being settled.

(End of Clause)

SECTION K Special Contract Requirements

* Name and TIN of common parent:

Name _____

TIN _____

52.207-4 Economic Purchase Quantity -- Supplies (Aug. 1987)

(a) Offerors are invited to state an opinion on whether the quantity(ies) of supplies on which bids, proposals or quotes are requested in this solicitation is (are) economically advantageous to the Government.

(b) Each offeror who believes that acquisitions in different quantities would be more advantageous is invited to recommend an economic purchase quantity. If different quantities are recommended, a total and a unit price must be quoted for applicable items. An economic purchase quantity is that quantity at which a significant price break occurs. If there are significant price breaks at different quantity points, this information is desired as well.

OFFEROR RECOMMENDATIONS

ITEM

QUANTITY

PRICE QUOTATION

TOTAL

(c) The information requested in this provision is being solicited to avoid acquisitions in disadvantageous quantities and to assist the Government in developing a data base for future acquisitions of these items. However, the Government reserves the right to amend or cancel the solicitation and resolicit with respect to any individual item in the event quotations received and the Government's requirements indicate that different quantities should be acquired.

SECTION K Special Contract Requirements

52.215-9P02 MINIMUM PROPOSAL ACCEPTANCE PERIOD (JAN 1992) DSCP

(a) "Acceptance Period", as used in this provision, means the number of hours or calendar days available to the government for awarding a contract from the date and hour specified in this solicitation for receipt of offers.

(b) This provision supersedes any language pertaining to the acceptance period that may appear elsewhere in this solicitation.

(c) The government requests a minimum acceptance period of:

90 days.

(d) In the space provided immediately below, offerors may specify a longer acceptance period than the government's request. The offeror allows the following acceptance period: _____ Hours or _____ Calendar Days

52.219-1 Small Business Program Representations (Apr 2002)

(a) (1) The North American Industry Classification System (NAICS) code for this acquisition is 311422.

(2) The small business size standard is 1000.

(3) The small business size standard for a concern which submits an offer in its own name, other than on a construction or service contract, but which proposes to furnish a product which it did not itself manufacture, is 500 employees.

(b) Representations.

(1) The offeror represents as part of its offer that it * is, * is not a small business concern.

(2) (2) [Complete only if the offeror represented itself as a small business concern in paragraph (b)(1) of this provision.] The offeror represents, for general statistical purposes, that it * is, * is not, a small disadvantaged business concern as defined in 13 CFR 124.1002.

(3) [Complete only if the offeror represented itself as a small business concern in paragraph (b)(1) of this provision.] The offeror represents as part of its offer that it * is, * is not a women-owned small business concern.

SECTION K Special Contract Requirements

(5) [Complete only if the offeror represented itself as a veteran-owned small business concern in paragraph (b)(4) of this provision.] The offeror represents as part of its offer that it is * is, * is not a service-disabled veteran-owned small business concern.

(6) [Complete only if the offeror represented itself as a small business concern in paragraph (b)(1) of this provision.] The offeror represents, as part of its offer, that -

(i) It * is, * is not a HUBZone small business concern listed, on the date of this representation, on the List of Qualified HUBZone Small Business Concerns maintained by the Small Business Administration, and no material change in ownership and control, principal office, or HUBZone employee percentage has occurred since it was certified by the Small Business Administration in accordance with 13 CFR part 126; and (ii) It * is, * is not a joint venture that complies with the requirements of 13 CFR part 126, and the representation in paragraph (b)(6)(i) of this provision is accurate of the HUBZone small business concern or concerns that are participating in the joint venture. [The offeror shall enter the name or names of the HUBZone small business concern or concerns that are participating in the joint venture: _____.] Each HUBZone small business concern participating in the joint venture shall submit a separate signed copy of the HUBZone representation.

(c) Definitions. As used in this provision--

"Service-disabled veteran-owned small business concern"-

(1) Means a small business concern- (i) Not less than 51 percent of which is owned by one or more service-disabled veterans or, in the case of any publicly owned business, not less than 51 percent of the stock of which is owned by one or more service-disabled veterans; and (ii) The management and daily business operations of which are controlled by one or more service-disabled veterans or, in the case of a veteran with permanent and severe disability, the spouse or permanent caregiver of such veteran.

(2) Service-disabled veteran means a veteran, as defined in 38 U.S.C. 101(2), with a disability that is service-connected, as defined in 38 U.S.C. 101(16). "Small business concern," means a concern, including its affiliates, that is independently owned and operated, not dominant in the field of operation in which it is bidding on Government contracts, and qualified as a small business under the criteria in 13 CFR Part 121 and the size standard in paragraph (a) of this provision. "Veteran-owned small business concern" means a small business concern-

(1) Not less than 51 percent of which is owned by one or more veterans (as defined at 38 U.S.C. 101(2)) or, in the case of any publicly owned business, not less than 51 percent of the stock of which is owned by one or more veterans; and

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- (3) The management and daily business operations of which are controlled by one or more veterans.

"Women-owned small business concern," means a small business concern --(1) That is at least 51 percent owned by one or more women; or, in the case of any publicly owned business, at least 51 percent of the stock of which is owned by one or more women; and (2) Whose management and daily business operations are controlled by one or more women.

(d) Notice.

- (1) If this solicitation is for supplies and has been set aside, in whole or in part, for small business concerns, then the clause in this solicitation providing notice of the set-aside contains restrictions on the source of the end items to be furnished.
- (2) (2) Under 15 U.S.C. 645(d), any person who misrepresents a firm's status as a small, HUBZone small, small disadvantaged, or women-owned small business concern in order to obtain a contract to be awarded under the preference programs established pursuant to section 8(a), 8(d), 9, or 15 of the Small Business Act or any other provision of Federal law that specifically references section 8(d) for a definition of program eligibility, shall --
- (i) Be punished by imposition of fine, imprisonment, or both;
 - (ii) Be subject to administrative remedies, including suspension and debarment;
 - (ii) Be ineligible for participation in programs conducted under the authority of the Act.
 - (iii)

52.222-21 Prohibition of Segregated Facilities (Feb 1999)

- (a) "Segregated facilities," as used in this clause, means any waiting rooms, work areas, rest rooms and wash rooms, restaurants and other eating areas, time clocks, locker rooms and other storage or dressing areas, parking lots, drinking fountains, recreation or entertainment areas, transportation, and housing facilities provided for employees, that are segregated by explicit directive or are in fact segregated on the basis of race, color, religion, sex or national origin because of written or oral policies or employee custom.

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The term does not include separate or single-user rest rooms or necessary dressing or sleeping areas provided to assure privacy between sexes.

(b) The contractor agrees that it does not and will not maintain or provide for its employees any segregated facilities at any of its establishments, and that it does not and will not permit its employees to perform their services at any location under its control where segregated facilities are maintained. The Contractor agrees that a breach of this clause is a violation of the Equal Opportunity clause in the contract.

(c) The Contractor shall include this clause in every subcontract and purchase order that is subject to the Equal Opportunity clause of this contract.

52.222-22 Previous Contracts and Compliance Reports (Feb 1999)

The offeror represents that --

(a) It * has, * has not participated in a previous contract or subcontract subject to the Equal Opportunity clause of this solicitation;

(b) It * has, * has not filed all required compliance reports; and

(c) Representations indicating submission of required compliance reports, signed by proposed subcontractors, will be obtained before subcontract awards.

52.204-9P01 SUBMISSION OF INFORMATION REGARDING ELECTRONIC DATA
INTERCHANGE (EDI) (MAR 1994) DSCP

(a) Electronic Data Interchange (EDI) is most commonly defined as the electronic exchange of data contained in normal business transactions, between trading partners, using a public standard format.

(b) The Defense Supply Center Philadelphia (DSCP) has implemented a system for EDI, using the Accredited Standards Committee (ASC) X12 and/or Uniform Communication Standard (UCS) Standards, as applicable, that will electronically transmit contracts and/or orders for the item(s) covered by this solicitation. Our goal is to utilize EDI to the maximum extent possible and to possess the capability to receive invoices and transmit payments electronically in addition to sending contracts and/or orders.

(c) EDI capability is not a requirement for award under this solicitation. Any data submitted in paragraph (d) below is for information purposes only and will be considered

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confidential. At this time, we are asking that you provide information to help us in our implementation consistent with industry efforts and capabilities in this area.

(d) Please provide the information requested below. If more space is needed, you may use a blank sheet of paper identified with your firm's name, the solicitation number and the provision number (52.204-9P01) and item numbers:

(1) Identify the standard used/to be used by your firm:

- ASC X12 Standard
- UCS Standard
- Other (Briefly

describe): _____

(2) Indicate the type of EDI capability your firm currently possesses or plans to possess within the next 12 months:

- Receive requests for quotes.
- Send offers.
- Receive orders.
- Receive functional acknowledgements.
- Send functional acknowledgements.
- Send ship notices.
- Send invoices.
- Electronic funds transfer (EFT).
- Other (Briefly describe): _____

(3) List any restrictions on government ordering you would need to impose:

- Number of orders per contract: _____
- Minimum quantity per order: _____
- Maximum quantity per order: _____
- No. of ordering activities: _____
- No. of destinations: _____
- Other (Briefly describe): _____

(4) Offeror's system point of contact for EDI:

Name: _____
 Title: _____
 Telephone Number: _____

(e) If you have previously furnished this information to DSCP under a separate solicitation, insert the solicitation number below and leave the above paragraphs blank. If you are updating a previous submission, insert the solicitation number of the previous submission below and complete the applicable paragraphs.

Solicitation Number: _____

52.204-9P04 CERTIFICATION REGARDING A PREVIOUSLY EXECUTED ELECTRONIC DATA INTERCHANGE (EDI) TRADING PARTNER AGREEMENT (TPA) (MAR 1994) DSCP

The offeror certifies that--

(a) It intends to use a previously executed EDI TPA in the performance of any resultant contract.

(b) Such EDI TPA--

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(c) A certification that any of the items in paragraph (a) of this provision exists will not necessarily result in withholding of an award under this solicitation. However, the certification will be considered in connection with a determination of the Offeror's responsibility. Failure of the Offeror to furnish a certification or provide such additional information as requested by the Contracting Officer may render the Offeror nonresponsible.

(d) Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render, in good faith, the certification required by paragraph (a) of this provision. The knowledge and information of an Offeror is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.

(e) The certification in paragraph (a) of this provision is a material representation of fact upon which reliance was placed when making award. If it is later determined that the Offeror knowingly rendered an erroneous certification, in addition to other remedies available to the Government, the Contracting Officer may terminate the contract resulting from this solicitation for default.

52.211-9P38 PLACE OF PERFORMANCE (MAR 1999) DSCP

(a) The offeror must stipulate in the Place of Performance clause included in this solicitation information pertinent to the place of performance. Failure to furnish this information with the bid may result in rejection of the offer/bid.

(b) No change in the place(s) of performance shall be permitted between the opening/closing date of the bid/offer and the award except where time permits and then only upon receipt of the contracting officer's written approval.

(c) Any change in place(s) of performance cited in this offer and in any resulting contract is prohibited unless it is specifically approved in advance by the contracting officer.

52.215-7 Annual Representations and Certifications -- Negotiation (Oct 1997) The offeror has [check the appropriate block]:

(a) Submitted to the contracting office issuing this solicitation, annual representations and certifications dated _____ [insert date of signature on submission] that are incorporated herein by reference, and are current, accurate, and complete as of the date of this proposal, except as follows [insert changes that affect only this proposal; if "none," so state]:

(b) Enclosed its annual representations and certifications.

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(1) is between the Defense Supply Center Philadelphia, Directorate of Subsistence and

-
- (2) is dated _____; and
 - (3) includes the following modification(s) (if "NONE" so state):

Modification Number	Date
_____	_____
_____	_____

52.215-6 Place of Performance (Oct 1997)

(a) The offeror or respondent, in the performance of any contract resulting from this solicitation, intends, does not intend to use one or more plants or facilities located at a different address from the address of the offeror or respondent as indicated in this proposal or response to request for information.

(b) If the offeror or respondent checks "intends" in paragraph (a) of this provision, it shall insert in the following spaces the required information:

Place of Performance(Street Address, City, State, County, Zip Code) Name and Address of Owner and Operator of the Plant or Facility if Other Than Offeror or Respondent

52.222-25 Affirmative Action Compliance (Apr 1984)

The offeror represents that --

(a) It * has developed and has on file, * has not developed and does not have on file, at each establishment, affirmative action programs required by the rules and regulations of the Secretary of Labor (41 CFR 60-1 and 60-2); or

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(b) It * has not previously had contracts subject to the written affirmative action programs requirement of the rules and regulations of the Secretary of Labor.

52.223-13 Certification of Toxic Chemical Release Reporting (Oct 2000)

(a) Submission of this certification is a prerequisite for making or entering into this contract imposed by Executive Order 12969, August 8, 1995.

(b) By signing this offer, the offeror certifies that --

(1) As the owner or operator of facilities that will be used in the performance of this contract that are subject to the filing and reporting requirements described in section 313 of the Emergency Planning and Community Right-to-Know Act of 1986 (EPCRA) (42 U.S.C. 11023) and section 6607 of the Pollution Prevention Act of 1990 (PPA) (42 U.S.C. 13106), the offeror will file and continue to file for such facilities for the life of the contract the Toxic Chemical Release Inventory Form (Form R) as described in sections 313(a) and (g) of EPCRA and section 6607 of PPA; or

(2) None of its owned or operated facilities to be used in the performance of this contract is subject to the Form R filing and reporting requirements because each such facility is exempt for at least one of the following reasons: [Check each block that is applicable.]

* (i) The facility does not manufacture, process, or otherwise use any toxic chemicals listed under section 313(c) of EPCRA, 42 U.S.C. 11023(c);

* (ii) The facility does not have 10 or more full-time employees as specified in section 313(b)(1)(A) of EPCRA, 42 U.S.C. 11023(b)(1)(A);

* (iii) The facility does not meet the reporting thresholds of toxic chemicals established under section 313(f) of EPCRA, 42 U.S.C. 11023(f) (including the alternate thresholds at 40 CFR 372.27, provided an appropriate certification form has been filed with EPA);

* (iv) The facility does not fall within Standard Industrial Classification Code (SIC) major groups 20 through 39 or their corresponding North American Industry Classification System (NAICS) sectors 31 through 33; or

- (v) The facility is not located within any State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, American Samoa, the United States Virgin Islands, the Northern Mariana Islands, or any other territory or possession over which the United States has jurisdiction.

SECTION K Special Contract Requirements**52.242.9P18 MAILING ADDRESS FOR PAYMENT (JAN 1992) DSCP**

Offeror shall indicate below the address to which payment should be mailed, if such address is different from that shown by the offeror in Block 13 of Form 33, Solicitation and Offer:

252.204-7001 COMMERCIAL AND GOVERNMENT ENTITY (CAGE) CODE REPORTING (AUG 1999)

(a) The offeror is requested to enter its CAGE code on its offer in the block with its name and address. The CAGE code entered must be for that name and address. Enter "CAGE" before the number.

(b) If the offeror does not have a CAGE code, it may ask the Contracting Officer to request one from the Defense Logistics Information Service (DLIS). The Contracting Officer will-

(1) Ask the Contractor to complete section B of a DD Form 2051, Request for Assignment of a Commercial and Government Entity (CAGE) Code;

(2) Complete section A and forward the form to DLIS; and

(3) Notify the Contractor of its assigned CAGE code.

(c) Do not delay submission of the offer pending receipt of a CAGE code.

252.204-7004 REQUIRED CENTRAL CONTRACTOR REGISTRATION (NOV 2001)

(a) Definitions. As used in this clause-

(1) "Central Contractor Registration (CCR) database" means the primary DoD repository for contractor information required for the conduct of business with DoD.

(2) "Data Universal Number System (DUNS) number" means the 9-digit number assigned by Dun and Bradstreet Information Services to identify unique business entities.

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(3) "Data Universal Numbering System +4 (DUNS+4) number" means to be performed outside the United States. (2) The offeror shall provide its DUNS or, if applicable, its DUNS+4 number the DUNS number assigned by Dun and Bradstreet plus a 4-digit suffix that may be assigned by a parent (controlling) business concern. This 4-digit suffix may be assigned at the discretion of the parent business concern for such purposes as identifying subunits or affiliates of the parent business concern.

(4) "Registered in the CCR database" means that all mandatory information, including the DUNS number or the DUNS+4 number, if applicable, and the corresponding Commercial and Government Entity (CAGE) code, is in the CCR database; the DUNS number and the CAGE code have been validated; and all edits have been successfully completed.

(B) (1) By submission of an offer, the offeror acknowledges the requirement that a prospective awardee must be registered in the CCR database prior to award, during performance, and through final payment of any contract resulting from this solicitation, except for awards to foreign vendors for work number with its offer, which will be used by the Contracting Officer to verify that the offeror is registered in the CCR database.

(2) Lack of registration in the CCR database will make an offeror ineligible for award.

(3) DoD has established a goal of registering an applicant in the CCR database within 48 hours after receipt of a complete and accurate application via the Internet. However, registration of an applicant submitting an application through a method other than the Internet may take up to 30 days. Therefore, offerors that are not registered should consider applying for registration immediately upon receipt of this solicitation.

(c) The Contractor is responsible for the accuracy and completeness of the data within the CCR, and for any liability resulting from the Government's reliance on inaccurate or incomplete data. To remain registered in the CCR database after the initial registration, the Contractor is required to confirm on an annual basis that its information in the CCR database is accurate and complete.

(d) Offerors and contractors may obtain information on registration and annual confirmation requirements by calling 1-888-227-2423, or via the Internet at <http://www.ccr.gov>.

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**252.225-7000 BUY AMERICAN ACT--BALANCE OF PAYMENTS PROGRAM CERTIFICATE
(SEP 1999)**

(a) Definitions. "Domestic end product," "qualifying country," "qualifying country end product," and "nonqualifying country end product" have the meanings given in the Buy American Act and Balance of Payments Program clause of this solicitation.

(b) Evaluation. Offers will be evaluated by giving preference to domestic end products and qualifying country end products over nonqualifying country end products.

(c) Certifications.

(1) The Offeror certifies that-

(i) Each end product, except those listed in paragraphs (c)(2) or (3) of this provision, is a domestic end product; and

(ii) Components of unknown origin are considered to have been mined, produced, or manufactured outside the United States or a qualifying country.

(2) The Offeror certifies that the following end products are qualifying country end products:

Qualifying Country End Products Line Item Number Country of Origin
(List only qualifying country end products.)

(3) The Offeror certifies that the following end products are nonqualifying country end products:

Nonqualifying Country End Products Line Item Number Country of Origin (If known)

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252.247-7022 REPRESENTATION OF EXTENT OF TRANSPORTATION BY SEA (AUG 1992)

(a) The Offeror shall indicate by checking the appropriate blank in paragraph (b) of this provision whether transportation of supplies by sea is anticipated under the resultant contract. The term "supplies" is defined in the Transportation of Supplies by Sea clause of this solicitation.

(b) Representation. The Offeror represents that it-

_____ Does anticipate that supplies will be transported by sea in the performance of any contract or subcontract resulting from this solicitation.

_____ Does not anticipate that supplies will be transported by sea in the performance of any contract or subcontract resulting from this solicitation.

(c) Any contract resulting from this solicitation will include the Transportation of Supplies by Sea clause. If the Offeror represents that it will not use ocean transportation, the resulting contract will also include the Defense FAR Supplement clause at 252.247-7024, Notification of Transportation of Supplies by Sea.

252.225-7003 INFORMATION FOR DUTY-FREE ENTRY EVALUATION (MAR 1998)

(a) Does the offeror propose to furnish-

(1) A domestic end product with nonqualifying country components for which the offeror requests duty-free entry; or

(2) A foreign end product consisting of end items, components, or material of foreign origin other than those for which duty-free entry is to be accorded pursuant to the Duty-Free Entry--Qualifying Country

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Supplies (End Products and Components) clause or, if applicable, the Duty-Free Entry--Eligible End Products clause of this solicitation?

Yes ()

No ()

(b) If the answer in paragraph (a) is yes, answer the following questions:

(1) Are such foreign supplies now in the United States?

Yes ()

No ()

(2) Has the duty on such foreign supplies been paid?

Yes ()

No ()

(3) If the answer to paragraph (b)(2) is no, what amount is included in the offer to cover such duty? \$ _____

(c) If the duty has not been paid, the Government may elect to make award on a duty-free basis. If so, the offered price will be reduced in the contract award by the amount specified in paragraph (b)(3). The Offeror agrees to identify, at the request of the Contracting Officer, the foreign supplies which are subject to duty-free entry.

52.209-9P06 RESPONSIBILITY OF OFFEROR (JAN 1992) DSCP

In considering the responsibility of an offeror, the government reserves the right to determine the responsibility of the offeror's proposed subcontractor(s) or supplier(s). The same factors shall be used to determine the responsibility of the offeror and its subcontractor(s) or supplier(s). The determination of responsibility of a proposed subcontractor or supplier shall not be construed to relieve the contractor of the sole responsibility of assuring that performance of all work under the contract is in strict accordance with its terms and conditions.

52.209-9P07 PRE-AWARD PLANT SURVEY (JAN 1992) DSCP

To determine the responsibility of prospective contractors, the government reserves the right to conduct physical surveys of the plants which are to be used in the performance of a contract. In the event the government is prevented from making such survey by the offeror or its proposed subcontractor, the offer may be rejected. As a part of the pre-award survey, the offeror may be required to obtain from its intended sources of supply, letters confirming availability of components, materials machinery and tooling.

52.211-2 -- Availability of Specifications Listed in the DoD Index of Specifications and Standards (DoDISS) and Descriptions Listed in the Acquisition Management Systems and Data Requirements Control List, DoD 5010.12-L. As prescribed in 11.204(b), insert the following provision:

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Availability of Specifications Listed in the DoD Index of Specifications and Standards (DoDISS) and Descriptions

Listed in the Acquisition Management Systems and Data Requirements Control List, DoD 5010.12-L. (Dec 1999)

Copies of specifications, standards, and data item descriptions cited in this solicitation may be obtained -

(a) From the ASSIST database via the Internet at <http://assist.daps.mil>; or

(b) By submitting a request to the --

Department of Defense Single Stock Point (DoDSSP)

Building 4, Section D

700 Robbins Avenue

Philadelphia, PA 19111-5094

Telephone (215) 697-2667/2179

Facsimile (215) 697-1462.

52.204-6 Data Universal Numbering System (DUNS) Number (Jun 1999)

52.211-14 Notice of Priority Rating for National Defense Use (Sep 1990)

52.215-1 -- Instructions to Offerors -- Competitive Acquisition (May 2001)

52.215-5 -- Facsimile Proposals (Oct 1997)

52.216-1 -- Type of Contract.

As prescribed in 16.105, complete and insert the following provision:

Type of Contract (Apr 1984)

The Government contemplates award of a EDTC [Contracting Officer insert specific type of contract] contract resulting from this solicitation.

52.232-13 -- Notice of Progress Payments (Apr 1984)

252.206-7000 DOMESTIC SOURCE RESTRICTION (DEC 1991)

Section L - Instructions, Conditions and Notices to Offerors**L-1 Submission of Offers:**

DSCP will use best value continuum procedures, specifically the tradeoff process, for this acquisition. Offerors are required to submit a separate technical proposal in accordance with paragraph L-2 below. A separate business (cost/price) proposal, in accordance with paragraph L-3 below, and the completed solicitation must also be submitted. Information and any product demonstration models (PDMs) must be received no later than the time set for closing of offers. It is critical to successful source selection that you address each of the informational requirements listed in paragraph L-2 to facilitate the Government's review in conducting a proper, thorough, and timely review of your proposal. The complete proposals should be specific, stating clearly how you will meet all the requirements of the solicitation. Proposals will be evaluated to determine compliance with all characteristics listed for evaluation in Section M. Failure to furnish all of the required information and PDMs by the time specified in the solicitation may be cause for rejection of the proposal. The proposal may be rejected under the late offer clause or may be rejected because additional submissions will be tantamount to a submission of a new offer. A cover letter may accompany the proposal to set forth any information you wish to bring to the attention of the Government.

B. Your proposal must be prepared in separate parts as follows:

Part	Title	# of copies
1	Completed Solicitation	1
2	Technical Proposal	5
3	Business Proposal (Prices)	5

L-2 Technical Proposals:

a. The Technical Proposal Factors and Subfactors are as follows:

- 1.0 Product Demonstration Models (PDMs)
- 2.0 Past Performance
 - 2.1 Quality
 - 2.2 Delivery
 - 2.3 Business Relations
 - 2.4 Socioeconomic Goals (Evaluation of Past Performance)
- 3.0 Defense Conversion
- 4.0 Socioeconomic Goals
- 5.0 DLA Mentoring Business Agreement (MBA)
- 6.0 JWOD

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b. The following information is required for technical proposals:

1.0 Product Quality/Product Demonstration Models (PDMs)

Product Demonstration Models (PDMs) will be submitted at no expense to the Government and must be received prior to the time set for closing of offers. PDMs will become the property of the Government and will not be returned to the offeror. Failure to submit PDMs may result in rejection of an offer.

A total of **105** samples of each item identified under item **0001, MRE Assembly**, in section B-5 as Contractor Furnished Material (CFM) shall be submitted as PDMs to be distributed as follows:

A total of **32** samples of each item should be sent to:

U.S. Army Natick Soldier
Biological & Chemical Command
Attn: AMSSB-RCF-F(N)
15 Kansas Street
Natick, MA 01760-5018
Attn: Al Bennett

(Note: Packages containing PDMs shall be identified as such on the outside of the box, as well as identifying the RFP number).

A total of **70** samples shall be sent to the cognizant in-plant Government inspector for items requiring Government origin inspection. In this instance, the offeror shall advise the Government inspector prior to production of the PDMs and shall obtain a signed statement from the inspector confirming possession of the samples and identifying the samples as from the same production lot as those submitted to Natick. The offeror shall submit this statement(s) with its balance of PDM samples submitted to DSCP.

The remaining **3** PDMs for each item shall be mailed along with your technical proposal to DSCP (Attn. Frank Tallent) at the address indicted on block 6 of the first page of the solicitation and must come from the same product lot code as those submitted to Natick and the USDA Government inspector.

Offerors may direct proposed subcontractors to submit PDM samples directly to Natick on their behalf. Such PDMs must be clearly labeled for which offeror they are being submitted. The offeror shall also so advise the Government in its PDM submission that certain other PDMS will be submitted on its behalf by a

SECTION "L" (CONTINUED)

subcontractor, and it should identify the subcontractor. Multiple submissions are not allowed unless coming from two different manufacturing facilities. This consideration does not relieve the offeror of the full responsibility for submitting all PDMs in a timely manner. Late submissions of PDMs may be the basis for rejection of the proposal.

PDM's shall be submitted on an individual component basis for the MRE.

Characteristics for which the PDMs will be tested or evaluated are:

Organoleptic qualities such as taste, odor, texture appearance and overall quality.

The overall PDM rating will be no higher than the rating of the lowest-rated characteristic, for example, if any one of the characteristics is rated "fair" the overall PDM rating will be no higher than "fair", even if certain characteristics are higher rated. A "poor" rating for any one characteristic will result in a "poor" overall PDM rating.

Offerors shall certify that the PDM(s) conforms to all specification/production description characteristics, or shall adequately describe any differences the PDM may have from the requirements of the product description or specification(s). Failure of models to conform to the specification may require rejection of the offer. Offerors shall also certify that product submitted under any resultant contract shall conform to all packaging, labeling and packing requirements as well as analytical requirements. Product from any resultant contract which does not conform to all requirements shall not be accepted by the Government.

The PDM is the standard to which all production under any contract resulting from this solicitation must conform. Offerors are cautioned that samples produced in test facilities may not match the product produced on a production line, which will result in rejection of the product. Major changes in production methodology or packaging such as implementation of new technology may require the submission and evaluation of new PDM's.

The approval of any PDM for the aforementioned organoleptic characteristics will not constitute approval of the product as meeting other contractual requirements such as but not limited to analytical requirements, physical requirements, microbiological requirements and/or performance requirements.

Requirements for Humanitarian Rations: Offerors must submit their proposed meal compositions to include food and non-food components, and demonstrate how the proposed meal meets the salient characteristics and other requirements of the

SECTION "L" (CONTINUED)

solicitation. Details should be provided concerning calorie and nutritional profiles as well as those for packaging, packing and labeling. Offerors shall describe the rationale for using particular items as entrees and the integration of items to form a meal or a complete day's meal.

0002 HDR A total of 4 cases of the completed assembled ration with a menu list and nutritional profile of each meal/component shall be submitted to the following address:

Office of the Secretary of Defense
Defense Security Cooperation Agency
1111 Jefferson Davis Hwy.
Suite 402 - West Tower
Arlington, VA 22202
Attn. Judith McCallum

One case shall be sent to DSCP (Attn: Frank Tallent) at the address indicated on block 6 of the first page of the solicitation.

PDM's shall be submitted by case for the HDR.

Production Standard Replenishment for Food Items:

Acceptable PDMs will be used as production standards. The approval of any PDM will not constitute waiver of the requirement that all delivered product must meet all other contractual requirements such as but not limited to analytical requirements, physical requirements, microbiological requirements and/or performance requirements.

Every 3 months, the Government Quality Assurance Representative (GQAR) will replenish the Government's supply of PDM's at origin with 70 samples randomly selected from a lot accepted by the Government for all contractual requirements.

Every 12 months, the GQAR will randomly select 32 replenishment samples for Natick from a lot accepted by the Government for all contractual requirements. Contractor will be responsible for shipment to Natick.

2.0 Past-Performance:

Offerors may submit any information they want the Government to consider regarding their performance on these items or similar type item(s) during the period since January 1, 2001 to include Quality and Delivery History. Business Relations a

SECTION "L" (CONTINUED)

new subfactor is more fully detailed below. Past Socioeconomic Achievements for latest calendar year to date should be submitted. Offerors may describe their experience since that time in providing the same or similar items and quantities as offered. Offerors are requested to submit any information about any unfavorable instances of past performance that occurred since January 1, 2001 and the corrective actions taken to preclude any such recurrences. Offerors should submit information regarding their socioeconomic accomplishments as part of their past performance information.

Business Relations:

Under this subfactor, the Government will evaluate each offerors' business relations efforts during the term of the MRE XX thru XXII contract period to date. The term "business relations" refers to an offeror's efforts to enhance the overall MRE program by going above and beyond the normal course of the business of assembling and delivering MREs.

Offerors are encouraged to set forth those instances from MRE XX thru XXII contract where their company sought to improve the MRE program overall, as well as their own company's performance under the contract. Examples of business relations enhancements can include but are not limited to the following; participation in, or attendance at, industry trade group and/or customer sponsored events; the submission of non-developmental items to Natick, the level of support and coordination received from company representatives, value-added services performed under the contract, the company's history of handling, coordinating and resolving complaints, emergencies, and problems, that arose under MRE XX thru XXII contract period to.

3.0 Defense Conversion:

(1.) The current acquisition environment is characterized by increasing fiscal constraints, significant differential between peacetime and mobilization requirements, and increased need to support humanitarian relief efforts arising from global strife and natural disasters. Under these conditions, the Government will not be able to continue its long-term readiness planning by maintaining those firms which rely solely on Government peacetime awards for their existence. Instead, there must be a transition from a military-unique industrial base for operational rations to an integrated military/commercial industrial base which is commercially viable and will be available to satisfy the Government's crisis needs, even in the absence of any Government peacetime award or when peacetime awards are of much lesser quantities than would be required in a mobilization.

(2.) The offeror shall describe and support its annual business volume for CY 2001 and break this annual business into commercial and Government business.

SECTION "L" (CONTINUED)

For commercial business, please state the dollar volume of business for each major commercial customer and the percentage of total business that that dollar volume represents. And be prepared to support these commercial-business statistics by adequate documentation, if requested. For each commercial customer list not only dollar volume but also, to the maximum extent practicable, the product line and the number of units sold. The offeror shall also provide the same estimated information, or goals, for CY 2002 through 2005. The offeror shall also describe the efforts taken, and achievements reached, to build commercial business. This discussion shall include a progress report or plan reflecting business strategies conducive to development of a commercial customer base, including innovative manufacturing techniques, inventory control and distribution systems, marketing plans, etc. Additionally, offeror shall discuss the ways it will integrate military and commercial business in the production process to accomplish proposed delivery schedules, economic production rates, and a warm base status throughout the year. Long term agreements with commercial customers, such as three-party Shared Production Agreements, should be discussed.

4.0 Socioeconomic Goals:

a. Participation Levels:

(1) Both large and small business offerors must indicate what portions of their proposals(s) will be subcontracted to Small Business (SB), Women-Owned Small Business (WOSB), Small Disadvantaged Business (SDB) and Javits-Wagner-O'Day (JWOD) concerns in terms of percentages and total dollars. The offer must describe the proposed extent of SB, WOSB and SDB concern participation in the performance of the contract at the contractor and subcontractor level. (Subcontractor dollars figures called for below should include suppliers).

The following format shall be used:

	<u>DOLLARS</u>	<u>PERCENT OF SUBCONTRACT DOLLARS</u>
Total Contract Price	\$	
Total to be Subcontracted	\$	
To Large Business	\$	%*
To Small Business	\$	%*
To Small Disadvantaged	\$	%*
To Woman-Owned Small Bus.	\$	%*
To Other Small Business	\$	%*
To JWOD Concerns	\$	%*

*Divided into total to be subcontracted

b. Organizational Efforts:

(1) The offeror shall describe the efforts it will make to ensure that SB, WOSB, SDB and JWOD concerns will have an equitable opportunity to compete for

SECTION "L" (CONTINUED)

subcontracts or as product suppliers on this acquisition. When subcontracting with SB, WOSB and SDB concerns, their participation can bridge the entire scope of the contract, such as, but not limited to: sourcing the product, distribution/delivery, maintenance, or supplying the prime contractor with any EDI/Electronic commerce system.

(2) The offeror shall describe its willingness and any plans it has to develop additional opportunities for SB, WOSB, SDB and JWOD concerns. The offeror must furthermore identify the employee(s) responsible for ensuring that equitable opportunity is afforded the SB, WOSB, SDB and JWOD firms to compete for contracts or supplier selection; as part of this, the offeror must identify the employee's position in the firm and describe the employee's duties in relation to this plan.

(3) The offeror may be required to cooperate in studies or surveys in order to allow the government to determine the extent of compliance with subcontracting opportunities you have identified for this acquisition.

NOTE: (1) In the rating of its socio-economic plan a small business concern will receive additional credit for evaluation purposes for manufacturing or assembly work that it performs in-house, as if that work had been subcontracted to another small business.

(2) Large Business offerors are required to submit the Small Business, Hub Zone Small Business, Women Owned Small Business, and Small Disadvantaged Business subcontracting plan information as required by clause 52.219-9 Small Business, Small Disadvantaged Business and Women Owned Small Business Concern Subcontract Plan, in addition to the information requirement of this section of the proposal. If an individual contract plan is submitted, this submission must contain separate SB, Hub Zone, WOSB, and SDB subcontracting percentages and dollar levels for the base year and each option year. (For assistance refer to the Subcontracting Plan guide attached to this solicitation).

c. For more information see clauses 52.215-9002 & 52.215-9003.

5.0 DLA Mentoring Business Agreement (MBA)

The DLA Mentoring Business Agreement Program was designed for prime contractors to provide developmental assistance to small business small disadvantaged business and women-owned small business concerns for value added services and/or products. Prime contractors may also mentor Javits-Wagner-O' Day (JWOD) qualified nonprofit agencies for the blind and other severely disabled that have been approved by the Committee for Purchase from people Who Are Blind or Severely Disabled under the JWOD Act. DLA MBAs encourage participation and growth opportunities for small business, small disadvantaged business and women-owned small business concerns and JWOD entities in best value, long-term contracting environment. The submitted plan should consist of one or more agreements between the prime contractor and a small business, small disadvantaged

SECTION "L" (CONTINUED)

business, women-owned small business concern or JWOD workshop that will participate in carrying out the requirements of the prime contract. The opportunities must constitute real business growth which is measurable and meaningful.

a. Participants

Cite your criteria in selecting a firm to mentor. In addition, provide the following information with all submissions:

(a) Name, Address, and Plant Location for contract holder and potential Small Business, Small Disadvantaged Business or Women-Owned Small Business or JWOD participant(s).

(b) Point of Contact, Job Title and Phone Number of all personnel involved in the development and oversight of any agreement from both parties.

(c) The number of people employed by the Small Business, Small Disadvantaged Business or Women Owned Small Business concern. If the firm is in the service sector, its annual average gross revenue for the last three fiscal years.

b. Agreement Type

Provide copies of agreements in place or describe the type of agreement executed by the contract holder and the Small Business concern, Small Disadvantaged Business or Women-Owned Small Business concern or JWOD entity. The agreement should state the benefits of the plan for both parties. The Contracting Officer will review the plan to ensure that the agreement will not jeopardize future contract performance. The agreements should clearly define the roles and responsibilities of each party. Plans which identify new business ventures rather than expansion of existing agreements are preferred.

DLA MBA agreements shall specifically identify the areas of developmental assistance (i.e., management/technical) that will be provided. The offeror should provide a discussion of the areas chosen for development/enhancement. Describe the scope of the plan; i.e., whether the plan will be specifically related to the requirements contained in the solicitation or will the plan cover other government and commercial customers.

Offerors shall identify and describe the management control techniques that would be used to insure that contract requirements are met. This should include the record keeping and communication techniques and the methods to be used to control and track performance.

SECTION "L" (CONTINUED)**c. Measurements and Reporting**

(1) Provide a chart indicating the milestones for program implementation.

(2) Discuss and describe the measurements/yardsticks that will be utilized to determine if program objectives and goals have been met. Give projections of anticipated measurable progress which successful program activities should produce in the following areas:

(a) An increase in the dollar value of subcontracts awarded to Small Business, Small Disadvantaged Business, Women Owned Small Business concerns and JWOD workshops under DLA contracts.

(b) An improvement in the level of participation in DoD, other federal agencies and commercial contracting opportunities.

(3) Mentors will be required to submit periodic progress reports their agreements.

L-3 Business Proposal:

a. The business proposal must include the completed copy of section B (line item pricing), or the same information in the offeror's similar format.

b. The government reserves the right to require information other than cost or pricing data, as defined at FAR 15.403, or cost and pricing data, as applicable and if required to determine price reasonableness of any offer(s).

c. Pricing for MRE (item 0001):

1.) The awards will be based on a percentage of the Governments Overall Minimum Quantity Requirements (GOMR) for the base and the option years. The range of pricing is from 20% to 50% of the GOMR for each contract term. Price tiers are requested based on incremental percentages of the GOMR quantities for the base year and each option year.

2.) Pricing will be solicited in 5% increments from 20% through 50%; i. e., offerors will be asked to propose prices based on receiving an award of an IQC minimum of 20% of the GOMR, 25% of the GOMR, 30%, etc. For example, for the base year each offeror will be asked to propose prices based on receiving an award of a minimum quantity of 20% of 2,500,000 cases, 25% of 2,500,000 cases, etc., through 50% of 2,500,000 cases. Offerors will be asked to do the same for each of the two option years, but in each option year those incremental percentages

SECTION "L" (CONTINUED)

will be applied to 2,500,000 cases, which is the governments overall minimum quantity requirement for each of the two option years, respectively.

Pricing shall be offered as follows:

Price Tiers for IQC Minimum Quantities Awarded

IQC-Minimum Quantity Tiers

Base Year Price

- 20% (1 - 500,000 cs)
- 25% (500,001 - 625,000 cs)
- 30% (625,001 - 750,000 cs)
- 35% (750,001 - 875,000 cs)
- 40% (875,001 - 1,000,000 cs)
- 45% (1,000,001 - 1,125,000 cs)
- 50% (1,125,001 - 1,250,000 cs)

Option-Year IQC-Min Quantity Tiers

Option Year 1 Price

Option Year 2 Price

- 20% (1 - 500,000 cs)
- 25% (500,001 - 625,000 cs)
- 30% (625,001 - 750,000 cs)
- 35% (750,001 - 875,000 cs)
- 40% (875,001 - 1,000,000 cs)
- 45% (1,000,001 - 1,125,000 cs)
- 50% (1,125,001 - 1,250,000 cs)

While offerors are requested to submit offers in 5% increments (from 20% to 50% of the overall minimum quantity requirement) the Government reserves the right to award option quantities within the range of those increments for the option years, though it does not intend to do so for the base year. For example, an award could be made of an IQC minimum quantity of 700,000 cases, which falls into the tier identified as the 30% tier and is 28.00% of the option-year GOMR.

The unit-price quoted for each percentage will be understood to apply to all quantities ordered between the IQC minimum and the IQC maximum awarded. For example, the unit-price quoted for an award of an IQC minimum quantity of 25% of

SECTION "L" (CONTINUED)

the GOMR will be understood to apply to all quantities ordered under that contract for the year in question, whether the Government orders the minimum, the maximum or something in between. This kind of tiered pricing will be referred to as Price Tiers for IQC Minimum Quantities Awarded. For this kind of tiered pricing, the unit price shall be based on the IQC minimum quantity awarded under each contract. There is no price reduction if additional quantities above the IQC minimum quantity are ordered. Corresponding price tiers for the same array of quantity levels (5% increments from 20% through 50%) are requested for each option year, as well.

The smallest IQC minimum quantity to be apportioned in any of the multi-sourced contracts will be 20% of the GOMR of 2,500,000 cases for the base year and for each option year respectively. The largest IQC minimum quantity that will be awarded to any one offeror will not exceed 50% of the GOMR for the base year and for each of the two option years, respectively. So, for example, the government may decide to make three awards with IQC minimums representing 20%, 30% and 50%, respectively, of the GOMR for the base year and for each of the two option years. For the base year and each option year each vendor's IQC maximum quantity will be the same percentage of the Government Overall Maximum Quantity Requirements (GOMAX) as that vendor's IQC minimum quantity is of the GOMR.

For example, if a vendor is awarded an IQC minimum that is 50% of the GOMR, that vendor will also be awarded an IQC maximum quantity that is 50% of the GOMAX. If a contractor is awarded exactly 50% of the Government's overall minimum quantity requirement in the base year (= 1,250,000 cs), then that contract or will at the same time be awarded exactly 50% of the Government's overall maximum quantity requirement (= 1,875,000 cs). For the option year(s), if a contractor is awarded an IQC minimum of 28.00% of the GOMR (= 700,000 cs), that contractor will at the same time be awarded an IQC maximum quantity of 28.00% of the GOMAX (= 1,050,000 cs). Based on an integrated assessment of the technical and business proposal, the proposal that represents the best overall value to the Government will receive the largest share, the second best-value proposal will receive the second largest share, etc.

Initial proposals offering pricing for IQC minimum quantities below 20% of the GOMR or for IQC minimum quantities above 50% of the GOMR will not be evaluated.

At the time of award, or shortly thereafter, the Government intends to issue delivery orders to the various awardees for IQC-minimum quantities totaling the GOMR. The smallest IQC minimum quantity that will be initially ordered from any one firm shall be 20% of the GOMR. The largest IQC minimum quantity that will be initially ordered from any one firm shall be 50% of the GOMR. The Government is

SECTION "L" (CONTINUED)

under no obligation to order any additional quantities above the GOMR, or above the IQC minimum quantity for each contract.

3.) The prices submitted above will be used to determine the award price for the base and option years. Offerors should also submit a different kind of tiered pricing which will apply not to IQC minimum quantities awarded but to quantities that may be actually ordered above the IQC Minimum awarded, for the base year and each option year. These tiers will not be used in evaluation for award, but in the course of contract performance they will be used in deciding from whom to order quantities above the GOMR, if prices offered are lower than the IQC minimum quantity award price for the quantities contemplated.

Please propose these prices in the spaces provided below:

Tiered Pricing for Aggregate Quantities Actually Ordered Above the IQC Minimum

		<u>Quantities-Ordered Tiers</u>			
		Example Price	Base-Year	Option-One Price	Option Two Price
1	to	500,000	\$36	_____	_____
> 500,001	to	770,000	\$34	_____	_____
> 770,001	to	1,040,000	\$32	_____	_____
> 1,040,001	to	1,310,000	\$30	_____	_____
> 1,310,001	to	1,580,000	\$28	_____	_____
> 1,580,001	to	1,850,000	\$26	_____	_____
> 1,850,001	to	2,120,000	\$24	_____	_____
> 2,120,001	to	2,390,000	\$__	_____	_____
> 2,390,001	to	2,660,000	\$__	_____	_____
> 2,660,001	to	2,930,000	\$__	_____	_____

SECTION "L" (CONTINUED)

> 2,930,001	to	3,200,000	\$	_____	_____	_____
> 3,200,001	to	3,470,000	\$	_____	_____	_____
> 3,470,001	to	3,750,000	\$	_____	_____	_____

Note that tiered pricing for quantities ordered means that all orders are aggregated with previous orders to determine which tier or tiers the order falls into. The tiers given above mean that until the government has ordered 500,000 units all orders are priced at \$36 per unit. After 500,000 have been ordered, the next 270,000 units (those between 500,001 and 770,000) will be priced at \$34 per unit, the next 270,000 or less units will be priced at \$32 per unit, etc. An order might well fall into two or more tiers. For example, say the 540,000 IQC minimum has been ordered; an additional order of 600,000 units would be priced in this way.

270,000 @ \$34	=	\$ 9,180,000
270,000 @ \$32	=	\$ 8,640,000
60,000 @ \$30	=	<u>\$ 1,600,000</u>
Total price		\$19,420,000

The above chart represents an example. The tiers can be made smaller or larger if desired.

Since at the time of proposal it is not known what each offeror's IQC minimum award will be, it is understood that these quantities-ordered price-tiers will apply only to orders that exceed the IQC minimum quantity awarded and the award price (based on the IQC Minimum Quantities Awarded Tiers) will apply to quantities ordered up to the IQC minimum. To the extent that these aggregate quantities-ordered price tiers are for quantities above the IQC maximum quantity awarded, they will be inapplicable to the awarded contract.

NOTE WELL:

The two kinds of price tiers will serve different purposes. The Price Tiers for IQC Minimum Quantities Awarded will be used to evaluate offers for award. During contract performance they will apply to quantities ordered up to the IQC minimum and to prices for quantities ordered above the IQC minimum if no quantities-ordered tiered pricing was submitted or to the extent that such pricing is not lower than the IQC Minimum Quantity award price.

SECTION "L" (CONTINUED)

The Tiered Pricing for Aggregate Quantities Actually Ordered (Quantities-Ordered Tiers) will not be used in evaluating offers for award, or in determining the final IQC minimum quantity, but will be used in deciding how to apportion orders above the GOMR, in the course of contract performance.

Quantities-Ordered tiers will take effect only to the extent that they apply to quantities between the awarded IQC minimum and IQC maximum quantities, and to the extent they offer a lower price than the IQC minimum award price for the quantities they apply to. If they do not offer a price lower than the IQC minimum award price, the IQC minimum price will be used in deciding what contractor(s) will receive for orders above the IQC minimum.

SEE SECTION B FOR ADDITIONAL PRICING and EPA Information.

4.) Pricing for the option year will be based on the levels provided in the response to request for final proposals.

For option-year proposals all prices for all levels remain valid until the issuance of the initial delivery order in the option year. For the option years the percentage of the GOMR awarded (20%) or quantity ordered in the initial delivery order, if larger than 20%, will then become the IQC minimum for the option-year. The unit price will be the corresponding price for the final IQC minimum quantity (as adjusted by EPA if warranted) for the percentage level represented by that quantity.

5.) For each option year, each contractor will be awarded an IQC maximum quantity which will represent the same percentage of the Government's overall maximum quantity requirement (GOMAX) as the awardee's IQC minimum was of the GOMR, for example, if a contractor receives 50% of the Government's overall minimum quantity requirement in option year one and (50% would be 1,050,000 cases), then that contractor also receives 50% of the GOMAX (50% would be 1,575,000 cases) for that option year. If a contractor's initial and tentative IQC minimum award of 20% of the GOMR is revised upward in the initial delivery order for the option year to a higher percentage of the GOMR, then the contractor's percentage of the GOMAX (his contract IQC maximum quantity) for that option year would also be correspondingly increased.

6.) Additional Quantities Awarded Above the IQC Minimum for MRE Assembly (item 0001): -

a.) Orders of additional quantities beyond the contract minimum shall be

SECTION "L" (CONTINUED)

based on an assessment of the evaluation factors set forth in Section M-4 on page _____ entitled "Evaluation Factors for Delivery Orders Over IQC Minimum Award Quantities".

One of the evaluation factors is price. As stated earlier, the Price Tiers for Aggregate Quantities Actually Ordered Above the IQC Minimum will be used for determining with whom to place additional orders if they offer prices lower than the IQC minimum award for the quantities contemplated.

d.) Humanitarian Daily Rations (HDRs):

1.) Price tiers are not applicable to HDRs as the price is dictated by the Defense Security Cooperation Agency, Humanitarian Assistance/Demining. Offerors will be advised as to the maximum price that is available per meal. Each initial award for the minimum quantity under this solicitation for the HDR shall be for the same quantity; that is, each contract awarded will have the same IQC minimum quantity and the same IQC maximum quantity.

Delivery Orders placed above the minimum quantity may not necessarily be for the same quantity on each of the HDR contracts. See section M for a more detailed explanation.

Pricing Breakdown for MRE Individual

Offerors for item 0001 MRE individual shall provide the prices for all quantity levels and contract periods as described in L-1. A separate pricing breakdown should be made for each proposal.

Contract Period _____	# of Cases _____		
CFM ITEM	QUANTITY/CS	UNIT PRICE	CASE PRICE
Applesauce (Type I) _____	_____	_____	_____
Applesauce, Raspberry (Type VI) _____	_____	_____	_____
BBQ Sauce _____	_____	_____	_____

SECTION "L" (CONTINUED)

CFM ITEM	QUANTITY/CS	UNIT PRICE	CASE PRICE
Beef Snacks	_____	_____	_____
Buttered Noodles	_____	_____	_____
Cappuccino, French Vanilla	_____	_____	_____
Cappuccino, Mocha	_____	_____	_____
Chocolate Chip	_____	_____	_____
Chocolate Mint	_____	_____	_____
Chocolate Disc Cookie	_____	_____	_____
Chocolate Sports Bar	_____	_____	_____
Chow Mein Noodles	_____	_____	_____
Clam Chowder	_____	_____	_____
Crackers	_____	_____	_____
Crackers, Vegetable	_____	_____	_____
Dairy Shake	_____	_____	_____
Flameless Ration Heater	_____	_____	_____
Hot Sauce	_____	_____	_____
Mashed Potatoes	_____	_____	_____
Noodles, Chow Mien	_____	_____	_____
Picante Sauce	_____	_____	_____
Potato Sticks -	_____	_____	_____
Pretzels	_____	_____	_____

SECTION L - SUPPLIES OR SERVICES AND PRICES

CFM ITEM	QUANTITY/CS	UNIT PRICE	CASE PRICE
Pretzels Cheese Filled Dhdr/Ncho	_____	_____	_____
Red Pepper, Ground	_____	_____	_____
Rice Mexican	_____	_____	_____
Rice Yellow	_____	_____	_____
Roasted Peanuts	_____	_____	_____
Seasoning Blend/Salt Free	_____	_____	_____
Vanilla Sugar Wafer	_____	_____	_____
Packaging Materials	_____	_____	_____
Accessory Assembly	_____	_____	_____
Menu Assembly	_____	_____	_____
Final Assembly	_____	_____	_____
Inspection Cost	_____	_____	_____
Total Cost	_____	_____	_____
Total Price	_____	_____	_____

52-204-6 Data Universal Numbering System (DUNS) Number (Jun 1999)

52.211-14 Notice of Priority Rating for National Defense Use (Sep 1990)

52.215-1 Instructions to Offerors -- Competitive Acquisition (May 2001)

52.215-5 Facsimile Proposals (Oct 1997)

52.216-1 Type of Contract (Apr 1984)

The Government contemplates award of a Firm-Fixed Price, Indefinite Quantity contract resulting from this solicitation.

52.232-13 Notice of Progress Payments (Apr 1984)

252.206-7000 DOMESTIC SOURCE RESTRICTION (DEC 1991)

52.215-9004 JAVITS-WAGNER-O'DAY ACT ENTITY PROPOSAL (DEC 1997) -
DLAD

(a) Provide a description of the efforts your company will make to assure that Javits-Wagner-O'Day Act (JWOD) qualified nonprofit agencies for the blind or other severely disabled will have equal opportunity to compete for subcontracts under any resulting contract. Describe your current and proposed range of services, supplies, and any other support that will be provided to you by JWOD concerns. Include specific names of such subcontractors, to the extent they are known.

(b) Describe any future plans your company has for developing additional subcontracting possibilities for JWOD entities, or ways in which these entities could be partnered with other businesses and agencies in opportunities to diversify revenue production, during the contract period.

(c) Specify what proportion of your proposal, as a percentage of dollars, will be subcontracted to JWOD entities.

(d) You shall be required to submit periodic progress reports (no less frequently than annually) to the contracting officer regarding your subcontracting efforts relative to JWOD entities. Specify what type of performance data you will accumulate and provide to the contracting officer regarding your support of JWOD entities during the period of contract performance. Provide the name and title of the individual principally responsible for ensuring company support to such entities (generally, this is the individual responsible for subcontracting with small, small disadvantaged, and women-owned small businesses).

52.215-9002 SOCIOECONOMIC PROPOSAL (MAR 1996) - DLAD

In addition to any subcontracting plan required by the clause 52.219-9:

(i) Provide a description of the efforts your company will make to assure that small, small disadvantaged, and women-owned small business concerns will have equal opportunity to compete for subcontracts under any resulting contract. Describe your current and planned proposed range of services, supplies, and any other support that will be provided to you by small, small disadvantaged, and women-owned small business concerns. Include specific names of subcontractors to the extent they are known.

(ii) Describe any future plans your company has for developing additional subcontracting opportunities for small, small disadvantaged and women-owned small business concerns during the contract period.

(iii) Specify what proportion of your proposal, as a percentage of dollars, will be subcontracted to small, small disadvantaged and women-owned small businesses.

(iv) Specify what type of performance data you will accumulate and provide to the Contracting Officer regarding your support of small, small disadvantaged and women-owned small businesses during the period of contract performance. Provide the name and title of the individual principally responsible for ensuring company support to such firms.

52.222-24 Preaward On-Site Equal Opportunity Compliance Evaluation (Feb 1999)

If a contract in the amount of \$10 million or more will result from this solicitation, the prospective Contractor and its known first-tier subcontractors with anticipated subcontracts of \$10 million or more shall be subject to a preaward compliance evaluation by the Office of Federal Contract Compliance Programs (OFCCP), unless, within the preceding 24 months, OFCCP has conducted an evaluation and found the prospective Contractor and subcontractors to be in compliance with Executive Order 11246.

52.233-2 Service of Protest (Aug. 1996)

(a) Protests, as defined in section 33.101 of the Federal Acquisition Regulation, that are filed directly with an agency, and copies of any protests that are filed with the General Accounting Office (GAO), shall be served on the Contracting Officer (addressed as follows) by obtaining written and dated acknowledgment of receipt from Defense Supply Center Philadelphia
700 Robbins Avenue, 6B098
Philadelphia, PA 19111

(b) The copy of any protest shall be received in the office designated above within one day of filing a protest with the GAO.

52.233-9000 AGENCY PROTESTS (SEP 1999) - DLAD

Companies protesting this procurement may file a protest 1) with the contracting officer, 2) with the General Accounting Office, or 3) pursuant to Executive Order No. 12979, with the *Agency* for a decision *by the Activity's Chief of the Contracting Office*. Protests filed with the *agency* should clearly state that they are an "Agency Level Protest under Executive Order No. 12979." (Note: *DLA procedures for Agency Level Protests filed under Executive Order No. 12979* allow for a higher level decision on the *initial protest than would occur with a protest to the contracting officer; this process is not an appellate* review of a contracting officer's decision on a protest previously filed with the contracting officer). Absent a clear indication of the intent to file an agency level protest, protests will be presumed to be protests to the contracting officer.

52.252-1 Solicitation Provisions Incorporated by Reference (Feb 1998)

This solicitation incorporates one or more solicitation provisions by reference, with the same force and effect as if they were given in full text. Upon request, the Contracting Officer will make their full text available. The offeror is cautioned that the listed provisions may include blocks that must be completed by the offeror and submitted with its quotation or offer. In lieu of submitting the full text of those provisions, the offeror may identify the provision by paragraph identifier and provide the appropriate information with its quotation or offer. Also, the full text of a solicitation provision may be accessed electronically at this/these address(es):
www.procregs.hg.dla.mil/icps.htm

52.252-5 Authorized Deviations in Provisions (Apr 1984)

(a) The use in this solicitation of any Federal Acquisition Regulation (48 CFR Chapter 1) provision with an authorized deviation is indicated by the addition of "(DEVIATION)" after the date of the provision.

(b) The use in this solicitation of any Defense FAR Supplement (48 CFR Chapter 2) provision with an authorized deviation is indicated by the addition of "(DEVIATION)" after the name of the regulation.

52.204-9P03 REQUIREMENT FOR CERTIFICATION OF A PREVIOUSLY EXECUTED

ELECTRONIC DATA INTERCHANGE (EDI) (MAR 1994) DSCP

If the offeror intends to use a previously executed Electronic Data Interchange (EDI) Trading Partner Agreement (TPA) between the Defense Supply Center Philadelphia and the offeror in the performance of any resultant contract, the offeror must complete the certification at 52.204-9P04 in Section K of this solicitation.

52.211-9P17 AVAILABILITY OF PURCHASE DESCRIPTIONS AND OTHER SPECIFICATIONS (JAN 1992) DSCP

(a) Copies of the purchase descriptions and deviations from specifications cited in this solicitation may be obtained upon request from:

Defense Logistics Agency
Defense Supply Center Philadelphia
ATTN: DSCP-HS
(Telephone: (215) 737-4435)
700 Robbins Avenue
Philadelphia, PA 19111-5092

(b) Copies of U.S. Standards for grade of canned or frozen fruits and vegetables may be obtained from:

Processed Products Branch
Fruits and Vegetables Division
Agricultural Marketing Service
U.S. Department of Agriculture
1400 Independence Avenue, SW
STOP 0247
Washington, DC 20250

(c) Copies of specifications or data item descriptions that are listed in the DOD Index of Specifications and Standards (DODISS) may be obtained upon request from:

Standardization Document*
Order Desk, Building 4, Section D
700 Robbins Avenue
Philadelphia, PA 19111-5094
Facsimile No.: 215-697-2978

Telephone Order Entry System (TOES) Numbers: 215-697-1187 through and including 215-697-1197 *IMPORTANT: See FAR Provision 52.211-2 for requirements concerning requests.

252.211-7005 SUBSTITUTIONS FOR MILITARY OR FEDERAL SPECIFICATIONS AND STANDARDS (OCT 2001)

(a) Definition. "SPI process," as used in this clause, means a management or manufacturing process that has been accepted previously by the Department of Defense under the Single Process Initiative (SPI) for use in lieu of a specific military or Federal specification or standard at specific facilities. Under SPI, these processes are reviewed and accepted by a Management Council, which includes representatives of the Contractor, the Defense Contract Management Agency, the Defense Contract Audit Agency, and the military departments.

(b) Offerors are encouraged to propose SPI processes in lieu of military or Federal specifications and standards cited in the solicitation. A listing of SPI processes accepted at specific facilities is available via the Internet in Excel format at <http://www.dcmil.com/onebook/0.0/0.2/reports/modified.xls>.

(c) An offeror proposing to use an SPI process in lieu of military or Federal specifications or standards cited in the solicitation shall-

(1) Identify the specific military or Federal specification or standard for which the SPI process has been accepted;

(2) Identify each facility at which the offeror proposes to use the specific SPI process in lieu of military or Federal specifications or standards cited in the solicitation;

(3) Identify the contract line items, subline items, components, or elements affected by the SPI process; and

(4) If the proposed SPI process has been accepted at the facility at which it is proposed for use, but is not yet listed at the Internet site specified in paragraph (b) of this clause, submit documentation of Department of Defense acceptance of the SPI process.

(d) Absent a determination that an SPI process is not acceptable for this procurement, the Contractor shall use the following SPI processes in lieu of military or Federal specifications or standards:

(Offeror insert information for each SPI process)

SPI Process:

Facility:

Military or Federal
Specification or Standard:

Affected Contract Line Item
Number, Subline Item Number,
Component, or Element:

(e) If a prospective offeror wishes to obtain, prior to the time specified for receipt of offers, verification that an SPI process is an acceptable replacement for military or Federal specifications or standards required by the solicitation, the prospective offeror-

- (1) May submit the information required by paragraph (d) of this clause to the Contracting Officer prior to submission of an offer; but
- (2) Must submit the information to the Contracting Officer at least 10 working days prior to the date specified for receipt of offers.

Section M - Evaluation Factors for Award

M-1 Qualification for Award:

Pursuant to the authority of 10 U.S.C 2304 c(3), competition under this solicitation will be limited to those contractors with whom industrial preparedness agreements exist (i.e. planned producers), to ensure an adequate industrial base of vital suppliers of the MRE and the HDR that must be kept available in the event of a national emergency.

M-2 Source Evaluation and Selection Procedures:

A. Overview: Subsequent to the date specified in the solicitation for receipt of proposals, all timely proposals will undergo a technical and a business evaluation as described below. Each evaluation factor will be evaluated separately and then an integrated assessment of the offer will be made by the contracting officer. If a decision is made to hold discussions, the contracting officer will make a competitive range determination (CRD) based on these evaluations and submit it to the Source Selection Authority (SSA) for approval. Unless award is made on the basis of initial proposals, written and/or oral discussions will be conducted with all offerors in the competitive range. Revised and/or final proposal revisions resulting from discussions will undergo further similar evaluations. Finally, one or more proposals will be selected for award by the SSA, as described in paragraph (B), below. While the source selection authority's assessment will strive to determine the overall value of each offer, judgement on the part of the Government evaluators is implicit in the entire process. The Government reserves the right to select a successful offeror at other than the lowest price submitted and in accordance with the evaluation factors set forth.

B. Evaluation Process:

1. Technical Evaluation: Offerors are required to submit technical proposals, including a Product Demonstration Model(s) as prescribed in Section L of this solicitation. Each technical proposal will be evaluated against the technical factors specified in this section M. Proposals so technically deficient as to make them technically unacceptable will be rejected as unacceptable, and excluded from the competitive range regardless of the prices offered. No discussion will be held with rejected offerors, nor will any rejected offeror be given an opportunity to revise its offer to correct those deficiencies in order to become acceptable after date and time set for receipt of initial offers.

Section M - Evaluation Factors for Award

2. Business Evaluation: Each proposal will be evaluated against the requirements of the solicitation. The Government will evaluate prices, and other information or data if requested, with initial proposals or during discussions, in accordance with FAR subpart 15.305. The Government will also evaluate the offeror's proposals to determine cost/price realism. Cost/price realism relates to an offeror's demonstrating that the proposed price provides an adequate reflection of its understanding of the requirements of this solicitation.

The Government will use the Government's overall minimum quantity requirement (GOMR) quantities described in Section B, which will also be IQC minimum quantities, when evaluating prices of item 0001. For award purposes, in addition to an offeror's proposal for the base contract period, the Government will evaluate its proposal for all options, both as to technical factors and price. In evaluating prices, the Government will use the weighted average price of the base and two option years for equivalent quantities in percentage terms. By the weighted average price we mean the unit price derived by dividing the total price of a stated percentage of the GOMR for the base year plus both option years by the number of units which that percentage of the GOMR for the three years represents. For example, an offeror's unit price for the 50% portion of the GOMR for the base year will be multiplied by the number of units in this GOMR for the base year to produce the total price of that quantity for the base year. The offered price of the same percentage of the GOMR for each option year will be multiplied by the number of units in that percentage of the GOMR to produce the total price of that quantity for each option year. The total dollars for the base and two option years will be divided by the total quantity for those three years to determine the weighted average price for the stated quantity. (See chart below). Evaluation of options will not obligate the Government to exercise the options.

For an offer of \$1.00 at the 50% level base year and \$1.05 and \$1.10 for each option year the evaluation would occur as follows:

Base Year -	\$1.00 x 1,250,000 =	\$1,250,000
Option Year One -	\$1.05 x 1,250,000 =	\$1,312,500
Option Year Two -	\$1.10 x <u>1,250,000</u>	<u>\$1,375,000</u>
	3,750,000	\$ 3,937,500

$$\$3,937,500 / 3,750,000 = \text{Weighted Average} = \$1.05.$$

The weighted average price will be used for evaluation and source selection decisions. However, the Government will look at the reasonableness of price for the base year by comparing it to the current price. The price increases (if any) between the base and option year one price and option year one price and option year two price will also be evaluated.

Section M - Evaluation Factors for Award

3. Selection: The final technical and business evaluation reports will be furnished to the contracting officer. The contracting officer will prepare a written source evaluation report to the Source Selection Authority. The Source Selection Authority will make the source selection decision. The responsible offeror(s) whose proposal(s) are most advantageous to the Government, as determined by the evaluation of proposals according to the evaluation factors established in section M-3, will be selected for award.

M-3 Evaluation Factors for Award (Evaluation Criteria):

a. The Government will use best value continuum procedures, specifically the tradeoff process, in evaluating proposals. The Government will make award to the responsible offerors whose offers conform to the requirements of the solicitation and are most advantageous to the Government, cost or price, technical quality, and other factors considered. For this solicitation, the technical proposal is more important than cost or price. As proposals become more equal in their technical merit, the evaluated cost or price becomes more important.

The Technical Evaluation Factors and Subfactors are as follows:

- 1.0 Product Quality/PDM's
- 2.0 Past Performance
 - 2.1 Quality
 - 2.2 Delivery
 - 2.3 Business Relations
 - 2.4 Socioeconomic Goals (Evaluation of Past Performance)
- 3.0 Defense Conversion
- 4.0 Socioeconomic Goals
- 5.0 DLA Mentoring Program
- 6.0 JWOD

Technical Evaluation Factors 1.0 through 6.0 are listed in descending order of importance. However, technical factors 1.0 and 2.0 are significantly more important than technical factors 3.0, 4.0, 5.0 and 6.0. The subfactors under the Past Performance Factor are in descending order of importance. Each evaluation factor will be evaluated separately, then an integrated assessment of the offeror will be performed.

Section M - Evaluation Factors for Award

1.0 Product Quality/PDMs

The Government will evaluate the PDMs for compliance with the item descriptions and product specifications and will also evaluate the organoleptic qualities of the food product to include taste, texture, odor, and appearance using the recognized hedonic rating scale to determine product acceptability. Approval or acceptance of a PDM shall not constitute a waiver of any specification requirement unless specifically stated by the Contracting Officer.

The overall PDM rating will be no higher than the rating of the lowest-rated characteristic, for example, if any one of the characteristics is rated "fair" the overall PDM rating will be no higher than "fair", even if certain characteristics are higher rated. A "poor" rating for any one characteristic will result in a "poor" overall PDM rating.

Offerors shall certify in their proposal revisions and final proposal revisions that all items produced and offered to the Government under any resultant contract shall conform to all packaging, labeling and packing requirements, and to all nutritional and analytical value requirements of the applicable item specifications/descriptions. Product which does not conform to all requirements shall not be accepted by the Government.

Revised or alternate PDMs submitted during negotiations shall be evaluated for the same criteria detailed above.

2.0 Past Performance

The Government will evaluate the experience and past performance of each offeror for the period since January 1, 2001 regarding product quality, timely delivery and past socioeconomic accomplishments and based on that evaluation will assign each offeror a level of confidence that the offeror will perform satisfactorily. The Government will evaluate the offeror's record of past performance as reflected in its performance of previous Government and commercial contracts, its prior socioeconomic achievements in using Small Business (SB), Women Owned Small Business (WOSB) and Small Disadvantaged Business (SDB) as both suppliers and subcontractors to the maximum extent possible and the contractor's reliability in providing product that conforms to the solicitation requirements.

Section M - Evaluation Factors for Award

This assessment will be based on information provided by the offeror in its proposal, information contained in records maintained by the Government, (for example but not limited to warranty action, destination failures, late deliveries, substitutions, waivers reworks, deviations etc.) and possibly by investigation of the contractor's record of performing commercial contracts. The number of these instances as well as the depth/extent and criticality of the product defect or performance deficiency will be evaluated. The Government will consider all relevant facts and circumstances, and therefore encourages offerors to divulge and explain in their technical proposal any unfavorable quality or delivery instances that occurred since January 2001. More recent trends in contractor performance/delivery will be given more weight since they are deemed more indicative of the offeror's future performance. That is (considering only the period since Jan 1, 2001) more recent aspects of performance - if they seem to be more than isolated instances - may be viewed as more significant than less recent aspects of performance. Performance on prior contracts in subcontracting with and assisting small, small disadvantaged, and woman owned small business will be part of the past performance evaluation. The Government will evaluate information submitted and will measure actual performance against goals and not the stated goal itself.

For the Business Relations subfactor the following applies:

The Government will evaluate each offeror's efforts to improve the MRE program overall as well as their own company's performance during the term of the MRE XX contract. Participation in and/or attendance at industry sponsored events will be considered evidence of enhanced business relations. Also, a company's submission of non-developmental items to Natick will be considered a business relations initiative. Coordination with customers and DSCP to call attention to potential problems, emergencies or product/process improvements will also be considered a business relations enhancement. Finally, a company may propose any other value-added service that it provided under the term of the entire MRE XX contract and it will be evaluated accordingly.

All subfactors will be rated and bases on those ratings an overall rating will be given to the past performance factor. That rating will be used in determining the overall rating for the offerors proposal. In addition to the rating the Contracting Officer will prepare a confidence assessment of the offerors ability to perform on any contract resulting from this solicitation.

Section M - Evaluation Factors for Award

3.0 Defense Conversion:

The amount of commercial business and the percentage of the offeror's total business volume that the commercial business represents, and the efforts made and progress achieved to increase commercial business and integrate military and commercial production will be evaluated to determine the long-term viability of an operational ration contractor. High levels and percentages of commercial work will be evaluated more favorably in selecting sources as it indicates lesser dependence on Government business and a greater ability to withstand changes in operational ration programs.

4.0 Socio-Economic Goals:

The Government will evaluate the offeror's Socioeconomic plan to ensure that to the maximum extent practicable, Small Business (SB), Women Owned Small (WOSB), Small Disadvantaged Business (SDB), and Javits Wagner O'Day (JWOD) concerns are used as both suppliers and subcontractors. Specifically, the Government will evaluate the percentage of dollars subcontracted to SB, WOSB and SDB and JWOD firms, including personnel designated for handling this part of the contract. An offeror who is a SB, SDB and WOSB will receive additional credit, for evaluation purposes, by adding its non-subcontracting dollars to its subcontracting dollars.

5.0 DLA Mentoring:

Proposals will be evaluated in accordance with the following clause:

52.219-9002 DLA Mentoring Business Agreements (MBA) Program (December 1997) - DLAD The Government will comparatively evaluate the offer's response for current or proposed participation in the DLA MBA Program whereby Small Business (SB), Small Disadvantaged Business (SDB), and Women Owned Small Business (WOSB) are afforded the opportunity, through the assistance of the prime contractor, to participate in the DLA procurement process. The offeror may also propose to mentor a Javits-Wagner-O'Day qualified nonprofit agency. The responses from offerors on the MBA Program will be evaluated on a comparative basis among all offerors rather than establishing an acceptable standard. The offeror who indicates the most comprehensive plan for tutoring a protégé will receive the highest rating for this evaluation factor. This evaluation will assess the offeror's willingness to assist such firms in receiving better market shares.

Section M - Evaluation Factors for Award**6.0 52.215-9005 Javits-Wagner-O'Day Act Entity Support Evaluation.**

As prescribed in 15.304(c)(91)(ii), insert the following or a similar provision:

JAVITS-WAGNER-O'DAY ACT ENTITY SUPPORT EVALUATION (DEC 1997) - DLAD

The Javits-Wagner-O'Day Act (JWOD) Entity Proposal provided by the offeror under 52.215-9004 will be evaluated on a comparative basis among all offerors. An offeror that proposes or demonstrates a higher percentage, complexity level, and variety of participation by JWOD qualified nonprofit agencies for the blind or other severely disabled as subcontractors beyond those items for which JWOD entities are the mandatory source generally will receive a higher rating on this factor during the source selection process. Offerors' proposals for such support will be made a part of any resulting contract for use in determining how well the contractor has adhered to its plan. This plan will be monitored by the cognizant Defense Contract Management Agency activity as a means of assisting the contracting officer in determining how well the contractor has in fact performed. This determination will be one factor used in the placement of orders against multiple-award contracts and/or the exercise of options in the contract's follow-on years (as applicable). Performance on prior contracts in subcontracting with and assisting JWOD entities will be used as an element of past performance evaluation in subsequent source selection decisions.

(End of provision)

52.215-9006 Javits-Wagner-O'Day Act Entity Support - Contractor Reporting.

As prescribed in 15.304(c)(91)(iii), insert the following clause:

**JAVITS-WAGNER-O'DAY ACT ENTITY SUPPORT - CONTRACTOR REPORTING
(DEC 1997) - DLAD**

a. The contractor shall submit periodic progress reports (no less frequently than annually) to the contracting officer regarding the contractor's subcontracting efforts relative to JWOD entities. There is no standard or prescribed format for this requirement; however, performance data accumulated and reported by the contractor must be as specified in its offer.

Section M - Evaluation Factors for Award

b. The evaluation factors described above apply to item 0001, the MRE only. They do not apply to the procurement of the HDR except for technical factor 1.0, PDMs. The sponsor of the HDR is the Defense Security Cooperation Agency, Humanitarian Assistance/Demining. It is this agency that dictates the maximum price that is available for an HDR meal. The HDR overall minimum quantity requirement (HOMR) will be evenly apportioned among the three assemblers.

c. **Evaluation Preference for Multi-Sourcing:** In the interest of maintaining properly balanced sources of supply, it is anticipated that the government will make multiple awards for individual line items 0001, MRE and 0002, HDR.

The determination as to the number of awards to be made and the items and quantities to be awarded under each contract, will be based on the following considerations:

1. Maintaining properly balanced sources of supply for meeting the unique requirement of the operational ration acquisition program in the interest of industrial mobilization.

2. Which firms' combined crisis production capacity represents, or would represent, the optimal industrial mobilization base. It is the objective of DSCP that each firm with an industrial preparedness agreement receive a contract under this acquisition in order to ensure that these firms will be available to timely meet the Armed Services' or other Agency's crisis requirements for operational rations in the event of a military contingency or national/international emergency. While it is the objective of the government to make awards to all such firms, there is no guarantee it will do so.

3. The relative strengths and weaknesses of the individual offers based on the best-value criteria described in subparagraph a. above.

4. The combination of awards which will represent the greatest value and economy to the government in accordance with the evaluation criteria stated below

Section M - Evaluation Factors for Award

d. For Humanitarian Rations:

The Government will evaluate the proposed meals outlined in the solicitation. The Government is concerned with customer acceptance of the overall meals as well as individual items. Customer needs that are not specifically addressed in this solicitation but that become known due to the peculiarities of the items offered, will be discussed with the individual offerors. The Government reserves the right to reject meals or items even if they meet the requirements of Section C. When evaluating the meal composition in relation to the customer's needs, the Government takes into account numerous variables. These variables include:

1. The palatability and ingredients of the products;
2. How individual items are integrated to form a complete day's meal and variety of meal combinations;
3. The rationale for using particular items as entrees and in combination;
4. The look of the packaging (Does the meal have a professional look that well represents the USA?);
5. The clarity of the graphics. (Will the recipients know what to do when they receive the meals?)

M-4 Evaluation Factors for Delivery Orders over IQC Minimum Award Quantities IAW FAR 16.505(a)(7) for MRE Assembly (item 0001):

a.) After ordering the IQC minimum award quantity for MRE Assembly whether for the base year or an option year, from a particular contractor, the Government is under no obligation to order any additional quantities from that contractor. The placement of additional orders beyond the IQC minimum contract quantity will be determined based upon an evaluation of the following factors and subfactors, both of which are listed in descending order of importance:

- 1.) Performance under the contract to the date at which the ordering decision is made, with respect to:
 - a) Quality and
 - b) Delivery;
- 2.) Price (of the individual delivery order being considered)

Note that in considering the apportionment of these additional quantities, the Government will consider the "Tiered Pricing for Aggregate Quantities Actually Ordered Above the IQC Minimum": for any contractor that has offered such tiered pricing. (See page ____.)

Section M - Evaluation Factors for Award M-5 Evaluation Factors for Base-Year and Option-Year Delivery Orders over IQC Minimum Award Quantities for HDR (item 0002):

With respect to the HDR, after ordering the IQC minimum award quantity from a particular contractor the Government is under no obligation to order any additional quantities from that contractor. The placement of additional orders beyond the IQC minimum contract quantities will usually be divided into equal quantities among those firms receiving an award. However, there may be instances where other factors such as delivery for these time-sensitive products will determine the placement of additional orders.

M-6 Award of Options for MRE Assembly (item 0001):

a.) The IQC minimum quantity for each contract for each of the option years in accordance with FAR Part 16.504(a)(4)(ii) will be 20% of each year's GOMR as set forth in section B of the solicitation. However, when the option is exercised and the initial delivery order is issued it is agreed that the IQC minimum for that option year will then be whatever quantity is ordered in the initial delivery order for that option year, as long as that quantity exceeds 20% of the GOMR. If the quantity ordered in the initial delivery order does not exceed 20% of the GOMR, the IQC minimum for that option year shall remain 20% of the GOMR. Each offeror is required to include in its proposal prices for each of the quantity increments listed in the chart in Section B-1 of this solicitation. The price for the option year will be the price for the final IQC minimum quantity, whether it is the original awarded quantity or one revised by the initial delivery order. Such price shall be determined by the prices offered in the price chart in section B-1 or in the part of the offeror's proposal which contains the required pricing data.

Note: Assuming the option(s) of one or more of the awardees are exercised for either year, the initial delivery order(s) that will be issued to any such awardees for that year will total the GOMR for that year.

b.) If a determination is made (under FAR 17.207) to acquire the contract items for 2004 and 2005 through the exercise of contract options, a performance matrix described below will be used to determine apportionment of orders for the Government's overall minimum quantity requirement solicited. In making the initial order apportionment decisions, which will determine whether or not each contract's IQC minimum will be revised upward, DSCP will use best-value continuum procedures, specifically the tradeoff process. Technical will be more important than price. The technical factors that will be used are:

Section M - Evaluation Factors for Award

- 1.) Past Performance
 - a) Quality
 - b) Delivery
 - c) Business Relations
 - d) Socioeconomic
- 2.) Defense Conversion

Factors are in descending order of importance. Subfactors are in descending order of importance with subfactors a & b and c significantly more important than subfactor d. Although technical factors are still more important than price for the option year periods, the relationship between technical and price will be closer, with price being more important in the option years than it was during the initial evaluations for award. The prices given for the IQC Minimum Quantities Awarded Tiers will be used in this initial order apportionment decision.

c.) As discussed in M-6 above, the initial allocation of IQC minimum quantities for the option years, 20% of the GOMR for each awardee, may be revised upward at the time the initial delivery order is issued for an option year. Therefore each option-year IQC is *tentative* until the initial delivery order is issued, at which time it becomes *final*, whether it is revised upward or it remains the same.

In performing the evaluation that will determine the final IQC minimum quantities for any option year, the contracting officer will begin with a presumption that the IQC minimum quantities will be allocated in the same proportions to the same contractors as those in which the prior-year IQC minimum quantities were finally allocated. For example, if Contractor A got 50% of the base-year award (50% of the GOMR), Contractor B got 30% and Contractor C got 20%, the contracting officer would begin with the presumption that the same contractors would get the same percentages of the GOMR for option year one, if an option is exercised.

Unless a contractor's performance in the evaluation period for option year one is materially diminished since the evaluation period for the base-year award, and a competing contractor's performance evaluation period is materially better than it was in the evaluation period for the initial award, the allocation of option-year IQC minimum quantities will reflect the same percentage allocations to the same contractors as were made for the base year. In the example, that would be 50% to A, 30% to B and 20% to C. If A's performance materially diminished in the evaluation period for option year one,

Section M - Evaluation Factors for Award

compared to the evaluation period for the base year, and B's performance was significantly better in the evaluation period for option year one than it was in the evaluation period for the base year, while C's performance remained the same for both periods, the allocation for option year one might be, for example, 43% to A, 37% to B and 20% to C.

These are merely examples to convey a general idea of how the evaluation criteria will be applied. The evaluation to determine the final IQC minimum quantities for the option years will not be a start-from-scratch evaluation, but an evaluation to determine whether the final allocated percentages for the prior performance year should be changed for the option year under consideration, and if so, how much they should be changed. If all three contractors performed identically, or with no material differences, during the evaluation period for an option year, the percentage allocations would remain what they were during the prior performance year; in the example above, they would be 50% to A, 30% to B and 20% to C for option year one.

We have said that the allocations of the GOMR (in IQC minimum quantity awards) for the base year will be the presumed allocations of the GOMR (in final IQC minimum quantity awards) for option year one, subject to change only if the stated criteria indicate that a variance from that allocation is warranted for option year one. So also will the final IQC minimum allocations for option year one be the presumed allocations for option year two (if it is exercised), subject to change only if the stated criteria indicate that a variance from the option-year-one allocation is warranted for option year two. Although price is not mentioned in the paragraphs immediately above, bear in mind that price will be a factor in these allocation decisions, as explained elsewhere in this section.

A performance rating superior to that of its competitors will not assure a contractor an increased percentage allocation if the competitors also performed so well that no reduction of their percentage allocation seems appropriate.

For purposes of the option evaluation the contractor must submit performance data from January 2003 for option year one ninety days prior to the expiration of the base year and must submit for option year two evaluation, performance data for the period from January 2004, ninety days before the expiration of option year one. This information will be as required in section L of this solicitation. This information must include socioeconomic goals for the forthcoming year.

52.215-9003 SOCIOECONOMIC EVALUATION (OCT 1996) - DLAD

The Socioeconomic Proposal provided by the offeror under 52.215-9002 will be evaluated on a comparative basis among all offerors. An offeror that proposes a higher percentage, complexity level, and variety of participation by small, small disadvantaged and women-owned small businesses combined, generally will receive a higher rating on this factor. An offeror's efforts to develop additional opportunities for small, small disadvantaged and women-owned small businesses will also be comparatively evaluated with the proposals of other offerors. Offerors' proposals for socioeconomic support will be made a part of any resulting contract for use in determining how well the contractor has adhered to its socioeconomic plan. This plan will be monitored by the cognizant Defense Contract Management Agency's small business office as a means of assisting the contracting officer in determining how well the contractor has in fact performed. This determination will then be used as a consideration prior to option exercise and future source selection decisions. Performance on prior contracts in subcontracting with and assisting small, small disadvantaged, and women-owned small businesses will be part of past performance evaluation.

52.215-9005 JAVITS-WAGNER-O'DAY ACT ENTITY SUPPORT EVALUATION (DEC 1997) - DLAD

The Javits-Wagner-O'Day Act (JWOD) Entity Proposal provided by the offeror under 52.215-9004 will be evaluated on a comparative basis among all offerors. An offeror that proposes or demonstrates a higher percentage, complexity level, and variety of participation by JWOD qualified nonprofit agencies for the blind or other severely disabled as subcontractors beyond those items for which JWOD entities are the mandatory source generally will receive a higher rating on this factor during the source selection process. Offerors' proposals for such support will be made a part of any resulting contract for use in determining how well the contractor has adhered to its plan. This plan will be monitored by the cognizant Defense Contract Management Agency activity as a means of assisting the contracting officer in determining how well the contractor has in fact performed. This determination will be one factor used in the placement of orders against multiple-award contracts and/or the exercise of options in the contract's follow-on years (as applicable). Performance on prior contracts in subcontracting with and assisting JWOD entities will be used as an element of past performance evaluation in subsequent source selection decisions.

52.214-9P06 ROUNDING OFF OF OFFER AND AWARD PRICES (JAN 1992)
ALTERNATE I (FEB 1998) DSCP

Unit prices shall be limited to a maximum of two decimal places. For evaluation and award purposes, offers containing a unit price of more than two decimal places shall be rounded off to two decimal places, as follows:

- \$0.101 to \$0.104 = \$0.10
- \$0.105 to \$0.109 = \$0.11
- \$0.111 to \$0.114 = \$0.11

52.247-9P29 EVALUATION -- PALLETIZED SHIPMENTS (JAN 1992) DSCP

Contracts under this solicitation will require that each shipment be palletized. Railroad cars and trucks cannot be fully loaded with pallets as with unpalletized cases. F.O.B. destination offerors should consider this in determining the transportation cost to be included in their price. The government will also consider this in determining the transportation costs to be used in evaluation of F.O.B. origin offers. For this purpose, each item will be divided into individual shipment quantities which probably offer the most advantageous overall transportation pattern for the government considering weight, anticipated rates and rail car capacities. All offers will be evaluated to achieve the lowest possible overall cost to the government. It is possible because of palletizing, a portion of some otherwise low offer will not be accepted because the quantity will not be sufficient to be shipped advantageously.

52.248-9P02 EVALUATION OF OFFERS USING ALTERNATE VECP METHOD
(APR 1992)

DSCP

(a) One or more value engineering change proposals (VECPs) set forth in paragraph (b) below have been adopted as alternate methods of production. To determine entitlement for the VECP contractor, offerors are required to indicate in paragraph (b) the production method to be used under any contract resulting from this solicitation. Failure to check any block will be deemed to indicate that the offer is based upon using the current requirements without any alternate VECP.

(b) The offeror hereby agrees to use the following production method (check one):
 (1) Current requirements without any alternate VECP.
 (2) Alternate VECP No. _____ with a unit shared acquisition savings amount of \$ _____ (royalty), per _____. This VECP provides

(c) When the offeror selects an alternate VECP method, an amount equal to the VECP shared acquisition savings rate shall be added to the offer price as an evaluation factor beginning with the _____ unit. However, the evaluation factor shall apply only to those quantities which, at the time of contract award, are scheduled for delivery on or before _____.