**Statement of Work**

**Chemicals, Packaged Petroleum, Oil, and Lubricants (Chem/POL)**

**In Support of All U.S. Military, Foreign Military, and Non-Military Customers**

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9. **INTRODUCTION AND SCOPE**

This Statement of Work (SOW) defines the scope of effort required to provide logistics support for chemicals and packaged petroleum products in Federal Supply Classes (FSCs): 6810 - Reagent and Technical Grade Chemicals; 6820 - Dyes; 6840 - Pesticides, Disinfectants, Repellents & Deodorants; 6850 - Miscellaneous/Compounded Chemicals; and 9150 - Packaged Petroleum, Oil, and Lubricants, but excluding Class I Ozone Depleting Substances (ODS).

1. **CONTRACTOR RESPONSIBILITIES**
   * + 1. The Contractor shall be responsible for supplying all Chem/POL National Stock Numbers (NSN) in addition to the integrated support of all FSCs for Defense Logistics Agency (DLA) customers through customer direct shipments to Continental US (CONUS), Outside Continental US (OCONUS), and the replenishment of Forward Stocking Locations (FSL) through DLA direct shipments. DLA’s customers include the Department of Defense (DoD), other civilian agencies, and Foreign Military Sales (FMS). The Contractor shall be responsible for an adequate supply chain infrastructure (to include personnel, processes, facilities, and program-level managerial structure) in place to support the requirements of the solicitation.
       2. The Contractor shall perform comprehensive supply chain management of chemicals and packaged petroleum products to include but not limited to the following:

* Procurement of materials
* Planning & Forecasting
* Order Processing & Fulfillment
* Procurement & Purchasing
* Inventory Management
* Quality Control
* Shelf-Life Management
* Storage, Packaging, Transportation & Distribution
* Obsolescence Management
* Data Management & Delivery
* Customer Support Services
* Material Returns

1. The Contractor shall also be responsible for the following:

* A quality plan that ensures its internal processes and procedures provide accurate information and data to the Government.
* Handling customer returns associated with Product Quality Deficiency Reports (PQDR) and Supply Discrepancy Reports (SDR) for the NSNs listed in Attachments 2 and 3.
* Maintain a single point-of-contact to interface with the Government’s Program Manager to ensure timely resolution of business and technical problems and implementation of corrective action.
* The Contractor will not knowingly procure and supply counterfeit products or materiel. The supplier shall take the necessary actions to mitigate counterfeit occurrences. If counterfeit products or materiel are found, the supplier shall investigate and report incidents to the Government Industry Data Exchange Program (GIDEP) system. The supplier shall provide similar guidance to sub- vendors and sub-suppliers to ensure supply chain integrity.
* Order fulfillment of 13-17K orders per month for NSNs listed in Attachments 2 and 3.
* The integration of manpower, facilities, and a supply chain necessary for a program of this magnitude.

1. **GOVERNMENT RESPONSIBILITIES**

The Government will be responsible for the following:

* + - 1. Provide DLA Customer Account Specialist (CAS) Point of Contacts (POC) to coordinate communications with customers (who have assigned CASs) and provide assistance with Contractor access to customer locations.
      2. Maintain responsibility of alternate source approvals, surplus offers, First Article Test (FAT) requirements, Quality Assurance Letters of Instruction, Government Lot Acceptance Testing, PQDR/SDR approval, Military/Federal Specifications, waivers and deviations, creating new NSNs as required, maintaining the Qualified Status List (QSL), approving Safety Data Sheets (SDS) and Hazard Warning Labels (HWLs), origin inspection determination, provide access to the QSL on an as needed basis, and Procurement Item Descriptions (PID) updates.
      3. Make semi-annual Economic Price Adjustments (EPA).
      4. Provide Contractor access to Government systems, such as, but not limited to Hazardous Material Information Resource System (HMIRS) & webSDR, as needed.
      5. Furnish all drawings and bid sets.
    1. **CUSTOMER SERVICE / MARKETING OUTREACH**

The Contractor shall establish at a minimum a toll-free number and web site link that DLA may use to query the status of requisitions. The Contractor shall have an action plan for addressing customer complaints.

The Contractor shall establish a Marketing Outreach Program to increase utilization of this DLA contract and to educate customers on products/alternatives available for sale through the DLA Chem/POL Privatization Program. DLA will assist in the identification and engagement of potential new customers. New customer engagement may include discussions and/or slide presentations. The Contractor shall discuss its customer outreach efforts with DLA during Program Management Reviews.

1. **ENVIRONMENTAL REQUIREMENTS**
2. The Contractor shall obtain and maintain all required federal, state, municipal, and international certifications, licenses, permits, registrations, and approvals that may be required to perform this contract. The Contractor and any subcontractor shall possess or obtain their own, non-Government, EPA Resource Conservation Recovery Act (RCRA) identification number(s) and follow the regulations of 40 Code of Federal Regulations (CFR) 260-280. The Contractor is responsible for reporting under Emergency Planning and Community Right-to-Know Act (EPCRA) (all applicable sections), as well as providing such data or other appropriate data to the customer/installation allowing the customer/installation to meet its Federal/State/Local/DoD and international environmental reporting requirements.
3. Any time the Contractor communicates with or is contacted by an environmental or other regulatory agency at any level, or is required to communicate with such agency, as pertains to this program, it shall notify the Contracting Officer (KO) via e-mail within four (4) hours of the communication with or contact by an environmental/regulatory entity. In addition, the Contractor shall notify the KO of any spill via e-mail within four (4) hours of the spill or the discovery of the spill.
4. A spill is defined to be any release of a material from its primary container (i.e. the container that has an intimate contact with the material) that results in any loss of the material (i.e. asset), and the need to recoup, repackage, reissue or dispose of the asset whether or not the spill needs to be reported to a regulatory body under the various Federal, State, or Local environmental or occupational-safety regulations.
5. Reporting Protocol:
6. Designated Contractor POC notifies DLA Aviation KO via e-mail.
7. Notification occurs within four (4) hours of the incident's occurrence or discovery of the incident.
8. Notification covers asset(s) in transit to requisitioner(s) as well as in storage awaiting distribution.
9. Notification to include the following information at a minimum:
   1. Identify location of incident / approximate time of incident / injuries if any
   2. Identify nature of incident
   3. Identify and List NSN(s), Logistics Item Name(s), Contract #(s), Unit of Issue (U/I), number of U/I(s) affected.
   4. Identify total quantity/volume spilled (approximation)
   5. Identify collateral damage (i.e., other assets/properties affected by incident)
   6. Identify actions taken to contain/remediate incident.
   7. Identify corrective actions to minimize and/or eliminate future incidents of type noted.
10. Closing & follow-up notification within seven (7) calendar days of incident indicating state of affairs relative to incident to include any and all copies of all official notices sent to the various regulatory agencies where official notice and follow up are required.
11. Contractor notifies Local/State/Federal regulatory entities and the KO depending on the type, nature, and volume of the spill.
    * + 1. The Contractor shall be responsible for any fines or penalties incurred as a result of a spill. For reportable spills and instances of fines, penalties, and notices of violation, the Contractor shall notify the KO within four (4) hours; for all other communications or contacts with Government environmental regulators, the Contractor shall notify the KO as soon as practicable, but in no event later than four (4) hours after the communication or contact. In addition, the Contractor shall provide a copy of all documents or electronic media related to such communications or contacts to the KO at no expense to the Government. The Contractor shall not assert a privilege or other reason to withhold any such document or electronic media. This paragraph applies to all work under this contract.

# TRANSITION & OPERATIONAL CAPABILITY

# Transition must be synchronized among the Contractor, DLA Distribution, and DLA Aviation to ensure that customer requirements remain satisfied during the transfer with little or no disruption in customer support, in accordance with the approved transition plan.

# INITIAL OPERATIONAL CAPABILITY (IOC)

# The Contractor shall be capable of receiving and processing orders (manual and Electronic Data Interchange) thirty (30) calendar days prior to receiving the first order for supplies.

# FULL OPERATIONAL CAPABILITY (FOC)

# The Contractor shall have completed transition within 365 calendar days after contract award or once the Contractor assumes responsibility for individual products during transition. The Contractor shall assume responsibility for all NSNs in the listing of Active NSNs / Schedule of Supplies (Attachment 2) and Inactive NSNs (Attachment 3) within the timeframes specified in its Transition Plan.

# SYSTEM INTERFACE & INTEGRATION

# The Contractor shall be able to maintain a Management Information System (MIS) for reports, information flow, connectivity with existing and emerging Government information systems, supplier network management, subcontractor management, and Surge & Sustainment requirements, and invoicing. The MIS shall include a delivery order tracking system.

# The Contractor shall be capable of receiving and processing orders both manual and via Electronic Data Interchange (EDI) thirty (30) calendar days prior to receiving the first order for supplies.

# DIBBS. Delivery orders will be available through the DLA Internet Bid Board System (DIBBS) which requires that the Contractor possess Internet capability to receive email notification that an order is available on the website, <https://www.dibbs.bsm.dla.mil>.

# ANSI X12. The American National Standards Institute (ANSI) X12 Standard will be utilized for formatting the EDI transactions. Information regarding EDI, ANSI X12 transactions, and Defense Automated Addressing System (DAAS) approved Value Added Networks (VANs) can be obtained from the DAAS web site by going to <https://www.daas.dla.mil/daashome/homepage.asp>.

# EDI. The specific EDI transactions that will be exchanged between the Contractor and DLA for this effort are:

* EDI 850 Delivery Order
* EDI 997 Functional Acknowledgement of Delivery Order
* EDI 856 Ship Notice/Manifest Transaction Set

# Delivery orders will be issued via the 850 EDI transaction. The functional acknowledgement (997 EDI transaction) will constitute the Contractor’s receipt of the delivery order. The shipment notice (856 EDI transaction) will constitute the date of shipment.

# Multiple Contract Numbers: Due to the extraordinary volume of delivery orders under this contract, the listing of available supplementary procurement instrument identification (PII) numbers for delivery orders is expected to be exhausted. To prevent duplication of supplementary PII numbers, it will be necessary to create multiple additional basic PII numbers for this contract.

# Supplies and services already acquired under the initial contract number shall remain solely under this contract number for purposes of Government inspection, acceptance, payment, and closeout. All delivery orders, beginning after a date to be specified by the KO during the period of performance, will be accomplished under the new contract number. All new material that is to be placed on order following the specified date shall be labeled with the new contract number. Issuance of a new contract number may occur multiple times over the course of the contract.

# Modifications to the basic contract will be issued against the original contract number.

# TECHNICAL REQUIREMENTS

# ITEM DESCRIPTIONS

All materials delivered under this contract shall be provided in strict compliance with the applicable PID requirements. Compliance includes conformance to all standards for testing, inspection, packaging, repacking, marking, etc. The Contractor is responsible for notifying the Government if the part number or technical data (including specification and drawing revisions) are different from the information cited in the PID (Attachment 5). Until the Government has approved such a change, the Contractor shall provide the product in accordance with the PID.

The Contractor shall receive Government approval prior to ordering material from sources other than those approved in the PID, on a source-controlled drawing, or in a qualified products list.

Contract Data Requirements List (CDRLs), DD Form 1423 may apply to this procurement. CDRLs are used to delineate any requirement for data which must be provided by the Contractor as deliverable items. This can include, but is not limited to, Pre-production Test Reports, special process demonstration reports, First Article Testing reports, Production Lot Testing reports, etc.

If a CDRL applies, it will be stated in PID Text/Item Description as a QAP with CDRL in the description. CDRL documents are posted to cFolders (<https://pcf1x.bsm.dla.mil/cfolders/>).

1. Warranty. The Contractor shall provide an adequate commercial warranty that is consistent for all items. The warranty must outline all warranty provisions and must ensure overseas shipments are covered until supplies are received at their final destination. CONUS items will be warranted for a minimum of 90 days from receipt. The Contractor should have a return/exchange program for incorrect or defective components.
2. Obsolescence Management. The Contractor shall have an obsolescence management program to manage the loss, or impending loss, of manufacturers or suppliers. The program shall include notifying the Government with information regarding any known obsolescence issues and assisting the Government in establishing obsolescence solutions.
3. Configuration Control. The Contractor will ensure Configuration Control is maintained in accordance with the PID requirements. Any process deviations and/or waivers shall be coordinated with the KO for approval.

# SAFETY DATA SHEET (SDS)

# Accurate and compliant SDS’ are required for all materials delivered under this contract that meet the definition of hazardous as set forth in the latest version of Federal Standard 313 (including versions or changes adopted during the life of the contract). The Contractor should pay particular attention to paragraph 4.3 of Federal Standard 313 (additional information required on the SDS). SDS and HWLs must be submitted together for approval. The Contractor will also provide updated SDS and HWL when formulations of the original procured product have changed.

# For materials being shipped overseas and containing hazardous chemicals identified in European Regulation (EC) No 1907/2006, *Registration, Evaluation, Authorization and Restriction of Chemicals (REACH)*, the Contractor must comply with REACH requirements regarding SDS' and labeling requirements of European Regulation (EC) No 1272/2008, *classification, labelling and packaging of substances and mixtures (CLP)*.

# HAZARDOUS WARNING LABELS (HWLs)

# Items shall be labeled in accordance with 29 CFR 1910.1200 unless otherwise directed by 29 CFR 1910.1200 (b) (5).

# ELECTRONIC SUBMISSION OF SDS DATA SET

The initial SDS and label for a product, and any updates to either, should be provided to the Contracting Officer upon contract award. The Contract Office will then forward the SDS package to the DLA Hazardous Material Information Resource System (HMIRS) focal point using a SDS Transmittal Form. Thereafter, delivery order data is to be transmitted from the Contractor to a DLA HMIRS focal point delivery order email inbox (TBD) using an XML data structure in a Simple Object Access Protocol (SOAP) format. In order to link a delivery order with its associated SDS, the Contractor will electronically provide the following data set for interfacing with DLA Aviation’s SDS Delivery Order Application (DOA) program: NSN; Contractor Serial Number; Contract and DO Number; Source of Supply; Contractor Source of Supply Commercial and Government Entity (CAGE); Manufacturer/ Responsible Party CAGE; SDS Responsible Party; SDS Preparation Revision Date; and Product Name.

# FIRST ARTICLE/PRODUCTION LOT TESTING

NSNs that require Government/Contractor First Article or Production Lot Testing are identified in the list of NSNS (Attachments 2 and 3) and the PID data (Attachment 5).

# ORIGIN INSPECTION

Defense Contract Management Agency (DCMA) source inspection at the Government’s approved source’s location and Contractor’s distribution facility is required for all Aircraft Launch and Recovery Equipment (ALRE), Critical Safety Items (CSI), and other NSNs as designated by DLA Aviation. ALRE, CSI and other NSNs designated by DLA Aviation are identified in the Quality Matrix (Attachment 4) and are subject to change throughout the term of the contract. The Contractor’s commercial purchase orders shall include Government source inspection clauses for those NSNs. DCMA source inspection at the Contractor’s distribution facility is required for FMS orders. It will be the Contractor’s responsibility to contact DCMA to schedule inspection.

# ENVIRONMENTAL PROTECTION AGENCY DESIGNATED PRODUCTS

The Contractor shall be required to adhere to all environmental rules and regulations associated with the maintenance, storage and inventory, and order fulfillment of chemicals and packaged petroleum product assets in accordance with FAR Part 23, *Environment, Energy, Water Efficiency, Renewable Energy Technologies, Occupational Safety, and Drug-Free Workplace*, and requirements associated with EPA’s Comprehensive Procurement Guidelines (CPG) program that mandates certain items of supply be procured with recycled/post-consumer use content. The CPG program applies to FSC 9150, lubricating oil (re-refined, not synthetic); and 6850, misc. chemical specialties.

The Contractor shall procure and supply products in the applicable FSCs with United States Department of Agriculture/EPA mandated bio-based content. The Contractor shall also procure and supply environmentally friendly/green/recyclable products in the applicable FSCs in accordance with Federal statutes, regulations, or Executive Orders as they are published during this contract.

# FORECASTING & INVENTORY MANAGEMENT

The Contractor shall be responsible for forecasting and inventory management of all products as cited as Active Items (Attachment 2), to include any items added after contract award, to meet the Government-established delivery requirements. The Contractor’s forecasting shall include planning for the replenishment of DLA’s OCONUS Forward Stock Locations (FSLs). The Contractor shall be prepared to support those requirements in addition to customer direct order activity received during the life of the contract.

Any NSNs with a Nuclear Reactor Program Weapon System Designator Code (WSDC) of 21N will be designated as a “Never Out” item. The Contractor shall be expected to stock adequate quantities of these NSNs to have a high probability of never being out of stock. The KO may designate other NSNs, in addition to those with a WSDC of 21N, as “Never Out” items. The KO may specify NSNs in addition to the “Never Out” items as special interest for the purposes of reporting.

This population of items may be refreshed bi-weekly. If the item is a new addition to the contract, it is excluded from metrics for one Production Lead Time (PLT).

# SHELF-LIFE MANAGEMENT

Minimum Shelf-life upon Delivery of Contractor Furnished Material (CFM): The Contractor’s forecasting and inventory management practices shall ensure that, upon delivery, items with a shelf-life cited in the Purchase Order Text (POT) will have a remaining shelf-life, as follows:

|  |  |
| --- | --- |
| For items with a shelf life of: | Upon delivery, item shall have remaining shelf-life  of at least: |
| 18 months or greater | 12 months |
| 12 months or greater but less than 18 months | 9 months |
| 9 months or greater but less than 12 months | 7 months |
| 6 months or greater but less than 9 months | 4.5 months |

Re-certification – The Contractor shall ensure that a rigorous program of stock screening is in place to ensure proper turn-around of shelf-life designated materials that is comparable to or more stringent than that currently utilized by the Government. All re- certification risk is borne by the Contractor. The Contractor shall identify and submit to DLA Aviation for approval, the laboratories they will be utilizing for shelf-life extension testing for Contractor Furnished Material.

# DISTRIBUTION & TRANSPORTATION

The Contractor shall be responsible for all shipments of products in accordance with 49 CFR 171-178, International Maritime Organization – International Maritime Dangerous Goods (IMO-IMDG), International Civil Aviation Organization – International Air Transport Association (ICAO-IATA), and Military Aircraft (MILAIR) [Air Force Manual (AFMAN) 24-204]. The Contractor shall be responsible for shipment of materials from its facility to the customer within CONUS; to the customer or designated Container Consolidation Points (CCPs) or Point-of-Embarkation (POEs) for OCONUS; or to freight forwarders for FMS orders. The Contractor shall also be responsible for transporting customer material returns and discrepant orders from both CONUS and OCONUS customer sites to the Contractor’s facility. The Contractor is responsible for identifying and correcting misdirected shipments.

Vendor Shipping Module (VSM): The Contractor shall establish a VSM profile. To create a profile, contact the DLA Distribution (1-800-456-5507) which will assign a unique User Name and Password to access the website at [https://vsm.distribution.dla.mil/net.](https://vsm.distribution.dla.mil/net) The Military Shipping Label (MSL) and carrier information/shipping instructions should be available in VSM within 24 hours of initial shipment registry. The carriers chosen by the Government will be responsible for shipping from the CCP, POE or Freight Forwarder point to the OCONUS customer destination.

# OCONUS SEA CONTAINERS

Upon notification from DLA Distribution that an OCONUS order requires a sea container (SEAVAN), the Government will modify the delivery order to reflect Free on Board (FOB) origin and inspection/acceptance at origin terms. DLA Aviation will retain inspection and acceptance authority for OCONUS sea container orders.

The Contractor shall establish and maintain the capability to stage, pack, and ship SEAVANs to support filling large OCONUS stock orders. The Contractor shall provide the following information to DLA Aviation: contract and delivery order number to include digital pictures of the NSN shipped, sea container loaded, blocked, and braced, and prior to DLA Aviation acceptance.

Active Radio Frequency Identification (aRFID) tags shall be utilized for all SEAVAN shipments.

# FMS ORDERS

Upon receipt of a FMS order, the Contractor shall request shipping instructions by utilizing the Shipping Information Request (SIR) application, available through DCMA’s website: [https://www.DCMA.mil](https://www.dcma.mil/). SIR submittals will not include additional shipping documentation, i.e., Wide Area Workflow (WAWF), DD1348, DD1149, DD250. Once shipping instructions are received from SIR, the inspection process will start (scheduling, acceptance, shipping documentation, WAWF entry).

The cost of any transportation furnished but not used due to a Contractor issue will be charged to the Contractor.

FMS orders may remain at the Contractor’s facility for an extended period of time pending foreign country clearances. The Contractor should be aware of the potential impact of delays in shipping FMS items and the impact on shelf life. Items designated as FMS are not relieved from the stated shelf-life requirements due to delays in shipping authorizations.

# DELIVERY REQUIREMENTS

The Contractor shall provide uninterrupted performance to the customer and have the ability to expeditiously respond to and meet both planned and unplanned variability in customer demand.

# CUSTOMER DIRECT FILL RATE

Although the Contractor shall be required to meet the Time Definite Delivery (TDD) standards, the Customer Direct Fill Rate (CDFR) measurement will be based on ship date rather than delivery receipt date. The Contractor is required to meet a 90% Material fill rate for all Chem/POL items except Nuclear Reactor Program (NRP) items which must meet a fill rate of 95%. The NRP items are identified in Attachment 4. As any other items are identified, or removed, from the NRP population, the vendor will be sent the updated population.

|  |  |  |
| --- | --- | --- |
| **CUSTOMER DIRECT FILL RATE MEASUREMENTS** | | |
|  | | **CONUS and**  **OCONUS Shipment to CCPs/POE** |
|  | **Delivery Order Category (CAT) Codes** |  |
| Priority 01 –  03 | CAT 1 (High Priority) | 2 Day |
| Priority 04 –  08 | CAT 2 | 3 Day |
| Priority 09 –  15 | CAT 3 | 4 Days |

Although performance tracking will start upon the issuance of the first delivery order, the Customer Direct Fill Rate Metric will assess performance over a 12-month performance period. The first performance period will start at FOC and will continue through contract expiration.

Fill Rate: The amount of time measured from receipt of order to shipment. Although the Contractor is required to meet the TDD Standards outlined in the SOW, the CDFR will be measured based on ship date rather than delivery receipt date. Monthly fill rates will be computed to assess Contractor performance and identify problems as they occur. The material fill rate percentage is calculated by taking the total number of orders shipped complete within the designated timeframe, divided by the total number of orders received during that same timeframe. Both the monthly and annual performance CDFR percentage will be computed using this calculation.

FR% = (TRS/TRR) \* 100

Where: FR% = Customer Direct Fill Rate (rounded to the nearest tenth)

TRS = Total Orders Shipped complete within the designated measurement timeframe

TRR = Total Orders Received in a specific performance period

# CUSTOMER DIRECT FILL RATE EXCEPTIONS

The following CDFR exceptions will apply:

* Newly added NSNs (excluded until one full PLT has passed)
* FOB Origin (SEAVAN or Direct Shipment) orders
  + Programmed CLSSA Recurring Demand and Programmed CLSSA Non-Recurring Demand FMS (Attachment 15) orders will be subject CFDR requirements above, plus one day.
* Government Source Inspection delivery orders
* Cancelled delivery orders
* Bulk orders
* Inactive NSNs

# The Contractor may request an exclusion or relief for any performance metric by submitting a detailed justification for each challenge.  An exclusion or relief from the performance metric count may be granted at the discretion of the Government Contracting Officer (KO) or Procurement Contracting Officer (PCO).  Exclusion is defined as removing items from the post-challenge analysis that failed or missed a performance metric.  Relief is defined as changing the status of items that failed or missed a performance metric to a status that passes or meets the performance metric in post-challenge analysis.  Challenges may be at the customer requisition/sales order level with suffix, or at the NIIN level with date range and projected get-well-date (GWD)

* Excusable delays; see clause 52.249-14*, Excusable Delays*

# TIME DEFINITE DELIVERY REQUIREMENTS

The Contractor shall ensure each order is satisfied within the following TDD requirements:

|  |  |  |
| --- | --- | --- |
| **TDD DELIVERY STANDARDS** | | |
|  | | **CONUS and**  **OCONUS Shipment to CCPs/POEs** |
|  | **Issue Priority**  **Designator (IPG)** | **FOB Destination** |
| Priority 01 – 03 | IPG 1 (High Priority) | 6 Business Days |
| Priority 04 – 08 | IPG 2 | 10 Business Days |
| Priority 09 – 15 | IPG 3 | 14 Business Days |

High priority Customer Direct (CD) requirements are identified by Military Standard Requisitioning and Issue Procedures (MILSTRIP) priority designator codes 01, 02, and 03, and routine CD requirements are identified by MILSTRIP priority designator codes 04 through 15.

The Contractor has successfully filled a CONUS demand when, after receipt of an electronic requisition, the customer has received a product at the customer designated site within the specified TDD standards. The Contractor has successfully filled an OCONUS/FMS demand when, after receipt of an electronic requisition, the Contractor has delivered a product to the designated CCP, freight forwarder, or CONUS POE for OCONUS customer direct orders within the specified TDD standards.

# BACKORDERS

# A backorder is any order that is not shipped complete in accordance with the established fill rate. Backordered delivery orders will be included in the Delivery Disincentive.

# INACTIVE MATERIAL

# NSNs contained on the List of Inactive Items (Attachment 3) are exempt from the CDFR metrics. Inactive items are items defined as having less than four demands per year. Items will be moved from the inactive to the active items as demands increase.

# DISASTER RELIF ORDERS

NSNs contained on the Disaster Relief Items (Attachment 6) are products that have been labeled as Disaster Relief NSNs. Disaster Relief orders will be assigned a specific project code provided by DLA and shall be filled as soon as possible, but in no event shall material be shipped later than 2 business days from the Contractor’s receipt of the order. Upon request and on an as needed basis, the Contractor shall provide reporting on Disaster Relief NSN stock levels.

The supplier will be notified upon DLA Aviation receipt of Disaster Relief Project code. The supplier shall be responsible to provide status on all orders associated with this project code daily. All metrics are applicable to these orders.

# MATERIAL RETURNS

The Government does not authorize material returns outside of the PQDR/SDR process (See 5.10.8 of the SOW). If the Contractor chooses to provide a material return service, the Contractor shall be responsible for picking-up material returns at customer sites (both CONUS and OCONUS) and shipping these assets to the Contractor’s facility. The Contractor shall indemnify the Government from any and all liability relating to materials returns, spills and non-compliant storage arising under Resource Conservation and Recovery Act (RCRA), Comprehensive Environmental Response Compensation and Liability Act (CERCLA), and any other related or similar federal, state, local, and foreign country laws and regulations. All Government markings/labels will be removed before the Contractor can recycle or sell material outside this contract.

# DISPOSALS

# The Contractor shall be responsible for disposing any Contractor-owned material, including material returns. Disposal actions shall be in accordance with all applicable local, state, federal and foreign country laws and regulations, including CERCLA, RCRA, etc. Prior to disposing Contractor-owned material and prior to re-using or selling the Contractor-owned material outside of this contract (including material returns under paragraph 5.10.6 above), the Contractor shall ensure that it eliminates from the material packaging all references to the DoD, this contract number, the NSN, or any other marking that would suggest Government ownership of the material. All costs associated with this disposal are at the expense of the Contractor.

# PRODUCT QUALITY DEFICIENCIES & SUPPLY DISCREPANCIES

The Contractor shall process all PQDR/SDR actions. The Contractor is required to obtain and maintain WEBSDR access at <https://home.daas.dla.mil/daashome/websdr.asp>

The Contractor shall investigate and resolve PQDR/SDR actions relating to non- conforming or discrepant material. The Contractor shall submit its recommended resolution to the KO within fifteen (15) calendar days of being notified of the action by the customer. For Type W SDRs written for shipments that do not have the required information/packaging to enable forward movement (i.e., frustrated shipments), the Contractor shall submit its recommended resolution to the KO within five (5) calendar days of being notified of the discrepancy. The Contractor shall track PQDR and SDR receipts and resolution and shall include this information in the annual review with the Government. The Contractor shall be responsible for picking up and correcting or replacing any material requiring correction or replacement, and for delivery of conforming goods to the customer.

# REPORTING REQUIREMENTS

Occurrence Reporting. The Contractor shall provide the following information via e-mail to the KO on an individual occurrence basis during the period of performance of the contract:

* Product Quality Deficiencies (include NSN, quantity returned, customer, disposition of material)
* Hazardous Spill Reporting
* Open Order Report (1st and 15th of the month)
* 21N NSN stock status report (bi-weekly)

The Contractor shall provide the Government all requested data (e.g. inventory positions, due-ins, demand forecasts, etc.). The Contractor will work with the Government to generate all required reports and/or analytical tools. The Contractor may be asked to provide information on its suppliers during performance of the contract. The Contractor shall also provide program updates/briefings and all associated data at regular intervals and when requested by the Government.

# END OF CONTRACT SUPPORT

Upon expiration or termination of the contract, the Contractor shall provide the Government all requested demand, forecast, and spend data and information necessary to prepare a follow-on solicitation. The Contractor may also be asked to provide supplier information. The Contractor shall participate in meetings with the Government and the new Contractor to ensure an orderly transition from the old contract to the new contract.

# CONTRACT EXPIRATION

Upon contract expiration, the Government will not be required to purchase from the Contractor any inventory purchased by the Contractor to support the requirements of this contract. The Contractor may negotiate a commercial sale to the successor Contractor, but the Government disclaims any responsibility or obligation to facilitate any such sale.

The Contractor shall continue to comply with the delivery requirements of this contract for all orders received up to the expiration date.

# POST AWARD CONFERENCE

The KO, in conjunction with the cognizant Administrative Contracting Officer (ACO), may require a post-award conference in accordance with FAR 42.503, *Postaward conferences*. If a conference is deemed necessary, it will be conducted within thirty (30) days of contract award. The Contractor shall be responsible for ensuring that all critical subcontractors participate in the conference. The date, time, and location of the conference will be mutually agreed upon by the KO, ACO, and the Contractor.