

## General Details:

<b>Auction Number &amp; Title</b>	A0007809 / Scrap Residue from Controlled property, Sierra CA
<b>Contract/Sales Order Number</b>	
<b>Publish Start Date</b>	09/17/2019 15:37:47 EDT
<b>Auction Closing Date</b>	09/27/2019 15:37:47 EDT
<b>Sales Type</b>	Term Quantity/Sealed Bid
<b>Contract Start Date</b>	10/07/2019
<b>Contract End Date</b>	10/06/2022
<b>Target Group/Business Partners</b>	
<b>Bid Type</b>	Sealed Bid
<b>Auction Duration</b>	10 day(s)
<b>Start Price</b>	0.01 USD
<b>Pricing Method</b>	Per-unit Pricing

## Product Information(for each line):

### *Line Item 1*

**SL0000102 DS000MUTB-Scrap residue from MUT property DTID:-- Demil Code:-- Qty/UI:100000/LB Fld Off:JSZO/DLA DS Sierra**

### *Line Item 2*

**SL0000102 DS000E2CB-Scrap residue from DEMIL property DTID:-- Demil Code:-- Qty/UI:43100000/LB Fld Off:JSZO/DLA DS Sierra**

## Sales Information

### *Description*

Product Information (for each line):

#### 1. Line Item 1

Scrap Residue: DTID, Demil Code, Qty/UI, 43,100,000 FldOff, JSZO DLA DS Sierra  
From DEMIL property.

#### 2. Line Item 2

Scrap Residue: DTID, Demil Code, Qty/UI, 100,000 FldOff, JSZO DLA DS Sierra  
From MUT property

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Sales Contracting Officer (SCO):

Todd W. Koleski

Phone number 269-961-5993

E-mail Todd.Koleski@dla.mil

## Section 1: General Statement and Description

1. This Auction is for a firm fixed price sales contract where the bid price is expressed in United States dollars/cents per pound. DLA Disposition Services (hereinafter "Agency" or "Government") expects the Purchaser to perform all requirements under this contract at the bid price provided by the Purchaser. This is not a sale by lot. The Agency guarantees to issue the estimated annual generation of the property offered 14,400,000 for sale designated in the Item Description of the property within the terms of the Adjustment for Variation in Quantity or Weight clause (Sale by Reference (SBR) Part 4, Condition 5).

2. Property stream may consist of, but is not limited to, aluminum and steel scrap (light and heavy), copper, brass with nonmetallic material to include plastic and textile, fiberglass, Kevlar and body armor, satellite antennas, large weapon system and parts, wheeled and tracked vehicles, tank track, trailers, containers and aircraft components that are flight safety critical aircraft parts (FSCAP) and sensitive components and textiles requiring demilitarization and/or mutilation. This property consists of DEMIL codes B, C, D E, F and Q. Purchaser may also receive approved DEMIL G property with Material Documented as Safe (MDAS) certificate and DEMIL P property with declassification certificate.

3. The Purchaser is expected to DEMIL/MUT and remove a minimum of 1,200,000 pounds per month. Weight is tracked and billed by weight tickets and DLA Form 1367 for outbound scrap removed from the site. The Purchaser is responsible for removal and disposal of all scrap, to include all metallic and non-metallic material resulting from the DEMIL/MUT process at no cost to the Agency.

4. The performance period of the contract resulting from the IFB shall consists of a 36-month base period, followed by two 12-month option periods that may be exercised at the Sales Contracting Officer's (SCO) discretion. The contract also contains an available six-month extension period that may be offered at the SCO's discretion at the end of each performance period, under the same terms and conditions of the contract. In the event the extension is utilized, the SCO shall advise the contractor in writing 120 calendar days prior to the expiration of the current period of performance period. The extension may be utilized in 30-day increments, a combination of 30-day increments, or in its entirety. The entire length of the contract, if all option periods and extension are used, shall not exceed five years.

5. All potential Bidders are advised to read all terms and conditions of this IFB prior to submitting their bids to ensure they have a complete and full understanding of all requirements under this contract for sale. The Purchaser is cautioned that some requirements for information are required before the start of work on this contract. The Purchaser agrees to provide all services necessary for the contract in accordance with all Federal, state, local laws and regulations and in accordance with the terms of this contract. All terms in this IFB will also apply to Purchaser subcontractor(s).

### *Packing*

Vehicles and components are stored outside on the ground.

### *Removal*

POC: Vernon Campbell, phone number 530-827-4547

Alt POC: Peter Seuss, phone number 530-827-4563

Removal of material must be accomplished Monday thru Thursday from 0700-1530. Excluding Fridays, weekends and holidays.

### *Inspection*

POC: Vernon Campbell, phone number 530-827-4547

Alt POC: Peter Seuss, phone number 530-827-4563

Monday thru Thursday from 0700-1530. Excluding Fridays, weekends and holidays.

### *Loading*

Purchaser must load scrap and is required to move property on to DEMIL/MUT pad for DEMIL/MUT operations.

POC: Vernon Campbell, phone number 530-827-4547

Alt POC: Peter Seuss, phone number 530-827-4563

Loading of material must be accomplished Monday thru Thursday from 0700-1530. Excluding Fridays, weekends and holidays.

## Section 2: Special Terms and Conditions

### 1. Demilitarization/Mutilation Section

- a. Other Department of Defense (DOD) agencies have the responsibility to identify property that requires demilitarization/mutilation by assigning the applicable demilitarization code. Due to changes in requirements, these codes are subject to change without notice.
- b. SCO will provide the training materials to the Purchaser during the pre-award process to ensure adequate time is allotted to train Purchaser certifiers. Purchaser must complete training certificate and submit an appointment letter with the certifiers name and signature on it to the SCO before work can begin. Training certificates are to be held by the Purchaser and made available to the SCO within 24 hours if requested.
- c. Purchaser certifiers will be re-trained annually and must send a new dated appointment letter for each certifier to the SCO.
- d. All DEMIL/MUT operations will be conducted on Government premises ONLY. Agency verifier(s) must be present for all DEMIL/MUT operations. If the Agency verifier is unavailable for any reason, operations are to be shut down until the verifiers return.
- e. Demilitarization/Mutilation of property must be accomplished, Monday thru Thursday from 0700-1530. Excludes Saturdays, Sundays, and Federal/National Holidays or any days Government verifiers are unavailable.
- f. Purchaser is responsible for obtaining and providing all required permits to accomplish demilitarization/mutilation processing and transportation. All conveyance will display applicable Department of Transportation (DOT) placards. If an oversized vehicle or load is required, site will assist by providing a POC for base permits.
- g. Purchaser shall not be provided with permanent indoor or outdoor storage space for property or equipment (including material handling equipment (MHE)). Outdoor temporary storage will be made available as the need arises to ensure DEMIL/MUT operations and property flow are not impacted. Only the Agency can authorize the temporary storage space and the Purchaser must request the space in writing.
- h. Purchaser shall supply all equipment and personnel to accomplish all operations associated to the demilitarization/mutilation of all vehicles and associated parts/material.
- i. Equipment may include, but is not limited to: a shear, scrap knuckle boom, shredder, torch machine, plasma cutter and Personal Protective Equipment
- j. Purchaser is responsible to have on-hand Storage Bins/Roll off containers for to support DEMIL/MUT operations so as not allow scrap to be left on the ground prior to final load out.
- k. Purchaser is responsible to obtain all base badging for laborers and transportation drivers with coordination and assistance from the Government. All personnel accessing the base must have state-approved identification or state-approved appropriate driver's licenses. The base may deny access to personnel with warrants. Base access requirements are subject to change. It is the Purchaser's responsibility to be aware of all changes and comply as needed. (Purchaser shall provide a list of personnel who will work on base prior to start of work).
- l. The use of precision torch fixtures, precision cutting saws or precision tools of any kind are only authorized for downsizing. Final cuts must be IAW DODM 4160.28.
- m. Purchaser shall provide Letter of Authorization (LOA) to the SCO and the pickup point DLA Sales POC, for any contracted transportation picking up property on the Purchaser's behalf. (See addendum A0007809 for example LOA)
- n. The Agency's verifier will conduct end of week meeting with purchaser to coordinate/determine work schedule for the following week. Deviations authorized (i.e. bi-weekly, monthly, etc.) based on mutual agreement between Purchaser and Agency.
- o. Purchaser is required to move all property located at DLA Disposition Services Sierra staging lot to the DEMIL/MUT worksite.
- p. The property is received as an item or by Scrap Classification Code (SCL) and processed through demilitarization/mutilation to the point of scrap. The resulting scrap weight is issued to the Purchaser with the SCL material description.
- q. The Purchaser's certifier and the Agency's verifier shall jointly inspect the property before the property is demilitarized/mutilated
- r. DEMIL required property will not be comingled with other property types until Title passes.
- s. Mutilation required property will not be comingled with other property types until Title passes.
- t. Other property sourced to this contract will be processed as Controlled property and will be mutilated and not comingled with DEMIL/MUT property until title passes.

- u. If operation hazards are discovered during loading or DEMIL/MUT operations, all work will cease immediately. Operations will not resume until cleared by the Agency Verifier or the SCO.
- v. Method and degree of demilitarization will be IAW with DODM 4160.28 Vol 3. The appointed Agency Verifier will have final say in the DEMIL/MUT of property.
- w. Purchaser is required to DEMIL/MUT all property streams. No parts harvesting is authorized.
- x. By bidding, each bidder represents, warrants, and certifies that ALL materials purchased will not be re-used or re-furnished, or sold for re-use or refurbishing.
- y. All DEMIL and Mutilation required property will be destroyed on the same day the material is received. The receiving process begins once the Agency verifier and Purchaser's certifier complete the Kind Count (KC) process and the property has been turned over to Purchaser.
- z. Title will pass to Purchaser when the DEMIL or Mutilation has been completed and the Certificate of DEMIL or Mutilation has been signed by both the Purchaser certifier and the Agency verifier, a weight ticket is issued and the 1367s is signed by both the Purchaser certifier and the Agency verifier.

2. DEMIL/MUT operations will take place on SIAD in Herlong, CA. A concrete pad is in place and will be the location for all DEMIL/MUT operations. Purchaser is advised that there is no covered facility in the work area; if the purchaser chooses to construct a temporary shaded/covered area they must have SIAD facilities approval before they construct any structures. At conclusion of contract, purchaser is responsible to repair any damage to the underlying concrete pad and restore it to original condition. However, the contractor is not responsible for reasonable wear and tear to Government property or for Government property properly consumed in performing this contract. The purchaser is cautioned that high winds, sun, rain, snow and ice may impact operations. Impacted work will not be the responsibility of the Government or sub-contractors. The purchaser's employees or sub employees inspecting, working, Demilitarizing/mutilating, and removing the material are required to be US citizens and pass a Federal background check. Government vehicle escorting is not available.

3. Prior to the Purchaser DEMIL/MUT of property, SIAD will drain fluids and remove refrigerants from the property. There will be residual Petroleum, Oil, and Lubricants (POLs) within the property, its components, and lines. Vehicles are received by DLA Disposition Services in accordance with (IAW) 4160.21, Vol. 4. The Purchaser will be the Certifier and the Government will be the Verifier and both shall jointly inspect the property before the property is demilitarized/mutilated. If the property was not properly drained, the property will be removed from the DEMIL/MUT line and returned to SIAD for proper draining. Once drained, the property will be returned to the DEMIL/MUT line. Residual fluids to be collected by the Purchaser include, but are not limited to POL related commodities such as oil, fuel, hydraulic fluids and ethylene glycol (antifreeze/coolants). If any waste is generated from the residual POLs during the DEMIL/MUT process, the environmental and hazardous waste requirements below shall apply.

- a. Purchaser shall remove residual fluids and batteries from vehicles and transfer fluids to UN approved, DOT shippable containers. The amount of fluids to be drained per vehicle will vary. The Purchaser shall mark, label and palletize all containers/batteries in accordance with all Federal, State and local regulations. Disposal of drained fluids and batteries are not included under the terms of this sale but the Purchaser must ensure proper packaging, marking, labeling, and palletizing of all containers/batteries before proper manifesting and disposal. The Purchaser agrees that their personnel and equipment are subject to safety inspections by Government personnel while on Federal property. Equipment/vehicles containing like fluids, including but not limited to, oil, antifreeze, fuel, may be collected in the same approved UN container. Mixing/comingling of differing types of fluids (oil and antifreeze) within the same approved UN container, regardless of hazard class is forbidden. Purchaser will ensure that contaminants are not introduced to drained containerized fluids. Drained fluids/batteries will be palletized and staged in an area specified by the COR at the end of each workday or at completion of task at all sites. The UN containers in which fluids are collected must be closed except when fluids are being added.
- b. When the Purchaser's performance is completed, the labeled and marked containers shall be placed (by the Government) in the storage location provided by the DLA, Disposition Services COR or POC.
- c. Battery removal to include, but are not limited to lead acid (sealed gel/wet), (this excludes silver bearing batteries - all types). The Purchaser shall isolate all battery terminals, palletize and band batteries in accordance with DOT requirements. The Purchaser will not be required to drain fluid from the batteries. If they are broken, leaking and/or damaged, the Purchaser shall package them in accordance with DOT requirements. Purchaser will use pallets and/or containers that are in accordance with transportation regulations. Silver Bearing Batteries will only be removed from equipment and will be returned to the DLA, Disposition Services Office.

4. Other Special Terms and Conditions; Environmental and Hazardous Waste Secondary Containment.

a. Purchaser is responsible for SECONDARY CONTAINMENT: Purchaser must provide secondary containment that meets the requirements of this section, to prevent the release of hazardous constituents into the environment. The Government must approve the plans for the containment system before it is brought on site/constructed. The Government will inspect the constructed secondary containment prior to authorizing work to begin. The Purchaser is responsible for correcting any deficiencies to the plan or the system as identified by the Government. The Government will not pay or reimburse the Purchaser for any expenses related to the containment system to include, but not limited to planning, developing, constructing, repairing, correcting deficiencies, leasing, operations, draining, cleaning and/or removal. Additionally, the Government may periodically inspect the containment system. Containment system must allow for quick removal of spilled or leaking liquid and should contain a drain (or other method) to empty liquid. Containment must be of sufficient capacity (length/width/depth) to contain the total volume of any fluid released and accumulated liquids that the property being worked may contain until the collected material is removed. At a minimum, the containment system must be able to hold 150 percent of the volume of fluid currently in the containment system.

b. The purchaser will remove and clean up any residual fluids, spills and waste generated from the residual fluids IAW SIAD host installation requirements, Federal, State, and local regulations. SIAD spill response procedures will be followed by the purchaser for any spills that occur while on the installation. The purchaser is responsible to provide proper containers, labels, and any supplies required for labeling. The purchaser will containerize the residual fluids and related waste in UN approved, Department of Transportation (DOT) shippable containers. The purchaser will ensure the appropriate sized containers are utilized for the amount of waste being containerized to ensure maximum amount of container space is utilized. The purchaser will ensure the containers are authorized performance oriented package (POP), DOT compliant for hazardous waste being shipped. The purchaser shall mark, label and palletize all containers IAW with all Federal, State and local (SIAD) regulations. Disposal of collected residual fluids or related wastes is not included under the terms of this sale. The purchaser must ensure proper packaging, marking, labeling, and palletizing of all containers for proper manifesting and disposal. The Purchaser and Government will jointly inspect the full Hazardous Waste containers and agree in writing to their status. When the Hazardous Waste containers are full, labeled, and marked, they will be placed in the designated storage location. SIAD will remove and dispose any full containers containing POLs and waste specifically generated by the DEMIL/MUT process at SIAD. Fluids or waste, including but not limited to POLs, antifreeze, fuel, spill response waste, may be collected in the same approved UN container only if they are like commodities. Mixing/comingling of differing types of fluids or waste within the same approved UN container, regardless of hazard class is forbidden. Containers will be palletized and staged in an area specified by the Government. The purchaser agrees that their personnel and equipment are subject to safety inspections by Government personnel while on Federal property.

c. The Purchaser is required to clean-up the workspace, remove, and dispose of any parts or debris resulting from the Purchasers performance at the end of each work week.

5. Spill Responsibility: The Purchaser is solely responsible for clean-up and disposal of all spills or leaks IAW 40 CFR Part 112 during the loading and or DEMIL/MUT operations of this contract that occur because of, or are contributed to, by the actions of its agents, employees, or Sub-Purchasers, at no cost to the Government. Spill response will be performed by the Purchaser IAW host installation spill response procedures. The Purchaser shall have all necessary spill response kits, equipment and supplies pre-positioned in-case of spills that may occur during this operation. This material may ultimately be subject to EPA Hazardous Waste Regulations, 40 CFR Part 260 et seq. Civil and criminal penalties are available for noncompliance. Purchaser is cautioned that they are solely responsible to ascertain the extent to which these regulations affect it and to comply therewith.

#### 6. Protection to public and property

a. In order to provide for environmental abatement and control and to prevent environmental pollution arising from the services of the Purchaser in the performance of this contract, the Purchaser shall comply with applicable Federal, State and local laws and regulations concerning environmental pollution abatement and control currently in effect and all applicable Host Installation and DLA Disposition Services, Fire, Safety, Security and Environmental Protection Regulations.

b. The Purchaser must perform all operations in a safe and professional manner. At a minimum, the Purchaser's personnel and equipment shall comply with applicable Federal, DOD, State, local and host installation laws, safety regulations, and procedures. The Purchaser will ensure that its agents, employees, and sub-Purchasers perform in a safe manner. The Purchaser shall ensure that its agents, employees and sub-Purchasers involved in handling and packaging wastes are trained to the level of expertise required for the proper performance of the tasks and in particular, in the areas of chemical compatibility, safety, general first aid procedures and spills.

- c. The Purchaser shall assume full responsibility and liability for compliance with all applicable Federal, State, and local, and DOD regulations pertaining to the health and safety of personnel and environmental management during the execution of work. All work shall be completed and performed IAW the best practices of the trade and in compliance with all-applicable Federal, State, DoD, and local codes.
- d. The Purchaser shall take all necessary precautions to prevent injury to the public, building occupants, and/or damage to property of others.

## **Sale by Reference Articles and Paragraphs**

### Section 3: General Terms and Conditions

1. This is not a service contract administered in accordance with the Federal Acquisition Regulations (FAR). This is a contract for the sale of scrap pursuant to provision in Title 40, US Code, Chapter 5 wherein the Purchaser is agreeing to conduct Demilitarization and mutilation of the property as a condition of sale. The Government is not responsible for any indirect or inconsequential expenses related to performance under this contract. The measure of the Government's liability, in any case where liability of the Government to the Purchaser has been established, shall not exceed refund of such portion of the purchase price as the Government may have received. Purchaser may be required to attend special training, seminars, instructions, classes, safety orientations, etc., provided by the Government or to provide information to perform work or gain access to the site. Example: Pass and ID requirements, antiterrorist training, Environmental Management Systems (EMS) policies and/or equipment training.
2. The Agency has the discretion to determine the items to be sold to Purchaser regardless of Federal Supply Code or location. Purchaser has no right to any property that is not issued under the terms of this contract. The Agency reserves the right to sell property that otherwise could be issued under this contract through other offerings or contract means.
3. All property covered under this contract is being sold as is, where is, with no warranty or guarantee of use or salability expressed or implied. No request for adjustment in price for any item or rescission of the sale will be considered.
4. This is not a requirements contract requiring the delivery of all the Agency's excess and surplus generations of a particular type of property at a location. In this contract, the Agency is obligated to sell at least the estimated annual generation of the property offered for sale designated in the Item Description of the property within the terms of the Adjustment for Variation in Quantity or Weight clause (Sale by Reference (SBR) Part 4, Condition 5).
5. The future volume, quality, condition, market value, types (i.e., distribution of property referrals across Federal Supply Classes (FSCs)), and geographic concentrations (i.e., referrals for sale at delivery points) of the property cannot be predicted. Applicable statutes, regulations, policies and inter-service agreements govern whether the disposition of particular items of surplus is through the Agency or through other disposition methods. The volume and nature of the property referred for sale under this contract could be affected by such changes.
6. The items in this invitation for bid are offered for sale as is and where is in accordance with Condition 2, Part 2, Sale of Government Property General Sales Terms and Conditions, Defense Logistics Agency Disposition Services, Sale by Reference, incorporated by reference herein. The Government makes no warranty, expressed or implied, regarding information provided relating to the possible presence of potentially regulated material.
7. Purchasers should exercise caution incurring obligations based on an anticipated 36 month performance period as the 36 month period refers only to the amount of time the agency will have to meet its commitments to provide the estimated quantities of scrap to the Purchaser. It does not confer any right to receive scrap throughout the three year period; instead the Agency promises only to provide the estimated quantities subject to variations as authorized by SBR Part 4, Article 5 as adjusted by the terms of this auction.
8. Purchaser shall not be allowed to sell material at the Agency site. All sales of material must occur after removal from the Agency's site.
9. Purchaser may sub-contract with other entities to perform the special terms and conditions required for

sorting, segregating and removal of scrap at Agency sites. All sub-contractors shall be approved by the government and shall comply with all terms and conditions of this IFB. Sub-contractors shall be vetted through the same process as the Purchaser as described throughout this IFB. Failure of sub-contractors to perform the special terms and conditions required under this sale are grounds for default and shall result in termination if not cured. The Purchaser's contract with the sub-contractor must include Sales by Reference, Part 5, Article C, subparagraphs a through c.

10. Purchaser shall not undertake the following activities without written permission from the SCO, which permission may be granted or withheld by the Agency in the exercise of its sole discretion:

(A) Enter into a partnership, joint venture or other arrangement where the purpose or effect is to engage indirectly in a transaction that would be prohibited by the provisions of this contract if undertaken by the Purchaser directly; or

(B) Enter into contracts or other arrangements that would assign all or substantially all responsibility for and control of performance of the contract to another party or parties, without the prior written approval of the Agency which shall consider such request in accordance with the Assignment of Claims Act of 1940, as amended, 41 U.S.C. sec. 15, and the Government's best interest. In the event of any improper assignment without the written approval of the Agency, this contract shall be terminated at the option of the Government in the exercise of its sole discretion; or

(C) File a voluntary petition seeking liquidation, reorganization, arrangement or readjustment, in any form, of its debts under Title 11 of the United States Code (or corresponding provisions of future law) or any other Federal or state insolvency law; file an answer consenting to or acquiescing in any such petition; make any assignment for the benefit of Purchaser's creditors; or admit in writing Purchaser's inability to pay its debts as they mature, without the prior written consent of the Agency.

11. Any weight offered or described in in this auction was based on historical information from previous sales and are estimates only.

12. Purchaser acknowledges that during the performance of this contract, changes in Government processes, procedures, policies, regulations or laws could result in a large volume of material being turned in to the Agency that could ultimately be referred under this contract. The Agency and the Purchaser agree to cooperate and institute special procedures as necessary in connection with processing material surges. Any costs of the increased workload upon the Purchaser would not be at any additional costs to the Government.

13. Weighing will be completed and documented on DLA Form 1367 under the direction and supervision of the Government using one of the following methods to provide weight tickets:

a. Government owned certified scales located on Government installation. Purchaser's conveyance will be weighed empty upon entrance of the military installation and weighed with a full load upon exiting the military installation.

b. Certified scales not located on Government installation. Purchaser shall not be reimbursed for transportation costs associated with the weighing process, including the cost of transportation to and from the scale. The Purchaser is solely responsible for costs associated with the use of a public certified scale.

c. All weighing will be observed by both parties, recorded on a DLA Form 1367 (filled out by GOVERNMENT personnel) and signed by both parties prior to release.

14. Post-Award, Inspections, Audits, Investigations and Reconciliations:

a. The SCO or designated representative with or without notice will perform inspections on worksites, facilities, permits, licenses, financial and other business related documents at any time during the term of this contract.

b. External auditors may select to audit records and processes related to this IFB and/or resulting contracts.

c. Monthly reconciliations of removals, billing, payment, and performance measures will be conducted and results will be provided to the Purchaser by the SCO.

d. Purchaser agrees to cooperate fully with the Government when informed by the Agency of an ongoing investigation by any DOD or Federal Government investigation service or agency or during the Agency's Compliance Reviews or Audits. Purchaser agrees to provide the Agency with all requested information regarding material or information relating to the Purchaser's Purchasers or sub-contractors. Purchaser shall make all sales records pertaining to such investigations available to the Agency at the earliest available opportunity but no later than three (3) business days from the date of the request. Requests for information shall be provided in electronic format when possible. Purchaser personnel with knowledge of the particular subject matter shall be available to cooperate with any Government investigation.

15. Performance Measures Requirements and Reports

a. Quality Assurance Surveillance Plan (QASP)

b. Contract Performance Report (DLA 2533): The Agency will complete a DLA Form 2533 Contract Performance Report (CPR) and submit to the SCO for any issue in questions to receive resolution.

c. Report of Discrepancy (SF 364): Reports of Discrepancy (i.e. shipping, packaging etc.) will be initiated by the Purchaser for any questionable item. Purchaser shall complete SF 364 Report of Discrepancy (ROD) and submit it to the Agency personnel on site for any property or shipment in question to receive resolution. When resolved locally, the SF 364 will be completed and sent to the SCO. When resolution cannot be made locally, the property will be segregated and identified by the Report number. A copy of the SF364 will be stored with the property until final disposition has occurred. (See Addendum A00077809 for example forms)

16. Purchaser shall comply with all applicable Federal, State and local laws, ordinances, regulations, etc., with respect to human safety and the environment during the processing, use or disposal of material purchased from the Agency. Purchaser's Facility/worksites will be safe and free of hazards IAW Occupational Safety & Health Administration (OSHA) standards. Purchaser shall provide appropriate Personal Protection Equipment (PPE) for their employees.

17. Purchaser shall also comply with all Host facility Safety, Environmental and Security requirements.

18. Purchaser shall comply with all Local, State and Federal Department of Transportation rules and regulations while transporting scrap materials on post and to its ultimate destination.

19. The Purchaser shall assume full responsibility and liability for compliance with all applicable Federal, State, and local, and DOD regulations pertaining to the health and safety of personnel and environmental management during the execution of loading and DEMIL/MUT operations. All work shall be completed and performed IAW the best practices of the trade and in compliance with all-applicable Federal, State, DOD, and local codes.

20. Environmental and Human Safety Notice:

a. It is the responsibility of you, our Purchasers, to ensure that the ultimate end use of the property is performed in an environmentally compliant manner. As such, prior to the award of any hazardous item, each high bidder's premises and/or the intended disposal facility may be subject to an on-site inspection by a government representative. All offerors are advised that they must comply with all applicable Federal, State and local laws, ordinances, regulations, etc. with respect to human safety and the environment during the processing, use, or disposal of material purchased from the Department of Defense.

21. Resource Conservation and Recovery Act:

a. This material may ultimately be subject to EPA Hazardous Waste Regulations, 40 CFR Part 260 et seq. Civil and criminal penalties are available for noncompliance. Purchaser is cautioned that they are solely responsible to ascertain the extent to which these regulations affect it and to comply therewith.

22. The Purchaser will be required to submit a completed and signed DLA Form 2536 Statement of Intent (SOI) Completed (Parts 1-6).

23. Environmental Responsibility Determination:

a. The Environmental Support Branch of Disposition Services may conduct an Environmental Responsibility Determination (ERD) on sale destinations to verify if the Department of Defense (DOD) purchased property will be managed in accordance with the Invitation for Bid, Statement of Intent, Federal, State, and local regulations. An ERD will be performed on all sales associated with Hazardous Material, scrap, range residue, and DEMIL or Mutilation as a condition of sale. The ERD process will minimize government Comprehensive Environmental Response, Compensation and Liability Act (CERCLA) liability by evaluating and documenting a sales destination's regulatory compliance and environmental responsibility. The Sales Contracting Officer will award the sale if the ERD outcome from the Environmental Support Branch is "Recommend."

24. Pollution Prevention and Right-to-Know Information Definitions. As used in this clause

a. Priority chemical means a chemical identified by the interagency Environmental Leadership Workgroup or, alternatively, by an agency pursuant to Section 503 of Executive Order 13148 of April 21, 2000, Greening the Government through Leadership in Environmental Management.

1. Toxic chemical means a chemical or chemical category listed in 40 CFR 372.65. Executive Order 13148 requires Federal facilities to comply with the provisions of the Emergency Planning and Community Right-to-

Know Act of 1986 (EPCRA) (42 U.S.C. 11001-11050) and the Pollution Prevention Act of 1990 (PPA) (42 U.S.C. 13101-13109).

2. The Purchaser shall provide all information needed by the Federal facility to comply with the following:
3. The emergency planning reporting requirements of Section 302 of EPCRA.
4. The emergency notice requirements of Section 304 of EPCRA
5. The list of Safety Data Sheets required by Section 311 of EPCRA
6. The emergency and hazardous chemical inventory forms of Section 312 of EPCRA
7. The toxic chemical release inventory of Section 313 of EPCRA, which includes the reduction and recycling information required by Section 6607 of PPA
8. The toxic chemical, priority chemical, and hazardous substance release and use reduction goals of Section 502 and 503 of Executive Order 13148.

#### 25. Compliance with Export Control Regulations

##### a. Bureau of Industry and Security (BIS)

i. The Bureau of Industry and Security (BIS) advances U.S. national security, foreign policy, and economic objectives by ensuring an effective export control and treaty compliance system, and by promoting continued U.S. leadership in strategic technologies. BIS accomplishes its mission by maintaining and strengthening adaptable, efficient, effective export controls and treaty compliance systems, along with active leadership and involvement in international export control regimes. If required, on Destination Control Statement BIS form 711 (All exports of CCL not designated as EAR99, unless export is made under License Exception BAG or GFT. the minimum BIS statement is as follows: "These items are controlled by the U.S Government and authorized for export only to the country of ultimate destination for use by the ultimate consignee or end-user(s) herein identified. They may not be resold, transferred, or otherwise disposed of, to any other country or to any person other than the authorized ultimate consignee or end-user(s), either in their original form or after being incorporated into other items, without first obtaining approval from U.S government or as otherwise authorized by U.S law and regulations." <https://www.commerce.gov/bureaus-and-offices/bis>

##### ii. U.S. Export Administration Regulations

1. Links to important EAR information for exporters.

<https://www.state.gov/strategictrade/resources/c43182.htm>

2. U.S. Department of Commerce, Bureau of Industry and Security <https://www.commerce.gov/>

3. Bureau of Industry and Security Mission: Advance U.S. national security, foreign policy, and economic objectives by ensuring an effective export control and treaty compliance system and promoting continued U.S. strategic technology leadership. <https://www.bis.doc.gov/>

#### 26. Disposition and Use of Property:

a. The Purchaser represents and warrants that the ultimate destination, use, and disposition of the property shall be in accordance with the EUC submitted and approved by the SCO.

b. When property is annotated "Cat II" in the item description, changes to the Bidder's EUC will require the prior written approval of the SCO.

c. The Purchaser further agrees to notify in writing any and all subsequent Purchasers or Receivers of this property regarding the provisions of this article and of the Bidder's EUC relative to the authorized destination; the requirement for approval by the SCO of any change of such destination prior to exportation thereto; the specific United States restrictions on exports and re-exports directly and indirectly to denied areas or other prohibited destinations that may have been specified in this contract; the documentation (e.g., IC/DV documents, lading certificates, answers to follow-up requests) that may be required; and the United States sanctions against violators. Subsequent Purchasers and Receivers must also agree to make similar notification to its Purchasers and Receivers. Any unauthorized disposition of the property shall be the responsibility of such sub- Purchaser or sub-receiver and, where at fault, of the original Purchaser from the United States.

d. When property purchased under a single contract is intended for more than one destination, the Purchaser agrees to submit, with the End-Use Certificate, a listing of those items specifying quantities intended for each destination and consignee. The Purchaser further agrees to furnish the listing referred to herein with each request for approval of a change in destination.

e. Whenever requested by the SCO to furnish information regarding the actual disposition made of the property awarded to the Purchaser, the Purchaser agrees to furnish the requested information within 30 calendar days after the date of the request.

f. On those items requiring resale approval, the Purchaser agrees to maintain detailed records of their disposition and to provide such records to the SCO whenever so requested.

g. The Trade Security Control actions required by paragraphs (a) through (c) of this article will be applied to all items included in the original sale. Resale breakdowns of such sales will still be subject to the

same control requirements applicable to the original sale.

27. The Government does not imply that the scrap residue offered is marketable, eligible for resale, or permitted for export to other countries.

a. Chapter 39 of Title 22, United States Code (U.S.C.), also known as "The Arms and Export Control Act".

b. Parts 120 through 130 of Title 22, Code of Federal Regulations (CFR), also known as the International Traffic in Arms Regulations (ITAR).

c. Parts 730 through 774 of Title 15, CFR, also known as the Export Administration Regulations (EAR)"

d. This is not a sale by sample. The Purchaser shall not reject property issued under the terms of this contract, unless an item is outside the scope of the contract. The GOVERNMENT is the sole authority of determining condition code and determining whether property is considered scrap under its property regulations and thus eligible for referral under this contract. Purchaser's opinion on whether the property is able to clear customs, sell or market, or the availability of customers for items have no bearing on whether the Government considers the property scrap. No changes, modifications, or reductions of price will be applied. Under no circumstances is culling for effecting partial or incremental removals authorized.

28. Billing and Payment Information:

a. Billing Cycle runs on or about the 24th of each month at 11:59 pm EST.

b. Types of acceptable payments.

i. All payments, including those for storage charges, liquidated damages and interest will be in U.S. currently. Acceptable payments may be made by cashier's check, certified check, travelers check, bank draft, money order or credit card (Master Card, Visa, Discover Card, and/or American Express). Make checks payable to the U.S. Treasury. When a credit card is used as payment, the credit card number and the name as printed on the credit card as well as the expiration date will be provided. All credit card transactions are limited to \$24,999.99. Credit card transactions greater than \$24,999.99 may not be split into two or more transactions. Bidders whose payment is accompanied by a letter of credit or who have on file an approved bid bond (SF 24 or SF 34) may make their payments by uncertified personal or company checks, but only up to an amount equal to the penal sum of their bond or the amount of their letter of credit.

29. How to submit Payment:

a. All Payments should be addressed and mailed or delivered to:

DLA Disposition Services

ATTN: Cashier

74 N. Washington St.

Battle Creek, MI 49037

b. Credit Card payments may be faxed to: (269) 961-7230.

c. Credit Card payments within the United States can be made using the web site at:

<https://www.pay.gov/paygov/Forms/formInstance.html?agencyFormId=25176217>

d. Should you need to make a payment for less than \$1.00, you cannot utilize the web site credit card payment method. You will need to complete the manual credit card form and fax it to (269) 961-7230.

e. NOTE: It is recommended to send payment confirmation to SCO when submitting payment to DFAS.

30. Consequences of late or short payments

a. If full payment is not received within 30 days of the bill, interest will be charged on the unpaid portion at the rate established by the U.S. Treasury from the date of the bill in accordance with Section 3717 Title 31 of the U.S. Code. After 30 days from the bill date, we will collect from the pre-payment taking offset action against any of your unpaid invoices. If the debt is forwarded to the Debt Management Office, Contract Pay Services, Columbus, Ohio; you will be assessed an administrative fee of \$26 to cover costs specifically associated with the administration and collection of payments over 30 days delinquent.

b. If full payment is not received within 90 days from the date of the bill, we will transfer the debt to the Debt Management Office for collection and an additional administrative charge of \$50 will be assessed. They will continue the collection process and if unsuccessful, will transfer the delinquent debt to the Department of Treasury for further collection. As a result of this transfer, the following actions may be taken:

c. The debt will be subject to the Department of Treasury offset from Federal payments due (you or your company, as applicable). A fee for each offset made will be added to the debt as part of the administrative charge. Federal payments eligible for offsets include contract payments, Federal income tax refunds, and other payments not exempt.

d. The debt may be reported to a credit bureau.

e. The debt may be referred to a private collection agency. In such instance, a fee for collections made will be added to the debt as part of the administrative charge.

- f. The debt may be referred to the Department of Justice for litigation. In such case, an administrative cost will be added to the debt.
- g. You may inspect and/or request a copy of the records pertaining to this debt. If you believe the debt is invalid or the amount is incorrect, please contact us immediately. If you are financially unable to pay the full amount of the debt, you may request a written agreement to pay the debt in installments. Your request for an installment agreement should be in writing and supported by certified statements of income and financial position covering the last 12 months. The point of contact for this debt is the Sales Contracting Officer listed on your award document.

31. Disputes, Request for Equitable Adjustment (REA), and Claim Procedures:

- a. Separate all disputed property from the processing area into a segregated area until the dispute is resolved. Attach a SF 364 Report of Discrepancy (ROD) to the disputed property and submit a copy to the SCO for resolution.
- b. Contract Disputes Act of 1978, 48 CFR 52.233-1 Disputes (May 2014)
  - i. This contract is subject to 41 U.S.C chapter 71, Contract Disputes.
  - ii. Except as provided in 41 U.S.C chapter 71, all disputes arising under or relating to this contract shall be resolved under this clause.
  - iii. "Claim," as used in this clause, means a written demand or written assertion by one of the contracting parties seeking, as a matter of right, the payment of money in a sum certain, the adjustment or interpretation of contract terms, or other relief arising under or relating to this contract. However, a written demand or written assertion by the Purchaser seeking the payment of money exceeding \$100,000 is not a claim under 41 U.S.C chapter 71 until certified. A voucher, invoice, or other routine request for payment that is not in dispute when submitted is not a claim under 41 U.S.C chapter 71. The submission may be converted to a claim under 41 U.S.C chapter 71, by complying with the submission and certification requirements of this clause, if it is disputed either as to liability or amount or is not acted upon in a reasonable time.
  - iv. A claim by the Purchaser shall be made in writing and, unless otherwise stated in this contract, submitted within 6 years after accrual of the claim to the Contracting Officer for a written decision. A claim by the Government against the Purchaser shall be subject to a written decision by the Contracting Officer.
  - v. The Purchaser shall provide the certification specified in paragraph (3) of this clause when submitting any claim exceeding \$100,000.
  - vi. The certification requirement does not apply to issues in controversy that have not been submitted as all or part of a claim.
  - vii. The certification shall state as follows: "I certify that the claim is made in good faith; that the supporting data are accurate and complete to the best of my knowledge and belief; that the amount requested accurately reflects the contract adjustment for which the Purchaser believes the Government is liable; and that I am authorized to certify the claim on behalf of the Purchaser."
  - viii. The certification may be executed by any person authorized to bind the Purchaser with respect to the claim.
  - ix. For Purchaser claims of \$100,000 or less, the Contracting Officer must, if requested in writing by the Purchaser, render a decision within 60 days of the request. For Purchaser -certified claims over \$100,000, the Contracting Officer must, within 60 days, decide the claim or notify the Purchaser of the date by which the decision will be made.
  - x. The Contracting Officer's decision shall be final unless the Purchaser appeals or files a suit as provided in 41 U.S.C chapter 71.
  - xi. If the claim by the Purchaser is submitted to the Contracting Officer or a claim by the Government is presented to the Purchaser, the parties, by mutual consent, may agree to use alternative dispute resolution (ADR). If the Purchaser refuses an offer for ADR, the Purchaser shall inform the Contracting Officer, in writing, of the Purchaser's specific reasons for rejecting the offer.
  - xii. The Government will pay interest on the amount found due and unpaid from (1) the date that the Contracting Officer receives the claim (certified, if required); or (2) the date that payment otherwise would be due, if that date is later, until the date of payment. With regard to claims having defective certifications, as defined in FAR 33.201, interest shall be paid from the date that the Contracting Officer initially receives the claim. Simple interest on claims shall be paid at the rate, fixed by the Secretary of the Treasury as provided in the Act, which is applicable to the period during which the Contracting Officer receives the claim and then at the rate applicable for each six-month period as fixed by the Treasury Secretary during the pendency of the claim.
  - xiii. The Purchaser shall proceed diligently with performance of this contract, pending final resolution of any request for relief, claim, appeal, or action arising under the contract, and comply with any decision of the Contracting Officer.

32. Entire Agreement; Modification: This contract, and the materials incorporated herein by reference, constitute the entire agreement between the parties regarding the matters contained in this contract. If there is any inconsistency between the terms of this contract and those of any Appendix, Schedule or Exhibit, the terms of this contract shall govern. There are no promises or other agreements, oral or written, express or implied, between the parties other than as set forth in this contract. No change or modification of, or waiver or compromise under, this contract shall be valid unless it is in writing and signed by a duly authorized representative of the party against which it is to be enforced. Purchaser understands and agrees to submit a written request for contract modification to the SCO prior to effecting any change whether occurring before or after the release of the material. Purchaser further agrees not to effect such changes without first receiving the written approval of the SCO.

33. Sales By Reference Articles and Paragraphs:

a. Sale by Reference Articles and Paragraphs: The following general information, instruction and special conditions of sales contained in the Agency pamphlet entitled the "Sale by Reference Instructions, Terms and Conditions Applicable to Department of Defense Personal Property Offered for Sale by DLA Disposition Services", published July 2012, are hereby incorporated by reference and become a part of this IFB/Auction and any contract resulting from acceptance of a bid submitted pursuant to this IFB/auction as fully as though such instructions, terms and conditions had been specifically set forth herein:

i. SALE BY REFERENCE PART 1: General Information and Instructions: All conditions apply except:

1. Paragraph 4 is amended to "(DLA Form 2541)"
2. Paragraph 8
3. Paragraph 12

ii. SALE BY REFERENCE PART 2: Sale of Government Property General Sale Terms and Conditions: All conditions apply except:

1. Paragraph 7
2. Paragraph 12
3. Paragraph 28
4. Paragraph 33 DISPUTES is amended to "Any contract awarded as a result of this sale is subject to the Contract Disputes Act 1978 (41 U.S.C. 7101-7109)".

iii. SALE BY REFERENCE PART 3: Sale of Government Property Special Sealed Bid Conditions: All conditions apply!

iv. SALE BY REFERENCE PART 4: Sale of Government Property Special Sealed - Term Conditions: All conditions apply except:

1. Paragraph 6 TERMINATION is amended to: "Unless otherwise provided in the Sale, this contract may be terminated by either party without cost to the Government upon 60 days' written notice to the other, to be calculated from the date the notice is mailed."

v. SALE BY REFERENCE PART 5: Additional Special Circumstance Conditions - Miscellaneous: All conditions apply except:

1. Article A
2. Article G
3. ARTICLE D: Liability and insurance paragraph (2) is amended to: "Bodily Injury Insurance in an amount of not less than \$100,000 any one person and \$500,000 any one accident or occurrence."
4. ARTICLE D: Liability and insurance paragraph (3) is amended to: "Property Damage Liability Insurance in the amount of \$100,000 (which shall include any and all property whether or not in the care, custody or control of the Purchaser)."

vi. SALE BY REFERENCE PART 6: Additional Special Circumstance Conditions - Demilitarization and Mutilation: All conditions apply except:

1. Article B

vii. SALE BY REFERENCE PART 7: Additional Special Circumstance Conditions - Hazardous and Dangerous Property: All conditions apply!

viii. SALE BY REFERENCE PART 8: Additional Special Circumstance Conditions - Foreign Excess Personal Property: Does not apply!

ix. SALE BY REFERENCE PART 9: Special Spot Bid Conditions of Sale of Government Property: Does not apply!

x. SALE BY REFERENCE PART 10: Sale of Government Property Special Auction Conditions: Does not apply!

Section 4: Bidding, Award and Definitions

1. Bidding Process:

a. The Purchaser's bid shall consist of an amount per pound specified in U.S. currency. Prospective bidders should be aware of certain risk factors that could affect a bidder's assessment of this contract and the

calculations supporting the resulting bid. Under no circumstances is the Agency or the Government responsible for any assumptions, planning factors, or decisions the Purchaser made related to determining their high bid. This is a firm fixed price contract where the bid price is expressed in US currency specified by the bidder, per pound. The Government expects the Purchaser to perform all the requirements under this contract at the bid price submitted by the Purchaser. At no time shall the Government pay the Purchaser to take material offered. There shall be no reimbursement to the Purchaser under this contract except for the limited circumstances related to reimbursement of actual expenses incurred for return of property directed by the Government. The Government is not responsible for any indirect, inconsequential, or completeness (through assumption of sales value, act or omission of factors) of expenses related to performance under this contract. The measure of the Government's liability, in any case where liability of the Government to the Purchaser has been established, shall not exceed refund of such portion of the purchase price as the Government may have received.

2. How to Bid:

- a. If you have questions or need assistance contact the SCO.
- b. Bidders shall use the SF114 and SF114A documents provided in this IFB's Addendum to submit bid. Bidder shall enter bid as price per pound not to exceed five decimal places (example 0.01005). Minimum bid is .01000 per pound. Multiply your bid price by the quantity specified for extended bid amount.

3. Where to Send Bid:

- a. Do not email bids or call in bids directly to the SCO.
- b. Bids may be submitted via:
  - i. E-Sales website located at: <https://www.sales.dla.mil>
  - ii. Email Bids to [DRMSSALESBIDS@DLA.MIL](mailto:DRMSSALESBIDS@DLA.MIL) (include auction number)
  - iii. FAX bids to 269-961-7568 (include auction number)
  - iv. Hand Carried by Bidder.
  - v. United States Postal Service,
  - vi. Express Carriers (FEDEX, UPS, DHL, or other courier services),
  - vii. The hand-carried or delivered bids shall be addressed to:  
DLA Disposition Services  
ATTN: Bid Room A0007809  
74 N. Washington Avenue  
Battle Creek, MI 49037

4. Technical Issues with the E-sales website:

Call 1-877-DLA-CALL (1-877-352-2255).

5. When to send Bid:

- a. Bids must be in the possession of the Agency's Public Sales Contracting Division by the bid opening date and time specified in the auction. If the bid is not submitted on time, it shall be considered non-responsive.

6. How to modify/cancel bid:

- a. In addition to SBR Part 3, Articles B and C, by submitting a new bid in the same manner as the previous bid. Separately, without disclosing bid amounts, notify the SCO of the modification. To cancel a bid submit a zero (0) bid in the same manner as the original bid. Notify the SCO of the bid cancellation (specify date, time and method of bid submission).

7. Bid Evaluation:

- a. A responsive bidder is one that has complied with all instructions for properly submitting a bid. A responsible bidder is one that is able to pass the vetting process and is determined through the screening process to be an eligible transferee. The Government reserves the right to reject any bids that are not in the best interest of the Government.
- b. Bidder must not be an ineligible transferee, which is defined as individuals, entities, or countries:
  - a. Excluded from Federal programs by the General Services Administration as identified in the System for Award Management at <https://www.sam.gov/portal/public/SAM/>.
  - b. Subject to denial, suspension, debarment, or other sanctions pursuant to export control and related laws, regulations, or orders administered by the DOS, DOC, DHS, or USTD. The DOS, DOC, DHS, and USTD name these entities, individuals, and countries in the Federal Register and at the following websites:
    1. DOS DDTC Debarred Parties Website at [http://www.pmdtcc.state.gov/compliance/debar\\_intro.html](http://www.pmdtcc.state.gov/compliance/debar_intro.html);
    2. DOS DDTC Embargoed Countries Website [http://www.pmdtcc.state.gov/embargoed\\_countries/index.html](http://www.pmdtcc.state.gov/embargoed_countries/index.html)

3. DOC Denied Persons List Website at <http://www.bis.doc.gov/dpl/thedeniallist.asp> and DOC Unverified List Website at [http://www.bis.doc.gov/enforcement/unverifiedlist/unverified\\_parties.html](http://www.bis.doc.gov/enforcement/unverifiedlist/unverified_parties.html)
4. USTD Specially Designated Nationals List Website at <http://www.treasury.gov/resource-center/sanctions/SDN-List/Pages/default.aspx>  
Which includes designated narcotics traffickers and designated terrorists, USTD Sanctions Program Website at <http://www.treasury.gov/resource-center/sanctions/Programs/Pages/Programs.aspx>

8. Bidding Criteria:

- a. Award(s) for any material will be based on the highest priced, responsive, responsible bidder, whose bid is the most advantageous to the U.S. Government (GOVERNMENT), considering overall cost to the GOVERNMENT, location, available resources, and other financial factors, as determined by the GOVERNMENT. Submitting the highest bid price (a.k.a. highest bidder) does not convey any special right nor does it imply that the Purchaser shall be the primary removal company or exclusively allowed to remove throughout the term of this contract.
- b. The Government reserves the right to reject any bids.
- c. Prior to the award of a contract, the SCO or the SCO's authorized representative shall determine whether the potential Purchaser has the necessary permits/licenses, experience, organization, and technical qualifications to perform the work specified in this contract and is capable of complying with the applicable Federal, State and local laws, ordinances and regulations.

9. Contract start up time frame is as follow:

- a. Once notified that you are the potential high bidder, you will have three (3) working days to:
  - i. Complete and return End Use Certificate (EUC) DLA Form 1822 to the SCO. (SCO will provide these forms at notification);
  - ii. Complete and return Statement of Intent (SOI) DLA Form 2536 to the SCO. (SCO will provide these forms at notification);
  - iii. Submit your pre-payment amount due. A pre-payment of 20% of the estimated total price for one year's removal of property will be required at successful completion of pre-award process.
- b. Once bid deposit (pre-payment) and certifier letter(s) are received and confirmed by the SCO, the official signed notice of award 2541 will be sent to the Purchaser. At this time property is authorized for release. Purchaser shall have 30 days from this official notification to become fully mission capable.
- c. The Government will conduct a post-award conference with in 14 calendar days after award. The purpose of the conference is to ensure the Purchaser fully understands the terms and conditions of this contract. The Agency will determine the location and date of the conference. The Purchaser without reimbursement by the Agency, shall pay all costs incurred by Purchaser personnel attending the post award conference.

Definitions

1. CAT II Property- The term "CAT II" appearing under sale item number denotes that the resale, transfer, export or other disposition of the item, except as stated in the successful bidder END-USE Certificate will require prior written approval of the Sales Contracting Officer. Guns and Armament: DEMIL code D/ Items SHALL be destroyed by cutting, burning, breaking, crushing etc., as appropriate to preclude restoration for further use as an item or for identification and association of related parts. It is preferable to DEMIL all items to the level of scrap.
2. Certifier - A DOD contracted person or a Government employee who actually performed or witnessed the DEMIL or MUT, and is present at inventory, Kind and Count.
3. DEMIL Manual- Defense Demilitarization Manual DODM 4160.28 volumes 1-3.
4. Demilitarize (DEMIL) - The act of eliminating the functional capabilities and inherent military design features from DOD personal property. Methods and degree range from removal and destruction of critical features to total destruction by cutting, crushing, shredding, melting, burning, etc. DEMIL is required to prevent property from being used for its originally intended purpose and to prevent the release of inherent design information that could be used against the United States. DEMIL applies to DOD personal property in both serviceable and unserviceable condition.
5. Demilitarization Code- A code assigned to an item by the Federal item manager to identify the required demilitarization. General DEMIL Code Descriptions:
  - a. A- Items subject to the Export Administration Regulations (EAR) in parts 730-774 of Title 15, Code of Federal Regulations (CFR) (CCLI or EAR99) and determined by the DOD to present a low risk when released out of DOD control. No DEMIL, MUT, or end use certificate is required. May require an export license from DOC.

- b. B- United States Munitions List (USML) Items Mutilation (MUT) to the point of scrap required worldwide.
  - c. C- USML or CCL Military Items DEMIL required. Remove or demilitarize installed key point(s) items as DEMIL code D
  - d. D- USML or CCL Military Items DEMIL required. Destroy item and components to prevent restoration or repair to a usable condition.
  - e. E- DOD DEMIL Program Office reserves this code for its exclusive-use only. DEMIL instructions must be furnished by the DOD DEMIL Program Office.
  - f. F- USML or CCL Military Items DEMIL required. Item managers, equipment specialists, or product specialists must furnish special DEMIL instructions.
  - g. G- USML or CCL Military Items DEMIL required ammunition and explosives (AE). This code applies to both unclassified and classified AE items.
  - h. P- USML Items DEMIL required. Security classified items.
  - i. Q- Commerce Control List Item (CCLI) MUT to the point of scrap required outside the United States. Inside the United States, MUT is required when the DEMIL integrity code (IC) is 3 and MUT is not required when the DEMIL IC is 6.
6. Dunnage- Loose materials placed around cargo to prevent shifting or damage while in transit. Materials may include, but limited to, padding, cardboard, wood, packaging, styrofoam, strapping, and paper.
7. Mutilation (Scrap Classification (SCL) MUT) - A process that renders material unfit for its originally intended purposes by cutting, tearing, scratching, crushing, breaking, punching, shearing, burning, neutralizing, etc. Required to have Certificate of DEMIL or MUT signed by certifier and verifier.
8. Scrap - Recyclable, waste, and discarded materials derived from items that have been rendered useless beyond repair, rehabilitation, or restoration such that the items original identity, utility, form, fit, and function have been destroyed. Items classified as scrap can be processed by cutting, tearing, crushing, mangling, shredding, or melting. Intact or recognizable USML or CCL items, components, and parts are not scrap. In rare instances, even though there are no recognizable parts, items, or components, certain types of scrap materials may be listed on the USML or CCL (generally specific alloys).
9. Verifier - A technically qualified Government employee who witnessed the DEMIL/MUT of the material and inspected the residue. The individual who verifies the DEMIL/MUT should generally be at least in the next higher management or technical level to the initial certifying individual and will be a U.S. citizen, and is present at inventory, Kind and Count .

## Approvals