



**DEFENSE LOGISTICS AGENCY
HEADQUARTERS
8725 JOHN J. KINGMAN ROAD
FORT BELVOIR, VIRGINIA 22060-6221**

November 21, 2022

**AMENDMENT NO. 001 (FY 2023 ZINC)
TO
NEGOTIATED SOLICITATION FOR
STOCKPILE MATERIALS
UNDER
DLA-STOCKPILE MATERIALS-001-(NEGOTIATED)**

The above referenced solicitation DLA-Stockpile Materials-001-(Negotiated), issued **September 21, 2017**, is hereby amended to offer zinc for sale under the Negotiated Solicitation. This amendment applies to the solicitation only for the offering of zinc, as follows:

1. Amendment No. 002 (FY 2022 Zinc) is deleted in its entirety and replaced with this Amendment No. 001 (FY 2023 Zinc).
2. Replace the title "Contracting Officer" throughout the Negotiated Solicitation with the title "Stockpile Sales Officer." For the sales of materials from the National Defense Stockpile, the Stockpile Sales Officer has the same duties, responsibilities and authorities as the Contracting Officer. Replace the term "Contractor" throughout the Negotiated Solicitation with the term "Customer."
3. The link for the online sales site used throughout the Negotiated Solicitation is updated to read:
<https://businessportal.dla.mil/irj/portal>
4. Section **A.1., Introduction (SEP 17)**, paragraph **a.**, is deleted for zinc and replaced with the following:

Section A.1., Introduction (FY 2023 Zinc) (NOV 22), paragraph **a.**

- a. The Defense Logistics Agency (DLA), DLA Strategic Materials, is soliciting offers for the sale of approximately **1,400,000 pounds** (700 short tons) of High Grade zinc in Fiscal Year 2023. The awarded amount will not exceed 700 ST and DLA reserves the right to award less. **A separate notice will be provided to set the exact offering date and time. This notice will be provided to registered firms by email issued by DLA Strategic Materials.** Offers must be submitted electronically through the DLA Strategic Materials online sales site at <https://businessportal.dla.mil/irj/portal>. In the event that DLA Strategic Materials is closed at that time, offers will be processed in accordance with Section **C.6.d.** of the Negotiated Solicitation.

5. Section **A.1., Introduction (SEP 17)** is revised for zinc to add the following as paragraph c.:

Section **A.1., Introduction (FY 2023 Zinc) (NOV 22)**, paragraph c.:

- c. Offers to purchase material under this Amendment No. 001 (FY 2023 Zinc) to Solicitation **DLA-Stockpile Materials-001-(Negotiated)** (Negotiated Solicitation) may be made on a fixed price or formula price basis, with a thirty (30) calendar day or ninety (90) calendar day removal of material schedule for formula price Offers. For contracts awarded on a fixed price basis, the contract period shall be 30 calendar days. For contracts which include fixed price and formula price items, any fixed price items awarded will be subject to the 30-calendar day contract performance and removal period. Formula price items and contracts must be removed in accordance with Section E. All offers will be evaluated as specified in Section **C.8.** to the Negotiated Solicitation, as revised by this Amendment No. 001 (FY 2023 Zinc).

6. Section **A.3., Material Description (SEP 17)**, paragraph **b.**, is deleted for zinc and replaced with the following:

Section **A.3., Material Description (FY 2023 Zinc) (NOV 22)**, paragraph **b.**:

- b. The zinc grade offered for sale is High Grade (HG). The origin of the zinc is domestic. The zinc is in slab form, approximately 55 pounds per slab, banded into bundles weighing approximately 2,100 to 2,300 pounds per bundle. All items were sampled and analyzed by Andrew S. McCreath and Son, Inc., during August and September 2004. Analysis results for the material will be posted on the DLA Strategic Materials website at:

<https://www.dla.mil/Strategic-Materials/Sales/Zinc/>

NOTE: Specific certificates of analyses do not correspond with the current storage location and/or item numbers, because the material has been relocated, and inventory data have been migrated to a new database, both of which occurred since sampling and analysis were performed.

Information on the storage location is available at:

<https://www.dla.mil/Strategic-Materials/Resource/>

7. Section **A.5., Inspection (SEP 17)** is amended to add the following for zinc:

Section **A.5. Inspection (FY 2023 Zinc) (NOV 22)**

- a. An Offeror may, at its own expense, visually inspect the material at the storage location. No sampling of material will be permitted.

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- b. Requests for an appointment to visually inspect the material must be made by submitting a Material Inspection Request through the DLA Strategic Materials Website at:

<https://www.dla.mil/Strategic-Materials/Material-Form/>

All information will be sent by email. The Government reserves the right to limit the number of individuals granted access to the depot or storage location.

- c. An Offeror, its agents and representatives shall comply at all times with the rules of the depot or storage location.
8. Section **C.1 Submission of Offers Online (SEP 17)** paragraph **d.**, is revised to change the number of DLA Strategic Materials business days for acceptance of the offer by the Government from **thirty (30)** to **five (5)** DLA Strategic Materials business days.
 9. Section **C.3. Unit Pricing (SEP 17)** is amended to add the following for zinc:

Section C.3. Unit Pricing (FY 2023 Zinc) (NOV 22)

- a. Prices for zinc shall be expressed on a U.S. dollar and cent value per pound to four decimal places.
 - b. The Offeror may submit fixed or formula price offers in response to this solicitation amendment.
 - (1) If a fixed price is offered, the contract period shall not exceed 30 calendar days.
 - (2) Formula price offers must be submitted in accordance with section **C.4 Reference Price and Monthly Declaration (FY 2023 Zinc) (NOV 22)**.
 - (3) In accordance with Section **C.5.**, Offerors must express the price for each entire line item as a single fixed price or a single formula.
10. Section **C.4. Price Adjustments for Specific Materials (JUN 17)** does not apply to zinc. Section **C.4. Reference Price and Monthly Declaration (FY 2023 Zinc) (NOV 22)** is substituted for zinc only for formula priced offers:
 - a. The reference price for zinc shall be the prior month's average of the low London Metal Exchange (LME) Zinc Cash Official Prices and will be determined by averaging these low prices for each LME trading day in the prior calendar month. Offers shall be expressed as a percentage of the reference price, with a premium expressed as >100% and a discount expressed as <100% of the reference price. **Any Offeror that submits an offer for less than 100 percent of the reference price must justify the price by submission of supporting documentation.**
 - b. The actual contract price for zinc will be determined on the date the Customer's monthly declaration for a specific quantity of zinc is received by the

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Government, as follows: the unit price (U.S. dollars per pound) shall be calculated by multiplying the contract percentage, by the prior month's LME reference price, as defined in paragraph a., above, and dividing the resulting amount by 2,204.6. The computed dollar amount per pound shall be expressed in U.S. dollars and cents per pound to four decimal places.

- c. The Customer shall submit at least one declaration each calendar month, identifying a quantity of zinc to be priced that month and confirming the calculation of the price as specified above. The Customer shall submit their declaration to the Stockpile Sales Officer no later than the 15th DLA Strategic Materials business day of each month.

11. Section C.5. Minimum Quantity (JUN 17) is amended to add the following for zinc:

Section C.5. Minimum Quantity (FY 2023 Zinc) (NOV 22)

The minimum offer quantity shall be for one entire line item. An offer for less than the minimum quantity may render the Offeror ineligible for award.

12. Section C.8. Evaluation of Offers (SEP 17) is amended to add the following for zinc:

Section C.8. Evaluation of Offers (FY 2023 Zinc) (NOV 22)

- a. The evaluation factors are listed below in descending order of importance:
 - (1) Unit price
 - (2) Removal schedule
- b. To be considered, offers must meet the following minimum requirements:
 - (1) Submission of minimum quantities which comply with Section C.5.;
 - (2) Submission of pricing which complies with the provisions of Section C.3. (**and C.4.**, for formula-price offers); and
 - (3) Submission of a removal schedule which meets or exceeds the provisions of Sections E.1. and E.2.

13. Section D.1. Payment (SEP 17), paragraph f., is revised to add the following for zinc:

Section D.1. Payment (FY 2023 Zinc) (NOV 22), paragraph f.

- f. For contracts that use formula pricing, the Customer is advised to send payment for the quantity of material covered by a **Pricing Declaration Worksheet (AUG 14) *only after*** receiving confirmation from DLA Strategic Materials of the price to be used. DLA Strategic Materials will confirm the price within two business days of receipt of a completed **Pricing Declaration Worksheet (AUG 14)** by approving the Worksheet online. The Worksheet is available on the DLA Strategic Materials online sales site. See Section E.1., paragraphs c. and d.

14. SECTION E – MATERIAL REMOVAL is re-titled to **SECTION E – CUSTOMER**

DECLARATION AND MATERIAL REMOVAL and is revised specifically for zinc, as follows:

SECTION E – CUSTOMER DECLARATION AND MATERIAL REMOVAL
(FY 2023 ZINC)

E.1. Contract Period and Customer Declaration (FY 2023 Zinc) (NOV 22)

- a. *For fixed price contracts*, the contract period for any quantity of material awarded shall be 30 calendar days and shall begin on the date of contract award.
- b. *For formula price contracts*, the contract period for any quantity of material awarded shall be 120 calendar days and begins on the date of contract award. Sections **E.1.b.** through **E.1.d.** apply.

Award Quantity (pounds)	Contract Period (Calendar Days)
Up to 1,400,000	120 calendar days

For formula price contracts with a contract period of 120 calendar days:

- c. In order to notify the Government of its intent to ship awarded material, the Customer shall submit a Declaration through the DLA Strategic Materials online sales site at <https://businessportal.dla.mil/irj/portal>. The Declaration shall be prepared by completing the **Pricing Declaration Worksheet (AUG 14)** online to indicate the quantity of material to be priced and a calculation of the price using the Customer’s formula as stated in the contract. The **Pricing Declaration Worksheet (AUG 14)** may be accessed through the DLA Strategic Materials online sales site.
- d. No later than the fifteenth (15th) DLA Strategic Materials business day of each calendar month, the Customer shall furnish the Stockpile Sales Officer, in writing, one or more declarations of the quantity of material to be priced for that month. **The first Declaration shall be due no later than December 20, 2022.** The quantity declared shall be for at least a minimum of one-third and a maximum of the total quantity awarded under the contract. The Customer shall have thirty (30) calendar days from the date the declaration(s) is received by the Government to remove the declared quantity of material, except that all material under the contract must be removed within the one hundred and twenty (120) calendar day contract period. The schedule of these minimum and maximum monthly quantities shall be contained in the completed **Section I.10 Proposed Removal Schedule (SEP 17)**.

E.2. Removal of Material (SEP 17)

- a. For fixed price contracts, the Customer must remove all material within 30 calendar days from the date of contract award. If the Customer fails to pay for and remove the material on or before the last day of the contract period, the Customer will be considered delinquent, and no material will be shipped until

payment for all remaining material has been received.

- b. For formula price contracts, the schedule of minimum and maximum removal quantities shall be contained in the completed Section **I.10 Proposed Removal Schedule (SEP 17)**, which shall be made a part of this contract as the contract removal schedule. The Customer must remove all material designated in a **Pricing Declaration Worksheet (AUG 14)** as specified in Section **E.1**, paragraphs **c.** and **d.**, above.
- c. For formula price contracts, if the Customer fails to: (1) submit a **Pricing Declaration Worksheet (AUG 14)** as specified in Section **E.1** and make payment in accordance with Section **D.**; or (2) pay for and remove the minimum quantity in accordance with Section **I.10**, the Customer will be considered delinquent and no material will be shipped until payment has been received for the minimum thirty (30) calendar day, ninety (90) calendar day, or declared quantity, as appropriate, whichever is greater. If the Customer has failed to complete removal of all of the material on or before the last day of the removal period (or the 30-calendar day period following confirmation by DLA Strategic Materials of pricing for a **Pricing Declaration Worksheet (AUG 14)**, as appropriate), the Customer will be considered delinquent, and no material will be shipped until payment for all remaining material has been received for that removal period. If the Customer has failed to complete removal of all of the material on or before the last day of the contract period, the Customer will be considered delinquent, and no material will be shipped until payment for all material remaining under the contract has been received.
- d. Removal periods (thirty (30) or ninety (90) days), the contract period, and the 30-calendar day period following the confirmation of pricing for a **Pricing Declaration Worksheet (AUG 14)** include all calendar days. If the last day of any period is a Saturday, Sunday, or Federal holiday, or the storage location is otherwise closed on those days, the removal period, the period of contract performance or the 30-calendar day period will be extended to the next DLA Strategic Materials business day.
- e. For formula price contracts, regardless of the removal period (i.e., thirty (30) or ninety (90) days), the submission of the **Pricing Declaration Worksheet (AUG 14)**, shipping request, and payment covering the final shipment under the contract must be received and approved by DLA Strategic Materials by a date that results in notification no less than **ten (10) DLA Strategic Materials business days** from the expiration of the contract to complete removal of all remaining material. Final documentation and payment which fail to provide for a minimum of ten (10) DLA Strategic Materials business days for DLA Strategic Materials to prepare for and schedule removal, may result in an assessment of charges in accordance with Section **E.3 Storage Charges (AUG 14)**.

E.3. Storage Charges (AUG 14)

- a. Storage charges shall be assessed on (1) all material remaining unshipped from a **Pricing Declaration Worksheet (AUG 14)** after the end of a thirty (30) day removal period; after the 30-calendar day period following the receipt of the **Pricing Declaration Worksheet (AUG 14)** by, and the confirmation of price by DLA Strategic Materials, as applicable; and/or (2) any and all material remaining unshipped after the last day of the contract period, as applicable. The Government reserves the right to remove any remaining material to another Government storage facility or to a commercial storage facility and be reimbursed by the Customer for any expenses incurred. The determination of whether to move the material to a Government or commercial facility rests solely with the Government. Storage charges continue to accrue until all the material has been removed in accordance with the Declaration or the end of the contract period, as applicable, or the contract is terminated for default, in which case the Customer will be liable for damages, as set forth in Section **G.7. Default** of the Solicitation.
- b. The storage charge is the greater of the following: (1) **\$0.005 per pound bulk weight** (if a fraction of a pound remains, the charge will be for a full pound) per 30 day period regardless of whether the material remains in storage a period of 30 days or less than 30 days; or (2) commercial storage charges, if applicable.
- c. Storage charges will be invoiced upon shipment. Payment shall be due immediately.
- d. Payment of storage charges shall not relieve the Customer of its obligation to remove the material in a timely manner. Acceptance of storage payments by the Government is not a waiver of the Government's right to find the Customer to be in default for failure to remove the material (See Section **G.7. Default**).

- 15. Section F.1. Request for Shipment (SEP 17), paragraph a., is deleted and following substituted specifically for zinc:**

Section F.1.a. (Zinc)

- a. Delivery of zinc is F.O.B carrier's conveyance. The Customer shall be responsible for the selection of a type of conveyance which is suitable for the material being shipped.

- 16. Section F.1. Request for Shipment (SEP 17), paragraph h., is revised to add 20 short tons (ST), or if the location balance is less than this quantity, for the balance at the storage location, as the minimum quantity for requests for shipment of zinc.**

- 17. Section F.3. Weighing (JUN 17) is deleted in its entirety and the following inserted for zinc:**

Section F.3. Weighing (Zinc) (NOV 22)

- a. Weight of the material sold hereunder shall be determined as follows: the material has been draft weighed on platform scales with an appropriate allowance for any tare weight established by the Government.

- b. Weighing has been performed by and at the expense of the Government.
- c. Weight certificates shall be prepared by the Government and will be final for payment purposes.

18. Section F.6. **Adjustment for Variation in Quantity or Weight (JUN 17)** is revised to add a percentage of 5% for zinc.

19. **SECTION H – DEFINITIONS (SEP 17)** is revised specifically for zinc to delete paragraphs b., c., d., and e. and replace with the following, and to change paragraph i. to add additional definitions for zinc:

SECTION H – DEFINITIONS (FY 2023 Zinc) (NOV 22), paragraphs b., c., d., and e.:

- b. The term “Stockpile Sales Officer” means a person with the authority to enter into, administer, and/or terminate sales contracts for National Defense Stockpile Materials and to make related determinations and findings.
- c. The terms “Offeror”, “Purchaser”, “Contractor”, or “Customer” may be used interchangeably.
- d. The term “Acceptance Letter” means the letter, signed by a Stockpile Sales Officer, indicating that the Government has approved the Customer’s single-point registration.
- e. The term “**Sale of Government Property Negotiated Sales Contract**” means the form used by a Customer to submit an Offer to the Government in response to an offering under the Negotiated Solicitation and Amendments thereto. A sample of Section I.1. **Sale of Government Property Negotiated Sales Contract** is shown on page 36 of the Negotiated Solicitation. The Section I.1. **Sale of Government Property Negotiated Sales Contract** will be generated when the Offeror submits an Offer online through the DLA Strategic Materials online sales site <https://businessportal.dla.mil/irj/portal>.

SECTION H – DEFINITIONS (FY 2023 Zinc) (NOV 22), paragraphs i. through m.:

- i. The following abbreviations have the meanings shown:

ST – short ton

LME – London Metal Exchange

The abbreviations “st” and “ST” both refer to “short ton” and may be used interchangeably.

- j. The term “contract period” represents the entire period of performance for the contract. For fixed price contracts, this period is 30 calendar days from the date of contract award. For formula price contracts, this period will begin on the date of contract award, and the length of this period will be determined in accordance

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with the requirements of Section E. of this Solicitation.

- k. The term “removal period” means the time a Customer has to pay for, outload, and remove all designated material under each Declaration. This term does not apply to fixed price contracts.
- l. The term “Declaration” means the Customer’s notification to the Government of its intent to ship awarded material in accordance with Section E.1. This notification is accomplished through the preparation and submission by the Customer of the **Pricing Declaration Worksheet (AUG 14)** which is available on the DLA Strategic Materials online sales site and will be included in any subsequent contract.
- m. The **Pricing Declaration Worksheet (AUG 14)** is the document used by the Customer in order to submit a Declaration online. This form is also used by the Government and the Customer in order to confirm the price of the quantity of material on the Declaration. The terms “**Pricing Declaration Worksheet (AUG 14)**” and “Declaration” may be used interchangeably.

20. The reference to Section **I.10. Special Certifications (JUN 17)** in the Negotiated Solicitation is deleted and Section **I.10 Proposed Removal Schedule (SEP 17)** is substituted for zinc.

Section **I.10 Proposed Removal Schedule (SEP 17)**.

Offerors must enter their proposed removal schedules on the DLA Strategic Materials online sales site at:

<https://businessportal.dla.mil/irj/portal>

21. Except as provided herein, all other terms and conditions of **DLA-Stockpile Materials-001- (Negotiated)** remain unchanged and in full force and effect. The Offeror must acknowledge receipt of this Amendment by checking the box below.

User Certified: (By checking this box, you are certifying that you accept the contents of the certification and that all input is correct.)