

**AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT**

1. CONTRACT ID CODE PAGE OF PAGES  
1 7

2. AMENDMENT/MODIFICATION NO. 0012	3. EFFECTIVE DATE 11/06/2014	4. REQUISITION/PURCHASE REQ. NO.	5. PROJECT NO. (if applicable)
6. ISSUED BY DLA TROOP SUPPORT DIRECTORATE OF SUBSISTENCE 700 ROBBINS AVENUE PHILADELPHIA, PA 19111-5096 TIMOTHY B. DLUGOKECKI / 215-737-7445	CODE	7. ADMINISTERED BY (if other than Item 6) Same as item 6.	CODE

8. NAME AND ADDRESS OF CONTRACTOR (No., street, county, State and ZIP Code)	<input checked="" type="checkbox"/> 9A. AMENDMENT OF SOLICITATION NO. SPE300-14-R-0027
	<input checked="" type="checkbox"/> 9B. DATED (SEE ITEM 11) 11/06/2014
	<input type="checkbox"/> 10A. MODIFICATION OF CONTRACT/ORDER NO.
	<input type="checkbox"/> 10B. DATED (SEE ITEM 13)
CODE	FACILITY CODE

**11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS**

The above numbered solicitation is amended as set forth in Item 14. The hour and date specified for receipt of Offers  is extended,  is not extended.

Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended, by one of the following methods:  
 (a) By completing items 8 and 15, and returning 1 copies of the amendment; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or telegram which includes a reference to the solicitation and amendment numbers. FAILURE OF YOUR ACKNOWLEDGMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER. If by virtue of this amendment your desire to change an offer already submitted, such change may be made by telegram or letter, provided each telegram or letter makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.

12. ACCOUNTING AND APPROPRIATION DATA (if required)

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

CHECK ONE	A. THIS CHANGE ORDER IS ISSUED PURSUANT TO: (Specify authority) THE CHANGES SET FORTH IN ITEM 14 ARE MADE IN THE CONTRACT ORDER NO. IN ITEM 10A.
<input type="checkbox"/>	
<input type="checkbox"/>	B. THE ABOVE NUMBERED CONTRACT/ORDER IS MODIFIED TO REFLECT THE ADMINISTRATIVE CHANGES (such as changes in paying office, appropriation date, etc.) SET FORTH IN ITEM 14, PURSUANT TO THE AUTHORITY OF FAR 43.103(b).
<input type="checkbox"/>	C. THIS SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF:
<input type="checkbox"/>	D. OTHER (Specify type of modification and authority)

**E. IMPORTANT:** Contractor  is not,  is required to sign this document and return 1 copies to the issuing office.

14. DESCRIPTION OF AMENDMENT/MODIFICATION (Organized by UCF section headings, including solicitation/contract subject matter where feasible.)

The solicitation is hereby amended as follows:

Except as provided herein, all terms and conditions of the document referenced in Item 9A or 10A, as heretofore changed, remains unchanged and in full force and effect.

15A. NAME AND TITLE OF SIGNER (Type or print)	16A. NAME AND TITLE OF CONTRACTING OFFICER (Type or print) TIMOTHY B. DLUGOKECKI
15B. CONTRACTOR/OFFEROR  (Signature of person authorized to sign)	15C. DATE SIGNED
16B. UNITED STATES OF AMERICA  (Signature of Contracting Officer)	16C. DATE SIGNED

## Amendment Topics

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## **I. Updated Clauses:**

Add to solicitation page 16:

(a) The Contractor shall comply with the following Federal Acquisition Regulation (FAR) clauses, which are incorporated in this contract by reference, to implement provisions of law or Executive orders applicable to acquisitions of commercial items:

  X   (54) (i) 52.247-64, Preference for Privately Owned U.S.-Flag Commercial Vessels (Feb 2006) (46 U.S.C. Appx 1241(b) and 10 U.S.C. 2631).

  X   (ii) Alternate I (Apr 2003) of 52.247-64.

## **II. Updated Price Proposal**

On page 37, add #6. Distribution Pricing

### **A. FOB CONUS & FOB HAWAII**

To more accurately reflect offeror pricing, the distribution pricing is amended to include two separate distribution tabs, instead of one. This applies to both zones. One tab is for FOB Hawaii distribution category prices and another is for FOB CONUS distribution price categories. The latter of these two tabs, "Dist. FOB CONUS," shall include the over-ocean transport fees which were included in offerors' original proposal. The former of these two tabs, "Dist. FOB Hawaii," allows offerors to propose distribution prices for items that are either procured locally on Hawaii or have national delivered pricing to Hawaii. Since the contractor will not transport these items over ocean, distribution prices should be lower for FOB Hawaii items. During contract performance, the contractor shall indicate whether a catalog add is FOB CONUS or FOB Hawaii. Once an item is added to the catalog, the contractor may not switch the FOB location without first obtaining Contracting Officer approval. This change will be treated as a catalog add/change/delete as detailed on solicitation page 88-89.

For evaluation purposes, DLA will apply 85% of all demand quantities for each category to FOB CONUS distribution prices and 15% of all demand quantities for each category to FOB Hawaii distribution prices. On each distribution tab, the total quantity is listed in column K and the appropriate percentage is listed in column L. Each offeror's total evaluated price shall be calculated in the same manner as otherwise described in the solicitation—Aggregate weighted Delivered Prices plus Aggregate Distribution Prices. The Distribution Prices, however, will be calculated by applying the above mentioned 85% demand for FOB CONUS items and 15% demand for FOB Hawaii items. Total aggregate distribution will be calculated by adding the total FOB CONUS distribution amount to the total FOB Hawaii distribution amount.

## **B. WRM Distribution Category**

For Zone 2 (Ships), DLA included a new distribution category, #39 for War Readiness Materiel (WRM). See section III., below, for specifics. Offerors must propose a monthly per case fee in the price proposal spreadsheet.

## **III. War Readiness Materiel (“WRM”) for Zone 2 (Ships)**

On page 36, 2.Work to Be Performed, incorporate the following:

### **C. WRM OVERVIEW**

The contractor shall maintain a maximum of three “battle packs” of War Readiness Materiel. Customers will often require that the contractor maintain fewer than three battle packs, depending on current needs. A battle pack is a selected group of catalog items. The current list comprises approximately 150 catalog items with associated quantities between one and 90 cases per battle pack. In a battle pack, the average number of cases per item is eight. Each battle pack contains about 1300 cases. Thus, for three battle packs, the contractor must have 3900 cases ready for delivery. During the implementation period, DLA shall inform the contractor which items shall be included in a battle pack and shall inform the contractor of item changes, during contract performance, in a timely manner. DLA will also inform the contractor of the number of battle packs required at a given time. The contractor shall maintain a 100% fill rate for these items and must be able to deliver a battle pack to the required customer within 24 hours of the order. The contractor shall deliver these requirements to piers in Pearl Harbor, HI.

The contractor shall be compensated for maintaining these battle packs through an additional distribution category (#39) that will be measured on a per case basis. The items within a battle pack shall be priced, on an individual level, through the normal method:  $\text{Delivered Price} + \text{Distribution Price} = \text{Unit Price}$ . The contractor will not be compensated for these items until the customer places an order. The contractor will be compensated, however, for storing each case as part of a battle pack regardless of whether the customer places an order. The compensation will occur on a monthly basis and will be calculated as follows: number of total cases (in all required battle packs) multiplied by the per case battle pack distribution price. Thus, if DLA requires one battle pack of 1300 cases, the contractor shall be paid  $1300 \times \text{Category \#39 price per month}$ .

### **D. WRM Particulars**

- (i) **Time frame for Order Placement.** The contractor shall deliver all WRM requests within 24 hours of a customer order. Further, the contractor must have the capability to process a WRM order 24 hours per day, 7 days per week, including weekends and holidays. The contractor must possess this capability by the end of the implementation period, with the ability to receive a WRM request on the day of first orders.

- (ii) **Contractor Contacts.** The contractor shall provide, as part of its proposal, a point of contact, including telephone/fax number and e-mail address, for the person(s) responsible for accepting WRM orders. During contract performance, the contractor shall notify the Contracting Officer, in writing, within two business days of any changes to this point of contact. WRM orders may be placed electronically, through the contractor's STORES account, or directly with the listed point of contact.
- (iii) **Ordering Facilities.** NAVSUP-FLC will be the primary ordering activity. DLA Troop Support may also place WRM orders.
- (iv) **Changes to WRM Requirements.** DLA reserves the right, at any time, to add, delete or change WRM items and quantities. Within 30 calendar days of a change notification, the contractor shall be able to deliver all new items and quantities.
- (v) **Expiration Date/Shelf Life.** All battle pack items shall have the maximum practicable shelf life remaining upon delivery to the customer. As such, the contractor shall adhere to the following guidelines:

ORIGINAL MANUFACTURER SHELF LIFE	REMAING UPON DELIVERY
Greater than nine months	three months
Less than nine months	two months
90 days	14 days
Less than 14 days	freshest available

- (vi) **Fill-Rate and substitutions.** The contractor shall provide a 100% fill-rate on each battle-pack order. In the event that the fill rate is not 100%, the contractor will not be paid the additional WRM distribution amount for that month. Further, the contractor will not be paid the WRM distribution amount in any subsequent month until it can demonstrate that future orders will comply with the 100% fill rate. The contractor shall nevertheless be paid the appropriate contract unit price as would occur on a normal order.

In the rare situation where the contractor cannot comply with the 100% fill rate, the contractor may substitute items. These substitutions, however, must have prior written approval from the contracting officer. While awaiting verification from the contracting officer concerning discrepancies or substitutions, the contractor should continue to make progress in filling the WRM order, so as not to jeopardize the preparation of the order or the delivery date. Once verified, the contractor shall fill the order using specific materiel required. WRM deliveries containing substitutions shall not be considered having a 100% fill rate and will, therefore, not entitle the contractor to the additional WRM distribution amount.

- (vii) **WRM Paper Testing.** The Government may test the contractor's ability to comply with WRM requirements by placing simulated orders against the contract, with or without prior notification. This is called a "paper test." When a paper test is conducted, the contractor shall provide projected materiel availability results of the simulation, without the physical movement of the materiel in accordance with the required delivery timeframes. Paper testing will be limited to twice a year. Paper tests will be conducted at no additional cost to the Government.
- (viii) **WRM Materiel Testing.** The Government may test the contractor's ability to comply with WRM requirements by placing actual orders against the contract, with or without prior notification. This is called a "materiel test." When a materiel test is conducted, the contractor shall provide materiel in accordance with the required delivery timeframes for the order. The Government will take possession of the materiel and will pay the contractor for the order.
- (ix) **WRM Administration.**
- a. Subsequent to the delivery of WRM, the contractor shall replenish stock within 30 calendar days and, therefore, be ready to make another WRM delivery at that time.
  - b. The Government shall have the right to inspect at the contractor's storage location and materiel specifically stocked by the contractor in its inventory to meet this contract's Government WRM requirements. The contractor will be given 24 hours' notice by the Government before inspection. The contractor agrees to provide the inspection team(s) with reasonable and timely access to the materiel at no additional cost to the Government.
  - c. In the situation where a WRM item becomes unavailable (i.e. manufacturer discontinue), the contractor shall notify the contracting officer within seven business days.
  - d. The contractor shall submit an invoice for payment at the end of each month, outlining the total number of cases reserved for WRM multiplied by the per case WRM distribution price.
- (x) **Funding –** The WRM requirement is conditional upon fiscal year funding. Offerors shall propose an amount for Distribution Category #39 – WRM in its price proposal spreadsheet. This amount shall be used to calculate the contractor's compensation so long as the requirement remains.

#### **IV. Applicability of Taxes**

The information under this heading, as stated in Amendment 11 is deleted and replaced with the following:

In accordance with 52.212-4(k), the contract price includes all applicable Federal, State, and local taxes and duties. The Contractor is responsible for determining the applicability/exemption of all taxes including but not limited to Hawaii General Excise and Use Tax. Invoices/quotes establishing the delivered price, as defined in DLAD 52.216-9064 and further defined standard freight definition in Amendment 0004, shall be exclusive of Hawaii General Excise and Use taxes. The distribution price is the only method for the Contractor to bill the Government for all aspects of the contract performance other than delivered price.

NOTE: The EPA defines Delivered Price as actual material cost plus standard freight. Offerors shall not include any other charges in the Delivered Price.