

**PERFORMANCE WORK STATEMENT
FOR CONTRACT SERVICES IN
CARTERET, NEW JERSEY AREA**

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C-1 Description of Required Services:

Defense Fuel Support Point services are required in the Carteret, NJ area for the period beginning April 1, 2005. The following terms and conditions are applicable to the requirement for contract services and ancillary facilities for receiving, storing, protecting and shipping turbine fuel aviation grade JP8, turbine fuel aviation grade JP5, naval distillate grade F76, fuel system icing inhibitor FSII and conductivity additive SDA. The facility offered must be capable of providing a Contractor furnished connection to the Colonial Common Carrier Pipeline System and a contractor furnished connection to the Buckeye Common Carrier Pipeline System for the shipment of JP8 to Verona, NY. Request a five (5) year, multi-year contract.

C-1.1 AREA OF CONSIDERATION: The purpose of this requirement is to obtain the necessary facilities and services to receive, store, protect, and ship three grades of Government-owned petroleum product in the Carteret, New Jersey area for the period beginning April 1, 2005. The Carteret, New Jersey area is defined as the area along the east coast from Perth Amboy, NJ north to Bayonne, NJ including Staten Island, NY.

C-1.2 STORAGE TANK REQUIREMENTS: Approximately 527,000 barrels shell capacity for the storage of three grades of Government-owned petroleum product. A minimum of two tanks required for each product. The storage for each product shall be interconnected and isolated from other facilities and products handled within the tank farm. Dedicated facilities are preferred for each of the three products however, a

common system will be considered, provided the offer submits the data required by Clause L116.01, Data Required (Storage) and Clause L2.01, Instructions to Offerors applies.

JP5 Storage: Approximately 227,000 barrels for turbine fuel aviation grade JP5.

JP8 Storage: Approximately 150,000 barrels for turbine fuel aviation grade JP8.

F76 Storage: Approximately 150,000 barrels for Naval Distillate fuel grade F76.

C-1.2.1 ADDITIVE STORAGE REQUIREMENTS:

FSII: Approximately 595 Barrels. (a minimum of two FSII storage tanks, one 10,000 gallon and one 15,000 gallon).

SDA: Approximately 4 Barrels.

C-1.3 GRADE OF SERVICE: Turbine Fuel Aviation Fuel, grade JP5 and JP8; Naval Distillate Fuel, grade F76.

C-1.4 PHYSICAL SYSTEM REQUIREMENTS: Storage and handling facilities capable of receiving, storing, protecting, and shipping three grades of U. S. Government-owned petroleum products. In addition to the data required by Clause L116.01, the potential Contractor will be required to provide the tank cleaning and inspection data required by Clause E18 as part of their proposal. The tank cleaning and inspection data will be evaluated and utilized as an evaluation factor in determining the Governments risk associated with the utilization of the facility.

C-1.5 ESTIMATED THROUGHPUT REQUIREMENTS: 5,500,000 barrels for each 12-month contract period, not including the initial fill. The throughput computation is based on receipts plus shipments divided by two.

C-1.6 PROPERTY CONTROL RECORDS AND SYSTEM RECORDS: The Contractor shall provide Property Control and System Records in compliance with paragraph (a) (1) of Clause I119.04. The Contractor furnished computer system shall meet the current commercial standards for a computer system capable of accomplishing the data reporting and records keeping required by the Fuels Automated System (FAS); maintaining the data reporting and records keeping associated with product quality surveillance (i.e. product analysis and testing reports); and the documents collection and records associated with the Contractor's preventive maintenance program, etc. The Contractor shall input inventory and sales data of

Government-owned product directly into the Government's Fuel Automated System (FAS) utilizing the FES 02 inventory reporting procedures and the Contractor–

furnished computer system via the Contractor-furnished internet access (with static IP address capability) or creation of a dial-in account to the DESC-FAS web server. Additional data and requirements can be found in Clause I119.04.

C-1.6.1 The Contractor shall comply with all transportation and routing instructions for all modes furnished by the Defense Energy Support Center, Americas East (DESC-AME Houston, TX). Such instructions will be conveyed via telephone, Fax, e-mail and via DESC Form 19.16 {Routing Instructions} and will include the carrier names, routes, route order numbers, and other pertinent shipment information. In the case of Pipeline shipments, the Contractor shall monitor inbound pipeline shipments, and schedule outbound pipeline shipments utilizing Transport 4 the automated Pipeline Scheduling System for Colonial Pipeline and Buckeye Pipeline and adhere to schedules as arranged, by DESC-AME Houston, TX, in Transport 4. Adjustments to the scheduled pipeline shipping/delivery dates, or quantities will be made only with the concurrence of DESC-AME Houston, TX.

C-1.6.2 The receipt and shipment of Government-owned product via the Colonial and Buckeye Pipeline Systems shall not be in competition with the Contractor's other terminal operations.

C-1.7 FUEL AUTOMATED SYSTEM (FAS) ADP EQUIPMENT: The Contractor shall provide a computer system with the following minimum specifications:

**733Hz Processor
One 10 GB2 GB Hard Drive (minimum) and one 3 ½ inch floppy disk drive
Windows 2000 Operating System
Modem 56 K
V710 Monitor
Mouse
CD-ROM Drive (eight speed or higher)
Printer/Printer paper/Printer Cartridges**

The Contractor shall input inventory data of Government-owned product directly into the Government's Fuel Automated System (FAS) utilizing the Government-furnished computer software. DESC will install the necessary software and provide training to a minimum of two Contractor personnel. See Clause I119.04 for additional information regarding the Government's inventory data requirements.

DADS/FAS DATA ENTRY TELEPHONE SUPPORT: The Contractor shall provide a dedicated commercial telephone line to be used for data entry into the DADS/FAS system. The Government will reimburse the contractor for installation charges and

the monthly telephone bill upon presentation of supporting documentation and an invoice certified by the QAR. No fees or administrative charges will be allowed.

C-2 GENERAL INFORMATION:

C-2.1 PRODUCT RECEIVING REQUIREMENT: The Contractor's product receiving capability shall provide dedicated facilities capable of receiving JP5, JP8, and F76 by tanker, barge and by a Contractor-furnished connection to the Colonial Common Carrier Pipeline System all on a 24 hour per day, 7 day per week basis at flow rates compatible with the transportation mode; The Contractor shall provide the capability to receive Government-furnished tank trucks, on an occasional basis, five (5) days per week, Monday through Friday, holidays and weekends excepted and in access of the normal terminal operating hours on an overtime basis.

C-2.1.1 Colonial Common Carrier Pipeline System: The Contractor's-furnished connection to the Colonial Common Carrier Pipeline System must be capable of receiving JP5, JP8, and Navy Distillate grade F76 all on a 24 hour per day, seven day per week schedule at flow rates compatible with the Colonial Pipeline System.

C-2.1.2 Tanker: The Contractor's tanker receiving facility must be capable of receiving tankers all on a 24 hour per day, seven days per week schedule, at a minimum rate of 8,000 barrels per hour. The tanker receiving facility must also include access through the harbor entrance to the Contractor's tanker berthing facility. The tanker dock and berthing facilities must have dedicated pipelines for receiving each product (JP5, JP8, and F76). The tanker dock and berthing facilities must be capable of berthing 37,400 Dead Weight Ton (DWT) vessels and have a minimum draft of 38 feet at mean low water. Tanker LOA is 615 feet.

C-2.1.3 Barge: The Contractor's barge receiving facility must be capable of receiving barges all on a 24 hour per day, seven day per week schedule, at a minimum rate of 2,000 barrels per hour. The barge receiving facility must also include access through harbor entrances to the barge dock facility. The barge dock and berthing facility must have dedicated pipelines for receiving JP5, JP8, and F76. The barge dock and berthing facility must be capable of berthing 13,300 Dead Weight Ton (DWT) barges, 340 feet LOA, 75 feet WOA and have a minimum draft of 30 feet at mean low water.

C-2.1.4 Tank Trucks: The Contractor shall provide a tank truck receiving capability that can be used occasionally to receive tank trucks which were loaded and shipped from the Contractor's facility and were unable to deliver the product to their assigned designation because of mechanical failure, product leak, accident, etc. The Contractor's tank truck receiving facility will be capable receiving Government-furnished tank trucks, 5 days per week, Monday through Friday; holidays and weekends excepted and in excess of the normal terminal operating hours on an overtime basis.

C-2.1.5 Twenty Four Hour per day, Seven Day Per Week Receiving Capability: In the event the Contractor's facility is unable to receive tankers and barges twenty four hours per day, seven days per week because of restrictions imposed by Port or Harbor

regulations the Contractor's proposal must cite the specifics imposed by the Port or Harbor regulations and include a copy of such Port or Harbor regulations.

C-2.2 PRODUCT SHIPPING REQUIREMENT: The Contractors shipping capability shall provide dedicated facilities capable of shipping JP5, JP8, and F76 by tanker, barge, all on a 24 hour per day, Seven day per week basis at flow rates compatible with the transportation mode. The Contractor shall also operate and maintain a Contractor-furnished pipeline connection to the Buckeye Common Carrier Pipeline System that is capable of shipping JP8 to DFSP Verona, located in Verona, NY all on a 24 hour per day, seven day per week basis. The Contractor shall operate and maintain the capability to ship JP5, JP8, and F76 by Government-furnished tank trucks on an 8-hour per day, 5-day per week basis Monday through Friday, holidays and weekends accepted, and in excess of the regular terminal operating hours on an overtime basis. Shipping capability must also include access through harbor entrances to the dock of the facility. Quantity determination shall be by calibrated meter.

C-2.2.1 Barge: The Contractor's barge loading and shipping facility must be capable of loading and shipping JP5, JP8, and F76. Barges are required to be loaded within 48 hours of notification. Barge shipments are required 24 hours per day, seven days per week. Mission requirements may require up to 8 barge loading operations per year with less than 24 hours notice. The barge dock and berthing facility must have dedicated pipelines for JP5, JP8, and F76. The barge dock and berthing facility must be capable of berthing 13,300 Dead Weight Ton (DWT) barges, 340 feet LOA, 75 feet WOA and have a minimum draft of 30 feet at mean low water.

C-2.2.2 Tanker: The Contractor's tanker loading and shipping facility must be capable of loading and shipping JP5, JP8, and F76. The tanker dock and berthing facilities must have dedicated pipelines for shipping each product (JP5, JP8, and F76). The tanker dock and berthing facilities must be capable of berthing 37,400 Dead Weight Ton (DWT) vessels and have a minimum draft of 38 feet at mean low water. Tanker LOA is 615 feet.

C-2.2.3 Pipeline: The Contractor pipeline shipping capability shall be by a Contractor-furnished connection to the Buckeye Common Carrier Pipeline System at flow rates compatible with Buckeye Pipeline System all on a 24 hour per day, seven days per week schedule. The Buckeye Pipeline System will be utilized to ship JP8 to the Defense Fuel Support Point at Verona, New York.

C-2.2.4 Tank Truck: The Contractor's tank truck loading and shipping capability shall be capable of shipping JP5, JP8, and F76 by Government-furnished tank trucks 0500 to 1400 Monday through Friday, holidays and weekends excepted, and in access of those hours on an overtime basis.

C-2.2.4.1 In the event the Contractor's facility is located within the geographic boundaries of New York City, the Contractor must provide the ability to load and ship

standard DOT-approved tank trucks on the city streets exclusive of the New York City restrictions.

C-2.1.4 PRODUCT QUALITY SURVEILLANCE: The Contractor will be responsible for maintaining the quality of the Government-owned product stored at the Contractor's facility in accordance with MIL-STD- 3004.

C-2.1.4.1 The Contractor shall reimburse the U. S. Government the cost of the product and the cost of disposal or remediation of all product that becomes contaminated while at the Contractor's facility due to Contractor negligence.

C-2.1.4.2 The Contractor shall report immediately to the Contracting Officer or the QAR all receipts or on hand stocks that fail to meet product quality for receipt, storage, or shipment in accordance with MIL-STD-3004. Suspected off-specification product will be isolated and shall not be released for shipment until authorized by the contracting officer or the QAR.

C-2.3 ANCILLARY FACILITIES:

C-2.3.1 Storage Tank Requirements: The storage tanks and facilities must meet the minimum requirements of the current API standards, the NFPA codes, and all laws, regulations, etc, applicable to tanks and facilities of the type to be provided. Cone roof tanks with interior floating roof pan are preferred however; floating roof tank will be acceptable. Floating roof tanks will be equipped with roof drains, which prevent water from coming into contact with the fuel. The tanks shall be interconnected so as to provide the capability of transferring/filtering product between tanks.

C-2.3.2 Truck Fill Stand Requirements: The Contractors tank truck fill stand facilities shall require loading capabilities IAW all applicable rules and regulations and be equipped with a Scully system (or compatible). The tank truck fill stand facilities must be capable of spotting and loading a minimum of four 9,000 gallon trucks per hour for JP8 and one each 9,000 gallon truck per hour for JP5 and F76. The tank truck fill stand facilities shall be in compliance with Federal, state, and local environmental laws and regulations based on the type of product being loaded. The tank truck fill stand facilities shall be equipped with a temperature-compensating meter capable of accurately measuring the volume of product being loaded. The facility must also be capable of unloading tank trucks being returned after loading due to leaks or other problems. The facility shall have dedicated pipelines for receiving and shipping of each Government-owned product (JP8, JP5 and F76). The loading of Government-furnished transport trucks shall not be in competition with the Contractor's other terminal operations.

C-2.3.3 Pumping capability: The pumping capability and flow rate must be compatible with tank truck receiving and shipping requirements of both Government-

furnished commercial tank trucks and Government-owned tank trucks. The Contractor shall be capable of loading the first truck within three hours of receiving telephone notification that fuel shipment is required. The Contractor's facility must have the capability to load and ship Government-furnished tank trucks in the event of a power failure, either through the use of a backup electric power generator or by gravity loading.

C-2.3.4 Storage Tanks and Facilities: All tanks and facilities must meet the minimum requirements of the current API Standards, NFPA Codes, and all laws, regulations, etc., applicable to tanks and facilities to be provided. Cone-roof tanks with interior floating roof pans are preferred; however, cone-roof tanks without interior floating pans will be acceptable. Floating roof tanks will also be considered, provided they are equipped with roof drains, which prevent water from coming into contact with the fuel. The tanks and facilities will consist of one dedicated system capable of receiving, storing and shipping one grade of Government-owned fuel. An isolated system in place of the preferred dedicated system is acceptable provided the requirements of Clause L116.01 (d) are met.

C-2.3.6 Dock and Berthing Facilities:

C-2.3.6.1 Tanker Dock and Berthing Facilities (Optional): The dock and berthing facility must have dedicated pipelines for receiving JP8, JP5 and F76. The Contractors berthing facilities shall be capable of handling a minimum 38,000 dead weight ton vessel with an overall length of 800 feet and a minimum draft of 40 feet from berth to open seas. The fuel handling lines from the dock through the manifold to the tanks shall be capable of receiving at a rate of at least 8,000 bph for tankers. The Contractor shall provide any port restrictions/requirements and harbor fees with his proposal, along with height restrictions from ship's manifold to waterline during loading/unloading.

C-2.3.6.2 Barge Dock and Berthing Facilities: The dock and berthing facility must have dedicated pipelines for shipping and receiving JP8, JP5 and F76. The fuel handling lines from the dock through the manifold to the tanks shall be capable of receiving at a rate of at least 2,000 bph for barges. The dock and berthing facilities must be capable of berthing 13,300 Dead Weight Ton vessels, 340 (degrees) LOA, 75 (degrees) WOA and have a minimum draft of 30 feet at mean low water.

C-2.3.7 Additive Injection Systems: The Contractors shall provide a separate injection system (pump and ancillary connection facilities) for the injection of each Government-furnished additive (i.e., Fuel System Icing Inhibitor (FSII) and Conductivity Additive (SDA) into the product during normal receiving, shipping and tank-to-tank transfer operations. Bulk storage facilities for FSII consisting of a minimum of two storage tanks with a FSII storage capacity of approximately 595 barrels (25,000 gallons). The

conductivity additive injection shall be equipped with stainless steel blending tank(s) with a capacity of at least 100 gallons. (See Clauses F45.01 and F45.03.100)

C-2.3.8 FILTRATION SYSTEMS: The Contract-furnished filtration systems shall meet the requirements of API Bulletin 1581, Group II, Class B to allow for product filtration during truck loading operations, tank-to-tank transfers without diminishing quality of product, barge loading, and pipeline shipments. All product; i.e. pipeline, tank trucks and barges/tankers must be filtered prior to shipment. The Government will reimburse the Contractor for the cost of the replacement of filter elements, and disposal of the used filter elements.

C-2.3.8.1 The Contractor-furnished filtration capability shall consist of the following:

- One filter separator assembly to the API Standards 600 to 1,000 gallons per minute at the JP8 truck fill stand facility.
- One filter separator assembly to the API Standards 600 to 1,000 gallons per minute at JP5 truck fill stand facility.
- One 4,000 barrel per hour filter separator assembly to the API Standards capable of supporting tank to tank product transfers, pipeline shipments, and barge loading filtration.

C-2.4 PRODUCT QUALITY CONTROL:

C-2.4.1 Laboratory Support: The Contractor shall provide laboratory services to test U.S. Government-owned products. If the contractor cannot provide full testing capabilities acceptable to the Government, the contractor shall be responsible for shipping the required samples to a laboratory specified by the Government representative. As a minimum, Type C testing capability shall be available within the contractor's facility. The calibration of testing equipment will be in accordance with Clause E1.11.

C-2.5 BEST COMMERCIAL PRACTICES: In the absence of any contract provisions or references to a method, specification or other instruction, the contractor shall perform all services hereunder in accordance with the best commercial practices.