

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT			1. CONTRACT ID CODE K		PAGE 1 OF 6	
2. AMENDMENT/MODIFICATION NO. 0003		3. EFFECTIVE DATE 20 February 2002		4. REQUISITION/PURCHASE REQ. NO. N/A		5. PROJECT NO. (If applicable)
6. ISSUED BY DEFENSE ENERGY SUPPORT CENTER 8725 JOHN J. KINGMAN ROAD, SUITE 4950 FT. BELVOIR, VA 22060-6222 FAX (703) 767-8757 BUYER/SYMBOL – S. ANDERSON/DESC-EPP PHONE (703) 767-8127 P.P. 8.2			CODE SCO600	7. ADMINISTERED BY (If other than Item 6) CODE		
8. NAME AND ADDRESS OF CONTRACTOR (NO., Street, City County, State, and ZIP Code)				X	9a. AMENDMENT OF SOLICITATION NO. SP0600-01-R-0121	
					9b. DATED (SEE ITEM 11) September 11, 2001	
				10a. MODIFICATION OF CONTRACT/ORDER NO.		
				10b. DATED (SEE ITEM 13)		
11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS						
<p>[X] The above numbered solicitation is amended as set forth in Item 14. The hour and date specified for receipt of Offers [] is extended, [X] is not extended</p> <p>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 <u>1</u> 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 you 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.</p>						
12. ACCOUNTING AND APPROPRIATION DATA (If required)						
13. THIS ITEM APPLIES ONLY TO MODIFICATIONS OF CONTRACTS/ORDERS, IT MODIFIES THE CONTRACT/ORDER NO. AS DESCRIBED IN ITEM 14.						
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. I2.05 CHANGES-FIXED PRICE (AUG 87)						
X 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)						
C. THIS SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF: FAR 43.01						
OTHER (Specify type of modification and authority)						
E. IMPORTANT: Contractor [] is not, [X] is required to sign this document and return <u>1</u> copies to the issuing office.						
14. DESCRIPTION OF AMENDMENT/MODIFICATION (Organized by UCF section headings, including solicitation/contract subject matter where feasible.)						
See Pages 2						
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 OF CONTRACTING OFFICER ANWAR ALI			
15B. NAME OF CONTRACTOR/OFFEROR BY _____ (Signature of person authorized to sign)		15C. DATE SIGNED	16B. UNITED STATES OF AMERICA BY <u>Anwar Ali</u> (Signature of Contracting Officer)		16C. DATE SIGNED 20 February 2002	

The purpose of this amendment is to incorporate changes to the RFP and address questions proposed by a prospective offeror.

A. The following changes are hereby made to Solicitation SP0600-01-R-0130:

1. **Standard Form 33, Block 9**
Change language to read from “sealed offers in original and **4 (3 hard copy and 1 CD)**” to read “**sealed offers in original and 2 CDs.**”
2. **Section L.3.3, Distribution, replace in its entirety with the following:**
"Offeror shall submit one original hard copy in a three-ring binder. Two additional copies shall be submitted on a CD."
3. **Section L.3.10, Proposal Revisions, revise the second sentence to read:**
"Proposal revisions shall be submitted with one original hard copy and one electronic copy submitted on CD."

B. Questions proposed by a prospective Offeror are as follows:

1. Can the line sizes be broken down into any better definition of installation time – before 1950, before 1990 or after?
Answer: No, information is not available.
2. Does the base have a list of disadvantaged contractors already on site with their functions?
Answer: No.
3. Will government or other contractors be liable for manhole damage? An example would be a manhole damaged by a brush hog mower.
Answer: Whoever damages manholes will be responsible for paying for the damage.
4. How many line locates are requested for sewer on average for a week, month or year.
Answer: The installation averages approximately 6 per week. This is an estimate only and is not meant to reflect actual number.
5. Are storm sewers included?
Answer: No.

6. How many callouts has the base received during the past week, month or year? How many of those call outs were during weekday regular hours and how many were off hours or weekends normally considered overtime. What was the nature of the call outs that were after hours?

Answer: The installation averages approximately 10 per week with 5 occurring during regular hours and 5 during overtime periods. This is an estimate only and is not meant to reflect actual number. Most of calls after hours involve sewer overflows.

7. How many sewer lines locate request are made on average per year, month or week?

Answer: The installation averages approximately 10 per week with 5 occurring during regular hours and 5 during overtime periods. This is an estimate only and is not meant to reflect actual number. Most of calls after hours involve sewer overflows

8. Would a municipal entity have to comply with the subcontractor requirements?

Answer: Yes, subcontractor requirements would be same for any type prime contractor.

9. Is a municipal entity except from the CASI requirements? Are the subcontractors to the municipality exempt such as the lab firm, engineering and construction contractors?

Answer: Just being a municipal entity does not exempt it from the CAS requirements. There are other factors to figured in that could make a municipal entity exempt (i.e. if prices are regulated tariff, etc.). FAR Subpart 30.2- CAS Program Requirements describes the rules for determining whether a proposed contract or subcontract is exempt from CAS the website is (http://www.arnet.gov/far/current/html/Subpart_30_2.html).

10. Can we obtain a copy of the Muldraugh contract? Will that agreement stay with the government or will the new owner negotiate a separate contract?

Answer: The installation does not have a contract with City of Muldraugh, it is only a rate agreement. Per Para J32.4 of the RFP, the agreement will stay in effect for a period of one year and be negotiated between contractor and City of Muldraugh at that time. Rate that will be in effect is \$2.1654 kgal. It should be in the Technical Library after 19 February 2002.

11. Would a steel frame building to store trucks be in accordance with the Architectural Standards for the base?

Answer: Yes, the installation would like to approve any architectural drawing submittal.

12. Are regulated utilities and private companies treated differently? An example is page 21 paragraphs C.11.2.4 indicates that a regulated utility would not need to provide a total repair and replacement for the life of the contract but only for the initial period. Any future repair and replacement costs would be handled in the rates or through an approved rate increase by its regulating body.

There is no difference in the Volume I (Technical) submission, whether or not a firm is regulated. All technical proposals must include the 50-year R&R schedule; the exception C.11.2.4 refers to is only to the price proposal submitted for an alternate proposal. A regulated utility, submitting Schedule B-2, would provide the 50-year project list, and the tariff the utility submits (on Schedule B-2) would provide for the cost recovery over that period. The initial Capital Upgrades are added to the tariff (and purchase price recovery, as applicable) and establish the monthly service charge on Schedule B-2. To summarize,

A). If Schedule B-2 is used, the costs reflect the purchase price recovery, initial capital upgrades, and tariff rate (which has the R&R built into it). This is not subject to price re-determination, as the R&R cost is built into the tariffs, which are subject to potential rate increases.

B). If Schedule B-1 is used, the costs reflect the O&M costs, capital upgrades, and R&R costs; the B-1 costs (other than capital upgrades) is subject to price redetermination.

The specifics of preparing both B-1 and B-2 are included in the RFP.

13. Do both regulated utilities and private companies have to provide the expected repair and replacement cost for the whole 50 years or the just initial period?
Both provide the R&R schedule; only those submitting on Schedule B-1 provide the 50-year costs.

14. Is it acceptable for either a public or private entity to submit a proposal that projects a 50-year replacement schedule and cost over the lifetime of the contract, with a specific plan for analyzing the repair and replacement needs during the initial period of the contract? This analysis would lead to a specific capital investment and replacement schedule and cost estimate that would be presented for review at the first Price Redetermination stage.

See above; if submitting on Schedule B-2, there is no price redetermination.

15. What is the small/disadvantaged business-subcontracting goal or requirement?
A local government utility is considering making a proposal to acquire the wastewater system. This utility is not experienced with the federal requirements such as contract language and some of the technique aspects. The utility is considering engaging a primary contractor, which is not a small or disadvantaged business, to coordinate a majority of the operations, maintenance, engineering and replacement. Both the utility and the contractor are committed to meeting the goal for small and disadvantaged business.

SBA and DoD negotiate both Government-wide subcontracting and prime contracting goals, however these are goals assigned to DoD components and not to the Prime contractors. The subcontracting plans are negotiated between the prime contractor and the Government (Contracting Officer) and reflect what the prime contractor and the CO deem to be a reasonable commitment (in dollars and percentages of the intended subcontracted work) in support of each of the subcategories (SB, SDB, WOSB, VOSB and HUBZone SB). The only statutorily mandated subcontracting goal is 5% for SDB.

If the Utility is the prime contractor, and subcontracting opportunities exist and the contract exceeds \$500,000, then it is required to prepare a subcontracting plan that indicates the utility's commitment to each of the separate categories identified in the clause FAR 52-219.9, Small Business Subcontracting Plan. This clause also includes the excerpt below which requires the utility will include the clause "Utilization of Small Business Concerns" in all subcontracts it awards that offer subcontracting opportunities and that the utility will require the subcontractors whose subcontracts exceed \$500,000 to adopt and comply with its plan.

FAR 52.219-9, Paragraph (d) (9)

Assurances that the offeror will include the clause of this contract entitled "Utilization of Small Business Concerns" in all subcontracts that offer further subcontracting opportunities, and that the offeror will require all subcontractors (except small business concerns) that receive subcontracts in excess of \$500,000 (\$1,000,000 for construction of any public facility) to adopt a plan similar to the plan that complies with the requirements of this clause.

16. Would this arrangement be acceptable?

The arrangement (utility company subcontracting to large business) will only be acceptable if a plan is developed, that the subcontracting opportunities are offered to SB and not just to large business. Also if the utility complies with the paragraph above (FAR 52.291-9 (d) (9)) large subcontractor will have to adopt its own plan and show how it is committed to SB via the "utilization of SB Concern".

17. How would the goal be calculated? a) Will the government goals be based on the total value of the contract awarded to the contractor by the utility, or b) on the amount of work the contractor subs out. Will it be acceptable if the utility/large-contractor team submitted a proposal that includes a subcontracting plan that meets the Army's goals below the tier of the major teaming entities?

Subcontracting goals are based upon a percentage of work subcontracted for example the utility company realizes that it will subcontract out \$80,000 of a \$100,000 contract. The utility company then offers the opportunity to all types of firms SB, SDB, WOSB, VOSB HUBZone SB and Large business to subcontract portions or all of the subcontracting work depending on their assessment of what percentage of the subcontracted work each can/will do. The concept that the opportunity exists and that it is offered to all, even if the evaluated work for any or all of the work will be awarded to the lowest bidder. If price is the determining factor (or whatever the factor) and a large business happens to win that is fine. The opportunity was offered (that's the intent of the program).

- C. All other terms and conditions shall remain unchanged and in full effect.