

<b>AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT</b>		<b>1. CONTRACT ID CODE</b> K		<b>PAGE 1 OF 4</b>	
<b>2. AMENDMENT/MODIFICATION NO.</b> 0002		<b>3. EFFECTIVE DATE</b> April 3, 2001		<b>4. REQUISITION/PURCHASE REQ. NO.</b> SCO600-01-0224	
<b>5. PROJECT NO. (If applicable)</b>		<b>6. ISSUED BY</b> SCO600  DEFENSE ENERGY SUPPORT CENTER 8725 JOHN J. KINGMAN ROAD, SUITE 4950 FORT BELVOIR, VA 22060-6222 BUYER/SYMBOL- BENITA JACKSON/DESC-APP PHONE - (703) 767-8534 FAX 703-767-8757 <a href="mailto:bjackson@desc.dla.mil">bjackson@desc.dla.mil</a> P.P. : 8.2		<b>7. ADMINISTERED BY (If other than Item 6) CODE</b> SCO600	
<b>8. NAME AND ADDRESS OF CONTRACTOR (NO., street,city,county,State,and ZIP Code)</b>			<b>9a. AMENDMENT OF SOLICITATION NO.</b> SP0600-01-R-0019		
			<b>9b. DATED (SEE ITEM 11)</b> January 4, 2001		
			<b>10a. MODIFICATION OF CONTRACT/ORDER NO.</b>		
			<b>10b. DATED (SEE ITEM 13)</b>		
<b>11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS</b>					
<input checked="" type="checkbox"/> The above numbered solicitation is amended as set forth in Item 14. The hour and date specified for receipt of Offers <input type="checkbox"/> is extended, <input checked="" type="checkbox"/> 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 <u>1</u> copy of the amendment;(b) By acknowledging receipt of this amendment on each copy of the offer submitted; or© By separate letter or telegram which includes a reference to the solicitation and amendment numbers. <b>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.</b> 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.					
<b>12. ACCOUNTING AND APPROPRIATION DATA (If required)</b>					
<b>13. THIS ITEM APPLIES ONLY TO MODIFICATIONS OF CONTRACTS/ORDERS, IT MODIFIES THE CONTRACT/ORDER NO. AS DESCRIBED IN ITEM 14.</b>					
A. THIS CHANGE ORDER IS ISSUED PURSUANT TO: <i>(Specify authority)</i> THE CHANGES SET FORTH IN ITEM 14 ARE MADE IN THE CONTRACT ORDER NO. IN ITEM 10A.					
B. THE ABOVE NUMBERED CONTRACT/ORDER IS MODIFIED TO REFLECT THE ADMINISTRATIVE CHANGES <i>(such as changes in paying office, appropriation date, etc.)</i> 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:					
D. OTHER <i>(Specify type of modification and authority)</i>					
E. <b>IMPORTANT:</b> Contractor <input type="checkbox"/> is not, <input type="checkbox"/> is required to sign this document and return _____ copies to the issuing office.					
<b>14. DESCRIPTION OF AMENDMENT/MODIFICATION (Organized by UCF section headings, including solicitation/contract subject matter where feasible.)</b>  <p style="text-align: center;">See Pages 2-4</p> <p>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.</p>					
<b>15A. NAME AND TITLE OF SIGNER (Type or print)</b>			<b>16A. NAME OF CONTRACTING OFFICER</b> LAURA C. WELSH		
<b>15B. NAME OF CONTRACTOR/OFFEROR BY</b> _____ <i>(Signature of person authorized to sign)</i>		<b>15C. DATE SIGNED</b>	<b>16B. UNITED STATES OF AMERICA BY</b> <u>Laura Welsh</u> <i>(Signature of Contracting Officer)</i>		<b>16C. DATE SIGNED</b> April 3, 2001

This amendment is issued to incorporate the following changes to Solicitation SP0600-01-R-0019:

1. Schedule B-1, Utility Service Payment by the Government

**On Schedule B-1, page 4 of the solicitation, the SUPPLIES/SERVICES for Sub-CLIN AA should refer to note b instead of note c.**

2. Section H, Contract Provisions

**a. Delete Paragraph H.9.1. Initial Capital Upgrades (reference Paragraph C.11, Upgrades and Renewals and Replacements) in its entirety and replace with the following (all references to “interest” have been deleted):**

The price of each initial capital upgrade proposed by the offeror in Schedule L-3 of the Price Proposal will be added to the Fixed Monthly Charge, for the number of months indicated, when the upgrade is put in useful service. The Fixed Monthly Charge is the monthly service charge for the relevant utility system (the utility system of which the upgrade is a part) stated in Schedule B-1.

The price for each initial capital upgrade is fixed and is not subject to renegotiation under Paragraph B.7, *Type of Contract – Price Redetermination—Prospective*. The price for each upgrade will be amortized over the term proposed by the offeror in Schedule L-3 of the Price Proposal. With every monthly invoice that includes a request for payment for a capital upgrade identified in Schedule L-3, the Contractor shall submit an amortization schedule. The amortization schedule shall specify for each upgrade the additional monthly payment to be included in the Fixed Monthly Charge, the number of the payment (of the total payments required), and the remaining principal.

For offers using Schedule B-2, the upgrades will be paid in accordance with the method proposed by the offeror and accepted by the Government.

**b. Delete Paragraph H.9.2. Future Capital Upgrades (reference Paragraph C.11, Upgrades and Renewals and Replacements) in its entirety and replace with the following (all references to “interest” have been deleted):**

Future capital upgrades for which the Government agrees to pay in accordance with Paragraph C.11, *Upgrades and Renewals and Replacements*, will be added to the Fixed Monthly Charge for the number of months agreed upon when the upgrade is put in useful service. With every monthly invoice that includes a request for payment for such an upgrade, the contractor will include an amortization schedule. The amortization schedule shall specify for each upgrade the additional monthly payment included in the Fixed Monthly Charge, the number of the payment (of the total payments required), and the remaining principal. For offers using Schedule B-2, the upgrades will be paid in accordance with the method proposed by the offeror and accepted by the Government.

**3. The following FAR clause is hereby added to Section I, Contract Clauses, Paragraph I.2, FAR Clauses Incorporated by Reference:**

52.207-3 Right of First Refusal of Employment Nov 1991  
(IAW FAR 7.305 (c))

4. Section L, Instructions, Conditions, and Notices to Offerors

**a. Under Paragraph L.3.4, Electronic Media, the second paragraph is hereby modified as follows to add additional wording regarding submission of electronic offers (additional wording in bold):**

**L.3.4 Electronic Media**

Offeror shall submit their electronic proposals on CD ROM disks. All volumes shall be submitted on one CD. With the exception of the Price proposal, Offeror shall submit proposal files in the *Adobe* Portable Document File (PDF) format with a table of contents (roadmap) of the proposal structure. The Offeror shall provide appropriate *bookmarks* and *thumbnails*. The minimum requirement for hypertext link is a table of contents linked to each file provided in the proposal. Additional hypertext links within the proposal are at the Offeror's discretion.

The Price Volume shall be submitted in application-specific files developed and saved using the following versions of Microsoft software: *Word 97, Excel 97, PowerPoint 97, and Windows 95*. **Electronic proposal files should be no more than four megabytes (4MB) in size. Offerors are encouraged to refrain from incorporating detailed graphic items (other than any plans or drawings) as they are not required or desired. Any scanned documents incorporated into an offeror's proposal shall be split into multiple files so that each individual file is no more than 4MB. If multiple files are required for a given volume, offerors shall organize their electronic submission so that each volume is contained in a separate directory.** Each CD shall contain an electronic label, which is to be established on a CD when the CD is formatted. No password-protected, zipped, or self-extracting files shall be used.

Offeror should take reasonable precautions to insure that CDs provided are free of viruses. Offerors are reminded that if the hard copy version contains restrictive legends the CD shall contain the same markings.

**b. Paragraph L.4.5 Subfactor 5: Financial Strength, is hereby deleted in its entirety and replaced with the following:**

**L.4.5 Subfactor 5: Financial Strength**

Offeror shall submit documentation of financial capabilities IAW Provision M.3, *Evaluation Factors and Subfactors*. Financial capability shall demonstrate that the Offeror is in sound financial condition and has the ability to secure the necessary financing to meet the financial and capital requirements of the utility system both now and in the future. Offerors shall describe in detail their capability to finance the utility system purchase price, CIAC tax payment and capitalization principal, renewals and replacements, and upgrades. At a minimum, the Offeror shall submit the following criteria for the past five years; Interest Coverage, Funds from Operation (FFO) to Interest Ratio, FFO to Total Debt Percentage, Total Debt to Total Capital Ratio (Debt

Ratio), and Disaster Recovery Ratio (DRR), in order to accurately characterize the Offeror's financial condition. Failure to supply this information is sufficient to disqualify a proposal from further consideration.

**c. Under Paragraph L.7.5. Detailed Instructions for Price Proposal, delete the Capital Upgrades and Recoverable Portion of the Purchase Price section in its entirety and replace with the following (all references to "interest" have been deleted):**

**Capital Upgrades and Recoverable Portion of the Purchase Price**

The Offeror shall provide cost information for capital upgrades listed in the Capital Upgrades and Renewals and Renewals Plan provided in their proposal in accordance with C.11.2, *Capital Upgrades and Renewals and Renewals Plan*. Information to support the price proposed for capital upgrades shall include total upgrade price, estimated completion date, and the number of months the price will be amortized as proposed by the Offeror. This information should be provided in Schedule L-3.

The recoverable portion of the purchase price (purchase price as offered in Sub-CLIN AB) is the portion of the purchase proposed for recovery by the Offeror. The offeror shall provide the monthly purchase price recovery amount and the number of months for which this recovery will be applicable. After the time period proposed by the Offeror expires, this portion of the monthly fixed payment will be removed from the contract price. This information should be provided in Schedule L-3.

5. Section M, Evaluation Factors for Award

**a. Under Paragraph M.3, Evaluation Factors and Subfactors, under Factor 1: Technical Capability, Subfactor 5 regarding Financial Strength is hereby deleted in its entirety and replaced with the following:**

Subfactor 5: Financial Strength: will be evaluated for stability and adequacy to meet the long-term capital and cash needs to own, operate, and maintain the utility system(s). This is to be reflected in documented evidence that the Offeror is in sound financial condition and has the ability to secure the necessary financing to meet the financial and capital requirements needs of the utility system both now and in the future.

**b. Under Paragraph M.4.1. Schedule B.1., delete the paragraph on Sub-CLIN AB – Monthly Credit as Payment for Purchase Price in its entirety and replace with the following (all references to "interest" have been deleted):**

**Sub-CLIN AB – Monthly Credit as Payment for Purchase Price:** (Amortization of the purchase price calculated as a monthly credit against the Fixed Monthly Charge of the utility service). Monthly amortization values will be calculated for the time period proposed by the Offeror. The monthly rate will be multiplied by 12 months to reach the annual cost. After the time period proposed by the Offeror expires, this portion of the monthly fixed rate will be removed from the cash-flow projection.