

## **PWS 12: CONTRACT TRANSITION (END OF CONTRACT) (INDIRECT)**

### **1. GENERAL:**

1.1. The Contractor recognizes that the services provided under this contract are vital to the Government and must be continued without interruption or impact to contractual delivery schedules and the operation of HSAAP, and that:

1.1.1. Upon contract expiration, either the Government, the Contractor, or another Contractor, may continue them.

1.1.2. The Contractor agrees to exercise commercially reasonable efforts and cooperation to affect an orderly and efficient transition to a Successor (either the Government or another Contractor) prior to contract expiration, as further described in this PWS.

1.2. Unless otherwise negotiated and contractually executed by the Government, the terms and conditions of this PWS do not contractually relieve the Contractor of any responsibilities under this contract in any way.

### **2. CONTRACT TRANSITION:**

2.1. The Contractor shall furnish phase-in, phase-out activities for up to 365 days in accordance with the final agreed upon and Government approved Successor's Transition Plan and contractual requirements. The Successor shall be the lead organization for all transition activities. The 365 days shall be for the final 365 days of the Contractor's period of performance, or such other date mutually agreed to in writing by the parties and approved by the PCO. Unless otherwise agreed upon by the Government, the complete transition of all production and facility operations shall occur no later than the end of the period of performance.

2.2. The Contractor shall negotiate in good faith a Transition Plan with the Successor to determine the nature and extent of phase-in, phase-out activities required and how the Contractor will work with the Successor during the transition period to ensure a smooth, seamless transition. The Successor Transition Plan shall be submitted by the Successor for Government review and is subject to the PCO's approval, and shall identify the specific work activities required of the Contractor and the Successor to support the Successor's transition, and the dates by which such work must be accomplished. The Successor's Transition Plan topics and related tasks may include items such as, but not limited to, the following:

- Commercially reasonable efforts and cooperation to affect an orderly and efficient transition of the Contractor's and Successor's contracts

- Detailed personnel training programs to include safety training to allow Successor employees access to all operations at HSAAP
- Providing sufficient experienced personnel during the transition period to ensure that the facility and production operations are realized without interruption and without impact to the Successor contractual delivery schedules, the operation of HSAAP, or ongoing Modernization efforts
- Provision of on-site office space, communications, and utilities for Successor transition offices
- Purchase or transfer, custody, and storage of long lead time materials and other supplies
- Methods to clearly identify Contractor versus Successor materials and property as well as storage requirements
- Hiring plan addressing overall staffing plans and how Contractor personnel and personnel records will be approached, as permitted by law and regulation, to establish the Successor's workforce required to perform this contract
- Access to personnel and personnel records whom have agreed in writing to allow access and transfer of their personnel records, as permitted by law and regulation, and by the terms of any applicable collective bargaining agreement
- Access to operations and any escorts that will be required (if any)
- Transfer/novation of licenses, permits, leases, applicable Tenant Use Agreements, and subcontracts; or support activities related to replacement of non-transferable instruments
- Retention and/or transfer of records, including technical data previously acquired by the Government and any technical data/records developed while the Contractor operates HSAAP
- Intellectual Property/Data/Technical Data/Records: Plans to fully receive all the technical data, Intellectual Property, and records required to produce explosives and intermediates at HSAAP as well as operate HSAAP
- How the transfer of documents and any records and manuals necessary for operations and maintenance of the plant shall be achieved
- How good faith negotiations are envisioned or have occurred with the Successor and the Contractor for the timely and cost-effective transition
- Security protocols for entry to HSAAP
- Security investigations to be able to work with and around explosives
- Coordination of process, details, timelines and intended state for turnover of the production and mission critical buildings/infrastructure
- Government property transition necessary for operations
- Coordination with the transfer of the Research and Development capabilities
- Research and Development Transition

- Knowledge transfer requirements from the Contractor for engineering staff, production support personnel, operations personnel, and operators to include, but not be limited to, the following:
  - SOP's
  - TDP/engineering standards
  - Historical operating data
  - Historical work orders
  - Training plan development
  - Control system logic
  - On-site production line training
  - Safety reviews
  - Maintenance (Preventative and Corrective)
  - Environmental conditions, compliance, and permitting
  - Analytical Lab Procedures for product and process sample testing
  - Quality Records Review

2.3. The Contractor shall develop an Operating Contractor Transition Plan to help the Successor to determine the nature and extent of phase-in, phase-out activities required as suggested by the Contractor and how the Contractor will work with the Successor during the transition period to ensure a smooth, seamless transition (A12-001). The Contractor's Operating Contractor Transition Plan may be provided by the Government to potential bidders and may be used by the Successor to develop and submit a Successor Transition Plan to the Government as well as the Successor Start-up Plan (if one is required). The Operating Contractor Transition Plan shall be submitted for Government review and is subject to the PCO's approval, and shall identify the specific work activities required of the Contractor and the Successor to support the Successor's transition, and the dates by which such work must be accomplished. The Contractor's Operating Contractor Transition Plan topics and related tasks shall include the following items as a minimum, but not limited to, the following:

- Commercially reasonable efforts and cooperation to affect an orderly and efficient transition of the Contractor's and Successor's contracts
- Detailed personnel training programs to include safety training to allow Successor employees access to all operations at HSAAP
- Providing sufficient experienced personnel during the transition period to ensure that the facility and production operations are realized without interruption and without impact to the Successor contractual delivery schedules, the operation of HSAAP, or ongoing Modernization efforts
- Provision of on-site office space, communications, and utilities for Successor transition offices
- Purchase or transfer, custody, and storage of long lead time materials and other supplies
- Methods to clearly identify Contractor versus Successor materials and property as well as storage requirements

- Access to personnel and personnel records whom have agreed in writing to allow access and transfer of their personnel records, as permitted by law and regulation, and by the terms of any applicable collective bargaining agreement
- Access to operations and any escorts that will be required (if any)
- Transfer/novation of licenses, permits, leases, applicable Tenant Use Agreements, and subcontracts; or support activities related to replacement of non-transferable instruments
- Retention and/or transfer of records, including technical data previously acquired by the Government and any technical data/records developed while the Contractor operates HSAAP
- Intellectual Property/Data/Technical Data/Records: Plans to fully transfer all the technical data, Intellectual Property, and records required to produce explosives and intermediates at HSAAP as well as operate HSAAP
- How the transfer of documents and any records and manuals necessary for operations and maintenance of the plant shall be achieved
- How good faith negotiations are envisioned with the Successor and the Contractor for the timely and cost-effective transition
- Security protocols for entry to HSAAP
- Coordination of process, details, timelines and intended state for turnover of the production and mission critical buildings/infrastructure
- Government property transition necessary for operations
- The transfer of the Research and Development capabilities
- Knowledge transfer requirements from the Contractor for engineering staff, production support personnel, operations personnel, and operators to include, but not be limited to, the following:
  - SOP's
  - TDP/engineering standards
  - Historical operating data
  - Historical work orders
  - Training plan development
  - Control system logic
  - On-site production line training
  - Safety reviews
  - Maintenance (Preventative and Corrective)
  - Environmental conditions, compliance, and permitting
  - Analytical Lab Procedures for product and process sample testing
  - Quality Records Review
- If the Successor is the Contractor, the Successor shall address how the differing contract terms and requirements shall be addressed

2.4. The Contractor shall negotiate in good faith with the Successor for the timely and cost effective execution of activities performed pursuant to this PWS, the associated Successor Transition Plan, and for a successful

transition. Agreements between the Contractor and the Successor required for a successful transition shall be negotiated between those two parties, separately and apart from this PWS.

2.5. The Contractor shall not conduct any mass purge or destruction of documents, especially during transition, and shall not purge or destroy any records and manuals necessary for operations and maintenance of the plant to include documents/records necessary for production. The Contractor may purge or destroy routine records in the normal course of their business operations during the course of the contract.

## 2.6. Meetings

2.6.1. The Contractor shall prepare accordingly, participate, and shall provide input during the Transition Integrated Process Teams (IPTs) with employees of the Successor. The Government will participate as well to monitor progress. Meetings shall be conducted as required and requested, but no less frequently than biweekly. The Contractor shall maintain and share with other IPT members the status information showing transition tasks assigned to the Contractor, progress on each task, and expected completion dates. Overall, the IPT meetings shall, at a minimum, review the Contractor's/Successor's schedule performance against the schedule in the Successor Transition Plan and the contract (to include review of any critical path items that are behind schedule or at risk), reflect the Contractor's/Successor's performance against the requirements in the contract, summarize the work performed, state near term tasks to be completed, and summarize any anticipated problems/risks/concerns with proposed resolutions or impacts if no viable resolution. The IPT meetings shall provide clear insight into schedule performance of the Contractor and Successor, including any changes to the schedule tasks, even if there is no resulting change in the overall high level schedule.

2.6.2. The Contractor shall support meetings as requested related to safety, operations, maintenance, and environmental compliance.

2.6.3 The Contractor shall support monthly meetings (and as required) with the Contractor leadership, Successor leadership, and Government. The goal is to allow for senior level involvement and resolution of issues as they occur.

2.7. The Contractor shall provide sufficient number of experienced personnel during the transition period to ensure an effective transition. The Contractor shall provide non-interference access to operating areas to the Successor.

2.8. The Contractor shall provide to the Successor the latest records/permanent records (which includes, but is not limited to data, technical data, and documents) as requested by the Successor that are

necessary for the operation and maintenance of HSAAP facilities. The Contractor shall also provide present/past Research and Development documents to the Successor (which includes, but is not limited to data, technical data, and documents) as requested by the Successor in accordance with the rightful ownership of these documents.

2.9. The Contractor, if not the Successor, shall clean all buildings and facilities associated with explosive production to remove any explosive materials and explosives residues. Visual inspection shall be the minimum method of identifying remaining explosives and explosives residues to be removed after normal cleaning procedures are completed. Once identified, the Contractor shall remove all remaining explosives and explosives residues. Additionally, if the Contractor is not the Successor, all explosive contaminated materials normally removed for routine disposal or treatment, shall be removed from all buildings and facilities, and shall be disposed or treated as appropriate.

2.10. The Contractor shall respond to RFIs related to safety, operations, maintenance, and environmental compliance.

2.11. The balance in the HSAAP ARMS Program Facility Contractor Account (FCA) are owned by the Government and managed by the Contractor on the Government's behalf. At contract completion, the Contractor shall transfer any remaining balances, to include funds under contract and awaiting disbursement, to an account provided by the PCO prior to contract completion. Separately, after approval by the PD JS ARMS Program Manager, the Contractor shall convey to the Successor all ARMS tenants and revenue generating activities executed under the ARMS Program.

2.12. The Contractor shall provide knowledge transfer to Successor engineering staff, production support personnel, operations personnel, and operators to include, but not be limited to, the following:

- SOP reviews
- TDP/engineering standards/HMB reviews
- Control system logic reviews
- Historical operating data reviews
- Historical work order reviews
- Training plan development
- On-site production line training
- Safety reviews
- Maintenance (Preventative and Corrective)
- Environmental conditions, compliance, and permitting
- Analytical Lab Procedures for product and process sample testing
- Quality Records Review

DEFINITION OF KEY TERMS:

Contractor: The operating contractor of HSAAP once/if this contract is awarded.

Successor: The operating contractor of HSAAP once a follow-on contract to the contract awarded as a result of Solicitation W52P1J-19-R-0142 is awarded. The Successor could also be the Government.