



**DEFENSE LOGISTICS AGENCY
DISPOSITION SERVICES
74 WASHINGTON AVENUE NORTH
BATTLE CREEK, MICHIGAN 49037-3092**

INVITATION FOR BID (IFB)

FOR SALE OF

**DEMILITARIZATION/MUTILATION AS CONDITION OF SALE (DCOS/MCOS) SCRAP RESIDUE
SALE**

IFB 33-3021

SEALED BID

TERM SALE

FOR

Colorado Springs, Colorado

AT

Fort Carson, Colorado

Offer Closing Date/Time: June 23, 2023, 1:00 p.m. local time Battle Creek, Michigan, USA

Inspection Period Begins May 23, 2023, 1:00 p.m. EST. By appointment only

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**DEFENSE LOGISTICS AGENCY (DLA) DISPOSITION SERVICES
74 Washington Ave. North
Battle Creek, Michigan 49037-3092**

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A INTRODUCTION

The Defense Logistics Agency (DLA) Disposition Services (hereinafter, the “Agency”) is offering for sale, scrap residue derived from the Mutilation and Demilitarization of controlled property. A mutilation/Demilitarization Condition of Sale (MCOS/DCOS) contract requires property to be demilitarized or mutilated and certified prior to title transfer. A Government DEMIL verifier will oversee processing of property. This contract will consist of processing materials off-site at purchaser owned/leased facility. Purchasers’ facility must be within 50 miles of DLA Disposition Services Colorado Springs. This contract will be for a thirty-six (36) month base period of performance with two (2) twelve (12) month option periods.

A.1 Base Access Requirements:

All locations where property is located may have strict rules that may prohibit access to some individuals. To access our facilities, an apparent high bidder or their agent shall be required to obtain base access through the host installation. The local location will be able to provide information on how to obtain base access. Purchaser is solely responsible for determining installation access requirements and complying accordingly. If necessary, the SCO can confirm that Purchaser is performing requirements under this IFB and the resulting contract.

Applicant must show vehicle registration, proof of current vehicle insurance and identification that meets the requirements of the REAL ID ACT of 2005 to register for enrollment in the Defense Biometric Identification System (DBIDS).

Purchaser is responsible to obtain all base badging for laborers and transportation drivers with coordination and assistance from the Government. All personnel accessing the base must have state-approved identification or state-approved appropriate driver’s licenses and be free of any warrants. The base will deny access to personnel with warrants. Base access requirements are subject to change. It is the Purchaser’s responsibility to be aware of all changes and comply as needed. (Purchaser will provide a list of personnel who will work on base prior to start of work).

A.2 Useful Websites:

DLA Disposition Services: <https://www.dla.mil/DispositionServices.aspx>

DLA Auction Site: <https://www.sales.dla.mil/dlab2b/init.do>

System for Award Management: <https://sam.gov/>

Bureau of Industry and Security: <https://www.bis.doc.gov/>

U.S. Department of the Treasury: <https://home.treasury.gov/>

Consolidated Screening List Search Engine: <https://legacy.export.gov/csl-search>

The following is for reference only and does not indicate endorsement of the information provided.

Commercial Scale Locator: <https://catscale.com/cat-scale-locator/>

A.3 Item Description:

The Agency expects the Purchaser to perform all requirements under this contract at the bid price provided by the Purchaser.

Property stream may consist of demilitarization or mutilation required property/material such as: aluminum, steel scrap, copper, brass, textile, fiberglass, Kevlar/body armor, vehicle armour and armour kits, satellite antennas and components, large weapon system and parts, wheeled and tracked vehicles, tank track, trailers of various lengths and sizes, containers, aircraft components that may be flight safety critical aircraft parts (FSCAP), sensitive components, textiles, expended cartridge cases comprised of brass, steel, aluminum, or plastic to include blanks, larger caliber inert ordnance items (practice bombs, empty projectiles, empty cartridge cases, etc.) and fired aluminum. Aircraft maybe part of this sale but quantity and frequency of turn ins are not guaranteed. The Agency has no control over

what property is turned in for disposal. The property streams will consist of DEMIL codes B, C, D, E, F, and Q. DEMIL G (only with Material Documented as Safe (MDAS) certificate) or DEMIL P (only with declassification).

Be advised that DoD generators of the property stream are not required to use DLA Disposition Services for disposal and may choose other methods to dispose of their material through other sales contracts, i.e., qualified recycling program (QRP).

All potential Bidders are advised to read all terms and conditions of this IFB prior to submitting their bids to ensure they have a complete and full understanding of all requirements under this contract for sale. The Purchaser is cautioned that some requirements for information are required before the start of work on this contract. The Purchaser agrees to provide all services necessary for the contract in accordance with all Federal, state, local laws, and regulations and in accordance with the terms of this contract. All terms in this IFB will also apply to Purchaser sub-contractor(s).

Over the duration of the thirty-six (36) month base performance period, the Government guarantees to issue the Purchaser a minimum total weight equal to the "Minimum Guaranteed QTY (LBS.)" listed in Table 1.

A.4 Table 1 IFB Item Number Details:

Item	Material	Total QTY (LBS.)	Minimum Guaranteed QTY (LBS.)	Maximum Allowed QTY (LBS.)
1	DS000E1LB	3,000,000	1,500,000	6,000,000
2	DS000MUTB	1,050,000	525,000	2,100,000

A.5 Table 2: CLIN, Material, SCL, Descriptions:

Table 2 is material description(s) for the Contract Line-Item Number (CLIN) for the material listed in Table 1.

CLIN	MATERIAL	SCL	DESCRIPTION
10	DS000E1LB	E1L	Iron and steel scrap, mixed w/foreign attachments, highly enameled stock, coated paint cans, tin cans, borings and turnings highly corroded, dirty, and containing excessive oil and other inferior grades of metal prohibitive to other classifications, Zinc scrap, No. 1 heavy melting steel, No. 2 heavy melting steel, No. 1 steel busheling, No. 2 steel busheling, No. 1 steel bundles, No. 2 steel bundles, logged and bundled light steel, mixed iron and shell borings and turnings, tern plate, unprepared heavy melting iron. Random length, widths, and thickness not suitable for hydraulic compression, unprepared light melting steel suitable for compression into mixed metals scrap, includes both stripped and un- stripped engine blocks, stove plate, heavy breakable cast, mixed cast, tool steel, residue from mutilated small arm parts that require further processing, steel chain/anchors. Vehicles all types, commercial autos/trucks, residue from DEMIL processing of tactical, armored, and special purpose vehicles, and tank trailers.
20	DS000MUTB	MUT	Non-DEMIL required non-FSCAP critical FSG/FSC items downgraded to scrap, non-DEMIL required FSCAP items requiring mutilation.

A.6 Packing:

Property is stored outside on the ground, may be on pallets or in containers.

A.7 Removal:

Monday-Friday 8:00AM-2:00PM Mountain Standard Time (MST) excluding federally recognized holidays.

A.8 Inspection:

Monday-Friday 8:00AM-2:00PM Mountain Standard Time (MST) excluding federally recognized holidays.

Inspection is by appointment only. Contact POC to schedule a physical inspection. Bidders are highly encouraged to physical inspect property and site requirements prior to submitting their bid. Bidders interested in inspecting the property under this IFB may travel to the designated site to perform inspection and sampling for the purposes of bidding on this IFB.

A.9 Loading:

Monday-Friday 8:00AM-2:00PM Mountain Standard Time (MST) excluding federally recognized holidays.

Government will load containers and conveyance.

Pick up location(s):

1. DLA Disposition Services Colorado Springs, 1475 Wickersham Blvd Building 324, Fort Carson, CO 80913

Primary POC: Michael Ensley Phone: 719-600-4634 Email: Michael.Ensley@dla.mil

Alternate POC: John Wilcox Phone: 719-640-7863 Email: John.Wilcox@dla.mil

B TERMS AND CONDITIONS OF SALE

Certain contents and provisions of this IFB, including Appendices, Attachments and Schedules, are described in general. Any weight offered or described in this auction was based on historical information from previous sales and are estimates only.

B.1 FAR Provision 52.204-24:

FAR Provision 52.204-24 is applicable.

PROHIBITION ON CONTRACTING FOR CERTAIN TELECOMMUNICATIONS AND VIDEO SURVEILLANCE SERVICES OR EQUIPMENT (AUG 2020)

Full clause text included in attachment. The provision at FAR 52.204-24 requires an offeror to represent, on an Offer-by-offer basis, whether it will or will not provide any “covered telecommunications equipment or services to the Government in the performance of any contract, subcontract or other contractual instrument resulting from this solicitation.”

The Representation that must be signed will be sent at the same time the Statement of Intent (SOI) is sent to apparent high bidder as part of the pre-award process.

Full clause text included in attachment.

B.2 FAR Provision 52.204-25:

FAR Provision 52.204-25 is applicable.

FAR Provision 52.204-25 titled, "Prohibition on Contracting for Certain Telecommunications and Video Surveillance Services or Equipment" is incorporated by reference from the Federal Acquisition Regulation. <https://www.acquisition.gov/far/52.204-25>

Full clause text included in attachment.

B.3 Training

During the pre-award process the SCO will provide the Purchaser with "DEMIL Certifier" training material (MS PowerPoint or PDF version). Purchaser will retain the training certificate(s) and make them available to the Government within 24 hours upon request. Purchaser must complete training certificate and submit an appointment letter on company letterhead in accordance with (IAW) DoDM 4160.28 Vol 3 with the Certifier(s) name and signature to the SCO before work can begin.

B.4 Demilitarization/Mutilation Operations:

Agency Verifier(s) must be present for all Demilitarization/Mutilation operations. If the Agency Verifier is unavailable for any reason, Demilitarization/Mutilation operations are to be shut down until the Verifier(s) return.

Purchaser is responsible for obtaining and providing all required permits to accomplish Demilitarization/Mutilation processing and transportation. All conveyance will display applicable Department of Transportation (DOT) placards. If an oversized vehicle or load is required, site will assist by providing a POC for base permits.

Purchaser will not be provided with permanent indoor or outdoor storage space for property or equipment (including material handling equipment (MHE)). Outdoor temporary storage may be made available as the need arises to ensure DEMIL operations and property flow are not impacted. Only the Agency can authorize the temporary storage space and the Purchaser must request the space in writing.

Purchaser is required to Demilitarize/Mutilate all property streams. No parts harvesting is authorized.

All property sourced to this contract will be processed as Controlled Property and will be Demilitarization/Mutilation and not commingled with Non- Demilitarization/Mutilation required property until title passes.

If operation hazards are discovered during loading or Demilitarization/Mutilation operations, all work will cease immediately. Operations will not resume until cleared by the SCO.

Method and degree of Demilitarization recommended are in the best interest of the U.S. and according to DoDM 4160.28 Vol 3. The use of precision tools of ANY kind, including precision cutting tools, will not be permitted during the Demilitarization/Mutilation of this property.

B.5 Equipment:

Purchaser will supply all equipment and personnel to accomplish the Demilitarization of all property and associated parts/material. Additionally, Purchaser will provide necessary equipment to react to leaks, spills, and clean-up of work area at the end of each day.

Equipment may include, but is not limited to a shear, scrap knuckle boom, shredder, torch machine, plasma cutter and Personal Protective Equipment.

Purchaser is required to have on-hand Storage Bins/Roll off containers to collect scrap and residue resulting from the loading, removal, and/or Demilitarization/Mutilation operations. Scrap and residue will not be accumulated on the ground.

B.6 Meetings:

Purchaser's Certifier and the Agency's Verifier will conduct end of week meeting to coordinate/determine work schedule for the following week.

B.7 Personal Protective Equipment (PPE):

According to 29 Code of Federal Regulation (CFR) 1910.132-140, Purchaser is hereby informed of the requirement to supply/provide Purchaser employees safety gear needed to protect from lethal projectiles, hot metal, sparks, and flames. The act of Demilitarization/Mutilation to render the property to the point of scrap can be extremely dangerous and adequate safeguards must be adhered to by Purchaser employees performing the Demilitarization/Mutilation on expended cartridge casing and associated dangerous property.

B.8 Inventories:

Joint inventory of property will be conducted by the Certifier and Verifier before the property is Demilitarized/Mutilated.

B.9 Certifier/Verifier:

Certifier will be present and watch or perform 100% of material being mutilated. Verifier will be present and watch 100% of the process. Verifier will determine if property has been adequately Demilitarized/Mutilated. Any material not demilitarized/mutilated to the point of scrap will be further processed until proper destruction is accomplished.

B.10 Demilitarization/Mutilation Timeframe:

All Demilitarization performance will be completed prior to residue removal from DCOS site. The receiving process begins once the DLA Disposition Services Verifier and Certifier complete the Kind Count (KC) process and the property has been turned over to the Purchaser for processing. Demilitarization Certificates will be completed for each item when verifier has confirmed processing has been completed according to Government requirements.

B.11 Military Markings:

All military markings and data plates are to be destroyed during the Demilitarization process. All Technical Data is considered Demilitarization required and must not be thrown away as dunnage. Demilitarization of Technical Data, Drawings, CD's, Manuals, etc.... must be destroyed by burning, cross-cut shredding or pulping according to Government regulations.

B.12 Title:

Title will pass to Purchaser when the Demilitarization/Mutilation has been completed and the Certificate of Demilitarization/Mutilation has been signed by both the Purchaser Certifier and the Agency Verifier and the 1367s is signed by both the Purchaser Certifier and the Agency Verifier.

B.13 Facility Requirements for the Purchaser:

Security fencing around the entire facility.

- Controlled entrances to DEMIL/MUT area.
- Limited access to essential employees. Purchaser's nonessential employees and visitors will be always escorted.
- Controlled truck access gate for controlled and other property.

Security cameras at all controlled and other property areas, access points, both truck and personnel.

A 30-day minimum taping and retrieval capacity for the security cameras and access for DLA Disposition Services personnel to view if necessary.

B.14 Secure Troubled Property Area:

Provide a secure area within the fenced in facility for holding of troubled property. Secure area must have a dedicated security camera with a thirty (30) day minimum taping and retrieval capacity with access for DLA

Disposition Services personnel to view if necessary. Troubled property is defined as any property not appropriate for the terms and conditions in this contract or property under DEMIL code challenge. Secure area should be of adequate size to accommodate at a minimum of eight pallets of material.

B.15 Downsizing

Purchaser is authorized to downsize material to the point the material can fit into the Purchaser's conveyance. Purchaser is responsible for any cleanup and removal of any environmental spills that may arise from the downsizing and/or removal process. Spill kits and dry sweep/oil absorbent removal of debris are the responsibility of Purchaser and all costs associated to the cleanup.

B.16 Facility Inspection:

Purchaser's Facility/worksites will pass an inspection by DLA Disposition Services personnel prior to contract award. (See DEMIL_MUT Facility Insp.pdf in Attachments)

B.17 Hazards:

Property may contain hazardous materials, batteries, Petroleum, Oil, Lubricants (POL), hydraulic oils, coolant, fuels, washer fluids etc.). Purchaser will be responsible to drain and collect all fluids. Accumulations during the processing will be the Purchaser's responsibility to recover, store, and dispose of according to Federal, state, and local requirements.

B.18 Spill Responsibility:

The Purchaser is solely responsible for clean-up and disposal of all spills or leaks according to 40 CFR Part 112 during the loading and or Demilitarization/Mutilation operations of this contract that occur because of, or are contributed to, by the actions of its agents, employees, or Sub-Contractors, at no cost to the Government. Spill response will be performed by the Purchaser according to local or host installation spill response procedures. The Purchaser shall have all necessary spill response kits, equipment and supplies pre-positioned in-case of spills that may occur during these operations.

C SALE BY REFERENCE (SBR)

The following general information, instructions and special conditions of sales contained in DLA Disposition Services pamphlet entitled the "Sale by Reference Instructions, Terms and Conditions Applicable to Department of Defense (DoD) Personal Property Offered for Sale by DLA Disposition Services", published July 2012, are hereby incorporated by reference and become a part of this IFB and any contract resulting from acceptance of a bid submitted pursuant to this IFB as fully as though such instructions, terms and conditions had been specifically set forth herein:

The Terms and Conditions of this IFB supersede the Sales by Reference wherever conflicted.

C.1 SBR Part 1:

General Information and Instructions: All conditions apply except: 2, 5, 8, 12, and 13

C.2 SBR Part 2:

Sale of Government Property General Sale Terms and Conditions: All conditions apply except: 12, 13(c), 28, 29

Modified Paragraph 33. DISPUTES is changed to read "Any contract awarded as a result of this sale is subject to the Contract Disputes Act 1978 (41 U.S.C. 7101-7109)"

C.3 SBR Part 3:

Sale of Government Property Special Sealed Bid Conditions: Does not apply.

C.4 SBR Part 4:

Sale of Government Property Special Sealed - Term Conditions: All articles apply.

Paragraph 5 is only applicable to the 6-month extension period. It does not apply to the option periods.

Paragraph 6 is amended in its entirety to: Unless otherwise provided in the Sale, this contract may be terminated by either party without cost to the Government upon 120 days' written notice to the other, to be calculated from the date the notice is received by the Government. Both parties shall continue to perform their respective obligations under the contract until the termination date, determined from the date the notice is received by the Government, takes effect.

C.5 SBR Part 5:

Additional Special Circumstance Conditions - Miscellaneous: All articles apply except: A, E, F, G, H, K, and L.

Article D. Paragraph D(a) is amended to: The Purchaser shall, at no expense to the Government and prior to contract award, will confirm with the Sales Contracting Officer the following Certificates of Insurance will be effective throughout the term of the contract or any extensions thereof.

C.6 SBR Part 6:

Additional Special Circumstance Conditions - Demilitarization and Mutilation: All articles apply except: Article A, H, and I.

Article B: first sentence is amended to: Property requiring demilitarization or mutilation will not be required to be shipped in sealed container to the processing site where demilitarization or mutilation will be accomplished by the Purchaser.

C.7 SBR Part 7:

SALE BY REFERENCE PART 7: Additional Special Circumstance Conditions - Hazardous and Dangerous Property: Only articles E and S apply.

C.8 SBR Part 8:

Additional Special Circumstance Conditions - Foreign Excess Personal Property: Does not apply.

C.9 SBR Part 9:

Special Spot Bid Conditions of Sale of Government Property: Does not apply.

C.10 SBR Part 10:

Sale of Government Property Special Auction Conditions: Does not apply.

D BID EVALUATION AND CONTRACT AWARD

D.1 Bidding Process:

The Purchaser's bid shall consist of an amount per unit of issue specified in U.S. currency. Prospective bidders should be aware of certain risk factors that could affect a bidder's assessment of this contract and the calculations supporting the resulting bid. Under no circumstances is the Agency or the Government responsible for any assumptions, planning factors, or decisions the Purchaser made related to determining their high bid. This is a firm fixed price contract where the bid price is expressed in U.S. currency specified by the bidder, per unit of issue.

The Purchaser will perform all the requirements under this contract at the bid price submitted by the Purchaser. At no time shall the Government pay the Purchaser to take material offered. There shall be no reimbursement to the Purchaser under this contract except for the limited circumstances related to reimbursement of actual expenses incurred for return of property directed by the Government. The Government is not responsible for any indirect, inconsequential, or completeness (through assumption of sales value, act, or omission of factors) of expenses related to performance under this contract. The measure of the Government's liability, in any case where liability of the Government to the Purchaser has been established, shall not exceed refund of such portion of the purchase price as the Government may have received.

D.2 Identification of Sales Purchaser:

Bidders should take care to ensure that their bid submission indicates whether they are submitting the bid as an authorized representative of a legal entity such as a corporation or limited liability company, or in their individual capacity or as owner of a sole proprietorship. The legal entity designated as the bidder on the SF 114 is the entity to whom the contract will be awarded upon receiving an affirmative responsibility assessment. Individuals or companies may use subsidiaries, affiliates or partners in a joint venture as subcontractors with SCO approval as per the contract terms (however such entities may also require an ERD) but may not substitute such entities as a party to the DLA sales contract. AHBs should ensure the SOI and other pre-award documentation identify any subcontractors that will be performing removals or processing materials on its behalf so that the appropriate reviews may be conducted.

D.3 How to Bid:

Bidders shall use the following documents provided with this IFB to submit a bid: the SF114 and SF114A. Bidder shall enter bid as a price per unit of issue not to exceed five decimal places (example 0.01005). Minimum bid is \$0.00001 per unit of issue. Multiply your bid price by the quantity indicated in the "Total QTY" column advertised to calculate your extended bid amount.

The bidder awarded this contract will be awarded all Contract Line Items Numbers (CLINs) or none of the Items. Bidders must place a bid on each individual Item to be considered for award. Purchaser will be expected to pay the Unit Bid Price for each Item upon removal based on weight.

The highest priced cumulative bid will be determined by each bidder's total contract price identified in the "total amount" on the SF114. "Total Amount" block on the SF 114 will be equal to the cumulative total from all CLINs from column "Total Price Bid" on the SF 114A.

The bidder with the highest "TOTAL AMOUNT" bid will be considered the apparent high bidder and will be vetted prior to award in accordance with provisions in Section D below. It is expected that the awarded company will remove all of the items in this IFB or none of the items in this IFB. The awarded company must possess all appropriate license for all items or have sub-contractors with appropriate licenses to remove all Items. Award will not be made to a bidder who demonstrates a capability to remove some, but not all, of the items listed in the IFB.

For illustrative purposes, if the four items advertised for sale in the IFB are in pounds, CLIN 1- 500,000 lbs., CLIN 2- 1,000,000 lbs., CLIN 3- 2,500,000 lbs., and CLIN 4- 150,000. Bidder A bids- CLIN 1 \$0.10, CLIN 2 \$0.02,

CLIN 3- \$0.02, CLIN 4 \$0.20. “Total Priced Bid” on Example 1 shows Bidder A’s total bid price per CLIN. Example 2 shows Bidder A’s “Total Amount” equals \$150,000 for all CLINs awarded. Do not email bids or call-in bids directly to the SCO.

Email bid to: DRMSSALESBIDS@DLA.MIL

EXAMPLE 1: SF 114A

SALE OF GOVERNMENT PROPERTY - ITEM BID PAGE - SEALED BID						IFB NUMBER	PAGE NO.	
						33-XXXX	1	
Enter a price per unit in the "Unit Price Bid" column and extend the total to the "Total Price Bid" column when bids are solicited in units of each, foot/centimeter, pound/kilogram, etc. Enter only a total price for the lot in the "Total Price Bid" column when bids are solicited by the lot.								
ITEM NO.	UNIT PRICE BID	TOTAL PRICE BID	ITEM NO.	UNIT PRICE BID	TOTAL PRICE BID	ITEM NO.	UNIT PRICE BID	TOTAL PRICE BID
1	0.10	50,000.00						
2	0.02	20,000.00						
3	0.02	50,000.00						
4	0.20	30,000.00						

EXAMPLE 2: SF 114

SEALED BIDS				
Sealed bids for purchasing any or all items listed on the accompanying schedule, will be received at the place designated above until the date and time specified above and at that time publicly opened. (Copies of the below mentioned forms, if not attached, are on file at the issuing office and are available upon request). Bidder is required to pay for any or all of the items listed on the Item Bid page(s) as part of this Bid, at the price sent opposite each.				NO. OF COPIES 1
SUBJECT TO				
SF 114C, General Sale Terms and Conditions		<input checked="" type="checkbox"/> Incorporated by reference: IFB 33-XXXX		
Other Special Terms and Conditions Attached				
BID DEPOSIT REQUIRED <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO	IF "YES", PERCENTAGE OF TOTAL BID	DEPOSIT MADE PAYABLE TO	PAYMENT DUE (Calendar Days)	REMOVAL OF PROPERTY (Calendar Days)
				Per IFB Terms
BID (Completed by Bidder)				
In compliance with the above, the undersigned offers and agrees, if this Bid is accepted (60 calendar days if no period is specified by the Government or the Bidder, but not less than 10 calendar days in any case) after date of Bid opening, to pay for and remove the property.				
BID ACCEPTANCE (Calendar Days)	TOTAL AMOUNT	DEPOSIT ATTACHED <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO	DEPOSIT FORM(S)	AMOUNT OF DEPOSIT
90	150000			

D.4 A Responsive Bid:

Complies with the terms and conditions of the sales offering and satisfies the requirements as to the method and timeliness of the submission. Only responsive bids may be considered for award. A responsive bid submission shall contain at a minimum:

- SF114 completed and signed.
- SF114A
- The bid must remain valid 90 calendar days from the bid opening unless otherwise modified or cancelled.

D.5 When to Send Bid:

Bids must be in the possession of the Agency’s Public Sales Contracting Division by the offer closing date and time specified in this IFB. If the bid is not submitted on time, it shall be considered non-responsive. Late rules are outlined in FAR 52.212-1(f). Pay particular attention to the provisions that relate to the timing of e-mail submissions.

D.6 How to Modify/Cancel Bid:

In addition to SBR Part 4, Paragraphs 3 and 4, by submitting a new bid in the same manner as the previous bid. Separately, without disclosing bid amounts, notify the SCO of the modification. To cancel a bid, submit a zero (0) bid in the same manner as the original bid. Notify the SCO of the bid cancellation (specify date, time and method of bid submission).

D.7 Bid Evaluation:

A responsible bidder is one that has the necessary organization, experience, financial resources, accounting process, operational controls, technical equipment and facilities, or the ability to obtain them, to perform the requirements of the sales contract, has no disqualifying factors (i.e., is not suspended, debarred or an ineligible transferee) and able to pass the Agency's vetting process. A responsive bidder is one that has complied with all instructions for properly submitting a bid. Submitting the highest bid price does not convey any special right nor does it imply that the Purchaser shall be the primary removal company or exclusively allowed to remove throughout the term of this contract. The Government reserves the right to reject any bids that are not in the best interest of the Government. The general standards in FAR Part 9 on contractor responsibility determinations that are applicable to procurement contracts are not directly applicable to sales contracts awarded under 40 U.S. Code § 545 but may be considered by the Sales Contracting Officer in evaluating bidder responsibility.

The Government intends that a single award will be made to a responsible bidder with the highest priced responsive bid inclusive of all lines unless a determination is made to reject the bid under 41 CFR § 102-38.205. For illustrative purposes, if Bidder A's bid submission cumulative total submits a bid for \$150,000.00 "Total Amount," and if Bidder B's bid submission cumulative total submits a bid for \$160,000.00 "Total Amount," then Bidder B is the apparent high bidder since he/she would have the highest total amount priced responsive bid.

D.8 Ineligible Bidder:

Bidder will not be eligible for award if they are:

- Officially indebted to the Government.
- Excluded from Federal programs by the General Services Administration as identified in the System for Award Management at <https://sam.gov/>.
- Subject to denial, suspension, debarment, or other sanctions pursuant to export control and related laws, regulations, or orders administered by the DOS, DOC, DHS, or USTD. The DOS, DOC, DHS, and USTD name these entities, individuals, and countries in the Federal Register and at the following website: Consolidated Screening List Search Engine (<https://legacy.export.gov/csl-search>).

D.9 Pre-Award Survey:

The Agency will conduct a Pre-Award survey of only the Apparent High Bidder (AHB). The SCO will provide notification that you are the AHB.

The End Use Certificate (EUC) DLA Form 1822, Statement of Intent (SOI) DLA Form 2536, FAR Clause, and Certifier training will be included in the notification. A Trade Security Contract Assessment will be made by Agency personnel. The SOI must have parts 1-6 completed and signed. Complete the EUC according to the instructions provided and sign.

The apparent high bidder shall be required to provide detailed information on every storage location the apparent high bidder intends to use. The pre-award survey may be conducted at the apparent high bidder's facility(ies), or other location(s) as deemed necessary by the Agency and may include but is not limited to a review of the apparent high bidder's facilities and equipment, financial capability or disclosure of the apparent high bidder's financial condition, quality assurance, safety, environmental responsibility, and transportation. The apparent high bidder is

advised that accomplishment of a pre-award survey or furnishing documents to the Agency in support of the pre-award survey is part of the assessment of the bidder's responsibility and is not a guarantee the bidder will receive award of a contract. The SCO may rely upon information obtained in the pre-award survey in making the assessment of the bidder's present responsibility.

Once notified that you are the apparent high bidder, you will have ten (10) working days to complete and return to the SCO all documents provided in the AHB Notification. Be advised that the Pre-Award survey and providing documents to the Government is part of the evaluation to determine responsibility and is not a guarantee of contract award.

Pre-Award Survey will include but is not limited to the following:

- a. Pass a responsibility check conducted through the Consolidated Screening List (CSL) search; however, this does not limit the requirements to be deemed responsible in accordance with FAR Part 9.
- b. The Purchaser's Facility shall pass a security inspection by Agency personnel prior to contract award.
- c. An Environmental Responsibility Determination (ERD) will be conducted by Agency personnel.
- d. A Trade Security Control Assessment will be made by agency personnel.
- e. Necessary licenses, permits and certifications will be reviewed.
- f. Validate FAR Provision 52.204-24 is marked and signed.
- g. Complete and return the End Use Certificate (EUC), DLA Form 1822 to the SCO.
- h. Provide Demilitarization/Mutilation Certifier appointment letters to the SCO.
- i. Provide a copy of the title, lease agreement, or letter of intent to lease a facility the Purchaser intends to use for contract performance. If letter of intent is supplied, it must be signed by the Purchaser and facility owner.

If at any point the Agency determines the bidder that submitted the apparent high, responsive bid cannot be found responsible, the next highest bidder will be assessed in the same pre-award survey process. This same process of vetting the next highest responsive bidder may continue, until a responsive bidder is identified and is determined to be responsible.

D.9.1 Environmental Responsibility Determination (ERD):

The Environmental Support Branch of Disposition Services will conduct an ERD on sale destinations to verify if the DoD purchased property will be managed in accordance with the Invitation for Bid, Statement of Intent, Federal, state, and local regulations. All downstream facilities receiving Government property to be processed shall be listed in the Statement of Intent. Downstream recipients of Government property which has already been processed need not be listed.

ERDs typically take up to ten business days to complete. Any findings annotated by the Government during an ERD must be corrected prior to a proposed destination/facility's use. Purchaser is not authorized to process Government material at a site other than those listed on the SOI.

D.10 Necessary Licenses, Permits and Certifications Shall be Reviewed:

Prior to the award of a contract, the Agency shall determine whether the potential Purchaser has the necessary permits/licenses, experience, organization, and technical qualifications (either through its own facilities or facilities of a sub-contractor) to perform the work specified in this contract and can comply with the applicable Federal, state, and local laws, ordinances, and regulations.

D.11 Contract Award:

The SCO shall determine if each bid is responsive and responsible prior to award of the contract. The contract shall be awarded to the highest responsive, responsible bid. In the event of termination of the original Purchaser, the SCO may award the contract to the next highest responsive, responsible bidder if bids have not expired, and such award is otherwise determined to be in the Government's best interest.

Under 41 CFR § 102-38.205, the Agency reserves the right to accept or reject any or all bids. The Agency may reject any or all bids when such action is advantageous to the Government, or when it is in the public interest to do so.

When you have successfully completed the pre-award assessment as the apparent high bidder, you will receive a Statement indicating the amount of payment due. Submit payment within three business days of the Statement (An extension of up to ten (10) business days may be authorized by the SCO upon written request by the AHB that is submitted before the initial three business day suspense).

D.12 Start Work Meeting:

The purpose of the conference is to ensure the Purchaser fully understands the terms and conditions of this contract. The Agency shall determine the method, date, time, and location of the start of work meeting. The Purchaser is responsible for any cost incurred by their organization and staff. The Government shall not provide any compensation for costs incurred to attend meetings. At the conclusion of this meeting the official signed Notice of Award will be sent to the Purchaser and SPOC. After the start of work meeting, property is authorized for release.

E PARTIES TO THE CONTRACT

E.1 Purchaser Information:

Within 10 calendar days of the date of contract award, the Purchaser shall provide the Agency the following information: Designation of key persons, to include their full name, title, telephone number, email address and a synopsis of their duties under the contract. Purchaser shall provide the SCO notification of any changes to the above within 10 calendar days of the change.

E.2 Transfer and Hypothecation:

General Prohibition - Except as specifically provided herein or specifically approved by the Agency in writing, the Purchaser shall not directly or indirectly sell, transfer, assign, pledge, offer as collateral or otherwise hypothecate all or any part of its rights or obligations under the contract.

Attempted Transfer - Any attempted transfer in violation of the provisions of this Article shall be invalid and shall constitute a material breach of this contract.

E.3 Contract of Sale:

Relationship of Parties - This contract is an agreement for the sale of the material by the Agency as seller to the Purchaser. Purchaser and the Agency expressly disavow the creation of any other relationship, including without limitation principal-agent, master-servant, employer-employee, general or limited partnership, or joint venture, between the Agency and the Purchaser.

Parties to the Contract: The parties to this contract are the Agency and the Purchaser.

E.4 Authority of Sales Contracting Officer (SCO):

On behalf of the Agency, the SCO has the authority to represent the Agency and to commit the Agency to take such actions as permitted or required and to extend or waive timing requirements or deadlines as may reasonably be required under the performance of this contract. The exclusive representative of the Agency for all purposes under this contract is the SCO, and all notices, demands, requests, consents, approvals, declarations, reports and other communications to the Agency from the Purchaser shall be deemed invalid unless addressed to the SCO.

Communications from the Purchaser to anyone other than an SCO shall not be deemed received by the Agency.

E.5 Authority of Sales Point of Contact (SPOC):

The SCO designates the SPOC to provide direct oversight of the Purchaser and/or their agents to ensure they meet the terms and conditions of the contract. The SPOC does not have the authority to make binding contractual obligations, such as adding, deleting, or modifying terms and provisions in this IFB. All changes or modifications to contractual provisions in this IFB must be approved in advance by the SCO.

F CONTRACT FINANCIAL RETENTION & INSURANCE AND BOND REQUIREMENTS

F.1 Deposit:

The Agency shall retain the prepayment until the completion of the contract closure period, no later than 120 calendar days after the end of the performance period. The prepayment shall be applied to any unpaid billings or to offset any other claim that the Agency may have against the Purchaser. The Agency shall return any available balance of the prepayment, without interest, to Purchaser at the completion of the contract closure process. The Bidder or Purchaser hereby agrees that Disposition Services may use all or any portion of any refund due him to satisfy, in whole or in part, any debt arising out of prior transactions with Disposition Services.

F.2 Insurance and Bond Contract Requirements:

Purchaser shall obtain the minimum coverage specified unless the Agency approves a variance from such minimum coverage. Purchaser shall obtain and maintain the insurance and bond requirements throughout the performance period.

G CONTRACT PERFORMANCE

G.1 Performance Period:

This contract will be for a thirty-six (36) month base period with two (2) twelve (12) month option periods. Option periods will be mutually agreed upon by the purchaser and the government. The contract also contains an available six-month extension period that may be offered at the SCO's discretion at the end of each performance period, under the same terms and conditions of the contract. In the event the extension is utilized, the SCO shall advise the Purchaser in writing 30 calendar days prior to the expiration of the current period of performance period. The extension may be utilized in 30-day increments, a combination of 30-day increments, or in its entirety. The entire length of the contract, if all option periods and extension are used, shall not exceed five years.

Only the extension period is subject to being pro-rata of the base period of performance quantities and SBR Part 4, Para 5. Any extension period issued after the base period that is shorter in duration than the base period, the minimum and maximum per contract line item for that period will be adjusted and calculated as a percentage of the stated base period requirement.

For illustrative purposes, if contract line item 1 had a requirement for 36,000 lbs. over three years that is subject to term sale adjustment for variation in quantity or weight of the SBR Part 4 Para 5, then a one month extension period for contract line item 1 would have a requirement of 1,000 lbs. (36,000 lbs. divided by 36 months) subject to term sale adjustment for variation in quantity or weight of the SBR Part 4, Para 5. This would mean the minimum guaranteed quantity in the one-month extension period would be 500 lbs. (1,000 lbs. multiplied by .50 equals 500 lbs.) and a maximum quantity that could be issued in the one-month extension is 1,500 lbs. (1,000 lbs. plus 500 equals 1,500 lbs.).

Be advised the option periods in this IFB have their own defined minimum/maximum quantities listed below. If a twelve (12) month option period is exercised, the minimum and maximum quantities applicable to the option period is as follows:

Item	Material	Minimum Guaranteed QTY (LBS.)	Maximum Allowed QTY (LBS.)
1	DS000E1LB	1,000,000	3,000,000
2	DS000MUTB	300,000	1,000,000

Purchasers shall exercise caution incurring obligations based on an anticipated thirty-six (36) month base period of performance as the thirty-six (36) month period refers only to the amount of time the agency shall have to issue material to the Purchaser. It does not confer any right to receive property throughout the thirty-six (36) month base period of performance. The Agency only has to issue the minimum amount of material within the thirty-six (36) base period of performance.

G.2 Regulatory Compliance:

The Purchaser shall assume full responsibility and liability for compliance with all applicable Federal, state, local codes and DoD regulations pertaining to the health and safety of personnel and environmental management during the execution and loading operations. All work shall be completed and performed IAW the best practices of the trade and in compliance with all- applicable Federal, state, local codes and IAW regulations.

Purchaser shall also comply with all Host facility Safety, Environmental and Security requirements.

Purchaser shall comply with all local, state and Federal Department of Transportation rules and regulations while transporting scrap materials on post and to its ultimate destination.

The Purchaser shall assume full responsibility and liability for compliance with all applicable Federal, state, and local, and DoD regulations pertaining to the health and safety of personnel and environmental management during the execution of loading and Demilitarization/Mutilation operations. All work shall be completed and performed IAW the best practices of the trade and in compliance with all-applicable Federal, state, DoD, and local codes.

Anticipated Regulatory Changes: Performance under any contract resulting from this solicitation must follow all local, state, and federal laws and regulations. Accordingly, it is the responsibility of the offeror to ensure that all such laws and regulations are considered in the preparation of its proposal. Such consideration should include not only relevant laws and regulations currently in effect, but also revisions there to for which public notice has been given that may reasonably be anticipated to be effective during the life of the contract.

G.3 Environmental and Safety Notice:

It is the responsibility of the Purchaser to ensure that the ultimate end use of the property is performed in an environmentally compliant manner. As such, prior to the award of any hazardous item, each high bidder's premises and/or the intended disposal facility may be subject to an on-site inspection by a Government representative. All

Bidders/Purchasers are advised that they must comply with all applicable Federal, state, and local laws, ordinances, regulations, etc. with respect to human safety and the environment during the processing, use, or disposal of material purchased from the DoD.

G.4 Termination for Default:

Termination shall be effective immediately upon written notice by the government to the Purchaser (breaching party) served upon or after the date of such decision. If the Purchaser is terminated for default, the Purchaser is put on notice that this acts as a Sales Contracting Officer's Final Decision (SCOFD), and the Purchaser's appeal rights if incidentally not included within the termination for default letter, then the Purchaser has been placed on notice of their appeals right that commences the time the Purchaser has to appeal the SCOFD because this SBR is incorporated into the Invitation for Bid.

Appeal Rights - This is the final decision of the Contracting Officer. You may appeal this decision to the Armed Services Board of Contract Appeals (ASBCA). If you decide to appeal, you must, within ninety (90) days from the date you receive this decision, mail, or otherwise furnish written notice to the ASBCA and provide a copy to the Contracting Officer from whose decision the appeal is taken.

The notice shall indicate that an appeal is intended, reference this decision, and identity the contract(s) by number. With regard to appeals to the agency board of contract appeals, you may, solely at your election, proceed under the board's small claim procedure for claims of \$50,000 or less or its accelerated procedure for claims of \$100,000 or less. Instead of appealing to the ASBCA, you may bring an action directly in the United States Court of Federal Claims (except as provided in the Contract Disputes Act of 1978, 41 U.S.C. 603, regarding Maritime Contracts) within 12 months of the date you receive this decision.

G.5 Records:

Unless otherwise provided in this contract or by statute, the Purchaser shall maintain all records and documents relating to the terminated portion of this contract for six years after final settlement. This includes all books and other evidence bearing on the Purchaser's costs and expenses under this contract. The Purchaser shall make these records and documents available to the Government, at the Purchaser's office during normal business hours without charge. Records and documents may be digitally scanned for electronic storage at no cost to the Government.

H DISTRIBUTIONS/PAYMENTS

H.1 The Billing Cycle:

Transactions from the 25th of the previous month to the 24th of the current month will be invoiced for the billing cycle.

For illustrative purposes, if Purchaser A won the award of the contract and bid price was \$.10 per pound and for the month of January Purchaser A removed 100 pounds of material purchased under this IFB, then Purchaser A would be billed \$10 dollars for the January removal of 100 pounds (\$.10 times 100 pounds equals \$10 bill).

H.2 Types of Acceptable Payments:

All payments, including those for storage charges, liquidated damages and interest shall be in U.S. currency. Acceptable forms of payment include Electronic Fund Transfer (EFT), Bank Account (ACH), cashier's check, certified check, travelers check, bank draft, money order or credit card (Master Card, Visa, Discover Card, and/or American Express).

Make checks payable to the U.S. Treasury are acceptable. When using a credit card method of payment, the credit card number, credit card security code (3-or 4-digit code on the back of the card), name as printed on the credit card, and the expiration date shall be provided. The U.S. Treasury limits all credit card transaction to \$24,999.99.

Transactions greater than \$24,999.99 cannot be split into two or more credit card transactions. Bidders whose payment is accompanied by a letter of credit or who have on file an approved bid bond (SF 24 or SF 34) may make their payments by uncertified personal or company checks, but only up to an amount equal to the penal sum of their bond or the amount of their letter of credit.

Address all hand-carried or delivered payments to the following:

DLA FINANCE, J8B
ATTN: CASHIERS OFFICE
74 WASHINGTON AVENUE, N
BATTLE CREEK, MI 49037-3092

Credit Card and Bank Account (ACH) payments within the United States can be made using the website at:
<https://www.pay.gov/paygov/forms/formInstance.html?agencyFormId=25176217>

Should Purchaser need to make a payment for less than \$1.00, the website credit card payment method cannot be used. Instead, Purchaser will be required to complete the manual credit card form and fax it to (269) 961-7230.

H.3 Payment Confirmation:

The Government does not provide payment confirmation. Purchaser shall submit proof of payment to the SCO, showing type of payment, amount, and date submitted. The SCO will ensure payment is applied to the Purchaser's account. Payment submission through Pay.gov is recommended to reduce processing time. Pay.Gov confirmation email is proof of payment.

H.4 Consequences of Late or Short Payments:

If full payment is not received within 30 calendar days of the bill, interest will be charged on the unpaid portion at the rate established by the U.S. Treasury from the date of the bill in accordance with Section 3717 Title 31 of the U.S. Code. After 30 calendar days from the bill date, we will collect from the pre-payment taking offset action against any of your unpaid invoices. If the debt is forwarded to the Debt Management Office, Contract Pay Services, Columbus, Ohio; you will be assessed an administrative fee of \$26 to cover costs specifically associated with the administration and collection of payments over 30 calendar days delinquent.

If full payment is not received within 90 calendar days from the date of the bill, we will transfer the debt to the Debt Management Office for collection and an additional administrative charge of \$50 will be assessed. They will continue the collection process and if unsuccessful, will transfer the delinquent debt to the Department of Treasury for further collection. As a result of this transfer, the following actions may be taken:

The debt will be subject to the Department of Treasury offset from Federal payments due (you or your company, as applicable). A fee for each offset made will be added to the debt as part of the administrative charge. Federal payments eligible for offsets include contract payments, Federal income tax refunds, and other payments not exempt.

The debt may be reported to a credit bureau.

The debt may be referred to a private collection agency. In such instance, a fee for collections made will be added to the debt as part of the administrative charge.

The debt may be referred to the Department of Justice for litigation. In such case, an administrative cost will be added to the debt.

You may inspect and/or request a copy of the records pertaining to this debt. If you believe the debt is invalid or the amount is incorrect, please contact us immediately. If you are financially unable to pay the full amount of the debt, you may request a written agreement to pay the debt in installments. Your request for an installment agreement should be in writing and supported by certified statements of income and financial position covering the last 12 months. The point of contact for this debt is the Sales Contracting Officer listed on your award document.

I AUTHORIZED AND UNAUTHORIZED MATERIAL

I.1 Classified Material:

Performance of this contract neither requires nor authorizes the Purchaser to handle classified property or documents. Should Purchaser's employees handle actual or suspected classified property or documents, the Purchaser shall immediately secure the documents or property from both physical loss and compromise and immediately notify the Agency's Site Lead and the SCO of the discovery. The Purchaser shall submit a SF364 ROD. The Agency will arrange for pick up and removal of such material. Under no circumstances shall the Purchaser release the property or documents to anyone other than designated personnel. If the contents of said documents or property are at a level that requires debriefing, the Purchaser's personnel shall be made available to the proper Government authorities for this action.

I.2 Material Potentially Presenting an Explosive Hazard (MPPEH):

Performance of this contract does not require nor authorize the Purchaser to handle MPPEH. Despite all best efforts by the Government, MPPEH may be discovered; the Purchaser shall immediately take the necessary action for protection of personnel and property. This shall include the evacuation and security of the immediate area. The Purchaser shall not attempt to handle or move the suspected property until a technically qualified trained Government representative investigates the incident. The Purchaser shall notify the Agency's Site Lead and the SCO of the discovery immediately and submit a SF364 ROD. The Agency will arrange for pick up and removal of such material.

I.3 Radioactive Property:

Performance of this contract does not require nor authorize the Purchaser to handle radioactive property. Despite all best efforts by the Government should property activate a radiation detector alarm; the Purchaser shall immediately take the necessary action for protection of personnel and property. This shall include the evacuation and security of the immediate area. The Purchaser shall not attempt to handle or move the suspected property until a technically qualified trained Government representative investigates the incident. The Purchaser shall notify the Agency's Site Lead and the SCO of the discovery immediately and submit a SF364 ROD. The Government will arrange for pick up and removal of such material.

I.4 Hazardous Property:

Performance of this contract does not require nor authorize the Purchaser to handle Hazardous Property. Despite all best efforts by the Government, should Hazardous Property be discovered, the Purchaser shall immediately take the necessary action for protection of personnel and property. This shall include the evacuation and security of the immediate area. The Purchaser shall not attempt to handle or move the suspected property until a technically qualified trained Government representative investigates the incident. The Purchaser shall notify the Agency's Site Lead and the SCO of the discovery immediately and submit a SF364 ROD. The Government will arrange for pick up and removal of such material.

I.5 Foreign Attachment

Most SCLs include foreign attachments as part of the total weight. The weight of foreign attachments is an important factor in determining bid amounts. Foreign attachments are not dunnage or miscellaneous debris.

I.6 Standard Form (SF) 364 Report of Discrepancy (ROD):

The Purchaser, for any discrepancy or questionable item shall initiate a SF 364 ROD (i.e., shipping, packaging etc.) Purchaser shall complete SF 364 ROD and submit it to the Agency personnel on location for any property or shipment in question to receive resolution. When resolved locally, the SF 364 ROD shall be completed and sent to the SCO. When a discrepancy cannot be resolved locally, the property shall be segregated and identified by the Report Number. A copy of the SF 364 ROD shall be stored with the property until final disposition has occurred. A copy shall be submitted to the SCO requesting disposition instructions and/or further resolution if required.

I.7 Notice of Default:

In the event of a material breach or default of the respective duties in the performance of this contract, the Agency, will serve written notice upon such material breach. The Agency reserves the right, based on the severity of the default, to pursue lesser means of resolution to the default other than written notice. The Notice of Default, regardless of form, will provide corrective actions (cure) that must be taken and a date specific (cure date) to be completed. Failure to submit payment in full for monthly billing statements is directed by Treasury and DFAS Policies and the SCO has no discretion but to exercise actions stated in Section H above.

The SCO will, based on the severity of the default, choose to:

- Resolve through informal discussions.
- Request the Purchaser to provide a written plan of action on how the default will be corrected, a specific date to be completed, and what procedures will be implemented to prevent reoccurrence of the default. (Show Cause)
- Assess Liquidated Damages, normally in the form of storages charges or actual cost of repair.
- Terminate the contract.

The Agency may take any, a combination, or all, of the following actions to satisfy its claims for any non-payments or other damages:

- Present a claim against Purchaser.
- Present a claim upon the any other applicable insurance or surety policy.
- Seek appointment of a receiver or trustee for Purchaser.
- Seek monetary damages, restitution or any other legal or equitable remedy to which it is entitled.
- Assert any other right, claim, or remedy available pursuant to the Contract Disputes Act of 1978 (41 U.S.C. 7101-7109).

I.8 Response to Notice:

Except as otherwise provided, the default will be cured within 14 calendar days of such notice, referred to as the cure period. However, the notice may provide a longer cure period. The SCO may withdraw the notice within the cure period or extend the cure period in writing.

I.9 Termination:

Unless otherwise provided, termination shall be effective the dated served. Both parties shall continue to perform their respective duties under the contract as indicated in the termination notice.

J COMPLIANCE WITH GOVERNMENT REGULATIONS

J.1 Bureau of Industry and Security (BIS):

The BIS advances U.S. national security, foreign policy and economic objectives by ensuring an effective export control and treaty compliance system, and by promoting continued U.S. leadership in strategic technologies. BIS accomplishes its mission by maintaining and strengthening adaptable, efficient, effective export controls and treaty compliance systems, along with active leadership and involvement in international export control regimes. If required, on Destination Control Statement BIS form 711 (All exports of CCL not designated as EAR99, unless export is made under License Exception BAG or GFT. the minimum BIS statement is as follows: “These items are controlled by the U.S. Government and authorized for export only to the country of ultimate destination for use by the ultimate consignee or end- user(s) herein identified. They may not be resold, transferred, or otherwise disposed of, to any other country or to any person other than the authorized ultimate consignee or end-user(s), either in their original form or after being incorporated into other items, without first obtaining approval from U.S. government or as otherwise authorized by U.S. law and regulations.” <https://www.commerce.gov/bureaus-and-offices/bis>

U.S. Export Administration Regulations (EAR) - Links to important EAR information for exporters. <https://www.state.gov/strategictrade/resources/c43182.htm>. U.S. Department of Commerce, Bureau of Industry and Security <https://www.commerce.gov/> Bureau of Industry and Security Mission: Advance U.S. national security, foreign policy, and economic objectives by ensuring an effective export control and treaty compliance system and promoting continued U.S. strategic technology leadership. <https://www.bis.doc.gov/>

The Purchaser warrants and covenants that none of the items identified in the Public Sales offering and listed on its Public Sales contract shall be directly or indirectly used or disposed of for military use or exported unless a full disclosure of the origin of the property is made by the Purchaser.

Once title transfers, the Purchaser shall consult with Department of State and Department of Commerce export control regulators if there are doubts about the type of export controls that apply to any item, regardless of DEMIL code. The Purchaser may request a formal Commodity Classification from the Department of Commerce, Bureau of Industry and Security, or submit a General Correspondence request to the Department of State, Directorate of Defense Trade Controls. Information on managing exports of CCL items can be found at the Bureau of Industry and Security website at <https://legacy.export.gov/csl-search>.

The Purchaser shall comply with U.S. export control laws and regulations. The Purchaser is referred to the EAR including parts 732, 736 and 746. The Purchaser is advised that USML and CCL items may not be sold in foreign countries or to foreign persons unless there is compliance with Department of State/Commerce licensing requirements, or a proper determination is made that no license is required.

The Purchaser shall notify all subsequent Purchasers, in writing, of their responsibility to comply with U.S. export control laws and regulations. The Purchaser shall refer buyers in writing to the EAR, and provide them guidance and information in subchapter C, parts 732, 746, and 736. Specifically, the Purchaser shall advise buyers that exports of these items may require licenses when destined to certain prohibited entities or destinations and this property may not be re-exported or transferred in contravention of the General Prohibitions specified at 15 CFR Part 736.

The Purchaser is cautioned that prior to resale of the property acquired under this contract, they should become familiar with their customer and the purposes for which it is acquiring the property. The US export control regulations specified above, may apply to subsequent transactions of the property. The Purchaser shall obtain a statement from the buyer, containing information like that contained in the Government’s EUC, and must check any prospective buyer to ensure the buyer is not on the Department of Commerce proscribed party list (entity and person), and prohibited country list; that the transfer shall not violate 15 CFR Part 736 and issue a destination control statement in accordance with the EAR. Additional Information on managing exports of CCL items can be found at the Bureau of Industry and Security (BIS) website at <https://legacy.export.gov/csl-search>.

The Purchaser shall retain all relevant export control information on file for all prospective resale buyers and transactions. The Agency or any other U.S. Government entity including investigative and enforcement agencies must make this information available for review. Failure to obtain and maintain such data may result in a negative determination of responsibility and prevent participation on future Public Sales contracts with the Government. Purchaser shall refer to the BIS website provided above, for information on compliant export management policies.

J.2 Disposition and Use of Property:

The Purchaser represents and warrants that the ultimate destination, use, and disposition of the property shall be in accordance with the EUC submitted and approved by the Agency.

When property is annotated "Cat II" in the item description, changes to the Bidder's EUC will require the prior written approval of the SCO.

The Purchaser further agrees to notify in writing any and all subsequent Purchasers or Receivers of this property regarding the provisions of this article and of the Bidder's EUC relative to the authorized destination; the requirement for approval by the SCO of any change of such destination prior to exportation thereto; the specific United States restrictions on exports and re-exports directly and indirectly to denied areas or other prohibited destinations that may have been specified in this contract; the documentation (e.g., IC/DV documents, lading certificates, answers to follow-up requests) that may be required; and the United States sanctions against violators. Subsequent Purchasers and Receivers must also agree to make similar notification to its Purchasers and Receivers. Any unauthorized disposition of the property shall be the responsibility of such sub- Purchaser or sub-receiver and, where at fault, of the original Purchaser from the United States.

When property purchased under a single contract is intended for more than one destination, the Purchaser agrees to submit, with the End-Use Certificate, a listing of those items specifying quantities intended for each destination and consignee. The Purchaser further agrees to furnish the listing referred to herein with each request for approval of a change in destination.

Whenever requested by the SCO to furnish information regarding the actual disposition made of the property awarded to the Purchaser, the Purchaser agrees to furnish the requested information within 30 calendar days after the date of the request.

On those items requiring resale approval, the Purchaser agrees to maintain detailed records of their disposition and to provide such records to the SCO whenever so requested.

The Trade Security Control actions required by paragraphs (a) through (c) of this article will be applied to all items included in the original sale. Resale breakdowns of such sales will still be subject to the same control requirements applicable to the original sale.

K PURCHASER RESPONSIBILITIES

K.1 Scrap Yard Activity:

Purchaser will be required to conduct all activities performed at the location's scrap yard in accordance with OSHA, EPA and other Federal regulations as well as maintaining the yard in accordance with DLA and local installation policies.

K.2 Weighing:

Purchaser will use the on-site Certified Government Scale(s), for all material leaving an Agency location. In the event a Certified Government Scale is unserviceable, the nearest Certified Scale shall be used at Purchaser's

expense. All weighing shall be observed by both parties, recorded on a DLA Form 1367 (filled out by Government personnel) and signed by both parties at the time of release. Weight tickets shall accompany the DLA Form 1367.

K.3 Letter of Authorization (LOA):

Purchaser will provide DLA Form 2538 Sales Contract Letter of Authorization (LOA) to the SCO and the location's Sales POC, for any contracted transportation picking up property on the Purchaser's behalf.

K.4 Purchaser Awareness of the Agency's Environmental Management System (EMS):

The Agency implemented Environmental Management System (EMS) in accordance with ISO 14001:2004(E). An EMS is an overall management system that includes organizational structure, planning activities, responsibilities, practices, procedures, processes, and resources for developing, implementing, achieving, reviewing, and maintaining the environmental policy of an organization. The Agency's EMS is designed to ensure all personnel, including Purchasers whose work activities are being conducted on Government premises and could cause real or potential environmental impacts, are aware of how their work supports the EMS.

K.5 Purchaser will not be allowed to sell material at Agency locations:

Purchaser shall not be allowed to sell material at the Agency site. All sales of material must occur after removal from the Agency's site.

K.6 Purchaser use of sub-contractors:

Purchaser may sub-contract with other entities to perform the special terms and conditions required for removal of scrap at Agency locations. All sub-contractors shall be approved by the government and shall comply with all terms and conditions of this IFB. Sub-contractors shall be vetted through the same process as the Purchaser as described throughout this IFB. Material may also be processed at sub-contractor facilities approved under the terms of this IFB. Failure of sub-contractors to perform the special terms and conditions required under this sale are grounds for default and shall result in termination if not cured. The Purchaser's contract with the sub-contractor must include Sales by Reference, Part 5, Article C, subparagraphs a through c.

L GOVERNMENT FURNISHED EQUIPMENT (GFE) & PURCHASER OWNED EQUIPMENT

L.1 Material Handling Equipment (MHE):

When MHE is required, the use of MHE at each Agency location shall comply with all Federal, state, local and DoD requirements. Purchasers shall be required to use their own personnel to operate the MHE. Purchaser is required to provide documentation to the SPOC that personnel are trained in accordance with 29 CFR 1910.178 to operate the MHE and shall ensure that all personnel possess the required licenses to operate the MHE. The Purchaser shall ensure that all work is performed in full compliance with all Federal, state, local and DoD occupational safety and health regulations. All incidents, including near miss incidents, involving operation of MHE shall be reported in accordance with Agency and location regulations. Agency staff will provide awareness training for specific, known hazards in and around the worksite areas of operations.

L.2 Requirement for Purchaser to use Purchaser owned MHE:

The Purchaser must provide MHE as necessary to meet terms and conditions. Purchaser shall not allow Agency personnel to use Purchaser owned equipment. All equipment used for contract performance at an Agency location is subject to the approval of the Agency and subject to host installation constraints.

L.3 Government Furnished Equipment (GFE):

The Purchaser's personnel and sub-contractors are only permitted to use Government owned MHE with prior coordination and approval by Agency's Site Lead or Area Manager. There is no guarantee that GFE or Government personnel will be available to assist with loading/removal. MHE is dispatched (checked-out and turned-in) daily in accordance with local policies. MHE shall not be left in the custody of Purchaser's employees overnight or during periods when the Agency location is closed.

Purchaser shall be liable for loss or damage to MHE caused by intentional acts or negligence of the Purchaser's personnel operating the equipment. All repairs shall be made at the Government's direction and at the Purchaser's expense. In the case of damaged MHE, the amount of compensation due the Government by the Purchaser shall be the actual cost of repair, provided such amount does not exceed the economical repair value (75 percent of the costs to replace such item). In the case of items lost or damaged beyond economical repair, the amount of the Purchaser's liability will be the depreciated replacement value of the item as determined by the SCO. Purchaser shall make payment for lost items or items damaged beyond economical repair within 30 calendar days from the SCO determination. Any failure of the Purchaser to agree with such determination shall be treated as a dispute pursuant to the clause of this sale entitled "Disputes."

The Agency remains responsible for all regular preventive maintenance of equipment provided under this section.

M CONTRACT COMPLIANCE, AUDITS AND REVIEWS

M.1 Compliance with Applicable Laws and Regulations:

Purchaser shall comply with the requirements of all applicable Federal, state, installation, and local laws, regulations, ordinances, directives, and instructions connected with the performance of this contract, including without limitation such requirements pertaining to income and payroll taxes, environmental matters, occupational safety and health, and retention of business documents and records.

M.2 Duties of Care and Loyalty:

The Purchaser shall not cause or permit any action or omission while performing the contract that constitutes gross negligence, recklessness, or intentional harm. Purchaser shall carry out their responsibilities under the contract with honesty, good faith, and fairness toward the Agency.

M.3 Prohibited Activities:

Purchaser shall not undertake the following activities without written permission from the SCO, which permission may be granted or withheld by the Agency in the exercise of its sole discretion:

Enter a partnership, joint venture, or other arrangement where the purpose or effect is to engage indirectly in a transaction that would be prohibited by the provisions of this contract if undertaken by the Purchaser directly; or

Enter contracts or other arrangements that would assign all or a substantial portion of responsibility for and control of performance of the contract to another party or parties, without the prior written approval of the Agency which shall consider such request in accordance with the Assignment of Claims Act of 1940, as amended, 41 U.S.C. sec. 15, and the Government's best interest. In the event of any improper assignment without the written approval of the Agency, this contract shall be terminated at the option of the Government in the exercise of its sole discretion; or

File a voluntary petition seeking liquidation, reorganization, arrangement or readjustment, in any form, of its debts under Title 11 of the United States Code (or corresponding provisions of future law) or any other Federal or state

insolvency law; file an answer consenting to or acquiescing in any such petition; make any assignment for the benefit of Purchaser's creditors; or admit in writing Purchaser's inability to pay its debts as they mature, without the prior written consent of the Agency.

M.4 Purchaser's Cooperation in Investigations/Audits/Compliance Reviews:

Purchaser agrees to cooperate fully with all Federal, state, and local authorities when informed by the Agency of an ongoing investigation, compliance reviews or audits. Purchaser agrees to provide the Agency with all requested information regarding material or information relating to the Purchaser's buyers or sub-contractors. Purchaser shall make all sales records pertaining to such investigations available to the Agency at the earliest available opportunity but no later than three business days from the date of the request. Requests for information shall be provided in electronic format when possible. Purchaser personnel with knowledge of the subject matter shall be available to cooperate with any investigation, compliance review or audit. The Agency will not reimburse for any expense incurred to comply with Federal, state, or local requirements. The Agency may provide an equitable adjustment for cost incurred to comply with new requirements within the scope of the existing contract.

M.5 Purchaser's Responsibility for Independent Audit at Government's Request:

The Agency may request the Purchaser seek a review and analysis to be conducted by an independent audit firm mutually agreed upon prior to the onset of the audit. The scope of the audit may range from a single, specific concern to every aspect of contract performance. The Agency shall reimburse the Purchaser for the cost of the audit only. Employee hours or expenses incurred in preparation for, during, or after the audit will not be funded. The Agency will not reimburse for any expense incurred to comply with Federal, state or local requirements. The Agency may provide an equitable adjustment for cost incurred to comply with new requirements within the scope of the existing contract.

M.6 Purchaser Record Retention:

Purchaser shall maintain all records accurately and in a manner that shall allow clear and accurate auditing. Purchaser shall make all books, records, documents and other supporting evidence available to satisfy contract administration and audit requirements by any Government agency identified by the SCO. Records shall be made available for six years after the last removal is concluded, or for such period as Purchaser, for its own purposes, retains its books, records, documents, and other supporting evidence, whichever is longer.

M.7 Inspection of Records and Workplace by Government:

The Government has the right to audit the records and inventory to review Purchaser's operations. The audit may consist of a complete or random sample examination.

M.8 Purpose and Content of Compliance Audits, Reviews and Further Reviews:

The Agency shall have the right to conduct Compliance Reviews of Purchaser. The Agency, other Government agencies or private firms shall conduct the compliance reviews, as the Government deems appropriate. The Agency shall also have the right to conduct Further Reviews as provided below. The purpose of such Compliance Reviews or Further Reviews is to determine, after the fact, the extent of Purchaser's compliance with the terms and provisions of the contract and applicable Federal, state and local laws and regulations.

M.9 Methods and Procedures for Compliance Reviews:

Method: Compliance Reviews and Further Reviews including but not limited to examination of records, and, if necessary, personal interviews of persons who may have knowledge of facts regarding Purchaser's compliance with the provisions of this contract, including employees or of any supplier or buyer.

Procedures: A Compliance Review shall be conducted at any time during normal business hours and on any business day. Purchaser shall permit inspection of any physical location used by the Purchaser, including but not

limited to the inventory (including the associated records), examination of the records, making copies and abstracts, and discussions of the affairs, finances and accounts of Purchaser with any employee, subcontract attorney or certified public accountant of Purchaser. Purchaser shall produce any records identified by the Agency as necessary to support the review process and the Agency may maintain copies of all documentation/electronic files that support the review being conducted. The Agency will use its best efforts to assure that Compliance Reviews are conducted in a manner that does not unduly burden or unreasonably impact upon the efficient operation of the affairs of Purchaser.

Scope: The scope of Compliance Reviews shall be as necessary to confirm Purchaser's compliance with the provisions of the contract.

M.10 Further Reviews:

If a Compliance Review determines there is a reasonable basis to believe that a default or breach of this contract has occurred, the Agency, upon written notice to Purchaser, may conduct any such further investigation that it deems appropriate under the circumstances, using such outside consultants, including attorneys, as it deems necessary or advisable. Purchaser shall permit such persons, as are designated by the Agency, to visit and inspect any physical location used by the Purchaser, including, without limitation, the inventory (including the records), and to examine the records, make copies and abstracts, and discussion of the affairs, finances and accounts of Purchaser with any employee, subcontracting attorney or certified public accountant of the Purchaser. Notwithstanding the foregoing, if Purchaser gives written notice to the SCO stating that a Further Review is not justified, the SCO will delay the commencement of any such Further Review for a period of 14 calendar days after the delivery of its notice.

M.11 Compliance Notification:

After completing the Compliance Review and/or Further Review, the SCO shall notify Purchaser in writing of any breach or default identified during the Compliance Review and/or Further Review.

M.12 Costs of Oversight:

The Agency will pay all fees, costs, and expenses the Agency incurred in connection with its Compliance Reviews and Further Reviews.

M.13 Notice of Audit Adjustment:

If any party determines records reflect inaccuracies requiring entry of an adjustment, including, without limitation, the disbursement of any amount from the operating account or a transfer account that is inconsistent with any provision of the contract or the disposition of material inconsistent with any provision of the contract, such party shall give written notice thereof to the other party or parties.

M.14 Procedures for Adjudication of Audit Adjustments:

If either Purchaser or the Agency disputes an asserted audit adjustment, it may submit such dispute for resolution. Upon resolution of such dispute or, if no party submits a dispute for resolution within 60 calendar days of the notice of audit adjustment, the audit adjustment shall be deemed confirmed as asserted.

M.15 Remedies for Audit Adjustments:

Upon confirmation of an audit adjustment, Purchaser shall pay to the party in question, or the party shall pay to Purchaser the amount required to restore the parties to their respective positions status quo ante, and Purchaser shall correct the records in accordance with the audit adjustment as confirmed. If, because of the audit adjustment, Purchaser is to pay the Agency, each such payment shall include interest calculated by the US Treasury or at the rate provided by applicable law.

M.16 Contracts with Third Parties:

Purchaser shall ensure that all contracts entered shall expire or terminate within each Performance Period. This means contracts with third parties shall expire or terminate no later than at the end of the thirty-six (36) month base period of performance. If an option or extension is exercised, any contract with a third party shall end no later than at the end of said option or extension at that time in effect.

N DISPUTES AND CLAIMS

N.1 Disputes:

Any contract awarded from this sale is subject to the Contract Disputes Act of 1978 (41 U.S.C. 7101-7109).

N.2 Alternative Dispute Resolution (ADR):

The parties agree to use their best efforts to resolve any disputes that may arise without litigation. If unassisted negotiations are unsuccessful, the parties shall use Alternative Dispute Resolution (ADR) techniques in an attempt to resolve the dispute. If the ADR is not successful, the parties retain their existing rights. If the Purchaser refuses an offer for ADR, the Purchaser shall inform the SCO in writing, of the Purchaser's specific reasons for rejecting the offer. Litigation shall only be considered as a last resort when ADR is unsuccessful or has been documented by the party rejecting ADR to be inappropriate for resolving the dispute.

O MISCELLANEOUS PROVISIONS

O.1 Binding Effect:

Subject to the restrictions on transfers and encumbrances set forth, this contract shall ensure to the benefit of and be binding upon the Agency and the Purchaser and their respective legal representatives, successors and assigns. Whenever this contract refers to any party, such reference shall be deemed to include a reference to the legal representatives, successors and assigns of such party.

O.2 Notices:

All notices, demands, requests, consents, approvals, declarations, reports and other communications required with regard to this contract shall be in writing except as otherwise provided and addressed to the SCO.

O.3 Severability:

If any provision of this contract or the application to any person or circumstance shall be invalid or unenforceable to any extent, the remainder of this contract and the application of such provisions to other persons or circumstances shall not be affected and the intent of this contract shall be enforced to the greatest extent permitted by law. The SCO may in the exercise of his/her sole discretion cause termination by notice served within 30 calendar days of the date upon which such judgment becomes final, such termination to be effective five calendar days after the date of service of such notice.

O.4 Headings:

The headings appearing in this contract are inserted only as a matter of convenience and in no way define, limit, construe or describe the scope or intent of any article or section of this contract.

O.5 Survival:

The rights and obligations of the parties under this contract shall survive for a period of six years after the completion of the wind-down period.

O.6 Waiver:

No consent or waiver expressed or implied, by any party to or of any breach or default by any other party in the performance by such other party of its obligations under this contract shall be deemed or construed to be a consent or waiver to or of any other breach or default in the performance by such other party of the same or any other obligations of such other party under this contract. Failure on the part of any party to complain of any act or failure to act by any of the other parties or to declare any of the other parties in default, regardless of how long such failure continues, shall not constitute a waiver by such party of its rights hereunder.

O.7 Force Majeure:

The parties shall be excused for the period of any delay in the performance of any obligations under this contract when prevented from performing such obligations because or causes beyond their reasonable control, including, without limitation, civil commotion, war, invasion, rebellion, hostilities, military or usurped power, sabotage, pestilence, riots, fire or other casualty or acts of God.

Upon occurrence of a Force Majeure Event claimed by either party, one party to this IFB shall promptly notify the other that a Force Majeure Event has occurred, its anticipated effect on performance, including its expected duration. If either party can provide evidence to the satisfaction of the other of any event or combination of events beyond its reasonable control, it will be entitled to relief from performing the obligations affected by the said event under this IFB for such period as the event or combination of events continues to prevent performance.

The party claiming the Force Majeure event shall furnish to the other periodic reports regarding the progress of the Force Majeure Event. The party claiming the Force Majeure event shall use reasonable diligence to minimize damages and to resume performance as well as to avoid, overcome, or minimize wholly or partly the effect of any Force Majeure event upon the performance of its obligations under this IFB. Neither Disposition Services nor the Purchaser shall be entitled to claim relief in respect of any period during which it could have complied with any obligation (or any part thereof) by using its best endeavors to avoid, overcome or minimize wholly or partly the effects of the said event or combination of events.

O.8 Use of the Agency Name and Public Communications:

Purchaser shall not use the name of the Agency, DLA or DoD or its logos for any marketing or other purposes without the express prior written consent of the Agency, which consent may be withheld for any reason whatsoever and is subject to the sole discretion of the Agency. Purchaser shall not publicly denigrate the surplus material disposition program of the DoD or the conduct thereof by the Agency. Purchaser agrees to coordinate public releases with the SCO. The Purchaser shall refer all inquiries concerning this contract to the SCO. Under no circumstances shall any statement be released to the news media directly from the Purchaser or any agents of the Purchaser. Purchaser shall immediately notify the SCO if contacted by the media. Purchaser shall not release information regarding this IFB, resulting contract(s), relationships, or activities except when required by legal authorities.

The Purchaser will keep all data, reports or other information relating to the contract confidential; that release of all such information is conditioned on Agency prior written approval with this being limited to the extent that the otherwise confidential information is already in the public domain by acts of other parties (FOIA) or that the Purchaser is ordered by competent judicial or administrative authority to disclose the information.

The Agency requires the Purchaser to be obligated to notify the Agency immediately upon receipt of such an order. The Agency requires the Purchaser not to share information related to the contract in any forum in a way that would

create a conflict of interest with or otherwise adversely affect the Agency.

O.9 Tense and Gender:

Unless the context clearly indicates otherwise, the singular shall include the plural and vice versa. Whenever the masculine, feminine or neutral gender is used inappropriately in this contract, this contract shall be read as if the appropriate gender had been used.

O.10 Entire Agreement and Modification:

This contract, and the materials incorporated herein by reference, constitute the entire agreement between the parties regarding the matters contained in this contract. If there is any inconsistency between the terms of this contract and those of any Appendix, Schedule or Exhibit, the terms of this contract shall govern. There are no promises or other agreements, oral or written, express or implied, between the parties other than as set forth in this contract. No change or modification of, or waiver or compromise under, this contract shall be valid unless it is in writing and signed by a duly authorized representative of the party against which it is to be enforced. Purchaser understands and agrees to submit a written request for contract modification to the SCO. Purchaser further agrees not to effect such changes without first receiving the written approval of the SCO.

O.11 Computation of Time:

In calculating, any period prescribed or allowed by this contract, the day of the act, event, or default from which the designated period begins to run shall not be included. The last day of the period so computed shall be included unless it is not a business day, in which event the period runs until the end of the next business day.

O.12 Electronic Communication:

The Agency and Purchaser shall facilitate the delivery of all written communication, Reports, Statement of Accounts, and other required reports to the extent practical by electronic mail, file transfer or facsimile, rather than by delivery by United States Postal Service or other courier means. All electronic communication shall be clearly identifiable by IFB, contract number and specific Site Code when applicable in the subject line of E-Mails, file names and on coversheets of facsimiled (Faxed) documents.

O.13 No Reimbursements:

There shall be no reimbursement to the Purchaser under this contract except for the limited circumstances related to reimbursement of actual expenses incurred for return of property directed by the Government. At no time shall the Government pay the Purchaser to take material offered. This is not a service contract administered in accordance with the FAR. This is a contract for the sale of scrap pursuant to provision in Title 40, U.S.C., Chapter 5. The Government is not responsible for any indirect or inconsequential expenses related to performance under this contract. The measure of the Government's liability, in any case where liability of the Government to the Purchaser has been established, shall not exceed refund of such portion of the purchase price as the Government may have received. Purchaser may be required to attend special training, seminars, instructions, classes, safety orientations, etc., provided by the Government or to provide information to perform work or gain access to the location. Example: Pass and ID requirements, antiterrorist training, Environmental Management Systems (EMS) policies and/or equipment training.

The Agency has the discretion to determine the items to be sold to Purchaser regardless of Federal Supply Code or location. Purchaser has no right to any property that is not issued under the terms of this contract. The Agency reserves the right to sell property that otherwise could be issued under this contract through other offerings or contract means.

All property covered under this contract is being sold as is, where is, with no warranty or guarantee of use or salability expressed or implied. No request for adjustment in price for any item or rescission of the sale will be considered.

This is not a requirements contract requiring the delivery of all the Agency's excess and surplus generations of a particular type of property at a location.

The future volume, quality, condition, market value, types (i.e., distribution of property referrals across Federal Supply Classes (FSCs)), and geographic concentrations (i.e., referrals for sale at delivery points) of the property cannot be predicted. Applicable statutes, regulations, policies, and inter-service agreements govern whether the disposition of items of surplus is through the Agency or through other disposition methods. The volume and nature of the property referred for sale under this contract could be affected by such changes.

The items in this invitation for bid are offered for sale as is and where is in accordance with Condition 2, Part 2, Sale of Government Property General Sales Terms and Conditions, Defense Logistics Agency Disposition Services, Sale by Reference, incorporated by reference herein. The Government makes no warranty, expressed or implied, regarding information provided relating to the possible presence of potentially regulated material.

Purchasers should exercise caution incurring obligations based on an anticipated performance period as the period refers only to the amount of time the agency will have to meet its commitments to provide the estimated quantities of scrap to the Purchaser. It does not confer any right to receive scrap throughout the term of the contract; instead, the Agency promises only to provide the estimated quantities subject to variations as authorized by table 1.

O.14 Market, Resale and/or Export:

The Government does not imply that the scrap residue offered is marketable, eligible for resale, or permitted for export to other countries:

Chapter 39 of Title 22, United States Code (U.S.C.), also known as "The Arms and Export Control Act".

Parts 120 through 130 of Title 22, Code of Federal Regulations (CFR), also known as the International Traffic in Arms Regulations (ITAR).

Parts 730 through 774 of Title 15, CFR, also known as the "Export Administration Regulations (EAR)"

This is not a sale by sample. The Purchaser shall not reject property issued under the terms of this sales contract, unless an item is outside the scope of the sales contract. The Government is the sole authority of determining condition code and determining whether property is considered scrap under its property regulations and thus eligible for referral under this sales contract. Purchaser's opinion on whether the property is able to clear customs, sell or market, or the availability of customers for items have no bearing on whether the Government considers the property scrap. No changes, modifications, or reductions of price will be applied. Under no circumstances is culling for effecting partial or incremental removals authorized.

P GOVERNMENT REQUIRED REPORTS

P.1 Government Use of Purchaser Reported Information:

Purchaser agrees the Government may use all reported information, as it deems necessary in the execution of its operations. This may entail but is not limited to public disclosure of information. The Government agrees not to publicly disclose either the proceeds of individual sales or the cost of individual services, but this provision does not preclude the public disclosure of aggregated proceeds and aggregated costs.

Q ADDITIONAL CONTRACT ADVISEMENTS

Q.1 Public Law Pertaining to Location Operations:

Prospective bidders shall note that work performed on Government premises, such as at field locations and other delivery points, may be subject to the provisions of Public Law 89-176, September 10, 1965 (18 U.S.C. 4082(c) (2)) and Executive Order 11755, December 29, 1973 (convict labor), and/or the Contract Work Hours and Safety Standards Act (40 U.S.C. 327-333) and regulations of the Secretary of Labor there under (overtime compensation).

Q.2 Public Law Pertaining to Material:

Prospective bidders shall also note that there are certain Public Laws that may affect the flow of material. The Food, Drug and Cosmetic Act, 21 U.S.C. 311 et seq. and regulations promulgated there under forbid the sale of adulterated or misbranded medical devices.

Q.3 Resource Conservation and Recovery Act (RCRA) Notice:

Environmental Protection Agency (EPA) Hazardous Waste Regulations, 40 CFR Part 260 et seq. published at 45 Federal Register 33063-33285, May 19, 1980, became effective on November 19, 1980. These cradle-to-grave regulations detail the responsibilities of generators, transporters, treatment facilities, storage facilities, and disposal facilities of hazardous waste. Civil and criminal penalties are available for noncompliance. The Agency does not intend to transfer any RCRA regulated hazardous waste under this contract as regulated waste is disposed of under the Agency's hazardous waste contracts. However, the Agency can make no representations as to when and under what circumstances Federal, state or local environmental regulations may be applicable to material transferred to and held by the Purchaser.

Q.4 Chemical Agent Resistant Coating (CARC) Paint:

Purchasers are cautioned that some items are, likely to contain, or be coated with a chemical agent resistant coating containing trivalent chrome, lead, cobalt-zinc hexamethylene diisocyanate and other chemicals which are a hazard to human health if not processed properly. The Government brings the following precautions/warnings to the attention of Purchasers who plan to apply the CARC paint or disturb the coating on the material in any way:

Airline respirators shall be used during application processing (applying/sanding/torch cutting, etc.) unless air sampling shows exposure to be below OSHA/host Government standards, then a chemical cartridge air-purifying respirator shall be used.

CARC paint shall be isolated from heat, electrical equipment, sparks and open flame during storage or application. Local exhaust ventilation shall be used for inside processing.

Exposure to vapor/mist/dust or fumes can cause irritation to respiratory tract (lung, nose and throat), edema, dermatitis, dizziness, rash, itching, and swelling of extremities, eye irritation or damage to nervous system, kidney or liver. Coating may be fatal if swallowed.

Q.5 Refrigerant:

Refrigeration equipment and appliances are subject to the Clean Air Act (CAA) Amendments of 1990 which prohibit the venting or release to the environment of Class I or Class II ozone depleting substances and are also subject to the Refrigerant Recycling Rule in 40 CFR Subpart F 82, 150-166, requiring the recovery and verification of refrigerant removal by a certified technician, using certified recovery equipment prior to final disposal as scrap or in a landfill.

Q.6 Pollution Prevention and Right-to-Know Information Definitions (As used in this clause):

Priority chemical means a chemical identified by the interagency Environmental Leadership Workgroup or, alternatively, by an agency pursuant to Section 503 of Executive Order 13148 of April 21, 2000, Greening the Government through Leadership in Environmental Management.

A Toxic chemical means a chemical or chemical category listed in 40 CFR 372.65. Executive Order 13148 requires Federal facilities to comply with the provisions of the Emergency Planning and Community Right-to-Know Act of 1986 (EPCRA) (42 U.S.C. 11001-11050) and the Pollution Prevention Act of 1990 (PPA) (42 U.S.C. 13101-13109).

The Purchaser shall provide all information needed by the Federal facility to comply with the following:

- The emergency planning reporting requirements of Section 302 of EPCRA.
- The emergency notice requirements of Section 304 of EPCRA.
- The list of Safety Data Sheets required by Section 311 of EPCRA.
- The emergency and hazardous chemical inventory forms of Section 312 of EPCRA.
- The toxic chemical release inventory of Section 313 of EPCRA, which includes the reduction and recycling information required by Section 6607 of PPA.
- The toxic chemical, priority chemical, and hazardous substance release and use reduction goals of Section 502 and 503 of Executive Order 13148.

R Definitions:

Actual Cost: An amount determined based on the cost incurred.

Alternative Dispute Resolution (ADR): Any procedure (for example, mediation, conciliation, facilitation, fact-finding, etc.), or any other method to which the parties agree for resolving issues in controversy, except the term does not include unassisted negotiations.

Breach: The failure of a contracting party to perform their obligations according to the terms of the agreement.

Business Day: Any day that is not a Saturday, Sunday or a Federal Government observed holiday. Federal holidays presently include New Year's Day, Martin Luther King, Jr. Day, President's Day, Memorial Day, Independence Day, Labor Day, Columbus Day, Veteran's Day, Thanksgiving Day and Christmas Day. The holiday is observed on the preceding Friday or the following Monday when the holiday occurs on Saturday or Sunday, respectively.

Business Hours: Installation specific normal hours of operations for this contract are available upon request from the SCO. This contract is for various military and government activities of which may have different work schedules. Excluding weekends and observed or declared Federal holidays, the Purchaser agrees that, for the portions of work performed on a Government installation, the services shall be provided during the normal hours of operation for the installation.

CAT II Property: The term "CAT II" appearing under sale item number denotes that the resale, transfer, export or other disposition of the item, except as stated in the successful bidder END-USE Certificate will require prior written approval of the Sales Contracting Officer. Guns and Armament: DEMIL code D/ Items SHALL be destroyed by cutting, burning, breaking, crushing etc., as appropriate to preclude restoration for further use as an item or for identification and association of related parts. It is preferable to DEMIL all items to the level of scrap.

Certifier: A DoD contracted person or a Government employee who actually performed or witnessed the DEMIL or MUT, and is present at inventory, Kind and Count.

Container: Any portable device with lid in which a scrap material is stored, transported, disposed of or otherwise handled. Otherwise known as Roll-offs, dumpsters, hoppers, dump-bins, bins, tri-walls, crates, etc.

Day: A business calendar day (except when identified as calendar days, which include the weekend and holidays).

Default: Failure to comply with the terms and conditions of the agreement by intentional action, inaction, or neglect. According to the law of obligations and banking law, means to refuse to pay a debt when due. Shall be used in this contract to mean breach.

DEMIL Manual: Defense Demilitarization Manual DoDM 4160.28 volumes 1-3.

Demilitarization (DEMIL): The act of eliminating the functional capabilities and inherent military design features from DoD personal property. Methods and degree range from removal and destruction of critical features to total destruction by cutting, crushing, shredding, melting, burning, etc. DEMIL is required to prevent property from being used for its originally intended purpose and to prevent the release of inherent design information that could be used against the United States. DEMIL applies to DoD personal property in both serviceable and unserviceable condition.

Demilitarization Code: A code assigned to an item by the Federal item manager to identify the required Demilitarization. General DEMIL Code Descriptions:

A- Items subject to the Export Administration Regulations (EAR) in parts 730-774 of Title 15, Code of Federal Regulations (CFR) (CCLI or EAR99) and determined by the DoD to present a low risk when released out of DoD control. No DEMIL, MUT, or end use certificate is required. May require an export license from DOC.

B- United States Munitions List (USML) Items Mutilation (MUT) to the point of scrap required worldwide.

C- USML or CCL Military Items DEMIL required. Remove or Demilitarize installed key point(s) items as DEMIL code D

D- USML or CCL Military Items DEMIL required. Destroy item and components to prevent restoration or repair to a usable condition.

E- DoD DEMIL Program Office reserves this code for its exclusive-use only. DEMIL instructions must be furnished by the DoD DEMIL Program Office.

F- USML or CCL Military Items DEMIL required. Item managers, equipment specialists, or product specialists must furnish special DEMIL instructions.

G- USML or CCL Military Items DEMIL required ammunition and explosives (AE). This code applies to both unclassified and classified AE items.

P- USML Items DEMIL required. Security classified items.

Q- Commerce Control List Item (CCLI) MUT to the point of scrap required outside the United States. Inside the United States, MUT is required when the DEMIL integrity code (IC) is 3 and MUT is not required when the DEMIL IC is 6.

DLA Disposition Services (Agency): The organization vested with operational command and administration of the disposal solutions for Department of Defense (DoD) surplus material.

DoD: Department of Defense.

Disposal Turn in Document Number (DTID): A 14-position alpha/numeric combination used to identify a line item of material consisting of Department of Defense (DoD) address code, Julian date and serial number. The DD Form 1348-1A/2 is the standard document for turn-in of material.

Dunnage: Loose materials placed around cargo to prevent shifting or damage while in transit. Materials may include, but limited to, padding, cardboard, wood, packaging, Styrofoam, strapping, and paper.

Export Administration Regulation (EAR): A set of rules and regulations as well as legal protocols related to United States export control law. EAR is largely a legal document that defines the type of products and data that can be lawfully exported. Its aim is to ensure national security by incorporating commercial and research aims.

Federal Supply Class (FSC): A commodity classification code primarily used in the National Stock Number (NSN). The first two digits of the code identify the group and the last two digits identify the classes within the group.

Generator: The activity that produces the excess, surplus, foreign excess or other material; usually the entity formerly in physical possession and/or control of the material.

Hazardous Material (HM): Any material that can pose an unreasonable risk to health, safety, and material during transportation in the United States. Overseas, HM is defined in the applicable Final Governing Standards or Overseas Environmental Baseline Guidance Document, and/or host nation laws and regulations.

Hazardous Property (HP): It is typically used to describe substances and materials that are dangerous, including flammables, explosives, irritants, sensitizers, acids, and caustics, even when such materials may be relatively harmless in diluted concentrations.

Hazardous Waste (HW): Any material regulated under the Resource Conservation and Recovery Act (RCRA) or state regulation as a hazardous waste

Invitation For Bid (IFB): An offer for bid submission.

Line Item: A single line entry on a reporting form that indicates an item of material located at any one activity having the same description, condition code and unit of issue cost. A line item may be comprised of one or multiple units of issues.

Local Stock Number (LSN): A locally assigned identification number for an item with no National Stock Number (NSN) assignment.

Mutilation (MUT): (Scrap Classification (SCL) MUT) – A process that renders material unfit for its originally intended purposes by cutting, tearing, scratching, crushing, breaking, punching, shearing, burning, neutralizing, etc. Required to have Certificate of DEMIL or MUT signed by Certifier and Verifier.

National Item Identification Number (NIIN): A 9-digit number (immediately following the FSC) assigned to an item of supply that differentiates it from other items of supply.

National Stock Number (NSN): A 13-digit number consisting of the 4-digit FSC and the 9-digit NIIN that is assigned to identify an item of supply within the materiel management function.

Oversize Item: Requires specialized logistics, special equipment and careful pre-planning is needed, since oversize freight exceeds design clearances.

OVERSIZE ITEM GENERAL DIMENSIONS

- Exceeds 8 ft. 6 in. (2.59 m) in width
- Exceeds 13 ft. 6 in. (4.11 m) in height
- 34k to 80k; depends on number of axles of the conveyance

Some examples of oversize freight would be boats, heavy equipment, machinery, generators, trusses, and the like.

Performance Period: Timeframe of the contract, to include any options offered.

Purchaser: The Company awarded this contract to buy scrap material.

Receipt In Place (RIP): Material being held at a location outside the Agency network although on the Agency accountable record during the disposal process and safeguarded by the Generator.

Rubbish or Refuse: Trash, garbage, other unwanted things, things that are worthless or of very poor quality.

Sales Contract: An agreement between two parties that binds both parties and transfers title of specified type and quantity of material.

Sales Contracting Officer (SCO): A duly appointed individual granted the authority to sell surplus and foreign excess personal material by various prescribed methods of sale.

Scrap: Recyclable waste and discarded materials derived from items that have been rendered useless beyond repair, rehabilitation, or restoration such that the item's original identity, utility, form, fit and function have been destroyed. Items can be classified as scrap if processed by cutting, tearing, crushing, mangling, shredding, or melting. Intact or recognizable USML or CCL items, components, and parts are not scrap. Section 102-36.40 of Reference (e) and Section 770.2 of Reference (w) provide additional information on scrap.

Sorting and Segregating: The process of identifying the material for its basic material content in accordance with SCLs available at a particular location. This determination is based on the predominate material composition by weight of an item in the best interests of the U.S. Government. Questionable items shall be determined in conjunction with Agency personnel and the Purchaser. Any unresolved issues shall be elevated to the SCO prior to removal of a container.

Standard Waste and Scrap Classification (SCL) Codes: SCL codes are used to classify scrap into its proper scrap commodity group to obtain maximum sales potential and to provide a uniform method for maintaining accounting records.

Trash: Discarded, unwanted or worthless material or objects.

Usable Material: A designation assigned by or with the approval of the Agency personnel meaning that the item has value more than that of the item's material content.

Vetted: Made a careful and critical examination. Investigate thoroughly, especially in order to ensure that they are suitable for a job requiring secrecy, loyalty, or trustworthiness.

Verifier: A technically qualified Government employee who witnessed the Demilitarization/Mutilation of the material or inspected the residue. The individual who verifies the Demilitarization/Mutilation should generally be at least in the next higher management or technical level to the initial certifying individual and will be a U.S. citizen, and is present at inventory, Kind and Count (KC).