

## Section B - Supplies or Services and Prices

ITEM NO CLIN Number	SUPPLIES/SERVICES	QUANTITY 180,000	UNIT Hours	UNIT PRICE	AMOUNT
0001	<p>PSA for JOHN BASILONE (DDG 122) CPAF Provide engineering, management, planning and labor and material, inclusive of emergent repairs and fleet trials, in support of Post Shakedown Availability (PSA) for JOHN BASILONE (DDG 122).</p> <p>See Notes A, B, C, &amp; D FOB: Destination PSC CD: 1905</p>				

ESTIMATED COST  
BASE FEE

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SUBTOTAL EST COST + BASE

MAX AWARD FEE

TOTAL EST COST + FEE

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT
CLIN		180,000	Hours		
Number					
0102					

OPTION PSA for HARVEY BARNUM JR. (DDG 124)  
CPAF  
Provide engineering, management, planning and labor and material, inclusive of emergent repairs and fleet trials, in support of Post Shakedown Availability (PSA) for HARVEY BARNUM JR. DDG 124).  
See Notes A, B, C, & D  
FOB: Destination  
PSC CD: 1905

ESTIMATED COST  
BASE FEE

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SUBTOTAL EST COST + BASE

MAX AWARD FEE

TOTAL EST COST + FEE

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT
CLIN		1	Lot		
Number					
0103					

Data  
CPAF  
(See CDRL, DD Form 1423, Exhibit A) Not Separately Priced (NSP) - Price to be included in Item 0001, and Option Item 0102, if exercised.  
FOB: Destination  
PSC CD: 1905

ESTIMATED COST  
BASE FEE

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SUBTOTAL EST COST + BASE

MAX AWARD FEE

TOTAL EST COST + FEE

NOTE A

Option item to which the Section I clause, 52.217-9, "OPTION TO EXTEND THE TERM OF THE CONTRACT (MAR 2000) (NAVSEA VARIATION) (OCT 2018)," applies, and which is to be supplied only if and to the extent said option is exercised.

NOTE B

## TECHNICAL INSTRUCTION GUIDELINES FOR THIS CONTRACT

The Government intends to use technical instructions (TIs) under this contract pursuant to the Section H clause entitled "H-216-H002 LEVEL OF EFFORT – ALTERNATE 1 (NAVSEA) (OCT 2018)" and pursuant to the Section C clause entitled "C-242-H003 TECHNICAL INSTRUCTIONS (OCT 2018)." While the work scope for these LOE CLINs are defined in Section C and throughout the contract and its associated attachments, the government intends to provide more detailed work specifications via TIs. The following is an overview of technical instructions process under this contract:

- i. The Government and/or the build yard contractor will prepare a detailed work item specification.
- ii. The Government will provide work item specifications to PSA execution yard contractor under this contract.
- iii. The PSA execution yard contractor shall, when requested by the COR, provide rough order of magnitude (ROM) estimates for work item specifications to be accomplished during the PSA. The ROM estimate shall include all costs necessary to perform the work item specification, which may include prime direct labor costs and all Other Direct Costs (ODCs) such as direct materials, subcontractors, vendors, travel, rental charges, drydocking, etc. If the contractor is utilizing subcontractors to accomplish any or all of the work, the contractor shall provide to the COR as an addendum to each work item ROM, information demonstrating that the contractor sought out multiple subcontractors to accomplish the work. If multiple subcontractors were not solicited, whether due to the nature of the work required or for other reasons, the contractor shall provide with the ROM estimate a brief explanation as to the reason a single subcontractor was solicited, and further proof that the price is fair and reasonable. ROM estimates shall be submitted in timely manner in order support the agreed upon PSA timeline. Up to 30 days prior to PSA start ROM estimates shall be submitted no more than 60 days from the date requested by the COR. Starting 30 days prior to PSA start, all requests for ROM estimates shall be submitted no more than 14 days from the date requested by the COR.
- iv. Upon determining adequate funds exist on the contract, the Government will authorize work to begin via TI which will be signed by authorized personnel (i.e. COR and PCO/ACO).
- v. The "ROM Estimate" field in TIs is the contractor's ROM estimate for performance of work described in work item specification(s) tasked under a TI. This is primarily a tool to help the parties track work scope, contractual ceiling and available budget. TIs and ROM estimates are not changes to competitively established pricing under contract. If the contractor overruns the dollar ceiling on contract and has not exceeded the labor hour ceiling, the contractor shall continue delivering unused labor hours if tasked by the Government subject to Limitation of Cost (FAR.52.232-20) and Limitation of Funds (FAR.52.232-22).
- vi. The TI shall never task work that is: (1) outside the scope of the contract; (2) above the Section B labor hour ceiling listed on each LOE CLIN; (3) beyond the Section F period of performance for the respective CLIN(s)/SLIN(s); or (4) above available funding. The contractor has a responsibility to notify the government if any of the aforementioned discrepancies exist prior to performing the work tasked. No part of this Note shall be interpreted as giving contrary direction to any other terms, conditions or clauses under this contract.

NOTE C

The Government reserves the right to unilaterally transfer unused labor hours to new CLINs established to support the same ship availability. For example, the Government may need to transfer labor hours from CLIN 0101 to a new CLIN to separate fund types (i.e. SCN, OPN, etc.), within the same period of performance. In this example, the Government will transfer labor hours using the same hourly rate (cost, base fee, and award fee) as the originating CLIN so that there is no increase or decrease to the total contract price.

The Government reserves the right to unilaterally transfer unused labor hours to existing CLINs. For example, the Government may need to transfer labor hours from CLIN 0001 to an existing CLIN (i.e. 0101, 0102, etc.) if a PSA requires additional hours. In this example, the Government will transfer labor hours using the same hourly rate (cost, base fee, and award fee) as the receiving CLIN. While the number of hours being transferred will remain constant in this example, the total contract price may be altered (increase or decrease) depending on the difference in the hourly rates between the originating and receiving CLINs.

NOTE D

This CLIN includes all costs required for performance of this contract, which may include other direct costs such as subcontractors, vendors, direct materials, travel, dry dock, etc., so long as they are in accordance with the contractor's accounting system. Actual costs may differ in contract execution as with any cost-type contract. As such, it is understood and agreed between the parties that all allowable, allocable, and reasonable costs will be reimbursed (subject to the Limitation of Costs or Limitation of Funds clauses of this contract) without any adjustment to the base fee or award fee amounts as specified in Section B of this contract.

B-1 ACRONYMS AND ABBREVIATIONS

ACO – Administrative Contracting Officer  
 ACP – Access Control Plan  
 AD – Aircraft Division  
 AFB – Award Fee Board  
 AIT – Alteration Installation Team  
 BIW – Bath Iron Works  
 C/S – Combat Systems  
 CAO – Contract Administration Office  
 CAR – Corrective Action Report  
 CDRL – Contract Data Requirements List  
 CFE – Contractor Furnished Equipment  
 CG – Cruiser  
 CLIN – Contract Line Item Number  
 COMNAVSEA – Commander, Naval Sea Systems Command  
 COR – Contracting Officer's Representative  
 CPARS – Contractor Performance Assessment Reporting System  
 CPI – Cost Performance Index  
 CPIR – Contract Problem Identification Report  
 C5ILO - Command, Control, Communications, Computer, Combat Systems, and Intelligence Light-Off  
 DCAA – Defense Contract Audit Agency  
 DDG – Guided Missile Destroyer  
 DFARS – Defense Federal Acquisition Regulation Supplement  
 DPMA – Drydocking Phase Maintenance Availability  
 DPL – Direct Production Labor  
 DSRA – Drydocking Selected Restricted Availability

EAC – Estimate at Completion  
 EDSRA - Extended Drydocking Selected Restricted Availability  
 ESRA – Extended Selected Restricted Availability  
 FAR – Federal Acquisition Regulation  
 FCCM – Facilities Capital Cost of Money  
 FCT – Final Contract Trial  
 FDO – Fee Determining Official  
 FOA – Fitting Out Availability  
 FPRA – Forward Pricing Rate Agreement  
 FTSC PAC – Fleet Technical Service Center, Pacific  
 GFE – Government Furnished Equipment  
 GFI – Government Furnished Information  
 GFM – Government Furnished Material  
 GFP – Government Furnished Property  
 HII – Huntington Ingalls Incorporated  
 HM&E – Hull, Mechanical, and Electrical  
 IMS – Integrated Master Schedule  
 IWS – Integrated Warfare Systems  
 LCS – Littoral Combat Ship  
 LHA – Landing Helicopter Assault  
 LHD – Landing Helicopter Deck  
 LOA – Light Off Assessment  
 LOE – Level of Effort  
 LPD – Landing Platform/Dock  
 LSD – Landing Ship/Dock  
 NAVSEAINST – Naval Sea Systems Command Instruction  
 NAWC – Naval Air Warfare Center  
 NSA – Naval Supervising Activity  
 NSWCPD – Naval Surface Warfare Center Philadelphia Division  
 NSWCDD – Naval Surface Warfare Center Dahlgren Division  
 NSWCPHD – Naval Surface Warfare Center Port Hueneme Division  
 OPN – Other Procurement, Navy  
 OQE – Objective Quality Evidence  
 OWLD – Obligation Work Limiting Date  
 PCD – Production Complete Date  
 PCO – Procuring Contracting Officer  
 PEO – Program Executive Office  
 PMA – Phased Maintenance Availability  
 PMS 400D – AEGIS (DDG 51) Shipbuilding Program  
 PMS 400D6 – AEGIS (DDG 51) Shipbuilding Program Post Delivery Manager  
 PPIRS – Past Performance Information Retrieval System  
 PRT – Post Repair Trials  
 PSA – Post Shakedown Availability  
 SCN – Shipbuilding Conversion, Navy  
 SHIPALT – Ship Alteration  
 SI – Standard Item  
 SID – Ship Installation Drawing  
 SLIN – Sub Line Item Number  
 SPI – Schedule Performance Index  
 SRA – Selected Restricted Availability  
 SSES – Ship Service Engineering Station

STOV – Safe to Operate Vessel  
SUPSHIP – Supervisor of Shipbuilding  
TI – Technical Instruction  
TYCOM – Type Commander

## CLAUSES INCORPORATED BY FULL TEXT

### B-215-H002 REFUNDS (SPARES AND SUPPORT EQUIPMENT) (NAVSEA) (OCT 2018)

(a) In the event that the price of a spare part or item of support equipment delivered under this contract significantly exceeds its intrinsic value, the Contractor agrees to refund the difference. Refunds will not be made to recoup the amount of cost decreases that occur over time due to productivity gains (excluding economic purchase quantity considerations) or changes in market conditions.

(b) For purposes of this requirement, the intrinsic value of an item is defined as follows:

(1) If the item is one which is sold or is substantially similar or functionally equivalent to one that is sold in substantial quantities to the general public, intrinsic value is the established catalog or market price, plus the value of any unique requirements, including delivery terms, inspection, packaging, or labeling.

(2) If there is no comparable item sold in substantial quantities to the general public, intrinsic value is defined as the price an individual would expect to pay for the item based upon an economic purchase quantity as defined in FAR 52.207-4, plus the value of any unique requirements, including delivery terms, inspection, packaging or labeling.

(c) At any time up to two years after delivery of a spare part or item of support equipment, the Contracting Officer may notify the Contractor that based on all information available at the time of the notice, the price of the part or item apparently exceeds its intrinsic value.

(d) If notified in accordance with paragraph (c) above, the Contractor agrees to enter into good faith negotiations with the Government to determine if, and in what amount, the Government is entitled to a refund.

(e) If agreement pursuant to paragraph (d) above cannot be reached, and the Navy's return of the new or unused item to the Contractor is practical, the Navy, subject to the Contractor's agreement, may elect to return the item to the Contractor. Upon return of the item to its original point of Government acceptance, the Contractor shall refund in full the price paid. If no agreement pursuant to paragraph (d) above is reached, and return of the item by the Navy is impractical, the Contracting Officer may, with the approval of the Head of the Contracting Activity, issue a Contracting Officer's final decision on the matter, subject to Contractor appeal as provided in the "Disputes" clause (FAR 52.233-1).

(f) The Contractor shall make refunds, as required under this requirement, in accordance with instructions from the Contracting Officer.

(g) The Contractor shall not be liable for a refund if the Contractor advised the Contracting Officer in a timely manner that the price it would propose for a spare part or item of support equipment exceeded its intrinsic value, and with such advice, specified the estimated proposed price, the estimated intrinsic value and known alternative sources or item, if any, that can meet the requirement.

(h) This requirement does not apply to any spare parts or items of support equipment whose price is determined through adequate price competition. This requirement also does not apply to any spare part or item of support equipment if the

Contractor submitted, and certified the currency, accuracy and completeness of, cost or pricing data applicable to the item.

(End of text)

#### B-216-H005 DETERMINATION OF AWARD FEE (NAVSEA) (MAR 2019)

##### (a) Minimum Fee

The base fee, as set forth in Section B of this contract, shall constitute a minimum fee to be paid for the performance of this contract. The Base Fee shall be paid in accordance with the clause of this contract entitled "Fixed Fee" (FAR 52.216-8).

##### (b) Award Fee

In addition to the minimum (or base fee) to be paid hereunder, if any, the Contractor may earn an award fee as determined by the Fee Determining Official (FDO). The Government's purpose in granting an award fee is to encourage and reward superior Contracting effort directed toward performance of this contract. The specifics for evaluation are set forth in the paragraphs that follow.

##### (c) Award Fee Board

The Contractor's performance evaluation for each period will be conducted by an Award Fee Board (AFB) of not more than eight members consisting of:

###### Chairperson

Primary: DDG 51 Shipbuilding Deputy Program Manager (PMS 400DB)  
 Alternate: DDG 51 Shipbuilding Deputy Program Manager (PMS 400DB) Designated Representative

###### Members

- (1) Primary: DDG 51 Shipbuilding Program Post Delivery Manager (PMS 400D6)  
 Alternate: DDG 51 Shipbuilding Program Post Delivery Manager (PMS 400D6) Designated Representative
- (2) Primary: PEO IWS ISI-P AEGIS Post Delivery Manager  
 Alternate: PEO IWS ISI-P AEGIS Post Delivery Manager Designated Representative
- (3) Primary: DDG 51 Shipbuilding Program Technical Director (PMS 400D4)  
 Alternate: DDG 51 Shipbuilding Program Technical Director (PMS 400D4) Designated Representative
- (4) Primary: NAVSEA Procurement Contracting Officer  
 Alternate: NAVSEA Procurement Contracting Officer Designated Representative
- (5) Primary: NSA (SUPSHIP) PSA Project Manager

Alternate: NSA (SUPSHIP) PSA Project Manager Designated Representative

(d) Fee Determining Official

The FDO, AEGIS Shipbuilding Program Manager (PMS 400D), shall make determinations of the award fee, which is due to the Contractor. This award fee shall be based upon the performance evaluation conducted by the AFB established pursuant to paragraph (c) above.

(e) Award Fee Determination and Reclama Procedures

(1) Within ten (10) days after the end of each evaluation period, the Contractor shall furnish to the AFB such information as may be reasonably required, including an Earned Value Management System (EVMS) summary for each contract line item under review, to assist the AFB in evaluating the Contractor's performance during that evaluation period.

(2) The AFB evaluation will be scheduled within fifteen (15) working days of the end of each evaluation period. The Board may consider reports, both oral and written, from all interested parties. The Board shall arrive at a consensus on the performance rating and advise the FDO of its recommendation including the reasons, rationale, and justifications therefore. The Board findings shall be presented to the Contractor who will then be provided an opportunity to provide written comments on the evaluation findings to the FDO within five (5) working days. In such case, these comments shall be considered by the FDO in establishing the award fee earned.

(3) The FDO shall provide the Procuring Contracting Officer (PCO) a final performance evaluation and determination of the award fee earned for that period within five (5) working days after receipt of the Board's findings or the Contractor's written comments, whichever is later.

(4) Within ten (10) working days after receipt of the FDO's final determination and the Procurement Request (PR), the Contracting Officer shall issue a unilateral modification to the contract to provide the award fee earned for that period.

(f) Fee Determination Official's Determination

Determinations of the FDO with respect to the amount of the award fee to be paid to the Contractor and the methodology for determining the award fee are unilateral decisions made solely at the discretion of the Government.

(g) Evaluation Categories and Factors

The Contractor's performance during each evaluation period will be judged in the categories listed below. The Government reserves the right to make changes in evaluation categories and factors or weights assigned to evaluation categories by unilateral modification. The Contractor may propose performance objectives for any period; however, only those received at least thirty (30) days prior to the start of an evaluation period will be considered for that evaluation period. The Contractor will be notified of changes in the evaluation categories and factors as well as adjustments to the weighting of categories, if any, prior to commencement of each evaluation period. Unsatisfactory performance under an award fee criterion may result in increased weighting for that factor in subsequent evaluation periods.

During the evaluation period, the Contractor may earn award fee for exceeding performance objectives. The performance objectives are categorized in the following areas: schedule, technical, and cost. Their relative importance is reflected by the weighting factors provided below:



Performance Objectives	Weighting
Schedule Performance	50%
Technical Performance	30%
Cost Performance	20%

NOTE: The Government may unilaterally change the performance objectives and/or category weights by written notification from the PCO no later than ten (10) working days prior to the commencement of the evaluation period for the ship.

(1) Performance Objectives

The following performance objectives will be evaluated during the evaluation period.

- a. Schedule – Emphasis will be placed on the Contractor’s efforts toward development and achievement of aggressive, yet manageable, schedules to support major PSA milestones. The Contractor is to schedule all work to ensure that 70% of the production work is accomplished by the 50% point of the availability, and that major milestones occur as early as possible to ensure a successful PSA. Consideration will be given to the effective and efficient management of resources (manpower) during the PSA and ability to manage the incorporation of growth and new work to accomplish the PSA on schedule. Adherence to or improvement upon scheduled key events and major production milestones is considered essential. It will also require the Contractor to incorporate growth and new work within the overall schedule. Measures of success include:
  - i. Strict adherence to the PSA schedule milestone dates provided by the Government prior to the start of PSA and accommodating growth and new work up to the 50% point of the PSA while minimizing impacts to the overall PSA schedule. Actual completion dates will be compared to scheduled dates. Accelerating schedule while maintaining quality is recognized as superior performance.
  - ii. Adherence to or improvement upon the integrated schedule for the entire PSA work package as measured by the final Schedule Performance Index (SPI) at the end of the PSA.
  - iii. Timely completion and turnover to the Government of compartments in accordance with the Compartment Close-out schedule provided by the Contractor and approved by the Navy.
  - iv. Effectiveness of the Contractor’s workload management plan, comparing actual manning to projected manning.
  - v. Willingness to accept new work and ability to incorporate work package growth within PSA schedule constraints.
  - vi. Judicious use of overtime where contractually authorized, striking the appropriate balance between cost and responsiveness.
  - vii. Development of an IMS that supports completing 70% of the production work by the 50% point of the PSA, including incorporation of all new and growth work.

- viii. Completing all requirements for availability work certification Key Events, in accordance with CNRMC Instruction 4700-C211/091, Surface Ship Availability Work Certification and Completion Requirements.
- ix. Timeliness of CDRL deliverables by rigorous adherence to deadlines
- b. Technical – Emphasis will be placed on accomplishing the PSA work package with quality workmanship and minimal re-work. Contractor ability to clearly identify and resolve shipboard production and test problems will be assessed. Accuracy of the work packages and test procedures is integral to success. Care and protection of the ship and equipment during an intrusive industrial environment is considered an important element of the PSA. Prevention of equipment damage and contamination from industrial debris and proactive protection including application of appropriate covers and proper utilization of storage facilities will be assessed. Maintenance of safe and clean work areas free from accumulated industrial debris and rubbish is essential. Measures of success include:
  - i. Quality of the workmanship as measured by equipment and material deficiencies identified during the Post Repair Trials conducted at the conclusion of the PSA and associated manhours required to correct them.
  - ii. Quality of workmanship as measured by the re-work required to correct defective repairs and deficient work performed on equipment and shipboard spaces as part of the PSA work package.
  - iii. Effectiveness of the Contractor to identify and quickly resolve safety, care, and protection problems on the ship during PSA.
  - iv. Quality, timeliness, and accuracy of Objective Quality Evidence (OQE) submittals during the availability certification process.
  - v. Overall Quality Assurance performance based upon the following metrics: first time quality of tests, inspections, and call outs, number of Government call outs rejected due to insufficient or poor quality, and the number and severity of CARs issued during the PSA.
- c. Cost – Emphasis will be placed on the Contractor's ability to provide realistic ROM estimates in a timely manner and the accuracy of the Estimate at Completion (EAC) during cost reporting throughout the PSA. Proactive identification of cost problems, to include timely variance analysis, and Contractor effectiveness in problem resolution will be evaluated. Implementation of cost savings techniques will be viewed favorably. Measures of success include:
  - i. Timely submittal of accurate ROM estimates to support the agreed upon PSA timeline. Particularly crucial is new work and growth identified during the course of the PSA and the prompt communication of any changes to ROM estimates and impacts to schedules.
  - ii. Accuracy of ROM estimates that track very closely to the actual costs at end of PSA with very little or no variance.
  - iii. When Subcontractors are used (especially when on a FFP basis), the prime contractor will be measured by its actions taken to ensure that full and open competition is

appropriately and effectively sought from multiple offerors and its actions to effectively negotiate fair and reasonable pricing when competition is not possible or appropriate. The contractor will demonstrate its ability to provide full transparency into its sourcing decisions, the basis of dollars and hours negotiated and how fair and reasonableness was determined.

- iv. Effective care, quality, and protection measures were taken to ensure government experienced no additional costs associated with re-work as a result of poor workmanship or for correcting equipment and compartment damage on the ship during PSA.

(h) Evaluation Periods/Award Fee Pool

(1) The following evaluation periods and associated award fee pools are hereby established. The Government reserves the right to adjust the evaluation period and allocation of award fee pool available for each period by unilateral contract modification, which shall be issued, if necessary, prior to the start of the evaluation period(s) being adjusted.

PERIOD NO.	EVALUATION PERIOD	AWARD FEE AVAILABLE	AWARD FEE EARNED
1	Award to	\$ TBD	\$ TBD
2		\$ TBD	\$ TBD
3		\$ TBD	\$ TBD

Note: The Award Fee Pool for each evaluation period for each CLIN shall be calculated as follows:

Award Fee Pool = (Percent of hours delivered during evaluation period) X (Section B CLIN Max Award Fee amount).

Where: Percent of hours delivered during the evaluation period = Actual prime contractor hours delivered during evaluation period for each Section B CLIN / Quantity of labor hours listed in Section B CLIN.

Only prime contractor hours shall be used in calculating the award fee pool.

- (2) There will be no rollover of unearned award fee.

(i) Performance Ratings

(1) In evaluating Contractor performance, the following adjective and numerical ratings will be used.

Award-Fee Adjectival Rating	Award-Fee Pool Available To Be Earned	Description
Excellent	>90%-100%	Contractor has exceeded almost all of the significant award-fee criteria and has met overall cost, schedule, and technical performance requirements of the contract in the aggregate as defined and measured against the criteria in the award-fee plan for the award-fee evaluation period.
Very Good	>75%-90%	Contractor has exceeded many of the significant award-fee criteria and has met overall cost, schedule, and technical performance requirements of the contract in the aggregate as defined and measured against the criteria in the award-fee plan for the award-fee evaluation period.

Good	>50%-75%	Contractor has exceeded some of the significant award-fee criteria and has met overall cost, schedule, and technical performance requirements of the contract in the aggregate as defined and measured against the criteria in the award-fee plan for the award-fee evaluation period.
Satisfactory	No Greater Than 50%	Contractor has met overall cost, schedule, and technical performance requirements of the contract in the aggregate as defined and measured against the criteria in the award-fee plan for the award-fee evaluation period.
Unsatisfactory	0%	Contractor has failed to meet overall cost, schedule, and technical performance requirements of the contract in the aggregate as defined and measured against the criteria in the award-fee plan for the award-fee evaluation period.

(j) Maximum Fee

In no event shall the total fee (base fee plus award fee) under this contract exceed 10% percent of total estimated cost.

(k) Payment of Award Fee

The Contractor shall be paid award fee, if any, upon submittal of a proper invoice or voucher to the cognizant Payment Office, together with a copy of the unilateral modification to the contract authorizing payment of award fee for the applicable Evaluation Period. The Contractor's invoice shall show the amount of award fee payable to each sub-line item, which shall be directly proportionate to the amount or allowable Estimated Cost (exclusive of base fee and FCCOM) incurred by the Contractor during the Evaluation Period. The Contractor's invoice must cite the appropriate accounting data in order for payment to be affected. There will be no provisional, interim, or advance billing of award fee prior to a final determination of the FDO and execution by the contracting officer of a contract modification authorizing payment.

(l) Award Fee Determination in Event of Termination or Discontinuance

In the event that this contract is terminated in whole or pursuant to the contract clause entitled "Termination (Cost-Reimbursement)" (FAR 52.249-6) or in the event this contract is discontinued pursuant to the contract clause entitled "Limitation of Cost" (FAR 52.232-20), the last award fee period shall end with the effective date of such termination or discontinuance. In either of such events, the amount of award fee, if any, determined to be otherwise payable shall be adjusted or prorated to reflect the difference, if any, in award fee periods resulting from termination or discontinuance.

(End of text)

## B-231-H002 WORKSITE TRAVEL COSTS (NAVSEA) (OCT 2018)

- (a) The contractor shall not charge, and the Government shall not pay, as an allowable cost under this contract, any manhour costs (whether straight-time or overtime) for contractor personnel or subcontractor personnel traveling to or from worksites, including travel to worksites other than the contractor's facility for performance of contract work.
- (b) Workers being paid under this contract, as prime contractor personnel or subcontractor personnel, will complete a full shift at the worksite, and no compensation will be paid for travel time before or after the shift.

(c) This requirement pertains only to payments for travel time before or after these workers' regular shifts (commuting costs), and does not apply to legitimate travel costs incurred during normal working hours, provided that those costs are otherwise reasonable, allocable and allowable and approved in writing by the Government. This requirement does not apply to manufacturer's representatives or Original Equipment Manufacturer (OEM) representatives when specifically required by the Government work specifications.

(d) Additionally, the contractor shall not charge, and the Government shall not pay, any transportation costs under this contract associated with transporting contractor or subcontractor personnel between the contractor's facility (or subcontractor's facility), and any other worksite to perform ship repair, maintenance or modernization. Transportation costs include, but are not limited to, bus fare, car fare, train fare, or boat fare, paid by the work force, or paid by the contractor on behalf of the work force.

(End of text)

#### B-232-H005 PAYMENTS OF FEE(S) (LEVEL OF EFFORT)--ALTERNATE I (NAVSEA) (OCT 2018)

(a) For purposes of this contract, "fee" means "target fee" in cost-plus-incentive-fee type contracts, "base fee" in cost-plus-award-fee type contracts, or "fixed fee" in cost-plus-fixed-fee type contracts.

(b) The Government shall make payments to the Contractor, subject to and per the clause in this contract entitled "Fixed Fee" (FAR 52.216-8) or "Incentive Fee", (FAR 52.216-10), as applicable. Such payments shall be submitted by and payable to the Contractor pursuant to the clause of this contract entitled "Allowable Cost and Payment" (FAR 52.216-7), subject to the withholding terms and conditions of the "Fixed Fee" or "Incentive Fee" clause, as applicable. Fee paid per hour shall be based on total fee dollars divided by total hours to be provided. Total fee(s) paid to the Contractor shall not exceed the fee amount(s) set forth in this contract. In no event shall the Government be required to pay the Contractor any amount in excess of the funds obligated under this contract.

(End of text)

#### CLAUSES INCORPORATED BY FULL TEXT

#### B-232-H006 LIMITATION OF COST OR LIMITATION OF FUNDS CLARIFICATION (NAVSEA) (OCT 2018)

The clause entitled "Limitation of Cost" (FAR 52.232-20) or "Limitation of Funds" (FAR 52.232-22), as appropriate, shall apply separately and independently to each separately identified estimated cost.

(End of text)

## Section C - Descriptions and Specifications

### STATEMENT OF WORK

This contract is for the Post Shakedown Availability (PSA) execution of two DDG 51 class guided missile destroyers in the homeport of Mayport, Florida. A PSA encompasses the correction of Government responsible trial card deficiencies, completion of new work identified between ship custody transfer and the start of PSA, the incorporation of approved engineering changes, and other work items as required by the Government. All work shall be accomplished in accordance with NAVSEA Standard Items using the Government Fiscal Year (GFY) in which the availability will be executed unless otherwise directed by the Government. The Contractor shall comply with all applicable guidance under the latest revision of NAVSEA TECHNICAL PUBLICATION S0570-AC-CCM-010/8010 INDUSTRIAL SHIP SAFETY MANUAL FOR FIRE PREVENTION AND RESPONSE. The statement of work described herein is applicable to all Section B CLINs.

1.0 Management, Planning, Engineering, Design, Liaison, and Scheduling: The Contractor shall provide all efforts which support the total Post Shakedown Availability (PSA) for JOHN BASILONE (DDG 122), and if the option is exercised, HARVEY C. BARNUM JR. (DDG 124), to include program management, planning, estimating, engineering, design, liaison, scheduling, and participation in PSA Planning Conferences and Design Reviews. The Contractor's management efforts shall be those necessary to complete the following tasks:

1.1 The Contractor shall develop a key events schedule to support Combat System testing, scheduling of critical work item networks, material ordering schedules, and Post Repair Trials (PRTs).

1.2 The Contractor shall generate a complete technical analysis of anticipated problems including identification of the potential impact of each problem and recommendations for corrective action.

1.3 For each PSA, the Contractor shall support and attend the following meetings and conferences as described below:

- Two PSA Planning Conferences including the PSA Work Package Scrub, and any required splinter sessions prior to PSA commencement (Note: Travel may be required to the vessel's Build Yard due to ship schedules)
- Weekly design Reviews during the PSA
- Daily logistics status meeting during the PSA
- Daily combat systems meeting during the PSA
- Daily production meeting during the PSA to review status of all critical path and near term PSA milestone related work items.
- Other meetings as directed by the Contracting Officer's Representative (COR)
- Weekly Cost meeting during the PSA
- Weekly Schedule Performance meeting during the PSA

1.4 The Contractor shall maintain central files or record copies that shall include reproducible copies (including CD-R) of the data that are generated for delivery under this contract, and provide real time access to the government within a 24 hour period of request.

1.5 Upon request, the Contractor shall assist the PSA Planning Yard with revisions to Ship Selected Record drawings and data to reflect the accomplishment of work accomplished by the executing yard during the PSA.

1.6 In identifying and providing material requirements and long lead items lists to meet the requirements of the work specifications, the Contractor shall to the maximum possible extent, utilize equipment and components identical to those of the DDG 51 Class ships.

1.7 The Contractor shall provide assistance, as requested by the Government certification test and inspection personnel, to support certifications or re-certifications required as a result of work accomplished during the PSA.

1.8 The Contractor shall participate in Final Contract Trials (FCT) and subsequent trial card screening sessions, in an observer capacity, for the purpose of becoming familiar with the ship and the FCT deficiencies.

1.9 The Contractor shall provide a man-loading chart depicting proposed manning from the start of the availability to the completion. During PSA, the Contractor shall provide, on a weekly basis, the planned manning schedule versus the actual manning achieved. The data shall be presented both numerically as well as graphically.

1.10 The Contractor shall provide earned value metrics on a weekly basis from the start of the availability to the completion. The data shall depict budgeted vs. actual costs and schedule performance both graphically and numerically. Prior to and during PSA, the Contractor shall provide regular EAC status reports. All EACs shall be accompanied by the applicable Direct Production Labor (DPL) for both the prime and subcontractor effort. Reports shall be provided monthly beginning three months prior to PSA Start (A-3), then weekly during PSA until the Shipbuilding Conversion, Navy (SCN) Obligation Work Limiting Date (OWLD).

1.11 At the beginning of week three of the PSA, the Contractor shall develop and provide a Compartment Close-out schedule to support the scheduled accomplishment of key milestones. The Contractor shall provide updates as required until all compartments have been turned over to the Government.

1.12 Prior to the start of PSA the Contractor shall develop and provide an Integrated Master Schedule (IMS) that will link all work item activities with the key milestones in accordance with NAVSEA Standard Item (SI) 009-60. In addition to the requirements defined in 009-60 the IMS shall integrate all work tasked to the Contractor for accomplishment during the PSA, as well as work tasked to the PSA Planning Yard, New Construction Shipbuilder deferred and warranty work, and all work to be accomplished by Alteration Installation Teams (AITs). The Government will coordinate schedules and points of contact for all work to be integrated that is not tasked to the Contractor. The IMS shall be structured such that 70% of production work is complete by the 50% point of the PSA, and that work tasked to the contractor that affects Combat Systems (C/S) and Hull Mechanical and Electrical (HM&E) testing is complete by the Command, Control, Communications, Computer, Combat Systems, and Intelligence Light-Off (C5ILO) and PCD Milestones, in accordance with NAVSEA SI 009-117 and 009-43. C5ILO and PCD milestones will be determined by the government and provided to the contractor at contract or option award. The Contractor shall provide updates to the IMS as required until the conclusion of the PSA. All work tasked to the Contractor shall be complete two weeks prior to the conclusion of the PSA to support Light Off Assessment (LOA), Safe To Operate Vessel (STOV), and PRT.

1.13 The Contractor shall develop and maintain a Test and Inspection Plan in accordance with NAVSEA SI 009-04. The Contractor shall support responses to requests by the COR and applicable NSA personnel for Objective Quality Evidence (OQE) and condition found reports.

1.14 The Contractor shall develop, implement and maintain a Data Management System for deliverable documentation generated by the Contractor and its subcontractors/vendors. The Contractor shall submit deliverables in accordance with **Contract Data Requirements List, DD Form 1423, Exhibit A**.

1.15 The Government maintains an Integrated Data Environment (IDE). The Contractor will be provided access to the IDE and shall submit all data deliverables through the IDE. Data shall be submitted via

the IDE using Microsoft Word, Microsoft Excel, Microsoft PowerPoint, Microsoft Project, or PDF file formats unless otherwise agreed to by the Government. No paper copies shall be delivered unless otherwise agreed to by the Government.

1.16 For those data items requiring approval, approval will be based on technical content and compliance with this Statement of Work (SOW) and all contract Attachments. The Contractor shall modify disapproved documents in accordance with the comments provided by the Government and resubmit for Government reconsideration. Documents that are approved with comment may be considered acceptable if The Contractor acknowledges the Contractor's agreement with the Government's comments.

1.17 The Contractor shall maintain, through warranty expiration of the PSA assemblies under this contract, central files or record copies that shall include reproducible copies (including originals, electronic media, etc., as appropriate) of all data generated under this contract. The Contractor shall provide copies of data, at no additional cost to the Government, as directed by the Government. The Contracting Officer may direct delivery, transfer or disposal of this data prior to the end of performance under this contract, at no additional cost to the Government.

1.18 All GFI is the property of the U.S. Government and shall not be transferred to any individual or agency or entity, public or private, without the express written approval of the Contracting Officer except as required for the specific performance of tasks under this contract

2.0 Accomplishment of PSAs for JOHN BASILONE (DDG 122), and if the option is exercised, HARVEY C. BARNUM JR. (DDG 124):

2.1 The Contractor shall provide all labor, material, and other direct costs required to accomplish all work items identified by the Government to complete the PSA inclusive of test and trials, as authorized by Technical Instructions. The Contractor shall accomplish all production work including but not limited to temporary protection services, cleaners/laborers, transportation services and production supervision above the leading man-level. The Contractor shall be required to accomplish installation and repair of Passive Counter Measure System Tile and shall have access to personnel certified in PCMS tile application and facilities qualified for PCMS tile storage

2.2 Equipment, single system and integrated ship system level tests shall be conducted to demonstrate operations and contract compliance as specified in work item specifications.

2.3 PRTs shall be conducted in accordance with Section 094 of the DDG 51 Class ship specifications except as follows:

a. PRT will be conducted by the Government. The operation and navigation of the ship will be under control of the Government. The Contractor shall provide a sea trial coordinator and agreed upon craft personnel, including supervision, to effect emergent repairs during PRTs. The Contractor shall participate in PRT card screening sessions.

b. Correction of deficiencies identified during PRTs shall be completed by the Contractor prior to end of PSA. Exceptions shall be as agreed upon by the Contracting Officer with concurrence with the on-site COR.

2.4 The Test Procedures used to conduct the test shall be those applicable procedures from the Testing Index and Test Numbering System for DDG 51, NAVSEA DWG 802-6215563 Revision CT or latest revision as directed by the Government. The Contractor shall prepare a Test Plan that includes a test index, test procedures and test schedule that addresses all equipment and systems impacted by work performed during the PSA. The tests shall be run as specified in work item specifications. Test documentation not furnished by the Government as part of the work item specification shall be developed by the Contractor.

2.5 The Contractor shall provide ship services and test support personnel during the conduct of Government responsible tests and trials. The Contractor shall test or re-test all supporting and interfacing equipment, systems, and structures involved in new installations to ensure completeness and proper operation. The Contractor shall



develop and submit recommended trial agenda items to the on-site COR for approval and provide trial support. The Contractor shall coordinate its Test Plan with Ship's Force and on-site COR. Results of tests and trials shall be documented by Test Reports.

2.6 The Contractor shall provide onboard spare parts and test equipment for all Contractor procured equipment which is different from that previously installed onboard the ship. The range and depth of spare parts shall be in accordance with documented manufacturer's recommendations to support the ship for ninety (90) days.

2.7 Notwithstanding the requirements set forth in the ship specifications, the Contractor shall not be required to conduct non-recurring tests such as shock, noise, vibration or reliability and maintainability on equipment, systems and interfaces for Government Furnished Equipment (GFE), unless any such nonrecurring test is specifically required to be conducted by a work item specification. The Contractor shall conduct first article tests contingent upon obtaining Government approval to deviate from previously qualified equipment.

2.8 The Contractor shall provide additional engineering, planning, facilities, and management labor to complete Emergent Work identified prior to, or after PSA. This work is to accomplish Government-responsible work identified after delivery, which must be accomplished on an as-needed basis to support test and trials and FCT prior to the start of the PSA as authorized by Technical Instructions.

2.9 The Contractor shall provide engineering, design, planning, and additional industrial support to support the implementation of Ship Alterations (SHIPALTs) selected for installation during the PSA, and fleet maintenance items screened by the Type Commander to PSA, as authorized by Technical Instructions. The SHIPALTs and maintenance actions will be selected and individually funded after contract award. The Contractor shall accomplish engineering, design and production work including temporary protection services, cleaners/laborers, transportation services and production at the leading man-level and below. The Contractor shall provide all material and other direct costs necessary to support the performance of this effort.

2.10 The Contractor shall provide office space and non-personal services such as reproduction and telephone services for the AEGIS Program Office and cognizant Supervisor of Shipbuilding, Construction, and Repair (SUPSHIP)/Naval Supervising Activity (NSA) representatives, Test Team and other Contractor personnel, including Huntington Ingalls Industries, Inc. (HII) and Bath Iron Works, Inc. (BIW) representatives. Facilities shall be provided for up to sixty persons. The Contractor shall provide a conference room with seating for up to thirty persons. The Contractor shall provide facilities within 400 yards of the ship starting three weeks prior to the ship's arrival and continuing through two weeks after the end of the PSA.

The facilities and services to be provided by the Contractor shall be similar to those provided by the Contractor for its own management personnel.

2.11 CLIN 0103 is the Not Separately Priced (NSP) CDRL for data to be delivered for CLIN 0001, and all other CLINs if the options are exercised. The data to be furnished hereunder shall be prepared in accordance with Contract Data Requirements List, DD Form 1423, Exhibit(s) A, attached hereto.