

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT

1. CONTRACT ID CODE 01		PAGE OF PAGES 1 3	
2. AMENDMENT/MODIFICATION NO. 22	3. EFFECTIVE DATE 08/01/2005	4. REQUISITION/PURCHASE REQ. NO. N/A	5. PROJECT NO. (If applicable)
6. ISSUED BY Procurement Office George C. Marshall Space Flight Center National Aeronautics and Space Administration Marshall Space Flight Center, AL 35812	CODE PS-31/MEE	7. ADMINISTERED BY (If other than Item 6) Daniel J. Fuller 256-544-5767 (Voice) 256-544-3223 (Fax)	

8. NAME AND ADDRESS OF CONTRACTOR (No., street, county, State, and Zip Code) EG&G Technical Services, Inc. 900 Clopper Road Gaithersburg, MD 20878	<input checked="" type="checkbox"/>	9A. AMENDMENT OF SOLICITATION NO.
		9B. DATED (SEE ITEM 11)
	<input checked="" type="checkbox"/>	10A. MODIFICATION OF CONTRACT/ORDER NO. GS-10F-0038M/H36049D
		10B. DATED (SEE ITEM 13) Effective Date August 1, 2003

11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS

The above numbered solicitation is amended as set forth in Item 14. The hour and date specified for receipt of Offers is extended, is not extended. Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended, by one of the following methods:

(a) By completing Items 8 and 15 and returning _____ copies of the amendment; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or telegram which includes a reference to the solicitation and amendment numbers. FAILURE OF YOUR ACKNOWLEDGMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER. If by virtue of this amendment you desire to change an offer already submitted, such change may be made by telegram or letter, provided each telegram or letter makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.

12. ACCOUNTING AND APPROPRIATION DATA (If required)
N/A

13. THIS ITEM APPLIES ONLY TO MODIFICATIONS OF CONTRACTS/ORDERS, IT MODIFIES THE CONTRACT/ORDER NO. AS DESCRIBED IN ITEM 14.

<input checked="" type="checkbox"/>	A. THIS CHANGE ORDER IS ISSUED PURSUANT TO: (Specify authority) THE CHANGES SET FORTH IN ITEM 14 ARE MADE IN THE CONTRACT ORDER NO. IN ITEM 10A.
	B. THE ABOVE NUMBERED CONTRACT/ORDER IS MODIFIED TO REFLECT THE ADMINISTRATIVE CHANGES (such as changes in paying office, appropriation data, etc.) (SET FORTH IN ITEM 14, PURSUANT TO THE AUTHORITY OF FAR 43.103b).
<input checked="" type="checkbox"/>	C. THIS SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF: FAR Clause 52.212-4(c) Contract Terms and Conditions - Commercial Items, Changes
	D. OTHER (Specify type of modification and authority)

E. IMPORTANT: Contractor is not, is required to sign this document and return 3 copies to the issuing office.

14. DESCRIPTION OF AMENDMENT/MODIFICATION (Organized by UCF section headings, including solicitation/contract subject matter where feasible.)				
	Total Fixed Price, FFP Lump Sum	Total Not-to-Exceed FFP IDIQ	Total Not-to-Exceed Contract Value	Total Sum Allotted
Prev. Base Total	\$22,310,405	\$16,976,719	\$39,287,124	\$17,370,393.50
This Modification	\$0	\$0	\$0	\$0
New NTE Amount	\$22,310,405	\$16,976,719	\$39,287,124	\$17,370,393.50

SEE PAGE 2 FOR DESCRIPTION OF CHANGES

Except as provided herein, all terms and conditions of the document referenced in Item 9A or 10A, as heretofore changed, remains unchanged and in full force and effect

15A. NAME AND TITLE OF SIGNER (Type or print) Francis G. Hayes, Program Manager		16A. NAME AND TITLE OF CONTRACTING OFFICER (Type or print) Daniel J. Fuller	
15B. CONTRACTOR/OFFEROR Original Signed By: /s/ Francis G. Hayes (Signature of person authorized to sign)	15C. DATE SIGNED 08 Jul 2005	16B. UNITED STATES OF AMERICA Original Signed By: /s/ Daniel J. Fuller (Signature of Contracting Officer)	16C. DATE SIGNED 7/08/2005

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT
(Continued)

The purpose of this modification is to revise Attachment 3, Performance Requirements Summary, as shown below:

A. In Attachment 3, "Performance Requirements Summary," page 3-3, the following paragraph is added:

"G. Method of deduction.

1. Deductions for defects in either safety or security, defects that result in notice of violation, audit findings by EPA or ADEM (Section 3.0, Environmental Services), major audit findings in other contract sections, embarrassment to MSFC, fines, or failure to comply with Government regulations shall be calculated as specified in the Performance Requirement Summary (PRS) examples. These shall be full deductions.
2. All other deductions shall be calculated as specified in the PRS examples and adjusted as shown below.
 - i. PRS calculation times 25% for the first month a deduction is invoked for a specific work requirement.
 - ii. PRS calculation times 50% for the second month a deduction is invoked for the same work requirement.
 - iii. PRS calculation times 75% for the third month a deduction is invoked for the same work requirement.
 - iv. Full PRS calculation for four or more months a deduction invoked for the same work requirement.

Note that increasing deduction adjustment is based on a specific work requirement such as Hazardous and Controlled Waste Management and not the four performance measures for this work requirement.

The adjusted deduction shall be applied by contract year for all years other than award term periods. The adjusted process shall apply from the beginning of the first award term period until completion of all award term periods as if they are a single contract period. "

B. In Attachment 3, "Performance Requirements Summary," page 3-4, a different work requirement for Environmental Services is provided in the example.

C. In Attachment 3, "Performance Requirements Summary," page 3-5, example 1 is changed due to the changes provided in paragraph A above and example 2 is changed due the different work requirement provided in paragraph B above.

In Attachment 3, "Performance Requirements Summary," page 3-6, example 3 is changed due to the changes provided in paragraph A above and example 4 is changed due to the changes made above in examples 1 through 3.

E. Contractor's Statement of Release.

In consideration of the modification(s) agreed to herein as complete equitable adjustment for all claims arising out of or attributable to the issuance of the contract changes(s) and/or contractor proposal(s) listed below, the contractor hereby releases the Government from any and all liability under this contract for further equitable adjustments attributable to such facts or circumstances giving rise to said contract change(s) and/or contractor proposal(s), and for such additional obligations as may be required by this modification.

Contract
Change Identification

Modification 22

F. The modifications made to the order above are reflected in total on the change pages enclosed herewith. In order to reflect the changes made, the pages listed below are hereby deleted from, or added to, H36049D. A vertical change bar is included in the right margin to indicate the specific areas of change.

Page(s) Deleted

Attachment 3, pp. 3-3 to 3-6

Page(s) Added

Attachment 3, pp. 3-3 to 3-6

For report submissions, each day the report is late is counted as an additional incident. Example: If the report is due the 15th of the month and it is submitted on the 19th, four incidents will be noted.

2. Quality or documentation MADR for all work. The MADR reflects work units that do not meet specified requirements and standards. Example: If the MADR allows 2 incidents, when the 3rd incident occurs deductions will be made.
3. Clause Relationships. See Clause 12, Method of Deductions, for relationship to the PRS.
4. IDIQ. The Performance Requirements Summary for IDIQ applies to each individual IDIQ order.

G. Method of deduction.

1. Deductions for defects in either safety or security, defects that result in notice of violation, audit findings by EPA or ADEM (Section 3.0, Environmental Services), major audit findings in other contract sections, embarrassment to MSFC, fines, or failure to comply with Government regulations shall be calculated as specified in the Performance Requirement Summary (PRS) examples. These shall be full deductions.
2. All other deductions shall be calculated as specified in the PRS examples and adjusted as shown below.
 - i. PRS calculation times 25% for the first month a deduction is invoked for a specific work requirement.
 - ii. PRS calculation times 50% for the second month a deduction is invoked for the same work requirement.
 - iii. PRS calculation times 75% for the third month a deduction is invoked for the same work requirement.
 - iv. Full PRS calculation for four or more months a deduction invoked for the same work requirement.

Note that increasing deduction adjustment is based on a specific work requirement such as Hazardous and Controlled Waste Management and not the four performance measures for this work requirement.

The adjusted deduction shall be applied by contract year for all years other than award term periods. The adjusted process shall apply from the beginning of the first award term period until completion of all award term periods as if they are a single contract period.

(End of Clause)

EXAMPLES OF CONTRACTOR DEDUCTIONS USING THE BID STRUCTURE AND THE PRS

FROM THE PRS:

Work Requirement	Performance Measure	Performance Standards	Maximum Allowable Defect Rate	Method of Surveillance	Weight
General Requirements Contractor Program Management (PWS 1.2.A, 1.2.C, 1.2.D, 1.2.E, 1.2.F, 1.4, 1.5, and 1.6)	Quality of Management Commitment and Employee Involvement in the MOP	Managing Day-to-Day Operations as Specified in the Management Operating Plan (MOP) (DRD 988MA-001), Handling All Employment Matters (including training and security) relating to Contractor Employees, Ensuring that the Contractor Employee Relationship with National Aeronautics and Space Administration (NASA) Government Employees is in Accordance With (IAW) the Contractor's MOP, and that all Delivered Services meet the Performance Standards Identified in the Contract.	2 Incidents Incidents include but are not limited to each safety mishap, failure to provide quality control of program activities, failure to implement an element of the MSFC or LSD values, recurrence of process problems, failure to meet requirements of food services and retail store, and failure of employees to comply with applicable regulations and directives.	Customer Comments, Periodic Inspections, Audit Findings, Monthly Reports	20% 60%
		No Management Practices Different from the Activities Specified in Contractor's MOP.	Percent Deduct for Defect Rate 3 defects = Loss of 25% deduct 4 defects = Loss of 50% deduct 5 or more defects = Loss of 100% deduct		
		Balance and Implementation of MSFC and Logistics Service Values into Management Program and Plan.			
Reports (DPD 988, excluding (988-EE DRD's))	Quality	Reports meet the content requirements as specified in DPD 988 and are error free.	5 Incidents Incidents include but are not limited to each late submission of reports and each error discovered in reports.	Periodic Inspections, Review of Monthly Reports	5%
	Timeliness	Reports are submitted per DPD 988 or as required in Attachment 1.	Percent Deduct for Defect Rate 6-10 defects = Loss of 25% deduct 11-15 defects = Loss of 50% deduct 16 or more defects = Loss of 100% deduct		
Environmental Services Air Management (PWS 3.2.A.5)	Quality and Timeliness	No Notice Of Violations Or Other Deficiencies.	0 Incidents Percent Deduct for Defect Rate 1 or more Defects = Loss of 100% deduct	Regulatory or other inspections	9% 10%

Note: Paragraphs and requirements column refer to Attachment 1.

Example 1

Assume the contractor submits a report (DRD 988MA-005, Contractor Cost Report) three (3) days late. Upon review by the Government, four (4) errors are noted in a report (DRD 988MA-005, Contractor Cost Report). The timeliness standard is per DPD 988. The quality requirement is no errors. The MADR for General Requirements (Reports) is 5 incidents per reporting period. A total of 7 incidents are noted for the evaluation period. Since seven incidents exceed the MADR, the Contractor will be assessed deductions as follows:

Total Contract Billing for One Year is \$11,000,000 (excluding IDIQ).
 Total Contract Billing for One Month is \$11,000,000/12 Months is \$917,000 per month.
 Maximum total deduct is \$917,000 X 0.10 = \$91,700/month
 Value for General Requirements is \$917,000 x 20% (overall PWS section weight) = \$183,400

Total Deduction for this requirement is as follows:

Price for Requirement	x	Weight	x	Percent Deduct for Defect Rate	=	Total Deduction For This Requirement
\$183,400	x	5%	x	25%		\$2,292.50

The proposed deduction modification would be applied to Example 1.

If a first month occurrence, \$2,292.50 x 25% = \$573.13

If a second month occurrence, \$2,292.50 x 50% = \$1,146.25

If a third month occurrence, \$2,292.50 x 75% = \$1,719.38

For four or more months, \$2,292.50 x 100% = \$2,292.50

\$2,292.50 deduct is within the 10% cap and may be included as a full deduct.

Example 2

Assume the EPA issues a notice of violation for Air Management. The performance standard is no notice of violation. Therefore, the MADR was exceeded. The Contractor will be assessed deductions as follows:

Total Contract Billing for One Year is \$11,000,000 (excluding IDIQ).
 Total Contract Billing for One Month is \$11,000,000/12 Months is \$917,000 per month.
 Maximum total deduct is \$917,000 X 0.10 = \$91,700/month

Value for Environmental Services is \$917,000 x 9% (weight) = \$82,530

Total Deduction for this requirement is as follows:

Price for Requirement	x	Weight	x	Percent Deduct for Defect Rate	=	Total Deduction For This Requirement
\$82,530	x	10%	x	100%		\$8,253

The \$8,253 deduct is within the 10% cap and will be included as a full deduct.

Example 3

Assume the contractor has 1 security incident (parking ticket), 1 safety mishap (car accident), and 1 employee whose certification expired. The MADR is 2 incidents per period. A total of 3 incidents are noted for the evaluation period. Since 2 incidents exceed the MADR for General Requirements (Contractor Program Management), the Contractor will be assessed deductions as follows:

Total Contract Billing for One Year is \$11,000,000 (excluding IDIQ).
 Total Contract Billing for One Month is \$11,000,000/12 Months is \$917,000 per month.
 Maximum total deduct is \$917,000 X 0.10 = \$91,700/month

Value for General Requirements is \$917,000 x 20% (overall PWS section weight) = \$183,400

Total Deduction for this requirement is as follows:

Price for Requirement	x	Weight	x	Percent Deduct for Defect Rate	=	Total Deduction For This Requirement
\$183,400	x	60%	x	25%		\$27,510

The proposed deduction modification would be applied to Example 3.

If a first month occurrence, \$27,510 x 25% = \$6,877.50

If a second month occurrence, \$27,510 x 50% = \$13,755

If a third month occurrence, \$27,510 x 75% = \$20,632.50

For four or more months, \$27,510 x 100% = \$27,510

The \$27,510 deduct is within the 10% cap and may be included as a full deduct.

Example 4

The examples in 1, 2 and 3 above occurred in the same month and example 1 was a first occurrence and example 3 was a third occurrence.

The deducts are \$573.13 + \$8,253 + \$20,632.50 = \$29,458.63

The \$29,458.63 deduct is within the 10% cap and will be included as a full deduct.