



UNCLASSIFIED



U.S. Army Contracting Command

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Small Caliber Second Source Industry Day # 2

Draft RFP W52P1J-10-R-0203

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Charlie Cording

November 30, 2010





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Agenda

- Opening Remarks
- Purpose
- Disclaimer
- Acquisition Strategy
- Technical/Quality Requirements
- Deliveries
- Economic Price Adjustment (EPA)
- Evaluated Options
- Evaluation
- Summary
- Questions/Answers



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Opening Remarks

- Mr. Bill Sanville



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Purpose

The purpose of today's industry day is to present a summary of the draft RFP, answer the contractor's submitted questions, and RECEIVE feedback on the Draft RFP.



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Disclaimer

- This is a Draft RFP
- All items in planning stages
- Milestones and other time frames are estimates
- Numbers/Quantities are estimates only
- Do not rely on information presented today in formulating your proposal
- The Government is NOT bound by any of the quantities presented today
- No Government Personnel except for the Contracting Officer can make any commitments for the Government



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Acquisition Strategy

- Milestones
 - 08 Nov 10 Draft RFP Released
 - 30 Nov 10 Industry Day #2
 - 14 Dec 10 Industry Comments/Questions Due
 - 14 Feb 11 Release Formal RFP
 - 29 Mar 11 Proposals Due
 - 23 Sep 11 Contract Award



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Acquisition Strategy

This acquisition is to compete the following items:

DODIC	NSN	Nomenclature
AA33	1305-01-457-4589	Ctg.-5.56mm M855 Ball(10-Rd. Clip)
A059	1305-01-155-5459	Ctg.-5.56mm M855 Ball(10-Rd. Clip)
A062	1305-01-258-8692	Ctg.-5.56mm M855 Ball w/M27 Link (SAW)
A064	1305-01-252-0153	Ctg.-5.56mm (4) M855 Ball/(1) M856 Tracer w/M27 Link
A080	1305-00-182-3217	Ctg.-5.56mm M200 Blank(20-Rd. Carton)
AB56	1305-01-559-3332	Ctg.-5.56mm M855A1 Ball(Linked)
AB57	1305-01-559-3333	Ctg.-5.56mm M855A1 Ball(10-Rd. Clip)
AB58	1305-01-559-3335	Ctg.-5.56mm M855A1 Ball(10-Rd. Clip)
A131	1305-01-569-2912	Ctg.-7.62mm (4) M80 Ball/(1) M62 Tracer w/M13 Link
A143	1305-01-569-2917	Ctg.-7.62mm M80 Ball w/M13 Link
A555	1305-00-028-6574	Ctg.-.50 CAL M33 Ball Linked
A557	1305-01-370-2594	Ctg.-.50 CAL (4) M33 Ball/(1) M17 Tracer Linked



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Acquisition Strategy

- Competition Limited to the NTIB (6.302-3)
 - Tracer Bullet and Magnesium Powder Exceptions
 - List of Components/Raw Material
 - Additional Items Currently Under Consideration
 - Gum Tragacanth, Gum Arabic, Barium Nitrate, Antimony Sulfide, Aminate, PETN and M80 Bullet Jacket Cup
- Best Value
 - Employ Best Value Source Selection Techniques with Factors Other than Price Weighing in the Award Decision



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103. Question: Section A, page 3, paragraph 6. Offerors are requested to provide the Government feedback on any and all components, to include raw material, which cannot be obtained in the NTIB. Will the Government consider allowing the following items to be obtained from OCONUS suppliers since they are only available outside the NTIB?

Microcrystalline Cellulose – used in the point filler material for M33

Lead Nitrate

Barium Nitrate

Amino Guanidine

Sodium Picramate

Gum, Tragacanth

Gum, Arabic

Antimony Sulfide

Aminate

PETN

M80 Bullet Jacket Cup

Also, lead antimony CAN be purchased within the NTIB but it's very expensive. Will the Government also consider adding Lead Antimony to the above list?

Answer: The Government is currently assessing this request. Detailed supporting data is required for any exceptions proposed.



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Acquisition Strategy

- LCAAP Excluded for Manufacturing
 - Armament Retooling Manufacturing Support (ARMS) Exception
 - Link Manufacturing Not An ARMS Tenant
- Evaluation/Award Scenarios
 - The Government will award a single contract which will include all three caliber families. Multiple awards will not be made.



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Acquisition Strategy

- Capacity/Quantities
 - Base Award (50M Award, FY11)
 - 5.56mm: 40.3M
 - 7.62mm: 6.3M
 - Caliber .50: 3.3M
 - Each Option Award (150M Maximum, FY12-FY15)
 - 5.56mm: 121M
 - 7.62mm: 19M
 - Caliber.50: 10M
 - Maximum 650M Cartridges



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Acquisition Strategy

- Base Award Quantity By DODIC (50M Cartridges)
 - A059 5.56mm M855 Ball, 10 Round Clip 25.3 M
 - A064 5.56mm Linked, 4/1 M855 Ball/M856 Tracer 10.0 M
 - AB57 5.56mm M855A1 Ball, 10 Round Clip 5.0 M
 - A131 7.62mm Linked, 4/1 M80 Ball/M62 Tracer 6.3M
 - A557 50 Caliber Linked, 4/1 M33 Ball/M17 Tracer 3.3M
- Each Option Award of 150M Cartridges
 - Maximum Family Quantity per DODIC for Pricing



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Acquisition Strategy

- Period of Performance (FY11 – FY15)
 - Base Award + Four (4) Evaluated Options
 - Option 1 (1 Oct 11 to 30 Sep 12)
 - Option 2 (1 Oct 12 to 30 Sep 13)
 - Option 3 (1 Oct 13 to 30 Sep 14)
 - Option 4 (1 Oct 14 to 30 Sep 15)



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Technical/Quality Requirements

- Must Manufacture to U.S. TDPs
- Quality Assurance Clauses and Provisions are contained in Section E & Section I of the draft RFP
- Government Furnished Ammunition will be provided in accordance with clause 52.245-4538
- Government Furnished Test Support Equipment will be provided in accordance with clause 52.245-4538
- Packaging/Palletization/Marking requirements are contained in Section D of the RFP.



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Technical/Quality Requirements

- Technical Data Package (TDP)
 - The Technical Data Package (TDP) will be provided as noted in the draft RFP upon request to the Contracting Officer. Drawings for the TDP are Distribution D and available to only those firms registered with the US/Canada Joint Certification Program (JCP). For information on becoming certified, see www.dlis.dla.mil/jcp.
 - Restricted technical data will not be forwarded to a contractor who has not been certified. A copy of the certified DD 2345 is required with written request to the Contracting Officer in order to receive the drawings.
 - The Government is in the process of recertifying the TDPs. The recertified TDPs will need to be requested when the formal RFP is released. Section C Drawings/Specifications Clause (52.210-4501) may change for formal RFP due to recertification.



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Deliveries

- With FAAT
 - Deliveries complete 540 days after award
- With FAAT M855A1 Base
 - Deliveries complete 720 days after award
- Without FAAT
 - Deliveries complete 420 days after award
- FOB Origin
 - Government will only be responsible for shipment of the deliverable end item and the contractor will be responsible for all other shipping.



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Economic Price Adjustment (EPA)

- Proposal
 - Contractor Must Submit Actual Copper Price (DODICs)
 - EPA Worksheet (Attachment 0009)
 - Supporting Quote from Their Vendor
- Contract
 - Increases or Decreases in CLIN Unit Prices Limited
 - Actual Fluctuation in Material (Copper Only)
 - Does not include Costs of Labor, Freight, Overhead, G&A and Profit
 - 1% CLIN Price Fluctuation Minimum
 - 10% CLIN Price Fluctuation Maximum



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Evaluated Options

- The Government is not obligated to exercise any of the evaluated options.
- If the Government decides to exercise the options, then the Government foresees exercising the four options in the identified option periods.
- However, if the Government has exercised all option quantities in a given option period, the Government reserves the right to exercise unused option quantities from previous option periods or to exercise options in succeeding option periods in accordance with the option clause 52.247-6.
- The Government reserves the right to push/pull option quantities to or from any option year.



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Evaluation

- Factors and Sub-factors:
 - Factor 1 - Technical/Management/Risk
 - Sub-factor 1 - Production Resources
 - Sub-factor 2 - Program Management
 - Sub-factor 3 - Compliance to U.S. TDPs
 - Sub-factor 4 - Quality Management System
 - Sub-factor 5 - Supply Chain Management
 - Factor 2 – Price
 - Factor 3 - Past Performance
 - Factor 4 - Small Business Utilization



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Evaluation

- Order of Importance
 - Factors
 - Technical/Management/Risk is Most Important
 - Technical/Management/Risk is More Important Than Price
 - Price is More Important than Past Performance and Small Business Utilization Combined
 - Past Performance is More Important than Small Business Utilization.
 - Small Business Utilization is the Least Important
 - All Factors Other than Price When Combined are Significantly More Important than Price
 - Sub-factors
 - All Technical/Management/Risk Sub-factors are Equally Important



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Evaluation Factor 1: Technical/Management/Risk

- Sub-factor 1 - Production Resources
 - Three Criteria:
 - Capability, Capacity and Delivery
- Sub-factor 2 – Program Management
 - Five Criteria
 - Organization, Manufacturing Management, Configuration Management, Risk Management and Integrated Master Schedule (IMS)
- Sub-factor 3 - Compliance to U.S. TDPs
 - Two Criteria
 - TDP Compliance Demonstration and TDP Compliance Verification



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Evaluation Factor 1: Technical/Management/Risk

- Sub-factor 4 - Quality Management System
 - Four Criteria
 - Quality Management Approach, Material Control System, Failure Analysis and Testing Assets

- Sub-factor 5 – Supply Chain Management
 - Two Criteria
 - Supply Chain Management System and Work Breakdown Structure



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Evaluation Factor 2: Price

- Proposed for All CLINs
- FAAT Priced Separately
- Ranges for Each DODIC to Maximum Base/Option Quantity (50M Base to 150M Option)
- For Each Base and Option
 - Evaluated CLIN Price (Weighted)
 - Product of Unit Price, Maximum Quantity and Weight
 - FAAT Costs
- The Total Evaluated CLIN Price is the Sum of the Evaluated CLIN Prices for the Base and All Options



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Evaluation Factor 2: Price

- Price
 - Proposal May be Considered Unacceptable
 - Failure to Submit All Prices
 - Unbalanced Pricing
 - Price Analysis Shall be Used to Determine Price Reasonableness



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Evaluation Factor 3: Past Performance

- Proposal Requirements
 - On-Time Deliveries
 - Delinquencies
 - Quality
 - PDQRs, RFDs, LAT Data, Corrective Actions and Critical Defects
- Other Sources
 - Questionnaire
- Recent and Relevant
 - Three Years Prior to the Solicitation Closing
 - Contract Value that Exceeds \$2M for Same or Similar Manufacturing Processes, Skills, Abilities, and Experience to Fulfill Contract Requirements



Evaluation Factor 4: Small Business Utilization

- Complexity of Work
- % of Contract Value
- Past Performance
 - Three Years Prior
 - No Past Performance then Current Proposal Only
- Realism
- One Overall Rating for Each Offeror



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Summary

- Comments/ Questions should be submitted via the Q & A form on the website stated below by 14 December 2010 and directed to the Contracting Officer at randall.slusser@us.army.mil and the Contract Specialist at ana.graw@us.army.mil. Industry should provide rationale for any comments/concerns.
- All information regarding the Small Caliber Second Source solicitation W52P1J-10-R-0203, including questions and answers will be posted under the Small Caliber Second Source heading at: <http://www.aschq.army.mil/ac/aaisdus/Sow.aspx>
- It will be the responsibility of the contractors to check this website for the latest information regarding this acquisition



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Questions and Answers

- Posted questions/answers received prior to industry day



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72.Question: The Government's answer to Question 71 (see Q&A Updated 15 Oct 2010) states "the Government will not allow the offerors **to use the links production line** [emphasis added] at LCAAP." We understand that the LCAAP operator sells links it produces on the production line for use other than the prime contract on a non-interference basis. We understand that the operator also provided links in support of the previous second source contract. As the LCAAP prime supply contract has a performance period that extends to 30 September 2013, is it acceptable to purchase links from the operator in support of this solicitation to the end date of that performance period?

Answer: The Government will not allow links to be manufactured at LCAAP.



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73. Question: NSNs on A131 and A143 have changed since the Sources Sought Announcement was issued. Is this an error or has the NSN changed for both DODICs due to a change in the TDP? If revisions have been made to the TDPs, can you explain the revisions?

Answer: The following changes were made to the NSNs for A131 and A143:

- A131 changed from 1305-00-892-2150 to 1305-01-569-2912
- A143 changed from 1305-00-892-2330 to 1305-01-569-2917

The change is due to the implementation of low flash propellant into the TDPs.



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74. Question: Can you provide the approximate month that the awards for Years 2 through 5 will occur?

Answer: The Government cannot provide award timeframes. Contractors are reminded that option quantities might not materialize.

75. Question: Page 39 of the RFP states that propellant reassessment will be required on propellant lot(s) with a date of manufacture beyond two years of contract award. It appears as though this reassessment must be conducted only on propellant manufactured 2 years prior to contract award date. Is this correct? Propellant manufactured after contract award will not require reassessment. Is this correct?

Answer: If the contractor uses a propellant lot which is more than two years old at anytime during contract performance they will be required to do a lot reassessment. The Government will clarify this language in the formal RFP.



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76. Question: Pages 42–56 Packaging and Marking: Typos: Revision dates on drawings are inconsistent.

Answer: The Government will revise in the formal RFP.

77. Question: Page 58 Government Furnished Ammunition: For lot acceptance testing required by the Prime Contractor at the vendor's facilities on components or raw materials, will Government Furnished Ammunition be supplied and approved for use?

Answer: The Government will only provide Government Furnished Ammunition in direct support of cartridge lot acceptance testing, FAATs, and charge establishment. The Government will clarify this language in the formal RFP.



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78. Question: For lot acceptance testing required by the Prime Contractor at the vendor's facilities on components or raw materials, will Government Furnished Test Support Equipment be supplied and approved for use?

Answer: The Government will only provide the Government Furnished Test Support Equipment listed in clause 52.245-4540 in direct support of cartridge lot acceptance testing, FAATs, and charge establishment. The Government will clarify this language in the formal RFP.

79. Question: Page 58 Government Furnished Test Support Equipment: Typo; The Contractor will submit a written request for this property....no later than thirty (90) days prior to the desired delivery date.

Answer: The Government will change thirty to ninety in the formal RFP.



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80. Question: Page 61 Ammunition Data Cards: Section (d) identifies a requirement to submit separate ADCs for bullets, shellcases, propellant and primers. If these components are produced in-house by the cartridge manufacturer, will separate ADCs for these components still be required? If components produced in-house do not require separate ADCs, can this be clarified in this section?

Answer: The Government will require Ammunition Data Cards (ADC) for the full up cartridge. We will not require ammunition data cards for bullets, shellcases, propellant and primers. Three (3) DODICs (A064, A131, A557) will require three (3) ammunition data cards-one for the DODIC, one for the Ball cartridge, and one for the tracer cartridge. The remaining DODICS require one (1) ammunition data card at the cartridge level.



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81. Question: Page 70 Deliveries or Performance: The Industry Day Briefing revealed delivery completion within 24 months after Government placement of orders on the contract. However, RFP reveals varying completion timelines ranging from 14 to 24 months. Are the timeframes in the RFP accurate? In addition, there are conflicts on the delivery completion on these pages:

Page 86: I-109 Paragraph (e)

Page 113: Technical Management/Risk Paragraph 3.a.

Page 122: Technical Management/Risk Paragraph 3.a.

Answer: Although we stated 24 months at Industry Day (September 14, 2010), the Government made a determination to change the delivery dates to the following: Deliveries must be complete within 18 months (24 months for Base M855A1) of placing an order. The 18 months presumes First Article will be required. If First Article is not required then deliveries must be completed 14 months after award. Reference F, Narrative F0001 for specific delivery timelines. The Government will clarify this language in the formal RFP.



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82. Question: RFP states: Reasonable monthly quantities must be delivered. Deliveries shall not be heavily loaded toward the end of the delivery period. Can you define heavily loaded? Will the delivery schedules (timing of deliveries) be negotiated at the time of order placement?

Answer: The deliveries will be negotiated after exercise of any option and will be based on the offeror's capacity as detailed in its proposal but will be no later than the timeframe specified in Narrative F0001. The offeror shall not deliver the full amount of any DODIC in the last month of a particular delivery period, unless agreed to by the Contracting Officer.

83. Question: Page 71 Item Identification and Valuation (FAR 252.211-7003): Clarification is requested on FAR 252.211-7003 Item Identification and Valuation (AUG 2008). What is needed under this clause?

Answer: Alternate I states that marking is not necessary. However, the contractor will be required to report the unit acquisition cost at the website identified in paragraph (d) in Alternate I.



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84. Question: Page 78: Special Contract Requirement:

(b) – listing of items appears to be missing. Should there be items listed under this paragraph?

H-2 (c) – these propellants appear to be missing from this list:
WC844T, WC846 and WC857.

Answer:

H-2 (b) The clause will be revised to state items listed in Section B of this solicitation with the exception of tracer bullets/projectiles and magnesium powder. The final RFP may include additional exception items if it is demonstrated that there is no NTIB source.

H-2 (c) WC844T, WC846 and WC857 will be added to the list.



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85. Question: Page 85-86 Option for Increased Quantity, Clause I-109: We believe the wording on paragraph (j) of this clause is somewhat ambiguous. If it is the Government's intent that the Contractor never be required to deliver more than the maximum quantity per family per year we recommend adding the words highlighted below to paragraph (j). Should option quantities which are exercised, as a result of a combination of base or option year quantities or pushed back or pulled forward as delineated in paragraph (i) above, and the total for the particular caliber family then exceeds the maximum quantities per year established in Narrative A0001 of this solicitation, the contractor will not have to deliver more than the maximum quantity per family in that given year. The delivery schedule for any quantity over the maximum per family per year will be negotiated between the parties.

Answer: The Government does not intend to adopt this recommendation.



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86. Question: Page 113 & Page 122 Technical/Management/Risk; Paragraph 2 Capacity: Base Year quantity of A059 (25.3M) conflicts with Page 3 Executive Summary Paragraph 5 Base Year award of A059 (25.0M). Which is correct?

Answer: 25.3M is correct. The Government will revise in the formal RFP.

87. Question: Page 115 Supply Chain Management: Supply Chain Management Plan must be submitted that demonstrates ability to effectively plan and execute an acceptable supply chain management system, including their sub-contractors to the third tier level. What is meant by “including their sub-contractors to the third tier level?” Does this only pertain to an Integrator or does it also pertain to a direct producer?

Answer: The Supply Chain Management plan must be provided to the raw material level. This will be revised in the formal RFP.



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88. Question: Is the detailed Letter of Commitment required of all suppliers including raw materials and packaging suppliers? Or, is it just required from cartridge and cartridge component suppliers?

Answer: Detailed letters of commitment are required for cartridge and cartridge component suppliers only.

89. Question: Page 116 Past Performance: Can you please post the Performance Risk Assessment Questionnaire document to the website?

Answer: The questionnaire will be provided.



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90.Question: The RFP does not detail how the USG plans to handle reductions in CLIN item unit prices caused by subsequent option orders when payments on the initial deliveries have already been made. Could the Government please walk the offerors through the process as it will be applied by the USG?

Answer: Refer to Section A Narrative, paragraph 10.

91. Question: The RFP currently provides for an EPA clause only for copper. Would the USG consider an EPA clause for other commodities such as lead or zinc?

Answer: The Government will consider additional requests based on adequate supporting data provided by the Contractor.



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92. Question: The proposed EPA clause contains a 10% cap on upward adjustments that is based on actual costs. This structure limits the USG exposure in an escalating commodity market and transfers the risk to the Contractor above the cap. However, the proposed downward adjustment does not contain a cap and is not based on actual costs incurred by the Contractor. This places all of the risk on the Contractor, and if the Contractor hedges the price of copper as part of normal business practice then the Contractor runs the risk of having their CLIN prices adjusted downward if the commodity market pricing falls despite the Contractor having to pay a higher hedged price. Would the Government consider including a cap on downward adjustments on the EPA for copper and modifying the EPA clause so that it is based on actual cost savings?

- **Answer:** No, there will not be a cap for downward adjustments.



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93. Question: The draft EPA clause currently prohibits allowances for contingencies to the extent it is covered by the EPA clause. Could the Government please explain this clause and how it relates to year over year material escalation percentages as a cost element?

Answer: Additional clarification on this question is required.

94. Question: Will FAT be required on all CLINs or only those initially ordered in the base year? Who pays for subsequent FATs caused by breaks in performance due to lack of USG orders?

Answer: FAATs may be required on any CLIN awarded on this contract in accordance with the First Article Test Clause (52.209-4512). The party responsible for payment is in accordance with the First Article Test Clause (52.209-4512).



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95. Question: The RFP is structured to allow for the possibility of a negotiated procurement and provides for progress payments. Will the Government entertain the inclusion of Performance Based Payments (PBMs) as a substitute for Progress Payments?

Answer: The solicitation will include the use of progress payments. After contract award, the contractor can propose an alternate payment arrangement for the Contracting Officer's review and consideration. If deemed in the Government's best interest performance based payments may be modified into the contract with adequate consideration to the Government.

96. Question: Per Section L of the draft RFP, Letters of Commitment are required from each supplier/source and for any additional parties identified in the supply chain. Additional guidance is requested relative to the applicability of this requirement within the supply chain and specifically at what level it applies.

Answer: Reference the answer to question 88.



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97. Question: Could the Government walk the offerors through the process by which the transportation evaluation factors will be calculated and applied?

Answer: The Government is assessing the transportation evaluation.

98. Question: Attachment 1 CDRLs : While instructions for completing DD Form 1423 are included with the draft RFP, the CDRLs were not. Will the Government provide a listing of the actual CDRLs that are expected to be part of the resulting contract?

Answer: The CDRLs will be provided with the formal RFP.



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99. Question: Section A, Page 3, paragraph 7. Section A-7 of the Solicitation indicates that Lake City is not an approved place of performance and use of government equipment at LCAAP is not authorized. However, use of ARMS tenants at LCAAP is authorized. If a contractor elects to work with an ARMS tenant at LCAAP, is there a separate requirement to obtain approval for LCAAP as a place of performance, or does A-7 provide such approval? Is the current Contractor operating LCAAP permitted to use its contractor-owned equipment at LCAAP, as an ARMS tenant would be able to do in support of this Program?

Answer: Production at LCAAP is not allowed with the exception of ARMS tenants. A separate approval to use LCAAP is not required when contracting with ARMS tenants. Contractor-owned equipment at LCAAP that is comingled with Government furnished property can not be used without a valid ARMS agreement.



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100. Question: M80 TDP Reference MIL-C-46931. On the FAATs of the M80, will the U.S. Government require the barrel erosion test be performed in the T65E1? If so, will the Government provide the T65E1 weapons or is ammunition to be shipped to the NARTC?

Answer: This question is currently under review.

101. Question: Attachment 0016. Attachment 16 discusses the NATO compatibility testing and application of the NATO symbol of interchangeability. Will we need to wait to apply the symbol until after the PT has passed, or will the Government want this symbol applied from the beginning of the contract?

Answer: The symbol cannot be applied until NATO qualification is successfully completed.



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102. Question: Section M, Page 124, paragraph b. and page 126, paragraph M – 4. The Government will calculate a weighted evaluation price by multiplying the proposed unit prices for each range by their respective weight and maximum quantity, and summing their totals. Transportation evaluation of offer(s) will be based on F.O.B. price(s) plus Government transportation cost from shipping point(s) to the destination(s) named herein. Since the Government's calculation of the offeror's evaluated price includes transportation cost from F.O.B origin points to defined Government installations, how will the Government know the origin points for each DODIC? Should the pricing matrix provided in Attachment 9 also include the F.O.B. origin point for each DODIC?

Answer: The Government is assessing the transportation evaluation.



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103. Question: Section A, page 3, paragraph 6. Offerors are requested to provide the Government feedback on any and all components, to include raw material, which cannot be obtained in the NTIB. Will the Government consider allowing the following items to be obtained from OCONUS suppliers since they are only available outside the NTIB?

Microcrystalline Cellulose – used in the point filler material for M33

Lead Nitrate

Barium Nitrate

Amino Guanidine

Sodium Picramate

Gum, Tragacanth

Gum, Arabic

Antimony Sulfide

Aminate

PETN

M80 Bullet Jacket Cup

Also, lead antimony CAN be purchased within the NTIB but it's very expensive. Will the Government also consider adding Lead Antimony to the above list?

Answer: The Government is currently assessing this request. Detailed supporting data is required for any exceptions proposed.



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104. Question: Section L, page 116, paragraph 4. Performance Risk Assessment Questionnaires shall be completed and submitted. Will the Government provide this Past Performance questionnaire?

Answer: The questionnaire will be provided.

105. Question: Section I, page 102 Paragraph c, EPA for Copper ...the contractor will be required to submit any price increases or decreases related to copper, and shall provide sufficient data supporting the amount of increases or decreases, on the last working day of August for each Government Fiscal Year wherein an option can be exercised. What would the cutoff date be for this calculation that is due on the last working day of August? 5 Working days before the end of August? 10 working days before the last working day of August?

Answer: Please provide further clarification on the question.



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106. Question: Section I, page 102 Paragraph c, EPA for Copper. The contractor, within twenty (20) calendar days of issuance of the Contracting Officers notice, shall notify the Contracting Officer using the Economic Price Adjustment (EPA) Worksheet (Attachment 0015) of any price increases or decreases related to copper, and shall provide sufficient data supporting the amount of increases or decreases. Is the cutoff date for this EPA calculation the date of issuance of the Contracting Officers notice, or the date the data is submitted or any day in between? What is considered sufficient data supporting the amount? Would the London Metal Exchange “Copper Grade A” index be sufficient? Does the average price include data for weekends and holidays (using the previous day’s data) or should data only be used for days the exchange is open?

Answer: Please provide further clarification on the question. Sufficient data consists of a purchase order documenting the actual price paid for copper. An index does not apply to this procurement. Average prices also do not apply.



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107. Question: Section I, page 102 Paragraph g.4 & g.5.EPA for Copper.Any price adjustment under this clause is subject to the following limitations....The increase for copper for any option CLIN unit price made under Paragraph (b) of this clause shall not exceed ten percent (10%) of the firm-fixed CLIN unit price.....There is no percentage limitation on the amount of decreases that may be made under this clause. What is the rationale for the 10% EPA cap for copper increases and yet there is no cap for copper decreases?

Answer: Reference the answer to question 92.



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108. Question: Section I, page 102 Paragraph e, EPA for Copper. Within sixty (60) calendar days of a modification issued under Paragraph (b) of this clause, the Contractor shall submit a purchase order documenting the actual price paid for copper to the Contracting Officer. If the data supporting the actual price paid for copper is less than the price for copper indicated by the data provided in accordance with paragraph (b) of this clause, the Contracting Officer will issue a modification adjusting CLIN unit prices for the option quantities exercised, as limited by Paragraph (g) below. This adjustment will be downward only. The modification will be made within thirty (30) calendar days of receipt of the data required under this Paragraph. Why is this condition one sided only? The government has two opportunities to benefit related to copper pricing, while the contractor are stuck with the price submitted 60 days earlier, even if prices have increased. All risk related to copper pricing (including changes after an EPA has been agreed upon), is on the contractor, and not the USG.

Answer: The EPA clause stands as written.



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109. Question: Section I, page 101 EPA for Copper. Economic Price Adjustment (EPA) for Copper. Since brass is made up of both copper and zinc, why is there no similar EPA for Zinc?

Answer: The Government will consider additional requests based on adequate supporting data provided by the Contractor.

110. Question: Section c, page 61, M33 and M17. IMR 5010 was removed from M33 and M17 cartridges in 1999 due to its higher flame temperature, which results in excessive barrel wear and increased muzzle flash. Why is IMR 5010 now included as an approved powder for .50 cal M33 and M17? Does the government intend to requalify IMR 5010?

Answer: This question is currently under review.



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111. Question: Section H, page 78, paragraph H-2 (c). Five propellants are listed to be manufacture, assembled and tested in the U.S or Canada, but WC 846 and WC 857 are not. Why are WC 846 and WC 857 BALL POWDER® Propellants not also restricted to the NTIB?

Answer: Reference the answer to question 84.

112. Question: Section I, page 83. Provisions for Progress Payment are included but provisions for Performance Based Payments are not. Will the Government consider Performance Based Payments in accordance with FAR Clause 52.232-32 rather than Progress Payments?

Answer: Reference the answer to question 95.

113. Question: BALL POWDER® Propellant and Nitrocellulose have been identified as a single point failure risk. This RFQ could be the appropriate place to include a CLIN and SOW element(s) for risk mitigation. Can there be provisions in this RFP to mitigate this risk?

Answer: This question is currently under review.