

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT

1. CONTRACT ID CODE

Page
1 of 9

2. AMENDMENT/MODIFICATION NO.
0001

3. EFFECTIVE DATE
09/03/2004

4. REQUISITION/PURCHASE REQ. NO.

5. PROJECT NO. (If applicable)

6. ISSUED BY
DOT/Maritime Administration, MAR-380
400 Seventh Street, SW., Room 7310
Washington, DC 20590

CODE 00091

7. ADMINISTERED BY (If other than Item 6) CODE

8. NAME AND ADDRESS OF CONTRACTOR (No., street, county, State and Zip Code)

Fleet Operations Group
Maritime Administration/USDOT, 400 7th Street, SW
Washington, DC 20590

9A. AMENDMENT OF SOLICITATION NO.

9B. DATED (SEE ITEM 11)

(X) 10A. MODIFICATION OF CONTRACT/ORDER NO. DTMA1C06006

(X) 10B. DATED (SEE ITEM 13)
03/28/2006

CODE * FACILITY CODE

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)

No Funding Information

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

CHECK ONE	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.
<input type="checkbox"/>	
<input type="checkbox"/>	B. THE ABOVE NUMBERED CONTRACT/ORDER IS MODIFIED TO REFLECT THE ADMINISTRATIVE CHANGES (such as changes in paying office, appropriation date, etc.) SET FORTH IN ITEM 14, PURSUANT TO THE AUTHORITY OF FAR 43.103(b).
<input checked="" type="checkbox"/>	C. THIS SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF: Contract clause F.2(b)
<input type="checkbox"/>	D. OTHER (Specify type of modification and authority)

E. IMPORTANT: Contractor is not, is required to sign this document and return 1 copies to the issuing office.

14. DESCRIPTION OF AMENDMENT/MODIFICATION (Organized by UCF section headings, including solicitation/contract subject matter where feasible.)

- a. For ease of reference, this modification numbers the paragraphs within contract clause F.2.
- b. Delete, "and is the supervisor of the Fleet Program Managers (FPMs)" from contract clause G.3(g).
- c. Effective upon execution of this modification, the 30 Mar 06 Award Term Plan is incorporated into the Fleet Contract as Attachment 18. Accordingly, insert at the end of Section J, Attachment 18, Award Term Plan dated 30 Mar 06.
- d. The parties agree that End-of-Period Evaluations commencing 03 Sep 04 and Interim Evaluations commencing 03 Dec 04 (i.e. retroactively) will apply towards the award term determination during the Base Performance Period.

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)		16A. NAME AND TITLE OF CONTRACTING OFFICER (Type or print) Frank Bajowski	
15B. CONTRACTOR/OFFEROR <i>William H. Cambl</i> (Signature of person authorized to sign)		16B. United States of America BY <i>[Signature]</i> (Signature of Contracting Officer)	
15C. DATE SIGNED 4/12/06		16C. DATE SIGNED 12 APR 06	

Line Item Summary	Document Number DTMA1C06006/0001	Title A-76 Fleet NDRF	Page 2 of 9
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Line Item Number	Description	Delivery Date (Start date to End date)	Quantity	Unit of Issue	Unit Price	Total Cost
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This Fleet "Contract" form formalizes and supplements the 15 Jan 04 Letter of Obligation (LOO) to the Most Efficient Organization (MEO), thereby affording all parties a means of tracking changes to the LOO.

No Changed Line Item Fields

Previous Total:
Modification Total:
Grand Total:

Shipping Addresses

Code	Detail
0001	Org: DOT/Maritime Administration, MAR-612 Addr: 400 Seventh Street, SW., Room 2112 Washington DC 20590 Attn: Eugene J. Magee, Chief, Div of Reserve Fleet Phone: (202) 366-5752 ext. Fax: () - ext.

Invoice Addresses

Code	Detail
0001	Org: DOT/Maritime Administration, MAR-600 Addr: 400 Seventh Street, SW, MAR-600 Washington DC 20590 Attn: Mark J. Truffer Phone: (202) 366-1947 ext. Fax: () - ext.

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SECTION A -- SOLICITATION/CONTRACT FORM

A.1 SUMMARY OF CHANGES

The free form item 'Award Term' has been edited.

The free form item 'MARAD Key Personnel' has been edited.

The free form item 'Attachments' has been edited.

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SECTION F -- DELIVERIES OR PERFORMANCE

F.1 AWARD TERM

(a) This Fleet Contract provides for a base performance period of 36 months from the date of Notice-to-Proceed as provided in the 15 Jan 04 Letter of Obligation (to include approximately a month-and-a-half phase in period, plus a 34-and-a-half-month full-performance period). Further, the Award Term Approving Official (ATAO) may authorize up to four extensions beyond the base performance time, in the form of three, two-year and one, one-year "award term periods". The award of such award term periods will be made on the basis of the residual organization's evaluations of the quality of performance and market research. The Most Efficient Organization (also known as the Fleet Operations Group or FOG) earns award term periods for sustained performance that exceeds a satisfactory level as explained below. With the addition of these four award term periods, the maximum performance time under this Fleet Contract is ten years from contract start, or the baseline as identified in the Performance Work Statement. The following Contract Line Item Number (CLINs) and associated performance periods are: (1) 0001 Base (Phase-in) Period, 04 Mar 04 (NTP) - 15 Apr 04; (2) 0002 Base (Full Performance) Period 16 Apr 04 -03 Mar 07; (3) 0003 Award Term Period 1, 04 Mar 07 - 03 Mar 09; (4) 0004 Award Term Period 2, 04 Mar 09 - 03 Mar 11; (5) Award Term Period 3, 04 Mar 11 - 03 Mar 13; and, (6) award Term Period 4, 04 Mar 13 - 03 Mar 14. The following subCLINs apply to each of the aforementioned CLINs: (1) XXXXAA Personnel Costs; (2) XXXXAB Material & Supplies; (3) XXXXAC Other Specifically Attributable Costs; (4) XXXXAD Overhead Costs; and, (5) XXXXAE Additional Costs (Special Circumstances Costs).

(b) The procuring contracting officer (PCO) will furnish the Award Term Plan to the FOG at the time this Fleet Contract document is executed by both parties. This Plan may be revised by the mutual agreement of the parties at any time prior to the start of each new award term period. A Performance Award Term Review Team (ATRT) will be designated by the ATAO. The team will review and assess the FOG's performance against the evaluation criteria described in the Award Term Plan.

(c) The FSG will complete an initial performance evaluation after the first six months of the base year, and every six months thereafter. Each evaluation will be worth 100 points. The decision to grant the first award term will be made after the fifth evaluation. To earn the first award term, the FOG must have accumulated at least 375 points out of the 500 potential points (i.e. 75 percent). The PCO shall notify the FOG of the decision no more than 80 days nor less than 60 days prior to the end of the performance period for the third year of performance.

(d) To determine whether to grant a second or subsequent award terms, the FSG will consider the FOG's performance in the four most recent evaluations. To earn an additional award term, the FOG must have accumulated at least 320 points out of the 400 points possible (i.e. 80 percent) on those evaluations. The PCO will notify the FOG no more than 80 days nor less than 60 days prior to the end of the award term.

(e) If the ATAO approves granting an award term, the PCO shall execute a modification to add the award term period to the Fleet Contract performance period, (contingent on availability of funds).

(f) If the FOG decides it will not seek or accept the next award term period, the FOG must notify the PCO in writing no later than 240 days prior to the start of the applicable award term period. The FOG remains fully responsible for satisfactory contract performance in light of such a decision.

(g) Fleet Contract prices will be adjusted for each award term period in accordance with the "Award Term Price Adjustment" clause in section G.

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SECTION G -- CONTRACT ADMINISTRATION DATA

G.1 MARAD KEY PERSONNEL

a. The Procuring Contracting Officer (PCO) for this Fleet Contract is:

F. K. Bajowski, Jr.
MAR-380
Phone: (202)366-1744
FAX: (202)366-3237
e-mail: Frank.Bajowski@dot.gov

b. The Contracting Officer's Technical Representative at headquarters (HQ COTR) for this Fleet Contract (for technical implementation and management) is:

Mr. Gerald Corbitt
MAR-612
Phone: (202) 366-9404
FAX: (202)366-3954
e-mail gerald.corbitt@dot.gov

In the event of an emergency, notify the HQ COTR after the the respective FSG is notified.

c. The headquarters POC for matters concerning property administration:

Loose Equipment and tools is:

Mr. Jerome Davis
MAR-310
Phone: (202) 366-5816
FAX: (202) 366-2800
e-mail jerome.davis@dot.gov

Facilities is:

Mr. Jerome Davis
MAR-310
Phone: (202) 366-5816
FAX: (202) 366-2800
e-mail jerome.davis@dot.gov

d. MARAD Public Affairs Officer:

Susan Clark
MAR-240
Phone: (202) 366-9963
FAX: (202) 366-3889
e-mail: Susan.Clark@dot.gov

e. The Administrative Contracting Officer (ACO) at the Regions will be responsible for the day-to-day administration of the Fleet Contract for their respective fleet sites.

f. Definitions.

(1) The PCO retains the authority to solicit, award and modify the basic terms and conditions of the contract. The PCO shall delegate, in writing, specific authorities to the ACO at each Region.

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(2) Regional Chiefs of Contracting Office (COCO) are delegated the authority to appoint qualified ACOs and may perform all the duties of ACO for their respective Regions.

(3) Director/Deputy Director of Acquisition (MAR380) appoints the PCO.

(4) ACO has the authority to appoint COTRs and Alternate COTRs (ACOTRs) for their respective Fleet sites.

SOUTH ATLANTIC REGION

Maritime Administration
7737 Hampton Boulevard
BLDG. 4D, Rm. 211
Norfolk, Virginia 23505
TEL: (757)441-6393
FAX: (757) 440-0812
TEL: (757) 887-3233

COCO: Glen Spears, glen.spears@dot.gov
ACO: As appointed

Funds Control Officer (FCO): Jennifer Fallis, jennifer.fallis@dot.gov
COTR: Martin Walker (for operational matters and emergency notification),
martin.walker@dot.gov
ACOTR: Art Fritz, art.fritz@dot.gov
FPM: Fred Hoffmann, fred.hoffmann@dot.gov

CENTRAL REGION

Maritime Administration
Hale Boggs Federal Building
501 Magazine Street, Room 1223
New Orleans, LA 70130-3394
TEL: (504)589-6565
FAX: (504) 589-6593
TEL: (409)722-3433

COCO: Bruce Lohfink, bruce.lohfink@dot.gov
ACO: As appointed

FCO: Tom Bostic, tom.bostic@dot.gov
COTR: Billy Greer (for operational matters and emergency notification),
billy.greer@dot.gov
ACOTR:
FPM: John Hickey, john.hickey@dot.gov

WESTERN REGION

Maritime Administration
201 Mission Street
Suite 2200
San Francisco, CA 94105

COCO: Jim Bartha, jim.bartha@dot.gov
ACO: As appointed

TEL: (415) 774-2562
FAX: (415) 744-2576
TEL: (707) 745-0487

FCO: Susan Wong, susan.wong@dot.gov
COTR: Simon Tao (for operational matters and emergency notification),
simon.tao@dot.gov
ACOTR: Earl Johnson, earl.johnson@dot.gov
FPM: Joseph Pecoraro, joseph.pecoraro@dot.gov

g. The official responsible for the performance of the Most Efficient Organization (also known as the Fleet Operations Group or FOG) for this Fleet Contract is:

Mr. Bill Cahill
MAR-610
Phone: (202) 366-1875
FAX: (202) 366-3954
e-mail: william.cahill@dot.gov

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SECTION J -- LIST OF DOCUMENTS, EXHIBITS AND OTHER ATTACHMENTS

J.1 ATTACHMENTS

ATTACHMENTS

1. SF86 Questionnaire for National Security Positions
2. SF Form LLL, Disclosure of Lobbying Activities
3. List of Federal position equivalents
4. DOT Form F4220.43 Required for Property Report can be downloaded from <http://www.dot.gov/ost/m60/tamtar/part1253.htm#4220.43>.
5. See Section C for the Performance Work Statement
6. Fleet Manual
7. Technical Exhibit 1 Additional Vessel Custody
8. Technical Exhibit 2 Phase IV reports
9. Technical Exhibit 3 Facility Layouts (Facilities)
10. Technical Exhibit 4 Required Reports
11. Technical Exhibit 5 Government-Furnished Property (GFP)
12. Technical Exhibit 6 Homeport Diagrams
13. Wage Determinations (one each for Ft Eustis, Benicia, and Beaumont)
14. Ship Manager Contract can be located at <http://www.marad.dot.gov/acquisition/awards.html>
15. Vessel engineering and Phase IV documents
16. Memoranda of Agreement
17. Offeror's Technical Proposal as Accepted
- 18. Award Term Plan dated 30 Mar 06**

The Performance Work Statement, Fleet Manual, Technical exhibits, Memoranda of Agreement, and Vessel engineering and Phase IV documents are available for downloading from <http://www.marad.dot.gov/techlibrary/index.html>

**AWARD TERM PLAN
For
National Defense Reserve Fleet A-76
Awarded Under
Solicitation DTMA1B03001**

Approved by

A handwritten signature in black ink that reads "Eugene J. Magee". The signature is written in a cursive style with a large initial "E".

March 30, 2006

**Eugene J. Magee
Award Term Approving Official
Chief, Division of Reserve Fleet**

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Introduction

This Award Term Plan covers the administration of award term option provisions for the 15 Jan 04 Letter of Obligation (LOO), which also incorporates contract DTMA1C06006 – together, they comprise the “Fleet Contract”. The Fleet Contract was awarded under OMB Circular A-76 comparison DTMA1B03001 for the Maritime Administration (MARAD) National Defense Reserve Fleets (NDRFs) Program.

The determination to award an additional term incentive option is contingent upon the Most Efficient Organization (MEO) – henceforth called the Fleet Operations Group (FOG) maintaining excellent levels of ongoing performance in all areas of the Fleet Contract, as well as exhibiting continuous improvements in performance, and reductions of costs for each evaluation period throughout the term of the Fleet Contract. This is designed to reinforce the importance of overall superior Fleet Contract performance.

Overview

This Fleet Contract provides the basis for the FOG - to maintain, repair, and preserve vessels moored at the NDRF sites in an environmentally responsible manner and safe condition in accordance with MARAD priorities, and to be

responsive to any National emergency as directed by MARAD. The evaluation of the FOG's performance provides a performance-based assessment to the Award Term Approving Official (ATAO). (Annex 1 provides a list of the award term organization members involved in the award term evaluation and decision process.) In accordance with the MEO work statement, the FOG shall provide all services, equipment, tools and materials except for those items or services being government-furnished and shall comply with all Federal, state and local laws and regulations.

Definitions and Responsibilities

Administrative Contracting Officer (ACO). Refers to a contracting officer who is an authorized representative of the Procuring Contracting Officer (PCO) acting within the limits of their authority as delegated by the PCO. The ACO administers the Fleet Contract and performs assigned postaward functions related to the administration of the Fleet Contract.

Award Term Approving Official (ATAO). Approves the Award Term Plan and any changes to the award term or Fleet Contract. The ATAO reviews the recommendation(s) of the Award Term Review Board (ATRB), considers all pertinent data, and determines the earned award term points for each evaluation period. The ATAO appoints the ATRB Chairperson and authorizes the award term in accordance with the Award Term Plan.

Award Term Review Board (ATRB). The team that is designated by the Award Term Approving Official (ATAO) and will review and assess the Fleet Operations Group's (FOG's) performance against the evaluation criteria described in Annex 4 of the Award Term Plan. Consists of the Award Term Review Board Chairperson, Contracting Officer's Technical Representative (COTR), Procuring Contracting Officer (PCO), and Recorder. Other HQ personnel may be assigned on an Ad Hoc basis.

Chief of the Contracting Office (COCO). The individuals responsible for managing the South Atlantic, Central, and Western Region contracting offices within the Maritime Administration.

Contracting Officer (CO). A person with the authority to enter into, administer, and/or terminate contracts and make related determinations and findings. The term includes certain authorized representatives of the contracting officer acting within the limits of their authority as delegated by the contracting officer. "Administrative contracting officer (ACO)" refers to a contracting officer who is administering contracts. "Termination contracting officer (TCO)" refers to a contracting officer who is settling terminated contracts. A single contracting officer may be responsible for duties in any or all of these areas. Reference in the Federal Acquisition Regulation (48 CFR Chapter 1) to administrative contracting officer or termination contracting officer does not—

- (1) Require that a duty be performed at a particular office or activity; or

(2) Restrict in any way a contracting officer in the performance of any duty properly assigned.

Contracting Officer's Technical Representative (COTR) and Assistant COTR (ACOTR). Technical representatives who the contracting officer delegates to perform certain functions during the term of the Fleet Contract.

Fleet Management Review (FMR). Annual on-site inspection of the Fleet Support Group (FSG) quality assurance oversight of Fleet Operations Group (FOG) performance under the Fleet Contract.

Fleet Operations Group (FOG). Another term for the Most Efficient Organization (MEO) under OMB Circular A-76. The group of government employees who are responsible for performing the services in accordance with Fleet Contract requirements.

Fleet Program Manager (FPM). The most senior member of the Fleet Operations Group (FOG) or Most Efficient Organization (MEO) at each fleet site responsible for contract compliance, employee supervision and accomplishment of all assigned workload under OMB Circular A-76.

Fleet Support Group (FSG). Includes all government employees who perform all residual, non-A-76 work, and provide quality assurance oversight of the Fleet Operations (FOG). The FSG performs all work that was not included in the Performance Work Statement (PWS) under OMB Circular A-76 comparison.

Fleet Support Quality Assurance Supervisor (FSQAS). Is the most senior government representative at each fleet site who provides supervision to the Fleet Support Group (FSG) and Quality Assurance oversight of the Fleet Operations Group (FOG). The FSQAS ensures that the Fleet Support Group develops and maintains data and reports as required for proper accountability and administrative control of FSG operations, including preparation and justification of operating expenses when requesting additional funding above the budget plan.

Most Efficient Organization (MEO). Is the Government's staffing proposal for in-house performance of work that is subject to an OMB Circular A-76 comparison. The MEO is the service provider for this Fleet Contract.

Performance Monitor (PM). PMs will monitor, evaluate, assess, and maintain a written record of their respective Fleet Operations Group (FOG) performance and will discuss the results with the Fleet Program Manager (FPM), in accordance with the General Instructions for Performance Monitors detailed in Exhibit 1 of this Plan, as well as with specific instructions and guidance furnished by the Award Term Review Board (ATRB) Chairperson. PMs will submit written quarterly performance monitor reports and, if required, make verbal presentations to the ATRB.

Procuring Contracting Officer (PCO). The contracting officer who signed the Fleet Contract on behalf of the Government and is authorized to make changes to Fleet Contract terms and conditions.

Quality Assurance Specialist (QAS). Technical personnel in the Fleet Support Group (FSG) who are responsible for evaluating the performance of work performed under the performance work statement (PWS) by the Fleet Operations Group (FOG).

Quality Assurance Surveillance Plan (QASP). The functions and associated actions performed by the Government to ensure that Fleet Contract requirements are performed in accordance with the standards identified in the Performance Work Statement (PWS) and Fleet Manual, and that an appropriate level of Fleet Operations Group (FOG) are in place and operational.

Residual Organization (RO). The RO, consists of Headquarters, Region, and Fleet Support Group (FSG) personnel who are not part of the Most Efficient Organization (MEO) or Fleet Operations Group (FOG).

Ship Operations and Maintenance Officer (SOMO). The SOMO reports to the Region Director and ensures that the fleet organizations develop and maintain data and reports as required for proper accountability and administrative control of fleet operations, including preparation and justification of operating expenses when requesting additional funding above the budget plan. The SOMO is assigned as the Property Custodian for the ships in the custody of the specific regional headquarters and reports property concerns to the Chief, Division of Reserve Fleet.

Supervisory Quality Assurance Specialist (SQAS). Short for Fleet Support Quality Assurance Supervisor (FSQAS).

Staff Shipping Representative (SSR). Supervises the Fleet Support Group (FSG) Supervisory Quality Assurance Specialist (SQAS).

Contract Matters

The Contracting Officer's Technical Representative (COTR) and the assigned Alternate COTRs (ACOTRs) shall monitor and evaluate the Fleet Operations Group's (FOG's) performance using the Quality Assurance Surveillance Plan (QASP). This plan was developed to track the FOG's own Quality Control Plan (QCP). The Government may, but is not required to, provide the FOG a copy of the single, consolidated QASP prior to Fleet Contract execution. The Government may change the QASP as circumstances or workload changes, and may advise the FOG of any known or planned changes.

Evaluation for the term points shall commence on a mutually agreed date upon Fleet Contract execution for the periods listed in Annex 2. Adjustment to the award term periods will not result in a Fleet Contract total performance period of less than six months or greater than ten years from the date of notice to proceed (NTP) specified in

the LOO. FOG performance criteria, to include points assigned to each of the rating areas, will be based on “Unsatisfactory”, “Marginal”, “Satisfactory”, “Excellent”, and “Outstanding” as provided in Annex 3. This assessment is consistent with the QASP utilized by the Government’s residual organization – also referred to as the Fleet Support Group (FSG) - Quality Assurance Surveillance Plan (QASP) – to review FOG performance.

This Award Term Plan describes the specific criteria and procedures to be used to assess the FOG’s performance and award term points as described herein. Actual award term determinations and the methodology for determining the award term are unilateral decisions made solely at the discretion of the ATAO.

The FOG will provide management, labor, supervision and materials (other than government-furnished) necessary to support the NDRF anchorage facilities of MARAD, Headquartered in Washington, DC. The three (3) reserve fleets are the Beaumont Reserve Fleet (BRF) located in Beaumont, TX; James River Reserve Fleet (JRRF) located in Ft Eustis, VA; and Suisun Bay Reserve Fleet (SBRF) located in Benicia, CA. NDRF vessels are maintained at Fleet locations in selected states of readiness ranging from Ready Reserve Force (RRF) vessels (maintained in high states of readiness) to non-retention vessels (maintained until they can be disposed). The vessels in Fleet anchorages are available as training platforms to other federal, state, or local agencies. NDRF vessels also provide a cost effective storage capability to other federal, state or local government agencies.

Phase-In Plan and Phase-In. MAR-612 Fleet MEO LOO dated 15 Jan 04 provided a notice to proceed (NTP) date of 04 Mar 04 with a full performance start date of 16 Apr 04. Due to the two year delay in implementing this Award Term Plan, for these purposes NTP and this Award Term Plan become effective on a mutually agreed date when both parties execute the Fleet Contract.

The following matters, among others, are covered in the Fleet Contract. The FOG is required to provide services to maintain assigned NDRF vessels in response to national emergencies and defense objectives. The scope of services to be provided is detailed in Section C, Performance Work Statement (PWS), of the Fleet Contract.

This Plan applies to both Ready Reserve Force (RRF) Non-RRF retention vessels and Non-retention vessels included in the Fleet Contract. The Fleet Contract provides for a base performance period of 36 months from NTP. Further, the ATAO may authorize up to four extensions beyond the base performance period in the form of three (3), two-year and one (1), one-year Award Term Periods.

Award Term Process

Any Fleet Contract award term extensions earned will be reflected in unilateral Fleet Contract modifications based upon points earned and consideration of all information from pertinent sources as determined by the ATAO. The award term earned will be

determined by the ATAO based upon the Award Term Review Board's (ATRB's) review of the FOG's performance against the criteria set forth in this Plan. This Plan and any changes thereto, after Fleet Contract execution, will be approved by mutual consent of both parties.

The award term points earned will be based on the FOG's performance during each 6 month evaluation period. The performance rating criteria and available points for each evaluation period are shown in Annex 4. The ATAO may authorize up to four extensions beyond the Base Period of performance, in the form of three (3), two-year and one (1), one-year award term periods. These awards will be made on the basis of the Government's evaluation of the quality of performance. The FOG earns subsequent award term periods for sustained performance that meets the satisfactory level during the Base Period and exceeds the satisfactory level during Award Term Periods. In addition to Award Term Periods, the maximum performance time under this Fleet Contract is ten years from the NTP, 04 Mar 04. The decision to grant the first award term will be made after the fifth evaluation (6 month evaluation periods). The PCO shall notify the FOG of the award term decision no more than 80 days nor less than 60 days prior to the end of the Base and Award Term Periods.

Award Term Period 1. For Award Term Period 1, an accumulation of positive 100 points per evaluation period (every 6 months) with an aggregate accumulation of 500 points within the 3-year Base Period of performance is possible. To earn the first award term, the FOG must accumulate at least 375 points out of the 500 potential aggregate points (i.e. 75 percent) with no less than 75 percent obtained on any single contract requirement during each evaluation period. Any evaluations conducted prior to execution of this Fleet Contract are waived except as mutually agreed and the pro-rata application of points accumulation to potential aggregate points shall be the basis for authorizing Award Term Period 1.

Additional Award Term Periods for Award Term Periods 2, 3 and 4. Each of these term awards will adhere to the accumulation of positive 100 points per evaluation (every 6 months) with an aggregate accumulation of 400 points within in each evaluation. The lowest number of points accepted within these award periods is 320 (i.e. 80 percent) with no less than 80 percent obtained on any single contract requirement during each evaluation period.

Award Term Plan Change Procedures

This Award Term Plan may be revised by the mutual agreement of the parties at any time prior to the start of each new award term period. The PCO shall issue a modification to the Fleet Contract which incorporates all changes to this Plan prior to the start of the new award term period.

Evaluation Criteria. The PCO will furnish the Award Term Plan to the FOG before the FOG's performance will be evaluated for these purposes. The evaluation criteria provided in Annex 3 to this Award Term Plan applies to all evaluation periods unless

otherwise changed by specific written notice to the FOG. The PCO will notify the FOG of all changes to the evaluation criteria and incorporate the changes in Annex 3. If the PCO does not provide specific written notice to the FOG of changes to the evaluation criteria prior to the start of an evaluation period, the same criteria from the preceding period will be used in the subsequent evaluation period.

Interim Evaluation Process. The ATRB Recorder notifies each ATRB member and Performance Monitor (PM) within 14 calendar days before the midpoint of the evaluation period. PMs submit their evaluation reports to the ATRB within 14 calendar days after this notification. The ATRB Chairperson determines the interim evaluation results and provides written notification to the FOG representative of any strengths and weaknesses for the current evaluation period. At this time, the ATRB may recommend any changes to the Award Term Plan for ATA0 approval. The PCO may also issue letters at any other time when it is deemed necessary to highlight areas of Government concern.

End-of-the Period Evaluations. The ATRB Recorder notifies each ATRB member and PM within 14 calendar days before the end of the evaluation period. PMs submit their evaluation reports to the ATRB within 14 calendar days after this notification. The ATRB Chairperson convenes the ATRB and determines the final evaluation results. The ATRB Chairperson presents the results of the final evaluation to the ATA0. At this time, the ATRB may recommend any changes to the Award Term Plan for ATA0 approval. Within 1 month following the evaluation period, the ATA0 will provide a copy of the final evaluation results to the FOG representative who has 1 month to comment on or rebut the results. Upon receipt of FOG comments or rebuttal, the ATA0 must consider but is not obligated to change the results.

ANNEX 1 - Award Term Organization

Award Term Approving Official (ATAO)	Gene Magee	Chief, Division of Reserve Fleet	MAR-612
Award Term Review Board (ATRB) Chairperson	Wayne Leong	Deputy Director, Office of Acquisition	MAR-380
Award Term Review Board (ATRB) Deputy Chairperson	Jerry Corbitt	Fleet Program Manager	MAR-612
Award Term Review Board (ATRB) Members	Jim Kahler	Program Analyst, Ship Berthing Operations	MAR-612
	Frank Bajowski	Procuring Contracting Officer	MAR-380
	Jerry Corbitt	Recorder	MAR-612
Performance Monitors (PMs)	Martin Walker	Supervisory Quality Assurance Specialist	MRG-7711
	Stanley Jones	Supervisory Quality Assurance Specialist	MRG-3711
	Earl Johnson	Supervisory Quality Assurance Specialist	MRG-4711

As requested, the ATRB Chairperson will request and obtain performance information from other MARAD units or personnel normally involved in observing FOG performance or are recipients of FOG services.

The ATRB Chairperson may confer with potential advisors to assist the ATRB in performing its functions. Potential advisors include but are not limited to the following:

- a. SOMO - TBD
- b. FCO – TBD
- c. COCO - TBD
- d. Logistics Manager – TBD
- e. Chief Counsel – TBD
- f. SSR - TBD

ANNEX 2 - Award Term Allocation by Evaluation Periods

The award term points earned by the FOG will be determined at the completion of evaluation periods shown below. The award term points shown corresponding to each period is the maximum available award term amount that can be earned during that particular period. Performance Monitors shall evaluate each of their respective Fleets (James River, Beaumont, and Suisun Bay) and assign a score from 0 – 100 points for each of the four (4) performance ratings categories (i.e. quality of product/service, cost control, timeliness of performance, and customer relations) provided by Annex 4. On a scale of 0 – 7.69 or 7.70 points, Performance Monitors shall evaluate, score, and weight each of the 13 contract requirements provided by Annex 3 *only* for the quality of product/service performance rating criteria provided by Annex 4. Performance Monitors will provide a single score (from 0 to 100) for each of the remaining three (3) performance rating criteria (i.e. cost control, timeliness of performance, and customer relations). Performance Monitors shall then obtain an average score from the four (4) performance ratings for their respective Fleets. One-third of the points (minimum, maximum, and total) for each evaluation period is allocated to each of the three Reserve Fleets (James River, Beaumont, and Suisun Bay) and combined to obtain an average score for the evaluation period. An example of the process may be found at Annex 5.

<u>Evaluation Base Period</u>	<u>Points</u>	<u>From</u>	<u>To</u>	<u>Minimum Points</u>	<u>%</u>	<u>Available Award Term</u>
First 6 months	100	04Mar04	03Sep04	75	75%	N/A
1 year	100	04Sep04	03Mar05	75	75%	See Annex 3 & 4
1.5 years	100	04Mar05	03Sep05	75	75%	See Annex 3 & 4
2 years	100	04Sep05	03Mar06	75	75%	See Annex 3 & 4
2.5 years	100	04Mar06	03Sep06	75	75%	See Annex 3 & 4
Total	500			375	75%	See Annex 3 & 4

<u>Award Term Period 1</u>	<u>Points</u>	<u>From</u>	<u>To</u>	<u>Minimum Points</u>	<u>%</u>	<u>Available Award Term</u>
3 years	100	04Sep06	03Mar07	80	80%	See Annex 3 & 4
3.5 years	100	04Mar07	03Sep07	80	80%	See Annex 3 & 4
4 years	100	04Sep07	03Mar08	80	80%	See Annex 3 & 4
4.5 years	100	04Mar08	03Sep08	80	80%	See Annex 3 & 4
Total	400			320	80%	

<u>Award Term Period 2</u>	<u>Points</u>	<u>From</u>	<u>To</u>	<u>Minimum Points</u>	<u>%</u>	<u>Available Award Term</u>
5 years	100	04Sep08	03Mar09	80	80%	See Annex 3 & 4
5.5 years	100	04Mar09	03Sep09	80	80%	See Annex 3 & 4
6 years	100	04Sep09	03Mar10	80	80%	See Annex 3 & 4
6.5 years	100	04Mar10	03Sep10	80	80%	See Annex 3 & 4
Total	400			320	80%	

<u>Award Term Period 3</u>	<u>Points</u>	<u>From</u>	<u>To</u>	<u>Minimum Points</u>	<u>%</u>	<u>Available Award Term</u>
7 years	100	04Mar10	03Sep11	80	80%	See Annex 3 & 4
7.5 years	100	04Sep11	03Mar12	80	80%	See Annex 3 & 4
8 years	100	04Mar12	03Sep12	80	80%	See Annex 3 & 4
8.5 years	100	04Sep12	03Mar13	80	80%	See Annex 3 & 4
Total	400			320	80%	

ANNEX 3
Evaluation Criteria
For Quality of Product/Service

Contract Requirement	Weight	Points Achievable %	Minimum Point (Base Period)	Minimum Point (Option Periods)
Off-Shore Operations	7.70	100%	5.79	6.16
Vessel Operations	7.70	100%	5.78	6.16
Emergency Services	7.70	100%	5.78	6.16
On-Shore Operations	7.69	100%	5.77	6.16
Routine Services	7.69	100%	5.77	6.16
Phase IV Maintenance	7.69	100%	5.77	6.15
Provide Reports & Information	7.69	100%	5.77	6.15
Ship Arrival, Departure & Movement	7.69	100%	5.77	6.15
HazMat Management	7.69	100%	5.76	6.15
Provide Escort Services	7.69	100%	5.76	6.15
Safety Management	7.69	100%	5.76	6.15
Fuel Transfer	7.69	100%	5.76	6.15
Vessel Operations Hull Integrity and Mooring	7.69	100%	5.76	6.15
Total	100	100%	75	80

Award Term Conversion Table

FOG's performance is summarized in each of the rating areas. Four categories have been assigned points as follows: Unsatisfactory - 0-69; Marginal – 70-74; Satisfactory – 75-79; Excellent – 80-89; and, Outstanding - 90-100; in concert with the QASP.

Rating	Award Points
Unsatisfactory	0-69
Marginal	70-74
Satisfactory	75-79
Excellent	80-89
Outstanding	90-100

Intentionally Left Blank

ANNEX 4 - Performance Ratings Criteria

Rating and Points	Quality of Product/Service	Cost Control	Timeliness of Performance	Customer Relations
	<ul style="list-style-type: none"> Compliance with the contract and all performance-based requirements. Technical quality/ accuracy of reports/ deliverables. Ability to meet workload goals and objectives. Appropriateness of professional employee mix to ensure quality of work while minimizing cost and time expenditures. Adherence to the contract (including the Fleet Manual), statutes, regulations, procedures and guidelines. 	<ul style="list-style-type: none"> Ability to meet cost estimates stated in the work plan and TO's Current, accurate and complete financial accounting. Record of forecasting and controlling target costs. Cost reductions. Sound basis and supporting documentation for cost increases. 	<ul style="list-style-type: none"> Development & maintenance of planned schedules and budgets for deliverables. Responsive to technical direction. Timely completion of tasks, including subcontract administration activities. Met delivery schedules according to the schedule/deadlines given in the contract, task orders and/or work plan. 	<ul style="list-style-type: none"> Responsive to contract requirements Ability to effectively manage FOG costs and resources Ability to meet, manage and adhere to subcontracting plans Notification of problems; ability to identify and resolve problems Maintains regular communication link with appropriate Agency contract personnel and provides accurate information enabling Agency personnel to keep abreast of work progress and issues
0-69 Unsatisfactory	Nonconformance is jeopardizing the achievement of performance-based contract requirements despite major Agency involvement	Inability to manage cost issues is jeopardizing contract performance despite major Agency involvement	Delays are jeopardizing contract performance despite major Agency involvement	Response to inquiries, technical/service/ administrative issues is counter productive (i.e. seeks to exacerbate rather than improve the situation).
70-74 Marginal	Overall compliance requires some minor Agency involvement to ensure achievement of contract	Management of cost issues require minor Agency involvement to ensure achievement of the contract	Delays require some minor Agency involvement to ensure achievement of contract	Response to inquiries, technical/service/ administrative issues occasionally effective.
75-79 Satisfactory	Overall compliance requires no Agency involvement to ensure achievement of contract requirements	Management of cost issues requires no Agency involvement to ensure achievement of contract requirements	Delays require no Agency involvement to ensure achievement of contract requirements	Response to inquiries, technical/service/ administrative issues usually effective.
80-89 Excellent	There are no significant quality problems	There are no significant unresolved cost management issues	There are no significant unexcused delays	Response to inquiries, technical/service/ administrative issues is effective.
90-100 Outstanding	The FOG has demonstrated outstanding performance in the above four categories that justifies adding a point to the score. It is expected that this rating will be used in those rare circumstances when FOG performance clearly exceeds the performance level described as Excellent.			

ANNEX-5
Award Term Plan
NDRF A-76 Awarded Under
Solicitation DTMA1B03001

Fleet A	85.50
Fleet B	84.92
Fleet C	84.50
Total	254.92
Average (i.e. (Fleet A + Fleet B + Fleet C)/3)	84.97

ANNEX-5
Award Term Plan
NDRF A-76 Awarded Under
Solicitation DTMA1B03001

		Quality of Product/Service	Cost Control	Timeliness of Performance	Customer Relations
Off-Shore Operations	7.7	7	↓	↓	↓
Vessel Operations	7.7	7	↓	↓	↓
Emergency Services	7.7	6	↓	↓	↓
On-Shore Operations	7.69	6	↓	↓	↓
Routine Services	7.69	7	↓	↓	↓
Phase IV Maintenance	7.69	6	↓	↓	↓
Provide Reports & Information	7.69	6	↓	↓	↓
Ship Arrival, Departure & Movement	7.69	7	↓	↓	↓
HazMat Management	7.69	6	↓	↓	↓
Provide Escort Services	7.69	6	↓	↓	↓
Safety Management	7.69	6	↓	↓	↓
Fuel Transfer	7.69	6	↓	↓	↓
Vessel Operations Hull Integrity and Mooring	7.69	6	↓	↓	↓
Total	100	82	85	85	90
Average (i.e. (Quality + Cost Control + Timeliness + Customer Relations)/4)	85.5	↵	↵	↵	↵

ANNEX-5
Award Term Plan
NDRF A-76 Awarded Under
Solicitation DTMA1B03001

		Quality of Product/Service	Cost Control	Timeliness of Performance	Customer Relations
Off-Shore Operations	7.7	7	↓	↓	↓
Vessel Operations	7.7	7	↓	↓	↓
Emergency Services	7.7	6	↓	↓	↓
On-Shore Operations	7.69	6	↓	↓	↓
Routine Services	7.69	7	↓	↓	↓
Phase IV Maintenance	7.69	6	↓	↓	↓
Provide Reports & Information	7.69	6	↓	↓	↓
Ship Arrival, Departure & Movement	7.69	7	↓	↓	↓
HazMat Management	7.69	6	↓	↓	↓
Provide Escort Services	7.69	6	↓	↓	↓
Safety Management	7.69	7	↓	↓	↓
Fuel Transfer	7.69	7.69	↓	↓	↓
Vessel Operations Hull Integrity and Mooring	7.69	6	↓	↓	↓
Total	100	84.69	80	85	90
Average (i.e. (Quality + Cost Control + Timeliness + Customer Relations)/4)	84.92	↵	↵	↵	↵

ANNEX-5
Award Term Plan
NDRF A-76 Awarded Under
Solicitation DTMA1B03001

		Quality of Product/ Service	Cost Control	Timeliness of Performance	Customer Relations
Off-Shore Operations	7.7	6	↓	↓	↓
Vessel Operations	7.7	7	↓	↓	↓
Emergency Services	7.7	6	↓	↓	↓
On-Shore Operations	7.69	7	↓	↓	↓
Routine Services	7.69	7	↓	↓	↓
Phase IV Maintenance	7.69	6	↓	↓	↓
Provide Reports & Information	7.69	6	↓	↓	↓
Ship Arrival, Departure & Movement	7.69	7	↓	↓	↓
HazMat Management	7.69	6	↓	↓	↓
Provide Escort Services	7.69	6	↓	↓	↓
Safety Management	7.69	7	↓	↓	↓
Fuel Transfer	7.69	6	↓	↓	↓
Vessel Operations Hull Integrity and Mooring	7.69	6	↓	↓	↓
Total	100	83	80	85	90
Average (i.e. (Quality + Cost Control + Timeliness + Customer Relations)/4)	84.5	↵	↵	↵	↵

Exhibit 1

General Instructions for Performance Monitors For National Defense Reserve Fleet A-76 Awarded Under Solicitation DTMA1B03001

1. Monitoring and Assessing Performance:
 - a. Performance Monitors (PMs) shall review and become familiar with the Award Term Plan, may discuss the Plan with the respective Fleet Operations Group (FOG) Fleet Program Manager (FPM), and encourage maximum understanding of the evaluation and assessment environment.
 - b. PMs may schedule status meetings, as appropriate, to ensure tasks are on schedule or problems are identified as early in the evaluation period as possible.
 - c. PMs will plan and accomplish both announced and unannounced assessment visits at their respective Fleet facility and/or vessel location; however, before each announced visit, the PM should contact the FPM who may accompany or designate someone to accompany the PM, if desired.
 - d. The PM will discuss with the FPM any observed deficiencies and/or recommendations. Adverse items or areas of poor performance will be addressed to afford the FOG an opportunity to clarify possible misunderstandings and to correct or resolve deficiencies.
 - e. PM discussions with FOG personnel are not to be used to instruct, direct, supervise, or attempt to control those personnel in the performance of this Fleet Contract. The role of the PM is to monitor, assess, and evaluate FOG performance - not to manage the FOG's effort.
2. Documenting Evaluations and Assessments: The conduct of PM evaluations and assessment, results obtained, and discussions with FOG personnel will be documented in a quarterly report submitted by the Chairperson, Award Term Review Board (ATRB), to the Award Term Approving Official (ATAO).
3. Evaluation/Assessment Reports: PMs will prepare a formal Performance Monitor Report in accordance with the following instructions for submission to the ATRB Recorder not more than 14 days prior to but no later than the last day of the evaluation period.
 - a. The PM will submit a Performance Monitor Report for the respective Fleet. The report will summarize and evaluate FOG performance for the respective Fleet and document specific reasons for the evaluation. Performance rating criteria for evaluations are contained in Annex 4 to the Award Term Plan. Significant events should be documented and attached to the report, if applicable. A recommended rating

Exhibit 1

for each functional area (see Annex 3) in the PM's respective Fleet should be included in the report.

b. PMs will be prepared to make verbal reports as required by the ATRB Chairman or the ATAO.