FY 2000

STATEMENT OF WORK

CONTRACT NR M67004-97-D-0006

SECTION C

FOR THE

LIGHT ARMORED VEHICLE

PRIMARY SIGHT UNIT

NSN: 5855-01-452-7341

ID # 8H955A

11 JAN 2000

SECTION C

C-1 GENERAL

The services to be provided under the terms and conditions of this Requirements contract involve the receipt, repair, refurbishment, and/or replacement, or overhaul of the items specified in Section "B".

C-2 SPECIFIC

(a) CHRONOLOGY. The Contractor agrees to adhere to procedures which will result in a repair cycle consisting of the following major milestones:

1. Requiring activity will send a Secondary Depot Reparable Disposition Instruction message to the holder/user of an item requiring repair, with copies to the Contractor and the Administrative Contracting Officer (ACO).

2. The Contractor will enter the appropriate data in the Status Report and will wait receipt of the item and a funded Task Order.

3. Promptly after receipt of an item and a funded Task Order by the Contractor as the result of Marine Corps Logistics Base's (MCLB's) Secondary Depot Reparable Disposition Instruction message, the article will be inducted for servicing. The Contractor will enter the appropriate data in the monthly Repair Status Report . No work will be accomplished by the Contractor on item prior to receipt of Task Order.

4. Promptly upon completion of repairs and acceptance of the repaired item as specified in Section "B", the Contractor will ship the repaired item to the consignee specified in the order by traceable means providing the order authorizing servicing of the item has been definitized.

5. If an order is not received within 30 days after receiving the article to be serviced, the Procuring Contracting Officer (PCO) will be advised. If the article is not to be serviced, the PCO will provide disposition instructions for return of the article and authorize invoicing for cost of handling.

(b) SPECIFICATIONS.

1. All repair work hereunder shall be in accordance with the applicable operational tests specifications applicable for the articles under repair, except that if upon receipt of a Task Order, such specifications are considered inappropriate by the Contractor for such Task Order he shall forthwith recommend to the cognizant ACO that the repair work be in accordance with the latest revision of the specifications (including drawings) to which such articles were manufactured, and shall not commence the particular work concerned pending directions to be incorporated in a modification to the Task Order.

C-2 SPECIFIC (Con't)

2. All repair work hereunder shall be such as for restoration of articles under repair to a serviceable condition. For the purposes of this agreement, a serviceable condition is defined as being capable of functioning and performing in the same manner as identical new articles, although they need not have the cosmetic appearance of newness.

3. Whenever any specification of a Task Order provides for use of a specific article or its equivalent, the Contractor may use any equivalent.

4. In addition to National Stock Number (NSN) and Part Number (P/N) markings contained therein, repaired units shall be marked with the Task Order number, Requirements contract number, and date of repair in such manner as to conform with the requirements of Military Standard Identification Marking of U.S. Military Property MIL-STD-130 current edition (to the maximum extent possible).

5. In those cases where specifications permit and it is economically feasible to do so, component parts of the item for repair shall be repaired.

6. Disposition of residual material in excess of $500.00 shall be in accordance with the clauses of this agreement entitled "Government Property (Fixed Price)", "Government Property (Fixed Price) (Negotiated Contracts)", all residual Government-owned material identified by NSN, P/N, quantity, unit price and extended value (if available) to MCLB Albany, Georgia via the ACO at the earliest practical time incident to contract completion.

(c) TEAR DOWN AND EVALUATION (TD&E).

Although the items listed in Section "B" are likely to represent a wide range of electronic, mechanical, electromechanical or electrohydraulic components, TD&E will be generally conducted as follows:

1. The item will be minimally disassembled consistent with performance of a thorough visual mechanical inspection.

2. The Contractor will inspect for, as a minimum:

a. Resistors, coils, capacitors that are burnt, broken or cut.

b. Oil leaks from transformers, coils or capacitors.

c. Broken, cracked or distorted chassis, frames, or panels.

C-2 SPECIFIC (Con't)

d. Broken or missing parts.

e. Presence of unauthorized modifications.

f. Status of authorized modifications.

g. Nonstandard parts used in units.

h. Rust, corrosion, or other foreign material.

(d) REPAIR, REFURBISHMENT OR OVERHAUL.

1. Repair, refurbishment or overhaul of items will be conducted in accordance with generally accepted shop procedures.

2. The contractor is authorized to utilize any existing applicable technical documentation in support of the repair, refurbishment, or overhaul effort; further, the contractor is authorized to utilize trouble-shooting procedures and/or shop techniques developed by him, provided that such procedures are in accordance with generally accepted industrial standards.

3. Workmanship will be such as to assure that a repaired item is in operational condition, as defined in Definitions, paragraph C-3(i) below.

4. All defects revealed by inspection or test outlined above will be corrected. Repaired items will be subject to the inspection and approval of Government inspection personnel (DCMC, QAR).

5. In the interest of exercising the greatest economy possible, defective components will be repaired or replaced except when the cost of labor and materials required to restore the end item to a serviceable condition exceeds 65 percent of the Estimated Acquisition Cost. This criteria may be waived only when the items are in short or critical supply status and will be referred to the PCO, MCLB via the ACO, for resolution. All condemnation will be subject to Government inspection and approval.

6. When an item or parts thereof do not need extensive repairs, the contractor will accomplish repair of the item to a serviceable condition as a minimum.

7. All the electronic/electrical components which comprise the items listed in Section "B" to include power supplies, modules, circuit cards, etc., shall be repaired to be functionally serviceable to facilitate a complete check-out and testing of the repaired item to operational specifications.

C-2 SPECIFIC (Con't)

8. Where feasible the contractor shall utilize standard repair piece-parts to replace defective parts as required. in those cases where original replacement piece-parts are no longer available because of age or lack of vendor support, etc., the best available substitute or commercially available piece-part, of. comparable quality, may be used as long as the original or latest electrical and/or electronic functions and specifications are not degraded or compromised. No notification of use of non-standard piece-part need be made to MCLB, Albany.

9. In the interest of reducing repair cycle time, cosmetic work effort will be kept to a minimum. Minor scratches or chipped surfaces may be touched up with a matching enamel or lacquer. In the event that a front panel surface is severely chipped or scarred, it may be repainted in accordance with the specifications cited in the appropriate engineering technical documentation.

10. Upon completion of final tests, items will be suitably protected to prevent entrance of foreign matter. Electrical connectors will be provided with suitable protection to prevent damage during handling and shipping.

C-3 DEFINITIONS

(a) ITEM - The term "item" includes materials, parts, components, subassemblies, equipment, accessories, and attachments.

(b) ITEM OF SUPPLY - An end item, component, or part, records for which are maintained for stock, storage, and issuance in support of military requirements.

(c) ITEM, REPLACEMENT - An item which is functionally interchangeable with another item, but which differs physically from the original part in that the installation of the replacement part requires operations such as drilling, reaming, cutting, filing, shimming, etc., in addition to the normal application and methods of attachment.

(d) ITEM, STANDARD - A material, part, component, subassembly or equipment identified or described in military or adopted federal and industry Standards.

(e) ITEMS, INTERCHANGEABLE - Two or more items possessing such functional and physical characteristics as to be equivalent in performance and durability and capable of being exchanged one for the other without alterations of the items themselves or of adjoining items except for adjustment and without selection for fit or performance.

C-3 DEFINITIONS (Con't)

(f) ITEMS, SUBSTITUTE - Two or more items possessing such functional and physical characteristics as to be capable of being exchanged only under certain conditions or in particular applications and without alterations of the items themselves, or of adjoining items.

(g) NON-DEPOT REPARABLE - An item which is capable of being restored to operational condition by repair, refurbishment or overhaul, but which has been selected by the requiring activity as being normally fully reparable at an echelon of maintenance lower than the depot. (Recoverability Code 0, F, or H) or has not been selected as an item of supply (Source Code X1 or X2).

(h) REPAIR - Restore to operational condition by a process of inspection, test, adjustment, alignment, component replacement and the like.

(i) OPERATIONAL CONDITION, - Operational condition is construed to mean that a repaired item successfully passes the Acceptance Test Procedure (ATP) under which it was originally procured, or Contractor's established repair procedures. In the event that the Contractor does not possess the applicable ATP and the Contracting Officer is unable to furnish same, operational condition will be construed to mean that a repaired item will successfully perform its design function or functions as specified in the appropriate engineering technical documentation or technical manual.

(j) REFURBISHMENT - As opposed to repair, refers to the restoration of an item or portion of an item to a like-new condition by a process which generally will not involve electronic or mechanical troubleshooting procedures. An example of refurbishment might be the cleaning and repair of the interior portion of a waveguide section, tuned cavity, etc.

(k) OVERHAUL - Is the work effort required to restore to like-new condition an item in an advanced state of deterioration or one which has experienced catastrophic electrical or mechanical failure or one which has undergone extensive physical damage. Generally, the overhaul process will require expenditure of funds in excess of the 65% of estimated acquisition price criteria.

(l) CRITICAL LOW DENSITY END ITEM - Is a major item of equipment or a system which by virtue of its low density and random failure phenomena does not generate sufficient valid usage data for the establishment of adequate stock levels of a broad spectrum of repair parts.

C-4 CONFORMANCE WITH SPECIFICATIONS, DRAWINGS, AND REQUIREMENTS

The supplies mentioned in the Schedule (Section "B") shall conform in all respects with the specifications, drawings and requirements herein recited or referred to, copies of which are in the possession of the contractor and which are incorporated herein and made a part hereof by reference.

C-5 TECHNICAL DATA (CLIN'S 0004, 0008, 0012, 0016, AND 0020)

Technical data and information shall be provided in accordance with Exhibits A001 through A004, Contract Data Requirements Lists.

C-6 SPECIFICATIONS/STANDARDS

When specifications, standards or other documents are referenced, their effective issue or revision shall be that listed in the Department of Defense Index of Specifications and Standards (DODISS) in effect upon issuance of the contract.

C-7 DRAWINGS FOR INSPECTION

The contractor shall make available to the Government Inspector at the time of production inspection, legible drawings and printed specifications to which the product was manufactured. These drawings and specifications shall be annotated to the latest revision incorporated therein. Upon completion of product inspection and acceptance by the Government Inspector, all drawings and specifications shall be returned to the contractor.

C-8 REQUEST FOR WAIVER/DEVIATION

The contractor shall comply with MIL-STD-973 in requesting waivers or deviations.

C-9 GOVERNMENT FURNISHED MATERIAL (GFM), GOVERNMENT STORES (FIRM-FIXED PRICE)

(a) Initial Inlay of Parts. (CLIN 0001)

(1) These items include Government owned parts purchase in accordance with Appendix 1 to the SOW and drop-shipped to RTIS's Government Bonded Storeroom. These items are the required spares estimated to support the repair of the PSU and TEU for a two year period. These items shall be periodically replenished if the actual usage is greater than anticipated.

(2) The GFM items provided under this Requirement Contract M67004-97-D-0006 shall be adequately controlled and maintained with suitable accountability records.

C-9 GOVERNMENT FURNISHED MATERIAL (GFM), GOVERNMENT STORES (FIRM-FIXED PRICE) (Con't)

(b) Replenishment of Initial Lay-In of Parts. (CLIN'S 0005, 0009, 0013, AND 0017) The Government may from time to time, as necessary, order supplies, material, spare parts, repair parts, and replacement parts, from the contractor for delivery into the bonded stores described herein for subsequent issuance of GFM.

(c) Contractor Acquired Parts (CAP). (CLIN'S 0002, 0006, 0010, 0014, AND 0018)

(1) A Not-to-Exceed delivery order will be issued on a quarterly basis to which the contractor shall charge the material he procures or must manufacture. The contractor shall submit a proposal to negotiate the Not-to-Exceed delivery order at the end of each quarter to the ACO for issuance of a modification definitizing the delivery order.

(2) CAP items are any additional purchased, manufactured parts or materials necessary to complete repair of the PSU and TEU that were not included in the Initial Lay-in, or in subsequent Replenishments. For the most part, these items would be primarily piece parts, common resistors, IC's, capacitors, fasteners, etc., that RTIS may have available in its group stock inventory. If purchased end items, these items would either be transferred from inventory at the current moving average inventory unit cost or costed at their purchased base material unit cost, and priced using a prenegotiated pricing factor applicable to the calendar year these items were utilized. Manufactured end items supplied as CAP will be priced using the base material item cost multiplied by a material pricing factor, plus the adjusted base labor cost multiplied by a labor pricing factor reflective of the calendar year the manufactured end item was utilized or replaced.

(3) There may be the need, however, to place individual purchase orders for these items if no open purchase orders or manufacturing commitments were available from other programs. Minimum quantity buys are authorized.

Inspection and acceptance for the inititial in-lay, replenishment stock, and contractor acquired parts procured by the contractor shall be provided by DCMC QAR.

C-10 DEDICATED DEPOT SUPPORT MANAGEMENT (FIRM-FIXED PRICE) (CLIN'S 0003, 0007, 0011, 0015, AND 0019)

This item includes all the program management, financial management and cost reporting, maintenance of bonded storeroom, and technical support needed to prepare required reports, replenishment recommendations and pricing proposals, maintenance of the technical data package, perform configuration management, shipping, packaging and packing material, shipping and traffic management of returned PSU and TEU, gathering data for making replenishment recommendations, pricing proposals and their subsequent definitization, gathering data detailing any usage of CAP during repairs for billing purposes, etc.

SECTION D

D-1 MARKING OF PHYSICAL ITEMS

Where drawings do not require marking of vendor CAGE/Part Number on physical items, the vendor shall be required to comply with the current issue of MIL-STD-130.

NOTE: Failure to properly follow specified marking instructions may result in a delay in payment and any such delay shall not constitute grounds for payment of any interest pursuant to the Prompt Payment Act (Public Law 97-177).

D-2 MARKING OF RADIOACTIVE ITEMS

In accordance with the "Notice of Radioactive Materials" clause within this contract, all containers in which radioactive items, parts or subassemblies are delivered to the Government shall be clearly marked and labeled as required by the latest revision of MIL-STD-129.

NOTE: Failure to properly follow specified marking instructions may result in a delay in payment and any such delay shall not constitute grounds for payment of any interest pursuant to the Prompt Payment Act (Public Law 97-177).

D-3 PACKAGING, HANDLING, STORAGE, AND TRANSPORTATION

(a) Packaging, Handling, Storage and Transportation shall be in accordance with paragraph 4.4.4. of Attachment #1.

(b) Point of contact for specific packaging and shipping instructions is Cheryl Blackwell at Code G331, Phone (912)439-6856.