

<b>AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT</b>				1. CONTRACT ID CODE	PAGE OF PAGES 1 11
2. AMENDMENT/MODIFICATION NO. <b>A0002</b>		3. EFFECTIVE DATE <b>7/19/01</b>	4. REQUISITION/PURCHASE REQ. NO.		5. PROJECT NO. (If applicable)
6. ISSUED BY COMMANDANT (G-ACS-4/CEM) U.S. COAST GUARD 2100 SECOND STREET, SW WASHINGTON, DC 20593-0001		CODE	7. ADMINISTERED BY (If other than Item 6)		CODE
8. NAME AND ADDRESS OF CONTRACTOR (No. Street, county, State and ZIP: Code)				(4)	9A. AMENDMENT OF SOLICITATION NO. <b>DTCG23-01-R-D0001</b>
					9B. DATED (SEE ITEM 11) <b>6/29/01</b>
					10A. MODIFICATION OF CONTRACT/ORDER NO.
					10B. DATED (SEE ITEM 13)
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 one (1) copy 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 DATA 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 data specified.

12. ACCOUNTING AND APPROPRIATION DATA (If required)

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

(4)	A. THIS CHANGE ORDER IS ISSUED PURSUANT TO: (Specify authority) THE CHANGES SET FORTH IN ITEM 14 ARE MADE IN THE CONTRACT ORDER NO. IN ITEM 10A.
	B. THE ABOVE NUMBERED CONTRACT/ORDER IS MODIFIED TO REFLECT THE ADMINISTRATIVE CHANGES (such as changes in paying office, appropriation date, etc.) SET FORTH IN ITEM 14, PURSUANT TO THE AUTHORITY OF FAR 43.103(b).
	C. THIS SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF:
	D. OTHER Specify type of modification and authority)

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

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

See the attached replacement pages.

END BLOCK 14

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) <b>CATHERINE A. MARTINDALE</b>	
15B. CONTRACTOR/OFFEROR  <i>(Signature of person authorized to sign)</i>		15C. DATE SIGNED	16B. UNITED STATES OF AMERICA  BY  <i>(Signature of Contracting Officer)</i>
			16C. DATE SIGNED <b>7/19/01</b>

- (1) If the Deepwater allocation of a legacy Coast Guard unit's operating expenses is not included in the 90% planning factor discussed on page C-107 of the MSMP, any decreases are not to be included in the LCCE but can be incorporated in section L.7.8.3.4.
- (2) If the Deepwater allocation of a legacy Coast Guard unit's operating expenses is included in the 90% planning factor discussed on page C-107 of the MSMP, any decreases beyond the amount allocated to the planning factor are not to be included in the LCCE but can be incorporated in section L.7.8.3.4.
- (3) Military retirement costs are not to be included in the LCCE nor shall they be reported in section L.7.8.3.4.
- (4) Ammunition costs associated with Navy-Type Navy-Owned equipment or their functional equivalents are not to be included in the LCCE but shall be incorporated in section L.7.8.3.4.

AC&I appropriations, meeting one of the below descriptions:

- (1) Costs associated with shutting down (e.g. demolition, code compliance, or environmental cleaning) or salvaging (e.g. sell the property) a base, in the case of full or partial closure, are not to be included in the LCCE nor shall they be reported in section L.7.8.3.4. Rebuild requirements associated with sustaining the Deepwater facility plant, however, shall be incorporated in section L.7.8.3.4.
- (2) Government incurred internal program management costs not associated with a CLIN and not required by the IDS proposal are not to be included in the LCCE nor shall they be reported in section L.7.8.3.4.

The life cycle cost estimate shall conform to the requirements in Attachment J-19, MSMP and J-19A, Phase 2 Specific MSMP Supplement. Estimates shall be provided to the lowest levels for all applicable elements of the WBS and ACCs provided in the MSMP Appendix D and the Offeror shall provide separate narratives for descriptions and rationale used in its life cycle cost estimate.

The sum of all Table D-159 costs relating to a particular Contract Line Item Number (CLIN), must be consistent with deflating the CLIN contract price to FY1998\$ using the inflation rates specified in Table C-58A: Inflation Factors in the MSMP. "Contract price" means the price of a firm-fixed price CLIN, the *ceiling* price of a fixed-price-incentive CLIN, the target cost plus target fee of a cost-plus-incentive-fee CLIN, and the ceiling price of a time-and-materials CLIN. Likewise, for comparison purposes between Table D-159 and the notional funding streams, any portion of the funding stream not provided in FY1998\$ will be adjusted to FY1998\$ using the inflation rates specified in Table C-58A: Inflation Factors.

will not evaluate nor consider for award alternate proposals. Only one proposal will be considered from each of the three teams participating in Phase 1. The proposal will present the Offeror’s understanding of the scope of the acquisition and overall approach to providing the required services.

**L.7.2 PROPOSAL VOLUMES REQUIREMENTS**

The proposal shall be accompanied by a cover letter (letter of transmittal) prepared on the company’s letterhead stationery. The cover letter (letter of transmittal) shall identify all enclosures being transmitted and shall be used only to transmit the proposal and shall include no other information. The first or title page shall be in accordance with FAR 52.215-1, paragraph (c) (2). If the Offeror wishes to restrict the disclosure or use of its proposal, use the legend permitted by FAR 52.215-1(e).

The following are further descriptions of the information that shall be provided with the proposal. Each Offeror must submit six separate volumes (with copies) as follows:

<b>Volume</b>	<b>Title</b>	<b>Section (L) paragraph</b>	<b>Original CD</b>	<b>CD copies</b>	<b>Paper copies</b>
I	Executive Summary	L.7.6	1	5	1
II	Operational Effectiveness	L.7.7	1	5	1
III	TOC Estimate	L.7.8	1	5	1
IV	Management	L.7.9	1	5	1
V	Technical	L.7.10	1	5	1
VI	Business	L.7.11	1	5	1

Each volume in the proposal shall include a copy of the cover letter (letter of transmittal), title page, and table of contents. The table of contents shall list sections, subsections, and page numbers. Each volume shall be bound separately in three-ring binders (to permit removal of sections) with tabs for each major part. If there are any discrepancies between the hardcopy and the CDs, the CDs will govern. CDs shall be “read-only” CDs-formatted for Microsoft Windows NT with one exception. One of the Volume III, TOC disks shall be in read or write format with any spreadsheets unlinked to any unsubmitted spreadsheets or other files. Documents, spreadsheets, databases, or other data submitted must be compatible with Microsoft Office 2000, Microsoft Project 2000, and Microsoft Internet Explorer 5.0. Adobe Acrobat reader version 4.0 format may be used for drawings not compatible with Microsoft products. The first page of each volume shall be in accordance with the requirements of FAR 52.215-1 Instructions to Offerors – Competitive Acquisition.

fixed price CLIN prices, fixed-price-incentive CLIN ceiling prices, cost-plus-incentive-fee CLIN target costs plus target fees, cost plus award fee CLIN estimated costs plus award fees, and time-and-materials ceiling prices.

At the time of definitization of an award term period, the negotiated CLIN prices may vary up or down from the provisional prices, but the total of the definitized CLIN prices, expressed in March 2002 dollars, cannot exceed the NTE amount.

When the provisional prices for an award term period have been superseded by definitive prices, the respective NTE no longer has any effect.

- (i) The following is provided to complete the blanks of FAR Clause 52.216-10. Insert in the first blank "10 cents." Insert in the second blank "10 cents." Third blank - The maximum fee for each CPIF CLIN shall be determined by dividing the proposed target fee by the proposed target cost and adding 5% to the resulting percentage. Fourth blank - The minimum fee for each CPIF CLIN shall be determined by dividing the proposed target fee by the proposed target cost and subtracting 5% from the resulting percentage.
- (j) The following is provided to complete the blanks of FAR clause 52.216-16. First blank - The supplies and services identified in the schedule as FPIF are subject to price revision in accordance with this FAR clause 52.216-16. Second and third blanks - The ceiling price for each FPIF CLIN shall be determined by multiplying the proposed target cost by 125%. Insert in the fourth blank "90." Insert in the fifth blank "20%." Insert in the sixth blank "20%."
- (k) For each T&M sub-CLIN, the Contractor shall submit, as an attachment to Section B, a schedule containing the labor categories proposed to perform the work under the CLIN as well as fixed hourly rates for the categories that shall include wages, overhead, general and administrative expenses, and profit. The categories shall be taken from the Contractor's approved cost accounting system and must have documented education and/or experience standards. The Contractor shall also submit the estimated cost of any material required plus any reasonable and allocable material handling costs. The ceiling price for the CLIN shall be the sum of the labor cost (the hours for each category times the respective fixed hourly rate) plus material and material handling costs.
- (l) For each CPAF CLIN, the Contractor shall insert amounts for Estimated Cost, Base Fee, and Available Award Fee. The Base Fee shall equal 3 percent of the Estimated Cost. The Available Award Fee shall equal 10 percent of the Estimated Cost.

### **M.4.3 TOTAL OWNERSHIP COST (TOC) FACTOR**

#### **M.4.3.1 TOTAL OWNERSHIP COST**

TOC will be evaluated in constant FY98 dollars, discounted by the Government to FY98. The discount rate applied will be in accordance with the Real Interest Rates on Treasury Notes and Bonds published in the version of Appendix C of OMB Circular No. A-94 in effect on the date this RFP is issued. For proposal evaluation purposes, TOC is defined as comprising the following:

- (a) IDS LCCE amounts:
  - (1) The total of the contract line item number (CLIN) amounts in FY98 dollars. This will be the sum of all firm-fixed price CLIN prices, fixed-price-incentive CLIN *ceiling* prices, cost-plus-incentive-fee CLIN target costs plus target fees, cost plus award fee CLIN estimated cost plus award fees, and time-and-materials ceiling prices and will include the base period plus all award term periods.
  - (2) Other IDS Life Cycle Costs (e.g. operations, maintenance, training) chargeable to appropriations associated with Deepwater assets, either Operational Expense or Acquisition, Construction, and Improvements.
- (b) Increases and Decreases Outside of the IDS LCCE. These are areas of cost that are not included in Table D-159 (in accordance with the MSMP, Appendix D, Section D.10.3 (using Table D-159 in place of Table D-145)) and are outside the scope of the IDS LCCE but which are likely to be affected by the proposed Deepwater system. The areas that will be considered are:
  - (1) Modifications to non-Deepwater assets required to achieve the same level of interoperability currently available between Deepwater and non-Deepwater assets.
  - (2) Changes in non-deepwater specific training requirements.
  - (3) AC&I rebuild requirements associated with sustaining the current Deepwater facility plant.
  - (4) Ammunition costs associated with current Navy-Type Navy-Owned equipment and their functional equivalents.
  - (5) Decreases to legacy operating expenses which result in a negative cost estimate as described in sections L.7.8.2(a)(2) and L.7.8.2(a)(3).

#### **M.4.3.2 EVALUATION**

The proposal will first be reviewed to determine whether it follows the requirements of Section L and includes all of the data and other required information. Omission of significant data or information may be considered grounds for dropping the proposal from further consideration.

- Section 5      Logistics Plans
- Section 6      Implementation Plan
- Section 7      Operational Effectiveness Modeling Data
- Section 8      Validation Tables for Operational Effectiveness

L.7.7.1      SECTION 1 SUMMARY OF DESIGN (*limited to 200 pages*)

L.7.7.1.1      *General Guidance*

The Offeror shall describe the IDS design philosophy and its implementation in the integration of assets, C4ISR capabilities, concepts of operations and logistics plans. The Offeror shall fully describe how the proposed IDS will achieve the performance levels characterized by the input data elements to Center for Naval Analyses (CNA) IDS Asset Assessment Tool (CIAAT). Particular attention should be paid to elements that:

Greatly exceed legacy system performance;

Represent a significant departure from legacy systems in philosophy on CONOPS, CONLOG, or C4ISR architecture; and/or

The Offeror feels will provide significant benefit to the Government.

L.7.7.1.2      Specific Requirements

The level of detail may vary for the IDS and specific assets based upon the Offeror's proposed implementation timeframe for the introduction of assets, C4ISR and logistics capabilities, and concepts of operations. The Offeror shall ensure that all changes from final Phase 1 functional design pertinent to any aspect of the Summary of Design are addressed in the Summary of Changes Annex as specified in Paragraphs 7.7.2 through 7.7.6 below.

The following information shall be provided in support of the description of asset designs:

A description of the major components of the IDS and assets in accordance with the general instructions for this section. This includes, but is not limited to:

- (1) General technical and performance characteristics for major components and assets, including but not limited to:

- Asset Level Factors
  - Sensor Performance
  - Stability
  - Sustained Speed
  - Endurance

- System Level Factors
  - Quantity of Assets
  - Schedule (Availability)

Assignments (OpAreas)  
Asset Coordination (C4ISR)

- (4) A description of the plan, including process/methodology, responsibility assignments, and schedule for integrating human systems into system-level and asset-level design.
- (5) Describe how supportability is implemented in the proposed hardware and software designs of assets and their major subsystems.
- (6) Establish measures of effectiveness and performance thresholds for the assets and capabilities that underlie and support IDS system level availability requirements.

The Offeror shall describe the integration of asset systems required to obtain asset performance and unique synergies derived from their technical and operational integration.

Identification of areas of uncertainty and risks in the asset designs, C4ISR and logistics capabilities, and their technical and operational integration being proposed. Describe how these areas affect the refinement of the design, the mitigation strategy, and the resources necessary for their resolution.

#### L.7.7.2 SECTION 2 CONOPS *(no page limit)*

The Offeror shall submit a CONOPS in accordance with the requirements specified in Section 3.19.4.1 of Attachment J-31, the Phase 1 SOW and SOW Attachments. The proposal should reflect a maturation of the deliverable submitted during Phase 1. The Offeror will highlight text changes, including text in tables and spreadsheets, from the final Phase 1 deliverable with bold text and red color and annotate changes to figures, graphics, drawings, etc. from the final Phase 1 deliverable with a note in bold text and red color. **Strike through of deleted text is not required or desired.** In addition, the Offeror will briefly describe all substantial changes and the impact of these changes on the IDS from the final Phase 1 deliverable in a Summary of Changes Annex to be incorporated into the CONOPS Section. Changes from the Phase 1 deliverable are not limited to concerns communicated by the Contracting Officer regarding final CDRL submission in Phase 1.

The CONOPS of the successful Offeror may be incorporated in the resulting contract as Attachment J-17. CONOPS are subject to negotiation, at the discretion of the Government, and may result in modification and subsequent approval as required by this contract during Phase 2.

#### L.7.7.3 SECTION 3 AIR AND SURFACE ASSET DESIGNS *(no page limit)*

The Offeror shall submit Air and Surface Asset Designs in accordance with the requirements specified in Section 3.19.4.2 of Attachment J-31, the Phase 1 SOW and SOW Attachments. The proposal should reflect a maturation of the deliverable submitted during Phase 1. The Offeror will highlight text changes, including text in tables and spreadsheets, from the final Phase 1 deliverable with bold text and red color and annotate changes to figures, graphics, drawings, etc. from the final Phase 1 deliverable with a note in bold text and red color. **Strike through of deleted text is not required or desired.** In addition, the Offeror will briefly describe all substantial changes and the impact of these changes on the IDS from the final Phase 1 deliverable in a Summary of Changes Annex to be incorporated into the Air and Surface Asset Design Section.

Changes from the Phase 1 deliverable are not limited to concerns communicated by the Contracting Officer regarding final CDRL submission in Phase 1.

The Asset Performance Specifications of the successful Offeror may be incorporated in the resulting contract as Attachments J-5 for Surface and J-6 for Air. The Offeror shall include in the Asset Performance Specifications those salient design characteristics and attributes which support the attainment of performance requirements and which represent beneficial design features which the Offeror commits to provide. Asset Performance Specifications are subject to negotiation, at the discretion of the Government, and may result in modification and subsequent approval as required by this contract during Phase 2.

The Cutter Specific Certification Matrix of the successful Offeror may be incorporated in the resulting contract as Attachments J-13b. The Cutter Specific Certification Matrix is subject to negotiation, at the discretion of the Government, and may result in modification and subsequent approval as required by this contract during Phase 2.

#### L.7.7.4 SECTION 4 C4ISR ARCHITECTURES *(no page limit)*

The Offeror shall submit C4ISR Architecture Products in accordance with the requirements specified in Section 3.19.4.3 of Attachment J-31, the Phase 1 SOW and SOW Attachments. The proposal should reflect a maturation of the deliverable submitted during Phase 1. The Offeror will highlight text changes, including text in tables and spreadsheets, from the final Phase 1 deliverable with bold text and red color and annotate changes to figures, graphics, drawings, etc. from the final Phase 1 deliverable with a note in bold text and red color. **Strike through of deleted text is not required or desired.** In addition, the Offeror will briefly describe all substantial changes and the impact of these changes on the IDS from the final Phase 1 deliverable in a Summary of Changes Annex to be incorporated into the C4ISR Architecture Section. Changes from the Phase 1 deliverable are not limited to concerns communicated by the Contracting Officer regarding final CDRL submission in Phase 1.

The C4ISR Architecture of the successful Offeror may be incorporated in the resulting contract as Attachments J-4. The C4ISR Architecture is subject to negotiation, at the discretion of the Government, and may result in modification and subsequent approval as required by this contract during Phase 2.

#### L.7.7.5 SECTION 5 LOGISTICS PLANS *(no page limit)*

The Offeror shall submit ISP(s) in accordance with the requirements specified in Section 3.19.4.4 of Attachment J-31, the Phase 1 SOW and SOW Attachments. The proposal should reflect a maturation of the deliverable submitted during Phase 1. The Offeror will highlight text changes, including text in tables and spreadsheets, from the final Phase 1 deliverable with bold text and red color and annotate changes to figures, graphics, drawings, etc. from the final Phase 1 deliverable with a note in bold text and red color. **Strike through of deleted text is not required or desired.** In addition, the Offeror will briefly describe all substantial changes and the impact of these changes on the IDS from the final Phase 1 deliverable in a Summary of Changes Annex to be incorporated into the Logistics Plans Section. Changes from the Phase 1 deliverable are not limited to concerns communicated by the Contracting Officer regarding final CDRL submission in Phase 1.

The ISP(s) of the successful Offeror may be incorporated in the resulting contract as Attachment J-3. ISP(s) are subject to negotiation, at the discretion of the Government, and may result in the modification and subsequent approval of the ISP(s) as required by this contract during Phase 2.

#### L.7.7.6 SECTION 6 IMPLEMENTATION PLAN *(no page limit)*

The Offeror shall submit an Implementation Plan in accordance with the requirements specified in Section 3.19.7 of Attachment J-31, the Phase 1 SOW and SOW Attachments. The proposal should reflect a maturation of the deliverable submitted during Phase 1. The Offeror will

highlight text changes, including text in tables and spreadsheets, from the final Phase 1 deliverable with bold text and red color and annotate changes to figures, graphics, drawings, etc. from the final Phase 1 deliverable with a note in bold text and red color. ~~Strike through of deleted text is not required or desired.~~ In addition, the Offeror will briefly describe all substantial changes and the impact of these changes on the IDS from the final Phase 1 deliverable in a Summary of Changes Annex to be incorporated into the Implementation Plan Section. Changes from the Phase 1 deliverable are not limited to concerns communicated by the Contracting Officer regarding final CDRL submission in Phase 1. The Offeror shall also summarize in a narrative or tabular format the implementation plans and responsibilities for introducing any new C4ISR systems or upgrading legacy C4ISR systems for calendar years 2004, 2007, 2011 and 2016. In addition, changes to the CG information technology requirements processing, capabilities and resourcing methods that will be needed to support the IDS shall be addressed.

The Implementation Plan(s) of the successful Offeror may be incorporated in the resulting contract as Attachments J-2. The Implementation Plans are subject to negotiation, at the