**Request for Quotations (Services)**

**Open Market**

**Lowest Price, Technically Acceptable**

***Request for Quotation***

RFQ Number: \_\_2021-01-IT\_\_\_\_\_\_\_\_\_\_

Request Date: \_ 2-9-2021\_\_\_\_\_\_\_\_\_\_\_

To: All Vendors

This is a request for **Open Market Pricing**.

Quotes may be faxed, e-mailed or hand delivered to one of the below listed addresses by **March 12, 2021 at 5pm CST**:

Brooke Richards

U.S. District Court, District of South Dakota

Administrative Services Unit

314 S. Main Avenue, Suite 100

[Brooke\_Richards@sdd.uscourts.gov](mailto:Brooke_Richards@sdd.uscourts.gov)

Fax 605.977.8951

Vendors are requested to complete both Quote Sheets, one which offers pricing for a 3-year term, the other offers pricing for a base year and 2 option years. **A fixed price award from this RFQ will be made based on the lowest priced, technically acceptable offer.**

Questions concerning this RFQ should be addressed to Brooke Richards at [Brooke\_Richards@sdd.uscourts.gov](mailto:Brooke_Richards@sdd.uscourts.gov) by 5pm CST on March 5, 2021.

Services are to be performed at:

Sioux Falls, 57104 Aberdeen, 57401  
 400 S. Phillips Avenue 102 4th Avenue SE  
 314 S. Main Avenue

Pierre, 57501 Rapid City, 57701  
 225 S. Pierre Street 515 Ninth Street

Sincerely,

Brooke Richards

Contracting Officer

Attachments

**Statement of Work**

**High Speed Internet**

**U.S. District Court for the District of South Dakota**

1. **INTRODUCTION**

The U.S. District Court is soliciting bids for a highspeed internet solution to replace our existing non-high-speed DSL internet service.

**1.1 SCOPE**

The contractor shall provide highspeed internet service to all locations identified in Section 1.2 with a minimum download/upload speed of 100/12 Mbps.

The internet connection shall be wired (e.g. cable modem, fiber, ethernet circuit, etc).

The connection latency shall be lower than 150 ms, jitter shall be lower than 40 ms and packet loss must be lower than 1%.

**1.2 SPECIAL REQUIREMENTS**

Contractor must have the ability to provide direct services to each of the following locations:

Sioux Falls, 57104  
 400 S. Phillips Avenue  
 300 S. Main Avenue

Aberdeen, 57401  
 102 4th Avenue SE

Pierre, 57501  
 225 S. Pierre Street

Rapid City, 57701  
 515 Ninth Street

1. **REQUIREMENTS**
   1. A site survey for all contractors will be held at the following locations, dates and times:

Sioux Falls, 57104  
 400 S. Phillips Ave, Room 128  
 300 S. Main Ave, Suite 100

**February 23, 2021 at 10am**

**Meet at the Clerk’s Office at 400 S. Phillips Avenue, Room 128**

Aberdeen, 57401  
 102 4th Avenue SE, Suite 310

**February 19, 2021 at 2pm**

Pierre, 57501

Clerk’s Office  
 225 S. Pierre St, 3rd floor

**February 24, 2021 at 10am**

Rapid City, 57701

Clerk’s Office  
 515 Ninth St, 2nd floor

**February 25, 2021 at 10am**

Contractors wishing to submit a quote for this statement of work must attend all scheduled site surveys.

2.2 Pursuant to CDC guidance, all contractors are required to wear facial coverings (mask or face shield) while on government property.

2.3 The contractor shall review the statement of work and attend the required site survey to develop a response to this request.

2.4 The Court is seeking a contract and pricing for up to 36 months. Service period for billing purposes shall begin when the internet service is functional at all locations. Service shall begin no later than 04/01/2021.

2.5 Quote shall include any and all connection, installation, and equipment expenses to provide internet service in the server room of each site listed in Section 1.2.

2.6 The highspeed internet connection shall use a wired technology (e.g. cable modem, fiber, ethernet circuit, etc).

2.7 The highspeed internet connection shall have a minimum download speed of 100 Mbps and a minimum upload speed of 12Mbps.

2.8 The connection latency shall be lower than 150ms, jitter shall be lower than 40 ms and packet loss shall be lower than 1%.

2.9 The contractor shall provide an RJ45 ethernet connection from the provider’s equipment to the existing LAN equipment at each location listed in Section 1.2.

2.10 Travel expenses to install highspeed internet services to each location listed in Section 1.2 shall be the responsibility of the contractor.

2.11 The contractor shall provide 24/7 technical support for the provided highspeed internet services. Updates for outages shall be provided within 24 hours of an outage being reported to the point of contact provided at the issuance of a purchase order.

2.12 The contractor shall not “alter” any existing equipment without the consent of the contracting office or the contracting officer’s representative.

1. **DELIVERABLES**
   1. **SCHEDULE FOR PERFORMANCE AND DELIVERY**

After issuance of a purchase order, the contractor may begin work to accomplish service date requirements.

Service shall begin no later than 04/01/2021. Services shall be concurrent and invoicing shall begin once all locations are operational.

The contracting officer shall be notified electronically via email by 5:00pm (CST) the day prior to the service start date to verify all services are operational.

Contracting Officer

Brooke\_Richards@sdd.uscourts.gov

1. **ENVIRONMENT**
   1. **LOCATIONS FOR PERFORMANCE**

Sioux Falls, 57104  
 400 S. Phillips Ave, Room 128  
 300 S. Main Ave, Suite 100

Aberdeen, 57401  
 102 4th Avenue SE, Suite 310

Pierre, 57501  
 225 S. Pierre St, 3rd floor

Rapid City, 57701

515 Ninth St, 2nd floor

1. **INVOICING**
   1. Invoices for all service locations shall be consolidated into one monthly invoice for services in arrears beginning 05/01/2021.
   2. Invoices shall be electronically sent to the following email:

[Invoices@sdd.uscourts.gov](mailto:Invoices@sdd.uscourts.gov)

**Applicable Judiciary TERMS AND CONDITIONS**

1. Clause B-5, Clauses Incorporated by Reference (SEP 2010)

This contract incorporates one or more clauses by reference, with the same force and effect as if they were given in full text. Upon request, the contracting officer will make their full text available. Also, the full text of a clause may be accessed electronically at this address: <http://www.uscourts.gov/procurement.aspx>

(end)

2. The following judiciary clauses, that the Contracting Officer has indicated are applicable, are incorporated in this contract by reference:

\_X\_\_ Clause 3-3 Provisions, Clauses, Terms and Conditions - Small Purchases (JUN 2014)

\_X\_\_ Clause 3-175 Fair Labor Standards Act and Service Contract Act – Price Adjustment (Multiple Year and Option

Contracts) (JUN 2012)

\_\_\_\_ Clause 6-20 Insurance – Work on or Within a Judiciary Facility (APR 2011)

\_\_\_\_ Clause 7-55 Contractor Use of Judiciary Networks (JUN 2014)

\_\_\_\_ Clause 7-65 Protection of Judiciary Buildings, Equipment and Vegetation (APR 2013)

\_\_\_\_ Clause 7-115 Availability of Funds (JAN 2003)

3. The following full text clauses are incorporated if the Contracting Officer has marked them as applicable (X):

\_\_\_\_Clause 2-90C Option to Extend Services (APR 2013)

The judiciary may require continued performance of any services within the limits and at the rates specified in the contract. These rates may be adjusted only as a result of revisions to prevailing labor rates provided by the Secretary of Labor. The option provision may be exercised more than once, but the total extension of performance hereunder shall not exceed 6 months. The contracting officer may exercise the option by written notice to the contractor no later than \_\_\_\_\_ calendar days prior to the contract’s current expiration date *[insert the period of time within which the contracting officer may exercise the option]*.

(end)

\_\_\_\_ Clause 2-90D Option to Extend the Term of the Contract (APR 2013)

(a) The judiciary may extend the term of this contract by written notice to the contractor no later than \_\_\_\_\_\_ calendar days prior to the contract’s current expiration date *[insert the period of time within which the contracting officer may exercise the option]*; provided that the judiciary gives the contractor a preliminary written notice of its intent to extend at least \_\_\_\_\_\_ calendar days [60 days unless a different number of days is inserted] before the contract expires. The preliminary notice does not commit the judiciary to an extension.

(b) If the judiciary exercises this option, the extended contract shall be considered to include this option clause.

(c) The total duration of this contract, including the exercise of any options under this clause, shall not exceed \_\_\_\_\_\_\_\_\_\_\_ (months) (years).

(end)

**4. Incorporation of Department of Labor Wage Rate Determination**

*(If the estimated cost is over $2,500, attach the current applicable Department of Labor wage rate determination.)*

**SUBMISSION OF QUOTE AND EVALUATION OF OFFERS**

1. The following judiciary provisions, that the Contracting Officer has indicated are applicable, are incorporated in this solicitation:

\_\_X\_\_ Provision B-1, Solicitation Provisions Incorporated by Reference (SEP 2010)

This solicitation incorporates one or more solicitation provisions by reference, with the same force and effect as if they were given in full text. Upon request, the contracting officer will make their full text available. The offeror is cautioned that the listed provisions may include blocks that must be completed by the offeror and submitted with its quotation or offer. In lieu of submitting the full text of those provisions, the offeror may identify the provision by paragraph identifier and provide the appropriate information with its quotation or offer. Also, the full text of a solicitation provision may be accessed electronically at this address: <http://www.uscourts.gov/procurement.aspx>.

(end)

**Solicitation Provisions Incorporated by Reference**

\_\_\_\_ Provision 2-70 Site Visit (JAN 2003)

\_\_X\_\_ Provision 2-85A Evaluation Inclusive of Options (JAN 2003)

\_\_\_\_ Provision 3-135 Single or Multiple Awards (JAN 2003)

**Additional Solicitation Provisions**

\_\_X\_\_ Provision 4-1, Type of Contract (JAN 2003)

The judiciary plans to award a fixed price with economic price adjustment type of contract under this solicitation, and all offers shall be submitted on this basis. Alternate offers based on other contract types will not be considered.

(end)

\_\_X\_\_ Provision 3-5, Taxpayer Identification and Other Offeror Information (APR 2011)

(a) *Definitions.*

“Taxpayer Identification (TIN),” as used in this provision, means the number required by the Internal Revenue Service (IRS) to be used by the offeror in reporting income tax and other returns. The TIN may be either a social security number or an employer identification number.

(b) All offerors shall submit the information required in paragraphs (d) and (e) of this provision to comply with debt collection requirements of 31 U.S.C. 7701(c) and 3325(d), reporting requirements of 26 U.S.C. 6041, 6041A, and implementing regulations issued by the IRS. If the resulting contract is subject to the payment reporting requirements, the failure or refusal by the offeror to furnish the information may result in a 31 percent reduction of payments otherwise due under the contract.

(c) The TIN may be used by the government to collect and report on any delinquent amounts arising out of the offeror’s relationship with the government (31 U.S.C. 7701(c)(3). If the resulting contract is subject to payment recording requirements, the TIN provided hereunder may be matched with IRS records to verify the accuracy of the offeror’s TIN.

(d) *Taxpayer Identification Number (TIN):\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_*

[ ] TIN has been applied for.

[ ] TIN is not required, because:

[ ] Offeror is a nonresident alien, foreign corporation or foreign partnership that does not have income effectively connected with the conduct of a trade or business in the United States and does not have an office or place of business or a fiscal paying agent in the United States;

[ ] Offeror is an agency or instrumentality of a foreign government;

[ ] Offeror is an agency or instrumentality of the federal government.

(e) *Type of organization:*

[ ] sole proprietorship;

[ ] partnership;

[ ] corporate entity (not tax-exempt);

[ ] corporate entity (tax-exempt);

[ ] government entity (federal, state or local);

[ ] foreign government;

[ ] international organization per 26 CFR 1.6049-4;

[ ] other \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_.

*(f) Contractor representations.*

The offeror represents as part of its offer that it is [ ], is not, [ ] 51% owned and the management and daily operations are controlled by one or more members of the selected socio-economic group(s) below:

[ ] Women Owned Business

[ ] Minority Owned Business (if selected, then one sub-type is required)

[ ] Black American

[ ] Hispanic American

[ ] Native American (American Indians, Eskimos, Aleuts, or Native Hawaiians)

[ ] Asian-Pacific American (persons with origins from Burma, Thailand, Malaysia, Indonesia, Korea, The Philippines, U.S. Trust Territory of the Pacific Islands (Republic of Palau), Republic of the Marshall Islands, Federated States of Micronesia, the Commonwealth of the Northern Mariana Islands, Guam, Samoa, Macao, Hong Kong, Fiji, Tonga, Kiribati, Tuvalu, or Nauru)

[ ] Subcontinent Asian (Asian-Indian) American (persons with origins from India, Pakistan, Bangladesh, Sri Lanka, Bhutan, the Maldives Islands, or Nepal)

[ ] Individual/concern, other than one of the preceding.

(end)

\_\_\_\_ Provision 3-195 Exemption from Application of the Service Contract Act to Contracts for Maintenance,

Calibration, or Repair of Certain Equipment – Certification (APR 2011)

(a) The offeror shall check following certification:

CERTIFICATION

The offeror [ ] does [ ] does not certify that –

(1) the items of equipment to be serviced under this contract are used regularly for other than government purposes, and are sold or traded by the offeror (or subcontractor in the case of an exempt subcontractor) in substantial quantities to the general public in the course of normal business operations;

(2) the services will be furnished at prices which are, or are based on, established catalog or market prices for the maintenance, calibration, or repair of equipment.

(i) An "established catalog price" is a price included in a catalog, price list, schedule, or other form that is regularly maintained by the manufacturer or the offeror, is either published or otherwise available for inspection by customers, and states prices at which sales currently, or were last, made to a significant number of buyers constituting the general public.

(ii) An "established market price" is a current price, established in the usual course of trade between buyers and sellers free to bargain, which can be substantiated from sources independent of the manufacturer or contractor; and

(3) the compensation (wage and fringe benefits) plan for all service employees performing work under the contract is the same as that used for these employees and equivalent employees servicing the same equipment of commercial customers.

(b) Certification by the offeror as to its compliance with respect to the contract also constitutes its certification as to compliance by its subcontractor if it subcontracts out the exempt services. If the offeror certifies to the conditions in paragraph (a) of this provision then [Clause 3-160, Service Contract Act of 1965](http://jnet.ao.dcn/Guide/Vol_14_Procurement/Ch_1_Overview/Appx_1B_Solicitation_Provisions_and_Contract_Clauses.html#c_3_160), will not be included in any resultant contract to this offeror.

(c) If the offeror does not certify to the conditions in paragraph (a) of this provision –

(1) [Clause 3-215, Exemption from Application of the Service Contract Act to Contracts for Maintenance, Calibration, or Repair of Certain Equipment – Requirements](http://jnet.ao.dcn/Guide/Vol_14_Procurement/Ch_1_Overview/Appx_1B_Solicitation_Provisions_and_Contract_Clauses.html#c_3_215), will not be included in any resultant contract awarded to this offeror; and

(2) the offeror shall notify the contracting officer as soon as possible, if the contracting officer did not attach a Service Contract Act wage determination to the solicitation.

(d) The contracting officer may not make an award to the offeror, if the offeror fails to execute the certification in paragraph (a) of this provision or to contact the contracting officer as required in paragraph (c) of this provision.

(end)

\_\_\_\_ Provision 3-220 Exemption from Application of the Service Contract Act to Contracts for Certain

Services – Certification (APR 2011)

(a) The offeror shall check following certification:

CERTIFICATION

The offeror [ ] does [ ] does not certify that –

(1) The services under the contract are offered and sold regularly to non-Governmental customers, and are provided by the offeror (or subcontractor in the case of an exempt subcontract) to the general public in substantial quantities in the course of normal business operations;

(2) The contract services are furnished at prices that are, or are based on, established catalog or market prices. An “established catalog price” is a price included in a catalog, price list, schedule, or other form that is regularly maintained by the manufacturer or the offeror, is either published or otherwise available for inspection by customers, and states prices at which sales currently, or were last, made to a significant number of buyers constituting the general public. An “established market price” is a current price, established in the usual course of ordinary and usual trade between buyers and sellers free to bargain, which can be substantiated from sources independent of the manufacturer or offeror;

(3) Each service employee who will perform the services under the contract will spend only a small portion of his or her time (a monthly average of less than 20 percent of the available hours on an annualized basis, or less than 20 percent of available hours during the contract period if the contract period is less than a month) servicing the Government contract; and

(4) The offeror uses the same compensation (wage and fringe benefits) plan for all service employees performing work under the contract as the offeror uses for these employees and for equivalent employees servicing commercial customers.

(b) Certification by the offeror as to its compliance with respect to the contract also constitutes its certification as to compliance by its subcontractor if it subcontracts out the exempt services. If the offeror certifies to the conditions in paragraph (a) of this provision then [Clause 3-160, Service Contract Act of 1965](http://jnet.ao.dcn/Guide/Vol_14_Procurement/Ch_1_Overview/Appx_1B_Solicitation_Provisions_and_Contract_Clauses.html#c_3_160), as amended, will not be included in any resultant contract to this offeror.

(c) If the offeror does not certify to the conditions in paragraph (a) of this provision—

(1) [Clause 3-225, Exemption from Application of the Service Contract Act to Contracts for Certain Services – Requirements](http://jnet.ao.dcn/Guide/Vol_14_Procurement/Ch_1_Overview/Appx_1B_Solicitation_Provisions_and_Contract_Clauses.html#c_3_225), will not be included in any resultant contract to this offeror; and

(2) The offeror shall notify the contracting officer as soon as possible if the contracting officer did not attach a Service Contract Act wage determination to the solicitation.

(d) The contracting officer may not make an award to the offeror, if the offeror fails to execute the certification in paragraph (a) of this provision or to contact the Contracting Officer as required in paragraph (c) of this provision.

(end)

Quote Sheet for RFQ Number: \_\_\_2021-01-IT\_\_\_\_\_\_\_\_\_\_\_\_\_

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| **Item No.** | **Description** | **Quantity** | **Unit** | **Unit Price Year 1** | **United Price Year 2** | **Unit Price Year Three** | **Extended Price** |
| 1 | Highspeed internet service for 400 S. Phillips Avenue, First Floor, Sioux Falls, SD 57104 | 36 | Month |  |  |  |  |
| 2 | Highspeed internet service for 314 S. Main Avenue, Suite 100, Sioux Falls, SD 57104 | 36 | Month |  |  |  |  |
| 3 | Highspeed internet service for 102 4th Avenue SE, Suite 310, Aberdeen, SD 57401 | 36 | Month |  |  |  |  |
| 4 | Highspeed internet service for 225 S. Pierre Street, Pierre, SD 57501 | 36 | Month |  |  |  |  |
| 5 | Highspeed internet service for 515 Ninth Street, Second Floor, Rapid City, SD 57701 | 36 | Month |  |  |  |  |
|  |  |  |  |  |  | **TOTAL** |  |

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Vendor’s Name Vendor’s Phone Number/fax number/e-mail address

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Vendor’s Street Address Vendor’s City, State, and Zip Code

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Signature of Person Authorized to Sign Quote Date DUNS number

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Printed or Typed Name of Signator Discount Terms or Net 30?

***\*NOTE: soliciting offers on the basis of a fixed hourly rate may require a one-time delegation of procurement authority from PMD. See the*** [***Guide to Judiciary Policy, Vol. 14, § 410.40.30 .***](http://jnet.ao.dcn/Guide/Vol_14_Procurement/Ch_4_Types_of_Contracts_and_Analysis_of_Offers.html#410_40)

Option Year Quote Sheet for RFQ Number: \_\_\_2021-01-IT\_\_\_\_\_\_\_\_\_\_\_\_\_

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| **Item No.** | **Description** | **Quantity** | **Unit** | **Base Year** | **Option Year 1** | **Option Year 2** | **Extended Price** |
| 1 | Highspeed internet service for 400 S. Phillips Avenue, First Floor, Sioux Falls, SD 57104 | 36 | Month |  |  |  |  |
| 2 | Highspeed internet service for 314 S. Main Avenue, Suite 100, Sioux Falls, SD 57104 | 36 | Month |  |  |  |  |
| 3 | Highspeed internet service for 102 4th Avenue SE, Suite 310, Aberdeen, SD 57401 | 36 | Month |  |  |  |  |
| 4 | Highspeed internet service for 225 S. Pierre Street, Pierre, SD 57501 | 36 | Month |  |  |  |  |
| 5 | Highspeed internet service for 515 Ninth Street, Second Floor, Rapid City, SD 57701 | 36 | Month |  |  |  |  |
|  |  |  |  |  |  | **TOTAL** |  |

\_\_X\_Provision 4-55 Economic Price Adjustment – Standard Products

Economic Price Adjustment – Standard Products (MAR 2019)

1. The contractor warrants that the unit price stated in the contract for \_\_\_\_\_\_\_\_\_ [*offeror inserts contract line item number (CLIN)*] is not in excess of the contractor's applicable established price in effect on the contract date for like quantities of the same item. The term "unit price" excludes any part of the price directly resulting from requirements for preservation, packaging, or packing beyond standard commercial practice. The term "established price" means a price that:
2. is an established catalog or market price for a commercial item sold in substantial quantities to the general public; and
3. is the net price after applying any standard trade discounts offered by the contractor.
4. The contractor shall promptly notify the contracting officer of the amount and effective date of each decrease in any applicable established price. Each corresponding contract unit price will be decreased by the same percentage that the established price is decreased. The decrease will apply to those items delivered on and after the effective date of the decrease in the contractor's established price, and this contract will be modified accordingly.

(c) If the contractor's applicable established price is increased after the contract date, the corresponding contract unit price will be increased, upon the contractor's written request to the contracting officer, by the same percentage that the established price is increased, and the contract will be modified accordingly, subject to the following limitations:

1. the aggregate of the increases in any contract unit price under this clause will not exceed 10 percent of the original contract unit price;

(2) the increased contract unit price will be effective:

1. on the effective date of the increase in the applicable established price if the contracting officer receives the contractor's written request within 10 days thereafter; or
2. if the written request is received later, on the date the contracting officer receives the request;
3. the increased contract unit price will not apply to quantities scheduled under the contract for delivery before the effective date of the increased contract unit price, unless failure to deliver before that date results from causes beyond the control and without the fault or negligence of the contractor, within the meaning of the Default clause.
4. no modification increasing a contract unit price will be executed under this paragraph (c) until the contracting officer verifies the increase in the applicable established price;
5. within 30 days after receipt of the contractor's written request, the contracting officer may cancel, without liability to either party, any undelivered portion of the contract items affected by the requested increase.
6. During the time allowed for the cancellation provided for in paragraph (c)(5) of this clause, and thereafter if there is no cancellation, the contractor shall continue deliveries according to the contract delivery schedule, and the judiciary will pay for such deliveries at the contract unit price, increased to the extent provided by paragraph (c) of this clause.

(end)

\_X\_\_Provision 4-150 Cancellation Under Multi-Year Contracts

Cancellation Under Multi-Year Contracts (JUN 2014)

1. “Cancellation,” as used in this clause, means that the judiciary is canceling all line items for all products or services in the contract year(s) subsequent to that in which notice of cancellation is provided.
2. Except for cancellation under this clause or termination under the Default clause, any reduction by the contracting officer in the requirements of this contract shall be considered a termination under the Termination for Convenience of the Judiciary clause.
3. If cancellation under this clause occurs, the contractor will be paid a cancellation charge not exceeding the cancellation ceiling specified in the contract as applicable at the time of cancellation.
4. The cancellation charge will cover only:
5. Costs:
6. Incurred by the contractor and/or subcontractor;
7. Reasonably necessary for performance of the contract; and
8. That would have been equitably amortized over the entire multi-year contract period but, because of the cancellation, are not so amortized; and
9. A reasonable profit or fee on the costs.
10. The cancellation charge shall be computed and the claim made for it as if the claim were being made under the

Termination for Convenience of the Judiciary clause of this contract. The contractor shall submit the claim promptly but no later than 1 year from the date of notification that funds will not be made available for continued performance.

1. The contractor’s claim may include:
2. Reasonable fixed costs which are applicable to and normally would have been amortized in all products or services which are multi-year requirements;
3. Allocable portions of the costs of facilities acquired or established for the conduct of the work, to the extent that it is impracticable for the contractor to use the facilities in its commercial work, and if the costs are not charged to the contract through overhead or otherwise depreciated;
4. Costs incurred for the assembly, training, and transportation to and from the job site of a specialized work force; and
5. Costs not amortized solely because the cancellation had precluded anticipated benefits of contractor or subcontractor learning.
6. The claim shall not include:
7. Labor, material, or other expenses incurred by the contractor or subcontractors for performance of the canceled work;
8. Any cost already paid to the contractor;
9. Anticipated profit or unearned fee on the canceled work; or
10. For service contracts, the remaining useful commercial life of facilities. “Useful commercial life” means the commercial utility of the facilities rather than their physical life with due consideration given to such factors as location of facilities, their specialized nature, and obsolescence.
11. This contract may include an option clause with the period for exercising the option limited to the date in the contract for notification that funds are available for the next succeeding contract year. If so, the contractor agrees not to include in option quantities any costs of a startup or fixed nature that have been fully set forth in the contract. The contractor further agrees that the option quantities will reflect only those variable costs and a reasonable profit or fee necessary to furnish the additional option quantities.
12. Quantities added to the original contract through the option clause of this contract shall be included in the quantity canceled for the purpose of computing allowable cancellation charges.

(end)

\_X\_\_Provision 4-155 Alternate Awards

Alternate Awards (JUN 2014)

If the solicitation has requested pricing for both a multi-year award and an award of a base year and option years, the judiciary reserves the right to award only the initial year’s requirement, without options.

(end)

\_X\_\_Provision 4-160 Cancellation Ceilings

Cancellation Ceilings (JUN 2014)

The cancellation ceilings applicable to each contract period are set forth below:

|  |  |
| --- | --- |
| If Cancellation Takes Place Before | The Cancellation Ceiling is |
| Contract Year 2 |  |
| Contract Year 3 |  |

(end)

\_X\_\_Provision 4-165 Price Proposal Instruction – Multi-Year Contract

Price Proposal Instruction – Multi-Year Contract (JUN 2014)

Offerors must include in their price proposal a separate cancellation ceiling (on either a percentage or dollar basis) for each contract year subject to cancellation. Price proposals must include the rationale and supporting data for each proposed cancellation ceiling. Upon award, the applicable cancellation ceilings will be inserted in Clause 4-160. These ceiling amounts apply to any claim submitted under Clause 4-150 in the event of actual cancellation of the awarded contract and will not be part of any price evaluation for award.

(end)