

THE WORK

CLAUSE 2-8: WARRANTY (MARCH 2006)

- a. The supplier warrants, for the period specified in the Schedule, that all supplies furnished under this contract, including packaging and markings, will be free from defects in material or workmanship and will conform with the specifications and all other requirements of this contract.
- b. Within the time specified in the Schedule, the contracting officer must give written notice to the supplier of any breach of warranty and either:
 - c. Require the prompt correction or replacement of any defective or nonconforming supplies; or
 - d. Retain them, reducing the contract price by an amount equitable under the circumstances.
- e. When return for correction or replacement is required, the supplier is responsible for all costs of transportation and for risk of loss in transit.
- f. If the supplier fails or refuses to correct or replace the defective or nonconforming supplies, the contracting officer may correct or replace them with similar supplies and charge to the supplier any cost to the Postal Service. In addition, the contracting officer may dispose of the nonconforming supplies, with reimbursement from the supplier or from the proceeds for excess costs.
- g. Any supplies corrected or furnished in replacement are subject to this clause.
- h. Supplies, as used in this clause, includes related services.

The rights and remedies of the Postal Service provided in this clause are in addition to, and do not limit, any rights afforded to the Postal Service by any other clause of the contract.

CLAUSE 5-4: CERTIFICATION OF COST OR PRICING DATA (JULY 2014)

- a. The supplier must submit a Certificate of Current Cost or Pricing Data, as contained in section 2-34.15 of the USPS Supplying Principles and Practices, when the contract action (including modifications) is valued at \$1 million or more and is made noncompetitively; when the goods and services are not commercially-available; and when fair and reasonable pricing cannot be determined by other means, such as price analysis. The certificate must be submitted as of the date of agreement on price or, if applicable, an earlier date agreed upon between the parties that is as close as practicable to the date of agreement on price.
- b. Before awarding any subcontract or pricing any subcontract modification, the supplier must require the subcontractor to submit cost or pricing data that is certified whenever cost or pricing data is required to be certified by the supplier under the circumstances described under paragraph a. above. The supplier will be responsible for requiring the subcontractor to submit cost or pricing data and ensuring it is certified. The supplier must retain the certificate it obtains from the subcontractor until three years after final payment under this contract or any longer period required by statute or other clauses in this contract.

CLAUSE B-41: CONDITIONS AFFECTING THE WORK (MARCH 2006)

The supplier is responsible for having taken steps reasonably necessary to ascertain the nature and location of the work, and the general and local conditions that can affect the work or its costs. Any failure by the supplier to have done so does not relieve the supplier from responsibility for successfully performing the work without additional expense to the Postal Service. The Postal Service assumes no responsibility for any understanding or representations concerning conditions made by any of its officers or agents before execution of this contract, unless such understanding or representations by the Postal Service are expressly stated in the contract.

CLAUSE B-56: SHOP DRAWINGS, COORDINATION DRAWINGS, AND SCHEDULES (MARCH 2006)

- a. The supplier will submit shop drawings, coordination drawings, and schedules for approval as required by the specifications or requested by the contracting officer, as follows:
 - (1) Shop drawings will include fabrication, erection, and setting drawings, schedule drawings, manufacturer's scale drawings, wiring and control diagrams, cuts or entire catalogs, pamphlets, descriptive literature, and performance and test data.
 - (2) Drawings and schedules, other than catalogs, pamphlets, and similar printed material, must be submitted in

THE WORK

reproducible form with two prints made by a process approved by the contracting officer. Upon approval, the reproducible form will be returned to the supplier which must furnish the number of additional prints, not to exceed ten required by the Special Conditions of the specifications. The supplier must submit shop drawings in catalog, pamphlet, and similar printed form in a minimum of four copies plus as many additional copies as the supplier may desire or need or for use by subcontractors.

- b. Before submitting shop drawings on the mechanical and electrical work, the supplier must obtain the contracting officer's approval of lists of mechanical and electrical equipment and materials as required by the specifications.
- c. The supplier will check the drawings and schedules and coordinate them (by means of coordination drawings whenever required) with the work of all trades involved before submission, indicating approval on them. Drawings and schedules submitted without evidence of the supplier's approval may be returned for resubmission.
- d. Each shop drawing or coordination drawing must have a blank area of 5 by 5 inches, located adjacent to the title block. The title block must display:
 - (1) Number and title of drawing;
 - (2) Date of drawing or revision;
 - (3) Name of project building or facility;
 - (4) Name of supplier and (if appropriate) of subcontractor submitting drawing;
 - (5) Clear identity of contents and location on the work; and
 - (6) Project title and contract number.
- e. Unless otherwise provided in this contract, or otherwise directed by the contracting officer, shop drawings, coordination drawings, and schedules must be submitted to the contracting officer, with a letter in triplicate, sufficiently in advance of construction requirements to permit at least 10 working days for checking and appropriate action.
- f. Except as otherwise provided in paragraph g below, approval of drawings and schedules will be general and may not be construed as:
 - (1) Permitting any departure from the contract requirements;
 - (2) Relieving the supplier of responsibility for any errors, including details, dimensions, and materials; or
 - (3) Approving departures from full-size details furnished by the contracting officer.
- g. If drawings or schedules show variations from the contract requirements because of standard shop practice or for other reasons, the supplier must describe the variations in the letter of transmittal. If acceptable, the contracting officer may approve any or all variations and issue an appropriate change order. If the supplier fails to describe these variations, it will not be relieved of the responsibility for executing the work in accordance with the contract, even though the drawings or schedules have been approved.

CLAUSE B-57: "AS BUILT" DRAWINGS (MARCH 2006) MODIFIED

- a. The supplier must, during the progress of the work, keep a master set of prints on the job site, on which is kept a careful and neat record of all deviations from the contract drawings prepared by the architect-engineer made during the course of the work.
- b. Upon completion of the project, these "as built" prints must be certified as to their correctness by the signature of the supplier and turned over to the architect-engineer for use in preparing a permanent set of "as built" drawings within thirty (30) calendar days after completion of construction.
- c. In addition to reproducible submissions, the supplier should submit a CADD system electronic file for these "as built" documents prepared with a CADD system compatible with the Postal Service CADD system identified by the contracting officer.
- d. The supplier shall review the "As-Built" progress with the COR prior to agreement/approval of the monthly pay request. The Postal Service reserves the right to review "as built" documents at any time during the contract period.
- e. Costs associated with the preparation and completion of the "as built" drawings shall be part of the contractor's proposal.

THE WORK

CLAUSE B-58: SPARE-PARTS DATA (MARCH 2006)

- a. The supplier must furnish spare-parts data for each different item of equipment furnished. The data must include a complete list of parts and supplies, with current unit prices and sources of supply; a list of parts and supplies that are either normally furnished at no extra cost with the purchase of the equipment, or specified to be furnished as part of the contract; and a list of additional items recommended by the manufacturer to ensure efficient operation for a period of 180 days at the particular installation.
- b. The foregoing does not relieve the supplier of any responsibilities under the guarantees specified.

CLAUSE B-61: WARRANTY (CONSTRUCTION) (MARCH 2006)

- a. Unless otherwise provided in the specifications, the supplier warrants that all work is in accordance with contract requirements and free from defective or inferior materials, equipment, and workmanship for one year after the date of final acceptance under this contract.
- b. If, within the warranty period, the contracting officer finds that warranted work needs to be repaired or changed because the materials, equipment, or workmanship were inferior, defective, or not in accordance with the contract terms, the supplier must promptly and without additional expense to the Postal Service:
 - (1) Place in a satisfactory condition all of the warranted work;
 - (2) Satisfactorily correct all damage to equipment, the site, the building, or its contents that is the result of such unsatisfactory work; and
 - (3) Satisfactorily correct any work, materials, or equipment disturbed in fulfilling the warranty.
- c. Should the supplier fail to proceed promptly in accordance with the warranty, the Postal Service may have the work performed at the supplier's expense.
- d. The supplier must obtain each transferable guarantee or warranty of equipment, materials, or installation furnished by any manufacturer, supplier, or installer in the ordinary course of the business or trade. The supplier must obtain and furnish to the Postal Service all information required to make any such guarantee or warranty legally binding and effective, and must submit both the information and the guarantee or warranty to the Postal Service in sufficient time to permit the Postal Service to meet any time limit requirements specified in the guarantee or warranty or, if no time limit is specified, before completion and acceptance of all work under this contract.

CLAUSE B-62: SAMPLES (MARCH 2006)

- a. After contract award, the supplier must furnish samples required by the specifications or by the contracting officer, for the contracting officer's approval. They must be delivered to the contracting officer or to the architect as specified or as directed. The supplier must prepay all shipping charges on samples. Materials or equipment for which samples are required may not be used in the work until the contracting officer approves in writing.
- b. Each sample must be labeled to show:
 - (1) 1. Name of project building or facility, project title, and contract number;
 - (2) 2. Name of supplier and (if appropriate) subcontractor;
 - (3) 3. Identification of material or equipment, with specification requirement;
 - (4) 4. Place of origin; and
 - (5) 5. Name of producer and brand (if any).
- c. Samples of finish materials must have additional markings that will identify them under the finish schedules.
- d. The supplier must mail under separate cover a letter, in triplicate, submitting each shipment of samples and containing the information required in paragraphs b and c above. The supplier must also enclose a copy of that letter with the shipment and send a copy to the Postal Service representative on the project. Approval of a sample is only for the characteristics or use named in the approval and may not be construed to change or modify any contract requirement. Substitutions are not permitted unless approved in writing by the contracting officer.
- e. Approved samples not destroyed in testing will be sent to the Postal Service representative at the project. Approved samples of hardware in good condition will be marked for identification and may be used in the work.

THE WORK

Materials and equipment incorporated in the work must match the approved samples. Samples not destroyed in testing and not approved will be returned at the supplier's expense if the supplier so requests at the time of submission.

- f. f. Failure of any material to pass the specified tests will be sufficient cause for refusal to consider, under this contract, any further samples of the same brand or make of that material. The Postal Service reserves the right to disapprove any material or equipment that has previously proved unsatisfactory in service.
- g. g. Samples of materials or equipment delivered on the site or in place may be taken by the Postal Service representative for testing. Failure of a sample to meet contract requirements will automatically void previous approvals of the item tested. The supplier must replace materials or equipment found not to have met contract requirements, or there will be a proper adjustment of the contract price as determined by the contracting officer.
- h. h. Except as otherwise specified, if tests are called for in the specifications, the supplier must pay all costs of these tests. When tests are not specifically called for in the specifications but are required by the Postal Service, the Postal Service will pay all costs of the tests and related engineering services unless the tests indicate that the workmanship or materials used by the supplier are not in conformance with drawings, specifications, approved shop drawings, or the approved materials. In this event, the supplier must pay for the tests, remove all work and material failing to conform, and replace with work and materials in full conformity. All tests pertaining to physical or chemical properties of materials must be made in a laboratory approved by the contracting officer.

CLAUSE F-101: STATEMENT OF WORK/SPECIFICATIONS (MARCH 2006)

- a. The supplier must furnish the necessary personnel, material, equipment, services, and facilities (except as otherwise specified) to perform the statement of work/specifications incorporated by reference in Section B.1500.
- b. The attachments to the statement of work/specifications listed in Section B.1500 are hereby made a part of this contract.

CLAUSE F-102: CONTRACTOR SCREENING REQUIREMENTS (FEBRUARY 2020)

- a. All individuals working on behalf of the Contracted Supplier, either directly employed by the contracted supplier or working as an employee of a subcontractor, material supplier, consultant, etc. (hereinafter referred to collectively as Supplier Personnel), that will physically access an occupied Postal Service facility for more than two (2) consecutive work-weeks during the performance of the contract are subject to the requirement outlined herein;
- b. When applicable as outlined in F-102.a, and for each individual defined as Supplier Personnel, a Basic Security Clearance requires the Contracted Supplier to certify that the individual:
 - (1) Has passed a screening test for cocaine, marijuana, amphetamine/methamphetamine, opiates, and phencyclidine (PCP), which the Substance Abuse and Mental Health Services Administration (SAMHSA) has identified as the five most abused substances. The screening test must be performed by a SAMHSA-approved, certified laboratory and must meet the cut-off levels established by SAMHSA. The certification must include the name of the employee, the name of the institution that performed the test, the name of the agency that certified the laboratory, the date of the test (within 90 days of the submission of the results), and the negative results of the test.
 - (2) Is not on parole, probation, or under suspended sentence for commission of a felony.
 - (3) Has not been convicted of a criminal violation during the past 5 years for offenses that involved dishonesty, moral turpitude, financial gain, or assault.
 - (4) Has not engaged in the illegal use, possession, sale, or transfer of narcotics or other illicit drugs during the past 5 years.
 - (5) Does not have pending serious criminal charges such as murder, rape, robbery, burglary, physical assault, sale and distribution of drugs, or weapons violations. If criminal charges are pending, the Basic background investigation is not to be authorized by the Contracting Officer, the Contracting Officer's Representative (COR), or designee until the charges have been resolved.
- c. For Supplier Personnel that, as part of the performance of the contract requirements and as determined by the Contracting Officer, will have access to postal information that, if compromised, would have an adverse impact on the mission of the Postal Service, or who have restricted access to postal facilities, shall undergo a Sensitive Background Investigation.

THE WORK

This requirement applies to Supplier Personnel, including supplier subcontractor personnel, requiring access to Postal Service computer networks for such purposes as installing, implementing and/or programming security-related systems, components and/or applications.

A Sensitive Background Investigation requires the Contracted Supplier to provide to the Contracting Officer or designee the following:

- (1) PS Form 2025, Contract Personnel Questionnaire.
 - (2) PS Form 2181-C, Authorization and Release — Background Investigations (USPS Contractors and Employees of Contractors).
 - (3) PS Form 2181-D, Disclosure and Release for Consumer Reports.
 - (4) PS Form 2013, Security Clearance Processing Request.
 - (5) FD 258 Fingerprint Chart — Applicant (two copies).
 - (6) Results from a county criminal history inquiry through local agencies, based on where the individual has resided and has been employed during the past 5 years.
 - (7) Results of a credit bureau inquiry, not older than 60 days.
 - (8) Verification of the individual's employment history for the past 5 years, including a list of reasons for termination or resignation from prior employers.
 - (9) Verification of the individual's citizenship or status through review of birth certificate, naturalization document, passport, or work authorization.
 - (10) Certification that the individual has passed a drug screening test pursuant to procedures for a Basic background investigation.
- d. The Contracted Supplier shall maintain supporting documentation for the required drug screening tests, criminal history inquiries and the completed certification forms, and shall make them available at any time for review by the Contracting Officer, but only when requested by the Contracting Officer.

CLAUSE F-103: REQUIREMENTS FOR VERIFICATION OF MEASUREMENTS/ON SITE DOCUMENTS (MARCH 2006)

- a. The contractor must keep at the site copies of the detailed scope of work and all drawings and specifications related to the contract and must at all times give the Contracting Officer and designated representative access to them.
- b. When the word "similar" appears on the drawings or the detailed scope of work, it has a general meaning and must not be interpreted as meaning identical, and all details must be worked out in relation to their location and connection with other parts of the work.
- c. In case of discrepancy either in figures, detailed scope of work, drawings, or specifications, the matter must be promptly submitted to the Contracting Officer, who will promptly make determination in writing. Any adjustment by the contractor without such a determination will be at the contractor's own risk and expense. The Contracting Officer must furnish from time to time such detailed drawings and other information as may be necessary.
- d. The contractor must verify all dimensions shown of existing work, and all dimensions required for work that is to connect with work now in place, by actual measurement of the existing work. Any discrepancies between the detailed scope of work or the contract requirements and the existing conditions must be referred to the Contracting Officer before the Price Proposal Package is submitted by the contractor.

CLAUSE F-104: METHOD (MARCH 2006)

- a. Existing work shall be cut, drilled, altered, removed, or temporarily removed and replaced, as necessary for the performance of the contract work. Work that is replaced shall match similar existing work. Work remaining in place which is damaged or defaced by reason of work done under this contract shall be restored equal to the condition it was in at the time the Contractor commenced performance of work under the work order..
- b. The use of impact tools for cutting concrete or for installation of inserts and the use of power-activated tools will not be permitted in occupied buildings. Impact tools and power-activated tools may be used during non-working hours with written permission of the Contracting Officer's representative on each work order.

THE WORK

- c. Any items which are to be removed and not to be reused in this contract shall be removed from the project, and shall become the property of the Contractor, unless so noted to remain the property of the Postal Service, elsewhere in this contract.

CLAUSE F-105: PROJECT DEVELOPMENT (DESIGN-BUILD COMPETITIVE GUARANTEED MAXIMUM PRICE) (MARCH 2006)

- a. Design and Construction will be accomplished in the following two steps:
 - (1) Design Development (Concept, Intermediate and Final); and
 - (2) Construction.
- b. Step 1. Based upon preliminary design, specifications and requirements furnished by the Postal Service, the supplier will prepare the complete contract working drawings and specifications. All design submissions for this project shall be made in both drawing/documents and CADD electronic file form. Unless otherwise approved by the Contracting Officer, the required CADD format is as stated in the *Drawings* clause. The minimum scale for building drawings shall be 1/8 inch = 1 foot except for small scale drawings of the floor plan of the entire building with space tabulation. Design submissions shall be made as outlined below. The Postal Service review and/or approval period is expected to be three (3) weeks for each submission.
 - (1) *Concept* Submission: The supplier will convert/develop the preliminary drawings furnished by the Postal Service into a *Concept* submission satisfying all applicable attachments listed in Section *Attachments* and the *Concept* section of the *Handbook AS-506 Architect-Engineer Project Requirements*. The *Concept* submission shall reflect the Postal Service's preliminary design and include any changes recommended by the supplier. The supplier may seek improved life cycle costs and shall submit any proposed modifications to the concept design accompanied by an estimate of the corresponding change to the guaranteed maximum price (GMP). The supplier's review of the Postal Service preliminary drawings and subsequent preparation of *Concept* design shall be sufficiently detailed to enable the supplier to assume full responsibility for the design of the project. The *Concept* submission shall be made no later than sixty (60) calendar days after the Notice to Proceed is issued. It will be the supplier's sole responsibility to conduct any required additional subsurface investigations and establish foundation design, verify topographical surveys, prepare an environmental impact statement and/or comply with mitigating measures required by the environmental assessment prepared by the Postal Service, and secure all necessary Local and State agency approvals.
 - (2) *Intermediate* Submission: Based upon approved of the *Concept* design, the supplier will prepare the *intermediate* design based upon all applicable attachments listed in Section B.1500 *List Of Attachments*. Specifically, the submission must satisfy all the requirements of the *Intermediate* section of the *Architect-Engineer Project Requirements*. The *Intermediate* design will be submitted to the Postal Service for review and approval. The supplier will continue with the development of the final design during the review period.
 - (3) *Final* Submission: Based upon an approved *Intermediate* design, the supplier will prepare the *Final* design. *Final* design submissions must satisfy all the requirements of the *Final* section of the *Architect-Engineer Project Requirements*. On an exception basis, the requirement for intermediate and final submissions may be combined for the design of foundations, structural steel and other items or systems requiring either advance procurement or construction start prior to the completion of the overall design in accordance with the approved schedule. The Postal Service review and approval period is expected to be approximately three (3) weeks for each submission.

The supplier shall be responsible for the professional quality, technical accuracy and the coordination of all designs, drawings, specifications, and other services furnished by the supplier under this contract.

- c. Construction: No construction will be allowed to commence prior to the Postal Service's approval of 100% Final plans and specifications. Where phased/fast track construction is proposed prior to overall final approval, approval of 100% final plans and specifications covering the system or components covered by that phase must be approved prior to the start of construction.
- d. Fixed Mechanization: If fixed mechanization is included in this project, it may be totally covered under this contract, including both design and construction; or it may be totally accomplished under a separate concurrent contract, or it may include construction only, based on a design furnished by the Postal Service.
 - (1) Where both design and construction of fixed mechanization are to be included as part of this contract, all costs incurred will be covered in Items 1 through 5 of the Items and Prices Summary Sheet.
 - (2) Where Fixed Mechanization is to be accomplished under a separate contract, the supplier shall be responsible for coordinating its work so that the various parts of the building are available to the

THE WORK

Mechanization Contractor in accordance with the schedule included as an Attachment to this solicitation (see Section *Attachments*) or as developed during the design phase. All costs incurred in connection with this coordination effort, including requirements for on-site utilities and services shall be included in Maximum Reimbursable Construction Costs, Item 4 of the *Items and Prices Summary Sheet*, under the supplier's GMP (See the Mechanization Coordination clause).

- (3) Where Fixed Mechanization, based upon design furnished by the Postal Service, is to be included as part of this contract, all costs incurred in conjunction with the fabrication and installation of Fixed Mechanization, including Field Supervision and training will be included in Items 3 and 4 of the *Items And Prices Summary Sheet*.

CLAUSE F-106: ITEMS AND PRICES (DESIGN-BUILD COMP GMP) (MARCH 2006)

The contractor must provide all work called for under this contract, including furnishing all material, labor and equipment to perform design/build services for the prices as indicated on the Items and Prices Summary Sheet.

CLAUSE F-107: MAXIMUM REIMBURSABLE CONSTRUCTION COSTS (DESIGN-BUILD COMP GMP) (MARCH 2020)

The Postal Service shall reimburse the supplier for allowable construction costs as follows:

- a. Construction materials, supplies and equipment. Construction materials, supplies, and equipment incorporated directly into the work or required to accomplish the work including rental, transportation, and storage of certain equipment.
- b. Labor. Labor for work self-performed by the supplier necessary for the performance of the contract requirements. Labor costs shall comply fully with the requirements of the Davis-Bacon Act, associated prevailing wage determinations, fringe benefits and taxes, as well as any and all labor union contracts in force between the supplier and its employees.
- c. Supplier Supervisory Personnel. Reimbursement for contractor supervisory personnel will be at established billing rates for individual employees as provided in the supplier's proposal, as negotiated prior to contract award or as negotiated following contract award should there be personnel changes following contract award.
- d. Subcontracted work. Reimbursement will be made for subcontracted work directly related to and/or incorporated into the finished construction product. The term "subcontract" includes work facilitated by purchase orders and, generally, all work not self-performed by the supplier.

The supplier must secure price quotations from at least three (3) independent firms for all subcontracted work for, but not limited to, equipment, equipment rentals, materials, labor contracts, any other supplies or services, where the cost of the subcontracted work component is reasonably expected to exceed, or actually exceeds, \$50,000 (fifty thousand dollars), unless otherwise authorized in advance by the Contracting Officer.

Copies of subcontract quotations shall be furnished to the Contracting Officer for review prior to subcontract award, and shall include a subcontract award recommendation from the supplier to the Contracting Officer.

The subcontract award recommendation shall, at a minimum, specifically address the technical merits of the identified subcontract awardee relative to the other subcontract offerors, the price proposed by the identified subcontract awardee, and why it is in the best interest of the Postal Service to award the subcontract to the identified subcontract awardee.

It is not required that the subcontract award be made to the lowest subcontract offeror; however, any recommendation to the Contracting Officer that involves a subcontract award that is not the lowest subcontract offer shall include an additional justification of why paying a higher price for that work component is in the best interest of the Postal Service.

Subcontract awards for less than \$50,000 (fifty thousand dollars) do not require the submission of a subcontract award recommendation to the Contracting Officer or an advance concurrence from the Contracting Officer, unless a specific work component has been identified by the Contracting Officer as critical, and the Contracting Officer has notified the supplier within a reasonable amount of time that such work components will be subject the requirements set forth above.

Copies of all executed subcontracts, including all modifications and/or revisions thereto shall be furnished to the Contracting Officer within five (5) business days of subcontract execution.

Other direct costs. Other direct costs that are allowable for reimbursement include, but are not limited to, general

THE WORK

conditions, performance and payment bonds, taxes, permits, utility costs, and personnel required for activities such as on-site construction supervision (not the same as Project Superintendence), project scheduling, quality assurance and control, project safety, training, engineering and layout, fire protection, work site cleanup, and field office equipment and operation.

- e. Costs that are not reimbursable. Generally, costs not associated with personnel assigned as full-time and not physically located on the project work site are considered indirect and are not reimbursable. Indirect costs shall be included in the supplier's overhead/home office support fixed fees. Examples of indirect costs include, but are not limited to, general liability, workmen's compensation and builder's risk insurance, personnel compensation bonuses, travel by company executives, officers, and other corporate personnel whose responsibilities span multiple projects, such as corporate safety programs, corporate quality assurance programs, corporate-level scheduling, and home office purchasing and accounting. Additionally, costs for the repair of supplier-owned (including supplier subsidiary companies and the like) rental equipment is not reimbursable, as repair costs and routine maintenance are to be included in the rental price of that equipment.
- f. Unallowable costs. No payment of any type will be made for unallowable costs. Unallowable costs include, but are not limited to, public relations and advertising expenses, bad debts, contributions and donations, dividends or payments of profits, entertainment, fines or penalties, life insurance for officers, partners or proprietors, interest on loans, lobbying, and losses on other contracts, taxes and legal costs.
- g. All work, self-performed or subcontracted, shall fully comply with the Davis-Bacon Act.
- h. Audit of supplier costs. The Postal Service shall audit on a monthly basis, or other reasonable interval determined by the Contracting Officer, all work self-performed by the supplier to determine that the costs submitted by the supplier are appropriate for reimbursement per the criteria outlined herein. Audit activities will be performed in conjunction with the supplier payment terms and conditions outlined herein. Subcontracted work will not be audited as part of the process to determine cost-appropriateness; however, the Postal Service reserves the right to review and/or audit subcontracted work per other terms and conditions of the contract.

Audit activities shall take place at the project work site, or other reasonable location as determined by the Contracting Officer.

The supplier shall prepare an audit package that includes all information necessary for the auditor(s) to perform the task of determining cost-appropriateness. Missing and/or incomplete information may result in an amount appropriate to the work element in question being deducted from the payment application amount, and that amount may be withheld until all related issues are resolved.

Failure to prepare a satisfactory, complete and accurate audit package may delay payments to the supplier.

- i. No payment will be made for costs that exceed the contracted Guaranteed Maximum Price.

CLAUSE F-108: GUARANTEED MAXIMUM PRICE (MARCH 2006) MODIFIED

- a. It is the intention of the Postal Service to award a contract based upon a guaranteed maximum price (GMP) for the entire project based upon prices stated on the Items and Prices Summary Sheet. The GMP is the maximum payment that the Postal Service shall make to the construction supplier for the work specified.

The GMP includes reimbursement for all direct construction costs including specification section Division 1 General Conditions, plus supplier fixed fees for all construction, home office support, overhead costs, and profit. The supplier shall be wholly responsible for any cost overrun.

If the final cost of the work, as audited by the Postal Service, is less than the contracted GMP, the cost underrun shall be shared on a basis of 25 percent to the supplier and 75 percent to the Postal Service; however, the supplier's share of any cost underrun shall not exceed \$1,000,000 (one million dollars).

- b. If at any time during the contract period of performance it becomes apparent that the final costs will exceed the GMP, the supplier shall immediately notify the Contracting Officer and advise as to the actions that the supplier proposes to reduce costs. The supplier shall not make any changes in the approved construction documents without the prior written approval of the Contracting Officer.
- c. Any and all proposed revisions or changes to the approved construction documents shall be submitted to the Contracting Officer for review and approval whether or not those proposed changes affect the contracted GMP.
- d. The GMP is the sum of all fixed fees and maximum reimbursable construction costs.

- (1) Fixed fees. The Postal Service will pay the supplier various fixed fees as the work progresses. These fees

THE WORK

will include only home office support and overhead costs, and profit. These fixed fees will not vary with either the estimated cost or actual cost of construction of the project.

Fees will be adjusted only when Postal Service requested changes in the project scope or contract requirements result in a significant increase or decrease in the direct costs included under the appropriate fee (i.e. an increase in required engineering person-hours, increased insurance costs, etc.).

- (a) Supplier support services during construction. This fee includes allowable profit on reimbursable construction costs, plus home office support and overhead costs.
- (b) Maximum reimbursable construction costs: Maximum Reimbursable Construction Costs are defined in the Clause F-107 Maximum Reimbursable Construction Costs.

CLAUSE F-109: DESIGN SERVICES (DESIGN-BUILD COMP GMP) (MARCH 2006)

- a. The design component of the supplier must perform all professional services, as required by Architect-Engineer Project Requirements for the Fixed Fee for A-E services as stated in the "Items and Prices" clause.
- b. In addition, the fixed fees for A-E Services will include all professional services required to incorporate all appropriate provisions of Architect-Engineer Project Requirements contained in Division 1 of the project specifications provided as an attachment in Section B.1500.
- c. The Fixed Fee for these services will cover all A-E costs, direct and indirect, overhead (including all design administrative and technical support costs), and profit will be as shown on the Items and Prices Summary Sheet.

CLAUSE F-110: ARCHITECT-ENGINEER SERVICES DURING DESIGN/BUILD CONSTRUCTION (DESIGN-BUILD COMP GMP) (MARCH 2006)

The fixed-fees for design services during construction as stated in the "Items and Prices" clause, include all costs, direct and indirect, and overhead and profit for all design services during construction, as described in Architect-Engineer Project Requirements.

CLAUSE F-111: ARCHITECT-ENGINEER MODIFICATION OF DESIGN (DESIGN-BUILD COMP GMP) (MARCH 2006)

For modifications not due to design errors or omissions, the design/build contractor must, upon the written request of the Contracting Officer, make the necessary design drawing and specification revisions; prepare and issue requests for proposal describing the modifications; prepare estimates, drawings and specifications as required; evaluate proposals and make recommendations to the Contracting Officer. The fee for services under this paragraph will be negotiated.

CLAUSE F-112: CONTRACTOR SERVICES DURING CONSTRUCTION (MARCH 2020)

The fixed fee for Construction Support Services, as stated in Clause F-106 Items and Prices, shall include profit, based only on reimbursable construction costs, plus the supplier's indirect costs, both as defined in Clause F-108 Guaranteed Maximum Price.

CLAUSE F-113: DRAWINGS AND SPECIFICATION REQUIREMENTS (MARCH 2006)

- a. The contractor must install any new or close any existing above or underground fuel storage system(s), including associated ancillary components, in compliance with applicable federal, state and local laws and regulations and in accordance with postal requirements.
- b. All repairs, upgrades and installation of tank systems and ancillary components shall be compatible with existing systems and in compliance with applicable federal, state or local laws and regulations and in accordance with postal requirements.
- c. The contractor is responsible to register or apply for any new or amended operations or emissions permit required for above or underground storage tank(s) that store petroleum products or other hazardous materials in accordance with applicable regulations. The contractor must furnish all labor, materials and fees to obtain the

THE WORK

required registrations or permits. If applicable, the contractor shall provide a new or amended spill prevention, control and countermeasure (SPCC) plan in accordance to applicable regulations.

- d. The contractor must provide the Contracting Officer a certification of installation demonstrating that the tank system has been properly installed, calibrated and precision tested in accordance with the manufacturer's recommendation, as well as applicable laws and regulations, as inspected and certified by a registered or licensed installer.
- e. The contractor must provide the Contracting Officer, in triplicate, as-built drawings showing the exact location of the tank(s), piping and related systems, testing instructions for the system(s), test results, site photos, and equipment warranties and guarantees. The contractor shall provide training to postal personnel on the operations and maintenance of the system(s) including use and response to system alarms.
- f. When removing existing systems that will not be replaced, the contractor must perform all work associated with system closure in accordance with applicable regulations. The contractor must be certified or licensed to close tank systems and shall be responsible for completing regulatory notification(s) required.

CLAUSE F-114: SHOP DRAWINGS, COORDINATION DRAWINGS, AND SCHEDULES (DESIGN-BUILD COMP GMP) (MARCH 2006)

- a. The supplier must submit to the Contracting Officer, in triplicate, a schedule listing all items that will be furnished for review and approval no later than thirty (30) days after final approval of plans and specifications. For example, the schedule must include shop drawings and manufacturer's literature, test procedures, test results, certificates of compliance, material samples, and special guarantees, etc.. The schedule must indicate the type of item, contract requirement reference, the supplier's scheduled date for submitting the above items, identification of the first scheduled activity and projected needs for approval answers to support procurement or installation. In preparing the schedule, adequate time (30 days or more) will be allowed for review, approval, and possible resubmittal. Also, the scheduling shall be coordinated with the approved construction progress chart. The supplier must revise and/or update the schedule as the Contracting Officer directs. Such revised schedule must be made available to the Contracting Officer for monitoring.
- b. The supplier must submit shop drawings, coordination drawings, and schedules for approval as required by the specifications or requested by the Contracting Officer, as follows:
 - (1) 1. Shop drawings must include fabrication, erection, and setting drawings, schedule drawings, manufacturer's scale drawings, wiring and control diagrams, cuts or entire catalogs, pamphlets, descriptive literature, and performance and test data.
 - (2) 2. Drawings and schedules, other than catalogs, pamphlets and similar printed material, must be reviewed, signed and submitted in reproducible form with three prints made by a process approved by the Contracting Officer. Upon approval, the reproducible form will be returned to the supplier which must furnish the number of additional prints, not to exceed ten. The supplier must submit shop drawings in catalog, pamphlet, and similar printed form in a minimum of four copies plus as many additional copies as the supplier may desire or need for the use of subcontractors.
- c. The supplier must check the drawings and schedules and coordinate them (by means of coordination drawings whenever required) with the work of all trades involved before submission, indicating approval on them. Drawings and schedules submitted without evidence of subcontractors/trades' approval may be returned for resubmission.
- d. Each shop drawing or coordination drawing must have a blank area 5 x 5 inches, located adjacent to the title block. The title block must display:
 - (1) Number and title of drawing;
 - (2) Date of drawing or revision;
 - (3) Name of project building or facility;
 - (4) Name of supplier and, if appropriate, name of subcontractor submitting drawing;
 - (5) Clear identity of contents and location on the work; and
 - (6) Project title and contract number.
- e. Unless otherwise provided in this contract, or otherwise directed by the Contracting Officer, shop drawings, coordination drawings, and schedules must be submitted sufficiently in advance of construction requirements to permit at least ten (10) working days for checking and appropriate action.

THE WORK

- f. Except as otherwise provided in subparagraph (h) below, approval of drawings and schedules will be general and may not be construed as:
- (1) Permitting any departure from the contract requirements;
 - (2) Relieving the supplier of responsibility for any errors, including details, dimensions, and materials; or
 - (3) Approving departure from full-sized details furnished by the Contracting Officer.
- g. If drawing or schedules show variations from the contract requirements because of standard shop practice or for other reasons, the supplier must describe the variation in the letter of transmittal. If acceptable, the Contracting Officer may approve any or all variations and issue an appropriate change order. If the supplier fails to describe these variations, it is not relieved of the responsibility for executing the work in accordance with the contract, even though the drawings or schedules have been approved.
- h. Shop drawings, samples, color schedules, catalog cuts, construction schedule, etc. submitted must be reviewed by the architect portion of the supplier to verify contractual compliance based on construction documents. The Contracting Officer reserves the right to review building shop drawings, and formwork and falsework drawings. Such submittals shall be only in response to a specific request by the Contracting Officer.
- i. The supplier must prepare and submit equipment room layout drawings, and drawings of areas where the equipment proposed for use could present interface or space difficulties. Room layout drawings must conform to the requirements established for drawings. Layouts must be submitted within forty (40) calendar days of completion of final construction drawings. Submittals describing the various mechanical and electrical equipment items which are to be installed in the areas represented by the layout drawings must be assembled and submitted concurrently and accompanied by the room layout drawings. Room layout drawings must show all pertinent structural and fenestration features and other items such as cabinets required for installation and which will affect the available space. All mechanical and electrical equipment and accessories must be shown in scale in plan and also in elevation and/or section in their installed locations. Duct work and piping also must be shown.
- j. At the completion of the project, updated ductwork drawings and sprinkler drawings must be submitted as part of the "As-Built" drawings submission.
- k. All certificates required for demonstrating proof of compliance of materials with specification requirements, including mill certificates, statements of application, and extended guarantees must be executed in quadruplicate and furnished to the Contracting Officer at least ten (10) calendar days prior to delivery. It is the supplier's responsibility to review all certificates to ensure compliance with the contract specification requirements, and that all affidavits are properly executed prior to submission to the Contracting Officer. Each certificate must be signed by an official authorized to certify on behalf of the manufacturing company. Each certificate must contain the name and address of the manufacturer, the project name and location, the quantity and date(s) of shipment or delivery to which the certificate(s) apply. Copies of laboratory test reports submitted with certificates must contain the name and address of the testing laboratory and the date(s) of the tests to which the report applies. Certification shall not be construed as relieving the supplier from furnishing satisfactory material, if, after test(s) are performed on selected sample(s), the material is found not to meet the specified requirements.
- l. The architect portion of the supplier must review and approve shop drawings and other items. All approvals must be in accordance with the terms of the contract. Processing will be accomplished in accordance with the following procedure:
- (1) The construction contractor portion of the supplier will transmit reproducible copies of shop drawings etc. to the architect portion of the supplier for review. Information copies of the letter of transmittal, clearly identifying shop drawings etc. will be furnished to the Postal Service.
 - (2) As a result of the architect's review, each submittal will be marked by the architect as follows:
 - (a) "A-Action": The fabrication, manufacture and/or construction may proceed providing the work is in compliance with the contract documents.
 - (b) "B-Action": The fabrication, manufacture and/or construction may proceed providing the work is in compliance with the architect's notations and the contract documents.
 - (c) "C-Action": No work shall be fabricated, manufactured or constructed and that a new submittal is required. No submittal marked "C-Action" shall be permitted on site.
 - (3) The supplier is responsible for obtaining prints of all "A-Action" and "B-Action" reproducible shop drawings and distributing them to the field and to the subcontractors. Concurrently, three (3) sets of each print shall be provided to the Postal Service.
 - (4) The supplier is responsible for obtaining copies of all "A-Action" and "B-Action" manufacturer's descriptive

THE WORK

literature, literature, catalog cuts and brochures and distributing them to the field and to the subcontractors. Concurrently, three (3) sets of each shall be provided to the Postal Service.

- (5) The supplier is responsible for submitting new shop drawings, brochures and/or samples to replace all "C-Action" items and furnishing one (1) copy of the letter of transmittal to the Postal Service.
- (6) The supplier is responsible for maintaining the Shop Drawing Log. An updated copy of the Log shall be furnished to the Postal Service no less than monthly.

CLAUSE F-115: FUEL STORAGE TANKS (MARCH 2006)

- a. The contractor must install any new or close any existing above or underground fuel storage system(s), including associated ancillary components, in compliance with applicable federal, state and local laws and regulations and in accordance with postal requirements.
- b. All repairs, upgrades and installation of tank systems and ancillary components shall be compatible with existing systems and in compliance with applicable federal, state or local laws and regulations and in accordance with postal requirements.
- c. The contractor is responsible to register or apply for any new or amended operations or emissions permit required for above or underground storage tank(s) that store petroleum products or other hazardous materials in accordance with applicable regulations. The contractor must furnish all labor, materials and fees to obtain the required registrations or permits. If applicable, the contractor shall provide a new or amended spill prevention, control and countermeasure (SPCC) plan in accordance to applicable regulations.
- d. The contractor must provide the Contracting Officer a certification of installation demonstrating that the tank system has been properly installed, calibrated and precision tested in accordance with the manufacturer's recommendation, as well as applicable laws and regulations, as inspected and certified by a registered or licensed installer.
- e. The contractor must provide the Contracting Officer, in triplicate, as-built drawings showing the exact location of the tank(s), piping and related systems, testing instructions for the system(s), test results, site photos, and equipment warranties and guarantees. The contractor shall provide training to postal personnel on the operations and maintenance of the system(s) including use and response to system alarms.
- f. When removing existing systems that will not be replaced, the contractor must perform all work associated with system closure in accordance with applicable regulations. The contractor must be certified or licensed to close tank systems and shall be responsible for completing regulatory notification(s) required.

CLAUSE F-116: CONSTRUCTION COST LIMIT (MARCH 2006) (MODIFIED)

- a. At the time the work order is issued, a Construction Cost Limit (CCL) may be established by the Postal Service. The CCL is defined as an estimate of the total cost to construct the facilities including the contractors' overhead and profit. It is comparable to the "Construction Cost Estimate" submitted by contractor with their proposal. The sum of the "Maximum Reimbursable Construction Costs" and "Fixed Fees for Contractor Services" as stated in the "Items and Prices" clause, and as defined in the "Guaranteed Maximum Price" and "Maximum Reimbursable Construction Costs" clauses, cannot exceed the CCL.
- b. The contractor will develop the estimated construction costs under Phase I and they will not exceed the construction cost limit (CCL). If any cost estimate submitted during Phase II (a), including the final estimate of Maximum Reimbursable Construction Costs established for construction, plus Fixed Fee for Contractor Support Services exceeds the CCL, the contractor will work with the design A/E to redesign and revise, at no increase in the Phase I Fixed Fees, revise their estimated construction costs so as to insure that the CCL will not be exceeded.
- c. If the contractor fails or refuses to furnish revisions as required under this clause, it may be deemed to have failed to perform the contract and is subject to termination under the "Termination for Default" clause of this contract.

CLAUSE F-117: SCOPE OF WORK (ARCHITECT-ENGINEER) (INDEFINITE QUANTITY) (MARCH 2006)

- a. The services to be provided under this contract include design, development, and printing of working drawings and specifications required for competitive procurement of construction work; cost estimating; Architect-Engineer

THE WORK

- (AE) services during construction, including shop drawing review and field duties; engineering analyses; studies; and the like. The Postal Service may order similar services from other sources, if and when required.
- b. The AE must appoint a project manager to be the single point of contact and liaison between the AE and the Contracting Officer, and / or a project coordinator for all work required under the contract. Upon contract award, the AE must immediately advise the Contracting Officer in writing of the project manager's name.
 - c. The AE and / or a representative must visit and inspect / investigate the project site as necessary during the preparation and accomplishment of the work. All work and data developed under the contract must be related to current site conditions and to other proposed work within the specific project area.
 - d. Periodic meetings will be held whenever requested by the Contracting Officer or a designated representative, or by the AE, for discussion of questions and problems relating to the work required under the contract. The AE and / or appropriate representatives must participate in all design conferences as specified in the contract documents.
 - e. The AE or a representative will take minutes and provide a record of all conferences, meetings, discussions, and oral directions in which the AE or a representative will participate. These minutes will be numbered sequentially and will fully identify the participants, the subjects discussed, and any conclusions reached. The AE will forward to the Contracting Officer, within five working days a reproducible copy of the minutes.

CLAUSE F-118: INVESTIGATIVE SERVICES (ARCHITECT-ENGINEER) (MARCH 2006)

- a. The architect-engineer (AE) will provide all professional services necessary to accomplish the investigative survey as described in the scope of work of each individual work order, in accordance with the contract provisions.
- b. The AE will visit the site, taking needed supporting personnel representing appropriate disciplines to inspect the existing conditions, determine any off-site requirements, and take measurements, notes and, pictures, as needed, for preparing a survey report.
- c. The AE shall prepare and submit two typed copies of the survey report containing:
 - (1) The work order number, facility name, and proposed project;
 - (2) A description of the existing conditions;
 - (3) Possible alternatives, including the scope of work and a preliminary cost estimate; and
 - (4) The AE's recommendations.

CLAUSE F-119: ARCHITECT-ENGINEER SERVICES DURING CONSTRUCTION (INDEFINITE QUANTITY) (MARCH 2006)

- a. The architect-engineer (AE) must furnish all services, materials, supplies, plant, labor, equipment, investigations, studies, and management in connection with the construction contract administration and inspection (CAI) for the project in accordance with the work order.
- b. The number of field personnel employed at any one time may vary according to the status of construction, but should be sufficient to provide adequate inspection services. Should the Contracting Officer, in writing, direct the architect-engineer to provide additional inspection services, and the fee established in the work order will be adjusted to reflect the increase.
- c. Professional services for contract administration include, but are not limited to, the following:
 - (1) Pre-construction conference.
 - (2) Review and approval of all Contractor submittals (shop drawings, manufacturer's manual, catalog cuts, and operating instructions), payroll and other certificates, payment estimates, progress reports, testing reports, and samples of material and equipment.
 - (3) Interpretation of construction documents.
 - (4) Assure that the Contractor submits operating instructions, maintenance manuals and warranties as required.
 - (5) Preparation of construction record documents. After a project is complete, the architect-engineer transfers the "as-built" conditions shown on the marked up set of drawings maintained by the general Contractor during construction to the official contract drawings. These record drawings are submitted to the Contracting

THE WORK

Officer 30 days after receipt of all redlined blueprints from the Contractor.

- (6) Providing assistance as requested by the Contracting Officer, in the resolution of claims and disputes.
- d. Services for inspection include, but are not limited to, the following:
 - (1) Observation of construction to ensure full compliance with plans, specifications, and other contract documents.
 - (2) Observation of materials being built into the construction.
 - (3) Observation of the Contractor's daily diary, specifically noting delays during construction, if any, and reasons for them.
 - (4) Observation to verify maintenance of a set of "marked-up" construction documents with current notations of any deviation made from the original bid set of contract documents.
 - (5) Periodic surveys of Contractors' employees to determine labor standards compliance.
 - (6) Maintenance of construction records as directed by the Contracting Officer. These records become the property of the Postal Service and are delivered to the Contracting Officer at contract completion.
 - (7) Furnishing monthly construction progress reports to the Contracting Officer to include:
 - (a) Project status at the end of the report period.
 - (b) Recommendations and conclusions on all unresolved problems which may cause delays and / or claims for additional costs.
 - (c) Status of pending change requests.
 - (d) Number of surveillance trips made during the reporting period.
 - (e) A breakdown showing estimated percentages of construction completed, scheduled percentage of construction completion, and percentage of contract time elapsed.
 - (8) Witnessing and verifying the testing of operating units.
 - (9) When the prime Contractor notifies the architect-engineer that the project is substantially complete, the architect-engineer shall conduct an inspection and prepares a detailed punch list of items to be completed or corrected. The Postal Service may or may not participate in the inspection.
 - (10) When all the items on the punch list have been completed and / or corrected, the architect-engineer shall conduct a final inspection which is attended by Postal Service representatives. The architect-engineer services for CAI, under this contract, are completed when the items on the punch list are corrected or completed.
 - (a) The architect-engineer, when authorized in writing by the Contracting Officer or designated representative, shall prepare, assemble, and review all construction contract modifications in accordance with the applicable clauses of the general provisions of the construction contract.
 - (b) The architect-engineer will coordinate the modification, including all support documentation, with the Contractor to obtain an itemized change in contract price (the increase, decrease or no change), impact on period of contract performance and Contractor signature approval. The architect-engineer shall prepare a separate itemized estimate for the Postal Service and negotiate an equitable settlement with the Contractor.
 - (c) The architect-engineer shall forward the complete modification package to the Contracting Officer for approval, signature, and disposition. The Contracting Officer issues all approved modifications.

CLAUSE F-120: COST ESTIMATE (ARCHITECT-ENGINEER) (MARCH 2006)

- a. The final estimate should include all labor, material, miscellaneous contract expenses, financing, insurance, taxes and bonds, and overhead and profit, but not contingencies, that the offerors include in arriving at their offered price. This estimate should be accurate and realistic, but not a "safe" (high) estimate, because the need is to determine a reasonable contract price. The architect-engineer must base the final cost estimate upon the completed contract drawings and specifications as submitted for Postal Service review and any unit prices must conform to the pricing schedule of the specifications. The architect-engineer must ensure that this estimate reflects current prices for work and materials, taking into account possible labor shortages that may occur because of other known projects in the area, local construction conditions, complexity of the project, degree of

THE WORK

risk, and size of job. The architect-engineer must break down the estimate into major items of construction, with each major item broken down further into component units of labor and materials with quantity and cost of each unit shown. Lump sum amounts for major items which cannot be readily analyzed will not be accepted.

- b. Hourly labor rates used must not be less than the rates shown in the specifications as determined by the Secretary of Labor. They will be furnished by the Postal Service.
- c. The cost estimates are used in evaluating pricing proposals from construction contracts and are confidential material for official Postal Service use only. The architect-engineer must not divulge cost estimates or working papers used to prepare them to any individual who does not have a need to have them for the performance of services under this architect-engineer contract.

CLAUSE F-121: MECHANIZATION (MARCH 2006)

All terms and conditions of the contract shall also be applicable to Attachment 1 through Division 17-Mechanization, except that where differences occur, Division 17-Mechanization shall govern for Mechanization only. Technical requirements of Division 17 shall govern for Division 17 only and shall not supersede technical requirements of other sections of the Specifications.

CLAUSE F-122: ARCHITECT-ENGINEER SERVICES DURING CONSTRUCTION (MARCH 2006)

- a. A-E Support Services
 - (1) Field Support Services – The fee for these services as required by Architect-Engineer Project Requirements, Handbook AS-506, will be based on labor rates for an estimated fee indicated on the Items and Prices Summary Sheet(s). The labor rates for these services include all costs, direct and indirect, including overhead and profit. It is mutually understood that this amount may be increased or decreased by the Contracting Officer as required. This fee is based on services of personnel as indicated on the Items and Prices Summary Sheet.
 - (2) Home Office Support - For a lump sum fee indicated on the Items and Prices Summary Sheet, the A-E must furnish the necessary management, labor and materials, as required by Architect-Engineer Project Requirements, Handbook AS-506, at the home office facility, and perform all activities necessary and/or incidental to project support during construction.
- b. Submission Review and Approval; Operating and Maintenance Manuals; and As-Built Drawings, Specifications, Aperture Cards, and Photographs. The fee for these services as required by Architect-Engineer Project Requirements, Handbook AS-506, for the fixed fee as indicated on the Items and Prices Summary Sheet(s).
- c. Construction Progress Photographs. For the fixed fee indicated on the Items and Prices Summary Sheet, the A-E must furnish monthly progress photographs in accordance with Architect-Engineer Project Requirements, Handbook AS-506.
- d. Services may not be performed until the Contracting Officer exercises this option in writing. The right reserved by this contract to exercise this option activates the potential fee and its labor-rate bases and is a one-time procedure. After the exercise of this option, the architect-engineer must provide services only to the extent authorized in writing by the Contracting Officer or duly appointed representative.

CLAUSE F-123: ARCHITECT-ENGINEER FIELD DUTIES DURING CONSTRUCTION (MARCH 2006)

- a. The architect-engineer must provide services under this option only to the extent authorized in writing by the Contracting Officer both as to number of people and number of workdays. The amount will be adjusted to reflect increase or decrease in the required inspection services, if the number of workdays (one workday is eight hours) differs from those specified or if the Contracting Officer in writing directs the architect-engineer to provide additional inspection.
- b. Upon receipt of written notice from the Contracting Officer, the architect-engineer must perform all professional services required for and related to inspection of construction. The extent of these services is described in Architect-Engineer Project Requirements AS-506. The rates listed cover overhead, profit and all costs, direct and indirect, including all home office and other administrative or technical support necessary to perform the services required.
- c. Field Inspection: The estimated fee for this service is indicated on the Items and Prices Summary Sheet(s). This fee is based on the services of personnel as indicated on the Items and prices Summary Sheet.

INSURANCE, BONDS AND RISK

CLAUSE 7-2: ADDITIONAL BOND SECURITY (MARCH 2006)

If any surety furnishing a bond in connection with this contract becomes unacceptable to the Postal Service or fails to furnish reports on its financial condition as requested by the contracting officer, or if the contract price increases to the point where the security furnished becomes inadequate in the contracting officer's opinion, the supplier must promptly furnish additional security as required to protect the interests of the Postal Service and of persons supplying labor or materials in performance of this contract.

CLAUSE 7-3: DEPOSIT OF ASSETS INSTEAD OF SURETY BONDS (MARCH 2006)

- a. If the supplier has deposited assets instead of furnishing sureties for any bond required under this contract and the assets are in the form of checks, currency, or drafts, the contracting officer will hold the assets in an account for the supplier's benefit.
- b. Upon contract completion, the supplier's funds will be returned as soon as possible, unless the contracting officer determines that part or all of the account is required to compensate the Postal Service for costs it incurs as a result of the supplier's delay, default, or failure to perform. In such a case, the entire account will be available to compensate the Postal Service.

CLAUSE 7-4: INSURANCE (MARCH 2006) MODIFIED

- a. During the term of this contract and any extension, the supplier must maintain at its own expense the insurance required by this clause. Insurance companies must be acceptable to the Postal Service. Policies must include all terms and provisions required by the Postal Service.
- b. The supplier must maintain and furnish evidence of workers' compensation, employers' liability insurance, and the following general public liability and automobile liability insurance:

GENERAL LIABILITY:

Bodily Injury		Property Damage	
1,000,000	Per person	500,000	Per occurrence
2,000,000	Per accident	1,000,000	aggregate

AUTOMOBILE LIABILITY:

Bodily Injury		Property Damage	
1,000,000	Per person	500,000	Per occurrence
2,000,000	Per accident	1,000,000	aggregate

- c. Each policy must include substantially the following provision:
 "It is a condition of this policy that the company furnish written notice to the U.S. Postal Service 30 days in advance of the effective date of any reduction in or cancellation of this policy."
- d. The supplier must furnish a certificate of insurance or, if required by the contracting officer, true copies of liability policies and manually countersigned endorsements of any changes. Insurance must be effective, and evidence of acceptable insurance furnished, before beginning performance under this contract. Evidence of renewal must be furnished not later than 5 days before a policy expires.
- e. The maintenance of insurance coverage as required by this clause is a continuing obligation, and the lapse or termination of insurance coverage without replacement coverage being obtained will be ground for termination for default.
- f. For construction contracts: The Postal Service does not carry Builder's Risk insurance coverage. A construction

INSURANCE, BONDS AND RISK

supplier, at its own option and expense, may elect to provide this insurance for its work under this contract (Also See Clause F-107).

CLAUSE 7-5: ERRORS AND OMISSIONS (CONSTRUCTION) (MARCH 2006)

- a. The supplier warrants that it is insured for \$200,000 if construction costs are estimated less than \$5,000,000. For construction costs estimated to exceed \$5,000,000, coverage equal to a minimum of 5% of the construction cost estimated or \$500,000, whichever is greater is required for errors and omissions per claim.
- b. Unless the supplier's policy is prepaid, noncancelable, and issued for a period at least equal to the term of this contract on an occurrence basis, the supplier must have the policy amended to include substantially the following provision:

"It is a condition of this policy that the company furnish written notice to the U.S. Postal Service 30 days in advance of the effective date of any reduction in or cancellation of this policy."

- c. The supplier must furnish a certificate of insurance or, if required by the Contracting Officer, true copies of liability policies and manually countersigned endorsements of any changes. Insurance must be effective, and evidence of acceptable insurance furnished, before beginning performance under this contract. Evidence of renewal must be furnished not later than five days before a policy expires.

CLAUSE B-39: INDEMNIFICATION (MARCH 2006)

The supplier must save harmless and indemnify the Postal Service and its officers, agents, representatives, and employees from all claims, losses, damage, actions, causes of action, expenses, and/or liability resulting from, brought for, or on account of any personal injury or property damage received or sustained by any person, persons or property growing out of, occurring, or attributable to any work performed under or related to this contract, resulting in whole or in part from negligent acts or omissions of the supplier, any subcontractor, or any employee, agent, or representative of the supplier or any subcontractor.

COMMENCEMENT AND COMPLETION

CLAUSE 2-10: LIQUIDATED DAMAGES (MARCH 2006)

- a. If the supplier fails to complete the work, deliver the supplies, or perform the services within the time specified in this contract, or any extension, the supplier must, in place of actual damages, pay to the Postal Service (*amount of liquidated damages, if applicable, shall be determined by the Contracting Office at the time of the request for proposal(s) for the specific requirement and subsequent Work Order*) for liquidated damages as agreed for each calendar day of delay.
- b. Alternatively, if completion, delivery, or performance is delayed beyond the contract dates, the Postal Service may terminate this contract in whole or in part under the *Termination for Default* clause, and the supplier will be liable for the agreed liquidated damages accruing until the time the Postal Service may reasonably obtain delivery or performance of similar facilities, supplies, or services. The liquidated damages will be in addition to excess costs of re-procurement.
- c. The supplier will not be charged with liquidated damages when the delay in completion, delivery, or performance arises out of causes beyond the control and without the fault or negligence of the supplier.

CLAUSE 2-19: OPTION TO EXTEND (SHORT TERM) (OCTOBER 2019)

The Postal Service may require the supplier to extend and continue in performance at the same delivery/performance rate and at the unit prices specified in the schedule. The contracting officer may exercise this option by giving the supplier advance written notice of the requirement to continue performance at least 30 days prior to the expiration of the contract term. This option may be exercised more than once, but the duration of each extension shall not exceed 90 days and the sum of all extensions made pursuant to this clause shall not in the aggregate exceed 6 months.

CLAUSE 2-20: OPTION PERIOD (OCTOBER 2019)

The Postal Service may extend the term of this contract within the limits and at the prices stated in the schedule. The contracting officer may exercise this option at any time within the contract term or by giving the supplier at least 60 days [unless a different number of days is specified within the schedule] written notice prior to the expiration of the contract term. If the Postal Service exercises this option, the extended contract includes this option clause as applicable to any remaining option periods stated in the schedule. The total duration of this contract, including exercised option period extensions, may not exceed the time limit set forth in the schedule.

CLAUSE 2-42: INDEFINITE QUANTITY (FEBRUARY 2018)

- a. This is an indefinite-quantity contract; the quantities of goods or services specified in the schedule are not purchased until ordered
- b. Delivery or performance must be as directed in orders issued in accordance with Clause 2-39: Ordering and the contract schedule. The supplier must furnish to the Postal Service, when ordered, the goods or services specified in the schedule up to and including the quantity designated in the schedule as the maximum. The Postal Service must order at least the quantity of goods or services designated in the schedule as the minimum. There is no limit on the number of orders that may be issued, unless specified in Clause 2-40: Delivery-Order Limitations or in the contract schedule. Orders may require delivery to multiple destinations or performance at multiple locations.
- c. Any order issued during the effective period of this contract and not completed within that period must be completed by the supplier within the time specified in the order, and the rights and obligations of the supplier and the Postal Service with respect to the order will be the same as if the order were completed during the effective period of the contract.

CLAUSE B-15: NOTICE OF DELAY (MARCH 2006)

Immediately upon becoming aware of any difficulties that might delay deliveries under this contract, the supplier will notify the contracting officer in writing of them. The notification must identify the difficulties, the reasons for them, and the estimated period of delay anticipated. Failure to give notice may preclude later consideration of any request for an extension of contract time.

COMMENCEMENT AND COMPLETION

CLAUSE B-16: SUSPENSIONS AND DELAYS (MARCH 2006)

- a. If the performance of all or any part of the work of this contract is suspended, delayed, or interrupted by:
 - (1) An order or act of the contracting officer in administering this contract; or
 - (2) By a failure of the contracting officer to act within the time specified in this contract - or within a reasonable time if not specified - an adjustment will be made for any increase in the cost of performance of this contract caused by the delay or interruption (including the costs incurred during any suspension or interruption). An adjustment will also be made in the delivery or performance dates and any other contractual term or condition affected by the suspension, delay, or interruption. However, no adjustment may be made under this clause for any delay or interruption to the extent that performance would have been delayed or interrupted by any other cause, including the fault or negligence of the supplier, or for which an adjustment is provided or excluded under any other term or condition of this contract.
- b. A claim under this clause will not be allowed:
 - (1) For any costs incurred more than 20 days before the supplier has notified the contracting officer in writing of the act or failure to act involved; and
 - (2) Unless the claim, in an amount stated, is asserted in writing as soon as practicable after the termination of the delay or interruption, but not later than the day of final payment under the contract.

CLAUSE B-19: EXCUSABLE DELAYS (MARCH 2006)

- a. Except with respect to defaults of subcontractors, the supplier will not be in default by reason of any failure in performing this contract in accordance with its terms (including any failure by the supplier to make progress in the prosecution of the work that endangers performance) if the failure arises out of causes beyond the control and without the fault or negligence of the supplier. Such causes may include, but are not restricted to, acts of God or of the public enemy, acts of the government in its sovereign capacity or of the Postal Service in its contractual capacity, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes, and unusually severe weather, but in every case the failure to perform must be beyond the control and without the fault or negligence of the supplier.
- b. If failure to perform is caused by the failure of a subcontractor to perform or make progress and arises out of causes beyond the control of both the supplier and subcontractor, and without the fault or negligence of either of them, the supplier will not be deemed to be in default, unless:
 - (1) The supplies or services to be furnished by the subcontractor are obtainable from other sources;
 - (2) The contracting officer orders the supplier in writing to procure the supplies or services from other sources; and
 - (3) The supplier fails to comply reasonably with the order.
- c. Upon request of the supplier, the contracting officer shall ascertain the facts and extent of failure, and if the contracting officer determines that any failure to perform was occasioned by any of the said causes, the delivery schedule shall be revised accordingly, subject to the rights of the Postal Service under any termination clause included in this contract.
- d. As used in this clause, the terms "subcontractor" and "subcontractors" mean subcontractor(s) at any tier.

CLAUSE B-34: NOTICE TO PROCEED AND COMMENCEMENT, PROSECUTION AND COMPLETION OF WORK (MARCH 2006) MODIFIED

No work will be performed except pursuant to a Notice to Proceed issued by the contracting officer.

The supplier will be required to (a) commence work under this contract within 10 calendar days after the date the supplier receives the Notice to Proceed, (b) prosecute the work diligently, and (c) complete the entire work, ready for use not later than (*the period of performance for each specific requirement and for each resulting Work Order shall be established at the time each Work Order is finalized and executed*) calendar days from the date of receipt of the Notice to Proceed. The time stated for completion includes final cleanup of the premises.

A Notice to Proceed shall be issued for each Work Order executed.

CLAUSE B-59: CONSTRUCTION PROGRESS CHART (MARCH 2006)

COMMENCEMENT AND COMPLETION

- a. Within 30 days after receiving notice to proceed, the supplier must prepare and submit to the contracting officer for approval six copies of a practical progress chart. The chart must show the principal categories of work, corresponding with those used in the breakdown on which progress payments are based, the order in which the supplier proposes to carry on the work, the date on which it will start each category of work, and the contemplated dates for completion. The chart must be in suitable scale to indicate graphically the total percentage of work scheduled to be in place at any time. At the end of each progress payment period, or at such intervals as directed by the contracting officer, the supplier must:
 - (1) Adjust the chart to reflect any changes in the contract work, completion time, or both, as approved by the contracting officer;
 - (2) Enter on the chart the total percentage of work actually in place; and
 - (3) Submit the adjusted chart to the contracting officer.
- b. If in the opinion of the contracting officer the work actually in place falls behind that scheduled, the supplier must take such action as necessary to improve progress. The contracting officer may require the supplier to submit a revised chart demonstrating its program and proposed plan to make up lag in scheduled progress and to ensure completion of work within the contract time. If the contracting officer finds the proposed plan unacceptable, the supplier may be required to submit a new plan. If a satisfactory plan is not agreed upon, the contracting officer may require the supplier to increase the work force, the construction plan and equipment, or the number of work shifts, without additional cost to the Postal Service.
- c. Failure of the supplier to comply with these requirements will be considered grounds for determination by the contracting officer that the supplier is failing to prosecute the work with such diligence as will ensure its completion within the time specified.

CLAUSE F-304: SCHEDULING AND SECURITY REQUIREMENTS (MARCH 2006)

- a. Before any work is started, the contractor must confer with the Contracting Officer's representative or other designated officials and agree on a sequence of procedures; means of access to premises and building; delivery of materials; and use of approaches; use of corridors, stairways, elevators, and similar means of communications; and the location of partitions, eating spaces for contractor's employees, and the like.
- b. Contractor's employees or subcontractors must not park vehicles in customer parking areas. Contractor's employees may park vehicles in Postal Service parking areas only if spaces are available and only with prior approval of the Installation Head.
- c. The contractor must consult the Contracting Officer or other designated official (usually the building manager) for permission to inspect the site and for the security regulations in effect. The contractor must comply with all Postal Service security regulations in effect at the work site. The contractor's attention is directed to the *Access to Site* and the *Contractor Screening Requirements* clauses found elsewhere in this document, regarding additional contractor responsibilities for physical security.

CLAUSE F-305: EXCEPTION TO COMPLETION, SCHEDULE AND LIQUIDATED DAMAGES

In cases where the Contracting Officer determines that sodding and/or planting and/or specified maintenance thereof is not feasible during the construction period, such work will be exempted from the completion schedule and the Liquidated Damages clause. The work must be accomplished or completed during the first sodding and/or planting period or the specified maintenance period following the original completion date.

CLAUSE F-306: NETWORK ANALYSIS SYSTEM AND UPDATE

- a. The computer generated, time scaled, logic diagrams must show the order and interdependence of activities and the sequence in which the work is to be done as planned by the contractor or supplier. The basic concept of a network analysis diagram must be followed to show how the start of a given activity is dependent on preceding activities, and how it restricts the start of the following activities. In all cases, the project completion date must be shown on the diagram as the latest completion date of all activities.
- b. Detailed project schedule requirements may be found in the Division 1 of the project Specifications.

CLAUSE F-307: DESIGN SCHEDULE (MARCH 2006)

All architect-engineer services must be performed within the time frames established by the schedule indicated in the

COMMENCEMENT AND COMPLETION

Items and Prices Summary Sheet. Durations are in calendar days. The duration of each event begins when authorized by the Postal Service. Review time by the Postal Service is expected to be thirty (30) calendar days per submittal or as required by the Contracting Officer.

CONTRACTOR RESPONSIBILITIES

CLAUSE 1-7: ORGANIZATIONAL CONFLICTS OF INTEREST (MARCH 2006)

- a. *Warranty Against Existing Conflicts of Interest.* The supplier warrants and represents that, to the best of its knowledge and belief, it does not presently have organizational conflicts of interest that would diminish its capacity to provide impartial, technically sound, objective research assistance or advice, or would result in a biased work product, or might result in an unfair competitive advantage, except for advantages flowing from the normal benefits of performing this agreement.
- b. *Restrictions on Contracting.* The supplier agrees that during the term of this agreement, any extensions thereto, and for a period of 2 years thereafter, neither the supplier nor its affiliates will perform any of the following:
 - (1) Compete for any Postal Service contract for production of any product for which the supplier prepared any work statement or specifications or conducted any studies or performed any task under this agreement.
 - (2) Contract (as the provider of a component or the provider of research or consulting services) with any offeror competing for any Postal Service contract for production of any product for which the supplier prepared any work statement or specifications or conducted any studies or performed any task under this agreement.
 - (3) Contract (as the provider of a component or the provider of research or consulting services) with the offeror which wins award of a Postal Service contract for production of any product for which the supplier prepared any work statements or specifications or conducted any studies or performed any task under this agreement.
- c. *Possible Future Conflicts of Interest.* The supplier agrees that, if after award of this agreement, it discovers any organizational conflict of interest that would diminish its capacity to provide impartial, technically sound, objective research assistance or advice, or would result in a biased work product, or might result in an unfair competitive advantage, except advantages flowing from the normal benefits of performing this agreement, the supplier will make an immediate and full disclosure in writing to the contracting officer, including a description of the action the supplier has taken or proposes to take to avoid, eliminate, or neutralize this conflict of interest.
- d. *Nondisclosure of Confidential Material*
 - (1) The supplier recognizes that, in performing this agreement, it may receive confidential information. To the extent that and for as long as the information is confidential, the supplier agrees to take the steps necessary to prevent its disclosure to any third party without the prior written consent of the contracting officer.
 - (2) The supplier agrees to indoctrinate its personnel who will have access to confidential information as to the confidential nature of the information, and the relationship under which the supplier has possession of this information.
 - (3) The supplier agrees to limit access to the confidential information obtained, generated, or derived, and to limit participation in the performance of orders under this agreement to those employees whose services are necessary for performing them.
- e. *Postal Service Remedy.* If the supplier breaches or violates any of the warranties, covenants, restrictions, disclosures or nondisclosures set forth under this clause, the Postal Service may terminate this agreement, in addition to any other remedy it may have for damages or injunctive relief.

CLAUSE 1-10: PREFERENCE FOR DOMESTIC CONSTRUCTION MATERIALS (OCTOBER 2019)

- a. Preference will be given to domestic construction materials in accordance with the Postal Service's Supplying Principles and Practices, Section 2-36. Evaluate Foreign and Domestic Proposals. These practices are available at, <http://about.usps.com/manuals/spp/spp.pdf>.
- b. For the purposes of this clause: Construction Contracts awarded over the following amounts and for the following trade-agreements will be in effect for those articles, materials, and supplies brought to the construction site for incorporation into the building or work:

CONTRACTOR RESPONSIBILITIES

Trade Agreement	Construction Contract (Equal to or Exceeding)
WTO GPA	\$6,932,000
Australia FTA	\$6,932,000
Bahrain FTA	\$10,441,216
CAFTA-DR FTA (Costa Rica, Dominican Republic, El Salvador, Guatemala, Honduras, and Nicaragua)	\$6,932,000
Chile FTA	\$6,725,000
Colombia FTA	\$6,932,000
Israeli Trade Act	-
Korea FTA	\$6,932,000
Morocco FTA	\$6,725,000
NAFTA — Canada	\$10,441,216
NAFTA — Mexico	\$10,441,216
Oman FTA	\$10,441,216
Panama FTA	\$6,932,000
Peru FTA	\$6,932,000
Singapore FTA	\$6,932,000

Other than those listed in paragraph (b) above, the contractor agrees that only domestic construction material will be used by the contractor, subcontractors, materialmen, and suppliers in the performance of this contract, except for foreign construction materials, if any, listed in this contract.

CLAUSE 4-4: NONDISCLOSURE (PROFESSIONAL SERVICES)

The supplier acknowledges that confidential information might be generated or made available during the course of performance of this agreement. In addition to the restrictions on disclosure established under the supplier's code of ethics, the supplier specifically agrees not to disclose any information received or generated under this contract, unless its release is approved in writing by the contracting officer. The supplier further agrees to assert any privilege allowed by law and to defend vigorously Postal Service rights to confidentiality.

CLAUSE 7-6: FEDERAL, STATE, AND LOCAL TAXES (MARCH 2006)

a. Definitions

- (1) *Contract Date* The effective date of this contract or modification.
- (2) *All Applicable Federal, State, and Local Taxes and Duties*. All taxes and duties, in effect on the contract date, that the taxing authority is imposing and collecting on the transactions or property covered by this contract.
- (3) *After-imposed Federal Tax*. Any new or increased federal excise tax or duty, or tax that was exempted or excluded on the contract date but whose exemption is revoked or reduced during the contract period, on the transactions or property covered by this contract that the supplier is required to pay or bear as the result of legislative, judicial, or administrative action taking effect after the contract date. It does not include social security tax or other employment taxes.
- (4) *After-relieved Federal Tax*. Any amount of federal excise tax or duty, except social security or other employment taxes, that would otherwise have been payable on the transactions or property covered by this contract, but which the supplier is not required to pay or bear, or for which the supplier obtains a refund or drawback, as the result of legislative, judicial, or administrative action taking effect after the contract date.
- (5) *Local Taxes*. Includes taxes imposed by a possession of the United States or by Puerto Rico.

b. The contract price includes all applicable federal, state, and local taxes and duties.

c. The contract price will be increased by the amount of any after-imposed federal tax, provided the supplier warrants in writing that no amount for a newly imposed federal excise tax or duty or rate increase was included in the contract price as contingency reserve or otherwise.

d. The contract price will be decreased by the amount of any after-relieved federal tax.

CONTRACTOR RESPONSIBILITIES

- e. The contract price will be decreased by the amount of any federal excise tax or duty, except social security or other employment taxes, that the supplier is required to pay or bear, or does not obtain a refund of, through the supplier's fault, negligence, or failure to follow instructions of the contracting officer.
- f. No adjustment will be made in the contract price under this clause unless the amount of the adjustment exceeds \$100.
- g. The supplier must promptly notify the contracting officer of all matters relating to any federal excise tax or duty that reasonably may be expected to result in either an increase or decrease in the contract price and must take appropriate action as the contracting officer directs.
- h. The Postal Service will, without liability, furnish evidence appropriate to establish exemption from any federal, state, or local tax when the supplier requests such evidence and a reasonable basis exists to sustain the exemption.

CLAUSE 7-10: SUSTAINABILITY (JULY 2014)

The Postal Service embraces sustainable practices and environmental responsibility, and encourages suppliers to improve their environmental sustainability practices in the performance of this contract. As appropriate, the Postal Service will collaborate with the supplier to identify opportunities that may improve the environmental and sustainability performance of the goods and services being provided by the supplier. The Postal Service encourages the supplier to develop and propose innovative sustainability business practices and offer goods and services that help the Postal Service operate in a more environmentally sustainable manner. Innovative sustainability business practices can take the form of improved and more sustainable business processes, replacement of materials used in performance with more sustainable materials, combination of sustainable materials with other materials that lead to reductions in the total cost of ownership, or by some other means. If the proposed innovation results in enhanced sustainability or otherwise furthers the Postal Service's goals, then the Postal Service may (1) share any savings resulting from the innovation with the supplier; or (2) increase the quantities called for; (3) or extend the term (including options) of this contract. Additional quantities may not exceed 100% of the amount required by this contract, and term extensions may not exceed two years, including options.

CLAUSE 7-11: RECYCLED CONTENT PRODUCTS (JULY 2014)

For the purposes of Postal Service contracting, "Recycled Content Product" means a product that contains any percentage of post-consumer or pre-consumer recycled content materials.

- a. In the performance of this contract, the supplier and its subcontractors must prioritize the use of Recycled Content Products when such products are commercially available at a cost-competitive price and make every effort to ensure that Recycled Content Products are used at the time of the contract award for products that are:
 - (1) Delivered or acquired by the supplier and/or subcontractors for Postal Service use or for performing services at a Postal Service facility; or
 - (2) Specified in the design of a building or work, or incorporated during construction, renovation, or maintenance at a Postal Service facility.
- b. The requirements of paragraph (a) apply to the supplier and its subcontractors unless the product cannot be acquired:
 - (1) Competitively within a timeframe providing for compliance with the contract performance schedule;
 - (2) Meeting other contract performance requirements; or
 - (3) At a reasonable price for the intended business purpose.
- c. Information about recycled content products is available at EPA Comprehensive Procurement Guidelines:
<http://www.epa.gov/epawaste/consERVE/tools/cpg/index.htm>

CLAUSE 7-12: BIO-BASED CONTENT PRODUCTS (JULY 2014)

- a. For the purposes of Postal Service contracting, "Bio-Based Content Product" means a product that contains bio-based content sufficient to earn at least one of the following:
 - (1) U.S. Department of Agriculture (USDA) BioPreferred Federal Procurement Preference (FPP Designation); and/or

CONTRACTOR RESPONSIBILITIES

- (2) U.S. Department of Agriculture (USDA) Biobased Product Certification/Labeling.
- b. In the performance of this contract, the supplier and its subcontractors must prioritize the use of Bio-Based Content Products when such products are commercially available at a cost-competitive price, and make every effort to ensure that Bio-Based Content Products are used at the time of the contract award for products that are -
 - (1) Delivered; or acquired by the supplier and/or subcontractors for Postal Service use or for performing services at a Postal Service facility; or
 - (2) Specified in the design of a building or work, or incorporated during construction, renovation, or maintenance at a Postal Service facility.
- c. The requirements of paragraph (a) apply to the supplier and its subcontractors unless the product cannot be acquired –
 - (1) Competitively within a timeframe providing for compliance with the contract performance schedule;
 - (2) Meeting other contract performance requirements; or
 - (3) At a reasonable price for the intended business purpose.

CLAUSE 7-13: ENERGY EFFICIENCY IN ENERGY CONSUMING PRODUCTS (JULY 2014)

- a. For the purposes of Postal Service contracting, “Energy-Efficient Product” means a product that contains energy-efficient attributes and has earned one or more of the following:
 - (1) U.S. Environmental Protection Agency (EPA) Energy Star Certification;
 - (2) U.S. Department of Energy Federal Energy Management Program designation (FEMP Designation) for being in the upper 25 percent of their class in energy efficiency; and/or
 - (3) National Electric Manufacturers Association (NEMA) Premium program certification.
- b. In the performance of contracts containing energy consuming products, the supplier and its subcontractors must prioritize the use of Energy-Efficient Products when such products are commercially available at a cost-competitive price, and make every effort to ensure that Energy-Efficient Products are used at the time of the contract award for products that are -
 - (1) Delivered; or acquired by the supplier and/or subcontractors for Postal Service use or for performing services at a Postal Service facility; or
 - (2) Specified in the design of a building or work, or incorporated during construction, renovation, or maintenance at a Postal Service facility.
- c. The requirements of paragraph (a) apply to the supplier and its subcontractors unless the product cannot be acquired –
 - (1) Competitively within a timeframe providing for compliance with the contract performance schedule;
 - (2) Meeting other contract performance requirements; or
 - (3) At a reasonable price for the intended business purpose.
- d. Information about Energy-Efficient Products is available at –
 - (1) Energy Star: http://www.energystar.gov/index.cfm?c=products.pr_find_es_products;
 - (2) FEMP: http://www1.eere.energy.gov/femp/procurement/eep_requirements.html; and
 - (3) NEMA: http://www.nxtbook.com/ygsreprints/NEMA/espg_nxtbook/.

CLAUSE 7-14: WATER EFFICIENCY IN WATER CONSUMING PRODUCTS (JULY 2014)

- a. For the purposes of Postal Service contracting, “Water-Efficient Product” means a product that contains water-efficient attributes and has earned U.S. Environmental Protection Agency (EPA) WaterSense Certification.
- b. In the performance of contracts containing water consuming products, the supplier and its subcontractors must prioritize the use of Water-Efficient Products when such products are commercially available at a cost-competitive price, and make every effort to ensure that Water-Efficient Products are used at the time of the

CONTRACTOR RESPONSIBILITIES

contract award for products that are:

- (1) Delivered; or acquired by the supplier and/or subcontractors for Postal Service use or for performing services at a Postal Service facility; or
 - (2) Specified in the design of a building or work, or incorporated during construction, renovation, or maintenance at a Postal Service facility.
- c. The requirements of paragraph (a) apply to the supplier and its subcontractors unless the product cannot be acquired:
- (1) Competitively within a timeframe providing for compliance with the contract performance schedule;
 - (2) Meeting other contract performance requirements; or
 - (3) At a reasonable price for the intended business purpose.
- d. Information about water-efficient products is available at WaterSense:
- http://www.epa.gov/watersense/product_search.html.

CLAUSE 7-15: SUPPLIER SUSTAINABILITY DATA REPORTING (JULY 2014)

This contract requires all suppliers with contracts valued at \$500,000 or more who sell the Postal Service environmentally preferable product (EPP) goods*, to submit calendar-quarter reports containing estimates of the (number), weight (in pounds), and dollars (\$) associated with environmentally preferable product (EPP) goods provided or sold to the Postal Service in the performance of this contract. Upon contract award, the supplier will be provided a Sustainability Reporting Worksheet and completed worksheets must be submitted within 30 days of the end of each calendar quarter and cover the following EPP focus categories:

* EPP excludes services.

- (1) Recycled Content: Product (not packaging) contains any percentage of pre-consumer or post-consumer recycled content materials.
- (2) Bio-Based Content: Product (not packaging) contains bio-based content sufficient to earn at least one of the following:
 - (a) U.S. Department of Agriculture (USDA) BioPreferred Federal Procurement Preference (FPP Designation); and/or
 - (b) U.S. Department of Agriculture (USDA) Biobased Product Certification/Labeling.
- (3) Energy-Efficient: Product contains energy-efficient attributes and has earned one or more of the following Postal Service accepted certifications/designations:
 - (a) U.S. Environmental Protection Agency (EPA) Energy Star Certification;
 - (b) U.S. Department of Energy Federal Energy Management Program designation (FEMP Designation) for being in the upper 25 percent of their class in energy efficiency; and/or
 - (c) National Electric Manufacturers Association (NEMA) Premium program certification.
- (4) Water-Efficient: Product contains water-efficient attributes and has earned U.S. Environmental Protection Agency (EPA) WaterSense Certification.
- (5) Certified to a Postal Service accepted product sustainability/eco-label standard: Product is certified to one or more of the Postal Service accepted product sustainability/eco-label standards listed at:

http://blue.usps.gov/sustainability/green_purchasing.htm

* This list contains sustainability/eco-label standards that are internationally recognized, credible, and relevant to Postal Service purchases. The Postal Service does not rank or provide preference to competing sustainability/eco-label standards.

* Note: The Postal Service Office of Sustainability maintains this list.

CLAUSE B-25: ADVERTISING OF CONTRACT AWARDS (FEBRUARY 2013)

Except with the contracting officer's prior approval, the supplier agrees not to refer in its public statements or

CONTRACTOR RESPONSIBILITIES

commercial advertising to the fact that it was awarded a Postal Service contract or to imply in any manner that the Postal Service endorses its products.

CLAUSE B-35: SPECIFICATIONS AND DRAWINGS (MARCH 2006)

- a. The supplier must keep at the site, copies of the drawings and specifications and must at all times give the contracting officer access to them. Anything mentioned in the specifications and not shown on the drawings, or shown on the drawings and not mentioned in the specifications, is of like effect as if shown or mentioned in both. In case of discrepancy or conflicts between drawings and specifications, the specifications will govern.
- b. In case of difference between small and large-scale drawings, the large-scale drawings will govern. Schedules on any contract drawing will take precedence over conflicting information on that or any other contract drawing. On any of the drawings in which a portion of the work is detailed or drawn out and the remainder is shown in outline, the parts detailed or drawn out will apply also to all other like portions of the work.
- c. When the word "similar" appears on the drawings, it has a general meaning and must not be interpreted as meaning identical, and all details must be worked out in relation to their location and connection with other parts of the work.
- d. In case of discrepancy either in figures, drawings, or specifications, the matter must be promptly submitted to the contracting officer, who will promptly make determination in writing. Any adjustment by the supplier without such a determination will be at the supplier's own risk and expense. The contracting officer must furnish from time to time such detailed drawings and other information as may be necessary.
- e. The supplier must verify all dimensions shown of existing work, and all dimensions required for work that is to connect with work now in place, by actual measurement of the existing work. Any discrepancies between the contract requirements and the existing conditions must be referred to the contracting officer before the supplier performs any work affected by these discrepancies.

CLAUSE B-42: PERFORMANCE OF WORK BY SUPPLIER (MARCH 2006)

The supplier must perform on the site, with its own organization, work equivalent to at least 13 (thirteen) percent of the total amount of work to be performed under this contract. The percentage of work required to be performed by the supplier may be reduced with written approval of the contracting officer.

CLAUSE B-43: SUPERINTENDENCE BY SUPPLIER (MARCH 2006)

The supplier must give personal superintendence to the work or have a competent foreman or superintendent, satisfactory to the contracting officer, on the work at all times during progress, with authority to act for the supplier.

CLAUSE B-44: USE OF PREMISES (MARCH 2006) MODIFIED

- a. If the premises are occupied, the supplier, any subcontractors, and their employees, must comply with the regulations governing access to, operation of, and conduct while on the premises and must perform the work required under this contract so as not to unreasonably interfere with the conduct of Postal Service business or use and occupancy by Postal Service tenants.
- b. Any requests received by the supplier from occupants to change the sequence of work must be referred to the contracting officer for determination.
- c. The supplier, any subcontractors, and their employees will not have access to any building outside the scope of this contract without permission of the contracting officer.
- d. As permitted by the site conditions, the supplier must separate his personnel and subcontractor's personnel from postal employees, customers, mail, and postal property not involved in the project. The supplier must cordon off the area using barricades or other means to achieve this separation.
- e. Where available, utility services of the building will be used if the contracting officer/installation head determines sufficient capacity is available to support the work. Supplier or subcontractor employees, without approval of the contracting officer, may not use the toilet facilities unless such approval is contained in this contract. No cleaning of tools, including painting equipment/brushes, is permitted in the toilet or janitorial facilities.
- f. Any use of an existing elevator must be by prior arrangement with the building manager of the building and subject to the building manager's control. The supplier must provide and maintain suitable and adequate

CONTRACTOR RESPONSIBILITIES

protective coverings for the elevator machinery, the hatchway entrances, and the interior of the elevator during the period of use. Loads in excess of the rated capacity of the elevator are not permitted. The Postal Service will bear the cost of the electric current for the operation of the elevator. On completion of the work, the supplier must remove the protective coverings together with any resultant dirt and debris, and leave the equipment in a condition equal to the condition it was in at the time the supplier commenced using the elevator unless specified otherwise in this contract.

CLAUSE B-47: PERMITS AND RESPONSIBILITIES (CONSTRUCTION) (MARCH 2006)

The supplier is responsible, without additional expense to the Postal Service, for obtaining any necessary licenses and permits, and for complying with any applicable federal, state, and municipal laws, codes, and regulations in connection with the prosecution of the work. The supplier is responsible for all damage to persons or property that occurs as a result of its negligence. The supplier must take proper safety and health precautions to protect the work, the workers, the public, and the property of others. The supplier is responsible also for all materials delivered and work performed until completion and acceptance of the entire construction work, except for any completed unit of construction that may have been accepted.

CLAUSE B-49: BUILDING CODES, FEES, AND CHARGES (MARCH 2006)

- a. State and local building codes and regulations do not apply as a matter of law to work inside the property lines of Postal Service-owned properties but generally do apply to Postal Service-leased properties. In compliance with Postal Service policy, the supplier must comply with all state and local building code requirements unless otherwise specifically provided.
- b. The supplier must pay all fees and charges for connections to outside services and for use of property outside the site.

CLAUSE B-51: HEAT (MARCH 2006)

- a. Provide heat as necessary to protect all work materials and equipment against injury from dampness and cold;
- b. Protect, cover, and/or heat, as may be necessary to produce and maintain a temperature of not less than 50 degrees Fahrenheit in the concrete during the placing, setting, and curing of concrete, and in the plaster during the application, setting, and curing of plaster; and
- c. Provide heat as necessary to produce in the area where the work is to be done a temperature of not less than 70 degrees Fahrenheit for the period beginning 10 days before the placing of interior finishes and finish materials and continuing until completion of beneficial occupancy of the area.

CLAUSE B-52: DEBRIS AND CLEANUP (MARCH 2006)

- a. The supplier must, during the progress of the work, remove and dispose of the resultant dirt and debris and keep the premises clean.
- b. The supplier will, upon completion of the work, remove all construction equipment and surplus materials (except materials or equipment that are to remain Postal Service property as provided by this contract), and leave the premises in a clean, neat, and orderly condition satisfactory to the contracting officer.

CLAUSE B-63: MATERIALS AND WORKMANSHIP (MARCH 2006)

- a. Unless otherwise specifically provided, all equipment and materials incorporated in the work must be new and of the most suitable grade for the purpose intended. Unless otherwise specifically provided, reference to any equipment, material, or patented process by brand name, make, or catalog number establishes a standard of quality only. The supplier may substitute any equipment, material, or process that the contracting officer finds to be equal to that named. To obtain approval to use a different equipment, material, or process, the supplier must furnish the contracting officer the manufacturer's name, the model number, and other identifying data and information regarding the nature and performance of the proposed substitute. If requested by the contracting officer, samples must be submitted for approval at the supplier's expense, shipping charges prepaid. Materials or processes substituted without approval may be rejected.
- b. In the event of substitution in accordance with paragraph a above, the supplier must furnish to the contracting officer for approval the manufacturer's name, the model number, and any other relevant information on the

CONTRACTOR RESPONSIBILITIES

performance, capacity, nature, and rating of equipment or materials proposed for substitution.

- c. The supplier must obtain the contracting officer's approval of the machinery and mechanical equipment incorporated into the work. The supplier must submit samples of all materials and equipment as directed by the contracting officer or as required by the specifications.
- d. All work must be performed in a skillful and workmanlike manner. The contracting officer may, in writing, require the supplier to remove from the work any employee the contracting officer deems incompetent, careless, or otherwise objectionable.

CLAUSE F-401: OPTIONAL MATERIALS OR METHODS (MARCH 2006)

Where the technical provisions permit the Contractor to select optional materials, items, systems, or equipment, the selection of such options is subject to the following conditions:

- a. The selection must be made prior to the issuance of the contract and must be included in the detailed scope of work and the price proposal.
- b. Once an option has been selected and approved, it must be used for the entire Contract.
- c. The Contractor must coordinate its selection with the drawings and specifications and make all necessary adjustments without additional cost to the Postal Service.

CLAUSE F-402: IDENTIFICATION OF CONTRACT DELIVERABLES (MARCH 2006)

Unless otherwise specified, the cover page of each document prepared and submitted by the contractor to the Postal Service under this contract must include the following information:

- a. Name and business address of the contractor.
- b. Contract number.
- c. Name, position, and office location of the Postal Service's Contracting Officer's representative.
- d. Date of report.

CLAUSE F-403: PROTECTION AND DAMAGE

- a. Supplier is responsible to provide all labor, materials, and equipment necessary for protection of personnel, furnishings, equipment, or building structure from damage. Remove and replace movable items, if necessary. Replace or repair any items damaged, due to work performed under this contract equal to their original construction and finish.
- b. Use rubber-tired vehicles that use non-volatile fuels for conveying materials inside building and provide temporary covering, as necessary, to protect floors.
- c. No materials shall be thrown from windows or doors of buildings. Building waste system shall not be used to remove refuse, emptying paint cans, and the like.
- d. Debris shall be removed from the site daily. Premises shall be left neat and clean after each work shift, so that business may proceed the next regular workday without interruption.
- e. Dust-proof enclosures or partitions for protection wherever dusty or dirty work is performed and dampening of debris to avoid dusting when removed shall be negotiated into Work Order as required.
- f. Whenever flammable solvents or adhesives (do not use unless nonflammable items are not suitable for the condition) are used, provide adequate ventilation and fire protection measures. Do not use flammable solvents or adhesives in any case when flame-or-spark-producing operations are being performed in the area.

CLAUSE F-404: RESPONSIBILITY FOR DESIGN (MARCH 2006)

- a. It is understood and agreed that this contract includes (design/build contract) or is for (architecture-engineer contract) design services. In either situation the supplier (supplier or architect-engineer) agrees not to assign or transfer interests in this contract except as provided in the Assignment of Claims clause. The supplier agrees not to transfer or delegate, to others, its responsibilities under this contract. The supplier has the right to engage its architects, engineers, and draftsmen to assist. The supplier represents that its organization includes a registered

CONTRACTOR RESPONSIBILITIES

architect and licensed engineer authorized to practice in the State in which the project is located.

The supplier further represents that the structural, electrical, mechanical, and other engineering disciplines necessary in the design of the project will be under the direct supervision of registered professional engineers. Any subcontractors or outside associates or consultants required by the supplier in connection with the services covered by this contract will be limited to individuals and firms specifically identified and agreed to during negotiations.

Any substitutions will be subject to the Contracting Officer's prior approval.

- b. The supplier is responsible for the professional quality, technical accuracy, and coordination of all designs, drawings, specifications, and other services furnished by the supplier under this contract. The supplier must without any changes to the Fixed Fees, guaranteed maximum price (GMP), or fixed price, as the contract may be written, correct any errors or deficiencies in the designs, drawings, specifications, and other services.
- c. As part of the supplier's responsibility under this contract, the supplier must coordinate with federal, state and local authorities as necessary to ensure that the design and, in the case of a design/build contract, construction of the project comply with applicable federal, state and local codes and ordinances.
- d. Any Postal Service review, approval, or acceptance of, or payment for, any services required under this contract must not be construed to waive any rights arising out of the performance of the contract. The supplier remains liable to the Postal Service, in accordance with applicable laws, for all liability or damages to persons or property caused by the supplier's negligent performance of any services furnished under the contract.
- e. If the supplier performing this contract is comprised of more than one legal entity, each entity is jointly and severally liable under the contract.
- f. The rights and remedies of the Postal Service provided for under this contract are in addition to any other rights and remedies provided by law.

CLAUSE F-405: GROUND BREAKING CEREMONIES

The contractor agrees, in accordance with current Postal Service policy, not to plan, finance, participate in, or in any way be involved in ground breaking ceremonies prior to the commencement of or at any time during the prosecution of the work within the duration of this contract.

CLAUSE F-406: OPERATION AND MAINTENANCE MANUALS - INSTRUCTION AND TRAINING (MARCH 2006)

The contractor must provide training in accordance with *Division 1-GeneralRequirements*. Scheduling of the training will be subject to mutual agreement between the contractor and the Postal Service. All instructors must be experienced, and the training will be aimed at the technician level. The contractor must specify, in each training course outline, the skills and competencies required as a prerequisite for each course of instruction. The contractor will provide each attendee with all the manuals, text material, and course outlines necessary for the specified training. Training materials shall be submitted to the Postal Service for review and approval at least thirty (30) calendar days after approval of shop drawings. The training course curriculum will be subject to review and approval by the Postal Service prior to the first presentation. The number of personnel to be trained may be revised by the Postal Service, provided the Postal Service notifies the contractor, in writing, of the changes at least 15 calendar days before the commencement of the specific training, and provided that the total number of people trained does not exceed ten (10).

Detailed requirements for training activities are incorporated in Division 1 – General Requirements and must be included in all applicable subcontracts. The contractor is not required to provide training for irradiation equipment, but will provide training for all other contractor install systems, including HVAC controls, cameras, etc.

CLAUSE F-407: CLAIMS ASSISTANCE (ARCHITECT-ENGINEER) (MARCH 2006)

If any claim is brought against the Postal Service by the construction contractor for this project, either on its own behalf or on behalf of any subcontractors, arising out of any alleged design errors, omissions, or deficiencies attributable to the work performed by the architect-engineer (A-E) under this contract, the A-E must diligently render assistance in the resolution of the merits and defense of the claim. The assistance of the A-E must include, but not be limited to, preparation of written evaluation of claims and technical assistance during any negotiation of claims and subsequent Board of Contract Appeals hearings or court cases regarding any claims. These services must be rendered by the A-E without additional fee or other compensation, except for travel and subsistence expenses, to be

CONTRACTOR RESPONSIBILITIES

reimbursed by the Postal Service as provided by the Travel and Subsistence clause.

CLAUSE F-408: MECHANIZATION COORDINATION (DESIGN/BUILD CONSTRUCTION)

The Postal Service may award separate contracts for building design/construction and fixed mechanization design/construction. Each supplier (supplier and mechanization contractor) must coordinate and cooperate fully with the other during design and construction to anticipate and avert or resolve interface errors, omissions, and conflicts. In the event the suppliers do not agree on the resolutions to individual issues, the issues will be referred to the Postal Service for determination.

a. Design Interfaces

- (1) Space Envelope. Fixed mechanization space requirements shall take precedence over all other building system space requirements. As the building design proceeds, the mechanization contractor will provide, for the supplier's information, layout drawings showing all fixed mechanization equipment, platforms, and walkways, including their horizontal and vertical locations, outer dimensions, and required clearances, as well as support schemes. Relying on these drawings, the supplier will prepare coordination drawings which will clearly indicate proposed installation of all building systems relative to fixed mechanization systems. The mechanization layouts and the building systems coordination drawings will be the basis for interface resolutions which will be agreed upon by the respective suppliers and the Postal Service. This will be accomplished prior to approval of concept drawings, if concept drawings are prepared by the supplier. If the concept drawings are prepared by separate contract, the Postal Service will be responsible for interface resolution, unless otherwise noted in the solicitation. All interferences subsequently discovered will be resolved in the same manner. Except at the Contracting Officer's direction, no changes that affect agreed coordination resolutions will be made without the prior knowledge and express assent of all parties.
- (2) Structural. The supplier will include a blanket load in the roof structural design to provide for suspended fixed mechanization loads.
 - (a) The mechanization contractor will design, furnish and install all supplemental framing, supports, and connections required to attach field mechanization to the building structure.
 - (b) When fixed mechanization layouts and support schemes are final, the mechanization contractor will provide static and dynamic point load information, giving location of the point of attachment, as well as horizontal and vertical direction and magnitude of applied forces, for all support and bracing connections to the building structure.
 - (c) The supplier will assess their effect on the structure and provide design/build reinforcement where required.
- (3) Electrical. The mechanization contractor will determine electric power requirements for the ten (10) year bulk loose, and trayed mail systems configurations. It will establish distribution panel requirements, a minimum of one for each system, and identify optimum locations. This information will be provided to the supplier, which will furnish ten (10) year power circuits to agreed locations, leaving feeder cables with sufficient extra length for the mechanization contractor to connect to bus bars of the panels, which it shall furnish and install.
- (4) Fire Protection. The supplier will include coverage beneath fixed mechanization equipment, as required by NFPA, in the building fire protection system.
- (5) Compressed Air. The supplier will provide the compressed air supply for fixed mechanization.
 - (a) The fixed mechanization contractor will specify air flow, pressure, and quality and identify a single optimum point of supply.
 - (b) The supplier will provide air to the supply point.
 - (c) The fixed mechanization contractor will provide connections and distribution piping to its equipment.

b. Construction-Interfaces

- (1) Sequence of Construction. The supplier and mechanization contractors shall cooperate in planning their sequence of construction such that workroom areas will be given over to the mechanization contractor in stages that will allow continuous, unobstructed installation of fixed mechanization systems.
 - (a) Minimum conditions for starting fixed mechanization installation in an area shall include completion of roofing, HVAC air distribution and overhead piping, overhead electrical wiring and lighting, fire protection systems, and painting. Asphalt plank flooring shall be coordinated as agreed by the respective contractors.

CONTRACTOR RESPONSIBILITIES

- (b) Work area definition, turnover sequence, and milestones will be agreed by the respective contractors and the Postal Service during CPM schedule development and shall not thereafter be changed except by agreement of the three parties or by Postal Service direction.
 - (2) Interference and Damage. The supplier and the mechanization contractor shall conduct all their activity in a manner that will not interfere with or obstruct, or cause damage to the other's work. In the event the supplier causes such interference, obstruction, or damage, it will defend and indemnify the Postal Service against claims or other legal actions by the mechanization contractor or its subcontractors and will pay for the repair of any damage.
- c. Temporary Construction Support
- (1) In addition to temporary services for its own activity, the supplier shall furnish temporary services to the mechanization contractor as follows:
 - (a) Temporary Power and Lighting. The supplier shall provide temporary power and lighting for use by the mechanization contractor. Temporary lighting shall be in accordance with OSHA requirements and normal construction practices and adequate for the performance of the mechanization contractor's work. Temporary power shall be provided to a mutually agreed central location for use by the mechanization contractor. The supplier shall relocate temporary power a maximum of four (4) times. The supplier shall make the temporary power available prior to the on-site mobilization of the mechanization contractor and shall provide a minimum 480 volt, 400 amp service for mechanization use.
 - (b) Temporary Heating. The mechanization contractor shall provide temporary propane heat for its use in enclosed work areas. The temporary heat shall be provided in accordance with OSHA requirements and normal construction practices.
 - (c) Temporary Water. The supplier shall provide temporary water service for use by the mechanization contractor. The temporary water service shall be in accordance with normal construction practices.
 - (d) Sanitary Facilities. The mechanization contractor shall provide temporary sanitary facilities for its use. The temporary sanitary facilities shall be in accordance with OSHA requirements and normal construction practices.
 - (2) Storage and Access
 - (a) The supplier shall provide mutually agreed storage and access for use by the mechanization contractor. Storage areas shall include, at a minimum, space for a construction office, parking, exterior laydown and interior workroom storage areas. Access includes, at a minimum, an aggregate rock base at the loading docks for unloading of the mechanization equipment.
 - (b) The supplier shall provide pathways for use of the mechanization contractor. Pathways include access to the site or workroom building for the unloading of materials and equipment and access within the workroom for movement of materials and equipment.
 - (c) The mechanization contractor shall work with the supplier to define the needed pathways and shall not obstruct other pathways needed by the supplier to perform its work.
 - (3) Office and Storage Trailers. The mechanization contractor will provide its own temporary construction office and storage trailers. The building contractor will provide temporary power and water to them.
 - (4) Telephone Service. The mechanization contractor will provide its own telephone service.
 - (5) Protection of Work. The mechanization contractor shall provide all necessary barriers and protection to perform its work. The mechanization contractor shall work with the supplier or shall take such independent measures considered necessary to safeguard its materials, work-in-place, tools and equipment, in accordance with normal construction practices.
 - (6) Clean-up. The supplier and mechanization contractors shall be responsible for their respective clean-up and removal of debris. Each contractor shall be responsible for the clean-up of their work areas. The mechanization contractor shall be responsible for disposal of its construction debris into the supplier's dumpsters. The supplier shall be responsible for providing and placing dumpsters at accessible locations for the mechanization contractor. The supplier shall be responsible for removal of debris from the job site.
 - (7) Work Hours. The supplier will provide all necessary construction support services required by the mechanization contractor to work a normal eight (8) hour day. All requests by the mechanization contractor for support services for extended work hours must provide a minimum 48-hour notice and receive prior approval of the Contracting Officer.

POSTAL SERVICE RIGHTS AND RESPONSIBILITIES

CLAUSE 2-11: POSTAL SERVICE PROPERTY - FIXED-PRICE (MARCH 2006)

- a. Postal Service-Furnished Property
- (1) The Postal Service will deliver to the supplier, for use in connection with and under the terms of this contract, the property described as Postal Service-furnished property in the Schedule or specifications, together with any related information the supplier may request that may reasonably be required for the intended use of the property (hereinafter referred to as "Postal Service-furnished property").
 - (2) The contract delivery or performance dates are based on the expectation that Postal Service-furnished property suitable for use (except for property furnished "as is") will be delivered at the times stated in the Schedule or, if not so stated, in sufficient time to enable the supplier to meet these delivery or performance dates. If Postal Service-furnished property is not delivered by these times, the contracting officer will, upon timely written request from the supplier, make a determination of any delay occasioned the supplier and will equitably adjust the delivery or performance dates or the contract price, or both, and any other contractual provision affected by the delay, in accordance with the *Changes* clause.
 - (3) Except for Postal Service-furnished property furnished "as is," if the Postal Service-furnished property is received in a condition not suitable for its intended use, the supplier must notify the contracting officer and (as directed by the contracting officer) either (a) return it at the expense of the Postal Service or otherwise dispose of it, or (b) effect repairs or modifications. Upon the completion of (a) or (b), the contracting officer (upon written request from the supplier) will equitably adjust the delivery or performance dates or the contract price, or both, and any other affected contractual provision, in accordance with the *Changes* clause.
 - (4) The provisions for adjustment in this paragraph are exclusive, and the Postal Service is not liable to suit for breach of contract by reason of any delay in delivery of Postal Service-furnished property or its delivery in a condition not suitable for its intended use.
- b. Changes in Postal Service-Furnished Property
- (1) By written notice, the contracting officer may (a) decrease the property provided or to be provided by the Postal Service under this contract, or (b) substitute other Postal Service-owned property for the property to be provided by the Postal Service, or to be acquired by the supplier for the Postal Service under this contract. The supplier must promptly take any action the contracting officer may direct regarding the removal and shipping of the property covered by this notice.
 - (2) In the event of any decrease in or substitution of property pursuant to subparagraph b.1 above, or any withdrawal of authority to use property provided under any other contract or lease, which property the Postal Service had agreed in the Schedule to make available for the performance of this contract, the contracting officer, upon the supplier's written request (or - if substitution causes a decrease in the cost of performance - on the contracting officer's own initiative), will equitably adjust any contractual provisions affected by the decrease, substitution, or withdrawal, in accordance with the *Changes* clause.
- c. Title.
- (1) Title to all Postal Service-furnished property remains in the Postal Service. To define the obligations of the parties under this clause, title to each item of facilities, special test equipment, or special tooling (other than that subject to a special-tooling clause) acquired by the supplier for the Postal Service under this contract will pass to and vest in the Postal Service when its use in the performance of this contract begins, or upon payment for it by the Postal Service, whichever is earlier, whether or not title was previously vested.
 - (2) Title to all material purchased by the supplier for whose cost the supplier is entitled to be reimbursed as a direct item of cost under this contract will pass to and vest in the Postal Service upon delivery of the material to the supplier by the vendor.
 - (3) Title to other material whose cost is reimbursable to the supplier under this contract will pass to and vest in the Postal Service upon:
 - (a) Its issuance for use in the performance of this contract; or
 - (b) Reimbursement of its cost by the Postal Service, whichever occurs first
 - (4) All Postal Service-furnished property, together with all property acquired by the supplier, title to which vests in the Postal Service under this paragraph c, is subject to the provisions of this clause and is hereinafter collectively referred to as "Postal Service property." Title to Postal Service property is not affected by its

POSTAL SERVICE RIGHTS AND RESPONSIBILITIES

incorporation into or attachment to any property not owned by the Postal Service, nor does Postal Service property become a fixture or lose its identity as personal property by being attached to any real property.

- d. *Use of Postal Service Property.* The Postal Service property, unless otherwise provided in this contract or approved by the contracting officer, must be used only for performing this contract.
- e. *Utilization, Maintenance, and Repair of Postal Service Property.* The supplier must maintain and administer, in accordance with sound industrial practice, a program or system for the utilization, maintenance, repair, protection, and preservation of Postal Service property until it is disposed of in accordance with this clause. If any damage occurs to Postal Service property, the risk of which has been assumed by the Postal Service under this contract, the Postal Service will replace the items or the supplier must make such repairs as the Postal Service directs; provided, however, that if the supplier cannot effect these repairs within the time required, the supplier will dispose of the property in the manner directed by the contracting officer. The contract price includes no compensation to the supplier for performing any repair or replacement for which the Postal Service is responsible, and an equitable adjustment will be made in any contractual provisions affected by such repair or replacement made at the direction of the Postal Service, in accordance with the *Changes* clause. Any repair or replacement for which the supplier is responsible under the provisions of this contract must be accomplished by the supplier at the supplier's own expense.
- f. *Risk of Loss.* Unless otherwise provided in this contract, the supplier assumes the risk of, and becomes responsible for, any loss or damage to Postal Service property provided under this contract upon its delivery to the supplier or upon passage of title to the Postal Service as provided in paragraph c above, except for reasonable wear and tear and except to the extent that it is consumed in performing this contract.
- g. *Access.* The Postal Service, and any persons designated by it, must at reasonable times have access to premises where any Postal Service property is located, for the purpose of inspecting it.
- h. *Final Accounting for and Disposition of Postal Service Property.* Upon completion, or at such earlier dates as may be fixed by the contracting officer, the supplier must submit, in a form acceptable to the contracting officer, inventory schedules covering all items of Postal Service property not consumed in performing this contract (including any resulting scrap) or not previously delivered to the Postal Service, and will prepare for shipment, deliver f.o.b. origin, or dispose of this property, as the contracting officer may direct or authorize. The net proceeds of disposal will be credited to the contract price or will be paid in such other manner as the contracting officer may direct.
- i. *Restoration of Supplier's Premises and Abandonment.* Unless otherwise provided in this contract, the Postal Service:
 - (1) May abandon any Postal Service property in place, whereupon all obligations of the Postal Service regarding it will cease; and
 - (2) Has no obligation with regard to restoration or rehabilitation of the supplier's premises, either in case of abandonment, disposition on completion of need or of the contract, or otherwise, except for restoration or rehabilitation costs properly included in an equitable adjustment under paragraph b or e above.

CLAUSE 2-14: POSTAL SERVICE PROPERTY FURNISHED "AS IS" (MARCH 2006)

- a. The Postal Service makes no warranty whatsoever with respect to Postal Service property furnished "as is" except that the property is in the same condition when placed at the f.o.b. point specified in the solicitation as when inspected by the supplier pursuant to the solicitation or (if not inspected by the supplier) as when last available for inspection under the solicitation.
- b. The supplier may repair any property made available to the supplier "as is." Repair will be at the supplier's expense except as otherwise provided in this clause. Such property may be modified at the supplier's expense, but only with the written permission of the contracting officer. Any repair or modification of property furnished "as is" does not affect the title of the Postal Service.
- c. If there is any change (between the time inspected or last available for inspection under the solicitation to the time placed on board at the location specified in the solicitation) in the condition of Postal Service property furnished "as is" that will adversely affect the supplier, the supplier must, upon receipt of the property, notify the contracting officer of that fact, and (as directed by the contracting officer) either (1) return the property at the expense of the Postal Service or otherwise dispose of it, or (2) effect repairs to return it to the condition it was in when inspected under the solicitation, or (if not inspected) as it was when last available for inspection under the solicitation. Upon completion of (1) and (2) above, the contracting officer, upon written request from the supplier, will equitably adjust any contractual provisions affected by the return, disposition, or repair, in accordance with the *Changes* clause. The foregoing provisions for adjustment are exclusive, and the Postal Service is not liable

POSTAL SERVICE RIGHTS AND RESPONSIBILITIES

for any delivery of Postal Service property furnished "as is" in a condition other than that in which it was originally offered.

- d. Except as otherwise provided in this clause, Postal Service property furnished "as is" is governed by the *Postal Service Property* clause of this contract.

CLAUSE 4-7: RECORDS OWNERSHIP (MARCH 2006)

Notwithstanding any state law providing for retention of rights in the records, the supplier agrees that the Postal Service may, at its option, demand and take without additional compensation all records relating to the services provided under this agreement. The supplier must turn over all such records upon request but may retain copies of documents produced by the supplier.

CLAUSE 4-8: KEY PERSONNEL (MARCH 2006)

- a. To the extent that the statement of work provides for services to be performed by key personnel, those services must be performed by the personnel identified in the supplier's proposal to perform them unless substitutes have been approved in writing by the contracting officer. Use of junior personnel, even under key personnel supervision (for example, associates or student workers), is not authorized unless they are identified in the supplier's proposal by name or position, with a description of their duties.
- b. This agreement may be terminated if the key personnel named in the supplier's proposal become unavailable for any reason. If the unavailability of key personnel is not the fault of the supplier, the contracting officer may terminate by giving notice of termination. The supplier will be paid for service performed up to the date of termination. If the contracting officer finds that the supplier is at fault for the unavailability of key personnel, the agreement may be terminated for default.

CLAUSE 8-13: INTELLECTUAL PROPERTY RIGHTS (MARCH 2006)

All intellectual property rights evolving from studies, reports, or other data delivered under this contract are the sole property of the Postal Service. The supplier agrees to make, execute, and deliver to the Postal Service any papers or other instruments in such terms and contents as may be required for the filing of any required instrument necessary for preserving an intellectual property right and does hereby assign and transfer to the Postal Service the entire right, title, and interest in and to the intellectual property rights. Before final settlement of this contract, a final report must be submitted on Form 7398, Report of Inventions and Subcontracts, or other format acceptable to the contracting officer.

CLAUSE 8-16: POSTAL SERVICE TITLE IN TECHNICAL DATA AND COMPUTER SOFTWARE (MARCH 2006)

- a. Definitions
 - (1) *Data*. Data means technical data including drawings, technical reports, studies, and similar documents; computer software and computer software documentation, including but not limited to source code, object code, algorithms, formulas, and, other data that describe design, function, operation, or capabilities, and other recorded information, regardless of the form or the medium on which it may be recorded. It does not include information incidental to contract administration, such as financial, administrative, cost or pricing, or management information.
 - (2) *Form, Fit, and Function Data*. Data relating to an item or process that are sufficient to enable physical and functional interchangeability, as well as data identifying source, size, configuration, mating and attachment characteristics, functional characteristics, and performance requirements; except that for computer software, it means data identifying origin, functional characteristics, and performance requirements but specifically excludes the source code, algorithm, process, formulas, and machine-level flow charts of the computer software.
 - (3) *Limited Rights Data*. Data other than computer software developed at private expense, including minor modifications of these data.
 - (4) *Technical Data*. Data other than computer software, of a scientific or technical nature.
 - (5) *Restricted Computer Software*. Computer software developed at private expense that is a trade secret, is commercial or financial and confidential or privileged, or is published copyrighted computer software,

POSTAL SERVICE RIGHTS AND RESPONSIBILITIES

including minor modifications of this computer software.

- (6) *Restricted Rights*. The rights of the Postal Service in restricted computer software, as set forth in a Restricted Rights Notice as provided in paragraph h below, or as otherwise may be provided in a collateral agreement incorporated in and made part of this contract.
- (7) *Unlimited Rights*. The rights of the Postal Service in technical data and computer software to use, disclose, reproduce, prepare derivative works, distribute copies to the public, and perform and display publicly, in any manner and for any purpose, and to have or permit others to do so.

b. Rights

- (1) The Postal Service has title to all data first produced in the performance of this contract. Accordingly, the supplier assigns all rights, title, and interest to the Postal Service in all data first produced in performance of this contract. The supplier, unless directed otherwise by the contracting officer, must place on all such data delivered under this contract the following notice:

“This data is the confidential property of the U.S. Postal Service and may not be used, released, reproduced, distributed or published without the express written permission of the U.S. Postal Service.”

- (2) The supplier grants to the Postal Service a royalty-free, nonexclusive, irrevocable license throughout the world to publish, translate, deliver, perform, use, and dispose of in any manner any portion of data that is not first produced in the performance of this contract but in which copyright is owned by the supplier and that is incorporated in the data furnished under this contract, and to authorize others to do so for Postal Service purposes.
- (3) Unless the contracting officer’s written approval is obtained, the supplier may not include in any data prepared for or delivered to the Postal Service under this contract any data which is not owned by the supplier or the Postal Service without acquiring for the Postal Service any right necessary to perfect a license of the scope set forth in subparagraph b.2.

- c. *Indemnity*. The supplier indemnifies the Postal Service (and its officers, agents, and employees acting for the Postal Service) against any liability, including costs and expenses, (1) for violation of proprietary rights, copyrights, or rights of privacy or publicity, arising out of the creation, delivery, or use of any works furnished under this contract, or (2) based upon any libelous or other unlawful matter contained in these works. This provision does not apply to material furnished by the Postal Service and incorporated in the works to which this clause applies.

d. Additional Rights in Technical Data

- (1) Except as provided in paragraph b, the Postal Service has unlimited rights in:
 - (a) Form fit, and function data, including such data developed at private expense, delivered under this contract, and
 - (b) Technical data delivered under this contract that constitute manuals or instructional and training material for installation, operation, or routine maintenance and repair of items, components, or processes delivered or furnished for use under this contract.
- (2) Copyright
 - (a) The contracting officer may direct the supplier to establish, or authorize the establishment of, claim to copyright in the technical data and to assign, or obtain the written assignment of, the copyright to the Postal Service or its designated assignee.
 - (b) The supplier may not, without prior written permission of the contracting officer, incorporate in technical data delivered under this contract any data not first produced in the performance of this contract containing the copyright notice of 176 U.S.C. 401 or 402, unless the supplier identifies the data and grants to the Postal Service, or acquires on its behalf at no cost to the Postal Service, a paid-up, nonexclusive, irrevocable worldwide license in such copyright data to reproduce, prepare derivative works, distribute copies to the public, and perform and display the data publicly.
 - (c) The Postal Service agrees not to remove any copyright notices placed on data pursuant to this section d, and to include such notices on all reproductions of the data.

e. Release, Publication, and Use of Technical Data and Computer Software

- (1) Unless prior written permission is obtained from the contracting officer or to the extent expressly set forth in this contract, the supplier will not use, release to others, reproduce, distribute, or publish any technical data

POSTAL SERVICE RIGHTS AND RESPONSIBILITIES

or computer software first produced by the supplier in the performance of the contract.

- (2) The supplier agrees that if it receives or is given access to data or software necessary for the performance of this contract that contain restrictive markings, the supplier will treat the data or software in accordance with the markings unless otherwise specifically authorized in writing by the contracting officer.

f. Unauthorized Marking of Data or Computer Software

- (1) If any technical data or computer software delivered under this contract are marked with the notice specified in paragraph h and the use of such a notice is not authorized by this clause, or if the data or computer software bear any other unauthorized restrictive markings, the contracting officer may at any time either return the data or software or cancel the markings. The contracting officer must afford the supplier at least 30 days to provide a written justification to substantiate the propriety of the markings. Failure of the supplier to timely respond, or to provide written justification, may result in the cancellation of the markings. The contracting officer must consider any written justification by the supplier and notify the supplier if the markings are determined to be authorized.
- (2) The foregoing procedures may be modified in accordance with Postal Service regulations implementing the Freedom of Information Act (5 U.S.C. 552) if necessary to respond to a request thereunder. In addition, the supplier is not precluded from bringing a claim in connection with any dispute that may arise as the result of the Postal Service's action to remove any markings on data or computer software, unless this action occurs as the result of a final disposition of the matter by a court of competent jurisdiction.

g. Omitted or Incorrect Markings

- (1) Technical data or computer software delivered to the Postal Service without the limited rights notice or restricted notice authorized by paragraph h, or the data rights notice required by paragraph b, will be deemed to have been furnished with unlimited rights, and the Postal Service assumes no liability for the disclosure, use, or reproduction of such data or computer software. However, to the extent the data or software have not been disclosed outside the Postal Service, the supplier may request, within six months (or a longer time approved by the contracting officer) after delivery of the data or software, permission to have notices placed on qualifying technical data or computer software at the supplier's expense, and the contracting officer may agree to do so if the supplier:
 - (a) Identifies the technical data or computer software to which the omitted notice is to be applied;
 - (b) Demonstrates that the omission of the notice was inadvertent;
 - (c) Establishes that the use of the proposed notice is authorized; and
 - (d) Acknowledges that the Postal Service has no liability with respect to the disclosure, use, or reproduction of any such data or software made before the addition of the notice or resulting from the omission of the notice.
- (2) The contracting officer may also (a) permit correction of incorrect notices, at the supplier's expense, if the supplier identifies the technical data or computer software on which correction of the notice is to be made and demonstrates that the correct notice is authorized, or (b) correct any incorrect notices.

h. Protection of Rights

- (1) *Protection of Limited Rights Data.* When technical data other than data listed in section d, above, are specified to be delivered under this contract and qualify as limited rights data, if the supplier desires to continue protection of such data, the supplier must affix the following "Limited Rights Notice" to the data, and the Postal Service will thereafter treat the data, subject to paragraphs f and g above, in accordance with the Notice:

"LIMITED RIGHTS NOTICE

These technical data are submitted with limited rights under Postal Service Contract No. _____ (and subcontract _____, if appropriate). These data may be reproduced and used by the Postal Service with the express limitation that they will not, without written permission of the supplier, be used for purposes of manufacture or disclosed outside the Postal Service; except that the Postal Service may disclose these data outside the Postal Service for the following purposes, provided that the Postal Service makes such disclosure subject to prohibition against further use and disclosure:

1. Use (except for manufacture) by support service suppliers.
2. Evaluation by Postal Service evaluators.
3. Use (except for manufacture) by other suppliers participating in the Postal Service's program

POSTAL SERVICE RIGHTS AND RESPONSIBILITIES

of which the specific contract is a part, for information and in connection with the work performed under each contract.

4. Emergency repair or overhaul work.

This Notice must be marked on any reproduction of these data, in whole or in part.”

(2) Protection of Restricted Computer Software

- (a) When computer software is specified to be delivered under this contract and qualifies as restricted computer software, if the supplier desires to continue protection of such computer software, the supplier must affix the following “Restricted Rights Notice” to the computer software, and the Postal Service will thereafter treat the computer software, subject to paragraphs f and g above, in accordance with the Notice:

“RESTRICTED RIGHTS NOTICE

- (i) This computer software is submitted with restricted rights under Postal Service Contract No. _____ (and subcontract _____, if appropriate). It may not be used, reproduced, or disclosed by the Postal Service except as provided below or as otherwise stated in the contract.
- (ii) This computer software may be:
 1. Used or copied for use in or with the computer or computers for which it was acquired, including use at any Postal Service installation to which the computer or computers may be transferred;
 2. Used or copied for use in a backup computer if any computer for which it was acquired is inoperative;
 3. Reproduced for safekeeping (archives) or backup purposes;
 4. Modified, adapted, or combined with other computer software, provided that the modified, adapted, or combined portions of any derivative software incorporating restricted computer software are made subject to the same restricted rights;
 5. Disclosed to and reproduced for use by support service suppliers in accordance with 1 through 4 above, provided the Postal Service makes such disclosure or reproduction subject to these restricted rights; and
 6. Used or copied for use in or transferred to a replacement computer.
- (iii) Notwithstanding the foregoing, if this computer software is published copyrighted computer software, it is licensed to the Postal Service, without disclosure prohibitions, with the minimum rights set forth in the preceding paragraph.
- (iv) Any other rights or limitations regarding the use, duplication, or disclosure of this computer software are to be expressly stated in, or incorporated in, the contract.
- (v) This Notice must be marked on any reproduction of this computer software, in whole or in part.”
- (b) When it is impracticable to include the above Notice on restricted computer software, the following short-form Notice may be used instead, on condition that the Postal Service’s rights with respect to such computer software will be as specified in the above Notice unless otherwise expressly stated in the contract.

“RESTRICTED RIGHTS NOTICE (SHORT FORM)

Use, reproduction, or disclosure is subject to restrictions set forth in Contract No. _____ (and subcontract _____, if appropriate) with _____ (name of supplier and subcontractor).”

- i. *Subcontracting.* The supplier has the responsibility to obtain from its subcontractors all computer software and technical data and the rights therein necessary to fulfill the supplier’s obligations under this contract. If a subcontractor refuses to accept terms affording the Postal Service such rights, the supplier must promptly bring such refusal to the attention of the contracting officer and may not proceed with subcontract award without further authorization.
- j. *Standard Commercial License or Lease Agreements.* The supplier unconditionally accepts the terms and conditions of this clause unless expressly provided otherwise in this contract or in a collateral agreement incorporated in and made part of this contract. Thus the supplier agrees that, notwithstanding any provisions to the contrary contained in the supplier’s standard commercial license or lease agreement pertaining to any

POSTAL SERVICE RIGHTS AND RESPONSIBILITIES

restricted computer software delivered under this contract, and irrespective of whether any such agreement has been proposed before or after issuance of this contract or of the fact that such agreement may be affixed to or accompany the restricted computer software upon delivery, the Postal Service has the rights set forth in this clause to use, duplicate, or disclose any restricted computer software delivered under this contract.

- k. *Relationship to Patents.* Nothing contained in this clause implies a license to the Postal Service under any patent or may be construed as affecting the scope of any license or other right otherwise granted to the Postal Service.

CLAUSE B-17: DISALLOWANCE OF COSTS (MARCH 2006)

- a. The contracting officer may at any time issue the supplier a written notice of intent to disallow specified costs under this contract that have been determined not to be allowable under the contract terms.
- b. The supplier may, after receiving a notice of intent to disallow costs, submit a written response to the contracting officer, with justification for allowance of the costs. If the supplier does respond within 60 days, the contracting officer will, within 60 days of receiving the response, either make a written withdrawal of the notice or issue a written decision

CLAUSE B-36: POSTAL SERVICE PARTIAL OCCUPANCY (MAY 2005)

- a. The contracting officer reserves the right of partial occupancy or use of facilities, services, and utilities, before final acceptance, without implying completion or acceptance of any part of the project by the Postal Service. Before such occupancy or use, the contracting officer must furnish the supplier an itemized list of work remaining to be performed or corrected. Failure to list an item will not relieve the supplier of the responsibility for complying with the terms of the contract.
- b. Costs incurred as a result of such partial occupancy or use of facilities, services, and utilities are subject to equitable adjustment under the *Changes* clause.

CLAUSE B-45: OTHER CONTRACTS (MARCH 2006)

The Postal Service may award other contracts for additional work, and the supplier must cooperate fully with the other suppliers and Postal Service employees, and carefully fit in its own work as may be directed by the contracting officer. The supplier must not commit or permit any act that will interfere with the performance of work by any other supplier or by Postal Service employees.

CLAUSE B-53: SURVEY MONUMENTS AND BENCH MARKS (MARCH 2006)

- a. The Postal Service has established, or will establish, such general reference points as will enable the supplier to proceed with the work. The supplier will provide new monuments where shown or specified. If the supplier finds that any previously established reference points have been destroyed or displaced, or that none has been established, the supplier must promptly notify the contracting officer.
- b. The supplier must protect and preserve established bench marks and monuments and make no changes in locations without the written approval of the contracting officer. Established reference points that may be lost, covered, destroyed, or disturbed in the course of performance of the work under this contract, or that require shifting because of necessary changes in grades or locations, must (subject to prior approval of the contracting officer) be replaced and accurately located or relocated (as appropriate) at the supplier's expense, by a licensed engineer or licensed land surveyor.
- c. New monuments will be 6 inches square by 3 feet deep (unless otherwise specified), of concrete or stone, with a 3-inch copper or brass pin, 3/8-inch in diameter, in the center, and must be set flush with the ground or pavement in locations indicated on the site plan.
- d. Monuments will not be required where lines of buildings are coincident with property lines.
- e. The supplier must verify the figures shown on the survey and site plan before undertaking any construction work and will be responsible for the accuracy of the finished work.
- f. After completion of construction and before final payment, the supplier must furnish the Postal Service blueprints (in triplicate) of plans showing the exact location of construction survey monuments with reference to true property lines.

POSTAL SERVICE RIGHTS AND RESPONSIBILITIES

CLAUSE F-501: CONTRACTING OFFICER/CONTRACTING OFFICER'S REPRESENTATIVE (COR) (MARCH 2006)

The Contracting Officer may appoint a Contracting Officer's representative (COR), who may be either a Postal Service employee or a contractor. The name, address, telephone number, and specific responsibilities, authority, and limitations of the COR will be provided to the contractor in writing by the contract start date. The COR may be removed or replaced at any time without prior notice to the contractor, but notification of the change, including the name and address of any successor COR, will be provided promptly to the contractor by the Contracting Officer, in writing.

CLAUSE F-502: EXAMINATION OF SUBCONTRACTOR RECORDS (MARCH 2006)

In addition to Clause 4-2, paragraph b, the supplier agrees to include in all subcontracts under this contract a provision to the effect that the Postal Service and its authorized representatives will, until three years after final payment under the subcontract, or for any shorter specified period for particular records, have access to and the right to examine any directly pertinent books, documents, papers, or other records of the subcontractor involving transactions related to the subcontract. The term subcontract as used in this clause excludes:

- a. Purchase orders; and
- b. Subcontracts for public utility services at rates established for uniform applicability to the general public.

Also see Clause 4-2, Paragraph b.

CLAUSE F-503: POSTAL SERVICE DIRECTED STAFFING CHANGES (MARCH 2006)

- a. Should the Contracting Officer deem it to be in the best interests of the Postal Service to require the removal of any person working on or under this contract, or any contract, that person must be immediately removed from the work.
- b. "Person," as used in this clause, includes persons, firms, corporations, and the like, employed by the supplier under contract or otherwise, whether a permanent part of its organization or not.

CLAUSE F-504: SITE VISITS (MARCH 2006)

- a. The Postal Service from time to time during construction may desire to conduct groups of guests on visits to the site of the work. These tours will be authorized by the Contracting Officer or his appointed representative. In such event the contractor will cooperate by providing access to and posting signs to give notice of dangerous areas, providing hard hats, and making such other arrangements for the safety and convenience of the guests as may be required. If any such visit or the arrangements therefore cause an increase in the contractor's cost of, or the time required for, the performance of any part of the work under this contract, whether or not changed by any order, an equitable adjustment shall be made and the contract modified in writing. The Contracting Officer shall give the contractor as much advance notice of any such visits as is practicable and to the maximum practicable extent shall schedule any such visits so as not to interfere with the progress of the work.
- b. The contractor's indemnification of the Postal Service contained in the "Indemnification" clause of this contract shall not apply during any such visits to guests of the Postal Service or to Postal Service officers, employees, or agents who are engaged in conducting, guiding, or accompanying any such visits, leaving the Postal Service and the contractor responsible for their own acts and omissions according to applicable law and other clauses of this contract. This special contract clause does not apply to inspections, investigations, or official site visits provided for elsewhere in this contract or conducted for the purpose of aiding in the enforcement of law.

ADMINISTRATIVE ITEMS

CLAUSE 1-6: CONTINGENT FEES (MARCH 2006)

- a. The supplier warrants that no person or selling agency has been employed or retained to solicit or obtain this contract for a commission, percentage, brokerage, or contingent fee, except bona fide employees or bona fide, established commercial or selling agencies employed by the supplier for the purpose of obtaining business.
- b. For breach or violation of this warranty, the Postal Service has the right to annul this contract without liability or to deduct from the contract price or otherwise recover the full amount of the commission, percentage, brokerage fee, or contingent fee.

CLAUSE 4-1: GENERAL TERMS AND CONDITIONS (JULY 2007)

- a. Inspection and Acceptance. The supplier will only tender for acceptance those items that conform to the requirements of this contract. The Postal Service reserves the right to inspect or test supplies or services that have been tendered for acceptance. The Postal Service may require repair or replacement of nonconforming supplies or re-performance of nonconforming services at no increase in contract price. The Postal Service must exercise its post acceptance rights:
 - (1) Within a reasonable period of time after the defect was discovered or should have been discovered and;
 - (2) Before any substantial change occurs in the condition of the items, unless the change is due to the defect in the item.
- b. Assignment. If this contract provides for payments aggregating \$10,000 or more, claims for monies due or to become due from the Postal Service under it may be assigned to a bank, trust company, or other financing institution, including any federal lending agency, and may thereafter be further assigned and reassigned to any such institution. Any assignment or reassignment must cover all amounts payable and must not be made to more than one party, except that assignment or reassignment may be made to one party as agent or trustee for two or more parties participating in financing this contract. No assignment or reassignment will be recognized as valid and binding upon the Postal Service unless a written notice of the assignment or reassignment, together with a true copy of the instrument of assignment is filled with:
 - (1) The contracting officer;
 - (2) The surety or sureties upon any bond; and
 - (3) The office, if any designated to make payment, and the contracting officer has acknowledged the assignment in writing.
 - (4) Assignment of this contract or any interest in this contract other than in accordance with the provisions of this clause will be grounds for termination of the contract for default at the option of the Postal Service.
- c. Changes
 - (1) The contracting officer may, in writing, without notice to any sureties, order changes within the general scope of the contract in the following:
 - (a) Drawing, designs, or specifications when supplies to be furnished are to be specially manufactured for the Postal Service in accordance with them;
 - (b) Statement of work or description of services;
 - (c) Method of shipment or packing;
 - (d) Places of delivery of supplies or performances of services;
 - (e) Delivery or performance schedule;
 - (f) Postal Service furnished property or facilities
 - (2) Any other written or oral order (including direction, instruction, interpretation, or determination) from the contracting officer that causes a change will be treated as a change order under this paragraph, provided that the supplier gives the contracting officer written notice stating (a) the date, circumstances, and source of the order and (b) that the supplier regards the order as a change order.
 - (3) If any change affects the cost of performance or the delivery schedule, the contract will be modified to effect

ADMINISTRATIVE ITEMS

an equitable adjustment.

- (4) The supplier's claim for equitable adjustment must be asserted within 30 days of receiving a written change order. A later claim may be acted upon - but not after final payment under this contract - if the contracting officer decides that the facts justify such an action.
- d. Reserved
- e. Reserved
- f. Reserved
- g. Invoices
 - (1) The supplier's invoices must be submitted before payment can be made. The supplier agrees that submission of an invoice to the Postal Service for payment is a certification that:
 - (a) Any services billed for have been performed in accordance with the contracts, requirements, and
 - (b) Any supplies for which the Postal Service is being billed have been shipped or delivered in accordance with the instructions issued by the contracting officer and that the supplies are in the quantity and of the quality designated at the contract.
 - (2) To ensure prompt payment, an original invoice (or electronic, if authorized) must be submitted to the address designated in the contract to receive invoices for each destination and shipment. An invoice must contain;
 - (a) The supplier's name, remit to address (including ZIP+4) and phone number;
 - (b) Unique invoice number and invoice date;
 - (c) Any applicable task or delivery order number;
 - (d) A description of the supplies or services and the dates delivered or performed;
 - (e) The point of shipment or delivery;
 - (f) Quantity, unit of measure, unit (price(s) and extension(s) of the items delivered;
 - (g) Shipping and payment terms, including GBL number if applicable; and
 - (h) Any additional information required by the contract.
- h. Patent Indemnity. The supplier will indemnify the Postal Service and its officers, employees and agents against liability, including costs for actual or alleged direct or contributory infringement of, or inducement to infringe, any United States or foreign patent, trademark, or copyright, arising out of performance of this contract, provided the supplier is reasonably notified of such claims and proceedings.
- i. Payment
 - (1) Payment will be made for items accepted by the Postal Service that have been delivered to the delivery destinations set forth in this contract. The Postal Service will make payment in accordance with the Prompt Payment Act (31 U.S.C. 3903) and 5 CFR 1315. Payments under this contract may be made by the Postal Service either by electronic funds transfer (EFT), check, or government credit card at the option of the Postal Service. When the EFT payment method is selected, the Postal Service will provide the supplier with Form 3881, Supplier's Electronic Funds Transfer Enrollment Form, at contract award. The supplier must complete the form and submit it to the designated Postal Accounting Service Center to ensure the proper routing of payments.
 - (2) In conjunction with any discount offered for early payment, time will be computed from the date of the invoice. For purposes of computing the discount earned, payment will be considered to have been made on the date which appears on the payment check or the date on which an electronic funds transfer was made.
- j. Risk of Loss. Unless the contract specifically provides otherwise, risk of loss or damage to the supplies provided under this contract will remain with the supplier until, and will pass to the Postal Service upon:
 - (1) Delivery of the supplies to a carrier, if transportation is f.o.b. origin, or;
 - (2) Delivery of the supplies to the Postal Service at the destination specified in the contract, if transportation is f.o.b. destination.
- k. Taxes. The contract price includes all applicable federal, state, and local taxes and duties.

ADMINISTRATIVE ITEMS

- l. Termination for the Postal Services' Convenience. The Postal Service reserves the right to terminate this contract, or any part hereof, for its sole convenience. In the event of such termination, the supplier must immediately stop all work and must immediately cause any and all of its suppliers and subcontractors to cease work. Subject to the terms of this contract, the supplier will be paid a percentage of the work performed prior to the notice of termination, plus reasonable charges the supplier can demonstrate to the satisfaction of the Postal Service using its standard record keeping system, have resulted from the termination. The supplier will not be paid for any work performed or costs incurred which reasonably could have been avoided.
- m. Termination for Default. The Postal Service may terminate this contract, or any part hereof, for default by the supplier, or if the supplier fails to provide the Postal Service, upon request, with adequate assurances of future performance. In the event of termination for default, the Postal Service will not be liable to the supplier for any amount of supplies or services not accepted, and the supplier will be liable to the Postal Service for any and all rights and remedies provided by law. The debarment, suspension, or ineligibility of the supplier, its partners, officers, or principal owners under the Postal Service's procedures (see 39 CFR Part 601) may constitute an act of default under this contract, and such act will not be subject to notice and cure pursuant to any termination of default provision of this contract. If it is determined that the Postal Service improperly terminated this contract for default, such termination will be deemed a termination for convenience.
- n. Title. Unless specified elsewhere in this contract, title to items furnished under this contract will pass to the Postal Service upon acceptance, regardless of when or where the Postal Service takes physical possession.
- o. Warranty. The supplier warrants and implies that the items delivered under this contract are merchantable and fit for the use for the particular purpose described in this contract.
- p. Limitation of Liability. Except as otherwise provided by an express or implied warranty, the supplier will not be liable to the Postal Service for consequential damages resulting from any defect or deficiencies in accepted items.
- q. Other Compliance Requirements. The supplier will comply with all applicable Federal, State, and local laws, executive orders, rules and regulations applicable to its performance under this contract.
- r. Order of Precedence. Any inconsistencies in this solicitation or contract will be resolved by giving precedence in the following order; (1) the schedule of supplies and services; (2) the Assignment, Disputes, Payments, Invoice, Other Compliances and Compliance with Laws Unique to the Postal Service Contracts paragraphs of this clause; (3) the clause at 4-2 Contract Terms and Conditions Required to Implement Policies, Statutes or Executive Orders; (4) addenda to this solicitation provisions if this is a solicitation; (6) other paragraphs of this clause; (7) Form 8203; (8) other documents, exhibits, and attachments, and (9) the specifications.
- s. Incorporation by Reference. Wherever in this solicitation or contract a standard provision or clause is incorporated by reference, the incorporated term is identified by its title, the provision or clause number assigned to it in the Postal Service Supplying Practices and Principles and its date. The text of incorporated terms may be found at <http://about.usps.com/manuals/spp/spp.pdf>. The following clauses are incorporated in the contract by reference:
 - (1) B-1, Definitions
 - (2) B-30, Permits and Responsibilities
- t. Shipping. The supplier must deliver goods that meet the prescribed physical limitations of the current U.S Postal Service Domestic Mail Manual either by its own personnel/equipment or by use of the United States Postal Service, unless the contracting officer grants a waiver of this requirement. The supplier is responsible for ensuring that the packing and packaging are sufficient to protect the goods and ensure usability upon receipt.

CLAUSE 4-2: CONTRACT TERMS AND CONDITIONS REQUIRED TO IMPLEMENT POLICIES, STATUTES OR EXECUTIVE ORDERS (JULY 2014)

- a. Incorporation by Reference
 - (1) Wherever in this solicitation or contract a standard provision or clause is incorporated by reference, the incorporated term is identified by its title, the provision or clause number assigned to it, in the Postal Service Supply Practices, and its date. The text of incorporated terms may be found at <http://about.usps.com/manuals/spp/spp.pdf>. The following clauses are incorporated in this contract by reference:
 - (a) Clause 1-5, Gratuities or Gifts
 - (b) Clause 9-5, Contract Work Hours and Safety Standards Act - Safety Standards

ADMINISTRATIVE ITEMS

- (2) If checked, the following additional clauses are also incorporated in this contract by reference: (contracting officer will check as appropriate.)
- (a) Clause 1-1, Privacy Protection X
 - (b) Clause 1-6, Contingent Fees
 - (c) Clause 1-9, Preference for Domestic Supplies X
 - (d) Clause 1-10, Preference for Domestic Construction Materials X
 - (e) Clause 3-1, Small, Minority, and Woman-owned Business Subcontracting Requirements
 - (f) Clause 3-2, Participation of Small, Minority, and Woman-owned Businesses
 - (g) Clause 9-2, Contract Work Hours and Safety Standards Act - Overtime Compensation
 - (h) Clause 9-3, Davis-Bacon Act X
 - (i) Clause 9-6, Walsh-Healey Public Contracts Act X
 - (j) Clause 9-7, Equal Opportunity
 - (k) Clause 9-10, Service Contract Act
 - (l) Clause 9-11, Service Contract Act - Short Form
 - (m) Clause 9-12, Fair Labor Standards Acts and Services Contract Act - Price Adjustments
 - (n) Clause 9-13, Affirmative Action for Handicapped Workers
 - (o) Clause 9-14, Affirmative Action for Disabled Veterans and Veterans of the Vietnam Era

b. Examination of Records.

- (1) *Records*. "Records" includes books, documents, accounting procedures and practices, and other data, regardless of type and regardless of whether such items are in written form, in the form of computer data, or in any other form.
- (2) *Examination of Costs*. If this is a cost-type contract, the supplier must maintain, and the Postal Service will have the right to examine and audit all records and other evidence sufficient to reflect properly all costs claimed to have been incurred or anticipated to be incurred directly or indirectly in performance of this contract. This right of examination includes inspection at all reasonable times of the supplier's plants, or parts of them, engaged in the performance of this contract.
- (3) *Cost or Pricing Data*. If the supplier is required to submit cost or pricing data in connection with any pricing action relating to this contract, the Postal Service, in order to evaluate the accuracy, completeness, and currency of the cost or pricing data, will have the right to examine and audit all of the supplier's records, including computations and projections, related to:
- (a) The proposal for the contract, subcontract, or modification;
 - (b) The discussions conducted on the proposal(s), including those related to negotiating;
 - (c) Pricing of the contract, subcontract, or modification; or
 - (d) Performance of the contract, subcontract or modification.
- (4) *Reports*. If the supplier is required to furnish cost, funding or performance reports, the contracting officer or any authorized representative of the Postal Service will have the right to examine and audit the supporting records and materials, for the purposes of evaluating:
- (a) The effectiveness of the supplier's policies and procedures to produce data compatible with the objectives of these reports; and
 - (b) The data reported.
- (5) *Availability*. The supplier must maintain and make available at its office at all reasonable times the records, materials, and other evidence described in (b)(1)-(4) of this clause, for examination, audit, or reproduction, until three years after final payment under this contract or any longer period required by statute or other clauses in this contract. In addition:
- (a) If this contract is completely or partially terminated, the supplier must make available the records related to the work terminated until three years after any resulting final termination settlement; and

ADMINISTRATIVE ITEMS

- (b) The supplier must make available records relating to appeals under the claims and disputes clause or to litigation or the settlement of claims arising under or related to this contract. Such records must be made available until such appeals, litigation or claims are finally resolved.
- (c) Payment Offsets.

As required by 31 U.S.C. 3716, the Postal Service participates in the Treasury Offset Program of the Department of Treasury's Financial Management Service. Payments under this contract are subject to offset in whole or in part to for the supplier's delinquent tax and non-tax debts owed to the United States and the states and for delinquent child support payments. Suppliers with questions concerning a payment offset should contact the Treasury Offset Program call center at: 1(800) 304-3107.

CLAUSE B-55: STANDARD REFERENCES (MARCH 2006)

- a. All publications and other documents (such as manuals, handbooks, codes, standards, and specifications) cited in this contract for the purpose of establishing requirements applicable to equipment, materials, or workmanship are hereby incorporated by reference in the contract as fully as if printed and bound with the specifications of this contract, in accordance with the following:
 - (1) Wherever reference is made to standard Specifications of the Public Buildings Service, Interim Federal Specifications, Interim Amendments to Federal Specifications, Interim Federal Standards, or Interim Amendments to Federal Standards, the supplier must comply with the requirements set forth in the issue or edition identified in this contract except as modified or as otherwise provided in the specifications.
 - (2) Wherever reference is made to any document other than those specified in subparagraph a.1 above, the supplier must comply with the requirements set forth in the edition specified in this contract or, if not specified, the latest edition or revision, as well as the latest amendment or supplement in effect on the date of the solicitation except as modified by the specifications of this contract.
- b. Federal Specifications, Federal Standards, and Standard Specifications of the Public Buildings Service can be obtained from the Business Service Center at any GSA Regional Office. Inquiries regarding "Commercial Standards," "Product Standards," and "Simplified Practice Recommendations" should be addressed to:
Office of Product Standards
National Bureau of Standards
Washington DC 23234-0001
Publications of associations referred to in the specifications can be obtained directly from the associations.
- c. Upon request, the supplier must make available at the job site, within a reasonable time, a copy of any trade manual or standard incorporated by reference in this contract that governs quality and workmanship.

CLAUSE F-601: DEFINITION OF TERMS USED IN CONTRACT DOCUMENTS (MARCH 2006)

- a. Wherever in the contract documents the words "Post Office Department," "Department," "POD," "Post Office," "PO," "US Postal Service," "USPS," or words of like import are used, it must be understood that the "United States Postal Service" is intended.
- b. "Contracting Officer" means the person administering this contract on behalf of the Postal Service as defined in the "Authorities and Limitations" letter.
- c. The term "Contracting Officer's Representative" (COR), except as otherwise provided in the contract, means the authorized representative(s) of the Contracting Officer acting within the authority delegated by the Contracting Officer.
- d. Terminology: When used in this contract, the word "must" is the imperative and defines a mandatory activity; the word "will" signifies intent or obligation; and "should" defines a desired but not required activity. "May" is permissive. "May not" and "no (person or thing) may" mean that the act described is prohibited.
- e. A "Price Proposal Package" is the contractors' prepared document quoting a lump sum, firm fixed price and schedule for the completion of a Detailed Scope of Work as requested by the Postal Service. The Price Proposal shall also contain, when appropriate, approved drawings, permits, and other such documentation as the Postal Service may require for a particular Work Order.
- f. Wherever in the contract documents "Project Engineer," "Resident Engineer," "Construction Manager,"

ADMINISTRATIVE ITEMS

"Supervisory Authority," or other individual or organization is designated, it is understood that on-site representation for the Contracting Officer is intended. The functions and authorities of such an individual or organization are governed by a letter of authorization.

- g. Where throughout the text of "Technical Provisions" of the contract documents, reference is made to "contractors," "general contractor," "installing contractor," "other contractors," "another contractor," "each contractor," "subcontractor," "site contractor," "this contractor," "supplier" or words of like import are used, it shall be understood that "contractor" is intended. Where certain special contractors are required to meet certain qualifications, obtain certain permits, or provide certain services particular to a specific skill or license, the word "contractor" prefixed by a specialty designation is intended to mean the specialty "subcontractor," e.g., fire protection subcontractor, mechanical or electrical subcontractor.
- h. Where "as directed," "as required," "ordered," "prescribed," "approved," "acceptance," or words of similar nature are used, it must be understood that such words refer to actions to be taken, in writing, by the Contracting Officer unless otherwise stated. The words "necessary," "suitable," "equal," or words of like import must mean necessary or equal in the opinion of the Contracting Officer.
- i. Work Order Completion Time is the period of time within which the contractor must complete the Scope of Work for a Work Order.
- j. "Work" must be deemed to consist of all labor and operations, transportation, hoisting, materials, tools, equipment, services, inspections, investigations, coordination and supervision required and / or reasonably necessary to produce the construction required by the contract documents.
- k. "Furnish" means the design, fabrication, purchase and delivery to the job site or other destination as directed by the Contracting Officer.
- l. "Install or installation" means the act of physically placing, applying, setting, erecting, anchoring, securing, etc., construction materials, equipment, furnishings, appliances, and similar items specified and furnished at the job site. Installation of specified items must be complete in all respects.
- m. "Provide" means to furnish and install construction material, equipment, etc., as defined above.
- n. The technical specifications may indicate metric units of measurement as a supplement to U.S. customary units. When indicated thus: 1" (25 mm), the U.S. customary unit is specific and the metric unit is non-specific. When not shown with parentheses, the unit is specific. The metric units correspond to the "International System of Units (SI)" and generally follow ASTM E 380, "Standard for Metric Practice."
- o. A Detailed Scope of Work is a document and related drawings, specifications, and writings referenced therein which set forth the specific requirements and work to be accomplished by the contractor in connection with a particular Work Order.

CLAUSE F-602: DEFINITION OF TERMS USED IN CONTRACT DOCUMENTS (DESIGN & CONSTRUCTION) (MARCH 2006)

- a. Wherever in the contract documents the words "Post Office Department," "Department," "POD," "Post Office," "PO," "US Postal Service," "USPS," or words of like import are used, it must be understood that the "United States Postal Service" is intended.
- b. "Contracting Officer" means the person administering this contract on behalf of the Postal Service as defined in the "Authorities and Limitations" letter.
- c. The term "Contracting Officer's Representative" (COR), except as otherwise provided in the contract, means the authorized representatives of the Contracting Officer acting within the authority delegated by the Contracting Officer.
- d. Subcontracts, except as otherwise provided in this contract, include purchase orders under this contract.
- e. Terminology: When used in this contract, the word "must" is the imperative and defines a mandatory activity; the word "will" signifies intent or obligation; and "should" defines a desired but not required activity. "May" is permissive. "May not" and "no (person or thing) may" mean that the act described is prohibited.
- f. Wherever in the contract documents "Project Engineer," "Resident Engineer," "Construction Manager," "Supervisory Authority," or other individual or organization is designated, it is understood that on-site representation for the Contracting Officer is intended. The functions and authorities of such an individual or organization are governed by a letter of authorization.
- g. Where throughout the text of "Technical Provisions" of the contract mean the specialty "subcontractor," e.g., fire

ADMINISTRATIVE ITEMS

protection subcontractor, mechanical or electrical subcontractor.

- h. Wherever in design/build contract documents the words "supplier," "design/build," "design/build contractor," "contractor," "general contractor," "prime contractor", "supplier" or words of like import are used, it shall be understood that the supplier who is responsible for both design and construction of the facility is intended. Where certain special contractors are required to meet specific contract requirements, meet certain qualifications, obtain certain permits, or provide certain services particular to a specific skill or license, the word "contractor" prefixed by a specialty designation is intended to mean the "specialty subcontractor" (e.g. fire protection subcontractor, mechanical or electrical subcontractor).
- i. Wherever in design/build construction contract documents the words "architect-engineer", "A/E", "architect", "architect portion of the supplier" or words of like import are used, it shall be understood that the design organizational element of the supplier, whether an internal part of a design/build contractor or an Architect-Engineer engaged by, teamed with or joint ventured with the design/build contractor to prepare the construction plans and specifications, is intended.
- j. Where "as directed," "as required," "ordered," "prescribed," "approved," "acceptance," or words of similar nature are used, it must be understood that such words refer to actions to be taken, in writing, by the Contracting Officer unless otherwise stated. The words "necessary," "suitable," "equal," or words of like import must mean necessary or equal in the opinion of the Contracting Officer.
- k. "Work" must be deemed to consist of all labor and operations, transportation, hoisting, materials, tools, equipment, services, inspections, investigations, coordination and supervision required and / or reasonably necessary to produce the construction required by the contract documents.
- l. "Furnish" means the design, fabrication, purchase and delivery to the job site or other destination as directed by the Contracting Officer.
- m. "Install or Installation" means the act of physically placing, applying, setting, erecting, anchoring, securing, etc., construction materials, equipment, furnishings, appliances, and similar items specified and furnished at the job site. Installation of specified items must be complete in all respects.
- n. "Provide" means to furnish and install construction material, equipment, etc., as defined above.
- o. The technical specifications may indicate metric units of measurement as a supplement to U.S. customary units. When indicated thus: 1" (25 mm), the U.S. customary unit is specific and the metric unit is non-specific. When not shown with parentheses, the unit is specific. The metric units correspond to the "International System of Units (SI)" and generally follow ASTM E 380, "Standard for Metric Practice". documents, reference is made to "contractors," "general contractor," "installing contractor," "other contractors," "another contractor," "each contractor," "subcontractor," "site contractor," "this contractor," "supplier" or words of like import are used, it shall be understood that "contractor" is intended. Where certain special contractors are required to meet certain qualifications, obtain certain permits, or provide certain services particular to a specific skill or license, the word "contractor" prefixed by a specialty designation is intended to.

SUBCONTRACTING

CLAUSE 5-2: SUBCONTRACTOR COST OR PRICING DATA (MARCH 2006)

- a. Before awarding any subcontract or pricing any subcontract modification, the supplier must require the subcontractor to submit cost or pricing data whenever cost or pricing data are required by the Conduct Price/Cost Analysis topic of the Evaluate Proposals task of Process Step 2: Evaluate Sources, of the Postal Service *Supplying Practices*.
- b. If the subcontractor is required to submit cost or pricing data under paragraph a above, then the supplier must insert the substance of this clause, including this paragraph b, in the subcontract.

CLAUSE B-46: SUBCONTRACTS (CONSTRUCTION) (MARCH 2006)

- a. Nothing in this contract may be construed to create any contractual relationship between any subcontractors, and the Postal Service. The divisions or sections of the specifications are not intended to control the supplier in dividing the work among subcontractor or to limit the work performed by any trade.
- b. The supplier is responsible to the Postal Service for acts and omissions of its own employees and of subcontractors and their employees. The supplier is also responsible for the coordination of the work of the trades, subcontractors, and suppliers.
- c. The Postal Service will not undertake to settle any differences among the supplier, subcontractors, or suppliers.

PROTECTION OF PERSONS AND PROPERTY

CLAUSE B-27: PERFORMANCE AT OCCUPIED POSTAL PREMISES (MARCH 2006)

- a. In performing this contract, the supplier must:
 - (1) Comply with applicable Occupational Safety and Health Standards (29 CFR 1910) promulgated pursuant to the authority of the Occupational Safety and Health Act of 1970;
 - (2) Comply with any other applicable federal, state, or local regulations governing work-place safety to the extent they do not conflict with a.1 above; and
 - (3) Take all other proper precautions to protect the safety and health of the supplier's employees, Postal Service employees, and the public.
- b. The supplier must coordinate its use of the premises with the installation head or other representative designated by the contracting officer. Subjects of this coordination include the designation of work and storage areas; the extent, if any, of use by the supplier of Postal Service tools and equipment; the furnishing by the supplier of appropriate signs and barricades to exclude unauthorized personnel from the work areas and to call attention to hazards and dangers; and other matters relating to the protection of Postal Service employees and property.

CLAUSE B-28: SAFETY AND HEALTH STANDARDS (MARCH 2006)

- a. Materials, supplies, articles, or equipment manufactured or furnished under this contract or order must conform to the Occupational Safety and Health Standards (29 CFR 1910) pursuant to authority in the Occupational Safety and Health Act of 1970 (OSHA), and to other safety and health requirements specified in this contract or order.
- b. If no OSHA standard exists, federal or other nationally recognized standards apply. Copies of current Occupational Safety and Health Standards are available from regional and/or area offices of the U.S. Department of Labor, Occupational Safety and Health Administration.
- c. If this contract or order contains a Postal Service standard and an OSHA standard covering the same general area of applicability, the Postal Service standard governs and takes precedence, unless the OSHA standard contains more rigorous or stringent safety requirements, in which case the OSHA standard governs and takes precedence.
- d. Upon delivery of the first article under the contract or order, or if none, upon delivery of the first production quantity, the supplier must execute a certification in a form acceptable to the contracting officer, attesting to the conformance of the delivered items to the requirements of this clause.

CLAUSE B-38: ACCIDENT PREVENTION (MARCH 2006)

- a. All construction work on this project must be performed in compliance with the Occupational Safety and Health Act of 1970 or with local or state occupational safety and health regulations enforced by an agency of the locality or state under a plan approved by the U.S. Department of Labor, Occupational Safety and Health Administration (OSHA).
- b. The supplier will maintain an accurate record of exposure data and all accidents incident to work performed under this contract resulting in death, traumatic injury, occupational disease, or damage to property, material, supplies, or equipment. The supplier must report the exposure data and accidents as prescribed by the contracting officer.
- c. Job Safety programs are required as follows:
 - (1) Within 30 days after receiving a notice to proceed, the supplier must submit to the contracting officer, in quintuplicate, a proposed job safety program designed to provide a system by which hazards on the project site will be controlled to minimize or eliminate occupational injuries or illnesses during performance of the contract.
 - (2) The proposed job safety program must state that subcontractors are required to comply with the general supplier's job safety rules and requirements issued under the authority of that program.
 - (3) The proposed job safety program must identify, by name, the supplier's representative responsible for the execution of the job safety program.

PROTECTION OF PERSONS AND PROPERTY

CLAUSE B-50: PROTECTION OF EXISTING VEGETATION, STRUCTURES, UTILITIES, AND IMPROVEMENTS (MARCH 2006)

- a. The supplier will preserve and protect all existing vegetation (such as trees, shrubs, and grass) and structures on or adjacent to the site of work that are not to be removed and that do not unreasonably interfere with the construction work. Care will be taken in removing trees authorized by the contracting officer for removal, to avoid damage to vegetation that will remain in place. Any limbs or branches of trees broken during such operations or by the careless operation of equipment, or by workmen, will be trimmed with a clean cut and painted with an approved tree pruning compound as directed by the contracting officer.
- b. The supplier will protect from damage all existing improvements or utilities at or near the site of the work, the location of which is or should have been known, and will repair or restore any damage to these facilities resulting from failure to comply with the requirements of this contract or to exercise reasonable care in performing the work. If the supplier fails or refuses to repair any such damage promptly, the contracting officer may have the necessary work performed and charge the cost to the supplier.

CLAUSE B-28: SAFETY AND HEALTH STANDARDS (MARCH 2006)

Description

- a. Materials, supplies, articles, or equipment manufactured or furnished under this contract or order must conform to the Occupational Safety and Health Standards (29 CFR 1910) pursuant to authority in the Occupational Safety and Health Act of 1970 (OSHA), and to other safety and health requirements specified in this contract or order.
- b. If no OSHA standard exists, federal or other nationally recognized standards apply. Copies of current Occupational Safety and Health Standards are available from regional and/or area offices of the U.S. Department of Labor, Occupational Safety and Health Administration.
- c. If this contract or order contains a Postal Service standard and an OSHA standard covering the same general area of applicability, the Postal Service standard governs and takes precedence, unless the OSHA standard contains more rigorous or stringent safety requirements, in which case the OSHA standard governs and takes precedence.
- d. Upon delivery of the first article under the contract or order, or if none, upon delivery of the first production quantity, the supplier must execute a certification in a form acceptable to the contracting officer, attesting to the conformance of the delivered items to the requirements of this clause.

CLAUSE F-801: ACCESS TO SITE (MARCH 2006)

- a. The contractor's access to the site and use of existing roads will be as directed by the Contracting Officer or a designee including issuing vehicle passes for construction and private vehicles.
- b. The contractor's attention is directed to Provision 1-1, Contractor Screening Requirements, found elsewhere in this document, regarding the contractor's responsibilities for physical security.
- c. Contractor employees shall not carry firearms or other deadly weapons onto any Postal Service site or into any facility, including in their personal or contractor vehicles. This supersedes any state or local law permitting the carrying of firearms or weapons. Violation of this clause shall be grounds for removal of individuals or contractors from the site or termination for default.

CLAUSE F-802: USDA QUARANTINED AREAS

If the work called for by this contract involves activities in counties quarantined by the Department of Agriculture to prevent the spread of certain plant pests which may be present in the soil, the contractor agrees that all service equipment and tools to be moved from such counties shall be thoroughly cleaned of all soil residues at the construction site with water under pressure. If this contract involves such a quarantined area, the contractor agrees to comply with the regulations of the Department of Agriculture. The contractor agrees to assure compliance with this obligation by all subcontractors.

CLAUSE F-803: HANDLING ASBESTOS AND OTHER HAZARDOUS MATERIALS

Prior to the start of the work, the Postal Service will attempt to locate and remove any asbestos insulation, materials containing asbestos, PCB's, lead paint, and other hazardous materials that may be affected by the project. However, notwithstanding performance of this work, the contractor shall fully comply with the following requirements concerning

PROTECTION OF PERSONS AND PROPERTY

any suspected asbestos and other hazardous materials potentially affected by performance of this work:

- a. The contractor shall assume that all insulation and floor tiles encountered in the performance of the work contain asbestos, unless otherwise advised by the Contracting Officer. Under no circumstances shall the contractor remove, cut, damage, or otherwise disturb any material potentially containing asbestos during the performance of work.
- b. Any questions or ambiguities concerning where asbestos or other hazardous material is located must be brought to the attention of the Contracting Officer immediately.
- c. When asbestos or other hazardous material is identified and requires removal, encapsulation or other protection, such removal, encapsulation or other protection must be performed only by a licensed, independent hazardous material removal contractor approved in writing by the Contracting Officer.

CLAUSE F-804: APPLICABLE IF LISTED IN BLOCK 9, PAGE 1, ELEVATOR WORK-QUALIFICATIONS (CONSTRUCTION)

- a. The contractor, or the subcontractor whom the contractor uses for performance of the elevator work, must have had at least three (3) years of successful experience in installing and servicing elevators.
- b. In addition, the contractor or its subcontractor must have installed, on at least two prior projects, elevators comparable to those required for this project that have performed satisfactorily under conditions of normal use for a period of not less than one (1) year. To be considered comparable, prior installations must have not less than the same number of elevators operating together in one group as the largest number in any group specified for this project, except that a group of four may be considered comparable to a large group specified for this project.
- c. A list of the prior comparable installations by the contractor or its subcontractor, together with the names and addresses of the buildings, the names of the owners or managers, and any other pertinent information required must be submitted promptly upon request of the Postal Service.
- d. The names, addresses, experience, and statement of work to be performed by each subcontractor or second-tier subcontractor whom the contractor or the principal subcontractor, as the case may be, will use for performance of minor portions of the installation of elevators must also be submitted promptly upon request of the Postal Service.
- e. The Postal Service may reject the proposed elevator subcontractor if it is determined that it has failed to meet the experience requirements, or if it has been found to have an unsatisfactory record of prior elevator installations. In the case of rejection, the contractor must resubmit another name within ten (10) calendar days for renewed consideration.

CLAUSE F-805: JOB SAFETY PROGRAM

- a. All on-site work under this contract shall be performed in compliance with the requirements of all Federal and State Occupational Safety and Health laws and regulations as they apply to construction activity. Where requirements are different or in conflict, the more stringent requirement will apply.
- b. Not less than ten (10) days after the contractor receives the Notice to Proceed for this project, the contractor shall submit a preliminary Project Safety Program, and meet with the Postal Service to review the preliminary program and to discuss overall project safety requirements.
- c. This program shall provide an aggressive action system by which hazardous conditions and unsafe practices shall be eliminated during the performance of this contract. Construction work under this contract shall not begin until the Project Safety Program has been concurred by the Postal Service. Postal Service concurrence shall not relieve the contractor of the responsibility for full compliance with all applicable statutory and regulatory requirements. In addition to compliance with applicable statutory and regulatory requirements, the Project Safety Program shall contain provisions for mandatory safety orientation for every contractor, subcontractor, and vendor employee assigned or sent to the site. Safety orientation shall cover as a minimum the rules and regulations governing on-site construction activities, special known hazards, accident prevention, emergency procedures, and personal protection equipment requirements. Upon completion of the safety orientation, each attendee will be issued an agreed upon hard hat sticker. No contractor, subcontractor or vendor employee will be allowed to enter or remain on-site without a hard hat bearing a valid safety orientation sticker.
- d. Before construction begins, the contractor shall appoint a full time, on-site, Project Safety Director who shall be responsible for execution and enforcement of the contractor's approved Project Safety Program for this contract. He/she shall have the express authority from the contractor to stop work in order to abate hazardous conditions

PROTECTION OF PERSONS AND PROPERTY

or unsafe practices, and to eject any contractor, subcontractor, or vendor employee from the project site for failure to comply with safety requirements. The Project Safety Director's authority, responsibilities, and duties shall be incorporated as part of the written Project Safety Program. The Project Safety Director's responsibilities shall include, but not be limited to conducting subcontractor preconstruction safety program reviews, conducting the employee safety orientation training, conducting weekly safety meetings, conducting daily site safety inspections, auditing subcontractor safety compliance, conducting accident investigations, and preparing required periodic and special safety reports. The Project Safety Director shall have no other duties other than safety. The Project Safety Director shall have at least five (5) years specific construction safety experience, and shall have a full understanding of the applicable Federal and State safety statutes and regulations. The contractor shall submit the Project Safety Director's qualifications and any collateral duties for approval. Once approved, the Project Safety Director shall not be reassigned or otherwise removed from the project site without Postal Service approval. Approval will not be granted by the Postal Service until an approved replacement is on-site and an adequate transfer of responsibilities has been affected.

- e. The contractor will maintain an accurate record of exposure data and all accidents incident to work performed under this contract resulting in death, traumatic injury, occupational disease, or damage to property, material, supplies, or equipment. The contractor must report the exposure data and accidents as prescribed to the contracting officer within 24 hours.
- f. All subcontracts and vendor purchase orders related to this project shall contain provisions requiring compliance with the contractors approved Project Safety Program.

PAYMENTS

PAYMENTS

CLAUSE B-20: INVOICES (MARCH 2006)

- a. The supplier's invoices must be submitted before payment can be made.
- b. The supplier agrees that submission of an invoice to the Postal Service for payment is a certification that:
 - (1) Any services being billed for have been performed in accordance with the contract requirements; and
 - (2) Any supplies for which the Postal Service is being billed have been shipped or delivered in accordance with shipping instructions issued by the contracting officer in the quantities shown on the invoice, and that the supplies are in the quantity and of the quality designated in the contract.
- c. To ensure prompt payment, an invoice must be submitted for each destination and each shipment. Each invoice must contain:
 - (1) The supplier's name and address;
 - (2) The contract number;
 - (3) Any applicable task or delivery order number;
 - (4) A description of the supplies or services and the dates delivered or performed;
 - (5) The point of shipment or delivery;
 - (6) Any applicable unit prices and extensions;
 - (7) Shipping and payment terms; and
 - (8) Any additional information required by the contract.

CLAUSE B-22: INTEREST (MARCH 2006)

The Postal Service will pay interest on late payments and unearned prompt payment discounts in accordance with the Prompt Payment Act, 31 U.S.C. 3901 *et seq.*, as amended by the Prompt Payment Act Amendments of 1988, P.L. 100-496.

CLAUSE B-40: CONSTRUCTION COST BREAKDOWN (MARCH 2006)

- a. Cost breakdown with proposal:
If required by the contracting officer, the offeror must submit with its proposal a construction cost estimated breakdown on the attached form.
- b. Cost breakdown after award:
If required by the contracting officer, the supplier must submit, within 30 calendar days after receiving the notice to proceed, a construction cost estimated breakdown on the sample forms, and instructions, provided in Section 01040, Division 1, *General Requirements*.

CLAUSE B-48: PAYMENT (CONSTRUCTION) (MARCH 2006)

- a. The Postal Service will make progress payments monthly or at more frequent intervals as determined by the contracting officer. Bond costs may be included in the supplier's estimates without proration. Before the first progress payment becomes due, the supplier must prepare a breakdown of the contract price acceptable to the contracting officer. The values in the breakdown will be used for determining progress payments. The supplier's overhead and profit must be prorated through the life of the contract.
- b. If the contract price is more than \$50,000, material delivered that will be incorporated into the structure may be taken into consideration in computing progress payments. Before each payment is made, the supplier must furnish to the contracting officer proof of the quantity, value, and delivery of materials.
- c. In making progress payments, the contracting officer will ordinarily retain ten percent of the progress payments earned. However, if the contracting officer, at any time after 50 percent of the work has been completed, finds that satisfactory progress is being made, the contracting officer may authorize payment in full of all progress payment earned. Also, if the contracting officer considers the amount retained to be in excess of that adequate

PAYMENTS

for the protection of the Postal Service, the contracting officer may release to the supplier all or a portion of the excess whenever the work is substantially complete. On completion and acceptance of each separate building, public work, or other division of the contract, on which the price is stated separately in the contract, payment may be made without retention.

- d. All material and work covered by progress payments will be the sole property of the Postal Service. However, this paragraph d does not (1) relieve the supplier of responsibility for all material and work for which payment has been made or for restoration of any damaged work or (2) waive the right of the Postal Service to require fulfillment of all the contract terms.
- e. Before receiving a progress payment or final payment under this contract, the supplier must certify to the contracting office that payment due subcontractors or suppliers under contractual arrangements with them has been made from the proceeds of prior payments or will be made in timely fashion from the payment then due the supplier.
- f. Upon completion and acceptance of all work, the amount due the supplier under this contract must be paid upon the presentation of a properly executed invoice, after the supplier has furnished the Postal Service with a release of all claims against the Postal Service arising by virtue of this contract, other than claims in stated amounts that must be specifically excepted by the supplier from the operation of the release. If the supplier's claim to amounts payable under the contract has been assigned as provided in the *Assignment of Claims* clause, a release may also be required of the assignee.

CLAUSE F-901: TRAVEL AND SUBSISTENCE (MARCH 2006)

- a. The supplier must include all known or expected expenses, including travel expense, in connection with this contract and for each work order. The Postal Service will pay expenses for authorized travel and subsistence that the supplier and its representatives incur, in the manner and to the extent provided by regulations applicable to Postal Service employees.
- b. In regard to reimbursement of expenses for travel, the following applies: The number of persons in travel status and the duration of the visit must be authorized in writing by the Contracting Officer before the travel starts. The Contracting Officer will confirm prior verbal travel authorization in writing. The amount claimed for subsistence (food and lodging) expenses must be based on actual expenses but shall not exceed the maximums contained in the USPS Travel Handbook Series F-15 per person per day while in a travel status. Air and rail travel must be by second-class (coach) unless otherwise authorized, and travel by private automobile will be reimbursed at the rate per mile which shall not exceed the maximums contained in the USPS Travel Handbook Series F-15. Receipts must be submitted with requests for hotel accommodation, subsistence and commercial travel expense reimbursements, including rental cars.

CLAUSE F-902: ASSIGNMENT OF CLAIMS (MARCH 2006)

- a. If this contract provides for payments aggregating \$10,000 or more, claims for monies due or to become due from the Postal Service under it may be assigned to a bank, trust company, or other financing institution, including any federal lending agency, and may thereafter be further assigned and reassigned to any such institution. Any assignment or reassignment must cover all amounts payable and must not be made to more than one party, except that assignment or reassignment may be made to one party as agent or trustee for two or more parties participating in financing this contract. No assignment or reassignment will be recognized as valid and binding upon the Postal Service unless a written notice of the assignment or reassignment, together with a true copy of the instrument of assignment, is filed with:
 - (1) The Contracting Officer;
 - (2) The surety or sureties upon any bond; and
 - (3) The office, if any, designated to make payment, and the Contracting Officer has acknowledged the assignment in writing.
- b. Assignment of this contract or any interest in this contract other than in accordance with the provisions of this clause will be grounds for termination of the contract for default at the option of the Postal Service.

CLAUSE F-903: TRAVEL REIMBURSEMENT (MARCH 2006)

- a. The United States Postal Service shall pay expenses for authorized travel to the contractor and/or their representative(s) in accordance with Handbook F-15 Travel and Relocation, included by reference. Travel will be

PAYMENTS

included in each work order, where appropriate.

- b. Vehicle mileage rate will be reimbursed at the Standard Mileage Rates, published in Handbook F-15 Appendix A.
- c. Costs shall not be reimbursed for travel within a 10-mile radius of the contractor's office or, in cases there the work is performed by a subcontractor or representative, a 10-mile radius of their office, whichever is closest to the work location.
- d. The contractor's multiplier rate will not be applied to any travel costs.
- e. Travel allowance will be negotiated and approved by the Contracting Officer prior to any travel. The United States Postal Service shall not be liable for any unauthorized excess above the approved mileage allowance in each work order.

CLAUSE F-904: ARCHITECT-ENGINEER RATES AND COMPENSATION (MARCH 2006)

- a. Classification of personnel as determined to be necessary and their hourly rate to perform the work required during the period of this contract are indicated on the Items and Prices Summary Sheet. The contract rates cover overhead, profit, all costs direct and indirect, except as hereinafter noted, including all home office and other administrative or technical support necessary to perform the services required.
- b. Overtime. At 1-1/2 times (2 times for holidays) the above rates, is allowed only when directed in writing by the Contracting Officer.
- c. Services during construction will normally be covered by personnel from the architect-engineer's office and the above hourly rates for the various classifications will be applicable.
- d. The following special additional direct costs may be allowable when included by negotiation, in each individual work order issued in the performance of this contract:
 - (1) The Postal Service will pay expenses for authorized travel and subsistence for the architect-engineer's office or duly appointed Contracting Officer's representative, in the manner and to the extent provided by regulations applicable to Postal Service employees. The number of persons in travel status and the duration of the trips must be authorized in writing by the Contracting Officer before travel starts. The amount claimed for subsistence (food and lodging) expenses must be based on actual expenses but shall not exceed the maximum listed in the USPS Handbook F-15 while in a travel status. Air and rail travel must be by second-class (coach) unless otherwise authorized. Receipts must be submitted with requests for hotel accommodation, subsistence and commercial travel expense reimbursements, including rental cars.
 - (2) The United States Postal Service shall pay expenses for authorized travel to the contractor and/or their representative(s) in accordance with USPS Handbook F-15 Travel and Relocation, included by reference. Travel will be included in each work order, where appropriate.
 - (3) Vehicle mileage rate will be reimbursed at the Standard Mileage Rates, published in Handbook F-15 Appendix A.
 - (4) Direct expenses: As indicated on the Items and Prices Summary Sheet.
 - (5) Miscellaneous outside services: Such as photography, reproductions, not-in-house, etc. (at cost plus 10 percent markup for handling).
 - (6) Subcontracts, if required, such as soil investigations, acoustical consultants, land surveys, etc. (cost plus 10 percent markup for handling).
 - (7) Each item indicated on the Items and Prices Summary Sheet, includes all overhead, profit and costs, direct and indirect, including architect-engineer administrative and technical support cost necessary to complete the services described. See Architect Engineer Project Requirements for instructions.

CLAUSE F-905: PAYMENT (ARCHITECT-ENGINEER) (INDEFINITE QUANTITY) (MARCH 2006)

- a. The A-E must be paid up to the work order amount, plus any modifications, upon submission to the Contracting Officer of a properly prepared invoice (Form 4211-B with attachments) showing the actual hours worked, the hourly rates as listed under Rates and Compensation, and the allowable special additional direct costs included in the work orders. Unless otherwise provided, payments will be made at the following times:
 - (1) Investigative surveys - Lump sum payment upon submission and acceptance of final report.
 - (2) Design - One payment upon submission of the original working drawings and specifications.

PAYMENTS

- (3) Construction Administration - Monthly payments substantiated by a breakdown of hours spent by discipline and any allowable special additional direct costs.

CLAUSE F-906: FINAL PAYMENT (ARCHITECT-ENGINEER) (MARCH 2006)

Upon satisfactory completion of the construction work and its final acceptance, the architect-engineer (A-E) will be paid the unpaid balance of any money due. Before final payment under the contract, the A-E must execute and deliver to the Contracting Officer a release of all claims (Form 7307) against the Postal Service arising under or by virtue of this contract, other than such claims, if any, as may be specifically excepted by the A-E from the operation of the release in stated amounts to be set forth in the release.

CLAUSE F-908: PAYMENT (CONSTRUCTION - COST REIMBURSABLE CONTRACT)

a. Construction Costs:

- (1) The Postal Service will make progress payments monthly or at more frequent intervals as determined by the Contracting Officer. Before the first progress payment becomes due, the contractor must prepare a schedule of values acceptable to the Contracting Officer. The schedule of values will be used for determining progress payments. The contractor's overhead and profit must be prorated through the life of the contract.
- (2) If the contract price is more than \$50,000, material delivered that will be incorporated into the work may be taken into consideration in computing progress payments. Before each payment is made, the contractor must furnish to the Contracting Officer for on-site or off-site materials proof of the quantity, value and delivery of materials, and deliver title to the materials to the Postal Service (see Clause B-20 for requirements of the invoice). Materials stored "off-site", when the contract price exceeds \$50,000, must be stored properly in an insured or bonded warehouse, storage yard, or similar place within 25 miles of the project site or a reasonable distance in excess of 25 miles as approved by the Contracting Officer.
- (3) In making progress payments, the Contracting Officer will ordinarily retain five percent (5 percent) of the progress payments earned. However, if the Contracting Officer, at any time after fifty percent (50 percent) of the work has been completed, finds that satisfactory progress is being made, the Contracting Officer may authorize payment in full of all progress payments earned. Also, if the Contracting Officer considers the amount retained to be in excess of that adequate for the protection of the Postal Service, the Contracting Officer may release to the contractor all or a portion of the excess whenever the work is substantially complete. Upon completion and acceptance of each separate building, public work or other division of the contract, for which a price is stated separately in the contract, payment may be made without retention.
- (4) All material and work covered by progress payments will be the sole property of the Postal Service. However, this paragraph does not (1) relieve the contractor of responsibility for all material and work for which payment has been made or for restoration of any damaged work or (2) waive the right of the Postal Service to require fulfillment of all the contract terms.
- (5) Before receiving a progress payment or final payment under this contract, the contractor must certify to the Contracting Officer that payment due subcontractors and/or suppliers under contractual arrangements with them has been made from the proceeds of prior payments or will be made in a timely fashion from the payment then due the contractor.
- (6) Upon completion and acceptance of all work, the amount due the contractor under this contract must be paid upon presentation of a properly executed invoice, after the contractor has furnished the Contracting Office with a Release of Claims against the Postal Service arising by virtue of this contract, other than claims in stated amounts that must be specifically excepted by the contractor from the operation of the release. If the final cost as audited by the Contracting Officer is less than the established guaranteed maximum price (GMP), the final invoice shall include 25 percent of the amount of the underrun up to the maximum as specified by Clause F-108, "GUARANTEED MAXIMUM PRICE". If the sum of all progress payments and the final invoice is greater than the established GMP, the final invoice shall be adjusted so that the sum of all progress payments and the final payment is not greater than the established GMP. If the contractor's claim to amounts payable under the contract has been assigned as provided in the Assignment of Claims clause, a release may also be required of the assignee.

b. Payment of the Fixed Fees will be made in accordance with the following schedule:

- (1) A/E Services for Final Design
 - (a) 30 percent of Fees at Acceptance of Concept Design (30 percent Design)

PAYMENTS

- (b) 40 percent of Fees at Acceptance of Intermediate Design (70 percent Design)
- (c) 30 percent of Fees at Acceptance of Final Design (100 percent Design)
- (2) A/E Services during Construction
 - (a) 80 percent of Fee Pro-rated throughout Construction
 - (b) 20 percent of Fee upon Completion of the Project
- (3) Contractor Support Services during Construction
 - (a) 85 percent of Fee Pro-rated throughout Construction
 - (b) 15 percent of Fee upon Final Acceptance of Construction.

CLAUSE F-909: TRAVEL AND SUBSISTENCE (CONSTRUCTION-GUARANTEED MAXIMUM PRICE)

- a. The contractor must include all expenses, including travel expense, in connection with conferences required by the Postal Service in its Fixed Fee listed for preconstruction services on the "Items and Prices." Sheet (page 1a). With respect to additional conferences requested by the Postal Service, the Postal Service will pay expenses for authorized travel and subsistence that the contractor and its representatives incur.
- b. In regard to reimbursement of expenses for additional travel, the following applies: The number of persons in travel status and the duration of the visit must be authorized in writing by the Contracting Officer before the travel starts. The Contracting Officer will confirm prior verbal travel authorization in writing. The amount claimed for subsistence (food and lodging) expenses must be based on actual expenses but shall not exceed a maximum per person per day of those rates listed in the USPS F-15 Travel Handbook, while in a travel status. Air and rail travel must be by second-class (coach) unless otherwise authorized, and travel by private automobile will be reimbursed at the current per mile rate listed in the USPS F-15 Travel Handbook. Receipts must be submitted with requests for hotel accommodation, subsistence and commercial travel expense reimbursements, including rental cars.

CLAUSE F-910: PAYMENT (ARCHITECT-ENGINEER) (MARCH 2006)

- a. Architect-Engineer (AE) Design Services. Unless otherwise authorized by the Contracting Officer, the architect-engineer must perform all professional services, except as noted hereafter, as required by USPS *Handbook AS-506 Architect-Engineer Project Requirements (Handbook AS-506)*, for a fixed fee. The fixed fee is set out in the "Items and Prices", and will be payable as indicated below;
 - 30 percent of fees at acceptance of concept design (30 percent design)
 - 40 percent of fees at acceptance of intermediate design (70 percent design)
 - 30 percent of fees at acceptance of final design (100 percent design)
- b. Architect-Engineer Additional Services
 - The services, as set out in the "Items and Prices" will be performed when authorized in writing by the Contracting Officer and will be paid for upon satisfactory completion of the individual item and receipt from the architect-engineer of a certified invoice.
- c. Architect-Engineer Services during construction. The fees set forth in the "Items and Prices" for Architect-Engineer Services during construction are payable monthly, will be payable as indicated below;
 - 80 percent of fee pro-rated throughout construction
 - 20 percent of fee upon completion of the project
- d. Architect-Engineer Field Duties during Construction and Architect-Engineer Modifications of Design.
 - Payment for services as set in the "Items and Prices" will be on the basis of authorized, expended effort, payable on a monthly basis, and will be payable as indicated below;
 - 80 percent of fee pro-rated throughout construction
 - 20 percent of fee upon completion of the project.

CHANGES/CLAIMS/DISPUTES

CLAUSE 5-1: PRICE REDUCTION FOR DEFECTIVE COST OR PRICING DATA (MARCH 2006)

- a. If any price, including profit or fee, negotiated in connection with this contract, or modification to this contract, or any cost reimbursable under this contract, was increased by any significant amount because:
 - (1) The supplier or subcontractor furnished cost or pricing data that were not complete, accurate, and current as of the date of the final agreement on price;
 - (2) A subcontractor or prospective subcontractor furnished the supplier cost or pricing data that were not complete, accurate, and current as of the date of final agreement on price; or
 - (3) Any of these parties furnished data of any description that were not accurate - then the price or cost will be reduced accordingly and the contract will be modified to reflect the reduction.
- b. Any reduction in the contract price under paragraph a above due to defective data from a prospective subcontractor that was not awarded the subcontract will be limited to the amount, plus applicable overhead and profit markup, by which the actual subcontract, or the actual cost to the supplier if there was no subcontract, was less than the prospective subcontract cost estimate submitted by the supplier (provided that the actual subcontract price was not itself affected by defective cost or pricing data).

CLAUSE B-10: PRICING OF ADJUSTMENTS (MARCH 2006)

When costs are a factor in determining any contract price adjustment under the *Changes* clause or any other provision of this contract, the Conduct Price/Cost Analysis topic of the Evaluate Proposals task of Process Step 2: Evaluate sources in the Postal Service Supplying Principles and Practices in effect on the date of this contract will serve as a guide in negotiating the adjustment.

CLAUSE B-21: CHANGE ORDER ACCOUNTING (MARCH 2006)

The contracting officer may require change-order accounting whenever the estimated cost of a change or series of related changes exceeds \$100,000. The supplier, for each change or series of related changes, must maintain separate accounts, by job order or other suitable accounting procedure, of all incurred segregable, direct costs (less allocable credits) or work, both changed and not changed, allocable to the change. The supplier will maintain such accounts until the parties agree to an equitable adjustment for the changes ordered by the contracting officer or the matter is finally disposed of in accordance with the Claims and Disputes clause.

CLAUSE B-3: CONTRACT TYPE (MARCH 2006)

This is an indefinite delivery indefinite quantity contract.

CLAUSE B-9: CLAIMS AND DISPUTES (MARCH 2006)

- a. This contract is subject to the Contract Disputes Act of 1978 (41 U.S.C. 7101-7109) ("the Act" or "CDA").
- b. Except as provided in the Act, all disputes arising under or relating to this contract must be resolved under this clause.
- c. "Claim," as used in this clause, means a written demand or written assertion by one of the contracting parties seeking, as a matter of right, the payment of money in a sum certain, the adjustment or interpretation of contract terms, or other relief arising under or relating to this contract. However, a written demand or written assertion by the supplier seeking the payment of money exceeding \$100,000 is not a claim under the Act until certified as required by subparagraph d(2) below. A voucher, invoice, or other routine request for payment that is not in dispute when submitted is not a claim under the Act. The submission may be converted to a claim under the Act by complying with the submission and certification requirements of this clause, if it is disputed either as to liability or amount is not acted upon in a reasonable time.
 - (1) A claim by the supplier must be made in writing and submitted to the contracting officer for a written decision. A claim by the Postal Service against the supplier is subject to a written decision by the contracting officer.
 - (2) For supplier claims exceeding \$100,000, the supplier must submit with the claim the following certification:

CHANGES/CLAIMS/DISPUTES

"I certify that the claim is made in good faith, that the supporting data are accurate and complete to the best of my knowledge and belief, that the amount requested accurately reflects the contract adjustment for which the supplier believes the Postal Service is liable, and that I am duly authorized to certify the claim on behalf of the supplier."

- (3) The certification may be executed by any person duly authorized to bind the supplier with respect to the claim.
- d. For supplier claims of \$100,000 or less, the contracting officer must, if requested in writing by the supplier, render a decision within 60 days of the request. For supplier-certified claims over \$100,000, the contracting officer must, within 60 days, decide the claim or notify the supplier of the date by which the decision will be made.
- e. The contracting officer's decision is final unless the supplier appeals or files a suit as provided in the Act.
- f. When a CDA claim is submitted by or against a supplier, the parties by mutual consent may agree to use an alternative dispute resolution (ADR) process to assist in resolving the claim. A certification as described in d (2) of this clause must be provided for any claim, regardless of dollar amount, before ADR is used.
- g. The Postal Service will pay interest in the amount found due and unpaid from:
 - (1) The date the contracting officer receives the claim (properly certified, if required); or
 - (2) The date payment otherwise would be due, if that date is later, until the date of payment.
- h. Simple interest on claims will be paid at a rate determined in accordance with the *Interest* clause.

The supplier must proceed diligently with performance of this contract, pending final resolution of any request for relief, claim, appeal, or action arising under the contract, and comply with any decision of the contracting officer.

CLAUSE B-32: DIFFERING SITE CONDITIONS (MARCH 2006)

- a. The supplier must promptly, and before such conditions are disturbed, notify the contracting officer in writing of:
 - (1) Subsurface or latent physical conditions at the site differing materially from those indicated in this contract; or
 - (2) Unknown physical conditions at the site, of an unusual nature, differing materially from those ordinarily encountered and generally recognized as inherent in work of the character provided for in this contract.
- b. The contracting officer shall promptly investigate the conditions, and if such conditions do materially so differ and will cause an increase or decrease in the supplier's cost of, or the time required for, performance of any part of the work under this contract whether or not changed as a result of such conditions, an equitable adjustment shall be made and the contract modified in writing accordingly.
- c. No claim of the supplier under this clause shall be allowed unless the supplier has given the notice required in (a) above; provided however, the time prescribed thereof may be extended by the Postal Service.
- d. No claim by the supplier for an equitable adjustment under this clause will be allowed if asserted after final payment under this contract.

CLAUSE B-37: CHANGES (CONSTRUCTION) (MARCH 2006)

- a. The contracting officer may at any time, without notice to any sureties, by written order designated or indicated to be a change order, make changes in the work within the general scope of the contract, including changes:
 - (1) In the specifications (including drawings and designs);
 - (2) In the method or manner of performance of the work;
 - (3) In the Postal Service-furnished facilities, equipment, materials, services, or site; or
 - (4) Directing acceleration in the performance of the work.
- b. Any other written or oral order (which, as used in this paragraph b, includes direction, instruction, interpretation, or determination) from the contracting officer that causes a change will be treated as a change order only if the supplier gives the contracting officer written notice stating (1) the date, circumstances, and source of the order and (2) that the supplier regards the order as a change order. This notification must be delivered to the contracting officer within 30 days of receipt of the change order.
- c. If any change under this clause causes an increase or decrease in the supplier's cost of, or the time required for,

CHANGES/CLAIMS/DISPUTES

the performance of any part of the work under this contract, whether or not changed by any order, the contracting officer will make an equitable adjustment and modify the contract in writing. However, except for claims based on defective specifications, no claim for any change under paragraph b above will be allowed for any costs incurred more than 20 days before the supplier gives written notice as required. In the case of defective specifications for which the Postal Service is responsible, the equitable adjustment will include any increased cost reasonably incurred by the supplier in attempting to comply with the defective specifications.

- d. No claim by the supplier for an equitable adjustment will be allowed if asserted after final payment under this contract.
- e. See also Clause B-10, Pricing of Adjustments (May 2005).

CLAUSE F-1001: CHANGES (DESIGN-BUILD COMPETITIVE GUARANTEED MAXIMUM PRICE)

- a. The Contracting Officer may at any time, without notice to any sureties, by written order designated or indicated to be a change order, make changes in the work within the general scope of the contract, including changes:
 - (1) In the specifications (including drawings and designs);
 - (2) In the method or manner of performance of the work;
 - (3) In the Postal Service furnished facilities, equipment, materials, services, or site; or
 - (4) Directing acceleration in the performance of the work.
- b. Any other written or oral order (which, as used in this paragraph (b), includes direction, instruction, interpretation, or determination) from the Contracting Officer that the suppliers interprets as change will be treated as a change order under this clause only if the supplier provides reasonable notice (subject to the requirements of paragraph (e) below) to the Contracting Officer that includes at a minimum the date, circumstances and the impact on cost and time of the order interpreted as a change.
- c. Except as provided in this clause, no order, statement, or conduct of the Contracting Officer may be treated as a change under this clause or entitle the supplier to an equitable adjustment.
- d. If any change under this clause causes an increase or decrease in the supplier's cost of, or the time required for, the performance of any part of the work under this contract the Contracting Officer will make an equitable adjustment to the established guaranteed maximum price (GMP) and period of performance, as applicable, via contract modification.

No adjustments will be made due to defective plans or specifications prepared by the supplier.

- e. The supplier must assert any claimed change by the Contracting Officer within thirty (30) days after (1) receipt of a written change order under paragraph (a) above, or (2) the furnishing of a written notice under paragraph (b) above, by submitting to the Contracting Officer a written statement describing the general nature and amount of the claimed change, unless this period is extended by the Postal Service. The statement of a claimed change may be included in the notice required under paragraph (b) above.
- f. No claim by the supplier for an equitable adjustment will be allowed if asserted after final payment under this contract.
- g. After approval of final plans and specifications, except for the correction of errors and omissions, the supplier will not make any changes in the specifications, including drawings and designs, or in the method or manner of performance of the work without prior approval of the Contracting Officer.
- h. See also Clause B-10, Pricing of Adjustments. In a case where conflicts, or apparent conflicts, arise between the specific clauses of this contract and the Supplying Principles and Practices guidance referenced in Clause B-10 Pricing and Adjustments, the Contracting Officer will make a determination as to finalizing any price adjustment.

CLAUSE F-1002: EQUITABLE ADJUSTMENTS (DESIGN-BUILD COMPETITIVE GUARANTEED MAXIMUM PRICE)

- a. Fixed Fees for Design Services:
 - (1) There will be no monetary adjustment to any Fixed Fee for Architect-Engineer Services under this contract except where the scope of work has been modified by the Contracting Officer. A-E Fixed Fees for such scope of work changes will only be adjusted when the Contracting Officer-requested change requires a

CHANGES/CLAIMS/DISPUTES

duplication of work that has already been accomplished, causes an appreciable increase in direct labor, material or other costs included under the A-E Fixed Fee, or requires new labor, material or other direct costs of work not included under an existing A-E Fixed Fee. All other changes required to complete the work will be the responsibility of the supplier.

- (2) Adjustment in Fixed Fees will be based upon the extent of the work, not on a percentage of construction costs. The Contracting Officer will negotiate an adjustment on the basis of the costs per discipline for the production of drawing, calculations, specifications, estimating and other services. Prior to negotiations, the supplier will submit an Estimate of Fee for Modification of Design in the format found in Architect-Engineer Project Requirements.
- (3) Where a proposal for a Fixed Fee modification is submitted by the supplier, the overhead, profit and commission percentages included in the proposal will be based solely on changes in labor, material, or other direct costs covered under the Fixed Fee. No percentages for overhead, profit, or commission will be allowed on employment taxes under FICA and FUTA. The percentages for overhead, profit and commission will be negotiated and may vary according to the nature, extent, and complexity of the work involved. Not more than three percentages, not to exceed the maximum percentages shown below, will be allowed regardless of the number of tiers of subcontractors; that is, the markup on work subcontracted by a subcontractor will be limited to one overhead percentage and one profit percentage in addition to the supplier's commission percentage. On proposals covering both increases and decreases of the Fixed Fees of the contract, the overhead, profit, and where applicable, commission will be computed on the net change only.

	Overhead	Profit	Commission
To supplier on work performed by other than own forces	0%	0%	10%
To supplier and/or the subcontractors for that portion of work performed with their respective forces	10%	10%	0%

- (4) The supplier must submit with its proposal its request for time extension (if any).
 - (5) In considering a proposal, the Contracting Officer will check estimates in detail, utilizing unit prices where specified or agreed upon, with a view to arriving at an equitable adjustment.
 - (6) Upon written request by the Contracting Officer, the supplier must submit a proposal, in accordance with the requirements and limitations set forth in subparagraphs (a.1) through (a.6) of this clause, for work involving proposed changes covered by the request, within the time limit indicated in the request or any extension of such time limit as may be subsequently granted. If, within a reasonable time after the receipt of such proposal, the Contracting Officer orders the supplier to proceed with the performance of the work contemplated, the proposal submitted prior to the order will constitute the supplier's statement of the monetary extent of claim for equitable adjustment to any Fixed Fee of the contract.
- b. Reimbursable Construction Costs and Fixed Fee For Construction Support:
- (1) There will be no monetary adjustment to Maximum Reimbursable Construction Costs (MRCC) and/or guaranteed maximum price (GMP) under this contract except where the scope of work has been modified by the Postal Service. All other changes required to complete the work will be the responsibility of the supplier. The supplier will be reimbursed for all direct costs up to the limit of the GMP. The supplier shall be wholly responsible for any overrun of the GMP.
 - (2) Where the Contracting Officer modifies the scope of the work, an appropriate monetary adjustment to the GMP will be made. The supplier's written statement of the monetary extent of any claim for equitable adjustment under this contract must be submitted in the form of a lump sum proposal (unless otherwise requested) with an itemized breakdown of all increases or decreases in the cost of the supplier's and all subcontractors' work, in at least the following detail:
 - (a) Material quantities and unit cost
 - (b) Labor costs (identified with the specific item of material to be placed or operation to be performed)
 - (c) Construction equipment
 - (d) Worker's Compensation and Public Liability Insurance

CHANGES/CLAIMS/DISPUTES

- (e) Overhead-Subcontractor only
 - (f) Profit-Subcontractor only
 - (g) Employment taxes under FICA and FUTA
- (3) The supplier's overhead, profit and commission will not be included in an adjustment to the MRCC, but will be included in a modification to the Fixed Fee for Construction Support Services, if required. The subcontractors' overhead and profit percentage included in the proposal will be considered to include, but not be limited to, insurance other than mentioned in b.2 of this clause, bond(s), use of small tools, incidental job burdens, and general office expense.
- No percentages for overhead, profit or commission will be allowed on employment taxes under FICA and FUTA. The percentages for overhead, profit and commission will be negotiated and may vary according to the nature, extent, and complexity of the work involved. Not more than two percentages, not to exceed ten (10) percent each, will be allowed regardless of the number of tiers of subcontractors; that is, the markup on work subcontracted by a subcontractor will be limited to one overhead percentage and one profit percentage.
- For proposals including both increases and decreases of the contract, the overhead and profit will be computed on the net change only.
- (4) The supplier must submit with its proposal its request for time extension (if any).
- (5) In considering a modification to the GMP, the Contracting Officer will check estimates in detail, utilizing unit prices where specified or agreed upon, with a view to arriving at an equitable adjustment.
- (6) Where modification is made to the GMP, because of changes requested by the Contracting Officer, appropriate adjustment will be made to the Fixed Fee for Construction Support Services. This adjustment should include the supplier's profit and overhead costs only for work which:
- (a) Requires a duplication of work already included under the fee that has already been accomplished;
 - (b) Causes an appreciable increase in direct labor, material or other costs included under the fee; or
 - (c) Requires new labor, material or other direct costs of work not included under the fee.
- c. The supplier's percentage of profit and overhead costs will be negotiated and may vary according to the nature, extent, and complexity of the work, but will not exceed ten (10) percent in total.
- (1) Payment for construction work related to Contracting Officer-requested changes will be made on the basis of actual direct construction costs and subcontractor costs up to the limit of the revised GMP. Payment of contractor services will be made on the basis of the negotiated fee.
 - (2) After receipt of a proposal with a detailed breakdown, the Contracting Officer will act promptly thereon. However, when necessity to proceed with a change does not allow sufficient time to check a proposal, or in the event of a failure to reach an agreement on a revised GMP, the supplier shall proceed with the work and will be reimbursed for all direct construction costs up to the limit of the GMP. The GMP shall be subsequently modified based on the actual cost of the change, plus fee increase for overhead and profit not to exceed 10 percent.
 - (3) When the supplier is solely responsible for all subsurface exploration and foundation design, there will be no claims allowed for equitable adjustment under the "Differing Site Conditions" clause of this contract.
 - (4) Upon written request by the Contracting Officer, the supplier must submit a proposal, in accordance with the requirements and limitations set forth in subparagraphs (b.1) through (b.6) of this clause, for work involving contemplated changes covered by the request, within the time limit indicated in the request or any extension of such time limit as may be subsequently granted.
- If, within a reasonable time after the receipt of such proposal, the Contracting Officer orders the supplier to proceed with the performance of the work proposed, the proposal submitted prior to the order will constitute the supplier's statement of the monetary extent of claim for equitable adjustment to the Guaranteed Maximum Price of the contract.

CLAUSE F-1003: CHANGES (ARCHITECT-ENGINEER) (MARCH 2006)

- a. The contracting officer may, in writing, order changes within the general scope of this contract in the following:
 - (1) Drawings, designs, or specifications when supplies to be furnished are to be specially manufactured for the

CHANGES/CLAIMS/DISPUTES

- Postal Service in accordance with them;
- (2) Statement of work or description of services;
 - (3) Method of shipment or packing;
 - (4) Places of delivery of supplies or performance of services;
 - (5) Delivery or performance schedule;
 - (6) Postal Service furnished property or facilities.
- b. Any other written or oral order (including direction, instruction, interpretation, or determination) from the contracting officer that causes a change will be treated as a change order under this paragraph, provided that the supplier gives the contracting officer written notice stating (a) the date, circumstances, and source of the order and (b) that the supplier regards the order as a change order.
 - c. If any such change affects the cost of performance or the delivery schedule, the contract will be modified to effect an equitable adjustment.
 - d. The supplier's claim for equitable adjustment must be asserted within 30 days of receiving a written change order. A later claim may be acted upon - but not after final payment under this contract - if the contracting officer decides that the facts justify such action.
 - e. Failure to agree to any adjustment is a dispute under Clause B-9, Claims and Disputes, which is incorporated into this contract by reference (see paragraph s). Nothing in that clause excuses the supplier from proceeding with the contract as changed.

CLAUSE F-1004: EQUITABLE ADJUSTMENTS (CONSTRUCTION)

- a. The contractor's written statement of the monetary extent of any claim for equitable adjustment under this contract must be submitted in the form of a lump sum proposal (unless otherwise requested) with an itemized breakdown of all increases or decreases in the cost of the contractor's and all subcontractors' work, in at least the following detail:
 - (1) Material quantities and unit cost
 - (2) Labor costs (identified with specific item of material to be placed or operation to be performed)
 - (3) Construction Equipment
 - (4) Workmen's Compensation and Public Liability Insurance
 - (5) Overhead
 - (6) Profit
 - (7) Employment taxes under FICA, Medicare, and FUTA
- b. The overhead, profit and commission percentages included in the proposal, must not exceed the maximums given at the end of this paragraph, and will be considered to include, but not be limited to, insurance other than that mentioned in this "Equitable Adjustments" clause, bond or bonds, use of small tools, incidental job burdens, and general office expense.

No percentages for overhead, profit or commission will be allowed on employment taxes under FICA, Medicare, and FUTA. The percentages for overhead, profit and commission will be negotiated and may vary according to the nature, extent and complexity of the work involved, but not to exceed the maximum percentages shown below.

Not more than three percentages will be allowed regardless of the number of tiers of subcontractors; that is, the markup on work subcontracted by a subcontractor will be limited to one overhead percentage and one profit percentage in addition to the prime contractor's commission percentage. On proposals covering both increases and decreases in the amount of the contract, the overhead, profit, and where applicable, commission, will be computed on the net change only. On proposals for decreases in the amount of the contract, the overhead, profit, and where applicable, commission will be added to the decrease in direct cost.

Overhead	Profit	Commission
----------	--------	------------

CHANGES/CLAIMS/DISPUTES

To contractor on work performed by other than his own forces	0%	0%	10%
To contractor and / or the subcontractors for that portion of work performed with their respective forces	10%	10%	0%

- c. The contractor must submit a request for time extension (if any) with its proposal.
- d. In considering a proposal, the Postal Service will check estimates in detail, utilizing unit prices where specified or agreed upon, with a view to arriving at an equitable adjustment.
- e. After receipt of a proposal with a detailed breakdown, the Contracting Officer will act promptly thereon, provided, however, that when the necessity to proceed with a change does not allow sufficient time to check a proposal, or in the event of failure to reach agreement on a proposal, the Postal Service may order the contractor to proceed on the basis of price to be determined at the earliest practicable date but not to be more than the increase or less than the decrease proposed.
- f. The contractor must submit all claims for equitable adjustment for differing site conditions in accordance with and subject to the requirements and limitations set forth in the "Differing Site Conditions" clause and in this "Equitable Adjustments" clause. All other claims for equitable adjustment submitted by the contractor under this contract will be subject to the requirements and limitations set forth in this clause.
- g. Upon written request by the Contracting Officer, the contractor must submit a proposal, in accordance with the requirements and limitations set out in paragraphs (a) through (g) of this "Equitable Adjustments" clause, for work involving contemplated changes covered by the request, within the time limit indicated in the request or any extension of such time limit as may be subsequently granted. If, within a reasonable time after receipt of such a proposal, the Contracting Officer orders the contractor to proceed with the performance of the work contemplated, the proposal submitted prior to the order will constitute the contractor's statement of the monetary extent of claim for equitable adjustment.

TERMINATIONS

TERMINATIONS

CLAUSE F-1101: TERMINATION FOR CONVENIENCE (MARCH 2006)

- a. Performance under this contract may be terminated by the Contracting Officer in whole or in part whenever the Contracting Officer determines that termination is in the best interest of the Postal Service. A termination may be effected by delivery to the supplier of a notice of termination specifying the extent of work terminated, and the effective date of the termination.
- b. Upon receipt of a notice of termination, unless otherwise directed by the Contracting Officer, the supplier must take the following actions:
 - (1) Stop work to the extent specified in the notice.
 - (2) Place no further orders or subcontracts for materials, services, or facilities except as may be necessary for completion of the unterminated work.
 - (3) Terminate all orders and subcontracts to the extent that they relate to the work terminated.
 - (4) Assign to the Postal Service, as directed by the Contracting Officer, all right, title, and interest of the supplier under the orders and subcontracts terminated. The Postal Service has the right, in its discretion, to settle or pay claims arising out of these terminations.
 - (5) Settle all outstanding liabilities and claims arising out of the termination of orders and subcontracts, with the approval or ratification of the Contracting Officer. The Contracting Officer's decision is final for the purposes of this clause.
 - (6) Transfer title to the Postal Service and deliver as directed by the Contracting Officer:
 - (a) Work in process, completed work, and other material produced as a part of or acquired for the work terminated; and
 - (b) The completed or partially completed plans, drawings, information, and other property that, if the contract had been completed, would have been furnished to the Postal Service.
 - (7) Use its best efforts to sell, as directed by the Contracting Officer, any property of the types referred to in subparagraph b.6 above, provided that the supplier may acquire property under the conditions prescribed and at prices approved by the Contracting Officer, and the proceeds of any such transfer will be applied in reduction of any payments to be made by the Postal Service to the supplier, or be credited to the price or cost of the work covered by this contract, or be paid in any manner directed by the Contracting Officer.
 - (8) Complete performance of the work not terminated.
 - (9) Take any action that may be necessary, or that the Contracting Officer may direct, for protecting and preserving any property related to this contract that is in the possession of the supplier and in which the Postal Service has or may acquire an interest.
- c. At any time, the supplier may submit to the Contracting Officer a list, certified as to quantity and quality, of termination inventory not previously disposed of and may request the Postal Service to remove inventory items or enter into a storage agreement covering them. Not later than 15 days after receiving this request, the Postal Service will accept title to the items and remove them or enter into a storage agreement. The list will be subject to verification by the Contracting Officer upon removal of the items or, if the items are stored, within 45 days after submission of the list.
- d. After termination, the supplier must submit to the Contracting Officer a termination claim in the form and with the certification prescribed by the Contracting Officer. The claim must be submitted promptly, but in no event more than one year after the effective date of termination, unless an extension in writing is granted by the Contracting Officer. However, if the Contracting Officer determines that the facts justify such action, any termination claim may be received and acted upon at any time after the one-year period. Upon failure of the supplier to submit a termination claim within the time allowed, the Contracting Officer may determine, on the basis of the information available, the amount, if any, due the supplier by reason of the termination and will pay that amount.
- e. If the supplier and the Contracting Officer fail to agree on the amount to be paid to the supplier by reason of the termination, the Contracting Officer will determine the amount, if any, due the supplier and pay the supplier the contract price for completed and accepted supplies or services not previously paid for (adjusted for any saving of freight and other charges) and, with respect to all other contract work performed before the effective date of termination, the total of:

TERMINATIONS

- (1) The cost of such work;
 - (2) The cost of settling and paying claims arising out of the termination of work under subcontracts; and
 - (3) A profit on e.1 above, determined by the Contracting Officer to be fair and reasonable; but if it appears that the supplier would have sustained a loss on the entire contract had it been completed, no profit will be included, and an appropriate adjustment will be made reducing the amount of the settlement to reflect the indicated rate of loss.
- f. The total sum to be paid to the supplier may not exceed the total contract price as reduced by the payments made and as further reduced by the contract price of work not terminated. Except for normal spoilage, and except to the extent that the Postal Service expressly assumed the risk of loss, there will be excluded from the amounts payable to the supplier under paragraph e above, the fair value, as determined by the Contracting Officer, of property destroyed, lost, stolen, or damaged so as to become undeliverable to the Postal Service, or to a buyer.
- g. Any determination of costs will be governed by the cost principles set forth in the USPS Supplying Principles and Practices in effect on the effective date of termination.
- h. The supplier has the right of review under the "Claims and Disputes" clause of any determination made by the Contracting Officer under paragraph d or e above, except that, if the supplier has failed to submit its termination claim within the time provided in paragraph d above and has failed to request an extension of time, there may be no right of review.
- i. In arriving at the amount due the supplier, there must be deducted:
- (1) All unliquidated advance or other payments to the supplier applicable to the terminated portion of this contract;
 - (2) Any claim that the Postal Service may have against the supplier under this contract; and
 - (3) The agreed price for or the proceeds of sale of materials, supplies, or other things kept by the supplier or sold and not recovered by or credited to the Postal Service.
- j. If the termination is partial, the supplier must file with the Contracting Officer a request in writing for an equitable adjustment of the price specified in the contract relating to the continued portion of the contract.
- k. The Postal Service may, under the terms and conditions it prescribes, make partial payments and payments on account in connection with the terminated portion of this contract whenever the aggregate of these payments is within the amount to which the supplier is entitled.
- l. Unless otherwise provided in this contract, or by statute, the supplier, for a period of three years after final settlement, must preserve and make available to the Postal Service at all reasonable times at the supplier's office, all books, records, documents, and other evidence bearing on the costs and expenses of the supplier under this contract and relating to the work terminated. At the Contracting Officer's approval, photographs, microphotographs, or other authentic reproductions may be maintained instead of the originals.

CLAUSE F-1102: TERMINATION FOR DEFAULT (MARCH 2006)

- a.
- (1) The Postal Service may, subject to paragraphs c and d below, by written notice of default to the supplier, terminate this contract in whole or in part if the supplier fails to:
 - (a) Complete the requirements of this contract within the time specified in the contract or any extension;
 - (b) Make progress, so as to endanger performance of this contract (but see paragraph d below); or
 - (c) Perform any of the other provisions of this contract (but see subparagraph a.2 following).
 - (2) The Postal Service's right to terminate this contract under a. 1(b) and (c) above may be exercised if the supplier does not cure the failure within ten days (or more if authorized in writing by the Contracting Officer) after receipt of the notice from the Contracting Officer specifying the failure.
- b. If the Postal Service terminates this contract in whole or in part, it may acquire similar supplies or services or complete the work, and the supplier will be liable to the Postal Service for any excess costs. However, the supplier must continue the work not terminated.
- c. Except for defaults of subcontractors at any tier, the supplier is not liable for any excess costs if the failure to perform the contract arises from causes beyond the control and without the fault or negligence of the supplier.

TERMINATIONS

- d. If the failure to perform is caused by the default of a subcontractor at any tier, and if the cause of the default is beyond the control of both the supplier and subcontractor, and without the fault or negligence of either, the supplier is not liable for any excess costs for failure to perform, unless the subcontractor supplies or services were obtainable from other sources in sufficient time for the supplier to meet the required delivery schedule.
- e. If this contract is terminated for default, the Postal Service may require the supplier to transfer title and deliver to the Postal Service, as directed by the Contracting Officer, any completed supplies, partially completed supplies, and materials, parts, tools, dies, jigs, fixtures, plans, drawings, information, and contract rights that the supplier has specifically produced or acquired for the terminated portion of this contract. Upon direction of the Contracting Officer, the supplier must also protect and preserve property in its possession in which the Postal Service has an interest.
- f. The Postal Service will pay the contract price for completed items delivered and accepted. The supplier and Contracting Officer may agree on the amount of payment for items delivered and accepted under paragraph e above for the protection and preservation of the property. Failure to agree will be a dispute under the "Claims and Disputes" clause. The Postal Service may withhold from these amounts any sum the Contracting Officer determines to be necessary to protect the Postal Service against loss because of outstanding claims.
- g. If, after termination, it is determined that the supplier was not in default, or that the delay was excusable, the rights and obligations of the parties will be the same as if the termination had been issued for convenience.
- h. The rights and remedies of the Postal Service under this clause are in addition to any other rights and remedies provided by law or under this contract.

INSPECTION AND ACCEPTANCE

CLAUSE 2-1: INSPECTION AND ACCEPTANCE (MARCH 2006)

- a. The supplier must be able to demonstrate that the supplies and services being provided conform to contract requirements. The Postal Service may require correction of defects and nonconformance at no cost to the Postal Service. If the supplier fails or refuses to correct the defects or nonconformance the Postal Service may, in addition to any other remedies provided by this contract:
 - (1) Acquire replacement supplies or services from other sources at the supplier's expense; or
 - (2) Accept the supplies or services at a reduced price.
- b. The Postal Service may revoke acceptance if nonconforming performance is accepted:
 - (1) because it has not been discovered before acceptance, as a result of the difficulty of discovery or because of the supplier assurances, or;
 - (2) on the basis of a reasonable assumption that it would be cured.
- c. The Postal Service has the same rights and duties upon revocation as upon rejection. Revocation of acceptance must occur within a reasonable time after the contracting officer discovers the deficiency.

The Postal Service, at its option, may at any stage in the performance of this contract, monitor the supplier's activities and efforts in performing the contract, to assure itself that contract requirements are being met. Such Postal Service oversight in no way relieves the supplier from its responsibility to perform in accordance with contract requirements.

CLAUSE 2-2: QUALITY MANAGEMENT SYSTEM (MARCH 2006)

- a. The supplier must use a documented quality management system to monitor and measure its performance against contract requirements. As a minimum, that quality assurance system must include all of the following:
 - (1) A process management system that includes documented work processes (including support processes), mechanisms to monitor and measure processes, systematic approaches for addressing nonconformance complaints with an emphasis on root cause analysis and corrective and preventative action, analysis of performance measurement, and regularly scheduled and documented quality management system reviews
 - (2) A means of assessing customer satisfaction that includes scheduled customer satisfaction reviews or surveys, customer focus groups, or other means of securing ongoing customer feedback;
 - (3) Supplier management that includes supplier selection criteria and monitoring and assessing supplier performance; and
 - (4) A determination of the necessary competencies for personnel performing work during contract performance. Suppliers must:
 - (a) As necessary, provide training and take other actions to meet this requirement; and
 - (b) Maintain current records of education, training, skills, and experience.
- b. The Postal Service has the right to evaluate the acceptability and effectiveness of the supplier's quality management system prior to award, and to verify that it is in use and effective during contract performance.
- c. The supplier must maintain records and metrics pertaining to this quality management system in accordance with the record retention requirements of the contract.
- d. The supplier must be able to demonstrate that the supplies and services being purchased conform to contract requirements. The Postal Service may require correction of defects and nonconformance at no cost to the Postal Service. If the supplier fails or refuses to correct the defects or nonconformance the Postal Service may, in addition to any other remedies provided by this contract:
 - (1) Acquire replacement supplies or services from other sources at the supplier's expense; or
 - (2) Accept the supplies or services at a reduced price.

CLAUSE 4-5: INSPECTION OF PROFESSIONAL SERVICES (MARCH 2006)

- a. The contracting officer may, at any time or place, inspect the services performed and the products, including

INSPECTION AND ACCEPTANCE

documents and reports. No matter what type of contract is employed, and in addition to any specific standards of quality set out in this agreement, the contracting officer may reject any services or products that do not meet the highest standards of professionalism. No payment will be due for any services or products rejected under this clause.

- b. Acceptance of any product or service does not relieve the supplier of the duties imposed by supplier's code of professional ethics, and the supplier remains liable for the period allowed under federal law for claims by the United States, for any errors or omissions occurring during performance.

CLAUSE B-33: INSPECTION AND ACCEPTANCE (CONSTRUCTION) (MARCH 2006)

- a. Except as otherwise provided in this contract, inspection and testing by the Postal Service of materials and workmanship shall be made at reasonable times and at the site of the work, unless the contracting officer determines that it shall be made at the place of production, manufacture, or shipment of such material. The contracting officer's decision shall be conclusive as to whether the material involved conforms to the contract requirements. Such off-site inspection or test shall not relieve the supplier of responsibility for damage to or loss of the material prior to acceptance, nor in any way affect the continuing rights of the Postal Service after acceptance of the completed work under the terms of paragraph f of this section.
- b. The supplier shall without charge, replace any material or correct any workmanship found by the Postal Service not to conform to the contract requirements, unless the Postal Service consents to accept such material or workmanship with an appropriate adjustment in contract price. The supplier shall promptly segregate and remove rejected material from the premises.
- c. If the supplier does not promptly replace rejected material or correct rejected workmanship, the Postal Service may, by contract or otherwise, replace or correct it and charge the cost to the supplier.
- d. The supplier must furnish (without charge) all facilities, labor, and materials needed to conduct inspections and tests as required by the contracting officer. The supplier will be charged any additional costs of inspection if material and workmanship are not ready at the time specified by the supplier for inspection.
- e. The Postal Service may examine completed work by removing or tearing it out. The supplier must replace or correct any work found not to conform to contract requirements. If work is torn out and found to comply with contract requirements, the contracting officer must make an equitable adjustment for the services provided for the inspection and replacement of the work.
- f. The Postal Service will inspect the work as soon as practicable after completion. Acceptance by an authorized Postal Service representative is conclusive except in the case of latent defects, fraud, gross mistakes amounting to fraud, or Postal Service rights under any warranty or guarantee.

CLAUSE F-1201: ASBESTOS FREE AND LEAD-BASED PAINT FREE CERTIFICATION (MARCH 2006)

The contractor must certify that no asbestos containing building materials or lead-based paints (interior or exterior) were used in this project. The contractor must include completed and unaltered asbestos free and lead-based paint certifications as a closeout submittal document as provided in B.1500 - Attachments. The only acceptable alternative for asbestos certification is to conduct a post-construction asbestos survey in accordance with AHERA requirements.

CLAUSE F-1202: PROJECT CLOSEOUT (CONSTRUCTION) (MARCH 2006)

Unless specified for an earlier date elsewhere in this contract, the contractor must process all documents for each CONTRACT, changes, claim submissions, complete all project closeout items, and submit a final report certifying that this action has been taken not later than six months from the date of facility acceptance.

CLAUSE F-1203: TECHNICAL SUPERVISION (DESIGN) (MARCH 2006)

- a. Performance of the work is subject to technical supervision by representatives of the Postal Service. Technical supervision includes instructions to the architect-engineer or supplier which fill in technical details, suggest possible lines of inquiry, or otherwise complements the scope of work, but do not constitute new scopes of work.
- b. The Postal Service reserves the right to use construction management support services contractor (CMSSC) personnel, or other qualified personnel under contract to the Postal Service, to provide such technical supervision.

CLAUSE F-1204: APPROVAL OF DESIGN (MARCH 2006)

- a. The Contracting Officer or his designee must approve final plans and specifications prior to the start of construction. However, phased or fast track construction may commence prior to approval of final plans and specifications, provided the Contracting Officer has approved final plans and specifications covering only that phase of the work. The Contracting Officer's review will be primarily for general arrangement and compliance with Postal Service requirements included as part of the contract. Contracting Officer's approval shall not be construed as:
 - (1) Permitting any departure from the contract requirements;
 - (2) Relieving the supplier of responsibility for any errors including, but not limited to, details, dimensions and materials;
 - (3) Relieving the supplier of responsibility for compliance with applicable codes of local, state, or federal codes or regulations; or
 - (4) Approving departures from Postal Service design requirements without specific prior approval.
- b. After approval of plans and specifications, the supplier will be responsible for revising plans and specifications to correct deficiencies. Copies of revised plans and specifications will be furnished to the Contracting Officer. There will be no modification to any fee, or to the guaranteed maximum price (GMP) or firm fixed price, as appropriate to the contract, as a result of such changes.
- c. The supplier will make no other changes involving either revisions in scope or modifications to the approved materials, equipment, details, or systems without the prior approval of the Contracting Officer whether or not they affect the GMP or firm fixed price, as appropriate to the contract. If proposed changes are approved, the Contracting Officer will issue a modification as a result of such changes.

LABOR POLICIES

CLAUSE 1-11: PROHIBITION AGAINST CONTRACTING WITH FORMER OFFICERS OR PCES EXECUTIVES (MARCH 2006)

During the performance of this contract, former Postal officers or Postal Career Executive Service (PCES) executives are prohibited from employment by the contractor as key personnel, experts or consultants, if such individuals, within 1 year after their retirement from the Postal Service, would be performing substantially the same duties as they performed during their career with the Postal Service.

CLAUSE 1-12: USE OF FORMER POSTAL SERVICE EMPLOYEES (MARCH 2006)

During the term of this contract, the supplier must identify any former Postal Service employees it proposes to be engaged, directly or indirectly, in contract performance. Such individuals may not commence performance without the contracting officer's prior approval. If the contracting officer does not provide such approval, the supplier must replace the proposed individual former employee with another individual equally qualified to provide the services called for in the contract.

CLAUSE 9-1: CONVICT LABOR (MARCH 2006)

In connection with the work under this contract, the supplier agrees not to employ any person undergoing sentence of imprisonment, except as provided by E.O. 11755, December 28, 1973, as amended and 18 USC 3621 and 3622.

CLAUSE 9-2: CONTRACT WORK HOURS AND SAFETY STANDARDS ACT - OVERTIME COMPENSATION (MARCH 2006)

- a. No supplier or subcontractor contracting for any part of the contract work may require or permit any laborer or mechanic to work more than 40 hours in any workweek on work subject to the provisions of the Contract Work Hours and Safety Standards Act, unless the laborer or mechanic receives compensation at a rate not less than one-and-one-half times the laborer's or mechanic's basic rate of pay for all such hours worked in excess of 40 hours.
- b. *Violation, Liability for Unpaid Wages, and Liquidated Damages* —In the event of any violation of paragraph a. above, the supplier and any subcontractor responsible for the violation are liable to any affected employee for unpaid wages. The supplier and subcontractor are also liable to the Postal Service for liquidated damages, which will be computed for each laborer or mechanic at \$10 for each day on which the employee was required or permitted to work in violation of paragraph a. above.
- c. *Withholding for Unpaid Wages and Liquidated Damages* —The contracting officer may withhold from the supplier, from any moneys payable to the supplier or subcontractor under this or any other contract with the same supplier, or any other federally assisted contract subject to the Contract Work Hours and Safety Standards Act held by the same supplier, sums as may administratively be determined necessary to satisfy any liabilities of the supplier or subcontractor for unpaid wages and liquidated damages pursuant to paragraph b. above.
- d. *Records* —The supplier or subcontractor must maintain for 3 years from the completion of the contract for each laborer and mechanic (including watchmen and guards) working on the contract payroll records which contain the name, address, social security number, and classification(s) of each such employee, hourly rates of wages paid, number of daily and weekly hours worked, deductions made, and actual wages paid. The supplier or subcontractor must make these records available for inspection, copying, or transcription by authorized representatives of the contracting officer and the Department of Labor, and must permit such representatives to interview employees during working hours on the job. (The Department of Labor information collection and record keeping requirements in this paragraph d. have been approved by the Office of Management and Budget under OMB control numbers 1215-0140 and 1215-0017.)
- e. *Subcontracts* - The supplier must insert paragraphs a. through d. of this clause in all subcontracts, and must require their inclusion in all subcontracts at any tier.

CLAUSE 9-3: DAVIS-BACON ACT (MARCH 2006)

- a. Minimum Wages
 - (1) All mechanics and laborers employed in the contract work (other than maintenance work of a recurring,

LABOR POLICIES

routine nature necessary to keep the building or space in condition to be continuously used at an established capacity and efficiency for its intended purpose) must be paid unconditionally, and not less than once a week, without deduction or rebate (except for deductions permitted by the Copeland Regulations (29 CFR Part 3)), the amounts due at the time of payment computed at rates not less than the aggregate of the basic hourly rates and rates of payments, contributions, or costs for any fringe benefits contained in the wage-determination decision of the Secretary of Labor, attached hereto, regardless of any contractual relationship alleged to exist between the lessor (for construction contracts, use "supplier" instead of "lessor"), or subcontractor and these laborers and mechanics. A copy of the wage-determination decision must be kept posted by the lessor at the site of the work in a prominent place where it can easily be seen by the workers.

- (2) The lessor may discharge its obligation under this clause to workers in any classification for which the wage-determination decision contains:
 - (a) Only a basic hourly rate of pay, by making payment at not less than that rate, except as otherwise provided in the Copeland Regulations (29 CFR Part 3); or
 - (b) Both a basic hourly rate of pay and fringe-benefit payments, by paying in cash, by irrevocably contributing to a fund, plan, or program for, or by assuming an enforceable commitment to bear the cost of, bona fide fringe benefits contemplated by 40 U.S.C. 276a, or by a combination of these.
- (3) Contributions made, or costs assumed, on other than a weekly basis (but not less often than quarterly) are considered as having been constructively made for a weekly period. When a fringe benefit is expressed in a wage determination in any manner other than as an hourly rate and the lessor pays a cash equivalent or provides an alternative fringe benefit, the lessor must furnish information with the lessor's payrolls showing how the lessor determined that the cost incurred to make the cash payment or to provide the alternative fringe benefit is equal to the cost of the wage-determination fringe benefits. When the lessor provides a fringe benefit different from that contained in the wage determination, the lessor must show how the hourly rate was arrived at. In the event of disagreement as to an equivalent of any fringe benefit, the contracting officer must submit the question, together with the contracting officer's recommendation, to the Secretary of Labor for final determination.
- (4) If the supplier does not make payments to a trustee or other third person, the supplier may consider as payment of wages the costs reasonably anticipated in providing bona fide fringe benefits, but only with the approval of the Secretary of Labor pursuant to a written request by the lessor. The Secretary of Labor may require the lessor to set aside assets in a separate account, to meet the lessor's obligations under any unfunded plan or program.
- (5) The contracting officer will require that any class of laborers or mechanics not listed in the wage-determination but to be employed under the contract will be classified in conformance with the wage determination and report the action taken to the:

ADMINISTRATOR OF THE WAGE AND HOUR DIVISION

EMPLOYMENT STANDARDS ADMINISTRATION

US DEPARTMENT OF LABOR

WASHINGTON DC 20210-0001

for approval. The contracting officer will approve an additional classification and wage rate and fringe benefits therefore only if:

- (a) The work to be performed by the classification requested is not performed by a classification in the wage determination;
 - (b) The classification is utilized in the area by the construction industry; and
 - (c) The proposed wage rate, including any bona fide fringe benefits, bears a reasonable relationship to the wage rates contained in the wage determination.
- (6) If the lessor, the laborers or mechanics to be employed in the classification or their representatives, and the contracting officer do not agree on the proposed classification and wage rate and fringe benefits therefore, the contracting officer must submit the question, together with the views of the interested parties and the contracting officer's recommendation, to the Wage and Hour Administrator for final determination. The Administrator or an authorized representative will, within 30 days of receipt, approve, modify, or disapprove every proposed additional classification action, or issue a final determination if the parties disagree, and so advise the contracting officer or advise that additional time is necessary. The finally approved wage rate

LABOR POLICIES

(and fringe benefits if appropriate) must be paid to all workers performing work in the classification under the contract from the first day work is performed in the classification. The lessor must post a copy of the final determination of the conformance action with the wage determination at the site of the work. (The Department of Labor information collection and reporting requirements contained in subparagraph a.5 above and in this subparagraph a.6 have been approved by the Office of Management and Budget under OMB control number 1215-0140.)

b. Apprentices and Trainees

- (1) Apprentices may be permitted to work only when
 - (a) Registered, individually, under a bona fide apprenticeship program registered with a state apprenticeship agency recognized by the Bureau of Apprenticeship and Training, U.S. Department of Labor, or, if no such recognized agency exists in a state, under a program registered with the Bureau of Apprenticeship and Training; or
 - (b) If not individually registered in the program, certified by the Bureau of Apprenticeship and Training or state agency (as appropriate) to be eligible for probationary employment as an apprentice. Trainees may be permitted to work only if individually registered in a program approved by the Employment and Training Administration, U.S. Department of Labor.
- (2) The ratio of apprentices to journeymen or trainees to journeymen in any craft classification must not be greater than that permitted for the lessor's entire work force under the registered apprenticeship or trainee program. Apprentices and trainees must be paid at least the applicable wage rates and fringe benefits specified in the approved apprenticeship or trainee program for the particular apprentice's or trainee's level of progress, expressed as a percentage of the journeyman hourly rate specified in the applicable wage determination. If the apprenticeship or trainee program does not specify fringe benefits, apprentices or trainees must be paid the full amount of fringe benefits listed on the wage determination for the applicable classification unless the Administrator of the Wage and Hour Division determines that a different practice prevails. Any employee listed on a payroll at an apprentice or trainee wage rate but not registered, or performing work on the job site in excess of the ratio permitted under the registered program, must be paid the wage rate on the wage determination for the classification or work actually performed.
- (3) If the Bureau of Apprenticeship and Training or the state agency recognized by the Bureau (as appropriate) withdraws approval of an apprenticeship program, or if the Employment and Training Administration withdraws approval of a trainee program, the supplier will no longer be permitted to utilize apprentices or trainees (as appropriate) at less than the applicable predetermined rate for the work performed until an acceptable program is approved. (See 29 CFR 5.16 for special provisions that apply to training plans approved or recognized by the Department of Labor prior to August 20, 1975.)
- (4) The utilization of apprentices, trainees, and journeymen must be in conformity with the equal employment opportunity requirements of Executive Order 11246, as amended, and 29 CFR Part 30.

c. Overtime Compensation

- (1) The lessor may not require or permit any laborer or mechanic employed on any work under this contract to work more than 40 hours in any workweek on work subject to the provisions of the Contract Work Hours and Safety Standards Act (40 U.S.C. 327-333), unless the laborer or mechanic receives compensation at a rate not less than one-and-one-half times the laborer's or mechanic's basic rate of pay for all such hours worked in excess of 40 hours.
- (2) For violations for subparagraph c.1 above, the lessor is liable for liquidated damages, which will be computed for each laborer or mechanic at \$10 for each day on which the employee was required or permitted to work in violation of subparagraph c.1 above.
- (3) The contracting officer may withhold from the lessor sums as may administratively be determined necessary to satisfy any liabilities of the lessor for unpaid wages and liquidated damages pursuant to subparagraph c.2 above.

d. Payroll and Other Records

- (1) For all laborers and mechanics employed in the work covered by this clause, the lessor must maintain payrolls and related basic records and preserve them for a period of 3 years after contract completion. The records must contain the name, address, and social security number of each employee, the employee's correct classification, rate of pay (including rates of contributions for, or costs assumed to provide, fringe benefits), the daily and weekly number of hours worked, deductions made, and actual wages paid. Whenever the lessor has obtained approval from the Secretary of Labor to assume a commitment to bear the cost of fringe benefits under subparagraph a.4 above, the lessor must maintain records showing the

LABOR POLICIES

commitment and its approval, communication of the plan or program to the employees affected, and the costs anticipated or incurred under the plan or program. Lessors employing apprentices or trainees under approved programs must maintain written evidence of the registration of apprenticeship programs and certification of trainee programs, the registration of the apprentices and trainees, and the ratios and wage rates prescribed in the applicable programs. (The Department of Labor information collection and record keeping requirements in this subparagraph d.1 have been approved by the Office of Management and Budget under OMB control numbers 1215-0140 and 1215-0017).

- (2) The lessor must submit weekly, for each week in which any work covered by this clause is performed, a copy of all payrolls to the contracting officer. The lessor is responsible for the submission of copies of payrolls of all subcontractors. The copy must be accompanied by a statement signed by the lessor indicating that the payrolls are correct and complete, that the wage rates contained in them are not less than those determined by the Secretary of Labor, and that the classifications set forth for each laborer or mechanic conform with the work the laborer or mechanic performed. Submission of the Weekly Statement of Compliance (see 29 CFR 5.5(a)(3)(ii)) required under this agreement satisfies this requirement. As required by this clause, the lessor must submit a copy of any approval by the Secretary of Labor. (The Department of Labor information collection and reporting requirements in this subparagraph d.2 have been approved by the Office of Management and Budget under OMB control number 1215-0149.)
 - (3) The lessor's records required under this clause must be available for inspection by authorized representatives of the contracting officer and the Department of Labor, and the lessor must permit the representative to interview employees during working hours on the job.
 - (4) The lessor must comply with the Copeland Regulations of the Secretary of Labor (29 CFR Part 3), which are hereby incorporated in this contract by reference.
- e. **Withholding of Funds.** The contracting officer may withhold from the lessor under this or any other contract with the lessor so much of the accrued payments or advances as is considered necessary to pay all laborers and mechanics the full amount of wages required by this contract or any other contract subject to the Davis-Bacon prevailing wage requirements that is held by the lessor.
- f. **Subcontracts**
- (1) If the lessor or any subcontractor fails to pay any laborer or mechanic employed on the site of the work any of the wages required by the contract, the contracting officer may, after written notice to the lessor, suspend further payments or advances to the lessor until violations have ceased.
 - (2) The lessor agrees to insert this clause, including this paragraph f, in all subcontracts hereunder. The term "lessor" as used in this clause in any subcontract, is deemed to refer to the lower-tier subcontractor.
- g. **Compliance with Davis-Bacon and Related Acts Requirements.** All rulings and interpretations of the Davis-Bacon Act and related acts contained in 29 CFR Parts 1, 3, and 5 are hereby incorporated by reference in this contract.
- h. **Certification of Eligibility**
- (1) By entering into this contract, the lessor certifies that neither it or any person or firm having an interest in the lessor is ineligible to be awarded contracts by virtue of section 3(a) of the Davis-Bacon Act or 29 CFR 5.12(a)(1).
 - (2) No part of this contract will be subcontracted to any person or firm ineligible for contract award by virtue of section 3(a) of the Davis-Bacon Act or 29 CFR 5.12(a)(1).
 - (3) The penalty for making false statements is prescribed in the U.S. Criminal Code, 18 U.S.C. 1001.
- i. **Contract Termination and Debarment.** A breach of this Davis-Bacon Act clause may be grounds for termination of the contract and debarment as a supplier and subcontractor as provided in 29 CFR 5.12.
- j. **Disputes Concerning Labor Standards.** Disputes arising out of the labor standards provisions of this contract are not subject to the Claims and Disputes clause. They will be resolved in accordance with the procedures of the Department of Labor set forth in 29 CFR Parts 5,6, and 7. Disputes within the meaning of this clause include disputes between the lessor (or any of its subcontractors) and the Postal Service, the U.S. Department of Labor, or the employees or their representatives.

CLAUSE 9-4: COMPLIANCE BY STATES WITH LABOR STANDARDS (MARCH 2006)

The supplier agrees to comply with the Contract Work Hours and Safety Standards Act - Overtime Compensation and Davis-Bacon Act clauses of this contract, to provide for similar compliance in subcontracts with states or political subdivisions thereof, and to insert the clauses in all subcontracts with private persons or firms.

CLAUSE 9-5: CONTRACT WORK HOURS AND SAFETY STANDARDS ACT - SAFETY STANDARDS (MARCH 2006)

- a. To the extent that the work includes construction, alteration, repair, painting, or decorating, the lessor (for construction contracts, use "supplier" instead of "lessor") may not require any laborer or mechanic to work in surroundings or under conditions that are unsanitary, hazardous, or dangerous to the laborer's or mechanic's health or safety, as provided under standards promulgated by the Secretary of Labor under the authority of 40 U.S.C. 333 (see 29 CFR 1910 and 1926).
- b. If the lessor fails to comply with this clause, the Postal Service, at its discretion, may cancel this contract, contract for the balance of the work or term, and charge to the lessor any additional costs incurred.
- c. The lessor agrees to insert this clause, including this paragraph c, in all subcontracts and to require its inclusion in all subcontracts at any tier. The term "lessor," as used in this clause in any subcontract, is deemed to refer to the lower-tier subcontractor.

CLAUSE 9-7: EQUAL OPPORTUNITY (MARCH 2006)

- a. The supplier may not discriminate against employees or applicants because of race, color, religion, sex, or national origin. The supplier will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to race, color, religion, sex, or national origin. This action must include, but not be limited to, employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The supplier agrees to post in conspicuous places, available to employees and applicants, notices provided by the contracting officer setting forth the provisions of this clause.
- b. The supplier must, in all solicitations or advertisements for employees placed by it or on its behalf, state that all qualified applicants will be considered for employment without regard to race, color, religion, sex, or national origin.
- c. The supplier must send to each union or workers' representative with which the supplier has a collective bargaining agreement or other understanding, a notice, provided by the contracting officer, advising the union or workers' representative of the supplier's commitments under this clause, and must post copies of the notice in conspicuous places available to employees and applicants.
- d. The supplier must comply with all provisions of Executive Order (EO) 11246 of September 24, 1965, as amended, and of the rules, regulations, and relevant orders of the Secretary of Labor.
- e. The supplier must furnish all information and reports required by the Executive Order, and by the rules, regulations, and orders of the Secretary, and must permit access to the supplier's books, records, and accounts by the Postal Service and the Secretary for purposes of investigation to ascertain compliance with these rules, regulations, and orders.
- f. If the supplier fails to comply with this clause or with any of the said rules, regulations, or orders, this contract may be canceled, terminated, or suspended, in whole or in part; the supplier may be declared ineligible for further contracts in accordance with the Executive Order; and other sanctions may be imposed and remedies invoked under the Executive Order, or by rule, regulation, or order of the Secretary, or as otherwise provided by law.
- g. The supplier must insert this clause, including this paragraph g, in all subcontracts or purchase orders under this contract unless exempted by Secretary of Labor rules, regulations, or orders issued under the Executive Order. The supplier must take such action with respect to any such subcontract or purchase order as the Postal Service may direct as a means of enforcing the terms and conditions of this clause (including sanctions for noncompliance), provided, however, that if the supplier becomes involved in, or is threatened with, litigation as a result, the supplier may request the Postal Service to enter into the litigation to protect the interest of the Postal Service.
- h. Disputes under this clause will be governed by the procedures in 41 CFR 60-1.1.

CLAUSE 9-8: AFFIRMATIVE ACTION COMPLIANCE REQUIREMENTS FOR CONSTRUCTION (MARCH 2006)

- a. Definitions
 - (1) Covered Area. The geographical area described in the solicitation for this contract.

LABOR POLICIES

- (2) Director. Director, Office of Federal Contract Compliance Programs (OFCCP), United States Department of Labor, or any person to whom the Director delegates authority.
- (3) Employer Identification Number. The federal Social Security number used on the employer's quarterly federal tax return, U.S. Treasury Department Form 941.
- (4) Minority means:
 - (a) American Indian or Alaskan Native (all persons having origins in any of the original peoples of North America and maintaining identifiable tribal affiliations through membership and participation or community identification);
 - (b) Asian and Pacific Islander (all persons having origins in any of the original peoples of the Far East, Southeast Asia, the Indian Subcontinent, or the Pacific Islands);
 - (c) Black (all persons having origins in any of the Black African racial groups not of Hispanic origin); and
 - (d) Hispanic (all persons of Mexican, Puerto Rican, Cuban, Central or South American, or other Spanish culture or origin, regardless of race).
- b. If the supplier, or subcontractor at any tier, subcontracts a portion of the work involving any construction trade, each such subcontract in excess of \$10,000 must include this clause and the Notice containing the goals for minority and female participation stated in the solicitation for this.
- c. If the supplier is participating in a Hometown Plan (41 CFR 60-4) approved by the U.S. Department of Labor in a covered area, either individually or through an association, its affirmative action obligations on all work in the plan area (including goals) must comply with the plan for those trades that have unions participating in the plan. Suppliers must be able to demonstrate participation in, and compliance with, the provisions of the plan. Each supplier or subcontractor participating in an approved plan is also required to comply with its obligations under the Equal Opportunity clause, and to make a good-faith effort to achieve each goal under the plan in each trade in which it has employees. The overall good-faith performance by other suppliers or subcontractors toward a goal in an approved plan does not excuse any supplier's or subcontractor's failure to make good-faith efforts to achieve the plan's goals.
- d. The supplier must implement the affirmative action procedures set forth in paragraph g below. The goals stated in the solicitation for this contract are expressed as percentages of the total hours of employment and training of minority and female utilization that the supplier should reasonably be able to achieve in each construction trade in which it has employees in the covered area. If the supplier performs construction work in a geographical area located outside of the covered area, it must apply the goals established for the geographical area where that work is actually performed. The supplier is expected to make substantially uniform progress toward its goals in each craft.
- e. Neither the terms and conditions of any collective bargaining agreement, nor the failure by a union with which the supplier has a collective bargaining agreement, to refer minorities or women will excuse the supplier's obligations under this clause, Executive Order (EO) 11246, as amended, or the regulations under the Executive Order.
- f. In order for the nonworking training hours of apprentices and trainees to be counted in meeting the goals, apprentices and trainees must be employed by the supplier during the training period, and the supplier must have made a commitment to employ the apprentices and trainees at the completion of their training, subject to the availability of employment opportunities. Trainees must be trained pursuant to training programs approved by the U.S. Department of Labor.
- g. The supplier must take affirmative action to ensure equal employment opportunity. The evaluation of the supplier's compliance with this clause will be based upon its effort to achieve maximum results from its actions. The supplier must document these efforts fully and implement affirmative action steps at least as extensive as the following:
 - (1) Ensure a working environment free of harassment, intimidation, and coercion at all sites and in all facilities where the supplier's employees are assigned to work. The supplier, if possible, will assign two or more women to each construction project. The supplier must ensure that foremen, superintendents, and other on-site supervisory personnel are aware of and carry out the supplier's obligation to maintain such a working environment, with specific attention to minority or female individuals working at these sites or facilities.
 - (2) Establish and maintain a current list of sources for minority and female recruitment. Provide written notification to minority and female recruitment sources and community organizations when the supplier or its unions have employment opportunities available, and maintain a record of the organizations' responses.
 - (3) Establish and maintain a current file of the names, addresses, and telephone numbers of each minority and

LABOR POLICIES

female off-the-street applicant, referrals of minorities or females from unions, recruitment sources, or community organizations, and the action taken with respect to each individual. If an individual was sent to the union hiring hall for referral and was not referred back to the supplier by the union or, if referred back, not employed by the supplier, this fact must be documented in the file, along with whatever additional actions the supplier may have taken.

- (4) Immediately notify the Director when the union or unions with which the supplier has a collective bargaining agreement have not referred back to the supplier a minority or woman sent by the supplier, or when the supplier has other information that the union referral process has impeded the supplier's efforts to meet its obligations.
- (5) Develop on-the-job training opportunities and/or participate in training programs for the area that expressly include minorities and women, including upgrading programs and apprenticeship and trainee programs relevant to the supplier's employment needs, especially those programs funded or approved by the Department of Labor. The supplier must provide notice of these programs to the sources compiled under subparagraph 2 above.
- (6) Disseminate the supplier's equal employment policy by:
 - (a) Providing notice of the policy to unions and to training, recruitment, and outreach programs, and requesting their cooperation in assisting the supplier in meeting its contract obligations;
 - (b) Including the policy in any policy manual and in collective bargaining agreements;
 - (c) Publicizing the policy in such publications as the company newspaper and annual report;
 - (d) Reviewing the policy with all management personnel and with all minority and female employees at least one a year; and
 - (e) (Posting the policy on bulletin boards accessible to employees at each location where construction work is performed.
- (7) Review, at least annually, the supplier's equal employment policy and affirmative action obligations with all employees having responsibility for hiring, assignment, layoff, termination, or other employment decisions. Conduct review of this policy with all on-site supervisory personnel before initiating construction work at a job site. A written record must be made and maintained identifying the time and place of these meetings, persons attending, subject matter discussed, and disposition of the subject matter.
- (8) Disseminate the supplier's equal employment policy externally by including it in any advertising in the news media, specifically including minority and female news media. Provide written notification to, and discuss this policy with, other suppliers and subcontractors which with the supplier does or anticipates doing business.
- (9) Direct recruitment efforts, both oral and written, to minority, female, and community organizations, to schools with minority and female students, and to minority and female recruitment and training organizations serving the supplier's recruitment area and employment needs. Not later than one month before the date for acceptance of applications for apprenticeship or training by any recruitment source, send written notification to organizations such as the above, describing the openings, screening procedures, and tests to be used in the selection process.
- (10) Encourage present minority and female employees to recruit minority persons and women. When feasible, provide after-school, summer, and vacation employment to minority and female youth both on the site and in other areas of the supplier's workforce.
- (11) Validate all tests and other selection requirements when required under 41 CFR 60-3.
- (12) Conduct, at least annually, an inventory and evaluation of all minority and female personnel for promotional opportunities. Encourage these employees to seek or to prepare for, through appropriate training and other activities, opportunities for promotion.
- (13) Ensure that seniority practices, job classifications, work assignments, and other personnel practices do not have a discriminatory effect by continually monitoring all personnel and employment-related activities to ensure that the supplier's obligations under this contract are being carried out.
- (14) Ensure that all facilities and company activities are nonsegregated except that separate or single-user toilet and necessary changing facilities shall be provided to assure privacy between the sexes.
- (15) Maintain a record of solicitations for subcontracts for minority and female construction suppliers and suppliers, including circulation of solicitations to minority and female supplier associations and other business associations.

LABOR POLICIES

- (16) Conduct a review, at least annually, of all supervisors' adherence to and performance under the supplier's equal employment policy and affirmative action obligations.
- h. The supplier is encouraged to participate in voluntary associations that may assist in fulfilling one or more of the affirmative action obligations contained in paragraph g above. The efforts of a supplier association, joint supplier-union, supplier-community, or similar group of which the supplier is a member and participant may be asserted as fulfilling one or more of its obligations under paragraph g above, provided the supplier:
- (1) Actively participates in the group;
 - (2) Makes every effort to ensure that the group has a positive impact on the employment of minorities and women in the industry;
 - (3) Ensures that concrete benefits of the program are reflected in the supplier's minority and female workforce participation;
 - (4) Makes a good-faith effort to meet its individual goals and timetables; and
 - (5) Can provide access to documentation that demonstrates the effectiveness of actions taken on behalf of the supplier. The obligation to comply is the supplier's, and failure of such a group to fulfill an obligation will not be a defense for the supplier's noncompliance.
- i. A single goal for minorities and a separate single goal for women must be established. The supplier is required to provide equal employment opportunity and to take affirmative action for all minority groups, both male and female, and all women, both minority and nonminority. Consequently, the supplier may be in violation of EO 11246, if a particular group is employed in a substantially disparate manner.
- j. The supplier may not use goals or affirmative action standards to discriminate against any person because of race, color, religion, sex, or national origin.
- k. The supplier may not enter into any subcontract with any person or firm debarred from government contracts under EO 11246.
- l. The supplier must carry out such sanctions and penalties for violation of this clause and of the Equal Opportunity clause, including suspension, termination, and cancellation of existing subcontracts, as may be imposed or ordered under EO 11246, as amended, and its implementing regulations, by the OFCCP. Any failure to carry out these sanctions and penalties as ordered will be a violation of this clause and EO 11246.
- m. The supplier in fulfilling its obligations under this clause must implement affirmative action procedures at least as extensive as those prescribed in paragraph g above, so as to achieve maximum results from its efforts to ensure equal employment opportunity. If the supplier fails to comply with the requirements of EO 11246, the implementing regulations, or this clause, the contracting officer will take action as prescribed in 41 CFR 60-4.8.
- n. The supplier must designate a responsible official to:
- (1) Monitor all employment-related activity to ensure that the supplier's equal employment policy is being carried out;
 - (2) Submit reports as may be required; and
 - (3) Keep records that at least include for each employee the name, address, telephone number, construction trade, union affiliation (if any), employee identification number, social security number, race, sex, status (mechanic, apprentice, trainee, helper, or laborer), dates of changes in status, hours worked per week in the indicated trade, rate of pay, and locations at which the work was performed. Records must be maintained in an easily understandable and retrievable form; however, to the degree that existing records satisfy this requirement, separate records are not required to be maintained.
- o. Nothing contained in this clause may be construed as a limitation upon the application of other laws that establish different standards of compliance or upon the requirements for the hiring of local or other area residents (for example, those under the Public Works Employment Act of 1977 and the Community Development Block Grant Program).

CLAUSE 9-13: AFFIRMATIVE ACTION FOR HANDICAPPED WORKERS (MARCH 2006)

- a. The supplier may not discriminate against any employee or applicant because of physical or mental handicap, in regard to any position for which the employee or applicant is qualified. The supplier agrees to take affirmative action to employ, advance in employment, and otherwise treat qualified handicapped individuals without discrimination in all employment practices, such as employment, upgrading, demotion or transfer, recruitment,

LABOR POLICIES

advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training (including apprenticeship).

- b. The supplier agrees to comply with the rules, regulations, and relevant orders of the Secretary of Labor issued pursuant to the Rehabilitation Act of 1973, as amended.
- c. In the event of the supplier's noncompliance with this clause, action may be taken in accordance with the rules and regulations and relevant orders of the Secretary of Labor.
- d. The supplier agrees to post in conspicuous places, available to employees and applicants, notices in a form to be prescribed by the Director, Office of Federal Contract Compliance Programs, provided by or through the contracting officer. These notices state the supplier's obligation under the law to take affirmative action to employ and advance in employment qualified handicapped employees and applicants, and the rights of applicants and employees.
- e. The supplier must notify each union or worker's representative with which it has a collective bargaining agreement or other understanding that the supplier is bound by the terms of section 503 of the Act and is committed to taking affirmative action to employ, and advance in employment, handicapped individuals.
- f. The supplier must include this clause in every subcontract or purchase order over \$10,000 under this contract unless exempted by rules, regulations, or orders of the Secretary issued pursuant to section 503 of the Act, so its provisions will be binding upon each subcontractor or vendor. The supplier must take such action with respect to any subcontract or purchase order as the Director of the Office of Federal Contract Compliance Programs may direct to enforce these provisions, including action for noncompliance.

CLAUSE 9-14: AFFIRMATIVE ACTION FOR SPECIAL DISABLED VETERANS, VETERANS OF THE VIETNAM ERA, AND OTHER ELIGIBLE VETERANS (FEB 2010)

- a. The supplier must comply with the rules, regulations, and relevant orders of the Secretary of Labor issued under the Vietnam Era Veterans' Readjustment Assistance Act of 1972 (the Act), as amended (38 U.S.C. 4211 and 4212).
- b. The supplier may not discriminate against any employee or applicant because that employee or applicant is a special disabled veteran, a veteran of the Vietnam era, or other eligible veteran, in regard to any position for which the employee or applicant is qualified. The supplier agrees to take affirmative action to employ, advance in employment, and otherwise treat qualified special disabled veterans, veterans of the Vietnam era, and other eligible veterans without discrimination in all employment practices, such as employment, upgrading, demotion, transfer, recruitment, advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training (including apprenticeship).
- c. The supplier agrees to list all employment openings which exist at the time of the execution of this contract and those which occur during the performance of this contract, including those not generated by this contract and including those occurring at an establishment of the supplier other than the one where the contract is being performed, but excluding those of independently operated corporate affiliates, at an appropriate local office of the state employment service where the opening occurs. State and local government agencies holding Postal Service contracts of \$100,000 or more will also list their openings with the appropriate office of the state employment service.
- d. Listing of employment openings with the employment service system will be made at least concurrently with the use of any recruitment source or effort and will involve the normal obligations attaching to the placing of a bona fide job order, including the acceptance of referrals of veterans and nonveterans. The listing of employment openings does not require the hiring of any particular applicant or hiring from any particular group of applicants, and nothing herein is intended to relieve the supplier from any other requirements regarding nondiscrimination in employment.
- e. Whenever the supplier becomes contractually bound to the listing provisions of this clause, it must advise the employment service system in each state where it has establishments of the name and location of each hiring location in the state. The supplier may advise the state system when it is no longer bound by this clause.
- f. Paragraphs c, d, and e above do not apply to openings the supplier proposes to fill from within its own organization or under a customary and traditional employer/union hiring arrangement. But this exclusion does not apply to a particular opening once the supplier decides to consider applicants outside its own organization or employer/union arrangements for that opening.
- g. Definitions:

LABOR POLICIES

- (1) *All Employment Openings* - This includes all positions except executive and top management, those positions that will be filled from within the supplier's organization, and positions lasting 3 days or less. This also includes full-time employment, temporary employment of more than 3 days duration, and part time employment. Under the most compelling circumstances, an employment opening may not be suitable for listing, including situations in which the needs of the Postal Service cannot reasonably be otherwise supplied, when listing would be contrary to national security, or when listing would not be in the best interest of the Postal Service.
 - (2) *Appropriate Office of the State Employment Service* - This means the local office of the federal/state national system of public employment offices with assigned responsibility for serving the area where the employment opening is to be filled, including the District of Columbia, Guam, the Commonwealth of Puerto Rico, and the Virgin Islands.
 - (3) *Positions That Will Be Filled From Within the Supplier's Own Organization*— This means employment openings for which no consideration will be given to persons outside the supplier's organization (including any affiliates, subsidiaries and parent companies) and includes any openings which the supplier proposes to fill from regularly established recall lists.
 - (4) *Openings the Supplier Proposes to Fill Under a Customary and Traditional Employer/Union Hiring Arrangement*— Employment openings the supplier proposes to fill from union halls as part of the customary and traditional hiring relationship existing between it and representatives of its employees.
 - (5) Special Disabled Veterans:
 - (a) A veteran who is entitled to compensation (or who but for the receipt of military retired pay would be entitled to compensation) under laws administered by the Department of Veterans Affairs for a disability:
 - (i) Rated at 30 percent or more; or
 - (ii) Rated at 10 or 20 percent in the case of a veteran who has been determined under 38 U.S.C. 3106 to have a serious employment handicap (i.e., a significant impairment of the veteran's ability to prepare for, obtain, or retain employment consistent with the veteran's abilities, aptitudes, and interests); or
 1. A person who was discharged or released from active duty because of a service-connected disability.
 - (6) Veteran of the Vietnam Era:
 - (a) A veteran who served on active duty for a period of more than 180 days and was discharged or released from active duty with other than a dishonorable discharge, if any part of such active duty occurred:
 - (i) In the Republic Vietnam between February 28, 1961, and May 7, 1975; or
 - (ii) Between August 5, 1964, and May 7, 1975, in all other cases; or
 - (b) Was discharged or released from active duty for a service connected disability if any part of the active duty was performed:
 - (i) In the Republic Vietnam between February 28, 1961 and May 7, 1975; or
 - (ii) Between August 5, 1964 and May 7, 1975, in all other cases.
 - (7) *Other Eligible Veteran* - Any other veteran who served on active duty during a war or in a campaign or expedition for which a campaign badge has been authorized.
- h. The supplier agrees to comply with the rules, regulations, and relevant orders of the Secretary of Labor issued pursuant to the Vietnam Era Veterans Readjustment Assistance Act of 1972, as amended.
 - i. The supplier must include this clause in every subcontract or purchase order of \$100,000 or more under this contract unless exempted by rules, regulations, or orders of the Secretary issued pursuant to the Act, so its provisions will be binding upon each subcontractor or vendor. The supplier must take such action with respect to any subcontract or purchase order as the Director of the Office of Federal Contract Compliance Programs may direct to enforce these provisions, including action for noncompliance.
 - j. The supplier agrees to post in conspicuous places, available to employees and applicants, notices in a form to be prescribed by the Director, Office of Federal Contract Compliance Programs, provided by or through the contracting officer. These notices state the supplier's obligation under the law to take affirmative action to employ and advance in employment qualified disabled veterans and veterans of the Vietnam era, and the rights of

LABOR POLICIES

applicants and employees.

- k. The supplier must notify each union or workers' representative with which it has a collective bargaining agreement or other understanding that the supplier is bound by the terms of the Act and is committed to taking affirmative action to employ, and advance in employment, qualified disabled veterans and veterans of the Vietnam era.

SUPPLIER RELATIONS

CLAUSE 3-1: SMALL-, MINORITY-, AND WOMAN-OWNED BUSINESS SUBCONTRACTING REQUIREMENTS (FEBRUARY 2018)

- a. All suppliers, except small businesses, must have an approved subcontracting plan for contracts estimated or valued at \$1 million or more at time of award. A subcontracting plan is also required when contracts awarded at less than \$1 million reach or exceed the \$1 million threshold during contract performance. The plan must be specific to this contract, and separately address subcontracting with small-, minority-, and woman-owned businesses. A plan approved by the Postal Service must be included in and made a part of the contract. A subcontract is defined as any agreement (other than one involving an employer-employee relationship) entered into by a Postal Service supplier or subcontractor calling for goods or services required for performance of the contract or subcontract.
- b. The supplier's subcontracting plan must include the following:
 - (1) Goals, in terms of percentages of the total amount of this contract that the supplier will endeavor to subcontract to small-, minority-, and woman-owned businesses. The supplier must include all subcontracts that contribute to contract performance, and may include a proportionate share of goods and services that are normally allocated as indirect costs.
 - (2) A statement of the:
 - (a) Total dollars planned to be subcontracted under this contract. For indefinite-delivery contracts, this amount would be based upon the minimum and maximum and stated as a total dollar range; and
 - (b) Total of that amount planned to be subcontracted to small-, minority-, and woman-owned businesses. For indefinite-delivery contracts, this amount would be based upon the minimum and maximum and stated as a total dollar range.
 - (3) A description of the principal types of goods and services to be subcontracted under this contract, identifying the types planned for subcontracting to small-, minority-, and woman-owned businesses.
 - (4) A description of the method used to develop the subcontracting goals for this contract.
 - (5) A description of the method used to identify potential sources for solicitation purposes and a description of efforts the supplier will make to ensure that small-, minority-, and woman-owned businesses have an equitable opportunity to compete for subcontracts.
 - (6) A statement as to whether the offer included indirect costs in establishing subcontracting goals for this contract and a description of the method used to determine the proportionate share of indirect costs to be incurred with small-, minority-, and woman-owned businesses.
 - (7) The name of the individual employed by the supplier who will administer the subcontracting program and a description of the individual's duties.
 - (8) Assurances that the supplier will require all subcontractors receiving subcontracts in excess of \$1 million to adopt a plan similar to the plan agreed to by the supplier.
 - (9) A description of the types of records the supplier will maintain to demonstrate compliance with the requirements and goals in the plan for this contract. The records must include at least the following:
 - (a) Source lists, guides, and other data identifying small-, minority-, and woman-owned businesses;
 - (b) Organizations contacted in an attempt to locate sources that are small-, minority-, and woman-owned businesses;
 - (c) Records on each subcontract solicitation resulting in an award of more than \$100,000, indicating whether small-, minority-, or woman-owned businesses were solicited and if not, why not; and
 - (d) Records to support subcontract award data, including the name, address, and business size of each subcontractor.
- c. Reports. The supplier must provide reports on subcontracting activity under this contract on a semi-annual basis. Should a contract be awarded and completed within the semi-annual reporting period, a report of subcontracting activity is still required. The report must be one of the types described in Clause 3-2: Participation of Small-, Minority-, and Woman-Owned Businesses.

**CLAUSE 3-2: PARTICIPATION OF SMALL-, MINORITY-, AND WOMAN-OWNED BUSINESSES
(FEBRUARY 2018)**

- a. The policy of the Postal Service is to encourage the participation of small-, minority-, and woman-owned business in its purchases of goods and services to the maximum extent practicable consistent with efficient contract performance. The supplier agrees to follow the same policy in performing this contract, and also agrees that any awarded subcontract will follow the same policy by including this clause within contracts with subcontractors.
- b. When a contract is estimated or valued at \$500,000 or more, or when a contract reaches or exceeds the \$500,000 threshold during contract performance, the supplier must submit semi-annual reports on its subcontracting activity under this contract via a reporting method as specified by the Postal Service. Subject to the agreement of the supplier and the Postal Service, the supplier will report subcontracting activity on one of the following bases:
 - (1) Showing the amount of payments made to subcontractors during the reporting period;
 - (2) Showing subcontracting activity that is allocable to this contract using generally accepted accounting principles; or
 - (3) A combination of the methods listed above.
- c. The supplier will submit a report in accordance with the Postal Service's reporting method to the contracting officer within 15 calendar days after the end of each semi-annual period, describing all subcontract awards to small-, minority-, or woman-owned businesses. The report will include, but is not limited to, Postal Service contract number, subcontractor information (supplier name, address, contact name, contact email address), business classification, North American Industry Classification System (NAICS) code, and contract specific payments (direct, allocated, and total direct and allocated dollars). The contracting officer may require more frequent reports.



Statement of Objectives
Facilities-related
Program Management Services

April 1, 2020

U.S. Postal Service
Supply Management Facilities Portfolio
Facilities Construction Category Management Center
475 L'Enfant Plaza SW
Washington DC 20260-6201

www.usps.com

STATEMENT OF OBJECTIVES

STATEMENT OF OBJECTIVES (SOO)	3
I. GENERAL	3
II. PURCHASING GUIDELINES	3
A. BEST VALUE	3
III. SUSTAINABILITY REQUIREMENT	3
IV. OVERALL OBJECTIVES	4
V. SCOPE OF SERVICES	4
VI. REAL ESTATE SERVICES	5
VII. CONTRACT (WORK ORDER) PRICING TYPES	5
A. FIRM FIXED PRICE	5
B. COST PLUS	5
C. TIME AND MATERIALS PLUS FIXED FEE	6
VIII. PERFORMANCE WORK TYPES	6
A. WORK GROUP 1 (WG1) SELF-PERFORMED WORK	6
B. WORK GROUP 2 (WG2) SELF-PERFORMED WORK	6
C. WORK GROUP 3 (WG3) SELF-PERFORMED WORK	6
D. SUBCONTRACTED WORK	6
E. PURCHASE FACILITATION WORK	6
IX. GENERAL AND PRIMARY WORK CATEGORIES	7
A. FACILITIES PROGRAM MANAGEMENT AND OVERSIGHT	7
B. ARCHITECTURAL AND ENGINEERING DESIGN	7
C. ENVIRONMENTAL SERVICES	7
D. CONSTRUCTION ADMINISTRATION (CA)	7
E. CONSTRUCTION MANAGEMENT (CM)	8
F. INTEGRATED PROJECT DELIVERY	8
G. CONSTRUCTION MANAGER AT RISK (CMAR)	9
H. CONSTRUCTION MANAGER NOT AT RISK (CMNAR)	9

STATEMENT OF OBJECTIVES (SOO)

I. GENERAL

The Postal Service currently occupies approximately 32,000 facilities across the 50 United States and territories, of which approximately 8,400 are owned by the Postal Service, with the remainder being leased by the Postal Service, generally.

For the purposes of this document, the term “supplier” refers to the entity with which the Postal Service has contracted for the stated services.

The Program Management Services Contract (PMSC) supplier, or suppliers, will provide multidisciplinary architectural and engineering design and construction support services, as well as construction services, in support of Postal Service facilities-related programs and projects.

The supplier may be engaged for single projects, single projects bundled together to take advantage of volume leveraging, scale, etc., and/or programs of a local, regional or national scale that consist of many like projects.

Project types may consist of small-scale new construction projects for customer service and delivery facilities, large-scale construction projects for mail processing facilities, capital improvement projects at occupied and operating facilities (large and small), but will not necessarily be limited to those narrow categories.

The PMSC supplier may support single or multiple programs and projects simultaneously, and specialty projects such as accessibility compliance, security upgrades, Retail Program Support, and other programs/projects as required for improving and maintaining the Postal Service's facilities portfolio.

II. PURCHASING GUIDELINES

The awarded supplier will be tasked with and responsible for making certain acquisitions on behalf of the Postal Service. As such, the supplier should be familiar with the framework (Supplying Principles and Practices) within which Postal Service Supply Management operates as elements of this framework also apply to the awarded suppliers referenced herein.

A. Best Value

The Postal Service bases sourcing and material management decisions on best value. Best value is defined as the outcome that provides the optimal combination of elements such as lowest total cost of ownership, technology, innovation and efficiency, assurance of supply, and quality relative to the Postal Service's needs. In the sourcing area, best value is generally achieved through competition, which brings market forces to bear and allows the direct comparison of proposals and life-cycle costs, although market conditions may dictate that a single- or sole-source strategy will be the best business approach.

Purchase/Supply Chain Management (SCM) teams are empowered to pursue strategies and tactics that enable the Postal Service to achieve best value, and have broad flexibility in (1) deciding which elements of value will be sought by the Postal Service and expressed in solicitation evaluation factors and their weightings and, (2) determining the most effective SCM business practices (early supplier involvement, consolidating requirements, scope and method or market research, etc.) to employ.

The entirety of the Postal Service Supply Principles and Practices are available at www.usps.gov.

III. SUSTAINABILITY REQUIREMENT

The supplier shall apply diligence in their efforts to fulfill any requirement acquired under this contract to ensure the purchase maintains and/or advances the Postal Service sustainability goals and objectives through the application of the current Postal Service Building Design Standards and embedded Standard Design Criteria, and the evaluation and application of industry's best practices

STATEMENT OF OBJECTIVES

where practical and as approved by the Contracting Officer.

The supplier shall adhere to applicable federal laws and Executive Orders as they apply to the Postal Service, including but not limited to Presidential Executive Order 13101 Greening the Government through Waste Prevention, Recycling, and Federal Acquisition, to improve the Federal Government's use of recycled products and environmentally preferable products, and Pollution Prevention Act of 1990 to reduce or eliminate pollutants.

IV. OVERALL OBJECTIVES

The Postal Service intends to award a contract, or contracts, with a supplier, or suppliers, that provide(s) facilities-related services to support its building program.

By contracting with a supplier for the stated objectives the Postal Service intends to reduce the cycle time for facilities related purchases, improve the efficiency and effectiveness of these services, reduce errors and omissions, and improve the facilities supply chain.

The selected supplier(s) will comply with all applicable statutes, regulatory requirements and standards defined by the USPS. Applicable terms and conditions of the contract must be incorporated into any subcontract between the supplier and any consultant or subcontractor involved in any work generated through the contract.

The supplier must have the resources available to provide comprehensive and complete services for each of the categories of work identified in the Statement of Objectives either with its own forces or via subcontracts or joint ventures. However, the supplier may not necessarily provide services in all categories for any given tasks. For example, the supplier may be asked on a given project to provide Architect-Engineer services normally associated with design and construction administration (CA).

The scope of each work order and the level of services provided by the supplier will be determined solely at the discretion of the Postal Service. The services provided by the supplier may be self-performed or subcontracted. It is imperative that the supplier and the Postal Service avoid any conflicts of interest and/or the appearance of conflicts of interest in the execution of the contract. Accordingly, the supplier must seek to obtain, and furnish to the Contracting Officer, a minimum of three (3) independent offers from subcontractors or consultants for any subcontract exceeding \$10,000 (ten thousand dollars) in value.

The Postal Service reserves the right to review and reject, if necessary, the subcontractors or consultants prior to issuing a work order for this contract. The Postal Service's rejection of a subcontract or consultant may be based on factors other than price. Subcontractors and consultants must be independent qualified entities. They may not be a subsidiary or otherwise own or be owned by the supplier.

Debarment and suspension policies of the USPS Supplying Principles and Practices will apply to the selection of the subcontractors and consultants.

V. SCOPE OF SERVICES

The supplier will provide all material, labor, equipment and systems through its own forces, consultants, subcontracts, partnerships, and joint ventures to accomplish all or portions of the work listed in the following categories of work and as required by the issuance and execution of work orders (aka task orders or delivery orders) for specific initiatives.

The Postal Service may engage one or more suppliers in any program or project, and for the performance of any requirement.

The Postal Service may seek competitive proposals from two or more suppliers for the performance of any requirement. The basis of any such competition may be technical or price or both; however, professional design services are never competed solely on price.

Innovative approaches and project delivery methods for fulfilling and/or meeting requirements may be a factor in selecting a supplier to fulfill a requirement.

VI. REAL ESTATE SERVICES

Real Estate services (real property appraisals, land acquisition or real property leasing acquisition support and the like) SHALL NOT be acquired via this contract.

Land surveying, the production of topographical maps and documentation, geotechnical investigations, studies and reports, soils testing and other services associated with and necessary to the architectural design and engineering of a building or building element, for the purposes of this contract, are not considered real estate services and maybe acquired via this contract.

VII. CONTRACT (WORK ORDER) PRICING TYPES

Various contract types will be employed under the umbrella of the base indefinite delivery indefinite quantity (IDIQ) contract to acquire services from the supplier as the project types will be diverse in complexity and scale.

The term “work order” is used interchangeably with the terms “task order” and “delivery order”, and all three terms mean the same thing with regard to orders against the contract.

The Postal Service Contracting Officer and the supplier will apply an appropriate contract type and negotiate each work order for any and all tasks within the identified categories of work.

Work orders under this contract may be of the following types:

A. Firm Fixed Price

Design and Construction Support Services

Typically, architectural and engineering design services are negotiated and contracted as firm fixed price.

Construction Administration and Construction Management services are negotiated and contracted on a Not To Exceed basis taking into account the level of effort required to properly and adequately staff and manage the specific requirement. Discipline hours will be estimated based on the agreed upon requirement and level of effort, and the supplier will invoice the Postal Service based on hours expended, never exceeding the contracted Not To Exceed amount, unless authorized by the Contracting Officer.

Travel and other reimbursables shall be billed at cost with no markup added, unless prior approval has been obtained from the Contracting Officer.

Other investigative and/or support services may be contracted as Not To Exceed as needed, with the terms of same being agreed upon in advance by the supplier and the Postal Service.

Construction Services

Construction Services may be contracted as firm fixed price. Terms of construction services work orders will be clearly stated and agreed upon as work orders for same are issued.

B. Cost Plus

- Guaranteed Maximum Price Plus Fixed Fee
- Guaranteed Maximum Price Plus Fixed Percentage
- Cost Plus Fixed Percentage
- Cost Plus Fixed Fee

Cost Plus work orders will, generally, be limited to work orders for construction services. Terms of construction services work orders will be clearly stated and agreed upon as work orders for same are issued.

While all types are permitted, the Postal Service typically leverages the Guaranteed Maximum

STATEMENT OF OBJECTIVES

Price Plus Fixed Fee framework when employing a Cost Plus contract type.

C. Time and Materials plus Fixed Fee

Time and Materials work orders will, generally, be limited to work orders for construction services. Terms of construction services work orders will be clearly stated and agreed upon as work orders for same are issued.

VIII. PERFORMANCE WORK TYPES

The Contracting Officer will select the Performance Work Type for each category of work as defined in the Work Group.

Self-performed work shall always be negotiated based on the stated requirement and agreed upon level of effort, specific personnel, schedule, etc. Rates will be applied based on the established rates indicated in the contract for various professional disciplines and, for disciplines required where no rate has been previously established, the supplier and the Contracting Officer will negotiate the required rates as necessary.

A. Work Group 1 (WG1) | Self-performed Work

This is work to be accomplished by the supplier's own workforce at the supplier's locations.

B. Work Group 2 (WG2) | Self-performed Work

This is work the supplier shall perform with its own personnel, but at Postal Service locations.

C. Work Group 3 (WG3) | Self-performed Work

This is work the supplier shall perform with its own personnel, but at Postal Service construction jobsites as *resident* personnel.

D. Subcontracted Work

This work is to be accomplished by consultants or subcontractors that are owned and operated independently from and of the contracted supplier. For construction work exceeding \$10,000 (ten thousand dollars) the supplier shall seek to obtain adequate competition among independent subcontractors (that may operate as general contractors) in order to establish a basis for award.

Adequate competition means the solicitation of a sufficient number of best qualified suppliers to ensure that the required quality and quantity of goods and services are obtained when needed and that the price is fair and reasonable.

The contract officer, may make award to the supplier based on noncompetitive subcontracted work if the following criteria are met:

- The contracting officer has been delegated the authority to authorize noncompetitive purchases within the Postal Service Supply Management contracting authority delegation framework;
- A reasonable business case has been made and agreed upon that justifies such action.

Prior to entering into noncompetitive contractual relationships the supplier shall obtain written approval from the contracting officer to do so, and the supplier shall maintain that documentation as official contract documents.

When work order awards include elements that have been established competitively or noncompetitively as required above, the supplier shall submit to the contracting officer as part of the supplier's complete work order proposal a summary of subcontracted elements and other elements making up the complete proposal, as well as a narrative recommendation outlining the business case supporting the award.

E. Purchase Facilitation Work

Under this category the supplier will perform all necessary services to source, prequalify or otherwise

STATEMENT OF OBJECTIVES

identify suppliers that will ultimately enter into a contract directly with the Postal Service for the stated services. This requirement generally relates to construction services.

When this element is leveraged the Postal Service will provide to the supplier the terms and conditions, contract provisions and clauses and other documents necessary for the solicitation.

The supplier shall establish, manage and control the processes and procedures required to solicit requirements in a manner that protects and maintains the confidentiality of information from firms making an offer, including but not limited to financial data, information reasonably considered proprietary, pricing information, etc.

All supplier personnel involved in the evaluation of submitting supplier proposals shall be competent and trained in such matters.

IX. GENERAL AND PRIMARY WORK CATEGORIES

A. Facilities Program Management and Oversight

The Postal Service often undertakes and initiates facilities-related efforts that involve and/or include work that must be performed at multiple locations, and these efforts are many times managed as a program in order to gain efficiencies and consistencies, as well as economy of scale, across the building portfolio.

Past and present programs include the leased space accessibility program (LSAP), which involved approximately 27,000 postal properties across the United States, and was initiated to ensure compliance with the Architectural Barriers Act, the Self-Service Kiosk (SSK) deployment program, which involved the site preparation for approximately 15,000 electronic retail machines in public lobbies, the Parking Structure Rehabilitation Program, an ongoing program that involves the assessment, repair and reconditioning of hundreds of parking structures across the building portfolio, and the ongoing Elevator Modernization Program, an effort involving the modernization and/or replacement of approximately 1,100 vertical transportation machines across the United States.

The PMSC supplier may be leveraged to execute and manage any or all aspects of such programs depending on the scope, scale and complexity.

B. Architectural and Engineering Design

The Postal Service maintains a robust facilities construction program and replaces existing post offices and/or establishes new post offices in various locations each year across the United States. The PMSC supplier may be leveraged for the design of these facilities, large and small.

For this category offering suppliers are referred to Exhibit I – [USPS] Handbook AS-506 Architect/Engineer Project Requirements, which outlines in detail services related to the investigative, design and construction support phases of construction projects of several types.

The Postal Service, for any given project, may pursue any or all of these services, based on the scope and complexity of the project.

C. Environmental Services

The Postal Service maintains a robust facilities-related environmental compliance and internal support program. These efforts focus on compliance with Exhibit II – Handbook RE-6 Facilities Environmental Guide (RE-6), the National Environmental Policy Act (NEPA) as it applies to the Postal Service, and other related policy as issued and maintained by the Postal Service.

The supplier may be engaged to accomplish work related to these policies and guidelines including, but not being limited to, such categories as asbestos containing building materials, lead-based paint, indoor air quality, water quality, wetlands, storm water management, noise, underground and above-ground storage tanks, as well as other facilities-related environmental matters.

D. Construction Administration (CA)

STATEMENT OF OBJECTIVES

For this category offering suppliers are referred to Exhibit I – Handbook AS-506 Architect/Engineer Project Requirements, which outlines in detail services related to the investigative, design and construction support phases of construction projects of several types.

The Postal Service, for any given project, may pursue any or all of these services, based on the scope and complexity of the project.

E. Construction Management (CM)

This category deals with all activities associated with the administration of construction contracts from pre-construction services through project closeout. Specific work under this category can include, but is not limited to:

- Construction Documents Review
- Prequalification
- Solicitation
- Evaluation of Proposals
- Construction Management
- Engineering Support
- Post Construction Services
- Claims Analysis and Support

F. Integrated Project Delivery

Integrated project delivery (IPD) is a collaborative alliance of people, systems, business structures and practices into a process that harnesses the talents and insights of all participants to optimize project results, increase value to the owner, reduce waste, and maximize efficiency through all phases of design, fabrication, and construction.¹

Integrated project delivery is a delivery system that seeks to align interests, objectives and practices, even in a single business, through a team-based approach. The primary team members include the architect, key technical consultants as well as a general contractor and key subcontractors. The IPD system is a process where all disciplines in a construction project work as one firm, creating faster delivery times, lower costs, no litigation and a more enjoyable process for the entire team – including the owner.

IPD combines ideas from integrated practice² and lean construction to solve several problems in contemporary construction such as low productivity and waste, time overruns, quality issues, and conflicts during construction among the key stakeholders of owner, architect and contractor. The growing use of building information modeling in the construction industry is allowing far greater information collaboration between project participants using IPD and considered an important tool to increasing productivity throughout the construction process.

Unlike the design–build project delivery method which typically places the contractor in the leading role on a building project, IPD represents a return to the "master builder" concept where the entire building team including the owner, architect, general contractor, building engineers, fabricators, and subcontractors work collaboratively throughout the construction process.

The PMSC supplier may be engaged to pursue construction projects leveraging the IPD approach and

¹"Integrated Project Delivery – A Working Definition" (PDF). *American Institute of Architects California Council*, May 15, 2007.

² "Integrated practice in perspective: A new model for the architectural profession". *Architectural Record*, May, 2007.

STATEMENT OF OBJECTIVES

model.

G. Construction Manager at Risk (CMAR)

The Construction Manager at Risk (CMAR) is a construction project delivery method wherein the supplier and the Postal Service enter into contract requiring the supplier to deliver to the Postal Service a completed project within a Guaranteed Maximum Price (GMP), plus a fixed management fee. The contract (or work order if under the umbrella of an IDIQ) is based on either a Statement of Work or Statement of Objective, either of which may be founded on construction documents and specifications that have been developed to a certain level of completion, and includes any reasonably inferred items or tasks.

Specific work under this category may include, but may not be limited to:

- Serving as a Consultant during the Design Phase
- Architect of Record | or Engineer of Record
- Value Engineering, Building Systems Analysis
- Cost Estimating | Cost Analysis
- Construction Scheduling and Time Reductions
- Solicitation Preparation
- Assisting in the Technical Evaluation of Proposals
- Performing Turnkey Construction
- Post-occupancy Activities | Warranty-related Activities

The full scope of services acquired via this contract will be determined and negotiated at the time the project is initiated.

H. Construction Manager Not At Risk (CMNAR)

The Construction Manager Not at Risk (CMNAR) is a construction project delivery method wherein the supplier and the Postal Service enter into contract requiring the supplier to deliver to the Postal Service a completed project for a firm fixed price, plus a fixed management fee. The contract (or work order if under the umbrella of an IDIQ) is based on either a Statement of Work or Statement of Objective, either of which may be founded on construction documents and specifications that have been developed to a certain level of completion, and includes any reasonably inferred items or tasks.

Specific work under this category may include, but may not be limited to:

- Serving as a Consultant during the Design Phase
- Architect of Record | or Engineer of Record
- Value Engineering, Building Systems Analysis
- Cost Estimating | Cost Analysis
- Construction Scheduling and Time Reductions
- Solicitation Preparation
- Assisting in the Technical Evaluation of Proposals
- Performing Turnkey Construction
- Post-occupancy Activities | Warranty-related Activities

The full scope of services acquired via this contract will be determined and negotiated at the time the project is initiated.

End of Statement of Objectives.

STATEMENT OF OBJECTIVES

STATEMENT OF OBJECTIVES

Exhibits

Exhibit I Handbook AS-506 Architect-Engineer Project Requirements

Exhibit II Handbook RE-6 Facilities Environmental Guide

By Reference National Environmental Policy Act

USPS Building Design Standards

USPS Standard Design Criteria

Exhibits may be provided as Attachment to the overall solicitation.