

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT				1. CONTRACT ID CODE	PAGE OF PAGES 1 1
2. AMENDMENT/MODIFICATION NO. Three (3)		3. EFFECTIVE DATE 08/18/04	4. REQUISITION/PURCHASE REQ. NO. N/A		5. PROJECT NO. (If applicable)
6. ISSUED BY CODE		7. ADMINISTERED BY (If other than Item 6) CODE			
National Institutes of Health Office of Logistics and Acquisition Operations 6011 Executive Blvd., Room 529-Q, MSC 7663 Bethesda, Maryland 20892-7663					
8. NAME AND ADDRESS OF CONTRACTOR (No., street, county, State and ZIP Code)				(X)	9A. AMENDMENT OF SOLICITATION NO.
				X	263-04-P (BC) -0013
					9B. DATED (SEE ITEM 11) 07/20/04
					10A. MODIFICATION OF CONTRACT/ORDER NO.
					10B. DATED (SEE ITEM 11)
CODE		FACILITY CODE			

11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS

The above numbered solicitation is amended as set forth in Item 14. The hour and date specified for receipt of Offers is extended, is not extended. Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended, by one of the following methods:
 (a) By completing items 8 and 15, and returning 10 copies of the amendment; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or telegram which includes a reference to the solicitation and amendment numbers. FAILURE OF YOUR ACKNOWLEDGMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER. If by virtue of this amendment your desire to change an offer already submitted, such change may be made by telegram or letter, provided each telegram or letter makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.

12. ACCOUNTING AND APPROPRIATION DATA (If required)

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

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

E. IMPORTANT: Contractor is not, is required to sign this document and return 10 copies to the issuing office.

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

THE PURPOSE OF THIS AMENDMENT IS:

1. Provide responses to Questions 61 (ISO) and 67 (RIMS) from the previous Q/As provided in Amendment 2.
2. Provide revisions to Section M and Attachment 5 of Section J regarding ISO.
3. RIMS Training Manual may be viewed at the Gaither Distribution Center (GDC), 16050 Industrial Dr, Ste 310, Conf Rm, Gaithersburg, MD, Monday-Friday, 9:00 AM-3:00PM). All Reference Materials at the GDC will only be available until the Closing Date.
4. The Closing Date has been extended to: September 10, 2004 at 1:00 PM, local time.

Except as provided herein, all terms and conditions of the document referenced in Item 9A or 10A, as heretofore changed, remains unchanged and in full force and effect.

15A. NAME AND TITLE OF SIGNER (Type or print)		16A. NAME AND TITLE OF CONTRACTING OFFICER (Type or print)	
15B. CONTRACTOR/OFFEROR		16B. UNITED STATES OF AMERICA	
15C. DATE SIGNED		16C. DATE SIGNED	
(Signature of person authorized to sign)		(Signature of Contracting Officer)	

**ISO 9001-2000 INTERNATIONAL ORGANIZATION FOR STANDARDIZATION (ISO)
CERTIFICATION**

The government has identified the benefits of ISO 9001-2000 as a cost reducer within quality control, improved resource management, and is currently ISO 9001-2000 Distribution Management Warehousing and Inventory Management of Products for the Use of the Life Sciences Industry certified for the requirements cited in this PWS. Because of these and other benefits observed, the government requires that the Service Provider shall be ISO 9001-2000certified and maintain that certification throughout the life of this award.

The Service Provider represents that–

- a. It [] is certified and maintains an ISO 9000-2000certificate.
Copy Attached []
- b. It [] is not certified, but will be obtained by Final Proposal Revisions.
- c. It [] is not certified.

(Name of Offeror)

(Signature of Authorized Individual)

(Typed Name of Authorized Individual)

(Date)

Note: The penalty for making false statements in offers is prescribed in 18 U.S.C. 1001

PART IV - REPRESENTATIONS AND INSTRUCTIONS

SECTION M

EVALUATION FACTORS FOR AWARD

ARTICLE M.1 GENERAL

The term “offeror” is used to describe commercial offerors, the Agency Tender, and reimbursable public tenders that may propose in accordance with OMB Circular A-76. The term “contract” is used to describe a commercial contract, an ISSA, or a letter of obligation, which may be awarded in accordance with OMB Circular A-76. This Acquisition is for a “mixed-type” requirement consisting of cost and price elements. Therefore, the evaluation methods are used as appropriate to each “type.” The source selection method is low-cost/technically acceptable.

Technically acceptable is defined through the performance levels in the PWS (Section C). This requires meeting all the requirements (services and service levels) and standards within the workload variances. Technically acceptable is NOT meant to imply “marginal,” “partial compliance,” or “what is acceptable on other contracts.” NIH has specific and unique programs and requirements. Technically acceptable in this case implies a historical level of performance that effectively achieves the NIH mission in a cost efficient manner. The designation of technically acceptable is applied to both technical and cost factors.

Offerors are also notified that award will comply with the rules of OMB Circular A-76.

ARTICLE M.2 BUSINESS EVALUATION

To be considered compliant to this solicitation, the offeror shall offer for all items listed in Section B for the basic period and each separate option period.

ARTICLE M.3 EVALUATION AND AWARD CRITERIA

The following cost/technical factors will be used for determining technical acceptability and realistic price/cost.

1) MANDATORY QUALIFICATION CRITERION

a) International Organization for Standardization (ISO) Certification

The government has identified the benefits of ISO 9001-2000 as a cost reducer within quality control and improved resource management. Because of these and other benefits observed, the government requires that the Service Provider shall be ISO 9001-2000 Distribution Management Warehousing and Inventory Management of Products for the Use of the Life Sciences Industry certified and shall maintain the certification throughout the life of the contract. The bidder shall identify that it is compliant with this qualification criterion in Section J, Attachment #5. The qualification criterion establishes conditions that must be met at the time of the receipt of Final Proposal Revisions (FPRs) by the Contracting Officer in order for your proposal to be considered any further for award.

The following rating method shall be used in the evaluation of the ISO 9001-2000 Certification:

Certification – Based on the offeror’s certification.

No Certification – Based on the offeror’s proposal, no certification but, will be obtained by Final Proposal Revisions.

No Certification – Based on the offeror’s proposal, no certification.

2) TECHNICAL EVALUATION CRITERIA

a) Past Performance

The evaluation will be based on information obtained from references provided by the offeror, as well as other relevant past performance information obtained from other sources known to the Government. The evaluation will consider: (1) the quality of past performance, and (2) efforts similar to NIH’s requirements and (3) the quantity of related work

The Government will assess the relative risks associated with each offeror to access technical acceptance. Performance risks are those associated with an offeror's likelihood of success in performing the acquisition requirements as indicated by that offeror's record of past performance.

The assessment of performance risk is not intended to be the product of a mechanical or mathematical analysis of an offeror's performance on a list of contracts, but rather the product of subjective judgment by the Government after it considers all available and relevant information.

When assessing performance risks, the Government will focus on the past performance of the offeror as it relates to all acquisition requirements, such as cost, schedule and performance, including standards of good workmanship; the offeror's adherence to contract schedules, including the administrative aspects of performance; the offeror's reputation for reasonable and cooperative behavior and commitment to customer satisfaction; and generally, the offeror's business-like concern for the interest of the customer.

The Government will consider the number or severity of an offeror's problems, the effectiveness of corrective actions taken, the offeror's overall work record, and the age and relevance of past performance information. The goal is to demonstrate the ability to perform and respond quickly to all issues.

The following rating method shall be used in the evaluation of past performance information:

Excellent - Based on the offeror's performance record, no doubt exists that the offeror will successfully perform the required effort. A significant majority of sources of information are consistently firm in stating that the offeror's performance was superior and that they would unhesitatingly do business with the offeror again. The type of work performed is directly related to NIH requirements. The type of work is similar to the NIH requirements.

Good - Based on the offeror's performance record, little doubt exists that the offeror will successfully perform the required effort. A significant majority of sources of information state that the offeror's performance was good, better than average, etc., that they would do business with the offeror again. The type of work performed is directly related to NIH requirements. The quantity of work performed is the same or greater than the NIH requirements.

Neutral – In the case of an offeror without a record of relevant past performance or for whom information on past performance is not available, the offeror may not be evaluated favorably or unfavorably on past performance.

Marginal - Based on the offeror's performance record, some doubt exists that the offeror will successfully perform the required effort. Many sources of information make unfavorable reports about the offeror's performance and express concern about doing business with the offeror again.

Poor - Based on the offeror's performance record, serious doubt exists that the offeror will successfully perform the required effort. A significant majority of sources of information consistently stated that the offeror's performance was entirely unsatisfactory and that they would not do business with the offeror again.

An offeror must receive a rating of good, excellent, or neutral to be considered technically acceptable.

b) Understanding of the Requirement/Technical Approach

Evaluation shall assess the detailed technical description of how all the required work will be accomplished. This will include evaluation of proposed methodologies for demonstration of an understanding of every requirement included in the **six major requirements and the phase-in period** identified in Section C.5 and additional RFP requirements. Offerors will be evaluated on the proposed means, techniques and procedures to be utilized for complying with the Performance Work Statement. This includes receipt of input; process for performance; quality, timelines, and productivity standards for output; and process improvements for each of the requirements. For a good or excellent evaluation the offeror must show the ability to accomplish the desired results within the proscribed standards and workload, demonstrate the quality of work in providing services, and how policies, procedures, and practices will preserve Government property and equipment and minimize life cycle costs. The evaluation will also assess the offeror's ability to respond to abnormal conditions such as emergencies, weekends and after hour requirements, workload peaks and valleys, and leased facilities.

The following rating method shall be used in the evaluation of the technical approach information:

Excellent - Based on the offeror's technical approach, no doubt exists that the offeror will successfully perform the required effort. The technical approach shows a complete understanding and methodology for completing **all six major requirements at all applicable Institutes and Centers (ICs) and the phase-in period**, within the standards and workload specified.

Good - Based on the offeror's technical approach, little doubt exists that the offeror will successfully perform the required effort. The technical approach shows an acceptable understanding and methodology for completing **all six major requirements at all applicable ICs and the phase-in period**, within the standards and workload specified.

Marginal - Based on the offeror's technical approach, some doubt exists that the offeror will successfully perform the required effort. The technical approach shows a marginal understanding and methodology in one of the six major requirements at one or more of the specified ICs or the **phase-in** period within the standards and workload specified.

Poor - Based on the offeror's technical approach, serious doubt exists that the offeror will successfully perform the required effort. The technical approach demonstrates significant deficiencies in understanding and implementing performance of one or more of the six major requirements at one or more of the specified ICs or the **phase-in** period, within the standards and workload specified.

An offeror must receive a rating of good or excellent to be considered technically acceptable.

c) Understanding of Staffing Requirements

The evaluation shall assess the quality and competence of the proposed staff, and whether they meet the qualifications necessary to accomplish the described work. This will include evaluation of whether the proposed experience, and/or education demonstrates a thorough understanding of the operating principles, and safe provision of services as evidenced by the detailed staffing data that identify the supervisor to worker ratios, skills, knowledge, abilities, education and experience required for each technical process and the proposed quantity of hours by position classification, by requirement.

The evaluation shall also assess the offeror's ability to hire and retain personnel qualifying for the Position Descriptions at the rates proposed and the offeror's historical experience in hiring, managing, and replacement of personnel in each labor category and pay range, and historical and anticipated turnover rates.

The following rating method shall be used in the evaluation of the staff information:

Excellent - Based on the offeror's proposal, no doubt exists that the offeror will successfully perform the required effort. The staffing documentation shows a complete understanding of the personnel requirements for **all six major requirements** at **all applicable ICs**, within the standards and workload specified.

Good - Based on the offeror's proposal, little doubt exists that the offeror will successfully perform the required effort. The staffing documentation shows an acceptable understanding of the personnel requirements for **all six major requirements** at **all applicable ICs**, within the standards and workload specified.

Marginal - Based on the offeror's proposal, some doubt exists that the offeror will successfully perform the required effort. The staffing documentation shows a marginal understanding of the personnel requirements in one of the six major requirements at one or more of the specified ICs, within the standards and workload specified.

Poor - Based on the offeror's proposal, serious doubt exists that the offeror will successfully perform the required effort. The staffing documentation demonstrates significant deficiencies in understanding the personnel requirements of one or more of the six major requirements at one or more of the specified ICs, within the standards and workload specified.

An offeror must receive a rating of good or excellent to be considered technically acceptable.

d) Understanding of Management Requirements

The evaluation will assess the quality and method of management positions and systems to internal project management (to include subcontracts), direct and indirect client requirements, ability to manage the size, complexities, scope and locations of all the functions set forth in the PWS. The assessment will specifically focus on the management system's reflection of the offerors understanding of the NIH culture and technical requirements in order to support the NIH mission.

The following rating method shall be used in the evaluation of the management information:

Excellent - Based on the offeror's proposal, no doubt exists that the offeror will successfully manage the required effort. The management documentation shows a complete understanding of the management requirements for **all six major requirements** at **all applicable ICs**, within the standards and workload specified. The management approaches, organizational structure and management controls, tracking measures, task management system, and quality control plan are complete with proven methodologies.

Good - Based on the offeror's proposal, little doubt exists that the offeror will successfully manage the required effort. The management documentation shows an acceptable understanding of the management requirements for **all six major requirements at all applicable ICs**, within the standards and workload specified. The management approaches, organizational structure and management controls, tracking measures, task management system, and quality control plan are acceptable with proven methodologies.

Marginal - Based on the offeror's proposal, some doubt exists that the offeror will successfully manage the required effort. The management documentation shows a marginal understanding of the management requirements in one of the six major requirements at one or more of the specified ICs, within the standards and workload specified. The management approaches, organizational structure and management controls, tracking measures, task management system, and quality control plan are marginal or based on some unproven methodologies

Poor - Based on the offeror's proposal, serious doubt exists that the offeror will successfully manage the required effort. The management documentation demonstrates significant deficiencies in understanding the management requirements of one or more of the six major requirements at one or more of the specified ICs, within the standards and workload specified. The management approaches, organizational structure and management controls, tracking measures, task management system, and quality control plan are have deficiencies, or is based on untailed corporate policies, or is based on unproven methodologies.

An offeror must receive a rating of good or excellent to be considered technically acceptable.

3) **PRICE/COST EVALUATION CRITERIA**

a) Price/Cost Realism

The evaluation will be based on information obtained from references provided by the offeror, as well as other relevant past performance information obtained from other sources known to the Government. The evaluation will consider: (1) the realism of the proposed cost to the requirements (by the six major requirements by location), (2) the realism of the proposed costs compared to the proposed technical approach and staffing (by the six major requirements by location), (3) the realism of proposed costs to current business practices, and (4) the history of cost realism in regard to proposed cost compared to actual billed cost on past performance.

The following rating method shall be used in the evaluation of the Price/Cost Realism information:

Excellent - Based on the offeror's proposal, no doubt exists that the offeror's proposed price/cost is realistic. The Price/Cost documentation shows a complete understanding of the requirements for **all six major requirements at all applicable ICs**, within the standards and workload specified.

Good - Based on the offeror's proposal, little doubt exists that the offeror's proposed price/cost is realistic. The Price/Cost documentation shows an acceptable understanding of the requirements for **all six major requirements at all applicable ICs**, within the standards and workload specified.

Marginal - Based on the offeror's proposal, some doubt exists that the offeror's proposed price/cost is not realistic in one or more of the four areas in the criteria. The Price/Cost documentation shows a marginal understanding of the requirements in one of the six major requirements at one or more of the specified ICs, within the standards and workload specified.

Poor - Based on the offeror's proposal, serious doubt exists that the offeror's price/cost is realistic in one or more of the four areas in the criteria. The Price/Cost documentation demonstrates significant deficiencies in understanding the management requirements of one or more of the six major requirements at one or more of the specified ICs, within the standards and workload specified.

An offeror must receive a rating of good or excellent to be considered technically acceptable.

b) Business Capacity

The evaluation will assess the offeror's business capacity to initiate and maintain this contract. The evaluation will consider: (1) current capacity in terms of available funding and personnel, (2) available capacity in terms of additional funds and personnel readily available to the offeror, (3) the adequacy of the current and available capacity in relationship to the requirements of this contract, and (4) the realism of the offer to initiate and maintain performance. Specific attention shall be given to the small business's financial capacity during the transition period and first performance period.

The following rating method shall be used in the evaluation of the Price/Cost balance information:

Excellent - Based on the offeror's proposal, no doubt exists that the offeror has or can reasonably obtain the capacity to initiate and maintain the contract, within the standards and workload specified.

Good - Based on the offeror's proposal, little doubt exists that the offeror has or can reasonably obtain the capacity to initiate and maintain the contract, within the standards and workload specified.

Marginal - Based on the offeror's proposal, some doubt exists that the offeror has or can reasonably obtain the capacity to initiate and maintain the contract in regard to one or more of the four areas in the criteria.

Poor - Based on the offeror's proposal, serious doubt exists that the offeror has or can reasonably obtain the capacity to initiate and maintain the contract in regard to one or more of the four areas in the criteria.

An offeror must receive a rating of good or excellent to be considered technically acceptable.

ARTICLE M.4 SOURCE SELECTION

The evaluation will result in identification of technically acceptable proposals. To be technically acceptable, an offeror must be evaluated as good or excellent in **all** four technical criteria and **the** two price/cost criteria. A neutral rating for past performance is technically acceptable. This reflects the criticality of the requirements and maintains current required service levels. Upon approval of the Source Selection Authority (SSA), the performance decision shall be based on the lowest cost of all the offers and tenders determined to be technically acceptable.

ARTICLE M.5 EVALUATION OF OPTIONS (FAR 52.217-5) (JUL 1990)

Except when it is determined in accordance with FAR 17.206(b) not to be in the Government's best interests, the Government will evaluate offers for award purposes by adding the total price for all options to the total price for the basic requirement. Evaluation of options will not obligate the Government to exercise the option(s).

ARTICLE M.6 NEGOTIATIONS

The Government reserves the right to negotiate with any and all offerors. However, negotiations MAY be conducted with only those offerors who are determined to be in a competitive range in regard to technical and cost factors. Negotiations may address all evaluation factors.