ORDER FOR SUPPLIES OR SERVICES

PAGE 1 OF PAGES 4

IMPORTANT: Mark all packages and papers with contract and/or order numbers.

1. DATE OF ORDER: 01/07/2008
2. CONTRACT NO. (if any): HSBP1006D01353
3. ORDER NO.: HSBP1208J19751
4. REQUISITION/REFERENCE NO.: 0020020365
5. ISSUING OFFICE (Address correspondence to):
Department of Homeland Security
Customs and Border Protection
1300 Pennsylvania Ave NW
Room 7.2C
Washington DC 20229

6. SHIP TO:
a. NAME OF CONSIGNEE: See Attached.
b. STREET ADDRESS:
c. CITY:
d. STATE:
e. ZIP CODE:
f. SHIP VIA:

7. TO:
a. NAME OF CONTRACTOR: THE BOEING COMPANY
b. COMPANY NAME: DBA/ BOEING
c. STREET ADDRESS: 1215 SOUTH CLARK ST STE 600
d. CITY: ARLINGTON
e. STATE: VA
f. ZIP CODE: 22202-3292

8. TYPE OF ORDER
☐ a. PURCHASE - Reference Your _____
Please furnish the following on the terms and conditions specified on both sides of this order and on the attached sheet, if any, including delivery as indicated.
☒ b. DELIVERY - Except for billing instructions on the reverse, this delivery order is subject to instructions contained on this side only of this form and is issued subject to the terms and conditions of the above-numbered contract.

9. ACCOUNTING AND APPROPRIATION DATA
See Attached.

CONTRACTOR TIN: 910425694

10. REQUISITIONING OFFICE
Secure Border Initiative

11. BUSINESS CLASSIFICATION (Check appropriate box(es))
☐ a. SMALL ☒ b. OTHER THAN SMALL
☐ c. DISADVANTAGED ☐ d. WOMEN-OWNED
☐ e. HUBZone ☐ f. EMERGING SMALL BUSINESS
☐ g. SERVICE-DISABLED VETERAN-OWNED

12. F.O.B. POINT: Destination

13. PLACE OF
a. INSPECTION:
b. ACCEPTANCE:

14. GOVERNMENT B/L NO.:

15. DELIVER TO F.O.B POINT ON OR BEFORE (Date): 12/31/2008

16. DISCOUNT TERMS:

17. SCHEDULE (See reverse for Rejections)

ITEM NO. (a)	SUPPLIES OR SERVICES (b)	QUANTITY ORDERED (c)	UNIT (d)	UNIT PRICE (e)	AMOUNT (f)	QTY Accpt (g)
00010	Associated costs - PF225/VF3000	1.00	AU	$580,000.00	$580,000.00	
00020	Supply Chain Management	1.00	AU	$400,000,000.00	$400,000,000.00	
00030	Supply Chain Management	1.00	AU	$332,728,000.00	$332,728,000.00	

18. SHIPPING POINT:
19. GROSS SHIPPING WEIGHT:
20. INVOICE NO.:

17(h) TOT. (Cont. pages): $0.00

21. MAIL INVOICE TO:
SEE BILLING INSTRUCTIONS ON REVERSE
a. NAME: DHS - Customs & Border Protection National Finance Center
b. STREET ADDRESS (or P.O. Box): PO Box 68908
c. [redacted]
d. STATE: IN
e. ZIP CODE: 46268

17(i) GRAND TOTAL: $733,308,000.00

22. UNITED ST
BY (Signature)

23. NAME (Typed)
Jeffrey Gwilliam
TITLE: CONTRACTING/ORDERING OFFICER

AUTHORIZED
Previous editio

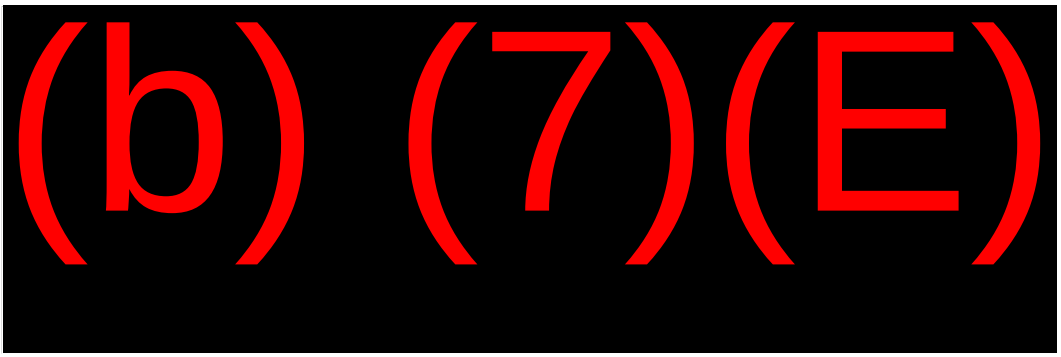
OPTIONAL FORM 347 (REV. 3/2005)
Prescribed by GSA/FAR 48 CFR 53.213 (e)

DATE OF ORDER	CONTRACT NO. (if any)	ORDER NO.	PAGE OF PAGES
01/07/2008	HSBP1006D01353	HSBP1208J19751	2 4

Federal Tax Exempt ID: 72-0408780

NOTES:

A. Under contract HSBP1006D01353, Letter Task Order HSBP1208J19751, the Government requires development and implementation of an effective and efficient Supply and Supply Chain Management (SSCM) solution that enables the successful execution of the Pedestrian Fence (PF) 225 and Vehicle Fence (VF) 300 projects before completion of Calendar Year 2008. The estimated mileage to be completed under these projects, by fence type, is shown below, but is subject to change:



The Contractor is to analyze and provide a recommendation for SSCM that will manage and deliver supplies to the US Army Corps of Engineers' (USACE) contractors to effectively complete PF 225 and VF 300. The recommendation is due from the Contractor on January 21, 2008.

The work to be performed under this Letter Task Order will be undertaken in accordance with the draft Statement of Requirements (SOR) found at Clause A.10. The attached SOR is issued in draft form to the Contractor to allow performance to begin under the Letter Task Order on January 7, 2008. The Government's objectives and requirements will be negotiated with the Contractor during the Task Order definitization phase using "alpha contracting" techniques and process. Changes made to the negotiated performance requirements will be incorporated into the definitized Task Order. Changes to this draft document will address, but not be limited to, program/project management, key personnel, and the Contractor's project organization.

B. This Task Order is being issued pursuant to FAR 16.603, Letter Contracts. Performance is subject to the clauses contained in contract HSBP1006D01353 and the additional clauses contained in this Letter Task Order.

C. Unless otherwise provided for or stipulated by this Letter Task Order, this award is issued based on the Contractor's Rough Order of Magnitude (ROM) proposal submitted December 21, 2007. However, issuance of this Task Order does not constitute the Contracting Officer's acceptance of any exception, assumption, term or condition made in the ROM proposal. Contract definitization is subject to FAR 52.216-25, Contract Definitization (Oct 1997) contained herein.

NOTES:

D. The Contractor will be required to provide certified cost and pricing data in accordance with FAR Part 15, Contracting by Negotiation. The Contractor shall provide this data prior to definitization of the Task Order.

E. This Letter Task Order has a funding ceiling amount, shown in position 17(i) of Form 347, which is not to be exceeded by the Contractor prior to definitization. The Government recognizes that this ceiling is lower than the ROM amount provided by the Contractor, however, funding is sufficient to execute all required SSCM actions prior to the 90 day definitization of the Task Order. Until definitization, the Contractor is restricted to the ceiling amount and the Limitation of Government Liability, in accordance with Clause A.3 of this Letter Task Order. The Government recognizes that the final definitized amount will be based on joint discussion and, as such, the final price may be adjusted either higher or lower than the not-to-exceed funding limitation awarded herein. The Government also recognizes that the fee amounts are not finalized. Final fee determination shall be accomplished during definitization, however, these amounts may be used for purposes of provisional billing. The incurrence of costs and submission of invoices by the Contractor shall be completed in accordance with FAR 52.216-26, Payments of Allowable Costs Before Definitization.

F. This Task Order is to be performed in accordance with the Buy American Act clauses present under the master Indefinite Delivery Indefinite Quantity (IDIQ) contract for the SBInet program (HSBP1006D01353). For the purposes of this Task Order, the Contractor shall notify the Contracting Officer in writing to request concurrence with the purchase and use of any steel that is purchased or manufactured outside of the United States. The Contracting Officer will provide a written response indicating concurrence, non-concurrence, or a request for additional information within two business days of receipt and acknowledgement of the request for concurrence.

G. The Period of Performance of this Task Order is January 7, 2008 to December 31, 2008.

H. Incurred costs may be billed twice per month with payment made to the Contractor within 21 days.

I. The Contracting Officer's written consent of the Contractor's subcontracts is required under this Task Order.

J. The Government understands that the Contractor's ROM proposal is based on an arrangement of four distribution centers (one per state), but that this arrangement is subject to change based on the accepted recommendation for SSCM, referenced above under Note A.

K. The Government understands that the Contractor is not responsible for installation oversight of USACE contractors.

DATE OF ORDER	CONTRACT NO. (if any)	ORDER NO.	PAGE OF PAGES
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NOTES:

L. All engineering, design, environmental support activities, topographic surveys, permitting, and as-built drawings are Government Furnished Information.

M. The Government understands that transportation costs to distribution centers are included in the Contractor's ROM proposal.

N. The Contractor shall review design drawings to develop material requirements and quantities.

O. The Government understands that the Contractor estimated an average of 400 miles, roundtrip, from steel fabricator to Distribution Centers managed by the Contractor.

P. The Government anticipates awarding a Cost Plus Incentive Fee type Task Order. The not-to-exceed funding limitation of this Letter Task Order is based on a Base Fee of (b) (4) and an Incentive Fee of (b) (4) subject to final Task Order definitization. All relevant cost reimbursement contract clauses contained in the master IDIQ contract (HSBP1006D01353) apply to this Letter Task Order.

Q. The Contractor is reminded that the Contracting Officer is the sole individual that is authorized to make changes to the contract. If the contractor considers any communication, in any form whatsoever, to constitute a change in scope the contractor shall notify the Contracting Officer in accordance with FAR Clause 52.243-7, Notification of Changes.

R. The HSAR Clause 3052.216-74, Settlement of Letter Contract, will be incorporated into the definitized Task Order.

Accepted by Contractor:

(b) (6)

Signature

(b) (6)

01-07-08

Date

ITEMS AND PRICES, DELIVERY SCHEDULE AND ACCOUNTING DATA
FOR
DELIVERY ORDER: HSBP1208J19751

SCHEDULE OF SUPPLIES/SERVICES

Item Number: 00010 **Line Item (Priced/Information/Option):** P
Supplies/Services: Associated costs - PF225/VF3000

Qty	Unit	Unit Price	Ext. Price
1	AU	$580,000.0000	$580,000.0000

Item Number: 00020 **Line Item (Priced/Information/Option):** P
Supplies/Services: Supply Chain Management

Qty	Unit	Unit Price	Ext. Price
1	AU	$400,000,000.0000	$400,000,000.0000

Item Number: 00030 **Line Item (Priced/Information/Option):** P
Supplies/Services: Supply Chain Management

Qty	Unit	Unit Price	Ext. Price
1	AU	$332,728,000.0000	$332,728,000.0000

Total Funded Contract Value: **$733,308,000.00**

ACCOUNTING AND APPROPRIATION INFORMATION

Item: 00010	6100.2525USCSGLCS0900009000Z00007173SB03 SB4002525	**Amount**	$580,000.0000
Item: 00020	6100.2525USCSGLCS0900009000Z00007173SB03 SB4002525	**Amount**	$400,000,000.0
Item: 00030	6100.2525USCSGLCS0900009000Z00008173SB03 SB4002525	**Amount**	$332,728,000.0

DELIVERY SCHEDULE

Deliver To:

Customs and Border Protection
Secure Border Initiative (SBInet)
1300 Pennsylvania Ave NW Rm 7.5
Ronald Reagan Federal Building
Washington DC 20229

Instructions:

Item	Quantity	Delivery Date	Recipient	Unloading PT.
00010	1	01/21/2008		
00020	1	12/31/2008		
00030	1	12/31/2008		

A.1 DEFINITION

For the purposes of this letter task order, the term "letter contract" as stated in the FAR and HSAR clauses listed below shall be read as "letter task order."

[End of Clause]

A.2 PRE-CONTRACT COSTS

Pre-Contract costs were authorized on December 14, 2007 by the Contracting Officer (CO) in conjunction with this task order's requirements. The contractor shall submit fully supported invoice(s) for the costs incurred between December 14, 2007 and the date of task order award within 30 days of receipt of the executed task order. The following clause applies:

Homeland Security Acquisition Regulation (HSAR) 3052.231-70
PRECONTRACT COSTS (DEC 2003)

The Contractor shall be entitled to reimbursement for pre-contract costs incurred on or after December 14, 2007 in an amount not to exceed $580,000.00 that, if incurred after this contract had been entered into, would have been reimbursable under this contract.

[End of Clause]

A.3 52.216-23 EXECUTION AND COMMENCEMENT OF WORK (APR 1984)

The Contractor shall indicate acceptance of this letter contract by signing three copies of the contract and returning them to the Contracting Officer not later than January 7, 2008. Upon acceptance by both parties, the Contractor shall proceed with performance of the work, including purchase of necessary materials.

[End of Clause]

A.4 52.216-24 LIMITATION OF GOVERNMENT LIABILITY (APR 1984)

(a) In performing this contract, the Contractor is not authorized to make expenditures or incur obligations exceeding $553,205,000.00 dollars.
(b) The maximum amount for which the Government shall be liable if this contract is terminated is $553,205,000.00 dollars.

[End of Clause]

A.5 52.216-25 CONTRACT DEFINITIZATION (OCT 1997)

(a) A Cost Plus Incentive Fee definitive contract is contemplated. The Contractor agrees to begin promptly negotiating with the Contracting Officer the terms of a definitive contract that will include (1) all clauses required by the Federal Acquisition Regulation (FAR) on the date of execution of the letter contract, (2) all clauses required by law on the date of execution of the definitive contract, and (3) any other mutually agreeable clauses, terms, and conditions. The Contractor agrees to submit a Technical proposal and cost or pricing data supporting its proposal.

(b) The schedule for definitizing this contract is:

Milestone	Date
Contractor Rough Order of Magnitude (ROM) Price Received	12/21/2007
US Army Corps of Engineers Cost Estimate Received	12/21/2007
First Pre-award Congressional Notification	12/21/2007

Letter Task Order Determination and Findings Approved	01/07/2007
DHS and CBP Review/Approvals	01/03-07/2008
Second Pre-award Congressional Notification	01/04/2008
Award Letter Task Order	01/07/2008
SSCM Alternatives Submitted	01/21/2008
Contractor's Technical and Price Proposal Submitted	02/29/2008
Start of Negotiations	02/29/2008
Negotiations Completed	03/29/2008
DHS and CBP Reviews and Approvals	03/29-04/05/2008
Third Pre-award Congressional Notification	04/04/2008
Definitize Letter Task Order	04/08/2008
Contract Completion Date	12/31/2008

(c) If agreement on a definitive contract to supersede this letter contract is not reached by the target date in paragraph (b) of this section, or within any extension of it granted by the Contracting Officer, the Contracting Officer may, with the approval of the head of the contracting activity, determine a reasonable price or fee in accordance with Subpart 15.4 and Part 31 of the FAR, subject to Contractor appeal as provided in the Disputes clause. In any event, the Contractor shall proceed with completion of the contract, subject only to the Limitation of Government Liability clause.

(1) After the Contracting Officer's determination of price or fee, the contract shall be governed by--

(i) All clauses required by the FAR on the date of execution of this letter contract for either fixed-price or cost-reimbursement contracts, as determined by the Contracting Officer under this paragraph (c);

(ii) All clauses required by law as of the date of the Contracting Officer's determination; and

(iii) Any other clauses, terms, and conditions mutually agreed upon.

(2) To the extent consistent with subparagraph (c)(1) above, all clauses, terms, and conditions included in this letter contract shall continue in effect, except those that by their nature apply only to a letter contract.

[End of Clause]

A.6 52.216-26 PAYMENTS OF ALLOWABLE COSTS BEFORE DEFINITIZATION (DEC 2002)

(a) Reimbursement rate. Pending the placing of the definitive contract referred to in this letter contract, the Government will promptly reimburse the Contractor for all allowable costs under this contract at the following rates:

(1) One hundred percent of approved costs representing financing payments to subcontractors under fixed-price subcontracts, provided that the Government's payments to the Contractor will not exceed 80 percent of the allowable costs of those subcontractors.

(2) One hundred percent of approved costs representing cost-reimbursement subcontracts; provided, that the Government's payments to the Contractor shall not exceed 85 percent of the allowable costs of those subcontractors.

(3) Eighty-five percent of all other approved costs.

(b) Limitation of reimbursement. To determine the amounts payable to the Contractor under this letter contract, the Contracting Officer shall determine allowable costs in accordance with the applicable cost principles in Part 31 of the Federal Acquisition Regulation (FAR). The total reimbursement made under this paragraph shall not exceed 85 percent of the maximum amount of the Government's liability, as stated in this contract.

(c) Invoicing. Payments shall be made promptly to the Contractor when requested as work progresses, but (except for small business concerns) not more often than every 2 weeks, in amounts approved by the Contracting Officer. The Contractor may submit to an authorized representative of the Contracting Officer, in such form and reasonable detail as the representative may require, an invoice or voucher supported by a statement of the claimed allowable cost incurred by the Contractor in the performance of this contract.

(d) Allowable costs. For the purpose of determining allowable costs, the term "costs" includes--

(1) Those recorded costs that result, at the time of the request for reimbursement, from payment by cash, check, or other form of actual payment for items or services purchased directly for the contract;

(2) When the Contractor is not delinquent in payment of costs of contract performance in the ordinary course of business, costs incurred, but not necessarily paid, for--

(i) Supplies and services purchased directly for the contract and associated financing payments to subcontractors, provided payments determined due will be made--

(A) In accordance with the terms and conditions of a subcontract or invoice; and

(B) Ordinarily within 30 days of the submission of the Contractor's payment request to the Government;

(ii) Materials issued from the Contractor's stores inventory and placed in the production process for use on the contract;

(iii) Direct labor;

(iv) Direct travel;

(v) Other direct in-house costs; and

(vi) Properly allocable and allowable indirect costs as shown on the records maintained by the Contractor for purposes of obtaining reimbursement under Government contracts; and

(3) The amount of financing payments that the Contractor has paid by cash, check, or other forms of payment to subcontractors.

(e) Small business concerns. A small business concern may receive more frequent payments than every 2 weeks.

(f) Audit. At any time before final payment, the Contracting Officer may have the Contractor's invoices or vouchers and statements of costs audited. Any payment may be--

(1) reduced by any amounts found by the Contracting Officer not to constitute allowable costs; or

(2) adjusted for overpayments or underpayments made on preceding invoices or vouchers.

[End of Clause]

A.7 52.243-7 NOTIFICATION OF CHANGES (APR 1984)

(a) Definitions. "Contracting Officer," as used in this clause, does not include any representative of the Contracting Officer.

"Specifically Authorized Representative (SAR)," as used in this clause, means any person the Contracting Officer has so designated by written notice (a copy of which shall be provided to the Contractor) which shall refer to this subparagraph and shall be issued to the designated representative before the SAR exercises such authority.

(b) Notice. The primary purpose of this clause is to obtain prompt reporting of Government conduct that the Contractor considers to constitute a change to this contract. Except for changes identified as such in writing and signed by the Contracting Officer, the Contractor shall notify the Administrative Contracting Officer in writing promptly, within one calendar days from the date that the Contractor identifies any Government conduct (including actions, inactions, and written or oral communications) that the Contractor regards as a change to the contract terms and conditions. On the basis of the most accurate information available to the Contractor, the notice shall state--

(1) The date, nature, and circumstances of the conduct regarded as a change;

(2) The name, function, and activity of each Government individual and Contractor official or employee involved in or knowledgeable about such conduct;

(3) The identification of any documents and the substance of any oral communication involved in such conduct;

(4) In the instance of alleged acceleration of scheduled performance or delivery, the basis upon which it arose;

(5) The particular elements of contract performance for which the Contractor may seek an equitable adjustment under this clause, including--

(i) What contract line items have been or may be affected by the alleged change;

(ii) What labor or materials or both have been or may be added, deleted, or wasted by the alleged change;

(iii) To the extent practicable, what delay and disruption in the manner and sequence of performance and effect on continued performance have been or may be caused by the alleged change;

(iv) What adjustments to contract price, delivery schedule, and other provisions affected by the alleged change are estimated; and

(6) The Contractor's estimate of the time by which the Government must respond to the Contractor's notice to minimize cost, delay or disruption of performance.

(c) Continued Performance. Following submission of the notice required by paragraph (b) of this clause, the Contractor shall diligently continue performance of this contract to the maximum extent possible in accordance with its terms and conditions as construed by the Contractor, unless the notice reports a direction of the Contracting Officer or a communication from a SAR of the Contracting Officer, in either of which events the Contractor shall continue performance; PROVIDED, however, that if the Contractor regards the direction or communication as a change as described in paragraph (b) of this clause, notice shall be given in the manner provided. All directions, communications, interpretations, orders and similar actions of the SAR shall be reduced to writing promptly and copies furnished to the Contractor and to the Contracting Officer. The Contracting Officer shall promptly countermand any action which exceeds the authority of the SAR.

(d) Government response. The Contracting Officer shall promptly, within two calendar days after receipt of notice, respond to the notice in writing. In responding, the Contracting Officer shall either--

(1) Confirm that the conduct of which the Contractor gave notice constitutes a change and when necessary direct the mode of further performance;

(2) Countermand any communication regarded as a change;

(3) Deny that the conduct of which the Contractor gave notice constitutes a change and when necessary direct the mode of further performance; or

(4) In the event the Contractor's notice information is inadequate to make a decision under subparagraphs (d)(1), (2), or (3) of this clause, advise the Contractor what additional information

is required, and establish the date by which it should be furnished and the date thereafter by which the Government will respond.

(e) Equitable adjustments. (1) If the Contracting Officer confirms that Government conduct effected a change as alleged by the Contractor, and the conduct causes an increase or decrease in the Contractor's cost of, or the time required for, performance of any part of the work under this contract, whether changed or not changed by such conduct, an equitable adjustment shall be made--

(i) In the contract price or delivery schedule or both; and

(ii) In such other provisions of the contract as may be affected.

(2) The contract shall be modified in writing accordingly. In the case of drawings, designs or specifications which are defective and for which the Government is responsible, the equitable adjustment shall include the cost and time extension for delay reasonably incurred by the Contractor in attempting to comply with the defective drawings, designs or specifications before the Contractor identified, or reasonably should have identified, such defect. When the cost of property made obsolete or excess as a result of a change confirmed by the Contracting Officer under this clause is included in the equitable adjustment, the Contracting Officer shall have the right to prescribe the manner of disposition of the property. The equitable adjustment shall not include increased costs or time extensions for delay resulting from the Contractor's failure to provide notice or to continue performance as provided, respectively, in paragraphs (b) and (c) of this clause.

NOTE: The phrases "contract price" and "cost" wherever they appear in the clause, may be appropriately modified to apply to cost-reimbursement or incentive contracts, or to combinations thereof.

[End of Clause]

A.8 CFR 1052.201-70 CONTRACTING OFFICER'S TECHNICAL REPRESENTATIVE (COTR) DESIGNATION AND AUTHORITY

Contracting Officer's Technical Representative (COTR) Designation and Authority (MAR 2002)

(a) The contracting officer's technical representative is:

(b) (6)
US Customs and Border Protection
1300 Pennsylvania Avenue, NW, Room 7.2C
Washington, DC, 20229
(b) (6)

(b) Performance of work under this contract is subject to the technical direction of the COTR identified above, or a representative designated in writing. The term “technical direction” includes, without limitation, direction to the contractor that directs or redirects the labor effort, shifts the work between work areas or locations, and/or fills in details and otherwise serves to ensure that tasks outlined in the work statement are accomplished satisfactorily.

(c) Technical direction must be within the scope of the contract specification(s)/work statement. The COTR does not have authority to issue technical direction that:

(1) Constitutes a change of assignment or additional work outside the contract specification(s)/work statement;

(2) Constitutes a change as defined in the clause entitled "Changes";

(3) In any manner causes an increase or decrease in the contract price, or the time required for contract performance;

(4) Changes any of the terms, conditions, or specification(s)/work statement of the contract;

(5) Interferes with the contractor's right to perform under the terms and conditions of the contract; or,

(6) Directs, supervises or otherwise controls the actions of the contractor's employees.

(d) Technical direction may be oral or in writing. The COTR must confirm oral direction in writing within five workdays, with a copy to the contracting officer.

(e) The contractor must proceed promptly with performance resulting from the technical direction issued by the COTR. In the opinion of the contractor, if any direction of the COTR or the designated representative falls within the limitations of (c) above, the contractor must immediately notify the contracting officer no later than the beginning of the next Government work day.

(f) Failure of the contractor and the contracting officer to agree that technical direction is within the scope of the contract will be subject to the terms of the clause entitled "Disputes."

[End of Clause]

A.9 SUBMISSION OF INVOICES

Copies and originals of invoices shall be submitted to the following:

- One original to the DHS - Customs and Border Protection National Finance Center, located at PO Box 68908, Indianapolis, Indiana, 46268;
- One copy to the Contracting Officer; and
- One copy to the Contracting Officer's Technical Representative (COTR).

[End of Clause]

A.10 STATEMENT OF REQUIREMENTS

The Statement of Requirements (SOR) for this Letter Task Order is attached to this document as Appendix A.

[End of Clause]

Appendix A

DRAFT STATEMENT OF REQUIREMENTS

FOR

DEPARTMENT OF HOMELAND SECURITY (DHS)
U.S. CUSTOMS AND BORDER PROTECTION (CBP)

Pedestrian Fence 225 (PF225) and Vehicle Fence 300 (VF300) Supply and Supply Chain Management (SSCM) Implementation

This statement of requirements is issued in draft form to the contractor to allow performance to begin under the letter task order to be issued on January 7, 2008. The Government's objectives and requirements will be negotiated with the contractor during the task order definitization phase using "alpha contracting" techniques and process. Changes made to the negotiated performance requirements will be incorporated into the task order. Changes to this draft document will address, but not be limited to, program/project management, key personnel, and the contractor's project organization.

1.0 INTRODUCTION AND BACKGROUND

The United States must keep its borders open and secure to facilitate legitimate trade and travel. Border security is a continuum that begins far beyond the borders of the United States and continues into the interior of the country, protecting the country from harm and allowing lawful trade and immigration. Border security requires a critical blend of tangible and intangible resources, from equipment and personnel to intelligence and strong partnerships with foreign governments.

Achieving control of the border of the United States of America (USA) is one of the key mission objectives of the Department of Homeland Security (DHS) and specifically, the U.S. Customs and Border Protection (CBP). Managing, securing, and controlling the border requires development and implementation of the optimum mix of personnel, technology, infrastructure, and response platforms required to achieve maximum tactical and strategic advantage for each unique border environment. This strategy will significantly increase CBP's ability to detect, identify, classify, and apprehend cross border violations into the USA and maintain control of the border. A systematic approach that allows each stage to build on the success of earlier stages creates a sound methodology for deployment of integrated systems and services.

CBP faces the daily challenge of countering criminal and terrorist exploitation of international passenger and commercial cargo transportation systems at 325 official air, land, and sea ports of entry (POE) throughout the United States. Between the ports of entry 20 Border Patrol Sectors consisting of 142 stations and 33 permanent checkpoints protect against the illegal flow of people and contraband across nearly 2,000 miles of rugged border with Mexico and approximately 4,000 miles of often remote and equally rugged terrain on the Northern border. CBP's operations at the POEs by the Office of Field Operations (OFO) and between the POEs by the Office of Border Patrol (OBP) are supported by Air and Marine Operations (AMO) which includes(b) (7)(E)

The Secure Border Initiative (SBI) within DHS is expected to develop and implement, in partnership with private industry, an integrated, comprehensive solution and capability to secure U.S. borders. SBI focuses broadly on two major enforcement themes: controlling the border and strengthening interior immigration enforcement and compliance. In developing SBI, DHS and CBP are taking an integrated systems approach to address the challenge. Adding agents alone at the US border in limited quantity is insufficient to accomplish CBP's primary mission areas. CBP must also acquire and utilize the appropriate mix of technology and infrastructure required to secure the nations' border.

Within SBI, the Tactical Infrastructure (TI) Program Management Office has been established to acquire, maintain and sustain all TI for CBP. TI is designed to impede the illegal entry of individuals into the USA and support border enforcement operations. TI includes, but is not limited to barrier systems, fencing, lighting and deterrence systems, roads, including access roads, patrol roads, and drag roads, drainage structures, bridges and marine facilities including boat docks.

SBI is tasking the Boeing Company (Boeing) to study, propose and ultimately implement a comprehensive SSCM solution to support and facilitate the successful execution of both the PF225 and VF300 projects by December 2008.

2.0 PERFORMANCE OBJECTIVES, GOALS, OUTCOMES AND DELIVERABLES

The objective of this SOR is to acquire the development and implementation of an effective and efficient SSCM solution through upfront analysis and continual coordination with USACE and its MATOC construction contractors by the contractor that enables the successful execution and completion of the PF225 and VF300 projects. As a first step, an Analysis of Alternatives (AoA) shall be conducted that takes into account all viable SSCM solutions. Proven SSCM solutions, best practices and lessons learned from the recently completed PF70 project will be applied to the candidate solutions. Based on the AoA, the list of viable solutions will be reduced to 3 or 4 candidate options. A more detailed cost analysis shall be conducted on the candidate options to determine the solution with the highest net benefit. Ten percent overage is authorized.

The following is intended to help bound the realm of viable SSCM alternatives that will feed the AoA and cost analyses:

- Options that fall within the trade space include, but are not limited to:
    - Design modifications that enable the procurement and manufacturing of materials in sufficient quantities to successfully execute the PF225 and VF300 projects on schedule (e.g., using round bollards versus square bollards, etc.);
    - The use of alternate materials assuming that the proposed materials are of sufficient strength and corrosion resistance suitable to meet the environmental conditions for the area under consideration (e.g., substituting mild steel for weathering steel, etc.);

- Complete latitude in the number and location of manufacturing, distribution, storing and staging centers/areas; and

- The SSCM solution need not be homogenous across the Southern border. A hybrid approach incorporating any or all of the above may be implemented.

- Constraints that serve to bound the solution include, but are not limited to:

  - The PF225 and VF300 construction schedules are firm. The SSCM solution shall not drive changes to these schedules.

  - At an absolute minimum, the supply chain needs to keep pace with the fence construction rate for all segments along the Southern border.

  - PF225 and VF300 laydown locations are firm. The SSCM solution shall not drive changes to the laydown.

  - All raw materials shall be procured within applicable laws of the United States and the provisions of the Buy American Act. Estimates shall include the source of the material. Prior to the commitment of a non-domestic source, written contracting officer approval shall be obtained.

A final recommended solution is due on January 21, 2008. The report providing the recommended solution shall include, but not be limited to,

- a description of all the SSCM alternatives/approaches considered,
- the results of all analyses, modeling and simulations,
- the pros and cons associated with each viable SSCM alternative/approach, and
- the recommended SSCM solution.

2.1 Task Order Objectives

The Government's objective for the SSCM is to ensure all fence construction materials are available, in sufficient quantities/quality and at the appropriate location(s) to meet the PF225 (225 miles) and VF300 (200 miles) construction schedules as delineated in the applicable MATOC task orders, while minimizing the scope and volume of the required resources, material transportation times and costs, and material storage costs. The contractor solution provided under this task order shall provide plans, deliverables, and performance so as to assist the Government in meeting this stated objective successfully and within project schedules and constraints.

2.2 Additional Considerations

The actual PF225 construction will be accomplished by Multiple Award Task Order Contract (MATOC) contractors through Task Orders issued and administered by the United States Army Corps of Engineers (USACE). The majority of VF300 construction

will be accomplished by MATOC Task Orders. Approximately (b) (7)(E) of VF300 may be built by United States military forces under (b) (7)(E) The steel required for constructing the portions of VF300 that will be built under (b) (7)(E) has already been procured and delivered or, is under contract, thus the provision of steel for the (b) (7)(E) portion of the build can be excluded from this SSCM effort. For all other portions of fence, thorough coordination with be required with USACE and the MATOC contractors in order to create a seamless supply-construction interface.

In addition to planning for the large amounts of raw materials required for steel fencing (e.g. bollards, wire mesh, posts, rails, etc.), both the PF225 and VF300 projects will require significant quantities of cement for foundations, "Jersey-style" barriers and for filling bollards/posts. Southern border water and pre-mixed concrete transportation time constraints need to be built into all SSCM analysis, modeling and simulation efforts.

3.0 PERIOD AND PLACE OF PERFORMANCE

The period of performance for this task order shall be from December 17, 2007 through December 31, 2008. The period from December 17, 2007 through award of the letter task order on January 7, 2008 is the period in which the contractor has been authorized to incur pre-contract costs in anticipation of beginning performance on January 7, 2008. The definitization period for the letter task order is anticipated to be from January 7, 2008 through April 8, 2008.

For planning purposes in developing the solution for the SSCM, the period of construction performance will be April 2008 through December 2008. The period of performance may be extended to support necessary adjustments to the PF225 and VF300 construction schedules. Subject to CBP clearance and access approval, contractor personnel will be allowed limited access to all PF225 and VF300 construction locations along the Southern border, as well as current or future DHS/CBP sites in the Washington DC metropolitan area, including suburbs of Virginia and/or Maryland. Travel to any of these locations to support the planning, as well as the execution, of this task order may also be required.

Appendix A

ATTACHMENTS

1. PF225 Construction Schedules by Segment
2. Fence Toolbox (Detailed Fence Design Drawings)
3. Fence Photographs (Representative/Notional Only; not All-Inclusive)
4. Fence Lay down Maps
5. PF70 Lessons Learned related to supply chain management issues
6. Redacted Baker report
7. Design by segment lay down