

ORDER FOR SUPPLIES OR SERVICES

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

1. DATE OF ORDER 01/12/2007	2. CONTRACT NO. (if any)	6. SHIP TO:					
3. ORDER NO. HSBP1007J14218		4. REQUISITION/REFERENCE NO. 0020027321		a. NAME OF CONSIGNEE See Attached Delivery Schedule			
5. ISSUING OFFICE (Address correspondence to) Department of Homeland Security Customs and Border Protection 1300 Pennsylvania Ave NW NP 1310 Washington DC 20229				b. STREET ADDRESS			
				c. CITY	d. STATE	e. ZIP CODE	
				f. SHIP VIA			
7. TO:				8. TYPE OF ORDER			
a. NAME OF CONTRACTOR THE BOEING COMPANY				<input checked="" type="checkbox"/> 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. COMPANY NAME							
c. STREET ADDRESS 5301 BOLSA AVE.				<input type="checkbox"/> 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.			
d. CITY HUNTINGTON BEACH	e. STATE CA	f. ZIP CODE 92647-2099					
9. ACCOUNTING AND APPROPRIATION DATA				10. REQUISITIONING OFFICE K. HAHN			
CONTRACTOR TIN: 910425695				11. BUSINESS CLASSIFICATION (Check appropriate box(es))			
12. F.O.B. POINT Destination				<input type="checkbox"/> a. SMALL <input checked="" type="checkbox"/> b. OTHER THAN SMALL <input type="checkbox"/> c. DISADVANTAGED <input type="checkbox"/> d. WOMEN-OWNED <input type="checkbox"/> e. HUBZone <input type="checkbox"/> f. EMERGING SMALL BUSINESS <input type="checkbox"/> g. SERVICE-DISABLED VETERAN-OWNED			
13. PLACE OF		14. GOVERNMENT B/L NO.		15. DELIVER TO F.O.B POINT ON OR BEFORE (Date) 04/11/2007			
a. INSPECTION	b. ACCEPTANCE						
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 Acpt (g)
00010	SUPPORT	1.00	AU	\$1,600,000.00	\$1,600,000.00	
00020	EQUIPMENT	1.00	EA	\$6,400,000.00	\$6,400,000.00	

SEE BILLING INSTRUCTIONS ON REVERSE	18. SHIPPING POINT	19. GROSS SHIPPING WEIGHT	20. INVOICE NO.		17(h) TOT. (Cont. pages) 17(i) GRAND TOTAL	
	21. MAIL INVOICE TO:					
	a. NAME DHS - Customs & Border Protection		National Finance Center			\$0.00
	b. STREET ADDRESS (or P.O. Box) PO Box 68908					
	c. CITY Indianapolis	d. STATE IN	e. ZIP CODE 46268		\$8,000,000.00	

22. UNITE BY (Sign)	23. NAME (Typed) RONALD B. ROSENBERG
AUTHORIT Previous e	TITLE: CONTRACTING/ORDERING OFFICER

(b) (6)

Federal Tax Exempt ID: 72-0408780

NOTES:

A. Under contract HSBP1006D01353, the contractor shall provide all supplies and services necessary to perform the Project 37 / Barry M. Goldwater Range Initial (9 Mile) Section task in accordance with the Performance Work Statement (PWS) provided as Attachment (1) .

B. This Task Order is being issued pursuant to FAR 16.603, Letter Contracts. Performance is subject to the clauses contained herein.

C. This Task Order will incorporate, once definitized, FAR clauses pertaining to construction.

D. This Task Order is issued based on The Boeing Company Rough Order of Magnitude (ROM) proposal submitted January, 12, 2007 . Issuance of this Task Order does not constitute Government acceptance of any exception, assumption, term or condition made in this ROM proposal. Contract definitization is subject to FAR 52.216-25, Contract Definitization (Oct 1997) contained herein.

E. The contractor is strongly cautioned 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.

(b) (6)

Contracts Manager
The Boeing Company

Date: January 12, 2007

**ITEMS AND PRICES, DELIVERY SCHEDULE AND ACCOUNTING DATA
FOR
DELIVERY ORDER: HSBP1007J14218**

SCHEDULE OF SUPPLIES/SERVICES

Item Number: 00010 **Line Item (Priced/Information/Option):** P
Supplies/Services: BMGR Initial (9 Mile) Section for SBInet In accordance with Barry M. Goldwater Range (BMGR)
 Project 37 Initial (9 Mile) Section Performance Work Statement (PWS)

Qty	Unit	Unit Price	Ext. Price
1	AU	\$1,600,000.0000	\$1,600,000.0000

Item Number: 00020 **Line Item (Priced/Information/Option):** P
Supplies/Services: BMGR Initial (9 Mile) Section for SBInet In accordance with Barry M. Goldwater Range (BMGR)
 Project 37 Initial (9 Mile) Section Performance Work Statement (PWS)

Qty	Unit	Unit Price	Ext. Price
1	AU	\$6,400,000.0000	\$6,400,000.0000

Total Funded Contract Value: **\$8,000,000.00**

ACCOUNTING AND APPROPRIATION INFORMATION

Item: 00010	6100.2525USCSGLCS0900009000Z00007173SB03 SB3002525	Amount \$1,600,000.000
Item: 00020	6999.3192USCSGLCS0900009000Z00007173SB03 SB3003192	Amount \$6,400,000.000

DELIVERY SCHEDULE

Deliver To: Customs and Border Protection
 6301 Hazeltine Drive
 National Electronics Team
 Orlando FL 32822-5101

Instructions:

Item	Quantity	Delivery Date	Recipient	Unloading PT.
00020	1	04/11/2007		

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	04/11/2007		

A.1 FAR 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 12, 2007. Upon acceptance by both parties, the Contractor shall proceed with performance of the work, including purchase of necessary materials.

[End of Clause]

A.2 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 \$8,000,000.00.

(b) The maximum amount for which the Government shall be liable if this contract is terminated is \$8,000,000.00.

[End of Clause]

A.3 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 cost-plus incentive fee proposal and cost or pricing data supporting its proposal.

(b) The schedule for definitizing this contract is:

1. The contractor must submit a compliant proposal not later than forty-five (45) days after receipt of an RFP for this effort.
2. Commencement of negotiations between The Boeing Company and Government: **April 01. 2007.**
3. Target date for definitization of the contract: **April 11. 2007.**

(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 paragraph (c)(1) of this section, 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.4 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 1 month, 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.5 Term Of Letter Contract

The term of this letter contract shall be 90 (ninety) days, unless extended by mutual consent of the parties or definitized prior to the expiration of 30 (thirty) days.

[End of Clause]

A.6 Subcontracting Approval

Clause H.29 (Subcontracting Approval) of Contract HSBP1006D01353 is not applicable to work to be performed by The Boeing Company's teammates for this Task Order. Boeing shall comply with Clause H.29 for all other subcontracting with the exception of any subcontracts issued to Power Contracting Inc. for installation of fence and provisioning the machines to push bollards into ground. The Government recognizes that (b) (4) [REDACTED] has a patent on its installation equipment, and thus authorizes execution of a letter (undefinitized) subcontract pursuant to FAR 6.302-1, as "only one responsible source and no other supplies or services will satisfy agency requirements." Government consent to a definitized subcontract with Power Contracting Inc. is required.

[End of Clause]

Task Order No. HSBP1007J14218

Contract No. HSBP1006D01353

Secure Border Initiative (SBI)*net*

**Barry M. Goldwater Range (BMGR)
Project 37 Initial (9 Mile) Section**

Performance Work Statement (PWS)

The Boeing Company Secure Border Initiative (SBI)*net*
Barry M. Goldwater (BMGR) Project 37 Initial (9 Mile)) Section
Performance Work Statement (PWS)

1 Background

Achieving operational 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). Managing, securing, and controlling the border requires determining the optimum mix of personnel, technology, infrastructure, and response platforms to achieve maximum tactical and strategic advantage in each unique border environment, that will significantly reduce the probability of illegal entries and successful cross-border violations into the USA and maintain control of the border. A systematic approach will deploy and integrate systems and services in stages, allowing each stage to build on the success of earlier stages.

In accordance with The Boeing Company (Boeing) SBI *net* Concept of Operations, Boeing will implement a project to provide an Initial (9 Mile) section essential to operational control of the southern border in the Barry M. Goldwater Range (BMGR) area of the Yuma sector.

2 Scope

This Performance Work Statement (PWS) delineates the activities and services to be performed to install a nine (9) mile segment permanent vehicle barrier with one (1) mile of the permanent vehicle barrier being inclusive of a pedestrian fence on the US / Mexico border in the Yuma Sector across the western edge of the Barry M. Goldwater Range.

The scope of this project includes all of the resources, skills, and authority necessary for the contractor to achieve the objectives of the BMGR Project 37 Initial (9 Mile) Section. This includes: coordination with the SBI_{net} Program Management Office (PMO), assignment of a contractor deployment director; BMGR Project 37 Initial (9 Mile) Section project coordination; on-site scheduling, coordination, and administration; implementation and maintenance of a Safety and Security Plan that addresses the security of all personnel and equipment at the site; design drawings; surveys; as-built documentation; and warranty. All efforts under this Task Order are to be completed no later than 24 March 2007.

3 Work to be Performed

Boeing shall provide a nine (9) mile segment of permanent vehicle barrier with one (1) mile of the permanent vehicle barrier being inclusive of a pedestrian fence along the national border at a to-be-determined setback distance. The fence / barrier combination will be installed to tie into the termination point of primary and secondary fence in the Yuma / San Luis area of Avenue 3E and proceed to the east for nine miles along the border.

3.a Project Management

Boeing shall perform the following Project Management activities in support and performance of BMGR Project 37 Initial (9 Mile) Section.

Boeing shall maintain a BMGR Project 37 Initial (9 Mile) Section Project Management presence at a mutually agreed upon location and provide key BMGR Project 37 Initial (9 Mile) Section staff.

Boeing shall ensure that on-site Project Management has the necessary resources, skills, and authority to manage the BMGR Project 37 Initial (9 Mile) Section at the site level. At a minimum, Boeing will provide an on-site project manager and engineer.

Weekly Project management meetings shall be held as required.

The contractor shall provide on-site coordination and administrative support to execute the BMGR Project 37 Initial (9 Mile) Section.

For meetings and reviews, Boeing shall take notes, record and track action items and issues. At the close of the meeting or review, Boeing and the senior Government representative present shall agree upon action items and issues. Boeing shall provide either electronic copies or online access within a common Government/Contractor database within 96 hours of the meeting. All action items are to be approved by the Contractor's Project Manager and the Government's Contracting Officer's Technical Representative or his designee.

Boeing shall ensure that BMGR Project 37 Initial (9 Mile) Section performance is rolled-up into the monthly program management reviews for the overall *SBI*net deployment.

Boeing shall ensure that it has all the necessary access, permits, and licenses in place to deliver the items defined in the BMGR Project 37 Initial (9 Mile) Section. A waiver covering all of the legal requirements (including environmental and land use regulatory compliance) necessary to conduct the BMGR Project 37 Initial (9 Mile) Section Task Order will be effective prior to commencing work.

Boeing shall provide a BMGR Project 37 Initial (9 Mile) Section Deployment Plan.

Boeing shall work with CBP to establish a Safety and Security Plan for the BMGR Project 37 Initial (9 Mile) Section that addresses the security of personnel and equipment at the site.

3.a.1 Business Management

Boeing shall perform the following Business Management activities in support and performance of the BMGR Project 37 Initial (9 Mile) Section.

Boeing shall provide project-level integrated plans, schedules, budgets and performance information (based on tailored EVMS) and report schedule variances to the *SBI*net Program Management Office (PMO). The Boeing BMGR Project 37 Initial (9 Mile) Section Business Management representative shall report BMGR Project 37 Initial (9 Mile) Section information utilizing reports derived from Boeing's Program Information Management System (PIMS) and tailored EVMS as part of contract-level Business Team meetings. The results of these meetings shall be reviewed by the *SBI*net PMO and Boeing, and reported as part of the contract-level Monthly Program Reviews. Boeing shall designate a Contracts Administrator as the single point of contact for contractual matters. The Contract administrator shall have the responsibility and authority to represent and commit Boeing's organization on contract-related program issues.

Contracts administrator manager shall perform general contract administration support during the period of performance of the program. The administrator shall serve as the customer focal point for

contractual matters. The administrator shall support program reviews. The administrator shall issue and track correspondence items (incoming and outgoing) and submit any additional proposals and/or Engineering Change Proposals. The administrator shall perform obligation analysis to assess the impact of change activity with regard to scope, change board activities, funding requirements, and export compliance activities.

3.a.2 Supplier Management and Procurement

Boeing shall provide direction for suppliers working on-site. Boeing shall monitor, control, and report the plans, schedules, budgets, and variances associated with suppliers working on BMGR Project 37 Initial (9 Mile) Section in support of contract-level performance reviews. Boeing shall report on supplier performance and achievements against the relevant BMGR Project 37 Initial (9 Mile) Section schedule and cost metrics.

3.a.3 Risk Management

Boeing shall implement proactive risk management on the BMGR Project 37 Initial (9 Mile) Section in accordance with an approved update to the contract-level Risk Management Plan (RMP), tailored to the *SBI*net program objectives. Boeing shall ensure that project risks are actively managed by the BMGR Project 37 Initial (9 Mile) Section Project Management Office, along with the *SBI*net PMO risk manager, and also reviewed at the contract-level Risk Management Board for overall *SBI*net impacts and lessons learned. Boeing shall link the BMGR Project 37 Initial (9 Mile) Section risks into the contract level risk database to provide CBP with both a standalone BMGR Project 37 Initial (9 Mile) Section risk assessment as well as an overall *SBI*net risk assessment. Boeing shall provide an overview of the management of BMGR Project 37 Initial (9 Mile) Section risks, issues, and mitigation plans, status of mitigation efforts, and results of mitigation at each Monthly Program Review and the monthly Risk Management Board meetings and include them as part of the monthly Program Report.

3.b System Engineering

Boeing shall provide the resources and skills necessary to assure the implementation, inspection and acceptance of the deliverables of the Initial (9 Mile) section of BMGR are in accordance with the detailed design and the acceptance plan.

Boeing shall maintain configuration identification, configuration/change control, configuration status accounting, and configuration audits of deliverables for the BMGR Project 37 Initial (9 Mile) Section and enter this data into its *SBI*net database.

Boeing shall provide Detailed Design documentation packages at project completion.

3.c Operations and Maintenance and Integrated Logistics Support

Boeing shall provide warranty support for items delivered and installed for the BMGR Project 37 Initial (9 Mile) Section.

3.d Performance Standards

Boeing shall perform to the standards identified in Figure 3.d-1, Performance Standards, with a goal to achieve such performance levels. These performance results can be utilized as factors in baseline system performance for future task orders.

Performance parameters and standards in Figure 3.d-1 were identified in the CBP Statement of Objectives (SOO) dated December 7, 2006. Clarification of weight of vehicle and fence cutting were added by Boeing.

Parameter	Goal	Threshold
Miles of vehicle barrier	(b) (7)(E)	
Miles of hybrid vehicle barrier / fence		
Fence Height		
Stop (b) (7)(E) pound vehicles traveling up to		
Time required for single individual to cut a (b) (7)(E) (b) (7)(E)		
Mean Time Between Routine Maintenance (including servicing equipment)		

Figure 3.d-1 Performance Standards

4 Contract Deliverables

4.a Deliverable List and Schedule

Boeing shall deliver the hardware and support to provide and install a nine (9) mile segment of permanent vehicle barrier with one (1) mile of the permanent vehicle barrier being inclusive of a pedestrian fence in accordance with the Integrated Master Schedule (IMS).

A list of Contract Data Requirements is shown in Figure 4.a-1. All CDRLs shall be provided in Contractor format unless Data Item Description is provided. The CO and/or COTR shall have half the time period, or as mutually agreed upon, between submittal due dates of a CDRL for their review and comments to be provided to the contractor for further incorporation into the next CDRL revision. As an example, CDRL C001, Project Management Plan, after the Initial (9 Mile) submittal (20 DARO), the CO and/or COTR shall provide their comments within ten days of Initial (9 Mile) CDRL submittal for incorporation into the subsequent submittal due 40 DARO. If such review and comments are not provided in the allotted time the next submission date will be extended by an equivalent amount of time.

Amendments to the Integrated Master Schedule (IMS) will be made to incorporate the BMGR Project 37 Initial (9 Mile) Section schedule.

4.b Acceptance

All deliverables are subject to review and acceptance by the CO or COTR. The acceptance for BMGR Project 37 Initial (9 Mile) Section product deliverables will be per the System Acceptance Plan as reviewed and approved by the CO or COTR. Acceptance testing shall be performed in accordance with the System Acceptance Plan. These documents will be modified as required for follow on BMGR task orders to minimize duplication of effort.

ID Number	Deliverable Name	Frequency of Delivery	
		Initial (9 Mile)	Subsequent
C001	Project Management Plan (Update) (3.c)	20 DARO	40 DARO
C012	Project Schedule (3.a.1)	20 DARO	Monthly
C007	Progress Report to Schedule metrics	30 DARO	Monthly
C030	Deployment Plan (3.a)	15 DARO	30 DARO
C009	Risk Tracking Documents	30 DARO	Monthly
C037	Bill Of Materials (3.e)	30 DARO	Semi-Monthly
C036	Design Drawings (3.a)	20 DARO	Project Completion
C046	Warranties	Project Completion	N/A
C049	As-Built Documentation (3.b)	30 Days After Sys Accept.	As Reqd
C041	System Acceptance Plan	30 DARO	As Reqd

Figure 4.a-1 BMGR Project 37 Initial (9 Mile) Section CDRL Schedule

5 Period of Performance End Date

The period of performance for completion of BMGR Project 37 Initial (9 Mile) Section is 24 March 2007.

6 Contracting Officer’s Technical Representative (COTR)

The COTR for this Task Order is: (b) (6), (b) (6), facsimile (202) 344-2480, and email (b) (6)

7 Travel

Boeing will comply with the requirements of the IDIQ contract HSBP1006D01353.

8 Government Furnished Information (GFI), Government Furnished Material (GFM), and Government Furnished Property (GFP), Access to Government Facilities

GFI, GFM, and GFP under this Task Order is in accordance with the table below:

Type	Item	Due to Boeing
Access	Construction Site Access	1/17/07

The Government shall provide Boeing with access to Government facilities as necessary for the performance of this Task Order. Boeing shall request access to Government facilities by written notification to the COTR not less than five (5) business days in advance of when access is required. The COTR shall notify Boeing of access approval, and access conditions within three (3) business days of acknowledged receipt of the Boeing request.