AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT

1. CONTRACT ID CODE

PAGE 1 OF 5 PAGES

2. AMENDMENT/MODIFICATION NO. P00009

3. EFF. DATE 4/15/2009

4. REQUISITION/PURCHASE REQ. NO. 0020040998

5. PROJECT NO. (If applicable)

6. ISSUED BY CODE 7014
Department of Homeland Security
Customs and Border Protection
1300 Pennsylvania Ave NW
Room 7.2C
Washington DC 20229

7. ADMINISTERED BY (If other than Item 6) CODE
Dept of Homeland Security
Customs and Border Protection
SBI Acquisition Office Room 7.2C
1300 Pennsylvania Ave. NW
Washington DC 20229

8. NAME AND ADDRESS OF CONTRACTOR (No., street, county, State and Zip Code)
THE BOEING COMPANY
DBA/ BOEING
1215 SOUTH CLARK ST
STE 600
ARLINGTON VA 22202-3259

CODE 807414318 FACILITY CODE

9A. AMENDMENT OF SOLICITATION NO.

9B. DATED (SEE ITEM 11)

X 10A. MODIFICATION OF CONTRACT/ORDER NO. / HSBP1208J21892

10B. DATED (SEE ITEM 13) 06/25/2008

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 _____ 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 ACKNOWLEDGEMENT 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 you 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)
See Page 5

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

X 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. FAR Clause 52.243-2 Alternate II

☐ 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 1 copies to issuing office.

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

A. The purpose of this modification is to:

(1) Provide incremental funding at $15,000,000;
(2) Revise estimated cost on CLIN 00050, due to cost growth/overrun; CLIN 00050 subject to definitization;
(3) Reallocate funds from CLIN 00050 to CLIN 00010;
(4) Revise estimated cost on CLIN 00060, due to definitization;

See Following Pages

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)
(b) (6)

15C. DATE SIGNED 4/14/2009

16A. NAME AND TITLE OF CONTRACTING OFFICER (Type or print)
Barbara A. Janitis
Contracting Officer
(b) (6)

16C. DATE SIGNED 15 April 2009

NSN 7540-01-152-8070
PREVIOUS EDITION UNUSABLE

STANDARD FORM 30 (Rev. 10-83)
Prescribed by GSA FAR (48 CFR) 53.243

14. A. (Continued)

(5) Add CLIN 00130 as informational CLIN for purposes of obligating $15,000,000;
(6) Revise incentive fee on CLIN 00040;
(7) Change COTRs and add an alternate COTR.

B. The task order estimated cost and fee are changed as follows:

	Estimated Cost	Fee	Total
CLIN 00010	(b) (4)		
Changed From:			
Changed By:			
Changed To:			
CLIN 00020			
Changed From:			
Changed By:			
Changed To:			
CLIN 00030			
Changed From:			
Changed By:			
Changed To:			
CLIN 00040			
Changed From:			
Changed By:			
Changed To:			
CLIN 00050			
Changed From:			
Changed By:			
Changed To:			
CLIN 00060			
Changed from			
Changed by			
Changed to			
CLIN 00070			
Changed From:			
Changed By:			
Changed To:			

Total
Changed From:
Changed By:
Changed To:

(b) (4)

C. The CLINs are funded thru June 30, 2009 as follows:

	Estimated Cost	Fee	Total
CLIN 00010	(b) (4)		
Changed from			
Changed by			
Changed to			
CLIN 00020			
Changed from			
Changed by			
Changed to			
CLIN 00030			
Changed from			
Changed by			
Changed to			
CLIN 00040			
Changed from			
Changed by			
Changed to			
CLIN 00050			
Changed from			
Changed by			
Changed to			
CLIN 00060			
Changed from			
Changed by			
Changed to			
CLIN 00070			
Changed from			
Changed by			
Changed to			
Total			
Changed from			
Changed by			
Changed to			

D. CLIN 00050 estimated cost is increased by $1,847,343 changed from $4,488,069 to $6,335,412. CLIN 00060 estimated cost and fee is increased by $2,353,871 changed from $4,226,803 to $6,580,674. As a result of this modification total contract value of $81,876,605 is increased by $4,361,387 for a new task order amount of $86,237,992.

E. As a result of this modification total obligation of $52,337,152 is increased by $15,000,000 for a total obligation of $67,337,152.

F. Period of Performance End date is changed from March 31, 2009 to June 30, 2009.

G. The following administrative information is changed:

From:

Contracting Officer's Technical Representative

(b) (6)

To:

Primary Contracting Officer's Technical Representative (COTR)

(b) (6)

Alternate COTR

(b) (6)

COTR and Alternate COTR Designation letters were previously provided.

H. Section B page 4 thru 11 of the Basic Task Order is hereby replaced with the attached Section B pages 4 thru 12 (9 pages). Changes are indicated by strikethroughs and underlines. Accounting and Appropriation Information shown on page 5 of this Modification P00009 is incorporated into the task order.

I. All other terms and conditions remain the same.

ACCOUNTING AND APPROPRIATION INFORMATION

Item: 00130 6999.3194USCSGLCS0900009000Z00009173SB03 SB3003194 **Amount** $15,000,000.00

Section B – Supplies or Services and Prices/Costs

CLIN		Description	Estimated Costs	Target Fee
CLIN	00010	Professional services. travel, and data for Program Management/Administration in accordance (IAW) with the attached Statement of Work (SOW) For Arizona Deployment dated June 24, 2008 TUS-1 cost estimate/fee: AJO-1 cost estimate/fee:	(b) (4)	(b) (4)
CLIN	00020	Professional Services, travel, and data for Tower Installation IAW the attached SOW for Arizona Deployment dated June 24, 2008. TUS-1 cost estimate/fee: AJO-1 cost estimate/fee:	(b) (4)	
CLIN	00030	Materiel, and data IAW the attached SOW for Arizona Deployment dated June 24, 2008 TUS-1 cost estimate/fee: AJO-1 cost estimate/fee:	(b) (4)	
CLIN	00040	Schedule Incentive Fee TUS-1: AJO-1:	(b) (4)	
CLIN	00050	Professional services, travel, and data For Tower Payloads IAW the attached SOW for Arizona Deployment dated June 24, 2008 TUS-1: cost estimate/fee AJO-1: cost estimate/fee:	(b) (4)	
CLIN	00060	Professional services, travel, and data For Facilities IAW the attached SOW for Arizona Deployment dated June 24, 2008 TUS-1: cost estimate/fee AJO-1: cost estimate/fee	(b) (4)	
CLIN	00070	Professional services, travel, and data for Integration/Test IAW the attached SOW for Arizona Deployment dated June 24, 2008 TUS-1: cost estimate/fee: AJO-1: cost estimate/fee:	(b) (4)	

CLIN 00080	This is an unpriced (informational) CLIN that provides $19,977,419 to fund CLIN 00030
CLIN 00090	This is an informational CLIN that provides $1,188,069 to fund CLIN 00050
CLIN 00100	This is an informational CLIN that provides $340,382 to fund CLIN 00070
CLIN 00110	This is an informational CLIN that provides $10,695,618 to fund CLIN 00010 at $7,986,389; CLIN 00020 at $2,457,338; and CLIN 00070 at 251,891
CLIN 00120	This is an informational CLIN that provides $4,304,382 to fund CLIN 00030
CLIN 00130	This is an informational CLIN that provides $15,000,000 to fund CLIN 00010 at $4,664,559; CLIN 00020 at $7,407,225; CLIN 00060 at $2,353,871; and CLIN 00070 at $574,345
Totals	(b) (4) [redacted]

Section B – Contract Pricing Terms and Conditions

1. GENERAL

The contractor shall furnish all personnel, facilities, equipment, materials, supplies, and services necessary for the contractor to deploy the designs for TUS-1 and AJO-1 in accordance with the attached statement of work for Arizona Deployment dated June 24, 2008.

2. PERIOD OF PERFORMANCE

The estimated period of performance for this task order is ~~nine (9)~~ twelve (12) months, or from June 25, 2008 through ~~March 31, 2009~~ June 30, 2009.

3. TASK ORDER TYPE:

This task order is issued under the SBInet Contract (HSBP1006D1353) which is an indefinite delivery/indefinite quantity (IDIQ) contract.

This is a Cost-Plus Incentive Fee (CPIF) Task Order that includes cost and schedule/performance incentives. Schedule/performance incentives provide the motivation to achieve accelerated tower deployment for TUS-1 and AJO-1 at the lowest possible cost.

4. TOTAL TASK ORDER TARGET COST, TARGET FEE, AND OVERALL COMPLETION DATE

Total task order target cost and target fee is $76,169,357. The total task order target cost is (b) (4) [redacted] The total task order target fee is (b) (4) [redacted] or (b) (4) [redacted] of total task order total cost less travel and travel related indirect costs, and facilities capital cost of money. The total task order target cost and target fee are set for task order target completion of not later that March 31, 2009.

INCENTIVE FEE STRUCTURE:

The cost and schedule/performance incentive fees will be cumulative and in no case shall the total maximum fee exceed (b) (4) [redacted] of the target cost less travel and travel related indirect costs, and facilities capital cost of money. The minimum fee shall not be less than (b) (4) [redacted] of the target cost less travel and travel related indirect costs, and facilities capital cost of money

5.1 Cost Incentive Structure

The following cost incentive structure is established in association with the target completion dates identified in Section B.5.2. The fee is split between TUS-1 and AJO-1 as follows: 75% for TUS-1 and 25% for AJO-1

Target Cost Fee: (b) (4) [redacted] of target cost less travel and travel related indirect costs, and facilities capital cost of money)

Maximum Fee: (b) (4) [redacted] of target cost less travel and travel related indirect costs, and facilities capital cost of money; Maximum Fee includes the schedule incentive fee of (b) (4) [redacted] plus the target cost fee @ (b) (4) [redacted]

Minimum Fee: (b) (4) [redacted] of target costs less travel and travel related indirect costs, and facilities capital cost of money)

Share line:

For a total actual cost greater than target cost (cost overrun), costs exceeding the target cost shall be shared as follows:

Government's share: 75%
Contractor's share: 25%

For a total actual cost less than target cost (cost underrun), costs less the target cost shall be shared as follows:

Government's share: 75%

Contractor's share: 25%

The contractor's fee shall be adjusted as follows:

1. Determine the cost overrun or underrun variance (Target cost less actual allowable cost);

2. Determine the contractor's fee (Cost variance times the contractor's overrun or underrun share ratio (percentage) plus (Target fee) equal (Contractor fee).

5.2 Schedule/Performance Incentive

The schedule/performance incentive is comprised of two components. Separate incentives are established for the Conditional Systems Acceptance Review (SAR) for TUS-1 and Final Systems Acceptance for AJO-1. The criteria for conditional acceptance shall be evidence presented in the Conditional Systems Acceptance Review.

The evidence that shall be presented in the Conditional Systems Acceptance Review includes the following:

1. Completion of Systems Acceptance Testing
    a. Completion of test results "Hotwash"
    b. Preliminary Results and Predictions of Analysis

2. All Categories 1 & 2 non-conformance items closed (includes Initial Reviews (IR), Test Initial Reviews (TIR).

3. Plan of action on all open Category 3 non-conformances

4. Acceptance Data Package (ACP) of "as-built" System
    a. Reconciliation of as-build vs. as-designed
    b. Includes results from Assembly Check-out testing data (Factory Acceptance type testing)

5. Certification & Accreditation
    a. Plan of action for any issue identified in the Security Assessment Report
    b. Evidence of Complete Network Operations Center/Secure Operations Center (NOC/SOC) procedures

A successful/acceptable SAT for TUS-1 is achieved when no Category 1 or Category 2 failures exist, but Category 3 issues may be present.

- Category 1 is a failure of the systems primary system functions. Any safety related issue is Category 1 failure.

- Category 2 is a partial failure or degradation of primary systems functions that impacts primary functionality but functionality is achievable with alternative method of operation.

- Category 3 is an issue that results in degraded operations of minor functionality or where a work around is available to enable operations to continue.

The evidence to be presented in Final Acceptance Package for TUS-1 and AJO-1 follows:

1. Close out of all non-conformances (includes IRs, TIRs, etc) to include government concurrence as applicable, including root cause analysis and corrective action steps and schedule.

2. Satisfactory completion of the Systems Acceptance to include Systems Acceptance Test reports and performance analysis results.

3. Final delivery of the Acceptance Data Package (ADP) which documents the reconciliation of the "as built" configuration of the TUS-1/AJO-1 System to the final "as designed" baseline.

4. Certification & Accreditation

a. All issues or conditions to "authority to operate", identified in the Security Assessment Report are documented with approved plans in the Plan of Action Milestones (POAM)

b. Evidence of Complete NOC/SOC procedures.

5. Project Integration Specifications metrics are satisfied*:

Probability of Detect		Probability of ID		Operational Availability	
Threshold	Objective	Threshold	Objective	Threshold	Objective
(b) (7)(E) [redacted]					

In addition to the three specifications above, a fourth specification is as follows:

**Technology Coverage (radar-based)

Coverage is based on the linear line (statute miles) of border covered by technology as follows:

TUS-1: (b) (7)(E)
AJO-1:

* The metrics are based on the Modeling and Simulation models that are based on a seven workstation COP configuration. Any adjustment to the workstation COP configuration will require a review and change to the metrics.

**The methodology of determining technology coverage is based on the document entitled, Miles of Border Covered by Technology, Revision 0.9, 6/25/2008 incorporated by reference.

6. All CDRLs delivered and accepted by the government except final financial reports.

The schedule/performance incentives are designed to motivate the contractor to accomplish earlier project completion dates than agreed to in the Integrated Master Schedule (IMS). Accordingly, the following schedule/performance incentives are established as shown below:

5.2.1 Systems Acceptance Review completed for TUS-1

A target schedule/performance incentive is established at a successful Conditional Systems Acceptance Review (SAR) based on tiered schedule/performance dates below. Final acceptance date for TUS-1 is December 18, 2008. 75% of the schedule incentive fee is allotted to TUS-1.

Any fee earned pursuant to the Cost Incentive structure set forth in B.5.1 above shall be increased by a schedule/performance incentive of (b) (4) upon a successful conditional SAR completed before or on November 13, 2008 so long as the total fee earned is not more than the target maximum fee.

Any fee earned pursuant to the Cost Incentive structure set forth in B.5.1 above shall be increased by a schedule/performance incentive of (b) (4) upon a successful conditional SAR completed after November 13, 2008, but not later than November 20, 2008 so long as the total fee earned is not more than the target maximum fee

Any fee earned pursuant to the Cost Incentive structure set forth in B.5.1 above shall be increased by a schedule/performance incentive of (b) (4) upon a successful conditional SAR completed after November 20, 2008, but not later than November 27, 2008 so long as the total fee earned is not more than the target maximum fee.

Any fee earned pursuant to the Cost Incentive Structure set forth in B.5.1 above shall be increased by a schedule/performance incentive of (b) (4) upon successful conditional SAR completed after November 27, 2008, but not later than December 4, 2008, so long as the total fee earned is not more than the target maximum fee.

A successful conditional SAR completed after December 4, 2008 for TUS-1 shall result in (b) (4) schedule/performance incentive.

5.2.2 Systems Acceptance Review completed for AJO-1

A target schedule/performance incentive is established for final acceptance based on the tiered schedule/performance dates below. Final acceptance date for AJO-1 is February 19, 2009. 25% of the incentive fee is allotted to AJO-1.

Any fee earned pursuant to the Cost Incentive structure set forth in B.5.1 above shall be increased by a schedule/performance incentive of (b) (4) upon acceptance before or on January 22, 2009 so long as the total fee earned is not more than the target maximum fee.

Any fee earned pursuant to the Cost Incentive Structure set forth in B.5.1 above shall be increased by a schedule/performance incentive of (b) (4) upon acceptance after January 22, 2009, but not later than January 31, 2009 so long as the total fee earned is not more than the target maximum fee.

Any fee earned pursuant to the Cost Incentive Structure set forth in B.5.1 above shall be increased by a schedule/performance incentive of (b) (4) upon acceptance after January 31, 2009, but not later than February 7, 2009 so long as the total fee earned is not more than the target maximum fee.

Acceptance after February 7, 2009 for AJO-1 shall result in (b) (4) schedule/performance incentive.

5.3 Provisional Fee Payment Schedule.

Schedule provisional fee payments will be made monthly and will be calculated as follows:

$$\text{Provisional Fee Payment} = \frac{\text{Target Fee}}{\text{Months of Performance } \cancel{(9)}(12)} \times 0.85$$

6. Final Fee Determination

The final fee determination will be calculated by the Contracting Officer when the Contractor has completed all activities included in the SOW. The final fee determination will be based on the total cost of the Task Order and the target schedule dates and cost. The final fee payment will be the difference between the final fee determination minus the sum of provisional fee payments made during the period of the Task Order.

If the sum of provisional fee payments made during the period of the Task Order is greater than the overall fee that is calculated by the Contracting Officer in her final fee determination, the Contractor shall reimburse the amount of fee already paid that is greater than that earned and shall pay interest to the CBP at a rate established by the Secretary of the Treasury under section 12 of the Contract Disputes Act of 1978 (41 U.S.C. 611) that is in effect on the payment date. This rate is referred to as the "Renegotiation Board Interest Rate," and is published in the Federal Register semiannually on or about January 1 and July 1. The interest will be accrued daily from the date of the Contracting Officer final fee determination to the date of reimbursement by the Contractor and will be compounded in 30 day increments. Reimbursement must be made within 15 calendar days of the Contracting Officer final fee determination.

7. Obligation of Funds

a. ~~Total funds in the amount of $52,337,152 are obligated herewith and made available for payment of allowable and allocable costs and fees from the effective date of this Task Order through completion for CLIN 00030 at $27,118.984, CLIN 00050 at $6,676,969, and CLIN 00060 at $4,226,803. CLIN 00010 is funded at 9,526,494 through January 31, 2009. CLIN 00020 is funded at $4,195,629 and CLIN 00070 is funded at $592,273, respectively through December 31, 2008. CLIN 00040 is unfunded~~.

Total funds in the amount of $67,337,152, are obligated herewith and made available for payment of allowable and allocable costs and fees from the effective date of this Task Order through June 30, 2009 for CLIN 00010 at $14,532,610, CLIN 00020 at $11,602,854, CLIN 00030 at $27,118,984; CLIN 00050 at $6,335,412; CLIN 00060 at $6,580,674; and CLIN 70 at $1,166,618. CLIN 00040 is unfunded.

b. Funds are obligated by line item. Allocation of estimated costs and target fee is shown by project; specifically, TUS-1 and AJO-1 within the description of the line item. The contractor shall notify the contracting officer in writing with a detailed explanation of any change in the specific project's estimated cost. All parties shall come to an agreement of the revised project cost within three (3) working days; and the contracting officer will notify the contractor of the

acceptance of the revised cost within three (3) working days. The contracting officer will reallocate funds accordingly via modification to the task order. The contractor is authorized to invoice at the Contract Line Item (CLIN) level.