

Cityside Management Corporation

Prime contractor for the U S Department of Housing and Urban Development

Request for Proposal (RFP) **Termite Inspections and Treatments of Single Family (1 – 4 units)** **HUD Owned Homes in the State of Arkansas**

Attention Termite Contractors:

Cityside Management Corporation, in its capacity as Management and Marketing Contractor (M&M) for the U. S. Department of Housing and Urban Development (HUD), is seeking proposals for the termite inspections and termite treatments in the State of Arkansas. The purpose of this request for proposal is to assure that Cityside and HUD are receiving the best value and quality of services available in the designated areas while complying with Federal Subcontracting policies.

The deadline for submitting a proposal is 3:00PM central time on Friday, February 29th, 2008. Proposals must be sealed. Proposals will be analyzed based on price, technical ability, and demonstrated ability to cover the defined service area on a timely basis in accordance with work order requirements. Winning bidder must be a licensed termite exterminator in good standing with the State of Arkansas and must provide evidence of same. Additionally, termite contractor must maintain continuous liability insurance coverage with limits not less than \$1,000,000, Worker Comp of not less than \$100,000 (if applicable), and vehicle insurance as prescribed by State law. A current insurance certificate confirming liability coverage and naming Cityside Management and HUD as additional insured shall be required prior to commencement of services.

Cityside Management is an equal opportunity contractor and will award the stated work to the most qualified entry regardless of race, creed, gender, or national origin. Services are to begin on our about March 10, 2008. Award will be announced no later than Friday March 7th, 2008. Cityside Management reserves the right to re-bid this service from time to time and/or to cancel this agreement at any time with or without cause. Cityside Management further reserves the right to accept or reject any or all proposals based on the established criteria.

Scope of Work

Arkansas Termite Inspections and Treatment:

- The sub-contractor shall **perform and provide wood destroying organism/termite inspections, clearance and treatment** as needed to eliminate live infestation or to affect the commencement of warranty in accordance with the laws of the State of Arkansas (Arkansas Pest control Law ACA 17-37-221).
- Subcontractor must identify method of treatment and chemicals used.
- Subcontractor shall provide clearance documentation on Form #MPNA-33, a sketch/graph of property identifying location of live infestation or WDO damage, and a written service contract complete with one year guarantee of work performed. Guarantee shall run with the property and shall transfer to the subsequent property owner for the balance of the contract year.
- When billing, subcontractor must send the original invoice for each completed work order, the signed work order, inspection report Form #MPNA-33, graph/sketch of the property identifying any active infestation and damage, and a signed service contract complete with a one year guarantee of work performed to Cityside Management's office at 301 Market St Suite B, Hammond, LA 70401 immediately upon completion of each work order.

- **This is a set unit price contract.** The bid and invoice amount shall be the same for each home regardless of location within the bid area, size of the property, condition of the property, or other conditions impacting the stated service. There shall be no deviation from the set price once the contract is awarded regardless of property size or condition.
- The deadline for providing inspection and treatment shall be 5 calendar days from the date a work order is issued.
- The bid price shall include all applicable taxes.
- Payment of the invoice submitted by the sub-contractor will be processed and mailed within 30 days of the receipt of the original invoice and all supporting documentation as called for in this scope of services.
- Sub-contractor must report any relevant construction deficiencies hindering the inspection or placing the property at risk of infestation or continued infestation.
- Sub-contractor must also fax to (985) 419-0310 or electronically transmit the inspection report and graph to Cityside immediately upon completion of the work order.

NOTE: Treatment shall be performed on all properties regardless of whether or not active infestation is identified in accordance with guideline established by the Arkansas State Plant Board.

Additional Terms and Conditions:

In the event that any clearance letter expires while any property is still under HUD ownership, contractor shall agree to provide an updated clearance for an amount equal to ½ of the bid price herein stated.

In the proposal, contractor shall indicate in which of the defined areas services can be rendered. (See Exhibit C) Ability to cover the entire bid area must be documented in proposal. Contractor must provide a unit price for inspection and a unit price for treatment in accordance with the above terms. An inspection and treatment will be ordered on each property.

Evidence supporting contractor's capabilities must accompany the proposal. Contractor must also provide method or methods of communication by which bidder may be contacted on a regular and emergency basis (i.e.: office phone, pager, cell phone, fax machine, answer machine, etc.)

The attached list (Exhibit C) is for information purposes only and identifies the bid areas for this RFP. It is being provided solely to define the specific bid areas and to demonstrate the historic volume and distribution of inventory over the past 6 months and in which areas the inventory may be more heavily concentrated. The inventory of homes is constantly changing and the volume will fluctuate. Be advised that there are no guaranteed volumes. Bidder may submit proposals on more than one area. Proposals for partial areas will not be considered.

If found to be in the best interest of HUD, Cityside reserves the right to conduct best and final contract negotiations with qualified candidates or to request clarification of capabilities as deemed necessary.

Bidders must provide a unit price bid amount for both the inspection and the treatment. A combined bid will not be considered.

Winning bidders will be required to complete a comprehensive contractor's information package provided by Cityside Management

Employees or person otherwise related to Cityside Management are not eligible to participate in this solicitation

Bidder, as a condition of the award of this contract, must agree to the terms and conditions set forth in the enclosed sub-contract agreement (Exhibit B). Said agreement shall be incorporated into the contract for termite inspection and treatment services

Bidder should utilize the Bid Submission Cover Sheet (Exhibit A) when presenting its proposal. There is no minimum or maximum number of pages required for proposals but bidders are encouraged to demonstrate their ability to perform in the contract areas being bid

Questions about this solicitation should be submitted in writing to:

Lionel Hotard, Contract Manager,
Cityside Management
301 Market Street Suite B
Hammond, Louisiana 70401

Or email: Lhotard@citysidecorp.com

Bids/proposals must be submitted by deadline date in seal envelope to:

Lionel Hotard, Contract Manager,
Cityside Management
301 Market Street Suite B
Hammond, Louisiana 70401

Outside of envelope must state "Termite Proposal Enclosed"

Cityside reserves the right to amend the terms of this RFP prior to the deadline date. It is incumbent upon all potential bidders to obtain any such changes. To assure receipt of all changes and receive answers to any pertinent questions, bidders may register for updates by sending an email request to Lhotard@citysidecorp.com and placing the term "Termite RFP update" in the subject line of the email. Neither Cityside nor HUD may be held responsible for electronic failures in the transmission of said updates. Cityside will also post any amendments and responses to question on its web site with the original RFP

Bid Deadline is 3:00 PM Central time Friday February 29th, 2008.

Exhibit A

Request for Proposal (RFP) Bid Submission Cover Sheet

Name of Contractor _____

Date of Bid _____

Contract area included in this bid: (Use separate page for each area bid)

Area _____

Unit price bid amount per property for termite **inspection** \$ _____

Unit price bid amount per property for termite **treatment** \$ _____

Total per property bid amount \$ _____

- Notes:
1. Partial area bids will not be considered.
 2. Combined inspection and treatment bid amounts will not be considered.
 3. All line items must be completed.
 4. You can bid on as many areas as you like using separate bid submission cover sheets.

Signature of authorized individual submitting bid

X _____

Exhibit B

Sub-Contracting Agreement

General:

The sub-contractor shall provide goods and services as described in this RFP and in subsequent work orders provided by Cityside Management Corporation (contractor) to subcontractor. Said goods and services shall be provided within the State of Arkansas for the benefit of the contractor and its client, the U. S. Department of Housing and Urban Development.

Description of work:

All work shall be performed in a professional manner demonstrating good workmanship in accordance with industry standards. Deviation from what is deemed to be consistent with this standard as determined by the contractor shall result in the termination of this agreement and shall void any financial obligation to sub-contractor by the contractor or its client

Sub-contractor is to commence work upon issuance of written work orders from Cityside Management and shall complete said work no later than the deadline established by contractor on the work order.

Invoice approval:

Upon completion of each property, the sub-contractor must immediately submit an invoice detailing the inspection and treatment cost along with any other documentation that may be required by contractor. Sub-contractor will not be paid until all work has been satisfactorily completed. This determination shall be at the sole discretion of the contractor.

Sub-contractor shall prepare all invoices in a form satisfactory to and approved by Contractor. Any invoice submitted, which fails to comply with the terms of this contract, including the requirements of form and documentation, may be returned to sub-contractor. Any costs associated with the resubmission of a proper invoice shall be to sub-contractor's account.

Invoices shall be submitted to:

Cityside Management Corporation
301 Market St suite B
Hammond, LA 70401

Price limitations:

Sub-contractor represents that prices quoted represent the entire charge for the bid work including all taxes.

Waiver of Lien Rights:

Vendor may have rights under State statute to execute liens against the property for non-payment of invoices. Understanding this right, vendor unconditionally agrees to waive all lien right that vendor may be entitled to and agrees to pursue collection efforts without affecting clear title to the real estate owned. Any disputes pertaining to invoices will be resolved through mediation.

Insurance:

Sub-contractor shall provide evidence that sub-contractor carries and maintains without interruption liability insurance in an amount not less than \$1,000,000 with Cityside Management and HUD as additional insured and worker's Comp as required by the State.

Payment terms:

Invoices will be processed for payment within thirty days of the submission of an acceptable invoice. Final payment shall not relieve Contractor of any obligation under Contract guarantees.

Taxes:

Contractor shall submit Taxpayer Identification Number

QUALITY OF SERVICES

Sub-contractor warrants to Cityside that all services supplied by sub-contractor, in performance of this contract, shall be supplied by personnel who are careful, skilled, experienced and competent in their respective trades or professions. Sub-contractor agrees that he is supplying professional services, findings, and/or recommendations in the performance of this contract and warrants to Cityside, that the same shall conform to the highest professional standards and principles.

PERMITS AND LICENSES

Sub-contractor shall procure, without additional compensation, all permits, (other than building permits), certificates and licenses (including professional licenses) which may be required by governmental authorities having jurisdiction over sub-contractor, agents, or the work of contractor.

Work Assignment:

WORK ASSIGNMENTS SHALL BE AT THE WILL OF THE CONTRACTOR AND NO VOLUME IS GUARANTEED SUB-CONTRACTOR.

FAR CLAUSES INCORPORATED BY REFERENCE

The clauses of the Federal Acquisition Regulation (FAR) set forth below are hereby incorporated by reference in this Contract. This contract was prepared in compliance with FAR clause 52.244-2 * (see below)

FAR CLAUSES

FAR 52.244-6 Subcontracts for Commercial Items.

FAR 52.222-41 Service contract Act

FAR 52-203-7, Anti-Kickback procedures

FAR 52-203-12, Limitation on Payments to influence certain federal transactions.

FAR 52-223-14 Toxic Chemicals

FAR 52.222-22, Previous Contract Compliance Reports.

***52.244-2 Subcontracts.**

As prescribed in 44.204(a)(1), insert the following clause:

SUBCONTRACTS (AUG 1998)

(a) *Definitions.* As used in this clause—

“Approved purchasing system” means a Contractor’s purchasing system that has been reviewed and approved in accordance with Part 44 of the Federal Acquisition Regulation (FAR).

“Consent to subcontract” means the Contracting Officer’s written consent for the Contractor to enter into a particular subcontract.

“Subcontract” means any contract, as defined in FAR Subpart 2.1, entered into by a subcontractor to furnish supplies or services for performance of the prime contract or a subcontract. It includes, but is not limited to, purchase orders, and changes and modifications to purchase orders.

(b) This clause does not apply to subcontracts for special test equipment when the contract contains the clause at FAR 52.245-18, Special Test Equipment.

(c) When this clause is included in a fixed-price type contract, consent to subcontract is required only on unpriced contract actions (including unpriced modifications or unpriced delivery orders), and only if required in accordance with paragraph (d) or (e) of this clause.

(d) If the Contractor does not have an approved purchasing system, consent to subcontract is required for any subcontract that—

- (1) Is of the cost-reimbursement, time-and-materials, or labor-hour type; or
- (2) Is fixed-price and exceeds—

(i) For a contract awarded by the Department of Defense, the Coast Guard, or the National Aeronautics and Space Administration, the greater of the simplified acquisition threshold or 5 percent of the total estimated cost of the contract; or

(ii) For a contract awarded by a civilian agency other than the Coast Guard and the National Aeronautics and Space Administration, either the simplified acquisition threshold or 5 percent of the total estimated cost of the contract.

(e) If the Contractor has an approved purchasing system, the Contractor nevertheless shall obtain the Contracting Officer’s written consent before placing the following subcontracts:

(f)(1) The Contractor shall notify the Contracting Officer reasonably in advance of placing any subcontract or modification thereof for which consent is required under paragraph (c), (d), or (e) of this clause, including the following information:

- (i) A description of the supplies or services to be subcontracted.
- (ii) Identification of the type of subcontract to be used.
- (iii) Identification of the proposed subcontractor.
- (iv) The proposed subcontract price.
- (v) The subcontractor’s current, complete, and accurate cost or pricing data and Certificate of Current Cost or Pricing Data, if required by other contract provisions.
- (vi) The subcontractor’s Disclosure Statement or Certificate relating to Cost Accounting Standards when such data are required by other provisions of this contract.
- (vii) A negotiation memorandum reflecting—

- (A) The principal elements of the subcontract price negotiations;
 - (B) The most significant considerations controlling establishment of initial or revised prices;
 - (C) The reason cost or pricing data were or were not required;
 - (D) The extent, if any, to which the Contractor did not rely on the subcontractor's cost or pricing data in determining the price objective and in negotiating the final price;
 - (E) The extent to which it was recognized in the negotiation that the subcontractor's cost or pricing data were not accurate, complete, or current; the action taken by the Contractor and the subcontractor; and the effect of any such defective data on the total price negotiated;
 - (F) The reasons for any significant difference between the Contractor's price objective and the price negotiated; and
 - (G) A complete explanation of the incentive fee or profit plan when incentives are used. The explanation shall identify each critical performance element, management decisions used to quantify each incentive element, reasons for the incentives, and a summary of all trade-off possibilities considered.
- (2) The Contractor is not required to notify the Contracting Officer in advance of entering into any subcontract for which consent is not required under paragraph (c), (d), or (e) of this clause.
- (g) Unless the consent or approval specifically provides otherwise, neither consent by the Contracting Officer to any subcontract nor approval of the Contractor's purchasing system shall constitute a determination—
 - (1) Of the acceptability of any subcontract terms or conditions;
 - (2) Of the allowability of any cost under this contract; or
 - (3) To relieve the Contractor of any responsibility for performing this contract.
 - (h) No subcontract or modification thereof placed under this contract shall provide for payment on a cost-plus-a-percentage-of-cost basis, and any fee payable under cost-reimbursement type subcontracts shall not exceed the fee limitations in FAR 15.404-4(c)(4)(i).
 - (i) The Contractor shall give the Contracting Officer immediate written notice of any action or suit filed and prompt notice of any claim made against the Contractor by any subcontractor or vendor that, in the opinion of the Contractor, may result in litigation related in any way to this contract, with respect to which the Contractor may be entitled to reimbursement from the Government.
 - (j) The Government reserves the right to review the Contractor's purchasing system as set forth in FAR Subpart 44.3.
 - (k) Paragraphs (d) and (f) of this clause do not apply to the following subcontracts, which were evaluated during negotiations:

(End of clause)

| | | | | | | | | | |
|---|--------------|---|---|---|---|---|---|---|----|
| 3 | Baxter | | | | | | | 0 | |
| 3 | Cleburne | | | | | | 1 | 1 | |
| 3 | Faulkner | 3 | 2 | | 1 | 1 | 2 | 9 | |
| 3 | Fulton | | | | | | | 0 | |
| 3 | Izard | | | | | | | 0 | |
| 3 | Lonoke | 2 | 1 | | 4 | 2 | 1 | 2 | 12 |
| 3 | Marion | | | | | | | | 0 |
| 3 | Prairie | | | | | | | | 0 |
| 3 | Searcy | | | | | | | | 0 |
| 3 | Stone | | | | | | | | 0 |
| 3 | Van Buren | | | | | | | | 0 |
| 3 | White | 2 | 1 | 2 | 2 | 1 | 2 | 1 | 11 |
| 4 | Benton | 3 | 5 | 2 | 3 | 5 | 2 | 3 | 23 |
| 4 | Boone | | | | | | 1 | | 1 |
| 4 | Carroll | 1 | | 1 | | 1 | | | 3 |
| 4 | Conway | | | 1 | | | | | 1 |
| 4 | Conway | | | | | | | | 0 |
| 4 | Crawford | 2 | 1 | | 1 | | 1 | 1 | 6 |
| 4 | Franklin | 1 | | | | | 1 | | 2 |
| 4 | Johnson | 1 | 1 | | | | | | 2 |
| 4 | Logan | 1 | | 1 | 1 | | | | 3 |
| 4 | Madison | | | | | 1 | | | 1 |
| 4 | Newton | | | | | | | | 0 |
| 4 | Perry | | | 1 | | | | | 1 |
| 4 | pope | | 2 | 1 | 2 | | | | 5 |
| 4 | Sebastian | 4 | 6 | 3 | 5 | 1 | 5 | 1 | 25 |
| 4 | Washington | 2 | 3 | 1 | 3 | 6 | 3 | | 18 |
| 4 | Yell | 2 | | 1 | 2 | 1 | 1 | | 7 |
| 5 | Clark | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 5 | Garland | 1 | | 2 | | 1 | | 1 | 5 |
| 5 | Hempstead | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 5 | Hot Springs | | | | 1 | | | | 1 |
| 5 | Howard | 1 | | | 1 | | | | 2 |
| 5 | Lafayette | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 5 | Little River | | | 1 | | | | | 1 |
| 5 | Miller | 3 | 1 | | | | | | 4 |
| 5 | Montgomery | | | | | | | | 0 |
| 5 | Neveda | | | | | | | | 0 |
| 5 | Pike | | | | | | | | 0 |

Six Month total for Bid Area # 3 = 33
Avg per month over last 6 month 5.5

Six Month total for Bid Area # 4 = 98
Avg per month over last 6 month 16.33

| | | | | | | | | | | |
|---|---------|---|----|----|----|----|---|---|----|--|
| 5 | Polk | | | | | | | | 0 | |
| 5 | Pulaski | 9 | 10 | 14 | 13 | 13 | 9 | 4 | 72 | |
| 5 | Saline | 1 | | 2 | 5 | 1 | | | 9 | |
| 5 | Scott | | | 1 | | | | | 1 | Six Month total for Bid Area # 5 = 95 Avg per month over last 6 month 15.83 |
| 5 | Sevier | | | | | | | | 0 | |

Note: The overwhelming majority of HUD homes are single family homes.

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1/28/08 Amendment to RFP - Substitution of FAR clause

FAR Clause “# 52.2244-2 Subcontracts” was updated as of June 2007. The following updated clause replaces the clause originally posted with the RFP on January 17, 2008. All other terms and conditions of the RFP remain unchanged.

52.244-2 Subcontracts.

As prescribed in [44.204](#)(a)(1), insert the following clause:

SUBCONTRACTS (JUNE 2007)

(a) *Definitions.* As used in this clause—

“Approved purchasing system” means a Contractor’s purchasing system that has been reviewed and approved in accordance with [Part 44](#) of the Federal Acquisition Regulation (FAR).

“Consent to subcontract” means the Contracting Officer’s written consent for the Contractor to enter into a particular subcontract.

“Subcontract” means any contract, as defined in FAR [Subpart 2.1](#), entered into by a subcontractor to furnish supplies or services for performance of the prime contract or a subcontract. It includes, but is not limited to, purchase orders, and changes and modifications to purchase orders.

(b) When this clause is included in a fixed-price type contract, consent to subcontract is required only on unpriced contract actions (including unpriced modifications or unpriced delivery orders), and only if required in accordance with paragraph (c) or (d) of this clause.

(c) If the Contractor does not have an approved purchasing system, consent to subcontract is required for any subcontract that—

- (1) Is of the cost-reimbursement, time-and-materials, or labor-hour type; or
- (2) Is fixed-price and exceeds—

- (i) For a contract awarded by the Department of Defense, the Coast Guard, or the National Aeronautics and Space Administration, the greater of the simplified acquisition threshold or 5 percent of the total estimated cost of the contract; or

(ii) For a contract awarded by a civilian agency other than the Coast Guard and the National Aeronautics and Space Administration, either the simplified acquisition threshold or 5 percent of the total estimated cost of the contract.

(d) If the Contractor has an approved purchasing system, the Contractor nevertheless shall obtain the Contracting Officer's written consent before placing the following subcontracts:

(e)(1) The Contractor shall notify the Contracting Officer reasonably in advance of placing any subcontract or modification thereof for which consent is required under paragraph (b), (c), or (d) of this clause, including the following information:

- (i) A description of the supplies or services to be subcontracted.
- (ii) Identification of the type of subcontract to be used.
- (iii) Identification of the proposed subcontractor.
- (iv) The proposed subcontract price.
- (v) The subcontractor's current, complete, and accurate cost or pricing data and Certificate of Current Cost or Pricing Data, if required by other contract provisions.
- (vi) The subcontractor's Disclosure Statement or Certificate relating to Cost Accounting Standards when such data are required by other provisions of this contract.
- (vii) A negotiation memorandum reflecting—
 - (A) The principal elements of the subcontract price negotiations;
 - (B) The most significant considerations controlling establishment of initial or revised prices;
 - (C) The reason cost or pricing data were or were not required;
 - (D) The extent, if any, to which the Contractor did not rely on the subcontractor's cost or pricing data in determining the price objective and in negotiating the final price;
 - (E) The extent to which it was recognized in the negotiation that the subcontractor's cost or pricing data were not accurate, complete, or current; the action taken by the Contractor and the subcontractor; and the effect of any such defective data on the total price negotiated;
 - (F) The reasons for any significant difference between the Contractor's price objective and the price negotiated; and
 - (G) A complete explanation of the incentive fee or profit plan when incentives are used. The explanation shall identify each critical performance element, management decisions used to quantify each incentive element, reasons for the incentives, and a summary of all trade-off possibilities considered.

(2) The Contractor is not required to notify the Contracting Officer in advance of entering into any subcontract for which consent is not required under paragraph (b), (c), or (d) of this clause.

(f) Unless the consent or approval specifically provides otherwise, neither consent by the Contracting Officer to any subcontract nor approval of the Contractor's purchasing system shall constitute a determination—

- (1) Of the acceptability of any subcontract terms or conditions;
- (2) Of the allowability of any cost under this contract; or
- (3) To relieve the Contractor of any responsibility for performing this contract.

(g) No subcontract or modification thereof placed under this contract shall provide for payment on a cost-plus-a-percentage-of-cost basis, and any fee payable under cost-reimbursement type subcontracts shall not exceed the fee limitations in FAR [15.404-4\(c\)\(4\)\(i\)](#).

(h) The Contractor shall give the Contracting Officer immediate written notice of any action or suit filed and prompt notice of any claim made against the Contractor by any subcontractor or vendor that, in the opinion of the Contractor, may result in litigation related in any way to this contract, with respect to which the Contractor may be entitled to reimbursement from the Government.

(i) The Government reserves the right to review the Contractor's purchasing system as set forth in FAR [Subpart 44.3](#).

(j) Paragraphs (c) and (e) of this clause do not apply to the following subcontracts, which were evaluated during negotiations:

(End of clause)

Alternate I (June 2007). As prescribed in [44.204\(a\)\(2\)](#), substitute the following paragraph (e)(2) for paragraph (e)(2) of the basic clause:

(e)(2) If the Contractor has an approved purchasing system and consent is not required under paragraph (c), or (d) of this clause, the Contractor nevertheless shall notify the Contracting Officer reasonably in advance of entering into any (i) cost-plus-fixed-fee subcontract, or (ii) fixed-price subcontract that exceeds either the simplified acquisition threshold or 5 percent of the total estimated cost of this contract. The notification shall include the information required by paragraphs (e)(1)(i) through (e)(1)(iv) of this clause.

52.244-3 [Reserved]

52.244-4 Subcontractors and Outside Associates and Consultants (Architect-Engineer Services).

As prescribed in [44.204\(b\)](#), insert the following clause:

SUBCONTRACTORS AND OUTSIDE ASSOCIATES AND CONSULTANTS (ARCHITECT-ENGINEER SERVICES)
(AUG 1998)

Any subcontractors and outside associates or consultants required by the Contractor in connection with the services covered by the contract will be limited to individuals or firms that were specifically identified and agreed to during negotiations. The Contractor shall obtain the Contracting Officer's written consent before making any substitution for these subcontractors, associates, or consultants.

(End of clause)

52.244-5 Competition in Subcontracting.

As prescribed in [44.204\(c\)](#), insert the following clause:

COMPETITION IN SUBCONTRACTING (DEC 1996)

(a) The Contractor shall select subcontractors (including suppliers) on a competitive basis to the maximum practical extent consistent with the objectives and requirements of the contract.

(b) If the Contractor is an approved mentor under the Department of Defense Pilot Mentor-Protégé Program (Pub. L. 101-510, section 831 as amended), the Contractor may award subcontracts under this contract on a noncompetitive basis to its protégés.

(End of clause)

52.244-6 Subcontracts for Commercial Items.

As prescribed in [44.403](#), insert the following clause:

SUBCONTRACTS FOR COMMERCIAL ITEMS (MAR 2007)

(a) *Definitions.* As used in this clause—

“Commercial item” has the meaning contained in Federal Acquisition Regulation [2.101](#), Definitions.

“Subcontract” includes a transfer of commercial items between divisions, subsidiaries, or affiliates of the Contractor or subcontractor at any tier.

(b) To the maximum extent practicable, the Contractor shall incorporate, and require its subcontractors at all tiers to incorporate, commercial items or nondevelopmental items as components of items to be supplied under this contract.

(c)(1) The Contractor shall insert the following clauses in subcontracts for commercial items:

(i) [52.219-8](#), Utilization of Small Business Concerns (May 2004) ([15 U.S.C. 637\(d\)\(2\)](#)) and (3), in all subcontracts that offer further subcontracting opportunities. If the subcontract (except subcontracts to small business concerns) exceeds \$550,000 (\$1,000,000 for construction of any public facility), the subcontractor must include [52.219-8](#) in lower tier subcontracts that offer subcontracting opportunities.

(ii) [52.222-26](#), Equal Opportunity (Mar 2007) (E.O. 11246).

(iii) [52.222-35](#), Equal Opportunity for Special Disabled Veterans, Veterans of the Vietnam Era, and Other Eligible Veterans (Sept 2006) ([38 U.S.C. 4212\(a\)](#));

(iv) [52.222-36](#), Affirmative Action for Workers with Disabilities (June 1998) ([29 U.S.C. 793](#)).

(v) [52.222-39](#), Notification of Employee Rights Concerning Payment of Union Dues or Fees (Dec 2004) (E.O. 13201). Flow down as required in accordance with paragraph (g) of FAR clause [52.222-39](#).

(vi) [52.247-64](#), Preference for Privately Owned U.S.-Flag Commercial Vessels (Feb 2006) ([46 U.S.C. App. 1241](#) and [10 U.S.C. 2631](#)) (flow down required in accordance with paragraph (d) of FAR clause [52.247-64](#)).

(2) While not required, the Contractor may flow down to subcontracts for commercial items a minimal number of additional clauses necessary to satisfy its contractual obligations.

(d) The Contractor shall include the terms of this clause, including this paragraph (d), in subcontracts awarded under this contract.

(End of clause)

