

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT			1. CONTRACT ID CODE 07	PAGE OF PAGES 1 4
2. AMENDMENT/MODIFICATION NO. 30	3. EFFECTIVE DATE MAR 10 1999	4. REQUISITION/PURCHASE REQ. NO. See Page 1A		5. PROJECT NO. (If applicable)
6. ISSUED BY Procurement Office George C. Marshall Space Flight Center National Aeronautics and Space Administration Marshall Space Flight Center, AL 35812		7. ADMINISTERED BY (If other than Item 6) GP24-R/Michael L. Sweigart/256-544-0281		
8. NAME AND ADDRESS OF CONTRACTOR (No., street, county, State, and Zip Code) Lockheed Martin Engineering & Sciences Company 2625 Bay Area Boulevard Houston, TX 77058 C/O Lockheed Martin Space Mission Systems & Services Attn: Frank Barnes P.O. Box 240006 Huntsville, AL 35824-6406		(x)	9A. AMENDMENT OF SOLICITATION NO.	
CODE 51017 FACILITY CODE			9B. DATED (SEE ITEM 11)	
		X	10A. MODIFICATION OF CONTRACT/ORDER NO. NAS8-44000	
			10B. DATED (SEE ITEM 13) August 19, 1996	

AUTOMATED INVOICE PAYMENT INFORMATION: (256) 544-5566

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 ACKNOWLEDGMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER. If by virtue of this amendment 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 1A

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.
	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).
X	C. THIS SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF: FAR 52.232-22 "Limitation of Funds" Clause
	D. OTHER (Specify type of modification and authority)

E. IMPORTANT: Contractor is not, is required to sign this document and return 3 copies to the issuing office.

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

	Negotiated Est. Cost	Provisional Est. Cost	Award Fee Earned	Potential Award Fee	Total Contract Value	Total Sum Allotted
Previous Total:	\$80,899,622	-0-	\$2,233,397	\$1,164,297	\$84,297,316	\$78,929,406
This Modification:	11,018,301	-0-	-0-	322,306	11,340,607	925,644
Revised Total:	\$91,917,923	-0-	\$2,233,397	\$1,486,603	\$95,637,923	\$79,855,050

See Page 2 for a description of this modification.

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

15A. NAME AND TITLE OF SIGNER (Type or print)		16A. NAME AND TITLE OF CONTRACTING OFFICER (Type or print)	
		Kim E. Whitson Contracting Officer	
15B. CONTRACTOR/OFFEROR	15C. DATE SIGNED	16B. UNITED STATES OF AMERICA	16C. DATE SIGNED
(Signature of person authorized to sign)		BY ORIGINAL SIGNED BY KIM E. WHITSON Contracting Officer	MAR 10 1999

Standard Form 30 Continued

REQUISITION/PURCHASE REQUEST NUMBER
ACCOUNTING AND APPROPRIATION DATA

1-9-EO-C2310 (1F)	808/90111	479-86-04-T585-EO-8-00M-CG1-2338	\$85,000
1-9-EO-C2636 (1F)	809/00111	477-72-V9-T585-EO-9-00M-VRA-2338	12,000
1-9-EO-C1738 S-2 (1F)	809/00111	250-41-23-T585-EO-9-00M-BM1-2338	126,000
1-8-EO-B9092 S-2 (1F)	808/90111	575-15-10-T585-EO-8-00M-PG3-2338	326,043
1-9-EO-C2906 (1F)	809/00111	953-36-00-T585-EO-9-00M-991-2338	24,000
		953-36-00-T585-EO-9-00M-XX2-2338	1,240
1-9-EO-C1739 S-2 (1F)	809/00111	250-41-47-T585-EO-9-00M-BG1-2338	<u>351,361</u>
			<u>\$925,644</u>

The purpose of this modification is to recognize cost overruns incurred during the base period of the contract; provide an equitable adjustment for changes to the contract resulting from launch delays and shifting program priorities; and provide incremental funding. The result of this modification is an increase in the estimated cost of the contract of \$11,018,301 with an increase in the potential award fee of \$322,306. The following changes are hereby made to the contract:

1. Clause B.2--ESTIMATED COST AND AWARD FEE (1852.216-85) (SEP 1993) is deleted in its entirety and replaced by the following:

"B.2 ESTIMATED COST AND AWARD FEE (1852.216-85) (SEP 1993)

(a) The estimated cost of this contract is \$91,917,923.

(b) The maximum available award fee is \$3,720,000. Total of estimated cost and maximum award fee is \$95,637,923.

(c) Breakout of contract cost and fees is as follows:

<u>Period Covered</u>	<u>Estimated Cost</u>	<u>Maximum Award Fee</u>	<u>Unearned Award Fee</u>	<u>Total Contract Value</u>
8/19/96 – 8/31/97	\$29,895,552	\$1,382,586	(\$317,432)	\$30,960,706
9/01/97 – 8/31/98	\$28,236,699	\$1,345,902	(\$177,659)	\$29,404,942
9/01/98 – 8/18/99	<u>\$33,785,672</u>	<u>\$1,486,603</u>	<u>-0-</u>	<u>\$35,272,275</u>
Total	\$91,917,923	\$4,215,091	(\$495,091)	\$95,637,923

(d) Estimated cost and fees applicable to each option period are set forth below:

<u>Option No.</u>	<u>Period Covered</u>	<u>Estimated Cost</u>	<u>Maximum Award Fee</u>	<u>Unearned Award Fee</u>	<u>Total Contract Value</u>
1	8/19/99 – 8/18/00	\$17,110,002	\$823,495	-0-	\$17,933,497
2	8/19/00 – 8/19/01	\$15,804,438	\$760,697	-0-	\$16,565,135

(End of Clause)"

2. Clause B.4-- AWARD FEE AND PAYMENT OF FEES is revised by adding the following new Subparagraph (5), under Paragraph (a) Award Fee Evaluation:

"(5) The negotiated cost, broken out by month, for the period 9/01/98 – 8/18/99 is identified in an attachment to the contractor's letter entitled "Confirmation of Negotiations; Utilization and Mission Support, Contract NAS8-44000" dated February 23, 1999. These negotiated costs shall be used as the basis for evaluation of cost control for the period 9/01/98 – 8/18/99."

3. Clause B.6--CONTRACT FUNDING (18-52.232-81) (JUN 1990) is deleted in its entirety and replaced by the following:

"B.6 CONTRACT FUNDING (18-52.232-81) (JUN 1990)

(a) For purposes of payment of cost, exclusive of fee, in accordance with the Limitation of Funds clause, the total amount allotted by the Government to this contract is \$77,095,155. This allotment is for Utilization Mission Support for the Mission Operations Laboratory and covers the following estimated period of performance: Date of Contract Award through April 18, 1999.

(b) An additional amount of \$2,759,895 is obligated under this contract for payment of fee(s).

(c) Recapitulation of funding is as follows:

	<u>Previous</u>	<u>This Action</u>	<u>Total</u>
Estimated Cost	\$76,356,425	\$738,730	\$77,095,155
Provisional Award Fee	339,584	186,914	526,498
Earned Award Fee	<u>2,233,397</u>	<u>-0-</u>	<u>2,233,397</u>
Total Sum Allotted	<u>\$78,929,406</u>	<u>\$925,644</u>	<u>\$79,855,050</u>

(End of Clause)"

4. Clause B.7--ALLOWABLE ITEMS OF COST (MSFC 52.242-93)(AUG 1991) is revised by deleting Paragraph (a) in its entirety and replacing it with the following:

"(a) In accordance with advance agreement between the Government and the contractor for this contract, allowable costs for the items listed below are subject to the ceilings shown:

Ceilings on General and Administrative Costs by Calendar Year

<u>Contractor</u>	<u>Calendar Year</u>	<u>Rate</u>	<u>G&A Base</u>
Lockheed Martin	1996		All reasonable, allowable, and allocable costs (Reference June 24, 1996 Proposal Submission, Page II-1-28)
Lockheed Martin	1997		All reasonable, allowable, and allocable costs (Reference June 24, 1996 Proposal Submission, Page II-1-28)
Lockheed Martin	1998		All reasonable, allowable, and allocable costs (Reference June 24, 1996 Proposal Submission, Page II-1-28)
Lockheed Martin	1999		All reasonable, allowable, and allocable costs incurred during the third year of the contract up to \$23,246,805

<u>Contractor</u>	<u>Calendar Year</u>	<u>Rate</u>	<u>G&A Base</u>
Lockheed Martin	1999		All reasonable, allowable, and allocable costs incurred during the third year of the contract above \$23,246,805
Lockheed Martin	2000		All reasonable, allowable, and allocable costs (Reference June 24, 1996 Proposal Submission, Page II-1-28)
Lockheed Martin	2001		All reasonable, allowable, and allocable costs (Reference June 24, 1996 Proposal Submission, Page II-1-28)"

5. ATTACHMENT J-6 -- SMALL BUSINESS AND SMALL DISADVANTAGED BUSINESS CONCERNS SUBCONTRACTING PLAN is deleted in its entirety and replaced with ATTACHMENT J-6 -- SMALL BUSINESS AND SMALL DISADVANTAGED BUSINESS CONCERNS SUBCONTRACTING PLAN dated February 23, 1999, attached hereto.

Contractor's Statement of Release

In consideration of the modification(s) agreed to herein as complete equitable adjustment for the contractor's Base Year 3 Rebaseline Proposal #UMS093098, here to known as "proposal(s) for adjustment", the contractor hereby releases the Government from any and all liability under this contract for further equitable adjustments attributable to such facts or circumstances giving rise to the "proposal(s) for adjustment".

SMALL BUSINESS AND SMALL DISADVANTAGED BUSINESS CONCERNS SUBCONTRACTING PLAN

1.0 INTRODUCTION

Lockheed Martin is dedicated to increasing subcontracting opportunities for small business and small disadvantaged business (SB/SCBs). Our SB/SDB subcontracting plan satisfies the requirement of Public Law 95-507, as implemented by the Office of Federal Procurement Policy (OFPP) Letter 80-2, Federal Acquisition Regulation (FAR) Part 19.704, FAR clause 52.219-9, and NASA FAR Supplemental clause 18-52.219-73. The term "SDB" includes woman-owned businesses.

2.0 GOALS IN TERMS OF DOLLARS AND PERCENTAGES (FAR 52.219-9(D)(1) AND (2))

Lockheed Martin's goal for SB/SDB subcontracting is to award 35% or more of the total estimated contract value to small businesses, of which, at least 15% of the total estimated contract value will be awarded to SDBs. These percentages amount to the following for each contract period:

	SB	SDB
Three Year Base Period	\$33.5M	\$14.3M
Option Year One	\$6.3M	\$2.7M
Option Year Two	\$5.8M	\$2.5M

3.0 PRINCIPAL TYPES OF SUPPLIES AND SERVICES (FAR 52.219-9(D)(3))

NTI, a small business (SB) located in Huntsville, AL, has principal responsibility for EHS development, and operations and maintenance. bd Systems, a small disadvantaged business (SDB), also located in Huntsville, will perform hardware/software verification and acceptance testing for upgrades and new systems. Further, we will use subcontracts for services, equipment and materials, as well as utilize other direct and indirect subcontracting opportunities, to meet NASA's SB/SDB goals. These other opportunities include, when appropriate, security services, travel management, support services and facility utilization. The Mission Suitability volume describes in great detail the effort hereunder which Lockheed Martin has assigned to NTI and bd Systems.

4.0 METHODS USED TO DEVELOP GOALS (FAR 52.219-9.(D)(40))

The challenging SB/SDB goals set by the Government made clear that a substantial portion of the work to be performed had to be done by SB/SDB team member/subcontractors. We realized that subcontracting equipment, materials and services alone could not meet the RFP requirement.

5.0 METHODS USED TO IDENTIFY POTENTIAL SOURCES (FAR 52.219-9(D)(5))

Lockheed Martin's structured process for selecting subcontractor team members is quite flexible, and is driven by the nature of the customer's requirements and the culture of the project's environment. For this project, Lockheed Martin sought the counsel of the customer and other knowledgeable sources in the MSFC-Huntsville environs. Lockheed Martin did an intensive analysis of the competitive field, including an assessment of the caliber and qualifications of potential SB/SDB partners currently performing as MSFC prime subcontracts. After evaluation of the capability, project incumbency and performance record of the most attractive such companies, it became clear that NTI, of Huntsville, AL, had no equal as a prospective subcontractor/partner for the UMS project.

NTI, as the well-regarded, high-performing incumbent for a very large portion of the present UMS work, had no peer as a potential partner. Discussions at the highest levels of Lockheed Martin and NTI led to a conclusion that the company cultures and capabilities matched well, for purposes of performing the UMS project. There is now in place a Teaming Agreement between the parties. Thus, NASA is assured of the dedication of the Lockheed Martin/NTI team to perform this project to the highest satisfaction of the customer. NTI's incumbency in EHS development, mission planning and operations, and maintenance support gives NASA assurance of risk-free mission/flight support during transition. This is a critical capability held only by the Lockheed Martin/NTI team.

By a similar process of reviewing the capability of SDBs in the Huntsville, AL area, we concluded that bd Systems, Inc., could fill a niche role in our program. They principally will be responsible for hardware/software verification and testing. Other support effort may be performed, if assigned.

6.0 OTHER-THAN-DIRECT COSTS (FAR 52.219-9(D)(6))

Indirect costs are included in our goals for this project. Our travel management, facilities leases and management, security, logistics, technical publications and other administrative support which will be provided through indirect cost pools and "other than direct" cost redistribution, will be performed to the greatest extent possible by SB/SDBs. These costs will be included in our SB/SDB subcontract awards data delivered in accordance with the terms of the prime contract.

7.0 PLAN ADMINISTRATION (FAR 52.219-9(D)(7))

This SB/SDB Plan will be administered by the Lockheed Martin UMS Business Operations manager, whose duties are to:

- Develop and maintain bidders' lists of SB/SDB concerns from all possible sources
- Ensure the procurement packages are structured to permit SB/SDB concerns to participate to the maximum extent possible
- Encourage the inclusion of SB/SDB concerns in all solicitations for products or services which they are capable of providing
- Ensure periodic rotation of potential subcontractors on bidders lists

- Ensure the establishment and maintenance of records of solicitations and subcontract award activity
- Attend or arrange for attendance of company counselors at business opportunity workshops, minority business enterprise seminars, trade fairs, etc., as appropriate
- Monitor attainment of proposed goals
- Prepare and submit periodic subcontracting reports when requested
- Participate as appropriate during the conduct of compliance reviews by Federal agencies
- Closely monitor costs incurred by principal SB and SDB team member/subcontractors

8.0 EFFORTS TO ASSURE EQUITABLE OPPORTUNITIES (FAR 52.219-9(D)(8))

Lockheed Martin will develop source lists of capable, experienced SB/SDB suppliers and subcontractors for providing equipment, materials and services. We will also utilize the resources of the MSFC Small Business Office, Small Business Administration, trade publications, local area business associations and minority networks to augment our own source list. Outreach activities will be conducted to acquaint local SB/SDB contractors with opportunities available in the UMS project, and acquire capability/performance information from these candidates. Procurements will be structured to assure SB/SDBs have equitable opportunities to compete.

As necessary, SB/SDB databases available in other parts of the Lockheed Martin Company will be utilized. Lockheed Martin's UMS technical and business personnel will be continually made aware of SB/SDB goals, and progress in meeting them.

9.0 SUBCONTRACTING REQUIREMENTS (FAR 52.219-9(D)(7))

The clause entitled "Utilization of Small Business Concerns and Small Disadvantaged Business Concerns" will be included in all subcontracts which have subcontracting opportunities. All subcontractors receiving subcontracts valued in excess of \$500,000 will be required to comply with a subcontracting plan similar to this one. Additionally, all subcontracts, regardless of dollar value, which appear to have subcontracting opportunities, will include a requirement for the reporting of second-tier SB/SDB awards.

10.0 COOPERATION AND REPORTING (FAR 52.219-9(D)(10))

Lockheed Martin is currently reporting on SB/SDB performance-toward-goals on all major contracts presently being performed. Lockheed is well versed and experienced in the preparation and submission of Standard Forms 294 and 295. Additionally, the NASA contracting officer will receive monthly reports of company progress toward meeting the SB/SDB goals contained in the contract. Further, Lockheed will assure that appropriate reporting required by FAR 52-219-9 (d)(9), above, will be performed by subcontractors. Lockheed Martin also agrees to cooperate fully in any studies or surveys the Government may request.

11.0 TYPES OF RECORDS (FAR 52.219-9(D)(11))

Lockheed will maintain at least the following types of records to document compliance with our subcontracting plan:

- SB/SDB source lists, vendor guides, and other documentation which identifies such companies
- Organizations we network with in locating sources
- Contract files on each award over \$100,000, which documents whether SB/SDBs were solicited, and fully records the evaluation and selection process
- Records of outreach activities with trade associations, business development organizations, and records of participation in trade fairs, conferences and symposia
- Records of internal activities to guide and encourage technical and procurement personnel through workshops, training and seminars
- Records will be kept indicating subcontractor names, addresses and business size.

12.0 IMPLEMENTATION

In order to effectively implement this plan to the extent consistent with efficient contract performance, we will perform the following functions:

- Assist small business and small disadvantaged business concerns by arranging solicitation time for the preparation of bids. Quantities, specifications, and delivery schedules to facilitate the participation by such concerns. Where the list of potential small business disadvantaged business subcontractors is excessively long, reasonable effort will be made to give all such small business concerns an opportunity to compete over a period of time
- Provide adequate and timely considerations of the potential of small business and small disadvantaged business concerns in all "make-or-buy" decisions
- Counsel and discuss subcontracting opportunities with representatives of SB/SDB firms.