

GOVERNMENT OF THE VIRGIN ISLANDS OF THE UNITED STATES
DEPARTMENT OF PROPERTY AND PROCUREMENT
PROCUREMENT DIVISION

INVITATION BID & AWARD SUPPLY CONTRACT	CONTRACT NO.	PAGE NO.	NO. OF PAGES
	ORDER NO. (If any)	1	6
	ISSUED BY	ADDRESS	

INVITATION FOR BIDS

DATE ISSUED: July 17, 2015	INVITATION NO. IFB008DHST16(S)
Sealed bids in QUARDRIPLUATE, subject to (1) the Terms and Conditions of the Invitation for Bids, (2) General Provisions which are incorporated herein by reference, and (3) such other contract provisions and specifications as are at-tached or incorporated by reference will be received at the above office until 10:00 o'clock a.m., Atlantic Standard Time, not later than (date) Tuesday, August 11, 2015, and at that time publicly opened 10:15 o'clock a.m., for furnishing the supplies or services for delivery f.o.b. <i>General information and instructions to Bidders are contained in the terms and conditions on the reverse hereof.</i>	

SCHEDULE

ITEM NO.	SUPPLIES OR SERVICES	QUANTITY (NO. OF UNITS)	UNIT	UNIT PRICE	AMOUNT
	Delivery of Milk for the Department of Human Services in the district of St. Thomas/St. John, Virgin Islands during the period of October 1, 2015 to September 30, 2016.				

BID

DATE OF BID

IN COMPLIANCE WITH THE ABOVE THE UNDERSIGNED OFFERS AND AGREES, IF THIS BID BE ACCEPTED WITHIN _____ DAYS (30 calendar days unless a different period is inserted by the Bidder) FROM THE DATE OF OPENING TO FURNISH ANY OR ALL OF THE ITEMS UPON WHICH PRICES ARE QUOTED, AT THE PRICE SET OPPOSITE EACH ITEM, DELIVERED AT THE DESIGNATED POINTS WITHIN THE TIME SPECIFIED IN THE INVITATION. DISCOUNTS WILL BE ALLOWED FOR PROMPT PAYMENT AS FOLLOWS:

_____ PERCENT, 20 CALENDAR DAYS; _____ PERCENT, 30 CALENDAR DAYS

BIDDER REPRESENTS (Check appropriate boxes)

- (1) THAT HE IS _____, IS NOT _____, A SMALL BUSINESS CONCERN. IF BIDDER IS A SMALL BUSINESS CONCERN AND IS NOT THE MANUFACTURER OF THE SUPPLIES BID UPON, HE ALSO REPRESENTS THAT ALL SUPPLIES TO BE FURNISHED HEREUNDER WILL _____, WILL NOT _____, BE MANUFACTURED OR PRODUCED BY A SMALL BUSINESS CONCERN IN THE UNITED STATES, ITS TERRITORIES, ITS POSSESSIONS, OR THE COMMONWEALTH OF PUERTO RICO.
- (2) THAT HE IS A REGULAR DEALER IN _____, MANUFACTURER OF _____, THE SUPPLIES BID UPON.
- (3) (A) THAT HE HAS _____, HAS NOT _____, EMPLOYED OR RETAINED ANY COMPANY OR PERSON (OTHER THAN A FULL-TIME BONA FIDE EMPLOYEE WORKING SOLELY FOR THE BIDDER) TO SOLICIT OR SECURE THIS CONTRACT, AND (B) THAT HE HAS _____, HAS NOT _____, PAID OR AGREED TO PAY ANY COMPANY OR PERSON (OTHER THAN A FULL-TIME BONA FIDE EMPLOYEE WORKING SOLELY FOR THE BIDDER) ANY FEE, PERCENTAGE, COMMISSION, OR BROKERAGE FEE, CONTINGENT UPON OR RESULTING FROM THE AWARD OF THE CONTRACT; AND AGREES TO FURNISH INFORMATION RELATING TO (A) AND (B) ABOVE AS REQUESTED BY THE CONTRACTING OFFICER.
- (4) HE OPERATES AS AN INDIVIDUAL _____, PARTNERSHIP _____, CORPORATION _____, INCORPORATED IN THE TERRITORY OF THE VIRGIN ISLANDS
- (5) PREFERRED BIDDER: _____ A BONA FIDE CONTINUOUS RESIDENT OF THE VIRGIN ISLANDS FOR AT LEAST EIGHT (8) YEARS OR _____ WAS BORN IN THE VIRGIN ISLANDS; _____ A FIRM, PARTNERSHIP, OR CORPORATION IN WHICH AT LEAST FIFTY-ONE PERCENT (51%) OF THE LEGAL OR EQUITABLE OWNERSHIP IS HELD BY A PERSON OR PERSONS WHO HAVE BEEN BONA FIDE CONTINUOUS RESIDENTS OF THE VIRGIN ISLANDS FOR AT LEAST EIGHT (8) YEARS OR _____ WHO WERE BORN IN THE VIRGIN ISLANDS; _____ SAID PERSON, FIRM, PARTNERSHIP, OR CORPORATION IS LICENSED IN AND MAINTAINS HIS OR ITS PRINCIPAL PLACE OF BUSINESS IN THE VIRGIN ISLANDS AND OWNS, OPERATES, OR MAINTAINS A STORE, WAREHOUSE, OR OTHER PLACE OF BUSINESS IN THE VIRGIN ISLANDS OR _____ THE DULY AUTHORIZED AGENT, DEALER, DISTRIBUTOR OR REPRESENTATIVE IN THE VIRGIN ISLANDS FOR THE MATERIALS, SUPPLIES, ARTICLES, OR EQUIPMENT OF THE GENERAL CHARACTER DESCRIBED BY THE SPECIFICATIONS AND REQUIRED UNDER THIS CONTRACT.

NAME & ADDRESS OF BIDDER (Street, City, State and Zip Code) (Type or Print)	SIGNATURE OF PERSON AUTHORIZED TO SIGN BID →
	TYPE OR PRINT SIGNER'S NAME & TITLE
AWARD	
ACCEPTED AS TO ITEMS NUMBERED	DATE OF AWARD
AMOUNT \$	GOVERNMENT OF THE VIRGIN ISLANDS
SUBMIT INVOICE FOR PAYMENT TO: Department of Human Services 1303 Hospital Ground St. Thomas, VI 00802	
BY _____ Contracting Officer	

TERMS AND CONDITIONS OF THE INVITATION FOR BIDS (SUPPLY CONTRACTS)

1. **PREPARATION OF BIDS:** (a) Bidders are expected to examine the drawings, specifications, invitations, and all instructions. Failure to do so will be at the bidder's risk. (b) Bids must be in ink or printed on the bid forms furnished herewith. Bids submitted in pencil will be rejected. Bids containing alterations or erasures will be rejected, unless the alteration or erasure is crossed out and correction thereof printed in ink or typewritten adjacent thereto and initialed by the person signing the bid. In addition, a statement must be furnished with the bid, signed by the bidder explaining the correction of the alteration or erasure. (c) If the bidder is a partnership, a letter of authorization shall be furnished and signed by all of the general partners. If the bidder is a proprietor, and the person signing the bid is other than the owner, a letter of authorization signed by the owner shall be furnished. The Contracting Officer will retain all such proof on file for acceptance of future bids, if requested to do so. (d) The bidder must sign his proposal correctly and in ink. If the proposal is offered by an individual or partnership, his name, office and post office addresses must be shown. If offered by a corporation, the person signing the proposal must give his name, title, and business address. Anyone signing a proposal as agent must file legal evidence of his authority to do so, and that the signature is binding upon the firm or corporation. (e) Alternate bids will not be considered unless authorized by the invitation. Alternate bids are those offered which do not meet the specification and are not considered approved equal to the item specified. (f) When not otherwise specified, the bidder must state a definite time of proposed delivery. (g) Time, if stated as a number of days will include Sundays and holidays. 2. **SUBMISSION OF BIDS:** (a) Bids and modifications thereof shall be enclosed in sealed envelopes addressed to the issuing office, with the name and address of the bidder, the date and hour of opening, and the invitation number on the face of the envelope. Bids shall be submitted so as to be received in the Office of the Contracting Officer not later than the exact time set for opening of bids. To be considered for award, a bid must comply in all material respects with the invitation for bids so that, both as to the method and timeliness of submission, and as to the substance of any resulting contract, all bidders may stand on an equal footing and the integrity of the formal advertising system may be maintained. (b) Telegraphic bids shall not be considered unless permitted by the Invitation for Bids. Where telegraphic bids are authorized, a telegraphic bid received by telephone from the receiving telegraph office not later than the time set for opening of bids, shall be considered if such bid is confirmed in writing by the telegraph company and by sending a copy of the telegram which forms the basis for the telephone call. (c) Bids may be modified by telegraphic notice provided such notice is received prior to the time set for the opening of the bids. (d)

Sample of items, when required, must be submitted within the time specified, and unless otherwise specified by the Government. If not destroyed by testing, samples will be returned at bidders' request and expense unless otherwise specified by the Invitation. (e) In the event no bid is to be submitted, Bidders are advised not to return the Invitation unless otherwise specified. However, a letter or post card shall be sent to the Issuing Office advising whether future Invitations for the type of supplies or services covered by the Invitation is desired. Failure to so advise the Issuing Office may be interpreted against the bidder. 3. **WITHDRAWAL OF BIDS:** Bids may be withdrawn only by written or telegraphic notice provided that such notice is received prior to the time set for opening of the bid. 4. **LATE BIDS:** (a) Bids received at the Office of the Contracting Officer after the precise time set in the Invitation for Bids are late bids. (b) A late bid shall be considered for award only if it is received before award; and either: (i) It was sent by mail including registered or certified for which an official dated post office stamp (*Postmark*) on the envelope has been obtained, or by telegraph if authorized, and it is determined that the lateness was due solely to a delay in the mails or to a delay by the telegraph company for which the bidder was not responsible; or (ii) If submitted by mail- or by telegram where authorized-it was received at the Office of the Contracting Officer in sufficient time to be opened as required in the Invitation but except for delay due to mishandling on the part of the Government. The only evidence acceptable to establish timely receipt at the Office of the Contracting Officer is that which can be established upon examination of an appropriate time stamp or a written statement from an official of the U. S. Postal Service. (c) **Hand-Carried Bids:** A late hand-carried bid, or any other late bid not submitted by mail or telegram, shall not be considered for award. (d) **Registered Mail:** The time of mailing of a late bid, mailed by registered mail, may be determined by the date of the postmark on the registered mail receipt or registered mail wrapper. The time of mailing shall be deemed to be the last minute of the date shown in such postmark unless the bidder furnishes evidence from the post office station of mailing which establishes an earlier time. If the postmark does not show a date, the bid shall be deemed to have been mailed too late unless the bidder furnishes evidence from the post office of mailing which establishes timely mailing. (e) **Certified Mail:** The time of mailing a late bid; mailed by Certified Mail for which a postmarked Receipt for Certified Mail was obtained, shall be deemed to be the last minute of the date shown on the postmark on such receipt where: (i) the Receipt for Certified Mail identifies the post office station of mailing and the bidder furnishes evidence from such station that the business day of that station ended at an earlier time, in which case the time of mailing shall be deemed to be last minute of the business day of that station; or (ii) an entry in ink on

the Receipt of Certified Mail, showing the time of mailing and the initials of the postal employee receiving the item and making the entry, is appropriately verified in writing by the post office station of mailing in which case the time of mailing shall be the time shown in the entry. If the postmark does not show a date, the bid shall be deemed to have been mailed too late. (f) **Metered Mail:** Bids or modifications thereof transmitted in a metered envelope received after the time set for opening will be deemed to have been mailed on the last minute of the day indicated by the metered stamp unless in such event a bidder is able to submit clear and convincing proof as to the actual or approximate time of mailing. 5. **IDENTIFICATION OF OFFER:** Bidders shall show brand name, catalog number, model and so forth as applicable on bid form covering the product they are bidding on and propose to furnish. If not shown, it will be considered and understood to be that the make and model, shown in the Schedule, as a reference, will be supplied. 6. **CASH DISCOUNT PROVISIONS:** (a) Discounts offered for a period of less than 20 days will not be considered in making award. Bids offering discounts for payment within periods in excess of twenty (20) days will be evaluated for the purpose of award. (b) In connection with discounts offered, time will be completed from date of acceptance of the supplies by the Government. Provided, however, that the Government is not unreasonably nor unduly negligent in accepting shipment. 7. **AWARD OF CONTRACT:** (a) Unless all bids are rejected, award will be made by written notice, within the time specified for acceptance, to that responsible bidder whose bid, conforming to the Invitation for Bids, offers the most advantageous service to the Government, quality offered, delivery terms and service reputation taken into consideration. (b) The Government may award items separately or by grouping items in total lots. (c) The Government may, during the term of any contract entered into, increase or decrease the quantities but no such increase or decrease will exceed twenty-five (25%) per cent of the quantity bid upon. 8. **REJECTION OF BIDS:** The Government may, after opening but prior to award and within the time specified for acceptance, reject any or all bids, or the bid for any one or more commodities or contracted services included in the proposed contract, when the public interest will be served thereby. 9. **PRICES:** (a) All prices bid shall be firm and not subject to increase if accepted during the acceptance period. Bids containing an "escalation clause" will not be considered unless specifically authorized by the Government in the Invitation for Bids. (b) For each item bid, a unit price and a total for the quantity must be stated. The unit price shall always control. (c) All prices shall be F.O.B. (Free On Board) destination. The seller hereunder must at his own expense and risk, transport the goods to the named place and there tender delivery.

Standard Form 86 November 1949 Edition General Services Administration Fed. Proc. Reg. (41 CFR) 1-16.107 36-104, Rev. 3-18-08	CONTINUATION SHEET (Supply Contract)	Contract, Order, or Invitation No. (As Applicable)		Page No.	
		IFB008DHST16 (S)			
ITEM NO.	SUPPLIES OR SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT

NOTICE TO BIDDERS

ALL INDIVIDUALS, FIRMS, PARTNERSHIPS, CORPORATIONS AND/OR JOINT VENTURES DOING BUSINESS WITH THE GOVERNMENT OF THE VIRGIN ISLANDS SHALL SUBMIT INFORMATION IN WRITING, OF THE **PHYSICAL LOCATION** OF THEIR PRINCIPAL PLACE OF BUSINESS. A POST OFFICE BOX MIALING ADDRESS ONLY WILL NOT SUFFICE.

BIDDERS MUST INSERT THEIR E.I.N.-EMPLOYER'S IDENTIFICATION NUMBER ON PAGE 1 IN THE SECTION WHERE THE COMPANY'S NAME AND ADDRESS IS REQUIRED.

PROSPECTIVE BIDDERS WILL BE REQUIRED TO FURNISH THE FOLLOWING DOCUMENTS WITH THEIR SUBMITTAL: MANDATORY

- A. ARTICLES OF INCORPORATION, IF APPLICABLE
- C. CERTIFICATE OF GOOD STANDING
- D. CORPORATE RESOLUTION EVIDENCING THE DIRECTORS/OFFICERS OF THE COMPANY
- E. CURRENT CERTIFICATE OF GOVERNMENT INSURANCE COVERAGE

"IT SHALL BE THE BIDDERS' RESPONSIBILITY TO DELIVER HIS OR HER BID TO THE DESIGNATED LOCATION PRIOR TO THE BID TIME SPECIFIED ON PAGE 1 OF THIS BID."

CONTINUATION SHEET
(Supply Contract)

Contract, Order, or Invitation No.
(As Applicable)

Page No.

IFB008DHST16(S)

CONTRACT PERIOD: The period of any contract entered into under this Invitation for Bid shall be for a period of one (1) year.

OPTION TO RENEW: The services of this contract may be extended for an additional term subject to the availability of funds.

SUPPLEMENTARY PROVISIONS: The application of all materials will be in such a manner so as not to cause harm to humans, foodstuff or equipment within the building and/or property.

The Contractor shall maintain on his own, Workmen's Compensation Insurance, Comprehensive General Liability Insurance against bodily injury with limits of \$100,000.00 and against property damage with limits of \$100,000.00, the cost of which shall be borne by the Contractor and maintained fully during the term of the Contract.

A copy of the Insurance listed herein shall be filed with the Department of Property and Procurement, 8201 Sub Base - Suite 4, St. Thomas, U. S. Virgin Islands 00802.

The Contractor shall be liable for loss or damages to property or persons, however, in no case shall such negligence be presumed or inferred.

The Contractor agrees not to refuse to hire or employ or to bar or discharge from employment any individual because of race, religion, color, or ancestry.

The Contractor hereby agrees to pay the existing minimum wages, Federal and/or Local taxes as may be applicable.

PROMPT PAYMENT DISCOUNT: Prompt payment discounts shall NOT be considered in the evaluation of bids. Prompt payment discounts are removed as evaluation factors.

Although prompt payment discounts are not evaluated, any discount offered will form part of the award, and will be taken by the User Agency and the Department of Finance if payment is made within the discount period specified by the bidder.

No discount offered for payments within less than thirty (30) calendar days will be considered. Paragraph 6a on Page 1 of the Bid Form is hereby deleted.

EXPLANATION TO BIDDERS: Any explanation desired by a bidder regarding the meaning or interpretation of this Invitation for Bids, specifications, etc., must be requested in writing and with sufficient time allowed for a reply to reach said bidder before the submission of their bids. Any interpretation made will be furnished to all prospective bidders.

The General Provisions (SUPPLY CONTRACT), STANDARD FORM approved by the Commissioner of Property and Procurement, 7-14-71, is an integral part of this Invitation for Bids. Bidders must familiarize themselves with these provisions.

PREFERRED BIDDERS: In addition to placing a check (✓) in the appropriate box on Page 1, Section 5 of this Bid, any Person, Firm, Partnership, or Corporation meeting the requirement of Preferred Bidder's Status must request that his or its name be added to a Preferred Bidders' List to be maintained by the Commissioner of Property and Procurement.

If the bidder has not previously filed a notarized copy of the Preferred Bidders' Certificate with the Commissioner of Property and Procurement, Division of Procurement, 8201 Sub Base - Suite 4, St. Thomas, Virgin Islands, notarized, and submitted to the Division of Procurement not later than the date and hour of bid opening as specified on Page 1 of this Bid. All bidders not complying with procedures set forth herein and in accordance with Title 31 V.I.C. § 236a, will not be considered eligible as a Preferred Bidder for this Invitation for Bids.

GOVERNMENT OF THE VIRGIN ISLANDS
DEPARTMENT OF PROPERTY AND PROCUREMENT

NON-COLLUSION AFFIDAVIT

_____ 0 _____

..... being duly sworn, deposes and says that —

(1) He is [owner, partner, officer, representative, or agent] of

..... the bidder that has submitted that attached bid;

(2) He is duly informed respecting the preparation and contents of the attached bid and of all pertinent circumstances respecting such bid;

(3) Such bid is genuine and is not a collusive or sham bid;

(4) Neither the said bidder nor any of its officers, partners, owners, agents, representatives, employees or parties in interest, including this affiant, has in any way colluded, conspired, connived or agreed, directly or indirectly with any other bidder, firm or person to submit a collusive or sham bid in connection with the contract for which the attached bid has been submitted or to refrain from bidding in connection with such contract, or has in any manner, directly or indirectly, sought by agreement or collusion or communication or conference with any other bidder, firm or person to fix the price or prices in the attached bid or of any other bidder, or to fix any overhead, profit or cost element of the price or the bid price of any other bidder, or to secure through any collusion, conspiracy, connivance or unlawful agreement any advantage against The Government of the Virgin Islands or any person interested in the proposed contract; and

(5) The price or prices quoted in the attached bid are fair and proper and are not tainted by any collusion, conspiracy, connivance or unlawful agreement on the part of the bidder or any of its agents, representatives, owners, employees, or parties in interest, including this affiant.

Signature of Affidavit

SUBSCRIBED AND SWORN to before me this....., day of

Notary Public

GENERAL PROVISIONS (SUPPLY CONTRACT)

1. DEFINITIONS

As Used throughout this contract, the following terms shall have the meaning set forth below:

The term "Contracting Officer" means the Commissioner of the Department of Property & Procurement; and the term includes, except as otherwise provided in the contract, the authorized representative of the Contracting Officer acting within the limits of his authority.

2. CHANGES

The Contracting Officer may at any time, by a written order, and without notice to the sureties, make changes, within the general scope of this contract, in anyone or more of the following: (i) Drawings, designs, or specifications where the supplies to be furnished are to be specially manufactured for the Government in accordance therewith; (ii) method of shipment or packing; and (iii) place of delivery. If any such change causes an increase or decrease in the cost of, or the time required for, the performance of any part of the work under this contract, whether changed or not changed by any such order, an equitable adjustment shall be made in the contract price or delivery schedule, or both, and the contract shall be modified in writing accordingly. Any claim by the contractor for adjustment under this clause must be asserted within 30 days from the date of receipt by the Contractor of the notification of change: Provided, however, That the Contracting Officer, if he decides that the facts justify such action, may receive and act upon any such claim asserted at any time prior to final payment under this contract. Where the cost of property made obsolete or excess as a result of a change is included in the Contractor's claim for adjustment, the Contracting Officer shall have the right to prescribe the manner of disposition of such property. Failure to agree to any adjustment shall be a dispute concerning a question of fact within the meaning of the clause of this contract entitled "Disputes." However, nothing in this clause shall excuse the Contractor from proceeding with the contract as changed.

3. EXTRAS

Except as otherwise provided in this contract, no payment for extras shall be made unless such extras and the price thereof have been authorized in writing by the Contracting Officer.

4. VARIATION IN QUALITY

No variation in the quantity of any item called for by this contract will be accepted unless such variation has been caused by conditions of loading, shipping, packing or allowances in manufacturing processes, and then only to the extent, if any, specify elsewhere in this contract.

5. INSPECTION

(a) All supplies (which term throughout this clause includes without limitation raw materials, components, intermediate assemblies, and end products) shall be subject to

inspection and test by the Government, to the extent practicable at all times and places including the period of manufacture and in any event prior to acceptance.

(b) In case any supplies or lots of supplies are defective in material or workmanship or otherwise not in conformity with the requirements of this contract, the Government shall have the right either to reject them (with or without instructions as to their disposition) or to require their correction. Supplies or lots of supplies which have been rejected or required to be corrected shall be removed or, if permitted or required by the Contracting Officer, corrected in place by and at the expense of the Contractor promptly after notice, shall not thereafter be tendered for acceptance unless the former rejection or requirement of correction is disclosed. If the Contractor fails promptly to remove such supplies or lots of supplies which are required to be removed, or promptly to replace or correct such supplies or lots of supplies, the Government either (i) may by contract or otherwise replace or correct such supplies and charge to the Contractor the cost occasioned the Government thereby, or (ii) may terminate this contract for default as provided in the clause of this contract entitled "Default." Unless the Contractor corrects or replaces such supplies within the delivery schedule, the Contracting Officer may require the delivery of such supplies at a reduction in price which is equitable under the circumstances. Failure to agree to such reduction of price shall be a dispute concerning a question of fact within the meaning of the clause of this contract entitled "Disputes."

(c) If any change inspection or test is made by the Government on the premises of the Contractor or a subcontractor, the Contractor without additional charge shall provide reasonable facilities and assistance for the safety and convenience of the Government inspectors in the performance of their duties. If Government inspection or test is made at a point other than the premises of the Contractor or a subcontractor, it shall be at the expense of the Government except as otherwise provided in this contract: Provided, That in case of rejection the Government shall not be liable for any reduction in value of samples used in connection with such inspection or test. All inspections and tests by the Government shall be performed in such a manner as not to unduly delay the work. The Government reserves the right to charge to the Contractor any additional cost of Government inspection and test when supplies are not ready at the time such inspection and test is requested by the Contractor or when reinspection or retest is necessitated by prior rejection. Acceptance or rejection of the supplies shall be made as promptly as practicable after delivery, except as otherwise provided in this contract; but failure to inspect and accept or reject supplies shall neither relieve the Contractor from responsibility for such supplies as are not in accordance with the contract requirements nor impose liability on the Government therefor.

(d) The inspection and test by the Government of any supplies or lots thereof does not relieve the Contractor from any responsibility regarding defects or other failures to meet the contract requirements which may be discovered prior to acceptance. Except as otherwise provided in this contract, acceptance shall be conclusive except as regards latent defects, fraud, or such gross mistakes as amount to fraud.

(e) The Contractor shall provide and maintain an inspection system acceptable to the Government covering the supplies hereunder. Records of all inspection work by the Contractor shall be kept complete and available to the Government during the performance of this contract and for such longer period as may be specified elsewhere in this contract.

6. RESPONSIBILITY FOR SUPPLIES

Except as otherwise provided in the contract, (i) the Contractor shall be responsible for the supplies covered by this contract until they are delivered at the designated delivery point, regardless of the point of inspection; (ii) after delivery to the Government at the designated point and prior to acceptance by the Government or rejection and giving notice thereof by the Government, the Government shall be responsible for the loss or destruction of or damage to the supplies only if such loss, destruction or damage results from the negligence of officers, agents, or employees of the Government acting within the scope of their employment; and (iii) the Contractor shall bear all risks as to rejected supplies after notice of rejection, except that the Government shall be responsible for the loss, or destruction of, or damage to the supplies only if such loss, destruction or damage results from the gross negligence of officers, agents, or employees of the Government acting within the scope of their employment.

7. PAYMENTS

The Contractor shall be paid, upon the submission of proper invoices or vouchers, the prices stipulated herein for supplies delivered and accepted or services rendered and accepted, less deductions, if any, as herein provided. Unless otherwise specified, payment will be made on partial deliveries accepted by the Government when the amount due on such deliveries so warrants; or when requested by the Contractor, payment for accepted partial deliveries shall be made whenever such payment would equal or exceed either \$1,000 or 50 percent of the total amount of this contract.

8. ASSIGNMENT OF CLAIMS

(a) Pursuant to the provisions of the Assignment of Claims Act (5 VIC 1201 et. seq.) if this contract provides for payments aggregating \$1,000 or more, claims for moneys due or to become due to the Contractor from the Government under this contract may be assigned to a bank, trust company, or other financial institution, including any Federal lending agency, and may thereafter be further assigned and reassigned to any such institution. Any such assignment or reassignment shall cover all amounts payable under this contract and not already paid, and shall not be made to more than one party, except that any such

assignment or reassignment may be made to one party as agent or trustee for two or more parties participating in such financing. Unless otherwise provided in this contract, payments to an assignee of any moneys due or to become due under this contract shall not, to the extent provided in said Act, as amended, be subject to reduction or set off.

9. ADDITIONAL BOND SECURITY

If any surety upon any bond furnished in connection with this contract becomes unacceptable to the Government or if any such surety fails to furnish reports as to his financial condition from time to time as requested by the Government, the Contractor shall promptly furnish such additional security as may be required from time to time to protect the interests of the Government and of persons supplying labor or materials in the prosecution of the work contemplated by this contract.

10. EXAMINATION OF RECORDS

(The following clause is applicable if the amount of this contract exceeds \$1,000.00 and was entered into by means of negotiation, but is not applicable if this contract was entered into by means of formal advertising.)

(a) The Contractor agrees that the Government Comptroller of the U. S. Virgin Islands or any of his duly authorized representatives shall, until the expiration of three years after final payment under this contract, have access to and the right to examine any directly pertinent books, documents, papers, and records of the Contractor involving transactions related to this contract.

(b) The Contractor further agrees to include in all his subcontracts hereunder a provision to the effect that the subcontractor agrees that the Government Comptroller of the Virgin Islands or any of his duly authorized representatives shall, until the expiration of three years after final payment under the subcontract, have access to and the right to examine any directly pertinent books, documents, papers, and records of such subcontractor, involving transactions related to the subcontract. The term "subcontract" as used in this clause excludes (i) purchase orders not exceeding \$1,000 and (ii) subcontractors or purchase orders for public utility services at rates established for uniform applicability to the general public.

11. DEFAULT

(a) The Government may, subject to the provisions of paragraph (c) below, by written notice of default to the Contractor, terminate the whole or any part of this contract in any one of the following circumstances:

(i) if the Contractor fails to make delivery of the supplies or to perform the services within the time specified herein or any extension thereof; or

(ii) if the Contractor fails to perform any of the other provisions of this contract, or so fails to make progress as to endanger performance of this contract in accordance with its terms, and in either of these two circumstances does not cure

such failure within a period of 10 days (or such longer period as the Contracting Officer may authorize in writing) after receipt of notice from the Contracting Officer specifying such failure.

(b) In the event the Government terminates this contract in whole or in part as provided in paragraph (a) of this clause, the Government may procure, upon such terms and in such manner as the Contracting Officer may deem appropriate, supplies or services similar to those so terminated, and the Contractor shall be liable to the Government for any excess costs for such similar supplies or services: Provided, That the Contractor shall continue the performance of this contract to the extent not terminated under the provisions of this clause.

(c) Except with respect to defaults of subcontractors, the Contractor shall not be liable for any excess costs if the failure to perform the contract arises out of causes beyond the control and without the fault or negligence of the Contractor. Such causes may include, but are not restricted to, acts of God or of the public enemy, acts of the Government in either its sovereign or contractual capacity, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes, and unusually severe weather; but in every case the failure to perform must be beyond the control and without fault or negligence of the Contractor. If the failure to perform is caused by the default of a subcontractor, and if such default arises out of causes beyond the control of both the Contractor and subcontractor, and without the fault or negligence of either of them, the Contractor shall not be liable for any excess costs for failure to perform, unless the supplies or service fees to be furnished by the subcontractor was obtainable from other sources in sufficient time to permit the Contractor to meet the required delivery schedule.

(d) If this contract is terminated as provided in paragraph

(a) of this clause, the Government, in addition to any other rights provided in this clause, may require the Contractor to transfer title and deliver to the Government, in the manner and to the extent directed by the Contracting Officer, (i) any completed supplies, and (ii) such partially completed supplies and materials, parts, tools, dies, jigs, fixtures, plans, drawings, information, and contract rights (hereinafter called "manufacturing materials") as the Contractor has specifically produced or specifically acquired for the performance of such part of this contract as has been terminated; and the Contractor shall, upon direction of the Contracting Officer, protect and preserve property in possession of the Contractor in which the Government has an interest. Payment for completed supplies delivered to and accepted by the Government shall be at the contract price. Payment for manufacturing materials delivered to and accepted by the Government and for the protection and preservation of property shall be in an amount agreed upon by the Contractor and Contracting Officer; failure to agree to such amount shall be a dispute concerning a question of fact within the meaning of the clause of this contract entitled "Disputes." The Government may withhold from amounts otherwise due the Contractor for such completed supplies or manufacturing materials such sum as the Contracting Officer determines to be

necessary to protect the Government against loss because of outstanding liens or claims of former lien holders.

(e) If, after notice of termination of this contract under the provisions of this clause, it is determined for any reason that the Contractor was not in default under the provisions of this clause, or that the default was excusable under the provisions of this clause, the rights and obligations of the parties shall, if the contract contains a clause providing for termination for convenience of the Government, be the same as if the notice of termination had been issued pursuant to such clause. If, after notice of termination of this contract under the provisions of this clause, it is determined for any reason that the Contractor was not in default under the provisions of this clause, and if this contract does not contain a clause providing for termination for convenience of the Government, the contract shall be equitably adjusted to compensate for such termination and the contract modified accordingly; failure to agree to any such adjustment shall be a dispute concerning a question of fact within the meaning of the clause of this contract entitled "Disputes."

(f) The rights and remedies of the Government provided in this clause shall not be exclusive and are in addition to any other rights and remedies provided by law or under this contract.

12. DISPUTES

(a) Except as otherwise provided in this contract, any dispute concerning a question of fact arising under this contract which is not disposed of by agreement shall be decided by the Contracting Officer, who shall reduce his decision to writing and mail or otherwise furnish a copy thereof to the Contractor. The decision of the Contracting Officer shall be final and conclusive unless, within 30 days from the date of receipt of such copy, the Contractor mails or otherwise furnishes to the Contracting Officer a written appeal addressed to the Attorney General. The decision of the Attorney General or his duly authorized representative shall be final and conclusive unless determined by a court of competent jurisdiction to have been fraudulent, or capricious, or arbitrary, or so grossly erroneous as necessarily to imply bad faith, or not supported by substantial evidence. In connection with any appeal proceeding under this clause, the Contractor shall be afforded an opportunity to be heard and to offer evidence in support of his appeal. Pending final decision of a dispute hereunder, the Contractor shall proceed diligently with the performance of the contract and in accordance with the Contracting Officer's decision.

(b) This "Disputes" clause does not preclude consideration of law questions in connection with decisions provided for in paragraph (a) above:- Provided, That nothing in this contract shall be construed as making final the decision of any administrative official, representative, or board on a question of law.

13. NOTICE AND ASSISTANCE REGARDING PATENT AND COPYRIGHT INFRINGEMENT

The provisions of this clause shall be applicable only if the amount of this contract exceeds \$10,000.

(a) The Contractor shall report to the Contracting Officer, promptly and in reasonable written detail, each notice or claim of patent or copyright infringement based on the performance of this contract of which the Contractor has knowledge.

(b) In the event of any claim or suit against the Government on account of any alleged patent or copyright infringement arising out of the performance of this contract or out of the use of any supplies furnished or work or services performed hereunder, the Contractor shall furnish to the Government when requested by the Contracting Officer, all evidence and information in possession of the Contractor pertaining to such suit or claim. Such evidence and information shall be furnished at the expense of the Government except where the Contractor has agreed to indemnify the Government.

14. BUY AMERICAN ACT

(a) In acquiring end products, the Buy American Act (41 U.S. Code 10a□d) provides that the Government give preference to domestic source end products. For the purpose of this clause:

(i) "components" means those articles, materials, and supplies, which are directly incorporated in the end products;

(ii) "end products" means those articles, materials, and supplies, which are to be acquired under this contract for public use; and

(iii) "a domestic source end product" means (A) an unmanufactured end product which has been mined or produced in the United States and (B) an end product manufactured in the United States if the cost of the components thereof which are mined, produced, or manufactured in the United States exceeds 50 percent of the cost of all its components. For the purposes of this (a) (iii) (B), components of foreign origin of the same type or kind as the products referred to in (b) (ii) or (iii) of this clause shall be treated as components mined, produced, or manufactured in the United States.

(b) The Contractor agrees that there will be delivered under this contract only domestic source end products, except end products;

(i) which are for use outside the United States;

(ii) which the Government determines are not mined, produced, or manufactured in the United States in sufficient and reasonably available commercial quantities and of a satisfactory quality;

(iii) as to which the Secretary determines the domestic preference to be inconsistent with the public interest; or

(iv) as to which the Secretary determines the cost to the Government to be unreasonable.

(The foregoing requirements are administered in accordance with Executive Order No. 10582, dated December 17, 1954.)

15. CONVICT LABOR

In connection with the performance of work under this contract, the Contractor agrees not to employ any person undergoing sentence of imprisonment at hard labor.

16. OFFICIALS NOT TO BENEFIT

No member of the Legislature, or Delegate to the United States Congress, or official or employee of the Executive Branch of the Government of the Virgin Islands, shall be admitted to any share or part of this contract, or to any benefit that may arise therefrom, but this provision shall not be construed to extend to this contract if made with a corporation for its general benefit.

17. COVENANT AGAINST CONTINGENT FEES

The Contractor warrants that no person or selling agency has been employed or retained to solicit or secure this contract upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee, excepting bona fide employees or bona fide established commercial or selling agencies maintained by the Contractor for the purpose of securing business. For breach or violation of this warranty the Government shall have the right to annul this contract without liability or in its discretion to deduct from the contract price or consideration, or otherwise recover, the full amount of such commission, percentage, brokerage, or contingent fee.

**GENERAL PROVISIONS
(SUPPLY CONTRACT)**

TERMINATION OF CONTRACTS

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18. CONVENIENCE OF THE GOVERNMENT

- (a) The performance of work under this contract may be terminated by the Government in accordance with this clause in whole, or from time to time in part, whenever the Contracting Officer shall determine that such termination is in the best interest of the Government. Any such termination shall be effected by delivery to the Contractor of a Notice of Termination specifying the extent to which performance by delivery to the Contractor of a Notice of Termination specifying the extent to which performance of work under the contract is terminated, and the date upon which such termination becomes effective.
- (b) After receipt of a Notice of Termination, and except as otherwise directed by the Contracting Officer, the Contractor shall:
 - (i) stop work under the contract on the date and to the extent specified in the Notice of Termination;
 - (ii) place no further orders or subcontracts for materials, services or facilities, except as may be necessary for completion of such portion of the work under the contract as is not terminated;
 - (iii) terminate all orders and subcontracts to the extent that they relate to the performance of work terminated by the Notice of Termination;
 - (iv) assign to the Government, in the manner, at the times, and to the extent directed by the Contracting Officer, all of the right, title, and interest of the Contractor under the orders and subcontracts so terminated, in which case the Government shall have the right, in its discretion, to settle or pay any or all claims arising out of the termination of such orders and subcontracts;
 - (v) settle all outstanding liabilities and all claims arising out of such termination of orders and subcontracts, with the approval or ratification of the Contracting Officer, to the extent, he may require, which approval or ratification shall be final for all the purposes of this clause;
 - (vi) transfer title and deliver to the Government in the manner, at the times, and to the extent, if any, directed by the Contracting Officer (A) the fabricated or unfabricated parts, work in progress, completed work, supplies, and other material produced as a part of, or acquired in connection with the performance of, the work terminated by the Notice of Termination, and (B) the completed or partially

completed plans, drawings, information, and other property which, if the contract had been completed, would have been required to be furnished to the Government.

- (vii) use his best efforts to sell, in the manner, at the times, to the extent, and at the price or prices directed or authorized by the Commissioner of Property and Procurement, any property of the types referred to in (vi) above; provided, however, that the Contractor (A) shall not be required to extend credit to any purchaser, and (B) may acquire any such property under the conditions prescribed by and at the price or prices approved by the Commissioner of Property and Procurement and provided further that the proceeds of any such transfer or disposition shall be applied in reduction of any payments to be made by the Government to the Contractor under this contract or shall otherwise be credited to the price or cost of the work covered by this contract or paid in such other manner as the Commissioner of Property and Procurement may direct;
 - (viii) complete performance of such part of the work as shall not have been terminated by the Notice of Termination; and
 - (ix) take such action as may be necessary, or as the Commissioner of Property and Procurement may direct, for the protection and preservation of the property related to this contract which is in the possession of the Contractor and in which the Government has or may acquire an interest.
- (c) After receipt of the Notice of Termination, the Contractor shall submit to the Commissioner of Property and Procurement his termination claim, in the form and with certification prescribed by the Commissioner of Property and Procurement. Such claim shall be submitted promptly but in no event later than one year from the effective date of termination, unless one or more extensions in writing are granted by the Commissioner of Property and Procurement, upon request of the Contractor made in writing within such one year period or authorized extension thereof. However, if the Commissioner of Property and Procurement determines that the facts justify such action, he may receive and act upon failure of the Contractor to submit his termination claim within the time allowed, the Commissioner of Property and Procurement may determine, on the basis of information available to him, the amount, if any, due to the Contractor by any reason of the termination and shall thereupon pay to the Contractor the amount so determined.
- (d) Subject to the provisions of paragraph (c), the Contractor and the Commissioner of Property and Procurement may agree upon the whole or any part of the amount or amounts to be paid to the Contractor by reason of the total or partial termination of work pursuant to this clause, which amount or amounts may include a reasonable allowance for profit on work done; provided, that such agreed amount or amounts, exclusive of settlement costs, shall not exceed the total contract price as reduced by the amount of payments otherwise made and as further reduced by the contract price of work not terminated. The contract shall be amended accordingly, and the Contractor shall be paid the agreed amount. Nothing in paragraph (e) of this clause, prescribing the amount to be paid to the Contractor in the event of failure of the Contractor and the Commissioner of

Property and Procurement to agree upon the whole amount to be paid to the Contractor by reason of the termination of work pursuant to this clause, shall be deemed to limit, restrict or otherwise determine or affect the amount or amounts which may be agreed to be paid to the Contractor pursuant to this paragraph (d):

- (e) In the event of the failure of the Contractor and the Commissioner of Property and Procurement to agree as provided in paragraph (d) upon the whole amount to be paid to the Contractor by reason of the termination of work pursuant to this clause, the Commissioner of Property and Procurement shall pay to the Contractor the amounts determined by him as follows, but without duplication of any amounts agreed upon in accordance with paragraph (d):

(i) for completed supplies, materials and equipment or services accepted by the Government (or sold or acquired as provided in paragraph (b) (vii) above) and not theretofore paid for, a sum equivalent to the aggregate price for such supplies or services computed in accordance with the price or prices specified in the contract, appropriately adjusted for any saving for freight or other charges;

(ii) the total of —

(A) the costs incurred in the performance of the work terminated, including initial costs and preparatory expense allocable thereto, but exclusive of any costs attributable to supplies or services paid or to be paid for under paragraph (e) (i) hereof;

(B) the cost settling and paying claims arising out of the termination of work under subcontracts or orders, as provided in paragraph (b) (v) above, which are properly chargeable to the terminated portion of the contract (exclusive of amounts paid or payable on account of supplies or materials delivered or services furnished by subcontractors or vendors prior to the effective date of the Notice of Termination, which amounts shall be included in the costs payable under (A) above; and

(C) a sum, as profit on (A) above, determined by the Contracting Officer to be fair and reasonable; provided, however, that if it appears that the Contractor would have sustained a loss on the entire contract had it been completed, no profit shall be included or allowed under this subdivision (C) and an appropriate adjustment shall be made reducing the amount of the settlement to reflect the indicated rate of loss; and

(iii) the reasonable costs of settlement, including accounting, legal, clerical and other expenses reasonably necessary for the preparation of settlement claims and supporting data with respect to the terminated portion of the contract and for the termination and settlement of subcontract thereunder, together with reasonable storage, transportation and other costs incurred in connection with the protection or disposition of property allocable to this contract.