

## SECTION B

### SUPPLIES OR SERVICES AND PRICES/COST

#### B.1 Instructions

In accordance with Title 29 of the Code of Federal Regulations, Labor Standards for Federal Service Contract, the General Services Administration (GSA) considers the Service Contract Act (SCA) to apply to this contract.

This contract will have a base period of two years and eight one-year options for a total of ten contract years. Schedule 1 (provided as a separate excel spreadsheet) contains a summary of the skill levels for all price areas (also detailed in Schedule 1) for each year of the contract. The annual hours show an estimated growth of 15% per year and 3% overtime is anticipated.

In Schedule 1, the individual worksheets for Areas 1 - 6 represent different price areas within the Pacific Rim Region. The Pacific Rim Region consists of California, Nevada, Arizona, Hawaii, and Pacific Rim territories and countries. The price area designated as Area 7, Nationwide, provides for pricing for the remainder of the country. The price areas for this contract are:

- Area 1 - San Francisco (Any location in the following counties of California: Alameda, Contra Costa, Marin, Monterey, Napa, San Francisco, San Mateo, Santa Clara, Santa Cruz, Solano, Sonoma)
- Area 2 - Los Angeles and San Diego areas (Any location in the following counties of California: Los Angeles, Ventura, Orange, Santa Barbara, San Diego; in Arizona: Cochise)
- Area 3 - Nevada area (Any location in the state of Nevada)
- Area 4 - Arizona area (Any location in the state of Arizona or California not otherwise listed, and any location in the Pacific Rim region not otherwise listed)
- Area 5 - Hawaii area (Any location in the state of Hawaii)
- Area 6 - Sacramento – (Any location in the following counties of California: Sacramento, Yuba, Yolo, San Joaquin, Sutter, El Dorado, Placer, Amador and Calaveras)
- Area 7 - Nationwide Area (Any US location other than prescribed in geographic areas 1-6)
- Area 8 – All areas worldwide not covered in Areas 1-7 above.

With the exception of Area 8, the contractor shall complete these worksheets showing the fully loaded ceiling price that the contractor will be billing the Government for each directly billable hour of labor by skill level in the particular price area, including both regular and overtime hourly rates using the rates from the price proposal table in Section J. These forms are a summary of information provided in the contractor's cost/price proposal. The contractor shall provide prices for all areas and skill levels. Proposals that do not provide complete pricing for all areas and skill levels will be rejected. Overtime pay for SCA covered employees shall be at the appropriate DOL wage determination rate. Overtime pay for SCA exempt employees shall be at least that employee's regular pay for the overtime hours worked. There shall be no reimbursement by the Government for shift differential for any contractor employees.

Refer to Section L.17.4 for Area 8 pricing requirements.

The following skill levels are non-exempt, wage determination positions as defined in the Service Contract Act; Skill Level 20 - Task Administrative Assistant, Skill Level 21 - Task Service Support, Skill Level 22 - Documentation Specialist, Skill Level 55 - Computer Operator (Senior), Skill Level 56 - Computer Operator (Intermediate), Skill Level 57 - Electronic Input Operator (Lead), Skill Level 58 - Electronic Input Operator. All other skill levels are exempt from the Act.

The offeror is put on notice that regardless of the rate proposed for billing and payment purposes, the offeror is required by DOL during contract performance to pay non-exempt employees the applicable wage determination rate for the specific area(s), if a specific wage determination(s) exists. Failure to propose a rate high enough to provide for this will constitute an unrealistic proposal in regard to cost or price and may be grounds for rejection of the proposal.

Section B.2, Exhibit B.1 provides a baseline for the average hourly direct labor rates by skill level and geographic area. See Section L.17.1 for additional information concerning the use of this data.

This contract is intended to support requirements throughout the geographic areas defined above. The contractor shall propose a methodology for determining rates for work to be performed in Area 8. The methodology will be used in the future to determine specific rates as project requirements occur.

The fully loaded rates contained in Section B are ceiling price rates. The contractor may, at his discretion, elect to propose lower hourly rates on a task-by-task basis.

Section B.2, Exhibit B.2 is a summary of the contract value for each year plus a total value for the contract. Using the billing rates and hours from the price proposal table in Section J, enter the total estimated contract value for each year of the contract in exhibit B.2. Using the proposed off-site premium, compute the total premium for off site work for the contract. (Note that the % of off-site work is anticipated to be 11% of the estimated hours.) Total the ten years, and the off site premiums, and enter the amount in the block "Contract Total".

The offeror's proposal shall be based on 20% of the overall estimated annual hours provided in Section B. This is for evaluation purposes only, and in no way obligates the Government to

compensate the contractor in the event that actual orders issued to any one contractor is less than the evaluated estimated volume.

Section B.2, Exhibit B.3 contains the off-site premium and G&A rates for the contract. Enter these figures from the price proposal table in Section J.