



Annex 2

Supply Support Services
Including
Class IV Materials and Property Accounting
Management
(SSS)

Statement of Work (SOW)

for

INTEGRATED LOGISTIC SUPPORT (ILS)

KANDAHAR AIRFIELD (KAF)
AIRFIELD OF DEBARKATION (APOD)



AMENDMENT RECORD

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RFP Version

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OFFICE / POSITION	DATE	NAME	SIGNATURE
JFCBS / Project Manager			
JFCBS / Subject Matter Expert Supply Services			
JFCBS / Subject Matter Expert Class IV			
JFCBS / Subject Matter Expert Property Accounting Management			
NAMSA / Project Lead			
NAMSA / Contracting Officer			
NAMSA / Technical Officer			
NAMSA / Technical Officer			

RFP

Version

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Attachment A. NATO Provided Infrastructure, Equipment, and Vehicles List

1. Scope

- 1.1. This Annex defines the services to be provided by the Contractor for Supply Support including Class IV Material support and Property Accounting Management using the NATO Supply System.
- 1.2. This Annex is applicable to all NATO-funded and contractor-provided activities and services required for support of NATO Supply activities at KAF.
- 1.3. These Supply Support services are required to cover the current and future configuration of KAF. The Contractor shall provide and sustain such specific services as prescribed within this schedule of requirements in order to maintain, to an acceptable standard, such services to all NATO and International Partner Forces operating at KAF.

2. Applicable Documents

- 2.1. In addition to guidance in the SOW Main Body the Contractor shall provide services in accordance with applicable and relevant direction found in:
 - 2.1.1. ACE Directive 60-80: Property Accounting and Control.
 - 2.1.2. ACE Directive 60-90: Standards for Office, Mess, and Barracks Furniture, Equipment and Furnishings.
 - 2.1.3. ACE Directive 70-1: Physical Security.
 - 2.1.4. ACO Motor Transport Management 55-1.
 - 2.1.5. STANAG 2828 Military Pallets, Packages and Containers.
 - 2.1.6. STANAG 2998 Material Handling Glossary of Terms and definitions.
 - 2.1.7. STANAG 4281 NATO Standard Marking, Shipment and Storage.
 - 2.1.8. International Air Transportation Association (IATA) Dangerous Goods Regulation.
 - 2.1.9. NR 200-00 NAMSA Logistics Manual.
 - 2.1.10. HQ ISAF Standard Operating Procedures (SOP) CJ8/805,
 - 2.1.11. HQ ISAF SOP 114410,
 - 2.1.12. COMKAF Tenants Charter,
 - 2.1.13. COMKAF SOP 401: Property Accounting,
 - 2.1.14. COMKAF SOP 452: Supply Services,

- 2.1.15. COMKAF SOP 455: Vehicle Processing,
 - 2.1.16. And as applicable other HQ ISAF SOPs, RC(S) SOPs and COMKAF SOPs.
- 2.2. Contracted support shall conform to guidance in the above standards but is not limited to these directives.

3. Command and Control

- 3.1. As detailed in the SOW Main Body and, additionally, as identified within this Annex.
- 3.2. Overall Control Authority is delegated to the Military Commander of Kandahar Airfield (COMKAF).
- 3.3. NAMSA is the contracting authority and shall provide contract oversight and execution responsibility.
- 3.4. The Contractor is responsible to COMKAF, through NAMSA, for all operational aspects whilst providing services at KAF.
- 3.5. Daily operational control authority for supply support services resides with COMKAF CJ4 Logistics Support reporting to the COMKAF Deputy Commander for Support (DCOMSPT).
- 3.6. COMKAF CJ8 (Financial Control) will provide financial review and oversight of activities as required.
- 3.7. COMKAF CJ4 Base Engineer will establish and adjust Class IV stock levels.
- 3.8. COMKAF CJ4 Logistics Support will:
 - 3.8.1. Define and approve the Supply Catalogue.
 - 3.8.2. Assign supply priorities.
 - 3.8.3. Monitor supply activities to include daily due outs, backorder status, etc.
 - 3.8.4. Approve, review and close out reports of survey.
 - 3.8.5. Assist in establishing stock inventory requirements and demand levels.
 - 3.8.6. Coordinate on automatic stock adjustment levels and content of supply catalogue.

4. Planning Factors, Constraints

- 4.1. Kandahar Airfield is a multi-national operation with a NATO support staff. Airfield infrastructure and daily operational support is largely a NATO function. This contract supports the NATO element and NATO / NAMSA contracted services.
- 4.2. Supply support is for:
 - 4.2.1. NATO Crisis Establishment elements requiring supply support including Communications, Engineering, Safety, Force Protection, Airfield Management, Administration, etc.
 - 4.2.2. Contracted NATO / NAMSA services supporting APOD operations.
- 4.3. Troop Contributing Nations and CJSOR elements at RC(S) may use the APOD supply system for requisition purposes only by establishing a user account and paying for supplies as consumed. If stocks are maintained to support this service these stocks shall be segregated from NATO stocks and held at contractor risk. Payments shall include mark-up to compensate for additional staff, equipment, and infrastructure requirements driven by supporting this requirement. Mark-up rates shall be negotiated through NAMSA. Stock levels and services provided to NATO shall not be degraded.
- 4.4. Other entities on KAF shall be self-supporting for supply and will not use this supply system.
- 4.5. The Contractor shall establish a fully automated Management System for Warehousing, Supply of Consumables, and Class IV Stocks based on common commercial warehouse software.
 - 4.5.1. NAMSA / NATO shall retain all software copies and licenses upon contract completion to prevent any disruption in services. Incumbent Contractor may be required to train subsequent Contractors on this system should a change in contractors occur.
 - 4.5.2. Property Accounting of NATO equipment shall be accomplished using the NATO Depot Supply System.
 - 4.5.3. Provide daily reports to COMKAF CJ4 Logistics Support to identify backorder status, due outs, issues and rejects.
 - 4.5.4. Establish a system for inventory management with a service level of at least 80% availability of requested items at all times.
 - 4.5.5. Establish and coordinate with CJ4 Logistics Support on a requisition priority system based on urgency of need and logical supply chain expectations. This priority system shall be formally documented in a COMKAF SOP.

- 4.5.6. Provide validation of requisition priority with COMKAF CJ4 Logistics Support or COMKAF CJ4 Base Engineer.
- 4.5.7. Maintain ability to adjust shipping method if priority identifier is increased.
- 4.6. The Contractor shall establish the supply catalogue and establish stock/re-stock levels for items supporting each service area. This supply catalogue and stock levels shall be coordinated with and approved by CJ4 Logistics Support and CJ4 Base Engineer.
 - 4.6.1. Stocks on hand are the property of NATO.
 - 4.6.2. Stocks on hand are exclusively for NATO.
 - 4.6.3. Replenishment of stocks shall be invoiced to NATO monthly.
 - 4.6.4. Stock account holding minimum and maximum value shall be coordinated with COMKAF CJ4 Logistics Support and approved by COMKAF CJ8 Finance.
 - 4.6.5. The Contractor shall not charge mark up for these stocks.
 - 4.6.6. Any stocks held for other users or corporate use, are at the Contractors expense.
 - 4.6.7. NATO shall only pay for items listed in the supply catalogue as approved by COMKAF CJ4 Logistics Support.
 - 4.6.8. Consumable stock levels in excess of two months consumption level shall not be paid for by NATO.
 - 4.6.9. Critical stock levels shall be established to prevent / limit priority requisitions. Levels shall normally not be less the 30 days stock plus procurement lead time.
 - 4.6.10. Write-off due to loss, theft or damage of stock-items shall be at the Contractor's expense.
- 4.7. The Contractor shall in all cases maintain clear segregation of NATO supplies and other user's supplies to include supplies for the APOD contractors. This includes all aspects of requisition accounting and warehousing.
- 4.8. The Contractor shall provide transparency in operations to COMKAF CJ4 Logistics Support, NAMSA and NAMSA Quality Management Auditors.
- 4.9. The Contractor shall only use equipment and vehicles which are serviceable and maintained to the standards specified within the Airfield Equipment and Vehicles Maintenance portion of this contract.

- 4.10. The contractor shall not be required to leave the airfield physical compound as defined by fences, gates, and lines of demarcation.

5. Description of the Services Required

- 5.1. As detailed in the SOW Main Body and additionally as identified within this Annex.
- 5.2. Monitor and report on Supply Account activities, procuring, stocking and issuing items as required within budget guidelines established by COMKAF CJ4 Logistics Support and NAMSA.
- 5.2.1. Establish accounts for each APOD contracted service area as required to support operational requirements.
- 5.2.2. Notify COMKAF CJ4 Logistics Support and NAMSA anytime an account has expended 75% of allocated funds.
- 5.2.3. Receive prior approval from NAMSA for any requisition that will exceed 25% of budget allocation.
- 5.3. Provide Supply Support Service and Supply of Class IV Materials to include:
- 5.3.1. Requirements planning.
- 5.3.2. Purchasing / Ordering.
- 5.3.3. Receiving.
- 5.3.4. Issuing.
- 5.3.5. Accounting.
- 5.3.6. Cataloguing.
- 5.3.7. Warehousing including establishment of a Class IV materials yard.
- 5.3.8. Stocktaking.
- 5.3.9. Quality Control.
- 5.3.10. Hazardous Material Control.
- 5.3.11. Loans and losses.
- 5.3.12. Disposal and Returns.
- 5.4. The Contractor shall:
- 5.4.1. Process requests (stocked and non-stocked expendable / capital items, modifications and cancellations).

- 5.4.2. Build stock numbers.
- 5.4.3. Process receipts.
- 5.4.4. Conduct inventories annually or quarterly for stock items with a value exceeding \$500.00 each.
- 5.4.5. Propose stock level adjustments as required by statistical consumption rates and forecast.
- 5.4.6. Collect, review, analyze, and report on distribution items and trends in consumption, providing suggestions for supply catalogue adjustments to CJ4 Logistics Support.
- 5.4.7. Conduct Exchange procedures.
- 5.4.8. Replace at own expense items distributed that prove to be damaged, unserviceable, expired shelf life, or of unacceptable quality. NAMSAs will make final decisions on such actions.
- 5.4.9. Issue expendable / capital items.
- 5.4.10. Build stock locations.
- 5.4.11. Conduct location surveys.
- 5.4.12. Conduct lateral transfers.
- 5.4.13. Build and close out shipping manifests.
- 5.4.14. Ship equipment and materials.
- 5.4.15. Support CJ4 Logistics Support in initiating reports of survey.
- 5.5. Establish a robust and reliable network of reputable suppliers with primary and secondary suppliers for all critical items. Track suppliers in a formal listing noting response times and distribution problems.
- 5.6. Establish an airfield supply distribution system with coordinated drop off and pick up points for key customers distributing stocked items not later than the day after requested.
- 5.7. Perform procurement services applying the procedures for market research including finding products that meet all required performance work statements and sources for procurement and contracting personnel to execute. The Contractor shall manage the procurement services and specifically:
 - 5.7.1. Apply procedures for market research including finding products that meet all required performance work statements, safety, warranty standards, and sources of supply.

- 5.7.2. Solicit quotes from a minimum of three potential vendors for the selection of the supply items by lowest price or best justified value.
- 5.7.3. Advise the requesting and authorizing agency of the cost of the item.
- 5.7.4. Obtain guaranteed prices for a minimum of three months.
- 5.7.5. Obtain pricing for volume discounts.
- 5.7.6. Obtain pricing for preferred vendor status.
- 5.7.7. Review the competitiveness of the suppliers every quarter and conduct new market research on supply sources files.
- 5.7.8. Obtain manufacture Material Safety Data Sheet (MSDS) for HAZMAT materials and acceptable manufacturer warranty standards during the procurement process or as required. Issue MSDSs with materials to all end users.
- 5.7.9. Ensure all items are provided in accordance with applicable specifications, drawings and designs, and are delivered free of defects in both materiel design and workmanship.
- 5.7.10. Identify shipping cost within the cost of procuring items at a price per unit basis. Provide price bandwidths for shipping costs for items of differing value when applicable. Calculation of shipping costs shall be based on shipping costs incurred within 30 days of receipt of item. Accepted shipping cost is 1.5% of item value. When this value is exceeded the Contractor shall justify the additional expense to CJ4 Logistics Support and NAMSA.
- 5.7.11. Provide comprehensive price break-down of the cost of any supplied item. Cost shall include contractor price, transportation cost and any itemized supplemental cost. Item price shall not include management fees, exchange rates, warehousing fees, etc. These costs are included in the contracted price for provision of services.
- 5.7.12. Establish complete tracking capability to include but not limited to item location, carrier, estimated arrival times, and causes for delay.
- 5.8. Establish and maintain inventories of construction in type and quantities based on historical demand data, current inventory plans and within the framework of specific construction projects.
- 5.9. Identify high turnover items and ensure NATO receives priority in stock levels and on-hand rates for these items.

- 5.10. Coordinate with customers to establish Supply Point Liaisons within the sections as needed. For example, provide support to the Airfield Equipment and Vehicle Maintenance Section mechanic appointed to liaise with Supply.
- 5.11. Provide customer training to Supply Point Liaisons upon request or assignment of a new liaison.
- 5.12. Perform Warehousing functions to include:
 - 5.12.1. Installing / maintaining shelving / bins.
 - 5.12.2. Cold storage.
 - 5.12.3. HAZMAT storage.
 - 5.12.4. Storage of all types of equipment and supplies to include Class IV items.
 - 5.12.5. Develop warehouse layout and concept.
 - 5.12.6. Perform stock pricing of items in customer bins.
 - 5.12.7. Develop and implement procedures to ensure safeguard of supplies.
 - 5.12.8. Provide separate and secure storage of quarantined or other materials as required.
- 5.13. Manage the APOD Supply Services container and Class IV yard.
 - 5.13.1. Provide transport and coordination of containers into, out of and around container yard.
- 5.14. Load / Unload containers (sea containers) and pack / unpack tri-walls, multi-packs and other boxes.
 - 5.14.1. Store, remove, transport and place containers onto truck / trailer beds and fill or empty contents.
- 5.15. Establish material handling equipment (MHE) and vehicles requirements through APOD Fleet Manager.
 - 5.15.1. Ensure the required amount of MHE and vehicles are on-hand to support service requirements.
- 5.16. Prepare and ensure proper dispositions of customs declarations, exemption certificates, and requirements when receiving and forwarding shipments.
- 5.17. Provide customer service through a designated customer office.
- 5.18. Develop and maintain a supply catalogue.

- 5.18.1. List common sourced items.
- 5.18.2. List items in and out of stock.
- 5.18.3. List prices.
- 5.18.4. List units of issue by quantity for order.
- 5.18.5. List estimated delivery times.
- 5.19. Provide prompt pricing for items not tracked in the supply catalogue.
- 5.20. Ensure quality of items requisitioned meets customer requirements.
- 5.21. Establish a Property Accounting Management Section that shall:
 - 5.21.1. Maintain functional knowledge of the NATO Depot and Support System (NDSS), including the Regional Depot Support System (RDSS), and Memorandum Receipt Control System.
 - 5.21.2. Maintain knowledge of the NATO Accounting Financial System (NAFS).
 - 5.21.3. Work with KAF Purchasing and Contracting representatives to close out contracts upon receipt of goods.
 - 5.21.4. Ensure that outgoing and incoming Property Accounting Officers (PAOs) conduct 100% physical inventory of all stores.
 - 5.21.5. Assist the PAO with PA related duties, as requested.
 - 5.21.6. Build Memorandum Receipt Account Holder (MRAH) accounts.
 - 5.21.6.1. Maintain records to provide name of designated account holder, date of last inventory, date of next scheduled inventory and departure date of the account holder.
 - 5.21.6.2. Ensure MRAH accounts are signed for by the account holder.
 - 5.21.6.3. Send listings at least monthly of Property and MRAH personnel to the PAO.
 - 5.21.6.4. Ensure all incoming and outgoing MRAH personnel conduct a joint inventory and properly clear accounts prior to personnel departure from theatre. A hand over / take over certificate shall be prepared by both the out-going and the incoming account holders. This

certificate will include statements on the condition of the property accounts and stock holdings.

- 5.21.7. Ensure all transactions for property are supported by appropriate documentation to record the receipt, issue, disposal and other accounting steps required for the control of property.
- 5.21.8. Establish a temporary loan register listing all items issued on temporary loan with suspense date for return.
- 5.21.9. Complete an inventory of controllable and expendable property held in stocks at least once during each calendar year. Provide a report of this inventory to CJ4 Logistics Support and NAMSA.
- 5.21.10. Document receipt, issue and account for controllable property on Stock Record Cards.
- 5.21.11. Initiate, prepare and submit property write-off paperwork at the earliest time after the event occurred creating the requirement.
- 5.22. Ensure that NATO funded / purchased end items are properly registered in NDSS and established on account prior to issue to user.
- 5.23. Ensure that supply support provided to other APOD contracted services contribute to the successful achievement of section requirements.
- 5.24. The Contractor shall:
 - 5.24.1. Establish a stock requisition system to ensure a minimum of 30 days stock are on hand at all times.
 - 5.24.2. Ensure stocks do not exceed 60 day of items unless approved by NAMSA and COMKAF CJ4 Logistics Support.
 - 5.24.3. Identify stock levels and automatic refill levels for all stocked items.
 - 5.24.4. Process refill requirements daily as required processing all refill requirements within 5 days.
 - 5.24.5. Establish an average order cycle time for items based on past experience and difficulty of requisitioning item. Normal order cycle time should not exceed 30 days.
 - 5.24.6. Be capable of and demonstrate routine ability to complete orders supporting MEL assets within 7 days.

- 5.24.7. Maintain a list of all MEL assets and critical level of these assets. Initiate the appropriate priority requisition process for these items.
- 5.24.8. Process orders and provide customer feedback on status of items within 3 days for all routine orders.
- 5.24.9. Process orders and provide customer feedback on status of all priority / MEL items within 24 hours.

6. Schedules, Milestones and Operating Hours

- 6.1. As detailed in the SOW Main Body and additionally as identified within this Annex.
- 6.2. Provide a staffed customer support office during KAF core hours.
- 6.3. Provide a recall system capable of responding to emergency request within 30 minutes on a 24 hour per day 7 day per week bases.
- 6.4. Provide COMKAF CJ4 Logistics Support / NAMSA with recall contact information.
- 6.5. Provide flexibility to meet mission changes.

7. Contractor Human Resources Required and Qualifications, Language Skills

- 7.1. As detailed in the SOW Main Body and additionally as identified within this Annex.
- 7.2. Provide an adequate number of personnel trained, qualified and / or certified to safely perform required task in accordance with referenced standards in paragraph 2 of the SOW Main Body and this Annex. As a minimum ensure personnel are trained and accredited to:
 - 7.2.1. Pack. Label, document and ship all cargo by multi-modal means.
 - 7.2.2. Pack, label, document and ship dangerous and hazardous cargo (including explosives and ammunition).
- 7.3. Ensure all personnel operating Material Handling Equipment are properly trained, qualified, licensed and deemed medically fit to operate the specific equipment for performing the specific task.
- 7.4. A minimum of two key supervisors shall be trained and each shall hold five years or more experience in warehouse management.
- 7.5. A minimum of two key supervisors shall be trained and each shall hold five years or more experience in requisition management.

- 7.6. Warehouse employees shall have task specific training and at least one year experience in warehousing.
- 7.7. All training and past experience shall be documented. The Contractor shall maintain training records for each employee. NAMSA reserves the right to review personnel qualifications of all employees.
- 7.8. Provide employee follow-up, upgrade and refresher training as required at contractor expense.
- 7.9. Coordinate NDSS training course requirements with NAMSA.
- 7.10. Language requirements:
- 7.10.1. The contractor shall ensure that, as an absolute minimum, all of its personnel assigned to the Supply organization are able to speak and understand English to the NATO 2210 standard in accordance with STANAG 6001.
 - 7.10.2. Key Supervisors / Personnel working in a capacity that requires reading, data inputs, or writing shall be fluent in English to the NATO 3333 standard.
 - 7.10.3. Personnel using radio communications, dispatching personnel, or coordinating activities with other agencies shall be fluent in English to a minimum level of NATO 3321 standard.
 - 7.10.4. Ensure personnel accomplishing warehousing, requisition, etc. are fluent enough in English to read tags and labels as required to accomplish task.

8. NATO/NAMSA Furnished Infrastructure and Equipment, Tools and Provisioning of Supplies

- 8.1. As detailed in the SOW Main Body.
- 8.2. The Contractor shall assume the existing NATO Furnished infrastructure, equipment and vehicles listed in Attachment A to this Annex. Comply with procedures listed in the SOW Main Body.

9. Contractor Furnished Infrastructure and Equipment, Tools and Provisioning of Supplies

- 9.1. As detailed in the SOW Main Body and additionally as identified within this Annex.

10. CIS Requirements

- 10.1. As detailed in the SOW Main Body.

11. Security and Safety Requirements

11.1. As detailed in the SOW Main Body.

12. Environmental Requirements

12.1. As detailed in the SOW Main Body.

13. Data and Reports

13.1. As detailed in the SOW Main Body and additionally as identified within this Annex.

13.2. Provide weekly performance reports. The reports shall include personnel strength, number of demands (received, issued, pending), stock associated with each specific demand, sales status, stock level and availability, separate identification of items which are at a critical level, supply status including spares, supplemental labour charges, estimated shipping status, customer requests status, MRAH status and activities performed by the Contractor.

13.3. Provide monthly updates to Supply Catalogues. Coordinate these updates with CJ4 Logistics Support.

13.4. Provide monthly statistical consumption records, supported by charts and tables, based on customer and contractual areas and a consumption and inventory report of the stocks, spares, material and consumables.

13.5. Provide on request, information pertaining to the supply status of any item.

14. Quality Assurance and Performance Measurement

14.1. As detailed in the SOW Main Body and additionally as identified within this Annex.

14.2. Provide detailed quality plan to include procedures for establishing suppliers and controlling quality of requisitioned items for approval by NAMSA and CJ4 Logistics Support.

15. Mobilisation / Demobilisation

15.1. As detailed in the SOW Main Body and additionally as identified within this Annex.

15.2. The Contractor shall leave all software and tracking systems behind for next system operator.

16. Templates and Forms

16.1. As detailed in the SOW Main Body.

Attachment A

NATO Provided Infrastructure, Equipment and Vehicles List

Posted in Section 08 RFP Exhibit I Part 3 – NFE & NFI APOD FR – v29APR10