

## STATEMENT OF WORK

### LIQUID PETROLEUM GAS (LPG) DELIVERY TERMS AND CONTRACTOR OWNED TANKS

#### 1.0 BACKGROUND

The Commander Navy Region Hawaii (CNRH), Naval Facilities Command (NAVFAC) Hawaii , and Navy Supply Systems Command Fleet Logistics Center Pearl Harbor (NAVSUP FLCPH), have energy fuel support requirements, which require the supply of LPG to support the mission essential facility operations at Joint Base Pearl Harbor Hickam, Hawaii locations on an uninterrupted basis. There are a total of 54 tanks for receipt of bulk LPG, of which 45 are contractor owned and 9 are government owned. The tank capacity ranges from 124 GL to 12,000 GL. LPG is a fuel gas which consists predominantly of propane, propylene, butanes, or any combination or dilution thereof. Propane HD-5 is supplied which is a special grade of propane for motor fuel and on the uses requiring more restrictive specifications than commercial propane.

#### 2.0 SCOPE

Contractor supply of LPG for 54 contractor owned and government owned tanks on an uninterrupted basis coordinated with the activities included within the scope of this contract. Contractor tank related installation, maintenance and repair shall be accomplished in coordination with the Contracting Officer Representative (COR) and the NAVFAC Hawaii Inspection Branch. The contractor shall coordinate with the COR for making the necessary arrangements with respect to any installation, repair or maintenance of contractor owned tanks. The COR shall coordinate with the contractor for necessary tank inspections and any repairs required for tank certifications in meeting the required Federal, State, and Navy standards.

#### 3.0 CONTRACTOR RESPONSIBILITIES.

a. Contractor shall deliver LPG to various sites as specified in the line items. After issuance of an order by the Contracting Officer, the Contractor shall coordinate delivery with the requiring activity at each location. All LPG supplied by the Contractor shall be measured by metering equipment of current industry standard manufacture, furnished, installed, maintained, calibrated, and read by the Contractor at his expense. In the event that any meter fails to register or registers incorrectly, the quantity of LPG delivered through it during that period shall be determined in a manner acceptable to the Government, and an equitable adjustment based thereon shall be made in the Government's bills. (For this purpose any meter which registers not more than two percent (2%) slow or fast shall be deemed correct). The Contractor shall provide all repairs, replacements and/or correction of Contractor-owned tanks and vaporizers at no additional cost to the Government.

b. The Contractor shall obtain a signature to confirm the supplied quantity at each delivery location and shall leave one copy of the delivery ticket at each site and fax the other copy to the Contracting Officer and COR. The delivery ticket shall state the contract number, the sub-contract line item number (sub-CLIN) and the amount of LPG delivered. If unable to obtain the signature on the delivery ticket when the delivery is made, the contractor will contact the location POC in order to obtain the signature. If contractor is still unable to obtain the signature on the delivery ticket within 5 days, email is to be sent to the COR with the attached delivery ticket for obtaining the signature.

c. The Contractor shall deliver and install new tanks, which includes, but is not limited to, off-loading the tanks, setting the tanks and all necessary connections. Personnel that deliver LPG to the government site are required to pass a background check prior to entry on base. The background security check will be conducted by Naval Investigative Service.

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d. The contractor shall be responsible for maintaining Contractor -owned equipment in good working condition. The Contractor shall comply with tank inspection and replacement requirements as stated in Inspection and Acceptance requirements of this solicitation. Prior to the start of the contract, the contractor shall provide the Contracting Officer a listing of the inventory and the condition of the tanks covered under subject contract. The Contractor shall provide updates to the COR as necessary throughout the life of the contract.

e. The Navy Inspector shall be present during any installation, maintenance or repairs conducted on the tanks. The contractor shall contact the COR to schedule all appointments with NAVFAC Hawaii Inspection Branch for all tank installations, and all repairs and maintenance conducted on such Contractor-owned equipment. At the commencement of the contract, the Contractor shall be present at each tank installation to ensure the tank passes inspection and is issued a valid operating certificate. The Contractor's presence is not required on subsequent inspections of tanks.

f. If areas of external corrosion are noted by the Navy Inspector, the Contractor shall remove the tank and replace it with a tank that is acceptable to the Navy Inspector. In the event of isolated corrosion, the Contractor shall replace the tank or shall provide professional Non Destructive Testing (NDT) services and repair from an ASME qualified company. Testing shall be done with the Navy Inspector and the Contractor present. The costs for the NDT services shall be borne by the Contractor.

g. **Base Access:** Commander, Navy Installations Command (CNIC), has established the Navy Commercial Access Control System (NCACS), a standardized process for granting unescorted access privileges to vendors, contractors, suppliers and service providers not otherwise entitled to the issuance of a Common Access Card (CAC) who seek access to and can provide justification to enter Navy installations and facilities. Visiting vendors may obtain daily passes directly from the individual Navy Installations by submitting identification credentials for verification and undergoing a criminal screening/ background check. Alternatively, if the vendor so chooses, it may voluntarily elect to obtain long-term credentials through enrollment, registration, background vetting, screening, issuance of credentials, and electronic validation of credentials at its own cost through a designated independent contractor NCACS service provider. Credentials will be issued every five years and access privileges will be reviewed / renewed on an annual basis. The costs incurred to obtain Navy Installation access of any kind are not reimbursable, and the price(s) paid for obtaining long-term NCACS credentials will not be approved as a direct cost of this contract. Further information regarding NCACS can be found at [http://cnic.navy.mil/CNIC\\_HQ\\_Site/index.htm](http://cnic.navy.mil/CNIC_HQ_Site/index.htm) (under "Popular Links").

#### 4.0 GOVERNMENT RESPONSIBILITIES.

- a. The government activities shall not attempt to make repairs to any contractor-owned equipment and shall notify the COR should any repairs become necessary.
- b. The COR shall schedule and coordinate with the NAVFAC Hawaii Inspection Branch, regarding all LPG tank repairs
- d. Notify the COR and Contracting Officer, in writing, to request contractual quantity increases or decreases; requests to schedule cessation of services and tank removals; requirements to commence service to new buildings, and to report positive or negative observations regarding the Contractor's performance.
- e. Each cognizant activity shall provide funding to the NAVFAC Hawaii Inspection Branch for the required NAVFAC inspection requirements. Funding documents shall be submitted by each activity's Comptroller Division to :

NAVFAC Hawaii  
Facilities Management and Engineering, Code PW54  
Attn: Mr. Gary Naone

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Tel: 808-653-1164  
Email: gary.naone@navy.mil

(2) The cognizant activity shall provide all costs for repairs, replacements and/or correction of Government-owned tanks.

(3) The cognizant activity for Government owned tanks shall contact the COR for replacement of tanks requiring welding repairs to the pressure retaining structure.

(4) If areas of external corrosion are noted by the Navy Inspector, the cognizant activity shall contact the COR to make the necessary arrangements for removal of the tank and replace it with a tank that is acceptable to the Navy Inspector. In the event of isolated corrosion, the cognizant activity shall replace the tank or shall provide for professional Non Destructive Testing (NDT) services from an ASME qualified company. Testing shall be done with the Navy Inspector present. The costs for the NDT services shall be borne by the cognizant activity for Government owned tanks.

### **5.0 GENERAL REQUIREMENTS (APPLIES TO CONTRACTOR-OWNED AND GOVERNMENT-OWNED LPG EQUIPMENT)**

- a. Tank installations shall be in accordance with NFPA 58.
- b. Inspections of LPG tanks shall be conducted every three years commencing with the start of this contract. Additional inspections may be conducted at the discretion of the Navy Inspector where unsafe conditions exist. NAVFACENGCOM operating certificates are valid for three years, except where, under the discretion of the Navy Inspector, unsafe conditions exist, which would invalidate the certificate. Uncertified tanks shall be re-certified within 3 months from the date of notification of a discrepancy or shall be removed and replaced with a tank that passes inspection.
- c. Inspections and certifications shall be coordinated with the COR and shall be performed by an authorized NAVFAC Hawaii, Naval Facilities Engineering Command, Licensed and Authorized, Boiler and Pressure Vessel Inspector (Navy Inspector).
- d. All stationary tanks and vaporizers provided by the Contractor and the Government shall be ASME code stamped and in an acceptable, serviceable condition. All stationary tanks shall comply with the mandatory inspection requirements specified under Section E, Inspection and Acceptance.
- e. No repairs, alterations or reconfiguring of tanks, vaporizers and related systems shall commence without prior notification and approval of the Navy Inspection office.
- f. All structural repairs to pressure-retaining items shall be done in accordance with the current edition of the National Board Inspection Code (NBIC) and NAVFAC requirements. The Contractor and government activities shall coordinate with the COR. The COR will notify the Navy Inspector of any such repairs prior to commencing repairs. In the event a disagreement arises between the NBIC and the NAVFAC requirements, the NAVFAC requirements will govern. All costs for structural repairs shall be borne by the Contractor for Contractor-owned equipment.
- g. All parts used shall conform to a nationally recognized standard.
- h. Hydrostatic Strength testing on the tank shell and vaporizer components is required after any repair, alteration or when the tank or pressure retaining component is in questionable physical condition as determined by the Navy Inspector. Hydrostatic strength test pressure will be 150% times the Maximum Allowable Working Pressure of the unit. Hydrostatic strength testing will be performed with the Navy Inspector present.
- i. In accordance with NAVFAC requirements, Safety Relief Valves shall be:

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(1) ASME Division VIII Section I certified, or Underwriters Laboratories UL 132 stamped, spring loaded safety relief valves.

(2) Shall not be fitted with lifting devices.

(3) Shall be removed and replaced after every six (6) years of service. Primarily, the stamping on the relief valve will be used as the start date. Previously purchased new valves may be accepted by the Navy Inspector in new condition and accompanied with a purchase receipt, in which case, the start date would be the date of installation. Safety valves bench-tested by a company authorized to perform such tests on either ASME or UL safety relief valves may be reused with proper safety valve testing documentation. This testing documentation shall be retained by the Contractor and presented to the Navy Inspector upon request.

### **6.0 MANDATORY INSPECTION AND CERTIFICATION OF LPG TANKS**

a. All LPG tanks located and operating on Government shore installations shall be inspected and certified by the Navy Inspector.

b. Use of any LPG tank on Government shore installations without a valid NAVFACENGCOM operating certificate posted is prohibited and shall be removed.

c. All LPG tanks located on Government property shall have a current, valid NAVFAC inspection certificate NAVFAC Form 9-11014/32. The certificate shall be posted on, or near the tank under a clear, protective coating. Operation of a tank without the certificate shall not be allowed. Notify COR immediately for any discrepancies with respect to these certification requirements.

### **7.0 CONTINUATION OF SERVICES DURING TRANSITION PERIOD**

a. This paragraph applies at the end of the final performance period if the successor Contractor is not the incumbent Contractor.

b. To ensure an efficient and orderly transition upon contract completion, the incumbent Contractor shall exercise its best effort and cooperate fully with the successor Contractor during the transition period.

c. If the incumbent is the awardee, then removal of the Contractor-owned tanks will not be necessary. However, if the successful Contractor is not the incumbent, the tanks provided under the current contract shall be removed and tanks installed by the new contractor within the first thirty (30) working days of the new contract period according to the schedule set forth below.

d. Removal of Contractor-owned tanks by the predecessor Contractor shall be coordinated with the new Contractor so as not to cause a disruption in service to the activities. All activities shall be notified of the time(s) and date(s) of the change over by the new Contractor.

e. During the contract performance period, the Contractor shall make every effort to schedule in advance any work involving possible disruption of service and notify the activity at each location of the scheduled time(s) and date(s) within seven (7) calendar days of the scheduled work. In no event shall there be any disruption of service during the normal work hours of the using activity.

### **8.0 POINT OF CONTACT**

A. Contracting Officers Representative: Raymond Kalawe, email: [raymond.kalawe@navy.mil](mailto:raymond.kalawe@navy.mil)  
Ph: (808) 473-4141