

**OMB Control Number 0704-0255
Supporting Statement**

**DFARS Part 236 – Construction and Architect-Engineer Contracts
and related clauses at DFARS 252.236**

A. JUSTIFICATION

1. Requirement. This justification supports a request for extension of the expiration date of the DoD information collection requirements currently approved under OMB Control Number 0704-0255 for DFARS part 236 related provisions and clauses at DFARS 252.236. After review of fiscal year 2014 Federal Procurement Data System (FPDS) data, this supporting statement decreases the total number of annual burden hours from 359,015 to 342,315, a decrease of 16,700 hours.

This supporting statement addresses the following requirements in 48 CFR Chapter 2 (DFARS), as prescribed in DFARS 236.570, applicable to fixed-price construction contracts:

a. DFARS 252.236-7000, Modification Proposals-Price Breakdown, requires contractors to submit a price breakdown with any proposal for a contract modification.

b. DFARS 252.236-7002, Obstruction of Navigable Waterways, requires contractors to notify the contracting officer of obstructions in navigable waterways.

c. DFARS 252.236-7003, Payment for Mobilization and Preparatory Work, requires contractors to provide supporting documentation when submitting requests for payment for mobilization and preparatory work.

d. DFARS 252.236-7004, Payment for Mobilization and Demobilization, permits contracting officers to require contractors to furnish cost data justifying the percentage of the cost split between mobilization and demobilization, if the Contracting officer believes that the proposed percentages do not bear a reasonable relation to the cost of the work.

e. DFARS 252.236-7010, Overseas Military Construction-Preference for United States Firms, when contract performance will be in a United States outlying area in the Pacific or in a country bordering the Arabian Gulf, requires an offeror to specify whether or not it is a United States firm.

f. DFARS 252.236-7012, Military Construction on Kwajalein Atoll-Evaluation Preference, when contract performance will be on Kwajalein Atoll, requires contractors to identify their status as a U.S. firm, or, on Kwajalein Atoll, status as a Marshallese firm.

2. Purpose. In accordance with DFARS Part 236 policies and procedures for contracting for construction and architect-engineer services, Government personnel use the information generated by these requirements to-

- Evaluate contractor requests for modifications;
- Determine that the contractor has removed all obstructions to navigation;
- Review contractor requests for payment for mobilization and determine reasonableness of allocation costs between mobilization and demobilization; and
- Determine eligibility for the 20 percent preference in some overseas construction contracts for U.S. or Marshallese firms.

3. Information Technology. Information technology is used to the maximum extent practicable. Where the DoD, prospective offerors/bidders, and contractors are capable of electronic interchange, this information collection requirement may be submitted electronically. However, DOD anticipates that the burden will be virtually the same whether submissions are made electronically or using a paper format, because identical underlying analysis must be performed in either case. Thus, the difference between the two methods (transmitting information to the Government electronically or using a paper format) would be in transmission time (mailroom, postage, and other related costs). DoD considers this difference to be negligible. This request for information collection complies with the Government Paperwork Elimination Act (Pub. L.105-277, Title XVII).

4. Duplication. As a matter of policy, DoD reviews the Federal Acquisition Regulation (FAR) to determine if adequate language already exists. This request for information applies solely to DoD and does not duplicate any other requirement. Similar information is not already available to the Government.

5. Small Business. The collection of this information is not expected to have a significant impact on a substantial number of small businesses or other small entities. The requirements for information collection are only occasional, as the circumstances

dictate, and the burden applied to large and small entities is the minimum consistent with applicable laws, Executive orders, regulations and prudent business practices.

6. Consequences for Non-collection. The proposed collection of information will be conducted on an occasional basis when offerors submit bids or when contractors request payment or obstruct navigable waterways. Less frequent collection or no collection of information would impede contracting officers from performing their administrative functions in an effective and efficient manner and would make it impossible to enforce the statutory preference for U.S. firms.

7. Special Circumstances. There are no special circumstances for collection. Collection is consistent with the guidelines in 5 CR 1320.5(d)(2).

8. Public Comments and Consultation. As required by 5 CFR 1320.8(d), public comments on the information collection requirement were solicited in the Federal Register on May 07, 2015 ([80 FR 26235](#)). No comments were received.

9. Payment to Respondents. No payment or gifts will be provided to respondents to this information collection requirement, other than remuneration of contractors.

10. Confidentiality. This information collected is disclosed only to the extent consistent with prudent business practices, current regulations, and in accordance with the requirements of the Freedom of Information Act. No assurance of confidentiality is provided to respondents.

11. Sensitive Questions. There are no questions of sensitive nature.

12. Estimates of Public Burden Hours and Associated Annualized Cost.

The burden estimates associated with the requirements of DFARS 252.236 were developed using fiscal year (FY) 2014 Federal Procurement Data System (FPDS) database figures and through discussions with contracting professionals who are familiar with construction contracting.

Clause/ Notes	252.236- 7000 (1)	252.236 -7002 (2)	252.236- 7003/7004 (3)	252.236- 7010/7012 (4)	Total
Number of Respondents	3,250	34	48	21	3,353
Responses per Respondent	1	1	1	1.76	1.01
Annual Responses	3,250	34	48	37	3,369
Hours Per Response	105	3	20	.08	101.6
Total Hours	341,250	102	960	3	342,315
Hourly Rate Note(5)	\$38	\$38	\$38	\$38	\$38
Total Annual Cost to Public	\$12,967,500	\$3,876	\$36,480	\$114	\$13,007,970

Notes: The estimates of burdens for this information collection requirement are based on the DoD FPDS database of contract actions for FY 2014 and consultations with DoD personnel.

(1) In FY 2014, there were 3,250 contract actions for construction that required submission of a price breakdown, which resulted in a contract modification supplemental agreement. The corresponding estimated burden hours are 341,250. The FY 2014 estimates reflect a lower number of respondents (from 3,409) and a corresponding lower estimated number of burden hours (from 357,945) from the FY 2011 FPDS data.

(2) The estimate for FP construction contracts for work on or near navigable waterways remains unchanged from the FY 2011 based on consultations with DoD personnel. This clause would apply to a small percentage of contracts as most construction work is done within the continental U.S. and not on or near navigable waters.

(3) The estimate for these two clauses is unchanged from the FY 2011 estimate based on consultations with DoD personnel. These are unique clauses that are used on an exception basis, as they require higher-level approval by the Head of Contracting Activity in order to use them. Also, they are only appropriate for use and inclusion in major construction contracts that requires major or special items of plant and equipment or large stockpiles of material.

4. The estimates for these two clauses are based on FPDS data reflecting new awards of contracts in FY 2014, for the geographic regions denoted in each of the clauses. The number of respondents is reduced from the prior estimate of 48 respondents

and 96 responses to 21 respondents and 37 responses, respectively, to reflect current FPDS data.

(5) The hourly rate is computed based on the Office of Personnel Management GS-11 step 5 hourly pay rate (\$27.86), without locality pay, plus 36.25% (\$10.09) benefits totaling \$37.95 per hour, rounded up to \$38 per hour. The 36.25% fringe benefit rate is derived from Circular No. A-76, Revised Supplemental Handbook (Memorandum M-08-13 dated March 11, 2008) as follows:

Base Payroll	26.1%
Insurance and health benefits	7.0%
Medicare	1.45%
Misc	<u>1.7%</u>
	36.25%

13. Estimated Nonrecurring Costs. We do not foresee any nonrecurring costs, i.e., capital and start-up operation and maintenance costs other than the hour burden detailed in section 12.

14. Estimated cost to Government. The time required for the Government to review the requirements of the part 236 clauses and provisions is provided below. The estimates are based on receiving, reviewing, and analyzing the information submitted by the contractor, and was developed as a result of discussions with contracting specialists who are familiar with construction contracting. (See matrix in paragraph 12 for detailed notes.)

	252.236-7000	252.236-7002	252.236-7003 & 7004	252.236-7010 & 7012	Total
Total Annual Responses	3,250	34	48	37	3,369
Hours Per Response	80	2	4	.08	77.25
Total Annual Hours	260,000	68	192	3	260,263
Cost Per Hour	\$38	\$38	\$38	\$38	\$38
Total Annual Cost to Government	\$9,880,000	\$2,584	\$7,296	\$114	\$9,889,994

15. Program Changes. The changes to estimates in paragraphs 12 and 14, above, are due to:

- A decrease in the number of contract modifications to construction contracts. In FY 2014, there were 3,250 contract actions for construction that required submission of a price breakdown, which resulted in a contract modification supplemental agreement resulting in 341,250 burden hours. The FY 2014 estimates reflect a lower number of responses and respondents (from 3,409) and a corresponding lower estimated number of burden hours (from 357,945) from the FY 2011 FPDS data.
- The estimates for clauses 252.236-7010 and 7012 are based on FPDS data, which reflect new awards of contracts in FY 2014, for the geographic regions denoted in each of the clauses. The number of respondents is reduced from the prior estimate of 48 respondents and 96 responses to 21 respondents and 37 responses, respectively, to reflect current FPDS data.

The following table summarizes the changes discussed above.

Change in Burden	2011	2014	Difference
Total Respondents	3,539	3,353	-186
Annual Responses	3,587	3,369	-218
Annual Burden Hours	359,015	342,315	-16,700

16. Publication. Results of this information collection will not be published.

17. Expiration Date. DoD does not seek approval to not display the expiration date for OMB approval of the information collection.

18. Certification. There are no exceptions to the certificate statement identified in Item 19 of OMB Form 83-I.

B. COLLECTIONS OF INFORMATION EMPLOYING STATISTICAL METHODS

Results will not be tabulated. Statistical methods will not be employed.