Jim W
S. Paul
64-10, Part 28
Paul
28 Sep 99

DEPARTMENT OF THE AIR FORCE
HEADQUARTERS AIR FORCE MATERIEL COMMAND
WRIGHT-PATTERSON AIR FORCE BASE, OHIO

13 Sep 99

MEMORANDUM FOR ALHQCTR/PK

FROM: HQ AFMC/PKP
4375 Chidlaw Road, Suite 6
Wright-Patterson AFB OH 45433-5006

SUBJECT: Release of Bid Bonds on Construction Contracts
(SAF/AQC Memo, 18 Aug 99)

1. The attached memo has been placed in our Policy Vault and is provided for your action (Atch 1). The memo requires us to be sensitive to how the increased use of negotiations may affect construction contractors. Contractors' bonding capacity can be tied up while contracts are being negotiated. The memo notes two methods of mitigating the effect of increased use of negotiations in the bonding area. First, observe the requirements of FAR 15.503(a)(1) for prompt notification to unsuccessful offerors when they are eliminated from the competition. Second, consider waiving bid bonds when it is the government's best interest.

2. If you have any questions concerning this issue, please call me or have your staff call our action officer for bonds, Mr. Michael Cook, HQ AFMC/PKO, DSN 787-3368.

Avery Sledge
AVERY R. SLEDGE, Col, USAF
Chief, Contracting Policy Division
Directorate of Contracting

Attachment:
SAF/AQC Memo, 18 Aug 99

cc:
HQ AFMC/CEC

PK	OPR	OCR	INFO
PKP	✓		
PKX			
PKO		✓	
PK-(3)			

Col C 9/20/99
DATE IN: 9-20-99
DATE OUT: 9-21-99

2000 - 1 - 1

DEPARTMENT OF THE AIR FORCE
WASHINGTON DC

OFFICE OF THE ASSISTANT SECRETARY

18 AUG 1999

MEMORANDUM FOR ALMAJCOM-FOA-DRU (CONTRACTING)

FROM: SAF/AQC
1060 Air Force Pentagon
Washington, DC 20330-1060

SUBJECT: Release of Bid Bonds on Construction Contracts

As we increase the use of negotiated construction acquisitions, we need to be sensitive to how this may impact construction contractors. For negotiated acquisitions, FAR 15.503(a)(1) requires prompt notification of unsuccessful offerors when eliminated from the competition. This notification must state the basis for the determination and should be accomplished as expeditiously as possible after proposal receipt. This allows offerors to better plan for future opportunities.

In addition, FAR 28.101-1 authorizes the chief of the contracting office to waive bid bonds on a case-by-case basis when obtaining a bid bond is determined not to be in the government's best interest. This option should be thoroughly considered in each negotiated construction acquisition.

My action officer for this issue is Maj Ed LaBenne, SAF/AQCO, DSN 425-7033 or commercial (703) 588-7033.

TIMOTHY A. BEYLAND
Associate Deputy Assistant
Secretary (Contracting)
Assistant Secretary (Acquisition)

cc:
SAF/LL