

3.3.1-13 Limitation of Cost – Facilities (February 2003)

(a) The parties estimate that performance of this contract will not cost the TSA more than the estimated cost specified in the "Schedule". The Contractor agrees to use its best efforts to perform the work specified in the "Schedule" within the estimated cost.

(b) The Contractor shall notify the Contracting Officer in writing whenever it has reason to believe that-

(1) The costs that the Contractor expects to incur under this contract in the next 30 days, when added to all costs previously incurred, will exceed 85 percent of the estimated cost specified in the "Schedule"; or

(2) The total cost to the TSA for the performance of this contract will be either greater or substantially less than had previously been estimated.

(c) As part of the notification, the Contractor shall provide the Contracting Officer a revised estimate of the total cost of performing this contract.

(d) Except as required by other provisions of this contract, specifically citing and stated to be an exception to this clause-

(1) The TSA is not obligated to reimburse the contractor for costs incurred in excess of the estimated cost specified in the "Schedule"; and

(2) The Contractor is not obligated to continue performance under this contract (including actions under the "Termination " of this contract) or otherwise incur costs in excess of the estimated cost specified in the "Schedule", until the Contracting Officer (i) notifies the Contractor in writing that the estimated cost has been increased and (ii) provides a revised estimated total cost of performing this contract.

(e) No notice, communication, or representation in any form other than that specified in subparagraph (d)(2) above, or from any person other than the Contracting Officer, shall affect this contract's estimated cost to the TSA . In the absence of the specified notice, the TSA is not obligated to reimburse the Contractor for any costs in excess of the estimated cost, whether those excess costs were incurred during the course of the contract or as a result of termination.

(f) If the estimated cost specified in the "Schedule" is increased, any costs the Contractor incurs before the increase that are in excess of the previously estimated cost shall be allowable to the same extent as if incurred afterward, unless the Contracting Officer issues a termination or other notice directing that the increase is solely to cover termination or other specified expenses.

(g) Change orders shall not be considered an authorization to exceed the estimated cost to the TSA specified in the "Schedule", unless they contain a statement increasing the estimated cost.

(End of clause)

PRESCRIPTION

Shall be used in RFI/RFP's and contracts (in accordance with 31 U.S.C. 1301 and 42 U.S.C. 2459) for consolidated facilities, facilities acquisition or facilities use.