



**UNITED STATES MARINE CORPS
MARINE CORPS LOGISTICS COMMAND
814 RADFORD BLVD
ALBANY, GEORGIA 31704-1128**

IN REPLY REFER TO:
MCLC 13451

**JUSTIFICATION AND APPROVAL FOR
USE OF OTHER THAN FULL AND OPEN COMEPTITION**

1. Contracting Activity.

Marine Corps Logistics Command (MCLC), Contracts Department (S1930), Albany, GA.

2. Description of Action Being Approved.

Authority to act under this J&A for the award of a sole source Requirements Contract to Lion-Vallen Limited Partnership (LVI), (Cage 05AL2) 6450 POE Avenue, Ste. 300, Dayton, OH 45414-2647 for logistics services to manage, support, and operate the United States Marine Corps (USMC) Consolidated Storage Program (CSP) network.

3. Description of Supplies/Services.

This J&A authorizes and approves the award of a sole-source firm-fixed price (98%) and time and material (2%) Requirements Bridge Contract to LVI. This acquisition is (1) for logistics services to manage, support, and operate the USMC CSP worldwide network facilities; and (2) to provide the Marine Corps with visibility of assets via the Contractor-owned Contractor-operated (COCO) Asset Visibility Capability (AVC) system. Services in support of the CSP requirement include item issuance, recovery, management, maintenance, storage, cleaning, inventory visibility, accountability, automated shelf-life management, and forecasting. The CSP will primarily manage Chemical, Biological, Radiological, and Nuclear Defense (CBRND) equipment; Individual Combat Clothing and Equipment (ICCE); Special Training Allowance Pool (STAP) equipment; and Soft-Walled Shelters & Camouflage Netting (SWS&CN). This support is provided to the National Capital Region (NCR), the Individual Issue Facility (IIF) in Albany, Ga., the Marine Expeditionary Forces (MEFs) located on the East Coast (II MEF), West Coast (IMEF) and in the Pacific (III MEF).

Period of Performance: The period of performance is 11 March 2015 through 10 March 2016.

Estimated Value: The estimated total of this J&A is \$24,836,757.00

Fiscal Year (FY) and Appropriation: FY 2015 O&M funds will be applied to this acquisition.

Estimated Dollar Value

	FY15	Total
O&M	\$24,836,757.00	\$24,836,757.00

4. Statutory Authority Permitting Other Than Full and Open Competition.

The statutory authority permitting other than full and open competition is 10 U.S.C. Section 2304 (c)(1), as implemented by the Federal Acquisition Regulation (FAR) 6.302-

1, Only One Responsible Source and No Other Supplies or Services Will Satisfy Agency Requirements.

5. Rationale Justifying Use of Cited Statutory Authority.

Contract M67004-13-D-0002, awarded to LVI under full and open competition, consolidated all CSP facilities requirements (IIF, UIF, STAP, and SWS&CN) under a single contract. The period of performance was 11 April 2013 through 10 April 2014. LVI is currently the only known Contractor with a Marine Corps-approved AVC system that has an Authority to Operate (ATO) on a military network in support of the CSP worldwide network. The Marine Corps Network Operations and Security Center (MCNOSC) will not permit the operation of any IT system over the military network without a fully accredited ATO. Thus, an award to any source not possessing a Marine Corps-approved ATO is not authorized.

LVI is the only known contractor possessing the Contractor-owned/Contractor-operated software that supports asset visibility of the CSP network. This privately developed AVC system, along with the corporate expertise of LVI, is the sole property of LVI. The criticality of this situation precludes seeking competition at this stage. Without the LVI AVC system, the entire CSP network would be unable to provide the required support for deploying forces.

In response to the potential restrictions to competition and other security concerns, Headquarters Marine Corps directed the CSP program to develop and implement a Government Owned AVC system, henceforth referred to as the Defense Property Accountability System (DPAS) AVC system. The newly developed DPAS AVC system is in the final development phase, with implementation beginning in the National Capitol Region (NCR) in December 2014. Implementation of II MEF (to include Albany, Ga.), I MEF and III MEF facilities are scheduled to follow in phases, with the completion of implementation at III MEF occurring January 2016. As long as this sole source bridge contract is approved for award, the Contractor-owned and Contractor-operated (COCO) AVC system will be used for the CSP only until the DPAS AVC system has been fully implemented.

The current contract is a nine-month base with two one-month options. This contract will expire in March 2015. The current contract was originally developed as part of the CSP strategy to align operations to a single 3PL contract. The single 3PL concept would support a full and open competitive contract relying on contractor labor support only, with AVC support from the GOCO system DPAS. The single 3PL strategy is key to meeting MROC Decision Memorandum 10-2013. When DPAS shifted right from its original implementation date to the current implementation (in progress), it forced the CSP to realign its plan for a single 3PL by approximately one year, thereby creating the need for a bridge contract.

If a new 3PL contract is required to be awarded at this time under a full and open competitive basis, a 6-9 month turnover would be required to support a mandatory global inventory. Additionally, since the AVC hardware is the property of the incumbent Contractor, LVI would need time to remove their hardware; the Awardee would require time to install their new hardware; and, the Government would require time for remove Government data from the Incumbent's system. The Government data would then need to be installed into the Awardee's system. This 6-9 month expense of time to conduct the global inventory is conceivable. With the feasibility that the Awardee's system is not compatible with the Government data, this 6-9 month turnover could move significantly to the right.

In addition to the time expended in a mandatory global inventory turnover, additional costs would be incurred to support the Phase In/Phase Out for incoming and outgoing hardware and

software transfers, as well as the face-to-face inventory turnover of each CSP commodity that continued to meet customer demands for an inventory totaling in excess of \$2.2B. The 100% joint counts performed in the custody exchange process would include the equipment, family type, and applicable policies, all without degradation of operations or services during the transition period.

In order to provide continuity of support without disruption to the Marine Corps CSP and the Warfighter, this interim Bridge Contract is required to maintain the levels and efforts of the current support contract, to allow schedule relief for full implementation of DPAS AVC, and to greatly reduce operational risks until the planned full and open competitive, long-term contract with the DPAS AVC system can be awarded.

6. Description of Efforts Made to Solicit Offers from as Many Offerors as Possible

A sources sought synopsis was issued on 18 November 2014 with a response date of 25 November 2014. Following a review by the Program Office and C4 of the responses received, it was determined that none of the companies had an Asset Visibility Capability (AVC) that had been fully certified and accredited by the Headquarters Marine Corps (HQMC) C4 Cyber Security with a full Authority to Operate (ATO) to include the AVC IT solution and hosting facility. These responses substantiated the position of the CSP PMO that no Contractor other than LVI had the required AVC capability to meet the immediate needs of this CSP requirement.

The absence of competition for the proposed bridge contract promotes the position of CSP PMO that support needs to be continued until such time as a competitive award can be made. Additional market research for the immediate acquisition would delay the award of a contract that cannot be enhanced through additional market research.

7. Determination of Fair and Reasonable Cost

The Contracting Officer has determined the anticipated cost to the Government of the services covered by this J&A will be fair and reasonable based on price analysis.

The Contracting Officer will make a price comparison between the contractor's price proposal, including backup information, to historical pricing of Marine Corps CSP contracts awarded between December 2009 through July 2014 as identified in the below chart, and a rate verification to Defense Contract Management Agency recommended rates.

Individual Issue Facility (IIF)/Special Training Allowance Pool (STAP) – LVI

Contract Numbers	Period of Performance	Effort Description	Total Amount
M67004-11-P-0126	15 Dec 10–15 Apr 11	IIF	\$ 6,414,686
M67004-11-P-0720	16 Apr 11–15 Aug 11	IIF	\$ 6,499,972
M67004-11-P-0780	12 Aug 11–15 Dec 11	IIF	\$ 5,663,912
M67004-12-C-0009	15 Dec 11–10 Apr 12	IIF	\$ 6,100,000
M67004-12-C-0033	11 Aug 12–10 Apr 13	IIF	\$11,767,290
M67004-12-C-0041	07 Sep 12–06 Sep 13	STAP	\$ 2,291,760
M67004-13-D-0002	11 Apr 13–10 Apr 14	IIF&UIF	\$24,796,985.67
M67004-14-D-0003	11 Apr 14–10 Mar 14	CSP	\$24,761,800
M67004-14-P-2047	01 Mar 14–30 Sep 14	Whse Storage	\$135,268.00
M67004-12-P-2147	19 Sep 12–31 May 13	Special Project	\$114,944.06
M67004-14-P-2047	01 May 14–30 Sep 14	Comm Whse	\$135,268.00

		Storage	
M67004-14-D-0012	08 Jul 14 – 07 Jul 16	NCR	\$3,393,855

**Unit Issue Facility (UIF)/Soft-Walled Shelters & Camouflage Netting (SWS&CN) –
New Breed**

Contract Numbers GS-10F-0095M	Period of Performance	Effort Description	Total Amount
M67004-10-F-0444	15 Dec 09–07 Nov 11	UIF	\$24,191,804
M67004-12-F-2000	08 Nov 11--07 Sep 12	UIF	\$12,337,875
M67004-10-F-0897	16 Sep 10–15 Sep 12	SWS&CN	\$ 8,459,522
M67004-12-F-2098	16 Sep 12–15 Sep 13	SWS&CN	\$ 2,651,338
M67004-12-F-2099	08 Sep 12--07 Jul 13	UIF	\$ 9,253,704
M67004-12-F-2148	15 Sep 12–07 Jul 13	Special Project	\$793.29

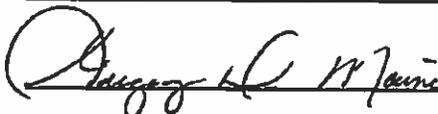
8. Actions to Remove Barriers to Future Competition.

The Government has developed a performance specification dated 20 June 2014, that will support competition for future acquisitions of the same or similar services. The full implementation of the Government AVC IT system is scheduled for completion by January 2016. Upon completion, the CSP DPAS is anticipated to have a robust positive affect in stimulating future full and open competitive acquisitions in support of the CSP.

CERTIFICATIONS AND APPROVAL

I certify that the facts and representations under my cognizance, which are included in this Justification and its supporting acquisition planning documents, Acquisition Strategy Number AS-0226-14 except as noted herein, are complete and accurate to the best of my knowledge and belief.

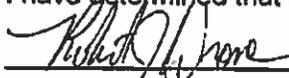
Technical/Requirements Certification

 _____ Date 9 Dec 2014

Gregory D. Maine, Deputy Director, LSMC/CSP, (229) 639-5754

Legal Sufficiency Review

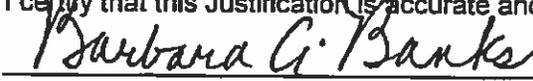
I have determined that this Justification is legally sufficient.

 _____ Date 15 Dec 2014

Robert J. Drone, Associate Counsel, (229) 639-7096

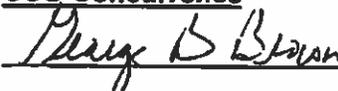
Contracting Officer Certification

I certify that this Justification is accurate and complete to the best of my knowledge and belief.

 _____ Date 11 Dec 14

Barbara A. Banks, Contracting Officer, (229) 639-6761

CCO Concurrence

 _____ Date 17 DEC 14

George B. Brown, Deputy Director, Contracts Department, (229) 639-6573

ADC, I&L (Contracts) Approval

 _____ Date 5 Jan 15

Frances L. Sullivan, Head Contracts Division, LB, (703) 604-3583