



DEPARTMENT OF THE NAVY
NAVAL INVENTORY CONTROL POINT

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IN REPLY REFER TO:
Ser 0272.02/76F

JUSTIFICATION FOR OTHER THAN FULL AND OPEN COMPETITION

1. IDENTIFICATION OF AGENCY AND CONTRACTING ACTIVITY:

- a. Agency Name: Department of the Navy Chief Information Officer
1000 Navy Pentagon
Washington, DC 20374-1000
- b. Contracting Activity: Department of the Navy
Naval Inventory Control Point
ADP Modernization Contract Dept.
Mechanicsburg, PA 17055-0788

2. NATURE/DESCRIPTION OF ACTION:

This J&A is for the negotiation and award of a firm-fixed-price contract to Panaro Dynamics LLC (PDLLC) through other than full and open competition, for the services described in paragraph 3.

3. DESCRIPTION OF SUPPLIES/SERVICES:

- a. The Department of Defense (DoD) Enterprise Software Initiative (ESI) requires support services related to the creation of education tools for DoD programs in the use of DoD ESI contract vehicles for systems integration services.
- b. In addition, education and tools are required for the Department of the Navy (DON) Center of Excellence (CoE) for Information Technology (IT) Hardware and Software Management, as well as, the DoD ESI CoE for Software as a Service (SaaS), which will require the coordination with cross-agency teams.
- c. The anticipated period of performance for this task is approximately one month. The total estimated dollar value of this requirement is

4. IDENTIFICATION OF STATUTORY AUTHORITY:

This J&A is based upon the authority of 10 U.S.C. 2304 (c) (1), as implemented by Federal Acquisition Regulation 6.302-1. There is only one source and no other supplies or services will satisfy agency requirements.

5. DEMONSTRATION OF CONTRACTOR'S UNIQUE QUALIFICATIONS:

- a. PDLLC is the only source capable of satisfying the DoD ESI's requirements in the timeframe required for delivery by September 30, 2009.
- b. PDLLC has supported the DoD ESI since 2005. An essential requirement for the contractor to provide this support is the need to remain exclusively the advocate for the buyer of IT products and services and not have a vested financial interest in the type of work to be performed by the systems integrator and other providers of IT to the DoD. The principal operator of PDLLC to be assigned to this project is Chris Panaro, who has been an integral subject matter expert on the structure, content and format of the systems integration vehicles since 2003. The requirement for continuity and advocacy for the DoD is critical to the future success of the new DoD ESI system integration contract vehicles

- c. Customer education will be required for the full term of the agreements (up to five years) and the personnel continuity will enhance the likelihood for successful adoption of best practices and most effective usage of the contract vehicles.
- d. A change in contractor would not be a feasible solution based on the timeframe in which work must be completed and would introduce unacceptable risk to the program. PDLLC personnel provide the most immediate access to knowledge and expertise to meet this deadline. To introduce a different solution provider would require additional time and expense to educate that vendor without time for actual delivery of materials and services needed in this fiscal year. It is DoD ESI's intention to provide access to all educational tools in the ESI web site being launched September 15, 2009.
- e. PDLLC personnel will support these efforts as DoD ESI moves to a fully operational web site and awards contract vehicles for systems integration services and SaaS. PDLLC has extensive expertise and understanding of the marketing and sales practices of technology vendors, providing immediate value to the DoD when negotiating with technology vendors. PDLLC is uniquely able to provide objective advice as there is no affiliation with software vendors and no organizational conflict of interest.

6. COMMERCE BUSINESS DAILY ANNOUNCEMENTS:

The Contracting Officer will synopsise the requirement in NECO and FedBizOpps.

7. DETERMINATION OF FAIR AND REASONABLE COST:

- a. The Contracting Officer anticipates that the cost to the Government will be fair and reasonable. A complete analysis of the contractor's prices will be performed in accordance with FAR Part 15.
- b. Cost and pricing data will be obtained as necessary and analysis will be performed considering field pricing reports, commerciality, procurement history and other available cost and pricing information. A determination of fair and reasonable pricing as required by statute and regulation will be made by the Contracting Officer.

8. DESCRIPTION OF MARKET SURVEY:

- a. Market research was conducted in accordance with FAR Part 10 through communication with other activities and major IT research and advisory service companies.
- b. Because of the strict Organizational Conflict of Interest requirement and the DoD ESI's continually expanding scope and portfolio, there are no other known sources which can provide these services to the DoD ESI.
- c. ESI continues to aggressively pursue information regarding technology in the areas impacting COTS solutions through active participation in industry conferences and symposiums, as well as, coordination with other DoD and Government agencies.

9. ANY OTHER SUPPORTING FACTS:

None.

10. LISTING OF INTERESTED SOURCES:

N/A.

11. ACTIONS TO REMOVE BARRIERS TO COMPETITION:

- a. The DoD ESI is continuously engaged with industry to stay abreast of best practices and commercial trends.
- b. This continuous market research will be considered prior to issuing any follow on solicitation for these services.

12. STATEMENT OF DELIVERY REQUIREMENTS:

- a. Delivery Requirements: Performance period is for one month.
- b. Ship To/Place of Performance: DON CIO and contractor facility.

c. Estimated Value:

13. REFERENCE TO APPROVED ACQUISITION PLAN:

The Acquisition Strategy (MOPAS) covering this requirement is attached.

14. DOCUMENTATION FOR SPARE/REPAIR PARTS ACQUISITION:

Not Applicable.