



DEPARTMENT OF THE NAVY
NAVAL FACILITIES ENGINEERING COMMAND WASHINGTON
1314 HARWOOD STREET SE
WASHINGTON NAVY YARD DC 20374-5018

IN REPLY REFER TO
July 30, 2015

**JUSTIFICATION AND APPROVAL FOR OTHER THAN FULL AND OPEN
COMPETITION (10 U.S.C. 2304 (c) (2))
UEM TECHNICAL SUPPORT AND TRAINING DURING TRANSITION FROM
GODDARD POWER PLANT TO STRAUSS POWER PLANT, NSF INDIAN HEAD, MD**

1. Contracting Agency: Naval Facilities Engineering Command
Washington-South Potomac
Public Works Department, Site Indian Head
Indian Head, Maryland 20640

2. Description of Action Being Approved

This request is to obtain authority to issue an out of scope modification to Clark/Bell, A Joint Venture for the P222 MILCON project "Steam Decentralization at Naval Support Facility (NSF) Indian Head." This requirement is necessary to provide operations and technical support during transition from Goddard Power Plant to the new gas turbine power plant and nodal steam system, as well as a more vigorous training regimen for government employees than will be provided by the current scope.

3. Description of Supplies/Services:

NAVFAC Washington, Public Works Department South Potomac (PWDSP), requests authority to award an out of scope modification for the Contractor to provide qualified operators/technicians to be onsite for a transitional and training period of 12 months. Listed below are the services required:

- 1.1 The Contractor shall provide qualified operators for around the clock operations (24 hours per day, seven days per week, including holidays) during transition to government and for first 120 days of operation, commencing upon substantial completion date for the project, to monitor operations for the gas turbine, 7 steam nodal plants, emergency generators, reverse osmosis plant, and fuel handling equipment. Contract employees will operate plant for a period of 120 days around the clock, in parallel with government employees.
- 1.2 Contractor will provide 40 hours of training (divided among the pieces of equipment as recommended by the Contractor) at the end of the 120 day period to allow the government to determine if full time after-hours support is still needed. Government to issue a directive to provide the 245 additional days of full time after-hours service by no later than 30 days prior to the end of the first 120 day period.
- 1.3 Contractor will continue to provide operators and technicians from the hours of 06:00 hours until 18:00 hours for a period of 245 additional days. Contractor will have control technicians on call after-hours for the 245 day period. Contractor will have a 2 hour response

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time for after-hour call backs. Contractor shall provide an allowance sum to cover the costs of the control technician utilized in these circumstances and hourly rates for those technicians, inclusive of all burden and mark-ups but not tools, equipment or supplies, for calculating usage of the allowance. Funds remaining in the allowance shall revert to the Government and in the event costs exceed the allowance, the Government shall increase the funding for the allowance. Contractor shall notify the Government when costs attributable to after hour control contract work reaches 80% of the allowance total.

- 1.4 Contractor staffing will mirror Government staffing, with a single Shift Supervisor, single Electric Power Controller (EPC), single Control Technician, and single Boiler Technician per shift. Additionally, Contractor to provide management staff to review Preventive Maintenance Plans and CMMS data prepared by construction contractor and shall prepare Standard Operating Procedures Plans, Emergency Response Plans, Maximo initial set-up, client communications, and reporting and preparation of the Personnel Qualification Standards.
- 1.5 EPC and Control Technician can be the same person provided they are knowledgeable in operations and the control system.
- 1.6 Contract operations personnel and technician must be fully qualified in all aspects of operating and maintaining the equipment and systems noted above that have been installed for the P-222 project.
- 1.7 Contractor must have knowledge of all aspects of the operation and maintenance of the boilers, gas turbine, and all equipment installed during the P222 project, as the contractor will be responsible, during the transition period (the first 120 day period), for the operation and maintenance (but not performance) of all new equipment installed on the P222 project. Contractor shall have authority over Government personnel during this period of time and Government personnel shall follow and abide by the instructions of the Contractor during this period.
- 1.8 Contractor will be responsible for reporting all equipment issues (failures, shut-downs, reduced performance, other than ordinary repairs, and performance of routine maintenance) in writing in its daily report to the government at the end of each shift, or as soon as possible in the event of an emergency.
- 1.9 Contractor will be responsible for notifying the chain of command and control room operator of material/equipment problems affecting the performance of the plant(s) that occur after-hours promptly after the event occurs.
- 1.10 Contract employees will provide government employees with training during the shifts. Contract employees will be available, during their scheduled time on the Project, to answer government employee questions on equipment operation and maintenance.
- 1.11 Contractor will, during their scheduled time of performance, provide assistance in performing all needed Preventive Maintenance work on equipment installed under the P-222 contract during the 365 day period.
- 1.12 Contractor will provide a detailed log on all readings, problems, and condition of the equipment at the end of each shift. Logs will be updated at the end of every 8 hour shift or more frequently. Logs will be available for management to review on a daily basis. Logs will be kept in the control room of the UEM building.
- 1.13 The Contractor will be required to visit each Nodal plant and the gas turbine with government employees every 2 hours while on shift, or more often if a plant has issues that require more frequent follow-up.

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- 1.14 Contractor will provide, by the end of the initial 120 day period, Personnel Qualification Standards (document which will be used to train personnel in the Navy PQS format) to train existing and future Government employees on the new equipment installed under the P-222 contract.
- 1.15 Contractor will supply all needed tools needed for PM's and plant operations for its employees and the Government will supply and be responsible for such tools for its employees to the extent not provided by the construction contract.
- 1.16 Contractor will supply and ensure employees wear all required PPE, including safety glasses, safety shoes (nonconductive), appropriate gloves according to hazards, double hearing protection, safety vest or reflective clothing, head protection, and any other PPE that is required for particular work performed.
- 1.17 Contractor will be required to supply proof of insurance, including general liability, workmen's compensation and automotive, for contract drivers as required under the P-222 contract. Government shall provide all-risk property insurance for the property and assets and name Contractor as additional insured for any loss of Contractor equipment or supplies.
- 1.18 Contractor will determine which contract employees will require the use of a laptop computer with internet access and will provide laptop computers to those employees for work on this project. The Government shall make available to Contractor access to the internet through the Government's network system at no additional charge to the contractor.
- 1.19 Contractor shall be responsible for identifying and coordinating the correction of any warranty repair work and providing the government with monthly reports of warranty repair work status.
- 1.20 Contractor shall not be responsible for repairs or replacements for work not subject to warranty repair. Contractor, with proper authorization and funding, can be directed as an additional service to coordinate and make repairs to damaged property and equipment not subject to a warranty repair.
- 1.21 Contractor shall follow the provisions of the Contract Service Employees Act for wages and benefits (Davis Bacon Wage Scale Provisions and Reporting shall not apply to this work)
- 1.22 Government shall indemnify and hold harmless Contractor for any acts or failure to act by Government employees in operating and maintaining the property.

Per the current projected schedule, we estimate this contract will need to be awarded by August 2015 to ensure a smooth transition process from Goddard Power Plant to the new plant.

4. Identification of Statutory Authority:

The statutory authority permitting other than full and open competition is 10USC 2304 (c), (2), as implemented by the Federal Acquisition Regulation (FAR) 6.302-2: "When the agency's need for the supplies or services is of such an unusual and compelling urgency that the Government would be seriously injured unless the agency is permitted to limit the number of sources from which it solicits bids or proposals, full and open competition need not be provided for."

5. Determination for Other than Full and Open Competition:

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The "Description of Supplies/Services" described above represents the recently identified gap between the current contract scope's training requirements and the training requirements that will be needed to ensure fluid plant transition and an effectively trained PWDSP staff.

In January 2015, PWDSP surveyed the duties, skills, experience and training of its current workforce against the draft position descriptions (PDs) for the new plant. Due to the dynamic nature of the PWDSP workforce, this step needed to be completed shortly before the actual job reassignments were scheduled to begin. Subsequently, the Production Division staff at Naval Support Facility (NSF) Indian Head determined that the original training plan would not provide sufficient depth and breadth of training to effectively prepare its current employees for the transition to interconnected operations and all new equipment installed as part of the P-222 project.

The new PDs require employees to have a more thorough understanding of all of NSF Indian Head's utilities systems and their interconnected nature. Additionally, PWDSP's current employees will be expected to comprehend trade specific knowledge that is not part of most of these employee's existing skill sets. To ensure safety of operations and maintenance personnel as well as ensure continuity in steam and power operations, a more rigorous training plan addressing the new PDs is required. A formal training period with over-the-shoulder and side-by-side hands-on operations, to include completion of a PQS program, is the surest way to provide the installation with a fully trained workforce that will be able to handle casualty situations and maintain fluid operations.

The original contract contemplated concurrent operations of Goddard Power Plant and the new plants during a short transition plan. Since award, vulnerabilities with the current system (equipment failures and lack of redundancy) have increased, creating the need for a more lengthy plant transition to ensure the Goddard plant does not drop electrical or steam load. With the current vulnerabilities, it will take a minimum of two weeks to transfer all the electrical and steam loads from Goddard Power Plant to the new plants. During this 2+ week period, both control rooms need to be monitored at all times to ensure full, real time visibility of all critical base utility systems. Current Production Division staff is not capable of manning both control rooms concurrently for this length of time. This manning shortage, if not rectified with this proposed modification, could potentially result in a much longer recovery time from unplanned power outages, resulting in major facility repercussions and mission impact. Specifically, steam load must be maintained during transition, as energetics operations on base require steam for production purposes. A drop in steam load to a critical facility can immediately impact the mission as chemical mixtures in processing can become un-usable, causing delays in delivery to the warfighter and costing the government several thousands of dollars in damages.

With the requested level of training effort and respective sole source award, the Government will ensure all actions have been taken to prevent severe injury to both personnel and to the Navy mission at NSF Indian Head. Because the P-222 project is uniquely and specifically designed to meet the requirements of NSF Indian Head, Clark/Bell has both specialized and in-depth knowledge of the new system. Award to a contractor that does not have the knowledge and expertise learned by Clark/Bell through construction of the various buildings and systems, as well as experience obtained in transitional planning meetings and coordination with the designer

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of record, equipment manufacturers, and NAVFAC's Utilities and Energy Management Branch (UEM), would likely result in greater vulnerability in the transition to the new plants. This increased vulnerability may translate to disruption in daily operations and critical functions of the Navy mission at NSF Indian Head, including the Mission Energetics Operation. Also, the time it would take another contractor to mobilize and gain the requisite level of knowledge of both the plant systems and the Navy installation would result in unacceptable delays that could potentially result in extended overhead costs due to Clark/Bell, as there are demolition and construction activities that cannot take place until after the new plants have been fully commissioned and accepted by NAVFAC.

The ability to award to an approved certified provider in a timely manner will ensure continued operations of the government power plant that supplies power and steam to the NSF Indian Head installation and thereby, ensure personnel safety and minimize mission impact.

6. Determination of Fair and Reasonable Cost

The NAVFAC Washington, South Potomac, Site Indian Head, Contracting Officer will determine fair and reasonable cost based on historical information and the independent government estimate.

7. Market Research

A market survey was not conducted because of the time restraint required to avoid mission impact to the installation.

8. Other Supporting Facts

Not Applicable

9. Other Interested Sources

Since the current supplier is the company capable of providing the service, no other firms will be solicited. No other firms have shown interest in the work.

10. Future Actions

No future actions should be required.

11. Period of Performance

This work is expected to take 365 days to perform.

12. Total Estimated Dollar Value

The total estimated dollar value is \$1,019,000.

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13. Acquisition Plan

Not Applicable

14. Point of Contact

LT Kyle Schlais
301-744-1464
kyle.schlais@navy.mil

15. Spares Documentation

Not Applicable

16. Other Information

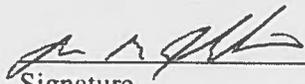
Not Applicable

17. Certifications and Approvals

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

TECHNICAL/REQUIREMENTS CERTIFICATION:

Technical Cognizance Certification:



Signature

7/30/2015

Date

KYLE M. SCHLAIS

Printed Name

301-744-1464

Phone Number

Contracting Officer Certification:

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Linda B. Atchinson
Signature

7/30/2015
Date

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Chief of Contracting Office, Echelon IV:

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APPROVAL IAW NFAS 6.304

[Signature]
CAPT Frederick F. Burgess
Echelon IV Commanding Officer

17 AUG 2015
Date