



DEPARTMENT OF THE NAVY
NAVAL FACILITIES ENGINEERING COMMAND NORTHWEST
1101 TAUTOG CIRCLE
SILVERDALE, WASHINGTON 98315-1101

J&A No.1606JA

JUSTIFICATION AND APPROVAL

FOR USE OF OTHER THAN FULL AND OPEN COMPETITION

1. Contracting Activity.

Naval Facilities Engineering Command (NAVFAC) Northwest, 1101 Tautog Circle, Suite 203, Silverdale, WA 98315.

2. Description of Action Being Approved.

Approval is requested to award a sole source, ten-year firm-fixed price utility services contract with the Northern States Power (NSP) Company to support electric service for the Marine Corps Reserve Center (MRC) located at St. Paul MN, in accordance with FAR 41.103(b), *Delegated Authority*.

3. Description of Supplies/Services.

NAVFAC Northwest plans to acquire electric service from NSP for the facilities noted above. The Marine Corps currently receives these services from NSP, the only provider of these services in the area, on a task order assigned to GSA Areawide Utility Service Contract. That task order is nearing the end of its term and needs to be renewed.

This contract action is authorized by FAR 41.103(b), *Delegated Authority*. The estimated ten-year total is \$580k based upon current consumption rates, and is funded by O&M, MCR Funds.

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

10 U.S.C. 2304(c)(1), as implemented by 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.

FAR 6.302-1(a)(2) provides for the authority that full and open competition need not be provided for procurements where the service is available from only one source and no other type of

supplies or services will satisfy agency requirements. FAR 6.302-1(b) (3) identifies an example situation where this authority may be appropriate as specifically for utility services (as defined in FAR 41.101) when circumstances may dictate that only one supplier can furnish the service. In this case, utility services for electricity in the City of St. Paul are available from only one responsible source. Market research revealed that only one entity, NSP, will have sufficient capacity and pre-existing infrastructure in place to provide the required utility services at a reasonable price. Moreover there were no responses to a Request for Information published on the NECO/FEDBIZOPS website regarding this procurement.

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

Market research established that utility providers do not compete for service requirements on a retail basis in the state of Minnesota. Areas of service are established and assigned by the Minnesota Public Utilities commission. Since there are no other sources from which to obtain these utility services, no attempts were made to solicit offers from other sources. In accordance with FAR Part 5.202(a) (5) and 5.301(b) (5), the Government need not submit a synopsis notice if the proposed contract action, or contract award, is for utility services and only one source is available. The Government is required to make the justification publicly available 14 days after contract award in accordance with FAR Part 6.305(a).

7. Determination of Fair and Reasonable Costs.

The Contracting Officer has determined that the anticipated cost to the Government of the utility services covered by the J&A will be fair and reasonable. The rates for the services in this location are regulated by Minnesota Public Utilities Commission. The NSP has been providing these services for many years, to not only the Marine Corps, but many other similarly sized entities within their service area. The Marine Corps will pay rates commensurate with what other similar sized entities pay for like services.

8. Actions to Remove Barriers to Future Competition.

Competition is not anticipated for this acquisition and NAVFAC Northwest has no plans at this time to compete future contracts for the utility services covered by this document. If another potential source emerges, NAVFAC Northwest will assess whether competition for future requirements is feasible.

CERTIFICATIONS AND APPROVAL

TECHNICAL/REQUIREMENTS CERTIFICATION

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 Cognizance:

Trevor Lunceford
Trevor Lunceford
Lead Utility Engineer

360-315-3003
Phone No.

7/29/16
Date

Requirements Cognizance:

Kevin Stigile
Kevin Stigile
Utility and Energy Product Line Coordinator

360-396-0152
Phone No.

8/1/16
Date

LEGAL SUFFICIENCY REVIEW

I have determined this Justification is legally sufficient.

[Signature]
Counsel

360-396-0079
Phone No.

8/2/16
Date

CONTRACTING OFFICER CERTIFICATION

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

Audrey Fitzgerald
Audrey Fitzgerald
Supervisory Contracting Officer

360-396-1857
Phone No.

8/11/16
Date