



**DEPARTMENT OF THE NAVY**  
**NAVSUP FLEET LOGISTICS CENTER**  
**SIGONELLA, DUBAI**  
 PSC 451 BOX 402  
 FPO AE 09834-2800

IN REPLY REFER TO:  
 J&A Number: 14-027

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

1. Contracting Activity. The NAVSUP Fleet Logistics Center Sigonella - Bahrain Det Dubai is processing this acquisition at the request of Commander Task Force 56.7 (CTF 56.7)/Coastal Riverine Squadron Three(CRS-3).
2. Description of the Action Being Approved. Request approval to solicit, negotiate and award a contract to the Port of Fujairah on a sole source basis for procurement of marine port access services in accordance with FAR 6.302-1 (One responsible source and no other supplies or services will satisfy agency needs).
3. Description of Supplies/Services. The requirement is to procure marine port access services from the Port of Fujairah to support Commander Task Force 56.7 (CTG 56.7) task units deployed at Fujairah, UAE. The services are needed by CRS – 3 in order to provide security; for both pier-side and moored-out USS and USNS ships in the Port of Fujairah, as well as during ingress and egress into and out of the Port of Fujairah. Based on available historical information, CTF 56.7 patrol boats require access approximately 1,200 times per 12-month performance period. The performance periods are as follows:

Base Period: 25 September 2014 - 24 September 2015  
 Option Period 1: 25 September 2015 - 24 September 2016  
 Option Period 2: 25 September 2016 - 24 September 2017

The estimated dollar value for the base + two (2) option periods is provided below:

Period of Performance	QTY	UNIT PRICE (AED)	UNIT PRICE (\$)	TOTAL PRICE (AED)	TOTAL PRICE (\$)
BASE Year	1200	AED 700.00	\$194.08	AED 840,000.00	\$232,893.42
Option Year 1	1200	AED 718.20	\$199.12	AED 861,840.00	\$238,948.65
Option Year 2	1200	AED 739.75	\$205.10	AED 887,695.20	\$246,117.11
GRAND TOTAL				AED 2,589,535.20	\$717,959.19

Funding for the base period is provided under document number N4027314RC017W4 in the amount of \$228,732.00 using FY14 Operation and Maintenance, Navy (O&MN) funds. The original IGE provided on 26 May 2014 estimated the price for port access services is 840,000 AED or \$228,882.83. This was based on an exchange rate of \$1 = 3.67 AED. However, DFAS informed the Contracting Office on 08 June 14 that their conversion rate has changed and is now based on \$1 = 3.6068 AED. Therefore, due to the disparity in conversion rate, it is noted that additional FY 14 funding will be required prior to contract award to ensure the requirement is fully funded.

Funding for the option periods will be provided using the appropriate fiscal year OM&N funds.

4. Statutory Authority Permitting Sole Source. The statutory authority permitting other than full and open competition is 41 U.S.C. 1901, "(Only one responsible source)," as implemented by FAR 13.501(a)(1)(ii).

5. Rationale Justifying Use of Cited Statutory Authority. CTF 56.7/CRS-3's mission is to escort US Naval Vessels in and out of the Port of Fujairah. The Port of Fujairah is the only port facility strategically positioned geographically that is utilized by the U.S. Government to support fleet logistics operations in the Gulf of Oman. The Port of Fujairah is a government-related entity responsible for port operations and is authorized to levy port marine dues on any governmental and non-governmental organization accessing the Port of Fujairah. In order to perform vital escort missions to US Navy assets in the Gulf of Oman, Patrol Boats assigned to CTG 56.7 are required to pay for entry/exit port passes in order to access the Port of Fujairah's harbor. Further, previous contracts for port passes were awarded to the Port of Fujairah on a sole source basis.

6. Description of Efforts Made to Solicit Offers from as Many Offerors as Practicable. The requiring activity along with the Contracting Officer conducted market research to determine if additional sources or alternative sites are available to accomplish CTG 56.7 escort missions in the Gulf of Oman. According to the market research, no other port is available. The Port of Fujairah is the only logistics port available for use by US Naval vessels in the Gulf of Oman that is capable of meeting the Government's requirements at this time. A synopsis of this planned contract has not been published. In accordance with FAR 5.202(a)(12), a synopsis is not required when the contract action is by a Defense agency and the proposed contract action will be made and performed outside the United States and its outlying areas, and only local sources will be solicited. While a synopsis is not required, a copy of this J&A will be posted to EuroNECO within 14 days after contract award.

7. Determination of Fair and Reasonable Cost. The Contracting Officer has determined that the anticipated cost to the Government for the services covered by this J&A will be fair and reasonable based on historical prices from previous procurement, published commercial tariff rates, and comparison with the Independent Government Estimate (IGE).

8. Actions to Remove Barriers to Future Competition. For the reasons set forth in Paragraph 5, NAVSUP FLCSI - BAH Det Dubai has no plans at this time to compete future contracts for the types of supplies/services covered by this document. If another potential source emerges, this office will assess whether competition for future requirements is feasible.

#### 9. CONTRACTING POINT OF CONTACT

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