



**DEPARTMENT OF THE NAVY
NAVAL FACILITIES ENGINEERING COMMAND SOUTHWEST
1220 PACIFIC HIGHWAY
SAN DIEGO, CA 92132-5190**

N62473-08-D-8651-X042

**JUSTIFICATION AND APPROVAL FOR
OTHER THAN FULL AND OPEN COMPETITION
SOLICITATION N62473-08-D-8651-X042**

**PROPRIETARY PRODUCT AUTHORITY FOR
P-378 SECURITY OPERATIONS COMPLEX AND
MILITARY WORKING DOG FACILITY
Marine Corps Air Station (MCAS) Yuma, Yuma, Arizona**

1. **Contracting Activity:** This action is being taken by the Commanding Officer, NAVFAC Southwest, San Diego, CA. NAVFAC Southwest is a component of the Naval Facilities Engineering Command.
2. **Description of the Action Being Approved:** This procurement will result in a firm-fixed price construction contract for the construction of new infrastructure. This justification requests approval to procure proprietary construction materials, with other than full and open competition, necessary to complete the requirements of this construction contract. This solicitation will be procured using local Small Business General Construction Multiple Award Construction (MAC) Contract task order procedures, with the exception of using "Itron Radio Frequency (RF)" transmitter for natural gas, and water meters. Natural Gas meters must transmit an RF signal utilizing the Itron 100G Electronic Radio Transmitter (ERT) module for data collection. Water meters must transmit an RF signal utilizing the Itron Water Endpoint 100W ERT module. The procurement of the meters themselves, be it electric, gas, or water is not subject to this approval as these items are available on the open market by various manufactures.
3. **Description of Supplies\Services:** The contract will include provisions for the furnishing of, materials required to construct a new Security/Operations Complex and a Military Working Dog Facility. The estimated cost of construction for P-378 Security/Operations Complex and Military Working Dog Facility is \$11,323,360.00, of which \$19,000 (0.17%) will be for the procurement of this item (based on the provision of (1) electric meter, (1) natural gas meter, and (1) water meter at a cost of approximately \$6,333.00 per meter).
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. §2304(c)(1). As implemented by FAR 6.302-1(a)(2) and (c), only one responsible source and no other supplies or services will satisfy agency requirements.

N62473-08-D-8651-X042

5. Rationale Justifying Use of Cited Statutory Authority: UFC 3-400-01. ENERGY CONSERVATION, establishes minimum standards and policy for energy conservation in new construction, and further states that “federal facilities are required to comply with various Executive Orders and Congressional actions regarding energy use, conservation and efficiency standards.” To comply with the requirements of this UFC and other federal requirements, subpart 2-5 Meters, states, “utility meters are a valuable tool in the effective management of energy use at both the individual facility and installation level. A utility meter shall be furnished at each building, for each utility serving the building (e.g. district steam, district hot and chilled water, natural gas, fuel oil, etc.) in the normal units of the utility (i.e. kWh, kW, cf, gallons, etc.). All meters shall be connected to a base wide energy and utility monitoring and control system either directly or via the building HVAC control system.”

Current Status Quo: MCAS Yuma’s existing utility metering system utilizes the ITRON MV-RS signal transmission and data collection hardware, and its associated computer software, in-file transfer and data storage with a proprietary data transmission code provided by FCC to read field installed electric, natural gas and water utility meter readings at all facilities in MCAS Yuma base wide. Any new flow measuring meters installed in electrical, water and gas utility services shall have Itron electronic hardware for active usable data collection, transmission and storage. If this MCAS Yuma base requirement is not followed, then the new meters cannot be read either locally or remotely from a location far away from utility meter locations. In addition, MCAS Yuma is in the process of obtaining data Information Assurance (IA) certification from appropriate government accreditation agency.

PROPOSED CHANGE

The Marine Corps Air Station is planning to use the same MCAS Yuma system for transmitting new utility water, gas and electric power meter (41 meters) readings by using new ITRON based electronic ERTs. Currently MCAS does not have a standalone electronic signal transmission and data collection hardware, and software for data gathering and storage. They are also not planning to go through Information Assurance (IA) accreditation process. In lieu of pursuing difficult IA accreditation process, the Air Station has adapted to comply with MCAS Yuma data assurance (AI) requirements.

All utility meters installed under the proposed construction contract must be capable of being read from the existing ITRON Field Collector FC300, FC200 and G5 units currently utilized by MCAS Yuma. Installation of any other type of Electronic Radio Transmitter ERT system will not be compatible with the existing remote utility meter reading hardware and firmware system because of constraints associated with proprietary data transmission code provided by FCC to read remote utility meters. Failure to install compatible ERT systems will require MCAS Yuma to install extensive electronic hardware and software as backbone system and prepare separate Information Assurance (IA) certification packages for submission, evaluation and approval by Marine Corps Systems Command. This option is a most cost prohibitive choice and does not serve in the best interest of government.

Authorizing any other manufactured wireless electronic RF systems for this facility will result in an incompatible metering data collection system that will increase utility meter operating and management costs and negatively impact MCAS Yuma's ability to comply with current and future energy conservation regulations and mandates. Upon authorization of this action, the specification will state: "Notwithstanding any other provision of this contract, no other product will be acceptable."

6. Description of Efforts Made to Solicit Offers from as Many Offerors as Practicable: At this time, there is only one source since only one manufacturer can provide the equipment capable of utilizing the existing electronic radio frequency data collectors; capable of collecting the same metering reading data in a standardized data file configuration; and utilizing a single hardware/firmware data collection device. If and when other manufacturers can provide equipment that has the same performance criteria and meets or exceeds the Marine's requirements, additional sources will be considered.

7. Determination of Fair and Reasonable Cost: An independent government estimate has been prepared for the project. The estimated value for the proprietary item has been included in the total project estimate. Award will be made to the lowest responsive, responsible bidder responding to the solicitation. The Contracting Officer has determined the anticipated cost to the Government of the supplies/services covered by this J&A will be fair and reasonable.

Cost and Benefits to Government

Cost: The anticipated cost of \$19,000 in association with the adaption of proprietary electronic components is less than 0.17% of the entire project cost.

Benefits: One system for the entire MCAS Yuma
Simplified Maintenance and Management controls
No need of having separate data assurance (IA) accreditation
Higher operating reliability
Economics of scale in cost reduction during installation and operation

Inference: If benefits are properly quantified and compared to associated costs, benefits will likely to be much more than the cost to government.

8. Actions to Remove Barriers to Future Competition: The RFP does not entirely limit competition among metering instrument manufacturers. It does require them to use a specific manufacturer product because of project constraints and limitations. Based on current market research, no other manufacturer's product will store or transmit and compile the wireless utility metering data in a data format compatible with the existing MCAS Yuma wireless data collection system. If another potential source emerges, NAVFAC Southwest will assess whether competition for future requirements is feasible.

CERTIFICATIONS AND APPROVAL

TECHNICAL/REQUIREMENTS CERTIFICATION

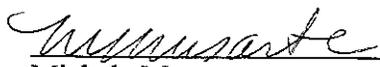
I certify that the facts and representations under my cognizance which are included in this Justification and its supporting acquisition planning documents, except as noted herein are complete and accurate to the best of my knowledge and belief.



Leeann Wootton 28 FEB 2013
Desert IPT Capital Improvements Team Lead Date
NAVFAC Southwest
(619) 532-1699

LEGAL SUFFICIENCY REVIEW

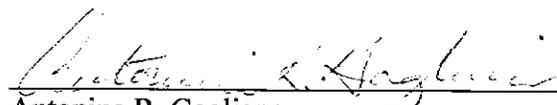
I have determined this Justification is legally sufficient.



Michele Musante 2/28/13
Associate Counsel Date
NAVFAC Southwest
(619) 532-1662

CONTRACTING OFFICER CERTIFICATION

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



Antonina R. Gagliano 2/28/13
Supervisory Contract Specialist Date
NAVFAC, Southwest
(619) 532-1301