

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

1. Contracting Activity.

NAVSUP Fleet Logistics Center Sigonella, Italy.

2. Description of the Action Being Approved.

Request authority to issue a sole source modification to the existing contract N68171-11-D-0024 (sole source) awarded to La Nuova Meccanica Navale for maintenance and operational services on the YFP-11 Muse Barge to provide shore power and steam to the USS MOUNT WHITNEY (LCC-20).

3. Description of Supplies/Services.

The contract N68171-11-D-0024 allows for all labor, management, supervision, personnel, tools, test equipment, materials and supplies required to maintain and operate the U.S. Government-owned YFP-11 barge, as well as perform other associated work on an as-required basis. The contract was awarded on 30 Sep 2011 and is a combination of Firm Fixed price and Indefinite Delivery Indefinite Quantity (IDIQ) contract. The contract period is for four months base period commencing on 01 October 2011 with two one month options; services have been further extended until 30 Sep 2012 for an additional period of six months under FAR 52-217-8.

This sole source modification is for a change in quantity for two of the SLINS under the current period; specifically the quantity of 66 days set for SLINS 3001AA and 3001AB is increased by 66 additional days for a total of 132 days. This change in the number of days is due to the unexpected changes in USS Mount Whitney's commitments and deployment schedule which has increased the number of days while in its homeport of Gaeta, Italy.

The Government's estimate (IGE) for the sole source change in quantity for SLINS 3001AA and 3001AB under the current option period [REDACTED] This amount is calculated by applying the current contract unit price for the above mentioned SLINS for the increased quantities [REDACTED]

[REDACTED]

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), "Only One responsible Source and No Other Supplies and Services will Satisfy Agency Requirements" as implemented by Federal Acquisition Regulation (FAR) 6.302-1."

5. Rationale Justifying Use of Cited Statutory Authority.

Only La Nuova Meccanica Navale (LNM) will be solicited for this procurement in order to continue the labor, management, supervision, personnel, tools, test equipment, materials and supplies required to maintain and operate the U.S. Government-owned YFP-11 MUSE barge which provides the support to the Mount Whitney (LCC-20). LNM is the sole source reasonably available to meet the requirement because any other source would require considerable additional cost and lead time to train and take over this operation for what is a short term requirement. The lead time required would also likely cause a break in service or a logistic cost greater than that of extending the incumbent. Additionally, phasing in a new contractor at this time would jeopardize the mission and would not support continuity of required services. The Mount Whitney, Commander Sixth Fleet's flagship, cannot withstand an interruption of services of the Shore-side Support Operation. Without the YFP-11 MUSE Barge's continuous operation there is a risk of major failure of the entire Mount Whitney system and, at the very least, cause the interruption of the power and steam provided to the ship and its critical systems. Because of mission requirements, the USS Mount Whitney must be ready to comply rapidly with national direction. Due to the changing mission requirements the level of effort for this requirement is unpredictable. Presently neither the Military Sealift Command nor the Naval Facilities Engineering Command Europe Africa Southwest Asia (NAVFAC EURAFSWA) has an immediate contractual capability or on-hand U.S. Government resources to ensure that the Shore-side Support Operation services are not interrupted. Presently the incumbent is the only source capable of meeting the Navy's requirements and not cause unacceptable delays in fulfilling the agency's requirements.

The incumbent is in place and fully staffed and trained in maintaining and operating this type of barge equipment and will not require further training to operate or maintain the barge therefore providing for uninterrupted continuity of services. The USS Mount Whitney is on 72-hour Prepare-To-Deploy Order Standby and it is mission critical that the USS Mount Whitney has reliable electrical and steam power supplied to it while in port in Gaeta, Italy. The USS Mount Whitney is subject to changing mission requirements.

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

Due to the expertise required to maintain the Government furnished property and the short-term requirement, maximum six months, it is in the best interests of the Government to issue a modification to the existing contract to the incumbent contractor for these mission critical services. Phasing in a new contractor at this time would jeopardize the mission and would not support continuity of required services. The contract period remains unchanged through 30 September 2012. This acquisition approach is to ensure continuity of maintenance and operational services for the additional 66 days during which the USS Mount Whitney will remain in its home port in Gaeta, Italy. In the meanwhile the NAVSUP Fleet Logistics Center Sigonella is proceeding with procurement action for a long term follow-on contract for the Shore-side Support Operation services for the USS Mount Whitney.

The requiring activity conducted market research for potential sources in area of Gaeta, Italy as well as in the rest of country, for the solicitation and award of the long term contract; the research of the commercial marketplace reflects that there are sources to solicit this requirement competitively. The feedback obtained from the various sources indicated that there are enough

local Italian contractors willing and capable of fulfilling this requirement. Furthermore, the solicitation will be posted on EURONECO to further maximize competition.

Although sources exist for the provision of the required services, it is in the best interests of the Government to issue a modification to the current contract, for the additional 66 days of operation while the USS Mount Whitney is the Port of Gaeta, Italy. Phasing in a new contractor at this time would jeopardize the mission and would not support continuity of required services.

**7. Determination of Fair and Reasonable Cost.-**

The Contracting Officer has determined the anticipated cost to the Government of the services covered by this J&A will be fair and reasonable based on the following analysis:

The pricing arrangement is a Firm fixed price. The contract prices are a combination of unit prices for daily operations, monthly prices for recurring work (FFP), and Line Item for material under the indefinite delivery indefinite quantity work to be ordered as needed. The two SubCLINs being modified provide for Firm Fixed Prices, which remain the same as those currently applied. The incumbent has confirmed that the current contract prices remain the same for the additional 66 days.

The determination that La Nuova Meccanica Navale represented the best value to the Government was made by the contracting officer based upon a consideration of past performance/experience, management plan, staffing plan/key personnel, and price with the Government's evaluation of the past performance and technical capability of each offeror being considerably more important than their price. At time of the award of the initial contract the Government received offers from the following two sources:

- La Nuova Meccanica Navale;
- Naval Service RL;

The offer from Naval Service SRL was not considered for award as submitted without proposal revisions. In addition, the prices proposed by Naval Service SRL were higher than the IGE and were not considered realistic. Award was made to La Nuova Meccanica Navale.

Existing procedures for administration and surveillance of the Government Property with the incumbent are already in place and significant increment in prices are not required. Moreover, the costs for the transportation of all government-furnished property from the incumbent contractor's current storage facilities located in Naples, to a new contractor's storage facilities, including all existing spare parts and material, and unload, unpack, and store the same in the Contractor's storage facilities will be eliminated.

**8. Actions to Remove Barriers to Future Competition.**

NAVSUP Fleet Logistics Center Sigonella has used FAR, DFARS and NMCARS regulations and guidance to conduct the full and open competition for the follow-on requirement. The new NAVSUP Fleet Logistics Center Sigonella Solicitation N68171-12-R-0012 will be uploaded in EURONECO for 30 days to encourage maximum competition.

~~J&A Number: 11-032~~

**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 and Requirements Cognizance:**

[Redacted]

*(If a single individual has cognizance over both technical and requirements information included in the J&A/LSJ, use of only one signature line is encouraged ["Technical Cognizance:" and Requirements Cognizance:" may also be deleted]).*

**LEGAL SUFFICIENCY REVIEW**

I have determined this Justification is legally sufficient.

[Redacted]

Signature Name (Printed) Phone No. Date

**CONTRACTING OFFICER CERTIFICATION**

I certify that this Justification is accurate and complete to the best of my knowledge and belief. To the extent that the J&A/LSJ value is between \$150K and \$650K, the Contracting Officer's signature below also represents approval of the J&A/LSJ.

[Redacted]

**CONTRACTING ACTIVITY COMPETITION ADVOCATE REVIEW**

To the extent that the J&A/LSJ value is between \$650K and \$12.5M, the Competition Advocate's signature below also represents approval of the J&A/LSJ.

Signature Name (Printed) Phone No. Date