



DEPARTMENT OF THE NAVY
NAVSUP FLEET LOGISTICS CENTER SIGONELLA
NAVAL REGIONAL CONTRACTING DETACHMENT NAPLES
PSC 817 BOX 50
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IN REPLY REFER TO:

J&A No: 13-012

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

1. Contracting Activity

The United States Navy NAVSUP Fleet Logistics Center Sigonella, Naval Regional Contracting Detachment Naples, Italy.

2. Description of the Action Being Approved

This document authorizes the establishment of a three (3) month period of performance extension (with the option to extend one (1) more month, plus an additional (1) month, only if necessary) to an Indefinite-Delivery-Indefinite-Quantity Firm-Fixed Price (IDIQ FFP) contract, number N68171-07-D-0002 awarded to Transportes Internacionales Ferris, S.A., AV Crucero Baleares, S/N, 11520 Rota, Spain, on 30 September 2006 on a competitive basis.

Rota Metro Housing Department located at the U.S. Naval Station (NS), Rota, Spain, is responsible for servicing members of the Force, stationed at U.S. Naval Station, Rota, Spain, and at the three (3) NATO Support Elements located in Lisbon, Madrid and Valencia. One single contract is contemplated since Naval Support Elements (NSE) Valencia and Madrid, Spain, and NSE Lisbon, Portugal have very small housing offices, just one or two persons each, and therefore do not have the necessary manpower to manage this type of contract. By awarding one consolidated contract, this will allow the NSE offices previously cited to receive warehouse services, and thus assist their customers. The billing and payment procedure will also be streamlined since NS Rota, Spain is set-up to provide these services and has the necessary personnel readily available.

This requirement is for Warehouse Logistics, Delivery, Pick-up, Storage, and Appliance Repair Services for all furnishing assets under the cognizance of the Rota Metro Housing Department. All furniture and appliances are to be stored and maintained in proper working condition.

3. Description of Supplies/Services

(a) As mentioned above, contract N68171-07-D-0002 was awarded on 30 September 2006 with performance starting on 01 October 2006 and ending on 30 September 2007, with four one year option periods. The contract was awarded as an Indefinite-Delivery-Indefinite-Quantity Firm-Fixed Price (IDIQ-FFP) type contract with performance at the following locations: Naval Station (NS), Rota, Spain; Navy Support Element (NSE), Madrid, Spain; Navy Support Element (NSE), Valencia, Spain; and, Navy Support Element (NSE), Lisbon, Portugal.

(b) Under contract N68171-07-D-0002, the Contractor is required to provide personnel, equipment, tools, supplies, services, materials and warehouse storage space, for the performance of work to all Housing furniture and appliances, including appliance/furniture delivery/pick-up services, packing/unpacking, assembly/disassembly, cleaning, installation/ removal of the AFN satellite system, uploading/loading containers, marking of inventory, operation of the Electronic Family Housing automated computer program, and other minor operations as directed by the Contracting Officer Representative.

3. Description of Supplies/Services (Cont'd)

(c) Contract N68171-07-D-0002 was structured with a twelve month base period and four (4) additional one-year options, the Federal Acquisition Regulation (FAR) clause 52.217-8 "Option to Extend Services" (NOV 1999) was also included and evaluated at time of award. After the entire base period and all option periods were utilized, the contract was extended several times as per the table below. The contract may be summarized as follows:

Period	Dates	Estimated Usage/Value EURO €	Est. Total Awarded Amount in \$*	Actual Usage/Value EURO €	Total Available Ceiling EURO €
Base	01 Oct 2006–30 Sept 2007				
Option I	01 Oct 2007–30 Sept 2008				
Option II	01 Oct 2008–30 Sept 2009				
Option III	01 Oct 2009–30 Sept 2010				
Option IV	01 Oct 2010–30 Sept 2011				
Six (6) Month Extension pursuant to FAR 52.217-8 Mod. P00010	01 Oct 2011–31 Mar 2012				
TOTAL AWARDED AMOUNT includes FAR 52.217-8 (6 months)					
Six (6) Month Bridge Mod. P00012	01 Apr 2012–30 Sept 2012				
Four (4) Month Bridge Mod. P00013	01 Oct 2012–31 Jan 2013	0	0		
One (1) Month Bridge Mod. P00014	01 Feb 2013–28 Feb 2013				
PREVIOUS TOTAL EST EXTENSION AMOUNT = Eleven (11) months					
Three (3) Months Bridge Mod. P00014	01 Mar 2013–31 May 2013	0	0	N/A	N/A
One (1) Month Bridge (only if necessary)	01 Jun 2013–30 Jun 2013	N/A	N/A	N/A	N/A
One (1) Month Bridge (only if necessary)	01 Jul 2013–31 Jul 2013	N/A	N/A	N/A	N/A
CURRENT TOTAL EST EXTENSION AMOUNT = Five (5) months					
TOTAL CONTRACT AMOUNT INCLUDING EXTENSIONS		Est. Awarded Amount €	Est. Awarded Amount \$	Actual Usage	Available Ceiling

- All of the above \$ calculations were calculated using FY13 Budget Exchange Rate (BER) of \$1 USD = 0.7241 EURO

- The above table reveals that the requiring activity has never exceeded the actual usage in any of the years, and has always remained under the estimated contract ceiling. In fact, by extending the contract for an additional three (3) months, the government will still not exceed the total estimated ceiling for the period covering 01 Mar 2013 through 31 May 2013 of [REDACTED]. Therefore, modification P00015 will extend the current contract period of performance by three (3) months; there is still sufficient ceiling to cover this three (3) month extension.

Source Selection Information See FAR 2.101 and 3.104

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

Since the last contract extension, two local CRBs have been held and one NAVSUP GLS review. During the local CRBs, and during other internal meetings at NAVSUP FLCSI Det Naples and between the Requiring Activity, there have been many ongoing discussions to find the best method for ordering services against the new contract. The Contract Review Board (CRB) recommended, and the Contracting Office at NAVSUP FLC Sigonella Det Naples determined that the ordering process as stated in the solicitation should be transferred from NAVSUP FLC Det Rota to the requiring activity, Metro Housing Office, Rota, Spain. This significant change in the ordering process required the Contracting Officer to identify ordering officers who must receive delegation letters from the requiring activity. Thereafter, the Ordering Officers must receive training and will be issued warrants once they have completed that training. This change in the ordering process will add a significant amount of time to the procurement schedule, but will enable a more streamlined, and efficient approach to ordering of warehouse services, which in turn will result in additional savings to the Navy.

During the second CRB the use of the Government Credit Card (GCPC) as a form of payment was also discussed and the Contracting Officer agreed that this would also speed up the ordering and payment process under the contract. Thereafter, the Contract Specialist had to contact all offerors on the source list (seven (7) companies) to ensure they would accept this new payment method. Most of the companies accepted this change, and the Contracting Officer changed the RFP section entitled: "Addendum – Instructions to Offerors" to incorporate this additional requirement. Due to this additional change, the evaluation criteria had to be amended to include acceptance of GCPC as method of payment by potential offerors. In addition to the changes to the requirement, the contract requires a thirty (30) day phase-in/phase-out period, which also adds time to the procurement schedule. Lastly, this requirement has undergone a number of changes because of the additional number of sailors and their dependents who will be PCS'ing to Rota to support the new Forward Deployed Naval Force (FDFN) starting in 2013. Given the uncertain nature of the requirement, the Contracting Officer had to revise the estimated quantities on the contract as well as the independent government estimate to account for the additional service members and their dependents who are projected to PCS to Rota in the future.

This contract is critical, and NS Rota, NSE Valencia, NSE Madrid, and NSE Lisbon, cannot have a disruption in services. The current contract expires on 28 February 2013. As mentioned above, this contract provides moving and handling and appliance repair services to four sites on the Iberian Peninsula encompassing almost 1,400 economy leases, 800 on base government owned homes in Rota and 18 transient and permanent party barracks in Rota. Any break in these services would have a significantly detrimental impact on PCS moves, lease contract issues, HHG deliveries/pick ups, claims for personal losses due to unrepaired appliances, and therefore on force readiness. In addition, Rota is already receiving furnishings to support FDFN requirements and the Contractor is currently a key player in the receipt, marking and storage of these materials. Any delay in service could potentially impact Rota's ability to receive the first home ported ship in January 2014.

This extension will enable the Contracting Officer sufficient time to present the procurement package for GLS approvals, and issue the RFP for no less than 30 days on EuroNECO. The Contracting Officer intends to have this contract awarded by 22 April 2013 with a contract start date of 01 May 2013 and a 30 day phase in/phase out period.

Source Selection Information See FAR 2.101 and 3.104

5. Rationale Justifying Use of Cited Statutory Authority (cont'd)

At this time there is no other contractor capable of performing the required services besides the incumbent, Transportes Internacionales Ferris, S.A for this three month period. The incumbent contractor already has all the equipment, facilities, and personnel to immediately perform the services. They have a stable network in Spain and Portugal and have good business relationships capable to respond within the timeframe of this extension, to perform satisfactorily, over the entire areas. Any other contractor that could potentially perform services in the area would require at least 2-3 months to organize their network to satisfy the requirements given the geographic locations for performance. Additionally, Ferris' employees have undergone the requisite security checks to perform these services. Awarding this bridge to another company would cause a disruption in service because of the time it takes to vet the employees for these services. This sole source modification/bridge contract to contract N68171-07-D-0002 will be issued to the incumbent contractor to extend the period of performance of services for an additional three (3) months (plus one (1) additional month only if necessary), commencing 01 March 2012 through 31 May 2013.

The customer has a continuing need for the services beyond 28 February 2013 expiration, and NAVSUP FLCSI Det Naples does not anticipate that the competitive award of a follow-on contract and potential transition to a new contractor will be completed before 22 April 2013. Consequently, this document anticipates the sole source extension of the current contract through 31 May 2013 (plus two (2) months, only if necessary) utilizing the same terms and conditions as are presently in effect so that the follow-on contract may be competitively awarded. There are no other associated costs as the quantities established via the previous modifications up to P00014 have not been fully used and are still available for the three-month extension from 01 March 2013 to 31 May 2013. There is currently [REDACTED] in available ceiling remaining, and since contract award the total estimated ceiling has never been exceeded, see Table above.

(8) The anticipated plan of action and milestones (POAM) for the competition and award of the follow-on contract is as follows:

Action	Action Required By	Tentative Date
Complete Procurement Package	Requiring Activity	24 April 2012
Work on Pre-Solicitation Package including RFP	Contracting Office	02 May – 08 June 2012
Review of Pre-Solicitation Clearance	Contracting Officer/Level Above Contracting Officer/Legal	20 Nov 2012
Local CRB	Contracting Officer/Level Above Contracting Officer/Legal	18 Dec 2012
NAVSUP GLS CRB	Contracting Officer/Level Above Contracting Officer/Legal/NAVSUP	25 Feb 2013
Posting on EuroNeco – RFP Issued –27 Feb 2013 Closes - 27 Mar 2013	Contracting Office	27 Feb 2013 – 27 Mar 2013
Site visit	COR Contractor	07 Mar 2013
Review of proposal(s) – Technical Past Performance Price	COR Contracting Office Contracting Office	18 Mar 2013 18 Mar 2013 18 Mar 2013
Pre award documents prepared for review	Contracting Office	22 Mar 2013
Review of Clearance for Award	Contracting Officer/Level Above Contracting Officer/Legal	03 Apr 2013
Local CRB	Contracting Officer/Level Above Contracting Officer/Legal	09 Apr 2013
NAVSUP GLS CRB	Contracting Officer/Level Above Contracting Officer/Legal/NAVSUP	16 Apr 2013
Contract Award	Contracting Office	22 Apr 2013
Phase-In/Phase-Out	Contractor	01 May 2013 – 31 May 2013
New Contract Begins – When Govt begins to pay*	Contractor	01 June 2013

Source Selection Information See FAR 2.101 and 3.104

5. Rationale Justifying Use of Cited Statutory Authority (cont'd)

As can be seen from the POAM above, due to the significant amount of milestone events that still need to be accomplished before contract award, the NAVSUP FLC Sigonella Det Naples contracting office will not be able to award this contract before the expiration date of 28 February 2013, much less allow for the 30 days phase in period required if a contractor other than the incumbent were to receive contract award. Based on the revised milestone plan, contract award cannot be made before 22 April 2013, with a contract start date of 01 May 2013. This additional extension will allow for posting of the requirement on EuroNECO for a period of not less than 30 days, and a 30 day phase in period between contracts.

Pursuant to the above, the new periods of performance will therefore be as follows:

Period	Dates
Base*	01 May 2013 – 30 April 2014
Option Year I	01 May 2014 – 30 April 2015
Option Year II	01 May 2015 – 30 April 2016
Option Year III	01 May 2016 – 30 April 2017
Option Year IV	01 May 2017 – 30 April 2018
FAR Clause 52.217-8 – entitled “Option to Extend Services” if Necessary – 6 MTH extension	01 May 2018 – 30 November 2018

No funds will be obligated by issuance of modification P00013 extending the contract for three (3) months, actual funds will only be obligated on all individual delivery orders issued against this contract.

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

There were no efforts made to solicit any offerors nor was market research performed for this J&A since the incumbent contractor is the only company at this time that can perform immediately and thus prevent any disruption in services. The Government will compete the follow-on contract for these services. The solicitation will be posted in EURONECO for a period of not less than 30 days to allow for competition to the maximum extent possible. Market research indicates that there are at least seven (7) businesses in the commercial market place that can provide these services.

7. Determination of Fair and Reasonable Price

The prices of this extension will be the same as those under the current contract. These prices were previously determined to be fair and reasonable via competition and the Contracting Officer has not noted any changes to the prevailing market conditions for these specific services obtained under this contract that would otherwise indicate that the current contract prices are still considered fair and reasonable.

The Contractor has agreed to the extension with no increase to the Firm Fixed Prices under the current contract. The prices under the current contract were determined to be fair and reasonable by the Contracting Officer at the time of award.

8. Actions to Remove Barriers to Future Competition

Since the modification contemplated herein is being executed to provide sufficient time to award a competitive follow-on contract, no barriers to future competition exist. FLCSI will ensure to use FAR, DFARS and NMCARS regulations and guidance to conduct full and open competition for the new requirement. The new anticipated solicitation for a long term contract will be uploaded in EuroNECO for thirty (30) days and solicited to potential contractors identified through market research to ensure widest dissemination and encourage maximum competition.

9. Contracting Point of Contact

The contracting point of contact is Ms Mina De Stefano, who may be contacted at telephone (39) 081-568-4083, facsimile (39) 081-568-4069, or via e-mail at Mina.DeStefano.it@eu.navy.mil.

Source Selection Information See FAR 2.101 and 3.104

10. Additional Information

(a) For the reasons described above, the Contracting Officer has determined that the use of a sole-source contract is in the best interests of the Government, this will provide the Contracting Officer with sufficient time to incorporate all of the required additional changes, post the RFP for a period of not less than thirty (30) days on EURONeco, hold a site visit, evaluate all offers received, allow for the phase-in/phase-out and thus award a contract to the best offeror. Additionally

(b) Transportes Internacionales Ferris, S.A is registered with Service Award Management (SAM), registration expires on 24 June 2013 and has no active exclusion records.

(c) Transportes Internacionales Ferris, S.A does not appear on the "Past Performance Information Retrieval System – Statistical Reporting", as of 21 February 2013, copy attached hereto.

(d) Pursuant to FAR 9.104-1, the Contracting Officer has determined Transportes Internacionales Ferris, S.A to be a responsible contractor.

(e) The Contractor has successfully performed for the past 6½ years under the current contract and has provided over [REDACTED] worth of warehouse moving and appliance repair services within that time. Transportes Internacionales Ferris, S.A. has performed in an outstanding manner and continues to do so, as confirmed by the COR, and the annual CPARS reports.

(f) The Contractor will be notified of this extension as soon as this J&A is approved and signed by all parties,

(f) Pursuant to FAR 9.104-1, the Contracting Officer has determined Transportes Internacionales Ferris, S.A. to be a responsible contractor.

Source Selection Information See FAR 2.101 and 3.104