



DEPARTMENT OF THE NAVY
Naval Facilities Engineering Command Southeast
Jacksonville, FL 32212-0030

J & A Number: N69450-15-0200

**AMENDED JUSTIFICATION AND APPROVAL
FOR USING OTHER THAN FULL AND OPEN COMPETITION**

1. Contracting Activity.

The agency is the Department of the Navy. The contracting activity is the Naval Facilities Engineering Command Southeast (NAVFAC SE), Naval Air Station Jacksonville, Florida. The requiring activity is the Naval Air Station, Pensacola, Florida.

2. Description of the Action Being Approved.

Contract N69450-14-D-0755, Task Order 0002 was awarded to renovate Building 603 at Saufley Field, Naval Air Station Pensacola. Building 603 at Saufley Field is occupied by several different tenant organizations. The J&A will finalize negotiations and result in the issuance of three (3) bilateral out-of-scope modifications under Task Order 0002 to Orocon-Carothers, JV1, under the Gulf Coast Medium Multiple Award Construction Contract (MACC) N69450-14-D-0755. This amended Justification and Approval (J&A) is a consolidation of three (3) previously approved J&A's dated 09 March 2015 as noted below:

- N69450-15-0195 for PC-00005: The work requires building a wall around the NIPRNet Node equipment located in Building 603. [REDACTED]
- N69450-15-0193 for PC-00006: The work includes the renovation of Room 312 located in Building 603 to meet [REDACTED] requirements. [REDACTED]
- N69450-15-0196 for PC-00007: This change includes numerous post award requirements including additional workstations, electrical receptacles and data drops, lighting, switches, walls, doors, and associated hardware as well as relocation of mechanical rooms, restrooms, conference rooms and office spaces. [REDACTED] which does not include extended overhead for Government caused delays associated with this required action, design rework and costs related to relocating existing rooms which could have been re-used under the original RFP.
- This consolidated amended J&A in the amount of [REDACTED] will increase the total project cost from [REDACTED] for the required work based on the actual negotiated price and scope requirements for each proposed change identified above. [REDACTED]

3. Description of Supplies/Services. The Contractor shall provide all design, labor, materials, equipment and supervision necessary for the following:

- N69450-15-0195 for PC-00005: Provide all design, labor, material, equipment and supervision necessary to build a wall around the NIPRNet Node equipment located in Building 603.
- N69450-15-0193 for PC-00006: Provide all design, labor, material, equipment and supervision necessary to renovation Room 312 located in Building 603. The work includes but is not limited to all new finishes, electrical upgrades, and all construction necessary to meet [REDACTED]
- N69450-15-0196 for PC-00007: Provide all design, labor, materials, equipment and supervision necessary for the following changes to provide additional workstations, electrical receptacles and data drops, lighting, switches, walls, doors, and associated hardware. In addition, relocate mechanical rooms, restrooms, conference rooms and offices.

4. Statutory Authority Permitting Other Than Full and Open Competition. This acquisition will be negotiated pursuant to authority 10 USC 2304 (c) (1) Only one Responsible Source and No Other Supplies or Services Will Satisfy Agency Requirements, as implemented by Federal Acquisition Regulation (FAR) 6.302-1.

5. Rationale Justifying Use of Cited Authority.

5.1 Proposed Change 0005: NIPRNet Node Enclave.

The initial solicitation RFP/Contract document identified the floor space currently occupied by the Non-Classified Internet Protocol Router Network (NIPRNet) Node equipment to be used for office space. Additionally, the solicitation RFP/Contract documents stated that the Defense Information Systems Agency (DISA) would be responsible for relocating the Servers/Switches which constitute the NIPRNet Node out of the Central Wing. This action did not happen as planned and as a result an out-of-scope modification is required for the subject contract.

When the RFP was generated, the Navy relied on information from the local DISA personnel who mistakenly assumed they could move the equipment at no cost to the Navy. After contract award the DISA group who actually manages the NIPRNet Node (DISA Network Services) communicated to the Navy that they would not pay for the move because they were not the requirements generator. [REDACTED]

[REDACTED] Further, because of the existing Inter-Service Support Agreement between NAS Pensacola and DISA, any infrastructure costs related to the move would also be paid for by the Navy. This would bring the estimated cost of moving the NIPRNet Node to approximately [REDACTED]

In order to avoid these costs, the Navy has identified an alternative solution to build a wall around the equipment and leave it where it is. This has been termed the “Enclaving” solution. This solution will save the Government approximately [REDACTED]

A sole source award to Orocon-Carothers is in the best interest of the Government. The work involved in enclaving the Node directly impacts work in the existing contract. This requirement will change the construction quantities for the current Contractor in the form of walls, doors, finishes, telecommunications, mechanical and electrical. For the new telecommunications work, this modification requires the re-routing of a significant number of mission-critical fiber optic cables throughout the building. As such, the work could not feasibly be completed by another Contractor. It would be exceptionally difficult to coordinate two (2) Contractors in the same areas.

Finally, awarding this work to another Contractor would introduce an unacceptable level of risk in the continuity of the NIPRNet Node services. Coordination problems caused by a second management team could very easily lead to an unplanned outage, which in turn would represent a severe degradation in communications.

5.2 Proposed Change 0006: Renovate DISA Room 312

Room 312 of Building 603 at Sausley Field is tenant occupied by the Defense Information Systems Agency (DISA). The awarded contract stated the required remodeling work for Room 312 would be accomplished by DISA under a separate self-help action prior to award of Task Order 0002. The DISA self-help action was never completed.

After award of Task Order 0002, DISA requested NAVFAC SE contract for and oversee the renovation of Room 312. Room 312 is an open storage facility for [REDACTED]. The DISA group must move from their current location in the Building to Room 312 in order to allow the construction Contractor to complete building systems work in their current area. Room 312 is assigned to this group for long-term use. The Contracting Officer has determined the correct course of action is to add this requirement to N69450-14-D-0755, Task Order 0002 in order to reduce schedule impacts and reduce the risks [REDACTED].

The renovation work is an integral part of the phasing of the overall project because DISA must relocate to Room 312 prior to the Contractor starting work in their current space also within Building 603. Because of the [REDACTED] in the existing DISA spaces, the Contractor cannot perform any construction work in that office space while [REDACTED]. The current task order includes major structural work on a stairwell immediately adjacent to Room 312. It is not possible to leave DISA in place in Room 312 and have the Contractor “work around” the area.

Another consideration to avoid project delays, is the structural work and the renovation of the [REDACTED]. Room 312 must be very closely coordinated and this work must be phased and sequenced in order to mitigate potential life safety hazards by providing a means of egress for the occupants of the building as well as the construction crews. This also includes maintaining an effective route for Emergency Services to gain access to the Building and personnel located within the facility as well.

In addition to the egress requirements during construction, the stairwell construction has the potential to impact the perimeter wall of Room 312. If Room 312 is completed by another

Contractor and the wall is certified for [REDACTED] to the completion of the stairwell, the existing Contractor will be severely hampered in the stairwell work. The additional coordination problems would constitute a change to the contract. It is in best interest of the Government to eliminate this coordination problem by awarding the Room 312 work to the existing Contractor.

Awarding the renovation of Room 312 to another Contractor would introduce significant scheduling challenges because of the close proximity of two (2) significant construction activities, i.e., demolition of the stairwells and renovation of Room 312, in close proximity. This would hamper the effectiveness and efficiencies of the assigned Contractors and create a risk of major delays to the existing contract due to coordination problems as previously stated above.

Furthermore, standing DoD and DNI instructions and policy [REDACTED] require that we limit to the extent feasible the number of personnel with access to sites containing [REDACTED]. While Room 312 itself does not require [REDACTED] it is immediately adjacent to facilities which do require those features. It is the shared view of the users and the installation that adding another set of prime and sub-Contractors to the site would present an unnecessary risk to [REDACTED].

5.1.3 Proposed Change 0007: Customer Requested Changes

After contract award of N69450-14-D-0755/0002 and during the design effort, numerous user requirements were identified as a result of programming validation as required by the Contract documents. The new requirements are composed primarily of quantitative changes to items already within the Design Build Contractor's Scope of Work (in project scope, outside of contract scope). As a result, it would be very difficult to award any of the work in this proposed modification to another Contractor. For example, in one area the modification will reduce the number of offices by five (5) and increase the number of workstations by five (5) without altering the adjacent design. It clearly constitutes a change to the original RFP quantities: fewer offices and more workstations. However, it is inextricably linked to the in-scope work immediately adjacent to the change and could not be performed by another Contractor.

Furthermore, if another Contractor were awarded the work required for the proposed modification, it would introduce an extremely high coordination burden on the existing Contractor, which would itself constitute a change to the original RFP.

Lastly, the existing contract is a Design-Build with attendant Designer of Record (DOR) responsibilities. A major benefit of the Design-Build project method is that the coordination of construction and design falls entirely on one Contractor, dramatically reducing the risk to the Government. Awarding the work in the proposed modification to another Contractor would substantially undercut the responsibilities of the Contractor's DOR, effectively eliminating any benefits afforded by the Design-Build format. The Government would almost certainly experience problems with time overruns, liability, workmanship, damage, and warranty to completed work.

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

Due to the importance of these modifications and impacts to the Government, a market research for another qualified firm was not conducted in accordance with FAR Part 10. The proposed

changes were negotiated with Orocon-Carothers, JV1, which is a small business concern and is already under contract to perform Design/Build, Building 603 Renovations under the subject task order. As a result, this action will pose no adverse impacts on the Small Business Community.

In accordance with FAR 6.305(a), Availability of the Justification the amended approved justification will be posted within 14 days after modification award. Additionally, this J&A will be synopsisized via a Government Point of Entry (GPE).

7. Determination of Fair and Reasonable Cost: This is a request for an out-of-scope bilateral contract modification to increase the scope by [REDACTED]. This represents [REDACTED] of the overall contract value for the requirements described within this document. The Contracting Officer has evaluated the proposals submitted by the Contractor and compared it with the Independent Government estimates, pre-negotiation objectives and historical cost information currently available for similar work on other projects administered by this office, NAVFAC SE and R. S. Means; by use of cost and price analysis. As a result of negotiations, the final prices of [REDACTED] were determined to be fair and reasonable to the Government respectively.

8. Actions to Remove Barriers to Future Competition.

The proposed contract modification represents a one-time action in response to a critical requirement. Therefore, removing or overcoming future barriers to competition is not applicable in this instance.

CHIEF OF THE CONTRACTING OFFICE REVIEW:

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