



**DEPARTMENT OF THE NAVY**  
NAVAL FACILITIES ENGINEERING COMMAND SOUTHEAST  
JACKSONVILLE, FL 32212-0030

**J&A No. N69450-15-0202**

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

1. Contracting Activity: The contracting activity is the Naval Facilities Engineering Command Southeast (NAVFAC SE), Naval Submarine Base (NSB) Kings Bay, Georgia.
  
2. Description of the Action Being Approved. Modification to increase the indefinite delivery, indefinite quantity capacity under contract N69450-11-D-7578 by \$2,250,000.00 from \$6,059,337.14 to \$8,309,337.14 for Option Period Three. The period of performance for Option Period Three is 1 December 2014 through 30 November 2015. O&M funds will cross fiscal years; however, task order funding will be requested on an individual basis and appropriate fiscal year funding requested at time of task order award. This is a combination firm-fixed-price, indefinite delivery, indefinite quantity (FFP/IDIQ) contract with option provisions for NSB Kings Bay, Georgia Base Operations Support I (KBOS I) services. The contract was awarded on 15 August 2011 to Kings Bay Support Services, LLC, 1725 Duke Street, Suite 400, Alexandria, VA 22314.
  
3. Description of Supplies/Services. The performance work statement (PWS) includes BOS services to be performed at NSB Kings Bay, GA and a Naval Tower located in Shellman Bluff, GA. Major tenants of NSB Kings Bay are Submarine Group 10; Submarine Squadron 16/20; Naval Submarine Support Center; Strategic Weapons Facility Atlantic (SWFLANT); Marine Corps Security Force Company; Trident Refit Facility, and Trident Training Facility. The KBOS I services include the following requirements: Public Safety, Harbor Security, Security Operations, Port Operations, Personnel Support, Bachelor Quarters, Facility Management, Facility Investment, Other (Swimming Pools), Pavement Clearance, Utilities, Chiller, Electrical, Wastewater, Steam, Water, Telecommunications, Supervisory Control and Data Acquisition, Compressed Air, Base Support Vehicles and Equipment, and Environmental services. Vertical Transportation Equipment (VTE) services will be provided under this contract for a Naval Tower located at Shellman Bluff, GA. Known and recurring maintenance and service requirements are performed under the FFP portion of the BOS contract, while non-recurring/unforeseen maintenance is accomplished through issuance of task orders under the IDIQ portion of the BOS contract.

The estimated dollar value for the increase is \$2,250,000 to increase the IDIQ capacity in Option Period Three from \$6,059,337.14 to \$8,309,337.14. The estimated cost for this action was derived from increase in SWFLANT requirements, asbestos on crane brakes, and historical data regarding inventory. Each of these items is discussed in further detail below:

- a. SWFLANT 100% Facilities Sustainment Model (FSM) demand (remainder of option period three) requiring a \$2,000,000 increase to IDIQ capacity.

Situation:

The Department of Defense (DOD) Facilities Sustainment Model (FSM) is used as the model for forecasting facilities sustainment resource requirements. On March 30, 2015, SWFLANT Headquarters collaborated with Commander, Navy Installations Command (CNIC) regarding upgrading SWFLANT's aging facilities in need of repair. As a result SWFLANT FSM will be funded at or above 100% in contrast to the 63% that was anticipated at contract award.

Impact:

Due to access restrictions and the time-sensitive nature of the SWFLANT mission, a significant portion of this increase in sustainment work will be satisfied via the KBOS I using the IDIQ portion of the contract. Current IDIQ capacity has failed to even sustain the IDIQ demand in FY 13 and FY 14 at 63% FSM. Without correction of the IDIQ capacity shortfall, SWFLANT facilities will continue to degrade and will result in the inability to meet the requirements of the strategic mission despite SWFLANT having increased funding available.

- b. Asbestos brake discovery requiring a \$250,000 increase to IDIQ capacity.

Situation:

Maintenance and repair of the SWFLANT cranes is included in the requirements of the KBOS I contract. Asbestos brake pads were discovered installed on a barge crane (YD 251) at NSB Kings Bay in June of 2015. This unexpected event triggered sampling of other crane brakes. The initial sampling resulted in the discovery of more asbestos in TRF, SWFLANT, and CNIC cranes that was previously undocumented. It was then determined that all cranes without objective quality evidence of asbestos free brakes would be sampled. Additionally, all cranes which have asbestos brakes must now have that material abated and replaced. It is estimated that these actions (sampling and abatement) will total \$250,000.00.

Impact:

Without remediation of the asbestos brakes, SWFLANT and TRF crane operations will be in jeopardy. Now that asbestos presence is documented, crane maintenance is limited to repairs that do not disturb the brakes due to the significant safety restrictions that accompany the brake work. Task orders must be awarded for this work as it quickly exceeds the contractual limits of liability (LOL) in each instance. Additionally, routine and periodic recertification of cranes involves inspections of the brakes, which cannot be accomplished without asbestos containment controls or remediation. This puts each crane at risk for losing certification as it approaches inspection. Without correction of the asbestos condition, maintenance and recertification cannot occur and will result in the inability to meet the requirements of the strategic mission.

c. Inventory Historical Data.

Situation:

Inventory historical data was provided during the award process; however, after award, the data was determined to be incomplete. The IDIQ capacity was based off the historical data initially provided. Updated data, which includes existing facilities as well as new construction, provides a truer picture of inventory on board NSB Kings Bay which should be included in the BOS contract.

Impact:

Based on the updated inventory, the FFP portion of the contract has increased which has a direct correlation to the amount of IDIQ dollars expected to be expended which necessitates an increase in capacity in IDIQ to meet the mission requirements.

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

5. Rationale Justifying Use of Cited Statutory Authority. The current contract, N69450-11-D-7578, was competed on an unrestricted basis under full and open competition. It was awarded with the assumption the estimated quantities included in the IDIQ Exhibit Line Item Numbers (ELINs) would be sufficient based on work load projections and historical data at the time of contract award. In accordance with FAR 6.302-1(a) (iii) (A) substantial duplication of costs to the government that is not expected to be recovered through competition and (B) unacceptable delays in fulfilling the agencies requirements. The administrative effort it will take to award a new contract is not cost effective and cannot be completed timely which impacts our ability to meet mission essential requirements. It is estimated that the cost to produce, distribute, evaluate, and award another base operating contract would total \$1,149,501.00.

The life of facilities and equipment on base has aged substantially and are requiring replacement. Repairs typically exceed the limit of liability under the FFP portion thus making it necessary to issue IDIQ task orders to complete repairs and replacements. Finding another contractor with security clearances and the resources to begin work immediately is almost impossible due to the high level security requirements in certain areas of NSB Kings Bay. Security requirements are much more stringent to gain access to the base and various tenant commands. Due to the multiple levels of clearance required, contractors are subjected to lengthy security background investigations and cumbersome administrative effort. Historically, employees of contractors have had issues gaining access which adds another level of delay in completing work. The current BOS contractor has already been vetted through the security process and have the required clearances needed to perform work throughout the entire base.

It is not in the best interest of the Government to use a contractor besides the KBOS I contractor for portions of this increased FSM.

It is critical to NSB Kings Bay's mission that the above identified work be completed and increased capacity be granted. All required BOS services to be performed under the authority requested by this J&A are critical requirements which the Navy needs in order to continue its mission. The BOS contractor is responsible for the FFP work; however, when the limit of LOL is exceeded, this action then becomes a task order issued under the IDIQ portion of the contract and the contractor can perform the services above the contract FFP LOL without interruption. Additionally, KBSS possesses the manpower to continue performance without a break in service, or additional phase-in/mobilization requirements.

Description of Efforts Made to Solicit Offers from as Many Offerors as Practicable. The proposed action will be synopsised on the Government-wide Point of Entry (GPE) as a sole source modification to contract N69450-11-D-7578, Kings Bay Support Services, LLC, upon approval of this Justification and Approval for reasons discussed in paragraph 5., above. Solicitation of the contract was issued under full and open competition. Source Selection was completed in accordance with FAR requirements and a single award was made. Adequate competition was received in the solicitation phase; therefore, the government is satisfied with the effort made to solicit offers from as many as practicable.

In accordance with FAR 6.302-1(a) (iii) (A) substantial duplication of costs to the government that is not expected to be recovered through competition and (B) unacceptable delays in fulfilling the agencies requirements. Due to the mission at NSB Kings Bay, the security requirements are much more stringent to gain access to the base and various tenant commands. Multiple levels of clearance required subjects contractors to lengthy security background investigations and cumbersome administrative effort. Additionally, employees of contractors have had issues gaining access which adds another level of delay in completing work. The current BOS contractor has already been vetted through the security process and have the required clearances needed to perform work throughout the entire base. Inventory historical data was provided during the award process; however, after award, the data was determined to be incomplete. Updated data, which includes existing facilities as well as new construction, provides a truer picture of inventory on board NSB Kings Bay which should be included in the BOS contract.

6. Determination of Fair and Reasonable Cost. Each proposed IDIQ action arising from the increase in IDIQ capacity will be priced separately and a Government technical evaluation will be completed with comparison to Independent Government Estimates or historical data as appropriate. As a result, the Contracting Officer has determined the anticipated cost to the Government of the services covered by this J&A will be fair and reasonable.

7. Actions to Remove Barriers to Future Competition. The proposed contract modification represents an action in response to critical requirements for the continued mission on board NSB Kings Bay. Exercise of the follow on competitively negotiated and awarded option will meet the needs for future requirements.