

JUSTIFICATION REVIEW DOCUMENT

DESCRIPTION OF ACQUISITION: Electrical and Natural Gas Utility Services for the USAF Academy Commissary, Colorado

STATUTORY AUTHORITY: 10 U.S.C. 2304(c)(1), Only One Responsible Source and No Other Supplies or Services Will Satisfy Agency Requirements, as implemented by FAR 6.302-1.

ESTIMATED CONTRACT AMOUNT: The estimated cost for the base year award is \$198,000 for a 12-Month Base Period August 30, 2012-August 29, 2013; base, two one-year options and one 9-month option at an estimated cost of \$742,500.

Contract Specialist: Barbara Wright Telephone Number: 804-734-8000x86093 Contract Specialist Date: 7/29/12

PCO: Loria Samples Hile Telephone Number: 804-734-8000x48630 Contracting Officer Date: 7/30/12

Technical: Kyle Seiling Telephone Number: 804-734-8000x48062 General Engineer Date: 8/3/12

Requirements: None

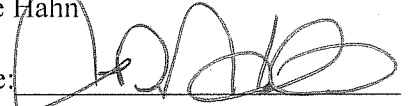
Reviews: We have reviewed this J&A and find the justification adequate to support other than full and open competition.

Program Manager: N/A

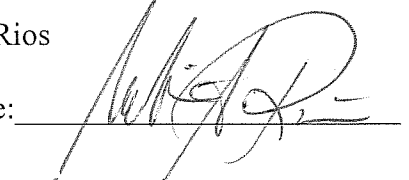
Legal Counsel: Elliot Clark Phone: 804-734-8000x48207

Signature:  Date: 8 Aug 2012

Director, Acquisition Management Lawrence Hahn Phone: 804-734-8000x48884

Signature:  Date: 10 Aug 2012

DeCA Competition Advocate: Melissa Rios Phone: 804-734-8000x48680

Signature:  Date: 8/8/12

JUSTIFICATION AND APPROVAL FOR OTHER THAN FULL AND OPEN COMPETITION

- 1. CONTRACTING OFFICE:** Defense Commissary Agency
Enterprise Acquisition Division
Store Support Services Branch
1300 E Avenue
Fort Lee, Virginia 23801-1800
- 2. TYPE OF CONTRACT ACTION:** The type of action contemplated is a continuation of utility services due to privatization of natural gas and electrical services on the installation. Contract will be through the GSA areawide public utility contract GSA GS-00P-06-BSD-0399 with Colorado Springs Utility, a municipal utility. Contract is anticipated to be fixed price contract, as determined by rates established under the Department of Regulatory Agencies, Public Utilities Commission for the State of Colorado, and indefinite quantity, which will fluctuate depending on actual usage. Electric and natural gas rates are listed under the Rate Schedules for Contract Service for the USAF Academy on the Colorado Springs Utilities' website. This effort will utilize DWCF funding.
- 3. DESCRIPTION OF SUPPLIES/SERVICES:** The USAF Academy Commissary currently uses electrical and natural gas services. Estimated cost for the base year award for electrical services is \$177,000 for a 12-month base period. The base year, two one-year and one nine-month option periods estimated total for electrical services will be \$663,750. Estimated cost for the base year award for natural gas services is \$21,000 for a 12-month base period. The base year, two one-year and one nine-month option periods estimated total for natural gas services is \$78,750. Total for base period for both services is \$198,000, for the base and two one-year, and one nine-month option periods \$742,500. The last option runs through May 29, 2016, as the current GSA contract expires after that date.
- 4. AUTHORITY CITED:** Statutory Authority 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. REASON FOR AUTHORITY CITED:** The Colorado Public Utilities Commission regulates electrical and natural gas distribution companies for the State of Colorado. The USAF Academy is under the Colorado Springs Utilities municipal area.
- 6. EFFORTS TO OBTAIN COMPETITION:** Market research was conducted and indicated that there are no other electrical or natural gas providers in the USAF Academy area who can supply electricity and natural gas to the USAF Academy Commissary. FAR 41.204(c) "GSA Areawide Contracts – Procedures for obtaining service", states that the any Federal agency "...shall acquire services under the areawide contract unless" there is more than one supplier or if no advantage is provided to the agency by using the GSA contract. For this action neither exception applies, as there is no competition available to this municipal utility company. A

synopsis will not be posted to FedBizOpps as the exception under FAR 5.202(a)(5), utility services and only one source available applies.

7. FAIR AND REASONABLE COST DETERMINATION: As stated in Paragraph 2, rates are regulated by the State of Colorado by the Colorado Public Utilities Commission.

8. MARKET RESEARCH: Per internet search, the Colorado Public Utilities Commission website provided one electrical services and natural gas provider in the USAF Academy Commissary area, Colorado Springs Utilities. The company is the sole utility provider for electrical and natural gas service of this nature at the installation and they have a GSA areawide public utility contract for these services.

9. OTHER FACTORS: There are no previous contracts awarded for this service at this commissary location, as DeCA reimbursed the installation for the commissary utility costs in the past. The installation has now privatized the electric and natural gas services to Colorado Springs Utilities.


10. INTERESTED SOURCES: To date, Colorado Springs Utilities is the only available source capable of providing this specific service at the USAF Academy. To date, no other sources have expressed an interest in writing.

11. ACTION TO INCREASE/FOSTER COMPETITION: As stated under Paragraphs 5 and 6, Colorado Springs Utilities own the lines and are under a GSA areawide public utility contract, no actions are available to increase/foster competition.

TECHNICAL CERTIFICATIONS: I certify that the supporting data under my cognizance, which are included in this justification, are accurate and complete to the best of my knowledge and belief?

Name: Kyle Seiling

Title: General Engineer

Signature 

Date 8/3/12

12. REQUIREMENTS CERTIFICATION:

I certify that the supporting data under my cognizance, which are included in this justification, are accurate and complete to the best of my knowledge and belief.

Not Applicable

13. FAIR AND REASONABLE COST DETERMINATION AND CONTRACTING OFFICER CERTIFICATION:

I hereby determine that the anticipated cost for this contract action will be fair and reasonable based on regulations established by the State of Colorado under the Colorado Public Utility Commission and in accordance with DFARS 241.201(3) which states "Rates established by an independent regulatory body – (iii) are a valid basis on which prices can be determined fair and reasonable." I certify that this J&A is accurate and complete to the best of my knowledge and belief.

NAME: Loria Samples Hile


TITLE: Contracting Officer

SIGNATURE: Loria Samples Hile

DATE: 8/10/12

APPROVAL

Based on the foregoing justification, I hereby approve the procurement of electrical and natural gas services for the USAF Academy Commissary on an other than full and open competition basis pursuant to the authority of 10 U.S.C. 2304(c) (1), provided funds are available, or will be available, and provided that the services and property herein described have otherwise been authorized for acquisition.

APPROVED: 
Melissa Rios
DeCA Competition Advocate

Date 8/10/12