

JUSTIFICATION REVIEW DOCUMENT

Description of Acquisition: Modification to extend contract HDEC02-04-D-0019 with Northeast Military Sales (NEMS) to provide for uninterrupted operation of deli/bakery operations at various commissaries located in Georgia, Florida and Puerto Rico.

Statutory Authority: 10 U.S.C. 2304(c)(1) Est. Amount: \$ 4,771,875.76
Est. Amended (0001) Amount: \$ 4,771,876.00
Est. Amended (0002) Amount: \$ 7,165,462.82
Total: \$ 16,709,214.58

Prepared by: Nancy Patterson Matherne Contract Specialist
Telephone (804) 734-8000, 48408 Date: April 8, 2014

PCO: Sarah E. Saunders Contracting Officer
Telephone (804) 734-8000, 48899 Date: April 8, 2014

Technical: David Leffert Commissary Management Specialist
Requirements Telephone (804) 734-8000, 48566 Date: April 8, 2014

Signatures are required below:

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

Program Manager: David Leffert Telephone: (804) 734-8000, 48566
Signature: [Signature] Date: April 24, 14

Legal Counsel: Helen J. White Telephone: (804) 734-8000, 48207
Signature: [Signature] Date: _____
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Digitally signed by WHITE.HELE
DN: cn=US, o=U.S. Government,
ou=DoD, ou=PKI, ou=DECA,
cn=WHITE.HELEN.J.1142584880
Date: 2014.04.24 14:07:01 -0400

Acting Chief, Resale Contracting Division:
Sheila S. Norfus Telephone: (804) 734-8000, 48889
Signature: [Signature] Date: 4/24/14

DeCA Competition Advocate:
Melissa A. Rios Telephone: (804) 734-8000, 48680
Signature: [Signature] Date: 4/25/14

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JUSTIFICATION AND APPROVAL

FOR OTHER THAN FULL AND OPEN COMPETITION

- 1. Contracting Office:** Defense Commissary Agency (DeCA), Resale Contracting Directorate, (MPR), Fort Lee, Virginia
- 2. Type of Contract Action:** Modification of contract HDEC02-04-D-0019 with Northeast Military Sales, Inc (NEMS). This modification will extend the period of performance from May 1, 2014, through October 31, 2014, a six-month extension. The contract type is a requirements type. The Resale Stock Fund Activity, Defense-Wide Working Capital Fund, provides funding.
- 3. Description of Supplies/Services:** This action will provide uninterrupted operation of Deli/bakery services at the 10 commissary stores listed on page 3. The total amount of the contract modification action, \$7,165,462.82, is based on the contract actions that transpired over a six-month timeframe (1 October 2013 – 31 March 2014) at the ten commissary store locations. The total estimated value for this Amendment, including the previous extension periods plus an additional (6) six-month extension is \$16,709,214.58.
- 4. Authority Cited:** 10 U.S.C. 2304(c)(1), in accordance with FAR 6.302-1, Only One Responsible Source and no other supplies or services will satisfy Agency requirements.

5. Reason for Authority Cited:

As previously described under the Justification and Approval (J & A), Control No. HDEC02-13-04 and Amendment 0001, the follow-on procurement to the current contract HDEC02-04-D-0019 was delayed to allow the Agency to conduct a Black Belt study to redefine the business model of the current deli-bakery operations and its requirements. In October 2013, the study submitted a final draft of the Statement of Work (SOW) and the Performance of Work (POW) Statement that indicated that the requirements were ready and the procurement could begin. [REDACTED]

[REDACTED]

This is the first of three solicitations incorporating the new business model for the deli-bakery operations and will serve as “lessons learned” for solicitations to follow. The solicitation was issued and was posted on FedBizOpps on February 20, 2014 with an initial closing date of April 4, 2014.

In early March 2014, several potential offerors submitted questions about the solicitation, with about 50% of the questions posing challenges to the new business model. A great deal of time and effort was spent in researching the questions, working with the Program Manager and members of the Black Belt study in developing thorough accurate answers, and correcting the POW statement. As a result, it caused a significant delay in posting the consolidated list of questions and answers as an amendment to the solicitation and extended the closing date to April 22, 2014. The list of consolidated questions and answers, corrections to the POW/solicitation, and extension of the closing date were issued on Amendment 0003 of the solicitation. The current contract expires April 30, 2014. The technical

evaluation, discussions if required, price analysis, and source selection process remains to be completed. As such, an additional six months is required to complete this procurement barring any unforeseen delays or protest.

In the absence of a contract extension, deli/bakery operations will cease in the stores utilizing this contract. Inevitable and irrevocable damages to the Agency in the form of lost sales and reduced operating funds will negatively impact the Agency mission to provide a benefit to military members and their families. The commissary benefit is a cornerstone of the military quality of life. Failure to render this benefit will lead to a reduction in the morale and welfare of our armed forces, ultimately affecting the individual military member's focus and performance of their defense mission. Therefore, it is essential that DeCA provides fully operational commissary stores, to include the deli/bakery operations, and that DeCA takes appropriate action to maintain the current source of those operations

- 6. Efforts to Obtain Competition:** No changes from the initial J&A and Amendment.
- 7. Fair and Reasonable Cost Determination and Contracting Officer Certification:** No changes from the initial J&A and Amendment.
- 8. Market Research:** No changes from the initial J&A and Amendment.
- 9. Other Factors:** No changes from the initial J&A and Amendment.
- 10. Interested Sources:** No changes from the initial J&A and Amendment.
- 11. Action to Increase/Foster Competition:** No changes from the initial J&A and Amendment.

Commissaries covered under contract HDEC02-04-D-0019

1. Jacksonville NAS, FL	6. Hurlburt, FL
2. Mayport NS, FL	7. Tyndall, FL
3. Kings Bay, GA	8. Eglin AFB, F
4. Patrick AFB, FL	9. Pensacola, FL
5. MacDill AFB, FL	10. Fort Buchanan, Puerto Rico

Technical/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.

Name: David Leffert

Commissary Management Specialist

Signature: 

Date: April 24, '14

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. I certify that this J&A is accurate and complete to the best of my knowledge and belief.

Name: Sarah E. Saunders


Contracting Officer

Signature: Sarah E. Saunders Date: 24 Apr 14

APPROVAL

Based on the foregoing justification, I hereby approve the procurement of the continuation of services of deli/bakery operations for the ten commissaries covered under contract HDEC02-04-D-0019 for a six-month extension, May 1, 2014, through October 31, 2014, 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:

Signature:  Date: 4/25/14
Joseph H. Jev
Director, Defense Commissary Agency