

JUSTIFICATION FOR AN EXCEPTION TO FAIR OPPORTUNITY
aRFID Asset Tag Transponders, Non-Replaceable Battery, No Label (ST-616-031)
HTC711-13-Q-D033

1. CONTRACTING ACTIVITY.

United States Transportation Command, DPO Support Division, USTRANSCOM/TCAQ-DPO, 508 Scott Drive, Building 1900W, Scott AFB, IL 62225.

2. NATURE AND/OR DESCRIPTION OF ACTION BEING APPROVED.

AMC/A4TI requires an exception to fair opportunity to award a sole source, firm fixed priced delivery order to Savi Technology, Inc., 351 East Evelyn Avenue, Mountain View, CA 94041. Savi Technology is one of four awardees on the Army's Product Manager, Joint-Automatic Identification Technology RFID-III IDIQ GWAC (PM J-AIT RFID-III). Savi's contract number is W91QUZ-09-D-0001.

3. DESCRIPTION OF SUPPLIES OR SERVICES REQUIRED TO MEET THE AGENCY'S NEEDS.

Part No.	Item Description	Quantity
ST-616-031	Savi Technology Asset Tag Transponder, 2Kbytes RAM, Non-Replaceable Battery	10,000

This requirement is for 10,000 active Radio Frequency Identification (aRFID) Asset Tag Transponders to support the ongoing 463L Pallet Asset Tracking and Inventory Control Projects within DoD and AMC. The asset tags must have a minimum battery life of 15 months and an embedded algorithm, which limits the number of responses an asset tag will make to a single interrogator thus essentially extending the battery life. Additionally the tags must be ISO-18000-7 compliant and meet the physical dimension clearance requirements for attachment to the 463L cargo pallets—length short enough to clear the prime move locking tabs and width small enough to remain below the cargo carrying surface to meet the tag height clearance limitations on the C-5, C-17, C-130, commercial 747 and L1011 aircraft pallet roller systems, i.e., clearance from the guide rails and locking bars in both standard and logistics mode pallet positioning on the roller systems.

The tags are to be procured from Savi Technology, Inc., under their PM J-AIT RFID-III IDIQ contract (W91QUZ-09-D-0001). The total estimated cost of this requirement is with delivery of 10,000 tags within 60 days from date of award and not later than 31 August 2013.

4. IDENTIFICATION OF THE EXCEPTION TO FAIR OPPORTUNITY AND SUPPORTING RATIONALE.

FAR 16.505(b)(2)(i)(B)—Only one awardee is capable of providing the supplies or services required at the level of quality required because the supplies or services are unique or highly specialized. Savi Technology, Inc. is the Original Equipment Manufacturer (OEM) and sole source provider of an aRFID tag which contains an “over polling” algorithm in the firmware of the tag. This “over polling” algorithm keeps the tag transmitter from responding to tag interrogation signals, after the fifth interrogation “ping.” This feature keeps the tag from responding to interrogator pings every five minutes (the typical polling cycle of an interrogator) and, effectively, increasing the battery life of the sealed tag from three months to greater than one year (advertised as two or more years). The expected rotation time for a pallet through the Defense Transportation System and the Army’s RFID interrogation network is approximately 11 to 15 months. The tracking data to be collected from this project will be invalidated if the tag batteries are depleted sooner than the 15 month window of pallet transit. Additionally, the Savi ST-616-031 tag was constructed specifically for the physical dimension clearance requirements for attachment to the 463L cargo pallets (length short enough to clear the prime mover locking tabs, width small enough to remain below the cargo carrying surface). It is the only tag that has been tested and approved by AMC to meet the tag height clearance limitations of the C-5, C-17, C-130, commercial 747 and L1011 aircraft pallet roller systems (i.e., clearance from the guide rails and locking bars in both standard and logistics mode pallet positioning on the roller systems).

5. DETERMINATION BY THE CONTRACTING OFFICER THAT ANTICIPATED COST TO THE GOVERNMENT WILL BE FAIR AND REASONABLE.

The IDIQ GWAC lists aRFID Asset Tag Transponders, No Replaceable Batter, No Label at \$22-\$47 per unit. This expected costs under the PM J-AIT RFID-III IDIQ contract is anticipated to be fair and reasonable based on the already established pricing for the IDIQ GWAC among four awardees. Additionally, the GWAC pricing is within reason of Savi’s recently expired GSA Schedule 70 contract vehicle which listed the ST-616-031 tag at \$40.50 (SIN: 132-8, Model: ST-616-031, Description: Savi ISO 18000-7 Asset Tag with non-replaceable battery, Price: \$40.50). The vendor has historically provided direct purchase quotes offering additional discounts to the RFID III pricing structure.

6. ANY OTHER FACTS SUPPORTING THE JUSTIFICATION.

The firmware algorithm and technologies used in the ST-616-031 aRFID asset tag read operations were developed by Savi Technology, Inc. The manufacturer specific tags will ensure compatibility and interoperability with the existing Savi Technology, Inc. hardware and interrogators currently deployed across the DoD and, specifically, at AMC locations.

7. A STATEMENT OF THE ACTIONS, IF ANY, THE AGENCY MAY TAKE TO REMOVE OR OVERCOME ANY BARRIERS THAT LED TO THE EXCEPTION TO FAIR OPPORTUNITY BEFORE ANY SUBSEQUENT ACQUISITION FOR THE SUPPLIES OR SERVICES IS MADE.

Army PD-AMIS directed the Pacific Northwest National Laboratories to investigate the ability for other tag manufacturers to incorporate an "over polling" algorithm in all other DoD-purchased aRFID tags. Since this requirement is not in the current contract there would be a one-time development/engineer cost that the vendor would charge to support this requirement. The PM J-AIT has stated they will incorporate this new requirement in the next RFID IV contract as being beneficial to the DoD (i.e., 4- to 10-fold increase in tag battery life). This contract is expected in January 2014. This action will assist in the removal of any barriers that may have led to the restriction of competition before any subsequent acquisition for supplies or services are made.

8. CONTRACTING OFFICER'S CERTIFICATION.

I hereby certify that the data supporting the recommended use of other than full and open competition is accurate and complete to the best of my knowledge and belief.

TERESA M. FRANCOEUR
Contracting Officer

28 Mar 13
DATE

9. TECHNICAL AND REQUIREMENTS PERSONNEL CERTIFICATION.

I certify that the data supporting the recommended use of other than full and open competition is accurate and complete to the best of my knowledge and belief.

PATTI SIZEMORE
Program Manager, TC15/4-T

25 MAR 13
DATE