

**JUSTIFICATION AND APPROVAL**  
**USTRANSCOM JUSTIFICATION FOR**  
**OTHER THAN FULL AND OPEN COMPETITION**  
**NON-TEMPORARY STORAGE**  
**(W81GYE-07-D-0021)**

**1. CONTRACTING ACTIVITY**

United States Transportation Command (USTRANSCOM), Directorate of Acquisition, Specialized Transportation and Support Division, 508 Scott Drive, Building 1900W, Scott AFB IL 62225-5357.

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

Modify firm fixed price contract W81GYE-07-D-002 to allow for an additional period of performance of six months (1 March 2014 – 31 August 2014) in accordance with Federal Acquisition Regulation (FAR) 52.217-8.

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

As a component of USTRANSCOM, the Military Surface Deployment & Distribution Command (SDDC) has a requirement for comprehensive non-temporary storage (NTS) services for the containerized storage of personal property and related services to include services necessary for non-temporary storage of retrograde containerized shipments of entitled military and civilian DOD personnel household goods (HHG) and unaccompanied baggage (UB) entering the Eastern United States (CONUS) from Europe, the Middle East, and Africa. This requirement is currently supported by Guardian Moving and Storage Co., Inc., under contract W81GYE-07-D-002. The contract was awarded by SDDC-AQ in March 2007 and administered by SDDC until November 2013. Administration of the contract transferred to USTRANSCOM on 22 November 2013 and is set to expire on 28 February 2014.

SDDC originally intended to continue supporting this requirement through the use of Tender of Service (TOS) agreements upon expiration of the current FAR contract. USTRANSCOM would administer the current contract until expiration, with future support provided entirely by SDDC via TOS agreements. Shortly after transferring the current contract to USTRANSCOM, however, SDDC specifically requested review of the requirement as to whether TOS agreements or a FAR contract was most appropriate for supporting the NTS requirement. On 18 December 2013, SDDC and USTRANSCOM's acquisition team met and determined a FAR contract would be more appropriate for the follow-on requirement because a FAR contract would allow the greatest opportunity for competition, provides protection to the Government via increased contractor accountability, and is overall better suited for this requirement. SDDC abandoned its plan to issue TOS agreements for NTS requirement support and USTRANSCOM immediately initiated the acquisition process for a competitive follow-on contract. The complexity and dollar

value of this follow-on procurement, however, requires more time than remains on the current contract, which is set to expire 28 February 2014. As a result, the current contract will be extended for six months, from 1 March 2014 through 31 August 2014 to meet SDDC's needs for continued non-temporary storage support and avoid any interruption in services.

This proposed extension, a continuation of the current requirement under FAR clause 52.217-8 – Option to Extend Services included in the contract, is within the scope of the contract and is in accordance with the performance work statement (PWS). The total estimated value of this proposed action is based on the rates specified in the contract and estimated storage volume for the final period of performance. The Contracting Officer intends to extend the current contract by unilateral modification for the entire six-month period allowed by the terms of the contract.

#### **4. STATUTORY AUTHORITY PERMITTING OTHER THAN FULL AND OPEN COMPETITION**

10 USC 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. DEMONSTRATION THAT THE NATURE OF THE ACQUISITION REQUIRES USE OF THE AUTHORITY CITED**

Based on the customer's requirements for the period 1 March 2014 through 31 August 2014, only the incumbent contractor, Guardian Moving and Storage Co., Inc. (Guardian) is capable of providing the services needed during this period. Performance of this service requires the contractor to provide DoD-approved storage facility space sufficient to continually store up to fifteen million (15,000,000) gross pounds of personal property, to include the performance of administrative functions related to receiving and shipping HHG/UB IAW the Defense Transportation Regulation (DTR), DoD Personal Property Consignment Instruction Guide (PPCIG), and other applicable Government regulations. The Contractor also provides support for tracking and verifying storage and shipment entitlement IAW the Joint Federal Travel Regulation (JFTR), Joint Travel Regulation (JTR), and all related DoD military service supplements. The contractor is also required to utilize the Transportation Operational Personal Property Standard System (TOPS) developed by the DoD to process non-temporary storage of HHG/UB into and out of storage, to produce non-temporary storage contractor invoices, to produce required DD Forms 1164, and to book shipments with the lowest-cost freight transportation service providers pre-approved by SDDC, for the movement of HHG/UB. As such, performance of the responsibilities necessary to support this requirement requires the use of specialized facilities to meet minimum Government standards, as well as significant familiarity with applicable regulations and Government-provided information technology systems.

Further, with existing services set to expire 1 March 2014, no contract or TOS agreement is currently in place to provide support for NTS requirements. Retrograde HHG shipments will continue to arrive in the Eastern United States as they are shipped to CONUS according to DOD service member and civilian entitlement. No alternate facilities are available for the storage and

associated administration of these HHG shipments and procuring an alternative solution on such short notice is not feasible given the specific requirements noted above and the time necessary for an alternative service provider to train and prepare to support the NTS requirement. As such, failure to extend the current contract would cause a lapse in service and would result in receipt of incoming retrograde HHG shipments with no available storage destination.

Based on the Government's analysis, a new contractor would require significant investment (approximately ) in order to establish operations sufficient to meet the requirements of the Government for this 6-month period, including establishment of a DoD-approved facility within 50 miles of the Port of Norfolk, VA and in compliance with DoD fire protection standards, recognized national and local fire ordinances and codes, National Fire Protection Association recommendations and standards, and the requirements of DOD 4500.9R, Appendix D. Further, a new contractor would be required to hire or train personnel capable of assessing and monitoring storage entitlements specific to the DoD IAW the DTR, PPCIG, JFTR, and JTR; and to administer transportation-related operations via the DoD-specific TOPS system. Based on the Government's analysis, the DoD-specific nature of these requirements and facility and location requirements preclude any companies other than the incumbent contractor from performing this work without excessive cost and duplication of effort, which would result in prices exponentially higher than those available to the Government under the current contract. The Government, therefore, would have to pay the contract price of over plus a premium of as much as for this short contract extension. There is no need for the Government to incur this substantial duplication of cost that is not expected to be recovered through competition.

#### **6. DESCRIPTION OF EFFORTS MADE TO ENSURE THAT OFFERS ARE SOLICITED FROM AS MANY POTENTIAL SOURCES AS IS PRACTICABLE**

The proposed extension will be exercised in accordance with FAR 52.217-8 of the existing contract. This action was not synopsisized in accordance with FAR 5.202(a)(11). Based on the information contained in paragraph five of this document, it is in the Government's best interest to extend the current contract to avoid substantial duplication of cost. The follow-on effort will be synopsisized in accordance with FAR 5.201(b)(1)(i) and the Government intends to compete this requirement on a full and open basis.

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

In accordance with FAR 52.217-8, continued services will be at the rates specified in the current contract. The current contract was priced through Option Period 6. At time of contract award, prices were determined fair and reasonable and current market research indicates that the existing pricing is lower than comparable rates for NTS services thereby protecting the Government from unfair prices during this contract extension.

#### **8. DESCRIPTION OF THE MARKET RESEARCH CONDUCTED AND THE RESULTS**

Market research was conducted in accordance with FAR Part 10 for the original acquisition and recently prior to execution of this J&A. A TOS announcement was posted on 11 September 2013 to solicit proposals for NTS Transportation Service Providers (TSP). The notice generated 3 responses from the industry. After review it was determined that all 3 respondents were technically capable of meeting the DoD requirements as proposed in the TOS. USTRANSCOM intends to post a Request for Information (RFI) and conduct further market research to assist in developing an acquisition strategy which promotes the greatest opportunity for competition utilizing FAR procedures. A competitive procurement is expected for the follow-on acquisition and the Contracting Officer will issue a synopsis to advise industry of the pending acquisition and solicit inquiries from interested vendors. Market Research indicates, however, the time required to develop and execute a competitive acquisition, as well as evaluate potential competitive solutions, precludes a competitive acquisition as a viable option for the 6-month period of performance covered by this J&A without substantial duplication of effort and cost that would not be recovered through competition.

**9. OTHER FACTS SUPPORTING THE USE OF OTHER THAN FULL AND OPEN COMPETITION**

None.

**10. A LISTING OF THE SOURCES, IF ANY, THAT EXPRESSED, IN WRITING, AN INTEREST IN THE ACQUISITION**

Arven Moving & Storage Systems, Inc.  
15025 Farm Creek Drive  
Woodbridge, VA 22191

Harrison's Moving & Storage Co., Inc.  
1010 Cavalier Blvd.  
Chesapeake, VA 23323

Guardian Moving & Storage Co., Inc.  
1901 Light Street  
Baltimore, MD 21230-4928

**11. A STATEMENT OF THE ACTIONS, IF ANY, THE AGENCY MAY TAKE TO REMOVE OR OVERCOME ANY BARRIERS TO COMPETITION BEFORE ANY SUBSEQUENT ACQUISITION FOR THE SUPPLIES OR SERVICES REQUIRED**

USTRANSCOM is currently working the follow-on competitive procurement. The proposed extension will allow the continuation of services until a new contract is awarded. Market research, which included proposals and inquiries received in response to the TOS Agreement posted by SDDC, indicated multiple firms were interested in competing in the follow-on procurement and given appropriate time for operational establishment could compete for the follow-on contract award. The solicitation for the follow-on contract is expected to be issued in

April 2014, is not expected to create any barriers to competition, and the Government fully anticipates future follow-on procurements will allow for full and open competition.

**12. CONTRACTING OFFICER CERTIFICATION**

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

KRISTINA R. SCHNEIDER  
Contracting Officer

25 Feb 14  
DATE

**13. TECHNICAL/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.

✓ CRAIG MCKINLEY ✓  
Program Manager, SDDC-PP ✓

25 Feb 14  
DATE

**CONTRACTING ACTIVITY: USTRANSCOM**

**PROGRAM: Non-Temporary Storage (NTS)**

**AUTHORITY: FAR 6.302-1, Only one responsible source and no other supplies or services will satisfy agency requirements**

**ESTIMATED CONTRACT COST:**

**TYPE OF J&A: Individual**

**REVIEW AND APPROVAL:**

**KRISTINA R. SCHNEIDER**  
Chief, Specialized Services Branch

Date: 25 Feb 14

**MARY ALLEN GREEN**  
Chief, Specialized Transportation and Support Division

Date: 26 Feb 14

**Office of the Staff Judge Advocate**

Date: 26 Feb 14

**JEFFERY T. BEYER**  
Chief, Business Support & Policy Division

Date: 26 Feb 14

**MICHELLE M. MENDEZ**  
Competition Advocate

Date: 26 Feb 14