

JUSTIFICATION REVIEW DOCUMENT

Description of Acquisition: Modification to extend contract HDEC02-04-D-0001 with Military Deli Bakery Services (MBDS) to provide for uninterrupted operation of deli/bakery operations at Eielson AFB, AK; Ft. Wainwright, AK; Anchorage Area, AK; Davis-Monthan AFB, AK; Fort Huachuca, AZ; Luke AFB, AZ; 29 Palms MCAGCC, CA; Camp Pendleton, CA; Edwards, AFB; Los Angeles, CA ; Fort Irwin, CA; Imperial Beach, CA; Lemoore NAS, CA; McClellan, AFB; Port Hueneme NS, CA; Ord Community, CA; March ARB, CA; Miramar MCAS, CA; North Island NAS, CA; San Diego NS, CA; Travis AFB, CA; Vandenberg AFB, CA; Hickam AFB, HI; Kaneohe Bay MCBH, HI; Pearl Harbor NB, HI; Schofield Barracks, HI; Mountain Home AFB, ID; Malmstrom AFB, MT; Nellis AFB, NV; Hill AFB, UT; Bremerton NS, WA; Fairchild, WA; Fort Lewis, WA; Smokey Point, WA; McChord AFB, WA; Bangor NBK, WA; and Whidbey, Island, WA .

Statutory Authority: 10 U.S.C. 2304(c)(1)

Est. Amount: \$12,088,586.22

Prepared by: Patrick DeWyngaert
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Contract Specialist
Date: July 19, 2012

PCO: Phyllis A. McGowan
Telephone (804) 734-8000, 48900

Contracting Officer
Date: July 19, 2012

Technical/ Requirements David Leffert
Telephone (804) 734-8000, 48566

Commissary Management Specialist
Date: July 19, 2012

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:  Date: July 23, '12

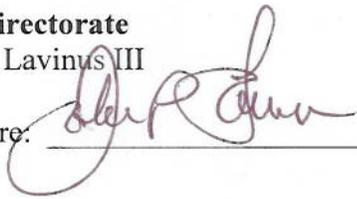
Legal Counsel: Elliot J. Clark Telephone: (804) 734-8000, 48116

Signature:  Date: July 24, 12

Chief, Resale Contracting Directorate

John P. Lavinus III

Telephone: (804) 734-8000, 48547

Signature:  Date: 24 July 2012

DeCA Competition Advocate

Melissa A. Rios

Telephone: (804) 734-8000, 48680

Signature: _____



Date: _____

7/25/12

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-0001 with MBDS. The modification will extend the period of performance for the fourth award term from its current expiration of July 31, 2012, to January 31, 2013, 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 operations at the commissaries located in Eielson AFB, AK; Ft. Wainwright, AK; Anchorage Area, AK; Davis-Monthan AFB, AK; Fort Huachuca, AZ; Luke AFB, AZ; 29 Palms MCAGCC, CA; Camp Pendleton, CA; Edwards, AFB; Los Angeles, CA ; Fort Irwin, CA; Imperial Beach, CA; Lemoore NAS, CA; McClellan, AFB; Port Hueneme NS, CA; Ord Community, CA; March ARB, CA; Miramar MCAS, CA; North Island NAS, CA; San Diego NS, CA; Travis AFB, CA; Vandenberg AFB, CA; Hickam AFB, HI; Kaneohe Bay MCBH, HI; Pearl Harbor NB, HI; Schofield Barracks, HI; Mountain Home AFB, ID; Malmstrom AFB, MT; Nellis AFB, NV; Hill AFB, UT; Bremerton NS, WA; Fairchild, WA; Fort Lewis, WA; Smokey Point, WA; McChord AFB, WA; Bangor NBK, WA; and Whidbey, Island, WA.

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: Contract HDEC02-04-D-0001 is scheduled to expire on July 31, 2012. Long term shortages of adequate resources within the division to handle the work load compounded by two protests on other deli/bakery procurements and a seafood procurement, which encountered numerous pre-award set-backs, have caused extensive delays to the progression of all remaining branch procurements. As such, the solicitation HDEC02-12-R-0010 has not been publicly announced yet for the follow-on deli/bakery operations for the commissary stores identified herein. An extension of this contract is now crucial to ensure continuation of the services provided under the contract. Anticipated award for the follow-on procurement is January 1, 2013, with a start date for performance on February 1, 2013.

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 sales lost 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.

MDBS has been performing this contract successfully for the past eight years. Based on the past performance information provided by the stores covered by this contract, MDBS is providing the products and services required by the contract. MDBS is the only known source that is available to operate the deli/bakery operations in these commissary stores for this extension period.

6. Efforts to Obtain Competition: A pre-solicitation notice was published on the FedBizOpps government website on April 05, 2003, identifying the government's intention to procure deli/bakery operations for the commissaries identified herein covered under the subject contract. As required by FAR 5.2, the proposed contract modification action will be posted in FedBizOpps. Additionally, this justification will be made available for public, inspection, after the completion of the contract modification, in accordance with FAR 6.305.

7. Fair and Reasonable Cost Determination and Contracting Officer Certification: I hereby determine the anticipated cost for this contract action to be fair and reasonable. The basis of this determination is a favorable comparison of prices between the deli/bakery operations covered by the contract and the prices in the respective surrounding commercial supermarkets located in the designated area identified in the contract. This comparison indicates that prices maintained under the current contract are in accordance with contract requirements. The pricing under the contract has remained consistent throughout the life of this contract and the contractor has agreed to maintain the current pricing during the extension period.

8. Market Research: Market research conducted on the subject contract included previous acquisition history and available internet databases and internet sites for identifying potential interested contractors.

Market research conducted for the follow-on requirement included previous acquisition history, a search of the Small Business Administration's Dynamic Small Business database, and a search of the Central Contractor Registration database. Additional research efforts included an internet search for publications to identify top food service companies in the U.S. In accordance with FAR 6.303-2 (8), no additional market research will be conducted for this contract modification action and no other firms will be solicited since the required services are essentially only available from the incumbent contractor during the timeframe required.

9. Other Factors: As stated above, MDBS is the only known source that is able to provide the continuation of services required for the six month extension period. As the incumbent contractor, MDBS already has the existing infrastructure in place to continue the necessary deli/bakery operations. Given the average 30 day transitional period necessary for a new contractor to be prepared to start performance, it is not possible to award this requirement to another contractor for this extension period.

10. Interested Sources: MDBS is the only known source that is capable of providing the supplies and services for operation of the commissaries identified herein covered under the existing contract.

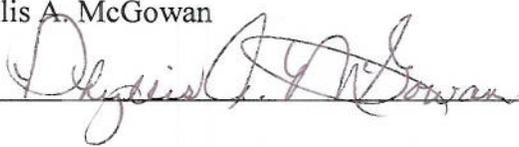
11. Action to Increase/Foster Competition: Market research actions as described in paragraph 8 above resulted in competitive proposals from multiple companies on both the current and the follow-on procurement.

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: Dave Leffert Commissary Management Specialist
Signature:  Date: July 23, '12

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: Phyllis A. McGowan Contracting Officer
Signature:  Date: 7/23/2012

APPROVAL

Based on the foregoing justification, I hereby approve the procurement of the continuation of services of seafood market operations for the 4 commissaries covered under contract HDEC02-04-D-0001 for a six month extension, August 1, 2012, through January 31, 2013, 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: 7/05/12
Melissa A. Rios
Competition Advocate