

JUSTIFICATION REVIEW DOCUMENT

Description of Acquisition: Modification to extend contract DECA02-03-D-0008 with Military Deli and Bakery Services (MDBS) to provide for uninterrupted operation of deli/bakery operations at Lackland AFB, Randolph AFB, Ft. Sam Houston, Laughlin AFB, Corpus Christi NAS, Goodfellow AFB, Dyess AFB, Ft. Hood I, Ft. Hood II and Ft. Worth, Texas commissaries.

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

Est. Amount: \$336,754.83

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Contract Specialist
Date: November 18, 2011

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

Contracting Officer
Date: November 18, 2011

Technical/ Requirements: Louis Kennedy
Telephone (804) 734-8000, 48232

Commissary Management Specialist
Date: November 18, 2011

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: Louis Kennedy

Telephone: (804) 734-8000, 48232

Signature: _____

Date: 11/21/11

Legal Counsel: Helen J. White

Telephone: (804) 734-8000, 48116

Signature: Helen J White

Date: 11-23-11

Chief, Resale Contracting Directorate

John P. Lavinus III

Telephone: (804) 734-8000, 48547

Signature: _____

Date: 11-23-2011

DeCA Competition Advocate

Melissa A. Rios

Telephone: (804) 734-8000, 48680

Signature: _____

Date: 11/23/11

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GENERAL COUNSEL
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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 DECA02-03-D-0008 with MDDBS. The modification will extend the period of performance for the final award term period from its current expiration of November 30, 2011, to December 31, 2011, a 1-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-bakeries at Lackland AFB, Randolph AFB, Ft. Sam Houston, Laughlin AFB, Corpus Christi NAS, Goodfellow AFB, Dyess AFB, Ft. Hood I, Ft. Hood II and Ft. Worth, Texas commissaries. The estimated total value of the 1-month period is \$336,754.83.

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 DECA02-03-D-0008 is scheduled to expire on November 30, 2011. Solicitation HDEC02-10-R-0014 was issued April 5, 2011, to accommodate the follow-on procurement. Initially, accomplishment of the acquisition milestones was hindered by two Agency protests on another deli/bakery procurement action started prior to this action. The protests spanned 8 months. The litigation prompted the Government to revise language in the solicitation and related procurement documents prior to release of the solicitation. After the release of the solicitation, it became necessary to extend the closing date twice to allow interested offerors the opportunity to adjust their proposals to additional changes made by the Government. The delay in issuing the solicitation and the extensions to the solicitation closing date as a result of relevant litigation impacted the originally planned award date for this procurement. This procurement was further delayed, as a result of questions arising in the contract review process. As these questions have since been discussed and resolved, it became necessary to extend the contract for a 1-month period. An extension of this contract is crucial to ensure continuation of the services provided under the contract. Anticipated award for the follow-on procurement is December 9, 2011, with a start date for performance on January 1, 2012.

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 8 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/bakeries 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 July 26, 2002, identifying the government's intention to procure deli/bakery operations for the 10 commissaries covered under the subject contract. This requirement was issued based on full and open competitive procedures that resulted in the receipt of multiple proposals.

A synopsis of the follow-on requirement (solicitation HDEC02-10-R-0014) was posted on the FedBizOpps website on March 7, 2011, identifying the government's intention to re-solicit for deli/bakery operations at the 10 commissaries covered under contract DeCA02-03-D-0008. The solicitation was issued on April 5, 2011, and subsequently closed on June 9, 2011. Multiple proposals were received.

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 commercial supermarkets located in Texas. 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.

9. Other Factors: As stated above, MDBS is the only known source that is able to provide the continuation of services required for the 1- 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.

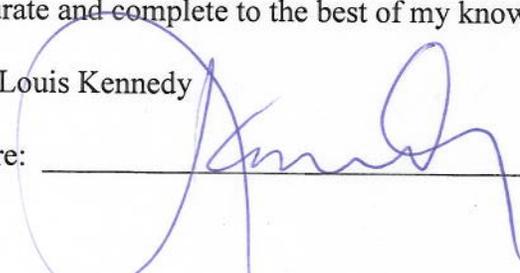
10. Interested Sources: MDBS is the only known source that is capable of providing the supplies and services for operation of the 10 commissaries covered under the existing contract.

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.

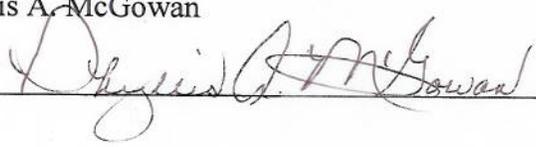
Name: Louis Kennedy Commissary Management Specialist

Signature:  Date: 11/21/11

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.

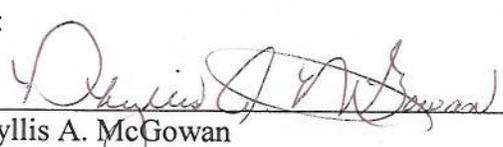
Name: Phyllis A. McGowan Contracting Officer

Signature:  Date: 11/18/2011

APPROVAL

Based on the foregoing justification, I hereby approve the procurement of the continuation of services of deli/bakery operations for the 10 commissaries covered under contract DECA02-03-D-0008 for a 1-month extension, December 1, 2011, through December 31, 2011, 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: 12/09/2011

Phyllis A. McGowan
Contracting Officer