



**DEPARTMENT OF THE NAVY
ASSISTANT FOR ADMINISTRATION
1000 NAVY PENTAGON
WASHINGTON DC 20350-1000**

LSJ# FY23-1

**JUSTIFICATION AND APPROVAL
FOR LIMITED SOURCE**

1. Identification of Agency and Contracting Activity.

Requiring Activity: DON CIO, 1000 Navy Pentagon, Room 4E426, Washington, DC 20350.

Contracting Activity: Contract Management Division (CMD), Department of the Navy, Assistant for Administration (DON/AA) Office, 1000 Navy Pentagon, Washington, DC 20350.

2. Description of the Action Being Approved.

This is a justification for a limited source procurement pursuant to FAR 8.405-6(a)(1)(i)(B). The services are to be ordered via an order with Herren Associates, Inc. under its GSA schedule.

3. Description of Supplies/Services:

The proposed acquisition is to acquire office support services to Deputy Assistant Secretary of the Navy (DASN) Operational Energy (OE) to provide portfolio oversight, data analytics, and surge support. Services include providing technical expertise in integrating power and energy technologies across the portfolio, managing, coordinating, and tracking the Science and Technology (S&T) and operational energy portfolios. The covered office support services under the schedule are intended for a five (5) month period, June 1, 2023 through October 31, 2023. The estimated total price for this acquisition is \$302,963.47.

<u>Estimated Dollar Value</u>		
	FY23	Total
OMN	\$302,963.47	\$302,963.47

4. Statutory Authority Permitting Other Than Full and Open Competition.

Pursuant to FAR Subsection 8.405-6(a)(1)(i)(B), only one source 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.

5. Rationale Justifying Use of Cited Statutory Authority.

The services required for supporting the S&T portfolio in the area of Operational Energy are highly specialized and require a unique combination of technical expertise and relationship to the technical community labs and program office. A deep understanding of the Operational Energy Office and alignment to SECNAV Energy Goals, the DoD 5000 policies and processes, and Title 10 §2912 is crucial for the successful identification and transition of Operational Energy initiatives. In particular, the current contractors are supporting the Operational Energy office at a critical time for three capability gaps associated with the analytics and engineering portfolio in Directed Energy (DE), battery standardization and supply chain resiliency, and biofuels. Herren Associates, Inc. has developed specialized expertise in the employees supporting these three gap areas as they relate to Navy, and how these gaps in DE, battery standardization and supply chain resiliency, and biofuels are understood and communicated across key Naval organizations. Their team of subject matter experts in Naval policy, acquisition, and requirements possess the critical knowledge of Naval capability gaps that is necessary

to enable the Operational Energy office to support Fleet and warfighter needs. Herren Associates, Inc. employees possess the unique technical background in Navy's Operational Energy efforts that is required to provide continuity for work supporting the S&T portfolio analytics over the next five months in these three critical areas.

During this sensitive time when coordination is emerging within defense on power and thermal in support of DE, the multi-program perspective on vulnerabilities and requirements for batteries, and the operational benefits to extending fuel efficiency with biofuels, it is crucial to have a team that has a deep understanding of the technical community labs and program offices while also having the specialized technical expertise to assess the range of efforts in thermal management and high power energy storage, generation, and distribution in the portfolio. Herren Associates Inc. has the required expertise and relationships that make them uniquely qualified to support the coordination of the organization of the S&T portfolio.

Currently, the Operational Energy Office is down selecting ~ \$75M worth of Operational Energy projects for the Energy Resilience, Efficiency, mission Assurance, energy Conservation, Training and education, and energy Security (REACTS) program that will result in fuel reduction and energy savings across the Fleet. Herren Associates has been crucial in establishing the process for this project selection in prior years and it is crucial that their support is maintained during this selection process to ensure the Navy is investing in the necessary technologies that will enable warfighting capability.

In conclusion, the highly specialized nature of the services required, combined with the need for continuity and technical expertise during a sensitive time, makes Herren Associates Inc. the only source that can provide the services required at the level of quality required. Other vendors may eventually be able to learn this expertise, but this is not an acceptable time frame for operational energy at this time. Therefore, it is recommended that the short-term support contract be awarded to Herren Associates Inc.

6. Description of Efforts Made to Solicit Offers from as Many Offerors as Practicable.

Pursuant to FAR Subpart 8.405(a), synopsis of this action is not required, as Herren Associates, Inc. multiple award schedule (MAS) issued against a Federal Supply Schedule (FSS).

A Source sought was posted to SAM.GOV on April 10, 2023 and received seven responses, four small business concerns and three large businesses. Their proposals indicated that the vendors did not have the sufficient experience and/or knowledge to provide these services and considered a high risk to the Government.

7. Determination of Fair and Reasonable Cost.

The General Services Administration (GSA) Contracting Officer secured additional discounts off of the GSA pricing, prior to awarding the MAS. As such, the price is considered fair and reasonable as adequate price competition took place prior to award of the GSA schedule.

8. Actions to Remove Barriers to Future Competition.

CMD will seek to compete future contracts for the type of supplies and services. This will be accomplished surveying the industrial base or market, as well as, issue sources sought via the system for award management.

9. Contracting Point of Contact

The point of contact at DON/AA, (CMD) is Ms. Lisa Coyle, lisa.t.coyle1.civ@us.navy.mil.

**CERTIFICATIONS AND
APPROVAL**

TECHNICAL/REQUIREMENTS CERTIFICATION

I certify that the facts and representations under my cognizance which are included in this Justification and its supporting acquisition planning documents, except as noted herein are complete and accurate to the best of my knowledge and belief.

TECHNICAL AND REQUIREMENTS COGNIZANCE:

[REDACTED]

4/24/2023

Date

HIGHER LEVEL REVIEW

I have determined this Justification is sufficient.

I
[REDACTED]
S

Date

CONTRACTING OFFICER CERTIFICATION

I certify that this Justification is accurate and complete to the best of my knowledge and belief. To the extent that the J&A/LSJ value is between \$250K and \$750K, the Contracting Officer's signature below also represents approval of the J&A/LSJ.

[REDACTED]

4/24/2023

Date