

**JUSTIFICATION AND APPROVAL
FOR OTHER THAN FULL AND OPEN COMPETITION**

- 1. Contracting Activity:** U.S. Army Research, Development and Engineering Command (RDECOM) Contracting Center, Aberdeen Division, ATTN: CCRD-AP-CO, Aberdeen Proving Ground, MD 21005-3013
- 2. Description of Action:** Approval is being requested to issue a sole source Firm-Fixed-Price contract in support of the US Army's Rapid Equipping Force (REF) to IEC Infrared Systems Inc.(Small Business), 7803 Freeway Circle, Middleburg Heights Ohio 44130-6308, CAGE: 1X9K8 (440) 234-8000 for procurement of 20 Multi-Sensory Pan Tilt Imaging Systems. The previous procurement of these systems, known as "Osprey," was accomplished through an authorized distributor of IEC Infrared Systems, Sierra Pacific Innovations Corporation, under contract W9124Q-07-P-0117.
- 3. Description of Supplies/Services:** The requested systems are a ruggedized Multi-Sensory Pan Tilt Imaging Systems with thermal long range closed-circuit TV zoom camera. These systems are mounted to the roofs of security towers surrounding a Forward Operating Base (FOB) in the CENTCOM Area of Operations enabling detection of individuals approaching the FOB perimeter 24 hours a day. This system rotates 360 degrees, and has a Global Positioning System vectoring system to allow the FOB security forces to accurately relay the location of individuals approaching the FOB perimeter. This system passed Army Test and Evaluation Command (ATEC) testing in October 2008 and meets all military standards. The total estimated price of this procurement is
- 4. Authority Cited:** The authority permitting other than full and open competition for this action is 10 U.S.C. 2304(c)(1), as implemented by FAR 6.302-1, entitled "Only One Responsible Source and No Other Supplies or Services Will Satisfy Agency Requirements".
- 5. Reason for Authority Cited:** The authority under FAR 6.302-1(a)(2)(ii)(A) and FAR 6.302-1(a)(2)(ii)(B) is cited as award to any other source would result in substantial duplication of cost to the Army for testing and unacceptable delays in fulfilling the war fighter's requirements. The "Osprey" systems manufactured by IEC Infrared Systems Inc. have passed ATEC testing, and can begin delivery 30 - 45 days following contract award. Delivery of these systems is required no later than 30 October 2010. IEC Infrared Systems Inc. is the only contractor who can meet the required delivery schedule and whose product meeting the required specifications has passed ATEC testing.
- 6. Efforts to Obtain Competition:** A Sources Sought (W91CRBRF11006) posting to FEDBIZOPPS was conducted 8 - 22 June 2010 to identify if there are any commercial sources available that could meet the requirements of this procurement. The Sources Sought received responses from sixteen (16) different manufacturers with twenty-two (22) proposed solutions. Only IEC Infrared Systems, could deliver the required capabilities needed now without need for any ATEC testing. As such, there is no recognizable benefit to posting a solicitation seeking

competitive proposals as this would only prolong the fielding of systems that are needed now and can be delivered by IEC Infrared Systems.

7. **Actions to Increase Competition:** In an effort to realize the benefits of competition (product/service, quality, timely delivery, lower prices, etc.) the REF staff is continually conducting market research. The REF intends to evaluate the future need for other systems in Operation Iraqi Freedom (OIF) and other locations. There is currently no known requirement for these systems. It is anticipated that should a future requirement for these systems arise, competition will be sought.

8. **Market Research:** A Sources Sought (W91CRBRFI1006) posting to FEDBIZOPPS was conducted 8–22 June 2010 to identify if there are any commercial sources available that could meet the requirements of this procurement. The Sources Sought received responses from sixteen (16) different manufacturers with twenty-two (22) proposed solutions. This market research informed the REF that only one of the responses received (from IEC Infrared Systems) meets the time frame for delivery following contract award, and their system require ATEC testing as it was previously tested. Furthermore, REF Project Officers Bryce Cumbie and Greg O'Neil conducted market research regarding other potential systems that could meet the current requirement. In addition to reviewing past systems fielded by the REF Program Office, the Project Officers contacted the Army's Force Protection Services (FPS) Program Office, which specializes in fielding perimeter security equipment. The resulting determination was that there were no systems identified that could meet the requirements being sought in the required time frame. The REF Project Officers also contacted ATEC personnel in order to develop the estimate as to how much time would be required to have an untested system complete ATEC testing.

9. **Interested Sources:** Based on the number of responses received to the Sources Sought identified in Paragraph 8, indication is there are commercial sources who would be interested in a solicitation. As discussed in Section 6, a Sources Sought notice was issued to find potential alternative solutions to the requirement.

A synopsis advertising the intent to award this sole-source action was posted on 25 August 2010. To date, there have been no responses.

10. **Other Facts:**

a. **Procurement History:** The previous procurement of these systems, was accomplished in 2007 through the competitive award of contract W9124Q-07-P-0117 to an authorized

distributor of IEC Infrared Systems, Sierra Pacific Innovations Corporation. The genesis of the current requirement for 20 Osprey systems is the expansion of perimeters surrounding two separate Forward Operation Bases (FOB) in OIF South. As a result of Operation Reduction in Forces in OIF, the perimeter was expanded on both FOBs to accommodate equipment being transported from FOBs in the North and stored for Redistribution Property Accountability Team (RPAT) actions in the South while in route to Kuwait. The Osprey systems are placed in security towers surrounding these FOBs to detect individuals approaching the FOB perimeter during day or night.

b. Acquisition Data Availability: The salient characteristics of the system to be purchased can be met by commercial manufacturers. Due to the strict timeline by which these systems are required to be delivered and the requirement that the system to be deployed has previously been through ATEC testing, this procurement is unavailable for competition. No technical data package will be developed for this system as it is a commercial item.

c. Unusual and Compelling Urgency: Not Applicable

d. Subcontracting Competition: IEC is a small business. The appropriate subcontracting clauses will be included in the contract.

e. Follow-on Contracts: Per ATEC Pamphlet 73-1, the REF must ensure that all previously unapproved products to be fielded to theater successfully gain ATEC approval before delivery to Operation Enduring Freedom (OEF) or OIF. To have ATEC test a like-system would require unacceptable delay of this needed capability for several months (90 days) for testing at an expense of approximately \$125,000.00. The 90 days is comprised of 30 days for test preparation, 30 days for conducting testing and 30 days to produce test results.

Furthermore, the draw down in OIF has placed restrictions on sending additional contractor personnel into OIF. CENTCOM FRAGO 1056 JPIC 0102-1 has directed that any new contracts that require sending contractor personnel into OIF requires a General Officer endorsement which is anticipated would add several more weeks of delay to fielding of the equipment. Procurement of the Osprey system would negate this requirement as personnel in OIF are already trained on the operations and maintenance of the Osprey system. Procurement of a new like-system would require the contractor to send personnel into OIF for training of the users on the operations and maintenance of the new like-system. This would further delay having operational systems in place in a timely manner.

Also, adding a new system into OIF would require further cost in the support and maintenance of the new equipment. This would include, but not be limited to, developing a complete listing of spare parts, stock levels and stocking the needed replacement parts. Individuals would need to be identified for maintaining and repairing the equipment, and provided training for this new

equipment.

In summary, the estimated duplication of costs would be \$135,700.00, which is approximately 11.5% of the total contract value. The estimated unnecessary delay would be at least 90 days. Additionally, there is unnecessary risk in sending contractor support to OIF to provide training support services that are not required if the Osprey system is purchased.