

Limited Sources/Sole Source Rationale

1. REQUIRING AGENCY AND CONTRACTING OFFICE:

Requesting Agency:

Norfolk Naval Shipyard (NNSY)
Building 74, Warrington Avenue,
Portsmouth, Virginia 23709

Pearl Harbor Naval Shipyard
667 Safeguard Street, Suite 100
Joint Base Pearl Harbor - Hickam, Hawaii 96860-5033

Puget Sound Naval Shipyard and Intermediate Maintenance Facility (PSNS & IMF)
Building 850-A, 5th Floor
1400 Farragut Avenue
Bremerton, Washington 98314

Contracting Office:

Defense Information Systems Agency (DISA)/Defense Information Technology Contracting
Organization (DITCO)/PL8321
2300 East Drive,
Scott Air Force Base, Illinois 62225

2. Procurement Title: Aerva, Inc.'s Software Support Renewal with Reinstatement
Funding Documents: N3225320MP14152, N4215820MP00091, N4523A20MP044v3
Purchase Request Number: To be determined (TBD)
Contract Number: TBD
[REDACTED]
NAICS: 511210, \$41.5 million sales size standard

3. Statutory Authority: 10 U.S.C. 2304(c)(b) and Regulatory Authority of Federal Acquisition Regulation (FAR) is FAR 13.106-1(b)(1): Soliciting from a single source for purchases not exceeding the simplified acquisition threshold. Contracting officers may solicit from one source if the contracting officer determines that the circumstances of the contract action deem only one source reasonably available (e.g., urgency, exclusive licensing agreements, brand name or industrial mobilization).

4. Description of Action: Brand name, commercial, proprietary, Aerva, Inc.'s software, software support renewal and reinstatement support is required for existing media player hardware for the three public shipyards: Norfolk Naval Shipyard, Pearl Harbor Naval Shipyard, and Puget Sound Naval Shipyard. Aerva, Inc. is a large business and the software owner or original equipment manufacturer (OEM). They own the software rights to the products and sell directly through open-market purchase order. There are no resellers. The Aerva hardware requires the software support renewal to provide functions associated with hardware capabilities.

The Aerva, Inc. hardware are digital signage devices certified for use on the Navy networks.

[REDACTED]

5. Proposed Sole Source Contractor: Avera, Inc. is the only authorized source. They are the OEM and there are no authorize resellers.

6. Market Research: Market research was conducted in February – May 2020. The research was completed using internet searches, reviews of literature, and communications with Navy stakeholders and software/hardware entities. The Navy determined that only the Aerva, Inc. renewal/reinstated support would satisfy agency requirements. The requirement items are not available through a Department of Defense Enterprise Software Initiative Blanket Purchase Agreements, General Services Administration, or National Aeronautics and Space Administration Solutions for Enterprise-Wide Procurement order. The HC1028D0005 contract vehicle is available for hardware purchases of Aerva, Inc. Software/support procurements are not available through this contract. The brand-name software support is available only through the OEM, which is a large business. They sell directly through open-market order. There are no resellers. No small businesses are available that can fulfill this requirement.

Based on current market research, dated May 2020, it has been determined that only the aforementioned brand-name product and/or product support provided by Avera, Inc., can fully support the Government's need. This requirement is for proprietary products and/or product support and no competitor functional replacement products exist in the market at this time to meet the Government's need. The Government will continue to conduct market research to determine if there are changes in the market place that would enable future competitive actions, i.e. there are similar products and/or product support in the marketplace that provides the same functionality, the OEM releases ownership rights of product, or it is economically feasible to procure a new system.

7. Upon the basis of the following justification, I, as the Contracting Officer, hereby approve this sole source justification for the proposed contract action pursuant to the authority cited above as the particular brand-name product is essential to the Government's requirements, and market research indicates other companies' products or services do not meet, or cannot be modified to meet, the agency's needs.

Based on the justification provided by the Navy, a determination has been made to issue a sole source solicitation to Avera, Inc., the OEM, and advertise the combined synopsis/solicitation on the Contracting Opportunities website for the above-described requirement.

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