CONSOLIDATION OF CONTRACT REQUIREMENTS DETERMINATION FOR BASE OPERATION SUPPORT SERVICES (BASOPS) AT FORT STEWART, GA

(As prescribed by FAR 7.107-2 and AFARS 5107.107-2)

RATIONALE

1. **Rationale:** Consolidation may provide substantial benefits to the Government. However, because of the potential impact on small business participation, before conducting an acquisition that is a consolidation of requirements with an estimated total dollar value exceeding $2 million, pursuant to FAR 7.107-2(b), a written determination shall be made that the consolidation is necessary and justified in accordance with 15 U.S.C. 657q, after ensuring that--

(a) In accordance with FAR 7.107-2(a)(1) market research was conducted in support of this consolidation as demonstrated in the Market Research Report for Base Operations and Maintenance Support Services in support of Fort Stewart and Hunter Army Airfield, GA (please see associated PCF file).

(b) Any alternative contracting approaches that would involve a lesser degree of consolidation have been identified;

(c) The determination is coordinated with the agency's Office of Small Disadvantaged Business Utilization or the Office of Small Business Programs;

(d) Any negative impact by the acquisition strategy on contracting with small business concerns has been identified; and

(e) Steps are taken to include small business concerns in the acquisition strategy.

Pursuant to FAR 7.107-2(b), the senior procurement executive or Chief Acquisition Officer may determine consolidation of a contract requirement is necessary and justified if the benefits of the acquisition strategy substantially exceed the benefits of each of the possible alternative contracting approach identified above.

2. In accordance with (IAW) the MICC Deskbook Appendix GG and AFARS Appendix GG the approval authority for consolidation above $2,000,000 and below $500,000,000 is delegated to the Senior Contracting Official level.

3. **Introduction:** The Mission and Installation Contracting Command - Installation Readiness Center (MICC-IRC) on behalf of Headquarters, Installation Management Command (IMCOM), plans to solicit offers for a Base Operations Support Services (BASOPS) contract for Fort Stewart, GA. The Fort Stewart Directorate of Public Works (DPW) and MICC-IRC has conducted market research that demonstrates consolidation of this procurement is both necessary and justified.

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FAR 2.101 defines consolidation or consolidated requirement as:

> (a) Means a solicitation for a single contract, a multiple-award contract, a task order, or a delivery order to satisfy-
>
> > (i) Two or more requirements of the Federal agency for supplies or services that have been provided to or performed for the Federal agency under two or more separate contracts, each of which was lower in cost than the total cost of the contract for which offers are solicited; or
> >
> > (ii) Requirements of the Federal agency for construction projects to be performed at two or more discrete sites.
>
> (b) "Separate contract" as used in this definition, means a contract that has been performed by any business, including small and other than small business concerns.

3. **Description of the Procurement Action:** The objective of this contract is to provide United States Army Garrison (USAG), Fort Stewart with base operations support services including, without limitation, unaccompanied housing services, facilities engineering services management, pest management, snow, ice, sand removal, maintenance of facilities, and maintenance and repair of surfaced and unsurfaced areas. The Contractor is required to perform to the standards specified in the Performance Work Statement (PWS) for Solicitation number W5168W25R0030.

Currently, the requirements are procured via four (4) separate contracts: one contract is for BASOPS, the second contract is for scales inspection and maintenance services; the third is for servicing of grease traps, and the fourth contract is for elevator maintenance and repair services. The BASOPS contract is currently provided through a Service-Disabled Veteran Owned Small Business (SDVOSB) set-aside. This action proposes to consolidate these four (4) separate contracts into a single contract. The total estimated value of the contract after consolidation will be $286,566,010.20, consisting of a sixty (60)-day phase-in period, a ten (10) month base period, and four (4) one-year options. The contract will also include the Extension of Services clause at FAR 52.217-8.

Details concerning the BASOPS contract are as follows:

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Contract #	POP	Company Name	Type of Acquisition	Total Contract Dollar Value
W9124M-20-D-0001	01 SEP 20 to 31 AUG 25	Pegasus Support Services, LLC (SDVOSB Set-aside)	FFP	$191,299,187.87

The scales inspection and maintenance contract is currently a 100% Small Business (SB) set-aside. Details concerning the scales inspection and maintenance services contract are as follows:

Contract #	POP	Company Name	Type of Acquisition	Total Contract Dollar Value
W9124M-23-P-0089	01 NOV 23 to 31 OCT 28	Southern Industrial Scales, LLC (SB Set-aside)	FFP	$301,100.00

The grease traps servicing contract is currently a 100% Small Business (SB) set-aside. Details concerning the grease traps servicing contract are as follows:

Contract #	POP	Company Name	Type of Acquisition	Total Contract Dollar Value
W9124M-20-P-0052	01 SEP 20 to 31 AUG 25	Oreogin, Inc. (SB Set-aside)	FFP	$633,360.00

The elevator maintenance and repair services contract is currently a 100% Small Business (SB) set-aside. Details concerning the elevator maintenance and repair contract are as follows:

Contract #	POP	Company Name	Type of Acquisition	Total Contract Dollar Value
W9124M-21-P-0040	30 AUG 21 to 31 AUG 26	Heritage Services, LLC (SB Set-aside)	FFP	$783,030.33

IMCOM's category management approach to BASOPS includes consolidating these requirements into a single FFP base operations support contract that will be set-aside as a competitive small business acquisition. This approach will bring consistency in contract management for IMCOM.

The North American Industry Classification System (NAICS) code for this requirement is NAICS Code 561210, Facility Support Services. The size standard for NAICS Code 561210 is $47M. The applicable Product Service Code (PSC) for this requirement is S216 – Housekeeping - Facilities Operations Support.

4. **Results of Market Research:** In accordance with FAR 7.107-2(a)(1) market research was conducted in support of this consolidation (see associated PCF cabinet for the MRR).

The MICC-IRC posted a Sources Sought Notice (SSN) on SAM.gov on 21 June 2023, with responses due 11 July 2023. The SSN requested responses from interested offerors having the required specialized capabilities/qualifications to support base operation support services, to include scales inspection and maintenance, grease traps servicing, and elevator maintenance and repair.

A total of fifteen capability statements were received; all identified as either 8(a), SDVOSB, HUBZone, EDWSOB, Tribally owned or SB small businesses; and six of those fifteen responses were considered capable. The table below details all responses received:

Vendor/CAGE/DUNS	Category	Technical Capability
Allure Management Solutions, LLC/8JWD8/117386787/UEI: CRNTJAMNUQB4	SDVOSB, WOSB, EDWOSB	Not Capable
GENCO General Contractors/8Q8J8/UEI: Q7MHYRJYBL37	8(a), HUBZone, WOSB, EDWOSB, SDB	Not Capable
KETA Environmental & Infrastructure/UEI: HGEUD1JYZHY3	SB, 8a	Capable

VK2, LLC/9J5G8/UEI:PN41K2XDGLD5	SB	Not Capable
Akima Facilities Operations, LLC/7W2NI/UEI: K218AKKG7SH6	8(a), SDB	Capable
Puyenpa Construction, LLC/8EUM5/UEI: DGCQQJQCN4X8	Tribally Owned, 8(a), HUBZone, SDB	Not Capable
Chugach Solutions Enterprise, LLC/8CK53/UEI: N6LCFMKNCNT5	8(a), SB, SDB	Capable
GSD Services, LLC/9F2S5/UEI: DWT3KHVD5M71	SB	Capable
TBP & JJ Worldwide Services/9AWA7/UEI: TF29Z6F157S8	8(a), SDB	Not Capable
Tsay Services, Inc./6TUH9/UEI: EBU7YETPLK66	8(a), HUBZone, SDB	Capable
VetPride-EMI Maintenance Solutions, LLC/9G6W0/UEI: UT7WNS3MMQH9	SB	Capable
San Andres Property, Operations & Management Services/8PP03/UEI: C49PJMLCNAR4	8(a), SDB	Not Capable

OJ's Janitorial & Sweeping Service, LLC/58S42/961550449/UEI: TAW4WYQ1QEM8	SB	Not Capable
Sanford Federal, Inc. /87DG6/116842913/UEI: RBCJDAS355L9	Large Business	Not Capable
Government Contracting Resources, Inc./0MRL5/614155380/UEI: VHJTJ4CK3SU1	SDVOSB	Not Capable

Of the six respondents determined capable, four (4) qualify as 8(a), one qualifies as a HUBZone, four (4) qualifies as a SB, three (3) qualifies as a SDB and none qualify as a SDVOSB. Based on the capability review, there were at least two or more 8(a) companies that were determined to be potentially capable of performing this work.

The MICC-IRC posted an amended SSN on SAM.gov on 25 January 2024, with responses due 2 February 2024. The amended SSN requested interested offerors having the required specialized capabilities/qualifications to support base operation support services, to specifically identify and includes scales inspection and maintenance, grease traps servicing, and elevator maintenance and repair.

A total of fourteen capability statements were received; all identified as either 8(a), SDVOSB, HUBZone, EDWSOB, Tribally owned or SB small businesses; and five of those fourteen responses were considered potentially capable of performing this work. The table below details all responses received:

Vendor/CAGE/DUNS	Category	Technical Capability
GENCO General Contractors/8Q8J8/UEI: Q7MHYRJYBL37	8(a), HUBZone, WOSB, EWOSB	Not Capable
VK2, LLC/9J5G8/UEI:PN41K2XDGLD5	SB	Not Capable

VetPride-EMI Maintenance Solutions, LLC/9G6W0/UEI: UT7WNS3MMQH9	SB	Capable
OJ's Janitorial & Sweeping Service, LLC/58S42/961550449/UEI: TAW4WYQ1QEM8	SB	Not Capable
Government Contracting Resources, Inc./0MRL5/614155380/UEI: VHJTJ4CK3SU1	SDVOSB	Not Capable
US&S Facility Services/3EF96/UEI: G5ZNNT3951L3	SB	Capable
Pegasus Support Services, LLC/5LKZ4/UEI: S9PQZM9ZTKT7	SB	Capable
US&S-Pegasus JV, LLC/9CTN6/UEI: TAARYHLTM6R9	SB	Capable
Denamita/7H8H0/UEI: ZBCWK8LDE7C5	8(a), SDB	Not Capable
Midnight Sun Technologies, LLC/7DG52/UEI: ZKR5F6EZNAD2	8(a) ANC Subsidiary, Tribally Owned	Not Capable
Four Seasons Environmental, Inc/02PC7/UEI: FTZHLEADDKR9	SB	Not Capable
Tech Systems, Inc /OYKH7/UEI: RGERMRLQ2E64	SB	Not Capable
KIRA Aviation Services, LLC dba Kira Operations Support/7WQP4/UEI: DQACJNHZH8G5	8(a), SDB, HUBZone, Tribally Owned	Capable

Akima Facilities Operations, LLC/7W2NI/UEI: K218AKKG7SH6	8(a), SDB	Capable

Of the six (6) respondents determined capable from the amended SSN posting, two qualified as 8(a), three qualify as SB, one qualified as a Tribally Owned HUBZone SDB and none qualified as a SDVOSB. Based on the capability review, there were at least two 8(a)s and SBs that can perform this work. Prior contracts have been successfully performed by small businesses and SDVOSB.

Market research for this solicitation revealed a sufficient number of potential contractors in the 8(a) and SB categories. Based on that data and the FY25 Socioeconomic goals for MICC-Stewart, it was determined that the Government will receive adequate competition and better support its goals using an 8(a) set-aside. Notwithstanding that the current BASOPS contract is an SDVOSB set-aside which accounted for approximately 80% of the FY24 SDVOSB goals for MICC-Stewart, the Market Research as indicated by the responses to both SSNs does not demonstrate there are any SDVOSBs that are capable of performing these consolidated services.

5. **Alternative Contracting Approaches and Rationale for Rejection:** In accordance with FAR 7.107-2(a)(2), An alternative contracting approach to consolidation is to continue to award these requirements through separate contract vehicles as is the current practice. This alternative was rejected by Mr. Randall J. Robinson, IMCOM Executive Deputy to the Commanding General, during the Service Requirements Review Board (SR2B) phase, as the alternative would endanger the success of the Army's category management mission, and it does not comply with IMCOM Operation Order (OPORD) 24-105. IMCOM requires that garrisons evaluate their portfolio of service contracts to identify any redundant municipal service contracts for services performed outside of the current BASOPS contract, where consolidation may enable IMCOM to improve service(s) and/or reduce costs. Having numerous smaller contracts with such a minimal annual spend makes it more difficult and costly to manage, than if these services were consolidated into the overall base operation support services contract. This is due to the increased personnel costs due to salaries, wages, fringe benefits and other entitlements associated with additional in-house contractor labor and supervisory personnel. Awarding separate contracts for these services would diminish consistency in the delivery of the PWS, reduce efficiency through disparate oversight across the government, inefficiently apply labor resources, and reduce enterprise-level quality standard management. Continuing with separate contracts for these services will render IMCOM unable to successfully accomplish its category management mission, as a result of no cost savings, disparate terms and conditions, increased acquisition cycle

time, and no discernable quality improvements. Furthermore, continuing with separate contracts is inconsistent with OPM, DoD, and Army category management objectives.

The only other identified alternative strategy for procuring these services is the use of Intergovernmental Support Agreements (IGSAs). IMCOM has realized financial and nonfinancial benefits from using IGSAs with local or state governments to obtain individual and specific installation services, such as waste removal, grounds maintenance or stray animal control. In some cases, IGSAs can result in cost savings, in which the actual cost of each IGSA during its first year of performance was lower than the expected cost of a contract the installation had previously used to obtain the installation services. IGSAs also can provide nonfinancial benefits, such as enhanced mission effectiveness and readiness, reduced administrative time, and improved relationship with local communities. IMCOM has a formal process established for monitoring the financial and nonfinancial performance of implemented IGSAs.
Fort Stewart has pursued and put in place several IGSAs for specific services, but these are separate from the services being consolidated under this determination. Fort Stewart has an IGSA with the City of Hinesville for grounds maintenance for high visibility and semi-improved grounds with an annual cost of $2,813,026. However, the BASOPS contract requires maintenance of unimproved areas, drainage canals, inside fenced off wells and HVAC systems. Fort Stewart also has IGSAs with the City of Hinesville for water tower maintenance with an annual cost of $80,300; with Chatham County for animal services at the Hunter Army Airfield (HAAF) with an annual cost of $10,500; and with Long County for animal services at a cost of $200/per call out. The consolidated contract requires services that are much broader than those provided by these IGSAs. Fort Stewart also has other IGSAs in place for services not related to base operation support services. Fort Stewart has leveraged the use of IGSAs to the maximum extent practicable to date, and use of an IGSA(s) is not a viable approach in this case.

6. **Coordination with the Office of Small Business Programs**. In accordance with FAR1.702-2, The MICC-IRC Director has coordinated this consolidation with the MICC Small Business Professional, and he agrees that the current guidance provided by OMB, DoD and the Army make consolidation critical to the Army's mission success while not materially decreasing any opportunities for small businesses.

7. **Steps taken to include small business concerns in the acquisition strategy**. As discussed above, the current BASOPS contract was awarded to a SDVOSB; and the scales inspection and maintenance services, the grease trap services, and the elevator maintenance and repair services contracts were all awarded to small businesses. The consolidated contract will also be awarded to a small business [or 8(a)]. The MICC

Small Business Professional concurs with this consolidation. Thus, the acquisition strategy takes into account small business concerns.

8. **Consolidation Benefit Analysis:** While the quantifiable benefit in terms of dollars does not meet the 5% cost savings threshold delineated in FAR 7.107-2(d)(1)(ii), IMCOM estimates consolidation will yield a potential cost savings of $634,410.77 (approximately 0.023% of the estimated consolidated contract value) over the five (5) years of the contract. This potential savings represents approximately 71% of the existing contract value of the scales inspection and maintenance, grease traps servicing, and elevator maintenance and repair services. The contract value of those services are just a small fraction (i.e., less than ½%) when compared to the contract value of the existing BASOPS services, and thus falls short of the 5% savings threshold in FAR 7.107(d)(1)(ii).

However, IAW FAR 7.107(e)(1)(i) and (ii), consolidation is appropriate because the consolidation is critical to the Army's mission success, and the procurement strategy provides for maximum practicable participation by small business.

In accordance with FAR 7.107-2(e)(1)(i), the benefits resulting from this consolidation are critical to the Army's mission success. First, this consolidation will align the acquisition strategy to the guidance established in the Office of Management and Budget (OMB) Memo M-19-13, "Category Management: Making Smarter Use of Common Contract Solutions and Practices," dated March 20, 2019. As used in OMB Memo M-19-13, the term "category management" refers to the business practice of buying common goods and services as an enterprise to eliminate redundancies, increase efficiency, and deliver more value and savings from the Government's acquisition programs. Specifically, page 2 of the OMB Memo states, "The Government must take action now to buy more like an enterprise, and less like hundreds of individual entities, for common requirements needed to meet core mission goals." Additionally, Attachment 2 to the OMB Memo states that agencies "are encouraged to identify accountable officials who can increase the use of existing contracts, contribute subject matter experts, and drive the adoption of category management principles in their agencies." Thus, OMB Memo M-19-13 provides compelling support for this consolidation, because buying services as an enterprise furthers the goal of achieving category management.

Similarly, DoD established its Category Management Charter in September 2022. Para. 1.1.6 of the Charter provides, "The DoD does not possess the organic capability to produce all the common goods and services that it requires in order to accomplish its mission. Consequently, the DoD procures those essential goods and services from the

private sector at significant annual expense. Inefficiencies in those activities (whether attributable to inadequate understanding of the market, unnecessary or poorly defined requirements, lack of standardization, variations in price and scope across the enterprise, or other similar shortfalls) produce unnecessary expense and reduce funds available for modernization and readiness." The DoD Charter provides strong support for this consolidation, because this action will help to facilitate standardization of these services across the IMCOM footprint.

The Army has also embraced Category Management in a 6 February 2020 memorandum, titled, "Category Management Implementation and Execution." Para. 4 of this memorandum provides, "Army requiring and contracting activities should limit the use of standalone contracts for the purchase of common goods and services." Army Material Command (AMC) tracks the progress on category management initiatives made by its subordinate organizations. IMCOM, as one of AMC's subordinate organizations, is required to submit quarterly reports to AMC demonstrating its progress and compliance with these OMB, DoD and Army directives. Thus, Army policy also provides significant support for this proposed consolidation, as this initiative is intended to reduce the number of standalone contracts for the purchase of common services.

This consolidation will allow IMCOM to actively manage its Spend Under Management (SUM) in buying the same kinds of goods and services through best value solutions across its footprint. Increasing SUM will eliminate redundancies, increase efficiency and deliver more value and savings to the Army through standardization of contracting type and standardization of PWS'. This approach also builds predictability for Soldiers and Families regarding the level of service they can expect from one installation to another.

By consolidating service contracts supporting real property management and facility maintenance into a single contract, IMCOM can develop a standard level of service across its footprint to better manage a portfolio of services critical to the efficient operation of a large garrison like Fort Stewart (home to several units and agencies, including six (6) Army major Divisions and Brigades, and nineteen (19) Garrison directorates and activities of the Department of the Army). Consolidation will provide a mechanism for gaining valuable insight into both the demand signals for the services required and the quality of the services delivered. In addition, standardizing the contract portfolio through consolidation will aide in creating better predictability for tenants, Soldiers and their Families that use the services, and will reduce cycle times for critical facility support, as it will simplify the process of responding to maintenance requests, leading to measurable benefits as IMCOM customers will already be familiar with the processes used by IMCOM across its footprint for these types of services. In addition, the time, energy, resources, and manpower it takes for each contract to be solicited and awarded, versus a consolidated contract for all three requirements, is significant.

IMCOM is specifically directing its components to align to the category management principles delineated above via OPORD 23-028 (which is currently in staffing). Para. 3.A.1 of that OPORD provides, “Standardization is key to effectively managing the IMCOM acquisition portfolio. The IMCOM Enterprise BASOPS PWS provides standards and consistency in the delivery of municipal services while eliminating contract inefficiencies and redundancies. Ultimately, the IMCOM Enterprise BASOPS PWS seeks to provide a standard [quality of life] for our Soldiers, Families, and Civilians.” As IMCOM is able to demonstrate the Command’s progress and sophistication in adopting SUM practices, it will allow AMC to re-classify these obligations from “Tier 0,” which is unaligned spending absent category management principles, to “Tier 1,” which is spending managed at the agency-wide level with supporting mandatory-use policies and strong contract management practices.

Based on the above discussed benefits, the benefits that would result from the proposed consolidated Fort Stewart base operations contract are necessary and critical to the Army’s mission success. Consolidation will further the OMB’s, DoD, and the Army’s category management goals, establish consistent Standard Levels of Service, reduce unnecessary expenses, and increase the funds available for modernization and readiness, which are two of the Army’s current top priorities.

9. In accordance with FAR 7.107-2(e)(1)(ii), the procurement strategy provides for maximum practicable participation by small business. All of the subject contracts have been performed by small businesses. In addition, the resulting consolidated contract is also suitable for award to a small business concern.

10. **Summary:** As mentioned above, consolidation of scales inspection and maintenance; grease traps; and elevator maintenance and repair into the base operations support services contract at Fort Stewart supports the broader government wide initiatives in support of category management. Most importantly, consolidation supports IMCOM’s efforts to implement OMB, DoD and Army guidance by standardizing the approach to base operation support services, and helps ensure consistency and predictability, as IMCOM endeavors to improve both the quality and efficiency of its service delivery model.

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DETERMINATION

Based on the foregoing, I hereby determine, pursuant to Federal Acquisition Regulation 7.107-2 and Army Federal Acquisition Regulation Supplement 5107.107 that the consolidation of the requirements for base operation support services, scales inspection and maintenance; grease traps; and elevator maintenance and repairs both necessary and justified and will serve the best interests of the Government.

[redacted]

AUNDAIR D. KINNEY
Senior Contracting Official (SCO), Acting in the Absence of the SCO

Date: See Digital Signature