

2. AMENDMENT/MODIFICATION NO. P00026	3. EFFECTIVE DATE 20-19-09	4. REQUISITION/PURCHASE REQ. NO.	5. PROJECT NO. (if applicable)
6. ISSUED BY DEFENSE LOGISTICS AGENCY DEFENSE SUPPLY CENTER PHILADELPHIA 700 ROBBINS AVENUE PHILADELPHIA, PA 19111 Margaret Conforto (215-737-2871)	CODE	7. ADMINISTERED BY (if other than item 6)	CODE

8. NAME AND ADDRESS OF CONTRACTOR (No., street, county, State and ZIP Code) US FOODSERVICE LEXINGTON 120 LONGS POND ROAD LEXINGTON, SC 29072	9A. AMENDMENT OF SOLICITATION NO. 4	
	9B. DATED (SEE ITEM 7?)	
	10A. MODIFICATION OF CONTRACT/ORDER NO. SPM300-08-D-3057	
CODE 9P251	FACILITY CODE 9P251	10B. DATED (SEE ITEM 7?) 04/16/04

11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS

The above numbered solicitation is amended as set forth in item 14. The hour and date specified for receipt of offers is amended, is not extended.

Offer must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended, by one of the following methods:

(a) By completing items 8 and 15, and returning _____ copies of the amendment; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or telegram which includes a reference to the solicitation and amendment numbers. FAILURE OF YOUR ACKNOWLEDGMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER. If by virtue of this amendment you desire to change an offer already submitted, such change may be made by telegram or letter, provided each telegram or letter makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.

12. Accounting and Appropriation Data (if required)

13. THIS ITEM APPLIES ONLY TO MODIFICATIONS OF CONTRACTS/ORDERS, IT MODIFIES THE CONTRACT/ORDER NO., AS DESCRIBED IN ITEM 14.

<input type="checkbox"/> A. THIS CHANGE ORDER IS ISSUED PURSUANT TO: (Specify authority) THE CHANGES SET FORTH IN ITEM 14 ARE MADE IN THE CONTRACT ORDER NO. IN ITEM 10A.
<input type="checkbox"/> B. THE ABOVE NUMBERED CONTRACT/ORDER IS MODIFIED TO REFLECT THE ADMINISTRATIVE CHANGES (such as changes in paying office, appropriation data, etc.) SET FORTH IN ITEM 14, PURSUANT TO THE AUTHORITY OF FAR 43.103(b).
<input checked="" type="checkbox"/> C. THIS SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF: Far 43.103 (a) (1)
<input type="checkbox"/> D. OTHER (Specify type of modification and authority)

E. IMPORTANT: Contractor is not, is required to sign this document and return _____ 1 _____ copies to the issuing office.

14. DESCRIPTION OF AMENDMENT/MODIFICATION (Organized by UCF section headings, including solicitation/contract subject matter where feasible.)

- The contract expiration date is hereby extended by 365 days from June 20, 2009 through June 19, 2010.
- The funding amount for this contract will be \$32,685,649.62
- Distribution fees will remain the same in the Option 4 period.

Except as provided herein, all terms and conditions of the document referenced in item 9A or 10A, as heretofore changed, remains unchanged and in full force and effect.

15A. NAME AND TITLE OF SIGNER (Type or print) STEVEN M. RUSSELL VP NATIONAL ACCOUNTS	16A. NAME AND TITLE OF CONTRACTING OFFICER (Type or print) Joseph Hauser
15B. CONTRACTOR/OFFEROR Steven M. Russell <i>(Signature of person authorized to sign)</i>	15C. DATE SIGNED 6/19/09
17B. UNITED STATES OF AMERICA BY <i>(Signature of Contracting Officer)</i>	18C. DATE SIGNED 6-19-09

NSN 7540 01-152 8070
PREVIOUS EDITION UNUSABLE

PerFORM (DLA)

STANDARD FORM 30 (REV. 10-83)
Prescribed by GSA
FAR (48 CFR) 53.243

JUSTIFICATION FOR OTHER THAN FULL AND OPEN COMPETITION
PRIME VENDOR SUBSISTENCE
SOUTH CAROLINA

1. The Defense Logistics Agency (DLA), Defense Supply Center Philadelphia (DSCP), Directorate of Subsistence is the contracting activity.
2. The action being approved is the ability to solicit for DLA requirements on an other than full and open competition basis.
3. The proposed acquisition will be indefinite-delivery, indefinite quantity, firm-fixed price bridge contracts for a period of 365 days to provide for perishable and semi-perishable subsistence supplies, various fresh produce items and Food Service Operating Supplies (FSOS) to our customers in South Carolina under contracts SPM300-08-D-3057, 3243 and N067, respectively. All three contracts have the same expiration date and will be bridged for the same period of time (365 days). Based on current annual usage/sales, the estimated dollar value for all three contracts is \$32,685,649.62. Contract SPM300-08-D-3057 was awarded to US Foodservice-Lexington on April 16, 2004 to support DoD and non-DoD customers in South Carolina, for a base ordering period of one year with four (4) one-year options. The base term of this contract was June 20, 2004 through June 19, 2005. The four options were invoked and the fourth and final option is due to expire June 19, 2009. In addition to the original contract (SPM300-08-D-3057), another contract SPM300-08-D-3243 with US Foodservice-Lexington was established in February 2008 at the request of the DSCP Produce Division to provide produce coverage for customers in this zone due to gaps in coverage after award of other CONUS produce contracts. A third contract, SPM300-08-D-N067, was established with US Foodservice-Lexington in March 2008 to support FSOS items for the South Carolina Prime Vendor customers at the customers' request.

action will result in bridge contracts effective from June 20, 2009 to June 19, 2010. ^{This}

4. The applicable statutory authority permitting other than full and open competition is 10 U.S.C. 2304(c) (1), FAR Part 6.302-1- Only One Responsible Source and No Other Supplies or Services Will Satisfy Agency Requirements.
5. The required foodservice supplies are available only from U.S. Foodservice-Lexington, the current contractor, in the timeframe required, and award to any other source would result in unacceptable delays in fulfilling the agency's requirements. Over the last year there have been two major pricing provision issues within the Prime Vendor program which precluded issuing new solicitations: rebates/discounts language and Economic Price Adjustment language.

Accordingly, the Government developed a new clause for all (CONUS and OCONUS)

SPV solicitations and contracts, 52.231-9P03, Rebates/Discounts and Price-Related-Provisions (Jan 2008) which resulted in protests from the industry

As a result, Subsistence decided that it needed to research, review and revise rebates and pricing provisions included in its CONUS SPV program solicitations. While the Rebates/Discounts language was settled for both CONUS/OCONUS on January 7, 2009, issues remained with the CONUS Economic Price Adjustment clause that were not resolved until April 27, 2009 as described below.

The Small Business plan for the follow-on solicitation SPM300-08-R-0076 for the South Carolina Prime Vendor was initiated August 23, 2008 and was approved by DSCP-T on October 9, 2008. The acquisition was synopsised on August 24, 2008 and again on April 13, 2009. Due to the issues cited above, the acquisition plan and solicitation have not been finalized or issued. Anticipated issue date of the solicitation is August 17, 2009 and anticipated closing date is October 9, 2009.

Award of the anticipated follow-on contract is expected by April 2010. This bridge contract is required to allow for review and approval of the new pricing provisions, acquisition plan, and solicitation for the Prime Vendor program as well as the subsequent solicitation, amendments, closure, evaluation, negotiation, transition phase (60 days—to allow implementation of a stores catalog in the event the incumbent does not get the award) and award. In order to assure customers uninterrupted, continued foodservice support from June 19, 2009 (the date of expiration of the current contract) the effective date of this bridge contract will be from June 20, 2009 through June 19, 2010. Failure to make award to U.S. Foodservice, i.e. award to any other firm for this period, will result in a break in Prime Vendor support. Although other contractors in adjacent regions have Back Up Prime Vendor provisions in their contracts, the necessary building/implementation cataloging phase in STORES requires a 60 day period which would

cause a break in coverage, which is not acceptable.

Should a competitively awarded contract be put into place ahead of the projected timeframe, the (c) (1) bridge contract will be terminated at that time.

6. As required by FAR 5.2, a notice will be published in FedBizOpps. All information pertinent to the special notice will be available to the general public at website www.dscp.dla.mil. In addition, this justification will be made available for public inspection, after award, in accordance with FAR 6.305.

7. The anticipated cost to the Government will be fair and reasonable since the items that comprise the current contract have already been determined to be fair and reasonable based on prior competition, comparison with other CONUS contract prices and/or market analysis. Market basket items were determined fair and reasonable prior to award. There are also ongoing weekly reviews of the prices on all items within the catalog.

U.S. Foodservice has agreed to the 365-day bridge at no change in Distribution Fee.

8. With the exception of synopsisizing this requirement, no additional market research was conducted and no other firms were solicited since the required foodservice supplies are essentially only available from the incumbent contractor in the timeframe required.

9. Only U.S. Foodservice has the fully implemented STORES electronic catalog. The required foodservice supplies are available only from the current contractor in the short timeframe required, and award to any other source would result in unacceptable delays in fulfilling the agency's requirements.

10. U.S. Foodservice is the only source expected to express an interest in this bridge contract.

11. The follow-on acquisition is currently being solicited on a full and open competitive basis and all future acquisitions for these requirements will be competed on a full and open basis.

12. As the Contracting Officer, I hereby certify that this justification is accurate and complete to the best of my knowledge and belief.

6-8-09
Date


JOSEPH HAUSER
Contracting Officer

I hereby certify that the requirements which form the basis of this justification are accurate, that these supplies meet the Government's needs in accordance with applicable specifications and that this justification is accurate and complete to the best of my knowledge and belief.

6-9-09
Date

I have reviewed this justification and recommend approval.

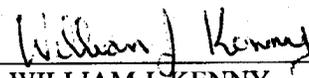
6-9-09
Date

I have reviewed this justification for legal sufficiency.

6-11-09
Date

I have reviewed and hereby approve this justification.

6/16/09
Date


WILLIAM J. KENNY
Acting Deputy Commander
Acquisition Strategy and
Contract Management