



UNITED STATES MARINE CORPS

MARINE CORPS LOGISTICS BASES

ALBANY, GEORGIA 31704-5000

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19 Jan 93

BASE ORDER 4200.16

From: Commander
To: Distribution List

Subj: COMPETITION BETWEEN DEPOT ACTIVITIES, OTHER SERVICE DEPOTS,
AND PRIVATE OFFERORS

Ref: (a) Public Law 92-369, Competition in Contracting Act of
1984 (NOTAL)
(b) Cost Comparability Handbook dated 23 Jan 92 (NOTAL)
(c) NavCompt Manual, Vol V (NOTAL)
(d) FAR (NOTAL)
(e) DFARS (NOTAL)
(f) NAPS (NOTAL)
(g) EDLO Policy Statement 2-91 (NOTAL)

Encl: (1) Core requirements
(2) Competition Strategy

1. Purpose

a. To establish policy, assign responsibilities, and provide guidance by which the Marine Corps Logistics Bases (MARCORLOGBASES) will determine, conduct, and administer competitive procurements between the Repair Divisions (Codes 880/B880), other service depots, and private companies. This Order applies to selected procurements for the alteration, overhaul, modification, retrofit, repair, and manufacture of Marine Corps weapons systems, spares, and equipment funded by all appropriations.

b. Consistent with the enactment of reference (a), it is Marine Corps policy to promote competition between public activities and private industry to reduce/control costs, encourage quality improvements, enhance depot industrial performance, and expand both the organic and commercial industrial base with the technical skills and resources vital to supporting Marine Corps readiness and mobilization requirements.

2. Background

a. Defense Management Review Decision 908, Consolidating Depot Maintenance, directed the services to increase efficiencies and reduce the cost of depot maintenance operations. One of the strategies included competitive awards for depot maintenance workloads.

COMPETITION STRATEGY

The Marine Corps will maximize the process of generating savings. Process efficiencies realized from competition of above Core requirements will be applied to Core requirements. Process efficiencies gained at a competing depot will be applied to the non-competing depot in those situations where competition involves a common program. The weapon system price of the non-competing depot should approach the price of the competing depot after allowance for regional labor and material differences and any approved process differences.

The price of Core workload may be higher than the price of the competed above Core workload due to rate differences between competitive work and non-competitive work; however, the process of producing Core workload will reflect the efficiencies gained during competition of the above Core workload.

ENCLOSURE (2)

candidate for P/P competition with technical assistance from the Integrated Logistics Support Directorate (ILSD) (Codes 830/840) and recommend suitable P/P candidates to the Commander, Marine Corps Logistics Bases (COMMARCORLOGBASES) via the EDLO.

(2) Develop, maintain, and execute the Marine Corps Maintenance Corporate Business Plan to ensure that a best value, responsible, responsive source of multi-commodity depot maintenance is available to the Marine Corps and its customers.

(3) Consolidate input, prepare statistical data, and prepare the Marine Corps portion of the Defense Depot Maintenance Council Corporate Business Plan.

(4) Provide policy guidance and information relative to P/P competition.

(5) Represent the Marine Corps in Joint Service business planning.

(6) Serve as the Marine Corps representative on competition related working groups.

(7) Coordinate data input for the EDLO (Code 804) and apply core requirements to competition actions.

(8) Facilitate/coordinate tasks that cross organizational lines.

(9) Evaluate and document competition progress and results and forward this information to management officials, as required.

b. Principal Director, Maintenance Directorate (Code 88)

(1) Evaluate the capability and capacity of the Repair Divisions (Codes 880/B880) to compete for Marine Corps candidate programs or potential workload opportunities from other services and the Defense Logistics Agency (DLA); and select which Repair Division (Code 880/B880) will submit formal proposals for competitive solicitations.

(2) Provide training and guidance to the Repair Divisions (Codes 880/B880) to facilitate proposal development.

(3) Ensure the Repair Divisions (Codes 880/B880) compliance with financial, manpower, and materiel policy/guidelines during the conduct of P/P competition.

(4) Ensure that Repair Divisions (Codes 880/B880) have adequate financial systems to manage and report costs.

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CORE REQUIREMENTS

BACKGROUND AND CORE DEFINITION

The Department of Defense (DoD) policy on Core Depot Maintenance requires that each service maintain organic military depot capabilities at the minimum level required to ensure a ready, controlled source of technical competence to meet military contingencies. Beyond this requirement a competitive depot industrial base will be maintained to meet both peacetime and contingency requirements.

IMPLEMENTATION

Implementation of the DoD policy on Core Depot Maintenance within the Marine Corps requires identification of the criteria that will help determine Marine Corps Core requirements. The primary consideration in this process is the identification of the requisite skills and resources necessary to assure a capability within the Marine Corps to meet military contingencies and to satisfy a portion of peacetime requirements. In doing so, the Marine Corps will ensure an organic capability to support the infrastructure necessary for surge and mobilization and, at the same time, develop a base to support public/private competition. Interpreting the Defense Depot Maintenance council definition of Core, the following Marine Corps definitions were applied:

Mission Essential is defined as mission essential and readiness reportable equipment per MCBul 3000 and other weapons systems designated as mission essential but not listed in MCBul 3000. Recognizing that MCBul 3000 is not an all-inclusive listing of mission essential equipment, non-MCBul 3000 weapons systems considered to be mission essential were reviewed on a case-by-case basis. Some non-MCBul 3000 mission essential weapons systems were included for the purpose of determining Core.

Minimum Level is defined as mission essential equipment currently rated by active Fleet Marine Force (FMF) units in the three active Marine Expeditionary Forces. All equipment held by other sources is considered to be above the minimum level for the purpose of determining Core. Equipment in the "above the Core minimum" category includes consumer, intermediate, and wholesale level mission essential, and non-mission essential equipment held by the Marine Corps Reserve, Maritime Prepositioning Force, Norway Geo-Prepositioning Program, Operational Readiness Float, Maintenance Float, General Support, Repair Cycle Requirements, and Prepositioned War Reserves (PWR).

(1) ENCLOSURE (1)

(4) Initiate the Item Completion and Material Release (Albany Form 6ND MC-ALB 4700/1 (R2EV 9-77)) or the Technical Item Change Notice (Barstow Form MCLBB 4410/12A (REV 1-87)).

d. Principal Director, ILSD (Codes 830/840)

(1) Manage the development of Inspect Repair Only as Necessary (IROAN)/Rebuild Standards in conjunction with input from the FMF.

(2) Develop the SOW to include IROAN/Rebuild and quality standards.

(3) Provide input to the Contracts Directorate (Code 891) on technical proposals received in response to solicitations.

(4) Provide input to the Contracts Directorate (Code 891) for approvals/disapprovals on scope of work changes received by private contractors.

(5) Coordinate with the Maintenance Directorate (Code 88) on scope of work changes received by the Repair Divisions (Codes 880/B880) and other service depots.

(6) Coordinate final inspection and acceptance of competitively assigned work in accordance with applicable DMISA's or project orders.

(7) Assist the Maintenance Directorate (Code 88) in the resolution of disputes with depots performing competitively assigned work.

(8) Provide technical assistance to the Marine Corps Management Corporate Business Office (Code 817) regarding program competition candidates.

(9) Issue the MIPR (DD Form 448) to the DoD depot awarded the competitive workload as a result of the P/P competition.

(10) Receive the acceptance of MIPR (DD Form 448-2) from the DoD depot awarded the competitive workload.

(11) Request publications for competition projects from the Director, Fleet Support Division (Code 876).

(12) Receive from the Contracts Directorate (Code 891) DD Form 250's "Material Inspection and Receiving Reports" on items inspected and accepted by the cognizant Defense Contract Management Area Office (DCMAO).

e. Principal Director, Contracts Directorate (Code 891)

(1) Prepare synopses as appropriate, contemplating both DoD

g. Office of Counsel (Code 813)

(1) Provide legal review, support, and guidance, as required.

(2) Ensure that overall competition actions between P/P activities are consistent with established statutes and regulations.

h. Executive Director for Financial Management (Code 40)

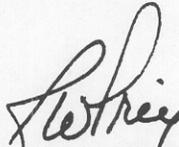
(1) Provide financial guidance relating to P/P competition.

(2) Provide cost comparability analysis for the contracting officer to allow valid comparisons of public and private offerors.

i. Director, Fleet Support Division (Code 876). Provide publications, as requested by the ILSD (Codes 830/840), for P/P competition.

j. Principal Directors and Division Directors. Solicitation documentation, proposal evaluation, and service selection documentation for all P/P competitions will be clearly separated from proposal preparation, review, and submission in order to maintain a process void of potential for, and appearances of, conflicts of interest per reference (g).

5. Applicability. This Order is not applicable to the Blount Island Command.


R. W. PRICE
Executive Director
for Logistics Operations

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