SUBPART 16.1 – SELECTING CONTRACT TYPES

(Revised October 13, 2020 through PROCLTR 20 21-01)

Parent topic: PART 16 – TYPES OF CONTRACTS

16.190 Long-term contracting.

Contracting officers shall establish and process LTCs in accordance with the following:

Use LTCs for stock replenishment consumable items that have frequent, consistent, and predictable demands, as well as non-replenishment items having at least 12 demands per year. Renew items currently on LTC, provided they have had at least 4 demands in the previous year. Exclude items if they have 2 years DLA stock on hand, unless the PLT is 18 months or greater or there is no planned buy within 2 years. The DLR sites will follow the Military Service procedures for managing items on LTCs.

16.191 Bridge contracts.

(a) For purposes of this section, the terms “contract” and “contracts” include contract actions with a total estimated value above the SAT, including task or delivery orders, and orders against GSA Schedule contracts. When determining if the acquisition meets the bridge contract definition in 2.101, contracting officers shall ensure compliance with FAR 13.003(c)(2) regarding splitting requirements.

(b) Bridge contracts impede competitive awards, and contracting officers shall limit their use in accordance with this paragraph. Contracting officers shall only use a bridge contract when it is not possible to award the planned follow-on contract in sufficient time to meet the Government’s requirements. A bridge contract may be appropriate when—

(1) The competitive follow-on contract or solicitation has been protested;

(2) The approved acquisition strategy requires a necessary change that the HCA endorses;

(3) A statutory or regulatory change necessitates a change prior to award; or

(4) Other circumstances that the contracting officer can demonstrate are not due to lack of advance planning or inadequate procurement execution result in delay of a solicitation or award.

(c) The contracting officer shall—

(1) Coordinate with the requiring activity to prepare the appropriate justifications for a non-competitive action to support solicitation and award of a bridge contract. Justifications include a formal justification and approval (FAR Part 6 or Subpart 13.5), limited sources justification (FAR Subpart 8.4), and exception to fair opportunity (FAR Subpart 16.5). The clearance levels are based on the type of justification and the total estimated value of the bridge contract action. Include the

following in the justification:

(i) A clear statement that the action is a bridge contract in accordance with the definition at 2.101:

(ii) A detailed rationale for use of a bridge contract, including documentation that demonstrates the need for a bridge contract is not due to lack of advance planning or inadequate procurement execution;

(iii) A justification for the length of the bridge contract; and

(iv) A discussion of actions to be taken to avoid this bridge request and additional bridge contracts.

(2) Prepare a Decision Memorandum requesting approval to proceed with awarding a bridge contract. The approval authorities listed in 16.191(c)(3) must sign and approve the request before the contracting officer issues a solicitation or otherwise commences negotiations for award of the bridge. Contracting officers shall include the following in all bridge contract approvals:

(i) Supporting documentation in accordance with FAR 4.801(b);

(ii) Signatures meeting the FAR 2.101 definition; and

(iii) The justification in accordance with 16.191(c)(1), unless FAR 6.302-2 or other provision of FAR Subpart 6.3 not requiring preparation of a J&A prior to commencing negotiations applies.

(3) Subparagraphs (i)-(iii) identify the authorities for recommendation and approval of bridge contracts. The recommending and approval authorities shall not be the same person.

(i) The contracting officer recommends and the HCA approves initial bridge contracts. The HCA may delegate approval authority to the CCO for actions up to $1M.

(ii) The HCA recommends, and the DLA Competition Advocate approves the second bridge contract, except for actions where the DLA Acquisition Deputy Director is also the HCA. For actions where the DLA Acquisition Deputy Director is also the HCA, the DLA Acquisition Operations Division Chief makes the recommendation for a second bridge contract to the DLA Competition Advocate who remains the approval authority. The recommendation and approval authorities in this subparagraph are nondelegable.

(iii) The HCA and the DLA Competition Advocate recommend for SPE approval any additional bridge contracts beyond the second bridge, except for actions where the DLA Acquisition Deputy Director is also the HCA. For actions where the DLA Acquisition Deputy Director is the HCA, the DLA Acquisition Operations Division Chief makes the recommendation for any additional bridge contract through the DLA Competition Advocate. After receiving an authorized recommendation from the DLA Acquisition Operations Division Chief, the DLA Competition Advocate will include their recommendation for SPE approval. The recommendation authority in this subparagraph is nondelegable.

(d) Approval to award a bridge contract does not relieve the contracting officer from any other regulatory requirements that the contracting officer must fulfill before making an award. For example, contracting officers must comply with requirements for acquisition plans in accordance with 7.102, synopsizing in accordance with FAR Subpart 5.2, and solicitation. The contracting officer must determine the contractor is responsible and ensure the contractor agrees to all terms and conditions currently required by the FAR and subordinate guidance. If required, the contracting officer shall document the Price Negotiation Objective Memorandum and Price Negotiation

Memorandum or provide the Simplified Acquisition Award Documentation. These examples are not a comprehensive list of contract documentation requirements. Contracting officers shall not use documents from an existing contract as substitutes for documents required in the bridge contract or

incorporate terms and conditions from an existing contract into the new bridge contract by reference.

(e) Bridge contracts are independent acquisitions; therefore, contracting officers shall issue a separate contract when awarding a bridge. Contracting officers shall not award bridge contracts by modifying an existing contract.

(f) The contracting officer shall complete recording requirements in accordance with DFARS PGI 204.606, Reporting Data, and ensure appropriate coding of sole source awards.

(g) The contracting officer shall include the request, the approval, and all supporting documentation in the contract file.

(h) Reporting. Procuring organizations shall provide—

(1) A copy of the approval and relevant supporting documentation (e.g., J&A, and acquisition plan) to the DLA Acquisition Operations Division within thirty (30) days after awarding a bridge contract; and

(2) The DLA Acquisition Bridge Contracts Report to the DLA Acquisition Operations Division by the 10th of each month and include the status of all bridge contracts with a period of performance that has not expired.