Department of the Interior
Bureau of Safety and Environmental Enforcement

LIMITED SOURCES JUSTIFICATION (LSJ)
Federal Supply Schedule Program - FAR 8.4

(Mandatory for Acquisitions > SAT)
(Optional for Acqs. ≤ SAT)

This acquisition is being conducted under the authority of the Multiple-Award Schedule Program pursuant to Title III of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 251, et seq.) and Title 40 U.S.C. 501, Services for Executive Agencies [FAR 8.405-6(c)(1)].

1. Bureau and Contracting Activity [FAR 8.405-6(c)(2)(I)]
This Limited Sources Justification (LSJ) is being executed by the Bureau of Safety and Environmental Enforcement (BSEE), Acquisition Operations Branch, on behalf of the Bureau of Ocean Energy Management (BOEM), to support the BOEM, Leasing Division, Mapping and Boundary Branch (MBB) in carrying out its mission objective for compliance and oversight of the Marine Cadastre and supplying official mapping and boundary data and products to numerous activities across the bureau, using the Boundary Delineation Tools (BDT). The MBB operations support management of the Federal Government's offshore leasing program under 43 U.S.C.

2. Description of Supplies or Services [FAR 8.405-6(c)(2)(iii)]

A Blanket Purchasing Agreement with a 12-month base period and four, 12-month option periods, is being entered into with Environmental Systems Research Institute, Inc. (ESRI) under the authority of the Multiple-Award Schedule Program to fulfill a continual need for customizing and upgrading of the MBB's BDT that utilize Geographic Information System (GIS) software and geodatabase management applications that are based on the ArcGIS platform developed and maintained by ESRI. FFP Call Orders will be issued to support enhancements for BOEM Regional Offices.

3. Requisition No. M13PS00001	5. Name of Proposed Source(s) Environmental Systems Research Institute, Inc. 380 NEW YORK ST REDLANDS, CA 92373-8118 DUNS: 063134175
4. Cost Estimate (including options)[FAR 8.405-6(c)(2)(iii)] Maximum Threshold $8,750,000.00	

6. REQUESTING OFFICE CERTIFICATION

I certify that this recommendation contains the information required by FAR 8.405-6(c) and its contents are accurate.

Requesting Office Rep. (Name &Title) Steven Schwartz	Signature: FOIA Exemption (b)(6)	Phone No: 703-787-1239	Date: 7/9/2013

7. ACQUISITION OFFICE CERTIFICATION

I certify that this justification is accurate and complete to the best of my knowledge and belief.

Contracting Officer (Name) Lisa A. Algarin	Signature: FOIA Exemption (b)(6)	Phone No: (703) 787-1120	Date: 7/9/2013

I certify that this justification is accurate and complete to the best of my knowledge and belief.

Chief of the Contracting Office (Name) Douglas Marr	Signature: FOIA Exemption (b)(6)	Phone No: (703) 787-1324	Date: 7/9/2013

Identify the authority being used to justify restricting consideration to a limited number of vendors [FAR 8.405-6]. Provide a narrative justification associated with the respective authority. Refer to block number 12 for additional justification details.

8. ☐ **FAR 8.405-6(a)(1)(i)(A) – An urgent and compelling need exists, and following the procedures would result in unacceptable delays.**

9. ☒ **FAR 8.405-6(a)(1)(i)(B) – Only one source is capable of responding due to the unique or specialized nature of the work.**

ESRI has developed the Geographic Information System (GIS) technology which is currently utilized as the primary GIS software by all of the DOI bureaus for geospatial analysis and map production. ESRI, as owner and manufacturer, holds proprietary rights to the ArcGis software. In 2010, ESRI delivered to BOEM the first suite of Boundary Delineation Tools (BDT) designed for use in the Outer Continental Shelf (OCS) areas. BOEM has been continually testing the BDT in situational applications with the goal of improving the accuracy and performance of the tools. The majority of the BOEM GIS databases are now reliant on the ESRI geodatabase format which is designed for use within the ArcMap application. BOEM has also made progress towards integrating GIS data into the BOEM/BSEE Technical Information Management System (TIMS), which is a tabular, non-spatial system. Customizing these geodatabases from other source is considered cost prohibitive solution not only from a financial perspective but also requiring efforts by the Government and Contractor personnel to re-code and re-develop existing geodatabases. Therefore it is determined that ESRI is only source capable to meeting BOEM's objective under this effort.

10. ☐ **FAR 8.405-6(a)(1)(i)(C) – The new work is a logical follow-on to an original FSS order or BPA, and the original order or BPA was placed in accordance with applicable FSS ordering procedures. The original order or BPA must not have been previously issued under sole-source or limited-sources procedures.**

11. ☐ **FAR 8.405-6(b) – An item peculiar to one manufacturer is required.**

(a) Nature and/or description of the action being approved [FAR 8.405-6(c)(2)(ii)] [*Prepared by Program Office*]

The BOEM MBB is required to provide Official Protraction Diagrams (OPDs) for the development of offshore conventional and renewable energy projects. In addition, Supplemental Official Block Diagrams (SOBDs) are needed specifically for conventional energy, and Supplemental Official Aliquot Diagrams (SOADs) are needed for BOEM's renewable energy projects. Continued BDT development is needed to allow subdividing of the lease blocks into aliquot parts. These tools will enable the MBB to provide the mapping products required for the leasing of blocks for renewable energy projects, which include research projects, commercial wind and wave projects, and right-of-ways (ROWs) for inter-island power cables. The MBB has successfully used the BDT designed by ESRI (still in beta-format) to generate prototype versions of the required mapping products. ArcGIS provides a robust set of GIS capabilities for data editing and also allows for advanced analysis and data management capabilities, including geostatistical and topological analysis tools. This effort will allow ESRI to continue the development of customized tools that will enable BOEM to complete the mapping of the OCS in support of renewable energy needs of the country.

(b) Determination by the Acquisition Office Contracting Officer that the order represents the best value consistent with FAR 8.804(d) [FAR 8.405-6(c)(2)(v)] [*Prepared by Contracting Officer*]

GSA has already determined that the prices of supplies and fixed price services, and rates for services offered at hourly rates, under schedule contracts to be fair and reasonable. The pricing was negotiated with a significant discount by the GSA on behalf of all Government agencies and determined to be fair and Reasonable.

BOEM is only seeking to obtain customization services for the tools and applications purchased from ESRI in 2010. Every effort will be made to utilize the Enterprise Blanket Purchasing Agreement G09PA00003 (and subsequent BPA) between ESRI and Department of the Interior. The Enterprise BPA allows any DOI bureaus to purchase software, training services, maintenance to the Off-the-Shelf software, but does not allow to purchase customization services. BOEM will utilize the Enterprise BPA to meet the aforementioned needs before entering into a new agreement with ESRI. Furthermore, the Contracting Officer will seek further price discounts and ensure that BOEM receives same applicable discounts as negotiated by ESRI and the DOI under the Blanket Purchasing Agreement G09PA00003.

(c) Description of the market research conducted among schedule holders, and the results of the research, or a statement why market research was not conducted [FAR 8.405-6(c)(2)(vi)] [*Initiated by the Program Office and finalized in collaboration with the Contracting Officer*]

The market research revealed two competing technologies in Environmental System Research Institute (ESRI) and CARIS Law of the Sea (LOTS). Both Offerors are recipient of a GSA Schedule contract.

ESRI's software applications for licensing includes: ArcView, ArcEditor and Arcinfo. ArcView provides a robust set of GIS capabilities suitable for many GIS applications. ArcEditor expands the desktop capabilities to allow extensive data editing and manipulation, including server geodatabase editing. Arcinfo provides advanced analysis and data management capabilities, including geostatistical and topological analysis tools. At all levels of licensing, ArcMap, ArcCatalog and ArcToolbox are the applications comprising package the ESRI's ArcGIS solution. CARIS LOTS is a complete desktop mapping solution for managing, visualizing, and analyzing all spatial and non-spatial information. The LOTS suite includes three standalone products: LOTS Article 76, LOTS Limits and Boundaries, and LOTS Academic. LOTS is used to calculate maritime limits and boundaries. The software offers many geodetic tools to create, analyze, and produce solutions for any disputed or unresolved maritime boundaries. However, CARIS solution does not provide programming interface for data manipulation and changes; the solution does not support Oracle interface to work with TIMS; and No enterprise package is available as offered by ESRI. Only ESRI's solution can be deployed within the DOI's GIS framework based on technical functionality and cost is concerned.

(d) Statement of the actions, if any, the agency may take to remove or overcome any barriers that led to restricted consideration before any subsequent acquisition for supplies and services is made [FAR 8.405-6(c)(2)(viii)] *[Initiated by the Program Office and finalized in collaboration with the Contracting Officer]*

The Government will consider other sources for GIS software implementation in consultation with the Department of the Interior guidance. ESRI does not offer its software application products to resellers further reducing the barrier to award BPA on competitive basis. This BPA provides complete GIS solution (software and IT related services) and minimizes the administrative burden to award multiple single award Task Orders.

Currently, the requirement for BOEM GIS software implementation and upgrades is necessary for BOEM to meet its mission. Competing technology would require additional training, software integration support and implementation costs would prove competing solution as cost prohibitive initiative. The associated cost and time required for implementation would be significant.

(e) Any other facts supporting the justification [FAR 8.405-6(c)(2)(vii)] *[Prepared by the Program Office and Contracting Officer]*

As specified in Section (c) of this justification, the BOEM's core requirement will not require additional investment, as much of the infrastructure to maintain TIMS tables already exists in the ESRI's ArcGIS applications delivered thus far, which will allow for a rapid, low impact deployment.
Other supporting facts include: a) ArcGIS is used by all DOI bureaus, allowing for knowledge sharing of the custom scripts and datasets; b) ESRI's solution for data output is the "shapefile", which is compatible for import/export to the NOAA Office of Coast Survey which helps to keep the intergovernmental data sharing relationship intact; and c) implementation of ESRI's solution within the BSEE .Net Enterprise will support improvement to the U.S. Marine Cadastre, for which the responsibility for development and maintenance resides with the BOEM.

APPROVALS [FAR 8.405-6(d)]

			(Signature)	(Phone No.)
Over $650,000	**13. Competition Advocate** (Name & Title) Mark Ecki, Chief Acquisition Management Division.	☑ **APPROVE** ☐ **DISAPPROVE**	FOIA Exemption (b)(6)	
Over $12.5 million	**14. Head of the Contracting Activity** (Name & Title)	☐ **APPROVE** ☐ **DISAPPROVE**	(Signature)	(Phone No.) (Date)
Over $62.5 million	**15. Departmental Senior Procurement Executive** (Name & Title)	☐ **APPROVE** ☐ **DISAPPROVE**	(Signature)	(Phone No.) (Date)