



Partnering through Direct Sales

An Introduction to Public-Private Partnering and the Direct Sales Process at JMC.



December 2015



What is Public-Private Partnering (P3)?



- **Contractual agreement between a Government-Owned Government-Operated (GOGO) facility and one or more private industry to perform work or utilize the Army's facilities and/or equipment**
- **Includes one or more of the following:**
 - Articles or services to industry
 - Industry leasing equipment or facilities to perform work for public or private sector

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Formalizing Partnerships



■ For Contractor or other Private Sector Work

- Direct Sales Contract
- Contract package staffed for JMC CG approval if over \$5,000,000
- Payment by check at contract signing before work can begin
- MIPR of funds onto LMP projects (PRONS) at start of work



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Direct Sales Contracts



- **Simplified – not a Federal Acquisition Regulation (FAR) based contract**
- **Flexible – changes in quantity, cost, and/or application are handled through contract modifications**
- **Allows for scheduled payments**
- **Long Term – generally no expiration date**
- **Approved by JMC Commander – new contracts over \$5,000,000 only**



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Direct Sales Package Standard Requirements



- **Checklist**
 - Who, What, When, Why, How Much,...
- **Buyer's Request**
- **Statement of Commercial Non-Availability**
 - Cannot be done commercially in required time, quantity, or quality.
- **Statement of Work***
- **Government Cost Estimate**
- **Contractor's Acceptance of Cost Estimate**
 - Not a purchase order.
- **Installation Commander's Authorization***
- **Record of Environmental Consideration (REC)***
- **Depot and Customer Signatures**
 - Shows coordination has been completed at local level.
 - Provides customer contact information.

* Not required for sales of stock.

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Direct Sales Package Unique Requirements



- **Buyer's Alcohol, Tobacco & Firearms (ATF) License**
 - Only required for sales of items containing energetic materials.
- **Buyer's Export License**
 - Only required for work in support of a direct foreign sale.
- **End Use Certificate**
 - Only required for work in support of a direct foreign sale.

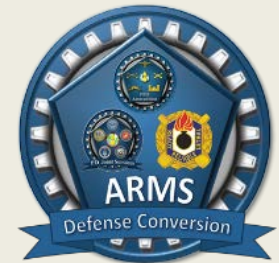
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Armament Retooling and Manufacturing Support (ARMS) Program

Presented at:
Demilitarization Symposium

December 2015



PD JS/JMC ARMS Team



Purpose



- **Armament Retooling and Manufacturing Support Act (the ARMS Act of 1992) authorized the program, and in 2000, 10 USC § 4553 codified ARMS Program with following tenets:**
 - **Reduce or eliminate cost of Government ownership of eligible facilities***
 - **Encourage commercial firms to use eligible facilities for commercial purposes**
 - **Maintain a workforce having skills in manufacturing processes**
 - **Reduce DoD costs of products produced at eligible facilities**

~\$3M/yr PAA funding available to recapitalize facilities for tenant use

*Legislation includes 6 Army Ammunition Plants and 1 Army Depot (Hawthorne)

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Eligible Facilities and Property Managers



- **10 USC Chapter 434 Sec. 4551 - 4554 – Armaments Industrial Base: Leverage private investment at eligible facilities through long-term facility use contracts that support and advance:**
 - Recapitalization of plant and equipment
 - Environmental remediation
 - Promotion of commercial business ventures
 - Other activities approved by the Secretary of Army

Contact property managers for more information on current opportunities

Iowa AAP
AO
(731) 686-6261

Lake City AAP
ATK
(816) 796-5220

Hawthorne AD
SOC
(775) 945-0889

Milan AAP
American Ordnance
(731) 686-6261

Scranton AAP
GD
(570) 340-1114

Radford AAP
BAE
(540) 639-8596

Holston AAP
BAE
(423) 578-6255

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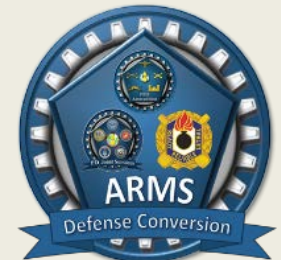
ARMS Points of Contact



PDJS (973)-724-2450

JMC (309)-782-0221

JMC (309)-782-4934



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Questions?

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