



DEPARTMENT OF THE NAVY

NAVAL AIR SYSTEMS COMMAND
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IN REPLY REFER TO:
CJ&A_11_6296

JUSTIFICATION AND APPROVAL FOR USE OF OTHER THAN FULL AND OPEN COMPETITION

1. Contracting Activity.

Naval Air Systems Command (NAVAIR) Headquarters

2. Description of the Action Being Approved.

This Class Justification and Approval (CJ&A) authorizes and approves the issuance of contract actions awarded under the Sikorsky Aircraft Corporation (SAC) Basic Ordering Agreement (BOA) necessary for the procurement of Non-Recurring Engineering (NRE) and Recurring efforts in support of Engineering Change Proposals (ECPs) for production incorporation and retrofit modifications to correct production, operational, and safety deficiencies as well as improvements to the H-60 aircraft. This CJ&A will permit the award of contractual actions with funding covering FY11-FY13. Authority to act under this Class justification expires on September 30, 2014.

3. Description of Supplies/Services.

Supplies and services will include, but not limited to the following:

- a. Supporting various trade studies and engineering analysis to support the H-60 production, Pre-Planned Product Improvement (P3I), shipboard systems integration and operational use.
- b. Engineering Investigations (EIs) to improve H-60 production costs, operational availability reduce operating costs and improve safety.
- c. Procurement of H-60 retrofit and forward fit mission kits.
- d. Integration of new systems into the H-60 airframe and shipboard or land based facilities.
- e. H-60 trainer and simulator operations in preparation of aircrews and repair of repairs or maintenance to support production, removal of obsolescence via technical insertion, operation and overhaul requirements.
- f. Requirements for support of development and operational testing and resulting deficiencies of MH-60R and MH-60S aircraft and associated development programs to include Problem and Software Trouble Reports (PTRs, STRs).
- g. Integrated Logistics Support (ILS) for aircraft modification kits, including fabrication, assembly, and installation by a Contractor Field Team. ILS efforts may include: procurement of source data to support logistic analysis; development and validation of Technical Directives (TDs); training required for the safe operational use of H-60s or use and integration of subsystems; procurement of interim spares, updates to Interactive Electronic Technical Manuals (IETMs) or technical publications.
- h. Foreign Military Sales (FMS) requirements for the H-60 and it's variant (S-70) may include: site surveys, Contractor Engineering Technical Services for FMS customers, modifications to operating software or hardware for the cockpit, mission systems and avionics, efforts necessary to modify systems for export, Field Service Teams to assist with in country repairs, modification and/or upgrade of FMS aircraft, and Continental United States (CONUS) repair and/or replacement within FMS aircraft.

See Appendix A for Estimated Dollar Value

4. Statutory Authority Permitting Other Than Full and Open Competition.

10 U.S.C. 2304(c)(1), Only one responsible source and no other supplies or services will satisfy agency requirements.

5. Rationale Justifying Use of Cited Statutory Authority.

SAC is the prime contractor for the design and production of the H-60 air vehicle which includes the SH-60B, SH-60F, HH-60H and redesigned MH-60R/S variants which share a common cockpit designed by Lockheed Martin Mission Systems and Sensors (LM MS2). As such, SAC's exclusive design, development and production of the H-60 aircraft, makes SAC the only source with the technical data, knowledge, and experience necessary to perform these follow-on efforts.

The Government does not possess the requisite technical and software data packages or associated data rights to conduct a competitive procurement of these requirements. During H-60 development and production, the requisite SAC proprietary data was never procured, nor will SAC sell or release requisite proprietary data to the Government at any price. SAC has been the sole source designer, developer and manufacturer of the H-60 aircraft since the competitive fly-off of the Blackhawk helicopter prototypes and subsequent award of production contract in December 1976. SAC is the only source with the requisite skilled personnel, manufacturing tooling, test equipment, and proprietary data to perform in depth programmatic, engineering, and logistics production/retrofit incorporation of future enhancements.

As the current MH-60R and MH-60S air vehicle manufacturer, SAC is the only Contractor able to incorporate the required production line changes, and ensure alignment between production and retrofit configurations. The H-60 program is currently in production and requires extensive facilities, tooling, manufacturing resources, and a complete drawing package to include the associated proprietary processes and procedures for ECPs, retrofits, and other modifications. Similarly, component and system qualification and testing requires engineering knowledge and understanding of the basic H-60 airframe and systems beyond what is contained in the drawings or documented data.

For these reasons, SAC is the only source with the qualified technical personnel, experience, and requisite proprietary data for the H-60 air vehicle, is the only contractor currently in production for the MH-60R/S, and is the only contractor that can meet the Government's requirements to support the H-60 program without a significant break in the provision of supplies and services.

6. Description of Efforts Made to Solicit Offers from as Many Offerors as Practicable.

For the reasons noted in paragraphs 4 and 5 above, NAVAIR has not performed a formal market survey. As required by FAR 5.201, a synopsis of each effort under the BOA and supported under this J&A will be published in FedBizOpps. Any responses received will be evaluated by the Contracting Officer prior to award.

7. Determination of Fair and Reasonable Cost.

Per FAR 15.402, the Contracting Officer is required to purchase all supplies and services from responsible sources at fair and reasonable prices. In accordance with FAR 15.403, the Contracting Officer will require the submission of Certified Cost or Pricing Data when required unless a waiver is obtained. Based upon audit information from the Defense Contract Management Agency and Defense Contract Audit Agency, an established forward pricing rate agreement, and historical cost data for the MH-60R/S aircraft, the Contracting Officer has determined the anticipated cost to the Government of the supplies/services covered by this CJ&A will be fair and reasonable.

8. Actions to Remove Barriers to Future Competition.

For the reasons set forth in Paragraph 5, NAVAIR has no plans at this time to compete future contracts for the types of supplies/services covered by this document. If another potential source emerges, NAVAIR will assess whether competition for future requirements is feasible.