

**DEPARTMENT OF THE NAVY**

NAVAL AIR SYSTEMS COMMAND
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IN REPLY REFER TO:
J&A_14_23946

**- 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 Justification and Approval (J&A), authorizes and approves the issuance of a firm-fixed-price Indefinite Delivery Indefinite Quantity (IDIQ) contract, on a sole source basis to Rockwell Collins- ESA Vision Systems LLC (RCEVS), Fort Worth, Texas, formerly Vision Systems International (VSI), for the procurement of Joint Helmet Mounted Cueing System (JHMCS) Night Vision Cueing and Display (NVCD) systems to meet U. S. Navy (USN), U.S. Marine Corps (USMC), and Foreign Military Sales (FMS) requirements.

3. Description of Supplies/Services.

This proposed contract action includes procurement of JHMCS NVCD systems made up of a night vision device and a night display adaptor, new and modified associated support equipment, interim repairs, interim spares, non-recurring engineering, testing, technical data, and all other supplies and services necessary to perform installation and testing of JHMCS NVCD systems. The JHMCS NVCD extends the JHMCS capability for displaying vital weapon, radar, positional, and other data to the operator from only day, to day and night.

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.

As the sole designer, developer, manufacturer, and supplier of the JHMCS NVCD system, only Rockwell Collins- ESA Vision Systems LLC possesses the peculiar engineering capability, resources, expertise, intricate knowledge, and data necessary to satisfy the Government's minimum requirements. NVCD was developed exclusively at contractor expense and RCEVS stated that a data rights license that allows the Government to conduct a competitive source selection is not available for purchase. As a result, without the technical data rights held exclusively by RCEVS, no other manufacturer can produce the products and provide the associated services in support of the items being procured.

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In order to meet the JHMCS NVCD requirements, the system must be fully integrated with the existing F/A-18 A++/C/D/E/F & EA-18G aircraft that include the JHMCS day system (also manufactured by RCEVS with limited data rights available to the Government). The cost to develop, integrate, test, and field an alternate source would result in a substantial duplication of costs. The Government estimates the minimum procurement cost of an alternate helmet mounted display (HMD) system to be \$410M. The JHMCS day system has been procured, integrated, and deployed, and the non-recurring engineering to integrate the JHMCS NVCD is complete. Any attempt to qualify another source would involve: the removal of the existing JHMCS hardware; the development, integration and testing required to incorporate a new day cueing/display system into multiple configurations of F/A-18 single and dual seat aircraft; and the platform hardware and software modifications required to fully implement an equivalent capability. Thus, replacing JHMCS NVCD with an alternate HMD system would result in a substantial duplication of cost to the Government that is not expected to be recovered through competition.

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

The Government completed market research on 9 May 2014, finding no other qualified sources. The Government synopsisized the proposed contract action on the FEDBIZOPS website on 23 May 2014. One other vendor, Thales Visionix Inc. (Thales), responded to the synopsis. The system proposed by Thales was not compatible with the currently installed day JHMCS for the F/A-18 A++/C/D/E/F and EA-18G nor could it reasonably be modified within the scope of its design to become compatible. The contractor proposed replacing the currently installed/procured day JHMCS with its display/tracking system to allow a new platform integration of its product. This is not within the scope of the JHMCS NVCD program and would result in a substantial duplication of cost to the Government that is not expected to be recovered through competition, as described above. This determination was communicated to Thales by letter.

7. Determination of Fair and Reasonable Cost.

In accordance with FAR 15.402, the Contracting Officer shall ensure that all supplies and services provided under this contract are procured at a fair and reasonable price. The Contractor will submit a formal price proposal with certified cost or pricing data and sufficient information to support the accuracy and reliability of the estimate. The Contracting Officer will utilize cost and price analysis as the basis for negotiating a fair and reasonable price.

8. Actions to Remove Barriers to Future Competition.

For the reasons set forth in paragraph 5, the Government has no plan at this time to compete future contracts for the supplies covered by this document. If another potential source emerges, the Government will assess whether competition for future requirements is feasible.

Appendix A

Estimated Dollar Value in Millions

	Total
	3.4
	73.5

Note: Funds reflect current budget for JHMCS NVCD as of 17 Nov 2014. Differences between the table above and the AP/AS estimate for this contract are due to budget adjustments since 19 Jun 2014.