

**DEPARTMENT OF THE NAVY**

NAVAL AIR SYSTEMS COMMAND
RADM WILLIAM A. MOFFET BUILDING
47123 BUSE ROAD, BLDG 2272
PATUXENT RIVER, MARYLAND 20670-1547

J&A 13-23614

**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 sole-source award of a Firm-Fixed Price (FFP) contract for the procurement of P-8A Poseidon Bomb Rack Units (BRU-75A and BRU-76A) to EDO Corporation, Defense Systems, 1500 New Horizons Blvd., North Amityville, NY 11701. The resultant contract will include the procurement of forty-seven (47) ship sets of Bomb Rack Units, including thirty-nine (39) for the United States Navy (USN), as required to maintain the P-8A planned production schedule, or other quantities, as authorized by Congress. In addition eight (8) are included for the Royal Australian Air Force (RAAF), which is the P-8A Cooperative Partner.

3. Description of Supplies/Services.

The requirements under this J&A include the procurement of P-8A Poseidon Bomb Rack Units (BRU-75A and BRU-76A), for the estimated quantities of seventeen (17) ship sets in FY15, seventeen (17) in FY16 and thirteen (13) in FY17. In addition, this J&A also includes the advanced procurement of long lead material, configuration management, reliability and maintainability, failure reporting, analysis and corrective action system (FRACAS), engineering change proposals, technical data, as well as engineering support throughout the period of performance.

Based on a focused Should Cost Analysis (SCA), the P-8A Program is pursuing a strategy to breakout high value equipment and components from the aircraft prime contractor, procure these items separately, and subsequently deliver these items to the aircraft prime contractor as Government Furnished Equipment (GFE). The procurement outlined under this J&A executes part of the P-8A SCA by providing the BRU-75A and BRU-76A bomb rack units as GFE to the P-8A manufacturer to reduce cost. The resultant contract will include the procurement of forty-seven (47) ship-sets of BRUs, representing four-hundred and twenty-three (423) bomb rack units, required to maintain the P-8A planned production schedule. The estimated total value of the requirements covered by this J&A is [REDACTED]. The required procurement quantities and the estimated total value of the BRU's and support for the USN and the RAAF are delineated in Appendix A.

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

The statutory authority permitting other than full and open competition is Title 10 U.S.C. Section 2304(c) (1) as cited in the Federal Acquisition Regulation (FAR) 6.302-1; "Only One Responsible Source and No Other Supplies or Services will Satisfy Agency Requirements," applies.

5. Rationale Justifying Use of Cited Statutory Authority.

EDO Corporation, Defense Systems is the sole designer, developer, and manufacturer of the BRU-75A and BRU-76A bomb rack units. These bomb rack units were developed for, integrated into, and tested on the P-8A during an extensive, competitively awarded P-8A system development and demonstration phase. The BRU-75A and BRU-76A bomb racks were provided as contractor furnished equipment (CFE), via subcontract with EDO Corporation, Defense Systems by the P-8A prime contractor for the first five production lots, but will be procured separately and provided as GFE for production lots six through eleven. EDO Corporation, Defense Systems is the only known source with the requisite knowledge of the design, technical data (EDO Corporation, Defense Systems is supplying drawings (as required with future ECPs), instruction manuals, installation procedures, and maintenance data necessary to support/sustain the equipment), fabrication, performance, and operational characteristics of the bomb rack units capable of meeting the P-8A requirements, and is therefore uniquely qualified to perform the efforts contemplated under this J&A. Award to any other source would disrupt on-going P-8A production by delaying the delivery of qualified and properly integrated bomb rack units to the P-8A line. The timeline to compete and qualify a second source to fulfill the P-8A production weapon system requirements is estimated to be 5-7 years.

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

EDO Corporation, Defense Systems is the sole manufacturer of the BRU-75A and BRU-76A bomb rack units and is the only source that can meet the Navy's requirements. As required by FAR 5.201, the proposed effort was posted in the Federal Business Opportunity on November 14, 2013. At this time no response has been received by NAVAIR. Any response received expressing interest at the prime level will be reviewed by the Contracting Officer, in coordination with the technical and requirements cognizance.

7. Determination of Fair and Reasonable Cost.

In accordance with FAR 15.402(a), the Contracting Officer must ensure that all supplies and services are purchased at a fair and reasonable price. An analysis of the proposals will be performed by technical analysts and contract specialists, with the assistance of Defense Contract Management Agency (DCMA) and Defense Contract Audit Agency (DCAA) auditors as needed. The Contracting Officer will analyze the various cost elements that are presented in the proposal, as well as review the actual cost/price from previous procurements as applicable. The Contracting Officer will use Government expertise, including DCMA, DCAA, PMA-290, and other Government resources, to evaluate the proposal's material, labor, and subcontract positions. A detailed report developed as part of the Government evaluation will be utilized to establish a NAVAIR position. If a rate agreement is not in place between EDO Corporation,

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Defense Systems and DCMA at the time of proposal evaluation, the Contracting Officer will work with DCMA and DCAA to establish a rate position, to include escalation, for negotiation of the contract action.

8. Actions to Remove Barriers on Future Competition.

For reasons set forth in paragraph 5, and as there are only 25 of 109 shipsets remaining in the program of record beyond this current requirement, NAVAIR has no plans at this time to compete future contracts or procure a level III data package for the EDO Corporation, Defense Systems BRU-75A and BRU-76A bomb racks. However, the PMA-290 Industrial Capability Team, in conjunction with the Fleet Readiness Center (FRC) Business Office and the Fleet Logistics Center in Jacksonville, FL are standing up a Navy repair capability. This capability is being established so that public-private partnerships and/or a performance-based logistics relationship would be feasible at a future date as an opportunity to reduce the sustainment cost of the BRU-75A and BRU-76A bomb racks.

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Appendix A

	FY 14	FY15	FY 16	FY 17	Total
APN-I Advanced Procurement Cost	██████	██████	██████		██████
Australian Advanced Procurement Cost	██████	██████	██████		██████
APN-I GFE Procurement Cost		██████	██████	██████	██████
Australian Coop Procurement Cost		██████	██████		██████
Total Cost	██████	██████	██████	██████	██████
USN Ship Sets	0	13	13	13	39
Australian Ship Sets	0	4	4	0	8
Total Ship Sets	0	17	17	13	47

Funding (\$M) by FY and Procurement Quantity

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CERTIFICATIONS AND APPROVAL

TECHNICAL/REQUIREMENTS CERTIFICATION

I certify that the facts and representations under my cognizance, which are included in this Justification and its supporting acquisition planning documents, except as noted herein, are complete and accurate to the best of my knowledge and belief.

Technical Cognizance:

Derick W. Diaz 301-757-6691 5 MAR 14
Derick W. Diaz Telephone Date

Requirements Cognizance:

William S. Dillon 301-757-5703 5 MAR 2014
CAPT Scott Dillon Telephone Date

LEGAL SUFFICIENCY REVIEW

I have determined this Justification is legally sufficient.

Robert H. McCall 301-757-6029 5 m mrc 2014
Robert H. McCall Telephone Date

CONTRACTING OFFICER CERTIFICATION

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

Shawn Campbell 301-757-5270 12 MAR 2014
Shawn Campbell Telephone Date

APPROVED

Upon the basis of the above justification, I hereby approve the solicitation of the proposed procurement(s) described herein using other than full and open competition, pursuant to the authority of 10 U.S.C. 2304(c)(1). Only one responsible source and no other supplies or services will satisfy agency requirements.

Steve A. Nickle 12 MAR 2014
Steve A. Nickle Date
Director for Air ASW, Assault and Special Mission Programs
Contracts, AIR-2.3