



**DEPARTMENT OF THE NAVY**  
 NAVAL SEA SYSTEMS COMMAND  
 1333 ISAAC HULL AVENUE, S.E., M/S 2040  
 WASHINGTON NAVY YARD, DC 20376-2040

IN REPLY REFER TO  
 J&A 52,047.1  
 Code: [REDACTED]  
 N00024-10-R-5228

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

JUSTIFICATION

1. The purpose of this revision for J&A No. 52,047 is to request authority to increase the estimated dollar value of the ceiling increase by \$12.33M for a total value of \$42.48M. This will result in an increase of the total contract ceiling of \$12.33M, from \$69.12M to \$81.45M.

The AN/SQQ-89 Program Office (PEO IWS 5.0) is requesting an increase in the estimated dollar value of the ASW Combat Systems Design Agent Support level of effort solicitation N00024-10-R-5228. This increase is required since the total estimated cost of the proposal is significantly higher than the original J&A estimated dollar value of \$30.15M. The original estimated dollar value did not accurately reflect the proper labor mix and total cost required for this contract. The initial J&A estimate for this ceiling increase was based on the estimated costs from the original award in 2007. The proliferation of new technologies resulted in an escalation of expended cost per man-hour that was applied during the FY 07-10 timeframe and that is necessary to support the additional hours covered under this J&A. This award was also originally planned for FY10, and has been shifted out to use FY11 and FY12 funds. Therefore, the estimated dollar value has changed from \$17.78M in FY10 funds to \$25.06M in FY11 funds, and \$12.37M in FY11 funds to \$17.42M in FY12 funds. For this reason, an increase in the estimated dollar value for solicitation N00024-10-R-5228 is requested.

2. The funding table of J&A 52,047 under paragraph 1 of section 3, Estimated Dollar Value, is hereby replaced with the following table:

**Estimated Dollar Value (\$M)**

|       | FY11    | FY12    | Total   |
|-------|---------|---------|---------|
| SCN   | \$3.92  | \$2.45  | \$6.37  |
| OPN   | \$5.06  | \$3.47  | \$8.53  |
| RDT&E | \$11.95 | \$8.42  | \$20.37 |
| O&MN  | \$3.26  | \$2.35  | \$5.61  |
| FMS   | \$0.87  | \$0.73  | \$1.60  |
| Total | \$25.06 | \$17.42 | \$42.48 |

Approval:

[REDACTED SIGNATURE]

Michael Gutermuth  
 Director, Surface Systems Contracts Division, SEA 025

11/16/2010  
 Date