



DEPARTMENT OF THE NAVY
NAVAL SEA SYSTEMS COMMAND
1333 ISAAC HULL AVE, SE
WASHINGTON NAVY YARD, DC 20376-0001

IN REPLY TO

CJ&A Number: 52,088
CODE: SEA 025
P.R. Number: N0002412NR45052

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

JUSTIFICATION

1. Contracting Activity

The Naval Sea Systems Command (NAVSEA), Surface Systems Contracts Division (SEA 025).

2. Description of Action Being Approved

NAVSEA will utilize other than full and open competition to award a contract for one 12 month base period and one 12-month option to Lockheed Martin Global Training and Logistics (LM GTL) in Chesapeake, Virginia (VA), to provide Product Supportability (PS) duties as described below. The contracted effort will provide PS for existing FFG 7 class Frigates, CG 47 class cruisers, DDG 51 class destroyers, DDG-1000's Anti Submarine Warfare (ASW) suite, and LCS ASW Mission Packages as part of fleet modernization programs for Advance Capability Build 13 (ACB 13) and Technical Insertion 12 (TI 12), new construction ships DDG 113-116, and Tactical Training Equipment (TTE) installations at the Fleet ASW Training Center, Pacific. A Class J&A is required as there may be multiple contract actions associated with this procurement. Authority to act under this CJ&A expires 16 November 2014.

3. Description of Supplies/Services

NAVSEA will procure Logistics Development, Installation, Fleet and Life-Cycle PS for Advanced Undersea Warfare Systems (USW) through TI12 / ACB13 capability. This includes Integrated Logistics Development including Training Conduct; Equipment Alteration and Installation; Fleet Support; and Life Cycle Supportability across USW programs.

As the Product Support Provider, LM GTL will perform product supportability tasks for integrated USW. These systems leverage state-of-the-art intrinsic supportability enablers and support the delivery of new technological capabilities for DDG 51, DDG 1000, LCS, CG and CG 47 Class ships. USW systems supported under this contract mitigate Commercial Off-the-Shelf (COTS) hardware end-of-life issues by ensuring continued vendor surveillance and augmenting fleet instructor and maintenance personnel. The realized benefit is continued fleet support of significant technologies into Surface Ship USW Combat Systems that reinforce advanced war-fighter capabilities.

PEOIWS5B has procured product supportability for over 100 platforms on existing competitively awarded task orders under contract N00178-04-D-4079, Task Orders EH02 and 0015. The value of this procurement is estimated at \$57M. The anticipated funding profile for this effort is shown below.

Estimated Dollar Value (\$M)

FUNDS	FY13	FY14	TOTAL
RDT&E,N	\$0.12	\$0.12	\$0.24
OPN	\$22.8	\$20.7	\$43.5
SCN	\$4.3	\$4.3	\$8.6
O&MN	\$1.5	\$1.5	\$3.0
FMS	\$0.8	\$0.8	\$1.6
TOTAL	\$29.52	\$27.42	\$56.94
Pricing Methodology Used: Breakouts based on historical execution. With 2.0% inflation over FY 2011 program budget amount.			

Table 2-1, Product Supportability Budget

The Government's minimum needs have been verified by the certifying technical and requirements personnel and are in accordance with approved PEO IWS Single Acquisition Management Plan PEO 12-007 FY 12 dated 19 October 2012.

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

Pursuant to 10 U.S.C. 2304(c)(1), LM GTL is the only responsible source capable of satisfying the Navy's requirements for AN/SQQ-89 product supportability. LM GTL is the only existing source with the in-depth technical expertise, knowledge, resources, and existing infrastructure to instruct, install, upgrade, test and provide fleet support for the AN/SQQ-89 systems without adverse impact to scheduled deliveries in support of the USN personnel and ship deployment requirements.

In 2007, NAVSEA competitively awarded Contract N00178-04-D-4079-EH02 to LM GTL to provide logistics and waterfront support for USW systems with concentration applied to AN/SQQ-89A(V)15 variants, which ends on 15 November 2012.

It is imperative that LM GTL provide product support for USW Combat Systems through 2014. Manning shortfalls within the Navy have caused the delay in transitioning training responsibility to Fleet ASW Training Center, Pacific. Although the AN/SQQ-89 Navy Training Systems Plan (NTSP) demonstrates the need for 31 instructors, only 15 have been authorized by Bureau of Naval Personnel (BUPERS). LM GTL has been augmenting the Fleet ASW Training Center instructor staff and is currently the only source for qualified instructors for the Maintenance, Operator and Journeyman courses that require instruction through 2014. Award to another contractor at this time would result in a break in contract coverage, thus leading to an inadequate number of instructors and poorly trained sailors. The follow-on competitively awarded contract shall allow for sufficient time for the successful offeror to hire and train the appropriate personnel.

Support agreements between PEOIWS5B and NAVSUP would also be negatively affected. A Commercial Asset Visibility (CAV) system including a Defense Automatic Message Exchange System (DAMES) terminal is currently utilized at the NAVSEA staging

facility supported under this contract. This infrastructure is utilized to provide Interim Supply Support (ISS) and Mini-Stock-Point (MSP) success ensuring that fleet requisitions are filled in a timely manner. A transition of physical assets and establishment of CAV and DAMES infrastructure has historically taken 6 months from the time of contract award. The loss of this capability during the transition phase would negatively affect the fleet through delayed delivery of parts, support and lack of warranty tracking.

LM GTL has performed sixteen (16) AN/SQQ-89A(V)15 backfit installations and eight (8) SCN installations under its existing competitively awarded contract. Each installation has required an Installation and Check-Out (INCO) and weapons firing event. Depending on the results of the events, the Contractor will make revisions to the Technical Data Packages and INCO procedures. No other contractor possesses the in-depth system knowledge required to make such revisions based on the results of upcoming ship events. The in-depth knowledge of system interfaces required to execute the test package would be lost if another contractor is introduced at this time. Historically, this effort has taken 9-12 months for initial delivery.

The introduction of another contractor at this stage would result in adverse impacts on the operation of the fleet and unacceptable schedule delays, including delays in the delivery of AN/SQQ-89A(V)15 and DDG113 documentation required in FY13 and FY14 prior to beginning ship installations. By directive, all preparation funding must be distributed at least 12 months prior to the installation and includes efforts to provide Installation Drawings, Logistics, training conduct, and Supply Support products.

The Government expects that award to a new contractor would jeopardize completion of planning for [REDACTED] ships, initiation of training sailors and planning for at least [REDACTED] availabilities, completion of [REDACTED] and initiation of [REDACTED] installations.

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

The proposed contracting actions were synopsized on 18 October 2012 on the Federal Business Opportunities (FEDBIZOPPS) website in accordance with FAR 5.2. No other potential sources expressed an interest in these requirements. However, should any responses be received they will be considered.

NAVSEA has concluded that additional market research was not necessary given the lack of response from industry and the unique expertise, prior experience and infrastructure resident at LM GTL. For the reasons discussed in paragraph 5 above it is not practicable, to assume that any company other than LM GTL can provide the required supplies and support at this time.

7. Determination of Fair and Reasonable Cost

The Contracting Officer has determined that the anticipated costs to the Government for the supplies/services covered by the J&A will be fair and reasonable. The Contracting Officer will conduct cost and price analysis to determine the cost to be fair and reasonable. Assistance from the Defense Contract Management Agency (DCMA) and Defense Contract Audit Agency (DCAA) will be utilized to analyze, evaluate, and negotiate based upon detailed cost or pricing data, which will be certified by LM GTL at the conclusion of negotiations. LM GTL has completed sixteen (16) installations, which will provide actual cost data relevant to this future proposal and will support the negotiation of a fair and reasonable price.

8. Actions to Remove Barriers to Competition

Full and open competition for future efforts is planned for all procurements beyond November 2014 and currently in the acquisition planning phase. The Government anticipates RFP release in August 2013 with contract award by October 2014. FY15 is a logical insertion point for a new contract as all

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TI12/ACB13 products will be completed and TI14/ACB15 Integrated Logistics Development, including Training Conduct, Equipment Alteration and Installation, Fleet Support and Life Cycle PS, can begin under the follow-on contract.

CERTIFICATION AND APPROVAL

TECHNICAL/REQUIREMENTS CERTIFICATION (FAR 6.303-2(b))

I certify that the facts and representations under my cognizance, which are included in this justification and its supporting acquisition planning data, including Single Acquisition Management Plan No. PEO 12-007 FY 12, except as noted herein, are complete and accurate to the best of my knowledge and belief.

COMBINED TECHNICAL AND REQUIREMENTS COGNIZANCE:

[Redacted signature block]

Signature Name (Print)/and Title (Code) Phone No. Date

LEGAL SUFFICIENCY REVIEW (NMCAG 5206.303 (90))

I have determined this justification is legally sufficient.

[Redacted signature block]

Signature Name (Print) and Title (Code) Phone No. Date

CONTRACTING OFFICER CERTIFICATION (FAR 6.303-2(a)(12))

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

[Redacted signature block]

Signature Name (Print) and Title (Code) Phone No. Date

APPROVAL BLOCK (FAR 6.304 for Approving Official)

Upon the basis of the above justification, I hereby approve, as Designee of the Head of the Procuring Activity, 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).

Designee of the Head of the Procuring Activity

[Redacted signature]

James G. Lofgren

11-9-12

Signature Name (Print) Date