



DEPARTMENT OF THE NAVY

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

IN REPLY TO:

J&A Number: 62.178

Code: SEA0262

PR Number: N00024-12-NR-99352

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

JUSTIFICATION

1. Contracting Activity

Naval Sea System Command (NAVSEA), Undersea Systems Contracts Division (SEA0262 - Submarine Systems Branch).

2. Description of the Action Being Approved

The use of other than full and open competition to award a sole source contract to Kollmorgen Corporation, Electro-Optic Division, 50 Prince St., Northampton, MA 01060 for production of Universal Modular Mast (UMM) systems.

3. Description of Supplies or Services

This proposed contractual action is in support of the UMM Program and includes procurement of UMM systems, major shore spares, and engineering services. This procurement will satisfy production and hardware requirements for the VIRGINIA Class UMM program for Fiscal Year (FY) 12 through FY14. The base contract will be for two VIRGINIA Class Ship-sets of eight (8) UMMs each for a total of 16 UMMs. Option year one (FY13) also includes two VIRGINIA Class Ship-Sets of eight (8) UMMs each for a total of 16 UMMs. Options two and three (FY14) include the procurement of eight VIRGINIA Class Major Shore Spares per option. The 16 unit requirement is separated into two separate options to facilitate award of 8 units if full spares funding is not available. In addition, this procurement will also include 142,000 man hours of associated engineering services to provide for test, evaluation, integration, installation and deployment of UMM systems.

UMM systems and major shore spares will be procured on a Firm Fixed Price (FFP) basis and engineering services will be Cost Plus Fixed Fee (CPFF).

Planned Funding is shown below in Millions:

	FY12	FY13	FY14	Total
OPN	\$0.0	\$0.0	\$17.6	\$17.6
RDT&E	\$7.0	\$7.2	\$0.0	\$14.2
SCN	\$17.6	\$17.6	\$0.0	\$35.2
Total	\$24.6	\$24.8	\$17.6	\$67.0

4. Statutory Authority Permitting Other than Full and Open Competition

10. U.S.C. 2304(c)(1). Only one or a limited number of responsible sources and no other supplies or services will satisfy agency requirements.

5. Rationale Justifying Use of Cited Statutory Authority

Kollmorgen Co., via its wholly owned subsidiary Calzoni, is the current developer of the UMM system and the only contractor with the requisite knowledge and experience to execute this proposed contract. Kollmorgen Co. was the only technically acceptable offeror to the competitive UMM solicitation, (N00024-95-R-6203) and as a result was awarded contract N00024-95-C-6212 to design and construct the initial UMM Engineering Development Model (EDM). As part of its work under contract N00024-95-C-6212, Kollmorgen delivered the EDM system for installation on the USS ANNAPOLIS to conduct at sea testing and shipsets for initial installation on USS VIRGINIA and USS TEXAS. Calzoni has developed and produced modular masts for over thirty years and portions of the design are proprietary. Contract N00024-95-C-6212 required the delivery of a Technical Data Package which included nine source control drawings. Because some of these components are proprietary, the ability to compete the production of the existing UMM system is limited. A significant design effort would be required to develop an alternative solution to the proprietary components in the Calzoni design. Consequently, Kollmorgen Co. has a knowledge base and experience that cannot be readily replaced without unacceptable schedule delays and increased program costs. Kollmorgen Co. is the only contractor with the qualifications to provide the UMM systems to continue supporting the production and delivery of the UMM within the program's schedule and cost constraints. It is estimated that there would be a cost increase of at least \$7 Million and a three year delay if another contractor was selected to perform the work. The 3 years and \$7 Million is the estimated NRE required to redesign, test and validate the Source Control items in the current UMM design. This also addresses

Kollmorgen Co. was awarded contracts N00024-03-C-6200 and N00024-07-C-6227 on a sole source basis to carry production of UMM systems for the VIRGINIA and SSGN Class submarines into FY12. Contract N00024-07-C-6227 was awarded for the purpose of delivering UMM systems to complete VIRGINIA Class Block II requirements (SSN 782-783) and for the first four hulls of VIRGINIA Class Block III (SSN784-787). The contract action described herein will deliver a UMM system to the remaining Block III production VIRGINIA Class submarines (SSN788-791). Competing the UMM system design from that currently delivered by Kollmorgen Co. and its subsidiary Calzoni not only would be costly and disruptive to the overall VIRGINIA Class Block III production schedule, but it could also result in product baseline inconsistency which would last for the duration of VIRGINIA Class Block III production.

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

The proposed action was synopsisized on the FEDBIZOPS website on January, 12 2012. The Contracting Officer will consider any industry information made available as a result of this synopsis. No other market research was conducted because it is not practicable to establish competition for the reasons stated in Paragraph 5 above.

7. Determination of Fair and Reasonable Cost

The Contracting Officer has determined that the anticipated cost to the Government will be fair and reasonable.

8. Actions to Remove Barriers to Future Competition

For the reasons set forth in Paragraph 5, NAVSEA 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, NAVSEA will assess whether competition for future requirements is feasible.

CERTIFICATIONS 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 Acquisition Plan No. PEO-SUB/PMS435-04-009 Rev. 1, except as noted herein, are complete and accurate to the best of my knowledge and belief.

TECHNICAL COGNIZANCE:

[Redacted]

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

REQUIREMENTS COGNIZANCE:

[Redacted]

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

LEGAL SUFFICIENCY REVIEW (NMCARS 5206.303(90))

I have determined this justification is legally sufficient.

[Redacted]

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 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 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]

CANDY R. SHAVETZ

1/30/2012

Signature

Name (Print)

Date