



DEPARTMENT OF THE NAVY

CRANE DIVISION
NAVAL SURFACE WARFARE CENTER
300 HIGHWAY 361
CRANE, INDIANA 47522-5000

IN REPLY REFER TO:

J & A Number: CR-10320
Code: CXMR
PR Number: N00164-11-R-GR72

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

1. Contracting Activity

Naval Sea Systems Command, Naval Surface Warfare Center (NSWC)
Crane, Contracting Operations Division

2. Description of the Action Being Approved

Award of a Firm Fixed Price Indefinite-Delivery, Indefinite-Quantity (IDIQ) supply contract on a sole source basis for procurement and evaluation of the MK-666 Continuous Wave Illuminator Noise Test Set (CWI NTS), from Omniphase Defense Systems, Newport Beach, CA. This Test Set supports maintenance of the MK-99 Fire Control System.

3. Description of Supplies/Services

The requirement is for the procurement of new production and evaluation of failed MK-666 CWI NTS's, which are used to test the MK-99 Fire Control System during system maintenance and before a missile launch on board the [REDACTED]

[REDACTED] This procurement is in support of Foreign Military Sales (FMS) cases, expected U.S. new ship construction and U.S. Navy Sustainment. Minimum and maximum quantities are:

<u>Item</u>	<u>Minimum</u>	<u>Maximum</u>
Repair (includes evaluation & repairs)	0 each	10 each
Production	3 each	57 each

The total estimated dollar value for this procurement is \$12,451,230. Deliveries will be delineated in each individual order. Ordering period will be 3 years from the effective date of contract award. The Government's minimum needs have been verified by the certifying technical and requirements personnel.

Estimated Dollar Value

	FY 11	FY 12	FY 13	Total
SCN	\$ 646,845	\$1,078,075	\$1,724,920	\$ 3,449,840
OPN	\$1,757,155	\$2,835,230	\$2,835,230	\$ 7,427,615
FMS	\$1,530,795	\$ 21,490	\$ 21,490	\$ 1,573,775
Total	\$3,934,795	\$3,934,795	\$4,581,640	\$12,451,230

4. Statutory Authority Permitting Other Than Full and Open Competition

10 U.S.C. 2304(c) (1).

5. Rationale Justifying Use of Cited Statutory Authority

A technical data package sufficient to solicit this action competitively exists. The Government has a performance specification and interface drawings. While the Government does have a technical data package sufficient to solicit this action competitively, Omniphase is the only source that has successfully completed certification and the specific design and manufacturing process used by Omniphase are proprietary.

This is a follow-on procurement action where award to any other source would result in unacceptable delays in fulfilling the agency's requirements.

Omniphase Defense Systems is the only known source which has the capability to produce and repair the MK-666 CWI NTS units for use in the MK 99 FCS in the required timeframe. This procurement action is for short-term requirements, which will fulfill FY10 - FY12 known requirements. If another vendor proposes and is selected for award, it is estimated to take a total of 39 months to qualify another vendor's product and ready the depot for calibration and repair of returned units. A total of 57 CWI NTS is needed. A full and open competitive action will be processed concurrently.

In 2004, the effort to solicit a source for this project was competitive. Omniphase was awarded the resulting contract, which was N00164-05-D-8910. Since that time, Omniphase has been in continuous production. The Test set design was developed by Omniphase to meet the Navy's requirements of Weapon Specification (WS) 33336, which specifies performance. Their design was based on an existing Omniphase design of a noise test set. Therefore, the design rights utilized by Omniphase are

proprietary to Omniphase. The Government has limited data rights to the overall design that has been certified only if Omniphase does not choose to renew the contract or are no longer in business. This arrangement was offered by Omniphase in response to solicitation resulting in contract N00164-05-D-8910. Any new design would have to be certified.

Certification of a new design is a lengthy process which takes approximately 15 months. The steps to certify engineering development of a design, manufacture & delivery of first articles, first article acceptance testing, including functional, environmental and shipboard testing and end-user training. Based on the aforementioned information, it is hereby determined that the delay is unacceptable in support of the program requirements. Based on the aforementioned information, Omniphase is deemed to be the only source available because an award to a source other than the current provider of the only certified product would result in an unacceptable delay in support of the program requirements

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

Market research was conducted in accordance with FAR Part 10. FAR 10.001(a)(2) requires market research appropriate to the circumstances. In this case, the World Wide Web was used as a research tool to locate sources for microwave tubes meeting key requirements. Three sources (not including Omniphase) were identified as NTS manufacturers. None of the products identified are certified and most either do not have the required capabilities or are not designed for the rigors of shipboard use, showing that these sources could not substitute for the present source without unacceptable schedule delays.

A synopsis of the proposed procurement was published 7 Oct 2009, and again on 3 Sep 2010, in FEDBIZOPS in accordance with FAR 5.2. To date, no other sources have expressed an interest in this solicitation. All interested parties will have access to the solicitation and will be allowed to propose, which includes those vendors seeking subcontracting opportunities.

7. Determination of Fair and Reasonable Cost

The Contracting Officer has determined that the anticipated cost to the Government for the supplies/services covered by the J&A will be fair and reasonable.

8. Actions to Remove Barriers to Future Competition

This action is for short-term requirements with a planned award in May 2011. A Part B package will be submitted in February 2011 to process long-term requirements on a full and open competition basis. Planned award is FY12 Q2. However, no funding is currently available to undertake efforts to qualify a new source. Anticipate funding may be available thru the potential savings achieved via the use of competition.

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 data are complete and accurate to the best of my knowledge and belief.

TECHNICAL COGNIZANCE:

[Redacted signature and name area]

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

REQUIREMENTS COGNIZANCE:

[Redacted signature and name area]

Signature Name (Print) and Title (Code) Phone No. [Redacted]

LEGAL SUFFICIENCY REVIEW (NMCAG 5206.303(90))

I have determined this justification is legally sufficient.

[Redacted signature and name area]

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 and name area]

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) using of other than full and open competition, pursuant to the authority of 10 U.S.C. 2304(c)(1).

CRANE DIVISION COMPETITION ADVOCATE APPROVAL

[Redacted signature] KELLY SIFFIN [Redacted] 1/7/11
Signature Name Date