



**DEPARTMENT OF THE NAVY**  
 NAVSUP FLEET LOGISTICS CENTER SAN DIEGO  
 3985 CUMMINGS ROAD  
 SAN DIEGO CA 92136-4200

IN REPLY REFER TO

**LIMITED SOURCES JUSTIFICATION FOR FSS ORDER**

**1. IDENTIFICATION OF AGENCY AND CONTRACTING ACTIVITY:** This is a Limited Sources Justification. The requiring activity is Fleet Readiness Center Southwest (FRCSW), San Diego, CA. The contracting activity is Naval Supply Systems Command Fleet Logistics Center (NAVSUP FLC) San Diego 92136.

**2. NATURE/DESCRIPTION OF CONTRACT ACTION:** This acquisition is conducted under the authority of the Multiple Award Schedule Program (Title III of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 251, *et seq.*) and Title 40 U.S.C. 501, Services for Executive Agencies). GSA Order N00244-14-F-0401, awarded on 17 September 2014, to \_\_\_\_\_ procures Virtual Workplace Aviation Maintenance Simulator (VWAMS) training and mission assistance support, under \_\_\_\_\_ At the time of award, funding was only available for 180 participants, although the Navy's bona fide requirement is for 800 participants. Additional funding has been obligated, and this order is now being modified to provide VWAMS training for an additional 120 personnel. Like the original contract, the modification will be firm fixed price, with a cost CLIN for travel and transport of the training equipment. The order expires on 16 September 2015, and the period of performance of the modification does not extend the period of performance. The order price was \$1,170,000.00, and the modification price is estimated at \$500,000.00. The Navy's requirement is to provide this training to 800 FRCSW leadership and employees, as the funding becomes available.

**3. DESCRIPTION OF REQUIRED SERVICES:** The proposed modification requires four (4) classes, with thirty (30) participants per VWAMS session. Each session is five (5) days in length. \_\_\_\_\_ will continue to provide instructors, training facility, materials, and equipment to deliver the VWAMS program. VWAMS training supports FRCSW's mission requirements for their Aviation Maintenance Programs Organization and Operation Development by enhancing the work force skills and abilities of their leadership and maintenance technicians. The training will allow for implementation of production-minded operational improvements, leading to efficiencies and enhanced safety results.

Total Participants	Description	Unit Price	Extended Price
120	VWAMS Sessions		
	Travel		

Modification Period of Performance: 30 March 2015 through 16 September 2015

Total procurement:

Funding Source: Non Expiring NWCF

**4. IDENTIFICATION OF THE JUSTIFICATION RATIONALE AND/OR DEMONSTRATION OF CONTRACTOR'S UNIQUE QUALIFICATIONS:** The statutory authority which permits restricting consideration of schedule contractors to fewer than that required in FAR 8.405-2 is 41 U.S.C. 251, as implemented by FAR 8.405-6(a)(1)(i)(B). Only one source is capable of providing the supplies or services required at the level of quality

required because the supplies or services are unique or highly specialized. The VWAMS training program was developed by \_\_\_\_\_ under Co-operative Agreement DASW01-98-2-0002. It has been implemented at both FRCSW and Fleet Readiness Center East (FRCE).

The \_\_\_\_\_ is uniquely qualified in the domain of enterprise and systemic simulations development. They have more than ten years of experience in this field, and have improved their organization simulation programs over several years, creating a stable program with rich functionality. This program was most recently customized for Aviation Maintenance. The Department of Defense (DoD) spent approximately \$2.5 Million under Co-operative Agreement DASW01-98-2-0002 with \_\_\_\_\_

\_\_\_\_\_ in June 2012. The base unit is proprietary to \_\_\_\_\_ and the modifications are unique to DOD requirements. It is essential that all personnel coming through the program experience the same training for purposes of commonality of knowledge which allows technician to work on any aircraft that the simulator represents. \_\_\_\_\_ is currently the only qualified contractor in the United States that has the capability to meet the experiential learning needs of FRCSW, using the VWAMS Program. Under this modification, \_\_\_\_\_ will ship its simulators and instructors locally to a facility near FRCSW. FRCSW will then select 30 participants per session. Each session is 5 days long. \_\_\_\_\_ will tailor the software in its simulators for the skill level of the designated user. The simulator will then provide training in a virtual workplace environment where participants gain knowledge, experience, and hands-on practice in an artificial environment, identical to the working environment of the participants. Once the session is over, the instructors will debrief FRCSW by providing lessons learned from the participants. The instructors will also assist participants with transferring the skill, knowledge and experience gained in the simulator to their real work environments for implementation.

The success and value of the program to the Navy was demonstrated under the Cooperative Agreement with \_\_\_\_\_, at FRCE. FRCE achieved the following in Safety: 65% reduction in lost workdays, 70% reduction in Occupational Safety and Health Administration (OSHA) recordable incidents rate, and \$3 Million savings in Federal Employee Compensation Act (FECA) payments; in Quality: rework and quality defects costs decreased from \$7 Million to \$2 Million; and in Cost: \$2 Million worth of improvement in direct labor performance, \$20 Million reduction in indirect budget, and measurable reduction in depot maintenance rates charged to the Fleet.

**5. DETERMINATION OF THE BEST VALUE:** GSA has already determined the prices of the acquisition, of the schedule contracts to be fair and reasonable. Therefore, ordering activities are not required to make a separate determination of fair and reasonable pricing. The NAVSUP FLC, San Diego Contracting Officer will determine, using the procedures in FAR 8.405, that the order represents the best value and results in the lowest overall cost alternative (considering price, special features, administrative costs, etc.) to meet the Government's needs. The contracting officer may, also, seek additional discounts before placing the order.

**6. DESCRIPTION OF MARKET RESEARCH:** The requiring activity and contracting activity have conducted market research among competitors in the industry. Three vendors were contacted and they did not have the capability or the specialized aviation maintenance program

training through virtual workspace simulations. Based on the market research, [redacted] is currently the only qualified contractor that has the capability to meet the experiential learning needs of FRCSW, using the VWAMS Program.

**7. ANY OTHER SUPPORTING FACTS:** This procurement will be implemented through a GSA FSS Schedule and will be solicited and awarded in accordance with FAR Subpart 8.4. It is not practicable to award this effort to another contractor who does not already have identical equipment manufactured and ready for delivery. First, the loss of time waiting for another company to develop this type of simulator will impact the mission – a mission characterized by safety concerns. Second, the cost to fund development would be prohibitive, particularly with an estimated 18 month development time frame. Third, the developed equipment must be identical to training already provided to ensure commonality of all training for all personnel. Because the [redacted] base simulators include proprietary data, reproduction based on new approaches would likely not be compatible with existing training which has already occurred. Failure to award this effort to [redacted] will delay FRCSW in achieving improvement metrics that have been implemented through the current [redacted] VWAMS training and mission assistance support contract. This will have a negative impact on FRCSW's mission to supporting both operational effectiveness and cost savings, but most importantly, the warfighter. It will also impede the U.S. Navy's ability to begin fleet lifespan extensions to maintain the required degree of readiness in the current environment of reduced expenditures.

It is in the best interest of the Government that this contract be awarded to [redacted] for rapid results; mission assistance-focused learning in the Fleet Readiness Centers using the VWAMS.

**8. ACTIONS TAKEN TO REMOVE BARRIERS TO COMPETITION:** For the reasons set forth in this justification, NAVSUP FLC San Diego has no plans at this time to compete future contacts for the type of services covered by this document. If another potential source emerges, NAVSUP FLC San Diego will assess whether competition for future requirements is feasible.

**9. CONTRACTING POINT OF CONTACT:**