DEPARTMENT OF THE NAVY
NAVSUP WEAPON SYSTEMS SUPPORT
700 ROBBINS AVENUE
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MECHANICSBURG PA 17055-0788

JUSTIFICATION FOR OTHER THAN FULL AND OPEN COMPETITION

REQUISITION NUMBER/PD: N00383-14-Y-0001 **CJ&A:** 14162

1101005034

The format of this Justification and Approval (J&A) was reviewed and approved by NAVSUP WSS Office of Counsel. No change to the format or content of the preprinted portion of this document is allowed. Any revision to the preprinted portion of this document must be individually reviewed and approved in writing by NAVSUP WSS Office of Counsel.

[redacted]

(Item Manager's Name) *Please Print* (Extension) (Code)

[redacted]

(Technician's Name) *Please Print* (Extension) (Code)

[redacted]

(Buyer's Name) *Please Print* (Extension) (Code)

1. **CONTRACTING ACTIVITY**: X NAVSUP WSS Philadelphia
___ NAVSUP WSS Mechanicsburg

2. **DESCRIPTION OF THE ACTION BEING APPROVED**: This J&A is for the negotiation and award of a contract through other than full and open competition. The class of contracts to which this Justification and Approval will be applied are orders against Basic Ordering Agreement Number N00383-14-G-001D for the period through 06/2017.

3. **DESCRIPTION OF SUPPLIES/SERVICES**: This J&A covers the acquisition of the following in support of the F/A-18, V-22, P-3, E2/C2, H-60, and T56 Engine systems.

Y REPAIR/OVERHAUL
Y MODIFICATION
N MANAGEMENT SERVICES
Y PIECE PARTS
Y DATA/REPORTING

Nomen	Various (See Attachment "A")	Quantity	Various (See Attachment "A")
NSN	Various (See Attachment "A")	Cage Code	02LU7
P/N	Various (See Attachment "A")	Unit Price	Various (See Attachment "A")

Estimated Value (include option) $66,912,948.00

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E-2 - 9700 XXXX 4930.NC1A 000-85004 0 050120 7T 00000 7RPJ00000002014

Engines - 9700 XXXX 4930.NC1A 000-85004 0 050120 7T 00000 7RPS00000002014

H-60 - 9700 XXXX 4930.NC1A 000-85004 0 050120 7T 00000 7RPY00000002014

P-3 - 9700 XXXX 4930.NC1A 000-85004 0 050120 7T 00000 7RPL00000002014

V-22 - 9700 XXXX 4930.NC1A 000-85004 0 050120 7T 00000 7RPG00000002014

4. **STATUTORY AUTHORITY PERMITTING OTHER THAN FULL AND OPEN COMPETITION**: This J&A is based upon the authority of 10 USC 2304(c) (1), one source or limited sources.

5. **RATIONALE JUSTIFYING USE OF CITED STATUTORY AUTHORITY**:

The current Repair Method Code/Repair Method Suffix Code (RMC/RMSC) of the subject items in this contract are 3C and 3H (E2/C2 only). The RMC value of "3" indicates that these items are being repaired for the second or subsequent time, directly from the actual manufacturer, and the RMCS value of "C" indicates that these components require engineering source approval by the design control activity in order to maintain the quality of the part. Existing unique engineering skills, and repair knowledge by the qualified sources, require repair of the part by the approved sources. All alternate sources must be qualified through NAVAIR. The RMCS value of "H" indicates the Government physically does not have in its' possession sufficient, accurate or legible data to contract repair with other than the current approved source. The items found on the Attachment "A" will be negotiated with (02LU7) Honeywell International Inc.

In regards to the F/A-18 and H-60:
When pertaining to the 50 F/A18-A, B, C, D, E, F, G items and the 14 H-60 B, F, H, R, S items, Honeywell is exercising proprietary data rights. The basis for this proprietary assertion is due to the expenses accrued by Honeywell in the development of said items. The subject product drawings are essential to perform repairs on the items found on the Attachment "A" for the F/A-18 and H-60 platform(s). This essentiality stems from the lack of depot level repair manuals for the F/A-18 and H-60 platform(s). In addition, all subject drawings contain restricted legend that prohibits the Navy from sharing the information with any other commercial repair facility other than 02LU7.

Of the aforementioned F/A-18 platform items, 7 are considered Critical Safety Items (CSI) and 43 are considered Critical Application Items (CAI). Of the aforementioned H-60 items, all 14 are considered CSI. All alternate sources must qualify IAW the design control activity's procedures, as approved by NAVAIR prior to contract award. Available data including repair publications, supporting test equipment availability and associated drawings/specifications are not available and have not been found adequate to support full and open competition. At this time no other commercial repair facilities have the expertise, facilities or test equipment necessary to repair the items on the Attachment "A" other than 02LU7.

In regards to the V-22:

acquired or developed the technical data required. In addition, there are currently no FRC depot sources of repair. 02LU7 is the only authorized source of repair for these items due to them being CSIs and CAIs and in accordance with source controlled drawings. They are the only authorized source by NAVAIR. The approval process involves inspection and review of repair techniques, special skills, qualifications, and knowledge required to complete the complex procedures. The cognizant Government engineering activity is responsible for this process.

In regards to programs to which the following applies:
As the OEM, Honeywell alone has the engineering expertise necessary to perform essential repair tasks in such setting, for example, resolution of obsolescence issues, sustainment of reliability and management of configuration of the CSI and CAI items covered by the contemplated procurement. In addition, the NAVAIR depot repair manuals, which define the tear down, inspection and reassembly of the WRAs/SRAs, identify Honeywell as the only source of supply for various major parts such as shafts, housings, and gears. A review of technical data in the Navy's physical possession of such parts has shown that finding an alternate manufacturing source is not feasible. Such data is either not available, not the latest configuration, not sufficiently complete, or is proprietary to Honeywell. Further, where there is government-owned special tooling/special test equipment and software at the Navy organic depots, such equipment is used in support of multiple programs and cannot be removed and provided to another source. Additional special tooling/test equipment required for support of these WRAs/SRAs is located at Honeywell facilities and is not owned by the government. For these reasons previously mentioned NAVSUP WSS is presently unable to fully compete the aforementioned items.

6. **DESCRIPTION OF EFFORTS MADE TO SOLICIT OFFERS FROM AS MANY OFFERERS AS PRACTICABLE**: The proposed contract was synopsized in the FedBizOpps website for government wide point of entry on 11/5/13. The following sources have expressed an interest in the acquisition. None.

Market research was conducted in accordance with FAR Part 10. The results of the market research conducted are as follows: The NAVSUP Weapon Systems Support (WSS) Source Development Department has conducted a market research per the market research document. The 140 subject items are Critical Safety Items (CSI) and Critical Application Items (CAI) and all alternate sources must qualify IAW the design control activity's procedures, as approved by NAVAIR prior to contract award. Available data including all repair publications, supporting test equipment availability and associated drawings and specifications required to repair the 140 subject items has not been found adequate to support full and open competition. At this time no other commercial repair facilities have the expertise, facilities or the test equipment necessary to repair the 140 subject items other than Honeywell International (02LU7). No other sources have currently expressed an interest in becoming an approved repair source for the 140 subject items to the Source Development Department. To promote repair competition the NAVSUP WSS will continue to encourage manufacturers with the expertise to repair the 140 subject items to submit a complete technical data package for review and source approval by the appropriate engineering source approval authority per the (WSS) guidelines. Also future requirements will be advertised in the FedBizOps website (www.fedbizops.gov) in order to encourage potential suppliers to submit Source Approval Requests.

7. **DETERMINATION OF FAIR AND REASONABLE COST**: The contracting officer determines that the anticipated cost to the government for supplies covered by this Class J&A will be fair and reasonable.

8. **ACTIONS TO REMOVE BARRIERS TO FUTURE COMPETITION**:

For reasons set forth in Paragraph (5) & (6), NAVSUP WSS has no plans at this time to compete future contracts for the types of supplies/services covered by this document. If another potential repair source emerges, NAVSUP WSS will assess whether competition for future requirements is feasible.

9. **REFERENCE TO THE APPROVED ACQUISITION PLAN**: A Formal acquisition plan is required for this acquisition.

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CERTIFICATIONS AND APPROVAL
TECHNICAL/REQUIREMENTS CERTIFICATION

I certify that the facts and representations under my cognizance which are included in this Justification which in this justification and which form a basis for this justification are complete and accurate to the best of my knowledge and belief.

Technical Cognizance: 06/18/14

[redacted]

Requirements Cognizance:

[redacted]

COMPETITION ADVOCATE REVIEW AND CONCURRENCE

[redacted]

CONTRACTING OFFICER CERTIFICATION

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

[redacted]

LEGAL SUFFICIENCY REVIEW

I have determined this Justification is legally sufficient.

[redacted]

APPROVAL REQUIRED BY FAR 6.304

[redacted]

Approval Levels:

Contracting Officer:	Up to $650,000
Competition Advocate:	$650,000 to $12,500,000
HCA (delegated to NAVSUP WSS 00 and 09):	$12,500,000 to $85,500,000
ASN (RD&A):	Over $85,500,000