# DEPARTMENT OF THE NAVY

REGIONAL CONTRACTING DEPARTMENT
NAVSUP FLEET LOGISTICS CENTER PUGET SOUND
467 W STREET
BREMERTON, WASHINGTON 98314-5120

**CONTROL NUMBER 2013-10**

**N00406-13-R-3022**

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

1. **Contracting Activity.**

NAVSUP Fleet Logistics Center Puget Sound

2. **Description of Action Being Approved.**

Award of a firm fixed price contract on a sole source basis for repair services required to repair the #1, 2, and 3 High Pressure Air Compressors (HPAC) in support of [redacted] (b)(3) from Dresser-Rand Company.

3. **Description of Supplies/Services.**

This requirement is for Dresser-Rand Company to perform onsite Original Equipment Manufacturer (OEM) repair services, deliver and install all replacement parts, and operational testing in accordance with the OEM drawings and OEM repair standards to HPACs #1, #2, and #3 in support of [redacted] (b)(3). Work to be performed on-site [redacted] (b)(3) The period of performance is 10 December 2012 through 21 December 2012. Total estimated cost is approximately [redacted] (b)(5) Funding has been provided using FY13 O&MN funding.

4. **Statutory Authority Permitting Other Than Full and Open Competition.**

10 U.S.C. 2304(c)(2), Unusual and compelling urgency.

10 U.S.C. 2304(c)(1), Only one responsible source.

5. **Rationale Justifying Use of Cited Statutory Authority.**

Urgency:
The degraded condition of HPACs were first identified and reported on 05 December 2012 as a Casualty Report (CASREP) and advanced planning could not have prevented the urgent requirement for repair. Failure of the HPACs will result in the inability to conduct mission requirements and could ultimately result in loss of life and ship. Failure to deliver services in time will result in failure to accomplish ship's mission and ability to safely get underway. Any delay to the repair of the HPAC will delay the deployment schedule of [redacted] (b)(3) creating significant financial and mission costs for the U.S. Navy that outweigh any anticipated benefit from competition under the proposed contract.

Sole Source:
Dresser-Rand Company is the authorized Original Equipment Manufacturer (OEM) and the only source capable of providing the required proprietary parts and technical services to repair the HPAC units. The existing installed HPAC units are complex and engineered for [redacted] (b)(3) applications. NAVSEA requires all repair and replacement parts be OEM per T/M S6220-AT-MMA-A10. All components/parts of the HPAC's are proprietary to the OEM. Therefore, Dresser-Rand Company is the only contractor with the requisite knowledge, experience and technical data that can provide the required replacement parts and technical representative services for these air compressors. Puget Sound Naval Shipyard (PSNS) is the technical authority for this repair and requires only the OEM to provide assessments, repairs and restorations of HPAC compressor units in accordance with the OEM repair standards to ensure proper operation of the units prior to ship deployment. Delaying the purchase under the proposed contract until the development by other potential sources of conforming replacement parts would drastically delay deployment schedules, creating significant financial and mission costs for the U.S. Navy that outweigh any anticipated benefit from competition under the proposed contract. Additionally, reverse engineering costs per part are estimated based on one engineer at a rate of [redacted] (b) (5) requiring a minimum of [redacted] (b) (5) to develop a drawing. The time and cost for approving part drawings and specifications would vary based on the part being reverse engineered. The cost to the government to have other than the OEM manufacture the parts could increase costs per part by more than double.

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

The proposed contract action is made under unusual & compelling urgency and was not synopsized on the NECO website per FAR 5.201(a)(2). No additional market research was conducted because it is not practicable, for the reasons discussed in paragraph 5 above, for any company other than Dresser-Rand Company to provide the required services, repair parts, installation and operational testing.

7. **Determination of Fair and Reasonable Cost.**

The contracting officer has determined the anticipated cost to the Government of the supplies/services covered by this J&A will be fair and reasonable utilizing the appropriate methodology for the contract type.

8. **Actions to Remove Barriers to Future Competition.**

For the reasons set forth in Paragraph 5, Fleet Logistics Center Puget Sound 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, Fleet Logistics Center Puget Sound will assess whether competition for future requirements is feasible.

## CERTIFICATIONS AND APPROVAL

### TECHNICAL/REQUIREMENTS CERTIFICATION

I certify that the facts and representations under my cognizance which are included in this Justification and its supporting acquisition planning documents, except as noted herein, are complete and accurate to the best of my knowledge and belief.

| See attached | | | |
|---|---|---|---|
| Signature | Name (Printed) | Phone No. | Date |

### LEGAL SUFFICIENCY REVIEW

I have determined this Justification is legally sufficient.

| (b) (6) [redacted] | Chris Lybeck | 360-476-5754 | 12/10/12 |
|---|---|---|---|
| | Name (Printed) | Phone No. | Date |

### CONTRACTING OFFICER CERTIFICATION

I certify that this Justification is accurate and complete to the best of my knowledge and belief. To the extent that the J&A/LSJ value is between $150K and $650K, the Contracting Officer's signature below also represents approval of the J&A.

| (b) (6) [redacted] | Dianne L Palmatier | 3604760374 | 12/10/12 |
|---|---|---|---|
| | Name (Printed) | Phone No. | Date |

J&A Number: 2013-10

## CERTIFICATIONS AND APPROVAL

### TECHNICAL/REQUIREMENTS CERTIFICATION

I certify that the facts and representations under my cognizance which are included in this Justification and its supporting acquisition planning documents, except as noted herein, are complete and accurate to the best of my knowledge and belief.

[redacted] (b) (6)

| | | |
|---|---|---|
| BLAKE HOFFER | (360)627-3182 | 12/10/12 |
| Name (Printed) | Phone No. | Date |

### LEGAL SUFFICIENCY REVIEW

I have determined this Justification is legally sufficient.

| | | | |
|---|---|---|---|
| Signature | Name (Printed) | Phone No. | Date |

### CONTRACTING OFFICER CERTIFICATION

I certify that this Justification is accurate and complete to the best of my knowledge and belief. To the extent that the J&A/LSJ value is between $150K and $650K, the Contracting Officer's signature below also represents approval of the J&A.

| | | | |
|---|---|---|---|
| Signature | Name (Printed) | Phone No. | Date |