



DEPARTMENT OF THE NAVY

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

CONTROL NUMBER 2014-45

N00406-14-T-4381

JUSTIFICATION AND APPROVAL FOR SOLE SOURCE PROCUREMENT Under Commercial Item Test Program FAR 13.5

1. Contracting Activity.

NAVSUP Fleet Logistics Center Puget Sound (FLCPS)

2. Description of Action Being Approved.

Award of a firm fixed price contract on a sole source basis for on-site technical representative repair services and replacement parts in support of a (b) (7)(F) on three (3) Ship's Service Air Compressors (SSAC), four (4) High Pressure Air Compressors (HPAC), and two (2) Low Pressure Air Compressors (LPAC) from Dresser Rand of Chula Vista, CA.

3. Description of Supplies/Services.

This requirement is for Dresser-Rand Company to perform onsite technical repair services and provide replacement parts for the Ship's Service Air Compressor (SSAC) #1-#3, forward and aft O2N2 (CAP 16), and High Pressure Air Compressor (HPAC) #1-#4 on a (b) (7)(F)

(b) (7)(F) Dresser-Rand is to perform the OEM technical repair services; provide all parts and supplies; deliver and install all replacement parts; complete inspection and operational testing of the Ship's Equipment in accordance with the OEM drawings and OEM repair standards. Work to be performed onboard (b) (7)(F)

(b) (7)(F) and the contractor's facility. The period of performance is anticipated to start 17 October 2014 through 20 February 2015. The total estimated cost is approximately (b) (5)

Funding will be FY15 O&MN.

4. Statutory Authority Permitting Sole Source.

Section 4202 of the Clinger-Cohen Act of 1996 - a sole source acquisition under the authority of the test program for certain commercial items, as implemented by FAR 13.501(a).

Source Selection Information - See FAR 2.101 and 3.104

5. Rationale Justifying Use of Cited Statutory Authority.

Dresser-Rand Company is the sole designer, developer and manufacturer of the Ship's Service Air Compressors onboard a (b) (7)(F) Dresser-Rand Company is the only contractor with the requisite knowledge, experience and technical data that can provide the required repair service and replacement parts for these air compressors. Puget Sound Naval Shipyard (PSNS) is the technical authority for this repair and requires the OEM to provide full materials and technical repair services to repair/restore SSAC #1-#3, FWD AND AFT O2N2 (CAP 16), and HPAC #1-#4 in accordance with NAVSEA requirements.

Dresser-Rand is the authorized OEM, and the only manufacturer in the United States with access to the OEM drawings and proprietary information. Proprietary information includes patents held by Dresser Rand affecting the fit-up, installation, and compatibility for this product shipboard. Proprietary data includes material composition, part dimensions, and machine tolerances. These are complex, highly engineered units mandated by NAVSEA (b) (7)(F) All parts must be OEM provided to ensure proper operation of the units.

SSACS: The SSACs are vital Ship's equipment. (b) (7)(F)
(b) (7)(F)

All components of SSACs are proprietary to OEM vendor (Dresser-Rand) and cannot be purchased from other vendors. Other vendors do not have access to OEM proprietary information.

Dresser-Rand is the NAVSEA mandated provider of the (b) (7)(F) SSACs per Technical Manual (T/M): (b) (7)(F) Existing units are Dresser-Rand compressors Model CAP12.

O2N2: The forward and aft O2N2 compressors are vital Ship's equipment. (b) (7)(F)

(b) (7)(F) Existing units are Dresser-Rand compressors MODEL CAP 16.

HPACS: The HPACs #1-#4 are vital Ship's equipment. (b) (7)(F)
(b) (7)(F)

(b) (7)(F) Dresser-Rand is the NAVSEA mandated provider of the (b) (7)(F) HPACs per T/M: (b) (7)(F) Existing units are Dresser-Rand compressors model 30NL30D. These units are complex, high engineered units mandated by NAVSEA (b) (7)(F) (b) (7)(F)

The compressor deficiencies reported/identified to engineering on 16 May 2014. Numerous technical reviews by the planning team were conducted in order to finalize the performance work statements for all units. If the completion date is not met, for each day the (b) (7)(F) remains in port, PSNS&IMF would have to pay a minimum cost of approximately (b) (5) (b) (5)

Reverse engineering cost per part is estimated based on (b) (5) at approximately (b) (5) requiring a minimum of (b) (5) to develop a drawing. Time and cost for approving part drawing(s) and specifications would vary according to part(s) being reversed engineered. Material cost would also vary according to part(s) being reverse engineered. Cost to have other than the OEM manufacturer could range from double the OEM part cost. Based on estimates and required time frame, the government would not attempt to develop competitive specification. To do so would be financially prohibitive.

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

The proposed solicitation will be synopsisized on the NECO website. No additional market research was conducted, as 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.

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.

8. Actions to Remove Barriers to Future Competition.

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

9. Contracting Activity Point of Contact.

Contracting Point of Contact: Joshua G. Rogers, Contract Specialist, 360-476-4634, email: joshua.g.rogers1@navy.mil

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.

Technical Cognizance:

<u>See attached sheet</u>			
Signature	Name (Printed)	Phone No.	Date

Requirements Cognizance:

<u>see attached sheet</u>			
Signature	Name (Printed)	Phone No.	Date

LEGAL SUFFICIENCY REVIEW

<u>(b) (6)</u>	ly sufficient.		<u>8/29/14</u>
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/LSJ.

<u>(b) (6)</u>	<u>Dianne L Palmatier</u>	<u>360-476-0374</u>	<u>8/28/14</u>
Signature	Name (Printed)	Phone No.	Date

CONTRACTING ACTIVITY COMPETITION ADVOCATE REVIEW

To the extent that the J&A/LSJ value is between \$650K and \$12.5M, the Competition Advocate's signature below also represents approval of the J&A/LSJ.

<u>(b) (6)</u>	<u>MARY GAMBRIEL</u>	<u>360-476-9240</u>	<u>9/2/14</u>
Signature	Name (Printed)	Phone No.	Date

CRB # 14-38

Approved by Review Board
(b) (6)

(b) (6) Legality
9/2/14
 Counsel Date

CERTIFICATIONS

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 and do not contain classified information.

Technical Cognizance

Name (Printed) Phillip Kim	Phone 360-476-8075
Signature /s/ Phillip Kim	Date 8/23/2014

Requirements Cognizance

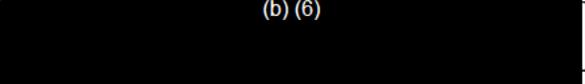
Name (Printed) Phillip Kim	Phone 360-476-8075
Signature /s/ Phillip Kim	Date 8/23/2014

(Note that this page includes certification that the acquisition planning documents are complete and accurate.)

(If a single individual has cognizance over both technical and requirements information included in this Justification the individual may sign both signature blocks.)

REQUIRING ACTIVITY COMPETITION ADVOCATE

(Review required if such an individual has been assigned by the requiring activity.)

Name (Printed) Dwain Crow	Phone (360) 476-4111
Signature 	Date 9/8/14