



**DEPARTMENT OF THE NAVY  
PEARL HARBOR NAVAL SHIPYARD  
AND INTERMEDIATE MAINTENANCE FACILITY  
667 SAFEGUARD STREET, SUITE 100  
PEARL HARBOR HAWAII 96860-5033**

**SOLE SOURCE JUSTIFICATION  
FAR 13.501**

1. Contracting activity – PHNSY & IMF, CODE 400

2. Description of the action being approved

a. Overhaul [REDACTED] HPAC #1 to OEM specifications. Groom [REDACTED] [REDACTED] HPAC #2 to OEM specifications. The term “Overhaul” for the purposes of this document is to provide various OEM contractor preventative maintenance and repair services to disassemble, clean, inspect, and correct existing low output performance and multiple internal and external air, coolant, and oil leaks; troubleshooting; and corrective adjustments, to insure the #1 HPAC continue to operate trouble-free for the duration of the deployment. The term “Groom” is defined as the process of aligning, adjusting and replacing marginal parts within an operational unit or system so that the unit or system will meet the tolerance requirements. This is not to be interpreted as a restoration of a unit or system.

b. Original Equipment Manufacturer

**DRESSER-RAND COMPANY  
1675 BRANDYWINE AVENUE  
CHULA VISTA, CA 91911**

3. Description of supplies/services

a. The total estimated dollar value - \$ [REDACTED] (Repair – Labor and Material)  
- \$ [REDACTED] (Travel and Per Diem Costs)  
- \$ [REDACTED] (TOTAL)

b. Period of performance – 01/09/2012 - 01/30/2012

4. Statutory authority permitting other than full and open competition:

a. This acquisition is under the authority of the test program for commercial items section 4202 of the Clinger-Cohen Act of 1996.

5. Rationale justifying use of cited statutory authority
  - a. **Per OEM, repair of certain portions of the system requires proprietary information (ex. drawings, specifications, etc.). OEM has never released to anyone—including the government.**
6. Description of efforts made to solicit offers from as many sources as practicable
  - a. **Per OEM, repair of system requires proprietary information (ex. drawings, specifications, etc.). OEM has never released to anyone—including the government.**
  - b. **Market research conducted via internet on 12 December 2011. Online research searching for other companies with the capability to overhaul High Pressure Air Compressors on Naval Ships has been done and none found.**
7. Determination of fair and reasonable cost
  - a. **Contracting Officer to determine fair and reasonable cost prior to award of contract.**
8. Actions to remove barriers to future competition
  - a. **Barriers should be reviewed at the time ships are built, i.e., whether component(s) being installed shipboard will remain proprietary to the OEM.**