



DEPARTMENT OF THE NAVY
NAVAL AIR WARFARE CENTER AIRCRAFT DIVISION

IN REPLY REFER TO:
J&A_11_16338

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

1. Contracting Activity.

Naval Air Warfare Center Aircraft Division (NAWC-AD) Lakehurst, NJ

2. Description of the Action Being Approved.

AIR 4.5X Special Surveillance Programs (SSP) has been tasked by the DOD to enhance existing Persistent Ground Surveillance Systems (PGSS) and procure additional enhanced Persistent Ground Surveillance Systems (PGSS) for Forward Operating Bases (FOBs) throughout Afghanistan and Iraq. This action is for a three year Firm Fixed Price / Cost Plus Fixed Fee contract with TCOM L.P. of Columbia, MD.

3. Description of Supplies/Services.

The contract is for the purchase of TCOM 22M+ aerostats, tether-up spares, LRUs/Components kits and Field Service Representative (FSR) support, including travel. This procurement action is in direct support of the PGSS which addresses Joint Urgent Operational Needs Statement (JUONS) designated by the U.S. Central Command as being critical to the warfighting activities in Afghanistan. JUONS CC-0306 through Modification 3 dated January 7, 2011 support this requirement. This requirement has been designated a priority 02 and given a DO-A7 rating. The Secretary of Defense has requested that additional aerostat systems be delivered in support of FOBs in Afghanistan and Iraq.

The PGSS System provides round-the-clock real time Intelligence, Surveillance, and Reconnaissance (ISR), Force Protection, FOB Protection, and Route and Counter-Improvise Explosive Device (C-IED) support to the FOBs throughout OEF. The system has been responsible for numerous IED emplacement detections, person of interest tracking, capture, weapons detection, and overall improved battlefield awareness to the Combatant Commander (COCOM).

The total estimated value of this action is [REDACTED]

A summary of the items to be purchased under this procurement is shown below.

Item	Product	Qty	Unit Cost	Total Cost
1	22M+ System	28	[REDACTED]	[REDACTED]
2	22M+Tethered Up (TU) Spare	40	[REDACTED]	[REDACTED]
3	22M+ TU Spare Hub – 4 Each	6	[REDACTED]	[REDACTED]

4	LRUs/Components (Hub – 4 Each)	6	
5	Field Service Rep OCONUS	6	
6	Field Service Rep CONUS	3	
7	Travel	12	



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

10 U.S.C. 2304(c)(1), Only one responsible source and no other supplies or services will satisfy agency requirements.

5. Rationale Justifying Use of Cited Statutory Authority.

PGSS is undergoing a standardization program, using a common platform that simplifies training, logistic support and interoperability within the fleet and into the theater of operations. The use of TCOM provides integrated logistic support and interoperability within the already existing PGSS system. TCOM is the sole designer, developer, manufacturer, and distributor of the TCOM 22M+ Aerostat system already being utilized by the PGSS system. The TCOM 22M+ aerostats, tether-up spares, and system spares have been integrated and are a critical component of the standardized PGSS. The Government does not possess the technical data on the proprietary TCOM aerostat, mooring station, and tether technology. It is not economically feasible for NAVAIR to procure the technical data rights to these systems based upon the number of units that are currently required. The rapid deployment of the PGSS will help minimize the loss of life of U.S. forces, will decrease casualties, will improve force protection and will immediately and seamlessly interface with already-deployed intelligence, surveillance and reconnaissance systems. The requirement has been documented and validated throughout the Department of Defense. To date, TCOM LP has delivered 16 systems to the warfighter. Use of any source other than TCOM would require months of re-testing and would require personnel to be trained in the use and maintenance of another piece of equipment which would then have to be added to the operation and maintenance manuals. Additionally, there will be an increase in cost associated with logistics due to an additional aerostat system being added to the PGSS. The result would be substantial duplication of cost and unacceptable delays in deliveries.

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

Subject matter experts from Special Surveillance Programs contacted potential manufacturers to determine company capabilities and conducted testing and demonstrations from September 2009 – February 2010 at Yuma Proving Ground, AZ. The goal was to identify, demonstrate, and assess manufacturers' capabilities to meet government requirements.

As a result of these demonstrations a candidate system was configured and tested prior to deployment to Afghanistan. We have trained more than 100 operators and mission commanders prior to deployment. Operation and maintenance manuals have been developed. A system has been established to provide spares and other logistics support. Since 2010, more than 16 of these TCOM systems have been deployed.

A synopsis was posted to FebBizOpps on March 17, 2011, with a response date of April 1, 2011. A response was received from the incumbent, TCOM, as well as from three (3) other interested parties.

The first interested party was TelOps, Inc. This response was determined to be strictly marketing of what the company felt was similar technology, and the company did not ask to be given an opportunity to compete.

The second interested party was Global Near Space Systems (GNSS). The aerostat proposed by GNSS was tested during the initial testing at the YPG. A modified system was tested again in February of 2010 and was again not recommended for fielding. The GNSS design is also significantly different from the current PGSS aerostats. On May 10, 2011, a response was sent to GNSS regarding the government's determination that the company did not have a viable solution for this requirement.

The third interested party was SkySentry LLC. SkySentry LLC proposed an entirely different PGSS system which included sensors as well as aerostats. The government sent a letter on 6 June 2011 to Sky Sentry informing it that the company did not have a viable solution for the requirement. No further input has been received from the company.

A query through GSA Advantage and FEDSTOCK was conducted for aerostat system equipment, and no suitable alternatives were found. TCOM has a GSA contract for this item and is the sole manufacturer and distributor of the requested aerostat capability solution and has no authorized re-sellers or distributors.

7. Determination of Fair and Reasonable Cost.

In accordance with FAR 15.402, the Contracting Officer shall ensure that the price negotiated for this acquisition is fair and reasonable. An independent government estimate and price analysis has been provided for this effort. As this is a commercial item, no cost or pricing data is required for the hardware. Further, there is recent price history and GSA Advantage pricing available for the hardware. The Contractor will submit a formal price proposal with certified cost or pricing data and sufficient information to support the accuracy and reliability of the estimate for the services portion of the proposed effort.

The proposal will be reviewed by experienced technical personal at SSP, cost analysts and contract specialists. The cost proposal will be forwarded to DCAA for rate review of the services portion of the effort. The Contracting Officer will utilize cost and price analysis in accordance with FAR 15.404-1, including a review of historical data as the basis for negotiating a fair and reasonable price.

8. Actions to Remove Barriers to Future Competition.

For the reasons set forth in paragraph 5, NAVAIR has no plan at this time to compete this contract for the types of supplies/services covered by this document. There are no future requirements for this system.