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IN REPLY REFER TO:  
J&A\_13\_23068

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

1. Contracting Activity.

Naval Air Warfare Center Weapons Division (NAWC-WD) - China Lake, CA

2. Description of the Action Being Approved.

This Justification and Approval (J&A) authorizes and approves the increase to the ordering limitation for the Combat Environment Simulation (CES) Multiple Award Contracts (MAC's). Naval Air Warfare Center Weapons Division (NAWCWD) at China Lake, CA intends to modify the CES MACs consisting of contract N68936-10-D-0034 with TYBRIN Corporation, N68936-10-D-0035 with Lockheed Martin Corporation and N68936-10-D-0036 with Engility Corporation increasing the ordering limitation by \$12,440,000.00 from \$234,381,360.00 to \$246,821,360.00. The common ordering limitation for the CES MACs is currently \$234,381,360.00 even though each contract was awarded for different amounts. The amount of the increase to the CES MAC ordering ceiling is based on estimated program-specific technical and material requirements for 2013-2014. The Government based its estimate on its program experience and cost and pricing history acquired under the current task orders and previous task orders supporting the programs under contracts N68936-04-D-0019 with TYBRIN, N68936-04-D-0020 with Lockheed Martin and N68936-04-D-0022 with Engility.

3. Description of Supplies/Services.

The three contracts are Indefinite Delivery Indefinite Quantity (IDIQ), Cost plus Fixed Fee (CPFF) type contracts awarded in May 2010 to support the CES Division at NAWCWD China Lake, CA and the Airborne Threat Simulation Office (ATSO) at Point Mugu, CA. CES and ATSO support various Department of Defense (DoD) and Foreign Training and Test & Evaluation (T&T) ranges. The ordering period for the CES MACs ends May 26, 2015.

The scope of the CES MACs includes, but is not limited to, the development and acquisition of new range systems, integration of various range systems, and upgrade and modernize existing range systems relating to CES and used by the Fleet and Joint Services customers including Foreign Military Sales (FMS). This includes fixed and moving ground, sea and air targets and emitters, integrated hardware/software systems, and environments, and hostile equipment modeled entirely in software. Each program supports multiple customers that can include Navy, other services and agencies. Work is not authorized until funding is placed on the order supporting the applicable program.

See Appendix A for Estimated Dollar Value

#### 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.

The CES programs support enhancements to training ranges across Department of Defense (DoD). These enhancements require substantial hardware investments. The CES programs have requirements for the integration of various Test and Evaluation (T&E) and training systems into existing range systems and infrastructure; the fielding of systems at new range locations; the modification, update, and upgrade of major software systems, the diagnosis, repair, support & training of GPS-based instrumentation pods, threat emitters, integrated hardware/software systems and the development, modification, or integration of supporting range systems and assets for participant tracking, data communications, exercise monitoring and debriefing. Each program must be able to respond on short notice to unique and real-time threat situations in order for the Fleet and other agencies to benefit from the data acquired.

Starting in 2011 and continuing into 2013, NAWCWD supported requirements that were unplanned for in 2009 and 2010. These unplanned-for requirements supported Fleet initiatives that were within scope of the existing CES programs and orders. These unplanned-for requirements totaled \$11,000,000.00 and were for software, hardware, instrumentation upgrades and training capabilities expansions. By funding these various projects under the CES MACs, the Fleet benefited by realizing enhancements and expansions to training range functional capabilities and modernization of infrastructure that resulted in increased realistic training capabilities.

NAWCWD also received unplanned-for requirements from NAVAIR for Systems Replacement and Modernization (SRAM) projects totaling \$2,440,000.00. By funding these projects under the CES MACs, the Fleet benefited from these modernization projects that enhanced training event participant tracking capability and improved system reliability.

The Government has issued orders under the MACs totaling \$229,825,027.00. Even though adequate time remains on the contracts and task orders, supporting those unanticipated requirements caused the Government to consume the current ceiling at a faster rate than planned when the contracts were awarded. Supporting these unplanned-for requirements has impacted NAWCWD's ability to support requirements that were planned for 2013-2014. Impacted projects include range infrastructure sustainment and range expansion initiatives to meet combat readiness exercises, upgrades to various threat systems and tech refresh units, integration of training systems laboratory equipment, Radar Warning Receiver (RWR) units, GPS receiver units, GPS ground range instrumentation systems, and telemetry instrumentation units. The impact to the Fleet if these projects cannot be supported will be critical reduction in combat forces level of readiness and war fighting capability due to lack of realistic training capability at the Navy/Marine and Air Force TTRs.

In addition to greater program emphasis on maintaining and sustaining existing systems by Program Offices instead of developing next generation systems, increased use of higher salaried Subject Matter Experts (SMEs) to meet technical requirements resulted in cost ceilings being consumed at a faster rate than originally anticipated.

The MACs order ceiling requires increasing even though there remains adequate ordering period. The ongoing project requirements under current programs and orders are such that it is not feasible for a separate contractor to complete the work that the current contractor has started under the individual program. Each program presents unique and current threat situations for the Fleet to respond to resulting in range enhancements and meaningful life-saving data. The Fleet cannot sustain a break in support in order to allow a new prime contractor to take over management of the program and its various projects in process.

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

NAWCWD synopsised its intent to modify the CES MACs on April 16, 2013 and no other potential sources expressed interest in this requirement. No additional market research was conducted because it is not practicable, for the reasons discussed in paragraph 5 above, for any other company other than the current MAC Prime Contractors to provide the required supplies and services.

7. Determination of Fair and Reasonable Cost.

In accordance with FAR 15.420(a), through the use of full and open competition procedures and negotiations, the Contracting Officer ensures that prices are fair and reasonable before any task orders or priced modifications are awarded. The Contracting Officer relies on the technical expertise of the Program/Project Offices and DCMA and DCAA for cost data when evaluating the Contractor's proposed technical and management approach and price.

8. Actions to Remove Barriers to Future Competition.

The Government develops acquisition packages based on the use of full and open competitive procedures under the CES MACs. The Government has been developing project specific requirements under the MACs in order to improve competitive participation. The Government is developing an acquisition strategy for the follow-on to maximize participation by small businesses and competition at the contract and task order levels. NAWCWD issued sources sought in August 2012 and February 2013 and opened communications with current CES Prime and subcontractors and other contractors to solicit input on how the requirement may be solicited to maximize competition. The Government also meets with potential interested parties on a one-on-one basis to discuss technical requirements for Tactical Training and Threat/Target Systems.

Appendix A

Estimated Dollar Value In Thousands

	FY13	FY14	FY15	FY16	FY17	FY18	FY19	Total
Redacted								
Total	12440	0	0	0	0	0	0	\$ 12440 k