DEFENSE LOGISTICS AGENCY
DLA MARITIME AT MECHANICSBURG
5450 CARLISLE PIKE
MECHANICSBURG, PA 17055-0788

JUSTIFICATION FOR OTHER THAN FULL AND OPEN COMPETITION

1. IDENTIFICATION OF AGENCY AND/OR CONTRACTING ACTIVITY:

Defense Logistics Agency (DLA) Maritime at Mechanicsburg.

2. NATURE/DESCRIPTION OF ACTION: This J&A supports the negotiation and award of a Firm Fixed Price Indefinite-Delivery Indefinite-Quantity (IDIQ) type contract through other than full and open competition. The resultant contract will have a maximum five-year term, with a base period of three years and two one-year option periods. The proposed contract action is to purchase three different Gyro, Ring Lasers that support the AN/WSN-7 system. The Gyro, Laser Rings are determined to be a commercial item. Therefore, FAR Part 12 in conjunction with FAR Part 15 procedures will be utilized.

3. DESCRIPTION OF SUPPLIES/SERVICES: This J&A covers the acquisition of the following spare parts, which are components of the AN/WSN-7 system:

	NSN: 6615-01-623-6425 **PN: GG1342 AE 44**	**NSN: 6615-01-623-6437** **PN: GG1342 AE 45**	**NSN: 6615-01-623-6432** **PN: GG1342 AE 46**
3-Year Base:	288 Each	288 Each	288 Each
Option Year 1:	96 Each	96 Each	96 Each
Option Year 2:	96 Each	96 Each	96 Each
TOTAL:	**480 Each**	**480 Each**	**480 Each**

Est. Unit Price: $27,000.00/unit; Contract Maximum Value: [redacted]

These Ring Laser Gyroscopes (RLG) consist of a ring laser having two counter-propagating modes over the same path in order to detect rotation. A Ring Laser Gyroscope is a critical sensing element in navigation systems for manned and unmanned aircraft, platform stabilization systems, pointing and targeting, marine navigation and attitude and heading reference systems (AHRS). The RLGs the Government intends to procure, the Honeywell GG 1342 RLGs, offer precision rotation measurement with no moving parts and a compact form factor which is ideal when used aboard submarines. The Honeywell GG 1342 RLGs, with their digital input/output system, can be integrated into almost any system and used in a variety of commercial, industrial and military applications.

These RLGs are the same RLGs sold to commercial customers with the only difference being the level of performance of the RLGs. When manufacture is complete, testing is conducted to detect the quality of the RLG based on gyro bias stability of the ring laser gyroscope. The results of the testing are referred to as Q-values. The lower the Q-value of the RLG, the higher the performance. The RLGs with lower Q-values are provided to the Government and those with higher Q-values are provided to Commercial Customers.

The Honeywell GG 1342 RLGs being procured are used by Northrop Grumman in the MX-11681/11681A WSN-7 Inertial Measurement Unit (IMU), which is an electronic device that measures and reports on a craft's velocity, orientation and gravitational forces, using a combination of accelerometers and RLGs. The Honeywell designed RLGs are the only ones that will work in the IMU of the AN/WSN-7 system due to system design and the available location/space for the RLGs. If the Honeywell RLGs are not used, it will throw the balance off in the moving parts of the IMU due to weight displacement. These RLGs go through additional testing (based on proprietary specifications

provided by Northrop Grumman to Honeywell Inc. indicating performance required by the IMU and WSN-7 Systems), and Honeywell is the only manufacturer with access to those testing parameters. These units are un-programmed RLGs that need to be calibrated/programmed by Northrop Grumman to make matched sets of Erasable Programmable Read-Only Memory (ePROM) chips before use in the IMU.

4. IDENTIFICATION OF STATUTORY AUTHORITY: This J&A is based upon the authority of 10 USC 2304(c)(1), as implemented by Federal Acquisition Regulation 6.302-1. The supplies required by the agency are only available from one responsible source or a limited number of sources and no other type of supplies will satisfy agency requirements.

5. DEMONSTRATION OF CONTRACTOR'S UNIQUE QUALIFICATIONS:

The current Acquisition Method Code (AMC/AMCS) is: 3Z
For the reasons explained below, these Supplies are only available from the following source(s): 94580 - Honeywell Inc.

AMC 3: Acquire, for the second or subsequent time, directly from the actual manufacturer.
AMSC Z: This part is a commercial/non-developmental/off-the-shelf item. Commercial Item Descriptions, Commercial Vendor Catalog or Price Lists or Commercial Manuals assigned a technical manual number apply. If one source is available, AMCs 3, 4 or 5 apply. If at least two sources are available, AMCs 1 or 2 are valid.

Only Honeywell Inc. (Cage 94580) will be solicited because the articles to be acquired are highly specialized parts, designed and manufactured by this non-Government activity. The Honeywell part numbers identified in paragraph 3 of this J&A are the same item as the commercially available version of the RLGs, with the only difference being the Q-Value needed to meet the system specifications of the AN/WSN-7 System. The AN/WSN-7 System is proprietary to Northrop Grumman. The RLGs utilized are manufactured by Honeywell Inc. as un-programmed units and shipped to Northrop Grumman to be calibrated/programmed with the required ePROM chips prior to being implemented into the US Navy Systems. The data or the rights to use the data needed to purchase these items from additional sources are not owned by the Government. No other manufacturer's part can be used as a replacement for this item, as the RLG must be compatible with the AN/WSN-7.

6. GOVERNMENTWIDE POINT OF ENTRY NOTICE/POTENTIAL SOURCES: The government will synopsize the solicitation, justification, and resultant contract action by posting a synopsis on FedBizOpps.gov as required by FAR Subpart 5.2.

7. DETERMINATION OF FAIR AND REASONABLE COST: In accordance with FAR 12.209 & FAR Subpart 15.4, the contracting officer will determine that the anticipated cost to the Government will be fair and reasonable by utilizing Price Analysis Techniques. The exception to requiring Certified Cost or Pricing Data as defined in FAR 15.403-1(b)(3) applies to this acquisition. Price analysis may include evaluating data other than certified cost or pricing data obtained from the offeror or contractor when there is no other means for determining a fair and reasonable price. The Contracting officer shall obtain data other than certified cost or pricing data from the offeror or contractor for all acquisitions (including commercial item acquisitions), if that is the contracting officer's only means to determine the price to be fair and reasonable. Price Analysis techniques that may be utilized include, but are not limited to the following: (i) comparison of proposed prices to historical paid prices; (ii) use of parametric estimating methods; (iii) comparison with published prices of commodities, similar indexes, and discount or rebate arrangements; (iv) comparison of proposed prices with independent Government estimates; (v) comparison of proposed prices with prices obtained through market research for the same or similar items; (vi) analysis of data other than certified cost or pricing data (as defined at FAR 2.101) provided by the offeror.

8. DESCRIPTION OF MARKET SURVEY: A technical review, which consisted of searching several Government databases including ITIMP, FLIS and ERP, has been completed on this item. Search criteria included Part Number, Design Control Activity, Cage Code, NSN, Nomenclature, AMC/AMSC, AAC, Criticality Coding, recorded approved sources of supply, historical sources of supply and past contracts. Based on this market research the contracting officer has determined

that the only known manufacturing source is: 94580 Honeywell Inc. A Sources Sought Notice (SSN) was posted on FedBizOpps on 10 August 2015 with a closing date of 25 August 2015. No new manufacturers or interested sources expressed an interest in these items. Only Honeywell Inc. (Cage 94580) responded to the notice.

9. ANY OTHER SUPPORTING FACTS: The data or rights to use the data needed to purchase these items from additional sources is not owned by the Government and it is not economical to purchase them. The AN/WSN-7 system performance requirements are defined by the appendix of the Classified NAVSEA SHIPS-R-5990 specification and are referenced in WSN development and production contracts. The Honeywell Part Numbers being procured are the only RLGs that will meet the white noise content requirements (Q-value) and that will be compatible with the existing AN/WSN-7 Systems. The Government does not own the full data rights; Northrop Grumman owns the full product drawings. Northrop Grumman has the configuration control of the system and only changes that would require an Engineering Change Proposal (ECP) need to be approved by NAVSEA PEO IWS6.0 Program Office.

10. LISTING OF INTERESTED SOURCES: The following sources have expressed, in writing, an interest in this acquisition: Honeywell Inc.

11. ACTIONS TO REMOVE BARRIERS TO COMPETITION: The Government will include a clause in this solicitation that provides that the government will consider alternate offers, and that alternate offerors should submit a source approval request (SAR) package that will be referred to the cognizant engineering activity. If, due to mission requirements, the current procurement cannot be delayed in order to allow sufficient time for the engineering activity to determine whether to approve the alternate offer, the SAR package will be considered for future awards. A request for additional sources was made through FedBizOpps with no new vendors being identified or expressing an interest. This acquisition will be synopsized via FBO and any firm requesting a copy of the solicitation will be provided one. The previous Justification and Approval cited that the Government will include a clause in the solicitation that provides that the Government will consider alternate offers, and that alternate offerors should submit a Source Approval Request (SAR) package that will be referred to the cognizant NAVSEA engineering activity. NAVSEA would need to collaborate with Northrop Grumman in order to approve a new source of supply. The alternate offers clause was included in the previous solicitation. No alternate offers were received in response. As a result of the above actions, the efforts to improve competition as cited in the previous J&A dated 16 December 2013 utilizing the authority of 10 USC 2304(c)(1) as implemented by FAR 6.302-1 have been accomplished.

12. DOCUMENTATION FOR SPARE/REPAIR PARTS ACQUISITIONS: The specifications for the above articles have been reviewed and reflect the minimum needs of the Government.

13. CERTIFICATIONS:

TECHNICAL CERTIFICATION: "I hereby certify that the supporting facts and representations under my cognizance, which are included in this justification and which form the basis for this justification, are accurate and complete to the best of my knowledge and belief."

NAME [redacted] SIGNATURE [redacted]

TITLE: General Supply Specialist DATE: 9/23/15

REQUIREMENTS CERTIFICATION: "I hereby certify that the supporting data under my cognizance, which are included in this justification, are accurate and complete to the best of my knowledge and belief."

NAME [redacted] SIGNATURE: [redacted]

TITLE: Item Manager DATE: 9-23-2015

CONTRACTING OFFICER'S CERTIFICATION: "I hereby certify that this justification is accurate and complete to the best of my knowledge and belief."

NAME: Brian Watkins SIGNATURE: B. Watkins

TITLE: Supervisory Contracting Officer DATE: 10/6/2015

COMPETITION ADVOCATE REVIEW AND CONCURRENCE:

NAME: Mary Couture SIGNATURE: Mary E. Couture Competition Advocate

TITLE: Competition Advocate DATE: 11/17/15

APPROVAL OF JUSTIFICATION FOR OTHER THAN FULL AND OPEN COMPETITION: "Based on the foregoing justification, I hereby approve this procurement on an other than full and open competition basis pursuant to the authority of 10 USC 2304(c)(1), as implemented by FAR 6.302-1.

NAME: Milton K. Lewis, SES SIGNATURE:

TITLE: DLA Land and Maritime Acquisition Executive DATE: 12/18/15