



DEPARTMENT OF THE NAVY
NAVAL AIR WARFARE CENTER TRAINING SYSTEMS DIVISION
12211 SCIENCE DRIVE
ORLANDO, FLORIDA 32826-3224

IN REPLY REFER TO:

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

1. Contracting Activity.

Naval Air Warfare Center Training Systems Division (NAWCTSD) – Orlando, FL

2. Description of the Action Being Approved.

The Government intends to award a sole source contract to Northrop Grumman Systems Corporation (NGSC) for new Voyage Management Systems (VMS) 8.x/9.x software licenses. This is to support Navigation, Seamanship, and Shiphandling (NSS) training system that will function with Voyage Management System (VMS) Lab trainers at Fleet Concentration Areas (FCAs) of San Diego, CA, Pearl Harbor, HI, Norfolk, VA, Portsmouth, NH, Bahrain and Rota, Spain in support of Navigation System Training, Afloat Training Group (ATG) and Voyage Management System (VMS) Operator training sites.

The anticipated contract type is Firm Fixed Price for this effort.

3. Description of Supplies/Services.

This procurement is for 100 new VMS 8.x/9.x software licenses for Instructor Operator Stations (IOS) and student stations at FCAs, and VMS training sites. The Government's requirement is to establish a VMS Lab training capability for ATG in the FCAs as well as installing Conning Officer Virtual Environment (COVE) 3's (an NSS training system variant), in Bath, ME, Pascagoula, MS, Manama, Bahrain and Rota, Spain. VMS trainers support delivery of critical curriculum in the mission area of (NSS). The VMS trainer software configuration is dependent on the underlying proprietary software product baseline of NGSC.

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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.

Pursuant to 10 U.S.C. § 2304 (c) (1), NGSC is the only responsible source capable of providing the VMS software license baseline. The VMS Lab trainer software configuration is dependent on the underlying proprietary VMS software product baseline. NGSC is the sole proprietor of data rights to the VMS source code and will not sell full ownership of these rights. Thus, failure to procure new and upgraded VMS software licenses will prevent the Government from meeting the VMS Lab training capability for ATG and NSS training sites. Maintaining a common software baseline configuration is essential for system reliability and maintainability including efficient logistics and engineering support.

Due to NGSC's proprietary data and the necessity of new and upgraded VMS software to run VMS Lab trainers and continue the role of VMS Lab trainers at the FCA and NSS training sites, no contractor other than NGSC is capable of fulfilling the requirements of the fleet.

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

The VMS 8.x/9.x is proprietary to NGSC and is not available from any other source. A Sources Sought Notice was posted 20 January 2016 with a closing date of 1 February 2016 on NECO, requesting responses by interested parties on their firm's Capabilities, Experience, Schedule, and Cost that would demonstrate the ability to fulfill the requirements identified in the Sources Sought Notice. On 2 February 2016, the Government had not received any responses by potential parties on NECO. A Combined Synopsis/Solicitation is being posted on NECO to allow for consideration of potential offers.

7. Determination of Fair and Reasonable Cost.

In accordance with FAR 15.402(b), the Procuring Contracting Officer (PCO) is responsible for establishing a fair and reasonable agreed upon price. The PCO will consider historical data, in addition to performing price analysis for this requirement in order to negotiate a fair and reasonable price. Sufficient historical data from previous purchases, as well as an Independent Government Cost Estimate (IGCE) are available to assist in this determination.

8. Actions to Remove Barriers to Future Competition.

As long as NGSC VMS systems is the documented USN fleet standard, it is probable that future actions to acquire VMS licenses for (NSS) Training Systems will be sole source actions to NGSC. No alternative methods to remove barriers are available at this time based on NGSC sole proprietorship of the product. Market research will continue to be performed to assess whether any other commercially available products become available.