

J & A Number 10-C-1000-002

Code: 490(JW)

PR Number: (Funding Doc's)
N5005410MDJ0002
N5005410MDJ0003

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

1. Contracting Activity

Norfolk Ship Support Activity, Portsmouth, VA

2. Description of the Action Being Approved

This justification provides for limiting the sources of the specified procurement to Earl Industries, LLC in accordance with the statutory authority 10 U.S.C. 2304 (c)(2).

3. Description of Supplies/Services

The work to be incorporated into and issued under Contract N50054-10-C-1000 consists in general terms all work necessary to get the USS SAN ANTONIO into a state of maintenance acceptable for deployment. Much of the work described herein was only identified very recently as other work on the vessel was on-going, i.e., Contract N40025-09-C-9004 and the original work under Contract N50054-10-C-1000. This work more specifically includes the following:

A. Repair/overhaul of the vessel's Main Propulsion Diesel Engines (MPDE's). This primarily focuses on 1A and 1B, but also any required add-on work on 2A or 2B MPDE's. The work required includes repairs to components and equipment associated with the MPDE's and associated support requirements, e.g., bilge piping and pumping. At latter stages of the project, stringent flushings, testing and adjustment of these systems will be required. Estimated cost is \$10,900,000.

B. Examination of and repairs to all five Ship Service Diesel Generators (SSDG's) and associated equipment. Estimated cost is \$300,000.

C. Repairs of the Engineering Control System and associated equipment. Estimated cost is \$1,140,000.

D. Repair on various P1/P2 piping. Estimated cost is \$500,000

E. Various safety-of-ship repair work needed to insure safe operation of the vessel. This includes damage control equipment, backup equipment and equipment required for crew use, e.g., potable water system, Central Fresh Water (CFW) system, power panels, [REDACTED] fire control system, wire rope sling, darken ship doors, matting (deck covering), self-deploying

vehicle ramp, Hellan assembly, shaft grounding assemblies, deck drain piping, instrumentation (gauges), and egress (doors). Estimated cost is \$250,000.

F. The work also requires the contractor to create specific definitions of required work and to draft statements of work. Estimated cost is \$600,000.

The total estimated cost of the work described above is \$13,690,000.

4. Statutory Authority Permitting Other than Full and Open Competition

The statutory authority for this procurement is 10 U.S.C. 2304 (c) (2).

5. Rationale Justifying Use of Cited Statutory Authority

a. The USS SAN ANTONIO underwent a Fixed Price Phased Maintenance Availability (PMA) under Contract N40025-09-C-9004, performed by Earl Industries at Earl Industry's facility. Earl Industries was selected for performance of this contract by competitive selection. This availability was originally scheduled for 17 June 09 to 7 Oct 09, but was extended to complete on 30 Nov 09. This availability focused on Lube Oil Piping Replacement, 2B Main Propulsion Diesel Engine Repair (MPDE), Swan Gigabit Ethernet Backfit, and Ship Service Diesel Generator (SSDG) repair.

b. In November 2009, a requirement was identified to repair 2A Main Propulsion Diesel Engine (MPDE) and related components. These requirements were awarded as Contract N50054-10-C-1000 to Earl Industries. Such award to Earl Industries was made under the authority of Clause 2b of the MSRA as a letter type contract. A Justification and Approval (J & A) based on extreme urgent and compelling circumstances was executed to justify other than full and competition and award to Earl Industries (See NSSA J&A 10-C-1000-001, Code 410PF)). The work under Contract N50054-10-C-1000 continues to present and has not yet been fully definitized. The definitization of Contract N50054-10-C-1000 will have to be done on a cost incurred basis, plus fee.

c. During the course of performing the original fixed price contract and the 2b contract, (Contract N40025-09-C-9004) additional emergent requirements for the repair and maintenance of the USS SAN ANTONIO were identified and continue to be identified. These newly identified repair requirements are not within the scope of either the fixed price contract or the 2b award.

d. The USS SAN ANTONIO is required to be ready for deployment to comply with operational orders in September 2010.

e. COMNAVSURFLANT has determined that extensive emergent depot level repairs are required to be accomplished on the SAN ANTONIO in order for the vessel to deploy as required. These additional depot level repairs include repair/overhaul of three MPDE's, additional repairs to all five SSDG's; Engineering Control System (ECS); P1/P2 piping and other safety-of-ship repair work.

f. After completion of required repairs required for deployment, the USS SAN ANTONIO will have to undergo intensive certification and training schedules in preparation for its deployment. Basic Phase Training (11-16 week Unit Level Training) and the Integrated Phase Training (three (3) weeks Group Training) must be completed after the CMAV prior to deployment. Basic and Integrated Phase Training are comprised of numerous training

evolutions and assessments that must be successfully executed, including Initial Assessment (IA), Engineering Operational Certification (EOC), Final Evaluation Problem (FEP), COMPUTEX, and CERTEX. These certification and training requirements necessitate that required repairs be completed by early [REDACTED] in order to support the [REDACTED] deployment.

g. The required repairs on the USS SAN ANTONIO are extremely urgent and must commence immediately in order to be completed by the required completion date of early [REDACTED]

h. In order for the work to start immediately, the Contracting Officer is precluded from achieving full and open competition and must resort to other than full and open competition.

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

In accordance with FAR 5.202(a)(2), a synopsis has not been issued for the supplies and services described herein. Due to the determination that the nature of this work is such unusual and compelling urgency, the Government would be seriously injured should this work be delayed to allow for full and open competition.

7. Determination of Fair and Reasonable Cost

"The Contracting Officer has determined that the anticipated cost to the Government for the supplies/services covered by the J&A will be fair and reasonable."

8. Actions to Remove Barrier to Competition

Norfolk Ship Support Activity plans to compete future contracts for similar supplies/services covered by this document if time permits. This is a one-time buy under unusually urgent compelling circumstances to meet the ship's operational commitments.

9. Other Supporting Facts

a. Request from COMNAVSURFLANT for accomplishing this desired work was initially received via NAVSEASYS COM on [REDACTED] with a supplement received on [REDACTED]

b. The initial fixed price contract cited in paragraph 5a above was accomplished in the facility of Earl Industries, though the place of performance moved to Norfolk Naval Station late in the Availability. Now, however, the vessel is again at Earl Industries Facility undergoing final completion of the fixed price contract and the 2b contract cited in paragraph 5b above.

c. There is overlap between the work to be accomplished under this J & A, and work on fixed price contract and work on the 2b letter contract. The work overlaps in time with fixed price contract work, 2b letter contract work and work under this J&A being accomplished in the same time frame. The work overlaps in regards to areas of the vessels where the work has to be accomplished. Also, the work overlaps to some degree in terms of work on the fixed price contract, the 2b letter contract and the work under this J&A being done on the same systems.

d. Based on the vessel being in the Contractor's Plant and based on the overlap work as described in paragraph 9c above, it is impractical to compete this set of emergent work requirements beyond Earl Industries, the Contractor on the ongoing fixed priced and 2b letter contracts.

e. This J&A is intended to cover the work identified above in paragraph 3. However, it is known that further work requirements are likely to be identified in the future. Subject to these further work requirements being determined to be required to be completed for the vessel to be deployable, future documents justifying other than full and open competition will refer to and incorporate this document, with additional detail needed to justify other than full and open competition for such further work being provided.

10. Listing of Other Sources

No other sources are listed due to the urgency and other factors as presented in the aforementioned sections.

CERTIFICATIONS AND APPROVAL

TECHNICAL/REQUIREMENTS CERTIFICATIONS (FAR 6.303-2(b))

I certify that the facts and representations under my cognizance, which are included in this justification and its supporting acquisition planning data, including Acquisition Plan No. n/a, except as noted herein, are complete and accurate to the best of my knowledge and belief.

TECHNICAL COGNIZANCE:

Signature _____ Name (Print) and Title (Code) _____ Phone No. _____ Date _____

REQUIREMENTS COGNIZANCE:

Signature _____ Name (Print) and Title (Code) _____ Phone No. _____ Date _____

LEGAL SUFFICIENCY REVIEW (NMCARS 5206.303(90))

I have determined this justification is legally sufficient.

Signature _____ Name (Print) and Title (Code) _____ Phone No. _____ Date _____

CONTRACTING OFFICER CERTIFICATION (FAR 6.303-2(a) (12))


I have determined this justification is accurate and complete to the best of my knowledge and belief.

Signature _____ Name (Print) and Title (Code) _____ Phone No. _____ Date _____

APPROVAL BLOCK (FAR 6.304 for Approving Official)

Upon the basis of the above justification, I hereby approve, as (Senior Procurement Executive of the Navy, Designee of the Head of the Contracting Activity, Competition Advocate for the Contracting Activity, Contracting Officer, as appropriate) the solicitation of the proposed procurement(s) described herein using other than full and open competition, pursuant to the authority of 10 U.S.C. 2304(c)().

(TITLE OF APPROVING OFFICIAL)

Signature  Name (Print) CDR ERIC STUMP, CCO Date 2/18/2010