

JUSTIFICATION FOR OTHER THAN FULL AND OPEN COMPETITION (J & A)

SOLICITATION HSCG38-08-Q-010129

Date: 18 Aug 2008

Pursuant to the authority of the test program for commercial items as implemented by Section 4202 of the Clinger-Cohen Act of 1996, the justification to conduct a sole source acquisition is justified by the following facts and rationale required under Federal Acquisition Regulation (FAR) 6.303-2 as follows:

(1) Agency and Contracting Activity--U.S. Coast Guard, Aircraft Repair and Supply Center (ARSC), CASA HC-144A Product Line Division, Elizabeth City, North Carolina, proposes to enter into a contract on a basis other than full and open competition.

(2) Nature and/or Description of the Action Being Approved-- This J&A seeks approval to contract for a sole source acquisition to obtain components for sparing of the Maritime Patrol Aircraft Mission Sensor Pallet (MPA/MSP) manufactured by Lockheed Martin, 3333 Pilot Knob Road, Eagan, MN 55121-5121. The Original Equipment Manufacturer (OEM), Lockheed Martin (90536) is the only known source. This MSP is to be used for the newly introduced HC-144A Aircraft.

(3) Description of Supplies/Services—Initial Provisioning of spares to provide maintenance support of the MSP manufactured by Lockheed Martin. The U.S. Coast Guard intends to negotiate only with the OEM or any source that can provide traceability back to the OEM. Failure to maintain sufficient parts support will adversely affect the performance of the HC-144A program and result in the inability to utilize the MSP on the HC-144A aircraft. Lockheed Martin is the designer and sole manufacturer of the MSP and its associated spare parts. Maintaining an adequate level of spare parts for the MSP is critical to mission capability of the HC-144A. Estimated cost of this requirement is XXXXXXX based upon past procurements and Item Manager personal knowledge. This is a one time purchase under the simplified acquisition test program IAW FAR Part 13.

(4) Identification of Statutory Authority Permitting Other Than Full and Open Competition-- The statutory authority permitting other than full and open competition is 10 USC 2304(c) (1) implemented by the Federal Acquisition Regulation (FAR) Subpart 13.501(a), "Sole Source Acquisitions."

(5) Demonstration That the Nature of the Acquisition Requires Use of the Authority Cited— The Coast Guard does not own the rights to the technical manuals, publications or data as these are proprietary to the OEM. Using parts from other than the OEM's would compromise the integrity of the MPA/MRS Sensor Pallet and void any existing warranties.

(6) Description of Efforts made to Ensure that Offers are Solicited from as Many Potential Sources as is Practicable--In accordance with FAR 5.201, the intent to contract for sparing of the MPA/MRS Sensor Pallet in support of the HC-144A will be advertised in the Government Point of Entry (GPE), Federal Business Opportunities (FBO) as a combined synopsis solicitation under streamlined acquisition procedures for commercial items utilizing FAR Part 12. Any responsible offers will be considered.

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(7) Determination by the Contracting Officer that the Anticipated Cost to the Government will be Fair and Reasonable—It is the Contracting Officer's opinion that prices offered will be fair and reasonable based on comparisons of the prices paid in the commercial marketplace and comparison of quotes submitted by interested offerors, if applicable. The Coast Guard will request Lockheed Martin to provide information on prices at which same or similar items have been previously sold in the commercial market that is adequate for evaluating the reasonableness of the price for this acquisition.

(8) Description of Market Research—At this time the identified OEM is the sole source for this spares requirement. The OEM owns their manuals, publications and data. The Coast Guard did not purchase these data rights and does not have any rights to the technical data.. Market research consisted of utilizing internet data and information as provided from the OEM to determine that the procurement for MPA/MRS Sensor Pallet components is commercial in nature.

(9) Any Other Facts Supporting the Use of Other Than Full and Open Competition, i.e., proprietary data packages, etc—The Coast Guard did not purchase the data rights as part of the initial system acquisition for the HC-144A aircraft. As a result, it would be difficult to take steps to foster full and open competition as the manufacturing, performance, and acceptance data are proprietary and the Coast Guard does not have adequate technical data to provide to potential offerors at this time. The merging of the HU-25 and the HC-144A product lines into one product line (MRS Product Line) has created a New Product Development (NPD) staff that will continuously strive to locate potential sources capable of manufacturing the parts required by the Coast Guard to support the MSP.

(10) A Listing of the Sources, if Any, That Expressed in Writing, an Interest in the Acquisition--At this time, this J & A is being processed in advance of the combined synopsis/solicitation posting on FBO. If responses to the combined synopsis/solicitation indicate additional sources are available, the file will be documented accordingly and the requirement competed among all eligible sources.

(11) A Statement of the Actions, if Any, the Agency May Take to Remove or Overcome Any Barriers to Competition Before Any Subsequent Acquisition for the Supplies or Services Required--The Coast Guard does not possess technical expertise nor did they purchase the data as part of the initial system acquisition for the HC-144A. Therefore, it would be difficult to foster full and open competition as the manufacturing performance and acceptance data are proprietary and the Coast Guard cannot provide this information to potential offerors. A representative of the NPD Branch will locate alternate sources of supply and alternate acceptable products. Engineering, contracting and NPD will continuously conduct market research to ensure that companies interested in doing business with the USCG are given every opportunity to compete for our requirements. In an effort to increase competition among the distributors, HC-144A Product Line members annually attend aviation trade shows, extensive Internet database research is conducted, and procurements are advertised in FedBizOps.

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(12) Contracting Officer's Certification--

I certify that the data supporting the recommended use of other than full and open competition is accurate and complete to the best of my knowledge and belief.

_____ Date: _____

Wade Johnson
MRS Division Contracting Officer

(13) Technical/Requirements Personnel Certification--

I certify this requirement meets the Government's minimum need and that the supporting data, which forms a basis for this justification, is complete and accurate.

_____ Date: _____

CWO K. Barrick
USCG, HC-144A Engineering

_____ Date: _____

David S. Burgess
Chief of the Contracting Office

APPROVAL:

_____ Date: _____

Keith O'Neill
USCG HQ
Procurement Activity Competition Advocate (PACA)