

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

SOLICITATION HSCG38-08-Q-010034

Date: Aug 20, 2008

Pursuant to the requirements of Section 4202 of the Clinger-Cohen Act (test program for commercial items) as implemented by the Federal Acquisition Regulation (FAR) 13.500, this justification for other than full and open competition is supported by the following facts and rationale in the format described at FAR 6.303-2:

(1) *Agency and Contracting Activity*--U.S. Coast Guard, Aircraft Repair and Supply Center (ARSC), HC-144A Contract Section, Elizabeth City, North Carolina, proposes to enter into a contract on a basis other than full and open competition and hereby presents this Justification for Other Than Full and Open Competition (J & A) for review and approval.

(2) *Nature and/or Description of the Action Being Approved*-- This J & A seeks approval to contract for tool kits manufactured for the HC-144A, Medium Range Surveillance (MRS) Maritime Patrol Aircraft (MPA). Limited competition exists among Daniels Manufacturing Corporation, 526 Thorpe Road, Orlando, Fl. 32824-8133 and several other responsible distributors who can furnish the required tool kit with traceability to the manufacturers. Request approval to proceed with this acquisition, for a firm-fixed-price purchase order for the purchase of high-use tool kits used in support of the airframe power connectors and mission pallet connectors found on the HC-144A aircraft. It is anticipated that one purchase order will be negotiated and awarded.

(3) *Description of Supplies/Services*--This requirement is to procure **1 line item** for special tool kits in support of the HC-144A aircraft. These portable tool kits are in support of the Coast Guard HC-144a airframe power connectors and mission pallet connectors. Not only would this delay delivery and escalate depot maintenance costs, but would also impact aircraft readiness rates in the field resulting in a decreased effectiveness of Coast Guard commanders' ability to execute missions. Estimated cost of this requirement is **\$37,797.00**.

(4) *Identification of Statutory Authority Permitting Other Than Full and Open Competition*— **41 U.S.C. 428** a as implemented by the Federal Acquisition Regulation (FAR) 6.302-1 entitled "Only One Responsible Source and No Other Supplies or Services Will Satisfy Agency Requirements". Only the OEM or a limited number of distributors will satisfy agency requirements.

(5) *Demonstration That the Nature of the Acquisition Requires Use of the Authority Cited*— Daniels Manufacturing Corporation is the Original Equipment Manufacturer (OEM) of the tool kits. The necessary specifications, manufacturing drawings, data, and tooling required for the manufacturer of these kits must be restricted to the OEM. In a fiscal and stockage environment requiring minimal investment in inventory it is critically important to secure a reliable supplier that can satisfy the contract requirements needed to react to ever changing demand patterns.

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(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 the HC-144A aircraft replacement parts will be advertised in the Electronic Posting System (EPS), 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.

(7) Determination by the Contracting Officer that the Anticipated Cost to the Government will be Fair and Reasonable—The contracting officer will determine that the anticipated prices will be fair and reasonable based on procurement history of previously negotiated procurements, comparison with Daniels Manufacturing Corporation Inc commercial catalog pricing and comparison with similar items in the commercial marketplace.

(8) Description of Market Research—The HC-144A aircraft is not logistically supported by other Government agencies. The contract will be solicited and awarded using acquisition procedures for commercial items. Daniels Manufacturing Corporation Inc, the OEM, is the primary source company that has been providing this tool kit to the US Coast Guard. The market survey consisted of utilizing the Inventory Locator System (ILS). It provided the same sources, the OEM, DMC, and a few distributors.

(9) Any Other Facts Supporting the Use of Other Than Full and Open Competition, i.e., proprietary data packages, etc-- The HC-144A aircraft was procured and provisioned for by Coast Guard Headquarters, however that procurement did not include specifications necessary to obtain competition. Due to the small fleet size, and the fact that this is an out-of-production aircraft, it would not be economically feasible to procure the required data rights at this time. Nor is there any indication that the OEM would be willing to sell their proprietary rights at this time.

(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.GOV. 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 aircraft, as a result, it would be difficult to foster a competitive procurement effort. Complete specifications, manufacturing drawings, data, and tooling for the HC-144A are not available and the cost to procure them is not easily quantifiable. As the Aircraft Inventory Control Point (AICP), ARSC is tasked with supporting systems that have been deployed for used in the aviation community. As such our budget does not include funding to procure data for these systems. The data for the HC-144A aircraft is proprietary to the OEM and therefore future competition for this effort is not known. The agency has taken no actions to overcome barriers to competition and does not anticipate any opportunities to do so.

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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
HC-144A 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: _____

Kevin Barrick
HC-144A Supply Cell Leader

APPROVAL:

_____ Date: _____

Wade Johnson
HC-144A Contracting Officer