



DEPARTMENT OF THE NAVY

NAVAL AIR SYSTEMS COMMAND
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IN REPLY REFER TO:

CJ&A Number: 21-0010

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

1. Contracting Activity.

Naval Air Systems Command (NAVAIR) Headquarters

2. Description of the Action Being Approved.

This Class Justification and Approval (CJ&A) authorizes and approves the issuance of orders on a sole-source basis under Basic Ordering Agreement (BOA) N0001921G0006 with The Boeing Company in Seattle, WA (Boeing) for the development and implementation of P-8A Poseidon retrofit Engineering Change Proposals (ECPs). Orders will support U.S. Navy and P-8 international users. Authority to act under this CJ&A expires after 31 December 2024.

3. Description of Supplies/Services.

The planned contract actions will procure the development and implementation of P-8A retrofit ECPs related to the following P-8A systems or components: Draw Through Air Flow Switch, Horizontal Stabilizer (H-Stab), Emergency Floor Lighting, Lower Lobe, Electronic Support Measures (ESM) Radome Brackets, Oxygen Cylinder Change, Universal Aerial Refueling Receptacle Slipway Installation (UARRSI), High Cycle Pitot Probe Reliability Improvement, Flight Deck Digital Indicator Replacement, Fuel System Aux Drain Fitting Replacement, Tailcone Fastner and Drainage Revision, Double Walled Fuel Tubes Missing Alodine, Negative Margin Resolution Section 48 Circumferential Splices, Eliminate Potential Structural Corrosion from Dissimilar Materials, Eliminate Hinge Problems & Cracks on Main Landing Gear and Onboard Inert Gas Generation System (OBIGGS) Ram Air Duct Re-design. More specifically, each retrofit ECP incorporation effort entails developing the retrofit solution, developing the technical directive (TD) and associated installation data package (IDP), developing and fabricating the validation and/or verification retrofit kit(s), validating and/or verifying the TD, IDP and retrofit kit, fabricating retrofit kits, updating airframe drawings, and updating maintenance publications (and/or Interactive Electronic Technical Manual (s) (IETM(s)). The planned periods of performance for each portion of each ECP development and implementation are: (1) 6-18 months for TD and IDP development, kit validation and verification, and updates to drawings, publications and IETMs; and (2) 1-2 years thereafter for delivery of retrofit kits, depending on kit quantities, kit contents, and subcontractor lead times.

The estimated total value of the contract actions and associated funding by fiscal year and type is indicated in the following table.

[REDACTED]

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.

Boeing is the sole designer, developer, and manufacturer of the P-8A airframe, as well as the sole integrator of the P-8A's systems and subsystems for avionics, communications, mission, and weapon capabilities, and therefore is the only responsible source with the requisite knowledge, experience, and technical data to develop and implement P-8A retrofit ECPs related to the aforementioned P-8A systems or components without resulting in unacceptable delays. The P-8A consists of a basic Boeing commercial 737-800 ERX air vehicle modified to meet Navy requirements, and numerous systems and subsystems for avionics, communications, mission, and weapon capabilities. Each of the contemplated ECPs entails a modification to the P-8A baseline airframe and avionics systems, and requires access to Boeing proprietary commercial 737-800 ERX technical data with sufficient Government rights to use for airframe and avionics modification purposes. The development and implementation of each ECP requires a complete Technical Data Package (TDP) in order to ascertain the engineering specifications necessary to develop each technical directive and associated retrofit kit. As the P-8A Original Equipment Manufacturer (OEM), Boeing is the only source that has the knowledge and access to the technical data necessary to develop and implement each ECP. The Government does not possess a TDP that can be provided to an alternate source. Boeing has indicated they are unwilling to deliver a TDP with sufficient Government rights for third party distribution due to the proprietary nature and commerciality of the 737 aircraft and other systems within the P-8A platform. Assuming, without concluding, that an alternate source could fulfill the requirements, the timeline to compete and qualify that alternate source is estimated to take over 5 years based on ongoing P-8A system design and development efforts. Therefore, pursuing alternate sources to fulfill the contemplated requirements would result in an unacceptable delay in fulfilling those requirements for U.S. Navy Fleet and international country end users.

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

A Sources Sought Notice was posted on the betaSAM.gov website on 12 August 2020. On 17 August 2020, [REDACTED] expressed interest in providing parts for the Oxygen Cylinder Change [REDACTED]. NAVAIR conveyed to [REDACTED] by email that the contemplated contract action(s) regarding the Oxygen Cylinder Change do not entail procuring the replacement part. The action(s) entail updating drawing(s), engineering data, technical directive(s), and installation data packages, fabricating retrofit installation kits, and installing those kits along with the replacement parts (provided via Government Furnished Equipment (GFE)) onto two P-8A test aircraft. [REDACTED] acknowledged NAVAIR's response and indicated it required no additional clarification. No other responses were received. No additional market research was conducted because it is not practicable, for the reasons discussed in paragraph 5 above, for any company other than Boeing to provide the required supplies and services. However, prior to the issuance of each contemplated order, a Presolicitation Notice will be published providing an opportunity for interested parties to submit capability statements which will be reviewed by the Government to determine whether the requirements associated with the contemplated order will be fulfilled by a competitive procurement.

7. Determination of Fair and Reasonable Cost.

In accordance with FAR 15.402, the Contracting Officer shall ensure that all supplies and services are procured at a fair and reasonable price. An analysis of the contractor's proposal will be performed by technical analysts and contract specialists, with the assistance of Defense Contract Management Agency (DCMA) and Defense Contract Audit Agency (DCAA) auditors as needed. The Contracting Officer will analyze the various cost elements that are presented in the proposal, as well as review the actuals from previous procurements, if applicable. The Contracting Officer will use Government expertise, including DCMA, DCAA, the Program Office, and other Government resources, to evaluate the proposal's material, labor and subcontract positions. A detailed report developed as part of the Government evaluation will be utilized to establish a NAVAIR position. If a rate agreement is not in place between Boeing and DCMA at the time of proposal evaluation, the Contracting Officer will work with DCMA and DCAA to establish a rate position, to include escalation, for negotiation of the contract action. As discussed in this paragraph, the Contracting Officer will use cost and price analysis as the basis for negotiating fair and reasonable prices for the supplies and services covered by this CJ&A.

8. Actions to Remove Barriers on Future Competition.

For the reasons set forth in Paragraph 5, NAVAIR Headquarters has no plans to compete future contacts for the types of supplies/services covered by this document given that fulfillment of these requirements requires access to proprietary data. If another potential source emerges, NAVAIR Headquarters will assess whether competition for future requirements is feasible. Because this effort is a follow-on for similar supplies and services previously awarded on a non-competitive basis, in accordance with DFARS PGI 206.304(a)(i), the prior CJ&A was provided to the approval authority for review. The prior CJ&A did not cite any planned actions to remove any barriers to competition. Approval of this CJ&A signifies the approval authority has made the determination required by DFARS PGI 206.304(a)(ii).

CERTIFICATIONS AND APPROVAL

[REDACTED]