JUSTIFICATION for an EXCEPTION to FAIR OPPORTUNITY for the placement Of an order > $15,000 under a Multiple Award Contract (MAC)

Upon the basis of the following justification, I, the assigned Contracting Officer of Southwest Regional Maintenance Center, hereby approve the Justification for an Exception to Fair Opportunity Pursuant to FAR 16.505(b)(2).

JUSTIFICATION

l. Agency and Contracting Activity. Department of the Navy, Southwest Regional Maintenance Center.

2. Nature/Description of Action. This is a fair opportunity exception to place an order with prospective Multiple Award Contract (MAC) holder under LCS SEC WEST PT. III MAC number N00024-25-D-4222, Standard Ship Repair (Standard). The Delivery Order Number is N5523626F8038 for the USS OAKLAND (LCS-24) FY26 CONTINUOUS AVAILABILITY (CMAV); SSP: TPPC-LCS24-SWRMC26-S002.

3. Description of Supplies/Services. The following three (3) work items have been created to accomplish urgent repairs on USS OAKLAND (LCS-24):

- Work Item 237-11-001– Bow Thruster Flush; accomplish
- Work Item 588-21-001– Port and Starboard Helicopter Hangar Door Repair; accomplish
- Work Item 589-64-001– Side Door Hydraulic Flexible Hose Assembly; replace

The estimated value of this work is [redacted] based on the Independent Government Estimate (IGE) from the SWRMC Project Manager. Funding will be FY26 OM&N D4 in support of the [redacted] repairs. The availability schedule is 13 APR 2026 – 22 MAY 2026. The Government's minimum needs have been verified by the certifying technical and requirements personnel.

4. Identification of the Exception to Fair Opportunity. (FAR 16.505 (b)(2)(i)(C))

Identification/Justification for Exception:

☐ a. **The agency need for services is of such urgency that providing fair opportunity would result in unacceptable delays.**

☐ b. **Only one such awardee is capable of providing such services required at the level of quality required because the services ordered are unique or highly specialized.**

☒ **c. The order must be issued on a sole-source basis in the interest of economy and efficiency as a logical follow-on to an order already issued under the MAC, provided that all the awardees were given fair opportunity to be considered for the original order**.

The original Delivery Order was awarded competitively under the LCS SEC WEST PT. III MAC-IDIQ contract. Standard was awarded the delivery order to accomplish Continuous Maintenance (CMAV) repairs in support of the USS OAKLAND (LCS-24) based on lowest price technically acceptable (LPTA) criteria. The USS OAKLAND (LCS-24) now has an Emergent Maintenance

requirement to accomplish 3 C3 CASREPs as follows:

Work Item 237-11-001– Bow Thruster Flush; accomplish
During a previous scheduled availability, a contractor was tasked with performing repairs and a subsequent flush of the bow thruster hydraulic system. However, the flush failed to meet cleanliness standards due to a high level of particulate matter in the hydraulic fluid. Because of the ship's operational schedule, the availability could not be extended to perform the necessary corrective actions and re-flush the system. This has resulted in the current, more urgent, need for repair. The bow thruster is essential for precision maneuvering, especially in confined waters such as ports, harbors, and strategic straits. Without a fully functional bow thruster, the ship's ability to safely navigate in these areas is compromised, and it may be reliant on tugboat assistance, which is not always available in operational scenarios and increases costs. Failure to accomplish the repairs will result in a more catastrophic failure of the entire bow thruster system, which would lead to more extensive and costly repairs in the future. If the work is not executed, the ship will not be able to operate at its full, unrestricted capacity. The vessel will face limitations on its ability to conduct certain missions that require precise maneuvering in littoral environments or unassisted berthing. This could lead to the ship being unable to enter certain ports, or being unable to get underway or return to port in certain weather conditions without assistance. This degradation of capability would likely result in the ship being designated as not fully mission-capable, impacting upcoming deployment schedule and operational availability.

588-21-001 Port and Starboard Helicopter Hangar Door Repair; accomplish
The helicopter hangar doors have suffered a significant mechanical failure, rendering them completely inoperable. Both remote, powered operation and manual override systems have failed, meaning the doors are currently stuck in their present position. Ship's force has been unable to resolve the issue, which points to a major component breakdown rather than a simple fault. Due to this critical failure, a [redacted] has been issued, formally downgrading the ship's mission capability. The current work item is not for a permanent fix, but for a temporary, engineered repair to allow the doors to function. This will enable the ship to operate under a formal Departure From Specification (DFS) until the necessary Long Lead Time Material (LLTM) for the permanent repair can be ordered, received, and installed during a planned maintenance availability scheduled for September. The [redacted] was directly prompted by the total failure of the hangar door system. The inability to operate the doors either remotely or manually signifies a catastrophic breakdown. A [redacted] is appropriate as this condition represents a major degradation to a primary mission area—the ship's aviation capability. The hangar is essential for housing, protecting, and maintaining the embarked helicopter(s). If the doors cannot be opened, the aircraft cannot be deployed. If they are stuck open, the aircraft and the sensitive equipment within the hangar are exposed to the harsh marine environment, corrosion, and potential damage from heavy seas. This hard failure, which cannot be corrected by the crew, necessitates an urgent depot-level repair. It is critical to accomplish this temporary repair immediately to restore the ship's primary warfare capability. A warship's air detachment is integral to its operational effectiveness, responsible for missions such as anti-submarine warfare, surface surveillance, search and rescue, and logistical support (vertical replenishment). Mission Readiness: Without the ability to move aircraft in and out of the hangar, the ship cannot launch or recover its primary aviation assets. The ship is effectively unable to conduct flight operations, rendering it incapable of performing a significant portion of its assigned missions. Asset Protection: Helicopters are high-value, complex assets that must be protected from the elements. Leaving a multi-million-dollar aircraft exposed on the flight deck for an extended period is not a viable option due to the risk of corrosion and damage. Unless the repairs are accomplished, the ship will remain in a degraded readiness state for months, which is operationally unacceptable. This repair bridges that gap, allowing the ship to meet its operational commitments. If this repair is not completed, the ship will remain in its current, severely degraded state. The [redacted] will

stand, and the ship will be formally designated as not fully mission-capable. This has several major consequences. The ship will be unable to deploy as scheduled or may have its mission set severely restricted. It cannot be assigned tasks that rely on its organic air support. The ship cannot support its embarked air detachment, essentially turning the flight deck and hangar into dead space. This cripples its ability to project power and defend itself. An unreliable hangar door poses a significant safety risk during any attempt at flight operations, especially in dynamic sea states. In short, failure to complete this repair will prevent the ship from performing its core functions and meeting its operational tasking until the permanent repair is completed in September.

Work Item 589-64-001– Side Door Hydraulic Flexible Hose Assembly; replace

The flexible hydraulic hose assemblies that operate the ship's side door have reached the end of their certified service life. Hydraulic hoses are constructed from materials that degrade over time due to constant pressure cycles, exposure to the harsh maritime environment (salt spray, UV radiation), and general material aging. The manufacturer certifies them for a specific operational lifespan to ensure safety and reliability. Once this lifespan is exceeded, the risk of a catastrophic failure, such as a burst hose, increases exponentially. The ship's maintenance system flagged these components as expired, mandating their immediate replacement to ensure the continued safe operation of the side door. The requirement to replace expired, life-limited components is a standard and high-priority maintenance action. The repair is prompted by the ship's Planned Maintenance System (PMS), which tracks the service life of critical components. Operating with expired high-pressure hydraulic hoses is a significant safety violation and operational risk. A failure during an onload or offload evolution could cause the heavy side door to move unexpectedly or become stuck, endangering personnel and cargo. Therefore, the repair is mandated to proactively prevent a casualty, rather than react to one. It is critical to replace these hoses immediately to maintain the ship's mission readiness and safety standards. The side door is a key access point for logistics, enabling the rapid onload and offload of mission-critical supplies, equipment, and personnel. This is especially vital during expeditionary and amphibious operations. Delaying the replacement of these expired hoses introduces an unacceptable level of risk. A hose failure during an operation could lead to uncontrolled movement of the heavy side door. Damage to the cargo being moved or to the door mechanism itself. A stuck door could delay or completely halt critical logistics evolutions, impacting the ship's ability to support operations ashore or prepare for its next mission. Completing the repair now ensures the side door system is safe, reliable, and ready for any tasking during the ship's upcoming deployments. If the work is not completed, the side door will be considered unsafe to operate and will be tagged out. This effectively removes a primary logistics pathway for the vessel. The ship would be forced to rely on alternative, often less efficient, methods for moving cargo and personnel, such as using cranes or other access points not designed for bulk transfer. This would significantly slow down onload and offload operations, potentially causing the ship to miss scheduled departure times. For a vessel preparing for deployment, this limitation could restrict the types of missions it can support, particularly those involving rapid logistical movements, and could ultimately impact its overall deployment certification and readiness.

In accordance with FAR 16.505(b)(2)(i)(C), this order is being issued on a sole-source basis to the incumbent contractor, Standard, as a logical follow-on in the interest of both economy and efficiency. Awarding this emergent work to a different contractor would introduce significant operational inefficiencies. A new contractor would require a separate mobilization period on top of the additional required time it would take to solicit this work to all MAC holders, delaying the start of this critical [redacted] repair and threatening the ship's scheduled completion date. Furthermore, introducing a second contractor into the same machinery space would create conflicts in coordinating safety, access, and temporary services, disrupting the productivity of both prime contractors and further extending the overall timeline. From an economic standpoint, a competitive award would lead to a duplication of costs that would exceed any potential cost savings. The Government would incur a second set of

costs for mobilization, and other overhead costs such as project management, supporting rentals, and temporary services already covered under the incumbent's order, estimated at a total of over [redacted] for temporary services alone.

Given the critical need to correct the [redacted] without delay and the significant duplication of costs and operational inefficiencies associated with awarding this work to another contractor, it is determined that issuing a sole-source order to Standard is the most efficient and economical method to complete this work. This action constitutes a logical follow-on to an existing order and is in the best interest of the U.S. Government.

☐ **d. It is necessary to place an order to satisfy a minimum guarantee.**

☐ **e. For orders exceeding the simplified acquisition threshold, a statute expressly authorizes or requires that the purchase be made from a specified source.**

5. **Determination of Fair and Reasonable Cost.**

A thorough review and analysis, with regard to price and scope, of the pricing information provided by Standard will be conducted by the Project Team (PT) and verified by the Contracting Officer. Determination of fair and reasonable costs will primarily be accomplished by use of parametric methods used to determine reasonableness of labor hours, materials, and times proposed by Standard, in accordance with FAR 15.404-1(b)(2)(iii). Furthermore, application of rough yardsticks will be utilized for significant inconsistencies that warrant additional pricing inquiries in addition to review of any historical pricing information for Standard that is available, as well as similar work accomplished by other contractors. This analysis will be accomplished in conjunction with comparison of all proposed labor hours and material by the PT with verification by the Contracting Officer.

The Contracting Officer has determined that to the Government for this Acquisition will be fair and reasonable based on FAR 15.404-1(e)(1), technical analysis from the PM, FAR 15.404-1(b)(2)(i) – comparison of proposed prices of labor and material burden rates received in response to the solicitation, and FAR 15.404-1(b)(2)(v), comparison with the IGE.

6. **Description of Efforts Made to Solicit Offers From as Many Offerors as Practicable:**

All offerors under the LCS SEC WEST PT. III MAC-IDIQ were given fair opportunity to submit a proposal in response to the solicitation of the availability basic work package. As this is new work there would be unrealistic contractual expectations to overcome barriers that have led to this exception. Furthermore, if the work is not performed during this window of availability, the USS OAKLAND (LCS-24) will not fulfill its current operational obligations and would thus incur mission risk to the Government.

7. Actions Taken to Remove or Overcome Barriers that Led to the Exception to Fair Opportunity:

As noted above, this work item could not have been identified earlier, as the Bow Thruster Flush was already scheduled and planned for a previous availability. The work could not proceed due to the ship's underway schedule, making this the next window of opportunity to execute the work. The replacement of the Side Door Hydraulic Flexible Hose Assembly could not be identified earlier because SWRMC does not track the periodicity of equipment overhauls or hose replacements. This is a ship's force task that was not identified until after the hoses had already expired. While standard procedures would follow the typical solicitation process providing fair opportunity to the LCS SEC

WEST PT. III MAC IDIQ contract holders, it is in the Government's best interest to incorporate this critical maintenance work in order to meet and support the USS OAKLAND (LCS-24) operational readiness. This is an atypical event and could not be planned or forecasted, accordingly, the ACO determined that this course of action is the most prudent way forward in this unique instance.

TECHNICAL AND REQUIREMENTS CERTIFICATION (FAR 16.505(b)(2))
I certify that the facts and representations under my cognizance, which are included in this Justification and which form a basis for this justification are complete and accurate.

Technical Cognizance/or COR:

Signature: HOLBROOK.CARL.LAVERNE.JR. [redacted] Digitally signed by HOLBROOK.CARL.LAVERNE.JR. [redacted] Date: 2026.04.07 09:11:05 -07'00'

Printed/Typed Name and Title Code Phone Date

LEGAL REVIEW (SWRMCINST 5430.1B): (>$350,000)

Signature: _____

Printed/Typed Name and Title Code Phone Date

APPROVAL:
CONTRACTING OFFICER CERTIFICATION (FAR 16.505(b)(2)): (>$15,000 to ≤$900K)
I certify that this justification is accurate and complete to the best of my knowledge and belief.

Signature: BERNAL.RODRIGO.L.16 [redacted] Digitally signed by BERNAL.RODRIGO.L. [redacted] Date: 2026.04.07 09:31:29 -07'00'

Printed/Typed Name and Title Code Phone Date

REVIEW:
2.0 BRANCH HEAD (FAR 16.505(b)(2)): (>$900K)
Signature: N/A

Printed/Typed Name and Title Code Phone Date

APPROVAL:
COMPETITION ADVOCATE (FAR 16.505(b)(2)) (>$900K to $20M):

Signature: N/A

Printed/Typed Name and Title Code Phone Date

APPROVAL:
HEAD OF THE CONTRACTING ACTIVITY (FAR 16.505(b)(2)) (>$20M to $150M):

Signature: N/A

Printed/Typed Name and Title Code Phone Date