



Justification and Approval (J&A) for Other Than Full and Open Competition

Was a J&A approved for the preceding acquisition where that acquisition required a J&A? Yes No

!! Attach the preceding J&A in the staff package for this J&A. The preceding J&A will be used as a reference document.

Is this a new or amended J&A Document? New Amended (Prior to Award Only!)

Is this a Bridge Action as defined at [AFFARS 5302.101](#)? Yes No

Dollar Value of this Acquisition: ≤ \$750K > \$750K and ≤ \$15M > \$15M and ≤ \$100M > \$100M

Contracting Activity: AFNWC/PZBC

Purchase Request (if available) / Local ID Number: FA8214-13-C-0001

Program / Project (and PE, if applicable): Integration Support Contract (ISC)

Program Type (PEO, Enterprise, of Operational): PEO

Authority:

6.302-1 – 10 USC 3204(a)(1), Only One Responsible Source - No Other Supplies or Services Will Satisfy Agency Requirements

Estimated Contract Cost (including options): \$ 1,941,743,226

J&A Type: Class Individual

COORDINATION ([AFFARS 5306.304\(a\)](#))



[Redacted]

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[Redacted]

APPROVAL ([AFFARS 5306.304\(a\)](#))

[Redacted]

[Redacted]

[REDACTED]

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I. Agency and Contracting Activity.

United States Air Force
AFNWC/PZBC
6008 WARDLEIGH ROAD
BLDG 1580 Hill AFB UT
84056-5837
Contracting Officer: Sean
McDonough Phone Number:
801-775-6738
Contract Number: FA8214-13-
C-0001

II. Nature and/or description of the action being approved.

Due to the circumstances described herein, the activity requests authority to acquire the services listed in this document using Other Than Full and Open Competition as prescribed by FAR 6.302-1, Only One Responsible Source and No Other Supplies or Services Will Satisfy Agency Requirements. This action is for the Integration Support Contract (ISC) 1.0, FA8214-13-C0001, under which BAE Systems Technology Solutions & Services Inc. (BAE) provides support to the Minuteman III (MMIII) Systems Directorate and the Sentinel (GBSD) Systems Directorate programs, part of the Air Force Nuclear Weapons Center (AFNWC) at Hill AFB, UT. The follow-on ISC 1.0 effort (ISC 2.0) was awarded to BAE on 24 June 2022. Following the award, two unsuccessful offerors filed protests at the Government Accountability Office (GAO) in July 2022. GAO issued a decision on 13 October 2022 sustaining the protests and recommending corrective action. This two-year extension is necessary to complete the ISC 2.0 corrective action and to facilitate the successful transition from ISC 1.0 to ISC 2.0, which is estimated to take up to six months.

Upon approval to use other than full and open competition procedures, the United States Air Force (USAF) intends to issue a contract modification to the ISC 1.0 contract to increase the contract total dollar ceiling by \$651.6M from \$1.290B to \$1.941B and extend the current period of performance for up to a maximum of two years to maintain current support of the MMIII and Sentinel Systems Directorates. This additional two-year period of performance follows a previous one-year period of performance extension approved on 19 October 2021. The contract extension authorized under this approval shall not extend beyond the time necessary (up to 2 years) to award and transition the follow-on competitive contract for ISC 2.0.

This extension will provide continued sustainment support to the MMIII and Sentinel Weapon Systems without disruption until the successful award and transition to ISC 2.0. This contract modification will utilize the existing Firm-Fixed-Price Level-of-Effort (FPLOE) arrangement to support the USAF. This action will use appropriated 3400, 3600, and 3020 funds as applicable. The estimated award date is January 2023. The total period of performance (PoP) of this extension will be two years. To match the CLIN structure on the current ISC 1.0 contract, this modification will extend the current Option IX (currently a 6 month PoP) by six months from 1 February 2023 to 31 July 2023, add a one-year Option X from 1 August 2023 to 31 July 2024, and a final six-month Option XI from 1 August 2024 to 31 January 2025 to maintain current support to the MMIII and Sentinel Systems Directorates until the successful award and transition of ISC 2.0. Transition for the ISC 2.0 contract consists of two phases: phase one is the "Transition Preparation Phase" and begins at the completion of the contract kick-off meeting and ends at Government approval of the transition plan, which could take up to 90 days. Phase two is the "Transition Execution Phase" and begins at Government approval of the transition plan and ends when the exit criteria are met. Under the Option IX and X extensions, the activity will execute a corrective action consistent with the sustained protests, make an ISC 2.0 award decision and begin transition from ISC 1.0. Option XI will provide coverage in case of any further delays or litigation.

Option Table

Option	Period of Performance	Option Value	Ceiling Increase	Total Contract Value
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

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[REDACTED]

III. Description of supplies/services required to meet agency needs.

With this ceiling increase and extension, BAE will continue to provide Systems Engineering, Integration, and Program Management support services until ISC 2.0 is successfully awarded and transitioned from ISC 1.0. These services support both the MMIII and Sentinel Systems Directorates to ensure the integration of current and future hardware, software, testing, and modifications with the ICBM Weapon Systems. The ISC 1.0 effort provides approximately [REDACTED] staff hours each year to assist the MMIII and Sentinel Systems Directorates in performance of their roles as the ICBM Weapon Systems integrator and System Program Offices.

Under ISC 1.0, BAE provides Advisory and Assistance Support (A&AS) to MMIII acquisition and modification programs managed within the MMIII Systems Directorate. ISC 1.0 also supports Sentinel program, which is a critical \$95B acquisition program planned to replace the legacy MMIII ICBM Weapon System. Sentinel is the largest recapitalization program in the Air Force's nuclear enterprise and is one of the top acquisition programs in the service. Schedule is one of Sentinel's critical risks due to the warfighter need date of FY29. ISC A&AS support is the primary means for acquiring support for studies, modifications, and acquisition programs required to address emerging weapon system critical risks, problems and issues associated with an aging weapons platform. Some specific sustaining engineering areas, capabilities, and functions where BAE provides support under the ISC 1.0 are: Systems Engineering & Integration, Nuclear Surety, System Safety, Systems Effectiveness Evaluation, Risk Management, Test and Evaluation, Nuclear Hardness and Survivability, Environmental Engineering, Hardware and Software Sustaining Engineering, Strategic Missile Integration Complex (SMIC) Support, Strategic Planning, and Data Management.

IV. Demonstration that the contractor's unique qualifications or the nature of the acquisition requires use of the authority cited above.

As the current ISC 1.0 contractor, only BAE can meet the MMIII and Sentinel Systems Directorates' mission needs without unacceptable delays or the assumption of significant technical risk while the program executes the ISC 2.0 corrective action, re-awards the ISC 2.0 effort, and transitions from ISC 1.0 to ISC 2.0. This J&A enables the MMIII and Sentinel Systems Directorates to continue to use ISC 1.0 to rapidly obtain support for requirements as they surface while re-awarding the follow-on competitive contract vehicle.

Award to any other source would result in unacceptable delays in fulfilling the Air Force's requirements. Without approval of the requested contract ceiling increase and extension prior to the successful award of the ISC 2.0 follow-on, the MMIII and Sentinel Directorates will be left without support for current requirements, add-on programs, and requirements for additional efforts in areas of highly specialized services and capability due to the limited pool of resources that possess the requisite skill sets for some critical functional areas. Historically, maintaining a single vehicle for overall sustaining engineering support has yielded the most effective and efficient results. It is imperative to have continued use of the current vehicle until another vehicle is in place for these services. Without use of the ISC 1.0 contract, MMIII and Sentinel Directorates [REDACTED]

[REDACTED] Approval of this justification will allow that continued use until ISC 2.0 is awarded.

BAE Systems has continually built its staff to support increased MMIII and Sentinel Systems Directorates engineering and acquisition requirements. There is a limited pool of personnel possessing the required ICBM domain expertise, knowledge, experience, and skill sets. Capturing and retaining the knowledge base and skills is more complex with older weapon systems than with new. With limited personnel in some of the required engineering support areas, introducing another contractor to provide this support would result in varying levels of "contract hopping" [REDACTED] Maintaining the support under a single contractor until ISC 2.0 is awarded enables sharing of limited resources and increased support effectiveness. Furthermore, the award of the Sentinel

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contract to Northrop Grumman Corporation in Roy, Utah has increased the demand for ICBM experience, further depleting the resources available for the ISC effort.

Pursuit of another action besides extending the existing ISC 1.0 would divert critical Government resources from the ongoing efforts of the ISC 2.0 source selection and corrective action. Competing this extension is not only impractical in the time left before the current contract expires (31 January 2023), but it would also slow down the resolution of the ISC 2.0 protest because those same Government resources are currently devoted to the ISC 2.0 corrective action. Incorporating an extension via modification to the existing ISC 1.0 is in the best interest of the Government to avoid unacceptable delays and ensures a seamless transition from ISC 1.0 to ISC 2.0. A significant component of the ISC 2.0 source selection is to perform a transition from the current ISC 1.0 incumbent to the successful awardee of ISC 2.0. This transition includes cooperation with the incumbent contractor to ensure a smooth transition to seamlessly transition workload from ISC 1.0 with minimal impact and disruption, ensuring complete requirements coverage throughout the transition. If the Air Force were to compete this extension, there would be substantial duplication of costs from multiple periods of transition. BAE Systems has the required experience, ability, and knowledge to continue support of the MMIII and Sentinel Systems Directorates to prevent a gap in these essential, mission critical services without the Government incurring substantial duplication of costs or unacceptable delays. Under ISC 1.0, BAE is currently supporting the Sentinel subsystem Critical Design Reviews (CDRs), interruption of this critical support would significantly impact schedule of the Sentinel program.

A two-year extension to ISC 1.0 is necessary to complete the ISC 2.0 corrective action and facilitate the successful transition from ISC 1.0 to ISC 2.0. Corrective action to the ISC 2.0 source selection is estimated to take between 6-12 months. The AF intends to request cost proposals with updated rates which may lead into discussions. Once discussions are completed the AF will request an updated Final Proposal Revision for evaluation with potentially amended decision documents for a new best-value decision. After an award decision is made, transition from ISC 1.0 to ISC 2.0 is estimated to take up to six months. This will leave an additional six months coverage in case of any further delays or litigation.

Accordingly, BAE Systems is the only firm capable of providing the supplies and services described in Section III above without the USAF experiencing unacceptable delays in fulfilling requirements. This situation will persist until the MMIII and Sentinel Systems Directorates can fulfill ICBM critical systems engineering, integration, and program management support requirements through the competitive award of ISC 2.0.

V. Description of efforts made to ensure that offers are solicited from as many potential sources as practicable, including whether a notice was or will be publicized as required by subpart 5.2 and, if not, which exception under FAR 5.202 applies.

This is a limited duration extension intended to ensure program continuity while the activity executes the corrective action. This S-CAT 1 effort was competitively awarded to BAE Systems 31 July 2013. ISC 2.0 will be a competitively awarded contract. As part of market research for ISC 2.0, a Sources Sought Synopsis was publicized on 30 November 2019 followed by several RFIs, industry days, 1-on-1's with interested parties. Additionally, multiple iterations of draft requirement documents were publicized throughout the process. The USAF intends to take corrective action on ISC 2.0 to address the protests to ensure a fair competition.

VI. Determination by the Contracting Officer that the anticipated cost to the Government will be fair and reasonable.

The following steps will be taken to ensure that the anticipated cost of this acquisition will be fair and reasonable. The Contracting Officer will comply with the procedures and criteria contained in FAR Part 30 - Cost Accounting Standards, FAR Part 31 - Contract Cost Principles and Procedures, and FAR Subpart 15.4 - Contract Pricing, to include technical evaluations and audits, as appropriate. Additional steps to ensure price reasonableness will be under the guidance of the Contract Pricing Reference Guides, jointly developed by the Federal Acquisition Institute and the Air Force Institute of Technology. The Contracting Office will obtain certified cost or pricing data IAW FAR Subpart 15.403. The final step is to include the Price Negotiation Memorandum (PNM) in the contract file. Detailed documentation and justification of price reasonableness will be disclosed in the official PNM, to be prepared upon completion of negotiations.

VII. Description of the market research conducted and the results, or a statement of the reasons market research was not conducted.

The USAF evaluated market research compiled during the source selection process for ISC 2.0. Discussions between the

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program offices of both ISC 1.0 and ISC 2.0, as well as analysis by the contracting officers representing both program offices have validated that there are reasonable assurances that capabilities within industry do exist. However, analysis of the required course of action to establish a competitive extension would lead to a gap in service for the critical sustainment of the MMIII and Sentinel Weapon Systems. Market research has demonstrated the capability to perform these essential services are still possessed by BAE Systems.

VIII. Any other facts supporting the use of Other Than Full and Open Competition.

Market Research was conducted IAW FAR Part 10 between November 2019 and October 2020 for ISC 2.0. Market research for this effort was conducted using Sources Sought Synopsis (SSS), multiple iterations of Request for Information (RFI), Industry Day and draft Request for Proposal (RFP) events. This level of detail obtained during these various events demonstrated the capabilities available in industry to continue supporting the MMIII and Sentinel Weapon Systems leading to the solicitation for the ISC 2.0 contract in November 2020.

BAE Systems maintains the necessary facilities, manning, expertise and equipment needed for immediate support of the ISC 1.0 program until the competitive source selection / protest resolution is completed for ISC 2.0. The performance of the sustainment of the MMIII Weapon System and acquisition support of the Sentinel Weapon System is currently taking place under the ISC 1.0 contract and shall transition to ISC 2.0 at the successful award of ISC 2.0. As market research has demonstrated, continued industry capability exists for the sustainment of the MMIII Weapon System and for acquisition support of the Sentinel Weapon System. Due to the current and ongoing source selection, market research specific to the extension of the ISC 1.0 contract was completed utilizing the information obtained during the market research of ISC 2.0 to avoid any potential disruption to the ongoing corrective action and successful award of ISC 2.0. As discussed more fully above, market research indicates that BAE Systems is the only responsible offeror capable of providing the services described herein without the USAF experiencing substantial duplication of cost that could not be recovered through competition. Selecting any other company would introduce unacceptable delays in fulfilling the Air Force's requirements.

IX. List of any sources that expressed, in writing, an interest in the acquisition.

None

X. A statement of the actions, if any, the agency may take to remove or overcome any barriers to competition before any subsequent acquisitions for the supplies or services required.

None

XI. Certification by the Contracting Officer.

As evidenced by my signature above, I certify that this justification is accurate and complete to the best of my knowledge and belief.

XII. Certification by the technical/requirements personnel.

As evidenced by my (our) signature(s) above, I (we) certify that any supporting data contained herein, which is my (our) responsibility, is both accurate and complete.