Justification Review Document for Other than Full and Open Competition - FAR Part 6

Program/Equipment: The U.S. Army Corps of Engineers – Omaha District has a brand name requirement to procure facility generators from Cummins Inc to support new construction of the Power Independence Mission Control Station at Buckley Space Force Base, Colorado.

Authority: 10 USC 3204(a)(1) as implemented by Federal Acquisition Regulation (FAR) 6.302-1(a)(2), Only one responsible source and no other supplies or service will satisfy agency requirements.

Amount:

Amount.

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Controlled by: Army / USACE Controlled by: CENWO-CTM

CUI Category: General Procurement & Acquisition Distribution/Limited Dissemination Control: FEDONLY

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Reviews

I have reviewed this justification and find it adequate to support other than full and open competition.

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District Legal Counsel

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Justification and Approval for Other than Full and Open Competition – FAR Part 6

- 1. Contracting Activity: U.S. Army Corps of Engineers (USACE), Omaha District (NWO), 1616 Capitol Ave, Omaha, NE 68102.
- 2. Description of Action: In order to implement a United States Air Force (USAF) standardization determination, this Justification and Approval (J&A) requests approval to specify Cummins Inc brand name generators within the contract specifications for construction of the Power Independence Mission Control Station (MCS) at Buckley Space Force Base (SFB), Colorado (CO). The Government will not purchase the generators directly but rather will require that offerors include the provision and installation of these brand name generators as part of proposals submitted in response to a solicitation that USACE-NWO will compete and award as a new Firm-Fixed-Price (FFP), Design-Bid-Build construction contract. The Power Independence MCS is being procured with FY25 Military Construction (MILCON) funds.
- 3. Description of Supplies/Services: As part of the design and construction effort, new generators are needed with the construction of the Power Independence MCS facility. Construction will include all necessary facilities to provide utility and backup power to the Space-Based InfraRed Systems (SBIRS) mission at Buckley Space Force Base, Colorado. The anticipated period of performance is 730 days.

The Government will require the construction contractor to provide and install the following:

ITEM	PROPOSED MAKE	QUANTITY (EA.)	UNIT COST	ESTIMATED AMOUNT
Generators	Cummins Inc	4		

The total estimated construction cost of the generators is approximately based upon 2023 costs provided by the manufacturer and includes both escalation and impacts resulting from potential tariffs. The total estimated construction cost of the Power Independence MCS is approximately with the Cummins Inc generators comprising approximately of the total contract value. The contractor will be responsible for the purchase, installation, testing, and commissioning of the generators as part of complete construction of the Power Independence MCS.

4. Authority Cited: The statutory authority permitting acquisition of the requirement by other than full and open competition is 10 U.S.C. 3204(a)(1), as implemented by FAR 6.302-1(a)(2), Only One Responsible Source and No Other Supplies or Services Will Satisfy Agency Requirements.

5. Reason for Authority Cited: This J&A relies on the FAR 6.302-1(b)(4) application of the FAR 6.302-1(a)(2) authority, which provides that full and open competition need not be provided for "When the agency head has determined in accordance with the agency's standardization program that only specified makes and models of technical equipment and parts will satisfy the agency's needs for additional units or replacement items, and only one source is available." The intent of the standardization is to achieve efficiencies to include significantly lower lifecycle costs associated with replacement parts, maintenance, training, certifications, authority to operate, and economies of scale.

a. Background:

The USAF has established standardization requirements for generators across all USAF Installations in accordance with the mandatory standardization decisions made by the Air Force in accordance with their Category Management (CM) Program. The Air Force Installation Contracting Center Contracting Authority (AFICC/CA) approved a Class J&A on 17 December 2021 to limit the number of manufacturers of new generator purchases through 30 September 2026. The Air Force Class J&A was not developed for a specific acquisition but rather allows each Installation to perform analyses to document and justify acquisitions from select manufacturer(s) based upon pre-planning efforts conducted at each location.

The Class J&A noted cost savings of an estimated \$50M per five (5) year training cycle by eliminating inefficiencies and duplication of costs by reducing technician's training requirements.

Generator equipment is being standardized throughout the Air Force on an Installation basis and a follow-on memorandum dated 19 May 2023 with the subject: "Generator Standardization, Single Manufacturer Selection" provided guidance from the Air Force Civil Engineer Center, Operations Directorate (AFCEC/CO) to each Installation regarding the use of name-brand generators. The memorandum specifies the 460 Civil Engineer Squadron (CES) located at Buckley SFB shall use Cummins Inc brand name generators. The Government will not purchase the Cummins Inc generators directly, but rather the requirement to utilize Cummins Inc equipment will be included in a solicitation thereby resulting in a construction contract at Buckley SFB.

FAR 17.503(d)(1) states that if a J&A or a Determination and Finding (D&F) is required by law or regulation, the servicing agency shall execute and issue the J&A or D&F, though the requesting agency shall furnish the servicing agency any information needed to make the J&A or D&F. USACE-NWO will be the servicing agency for the construction of the Power Independence MCS at Buckley SFB. As such, J&As in support of this project must be executed by the Army.

b. Justification:

FAR 6.302-1(b)(4) permits use of the Only One Responsible Source authority when the agency head has determined in accordance with (IAW) the agency's standardization

program that only specified makes and models of technical equipment and parts will satisfy the agency's needs for additional units or replacement items, and only one source is available. As per the USAF Class J&A, "The nature of the acquisition as a strategic vehicle for CM requires a pre-planned brand name approach to acquiring facility generators." Additionally, it states, "In order to implement this acquisition strategy, the Air Force must pre-plan the brand name facility generators per Installation."

The intent of the Air Force Class J&A is to reduce the number of generator brands within the Agency to allow efficiencies in operations and maintenance, leverage spending on specific spare parts of each manufacturer identified and improve the lifecycle maintenance and replacement of each piece of equipment. As a result, the total cost of ownership will be reduced by eliminating inefficiencies and duplication of cost of training USAF technicians on multiple manufacturer's systems. By executing the Class J&A, USAF estimates a net savings of approximately \$50M and 91K hours of training per five (5) year cycle. The following reasons were noted within the Class J&A to justify the implementation of name brand generators throughout the USAF:

- Training will be streamlined and more defined with the standardization of and limited brands of generators in which to maintain.
- Increased responsiveness, effectiveness and expertise of USAF technicians resulting in fewer and shorter outages for facility generators.
- Increased cost-effectiveness in delivering the USAF mission capabilities.
- Reduction in cyber security and associated impacts across the USAF.
- Improvements to the sustainment of USAF's equipment, machinery, and communications systems.
- Improved life-cycle maintenance and replacement, and leverage of costs associated with spare parts availability, inventories, and procurement.

Beyond initial skills training, the USAF requires proficiency training in maintenance systems of Air Force assets. USAF personnel conduct initial training at Shepard AFB to learn the basic functions of operations and maintenance essential to all generators currently inventoried throughout the agency. However, due to the fifteen (15) different manufacturers currently identified detailed instructions involving advanced repairs is limited due to the required time, costs, and the unknown duty location of personnel throughout their careers. At every USAF Installation, there are between one (1) and fifteen (15) brand name generators, with an average of six (6), which significantly limits the ability for personnel to perform self-repair of generators. Of the two-hundred ninety (290) tasks associated with a typical generator to be considered proficient, forty-four (44) tasks (approximately 15%) vary with each manufacturer. As a result, technicians must learn each of these tasks for all fifteen (15) manufacturers to be deemed competent. This level of effort is not practical, cost-effective, or efficient. Further, it may result in incorrect repair and premature failures thereby increasing life-cycle costs and decreased readiness in the event of an emergency.

Due to training costs, USAF currently only trains technicians in the top manufacturer used at each Installation while any additional brand names or complex repairs are contracted out. This leads to proprietary rights in repairs further increasing maintenance costs. Training of a single generator manufacturer requires at least eighty (80) hours spent away from the mission per person with an average of \$8,800 of training fees. The USAF conducted a cost analysis of annual training of six (6) generators per Installation for two-hundred twenty-two (222) technicians. By reducing training requirements to one (1) generator per year the USAF concluded that a savings of \$50M over a five (5) year period would result.

The USAF has an objective to improve mission performance and find innovative business methods to meet this requirement. The standardization of facility generators supports the National Defense Strategy objective to innovative business decisions and save taxpayer dollars. Although competition amongst manufacturers will be limited, it does not prevent competition of both suppliers and installers of name brand generators. It is anticipated competitive pricing and level of service will be maintained with procurement of the Power Independence MCS project as the generator is a smaller portion of the overall construction effort.

By implementation of this uniformity across USAF bases, the USAF is able to (1) standardize the USAF on a limited number of facility generator manufacturers which reduces training requirements by an estimated \$50M and training hours by 91K per 5 year training cycle, (2) ensure training is more defined, (3) increase the responsiveness and effectiveness of in-house technicians resulting in fewer and shorter downtimes for facility generators, (4) lead to a more cost effective delivery of mission capability by ensuring Air Force technicians are fully trained, and (5) reduce the cyber security requirements across the Civil Engineering (CE) enterprise. Therefore, award to any other sources than those specified brand names for specified Air Force bases would result in continued substantial duplication of cost and lowered mission performance to the Government that is not expected to be recovered through competition. Finally, approval will generate demand efficiencies by reducing the equipment and parts inventories for CE and the personnel required to sustain them.

c. Alternatives:

The Class J&A executed by the USAF requires USACE-NWO to include the requirement for Cummins Inc generators in solicitations for construction projects at Buckley SFB, as this brand has been standardized for the Installation. No alternative product meets the Air Force's standardization requirement, as reaffirmed in the AFCEC Memorandum dated 19 May 2023, Subject: Generator Standardization, Single Manufacturer Section. The only considered alternative was to procure the generator separately and provide it to the contractor as government furnished equipment (GFE). However, this alternative would still involve the purchase of Cummins Inc brand equipment on a brand-name basis. Further, the effort associated with purchasing, storing, conveying, and managing the GFE was determined to be both inefficient and uneconomical. No other feasible alternatives were identified.

d. Impact:

If this J&A is not approved, USACE-NWO's construction contract of the Power Independence MCS will not be executed IAW the USAF's Class J&A to limit generator manufacturers at each respective Installation. USACE-NWO will be unable to implement the Air Force's standardization efforts of limited generator manufacturers to continue the mission at Buckley SFB. As a result, the Installation will continue substantial duplication of cost and lowered mission performance to the Government which is not expected through competition. This brand name J&A is integral to avoiding unnecessary training expenses and inefficiencies to mission performance at Buckley SFB.

Without the necessary standardization under this J&A, efforts to perform generator repairs in-house will be significantly impacted. CE maintainer's schoolhouse training requirements cannot be reduced as maintenance technicians supporting Buckley SFB will be required to be experts of several types of generators rather than a select few as intended. This is inconsistent with the USAF's overall goals to improve maintenance costs, efficiencies, and reduce mission downtime. As a result, Buckley SFB will continue to suffer from a lack of CE pre-planning efforts for building design, improvements to lifecycle maintenance, and continue to be required to maintain a significant spare parts inventory. More importantly, additional training at the maintainer's duty location on basespecific manufactures' generators, increases expertise of organic technicians thereby reducing downtime of generators for repair and replacement due to increasing expertise of organic technicians. Without the brand name J&A, impacts to mission readiness and sustainment of the Buckley SFB's equipment, machinery, and communications systems will continue to suffer. Approval will also increase process efficiencies by allowing CE pre-planning for building design, will improve life-cycle maintenance and replacement of expensive and critical equipment, and will leverage spending on spare parts inventory.

- 6. Efforts to Obtain Competition: On 14 March 2025, NWO posted a sources sought. The sources sought afforded interested offerors the opportunity to respond with alternatives to the name brand generators and to submit capability statements. The sources sought was updated on 18 March 2025 to provide updated manufacturer's data sheets with the specified generator model and performance capabilities. Five (5) responses were received by the 31 March 2025 due date and a technical review of each response is further described below.
- a. Effective competition. The Power Independence MCS solicitation for construction at Buckley SFB will be issued competitively, full and open competition, to both large and small firms. Though the brand name requirement for generators will be stipulated in the solicitation, this is a small component of the larger construction project. This J&A will be posted with the solicitation. Potential contractors will be made aware that specifications for this project will require the installation of Cummins Inc generators. This coordination alerts them to engage subcontractors that are certified in installing this item.

b. Subcontracting competition. It is anticipated that multiple vendors will be available to provide and install Cummins Inc generators at the subcontracting level and this will not affect the overall competition for the construction requirements.

- 7. Actions to Increase Competition: Future acquisitions will continue to seek sources sought to identify other name brands which are compatible with the current systems. In addition, USACE NWO, in collaboration with the Air Force, will continue to perform data driven analysis over time to look for market changes that may increase competition amongst generator manufacturers. Additionally, as standard industry practice involves manufacturers, selling through vendors, competition will be maintained at the Dealer/ Distributor level.
- 8. Market Research: Market research indicates that competition among authorized suppliers for the brand name product, Cummins Inc generators, will exist since they are readily available in the commercial marketplace and there are multiple companies that are licensed to sell the products. Because there are multiple sources, it is reasonable to expect that a fair and reasonable price will result from adequate competition at the subcontracting level.

IAW with FAR 5.201, the Air Force posted a Notice of Proposed Contract Action/Special Notice, 772_Facility_Generator_Manufacturers_Brand_Name on SAM.gov 01 June 2021 when efforts were underway to prepare their J&A. This AF Class J&A included limiting generator manufacturers based upon further analyses conducted at each Installation, including Buckley SFB. The posting remained open for 15 days. A description of the requirement was included in the SAM.gov notice and advised any interested responsible party that believed it was equally or otherwise uniquely capable of meeting the requirements to submit a capability statement. Zero vendors expressed interest in the published notice. A separate survey of small businesses from the General Services Administration listings was conducted in March 2021.

Since the initial market research in the development of the USAF Class J&A, multiple sources sought have been posted to SAM.gov by USACE-NWO to support similar J&As of specific projects located at USAF Installations within the regional area (i.e., Francis E. Warren Air Force Base (AFB), Ellsworth AFB, and Peterson SFB). In all instances the market research yielded similar results and J&As were executed to support the brand name generator requirements of each specific project at the identified Installation, and in support of the respective mission.

IAW DFARS PGI 206.302-1(d), Sources Sought Notice (W9128F25SM027) was posted 14 – 31 March 2025 on SAM.gov under NAICS Motor and Generator Manufacturing, Small Business Size Standard of 1,1250 employees, for a period of 15 days. Five (5) responses were received by the 31 March 2025 due date.

IAW FAR 6.305(d), the justification will be made publicly available at the Government Point of Entry (GPE) and will remain posted for at least 30 days.

9. Interested Sources: Of the five (5) firms that responded to Sources Sought Number W9128F25SM027, only one (1) appeared to be a manufacturer of generators while the remaining firms were contractors. The manufacturer, Caterpillar, was evaluated and confirmed not to meet the intent of the Air Force J&A in reducing manufacturer(s) specific to each Installation and the standardizations of training on proprietary equipment.

In accordance with FAR 5.102(a)(6), "When an acquisition contains brand name specifications, the contracting officer shall include with the solicitation the justification or documentation required by 6.302-1(c), 13.106-1(b), or 13.501, redacted as necessary (see 6.305)".

10. Other Facts:

- a. Procurement history. Construction of the Power Independence MCS project is a first-time procurement.
- b. Other facts. Prior to the Air Force's recent standardization efforts, there was no known history of brand-name procurement of generators on an Air Force Installation-wide basis. As future Buckley SFB acquisitions are developed, similar brand-name procurement strategies may be considered for generators in alignment with the Agency's goals. While future solicitations will be separate from this one, they may follow similar acquisition strategies for both the overall construction efforts and Buckley SFB's infrastructure needs.

11. Technical Certification:

I certify that the supporting data under my cognizance, which are included in the justification, are accurate and complete to the best of my knowledge and belief.

Signature:	TESSIN JEFFREY D. 1239587727 Date: 2025.04 22 12:31:57 -08'00'	
Typed Nam	ne: <u>Jeffrey Tessin</u>	Title: <u>Program Manager</u>

12. Requirements Certification:

I certify that the supporting data under my cognizance, which are included in the justification, are accurate and complete to the best of my knowledge and belief.

	TESSIN_EFREY_D.1239587727 Date: 2025.04.22 12:31:57 -05'00'
Signature:	. //

Typed Name: <u>Jeffrey Tessin</u> Title: <u>Program Manager</u>

13. Fair and Reasonable Cost Determination:

I hereby determine that the anticipated cost to the Government for this contract action will be fair and reasonable based on an analysis that includes comparison with the Independent Government Estimate. IAW FAR 15.403(b)(1), Certified Cost & Pricing Data will not be required for this action as competition is expected.

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Date: 2025.08.05 12:23:16-04'00'

Typed Name: <u>Brittany Gull</u> Title: <u>Contracting Officer</u>

14. Contracting Officer Certification:

I certify that this justification is accurate and complete to the best of my knowledge and belief.

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Signature: ISM.1366009511 Date: 2025.08.05 12:23:32 -04'00'

Typed Name: <u>Brittany Gull</u> Title: <u>Contracting Officer</u>

Approval

Based on the foregoing justification, I hereby approve the brand-name justification for the procurement of Cummins Inc generators for the Power Independence Mission Control Station at Buckley Space Force Base, Colorado, totaling other than full and open competition basis. Award is pursuant to the authority of 10 United States Code 3204(a)(1) as implemented in Federal Acquisition Regulation 6.302-1(c), "Only one responsible source and no other supplies or services will satisfy agency requirements," subject to availability of funds, and provided that the supplies and services herein described have otherwise been authorized for acquisition.

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Raura Eichhorn Date: 2025.08.08 16:18:18 -04'00' 8 AUG 25

Laura Eichhorn Command Advocate for Competition