

YOK#: 26-0090

Justification for an Exception to Fair Opportunity (Above SAT)

1. IDENTIFICATION OF AGENCY AND CONTRACTING ACTIVITY: This is a Justification for an Exception to Fair Opportunity. The requiring activity is Ship Repair Facility Detachment Singapore (SRF Det SG); the contracting activity is NAVSUP Fleet Logistics Center (FLC) Yokosuka Site Singapore, Contracting Dept. Code 257.

2. NATURE/DESCRIPTION OF CONTRACT ACTION: This is a sole source action to be awarded as a new task order to the single awardee identified below. This action is an exception to the fair opportunity process and will be issued against the following SEC WEST Pt. III Multiple-Award Contract (MAC) number:

N0002425D4219 – Epsilon Systems Solutions, INC

The placement of a firm, fixed price order is anticipated. Period of Performance: 11 Sep 2026 to 11 Oct 2026. [REDACTED]

3. DESCRIPTION OF REQUIRED SUPPLIES/SERVICES: The proposed acquisition is to provide essential maintenance for the USS SANTA BARBARA (STB) (LCS-32) SSP SING 042-26. Specifically, the requirement is for accomplishment of the Number One and Number Two Main Propulsion Diesel Engine (MPDE) Diesel Engine Inspection (DEI) Maintenance and Number Two and Number Four Ship Service Diesel Generator (SSDG) Diesel Engine Inspection (DEI) Maintenance. All four engines are currently operating above maximum operating hours and risk catastrophic failure if this maintenance is not accomplished immediately. This maintenance is urgently required to ensure the operational readiness and safety of the vessel.

4. EXCEPTION TO FAIR OPPORTUNITY RATIONALE AND/OR DEMONSTRATION OF CONTRACTOR'S UNIQUE QUALIFICATIONS:

- ☐ FAR 16.507-6(b)(1) The agency need for the supplies or services is so urgent that providing a fair opportunity would result in unacceptable delays.
- ☐ FAR 16.507-6(b)(2) Only one awardee is capable of providing the supplies or services required at the level of quality required because the supplies or services ordered are unique or highly specialized.
- ☒ FAR 16.507-6(b)(3) The order must be issued on a sole-source basis in the interest of economy and efficiency because it is a logical follow-on to an order already issued under the contract, provided that all awardees were given a fair opportunity to be considered for the original order.
- ☐ FAR 16.507-6(b)(4) It is necessary to place an order to satisfy a minimum guarantee.
- ☐ FAR 16.507-6(b)(5) For orders exceeding the SAT, a statute expressly authorizes or requires that the purchase be made from a specified source.
- ☐ FAR 16.507-6(b)(6) For DoD, NASA, and the Coast Guard, the order satisfies one of the exceptions permitting the use of other than full and open competition listed in part 6.103 (10 U.S.C. 3406(c)(5)).

5. RATIONALE JUSTIFYING USE OF CITED STATUTORY AUTHORITY.

The Diesel Engine Inspector (DEI) inspections and overhauls for STB's NR 1 and NR 2 Main Propulsion Diesel Engines (MPDEs) and NR 2 and NR 4 Ship Service Diesel Generators (SSDGs) are urgently required

to prevent catastrophic engine failure, preserve vessel operational readiness, and ensure crew safety. All four engines are currently operating well beyond their maximum recommended operational thresholds, presenting an immediate, critical threat of mechanical failure during upcoming tasking.

The Planned Maintenance Availability (PMAV) for USS STB slated to commence shortly on 4 Sep 2026 was previously competed among all eligible awardees under the SEC WEST Pt. III Multiple-Award Contract (MAC) and awarded to Epsilon on 6 Aug 2026, with a Period of Performance (POP) from 4 Sep 2026 to 3 Oct 2026.

The current inspections and overhauls for the 4 engines under SSP SING 042-26 with a POP from 11 Sep 2026 to 11 Oct 2026, directly overlaps with the ongoing PMAV. The KO determines that this critical engine work constitutes a logical follow-on to the Maintenance, Repair, and Overhaul efforts currently being executed under the competitively awarded PMAV delivery order. Awarding this logical follow-on effort on a sole-source basis to Epsilon is in the best interest of the Government for economy and efficiency, as it directly leverages Epsilon's pre-existing management team, Sembawang Wharves presence, and operational infrastructure already prepared in Singapore, eliminating substantial duplicate mobilization and facility onboarding costs. Awarding to another source under the MAC would require a separate mobilization of US-based management personnel to Singapore resulting in significant additional costs and potentially require at least two weeks additional time for planning and safety onboarding. Awarding to Epsilon eliminates these duplicate costs and avoids further extending the vessel's stay in port, which would incur port fees and unacceptably delay the vessel's deployment capabilities and national security missions. Per the SOW of the relevant IDIQ-MAC, N0002425D4219, para 1.5, [at] the ACO's discretion, the incumbent contractor will be given first priority to submit a proposal for the work.

Epsilon is capable of executing this scope within the compressed timeline due to its established footprint and formal Original Equipment Manufacturer (OEM) partnership with Rolls Royce Solutions America (MTU). Epsilon's pre-existing contractual relationship with the OEM enables the immediate transit and customs clearance of specialized OEM tools directly to Singapore. Furthermore, this formal alignment allows Epsilon and the OEM to collaboratively finalize and secure immediate approval for the complex, proprietary Process Control Procedures (PCPs) required for MPDE and SSDG maintenance. Epsilon's on-site management personnel are capable of managing both the PMAV and DEI inspections and overhauls. Although the engine overhaul POP extends 8 days past the PMAV POP, Epsilon's management team and Sembawang Wharves footprint will remain active during this period under the administrative closeout of the PMAV, allowing a seamless transition and completion of the engine work. Therefore, the contracting officer has determined that this DEI inspection and overhaul is a logical follow-on to the PMAV and must be issued on a sole-source basis in the interest of economy and efficiency.

6. DETERMINATION OF FAIR AND REASONABLE COST: The Littoral Combat Ships (LCS) Class Sustainment Execution Contract West Coast Part III (SEC West Pt. III) Indefinite Delivery Indefinite Quantity-Multiple Award Contracts (IDIQ-MACs) has already established a fully burdened Ship Repair Labor and Material rate for the ship repair services. However, the FLC Yokosuka Site Singapore Contracting Officer will still use the procedures in FAR 15.4 to ensure that the order represents a fair and reasonable cost to meet the Government's needs.

7. DESCRIPTION OF EFFORTS MADE TO SOLICIT OFFERS FROM AS MANY OFFERORS AS PRACTICABLE: Market research and a review of the operational timeline were conducted. Notably, this specific overhaul work was previously solicited under full and open competition under the SEC West Pt. III contract under Fair Opportunity Notice (FON) 034-26 with a period of performance 30 Aug 2026 to 28 Sep 2026, resulting in a "no-bid" outcome from all other potential sources. This lack of market response confirms that no other MAC holders or commercial entities are capable of, or willing to, execute these requirements under the current operational parameters. Based on market research, Epsilon has demonstrated their ability to execute manage both the PMAV and this work and meet the critical constraints associated with the POP start, PCP development, and OEM technician mobilization. Therefore, soliciting only to

Epsilon has been determined the only practicable option for this requirement.

8. ANY OTHER SUPPORTING FACTS: This procurement uses a MAC and will be solicited and awarded in accordance with FAR Subpart 16.5.

9. ACTIONS TAKEN TO REMOVE BARRIERS TO COMPETITION: The Government has taken deliberate actions to maximize competition to the greatest extent practicable, given the overriding and non-negotiable requirement for continuous, uninterrupted MPDE maintenance support from personnel already pre-positioned and integrated into the ship's active availability. To remove this barrier for future requirements, the Government is limiting this justification to perform the urgent maintenance items referenced herein during the PMAV, and future requirements of subsequent maintenance cycles are anticipated to be prepared and solicited to all MAC holders.

10. CONTRACTING POINT OF CONTACT: The point of contact at FLCY Site Singapore is Code 257 , at commercial (65 6750-2829) or by e-mail at cony.w.ng.ln@us.navy.mil.

TECHNICAL/ REQUIREMENTS CERTIFICATION

I certify that the facts and representations under my cognizance which are included in this Justification and its supporting acquisition planning documents, except as noted herein, are complete and accurate to the best of my knowledge and belief.

Technical Cognizance:

_____	_____	_____	_____
Signature	Name (Printed)	Phone No.	Date

LEGAL SUFFICIENCY REVIEW

I have determined this justification is legally sufficient.

_____	_____	_____	_____
Signature	Name (Printed)	Phone No.	Date

CONTRACTING OFFICER CERTIFICATION

I certify that this Justification is accurate and complete to the best of my knowledge and belief. To the extent that the justification value is from SAT to \$900K, the Contracting Officer's signature below also represents

_____	_____	_____	_____
Signature	Name (Printed)	Phone No.	Date