DEPARTMENT OF THE NAVY
NAVAL FACILITIES ENGINEERING SYSTEMS COMMAND SOUTHWEST
750 PACIFIC HIGHWAY
SAN DIEGO CA 92132-5190

J&A No. 26-29-3

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

1. Contracting Activity.

Department of the Navy, Naval Facilities Engineering Systems Command Southwest (NAVFAC SW), San Diego, California.

2. Description of Action Being Approved.

Request approval to award a modification using other than full and open competition procedures to allow a 12-month extension of the HUBZone General Construction (GC) Indefinite Delivery Indefinite Quantity (IDIQ) Small Business (SB) Set-Aside Multiple Award Construction Contracts (MACC) (N62473-21-D-1019, N62473-21-D-1021, and N62473-21-D-1025) for new construction, repair, and renovation of Commercial and Institutional (C&I) facilities within the NAVFAC SW Area of Responsibility (AOR).

In accordance with the Navy Marine Corps Acquisition Regulation Supplement 5206.104-2-90, an approved Request for Authorization of Bridge Contract (signed on 14 May 2026) is provided with this Justification and Approval (J&A).

3. Description of Supplies/Services.

The HUBZone GC MACC supports task orders for new construction, renovation, and repair of C&I facilities within the NAVFAC SW AOR under the North American Industry Classification System code 236220. Projects are executed primarily via Design-Build (DB) or secondarily via Design-Bid-Build (DBB) methodologies for C&I facilities.

The types of projects may include but are not limited to: new construction, renovation, and/or repair, by DB or DBB, of the following C&I building types: airport building, office/administrative building, communications facility, vehicle maintenance facility, armories, parking garage, barracks facility, prison facility, fire station, religious building, hotel, dining facility, hospital/medical facilities, warehouse facility, school facility, and/or retail facility.

Nine (9) contractors were awarded contracts under the HUBZone GC MACC on 08 June 2021:

Contract Number	Contractor
N62473-21-D-1019	I.E. Pacific, Inc.
N62473-21-D-1020	Patricia I. Romero, Inc.
N62473-21-D-1021	Peter Vander Werff Construction, Inc.
N62473-21-D-1022	Heffler Contracting Group
N62473-21-D-1023	Sea Pac Engineering, Inc.
N62473-21-D-1024	Intercontinental Construction Contracting Inc.
N62473-21-D-1025	SGS, LLC.
N62473-21-D-1026	Shore-Herman JV
N62473-21-D-1027	CJW Joint Venture

One (1) three-year option period was exercised and awarded to all firms in their respective IDIQ contracts. The aggregate contract value, including the option period, is $495,000,000 and the current contract completion date is 07 June 2026.

A recent search in the System Award Management System and Small Business Search Tool was conducted to verify the SB size status of the nine (9) original MACC contractors. The findings confirm that three (3) of the nine (9) firms retain their small business size status and HUBZone SB certification. Those three (3) contractors are I.E. Pacific, Inc., Peter Vander Werff Construction, Inc., and SGS, LLC.

This proposed action will extend the period of performance for these three (3) eligible contracts by 12 months, from 08 June 2026 through 07 June 2027. According to the MACC capacity report dated 06 May 2026, the total amount awarded to date is approximately [redacted] against the $495,000,000 aggregate contract value. Because the existing contract capacity is sufficient to support projected requirements during this 12-month extension, no additional capacity or increase to the overall contract ceiling is required.

The incumbent contractors have demonstrated a history of successful performance on their respective contracts. Therefore, it is recommended to continue executing general construction requirements using the incumbent contractors to ensure uninterrupted mission support.

4. Statutory Authority Permitting Other Than Full and Open Competition.

The statutory authority permitting other than full and open competition is 10 U.S.C. Section 3204(a)(1) and 10 U.S.C. Section 3204(b)(B), as implemented by the Federal Acquisition Regulation (FAR) 6.103-1(c)(2), only one responsible source and no other supplies or services will satisfy agency requirements, which provides that when awarding a follow-on contract for the continued development or production of a major system or highly specialized equipment and, for DoD, NASA, and the Coast Guard, for the continued provision of highly specialized services, would result in: substantial duplication of cost to the Government that is not expected to be recovered through competition; or unacceptable delays in fulfilling the agency's requirements.

5. Rationale Justifying Use of Cited Statutory Authority.

A bridge contract is essential for the continued provision of highly specialized construction services under the HUBZone GC MACC to prevent a critical gap in mission capability while NAVFAC SW finalizes follow-on procurements for the required work. Currently, NAVFAC SW utilizes several mini-MACCs covering the $100,000 to $7,000,000 task order range, the earliest of which expires in June 2026, and SB GC MACC covering the $8,000,000 to $15,000,000 range, which expires on 20 September 2026. To maintain portfolio coverage for the $3,000,000 to $9,000,000 range currently provided by the HUBZone GC MACC, NAVFAC SW is actively developing [redacted] full and open competitive solicitations: [redacted] across the NAVFAC SW AOR. All [redacted] MACCs are planned for award in the [redacted] of fiscal year [redacted].

The follow-on contracts have encountered significant, unforeseen delays that jeopardize continuous coverage and threaten the Government's ability to award general construction projects in the $3,000,000 to $9,000,000 range that are vital to ensuring the Government accomplishes important military missions. The delays are caused by several compounding systemic issues, including the historically long Government shutdown and furlough of Government personnel in October 2025 and reduced staffing across multiple agencies resulting from the 2025 Deferred

Resignation Programs and early retirements. Specific acquisition hurdles have further impacted timelines, including a preaward protest regarding Cybersecurity Maturity Model Certification requirements for the Southern California and Arizona Mini-MACC that has delayed that award by a minimum of two (2) months (shifting the target to [redacted], and the [redacted] is tracking on a similarly delayed timeline. Additionally, [redacted] MACC experienced an inordinate delay during the Small Business Administration review process.

Approving this bridge action will avoid unacceptable delays and ensure uninterrupted continuity of services that are necessary to meet Navy mission essential requirements until the new contract vehicles are awarded. NAVFAC SW currently maintains the following active GC MACC and GC mini-MACC vehicles:

MINI-MACC TITLE	Type of Procurement	Number of SBs	TO Range	Contract Expiration
Southern California & Arizona Installations IDIQ MACC – Group 0100	SB Set-Aside	6	$500,000 – $7,000,000	23 June 2026
Yuma and El Centro IDIQ MACC – Group 0119	(SDVOSB) Set-Aside	8	$100,000 – $5,000,000	13 September 2028
MACC TITLE	**Type of Procurement**	**Number of SBs**	**TO Range**	**Contract Expiration**
SB General Building Construction VI – Group 0098	SB Set-Aside	5	$8,000,000 – $15,000,000	20 September 2026
HUBZone General Building Construction – Group 0104	SB Set-Aside	3	$3,000,000 – $9,000,000	07 June 2026

Without this 12-month extension, NAVFAC SW will be without its primary contract vehicle to execute essential sub-$9,000,000 repairs and renovations across the broader NAVFAC SW AOR. This loss of capability will lead to facility degradation and potential life-safety, health, and operational impacts at supported Navy installations. Therefore, it is necessary to bridge contracts N62473-21-D-1019, N62473-21-D-1021, and N62473-21-D-1025 to secure future mission-critical projects until follow-on contracts are awarded.

Currently, NAVFAC SW has [redacted] planned competitive task orders that are being solicited under the HUBZone GC MACC totaling [redacted] task order has been solicited, and [redacted] are pending solicitation issuance. All [redacted] are within the HUBZone GC MACC task order range of $3,000,000 to $9,000,000.

Project Title	Planned Solicitation Date	Planned Award Date	Planned Award Amount
[redacted]			
Total			[redacted]

6. <u>Description of Efforts Made to Solicit Offers from as many Offerors as Practicable.</u>

NAVFAC SW will not procure a follow-on contract for the HUBZone GC MACC. Rather, in order to fulfill these requirements, NAVFAC SW will utilize other contract vehicles such as the SB General Building Construction MACC, Southern California & Arizona Installations IDIQ Mini MACC and the Yuma and El Centro IDIQ Mini MACC for task orders in the $3,000,000 to $9,000,000 range.

The planned action covered by this J&A meets an exception to the presolicitation notice pursuant to FAR 5.101(b)(2). The approved J&A will be made publicly available in accordance with FAR 6.301.

7. Determination of Fair and Reasonable Costs.

The Contracting Officer has determined the anticipated cost to the Government of the services covered by this J&A will be fair and reasonable.

8. Actions to Remove Barriers to Future Competition.

To remove barriers to future competition and ensure long-term mission support, NAVFAC SW has initiated [redacted] competitive follow-on solicitations designed to restore and expand the competitive base across its AOR. These efforts include the [redacted] MACCs for projects in the [redacted] range and [redacted] MACC for task orders in the [redacted] range previously mentioned. This bridge contract mitigates risk to range operations by providing sustained coverage during the transition to successor contract vehicles.

CERTIFICATIONS AND APPROVAL

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/Requirements Cognizance:

[redacted]

[redacted] Phone No. _____ Date

Chief Engineer
Planning, Design, and Construction Director
NAVFAC SW

LEGAL SUFFICIENCY REVIEW

I have determined this Justification is legally sufficient.

[redacted]

[redacted] Phone No. _____ Date

NAVFAC SW

CONTRACTING OFFICER CERTIFICATION

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

[redacted]

[redacted] Phone No. June 3, 2026 Date

Planning, Design, and Construction
Regional Contracting Core
NAVFAC SW

Upon the basis of the above justification, I hereby approve, as Chief of the Contracting Office, the solicitation of the proposed procurement(s) described herein using other than full and open competition, pursuant to the authority of 10 U.S.C. 3204(a)(1) and 10 U.S.C. 3204(b)(B).

[redacted]

[redacted] Date

Chief of the Contracting Office
NAVFAC SW