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

J&A No. 24-59

CLASS 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 the Action Being Approved.

This Class Justification and Approval (CJ&A) authorizes and approves the use of brand name commercial equipment from Johnson Controls International (JCI) for programmable building controllers in contract actions requiring interface to the existing Area-Wide Energy Management System (AWEMS) in the San Diego, California metro area. Authority to act under this class justification expires on May 13, 2027.

3. Description of Supplies/Services.

The use of JCI brand name programmable building controllers will be required for all projects that require a connection to the existing AWEMS. The JCI controllers will be configured and programmed using existing government-licensed JCI software. Programmable building controllers include Network Control Modules series (NCM), Network Application Engines series (NAE 5510-03), Supervisory Network Engines series [M4-SNE-2200x (where x=2 or higher)] , Extended Digital Controllers series (DX9100), Variable Air Volume Modular Controllers series (VMA), Variable Volume Controllers series (CVM), Unitary controllers series (UNT), Field equipment controllers series (FEC, Input/ Output Modules, and FAC), and General Purpose Application Controllers series (CGM). The requirement to use government-licensed JCI software to program JCI brand name commercial equipment does not restrict who can install, commission, test, maintain, or operate the controllers and there are several known contractors who can provide such services.

The total estimated value for the use of JCI brand name equipment for the 80 projects described in Attachment A is $2,454,241. The cost of programmable building controllers typically represents approximately 20% of the cost of the total controls installation effort, and is a miniscule percentage of the total cost of any building construction effort.

Estimated Dollar Value of Brand Name Equipment

	CY24-27
MILCON	$1,023,685
SPECIAL PROJECTS	$1,430,556
Total	$2,454,241

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

10 U.S.C. § 3204(a)(1), Only one responsible source and no other supplies or services will satisfy agency requirements.

5. Rationale Justifying Use of Cited Statutory Authority.

The initial contract for the AWEMS was procured on a competitive basis with JCI being the successful proposer. The scope of the contract included the installation of AWEMS for the Naval Medical Center San Diego, Naval Base San Diego, Naval Base Coronado, Naval Base Point Loma, and Marine Corps Air Station Miramar. Currently, there are 306 buildings on the AWEMS, including more than 110,500 hardware points and more than 12,800 JCI programmable controllers and 95 AWEMS workstations.

NAVFAC Southwest requires that programmable controllers be JCI brand name in order to:

a. Be able to continue to utilize existing government-licensed JCI software to configure and program the controllers. Other contractors do not offer programmable controllers that can be configured/programmed with JCI software. Although the building automation and control networks' (BACnet) open protocol is the required communications protocol for the AWEMS, it only allows for different vendors' equipment to share basic point data. It does not allow for configuration and programming functions to take place between different vendors' controllers. Vendor A's software cannot be used to program Vendor B's controller. Each vendor's proprietary software tools must be used to configure or change the program within a controller.

b. Maintain a single, area-wide, integrated energy management system so that all controllers can be programmed from a single central station versus a hybrid system composed of many different controllers and associated configuration/programming software. This will further operational efficiency and decrease installation, maintenance, repair, and energy costs. Utilizing hardware products from the same vendor that produced the configuration/programming software eliminates multi-vendor disputes regarding conflicts, standards, protocols, or performance characteristics should the controller not function as required.

c. Avoid the significant burden of having maintenance and engineering staff become proficient with the configuration, programming, commissioning, operation, and maintenance of equipment from different manufacturers. This would also require additional personnel training costs and the procurement of additional equipment, maintenance and support contracts for another manufacturer's hardware and software, as well as the maintenance of an additional parts inventory. Maintaining multiple solutions is inefficient and creates unnecessary work and overhead, which substantially increases the total costs of ownership and manpower costs.

d. By authority granted in OPNAVINST 5450.345, NAVFAC Southwest received a Platform Information Technology System Authorization to Operate (ATO) for the AWEMS [redacted] on November 13, 2019. Under the Risk Management Framework (RMF) process, the Functional Authorizing Official (FAO) for ashore control systems granted NAVFAC Southwest the ATO per DoDI 8510.01 on January 9, 2020 and is currently undergoing reauthorization. JCI brand name programmable controllers and their associated application software are authorized per the RMF ATO and provide for the following:

(1) A cost-effective solution to reduce government information technology cybersecurity risks and avoid the significant costs and delays associated with obtaining a new ATO for the AWEMS which is required when additional hardware and software is added to the system with resultant changes in the security posture of the system. This would unacceptably delay the operational use of programmable controllers for the affected facility and connection of the facility to the AWEMS, resulting in a significant degradation in operational efficiencies. Similarly, if additional equipment and software were added to the AWEMS, the associated life-cycle cybersecurity costs to sustain the inventory of equipment and software and to maintain the RMF ATO would significantly increase. Additionally, minimizing the different types of equipment and software permitted on the AWEMS avoids incurring additional risks to system operational availability should the FAO determine that the additional equipment or software had security vulnerabilities precluding obtaining or maintaining a RMF ATO.

(2) Control Systems (such as the AWEMS) as Platform Information Technology (PIT) systems. DoDI 8500.01 requires that all PIT systems have their cybersecurity controls documented and validated prior to operation and/or deployment. All PIT systems must maintain a RMF ATO from the Navy FAO. RMF ATOs remain valid as long as the cybersecurity posture of the system does not change. A cybersecurity posture change includes, but is not limited to, system architecture changes or any other change that increases risk or degrades the security posture. Any cybersecurity posture change must be provided to the FAO that authorized the RMF ATO for impact review on that risk approval. When a cybersecurity posture changes, the PIT system normally will be required to conduct the authorization process again to obtain a new RMF ATO for the new configuration. Use of different brand programmable controllers or associated configuration or programming software on the AWEMS would change the security posture of the system. Obtaining a RMF ATO is not the end of the process; maintaining a RMF ATO (requires maintaining cybersecurity controls, Vulnerability Management, system scans/tests, etc.) is also very resource intensive and the effort increases exponentially when additional hardware and software is added to the system.

Southwest Utilities Management technical team has conducted a Business Case Analysis dated November 2018 for each installation included in this CJ&A and a current review supports the findings of the study for the duration of this CJ&A. Assuming other brand name controllers could be integrated into the agency's AWEMS so as to be fully functional, the significant operational challenges, added cost, and other disadvantages arising from the use of different brands of controllers outlined above are unlikely to be offset by any cost savings or other advantages likely to be obtained through competition.

6. Description of Efforts Made to Solicit Offers from as Many Offerors as Practicable.

In accordance with FAR 5.201 and DFARS PGI 206.302-1(d), a Sources Sought announcement was synopsized on the System for Award Management website on April 5, 2024, to determine if there are other controllers capable of full functional interface with the existing JCI controllers. The Sources Sought notice was closed on April 22, 2024. Two (2) responses were received. However, one responder failed to identify any direct digital controllers that the company manufactures, and no additional information requested by the Sources Sought attachments was provided. The other response was from JCI, which provided product data sheets for programmable controllers that do utilize the JCI software, as outlined in the Sources Sought notice, which confirms that the listed software is used to configure only JCI digital controllers, confirming the intent of this CJ&A. Under their experience, JCI references configuration of "non-JCI digital controllers" but does not specifically state that the listed JCI software was used to configure non-JCI digital controllers. Based on the product data sheets provided, only JCI programmable controllers were the devices for which the JCI software was used in their past experience. There were no other responses from other competing vendors, indicating that there are not any substitute or equivalent products that would fulfill the Government's requirements. No additional market research was conducted because it is not practicable, for the reasons discussed in paragraph 5 above, for any company other than JCI to provide the required supplies and services.

7. Determination of Fair and Reasonable Cost.

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

8. Actions to Remove Barriers to Future Competition.

For the reasons set forth in Paragraph 5, NAVFAC SW has no plans at this time to compete future contracts for the types of supplies/services covered by this document. If another potential source emerges, NAVFAC SW will assess whether competition for future requirements is feasible.

As this is a follow-on for supplies and services previously awarded on a non-competitive basis, in accordance with DFARS PGI 206.304(a)(S-70)(i), the prior CJ&A was provided to the approval authority for review. Approval of this CJ&A signifies the approval authority has made the determination required by DFARS PGI 206.304(a)(S-70)(ii).

CERTIFICATIONS AND APPROVAL

TECHNICAL/REQUIREMENTS COGNIZANCE:

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

[redacted]

JOHN COON — Phone Number [redacted] — Date
Chief Engineer
Planning, Design and Construction Director
NAVFAC SW

LEGAL SUFFICIENCY REVIEW

I have determined this justification is legally sufficient.

[redacted]

SCOTT W. JOHANSEN — Phone Number [redacted] — Date
Associate Counsel
NAVFAC SW

CONTRACTING OFFICER CERTIFICATION

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

[redacted]

RENAE A. KVENDRU — Phone Number [redacted] — Date
Chief of the Contracting Office
NAVFAC SW

ECH IV COMMANDING OFFICER APPROVAL

Upon the basis of the above justification, I hereby approve, as Commanding Officer of NAVFAC SW, the solicitation for the proposed procurement described herein using other than full and open competition, pursuant to the authority of 10 U.S.C. § 3204(a)(1).

[redacted]	[redacted]	30 MAY 24
L. SCOTT CAPT, CEC, USN Commanding Officer, NAVFAC SW	Phone Number	Date