

**JUSTIFICATION FOR SOLE SOURCE
(Over than SAT)**

1. Contracting Activity.

Naval Supply Systems Command, Fleet Logistics Center Yokosuka (NAVSUP FLCY), Contracting Department, Yokosuka, Japan.

2. Description of the Action Being Approved.

This justification authorizes and approves the ceiling increase for Firm-Fixed-Price (FFP) Indefinite-Delivery Indefinite-Quantity (IDIQ) Contract N6264926DB002, awarded to SEAON Environmental LLC on Mar 4, 2026, with an active ordering Period of Performance (POP) of Mar 5, 2026 through Mar 4, 2027.

This action will increase the contract's maximum ordering ceiling by \$4,303,835.00 to a new cumulative maximum ordering ceiling of \$13,303,835.00.

The ceiling increase is required to ensure continuous Oily Wastewater (OWW) barge collection, processing, and disposal services for U.S. Navy Surface Combatants (DDG, LCC, CG), U.S. Naval Ship Repair Facility and Japan Regional Maintenance Center (SRF-JRMC) owned barges (IX / YWN), and Nuclear-Powered Aircraft Carriers (CVN) homeported at or visiting Commander, Fleet Activities Yokosuka (CFAY), Japan.

3. Description of Supplies/Services.

This justification supports an immediate ceiling increase of \$4,303,835.00 for the active OWW IDIQ contract (N6264926DB002; POP: Mar 5, 2026 – Mar 4, 2027) to support concurrent overhauls, emergent visiting ships, and surge homeported ship-direct requirements in direct support in direct support of [REDACTED] and U.S. 7th Fleet operational commitments.

Vessel / Mission Requirement	Estimated Period of Performance (POP)	Critical Scope of Services & Operational Alignment
[REDACTED]	[REDACTED]	Immediate high-volume pier-side OWW barge offloading, bilge evacuation, and oily waste handling upon arrival at Yokosuka to support visiting strike group turnaround operations for [REDACTED].
[REDACTED]	[REDACTED]	Pier-side OWW barge collection, pumping, transport, and offsite processing during drydock/pierside availability to ensure command-and-control readiness for 7th Fleet theater operations in support of [REDACTED].

[REDACTED] [REDACTED] Continuous high-volume OWW barge offload supporting CVN propulsion plant overhaul and auxiliary systems maintenance, ensuring carrier strike group deployment readiness for [REDACTED] mission tasking.

[REDACTED] [REDACTED] Rapid-response, short-notice pier-side OWW barge offloads submitted directly by individual forward-deployed ships (DDGs, CGs, and CSG escorts) during compressed operational port stops.

- Base IDIQ Ordering Period (POP): March 5, 2026 – March 4, 2027
- Total Value of this Action (Ceiling Increase): \$4,303,835.00
- Original Maximum Contract Ceiling: \$9,000,000.00
- New Cumulative Contract Maximum Ceiling: \$13,303,835.00
- Funding Profile: Operations and Maintenance, Navy (O&MN) obligated to the individual Task Order level.
- Contract Administration & Ordering Period Alignment: The ceiling increase provides the necessary capacity to execute these emergent availabilities without depleting baseline IDIQ capacity. In accordance with FAR 52.216-22 (*Indefinite Quantity*), all individual task orders supporting the [REDACTED] requirements will be issued prior to the expiration of the base IDIQ ordering period on March 4, 2027.

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

41 U.S.C. 1901, as implemented by FAR 12.201-1.

5. Rationale Justifying Use of Cited Statutory Authority.

The use of 41 U.S.C. 1901 is justified based on the following national security, operational readiness, and environmental imperatives:

- Direct Support to [REDACTED]: Operational re-taskings and compressed deployment cycles in support of [REDACTED] have generated an unprecedented demand surge from simultaneous ship overhauls, visiting ships, and short-notice port calls.

1. [REDACTED] is scheduled for an operational port visit at Yokosuka on [REDACTED]. [REDACTED]

[REDACTED]

2. Concurrent Major Availabilities: The simultaneous drydock overhaul of the [REDACTED] generate an estimated surge of [REDACTED] gallons of oily wastewater requiring continuous 24/7 dedicated barge hookups.

3. [REDACTED]

- Prevention of Severe Operational Impairment & Environmental Stoppage: Continuous OWW barge offload is legally mandated under the Japan Environmental Governing Standards (JEGS) and the U.S.-Japan Status of Forces Agreement (SOFA). Shipboard oily waste processing equipment cannot be operated in port. If continuous barge offload capability ceases, industrial maintenance and propulsion overhaul operations on both vessels must halt immediately. Any delay in these availabilities severely impairs U.S. 7th Fleet warfighting readiness and directly degrades maritime tasking in [REDACTED].
- Indivisibility of Availabilities: Although the performance periods for at least two task orders will extend into 2027, a major depot-level drydock availability represents an indivisible engineering evolution. Splitting the availability into interim tranches and attempting a mid-availability vendor turnover requires disconnecting live suction hoses, vacating barges from restricted drydock basins, and re-permitting Japanese discharge licenses during active hull maintenance, introducing unacceptable environmental spill risks and severe shipyard work stoppages. These constraints make it impractical to bring in additional vendors once the task order has been awarded. Accordingly, each task order must be structured for single-contractor performance from commencement through completion.
- Sole Viable Execution Vehicle: Expanding the existing IDIQ ceiling is the only executable procurement strategy capable of meeting the compressed operational timeline. The incumbent contractor, SEAON Environmental LLC, is the sole vendor on-station with certified, staged marine barges, security-cleared personnel, and active Japanese environmental discharge permits capable of immediate execution without mission interruption.

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

Solicitation was limited to the incumbent contractor, SEAON Environmental LLC, because soliciting alternative sources within the operational timeframe required for [REDACTED] support is impracticable:

Critical Requirement	Incumbent Capability	Alternative Source Feasibility
Barge Staging & Asset Availability	Certified OWW barges and tugs already on-station at Yokosuka Naval Base.	Minimum 60–90 days required to mobilize and position marine vessels.
Environmental Permits & Vetting	Active Japanese Ministry of the Environment and JEGS permits in place.	Extensive licensing approval lead time would violate fleet availability start dates.
Harbor / Installation Security	Cleared personnel and active harbor craft security access approvals.	Security vetting lead times preclude supporting the immediate POP start dates.

In accordance with FAR 5.101(b)(2) (*Presolicitation Notice Exemptions*), posting a presolicitation notice on the Governmentwide Point of Entry (GPE) is not required because the proposed contract action is made using other than full and open competition (Unusual and Compelling Urgency), and the Government's mission in support of [REDACTED] would be seriously injured by the resulting delay.

7. Determination of Fair and Reasonable Cost.

The Contracting Officer has determined that the anticipated total cost to the Government of \$4,303,835.00 for the commercial services covered by this J&A will be fair and reasonable.

The underlying base IDIQ contract (N6264926DB002) was originally solicited using commercial procedures under legacy FAR Subpart 13.5. Although competed, [REDACTED]. At the time of original contract award, price reasonableness was established in accordance with FARS 13.106-3 and commercial price analysis techniques.

For this ceiling increase, the action is evaluated in accordance with FAR Part 12 (*Acquisition of Commercial Products and Commercial Services*, including FAR 12.204) and DFARS 212.204:

1. **Direct Application of Established FFP Rates:** The ceiling increase applies to the existing, validated Firm-Fixed-Price (FFP) unit rates already incorporated in the base IDIQ contract terms.
2. **Technical & Quantity Validation:** The required service parameters—including projected barge operational hours, pumping volumes, and transport requirements supporting the [REDACTED] offloads were reviewed and validated against an updated Independent Government Estimate (IGE) prepared by SRF-JRMC technical estimators.

3. Order-Level Verification: Prior to the issuance of individual task orders under this expanded ceiling, the Contracting Officer will verify that all task order line items strictly conform to the established contract pricing schedule.

8. Actions to Remove Barriers to Future Competition.

To address historical market limitations (including single-offer results) and remove barriers to future competition:

- Follow-on Competitive Acquisition: NAVSUP FLC Yokosuka and SRF-JRMC are currently developing the competitive procurement package for a follow-on 5-year OWW IDIQ contract.
- Target Milestones:
 - Solicitation Release: [REDACTED]
 - Target Contract Award Date: [REDACTED] (*prior to the March 4, 2027 expiration of the current vehicle*)
- Targeted Market Research & Industry Outreach: The contracting and requiring activities are actively engaging the local Japanese maritime industrial base in the Kanagawa/Tokyo Bay region to review technical specifications, identify barriers to entry (e.g., barge certification, security credentialing, environmental permitting), and maximize competitive participation on the follow-on vehicle.

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 Cognizance:

	<u>Conan Tsukayama</u>		<u>03-Sep-2026</u>
Signature	Name (Printed)	Phone No.	Date

Requirements Cognizance:

	<u>Mark Wilson</u>		<u>03-Sep-26</u>
Signature	Name (Printed)	Phone No.	Date

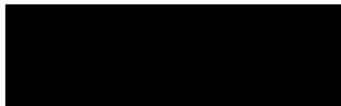
LEGAL SUFFICIENCY REVIEW

I have determined this Justification is legally sufficient.

	<u>Avetana B. Lovato</u>	<u></u>	<u>11-Sep-2026</u>
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.

	<u>Maria Crispina Mallari</u>		<u>11-Sep-2026</u>
Signature	Name (Printed)	Phone No.	Date