



Industry Days 2018

NAVAL UNDERSEA WARFARE CENTER
DIVISION, KEYPORT

May 15-16, 2018

CAPT Doug LaCoste
Commanding Officer

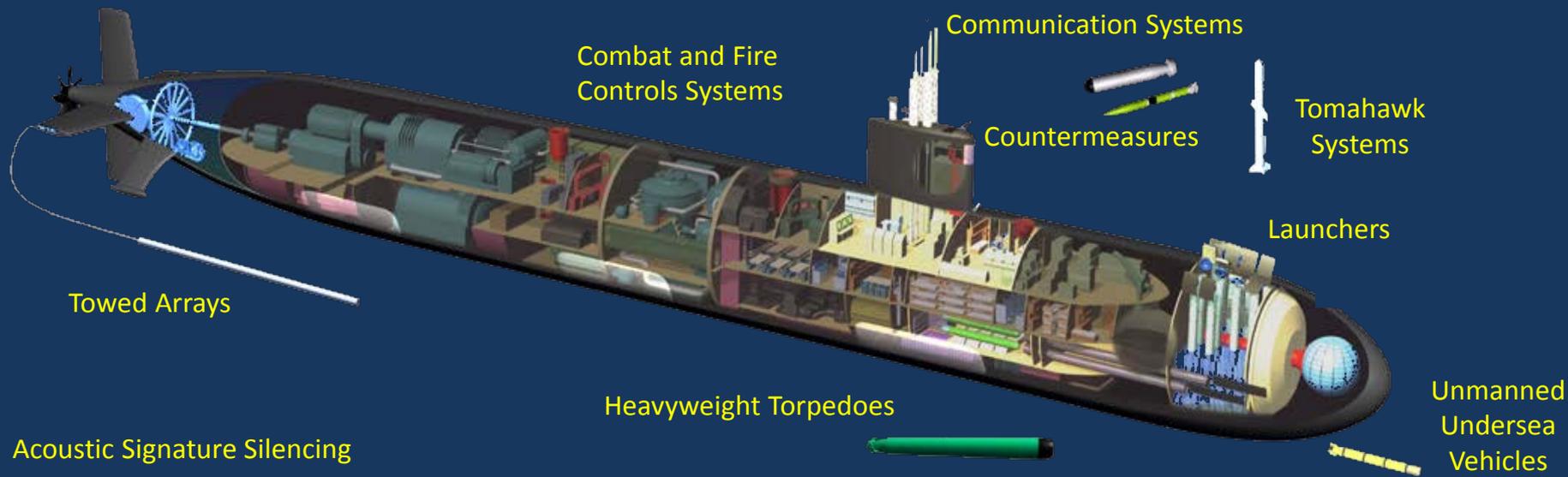
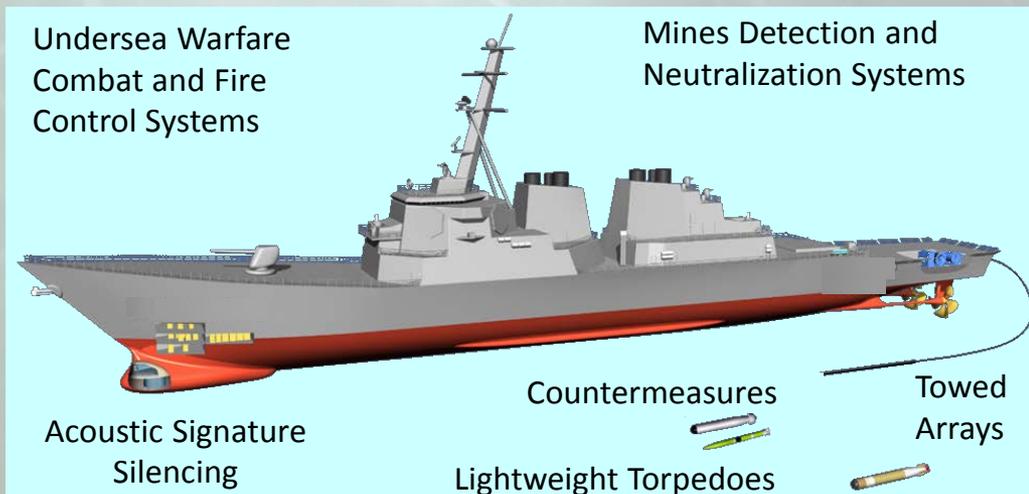
Mr. Alan Kent, SES
Technical Director

Distribution Statement A: Approved for Public Release; Distribution is unlimited. NUWC Division, Keyport #18-015.

Undersea Warfare Support

Any battle system that travels, looks, listens or communicates underwater

NUWC Division,
Keyport primarily
supports these
areas....



Torpedo Town USA Legacy

- **Intermediate Maintenance Activity (IMA)**

- Systems level testing
- Only Lightweight Torpedo IMA
- Fully Certified Heavyweight Torpedo IMA



MK 46 Mod 5, Lightweight Torpedo



Heavyweight Exercise Torpedo

- **Nation's Only Torpedo Depot**

- Electronic and mechanical level repair



Shell Repair

In-Water Range Testing



Portable Ranges



Range Operations



Engineering and Technical Support

- Engineering Emphasis

- Focus on undersea warfare weapon and combat systems

- Provide:

- Technical and logistics support

- Hardware and software upgrades

- Technical documents

- Test equipment

- Training

- Obsolescence management

- Custom engineered solutions

- Ensure safety, reliability



Information Assurance
& Cyber Support



CV(N) Warfare Systems



TIH Acquisition Support



Alteration Installation
Team (AIT) Support

Responding to Maintenance Demands

- Replacement Parts, Repair
 - Utilize new technologies to make parts
 - Save money
 - Provide effective solutions
 - Examples:
 - Fabrication
 - Rapid prototyping
 - Reverse engineering (circuit boards, gyros)
 - 3-D printing
 - Laser cladding



Laser cladding



Emergent Custom Engineered Solutions



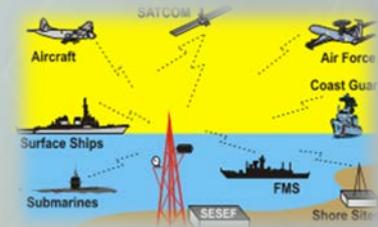
VLS Missile Tube Laser Repair

Pivot to the Pacific

- Increased military activity in the Pacific
- NUWC Division, Keyport operations in San Diego, Pearl Harbor, Guam and expanding
 - Operations and Support of Test Ranges
 - Technical Support for Waterfront and Fleet
 - Evaluation of Systems Testing
 - Fleet Test, Training and Evaluation
 - Heavy Weight Torpedo - Intermediate Maintenance Activity



Training, Test and Evaluation



Shipboard Electronic Systems Evaluation Facility

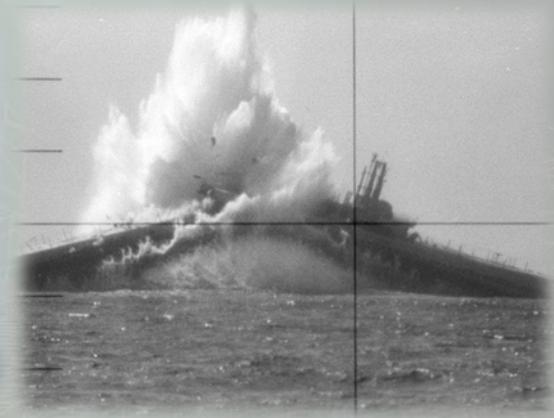


MK 48 Torpedo Intermediate Maintenance Facility , Pearl Harbor

Providing Relevance to the Fleet

Anti-Submarine Warfare

- Aircraft Carrier Tactical Support Center
- Submarine Sonar Systems
- Undersea Warfare Decision Support System



Looking into the Future

- Unmanned Undersea Vehicles (UUV)
 - Provide in-water testing and evaluation
 - Partner with other Warfare Center Divisions, Submarine Development Squadron Five
 - Supply UUV Homeport facility, support
- Cyber Security and Engineering
 - Certification and Accreditation
 - Testing and Analysis
 - Subject Matter Experts

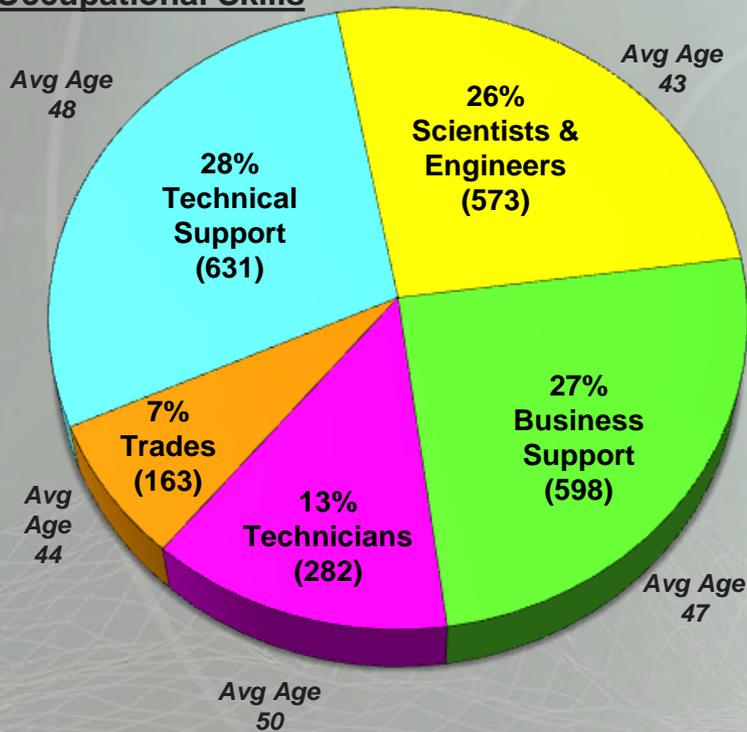


Workforce Profile

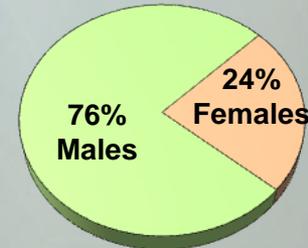
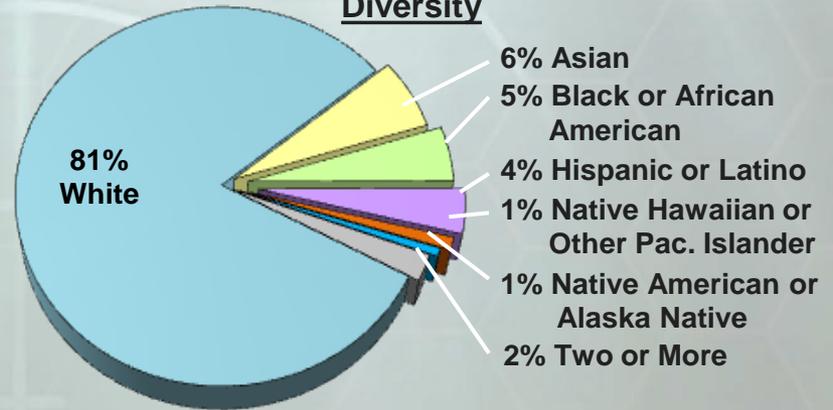
As of 30 Sep 2017

**Total Civilian
Government Workforce
2,247**

Occupational Skills



Diversity



49% Veterans (1,100)

Veteran Preferences	
5 Pts	544
10 Pts	94
Wounded Warriors	321

76% College Educated

2+ Yrs / Associate	330
Bachelors	845
Masters	362
PHDs	16

Total Employment by Location

3,390
Total
All Sites



2,247 Federal Civilians	977 Contractors <i>(115 off-site)</i>	30 Military	95 NAVSUP Fleet Logistics	41 Naval Interns
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Washington State

1,954 Total



- **Federal Civilians:** **1,514**
- **Contractors:** **290**
- **Military:** **26**
- **Naval Interns:** **29**
- **NAVSUP Fleet Logistics:** **95**

Local partnerships: Raytheon, Naval Base Kitsap, UW Applied Physics Lab, NAVFAC, SUBDEVRON FIVE, UUVRON ONE

Pennsylvania 29	Hawaii 275
California 219	Virginia 177
New Hampshire 61	Maryland 78
Florida 72	Nevada 12
Rhode Island 54	Indiana 61
Other US States: 6	
Overseas:	
Canada	3
Guam	8
Germany	1
Japan	2



Corporate Operations Department

Mr. Bill Carlson





Corporate Operations Department

Workforce

Planning

- Health Assessment
- Strategic Planning
- Investment Planning
- EEO Programs

Shaping

- Recruiting and Interns
- Mentoring
- Retention
- Awards
- Hiring Plans

Management

- Staffing
- Employee Relations
- Labor Relations
- Performance Management
- EEO Complaints

Development

- Training and Development
- Apprentice Program
- Academic Programs
- DAWIA Programs

Infrastructure

Safety

- Occupational Safety and Health
- Explosives

Facilities Management

- Mission Support
- Building Maintenance
- MILCON/Facility Planning
- Energy Conservation

Environmental

- Compliance
- State Permits
- Waste Disposal
- Industrial Processes

Transportation

- GSA Vehicles
- Mobile Cranes
- Material Handling Equipment

AT/FP

Public Affairs and Corporate Business

- Internal and External Communication
- Technical Library
- Visual Information
- Congressional Outreach
- Community Relations
- Tours

- Corporate Planning
- Quality Management System
- Management Internal Controls
- Records Management
- ERP Extended Business Office
- Continuous Process Improvement (CPI)
- Metrics, Analysis, and Data

Security

- Information
- Industrial
- Personnel
- Physical
- Emergency Management

Information Technology

Networks and Telecommunications

- Network Communications
- Technology and Server Infrastructure
- Operational support

Corporate Applications and NMCI

- Corporate Applications and SharePoint Sites
- SIPRNET
- NMCI Administration
- DON Application and Database Management System (DADMS)

Information Assurance (IA)

- Information Integrity and Availability
- Firewalls
- IA training

Property Management

- Procurement
- Supply
- General Equipment

Corporate Operations Department

Seaport Service Contracts

- **N00178-14-D-7907FY01 Admin/FM/PM**
 - Base-wide admin and financial/program management support
 - Expires 30 Apr 2020
- **N00178-04-D-4083FY06 Infrastructure**
 - Base-wide infrastructure support (safety/environmental/hazardous waste Treatment, Storage and Disposal Facility (TSDF)/facilities/transportation/security)
 - Expires 31 Oct 2022
- **N000253-18-F-3001 Graphics**
 - Base-wide graphic design/photography/video
 - Expires 31 March 2023
- **IT Support**
 - Base-wide information technology support (network/help desk/server/automation)
 - Anticipated award September 2019

Purchase Orders

- **Infrastructure Support**
 - Furniture (modular desks, partitions, chairs, tables, etc.)
 - Small electrical and HVAC materials
- **Information Technology**
 - Software and software support
 - Network hardware (routers, servers, switches, etc.)
 - Network cables and tools
 - Telecom equipment and supplies



Test and Evaluation Department

Mr. Gary Zook



Core Mission Area – Undersea Test, Performance Assessment and Assurance

Today's Navy

- Scripted tests
- Short duration events
- Acoustic sensors
- Post-event analysis
- Localized stimulation
- Limited threat emulation

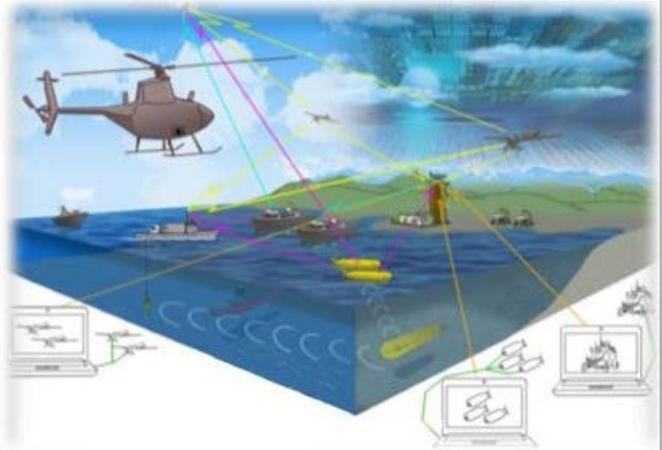


Potential Game Changers/ Disruptive Technologies

- Networked adaptive autonomous vehicles
- Supercavitating and stealth vehicle T&E
- Clandestine system testing
- Wideband acoustic system use
- Large area and long duration missions

T&E Systems

- ISR stimulation (threat representative)
- Persistent sensor networks
- Stealth communications
- Improved mission planning
- Live virtual constructive events
- High-performance cloud computing
- Big data analytics
- Machine learning and autonomy



Next Navy (+5-10 years)

Current Focus

Anytime/Anywhere T&E. Leverage existing in-water and land-based T&E capabilities, enhance capabilities by repurposing current systems while introducing more agile stimulation and monitoring systems to expedite transformation of T&E from scripted and defined objectives to a measurement of system performance and mission relevance.

- Incorporation of network and cyber testing capabilities to enable live, virtual and constructive events
- Integrating underwater communications technology to enable frequency agile monitoring and measurement capabilities
- Improved planning and assessment capability for near real-time feedback to fleet and developers
- Improved emulator systems (agile threat representative)
- Long-term test scenarios including periodic communication, evaluation, and re-tasking

Navy After Next (+20 years)

Vision of the Future

Self-deploying autonomous networked underwater equipment, remotely controllable, forward deployed, with near real-time analysis feedback and archival capability for in-depth post-analysis to provide assessment of system performance

- Undersea network of distributed autonomous self-deploying and intelligent sensors
- Advanced integrated planning and assessment capability
- Advanced incorporation of simulation/stimulation capabilities for live, virtual and constructive testing
- Agile stimulation systems for threat representation
- Capability to provide assessment and confidence in complicated future systems
- Non-acoustic instrumentation and communication at

Test and Evaluation Department

Seaport Service Contracts

- **N00178-14-D-7656/FY01 Hawaii and San Diego Support Services**
 - Ford island, Pearl Harbor waterfront, MK30/Kauai, IMA and WESTPAC MK30 Detachment (Guam and Japan)
 - Awarded: 15 Aug 2015 / Concludes: 14 Aug 2018
 - Celeris Systems, Inc.
 - Base Year Plus 2 option years, CPFF
- **N00178-14D-7656/FY02 Acoustic Trials and Range Sustainment**
 - Surface Ship Radiated Noise Measurement (SSRNM), Fleet Sonar Self Noise (FSSN), Prairie-Masker Operability (PMO), range systems development, range data reduction and subject mater expert support
 - Awarded: 11 Sep 2015 / Concludes: 10 Sep 2020
 - Celeris Systems, Inc.
 - Base Year Plus 4 option years, CPIF
 - There will be a re-compete
- **N00178-14-D-7656-FY03 Technical and Industrial Support Services**
 - Range operations and systems, CM and drafting, environmental testing, UTRE, MK30 Depot and aircraft component depot (actuator motors) (all technical/no engineering)
 - Award: 30 Sep 2016 / Scheduled Conclusion: 29 Sep 2021
 - Celeris Systems, Inc.
 - Base Year Plus 4 option years, CPIF
 - There will be a re-compete

Test and Evaluation Department

Seaport Service Contracts

- **N00253-17-R-3011 San Diego Support Services**

- Range operations and systems, configuration management (CM) and drafting, environmental testing, Undersea Tracking Range Equipment (UTRE), MK30 Undersea Targets Depot, and aircraft component depot (actuator motors)
- Awarded: 30 Apr 2018/ Concludes: 29 Apr 2023
- INDUS Technology, Inc.
- Base Year Plus 5 option years, CPIF

- **N00178-14-D-7656/FY01 Hawaii Services**

- Ford island, Pearl Harbor waterfront, MK30/Kauai, IMA and WESTPAC MK30 Detachment (Guam and Japan)
- Scheduled Award: 08/10/2018
- RFP Closed: 03/08/18
- Base Year Plus 3 option years, CPIF

Other Keyport Seaport Service Contracts Leveraged

- **N00178-04-D-4083-FY07 Engineering Support Services**
- **N00178-14-D-7860-FY01 Software Support Services**

Contracts Leveraged Outside of Keyport

- **Army AMRDEC Prototype Integration Facility (PIF)**
- **Defense MicroElectronics Activity (DMEA) Advanced Technology Support Program (ATSP)**

Test and Evaluation Department

Range Craft Major Maintenance Future Need

- Approximately 8 contracts from 2018 to 2022.
- Range Craft:
 - Yard Torpedo Test Class (YTT): Quantity 2
 - Torpedo Weapons Retriever (TWR): Quantity 2
 - Yard Patrol Craft YP-701: Quantity 1
 - Barges (IX 536, IX 552)
- Scope of work will involve:
 - Dry-docking
 - Hull preservation
 - Repair
 - Installation of new parts
 - Various preventive maintenance actions

YTT

- 187' Open Ocean Capable Vessel



TWR

- 85' Ocean Capable Vessel



IX 536

- 175' Multipurpose Barge



Test and Evaluation Department

Supply Purchases - Recurring

- **Infrastructure Support**

- Furniture (modular desks, partitions, chairs, tables, etc.)
- Small electrical and HVAC materials

- **Information Technology**

- Software and software support
- Network hardware (routers, servers, switches, etc.)
- Network cables and tools
- Telecom equipment and supplies

- **Vessel Support**

- Safety equipment / inspections (rafts, buoys, fire prevention, beacons, etc.)
- Crane and winches maintenance and repair

- **Shop Support**

- Tools (wrenches, dead blow hammers, hammer, watt meters, socket sets, etc.)
- Hardware (screws, bolts, set-screws, etc.)
- Consumables: nitro gloves, brass and steel brushes, strapping and packing tape, rope, wire)
- Magnification lights
- Drill press

Test and Evaluation Department

Supply Purchases – Current and Future Need

- **Current Need**

- Welding and painting
- Marine electrical (generators, navigation systems) and marine electronic repairs
- Diesel engine and generator repair
- Wire rope – purchase and maintenance
- Marine fire fighting certification
- Publications: navigation, safety, coast guard requirements, log books
- Consumables: filters: water, air, oil, hydraulic
- Machining services – parts
- Helical gears
- Specialty kits (actuator, engine repair, etc.)
- Submerged Object Recovery Device (SORD)

- **Future Need**

- Electronic test equipment
- Bulk oil



Maintenance, Engineering and Industrial Operations Department

Mr. Jim Bleich



Maintenance, Repair, and Technology Insertion

Today's Navy

- Centralized weapons maintenance
- Static maintenance technology
- Rapidly changing system technology
- 'Back shop' maintenance
- Segregated maintenance and production pipelines

Potential Game Changers/Disruptive Technologies

- Technology convergence - modularity
- Alternative propulsion and energy sources
- Additive manufacturing
- Automation and robotics
- Technology obsolescence

USW Vehicle and Weapon Maintenance

At-Risk Material Support

Maintenance Technology Insertion



Next Navy (+5-10 years)

Current Focus

Develop maintenance technology, facilities, and processes:

- Flexible and adaptable supporting multiple platforms and systems
- Evaluation and application of disruptive technology

- Agile maintenance facilities to support diverse technologies and missions
- Coating and material technologies that reduce corrosion and minimize repair and replacement requirements
- In-situ repair Tooling and processes
- Support dispersed and forward

Navy After Next (+20 years)

Vision of the Future

Advanced maintenance systems and capabilities enabling forward-based or on-platform maintenance of systems, vehicles, or weapons.

- Forward-based vehicle and weapon maintenance and repair using mixed technologies providing real-time in-situ solutions
- Geographically dispersed, on-demand parts production
- Life of system coatings eliminating condition-based maintenance
- Intelligent maintenance capable of self-learning, diagnosis and repair

Maintenance, Engineering and Industrial Operations Department

Services

- **N00253-18-F-3000 Industrial Services/Trades**
 - Delphinus contract (large business)
 - Awarded 20 Oct 2017; IDIQ/CPFF; Base Year Plus 4 option years
- **N00178-04-D-4083 FY07 Engineering Support Services**
 - McLaughlin Research
 - Awarded 09 Nov 2016; IDIQ/CPIF; Base Year Plus 3 option years
- **Other Services**
 - Calibration of tooling
 - Test set and small appliance repair
 - Machine maintenance
 - Analysis and repair
 - GFM provided for upgrade to new baseline
 - Weapons grade machining/fabrication
 - Electroplating and anodizing
 - Electronics test equipment repair

Material

- **Circuit Card Assemblies**
 - Printed wiring boards
- **Aluminum Alloy Fabrication**
 - Shells; pump heads; plates
- **Mechanical Assemblies**
 - Valves; accessory bulkhead
 - Forward and Aft fuel tank; engine housings
- **Electrical Assemblies**
 - Power supplies; circuit card assembly
- **Electro-mechanical Assemblies**
 - Parts washers; automated test equipment
 - Chiller
- **Cable Assemblies**
- **Computers**
- **Unique Consumables**
 - O-rings; electromagnetic interference gaskets; valve seats; cadmium screws
 - Wiper rings; seals; thrust washers



In-Service Engineering Department

Mr. Jeff Ericson



NUWC Keyport Core Mission Area – In-Service Engineering

Today's Navy

- Forward presence
- Limited autonomy
- Superior technology
- Battlespace awareness
- Integrated defense
- Information dominance
- Warfighter performance
- Budget constrained
- Need for in-service system sustainment

Potential Game Changers/ Disruptive Technologies

- Advanced cyber capabilities
- Data and target fusion
- Software assurance
- Data visualization technologies
- Augmented/virtual/mixed reality technologies

All Domain Access

Deterrence

Sea Control

Power Projection

Maritime Security

Ref: A Cooperative Strategy for 21 Century SeaPower



Next Navy (+5-10 yrs)

Current Focus

Develop systems that ensure safety and effectiveness, optimize system reliability and operational availability, reduce program life-cycle costs, increase fleet self-sufficiency, and lower fleet maintenance burden

- Developing software assurance capabilities to reduce design flaws, improve security, and enhance reliability
- Researching augmented and virtual reality technologies for use in fleet maintenance and training applications
- Developing product line software architectures for aircraft carrier and other Fleet Anti-Submarine Warfare systems
- Supporting cybersecurity designs of submarine tactical system and network architectures
- Developing predictive obsolescence management techniques to provide improved forecasting data

Navy After Next (+20 yrs)

Vision of the Future

Advanced systems capable of sustained in-service operation through improved design, high assurance hardware and software architectures, mixed-reality remote maintenance, and obsolescence management

- Self-healing systems and networks, capable of continuous operation despite component failure
- Fleet maintenance, repair, and training using mixed-reality technologies providing real-time guidance
- Open architecture software development across multiple major Navy combat systems
- High assurance systems, designed to resist and repel external cyber attacks
- Fully integrated obsolescence management to ensure systems will meet or exceed service life requirements

In-Service Engineering Department

Seaport Contracts

- **N00178-04-D-4018-N0025317F3001 In-Service Engineering (ISE)/Integrated Logistics Support (ILS) Support Services**
 - Logistics and engineering support across the department
 - Awarded 01 May 2017
 - Expires 30 Apr 2022
 - BAE Systems (large business)
- **N00178-14-D-7860-FY01 Software Support Services**
 - Software development and maintenance
 - Awarded 29 Sep 2016
 - Expires 28 Sep 2019
 - Opal Soft Inc. (small business)

In-Service Engineering Department

Technology Insertion Hardware (TIH)

- **N00253-14-D-0004, TIH TI-16/18**
 - Awarded 29 Sep 2014
 - Expires 28 Sep 2021
 - FPI/CPIF/CPFF/Cost
 - DRS Technologies
(large business)
- **N00253-18-R-0002, TIH TI-20/22**
 - Target Award 02 Jul 2019
 - RFP Closed 21 Mar 2018
 - 5-Year Base Period (TI-20), with a 5-Year Option Period (TI-22); 7-Years Total
 - CPIF/CPFF/Cost

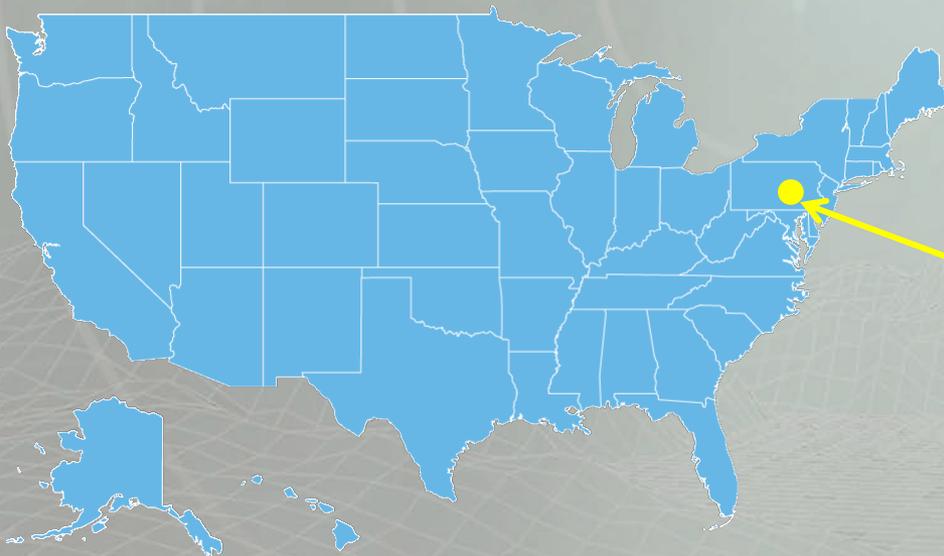
Other Contracts

- Materials and services in support of Lightweight Torpedo In-Service Engineering
- Document scanning
- Misc. software consulting for Oracle database
- SONAR sensors
- Acoustic countermeasures
- Network switches, blade servers, equipment racks
- Subscription services contracts-OMIS



Naval Sea Logistics Center

Mr. Robert Schneider



Mechanicsburg, PA



*Robert Schneider
Technical Director*

Naval Sea Logistics Center

Life-Cycle Logistics

• **Integrated Product Support (IPS)**

- Product Support Element Management
- Supportability Analysis
- Product Modeling and Metrics (PMM)
- Readiness Based Sparing

• **Outfitting and Analysis**

- Analysis and Metrics
- Integrated Logistics Support (ILS) Certifications
- Outfitting Support

• **Configuration and Technical Data Management**

- Technical Manual Health Assessments (TMHA)
- Configuration Data Management (CDM/CDMD-OA)
- Item Unique Identification (IUID)

Information Technology

• **Operations and Information Management**

- Operational support
- NMCI administration
- DON Application and Database Management System (DADMS)

• **Information Assurance (IA)**

- Compliance

Maintenance and Technical

• **Planned Maintenance System/ Future of PMS (FoPMS)**

- Maintenance Procedures
- LOEP Management
- Force Revisions
- Reliability Center Maintenance (RCM)

• **Engineering and Technical**

- Navy Special Emphasis Program
- Level 1 / SUBSAFE
- Engineering Referrals
- DLA 339 / Engineering Referrals

• **Supplier Performance**

- Product Data Reporting and Evaluation Program (PDREP)
- Contractor Performance Assessment Reporting System (CPARS)
- Past Performance Program (PPIRS)

• **Software Life-Cycle Support**

- Production Operations
- Application Management
- IT Project Management
- Software Design
- Software Development
- Software Testing
- Software Release Management

Material Management

• **Operating Materials and Supplies (OM&S)**

- Financial Improvement Audit Readiness (FIAR) for Material
- NAVSEA Inspector General Compliance
- Data Integrity and Conversion
- Inventory and Validation
- Unique Material Master (UMM)

• **Warehouse Operations**

- Central Receiving
- Inventory Management
- Receipt and Stowage
- Material Issue
- General Storage and Warehousing
- Preservation and Packing
- Shipping and Transportation
- Traffic Management Support

Corporate Operations

- Corporate Planning
- Quality Management System
- Management Internal Controls
- Records Management
- Continuous Process Improvement (CPI)
- Site Management
- Infrastructure Support
- Facilities Management
- Security (Physical and Personnel)

Naval Sea Logistics Center

SeaPort Service Orders

- **N00178-16-D-8541 / N65726-17-F-3000**
 - **Operating Material and Supplies (OM&S) Support**
 - Support at NSWC Crane and NUWC Keyport
 - Awarded 23 Mar 2017
 - Expires 26 Mar 2019
 - Aegir Systems (Small Business)
- **N00178-10-D-6066 U0D1 – OM&S Support**
 - Support at NSWC Corona, Port Hueneme, Panama City, Indian Head, Carderock, Philadelphia, and Dahlgren,
 - Awarded 17 May 2016
 - Expires 16 May 2021
 - GVI, Inc. (Small Business)
- **N00178-10-D-6066 N401 - Inventory Management/Warehouse Management**
 - Support at NUWC Newport
 - Awarded 01 Jun 2016
 - Expires 31 May 2021
 - GVI, Inc. (Small Business)

Naval Sea Logistics Center

SeaPort Service Orders

- **N00178-04-D-4100 U0D1 – Information Systems Support Services**
 - NAVSEALOGCEN Information Technology system support
 - Awarded 15 Jul 2016
 - Expires 26 Jul 2019
 - Orbis Sibro, Inc. (Small Business)

- **N00178-10-D-6066-U0D2 – Logistics Management Services**
 - Life-cycle logistics support for US Navy Systems
 - Awarded 16 Jun 2016
 - Expires 15 Dec 2019
 - GVI, Inc. (Small Business)

Naval Sea Logistics Center

Non-SeaPort Service Contracts

- **N65726-16-C-0001 * – NAVSEA 06 Information System Support Services**
 - NAVSEA 06 IT / ship configuration logistics support information system
 - Bridge Contract
 - Awarded 13 May 2016
 - Expires 29 Aug 2018
 - ManTech Advanced Systems International (large business)

*Follow-on SeaPort Task Order is under GAO Protest

SAP Supplies / Services

- **Information Technology Purchases**
 - Software licenses (perpetual) and software support
 - Software licenses (term)
- **Other Purchases**
 - Office equipment and supplies
 - Facilities support and furniture
 - Equipment maintenance
 - Training
- **Total SAP actions ~\$2M per year**

Naval Sea Logistics Center

Planned SeaPort Task Orders

• Potential Future Opportunities

- Operating Material and Supplies (OM&S) ERP Warehouse Management Support at four regional locations as follows:
 - Region 1: NUWC Newport; NSWC Philadelphia; NSWC Carderock
 - Region 2: NSWC Indian Head; NSWC Dahlgren (No Warehouse Support); NSWC Panama City; NUWC Keyport; NSWC Port Hueneme; NSWC Corona
 - Region 3: NSWC Crane (Long Term Solution pending requirement definition)
- Operating Material and Supplies (OM&S) Navy ERP Warehouse Management Support at NSWC Crane (Near Term Solution due to shifting requirement)
- NSLC Command and Logistics Support
- NSLC IT Systems Support

Small Business PSNS and IMF/NWRMC (DODDAC N4523A)

NAICS Codes and Descriptions:

- 336611 - Ship Building and Repairing
- 335314 - Relay and Industrial Control Manufacturing
- 541330 - Engineering Services

FY18 Spend Analysis	SB Eligible Actions— 587 SB Eligible Dollars— \$174,000,858.00 1 October 2017 – 30 March 2018		
	Actions	Dollars	%
Small Business	407	\$111,597,000.00	64.01%
Small Disadvantaged Business	63	3,714,150.00	2.13%
8(A) Procedures	4	1,052,126.00	0.60%
Service Disabled Veteran Owned	28	\$2,178,838.00	1.25%
Woman Owned	78	\$3,481,744.00	2.00%
HUBzone	6	\$471,950.00	0.27%

FY 18 Total Projected Contract Awards	FY 18 Total Competitive Awards Projected	FY 18 Competitive Goals (%)	FY 18 Total Small Business Awards Projected	Total Small Business Awards Projected and of Total Projected
\$363,000,00	\$304,000,000	83.75%	\$190,770,00	52.55%

FY 18 Assigned goals from NAVSEA

- SB :** 39.00%
- SDB:** 1.13%
- SDVOSB:** 0.30%
- WOSB:** 0.44%
- HUBZone:** 0.00%

Source: FY18 FPDS-NG data



Acquisition Overview

Ms. Carrie Bender



Department of Navy FY19 Budget Request

Key Points:

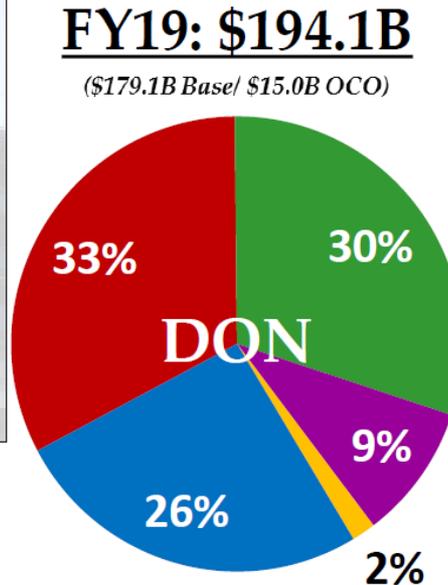
- Just under 9% more than 2018 - \$14B
- More ships, aircraft, and personnel
- Increased maintenance and readiness, although depot capacity is a concern

Summary by Appropriation Group FY 2019 DON Base + OCO Budget

O&M: \$63.4B (\$49.9B Base/ \$13.5B OCO)

Ship Ops & Maint	\$18.3
Aviation Ops & Maint	\$11.4
Base Ops & Support	\$7.7
Marine Corps O&M	\$8.2
Combat/Weapons Support	\$8.7
Service Wide Support	\$4.2
Training and Education	\$2.0
Reserve O&M	\$1.1
Environmental Restoration	\$0.3
Mobilization	\$1.3

● Navy: 33% ● Marine Corps: 28%



Procurement: \$58.5B (\$57.9B Base/\$0.6B OCO)

Ships	\$21.9
Aircraft	\$19.1
Weapons	\$3.7
Marine Corps	\$2.9
Ammunition	\$1.3
Other Navy Procurement	\$9.6

● Navy: 34% ● Marine Corps: 11%

MilPers: \$50.2B (\$49.7B Base/\$0.5B OCO)

Basic Pays	\$20.9
Housing Allowance	\$8.2
Retired Pay Accrual	\$6.3
Health Accrual	\$2.5
Reserve Personnel	\$2.8
Subsistence	\$2.3
Allowances	\$1.1
Special Pays	\$1.6
Other	\$3.7

● Navy: 21% ● Marine Corps: 54%

Infrastructure: \$3.4B (\$3.2B Base/\$0.2B OCO)

MILCON	\$2.8
BRAC	\$0.2
Family Housing	\$0.4

● Navy: 1% ● Marine Corps: 3%

R&D: \$18.6B (\$18.4B Base/ \$0.2B OCO)

Basic Research	\$0.6
Applied Research	\$0.9
Advance Tech Dev	\$0.8
Adv Component Dev	\$4.3
System Dev & Demo	\$6.0
Management Support	\$1.0
Ops Systems Dev	\$5.0

● Navy: 11% ● Marine Corps: 3%

● ● = The percentage of each Service's total budget applied to each appropriation group

Numbers may not add due to rounding

Office of Budget

Source: Department of Navy Comptroller

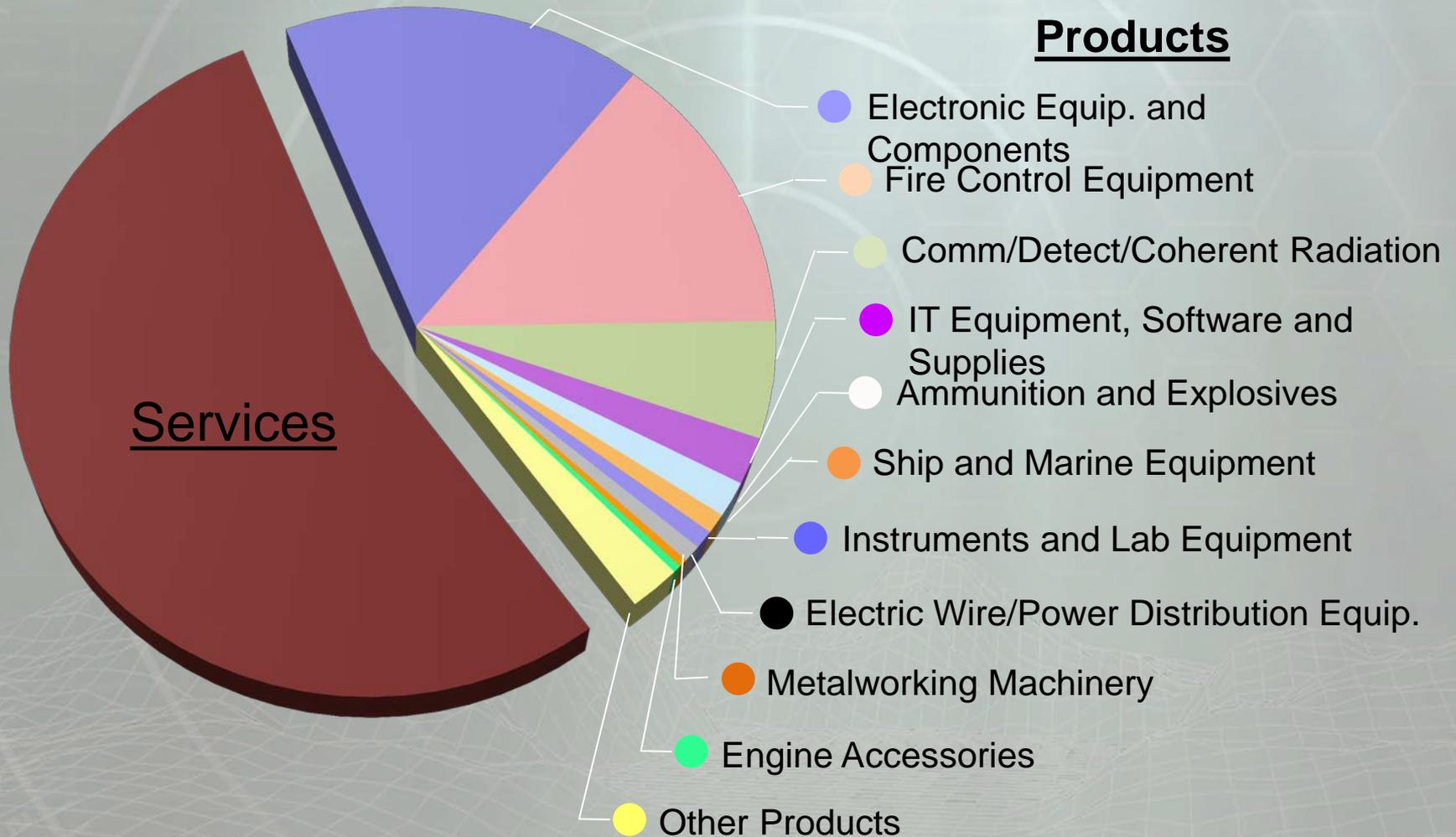
NUWC Division, Keyport - What We Buy

Services

- Technology development
- Data collection, entry and admin support
- Technical writing and graphics
- Software development and maintenance
- Systems development
- Systems maintenance and installations
- Industrial trades
- Range craft operations and maintenance
- Hazardous waste management
- Hazardous waste disposal
- Personnel development and training
- Facilities maintenance
- Transportation
- Communications

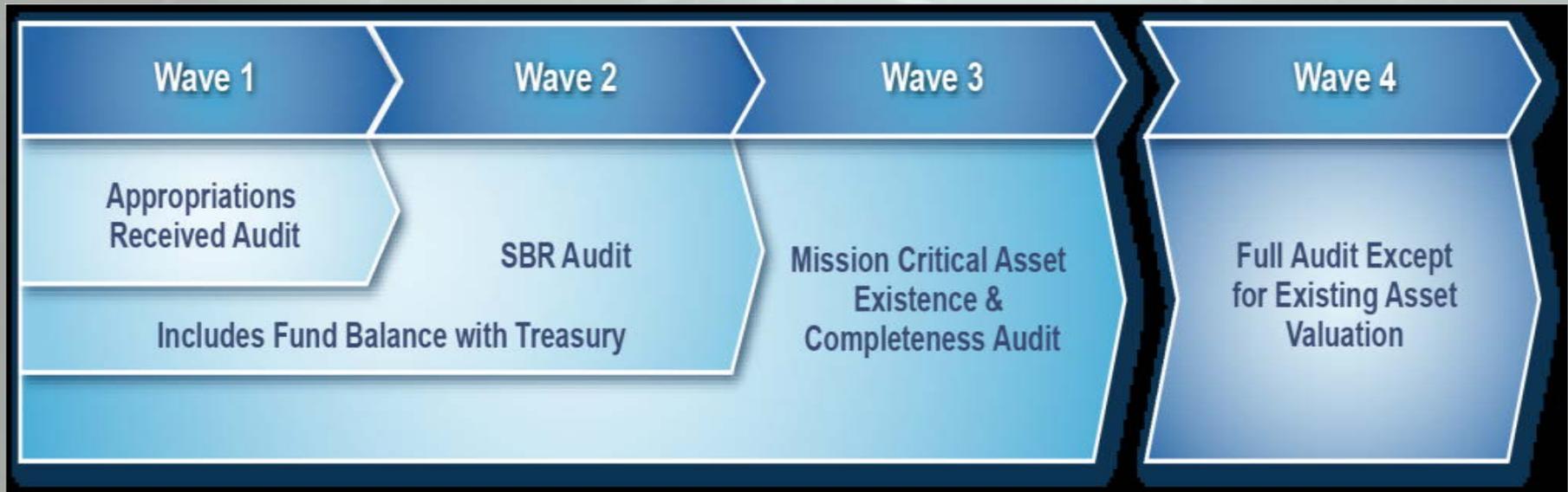
Category		% Services Contracts	
Support	Engineering/Technical	50%	
			51%
IT	Administrative/Management	2%	
	Facilities Operation/Programming	25%	24%
R&D	Other – Operational Development	9%	
	Defense Sys – Operational Development	2%	11%
Maintenance and Repair of Equipment	Weapons	7%	7%
	Housekeeping	Warehousing/Storage	5%
Other	Environmental Systems Protection		
	Salvage		
	Photo/Map/Print/Publication		2%
	Education/Training		
	Others		

NUWC Division, Keyport FY18 Forecast



Systems and Structure Changes

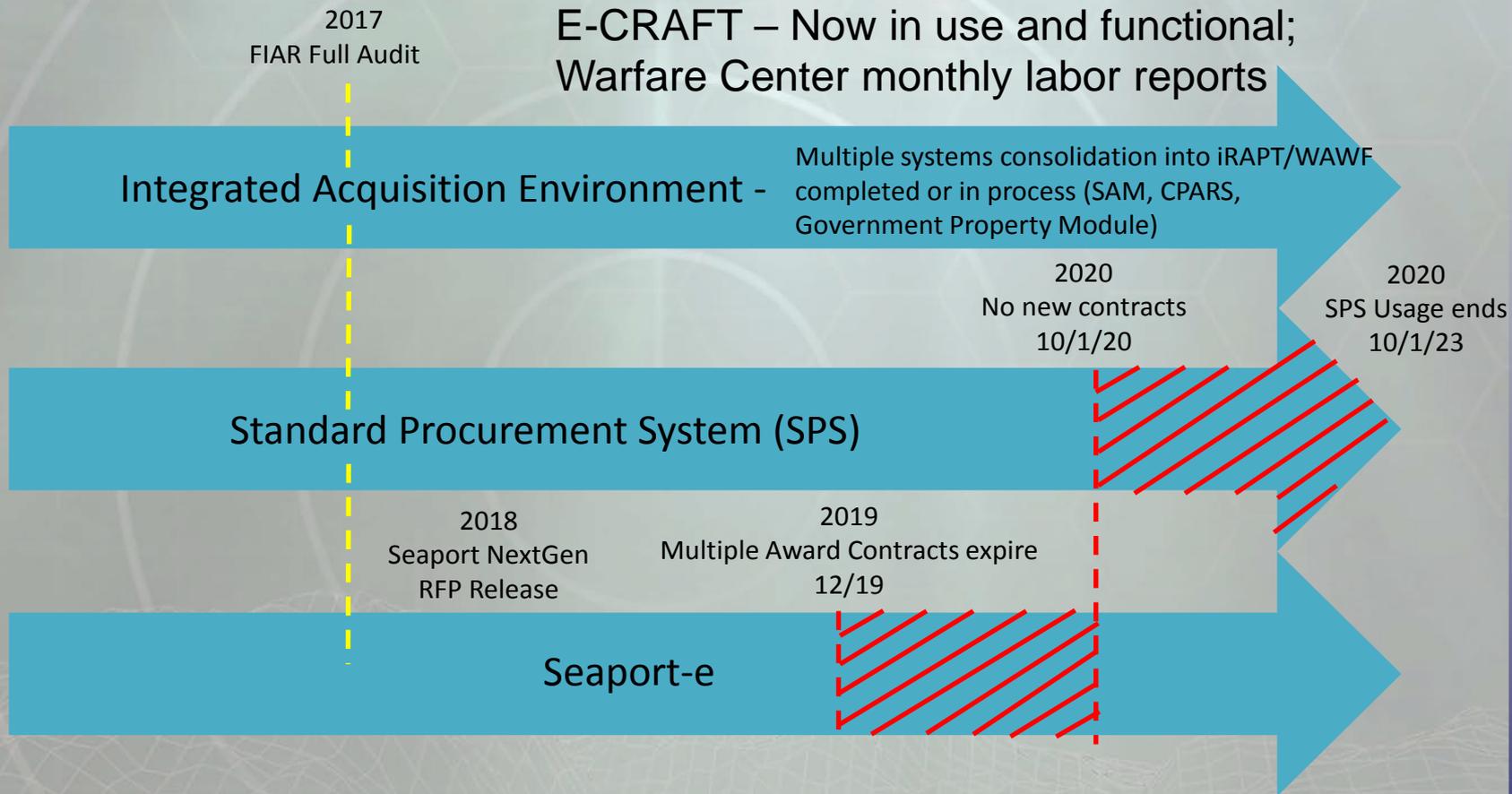
FIAR – Financial Improvement and Audit Readiness



Wave 4 effects on the contracting community: Material accountability

- Supplier entry of Item Unique Identification (IUID) numbers in Wide Area Workflow (WAWF) system; Increased Government Furnished Property clause compliance
- Increased use of priced Sub Contract Line Items (SLINs) on larger supply/material development contracts
- More complex CLIN structures; pricing proposals and backup cost information affected by the complexity

Systems and Structure Changes



Source: DoD Strategic Plan for Defense-wide Procurement Capabilities

Acquisition Reform Environment – NDAA 2018

- Requirement for more specificity and oversight of services contract requirements
- Purchasing of Commercial Goods – A recent GSA Inspector General report found that GSA rates for IT products were 13% higher than on open market. Under NDAA 2018, DOD would buy commercial goods using sites such as Amazon, Staples, Granger, and others
- DOD is directed to move its incurred cost workload to the private sector, and to eliminate its incurred cost audit backlog by 2020
- Continued effort to remove requirements from U.S. Code, so that emphasis is on agile decision making vice culture of compliance
- In fiscal year 2015, there were more than 30 service or component unique contracting, procurement, and solicitation management systems. NDAA 2018 restricts funding for these systems to reduce redundancy

Other Trends in Acquisition/Procurement

FY 18 National Defense Authorization Act:

- Sections 123, 124, 126, 141: Use of multiyear authority and economic order quantities to create cost and production efficiencies (Arleigh Burke class, Virginia class, V-22 Ospreys, and F-35s)
- **Section 232:** Review of barriers to innovation in research and engineering activities of the DOD
- Section 811: Increase threshold for (insert) from \$100K to \$750K. Threshold for (insert) from \$500K to \$2M
- Section 818: Enhanced post award debriefing rights. Provision of agency's written source selection award determination (redacted), and opportunity for follow-up questions
- Section 827: Pilot Program requiring contractors to reimburse the DOD for costs incurred in processing covered protests (companies with revenues in excess of \$250M)

Other Trends in Acquisition/Procurement

FY 18 National Defense Authorization Act, continued:

- Section 886: Advisory Panel on Streamlining and Codifying Acquisition Regulations – report is now due 1/15/2019
- Section 874: Pilot software development using agile acquisition methods, where these requirements aren't applied: Earned Value Management; Development of Integrated Master Schedule; Development of Integrated Master Plan; Development of Technical Requirement Document; Development of Systems Requirements Documents; Use of Infrastructure Library Agreements; Use of Software Development Life Cycle. Plan for each selected software project is to:
 - Use broad agency announcement; other transaction authority, or other rapid merit-based solicitation procedure
 - Frequent and iterative end user validation of features
 - Use of commercial best practices
 - Award within three months of requirements identification
 - Delivery of functional prototype within three months of award
 - Cost reimbursable contracting not to be used
 - For major software-intensive warfighting systems; defense business systems
 - Delivery of capability not exclusively linked to any single, proprietary method or process

Other Trends in Acquisition/Procurement

Supply Chain Security and Counterfeit Materials Concerns:

To support Protection of Mission Critical Functions, and to Achieve Trusted Systems and Networks (TSN), we:

- Include DFARS clause “Supply Chain Risk” in our IT contracts
- Use mandatory DoN Enterprise Software Licensing (ESL) agreements
- Use recommended DoD Enterprise Software agreements with proven vendors
- Require proof of certification level with quote when competing among authorized dealers of OEM equipment and support services
- Include DFARS clause “Contractor Counterfeit Electronic Part Detection and Avoidance System” when applicable
- Refer suspected unauthorized parts and counterfeit materials to NCIS

Doing Business with the Navy in the Puget Sound Area

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