

CUI

NUWC DIVISION, KEYPORT

CONTRACTS DEPARTMENT OVERVIEW

INDUSTRY DAY 06 AUGUST 2025

Ms. Carrie Lawson, Chief of Contracting Office



Distribution Statement A. Approved for public release: distribution is unlimited.

BUDGET AND STRATEGIC PRIORITIES

Department of the Navy FY26 Budget Request: \$292B

High Priority Requirements:

- Resource capabilities and readiness for Wartime Tempo
- Virginia Class Submarines
- Executable Surface Ships
- One Way Attack/Autonomous Systems
- Critical Cybersecurity
- Munitions and Energetics Organic Industrial Bases
- Audit
- **Industrial Base Partners (Maritime Industrial Base and Submarine Industrial Base)**

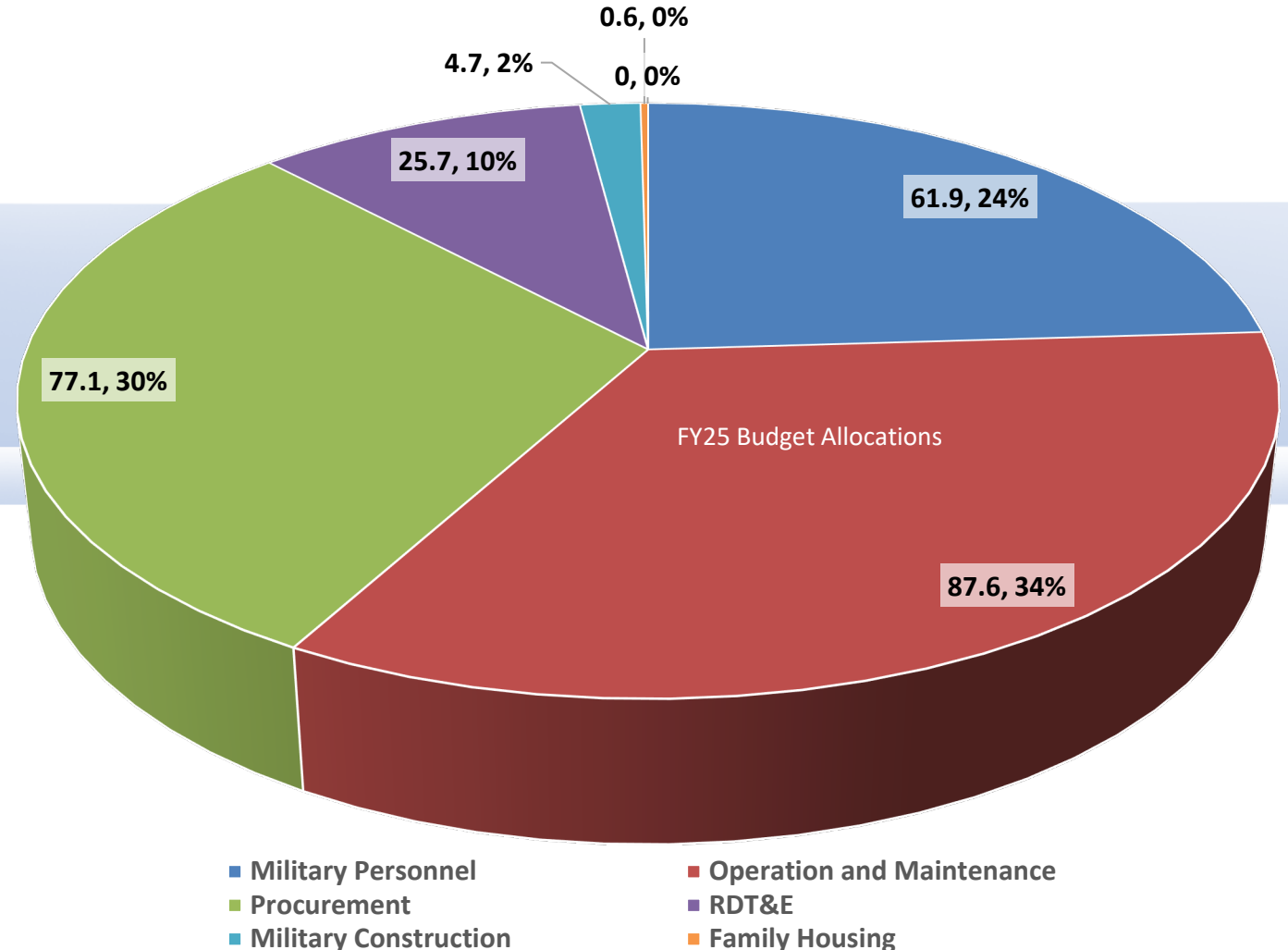
Budget FY23-FY26:

FY23 Actual.....\$246.6B

FY24 Actual.....\$255.8B

FY25 Actual.....\$263.0B

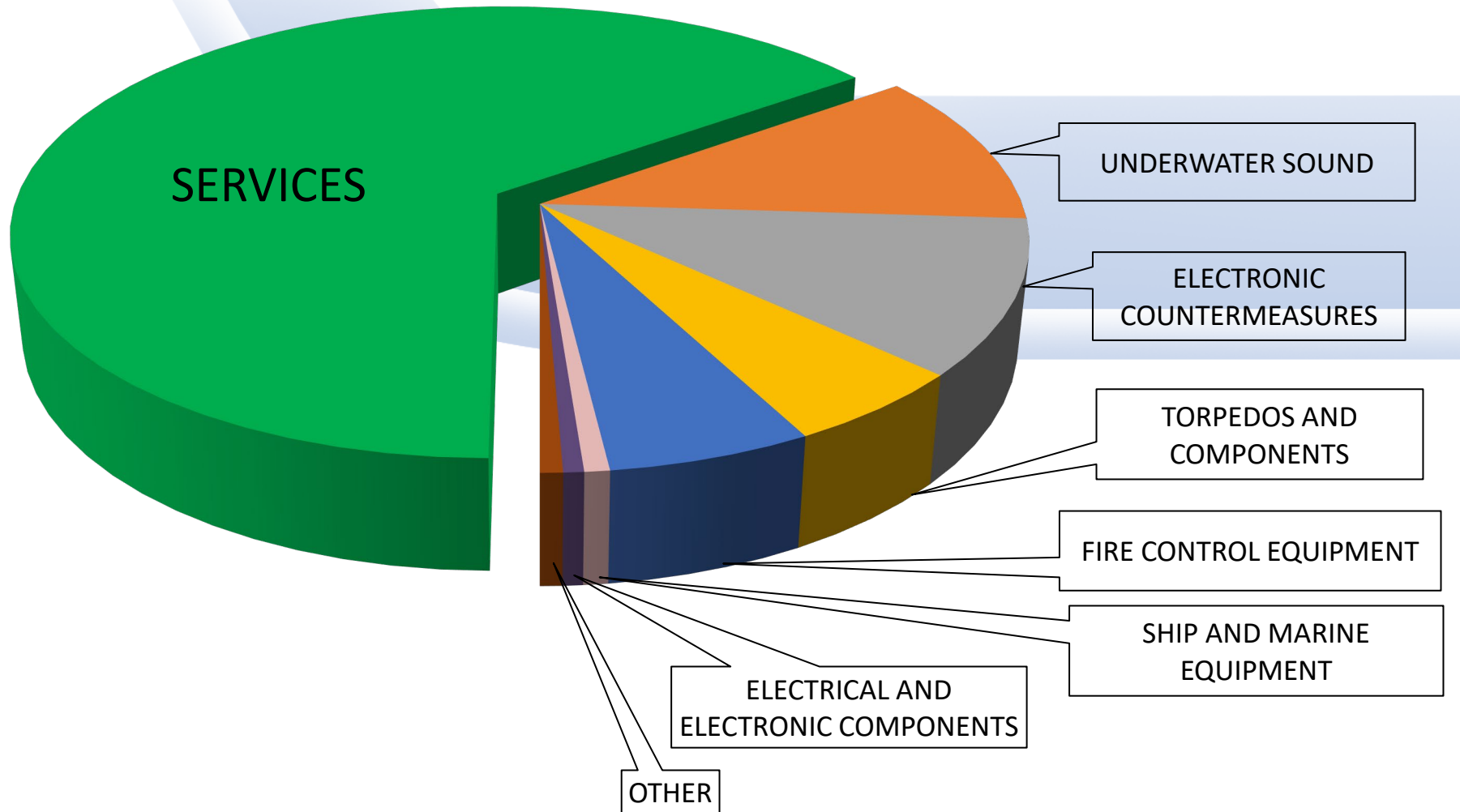
FY26 Request. . \$292.2B



Source: Office of the Under Secretary of Defense (Comptroller)/Chief Financial Office, defense.gov and USNI News

NUWC KEYPORT FY26 FORECAST

FY26 Forecasted Supplies and Services Requirements



| Fiscal Year | Obligation |
|----------------|------------|
| FY21 | \$338M |
| FY22 | \$391M |
| FY23 | \$466M |
| FY24 | \$411M |
| FY25 YTD | \$264M |
| FY25 Projected | \$354M |
| FY26 Projected | \$462M |

Keyport Contracting – Current Operating Environment

Executive Orders, DOGE reviews, trends and ideas:

- Scrutiny of services
 - What are broad services that can potentially be migrated to GSA as commercial?
 - Cost performance – how do invoiced rates compare to proposed rates?
 - No migration of Government “billets” to contracted services
 - Questions about types of services contracted (consulting, advisory & assistance, IT integration)
- Reform & Flexibilities
 - Commercial Solutions Openings
 - Updates to DoD 5000 instruction series to increase prototyping and fielding of systems
 - OMB proposed acquisition legislation (July 2025)

Industrial Base Engagements

Supporting Our Key Industrial Base Partners

1. Increase small business contracting opportunities
 - Include evaluation of small business participation for applicable non-Seaport NxG actions
 - Incentivizing small business subcontracting
2. Monthly Industry Engagement Meetings
3. Bi-Annual Command Industry Days and procurement specific Industry Days, as needed
4. Identify new candidates for small business participation as prime contractors
5. Regular public announcements of procurement forecast information, including Seaport services specific planning milestones monthly and supply forecasting annually
6. Source Sought/Requests for Information
7. Use of Draft RFPs and technical assist visits for complex parts manufacture

Industrial Base Partner Concerns

Supporting Our Key Industrial Base Partners

Supply Chain, and Depth of Industrial Base Concerns:

- Uncertain materials pricing and availability
- Some of our needs are based upon old drawings
- Sometimes complex manufacturing at low volumes
- Requirements such as NIST 800-171 “Protecting Controlled Unclassified Information in Nonfederal Information Systems and Organizations”
- Drive toward rapid ramping with wartime readiness posture



Naval X and Tech Bridges: Connect. Create. Commercialize

What?

NW Tech Bridge is a Platform for Greater Collaboration with Small Businesses and Innovators new to Working with the DoN.

Where?



Why?

Is a process to get a foot in the door to an \$800 billion industry.

Three Ways To Connect:

- Technology Transfer
- SBIR Transition
- Local Contracting Opportunities

Section 233 Authority

Section 233 authority refers to FY17 NDAA Section 233 Pilot Program for the Enhancement of RDT&E Centers

It gives the Warfare Centers the ability to apply approved flexibilities to generate greater efficiencies, more effective operations, and rapid development of warfighter capabilities. These flexibilities relate to policy and regulatory implementation, not statutory requirements.

At Keyport, our primary examples of contracting related Section 233 authority usage are:

- Increase of purchase card (p/c) authority to \$10K, relaxation of some p/c rules
- Use of delegated signature/approval authorities
- Delegation of facility repair and sustainment contracting

| Reference Date | Initiative | Applicability | NMCARS Pointer |
|----------------|--|---------------|-----------------|
| March 5, 2019 | Approve Acquisition Plans for contract actions less than \$250M. | DON STRLs | 5207.103(j)(ii) |
| March 5, 2019 | Delegation of contracting authority granted for facilities work to include Sustainment, Restoration, and Modernization (SRM), facilities services and energy conservation projects within assigned buildings to include Heating and Ventilation and Air Conditioning Systems (HVAC), lighting upgrades, and building envelope repairs. In addition to contracting for their own facility and sustainment repairs, STRLs may use contracting functions of Army Corps of Engineers and/ or General Services Administration in accordance with interagency acquisition procedures in FAR 17.5, DFARS 217.5, NMCARS 5217.5 and consistent with 10 U.S.C. Section 2851. | DON STRLs | 5217.502-2(a) |
| March 5, 2019 | Waive DFARS 215.404-70 for Weighted Guidelines Analysis and establish a 6% standard fee when assessing proposals submitted as a result of a Broad Agency Announcement (BAA). STRLs will establish procedures to document performance risks, contract type risks, facilities capital employed, and cost efficiencies. | DON STRLs | 5215.4-4(b)(1) |

Special Emergency Procurement Authorities (SEPA)

Class Deviation 2024-O0005, Temporary Authorizations for Covered Contracts Related to Ukraine, Taiwan, and Israel:
Refers to section C of the Class Deviations 2024-O0005 issued to implement section 1244(a) and (c) of the James M. Inhofe National Defense Authorization Act (NDAA) for Fiscal Year (FY) 2023, as amended by section 1242 of the NDAA for FY2024.

Covered Contract:

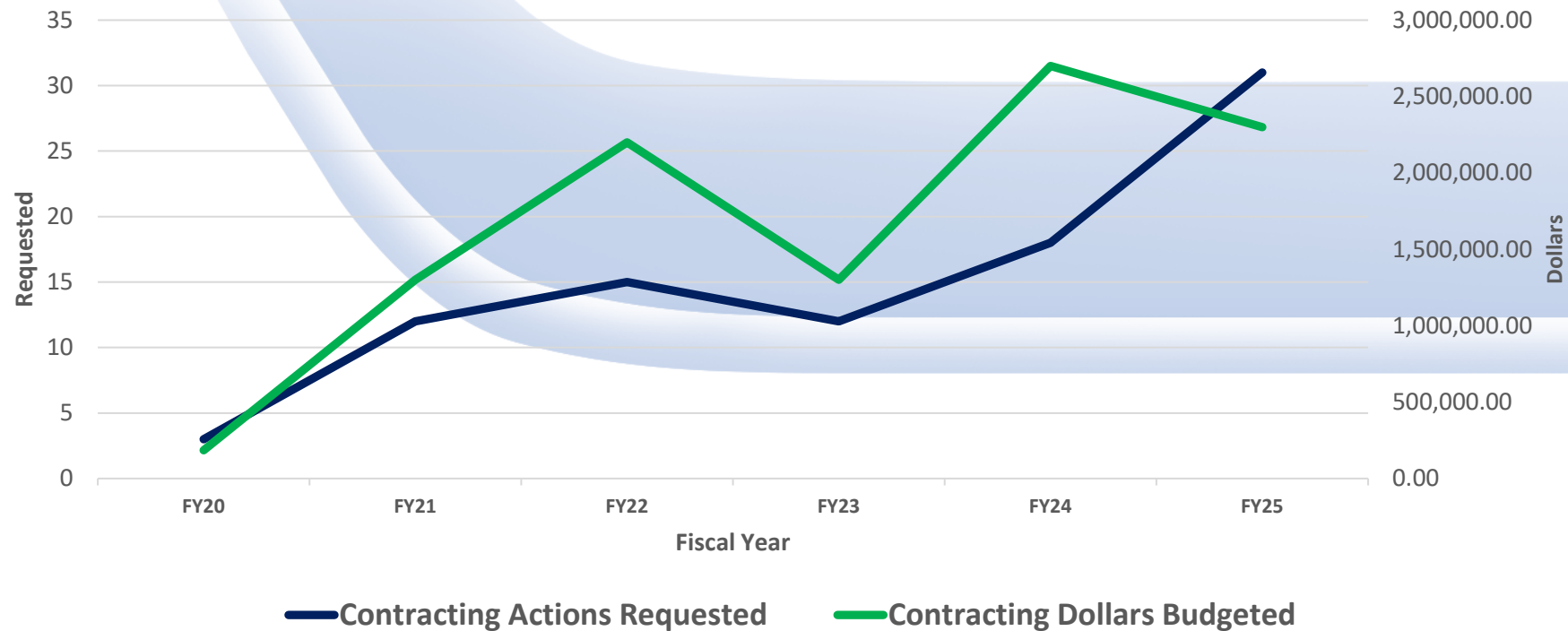
- 1) Build and replenish the stocks of critical munitions and other defense articles
- 2) Provide materiel and related services to foreign allies and partners that have provided support Ukraine, Taiwan, or Israel
- 3) Provide materiel and related services to Ukraine, Taiwan, or Israel

Contracting Officers may apply SEPA to covered contracts at the following thresholds:

- 1) Micro Purchase: \$20K in the US; 35K outside the US
- 2) Simplified Acquisition: \$800k in the US; \$1,5M outside the US
- 3) FAR 13.5: \$15M
- 4) HCA may treat a product or service as a commercial product or a commercial service, except a covered contract more than \$20M awarded on a sole source basis for a product or service treated as a commercial product or commercial service is not exempt from
 - Cost Accounting Standards, notwithstanding FAR 12.214; or
 - Certified cost or pricing data requirements (notwithstanding FAR 15.403-1(b)(3))

**Example Usage For:
Torpedoes**

FY20 – FY25 Section 233 Planned Sustainment, Restoration, and Modernization



Assumptions:

- Base operating services (BOS) will be performed under NAVFAC's BOS contract.
- Facilities will have a budget of approximately \$6M per year for discretionary projects.
- Facilities averages approximately 12 to 18 projects per year
- Facilities cost range from \$25K to \$4M.
- FY25 projecting 18 actions less than or equal to \$250K.

Building in-house capability and expertise

Sustainment, Restoration, and Modernization Requirements

FY26

- 1) Combustion IC and Profiler-F Installation and Training
- 2) Bldg. 7792 Exterior Painting
- 3) Bldgs. 80, 81, 489 Galvanized Steel Corrosion Control
- 4) Bldg. 5092 Replace HVAC Unit Compressor
- 5) Bldg. 1055 Avian Waste Abatement and Removal Services
- 6) Bldg. KB Dock/Keyport Piers Ladder Replacement
- 7) Bldg. 514 Subfloor Removal & Epoxy Coating
- 8) Bldg. 825 Repair Caustic Soda Lines
- 9) Bldg. 144 Crane Bay Insulation Replacement & Roof Repair
- 10) Bldg. 98 Modify Roof Access
- 11) Bldg. 895 HVAC System Modernization
- 12) Bldg. 5090 HVAC Replacement
- 13) Bldg. 207 Electrical Upgrades for New Equipment
- 14) Bldg. 5004 Renovate Restroom

- 15) Bldg. 233 Renovate Breakroom and Restrooms
- 16) Bldg. 5945 Renovate Interior Spaces
- 17) Bldg. 82 Provide and Install System
- 18) Bldg. 514 Install Crane Rail Cross Bracing
- 19) Bldg. 5945 Electrical Upgrade
- 20) Bldg. 1051 Replace Main Dry Valves
- 21) Bldg. 105 Install Electrical Circuits
- 22) Bldg. 206 Lab Upgrade – Flooring, Countertops, and HVAC.

FY27 and Beyond:

- 1) Bldg. 21051 Replace Air Filtration System
- 2) Roofing IDIQ

Number of requirements grow year over year.



| |
|------------------------------------|
| ←NAVFAC NW |
| ←NUWC Division Keyport |
| ←Army Corps of Engineers |
| ←Department of Interior |
| |
| Contracting Offices supporting SRM |

- Current emphasis on updating and maintaining infrastructure at Keyport
- Four major groups perform the construction and facilities
 - ✓ Keyport Contracting Department has a dedicated contracting team established to executing construction and facilities work.
- Cross organization collaboration to support and meet Keyport's construction and facilities work
- Each organization may have slightly different processes to consider

Doing Business with the Navy in the Puget Sound Area

Points of Contact:

NUWC Division, Keyport Small Business Program:

✓ Mr. Dave Walz: smallbusinessprogram@us.navy.mil | 360-315-6791 |

NAVSUP FLC Puget Sound Small Business Program:

✓ Ms. Juliet Roske: Juliet.r.roske.civ@us.navy.mil | 360-476-4634

NAVFAC NW Small Business Program:

✓ James (Jim) Jim Niles: james.m.niles4.civ@us.navy.mil | 360-536-7135 |

NAVSEA PSNS:

✓ Ms. Ashley Jackson: Ashley.n.jackson115.civ@us.navy.mil | 360-979-3423