

JUSTIFICATION AND APPROVAL
FOR OTHER THAN FULL AND OPEN COMPETITION

1. Contracting Activity: Department of Veterans Affairs (VA)
Office of Acquisition Operations
Technology Acquisition Center
1701 Directors Boulevard, Suite 600
Austin, TX 78744
2. Description of the Action: The proposed sole source action is for a one-year effort with a six-month option, firm-fixed-price contract to Duluth Travel, Inc. (Duluth) for VA Travel Management Center (TMC) Services. These services will be used by all of VA for temporary duty and permanent change of station (PCS) travel. The program is managed by the VA Financial Services Center (FSC) in Austin, Texas.
3. Description of Supplies or Services: VA requires commercial travel services to execute its mission. These services include travel arrangements for those individuals traveling on official business away from their normal duty location, employees traveling in conjunction with a PCS or relocation, non-employees such as interviewees performing pre-employment interview travel, and invitational travelers. VA's travel requirements also include authorized travel arrangements for those not covered under Federal Travel Regulation (FTR) Chapter 301 such as beneficiary patient travelers and their companion travelers. VA requires services of a contractor knowledgeable in the areas of Federal travel to perform authorizations, reservations, ticketing, fulfillment, and reporting and management, including commercial travel office or TMC services. The contractor must have the ability, knowledge, and skills in the areas of information technology, call center services, global distribution systems, government travel suppliers, the handling of personally identifiable information, the Privacy Act and Federal Travel Regulations. The total estimated value of the proposed action is \$2,057,846.69, inclusive of the option.
4. Statutory Authority: The statutory authority permitting other than full and open competition for this acquisition is 41 U.S.C. 3304(a)(5), "Authorized or Required by Statute," as implemented by FAR 6.302-5. For this action, 38 U.S.C. 8127(c), known as the Veterans First Contracting Program provides the authority to directly contract with a service-disabled Veteran-owned small business (SDVOSB).
5. Reason for Authority Cited: The proposed source for this action is Duluth Travel, Inc., 2860 Peachtree Industrial Boulevard, Suite 100, Duluth, Georgia, 30097, a certified SDVOSB. Duluth currently performs the same services for VA and has proven that it has the required capabilities to meet all of the Government's requirements. Duluth possesses a combination of the program management and travel regulation knowledge necessary to complete this project. The Government's technical experts have determined that Duluth is capable of meeting all of the Government's requirements and is considered a responsible SDVOSB.

Duluth is the current TMC contractor for VA and is the only source with the specific experience of providing VA with the supplemental travel services necessary for VA employees, Veterans, and dependents, through an ETS system. Duluth is the only contractor to possess a staff with the technical expertise to operate within ETS while providing travel services to VA. Any other SDVOSB would require approximately 4 months to potentially provide the aforementioned services. This would include the time associated with ramping up, transitioning traveler data, transferring existing tickets, and the learning curve required to understand and comply with VA travel policies.

6. Efforts to Obtain Competition: Market research was conducted and the details are contained in the market research section of this document. Consistent with the guidelines of the Veterans First Contracting Program, the proposed action described herein will be synopsized on the Federal Business Opportunities Page in accordance with FAR Part 5.
7. Actions to Increase Competition: FSC will be implementing a new travel system known as E-Government Travel Service 2 (ETS2). Once awarded under a fair opportunity process, ETS2 will be a web-based system, designed to provide end-to-end travel services for use by all VA activities for official Government travel. Implementation of ETS2 is expected to begin in June 2013, and end by September 2014. All future requirements will be transitioned to this system and are anticipated to be competed.
8. Market Research: Market research was conducted by searching the VetBiz.gov database on May 13, 2013. This search concluded that while other SDVOSBs may be able to acquire the necessary resources and training to provide travel services using ETS2, they do not possess the expertise for providing the specialized travel services required by VA. None of the other SDVOSBs possessed the technical knowledge necessary to use either an ETS system or the expertise to understand the specialized requirements of VA. The Government's technical experts have determined that Duluth is the only source technically capable of meeting the Government's requirements. Duluth is registered and certified and qualifies as an SDVOSB in accordance with the federal small business size standard for the applicable North American Industry Classification System code 561510. A search performed on July 23, 2013, showed that Duluth is registered in the System for Award Management and is eligible to receive a Government contract.
9. Other Facts: The Procuring Contracting Officer has determined that this procurement meets all the requirements of 38 U.S.C. 8127 (c). This acquisition is below the \$5,000,000.00 threshold, Duluth has been determined to be a responsible SDVOSB for performance of the services herein; and the proposed contract can be awarded at a fair and reasonable price.