

DEPARTMENT OF VETERANS AFFAIRS

Justification and Approval

For

Other Than Full and Open Competition

1. **Contracting Activity:** Department of Veterans Affairs, VISN 04, 00562 Medical Center
Purchase Request: 562-13-4-4036-0699; Appropriation is 562-3630152-4036-841100-2520
010041080.
2. **Nature and/or Description of the Action Being Processed:** The Erie VAMC needs to service the mail-processing machine in the pharmacy because it was not working. After a service call was placed and a Pitney Bowes technician arrived on site, it was determined that the machine needed a new part to function correctly.
3. **Description of Supplies/Services Required to Meet the Agency's Needs:** The Erie VAMC needs the a new part for the mail-processing machine. This is the Midjet Power Supply E-st.
4. **Statutory Authority Permitting Other than Full and Open Competition:**
 - (x) (1) Only One Responsible Source and No Other Supplies or Services Will Satisfy Agency Requirements per FAR 6.302-1;
 - () (2) Unusual and Compelling Urgency per FAR 6.302-2;
 - () (3) Industrial Mobilization, Engineering, Developmental or Research Capability or Expert Services per FAR 6.302-3;
 - () (4) International Agreement per FAR 6.302-4
 - () (5) Authorized or Required by Statute FAR 6.302-5;
 - () (6) National Security per FAR 6.302-6;
 - () (7) Public Interest per FAR 6.302-7;
5. **Demonstration that the Contractor's Unique Qualifications or Nature of the Acquisition Requires the Use of the Authority Cited Above (applicability of authority):**

Pitney Bowes is the only party authorized to work on a Pitney Bowes machine. This sole source justification will be posted to FedBizOpps for three days in order to determine if there are other interested vendors able to meet this requirement.
6. **Description of Efforts Made to ensure that offers are solicited from as many potential sources as deemed practicable:**

The original mail-processing machine was purchase competitively.

Pitney Bowes is the only party authorized to work on a Pitney Bowes machine. This sole source

justification will be posted to FedBizOpps for three days in order to determine if there are other interested vendors able to meet this requirement.

The price is fair and reasonable. Because this wasn't on contract, open market charges were incurred. Two invoices were received: one for the initial visit to determine the issue and one for the repair service visit.

Invoice 311052 for the repair of the equipment (\$916.16). (a) Two miles of travel charged at \$0.58 per mile (total \$1.16) GSA lists mileage charges for a POV at \$0.565 per mile. This price of \$1.16 is fair and reasonable. (b) Labor charge of two hours at \$150 per hour (total \$300). Pitney charges \$344 for two hours of labor, per their GSA schedule (GS-25F-0010M). This results in an hourly rate of \$172. Pitney charged \$150 an hour. Per FAR 8.404(d), GSA prices are determined to be fair and reasonable at the time of GSA contract award. This cost is fair and reasonable. (c) Travel charge of 001 hours @ \$150 per hour (total \$150). Pitney Bowes was contacted to discuss this cost. They stated that it is charged to all customers requiring service to a machine that is not under contract (see attachment from Pitney Bowes). This charge is fair and reasonable. (d) Midjet Power Supply (\$465). This part was needed to repair the machine. This was found online at the same price. This price is fair and reasonable. I recommend approving the invoice for \$916.16.

Invoice 319771 for the technician to determine the issue with the machine (\$450): Labor charge of three hours at \$150 per hour (total \$450). Pitney charges \$344 for two hours of labor, per their GSA schedule (GS-25F-0010M), which is the minimum amount charged for this type of service. This results in an hourly rate of \$172. Pitney charged \$150 an hour. Per FAR 8.404(d), GSA prices are determined to be fair and reasonable at the time of GSA contract award. This cost is fair and reasonable. I recommend approving this invoice for the full amount: \$450.

If this unauthorized commitment is approved, it will result in a task order against GSA contract GS-25F-0010M with Pitney Bowes.

7. **Description of the Market Research Conducted and the Results, or a Statement of the Reasons Market Research Was Not Conducted:** Aside from posting this justification on FedBizOpps, no other market research was completed.
8. **Any Other Facts Supporting the Use of Other than Full and Open Competition:** N/A.
9. **Listing of Sources that Expressed, in Writing, an Interest in the Acquisition:** None.
10. **A Statement of the Actions, if any, the Agency May Take to Remove or Overcome any Barriers to Competition before Making subsequent acquisitions for the supplies or services required:** None. The machines are competitively purchased, however, Pitney Bowes is the only party authorized to perform work on Pitney Bowes machines.
11. **Requirements Certification:** I certify that the requirement outlined in this justification is a Bona Fide Need of the Department of Veterans Affairs and that the supporting data under my cognizance,

Service Area Office, East
Department of Veterans Affairs
323 North Shore Drive, Suite 500
Pittsburgh, PA 15212

Memorandum 2011-003
March 16, 2011

which are included in the justification, are accurate and complete to the best of my knowledge and belief.

(This signature is the requestor's supervisor, fund control point official, chief of service, someone with responsibility and accountability)

Name:

Date

Title:

Facility: Erie VAMC Station 562

12. Approvals in accordance with FAR 6.304 *This part is filled out by Contracting Staff as part of the Justification*

- a. **Contracting Officer's Certification: (required)** I certify that the foregoing justification is accurate and complete to the best of my knowledge and belief.

Jennifer Callahan

Name: Jennifer Callahan

Title: Contracting Officer

Facility: Erie VAMC Station 562

12/9/2013

Date

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- b. **One Level above Contracting Officer:** I certify that the foregoing justification is accurate and complete to the best of my knowledge and belief.

Name
Title
Facility

Date

- c. **Network Quality Assurance/Compliance Review:** I certify that the foregoing justification is accurate and complete to the best of my knowledge and belief.

Name
Title
Facility

Date

- d. **NCM :** I certify the justification meets requirements for other than full and open competition.

Network Contract Manager
VISN 4

Date

- e. **SAO East:** I certify the justification meets requirements for other than full and open competition.

David Fitzgerald
Director
Service Area Office, East

Date

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Department of Veterans Affairs
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- f. **VHA HCA Review and Approval:** I have reviewed the foregoing justification and find it to be complete and accurate to the best of my knowledge and belief and recommend approval (over \$50 million), approve (up to \$ 50 million) for other than full and open competition.

Norbert Doyle
Head of Contracting Activity (HCA)
Veterans Health Administration

Date

- g. **VHA Senior Procurement Executive Approval (over \$50 million):** I have reviewed the foregoing justification and find it to be complete and accurate to the best of my knowledge and belief and approve for other than full and open competition.

Jan R. Frye
Deputy Assistant Secretary
Office of Acquisition and Logistics
Senior Procurement Executive (SPE)
Department of Veterans Affairs

Date