

JUSTIFICATION FOR CONTRACT TYPE

Project 537-17-140
Replace Failed Heat Exchangers
Jesse Brown VAMC, Chicago, Illinois

In accordance with FAR 16.1 and VAAR 816.1 the following findings are submitted:

This solicitation is for a firm fixed price construction contract which will be used by Facility Management Services at the Jesse Brown VAMC, Chicago, Illinois to replace failed heat exchangers. The IFB will be issued as a SDVOSB set-aside. There is no urgency of the requirement which could result in the VA assuming a greater proportion of the risk. The contract will have a two-hundred and sixty-two (262) calendar day performance period. Contractor responsibility will be determined in accordance to FAR 9 prior to awarding a contract for this solicitation.

DETERMINATION:

Based on the above findings and FAR 16.102 (b) which states contracts resulting from sealed bidding shall be firm-fixed price contracts, this solicitation shall be a firm-fixed price contract to best utilize the basic profit motive of business enterprise and is appropriate because the risk involved is minimal, or can be predicted with an acceptable degree of certainty. Therefore the contract type for Project 537-17-140 will be firm-fixed price.