

DEPARTMENT OF VETERANS AFFAIRS

JUSTIFICATION AND APPROVAL

FOR

OTHER THAN FULL AND OPEN COMPETITION

1. Contracting Activity: Department of Veterans Affairs, Veterans Health Administration Veterans Integrated Service Network 17 (VISN 17), Network Contract Office (NCO) 17, 7400 Merton Minter Blvd., San Antonio, TX 78229. (740-12-4-4030-0154)

2. Nature and/or Description of Action Being Processed: This is a request for other than full and open competition. The proposed action is for U.S. Postage, for the mailing and processing of official Government printed correspondences. NCO 17 intends to negotiate and award a purchase order on a sole source basis to Pitney Bowes, 300 Sontera Blvd. Ste 310 San Antonio, TX 78258. The action will result in a firm fixed price purchase order.

3. Description of Supplies/Services Required to Meet the Agency's Needs: Pitney Bowes shall receive funds for electronic postage services. Pitney Bowes will facilitate the funds transfer with the United States Postal Service. Funds will be deposited into an account number identified on the purchase order and designated meter locations. The funds will then be available for immediate disbursement to mailroom personnel. Pitney Bowes meters are proprietary to Pitney Bowes. Pitney Bowes is the only company that can facilitate the fund transfer. Period of performance for this order shall be 7/30/2012 – 9/30/2012.

The estimated cost for procurement is \$30,000.00.

4. Statutory Authority Permitting Other than Full and Open Competition: 41 USC §253(c) (1), as implemented by FAR 6.302.1

- ☐ (1) Only One Responsible Source and No Other Supplies or Services Will Satisfy Agency Requirements per FAR 6.302-1;
- ☒ (X) (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): This action is critical to the success of facilitating hospital postal operations. The TVBHCS receives mailing requests daily. The current account has been depleted and zero funds are left. Delaying award will have a critical impact on day to day business operations. Postage

is required for mailing scheduling and rescheduling of patient appointment reminders. In additions, patient medication that is not tracked by the pharmacy is mailed out daily. A delay in award will cause multiple interruptions to patient care. Furthermore, hospital daily operations will be negatively impacted. A delay in award of this contract will result in serious financial implications to the Government.

6. Description of Efforts made to ensure that offers are solicited from as many potential sources as deemed practicable: Due to the urgency of this requirement, a synopsis was not posted to fedbizopps. FAR 5.202 (a)(2) allows exceptions to the requirements of publicizing proposed contract actions due to unusual and compelling urgency circumstances.

7. Determination by the Contracting Officer that the Anticipated Cost to the Government will be Fair and Reasonable: In accordance with FAR 13.106-3 (a)(2)(iii), the contracting officer has the ability to determine pricing fair and reasonable based on current price lists, catalogs, or advertisements. Postage rates are posted publically and maintained by the United States Postal Service.

8. Description of the Market Research Conducted and the Results, or a Statement of the Reasons Market Research Was Not Conducted: Market research, in accordance with FAR Part 10, was conducted by soliciting inquiries from interested parties, and performing a query on GSA, FSS Contracts. On July 30, 2012, a search on VetBiz.gov database (<https://www.vetbiz.gov>) was performed utilizing North American Industry Classification System (NAICS) code 491110 and the key words "electronic postage". The results of this search found 3 SDVOSB vendors. As such, the Contracting Officer reviewed the websites for each SDVOSB and found that only E.C. Ruffolo, Inc. appeared to be capable of providing the item. The Contracting Officer spoke with Ms. Tina Ward at 11:47 a.m. to determine if Ruffolo Inc. could facilitate a transfer of funds to Pitney Bowes meters located at the TVCBHCS. Ms. Ward stated that Ruffolo Inc. has the capability of transferring funds; however, they could not facilitate a transfer for the meters located at the TVCBHCS. Furthermore, a research of www.fedbiz.gov and prior procurements awarded by other specialist in NCO 17 revealed that historically, this requirement has been awarded sole source to the OEM for the equipment.

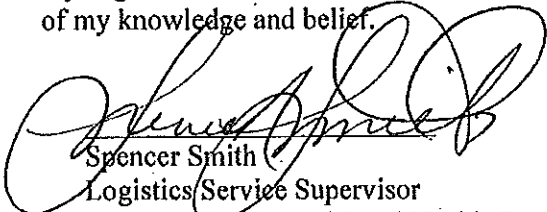
9. Any Other Facts Supporting the Use of Other than Full and Open Competition: Pitney Bowes is a mail-stream technology company assisting organizations worldwide with organizing and managing the flow of information, mail, documents and packages. Pitney Bowes Bank Inc. has proprietary meter-counters and associated software, users must have a USPS postage account license. The TVCBHCS presently owns the electronic postage devices that are metered by counters owned and maintained by Pitney Bowes Bank Inc. Due to the sensitivity and accounting of parcel processing through the US Postal Service, Pitney Bowes is the only authorized agent that can maintain and transfer funds to accommodate mail operations.

10. Listing of Sources that Expressed, in Writing, an Interest in the Acquisition: There are no other known sources but the proposed.

11. 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: There are no actions that can be taken at this time.

The major barrier to competition is the proprietary nature of Pitney Bowe's equipment. At this time, there are no other known sources that can facilitate fund transfers for Pitney Bowes mail meters.

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



Spencer Smith
Logistics Service Supervisor
Texas Valley Coastal Bend Health Care System

8/10/12
Date

13. Approvals in accordance with FAR 6.304


Approvals:

a. **CONTRACTING OFFICER'S CERTIFICATION (required):** I certify that the justification meets requirements for other than full and open competition. I certify that the foregoing justification is accurate and complete to the best of my knowledge and belief.


SHAUNDRICA M. CLOSE
Contracting Officer
Network Contracting Office (NCO) 17
Service Area Office (SAO)-West
U.S. Department of Veterans Affairs

8/10/12
DATE

b. **FIRST SUPERVISOR:** I certify that the justification meets requirements for other than full and open competition. I certify that the foregoing justification is accurate and complete to the best of my knowledge and belief.


CONTRACTING OFFICER'S SIGNATURE
MARY ACCOMANDO
Supervisor, NCO 17, SAO-W

8/16/12
DATE