

JUSTIFICATION FOR THE INCLUSION OF OPTION(S)

From: Contracting Officer
To: Level Above Contracting Officer
Via: Counsel

SUBJ: N40085-16-Q-9315 Building 291 Trailer Rentals

1. DESCRIPTION OF THE PROJECT:

The Mid-Atlantic Division, Naval Facilities Engineering Command proposes to incorporate three (3) options for solicitation N40085-16-Q-9315 for Building 291 Trailer Rentals. The intent of the base bid is to provide the following: Six (6), 24 feet wide by 60 feet long with eight (8) feet high ceiling, trailers. The contractor shall provide for the delivery, installation, maintenance and breakdown of all rentals. The base bid has a Period of Performance (POP) of 12 months with an option to extend the POP for units A, B, C, D, E for two (2) additional, three (3) month option periods; units F & G will have an option to extend for an additional 12 month option period. The place of performance is at Portsmouth Naval Shipyard, Kittery, Maine.

The solicitation is complete and ready for advertisement. Award of this project is anticipated for January 2016 and will be funded with FY 16 OM&N funds. The Government currently has funding in the amount of \$291,960.00 to fund the base bid. The options will not be exercised at time of award.

2. TYPE OF CONTRACT:

This requirement is a fixed price purchase order per FAR part 13.

3. OPTION(S) TO BE INCLUDED IN THE SOLICITATION:

Base Bid (line items 0001 through 0003): The Base Bid is for the rental, maintenance, delivery/installation and knockdown of the following: Six (6), 24 feet wide by 60 feet long with eight (8) feet high ceiling, trailers. The Government Estimate for the base bid is \$291,960.00 and contains a Period of Performance (POP) of 12 Months.

Option 1 (line item 1001): Extends the requirement for four (4), 24 feet wide by 60 feet long with eight (8) feet high ceiling, trailers by three (3) months. The estimated cost of this option is \$1,355.00 per month, for three (3) months, respectively. The total for this option is \$16,260.00.

Option 2 (line item 1002): Extends the requirement for four (4), 24 feet wide by 60 feet long with eight (8) feet high ceiling, trailers by three (3) months. The estimated cost of this option is \$1,355.00 per month, for three (3) months, respectively. The total for this option is \$16,260.00.

Option 3 (line item 1004): Extends the requirement for two (2), 24 feet wide by 60 feet long with eight (8) feet high ceiling, trailers by 12 months. The estimated cost of this option is \$1,355.00 per month, for 12 months, respectively. The total for this option is \$32,520.00.

The above option(s) may be exercised up to 15 days before the option expires provided that the Government gives the Contractor a preliminary written notice of its intent to extend at least 30 days before the contract expires. The preliminary notice does not commit the Government to an extension.

4. OPTION CLAUSES TO BE INCLUDED IN THE CONTRACT:

The following clauses are being incorporated into the subject purchase order.

52.217-5 - Evaluation of Options

52.217-8 – Option to Extend Services

52.217-9 – Option to Extend the Term of the Contract

5252.217-9301 – Option to Extend the Term of the Contract – Services (JUN 1994)

The solicitation will incorporate the provisions of FAR 52.217-5, Evaluation of Options (Jul 1990), and per NFAS 5252.217-9301 Option to Extend the Term of the Contract, the contract will also state that the Government has the unilateral right to award the Options at the bid prices for a term of two (2), three month option periods and one (1), twelve (12) month option period by written notice to the Contractor within the performance period specified in the Schedule; provided that the Government shall give the Contractor a preliminary written notice of its intent to extend before the contract expires. The preliminary notice does not commit the Government to an extension.

5. METHOD OF EVALUATION OF OPTION(S): The Government will evaluate price based on the total price. Total price consists of the basic requirements and all option items (CLINs 0001-0003 and 1001 through 1003). The Government intends to evaluate all options and has included the provision FAR 52.217-5, Evaluation of Options (JUL 1990). In accordance with FAR 52.217-5, evaluation of options will not obligate the Government to exercise the option(s).

6. JUSTIFICATION FOR OPTION(S): The Government is including the option for the following: two (2), three (3) month option periods for four (4) trailers and one (1), 12 month option period for two (2) of the 24 feet wide by 60 feet long with eight (8) feet high ceiling, trailers. The additional option periods will allow the Government the flexibility to provide continuity of effort and uninterrupted delivery of these required services, and to ensure that there is operational support without restriction of contracting practices to achieve the best value to the Government.

7. Based upon the foregoing, it is hereby recommended that approval be granted to include options, as delineated herein above into the subject solicitation.

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Date

Submitted by:

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Date

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