J&A Number: 13-087

JUSTIFICATION AND APPROVAL
FOR USE OF OTHER THAN FULL AND OPEN COMPETITION

1. Contracting Activity.

This is a sole source justification. The requiring activity is Fleet Logistics Center Jacksonville, Florida. Contracting activity is NAVSUP Fleet Logistic Center Jacksonville, 110 Yorktown Ave, Box 97, Jacksonville, Florida 32212-0097.

2. Nature/Description of the Action Being Approved.
This acquisition is conducted the authority of 41 U.S.C. 253 and 10 U.S.C. 2304. This Justification and Approval (J&A) authorizes and approves issuance of a specific task of executing the contract to Pitney Bowes. A contract award for a sole source contract to Pitney Bowes, Inc for maintenance agreement and rental of postage meter heads is requested for approval.

3. Description of Supplies/Services.
Maintenance agreement with Pitney Bowes, Inc for servicing twelve (12) postage meters located at various sites within the Southeast Region. This action also requires the rental of the postage meter heads, by law meter heads cannot be purchased; they have to be rented because they dispense postage. The term of the contract is 1 Oct 2013 through 30 Sep 2014 with two option years. **The estimated cost for the first year is $70,000 and $70,000 for each of the subsequent years for a total estimated cost of $210,000.**

4. Statutory Authority Permitting Other Than Full and Open Competition. 10 U.S.C. 2304 (c) (1), only one responsible source.

5. Rationale Justifying Use of Cited Statutory Authority.
This is a maintenance contract for Pitney Bowes equipment. Therefore, Pitney Bowes is the only company capable of and authorized to service this equipment because it was manufactured by Pitney Bowes. **Market research determined that no other provider, except the responsible source which was previously contracted for this requirement, possesses the ability to satisfy the agency requirements, as described in FAR 6.302-1.**

6. Description of Efforts Made to Solicit Offers from as Many Offerors as Practicable.
The United States Postal Service has identified Pitney Bowes INC, Halser INC and Neopost INC as the sole providers of postage metering equipment. The requiring activity owns Pitney Bowes equipment. A Lease versus Purchase Analysis revealed that purchasing the equipment costs less than leasing the equipment. However, there was not adequate funding to purchase new equipment and solicit competition amongst the three authorized providers. Therefore, the requiring activity only has enough funding for maintenance of the existing equipment. The existing equipment, owned by the Government, ranges from seven to ten years old.

The equipment that is owned by the Government and requires maintenance is:

Equipment that Requires Maintenance

Model	Serial	Description
Meridian		
DEB0	0021720	DM500 MAILING BASE
DHU0	0005084	DM500 SERIES HIGH SPEED
JB75	0016048	100 LB SCALE
SF50	0086515	SOFTGUARD FOR DM500
V309	3091698	PENT IV 2.8GHZ 512MB RAM
1E20	0007405	LASER REPORT PRINTER
Kingsville		
DEP0	0021720	DM500 SERIES BASE
DHF1	0007720	DM550 SERIES FEEDER
MP49	0004324	70/149 LB WEIGHING PLATFO
SF50	0089898	SOFTGUARD FOR DM1000
1E05	0002651	LASER REPORT PRINTER
Pensacola		
DW00	0010391	DM1000 WOW BASE
DW00	0010399	DM1000 WOW BASE
MP49	0016683	70/149 LB WEIGHING PLATFO
SF00	0119623	SOFTGUARD FOR DM1000
SF15	0092047	SOFTGUARD FOR DM100
U7PS	0020046	POWER STACKER FOR DM900
U7PS	0020048	POWER STACKER FOR DM900
Z585	0001170	LASER PRINTER
Z585	0001171	LASER PRINTER
Z6MA	0000491	SMA1 FOR BUSINESS MGR
Z601	6011506	BUSINESS MANAGER HOST PC
1D00	0119623	INTELLILINK SUBSCRIPTION
1M00	4291582	DM SERIES POSTAGE METER
Panama City		
DW00	0015319	DM1000 WOW BASE
JB75	0016507	100 LB SCALE
SF00	0149853	SOFTGUARD FOR DM1000
U7PS	0025041	POWER STACKER FOR DM900
V309	3091697	PENT IV 2.8GHZ 512MB RAM
1D00	0149853	INTELLILINK SUBSCRIPTION
Kings Bay		
DV00	0003588	DM900 SERIES WOW BASE
MP4R	0001325	GREEN 70/149 LB WEIGHING

SF90	0164999	SOFTGUARD FOR DM900
U7PS	0011284	POWER STACKER FOR DM900
1E05	0002675	LASER REPORT PRINTER
Key West		
DJB0	0015084	DM800I SERIES BASE
DJF0	0010124	DM800I SERIES FEEDER
DJW3	0008425	DM800I SERIES WOW MODULE
JB75	0016181	100 LB SCALE
SF80	0086558	SOFTGUARD FOR DM1000
Corpus Christi		
DJB0	0004227	DM800I SERIES BASE
DJF0	0003152	DM800I SERIES FEEDER
DJW1	0003320	DM800I SERIES WOW MODULE
DMPS	0001854	DM800I SERIES POWER STACK
MP49	0015907	70/149 LB WEIGHING PLATFO
SF80	0181545	SOFTGUARD FOR DM1000
Fort Worth		
DW00	0000978	DM1000 WOW BASE
MP49	0003616	70/149 LB WEIGHING PLATFO
SF00	0150305	SOFTGUARD FOR DM1000
Jacksonville		
DW00	0015313	DM1000 WOW BASE
JB75	0016177	100 LB SCALE
J693	0011657	PRINTER
T741	0003013	TRACKING ASSISTANT PLUS W
T741	0003141	TRACKING ASSISTANT PLUS W
U7PS	0025074	POWER STACKER FOR DM900
V309	3091702	PENT IV 2.8GHZ 512MB RAM
New Orleans		
DW00	0002203	DM1000 WOW BASE
MP49	0003657	70/149 LB WEIGHING PLATFO
SF00	104014	SOFTGUARD FOR DM1000
Gulfport		
DT01	0001091	DM800 210 WOW BASE
MP49	0003318	70/149 LB WEIGHING PLATFO
SF80	0122374	SOFTGUARD FOR DM1000
U7PS	0008586	POWER STACKER FOR DM900

Mayport		
U7PS	0025077	POWER STACKER FOR DM900
DW00	0015342	DM1000 WOW BASE
JB75	0016184	100 LB SCALE
SF00	0086552	SOFTGUARD FOR DM1000

The equipment that the Government will be renting is:

Equipment that will be rented

Model	Serial	Description
Meridian		
1A00	4633028	Intellink PSD
1D00	0086515	METER DM500-DM1100
Kingsville		
1A00	4346976	DM SERIES POSTAGE METER
Pensacola		
1M00	4291582	DM SERIES POSTAGE METER
1R00	2003089	CYGNUS X3 PSD, USA OMRS
Panama City		
1M00	4253166	DM SERIES POSTAGE METER
Kings Bay		
1R00	2000763	CYGNUS X3 PSD, USA OMRS
Key West		
1A00	4633020	DM SERIES POSTAGE METER
Corpus Christi		
1M00	4278586	DM SERIES POSTAGE METER
Fort Worth		
1M00	4256115	DM SERIES POSTAGE METER
Jacksonville		
1M00	4250788	DM SERIES POSTAGE METER
New Orleans		
1M00	4261525	DM SERIES POSTAGE METER
Gulfport		
1M00	8005444	DM SERIES POSTAGE METER
Mayport		
1A00	4633022	DM SERIES POSTAGE METER

Pitney Bowes is the only source capable of servicing the existing equipment. This is a sole source, no other offers will be solicited (see paragraph 5).

7. Determination of Fair and Reasonable Cost.
The cost of the current requirement was determined fair and reasonable by comparing the current requirement's cost to the cost of the previous requirement and the independent government estimate (IGE). The previous requirement, contract N68836-12-F-0402, was awarded through the GSA schedule. GSA has already determined the prices of supplies and fixed-price services, and rates for services offered at hourly rates, under schedule contracts to be fair and reasonable. The current cost is within 3% of both the previous requirement's cost and the (IGE). Therefore, the contracting officer determines that the price is considered fair and reasonable prior to award by comparing other another maintenance agreement for the same or similar equipment. In addition, the contracting officer may, also, seek additional discounts before placing the order.

8. Actions to Remove Barriers to Future Competition.
For the reasons set forth in Paragraph 5, Fleet Logistics Center Jacksonville has no plans at this time to compete future contracts for the type of supplies/services covered by this document. If another potential source emerges, Fleet Logistics Center Jacksonville will assess whether competition for future requirements is feasible.

9. CONTRACTING POINT OF CONTACT

The point of contact at NAVSUP Fleet Logistic Center Jacksonville, 100 Yorktown Ave, Box 97, Jacksonville, FL 32212-0097 is [redacted]