

JUSTIFICATION FOR OTHER THAN FULL AND OPEN COMPETITION

In accordance with FAR 6.302, the proposed contractual action is pursuant to the statutory authority of 41 U.S.C. 253(c)(1).

1. **Agency and Contracting Activity.** Bureau of Reclamation, Lower Colorado Region, Yuma Area Office (YAO)
2. **Nature/Description of Action.** The YAO requests to issue a FFP with Economic Price Adjustment contract on a sole source basis with Phoenix Pumps, Inc. of Phoenix, AZ; for the purchase of turbine pump and motor systems for the YAO operated wellfields
3. **Description of Supplies/Services.** This request is to establish an IDIQ contract with a five year duration and an estimated value of \$3,000,000.00 for the purchase of Floway brand replacement turbine pump and motor systems.
4. **Statutory Authority Permitting Other than Full and Open Competition.**

	Authority	FAR Coverage	Application
<input checked="" type="checkbox"/>	41 U.S.C. 253(c)(1)	FAR 6.302-1	Only one responsible source and no other supplies or services will satisfy agency requirements
<input type="checkbox"/>	41 U.S.C. 253(c)(2)	FAR 6.302-2	Unusual and compelling urgency
<input type="checkbox"/>	41 U.S.C. 253(c)(3)	FAR 6.302-3	Industrial mobilization; engineering, developmental or research capability; or expert services
<input type="checkbox"/>	41 U.S.C. 253(c)(4)	FAR 6.302-4	International Agreement
<input type="checkbox"/>	41 U.S.C. 253(c)(5)	FAR 6.302-5	Authorized or required by statute
<input type="checkbox"/>	41 U.S.C. 253(c)(6)	FAR 6.302-6	National Security
<input type="checkbox"/>	41 U.S.C. 253(c)(7)	FAR 6.302-7	Public Interest

5. Demonstration of Contractor's Unique Qualifications.

This request is for Floway vertical turbine pump and motor replacements. Several years ago, in YAO's attempt to meet procurement competition requirements, YAO acquired multiple brand name pumps. This method of procurement caused the YAO to carry multiple spare parts that became obsolete as pump manufacturers went out of business and parts would not interchange between brands. As all pumps manufactures have proprietary pump design systems that make it impossible for any two systems to be interchanged, YAO determined several years ago to standardize the well field pump systems. The decision to standardize was made due to costly down times and the inability to reduce the cost of stocking spare parts and training for the staff as every brand has unique operating features. The effects of the down time put the YAO at risk of not meeting mandated water delivery requirements as specified in the 1942 Treaty with Mexico and the water contracts the YAO has with water districts to control the groundwater level as directed by Congress. Several pump system manufacturers participated in the exercise and all pump systems were considered and evaluated to determine which pump system met the operating conditions criteria.

The Government determined that the Floway brand pump was the best pump system to efficiently operate in the unique aquifer conditions of the Yuma well fields. The Floway brand pumps was found to be the best option for handling the high ground water conditions and water mining with production wells. Floway also provides for unique features such as pre-lube and non-pre-lube pump installation which enabled the YAO to use one brand of pump to perform both pumping conditions. With the use of Floway brand turbine pumps it enables the YAO to prevent costly down time since the spare parts in stock can be used with the new replacement pump systems as well as existing installed pump systems. When a pump is down and no longer considered useful, some parts within that pump system are still operable and considered valuable. These parts are interchanged with other Floway pumps parts which help build additional pump systems saving the YAO hundreds of thousands of dollars. It also allowed the YAO maintenance staff to swap internal parts of existing pump systems to adapt with the changing ground water conditions.

The standardization of the pump systems has resulted in significant cost savings to the Government in maintenance and personnel costs. The standardization has averaged an annual costs savings of \$500,000. This savings has been attributed to lowering the number of different brand name spare parts needed to be maintained and enabled the YAO to reduce the full time equivalency (FTE) maintenance staff by 3.

Standardizing the well field has enabled YAO maintenance staff to increase pumping for water delivery and ground water management due to less down time and interchanging parts allowed better pump efficiency. If another pump brand is purchased, it would put YAO into the same problem as dealt with in the past and existing stocked spare parts would become obsolete. It would increase down time due to the lead time of materials can range from 3 to 4 months. YAO production wells use Floway brand products in their

operation and an inventory of Floway pumps and motors are maintained for standardization and operational consistency. To maintain a standardized inventory and operational reliability, additional Floway brand pumps and motors are required to replace parts that are inoperable in the wells. Purchasing Floway pumps achieves reduced inventory costs, production down time and increased efficiency.

The unique aquifer conditions of the Yuma well fields and operation and maintenance requirements remain the same.

Phoenix Pumps, Inc. is the only authorized representative for Weir Minerals North America, manufacturer of Floway Pumps, to process orders for Arizona.

6. Description of efforts made to maximize competition.

Pursuant to FAR 5.101(a), a synopsis notice of the contract action was posted on the FedBizOps website on March 28, 2012, with a response date of April 11, 2012. No inquiries were received from interested vendors in response to the synopsis notice.

7. Determination of Fair and Reasonable Cost.

The estimated unit prices for each pump are based on previous purchases (Contract Nos. R11PC34094 & R11PC34239) for similar items, but price may be lower or higher due to the fluctuation of material costs. Pricing will be evaluated on each delivery order.

8. Description of Market Research Conducted.

See paragraph 5 above.

9. Any Other Supporting Facts.

With the use of Floway brand turbine pumps it enables the YAO to prevent costly down time since the spare parts in stock can be used with the new replacement pump systems as well as existing installed pump systems. When a pump is down and no longer considered useful, some parts within that pump system are still operable and considered valuable. These parts are interchanged with other Floway pumps parts which help build additional pump systems saving the YAO hundreds of thousands of dollars. The standardization of the pump systems has resulted in significant cost savings to the Government in maintenance and personnel costs. The standardization has averaged an annual costs savings of \$500,000. This savings has been attributed to lowering the number of different brand name spare parts needed to be maintained and enabled the YAO to reduce the full time equivalency (FTE) maintenance staff by 3.

10. Listing of Interested Sources.

No sources expressed an interest in the acquisition as a result of the synopsis notice posted in FedBizOps.

11. Actions Taken to Remove Barriers to Competition.

See paragraphs 5, 6 and 10 above.

Requirements or Technical Personnel Certification: I certify that the information contained in and attached (if applicable) to this justification is accurate and complete to the best of my knowledge.



Title and Signature

6-4-12

Date