

# DFARS Procedures, Guidance, and Information

## PGI 216—Types of Contracts

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(Revised March 30, 2012)

### PGI 216.5--INDEFINITE-DELIVERY CONTRACTS

#### PGI 216.505-70 Orders under multiple award contracts.

(1) *Exception to the fair opportunity process at FAR 16.505(b)(2)(ii) – This exception applies when only one awardee is capable of providing the supplies or services required at the level of quality required because the supplies or services ordered are unique or highly specialized.*

(i) Use of this exception should be rare. Its use is appropriate when—

(A) No other contractor is capable of providing a supply or service of a comparable nature; and

(B) No other type of supplies or services will satisfy agency requirements.

(ii) When using this exception, explain—

(A) What is unique or highly specialized about the supply or service; and

(B) Why only the specified contractor can meet the requirement.

(2) *Exception to the fair opportunity process at FAR 16.505(b)(2)(iii) – This exception applies when the order must be issued on a sole source basis in the interest of economy and efficiency because it is a logical follow-on to an order already under the contract, provided that all awardees were given a fair opportunity to be considered for the original order.*

(i) A follow-on order is a new procurement placed with a particular contractor to continue or augment a specific program or service. When using this exception, the justification should discuss why the specific requirement continues and why it is to the benefit of the Government for the particular contractor to continue this work (see FAR 16.505(b)(4)). Examples include--

(A) Award to any other source would likely result in substantial duplication of cost to the Government that is not expected to be recovered through competition;

(B) Award of the order to a different source would cause unacceptable delays in fulfilling the Government's requirements (lack of advance planning is not valid rationale); or

(C) A contractor is already at work on a site, and it would not be practical to allow another contractor to work on the same site.

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(ii) When using this exception—

(A) Specify how recent the previous competitive order was and the number of times this exception has been used;

(B) Discuss why the specific requirement continues; and

(C) Discuss why it would be of benefit to the Government for the specified contractor to continue this work.