



AUG 29 2017

GSA Office of Governmentwide Policy

MEMORANDUM FOR ALL GSA CONTRACTING ACTIVITIES AND HEADS OF CONTRACTING ACTIVITY

FROM: JEFFREY A. KOSES *Jeffrey A. Koses*
SENIOR PROCUREMENT EXECUTIVE
OFFICE OF ACQUISITION POLICY (MV)

SUBJECT: Relief Efforts for Hurricane Harvey

1. Purpose.

In the wake of Hurricane Harvey, many GSA contracting officers may be called on to aid in response and/or recovery efforts.

The following information is provided to assist the Heads of Contracting Activities (HCAs) and contracting officers actively responding in providing relief efforts to Hurricane Harvey. This includes information in regard to providing adequate staffing, acquisition flexibilities available for contract and leases to address the emergency, procurement requirements, Federal Procurement Data System (FPDS) reporting requirements, and existing procurement vehicles available.

2. Contract and Lease Flexibilities.

Hurricane Harvey has been declared a major disaster by the President (see DR-4332 on the [FEMA Disaster Declarations](#) webpage), and therefore, meets the legal definition of "emergency" in accordance with GSA's FAR Class Deviation - Exercise of Special Emergency Procurement Authorities (see Acquisition Letter MV-17-03). As a result, the emergency acquisition flexibilities listed in [FAR Subpart 18.2](#) are available for use along with the existing acquisition flexibilities enumerated in [FAR Subpart 18.1](#). This memorandum focuses on the flexibilities in [FAR Subpart 18.2](#), but as a reminder, the flexibilities in [FAR Subpart 18.1](#) apply to any emergency situation, both with and without a major disaster declaration.

For direct purposes of the response:

- the micropurchase threshold is increased to \$20,000 for any contract to be awarded and performed, or purchase to be made in support of the designated areas. The Davis-Bacon and Service Contract Act (SCA) thresholds are not changed.
- The simplified acquisition threshold (SAT) is increased to \$750,000, or \$13,000,000 for commercial items, for any contract to be awarded and performed, or purchased in support of the designated areas, including the acquisition of leasehold interests in real property.

- The additional flexibilities of FAR Subpart 18.2 cannot be used for any other acquisition, including depot back-fills. The threshold increases are specific only to support the designated areas. We expect the major disaster area to be revised as the storm moves along the Gulf Coast and as the rains continue. As the geographic area of the Presidential declaration is revised (see DR-4332 on the [FEMA Disaster Declarations](#) webpage), the geographic area applicable to the threshold increases in this memorandum is simultaneously revised without the need for a revision to this memorandum.

The threshold increases will remain in effect until December 31, 2017, unless otherwise rescinded, modified or extended.

3. Procurement Requirements.

In our response efforts, market research is always important. Contracting officers should note the following:

Because the President's major disaster declaration is under the Robert T. Stafford Disaster Relief and Emergency Assistance Act (41 U.S.C 5121, *et seq.*), Contracting Officers are required to give preference to local firms in the disaster area as discussed in FAR Subpart 26.2. The easiest way to do this is through local area set-asides. Contracting officers should also first consider small business local area set-asides when feasible. In addition,

- Use pre-positioned or pre-existing contracts first, such as BPAs, schedule contracts, or IDIQs
- Utilize local firms to the maximum extent practicable in response to major disaster or emergency declarations per [FAR Subpart 26.2](#)
- Often, you'll find that local firms are better situated to support recovery efforts
- Limit competition when needed

When competition is limited, the most applicable exception will normally be FAR 6.302-2 Urgent and Compelling. Under the urgent and compelling exception:

- You do not need to submit a synopsis if the delay would seriously injure our efforts.
- You do need to go to the maximum competition practicable. Often, you can do that by phoning a reasonable number of sources and asking for quotes and delivery time, on the spot.
- Justifications and approvals may take place after award, if they would unreasonably delay the acquisition.
- If you employ this flexibility, make sure you have a tracking system so you are assured that the appropriate documentation is completed and the decisions and reasons are clearly explained. It is recommended that notes be kept as you go along and complete all documentation within 1-week of the event.

- For all contracts awarded under this authority, keep the period of performance brief. Contracts of this type should not go any longer than necessary to respond to the emergency and allow for a re-compete.

4. FPDS Reporting.

GSA added a new National Interest Action (NIA) to the NIA field in FPDS as a means of tracking acquisition costs of the multiple Federal agencies involved in Hurricane Harvey, an incident of great national interest. This new NIA Code shall be used strictly for reporting purposes related to Hurricane Harvey and involves the exercise of the emergency authorities identified in FAR Subpart 18.2, Emergency Acquisition Flexibilities. FPDS system details for this NIA follow:

- Code: H17H
- Description: Hurricane Harvey 2017
- Start date: 08/28/2017

If you have any FPDS system questions or problems, please contact our supporting Federal Service Desk at <https://www.fsd.gov>.

5. Adequate Staffing.

HCA's in each affected region, working in conjunction with Regional Emergency Coordinators (RECs), are in the best position to activate its emergency response coordination process to respond effectively to regional emergency needs. [Acquisition Letter MV-11-07, Emergency Warrant Authority](#), lists tools available to the HCA's to ensure there is adequate, warranted contracting support. GSA has talented contracting officers across the country capable of lending needed support.

6. Existing Procurement Vehicles.

Several existing contract vehicles are specifically designed to address emergencies and should be considered first.

- Check to see if the required services and supplies are available under [GSA's Disaster Relief and Emergency Preparedness Schedules on GSA Advantage](#).
- Consult the [Disaster Response Registry](#) via SAM Advanced Search for the availability of contractors for debris removal, distribution of supplies, relief services and other actions (see FAR 18.102).
- If these sources do not meet the need, consider other existing contract vehicles before soliciting new contracts.

7. Point of Contact.

Any questions regarding this memo should be directed to Kevin Funk, General Services Acquisition Policy Division, at (202) 357-5805, or via email to kevin.funk@gsa.gov.

8. Additional Resources.

- [Acquisition Portal Emergency Acquisitions Website](#)
- [Office of Federal Procurement Policy \(OFPP\) Emergency Acquisition Guidance](#)
- [GSA Emergency Response Website](#)
- [Disaster Declarations \(FEMA\)](#)
- [Storm Tracking \(NOAA - National Hurricane Center\)](#)