

JOFOC for Hotel Accommodations in Support of Presidential and VIP Travel

**JUSTIFICATION AND APPROVAL
FOR OTHER THAN FULL AND OPEN COMPETITION, PRICE JUSTIFICATION
(JOFOC)**

**ACQUISITION OF HOTEL ACCOMMODATIONS IN SUPPORT OF PRESIDENTIAL
AND VIP TRAVEL**

1. I recommend that the Department of State use other than full and open competition for the acquisition of hotel rooms for this VIP visit. The estimated cost is **\$640,179.10 USD** (1,126,715,220 COP)

2. Nature and/or description of the action being approved.

- Presidential Visit
- Vice-Presidential Visit
- Other: *Visit by the Secretary of State, different Cabinet Members (TBC) and many Codels.*

3. A description of the supplies or services required to meet the agency's needs.

Lodging services for 258 rooms for 1,877 room nights and rental of two (2) conference rooms for 20 days at the Hilton Hotel (Avenida Almirante Brion, El Laguito).

4. An identification of the statutory authority permitting other than full and open competition.

41 U.S.C. 253 (c) (2), FAR 6.302-2; Unusual and Compelling Urgency; (Based on the available time and urgency of the requirement as detailed below)

Security concerns prohibit sufficient advanced notification of VIP travel to allow for sufficient time to conduct full and open competition. The Department of State Presidential Travel Office can only communicate with the staff at Posts abroad when authorization is given from the White House and the National Security Council. They have an extremely short turnaround time when authorization has been granted for negotiations to commence and site selections to be finalized with both the local vendors and Posts before the actual Presidential visit occurs. The White House security and logistical teams make determinations during the site survey as to which hotels are most suitable for the President and his traveling staff to remain overnight. Obvious consideration of the President and his Cabinet's location are taken into consideration as a determining factor.

The types of events, meetings, locations and availability of venues to support the U. S. President and his delegation are often times designated by the host countries. In this case,

the proximity of the support staff to the President is crucial and often requires PTS to react quickly to accommodate.

Unique requirements for communications and audiovisual support made by the White House Communications Agency under severe time limitations are always a determining factor in the selection process of vendors.

Many of the arrangements for hotel and transportation are often not confirmed until just before the actual visit. In addition, to supporting a large delegation within a short time frame, last minute and frequent changes of itineraries for supporting personnel often result in significant changes in how Posts work with the vendors. With the exception of few trips, contracts are not permitted to be signed until the Presidential Travel office has written confirmation from all White House supporting agencies, which enables collection of funds from said agencies in the event of cancellation. This results in an unusual and compelling urgency in accordance with 41 U.S.C. 253 (c) (2), FAR 6.302-2

Other hotels that we will be contracting with here:

- ***Caribe Hotel***
- ***Charleston Santa Teresa Hotel***
- ***Santa Clara Hotel***
- ***Holiday Inn Hotel***
- ***Las Americas Hotel (Casa de Playa/Torre del Mar)***
- ***Urban Royal Hotel***
- ***Casa del Arzobispado Hotel***
- ***Sonesta Hotel***
- ***Armeria Hotel***
- ***Oceania Hotel***
- ***Dann Las Velas Hotel***
- ***Las Carretas Hotel***

These unique Presidential travel requirements result in only a single or a very limited number of responsible sources with no other supplies or services capable of satisfying agency requirement in accordance with 41 U.S.C. 253 (c) (2), Far 6.302-2.

5. A demonstration that the proposed contractor's unique qualifications or the nature of the acquisition requires use of the authority cited.

Security and logistics are the Department of State's primary considerations when procuring hotel rooms. The Department of State must be able to provide a safe and secure environment for VIP visitors. Frequently VIP visits are not announced or confirmed in sufficient time to conduct a competition, creating an urgent and compelling need. At other times, the security requirements and/or requirements of the host country government limit the acquisition to one or a small number of predetermined hotels.

[] The VIP visit information was not available in sufficient time thereby creating an urgent and compelling need.

[X] The host country government requires the use of this/these hotel(s).

[X] The proposed contractor has the following unique qualifications which meet the Department of State's security and logistical requirements.

- [X] Set-back (hotel is safe distance from the street)
- [X] Location (able to secure building, travel route; distance to and from event)
- [X] Size and number of rooms (able to house everyone in one hotel)
- [X] Conference facilities (adequate space for meetings, press conferences)
- [X] Communications (able to install equipment/lines, command center)
- [X] Accommodating to security needs (hotel will allow DOS to occupy the desired top two floors of the hotel)

6. A description of efforts made to ensure that offers are solicited from as many potential sources as is practicable.

Due to urgency and exception in FAR 25.401(a)(5) this solicitation cannot be posted but the JOFOC will be published in FedBizOpps.

The following other hotels were reviewed but were not adequate because of the following:

- *The Almirante, Playa Manzanillo, Casa Claver, Cartagena de Indias, La Merced and Agua hotels were previously reserved by the Host Government*
- *Other hotels are not approved by the Regional Security Office*

7. A determination by the Contracting Officer that the anticipated cost to the Government will be fair and reasonable.

8. Any other facts supporting the use of other than full and open competition.

The VI Summit of the Americas will take place in Cartagena, Colombia between April 13th – 15th, 2012. The Colombian Government is expecting the attendance of more than 8,000 people including 34 Heads of State, International Organizations and Civil Society representatives from all around the region. POTUS will head the U.S. delegation, which is slated to include the Secretary of State, several other Cabinet members, and at least one CODEL. Embassy Bogota's efforts to obtain a sufficient number of hotel rooms in Cartagena have been constrained by both the city's limited hotel capacity and the RSO's strict security requirements. In total, Cartagena's hotels have a capacity of about 5,000 rooms, and most of these located in small boutique hotels consisting of 10 rooms each. Security is also a major concern. The RSO approved hotel list contains 27 hotels throughout the city, thus greatly reducing the pool of potential options. However, the Embassy was able to secure 1,046 rooms in 14 different RSO approved and well located hotels. Embassy Bogota was able to secure a

total of 258 rooms and 2 conference rooms at the Hilton Hotel, including the newly renovated Presidential Suite and all of their parking spaces. Unfortunately, the hotel is undergoing a renovation and the remainder of the rooms will not be available by mid-April. This hotel has worked closely with the Embassy for over 10 years, has hosted two POTUS visits and has the experience to support such a high-level delegation.

9. A listing of sources, if any, that expressed, in writing, an interest in the acquisition. *None*

10. A statement of the actions, if any, the agency may take to remove or overcome any barriers to competition before any subsequent acquisition for the supplies or services required. *None*

CERTIFICATIONS

I certify that the information in this justification is accurate and complete to the best of my knowledge and belief as the Director of Presidential/Vice Presidential Travel Support Staff.

Date:

Jeanne F. Bull
Director
Presidential Travel Support
A/PTS

I certify that this justification is accurate and complete to the best of my knowledge and belief. Based on my assessment, I conclude that other than full and open competition is justified and the proposed price is fair and reasonable.

Date:

Contracting Officer

(If over \$650,000 add)

As the Competition Advocate at post, I approve this justification:

Date:

John Olson, Management Officer

Determination of Price Reasonableness

Hotel prices must be determined to be fair and reasonable, and contract files must contain this price justification. Exhibit 10-4, Determination of Price Reasonableness for Hotel Accommodations, is offered as a method of quickly documenting price reasonableness by using a price comparison technique. However, specific cost data utilized to determine the cost is fair and reasonable must be inserted, simply checking a block(s) is insufficient. Check the appropriate block(s), insert the specific cost data and note any additional information (i.e. the applicable per diem rate if being used for comparison), sign and retain in the contract file.

DETERMINATION OF FAIR AND REASONABLE PRICING FOR HOTEL ACCOMMODATIONS

Contracting Officers must determine that the proposed prices for hotels and conference accommodations are fair and reasonable. A fair and reasonable price is one that a prudent and competent buyer would be willing to pay considering market conditions such as supply and demand, competition, and general economic conditions.

The price of the hotel accommodations are considered fair and reasonable based on the following price analysis

Comparison with Other Hotel Room Rates: I reviewed the rates of comparable hotels and/or conference accommodations and these rates are reasonable in comparison.

Comparison with Market Prices: I compared the present accommodation rates to the rates this hotel charged in the past competitive environment and found them to be within the competitive range of other comparable hotels (see list below):

Vendor	Room Rate USD\$
Hilton (selected vendor)	\$320.00
Santa Clara	\$389.00
Santa Teresa	\$368.00
Las Americas	\$330.00

Per Diem Comparison: The hotel room rates are reasonable based on comparison with the approved per diem rates for this country.

Compensation for Security Accommodations: The hotel included additional expenses for security needs. Security personnel concur that these measures are necessary and reasonable. These charges are similar to those encountered for other VIP visits.

Restricted Competition: The hotel prices are higher than normal market due to the restricted competition created by unique security needs.

Comparison with Government Estimate: The proposed hotel and conference rates are reasonable based on comparison and analysis of the a government estimate by the office of Presidential Travel Support (A/EX/PTS).

Carolyn A. Hightower
Contracting Officer Name

Signature

Date