SOLE SOURCE PROCUREMENT INSTRUCTIONS

It is the policy of the Commonwealth of Virginia and the IALR that contracts be awarded on a competitive basis and that the use of a sole source procurement must be limited to those instances where only one source is practically available.

Sole source requests must contain a <u>memorandum</u> from the requisitioning department head that addresses in a direct and concise manner the following four points (by number and in order):

RE: DMG

- 1. Explain why this is the only product or service that can meet the needs of the requisitioner.
 - a. This is the only machine that meets the horsepower/torque requirements needed for performing subtractive processes on additive components with in the budget requirements.
- 2. Explain why this vendor is the only practicably available source from which to obtain this product or service.
 - a. DMG MORI is the only distributor of DMG equipment for this region.
- 3. Explain why the price is considered reasonable.
 - a. The final price is being heavily discounted with an extended warranty.
- 4. Describe the efforts that were made to conduct a noncompetitive negotiation to get the best possible price.
 - a. DMG Mori is providing a machine with heavy discounts and given IALR preference at the factory to reduce lead times.

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Title: CNC Technologist

Date: 3/7/2023

Telly Tucker, President

Date

The memorandum must be attached to the requisition before the requisition is approved. The memorandum must stay with the procurement file.

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