

Sole Source Procurement Instructions

Department: Treasurer's Office

Date: October 4, 2016

Vendor: Meyercord Revenue

Product/Service: Cigarette Stamps

It is the policy of the City of Harrisonburg that contracts/products 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 practicably available. Per Virginia Code 2.2-4303 and 2.2-4360, the sole source document must be posted online for a minimum of ten (10) days before purchasing the product/service.

1. Explain why this is the only product or service that can meet the needs of the department making the purchase.

Cigarette stamps are sold for the purpose of taxation on all packs of cigarettes sold in the City of Harrisonburg. These stamps must be on rolls and designed to be applied through a heat-sealing process. There is no alternative.

2. Explain why this vendor is the only practicably available source from which to obtain this product or service.

After extensive research through asking other treasurers throughout the state, and from online searching, I could find no other business that manufactures tax stamps for resale to cigarette vendors that are configured for our customers' application.

3. Explain why the price is considered reasonable.

Each roll of stamps costs us \$72.30. They are re-sold for \$4,350.00. They do not take much manpower to process as well.

4. Describe the efforts that were made to conduct a noncompetitive negotiation to get the best possible price for the taxpayers.

There is no negotiated price. However, we do take advantage of higher volume discounts.

Please attach this form to the Requisition and forward to Purchasing.

Signature: _____



Date: 10/4/16