



Department of Property & Procurement

Government of the United States Virgin Islands

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Senate Committee on Government Services, Consumer and Veterans Affairs

Testimony on Bill No. 31-0365

GOOD MORNING HONORABLE SENATOR JUSTIN HARRIGAN SR., CHAIRMAN, HONORABLE SENATORS MYRON D. JACKSON, JANETTE MILLIN YOUNG, SAMUEL SANES, NEVILLE JAMES, TERRENCE NELSON, MARVIN BLYDEN, TREGENZA A. ROACH AND FELLOW TESTIFIERS. GOOD MORNING ALSO TO THE LISTENING AND VIEWING MEMBERS OF OUR COMMUNITY. I AM TIMOTHY L. LAKE, ASST. COMMISSIONER OF THE DEPARTMENT OF PROPERTY AND PROCUREMENT ON BEHALF RANDOLPH N. BENNETT, COMMISSIONER, I AM READING THE FOLLOWING TESTIMONY INTO THE RECORD.

I'D LIKE TO THANK THE COMMITTEE ON GOVERNMENT SERVICES, CONSUMER AND VETERANS AFFAIRS FOR AFFORDING ME THE OPPORTUNITY TO DISCUSS BILL NO. 31-0365. ADDITIONALLY, THANK YOU SENATOR CLIFFORD GRAHAM FOR PROPOSING THIS BILL.

WITH REGARDS TO THE MULTI-YEAR CONTRACT, IT IS A CONTRACT THAT PROVIDES FOR A SPECIAL CONTRACTING METHOD TO ACQUIRE KNOWN REQUIREMENTS IN QUANTITIES AND TOTAL COST NOT OVER PLANNED REQUIREMENTS FOR UP TO 3 YEARS UNLESS OTHERWISE AUTHORIZED BY

STATUTE, EVEN THOUGH THE TOTAL FUNDS ULTIMATELY TO BE OBLIGATED MAY NOT BE AVAILABLE AT THE TIME OF CONTRACT AWARD.

THE MULTI-YEAR CONTRACTING PROCESS AFFORDS FOR THE FLEXIBILITY TO CONTRACT A WIDE RANGE OF ACQUISITIONS. THE EXTENT TO WHICH CANCELLATION TERMS ARE USED IN MULTI-YEAR CONTRACTS WILL DEPEND ON THE UNIQUE CIRCUMSTANCES OF EACH CONTRACT. THE DEPARTMENT OF PROPERTY AND PROCUREMENT SUPPORTS THIS METHOD OF CONTRACTING AND ENCOURAGES THAT THE LEGISLATION INCLUDES THE TERMINATION FOR CONVENIENCE PROCEDURE THAT MAY APPLY TO ANY GOVERNMENT CONTRACT. AS CONTRASTED WITH CANCELLATION, TERMINATION CAN BE EFFECTED AT ANY TIME DURING THE LIFE OF THE CONTRACT (CANCELLATION IS EFFECTED BETWEEN FISCAL YEARS) AND CAN BE FOR THE TOTAL QUANTITY OR PARTIAL QUANTITY (WHERE AS CANCELLATION MUST BE FOR ALL SUBSEQUENT FISCAL YEARS' QUANTITIES). THIS CONCLUDES MY TESTIMONY.