

Attachment 1: Request for Limited Sources Memo Format

**LIMITED SOURCES JUSTIFICATION**

**ORDER >\$3,000**

**FAR PART 8.405-6**

**2237 Transaction # or Vista Equipment Transaction #s:** 678-14-1-620-0020  
644-14-1-260-0007

This acquisition is conducted under the authority of the Multiple Award Schedule Program. The material or service listed in par. 3 below is **limited sole source**, therefore, consideration of the number of contractors required by FAR Subpart 8.4 – Federal Supply Schedules, is precluded for the reasons indicated below.

**Restricted to the following source:** Provide original manufacturer's name for material or contractor's name for service. (If a sole source manufacturer distributes via dealers, ALSO provide dealer information.)

**Manufacturer/Contractor:** Omnicell, Inc.  
**Manufacturer/Contractor POC & phone number:** Pat Erwin, 847-596-3441  
**Mfgr/Contractor Address:** 3661 Bur Wood Drive, Waukegan, IL 60085  
**Dealer/Rep address/phone number:** pate@omnicell.com

☒ The requested material or service represents the minimum requirements of the Government.

**(1) AGENCY AND CONTRACTING ACTIVITY:** Department of Veterans Affairs  
Network Contracting Office (NCO) 18  
Southern Arizona VA Health Care System (SAVAHCS)

**VISN:** 18

**(2) NATURE AND/OR DESCRIPTION OF ACTION BEING APPROVED:**

The NCO 18 Contracting Office proposes a sole source, firm-fixed price contract with Omnicell, Inc. which is the original equipment manufacturer (OEM), and sole firm (See Attachment 1) that is capable of servicing, repairing, and supplying replacement parts for various Omnicell instruments including, but not limited to: drug dispensing cabinets, ANCT Anesthesia Workstations, and OmniTT color touch displays. The contract will be base plus four (4) option years, exercised annually on the need of the customer and availability of funds.

**(3)**

**(a) A DESCRIPTION OF THE SUPPLIES OR SERVICES REQUIRED TO MEET THE AGENCY'S NEED:** This procurement is for the provision of preventative maintenance service on various Omnicell instruments (as identified in paragraph 2) currently in use throughout VISN 18 Medical facilities and Community Based Outpatient Clinics (CBOCs). The units require ongoing maintenance service and support in order to ensure that they remain fully functional and can continue to be used for their intended purposes. The use of these multiple pieces of equipment directly affects patient care.

(b) **ESTIMATED DOLLAR VALUE:** Funding will be varied based on facility requirements. Reviews and processes will be based on dollar value of individual task orders. No task order at any of the facilities is expected to exceed \$500,000.00

(c) **REQUIRED DELIVERY DATE:** October 1, 2013 (Requirement is needed annually)

**(4) IDENTIFICATION OF THE JUSTIFICATION RATIONALE (SEE FAR 8.405-6), AND IF APPLICABLE, A DEMONSTRATION OF THE PROPOSED CONTRACTOR'S UNIQUE QUALIFICATIONS TO PROVIDE THE REQUIRED SUPPLY OR SERVICE. (CHECK ALL THAT APPLY AND COMPLETE)**

☒ **Specific characteristics of the material or service that limit the availability to a sole source (unique features, function of the item, etc.). Describe in detail why only this suggested source can furnish the requirements to the exclusion of other sources.**

Omnicell, Inc. is the original equipment manufacturer (OEM), and sole proprietary firm which is capable of servicing, repairing, and supplying replacement parts for the Omnicell equipment utilized by VISN 18 Medical facilities. Omnicell, Inc. has provided a written statement (See Attachment 1) confirming that they are the only source certified to perform any maintenance or repair on their equipment and all equipment servicing must be performed by OEM certified/trained personnel.

☐ **A patent, copyright or proprietary data limits competition. The proprietary data is: (If FAR 8.405-6(a)(2)iii before posting. Do not include specific proprietary data. Only mention the type of equipment, procedure, etc. to show that proprietary supplies or services are being procured.)**

---

☒ **These are "direct replacements" parts/components for existing equipment.**

Direct replacement parts may be required in performance of this work and Omnicell, Inc. is the only source that can provide any required OEM type maintenance, repairs, or parts.

☒ **The material/service must be compatible in all aspects (form, fit and function) with existing systems presently installed/performing. Describe the equipment/function you have now and how the new item/service must coordinate, connect, or interface with the existing system.**

All services performed to meet the standards of the OEM must be performed by certified technicians that have been specifically trained by the manufacturer. Each medical facility that uses Omnicell instruments has invested millions in the purchase of this equipment and the need for highly skilled, trained technicians is a must to ensure that the equipment remains functional to meet the demands of the patient care.

☒ **The new work is a logical follow-on to an original Federal Supply Schedule order provided that the original order was placed in accordance with the applicable Federal Supply Schedule ordering procedures. The original order must not have been previously issued under sole source or limited source procedures.**

The services are available through Veterans Administrations National Acquisition Centers (NAC) V797D-30111.

☐ **An urgent and compelling need exists, and following the ordering procedures would result in unacceptable delays.**

---

---

**(5) DESCRIBE WHY YOU BELIEVE THE ORDER REPRESENTS THE BEST VALUE CONSISTENT WITH FAR 8.4 TO AID THE CONTRACTING OFFICER IN MAKING THIS BEST VALUE DETERMINATION:**

Since this procurement will be awarded as a task order against an existing General Services Administration (GSA) contract, the anticipated cost is considered to be fair and reasonable in accordance with (IAW) Federal Acquisition Regulation (FAR) Part 8.404(d). FAR 8.404(d) states that the "GSA has already determined the prices of supplies and fixed-price services, and rates for services offered at hourly rates, under schedule contracts to be fair and reasonable. Therefore, ordering activities are not required to make a separate determination of fair and reasonable pricing." Furthermore, "by placing an order against a schedule contract using the procedures in 8.405, the ordering activity has concluded that the order represents the best value (as defined in FAR 2.101) and results in the lowest overall cost alternative (considering price, special features, administrative costs, etc.) to meet the Government's needs." Also, prices proposed by Omnicell, Inc. for the maintenance are in line with those previously paid to Omnicell, Inc. for the same or similar work on earlier requirements and the Contracting Officer will seek further discounts if appropriate. Before award of any individual task order (anticipated NTE \$500K), the Contracting Officer will ensure that the prices are within the NAC Contract negotiated prices and within costs recently awarded for similar procurements.

**(6) DESCRIBE THE MARKET RESEARCH CONDUCTED AMONG SCHEDULE HOLDERS AND THE RESULTS OR A STATEMENT OF THE REASON MARKET RESEARCH WAS NOT CONDUCTED:**

- The customer indicated that Omnicell, Inc. is the sole source capable of providing the required preventative maintenance services stated for this requirement.
- Sources sought notice posted to FedBizOpps received no response from any interested vendor.
- No SDVOSB/VOSB's listed in VetBiz are able to provide the services.
- Omnicell, Inc. is the only VA FSS/GSA vendor that is able to provide the services.
- Omnicell, Inc. is the only entity found in an internet search that can provide the services.
- The Remi Group LLC, which provides comprehensive maintenance and repair agreements for a variety of medical equipment manufacturers, was contacted in order to determine if they support Omnicell instruments. The Remi Group confirmed via email on July 29, 2013 that they do not support Omnicell products.
- The contractor provided documentation (See Attachment 1) self-identifying Omnicell, Inc. as the only source that can provide these services due to proprietary reasons.
- Vista – Proposed price(s) found to be fair and reasonable compared to previous purchase orders.

**(7) ANY OTHER FACTS SUPPORTING THE JUSTIFICATION:**

See Attachment 1.

**(8) A STATEMENT OF THE ACTIONS, IF ANY, THE AGENCY MAY TAKE TO REMOVE OR OVERCOME ANY BARRIERS THAT LED TO THE RESTRICTED CONSIDERATION BEFORE ANY SUBSEQUENT ACQUISITION FOR THE SUPPLIES OR SERVICES IS MADE:**

Not applicable.

- (9) **REQUIREMENTS CERTIFICATION:** I certify that the requirement outlined in this justification is a Bona Fide Need of the Department of Veterans Affairs and that the supporting data under my cognizance, which are included in the justification, are accurate and complete to the best of my knowledge. I understand that processing of this limited sources justification restricts consideration of Federal Supply Schedule contractors to fewer than the number required by FAR Subpart 8.4. (This signature is the requestor's supervisor, fund control point official, chief of service or someone with responsibility and accountability.)

John McWhorter 8-27-2013  
SIGNATURE DATE

John McWhorter Materials Management Sup. Facilities MGT (8-138)  
NAME TITLE SERVICE LINE/SECTION

SAVAHCS  
FACILITY

Dean Anderson 8/28/13  
SIGNATURE DATE

Dean Anderson ACTING ASST CHIEF LOGISTICS LOGISTICS (90)  
NAME ~~MSD Supervisor~~ Biomedical Engineering (FS/138H)  
TITLE SERVICE LINE/SECTION

PVAHCS  
FACILITY

(10) **APPROVALS IN ACCORDANCE WITH FAR 8.405-6(d):**

- a. **CONTRACTING OFFICER'S CERTIFICATION (required):** I certify that the foregoing justification is accurate and complete to the best of my knowledge and belief.

ross.brown@va.gov

Digitally signed by ross.brown@va.gov  
DN: cn=ross.brown@va.gov  
Date: 2013.08.29 16:16:33 -07'00'

CONTRACTING OFFICER'S SIGNATURE DATE

Ross D. Brown PVAHCS  
CONTRACTING OFFICER FACILITY

- b. **NCM/PCM/DESIGNEE:** I certify that the foregoing justification is accurate and complete to the best of my knowledge and belief.

Sabrina Smith 9/3/2013  
SIGNATURE DATE

Sabrina Smith  
NETWORK CONTRACT MANAGER