

DEPARTMENT OF VETERANS AFFAIRS

Justification and Approval

For

Other Than Full and Open Competition

1. Contracting Activity: Department of Veterans Affairs, VISN 08, Orlando, Lake Nona Medical Center

The Orlando Activation Contracting proposes to enter into a contract on a basis of other than full and open competition for the new Lake Nona VA Medical Center in Orlando, Florida. This new medical center will be 1.2M square feet with a construction budget of \$665 million. The facility will have a large multi-specialty outpatient clinic, 134 inpatient beds, a 120-bed CLC, and a 60-bed domiciliary with administrative and support services. Construction is well underway and is slated to open in FY14.

Purchase Request: 675-13-1-4239-0129

2. Nature and/or Description of the Action Being Processed:

This is a sole-source, firm fixed price, open market purchase for modifying an existing ceiling lift system valued at \$242,000.

In 2010, the VA had approved the design of a ceiling lift system for the Community Living Center (CLC) at Lake Nona. Ceiling lifts allow the movement and transport of immobile patients from one area to another. The gates are part of the ceiling lift system and allow directional change from one area to another. The original design of the ceiling lift included "manual" gates.

The CLC was turned over from the general contractor to the VA in April, 2012. During VA's final inspection, the Patient Safety Manager identified the "manual gates" as a safety risk since the cords could be used as a hanging device. Also people can hit their heads on the knobs, they could get in people's way in the room, and they have difficulty moving the long string around the door to close. Attached is a picture of the existing manual gate with the hanging cord.

The purchase of the the ceiling lift system (which includes the Manual Gates) were from the manufacturer, T.H.E. Medical (now dba Tollos, Inc.), a small business.

Tollos, Inc. will upgrade the existing ceiling lift motors to add new circuit boards to accommodate the reconfigured power gates. They will convert the manual gates to power gates by installing power circuit band, motors, and gears and bands to turn wheel. Tollos will also convert three current manual turntables to power gates including installing power circuit band, motor and parts. The hand controls will be replaced with infrared hand controls.

3. Description of Supplies/Services Required to Meet the Agency's Needs:

Estimated value is \$242,000. The service includes the modification of the existing ceiling lifts and manual gates to allow operation of the gates via power vs. manual and the elimination of a pull cord. The manufacturer is Tollos, Inc., a small business. Tollos will provide all the technical modification of the equipment and complete installation of the system to 124 rooms at the CLC.

By purchasing this service from the same manufacturer of the equipment, the warranty will stay intact. If purchased from another vendor, the warranty for the entire ceiling lift system will be voided.

Statutory Authority Permitting Other than Full and Open Competition:

41 USC §253(c)(1), as implemented by FAR 6.302-1.

- (X) (1) Only One Responsible Source and No Other Supplies or Services Will Satisfy Agency Requirements per FAR 6.302-1;
- () (2) Unusual and Compelling Urgency per FAR 6.302-2;
- () (3) Industrial Mobilization, Engineering, Developmental or Research Capability or Expert Services per FAR 6.302-3;
- () (4) International Agreement per FAR 6.302-4
- () (5) Authorized or Required by Statute FAR 6.302-5;
- () (6) National Security per FAR 6.302-6;
- () (7) Public Interest per FAR 6.302-7;

4. Demonstration that the Contractor's Unique Qualifications or Nature of the Acquisition Requires the Use of the Authority Cited Above (applicability of authority):

The manual gates are part of the ceiling lift system which was purchased and installed at the CLC. The gates must be reconfigured from the same manufacturer of the ceiling lift or the warranty on the entire ceiling lift system will be voided.

Award to any other source would result in substantial duplication of cost to the Government that is not expected to be recovered through competition. If our existing equipment was not modified and we purchased new equipment, the VA would incur the following costs which total approximately \$1.5M:

The original ceiling lifts with motor, tracks, warranty and installation were purchased for \$997,049. We cannot use these. The price of 124 new Power Gates is \$306,960. The price of a new ceiling lift system to accommodate the power gates is \$310,000.

5. Description of Efforts Made to ensure that offers are solicited from as many potential sources as deemed practicable:

Tollos, Inc. is the manufacturer of the ceiling lift system, which the gates are part of. There are no other sources available that the manufacturer's warranty will extend to.

6. Determination by the Contracting Officer that the Anticipated Cost to the Government will be Fair and Reasonable:

Tollos, Inc. manufactures the lifts with either manual gates or power gates. Normally, they do not reconfigure manual gates to power gates; therefore, a price analysis was requested from the supplier which showed equipment prices offered to the government are 19% below their commercial retail prices which they charge other customers. In addition, their installation quote represented a 3.5% reduction from rates they normally charge retail customers. The prices offered by Tollos are the lowest prices offered to their most favored customer and as such considered fair and reasonable.

7. Description of the Market Research Conducted and the Results, or a Statement of the Reasons Market Research Was Not Conducted:

Market research was conducted for another manufacturer's power gates. There are other companies that sell power gates, but they would not be compatible with our existing ceiling lifts. If

another company performed the modification, the warranty will void the existing ceiling lift system and the timeline for the opening of the CLC would be impacted.

8. **Any Other Facts Supporting the Use of Other than Full and Open Competition:**

This requirement cannot be modified to enhance competition due to the price of the entire ceiling lift system, and the warranty.

9. **Listing of Sources 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 Making subsequent acquisitions for the supplies or services required:**

This is a one-time service for modifying 125 ceiling lifts and motors and no further supplies or services will be required.

11. **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 and belief.



Name: Jeffrey Birdsong
Title: Activations Executive
Facility: Orlando VAMC

8/29/13

Date

12. **Approvals in accordance with FAR 6.304**

- a. **Contracting Officer's Certification (required):** I certify that the foregoing justification is accurate and complete to the best of my knowledge and belief.

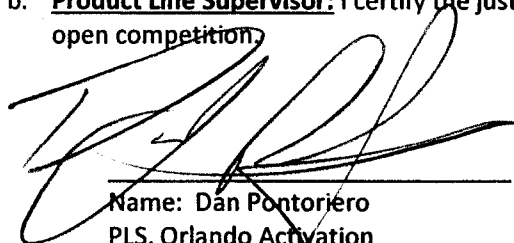


Name: Anita Leitch
Title: Contracting Officer
Facility: Orlando VAMC

8/29/2013

Date

- b. **Product Line Supervisor:** I certify the justification meets requirements for other than full and open competition.

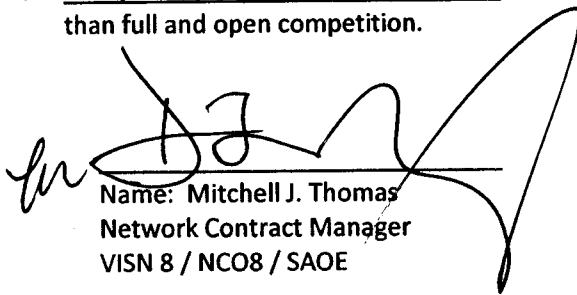


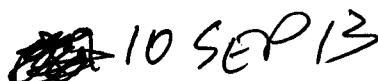
Name: Dan Pontoriero
PLS, Orlando Activation
VISN 8 / NCO8 / SAOE

29 Aug 2013

Date

- c. NCM/PCM (Required \$3K and above): I certify the justification meets requirements for other than full and open competition.


Name: Mitchell J. Thomas
Network Contract Manager
VISN 8 / NCO8 / SAOE


Date