

Veterans Affairs Capital Region Readiness Center	RussGear Preventative Maintenance	Martinsburg, WV
Justification for Other than Full and Open Competition		

1. Identification of Agency and Contracting Activity:

This Justification and Approval (J&A) for Other Than Full and Open Competition is being executed by the Strategic Acquisition Center - Frederick (SAC-F), 321 Ballenger Center Drive Suite 321, Frederick, MD 21702, on behalf of the Department of Veterans Affairs (VA), Office of Information and Technology Capital Region Readiness Center in Martinsburg, WV.

2. Nature and/or descriptions of the action being approved:

This action is a justification and approval to award a contract directly to Russelectric, Inc. 99 Industrial Park Rd. Hingham, MA 02043-4306 to provide preventative maintenance services under contract for a 12-month base year and two 12-month option years under a firm fixed price (FFP) type contract.

3. A description of the supplies or services required to meet the agency's needs (including the estimated value):

CLIN	Description	Qty.	Cost
0001	Preventive Maintenance and Inspections Services and Training	1 Lot	\$23,696.00
0002	On-Site Scheduled Service When Required	25 hrs X \$200/ hour	\$5,000.00 NTE
0003	Emergency Remedial Services When Required	1 Year	\$6,500 NTE
0004	Estimated Costs Replacement Parts	1 Lot	\$10,000 NTE
0005	Training	1 EA	NSP
CLIN	Description	Qty.	Cost
1001	Preventive Maintenance and Inspections Services and Training	1 Lot	\$25,198.00
1002	On-Site Scheduled Service When Required	25 hrs x \$200/ hr	\$5,000.00
1003	Emergency Remedial Services When Required	1 Year	\$6,500 NTE
1004	Estimated Costs Replacement Parts	1 Lot	\$10,000 NTE
1005	Training	1 EA	NSP
CLIN	Description	Qty.	Cost
2001	Preventive Maintenance and Inspections Services and Training	1 Lot	\$26,828.00
2002	On-Site Scheduled Service When Required	25 hrs x \$200/ hr	\$5,000.00
2003	Emergency Remedial Services When Required	1 Year	\$6,500 NTE

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2004	Estimated Costs Replacement Parts	1 Lot	\$10,000 NTE
2005	Training	1 Ea	NSP

The proposed action is to provide site support services for Generator and Switchgear Main UPS System monitoring and control services. The generator control and standby control switchgear is designed to provide generator power to CRRC facility loads in the event of a loss of main utility power. The Russelectric system provides the system control and program logic that monitors a loss of power event and engages and controls automatic systems such as the generators, the main batteries, the automatic breaker controls and load monitors that comprise the CRRC Main Uninterruptable Power System (UPS). The estimated value of this proposed action is: \$ 140,222.00

4. An identification of the statutory authority permitting other than full and open competition:

41 U.S.C. 2539(c) (1) and Federal Acquisition Regulation (FAR) 6.302-1—Only one responsible source and no other supplies or services will satisfy agency requirements. This complex and proprietary system was designed for use at the CRRC. No other source is capable of providing the supplies or services required at the level of quality required because the supplies or services are unique and highly specialized.

5. A demonstration that the proposed contractor's unique qualifications or the nature of the acquisition requires use of the authority cited:

The proposed source is Russelectric, Inc., South Shore Park, Hingham, MA 02043-4387. Russelectric, Inc. (REI) is the manufacturer of the CRRC main UPS control equipment. REI was a construction team key partner during the design and build phases of the CRRC construction project 2009-2010. REI was the start up and commissioning subject matter expert during formal commissioning exercises for CRRC in 2010. The project team REI provides includes electrical, mechanical, and software engineering resources as well as expert field technicians uniquely trained in the care and operation of these critical UPS systems. The experience and unique expertise of the project team provides a singular skill set and body of knowledge particular to the CRRC site and conditions.

REI holds proprietary rights to software and firmware design and licensing that are integral to the system performance. REI also holds the same proprietary control over programmable logic controllers (PLC) and any anticipated upgrades and enhancements to those programs. REI has partnered with VA CRRC/OIT Facilities in researching and identifying solutions to recent challenges involving replacement of the station main UPS batteries. REI has met or exceeded our expectations for the duration of this project. They have the requisite experience and are qualified to provide maintenance services on these mission-critical systems. Delay would expose the CRRC to unacceptable risk to the emergency power generations capabilities and may hinder the operational readiness of the site.

Expertise of the contractor

Russelectric, Inc. partnered with the VA through construction and commissioning of the CRRC. They hold proprietary rights to the software and firmware utilized within the programmable logic

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controllers (PLC) and provide upgrades and enhancements to those programs on an ongoing basis. REI manufactured and installed the UPS systems currently in use and provides continuous technical support for the CRRC.

Management:

Russelectric, Inc. management is fully engaged in providing the maintenance services required for the critical power generation systems at the CRRC.

Responsiveness

Russelectric, Inc. technical representatives have been available and easily accessible for consultation for the duration of this assessment. They are ready to step in to help the CRRC upon award of contract.

Knowledge of the program

As the subject matter experts (SME) for this technical issue, as well as the manufacturer and source of support for the target UPS systems during design and construction, through commissioning and with continued history of preventive maintenance support of the CRRC UPS systems, Russelectric has the requisite expertise to complete this work.

Experience of personnel

Russelectric, Inc. is the manufacturer source for the target equipment and systems as well as the developer and support source for the integrated software and firmware support all equipment operations. They are uniquely and fully qualified to provide this service.

Time Constraints

CRRC Station main UPS system is a critical component allowing CRRC to provide dependable and reliable service to VA mission-critical client groups in department-wide data operations.

Impact on program if dates are not met

Likely damage to the operational capabilities of the CRRC. Decrease in the confidence of clients with regard to the ability of the site to support critical operations. The CRRC includes a 9300 ft.² national data center and not all of the systems housed on the data floor have redundancy elsewhere in the VA.

How long would it take another contractor to reach the same level of competence (equate to dollars if desired)

Due to the proprietary nature of this system, there are presently no other vendors who possess the required knowledge, experience, and ability to perform the desired quality of work within the required time period. Familiarizing and qualifying another vendor would impose an unacceptable delay and further risk would be incurred as the alternate service provider will likely not fully understand the intent and complex requirements included in this plan. Anyone other than Russelectric, the equipment manufacturer, would not have access to proprietary engineering capabilities as well as software and

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firmware upgrades essential to executing this project. In the unlikely event that another vendor could obtain the necessary access to these systems, they would require a learning curve that exceeds the time constraint for providing necessary and critical maintenance services for this system. This would further jeopardize the operational readiness capabilities of the CRRC.

Uniqueness

The main UPS system components at CRRC are a stand-alone, one-of-a-kind operational system. Maintenance of these systems needs to be performed by qualified and experienced experts to provide the readiness capability demanded of our station.

Declaration

This system was designed for the CRRC in order to provide a specific capability. While this limits the number of vendors qualified to support such a system, it addresses the precise mission-capabilities of the site. Subject matter experts familiar with the existing engineering design of the station UPS systems agree that it is necessary to maintain a continuation of service for the Russelectric Generator gear. The Russelectric company can provide this particular need. It is in the best interest of the VA that a sole source contract be awarded to minimize risk to the operational capabilities of the site and potential damage to the reputation of the Capital Region Readiness Center.

Summary

Russelectric, Inc., has been identified as the only qualified, capable, and experienced vendor who can provide the deliverables within the required period of performance.

There is a need to provide proactive preventive maintenance and an identified emergency repair resource for the main UPS Generator Control Gear at CRRC. At this time, the monitoring data and the most recent engineering analysis fully supports the decision to take action to establish the system preventive maintenance as well as provide and emergency service resource. Any delay in awarding the contract introduces further uncertainty as to the operational readiness capabilities of the CRRC.

The vendor identified for this project has the requisite knowledge and expertise and was involved in the installation of these mission-critical systems at the CRRC.

Rationale:

An evaluation of the current state of the CRRC Main UPS System including the Emergency Generator and Breaker Control Gear was made recently and it was established that not having this service resource in place put the Station at real risk. It is acknowledged that the system has built in redundancies allowing for a degree of moderate comfort. However, the level of readiness stated in our mission parameters declares that CRRC acquire these services without delay. Failure to act exposes the CRRC to additional unnecessary risk of critical power failure.

Russelectric, Inc. has the requisite knowledge and experience to perform the necessary work, at the required level of quality, to restore the operational readiness capabilities to the CRRC. Their team is

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acutely aware of the issues that affect the UPS Generator Controls system and they were involved in the original installation and commissioning of these systems. The CRRC has an immediate need for a competent and experienced resource who can serve as a proactive and reliable source for these services.

6. A description of efforts made to ensure that offers are solicited from as many potential sources as is practicable, including whether a notice was or will be publicized as required by Subpart 5.2 and, if not, which exception under 5.202 applies:

This requirement has been with the SAC-F office since June 2012. The previous specialist conducted market research and determined this could be conducted as an SDVOSB Set Aside soliciting VetBiz vendors. The requirement was issued to vendors from the VetBiz website on 9/4/2012 and closed 9/10/2012. No responses were received. The requirement was then posted to GSA, unrestricted, on 9/17/2012 with a closing date of 9/20/2012, again no responses were received. In January/February 2013, the requirement was posted to GSA and a site visit was announced. One vendor expressed interest in the site visit, however the vendor never provided information and therefore the site visit was cancelled. The RFQ closed on 2/20/2013 with no viable quotes. One offeror submitted an incomplete proposal, which was not evaluated.

In accordance with FAR Subpart 5.2 a notice of intent was posted to FBO on September 11, 2013. Interested vendors were invited to submit a capabilities statement by September 18, 2013. One SDVOSB vendor expressed an interest in the requirement stating that they had originally bid on this requirement under the previous RFQ VA798-12-Q-0342. They were asked to submit any documentation they had from their previous quote, but responded that upon further consideration, they did not want to challenge the sole source and withdrew their interest. By the suspense date of the Notice of Intent, no other responses were received from any vendors.

7. A determination by the Contracting Officer that the anticipated cost to the Government will be fair and reasonable:

The vendor's labor rates were compared to the IGCE and to labor rates found on two GSA vendor's price lists. The vendor's rates exceeded those used in the IGCE and the GSA rates. A discounted rate was requested from the vendor, however the vendor stated their posted rates are their best rates. The vendor's straight time hourly rate is 16.9% higher than the GSA Siemens Industry, Inc engineer labor rate and only 2% higher than the GSA Schneider Electric Building America's, Inc engineer rate. The IGCE used an escalation rate of 6% between option years; the vendor also used a rate between 6%-6.5% between option years. The proprietary nature and the select expertise of the Russelectric engineers justify the premium on the labor rates. Based on the price analysis conducted, it has been determined that the prices proposed were fair and reasonable in comparison to the IGCE and prices for engineers found on GSA.

8. A description of the market research conducted (see Part 10) and the results or a statement of the reason market research was not conducted:

See Item 6 above.

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9. Any other facts supporting the use of other than full and open competition.

Russelectric's experience with these particular systems makes them preeminently qualified to perform the required work within scope of work. Due to their ongoing support role as noted above, they are already familiar with the CRRC system design and would be ready to begin immediately should they be awarded the contract. During the building activation phase of CRRC Russelectric, Inc. provided these services under purchase order conditions. They performed with a high degree of success and efficiency.

10. A listing of the sources, if any, that expressed, in writing, an interest in the acquisition:

1. Russelectric, Inc. has expressed an interest, in writing, in performing this work.
2. Master Service Mid Atlantic dba Mountaineer Generator Service (SDVOSB), Patrick Smith, President, expressed an interest and then withdrew.

11. A statement of the actions, if any, the agency may take to remove or overcome any barriers to competition before any subsequent acquisition for the supplies or services required:

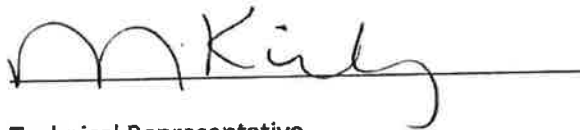
CRRC Facility Management will continue to monitor the market for availability of a contractor who has the technical and functional resources to meet the requirements of the VA. Any limited source information for future contracts for these products will include the documented summary of the ongoing market research, technological progress made and steps taken to end reliance on a single source of service.

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12. Certifications

Technical/Requirement Representative

I certify the supporting data, including the statement of the Government's minimum needs and other rationale for other than full and open competition is complete and accurate to the best of my knowledge.



Technical Representative

9/25/13
Date

Contracting Officer

Pursuant to FAR 6.302-1, I certify that this justification is accurate and complete to the best of my knowledge and belief.



Mark R. Lochbaum
Contracting Officer

9/26/13
Date

