

# DEPARTMENT OF VETERANS AFFAIRS

## Justification and Approval

For

### Other Than Full and Open Competition

1. **Contracting Activity:** Department of Veterans Affairs, VISN 18, Southern Arizona Veterans Affairs Health Center, Tucson, Arizona.

#### **Justification for Other than Full and Open Competition – 2237 number (678-14-1-031-0001)**

2. **Nature and/or Description of the Action Being Processed:** The Southern Arizona VA Health Care System (SAVAHCS) has an ongoing requirement to provide portable medical gases to support medical procedures and services for its veterans. This ongoing requirement was previously being provided under the regional Western States Network Consortium (WSNC) contract VA261-P-0188 during the period of performance of 22 October 2007 through 30 September 2012. The Government intends to award a sole source Firm Fixed Price (FFP) interim bridge contract for the base period of 1 January 2014 to 31 March 2014, plus three (3) one month option periods in the estimated dollar amount of \$39,600.00.
3. **Description of Supplies/Services Required to Meet the Agency's Needs:** The Southern Arizona VA Health Care System (SAVAHCS) has an ongoing requirement to provide portable medical gases to support medical procedures and services for its veterans. The gases purchased include, but are not limited to: compressed Medical Air USP, Oxygen USP, Carbon Dioxide USP, Nitrogen NF, Nitrous Oxide USP, Helium USP, specialty medical gas mixtures, and tank rental. This ongoing requirement was previously being provided under the regional Western States Network Consortium (WSNC) contract VA261-P-0188 during the period of performance of 22 October 2007 through 30 September 2012. Since this contract has expired, SAVAHCS has been purchasing the medical gases from the incumbent contractor (Progressive Industries) via purchase card. Progressive Industries has continued to honor the expired contract pricing which was determined fair and reasonable at the time of contract award, and will continue to honor the pricing until another contract vehicle is established.
4. **Statutory Authority Permitting Other than Full and Open Competition:**
  - (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;
5. **Demonstration that the Contractor's Unique Qualifications or Nature of the Acquisition Requires the Use of the Authority Cited Above (applicability of authority):** Historical data indicates this recurring annual requirement has been ongoing over the past six (6) years. This ongoing requirement was previously being provided under the regional Western States Network Consortium (WSNC) contract VA261-P-0188 during the period of performance of 22 October 2007 through 30 September 2012. Since the WSNC contract expired the requiring activity has been purchasing their medical gases from the previous incumbent contractor, Progressive Industries, via a purchase card. WSNC has been preparing a follow-on contract that is expected to be awarded with a contract start date of 1 April 2014. Additionally, based on the above, it would not be in the Government's best

interest to conduct a full and open competition to fulfill this requirement as this would result in substantial duplication of cost to the Government that is not expected to be recovered through competition to include unacceptable delays in fulfilling the agency's requirements to provide portable medical gases to SAVAHCS veterans via an interim short term bridge contract.

6. **Description of Efforts Made to ensure that offers are solicited from as many potential sources as deemed practicable:** Market research conducted revealed that the WSNC follow-on contract VA260-13-B-0519 is currently in the source selection evaluation phase and is expected to be awarded with a contact start date of 1 April 2014.
7. **Determination by the Contracting Officer that the Anticipated Cost to the Government will be Fair and Reasonable:** In accordance with FAR Part 13.106-3(a)(2)(ii), A comparison of the proposed price with prices found reasonable on previous purchases, the anticipated total cost of this action is \$39,600.00 for the period of performance 1 January 2014 to 31 March 2014, to include three (3) one month option periods. These option periods shall only be used as needed in the event that it takes longer than anticipated for the source selection evaluation phase and Contract Review Board (CRB) process to complete the regional WSNC follow-on contract award.
8. **Description of the Market Research Conducted and the Results, or a Statement of the Reasons Market Research Was Not Conducted:** Market research was conducted to determine available sources and for the purpose of establishing price reasonableness.
  - a. Historical data indicates this recurring annual requirement has been ongoing over the past six (6) years. This ongoing requirement was previously being provided under the regional Western States Network Consortium (WSNC) contract VA261-P-0188 during the period of performance of 22 October 2007 through 30 September 2012. As above, since the WSNC contract expired the requiring activity has been purchasing their medical gases from the previous incumbent contractor, Progressive Industries, via a purchase card due to the fact that WSNC has been working on a follow on contract that has yet to be awarded.
  - b. A search of GSA Advantage did not yield any businesses that appear to have the capability to perform this requirement.
  - c. A VetBiz query was conducted and no businesses appear to have the capability to perform this requirement.
9. **Any Other Facts Supporting the Use of Other than Full and Open Competition:** None
10. **Listing of Sources that Expressed, in Writing, an Interest in the Acquisition:**

Progressive Industries, Inc.  
2733 N. Pulaski  
Chicago, IL 60639  
(773) 763-9566  
Attn: Neil O'Donnell
11. **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:**

As noted in Section 6 above, market research conducted revealed that the WSNC follow-on contract VA260-13-B-0519 is currently in the source selection evaluation phase and is expected to be awarded with a contact start date of 1 April 2014.



12. **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.



Charles J. Militti  
Chief Logistics Officer  
Resource Management Service Line  
Southern Arizona VA Health Care System

12/13/13  
Date

13. **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.

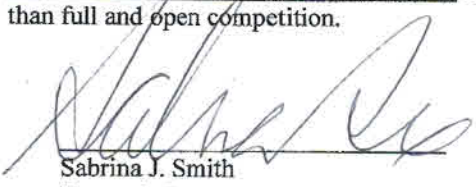
Daniel  
C. Thiel

Digitally signed by: Daniel C. Thiel  
DN: CN = Daniel C. Thiel C = US  
O = SAVAHCS OU = NCO 18  
Date: 2013.12.13 14:57:49 -07'00'

Daniel C. Thiel  
Supervisory Contracting Officer  
NCO 18

Date

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



Sabrina J. Smith  
Network Contract Manager  
VISN 18 NCO

12/21/13  
Date