

**LIMITED-SOURCES JUSTIFICATION**

**ORDER >\$3,000**

**FAR PART 8.405-6**

**2237 Transaction # or Vista Equipment Transaction #: 593-14-1-8133-0006**

This acquisition is conducted under the authority of the Multiple Award Schedule Program. The material or service listed in par. 3 below is 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: Karl Storz

Manufacturer/Contractor POC & phone number: Drew Saldana 702-335-6166

Mfgr/Contractor Address: 2151 Grand Ave, El Segundo CA, 90245-5017

Dealer/Rep address/phone number: N/A

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

**(1) AGENCY AND CONTRACTING ACTIVITY:**

Department of Veterans Affairs VISN 22

Network Contracting Office 22

4811 Airport Plaza Drive Suite 600

Long Beach CA, 90815

**VISN:**

Desert Pacific Healthcare Network 22

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

Awarded Contractor shall provide ENT endoscopy equipment to complement existing medical endoscopy systems at the VA Southern Nevada Healthcare Facility Las Vegas, endoscopy surgical section. This acquisition shall be conducted under the authority of the Multiple-Award Schedule Program under Federal Acquisition Regulation (FAR) 8.401 and FAR 8.405-6(b)(1).

**(3) (a) A DESCRIPTION OF THE SUPPLIES OR SERVICES REQUIRED TO MEET THE AGENCY'S NEED:**

This action is for the acquisition of ENT endoscopy equipment to include scopes, tubes, sterilization equipment, guides, forceps, catheters, stops, and other surgical equipment. This equipment must be procured to match existing equipment due to compatibility requirements of the current in house hospital equipment and cleaning requirements as set forth under VA Directive 2009-31 and 2009-004.

**(b) ESTIMATED DOLLAR VALUE: \$464,791.80**

**(c) REQUIRED DELIVERY/INSTALLATION DATE: February 12, 2014 (Est. Award); 30 days from the date of award.**

**(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.**

☒ FAR 8.405-6(b)(1) – Only one source is capable of providing the supplies or services required at the level of quality required because the supplies or services are unique or highly specialized;

The VA Southern Nevada Healthcare Facility Las Vegas currently owns a partial suite of Karl Storz ENT medical scopes, processors and related equipment. Due to the opening of this facility, a complete suite of ENT medical scopes, processors and related equipment will be required to operate a fully functional surgical ENT department. Only Karl Storz surgical equipment may be used with the currently owned endoscope equipment due to the highly specialized nature of this equipment. This equipment must be compatible with all currently owned peripherals which include light sources, cameras, printers and audio visual equipment utilized for surgical procedures which is housed in a "tower" compatible only with current manufacturer equipment. The use of non-compatible flexible and rigid endoscopic equipment would require additional towers of equipment. Significant amounts of time are required to alternate from one compatible equipment tower to a second tower of compatible equipment which is considered unacceptable in surgical conditions significantly increasing risk of patient harm. These risks include increased risks of infection, prolonged time under anesthesia (may lead to death), and other complications related to increased surgical duration. The currently owned rigid Karl Storz equipment is designed to support the flexible Karl Storz endoscopic equipment currently procured under a lease. Procurement of flexible Karl Storz endoscopic equipment shall also standardizes the ENT endoscopic equipment for the operating room. This standardization supports the reusable medical equipment (RME) requirements set forth by VA directive 2009-31 and 2009-04 which mandates that Sterile Processing Service standardize medical scopes to the maximum extent practical to meet sterilization requirements. Failure to sterilize medical scopes in the past has led to HIV breakouts in other VISNs across the country. The National IPT for medical scopes has also stated that these scopes should be standardized as possible on a clinic level and be leased to the maximum extent practicable. In addition, standardization yields maintenance benefits allowing VA biomedical personnel improved standard operating procedures towards the maintenance and repair of endoscopic equipment while preventing adverse equipment failures. Adverse equipment failures are vastly easier to repair under single scope systems which will lead to reduced patient harm and reduced potential litigation arising from equipment failure. No other vendor can provide complimentary equipment to our currently owned equipment. Other vendors are able to provide complete new sets of equipment, however the cost would be substantially higher, require training for an entire surgical staff, creation of new standard operating procedures for bio med and sterilization staff resulting in significant loss of time and funding. Karl Storz is the only contractor that can provide the highly specialized equipment needed to compliment the VA's currently owned systems and the VA's requirements for a complete ENT surgical suite.

**(5) DETERMINATION BY THE ORDERING ACTIVITY CONTRACTING OFFICER THAT THE ORDER REPRESENTS THE BEST VALUE:**

Per FAR 8.404(d), 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. However the Government shall seek additional discounts before entering into a delivery order/ blanket purchase agreement with the contractor. In addition, when compared to other comparable equipment, this contractor offers very competitive pricing. Estimates for equipment for Olympus and Pentax are nearly 50-70% higher as they would have to provide a complete new system in order to match the capability of the current system complimented with this order, according to a CO who previously worked on endoscopy contracts. In addition, there is a large administrative

burden to implementing a new system other than the Karl Storz system for all personnel within the logistics and medical chain.

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

Market research has been conducted to identify current FSS contract holders with the ability to meet the Government's requirements. Market research has also been conducted to identify specific factors of this type of procurement utilizing the internet and phone conversations with FSS contractors and technical experts.

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

None.

**(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:**

Alternate sources have been given consideration. After the maximum life of VA owned equipment is reached, a competition shall be conducted to provide a complete and new system for this particular clinic.

**(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.

Linda S. Duenas

SIGNATURE

2/11/2014

DATE

Linda S. Duenas

NAME

Program Specialist

TITLE

Surgery

SERVICE LINE/SECTION

VA Southern Nevada Healthcare Facility

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.



CONTRACTING OFFICER'S SIGNATURE

2/11/2014

DATE

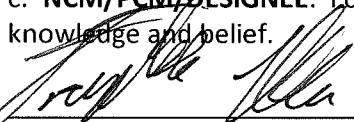
Adriana Garcia, Contracting Officer

NAME AND TITLE

NCO 22

FACILITY

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



SIGNATURE

2/11/2014

DATE

Deeptichandra Chakka

Supply Contract Manager

VISN 22 NCM/PCM