

Department of Veterans Affairs
Justification and Approval
For
Other Than Full and Open Competition

1. **Contracting Activity:** Department of Veterans Affairs, Network Contracting Office (NCO) 15, 3450 S 4th St. Trafficway, Leavenworth KS 66048-5012

2237 transaction number: 657-14-2-2703-0049 VA Medical Center, Marion, IL

2. **Nature and/or Description of the Action Being Processed:** Contractor to repair CT 64 scanner at EHCC Evansville IN, tube replacement, and calibration. Upon completion, the repaired CT scanner will be equal to or exceed the manufacturer's specifications.

3. **Description of Supplies/Services Required to Meet the Agency's Needs:** Contractor to repair CT 64 at EHCC Evansville IN, tube replacement, and calibration. Upon completion, the repaired CT scanner will be equal to or exceed the manufacturer's specifications. The contractor will furnish all parts required, with the exception of the Glassware, in the maintenance of the equipment to meet or exceed manufacturer's specifications.

Estimated total price for replacement Glassware is \$156,000.00.

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;
- (X) (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:**

FAR 6.302-1 – The CT is proprietary to Toshiba America Medical Systems; only Toshiba OEM parts can be used in the scanner and only Toshiba certified technicians can properly inspect, certify and work on the installed CT scanner. The CT Scanner is under contract for all repairs, with the exception of glassware (CT tube). All travel, labor, material and supplies to align, calibrate, test and make the system fully operational per Toshiba operational specifications will be provided by Toshiba America Medical Systems as part of our existing contract VA255-13-F-0981. Toshiba does not sell parts to third parties for resale. New OEM parts are only available directly from Toshiba America Medical Systems.

FAR 6.302-2 (b) (2) – It is with the utmost urgency that this repair be processed as soon as possible as any delay in award of this contract would result in financial expense to the government and disruption of medical services to beneficiaries. The tube, if not replaced in a timely manner could result in failed and delayed medical services being provided by the VA Healthcare Center, Evansville IN.

FAR 6.302-2 (d) (2) – This acquisition is a one-time action to restore the equipment to operating capability. The anticipated time to accomplish the repair is approximately one week. It will not exceed one year in length.

6. Description of Efforts Made to ensure that offers are solicited from as many potential sources as deemed practicable: Market research was conducted to identify potential sources. A search with the search engine Google.com revealed at least two sources capable of providing used tube p/n CXB-750-4A. However due to the potential of an increased cost for installing a used tube only to have it fail in an undetermined length of time, which would cause additional downtime and cost additional money to replace, it is felt that it is more cost effective to purchase only new, unused parts. Toshiba apparently does not sale to third parties for resale so only one source for new Toshiba parts could be found, Toshiba America Medical System s. The CT is proprietary to Toshiba America Medical Systems; only certified technicians can properly inspect, work on and certify Toshiba CT scanners.

This acquisition will be publicized as required by FAR Subpart 5.2.

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

Per FAR part 13.106 (a) and (b)(2) - Based upon the following price analysis this acquisition is determined to be fair and reasonable:

The Toshiba published list price for the tube is [REDACTED]. The VA is being offered a [REDACTED] % glassware discount, which lowers the price to \$156,000. NAC contract V797P-6085b list price for the tube is out of date with a price of \$[REDACTED], \$[REDACTED] with a [REDACTED] % discount. The cost of labor for installation, calibration and testing (including the HV cable) is included in maintenance and repair contract #VA255-13-F-0981 with Toshiba America Medical Services. A previous purchase of a similar tube at the same price of \$156,000.00 was accomplished on contract VA255-13-F-1164 modification P00001 dated 7/1/2013.

The requirement for certified cost or pricing data, technical evaluations and audits does not reach the dollar threshold of this acquisition and will not be conducted.

8. Description of the Market Research Conducted and the Results, or a Statement of the Reasons Market Research Was Not Conducted: Per FAR 10.002 (b) the parts and services being acquired are commercially available.

Per FAR 10.002(1) the extent of Market Research will vary depending on such factors as urgency, estimated dollar value, complexity, and past experience. The contracting officer may use Market Research conducted within 18 months before the award of any task or delivery order if the information is still current and relevant. A similar acquisition was made per contract VA255-13-F-1164 modification P0001 dated 7/1/2013 for a similar CT tube at the same price as quoted for this

acquisition. The market research conducted for that acquisition is determined to be pertinent to this acquisition.

9. Any Other Facts Supporting the Use of Other than Full and Open Competition: The tube has failed and needs to be replaced immediately in order to keep beneficiary disruption at a minimum and to avoid either sending them to other more distant facilities to obtain CT Scan services or buying the services from local providers. The CT tube and its installation, testing and calibration are proprietary to Toshiba America Medical Systems.

10. Listing of Sources that Expressed, in Writing, an Interest in the Acquisition: N/A

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: N/A

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.



Ken Holup
Biomedical Equipment Support Specialist
VA Medical Center, Marion, IL 62959

2-19-2014

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.

koni.fritz@va.gov

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Date: 2014.02.19 14:51:30 -06'00'

KONI B FRITZ
CONTRACTING OFFICER
NCO 15

Date

b. NCM/PCM : I certify the justification meets requirements for other than full and open competition.

loyd.jackson@va.gov

Digitally signed by loyd.jackson@va.gov
DN: cn=loyd.jackson@va.gov
Date: 2014.02.21 08:32:11 -06'00'

CHRISTINE L SCENA

Date

J&A - Replacement CT Scanner Tube
Marion IL VA Medical Center

DIRECTOR OF CONTRACTING
NCO 15