

DEPARTMENT OF VETERANS AFFAIRS

Justification and Approval

For

Other Than Full and Open Competition

1. **Contracting Activity:** Department of Veterans Affairs, Network 15 Contracting Office
Requiring Activity VA CMOP Charleston #766; 2237 #: 766-14-2-401-0244

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

The Charleston CMOP is a state of the art, automated pharmacy with a daily output of approximately 110,000 prescriptions; we rely heavily on several unique pieces of high output, automated dispensing equipment. Charleston CMOP is currently installing and testing a \$14 million high speed tablet and capsule dispensing system. As part of this new high speed system there are 4 automated packaging systems being installed. These systems are the Autobag AB 180 OneStep Bagger and will require the Original Equipment Manufacturers (OEM) poly bag and print ribbon to be utilized on them during the testing and acceptance phase for the bagger. In order to ensure optimal equipment performance and meet qualification standards required during this phase of the Autobag AB 180 OneStep Baggers, purchasing from Automated Packaging Systems, Inc. is in accordance with First Article Testing and Approval under FAR Part 9.3. The anticipated award will result in a onetime buy on a Firm-Fixed-Price basis with an estimated value of [REDACTED]

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

Description of the print ribbon is; Autolabel 4: Black Ultra V, 4 inch wide X 2000 foot long roll for use with auto packaging system, 12 rolls per case. Description of the poly bag is; Auto bag earthware biodegradable polyship white/grey bag, 1350 per case. The specifications are 10.625 x 12 x .003/EOFM (Bio Film), perfed air holes located .75 inches from the manufactured seal and .75 inches from the left and right side. The bags will be boxed for use on the Autobag 180 system.

4. **Statutory Authority Permitting Other than Full and Open Competition:**

- ☒ (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):**

The Charleston CMOP is in the process of installing a new \$14 million dollar Tablet and Capsule Automation system which includes 4 Autobag AB 180 One Step semi- automated packaging systems. These systems require specific poly mailer bags and thermal transfer ribbons, these poly bags and ribbons are only manufactured by one vendor, Automated Packaging Systems .

The Charleston CMOP is currently undergoing a \$14 million dollar installation of a new tablet and capsule dispensing system; if we are unable to secure these operational supplies in a large enough quantity we will not be able to complete acceptance testing of the new Tablet/Capsule Automation (TCA) system. This will have a negative impact on Veterans Health Administration as well as the vendor who is completing the installation of the system.

6. Description of efforts made to ensure that offers are solicited from as many potential sources as deemed practicable:

This is a sole source requirement based on the requirement to utilize OEM bags during the testing and acceptance phase.

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

The IGCE provided for this requirement indicated availability of compliant products on the Federal Supply Schedule (FSS) from Xpedx which is a reseller of the Original Equipment Manufacturer. The exact specification of ribbon and poly bags has never been procured by the CMOP; therefore, the cost estimate was derived using the FSS list price, the OEM quoted prices, and review of published prices for similar items. The OEM quoted price is approximately 10% less than the published FSS price. The GL-CMOP anticipates the cost to the Government to be fair and reasonable based on this analysis.

8. Description of the market research conducted and the results, or a statement of the reasons market research was not conducted:

A search of the Federal Supply Schedule (FSS) indicates there are no SDVOSB, VOSB, SDB, WOSB, Hubzone, or 8a vendors which are engaged in the manufacture or wholesale distribution of the required items. Finally, there is no waiver of the Non-Manufacture Rule from the SBA for NAICS code 326111; therefore, a set-aside for small business is untenable.

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

N/A

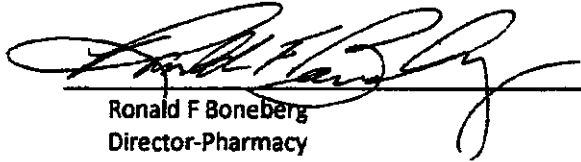
10. Listing of sources that express, in writing, an interest in the acquisition:

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:

During this six month testing and acceptance phase, CMOP and NCO 15 will be conducting efforts to increase competition for a future Blanket Purchase Agreement (BPA). A Request For Information (RFI) will be posted on the Federal Business Opportunities to engage industry in meeting the repetitive requirements for bags and ribbons to be used with the automated packaging systems

- 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.



Ronald F Boneberg
Director-Pharmacy
Charleston CMOP Station #766

3-5-2014

Date

13. Approvals in accordance with FAR 6.304

Based on the foregoing justification, I hereby approve the award of a one-time buy on a Firm-Fixed-Price basis for the operational supplies required to complete acceptance testing described herein at the Charleston CMOP on an other than full and open competition basis pursuant to the authority of FAR 6.302-1 and subject to the availability of funds.

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

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Date: 2014.03.06 12:56:37 -06'00'

Barbara Cox
Contracting Officer, Mid-South CMOP

3/6/2014

Date

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



Mark A. Zinser
Director, CMOP Acquisition Team
NCO 15

3/7/2014

Date