

**LIMITED SOURCES JUSTIFICATION**

**ORDER >\$3,000**

**FAR PART 8.405-6**

**2237 Transaction # or Vista Equipment Transaction #: 589-14-3-5686-0144**

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: GE Healthcare

Manufacturer/Contractor POC & phone number: Matt Harrison (919) 244-8792

Mfgr/Contractor Address: 3000 N. Grandview Blvd. Waukesha, WI 53188

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

SAO Central - NCO 15

3450 S. 4<sup>th</sup> St Trwy

Leavenworth KS 66048

**VISN: 15**

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

Establishment of a firm-fixed price contract for OEM shared service maintenance and repair of installed GE Healthcare x-ray systems and ancillary equipment on-site at the Harry S Truman Memorial Veterans Hospital in Columbia, MO. Proposed contractor:

GE Healthcare

3000 N. Grandview Blvd.

Waukesha, WI 53188

The contract will consist of a base and three (3) optional year to commence on 4/1/14 with a total estimated contract price of \$490,816.00 to furnish shared service support for the maintenance (scheduled and unscheduled) and repair of GE Healthcare brand x-ray system and ancillary equipment on-site at the Harry S Truman Memorial VA Medical Center.

This contract will replace prior contract VA255-P2225 which was a sole source acquisition awarded to GE Healthcare commencing on 10/1/2011 and expiring on 9/30/13 for a total award of \$438,852. The contract was extended for a 6 month period from 10/1/13 thru 3/31/14 for the convenience of the Government, thus increasing the overall award to \$548,565. Due to changes in equipment, the new contract will be less in overall price than the prior contract (VA255-P-2225).

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

The services required are for the furnishing of shared service maintenance (scheduled and unscheduled) and repair of installed GE Healthcare brand x-ray systems and ancillary equipment on-site at the Harry S Truman Memorial VA Medical Center located in Columbia, MO 65201. Coverage includes all required parts, glassware, digital detectors, tables, installation (when applicable) calibration, labor, travel, tools, test equipment and other incidentals necessary to maintain and/or restore the listed equipment to operating specifications according to the manufacture's recommendations throughout the term of the contract.

**(b) ESTIMATED DOLLAR VALUE:** \$490,816.00

**(c) REQUIRED DELIVERY DATE:** April 1, 2014

**(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. (CHECK ALL THAT APPLY AND COMPLETE)**

☒ Specific characteristics of the material or service that limit the availability to a sole source (unique features, function of the item, etc.). Describe in detail why only this suggested source can furnish the requirements to the exclusion of other sources.

GE Healthcare is uniquely qualified to provide the requested services to Harry S Truman Memorial VA Medical Center based upon the following:

a. The proper maintenance, repair, and calibration of the stated x-ray systems and ancillary equipment is extremely critical because equipment that is not properly maintained, tested and calibrated can result in the delivery of misdiagnosis of patient studies that could severely cause harm to the patients served at this Medical Center. Having this equipment operate properly is therefore critical to the health of patients. There is no room for any possible failure of parts, miscalibration or deviation from established maintenance or repair standards. Only factory trained and certified technicians, utilizing diagnostic software specifically designed for the equipment and utilization of Original Equipment Manufacturer (OEM) parts can assure that this critical equipment operates properly.

b. GE Healthcare has the legal rights to proprietary equipment diagnostic software. Failure to utilize the proprietary diagnostic software may result in the inability to identify equipment operating parameters and the inability to accurately calibrate the equipment.

c. GE Healthcare has access to OEM parts and supplies. Failure to utilize OEM parts may result in the improper operation of the equipment. Other vendors may have access to the required OEM parts, but they do not stock the full range of parts that is required to assure maximum response times required by the VA Medical Center. Only GE Healthcare maintains a full inventory of spare parts.

d. GE Healthcare has factory trained and certified technicians who are specifically qualified to work on GE Healthcare equipment. GE Healthcare does not contract with any third party service providers.

☒ A patent, copyright or proprietary data limits competition. The proprietary data is: Software

☒ These are "direct replacement" parts/components for existing equipment.



☐ The material/service must be compatible in all aspects (form, fit and function) with existing systems presently installed/performing. Describe the equipment/function you have now and how the new item/service must coordinate, connect, or interface with the existing system.

☐ The new work is a logical follow-on to an original Federal Supply Schedule order provided that the original order was placed in accordance with the applicable Federal Supply Schedule ordering procedures. The original order must not have been previously issued under sole source or limited source procedures.

☐ An urgent and compelling need exists, and following the ordering procedures would result in unacceptable delays.

**(5) DESCRIBE WHY YOU BELIEVE THE ORDER REPRESENTS THE BEST VALUE CONSISTENT WITH FAR 8.4 TO AID THE CONTRACTING OFFICER IN MAKING THIS BEST VALUE DETERMINATION:**

All services that will be purchased on this order have pricing that has been determined fair and reasonable under VA NAC contract number: V797P-6019B.

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

Market research was conducted on GSA for other FSS contract holders that can provide this service. No other known FSS contractors were identified.

**(7) ANY OTHER FACTS SUPPORTING THE JUSTIFICATION: N/A**

**(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:**

Unless the manufacturer chooses to license its software and authorize local service providers to maintain test and calibrate its equipment sometime in the future, the only alternative that may be available to us is to replace the existing GE Healthcare brand equipment with a more generic brand that may have a wider installed base and which does not have proprietary software. However, considerations other than sole source must be considered when contemplating replacement, specifically the anticipated remaining life span of the presently installed equipment, need for sufficient budget to acquire replacement capital items, the need to provide the most reliable and best equipment for the price, and the availability of quality maintenance and repair services. Right now, the facility participating in this contract is satisfied with the quality and operation of the installed equipment, its maintenance and repair, and they do not have sufficient budget to replace the equipment systems, and ancillary equipment.

**(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. (This signature is the requestor's supervisor, fund control point official, chief of service or someone with responsibility and accountability.)

		3/26/14
SIGNATURE		DATE
DOUGLAS E. WEABLE	BESS	FMS/BIOMED
NAME	TITLE	SERVICE LINE/SECTION
HARRY S TRUMAN MEMORIAL VA		
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.

**mark.edzards@va.gov**

Digitally signed by mark.edzards@va.gov  
DN: cn=mark.edzards@va.gov  
Date: 2014.04.01 09:16:17 -05'00'

CONTRACTING OFFICER'S SIGNATURE

DATE

Mark A Edzards  
Contracting Officer  
NCO 15

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

**loyd.jackson@va.gov**

Digitally signed by loyd.jackson@va.gov  
DN: cn=loyd.jackson@va.gov  
Date: 2014.04.01 14:18:12 -05'00'

SIGNATURE

DATE

Christine L. Scena  
Director of Contracting  
NCO 15