

## LIMITED SOURCES JUSTIFICATION

ORDER >\$3,000  
FAR PART 8.405-6

2237 Transaction # or Vista Equipment Transaction #: 766-14-2-401-0346

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:**

Manufacturer/Contractor: Xerox Corporation GS-25F-0062L  
 Manufacturer/Contractor POC & Phone Number: 800-408-7410  
 Mfr/Contractor Address: 7900 Westpark Dr Ste A400, McLean, VA 22102-4214  
 Dealer/Rep address/phone number: R/X Automation Solutions, 303-968-2566

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

**(1) AGENCY AND CONTRACTING ACTIVITY:** Charleston CMOP Station # 766  
 3725 Rivers Ave. STE # 2  
 N. Charleston, SC 29405  
 VISN: 15

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

Charleston CMOP is currently installing and testing a \$14.5 million high-speed tablet and capsule dispensing system, producing daily output of approximately 110,000 prescriptions. The system manufacturer partnered with an Authorized Xerox Service Distributor to develop automated packaging solutions for this system. This system design is based around a Xerox D125 LaserJet print engine to produce high-speed Patient Medication Information (PMI) and Med Guides for each prescription. The Charleston CMOP requires a Xerox maintenance package in place to sustain the heavy, daily usage.

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

The Charleston CMOP is requesting approval of a Limited Sources Justification to allow the purchase of a service agreement for preventative maintenance, emergency repairs, and manufacturer preventative maintenance from the Xerox Corporation for a one-year period throughout the majority of the warranty period. Xerox will provide all consumable supplies (less paper and staples) and high cycle spare parts.

**(b) ESTIMATED DOLLAR VALUE:**

Charleston CMOP estimates 560,000 prints per week using two machines at a time, and rotating through four machines to permit maintenance.

Estimated monthly maintenance cost is \$[REDACTED] per printer, which includes a print charge of 125,000 prints; overage rates are \$[REDACTED] per copy.

Estimated annual cost is all four printers is \$[REDACTED].

**(c) REQUIRED DELIVERY DATE:** April 01, 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.

The Xerox equipment is under warranty and proprietary. Xerox parts and authorized, factory-trained technicians are mandated or risk voiding the warranty is at risk.

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

Xerox equipment is under warranty and proprietary. Xerox parts and authorized, factory-trained technicians are mandated or risk voiding the warranty is at risk.

- ☐ These are "direct replacements" 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:**

The original equipment manufacturer provides the best quality control and knowledgeable, trained technicians to provide support of this equipment, especially during the initial period of the TCA installation, validation, and operation. GSA has predetermined the prices of supplies and fixed-price services, and rates for services offered at hourly rates, under schedule contracts to be fair and reasonable, and provides the best value to the Government.

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

Xerox has a current GSA contract, and is a required source. There are two authorized Xerox service providers in the Charleston area.

GSA lists 22 businesses that provide copier/printer maintenance services; 15 are small businesses. Market research indicates there are at least three vendors on GSA that are capable of performing maintenance and supplying products for Xerox equipment.

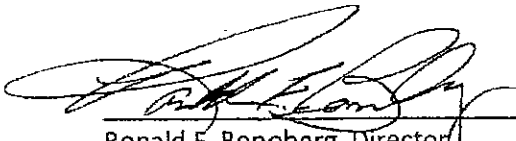
**(7) ANY OTHER FACTS SUPPORTING THE JUSTIFICATION:**

CMOP requires regularly scheduled service on this equipment in order to properly test, validate, and ensure the best efficiency during the initial period of use, OEM parts, service, and training is critical.

**(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:**

During the warranty period, other vendors and suppliers will be evaluated to determine the effectiveness of the supplies and authorized service technicians will be sought for market research. In order to evaluate the effectiveness of supplies and the quality of service provided by other vendors, a solid performance benchmark needs to be established using the manufacturer's recommended materials and service technicians.

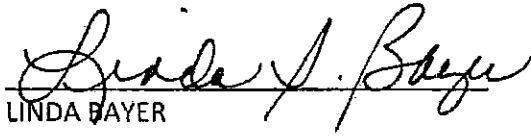
**(9) REQUIREMENTS CERTIFICATION:** I certify that the requirement outlined in this justification is a Bona Fide Need of the Department of Veterans Affairs and that the supporting data under my cognizance, which are included in the justification, are accurate and complete to the best of my knowledge. 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.)*

  
\_\_\_\_\_  
Ronald F. Boneberg, Director  
Charleston CMOP, Station # 766

4-2-2014  
\_\_\_\_\_  
DATE

(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.

  
LINDA BAYER  
CONTRACTING OFFICER

4-2-14  
DATE

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: 2014.04.03 11:08:23 -05'00'

CHRISTINE L. SCENA  
NCO 15 NCM

DATE

QA review  
Lori Kopacz  
Lori Kopacz  
4/3/14