

# DEPARTMENT OF VETERANS AFFAIRS

## Justification and Approval

For

## Other Than Full and Open Competition

### 1. **Contracting Activity:**

Department of Veterans Affairs, Veterans Health Administration (VHA), Program Contracting Activity Central (PCAC).

The proposed procurement, Invitation For Bid (IFB) VA701-14-B-0111 is for the construction of a new Combined Heat and Power (CHP) Plant at the Salt Lake City, UT VA Medical Center.

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

This justification is to support the construction of a new CHP Plant at the Salt Lake City, Utah VA Medical Center that will be awarded as a firm-fixed price contract. This justification is for other than full and open competition for the procurement of certain construction materials. The use of a particular brand name for the items listed below accommodates standardization of these items throughout the facility.

- a. Hays Cleveland Boiler Controls
  - i. Manufacturer: Hays Cleveland
- b. JCI Building Controls
  - i. Manufacturer: Johnson Controls, Inc. (JCI)
- c. Schneider Energy Metering System (Natural Gas, Steam, Electricity and Water)
  - i. Manufacturer: Schneider
- d. Square D Electronically Operated 15kV Drawout Circuit Breaker
  - i. Manufacturer: Square D
- e. Square D SEPAM Switchgear Controls
  - i. Manufacturer: Square D

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

This procurement is to construct a new Combined Heat & Power Plant at the Salt Lake City VA Medical Center. The scope includes everything necessary to construct a functional building that meets the requirements of the Department of Veterans Affairs. There are five (5) brand name items listed for which the VA is not able to accept an equal or alternate item. The value of each item is listed below and the magnitude of the entire project is between \$5,000,000.00 and \$10,000,000.00.

- a. Hays Cleveland Boiler Controls
  - i. Manufacturer: Hays Cleveland
  - ii. Value: [REDACTED]
  - iii. Unique Qualifications: The existing boiler controls at the Salt Lake City VA Medical Center are by Hayes Cleveland. This project involves adding additional points and display screens to the existing (new) boiler control system. This is required to properly integrate the CHP control into the existing control system and graphics, which cannot be properly done by another contractor.
- b. JCI Building Controls
  - i. Manufacturer: Johnson Controls, Inc.

- ii. Value: [REDACTED]
  - iii. Unique Qualifications: These controls will be adding additional points to the existing Building Management System (BMS). This is required to properly integrate the heat recovery and chiller system control into the existing control system for the Salt Lake City campus Heating, Ventilation, Air Conditioning (HCAC). Other vendors could be used for parts, but the panels and programming must be JCI for integration. The specifications include the addition of some graphics to the JCI system, which has to be done by the system vendor (JCI).
- c. Schneider Energy Metering System (Natural Gas, Steam, Electricity and Water)
  - i. Manufacturer: Schneider
  - ii. Value: [REDACTED]
  - iii. Unique Qualifications: As part of a VA VISN 19 energy management and efficiency improvement program, the VA is using Schneider Electric to provide the hardware and software to collect and evaluate energy data at various VA Medical Centers including Salt Lake City. The existing electrical and mechanical energy monitoring network will be expanded within building 6 for collection of new measurement and verification points related to the CHP. Information will be communicated to this network from boiler controls, building controls, and electrical switchgear power controls networks via open protocol (ex. modbus). Additional system expansion, programming, points integration, displays, and reporting will be required from Schneider.
- d. Square D Electronically Operated 15kV Drawout Circuit Breaker
  - iv. Manufacturer: Square D
  - v. Value: [REDACTED]
  - vi. Unique Qualifications: The Salt Lake City VAMC has recently constructed a new switchgear building with equipment. The switchgear used in this installation is by Square D. It is not good practice to install equipment from different manufacturers in an application like this. This circuit breaker is critical for the operation of the new CHP system (generator). It needs to fit in an existing compartment in the switchgear.
- e. Square D SEPAM (Square D Electrical Protection and Monitoring) Switchgear Controls
  - i. Manufacturer: Square D
  - ii. Value: [REDACTED]
  - iii. Unique Qualifications: The existing metal clad switchgear relay and controls network will require reprogramming, integration of a new sequence of operations related to the CHP output, condition of utility power. This system will also communicate synchronization data to the CHP generator controller and monitoring data to the Schneider metering system. The existing relay and controls at the Salt Lake City VA Medical Center are by Square D

**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; 41 USC §253(c)(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):**

All of these items have been standardized throughout the Salt Lake City VA Medical Center. Installing different manufacturer systems will create significant duplication in cost for the facility, and in some cases the equipment will not function properly. The specific impact for not using the brand name items is listed for each item below:

- a. Hays Cleveland Boiler Controls
  - i. Manufacturer: Hays Cleveland
  - ii. Impact: Miscommunications between new CHP and existing boiler system can result in too much or not enough steam heat being provided to the VAMC which will impact operations. Boiler operators are currently trained using Hayes Cleveland boiler controls. Mixing controls will require additional training of the operators and increases the probability of human error.
- b. JCI Building Controls
  - i. Manufacturer: Johnson Controls, Inc.
  - ii. Impact: Miscommunications with the Building Management System can result in the climate control systems in various buildings failing. That is, optimal temperature is not provided to operating rooms, patient rooms, offices, etc.
- c. Schneider Energy Metering System (Natural Gas, Steam, Electricity and Water)
  - i. Manufacturer: Schneider
  - ii. Impact: Improper collection of data and evaluation of the VAs energy management program. These metering systems will also be used for the measurement and verification program which will provide data on the performance of the new CHP system.
- d. Square D Electronically Operated 15kV Drawout Circuit Breaker
  - i. Manufacturer: Square D
  - ii. Impact: The current system is Square D and only works with Square D equipment. A circuit breaker from another manufacturer would not fit into the system and the system would not work.
- e. Square D SEPAM (Square D Electrical Protection and Monitoring) Switchgear Controls
  - i. Manufacturer: Square D
  - ii. Impact: Since the existing Switchgear Controls on site are Square D, the use of equipment from another manufacturer would cause the system to shut down.

**6. Description of Efforts Made to ensure that offers are solicited from as many potential sources as deemed practicable:**

In accordance with the Competition in Contracting Act (CICA), the components listed above are identified as brand name; however, the overall procurement will be competed as an IFB for a 100% Service-Disabled Veteran-Owned Small Business set-aside. This Justification For Other Than Full and Open Competition will be posted to Federal Business Opportunities with the solicitation.

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

The design was completed by AMEC Environmental and Infrastructure, Inc. (AMEC) of Portland, Maine. AMEC provided a complete government estimate. The anticipated price to the Government for the items requested to be brand name is approximately [REDACTED].

The items for which brand name approval is being requested are subsequent components to the overall construction project. This procurement will be competed and based on competition; the Contracting Officer will make a determination of fair and reasonable pricing prior to award.

**8. Description of the Market Research Conducted and the Results, or a Statement of the Reasons Market Research Was Not Conducted:**

The market research for the design and equipment was conducted AMEC to secure the secure prices for the government estimate, and was shared with the Contracting Officer and Contracting Officer's Representative for further review. The Contracting Officer and Contracting Officer's Representative were in concurrence with information provided in the estimated that supported the brand name items. These sources have been identified by AMEC as a result of Task Order VA701-13-J-0119 to design the Combined Heat and Power Plant. Approval of these items as brand name only is critical for the overall efficiency of the completed project and the Salt Lake City facility as a whole.

**9. Any Other Facts Supporting the Use of Other than Full and Open Competition:**

All the specifications and drawings associated with this project have been developed identifying the five (5) brand name items as requirements for the project.

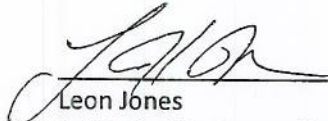
**10. Listing of Sources that Expressed, in Writing, an Interest in the Acquisition:**

Not applicable. It is the responsibility of the bidders and the general contractor awarded the project to locate suppliers and obtain pricing for all bidding materials and components, including the items listed in this justification.

**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:**

There will be competition for the overall procurement. It will be the responsibility of the bidders to obtain pricing from the suppliers of the items and to submit a competitive bid for the project.

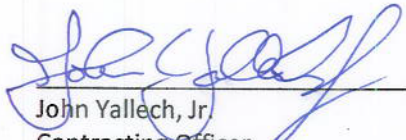
12. **Requirements Certification:** I certify that the requirement outlined in this justification is a Bona Fide Need of the Department of Veterans Affairs and that the supporting data under my cognizance, which are included in the justification, are accurate and complete to the best of my knowledge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

  
Leon Jones  
Salt Lake City Energy Manager

4/1/14  
Date

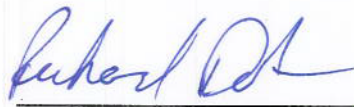
13. **Approvals in accordance with FAR 6.304**

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

  
John Yallech, Jr.  
Contracting Officer  
Program Contracting Activity Central (PCAC)

4/4/2014  
Date

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

  
Richard Dahmen  
Director of Contracting  
Program Contracting Activity Central

4/4/2014  
Date