

DEPARTMENT OF VETERAN AFFAIRS
VISN 21 – PALO ALTO DIVISION

SOLE SOURCE JUSTIFICATION FOR SIMPLIFIED ACQUISITION UNDER THE
TEST PROGRAM FOR COMMERCIAL ITEMS (FAR 13.5) #640-14-3-5028-0034

Upon the basis of the following justification, I, as Contracting Officer, hereby approve the use of other than full and open competition of the proposed contractual action pursuant to the authority of the test program for commercial items Section 4202 of the Clinger-Cohen Act of 1996 and 41 USC §253(c)(1).

1. Contracting Activity:

The Department of Veteran Affairs, VA Sierra Pacific Network (VISN 21), Palo Alto Health Care System (VAPAHCS), 3801 Miranda Ave., Palo Alto, CA 94304 proposes to issue a sole source commercial order on the basis of other than full and open competition for the subject purchase request number submitted by Kevan Gross of the Major Project (Activation) Division. The Contracting Officer for this procurement is Stephanie Hicks. This document sets forth the justification and approval as required by FAR 13.501(a)

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

Web-based Capital Equipment Planning solutions for VA Palo Alto Division, Major Project (Activations) Program are currently being provided by Attainia, Inc. under Contract #VA261-13-P-2456 which expires 07/31/2014. The VAPAHCS proposes to enter into a sole source, firm-fixed price contract (with options) on the basis of other than full and open competition, only one responsible source and no other supplies or services will satisfy agency requirements and if competed it would cause substantial duplication of costs to the Government that would not be expected to be recovered through competition.

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

VAPAHCS has various on-going and future Capital Projects planned over the next decade. The Major Project (Activations) Program office must manage capital equipment lifecycle equipment (Furniture, fixtures and equipment) for healthcare capital equipment lists for new construction, expansion, or renovation projects by using Cloud Software as a Service (SaaS) and if competed it would cause substantial duplication of costs to the Government that would not be expected to be recovered through competition.

The purpose of this contract is to acquire a Cloud /Web-based Health Care capital equipment service with no physical components and no hardware to install under NAICS 518210 - Data Processing, Hosting, and Related Services.

Estimated Value: \$436,387

Period of Performance: The purpose of this contract and justification is to provide continued services for one (1) year, with four (4) one (1) year options; not to exceed (NTE) five (5) years.

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

Under the authority of the test program for commercial items Section 4202 of the Clinger-Cohen Act of 1996 and 41 USC §253(c)(1); FAR 6.302-1(a)(2)(ii) - Only one responsible source and no other supplies or services will satisfy agency requirements. The proposed action is a follow-on contract for the continued web-based Capital Equipment Planning solutions for VA Palo Alto Division, Major Project (Activations) Program.

5. Demonstration that the Contractor's Unique Qualifications or Nature of the Acquisition Requires the Use of the Authority Cited Above (applicability of authority):

Attainia is the world standard in capital equipment planning and budgeting solutions. Attainia clients are both private sector and government healthcare facilities, Integrated Delivery Network (IDN's), healthcare architects, contractors, and GPOs - everyone responsible for planning and budgeting capital equipment in the healthcare. Attainia applications are being used today to plan over \$30 Billion in capital equipment in over 1500 capital projects and budgets utilizing 2100 suppliers.

Essential/significant program functions –

- a. *Tracks existing assets, manages purchase lists, identifies equipment exceptions, generates purchase orders, manages logistics, reconciles invoices, reports budget variances, and provides an audit trail*
- b. *Provides access for unlimited authorized users with permission levels set by the using organization*
- c. *Capable of managing an unlimited number of projects, each with multiple departments and rooms*
- d. *Capable of sorting and organizing equipment lists by characteristics, departments, and rooms*
- e. *Includes a database with a minimum of 30,000 healthcare products available from 2,000+ suppliers*
- f. *Provides equipment data including specifications, infrastructure requirements, and pdf datasheets*
- g. *Provides a complete library of department and room standards, technical data, and CAD symbols*
- h. *Provides group capital equipment contract pricing including current average and low/high price ranges*
- i. *Provides over 100 reports with export and reporting capabilities in pdf and spreadsheet formats*
- j. *Monitors procurement plans for discontinued products and suggests replacement products*
- k. *Organizes purchase lists, generates purchase orders, and interfaces with standard purchasing systems*
- l. *No patient data or personal information is collected, stored, or distributed by the system*
- m. *Data is maintained on redundant systems, protected by a firewall, and fully backed up*
- n. *Continuous availability of 99% or better uptime*

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

The initial contract action was competed under VA261-13-Q-1272 (June 2013). Two quotes were received. Furthermore in accordance with FAR 5.2, upon approval, this justification will be posted to the Government-wide Point of Entry (GPE) for fifteen (15) days to inform the general public and provide an opportunity for any interested parties to respond to the notice. Any communications received in response to the notice will be reasonably considered however, this is a follow-on contract for continued "commercial" services in support of Major Projects (Activation) program and substantial duplication of cost (labor) and unacceptable delays to ongoing FF&E acquisitions and planning if an award was made to another source at this time.

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

Using Attainia's solutions typically provides a five to twenty five percent savings in capital equipment spend, easily offsetting all license fees. The proposed price will be compared against the FY13 rates, and the current government estimate to determine a fair and reasonable price.

In order to reduce administrative costs, promote efficiency and economy in contracting and avoid any unnecessary burdens for the agency and vendor considering the total award amount a sole source acquisition is in the best interest of the Government and if competed it would cause substantial duplication of costs to the Government that would not be expected to be recovered through competition at this time.

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

The initial contract action was competed under VA261-13-Q-1272 (June 2013). Two quotes were received and Attainia, Inc. was awarded the contract.

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

This sole source action pursuant to the authority of the test program for commercial items Section 4202 of the Clinger-Cohen Act of 1996 and 41 USC §253(c)(1) and will reduce administrative costs, provide an opportunity for a Small Disadvantaged Business (SDB) to a contract, promote efficiency and economy in contracting and avoid any unnecessary burdens for the agency and vendor considering the amount of the award.

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

*Attainia, Inc.
1503 Grant Road, Ste. 200
Mountain View, CA 94304-3270
DUNs No: 104637447*

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:

Competition will be addressed when considering the option to extend services and once the contract term has expired 07/31/2019. Consideration must be made to a contract vehicle which will not cause substantial duplication of costs or potential delays to the on-going Major (Activation) Program mission.

12. Requirements Certification: *I certify that the requirement outlined in this justification is a Bona Fide Need of the Department of Veteran Affairs Major Projects program 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.*

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.

Stephanie Hicks
Contracting Officer
VISN 21, Palo Alto Division

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

Nicholas Kluch
Contracting Officer
VISN 21