

DEPARTMENT OF VETERANS AFFAIRS

**Justification and Approval
For
Other Than Full and Open Competition**

1. **Contracting Activity:** Department of Veterans Affairs (VA)
Veterans Health Administration (VHA)
Network Contracting Office (NCO) 18
Southern Arizona VA Health Care System (SAVAHCS) Facility

NCO 18 proposes to enter into a contract using Other Than Full and Open Competition for the Biomedical Engineering Program Office for the technical training and certification of Government employees for the Siemens Essential MRI training.

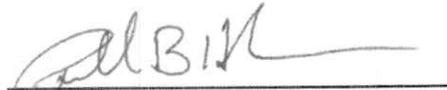
2. **Nature and/or Description of the Action Being Processed:** NCO 18 Contracting Office will enter into a sole source, firm-fixed price contract for Siemens Medical Solutions USA, Inc to provide technical training and certification for Government employees to provide first call services on Siemens MRI units located at the VISN 18 Medical Facility. This requirement will be to enhance the knowledge and skill of the Government employees located at facilities by providing training and certifications required to perform services as an initial evaluation of the equipment prior to placing service calls.
3. **Description of Supplies/Services Required to Meet the Agency's Needs:** The contractor will provide all labor, technical training and certification to enhance the knowledge and skill of Government employees for the preventative maintenance of the original manufacturers equipment (OEM) Magnetic Resonance Imaging Systems (Magnetom Verio and Avanto). The training will include all handouts, manuals and books necessary to have to provide fist call options as needed.
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;
() (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):** Siemens Medical Solutions USA, Inc is the sole provider of its equipment training. Siemens Medical Solutions USA, Inc is the only entity that has the certified personnel to train others on this OEM equipment. Siemens Medical Solutions USA, Inc does not subcontract the services to any other companies because of the proprietary information that it will not allow ownership outside of company personnel. Siemens Medical Solutions USA, Inc has provided verbal confirmation that they are the only company that can provide training of any type on its manufactured equipment.

Attachment 2: Request for Sole Source Memo Format

6. **Description of Efforts Made to ensure that offers are solicited from as many potential sources as deemed practicable:** The requirement for training on OEM units is proprietary to the manufacturer and in speaking with other large business medical equipment manufacturers (GE and Philips) they too do not provide training from any other sources. All three of the large medical equipment manufacturers have stressed the importance of only factory trained personnel that can do any or all training due to proprietary information. Also, in the purchase of the new equipment they have added complimentary additional training as long as the MRI Basics essential course is completed. The additional complimentary training was included at no costs to the Government. The efforts made to ensure offers from other sources is also cut short by the former trained Government employee passing away due to illness which left the facility with the option to send someone to training or increase the preventative maintenance contract to meet the first call option.
7. **Determination by the Contracting Officer that the Anticipated Cost to the Government will be Fair and Reasonable:** The anticipated costs will be considered fair and reasonable in accordance with (IAW) FAR 13.106-3(a)(2)(iii) in terms of realistic costs. The contractor has provided estimated costs to the customer based on the commercial list price at \$17,400.00 plus an additional 10% Government discount which reduces the cost to \$15,660.00. This training will also result in a 20% discount of annual preventative maintenance services contract with the trained Government employee now being able to troubleshoot the equipment as a first call option.
8. **Description of the Market Research Conducted and the Results, or a Statement of the Reasons Market Research Was Not Conducted:** Market research was not conducted as Siemens Medical Solutions USA, Inc is known to not subcontract out any of its OEM preventative maintenance services to any other sources. With no other contractors qualified to work on the listed equipment, the training is considered proprietary to Siemens and can only be conducted by its trained personnel at its selected locations.
9. **Any Other Facts Supporting the Use of Other than Full and Open Competition:** The information provided herein are the determining factors that there are no other suitable contractors to perform the required training due to proprietary equipment, knowledge and service.
10. **Listing of Sources that Expressed, in Writing, an Interest in the Acquisition:**
Siemens Medical Solutions USA Inc.
221 Gregson Street
Cary NC, 27511
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:**
According to the information provided by Siemens Medical Solutions USA, no other sources can or will be able to provide the training on the OEM units. In discussion with Siemens Medical Solutions USA, Inc they have stated that there are intentions to promote small businesses opportunities with future requirements but the opportunity are not currently available. The NCO 18 will continue to seek other contractors if possible but until the manufacturer determines that they can release proprietary information to other entities any requirements for Siemens manufactured equipment will rely on sole source environments.

Attachment 2: Request for Sole Source Memo Format

- 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.


Richard Harker
Biomedical Engineer (SAVAHCS)

5/28/2013
Date

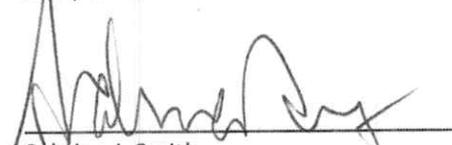
13. Approvals in accordance with FAR 6.304

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


Carlos Acosta
Contracting Officer
Network Contracting Office (NCO) 18, SAVAHCS

5/28/2013
Date

- b. **NCM/PCM:** I certify the justification meets requirements for other than full and open competition.


Sabrina J. Smith
Network Contract Manager
Network Contracting Office (NCO) 18

5/30/2013
Date