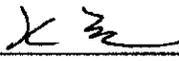


DEPARTMENT OF VETERANS AFFAIRS

Justification and Approval
For
Other Than Full and Open Competition

1. **Contracting Activity:** Department of Veterans Affairs, VISN 23, Minneapolis VA Contracting Office located at 708 South 3rd Street, Suite 200E, Minneapolis, MN 55415. VA263-14-AP-5350 with purchase request 636-15-1-4027-0001 (funding).
2. **Nature and/or Description of the Action Being Processed:** A new fixed price Indefinite-Delivery (ID) contract will be awarded on a sole source basis for laboratory testing services for the Iowa City VA Health Care System (HCS), Pathology & Laboratory Medicine Service. The time period will be for one base year (October 1, 2014 to September 30, 2015) and two (2), one (1) year options (October 1, 2016 through September 30, 2017 if options are exercised).
3. **Description of Supplies/Services Required to Meet the Agency's Needs:** This request is for local laboratory reference testing services for testing that cannot be shipped out of town due to quality, specimen stability, or turn-around time issues. The estimated value of the base year is \$164,585.00 and the total estimated contract value (base year and two, one year options) is \$493,897.29, (\$159,790.77 for the base year, \$164,584.49 for option year 1 and \$169,522.03 for option year 2).
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):** Testing which is unavailable from other reference testing facilities, including contract facilities. The testing requires specific testing algorithms approved by VA Pathology & Laboratory Medicine Service and for labile specimen testing where the required stability of specimens precludes shipping of specimens. Testing which must be completed on a STAT basis or within an hour for stability reasons.
6. **Description of Efforts Made to ensure that offers are solicited from as many potential sources as deemed practicable:** Internet search was conducted for clinical laboratories in and around Iowa City. No other local laboratory has the necessary testing menu. The University of Iowa Diagnostics Laboratory is the only lab close enough that has the ability to provide the services required.

7. **Determination by the Contracting Officer that the Anticipated Cost to the Government will be Fair and Reasonable:** The proposed quote will be compared to the current contract prices and past procurements to help determine if the price fair and reasonable. The contracting officer will determine if the price is fair and reasonable. Determination of fair and reasonable price is based on historical data.
8. **Description of the Market Research Conducted and the Results, or a Statement of the Reasons Market Research Was Not Conducted:** This is an open market requirement. Internet searches, interviews with area Pathologists and Laboratorians, and VA's professional knowledge of the various laboratory options in eastern Iowa are the basis for the market research.
9. **Any Other Facts Supporting the Use of Other than Full and Open Competition:** The level of complexity of labs performing these required tests is very high which presents a substantial barrier of entry for competitors. We have no Professional knowledge of the availability of another laboratory with the required menu of tests within a 15 minute delivery time.
10. **Listing of Sources that Expressed, in Writing, an Interest in the Acquisition:** No other source solicited; this is a sole source requirement with the University of Iowa.
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:** The Pathology and Laboratory Medicine Service departments will continue to investigate the availability of other local sources. No actions are planned. The barrier to entry for this specialized type of testing is very high. If any laboratory were to offer this menu of tests and be within a 15 minute delivery time, we would very much consider them.
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.



Katherine L. Ryerson
Chief Medical Technologist
Iowa City VA HCS

6-2-14

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.



Shea Colby
Contracting Officer
NCO 23 - Minneapolis

6/16/2014

Date

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


Arlene Jorgensen Hillestad
Product Line Contract Manager
NCO23 - Minneapolis

6-17-2014
Date