

Project # 695-14-146, Upgrade AHU's and Electrical in Buildings 70, 111 & 123.

**DEPARTMENT OF VETERANS AFFAIRS
Justification and Approval
For
Other Than Full and Open Competition**

1. Contracting Activity:

Department of Veterans Affairs, NCO 12, Great Lakes Acquisition Center, 115 South 84th Street, Milwaukee, WI 53214.

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

Clement J Zablocki VAMC, Milwaukee, Wisconsin has the need for construction services necessary to "Upgrade AHU's and Electrical in Buildings 70, 111 & 123" at the Clement J. Zablocki VA Medical Center in Milwaukee, WI. This Justification and Authority is for a new firm fixed price contract.

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

The Contractor is to provide construction services that will include provisions for (furnishing and installing) two new Air Handling Units (AHUs), one new Electrical Closet including new panels, transformers, glass replacement/installation, transformer room ventilation, and electrical outlets - per the project Scope of Work. An Independent Government Estimate (IGE) has been prepared in the amount of \$378,554.00. The Period of Performance is 270 calendar days with an estimated award and project kick-off date of July 21st, 2014.

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

FAR 6.302-2, An unusual and compelling urgency (e.g., when delay in award would result in serious injury, financial or other, to the Government).

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

This urgent and compelling situation places the safety of the patients and staff in danger (at the Clement J. Zablocki V.A. Medical Center, Buildings 70, 11, and 123). Specifically,

- (a) The Air Handling Unit for the ERCT space in the Emergency Department of Building 111 (Main Hospital) does not function. The radiology equipment that was installed in this space is extremely sensitive to temperature and humidity. Because of this, the unit frequently overheats and is not usable during our cooling months. This dramatically affects patient care, CT throughput, and Emergency Department and Radiology Department scheduling. Not only is access to this equipment necessary for timely and effective patient care, but the current lack of air conditioning in the ERCT space could be damaging the recently purchased multi-million dollar CT scanner. This situation jeopardizes patient and staff safety and could result in serious financial consequences to the government should the CT scanner be damaged.
- (b) The electrical panels and transformer equipment in the basement of Building 111 (B0113EC) can no longer be grand-fathered to meet current electrical code requirements. The space is unsafe for two major reasons: (1) the transformer is vintage equipment (circa 1965) and per today's electrical code requires significantly more cooling than the original electrical closet was designed for. If this transformer were to overheat and fail – causing a significant power loss to the hospital – Building 111 would lose the capacity to sterilize medical equipment to

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our operating rooms and surgical staff. Also, in addition to the power loss issue, this situation poses a potential fire hazard that jeopardizes patient, staff, and building safety. (2) The electrical panels in this electrical closet are vintage equipment (circa 1965) and require extensive upgrades to meet current electrical code requirements (multiple OSHA, NFPA and NEC standards apply). The impact of the transformer failing would affect (or stop) many other projects ongoing in building 111 that could also result in serious financial damage to the government.

- (c) The Veteran's Administration Police responded to a call regarding safety and security concerns of the pharmacy in Building 123. The police department requires the installation of a safety glass partitions in Building 123's pharmacy. The main problem is a physical security issue where unauthorized person (s) can gain access to pharmaceutical drugs when no partitions are in place. Law enforcement determined that the partitions should be installed as soon as possible due to the dangers posed to the patients and staff. If a person gains unauthorized access to unprotected medication, the safety of the patients and staff would be jeopardized.

The compelling aforementioned circumstances precludes full and open competition and any delays in awarding this contract could result in serious injury to patients, staff, family members, including financial damage to government property and violations of fire, safety, and building codes. The Clement J. Zablocki V.A. Medical Center needs an in house/mobilized (CVE verified Service Disabled Veteran Owned Business) contractor with detailed knowledge buildings 70, 111, and 123 infrastructure – to begin work immediately. Master Design Build (MDB) fits the V.A.'s needs and requirements for this project. MDB is willing and able to expedite the work and meet the required critical milestones (e.g., kick-off, construction, completion).

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

Please refer to Attachment 1 (Memorandum for Record) referencing a low coefficient issue. Competition is no longer an option due to Patient, Staff, and Building Safety being jeopardized. It is in the Government's best interest to award this project as Sole Source procurement.

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

An Independent Government Estimate was prepared utilizing R.S. Means Cost works software. The anticipated cost for this project is \$378,554.00. A detailed price breakdown will be provided by the contractor. The Government will perform price analysis and pricing will be evaluated to determine that the proposed price is fair and reasonable.

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

This is an unusual and compelling urgency; GLAC performed market research to identify a contractor that could begin work immediately with extensive knowledge of the respective buildings. The research revealed MDB fit the V.A.'s needs for this project.

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

None.

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

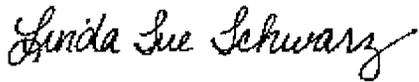
None, this is an unusual and compelling urgency and the requirement was not synopsized.

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 GLAC is currently working on a Multiple Award Task Order Contract that will be awarded in 1st quarter FY15.

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.

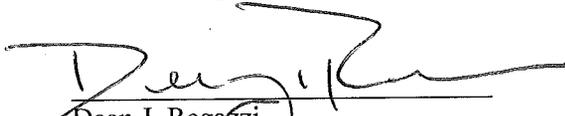


Linda Sue Schwarz
Deputy Director, Facilities Management
Clement J. Zablocki VAMC

28 May 2014
Date

1. 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.



Dean J. Regazzi
Contracting Officer
NCO-12

July 2, 2014
Date

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

Christine Hansen
Director of Contracting
NCO-12

Date