

6/25/14

2014-363-G ASTRPINTESTI
NAL
(W/G)
KAN**LIMITED SOURCES JUSTIFICATION**ORDER >\$3,000
FAR PART 8.405-62237 Transaction # or Vista Equipment Transaction #: 663-14-3-9961-0072

This acquisition is conducted under the authority of the Multiple Award Schedule Program. The material or service listed in par. 3 below is sole source, therefore, consideration of the number of contractors required by FAR Subpart 8.4 – Federal Supply Schedules, is precluded for the reasons indicated below.

Restricted to the following source:Manufacturer/Contractor: Olympus America IncManufacturer/Contractor POC & phone number: Michael Johnson 800-848-9024Mfr/Contractor Address: 3500 Corporate Parkway, PO Box 610, Center Valley, PA, 18034-0610Dealer/Rep address/phone number: Michael Johnson, 206-579-5539☒ The requested material or service represents the minimum requirements of the Government.

(1) IAW FAR 8.405-6 AGENCY AND CONTRACTING ACTIVITY: Department of Veterans Affairs
5115 NE 82nd Ave
Suite #103
Vancouver, WA 98662

Network Contracting Office (NCO): 20**(2) IAW FAR 8.405-6 NATURE AND/OR DESCRIPTION OF ACTION BEING APPROVED:**

This limited source procurement under PR# 663-14-3-9961-0072 is for a 48 months lease to own requirement for GI scopes and associated peripherals, as mandated by the VHA Endoscopes Integrated Product Team Standardization of Upper/Lower Gastrointestinal Endoscopes dated Nov 16, 2010. This will be a 48 month lease comprised of a base year and Three (3) one-year options. See Attached VHA National Standardization for Endoscopes Memo.

(3)(a) IAW FAR 8.405-6 A DESCRIPTION OF THE SUPPLIES OR SERVICES REQUIRED TO MEET THE AGENCY'S NEED:

Full 48 month lease pricing, with trade-ins discount, and Service Agreement.

Equipment Breakdown and Pricing

Description	Qty
CV-190: CV-190 EVIS EXERA III VIDEO PROCESSOR	7
CLV-190: CLV-190 EVIS EXERA III LIGHT SOURCE	7
MAJ-1916: MAJ-1916 CV INTERFACE CONVERTER DEVICE	7
MAJ-1918: MAJ-1918 REMOTE CABLE PERIPHERAL DEVICE 1.8M	14
CF-HQ190L: EVIS EXERA III HD Colonoscope with Dual Focus	14
PCF-H190L: EVIS EXERA III HD slim colonoscope with Responsive Insertion Technology	6

GIF-HQ190: EVIS EXERA III High-Definition, Narrow Band Imaging compatible, Dual Focus, video gastroscope	2
GIF-XP190N: EVIS EXERA III ultra-slim video gastroscope with Narrow Band Imaging	3
K10022086: WM-DP2 Standard Cart with CO2	1
MAJ-1430: Videoscope cable for EVIS EXERA II	1
IS20297: NDS 42 INCH HD MEDICAL GRADE DISPLAY W/MMI	1
IS72036: ST660 tilting wall mount for 32-60 in. LCD & Plasma screens	1
GIF-2TH180: EVIS EXERA dual channel therapeutic gastroscope with HD Image	2
TJF-Q180V: EVIS EXERA II therapeutic video duodenoscope with dual locking mechanisms	1
GIF-H190: EVIS EXERA III High-Definition, Narrow Band Imaging compatible, video gastroscope with full screen HDTV Image	9
OEV-261H: OLYMPUS 26" FULL HD LCD MONITOR	1
OL-0015-07: GCX HD ROLLSTAND 47-61.5" 23- 32# W/PWR SUP HOLSTER & CORD-W	1
GIF-1TH190: GIF-1TH190 EVIS EXERA III HIGH DEF	3
Equipment Total Price	

Trade-in Products

Model	Qty
CV-180: CV-180 EVIS EXERA II VIDEO PROCESSOR	1
CLV-180: CLV-180 EVIS EXERA II LIGHT SOURCE	1
OEV-191H: 19" LCD HD TV FLAT PANEL MONITOR	1
GIF-Q180: GIF-Q180 EVIS EXERA II GASTROVIDEOSCOPE	1
GIF-Q180: GIF-Q180 EVIS EXERA II GASTROVIDEOSCOPE	1
GIF-2T160: GIF-2T160 THERAPEUTIC VIDEO GASTROSCOPE	1
GIF-XP160: GIF-XP160 ULTRA-THIN VIDEO GAS TROSCOPE	1
CF-Q180AL: CF-Q180AL EVIS EXERA II COLONOVIDEOSCOPE	1
CF-Q180AL: CF-Q180AL EVIS EXERA II COLONOVIDEOSCOPE	1
PCF-Q180AL: PCF-Q180AL EVIS EXERA II COLONOVIDEOSCOPE	1
TJF-160VF: THERAPEUTIC VIDEO DUODENOSCOPE W/V-LOCK ELEVATOR	1
GIF-XP160: GIF-XP160 ULTRA-THIN VIDEO GAS TROSCOPE	1
PCF-Q180AL: PCF-Q180AL EVIS EXERA II COLONOVIDEOSCOPE	1
Trade-in Total discount	

Equipment Service Agreement: Full Service Master Lease Agreement

Description	Qty
Gastrosopes @ \$2261 per item per yr (Avg)	17
Colonoscopes @ \$2563 per item per yr (Avg)	20

Duodenoscopes @ \$2524 per item per yr (Avg)	1
GIF-2TH180 Gastrosopes @ 2487 per item per yr (Avg)	2
Electronics @ \$511. per item per year (Avg)	14
Service Agreement for equipment Total for all years	

Equipment Total	
Trade-In Discount	
Service Agreement	
Sub-Total	
Estimated interest and taxes	
Total cost of lease 48 months	

Monthly Payment: \$

(b) DOLLAR VALUE: \$

(c) PERIOD OF PERFORMANCE: Base plus 3 one yr options: estimated July 1, 2014 – June 30, 2018. Will be Date of Award plus 48 months.

(4) IDENTIFICATION OF THE JUSTIFICATION RATIONALE (SEE FAR 8.405-6), AND IF APPLICABLE, A DEMONSTRATION OF THE PROPOSED CONTRACTOR'S UNIQUE QUALIFICATIONS TO PROVIDE THE REQUIRED SUPPLY OR SERVICE.

☐ Specific characteristics of the material or service that limit the availability to a sole source (unique features, function of the item, etc.). Describe in detail why only this suggested source can furnish the requirements to the exclusion of other sources.

☐ A patent, copyright or proprietary data limits competition. The proprietary data is:
(If FAR 8.405-6(a)(2) will be before posting. Do not include specific proprietary data. Only mention the type of equipment, procedure, etc. to show that proprietary supplies or services are being procured.)

☒ In accordance with FAR 8.405-6(a)(1)(i)(B) and FAR 8.405-6(b) These are "direct replacements" parts/components for existing equipment.
The VA Puget Sound Health Care System is replacing outdated GI scopes with new leased GI Scopes per National Mandate to standardize equipment to improve patient safety. Standardizing GI equipment at each center will reduce to a minimum the variety of instruments and thus the number of Standard Operating Procedures (SOP) for set-up and reprocessing (sterilization procedures). Direct replacement of the following Olympus Scopes currently on station at VA Puget Sound: four (4) Colonovideoscopes; one (1) duodenoscopes; and five (5) gastrovideoscopes.

☒ In accordance with FAR 8.405-6(a)(1)(i)(B) and FAR 8.405-6(b) The material/service must be compatible in all aspects (form, fit and function) with existing systems presently installed/performing. Describe the equipment/function you have now and how the new item/service must coordinate, connect, or interface with the existing system.

The current GI scopes in use are Olympus brand IAW VHA National Standardization of Endoscopes Memo. The trade-in equipment is Olympus brand. Also per the national mandate the lease should be for only the latest generation of endoscopic equipment. The lease should be updated to maintain the most current equipment on site, and the contractor shall offer full maintenance and repairs for all scopes and equipment. The National mandate also states the lease will be established with one of the contracts in place with GI Endoscope Manufacturers that presently have FSS government endoscope leasing programs (Olympus or Pentax). VA Puget Sound Health Care System already has Olympus scopes in use throughout the facility, therefore the decision was made to stay with Olympus.

☐ The new work is a logical follow-on to an original Federal Supply Schedule order provided that the original order was placed in accordance with the applicable Federal Supply Schedule ordering procedures. The original order must not have been previously issued under sole source or limited source procedures.

☐ An urgent and compelling need exists, and following the ordering procedures would result in unacceptable delays.

(5) DESCRIBE WHY YOU BELIEVE THE ORDER REPRESENTS THE BEST VALUE CONSISTENT WITH FAR 8.4 TO AID THE CONTRACTING OFFICER IN MAKING THIS BEST VALUE DETERMINATION:

In Accordance with FAR 8.404(d) and 8.405-6(c)(2)(v) the pricing offered by Olympus America is determined fair and reasonable based on comparison through historical prices for past purchases to the Veterans Administration under the following orders:

1. 648-C31876 dated July 12, 2013 for \$157,920
2. VA260-12-Q-0369 dated Jan 31, 2012 for \$92,855.92
3. VA663-A00380 dated July 1, 2010 for \$3,268,276.00

(6) IN ACCORDANCE WITH FAR 8.405-6(b)(1) and FAR 8.405-6(c)(2)(ii) DESCRIBE THE MARKET RESEARCH CONDUCTED AMONG SCHEDULE HOLDERS AND THE RESULTS OR A STATEMENT OF THE REASON MARKET RESEARCH WAS NOT CONDUCTED:

Market research was limited to Olympus and Pentax (the only 2 VA NAC FSS contract holders for GI Scopes). Per national mandate for standardization purposes each VA facility should contact their vendor of choice, either Olympus or Pentax, conduct a needs assessment and update equipment to the most current. VA Puget Sound Health Care System's will be updating the existing Olympus equipment.

(7) IN ACCORDANCE WITH FAR 8.405-6(c)(2)(vii) ANY OTHER FACTS SUPPORTING THE JUSTIFICATION: The intention of the standardization effort is to achieve the goal of establishing locally standardized GI endoscope inventories throughout VHA without incurring expense beyond that absolutely necessary. Repair and maintenance, and upgrading of equipment will be easier to manage with just one vendor. This will help reduce the variety of instruments and thus the number of Standard Operating Procedures (SOPs) for set-up and reprocessing of reusable medical equipment (RME). This will help in reducing the number of errors in processing of the RME and improve patient safety. The VA Puget Sound is now the Regional center for GI with the opening of The Gastroenterology Center of Excellence on their campus.

(8) IN ACCORDANCE WITH FAR 8.405-6(c)(2)(viii) A STATEMENT OF THE ACTIONS, IF ANY, THE AGENCY MAY TAKE TO REMOVE OR OVERCOME ANY BARRIERS THAT LED TO THE RESTRICTED CONSIDERATION BEFORE ANY SUBSEQUENT ACQUISITION FOR THE SUPPLIES OR SERVICES IS MADE:

No known actions taken at this time. There would need to be an increase in the number of vendors with FSS GI endoscopic equipment lease contracts or a change in VHA Standardization Policy.

(9) IN ACCORDANCE WITH FAR 8.405-6(c)(2)(x) 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. I understand that processing of this limited sources justification restricts consideration of Federal Supply Schedule contractors to fewer than the number required by FAR Subpart 8.4. (This signature is the requestor's supervisor, fund control point official, chief of service or someone with responsibility and accountability.)

<u>Colleen W. Ruben</u>		<u>18 June 2013</u>
SIGNATURE		DATE
<u>Colleen W. Ruben</u>	<u>Admin Srvc Mgr</u>	<u>Hosp & Spec Med</u>
NAME	TITLE	SERVICE LINE/SECTION
<u>VA PSHCS</u>		
FACILITY		

a. CONTRACTING OFFICER'S CERTIFICATION (required): I certify that the foregoing justification is accurate and complete to the best of my knowledge and belief.

Digitally signed by Mona L. Rinzino 281764
DN: cn=gov, o=fwa, ou=internal, ou=people,
ou=23421920000, ou=1, email=mona.rinzino@va.gov,
cn=Mona L. Rinzino 281764
Date: 2014.06.18 09:37:08 -0700

June 18, 2014

DATE _____

b. NCO Director's Designee: I certify that the foregoing justification is accurate and complete to the best of my knowledge and belief.

Digitally signed by Standa M. Parns 452702
DN: cn=gov, dc=gov, o=federal.government,
ou=2043 10100300.102.1 3=stachanov@gov, cn=Standa M.
Parns 452702
Date: 2014.06.03 10:21:47-0700

June 18, 2014

DATE _____

c. NCO Director: I certify that the foregoing justification is accurate and complete to the best of my knowledge and belief.

Digitally signed by Nicholas M. Smith 407961
DN: cn=Nicholas M. Smith, o=VeriSign, ou=People, email=nsmith@verisign.com, c=US
Date: 2014.06.26 09:26:42 -0700

6/20/2014

DATE _____

d. **Service Area Office (SAO):** I certify the justification meets requirements for other than full and open competition.

DATE _____

Norbert S. Doyle
Head of Contracting Activity
Chief of Procurement and Logistics
Veterans Health Administration

DATE _____