

LIMITED SOURCES JUSTIFICATION

**ORDER >\$3,000
FAR PART 8.405-6**

2237 Transaction # or Vista Equipment Transaction #: [REDACTED]

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: Provide original manufacturer's name for material or contractor's name for service. (If a sole source manufacturer distributes via dealers, ALSO provide dealer information.)

Manufacturer/Contractor: GE

Dealer/Rep address/phone number: GE 3000 N Grandview Blvd W-443 Waukesha, WI 53188
[REDACTED]

☒ The requested material or service represents the minimum requirements of the Government.

(1) AGENCY AND CONTRACTING ACTIVITY: Department of Veterans Affairs
NCO 12
Great Lakes Acquisition Center
115 S. 84th St., Ste 100
Milwaukee, WI 53214-1476

(2) NATURE AND/OR DESCRIPTION OF ACTION BEING APPROVED:

This is a limited source justification for a new task order against existing NAC HTME (High Tech Medical Equipment) contract. Contracting Officer cannot follow the fair opportunity process specified in the contract number V797P-6019b, because GE is the only known vendor that can supply service support that includes preventive maintenance, corrective maintenance during hours of coverage, and software support system that includes updates/upgrades to the following equipment items: GE WORKSTATION ADVANTAGE WORKSTATION 4.2, GE Digital X-Ray DEFINIUM 8000 - 2 DET, GE Gamma Camera INFINIA - WITHOUT HAWKEYE, GE Injector MEDRAD MV PR MEDRAD STELLANT D, GE CT LIGHTSPEED VCT (64 SLICE), GE MR 1.5T HDx ECHOSPEED (NON-MOBILE), GE MR MAGNET MAINTENANCE AND CRYOGEN, GE MR GE CHILLER - AIRSYS, ELLIS (MELLIS), GE CT LIGHTSPEED VCT (64 SLICE), GE Digital X-Ray REVOLUTION Digital X-Ray /D TABLE - 1 DET, GE Digital X-Ray DISCOVERY Digital X-Ray 650 2-D, GE Digital X-Ray DEFINIUM 700 PORTABLE (AMX 700), GE Digital X-Ray Tethered Detector – TRAD, GE Bone Densitometer LUNAR IDXA, GE Digital X-Ray ENOGRAPHE ESSENTIAL FFDM (NON-MOBILE), GE Digital X-Ray SENOGRAPHE ESSENTIAL FFDM (NON-

MOBILE), GE CT LIGHTSPEED PRO 16, 80 KW, GE CT LIGHTSPEED VCT STANDARD (64 SLICE), GE WORKSTATION ADVANTAGE WORKSTATION 4.4, GE WORKSTATION ADVANTAGE WORKSTATION 4.4, GE WORKSTATION ADVANTAGE WORKSTATION 4.4, GE Digital X-Ray DISCOVERY Digital X-Ray 650 2-D, GE Digital X-Ray DEFINIUM 700 PORTABLE (AMX 700), GE Digital X-Ray Tethered Detector – TRAD, GE Digital X-Ray DEFINIUM 700 PORTABLE (AMX 700), GE Digital X-Ray Tethered Detector – TRAD, GE Digital X-Ray DEFINIUM 700 PORTABLE (AMX 700), GE Digital X-Ray Tethered Detector – TRAD, GE Digital X-Ray DEFINIUM 8000 - 2 DET, GE Digital X-Ray DEFINIUM 8000 - 2 DET, GE Digital X-Ray INNOVA 2000, GE Digital X-Ray INNOVA 4100, GE CT LIGHTSPEED VCT STANDARD (64 SLICE), and GE Bone Densitometer LUNAR IDXA.

(3) (a) A DESCRIPTION OF THE SUPPLIES OR SERVICES REQUIRED TO MEET THE AGENCY'S NEED:

Maintenance Service for on 33 GE Medical Equipment located at the NCO 12: VA Milwaukee. VA Hines, VA Iron Mountain, VA North Chicago, VA Tomah, and VA Jesse Brown.

GE has remote connectivity to this equipment and proprietary service software that is necessary to service the above items remotely. This remote service connectivity is done through a National Site to Site VPN agreement with the Health Information Security Division in Office of Information Technology

(b) ESTIMATED DOLLAR VALUE: \$ 1,491,981.72

(c) REQUIRED DELIVERY DATE: 10/01/2014 – 09/30/2015

(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.

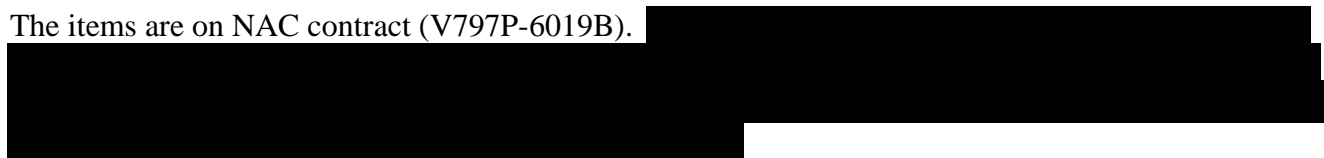
Software updates and upgrades to these systems are only available from GE on these systems as they are the original equipment manufacturer. These updates and upgrades will not be available from any other source. Compliance with the specifics of the warranty and the service agreement is required: service attempted or performed by any person or company not authorized to perform such service will constitute a breach of the agreement and will consequently void the warranty on the systems currently in operation at NCO 12 VAMCs. This single factor precludes modification to enhance competition. Thus, acquiring a service contract with a potential contractor other than the suggested source can potentially prove too costly and injurious to the Government. If VA were not to obtain this particular service, we would not be able to safely and effectively treat patients.

The proposed source is GE. Based on market research, it was determined that only GE can meet the VA's requirement. Accordingly, GE is the original equipment manufacturer and the only authorized contractor who is capable of providing the services. GE will provide manufactured parts and labor


necessary to service and maintain the equipment according to GE's published operating specifications. Only GE can install the modification in the equipment as soon as practical due it being proprietary and perform preventative maintenance requirements include software updates that only the GE has access to. Therefore, no other vendor can adequately perform the required services because they will not be able to provide the latest proprietary software versions. In accordance with (IAW) company policy and service agreement terms and conditions, only engineers trained and certified by GE are authorized to repair and/or service GE's trademarked medical equipment and provide proprietary parts available solely from the servicing company. Therefore, compliance is required: service attempted or performed by any person or company not authorized to perform such service will constitute a breach of the warranty and will consequently may void the warranty on the ventilators currently in operation at NCO 12 and will result in unacceptable delays in fulfilling the agency's requirements.

(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:

The items are on NAC contract (V797P-6019B).



According the FAR 8.404 – Use of Federal Supply Schedules, section (d) Pricing. Supplies offered on the schedule are listed at fixed prices. Services offered on the schedule are priced either at hourly rates, or at a fixed price for performance of a specific task (e.g., installation, maintenance, and repair). GSA has already determined the prices of supplies and fixed-price services, and rates for services offered at hourly rates, under schedule contracts to be fair and reasonable. Therefore, ordering activities are not required to make a separate determination of fair and reasonable pricing, except for a price evaluation as required by 8.405-2(d). By placing an order against a schedule contract using the procedures in 8.405, the ordering activity has concluded that the order represents the best value (as defined in FAR 2.101) and results in the lowest overall cost alternative (considering price, special features, administrative costs, etc.) to meet the Government's needs.



According to the national BERS (Biomedical Engineering Resource Survey) the national average for an annual full-service contract is 8% of the acquisition cost. VA has invested a substantial amount of money into these systems and it would be advantageous for the VA to pay to keep them serviced and up to date.

(6) DESCRIBE THE MARKET RESEARCH CONDUCTED AMONG SCHEDULE HOLDERS

AND THE RESULTS OR A STATEMENT OF THE REASON MARKET RESEARCH WAS NOT CONDUCTED:


(7) ANY OTHER FACTS SUPPORTING THE JUSTIFICATION:

No other companies have the OEM trained and certified technicians and can also provide timely and appropriate software and hardware upgrades as needed per the OEM.

(8) 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:

None.

(9) 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.)*

		
SIGNATURE	DATE	
<u>Robert Steldt</u>	<u>Biomedical Engineer</u>	<u>Biomedical Engineering</u>
NAME	TITLE	SERVICE LINE/SECTION
<u>Milwaukee</u>		
FACILITY		

(10) APPROVALS IN ACCORDANCE WITH FAR 8.405-6(d):

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

Trong Nguyen
Contracting Officer
Network Contracting Office 12

DATE

c. **NCM/PCM/DESIGNEE:** I certify that the foregoing justification is accurate and complete to the best of my knowledge and belief.

Christine Hansen
Director of Contracting
Network Contracting Office 12

DATE

HIGHER LEVEL APPROVAL (Required For orders over \$650,000):

e. **SAO:** I certify the justification meets requirements for restricting consideration of Federal Supply Schedule contractors to fewer than the number required by FAR Subpart 8.4.

Randy Hays
Acting Director
SAO Central

DATE

f. **VHA HCA REVIEW AND APPROVAL (over \$650,000 to \$12.5 million):** I have reviewed the foregoing justification and find it to be complete and accurate to the best of my knowledge and belief and approve for restricting consideration of the Federal Supply Schedule contractors to fewer than the number required by FAR Subpart 8.4

Norbert S. Doyle
Chief Procurement and Logistics Officer
VHA Head of Contracting Activity (HCA)

DATE