

Attachment 1: Request for Limited Sources Memo Format

LIMITED SOURCES JUSTIFICATION

ORDER >\$3,000

FAR PART 8.405-6

2237 Transaction # or Vista Equipment Transaction #: 506-15-1-1527- 0002

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: Philips Healthcare, Contract #V797P-6011B

Manufacturer/Contractor POC & phone number: Bashar Rida, (419) 708-5942

Mfr/Contractor Address: 22100 Bothell Everett Hwy. WA 98021

Dealer/Rep address/phone number: _____

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

(1) AGENCY AND CONTRACTING ACTIVITY:

Department of Veterans Affairs

Ann Arbor Medical Center

2215 Fuller Rd.

Ann Arbor MI 48105

VISN: _____

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

Full service coverage on the Philips Brilliance CT Scanner and workstation, Digital Diagnostic X-Ray system and Chest system, Brilliance Big Bore CT imaging system, Pinnacle PROS Server, Eleva Diagnostic, Brilliance 64 slice CT scanner, Multi-Diagnostic Eleva w/flat detector, and Bucky TH-GXR, EBW Workspace, Extended Brilliance Portal and Allura FD20 Suite at the Ann Arbor Medical Center. The estimated value of this acquisition is \$646,300.79

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

Full service coverage on the Philips Brilliance CT Scanner and workstation, Digital Diagnostic X-Ray system and Chest system, Brilliance Big Bore CT imaging system, Pinnacle PROS Server, Eleva Diagnostic, Brilliance 64 slice CT scanner, Multi-Diagnostic Eleva w/flat detector, and Bucky TH-GXR, EBW Workspace, Extended Brilliance Portal and Allura FD20 Suite at the Ann Arbor Medical Center. The estimated value of this acquisition is \$646,300.79

(b) ESTIMATED DOLLAR VALUE: \$646,300.79

(c) REQUIRED DELIVERY DATE: 10/1/2014 thru 9/30/2015

(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.
The Biomedical Engineering Department is requesting labor, material, and equipment to provide service, full service coverage on the Philips Healthcare Digital Diagnostic X-Ray system and Chest system, Brilliance Big Bore CT imaging system, Pinnacle PROS Server, Eleva Diagnostic, Brilliance 64 slice CT Scanner, Multi-diagnostic Eleva w/flat detector, and Bucky TH-GXR which includes planned maintenance, priority response for service, software updates and other services described in the manufacture maintenance specification. Only the original manufacturer is able to maintain this complex and delicate equipment that is an integral part of the facility. All the above listed equipment is proprietary. Philips is the only authorized vendor who can obtain OEM parts for replacement. Third party vendors and equipment will void any agreement with Philips on warranty and guarantee for the equipment.

☒ A patent, copyright or proprietary data limits competition. The proprietary data is:
(If FAR 8.405-6(a)(2)iii 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.)
These high end digital imaging systems contain hardware and software components that are proprietary in nature and thus makes third party service not an option.
Philips is the only authorized vendor who can obtain OEM replacement parts. Third party vendors and equipment will void any agreement with Philips on warranty and guarantee for the equipment.

☐ These are "direct replacements" parts/components for existing equipment.

☐ 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 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:

NAC has negotiated this contract with Philips for the maintenance of high tech equipment. NAC contract prices are determined to be fair and reasonable. This is the best value to the government because third party vendor will void any guarantees and warranties with the OEM vendor and can result in higher and unnecessary replacement costs.

(6) DESCRIBE THE MARKET RESEARCH CONDUCTED AMONG SCHEDULE HOLDERS AND THE RESULTS OR A STATEMENT OF THE REASON MARKET RESEARCH WAS NOT CONDUCTED:

Market research turned up no other viable service providers for the full scope of all Philips Imaging systems in this facility. NAC established Non-FSS contracts for field stations to use for our high-tech requirements, V797P-6011B. In view of the availability to contract the manufacturer to perform preventive maintenance we elected to follow suit and contract vendor.

(7) ANY OTHER FACTS SUPPORTING THE JUSTIFICATION:

Philips is the manufacturer of the aforementioned equipment that requires a full service agreement and is the only provider that is capable of providing the range of services specified by the manufacturer. The range of service that only Philips can provide will prove beneficial in the overall cost effectiveness in maintaining and operating the Philips Brilliance CT Scanner, workstations and assorted equipment.

(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:

Should a requisition of this nature occur again we would perform a new market survey to locate possible new vendors

(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.)*

[Redacted Signature] 7-24-14
SIGNATURE DATE
[Redacted Name] Chief Biomedical Engineering Fac. Mgmt/Biomedical Eng.
NAME TITLE SERVICE LINE/SECTION
VA Ann Arbor Healthcare System
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.

[Redacted Signature] 7/28/14
CONTRACTING OFFICER'S SIGNATURE DATE
[Redacted Name and Title] NCO 11
NAME AND TITLE FACILITY

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

[Redacted Signature] [Redacted Date]
NAME DATE
Supr Contract Spec
VISN X NCM/PCM

HIGHER LEVEL APPROVAL (Required For orders over \$500,000):

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.

SIGNATURE DATE

NAME
DIRECTOR, SAO X

f. VHA HCA REVIEW AND APPROVAL (over \$500,000 to \$10 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

NAME

Chief Procurement and Logistics Officer
VHA Head of Contracting Activity (HCA)

DATE

g. VA Deputy Senior Procurement Executive Approval (\$10 million not to exceed \$50 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

C. FORD HEARD

Deputy Senior Procurement Executive (DSPE)

DATE

h. VHA Senior Procurement Executive Approval (over \$50 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 other than full and open competition.

JAN R. FRYE

Deputy Assistant Secretary
Office of Acquisition and Logistics
Senior Procurement Executive (SPE)

DATE