

## DEPARTMENT OF VETERANS AFFAIRS

### Justification and Approval For Other Than Full and Open Competition

**1. Contracting Activity:** Department of Veterans Affairs, VISN 8, NCO 8 Tampa. 2237 #: 673-15-1-055-0001

**2. Nature and/or description of the action being processed:** Warehouse Management System (WMS) for the storage and management of Medical/Surgical Supplies in support of VISN 8 Healthcare facilities: James A. Haley VA Healthcare System, Bay Pines VA Healthcare System, Orlando VA Medical Center, and North Florida/South Georgia VA Healthcare System. This will be a new firm fixed price contract for a period of 12 months for the continuation of services currently provided by American Medical Depot under contract # VA248-14-P-3064 in which it will expire on 30 September 2014. This short term 12 months contract is required until a new long term (base + 4 years) contract is awarded. Although VISN 8 contracting is currently working towards the award of the new long term contract; it is not expected to be in place before 1 October 2014.

**3. Description of supplies/services required to meet the Agency's needs:** Provide complete WMS services (warehouse facility, labor, equipment, transportation) for an average of 290 pallets, with expansion capabilities up to a maximum of 1,000 pallets, of Medical/Surgical Supplies, consisting of 30 lines (estimate of Medical/Surgical Supplies by commodity). Product line may change based on the protocol set by the Center for Disease Control and Prevention (CDC) and/or product availability. Monthly cost is \$5,510.00, for a total estimated cost of \$66,120 for a period of performance of 12 months; 1 October 2014 thru 30 September 2015.

**4. Statutory authority permitting other than full and open competition:** 41 USC §3304(a)(2), as implemented by FAR 6.302-2 Unusual and Compelling Urgency.

**5. Demonstration that the contractor's unique qualifications or nature of the acquisition requires the use of the authority cited above (applicability of authority):** An unusual and compelling urgency precludes full and open competition and any delay in award of a new contract would result in serious injury or financial losses to the Government. The storage of the Medical/Surgical supplies is an intrinsic part of the VA's Pandemic Influenza Plan created to guide the VA in protecting staff and Veterans during an influenza pandemic. This plan is part of VA emergency plans to help all parts of the VA with preparation, response, and recovery stages of an influenza pandemic. The VA Pandemic Influenza Plan is intended to augment existing emergency plans of the VA and provide VA staff and leadership, particularly at a local level, with additional, in-depth information about a single type of emergency – pandemic influenza – and the special circumstances that would occur, particularly if the strain is virulent. The nature of this acquisition requires that these services continue to be provided by the incumbent contractor until a new contract is awarded. The incumbent contractor, American Medical Depot, is the only firm capable of providing these services without the Government experiencing substantial duplication of costs that could not be expected to be recovered through competition and unacceptable delays in fulfilling its requirements.

**6. Description of efforts made to ensure that offers are solicited from as many potential sources as deemed practicable:** No efforts to solicit other potential sources were made. The Government has an urgent and compelling reason that requires that the incumbent contractor continues providing these services for the next 12 months. It is essential for the VA to maintain these supplies in stock and readably available in case of a national emergency. Having a break in services for this requirement will cause for the VA to not be in compliance with the VA Pandemic Influenza Plan. But, this proposed action will be synopsized pursuant FAR Subpart 5.2.

**7. Determination by the Contracting Officer that the anticipated cost to the Government will be fair and reasonable:** Since the current contract did not take in consideration prices for a possible extension of services, a price quote to cover 12 months of continued services was requested to the incumbent contractor. Contractor quoted the same prices as in the current contract, \$5,510.00 per month. Based on that the quoted price is the same as the current contract prices and there will be no increase in costs for the upcoming 12 months, it is determined that the anticipated cost to the Government will be fair and reasonable.

**8. Description of the market research conducted and the results, or a statement of the reasons market research was not conducted:** Market research was conducted in preparation for a new contract to be in place by 1 April 2015. That market research shows that there are different sources that can provide the required services. It is expected that the solicitation for the new contract will be a small business set aside, with at least three small business concerns expected to compete for this requirement.

**9. Any other facts supporting the use of other than full and open competition:** Failure to maintain these supplies in the current warehouse with the incumbent contractor will result in the VA not able to respond to a national emergency in support of the VA Pandemic Influenza Plan. In addition, if these services stop on 30 September 2014, the VA will not have a place to put all these supplies as warehouse facilities are not available.

**10. Listing of sources that expressed, in writing, an interest in the acquisition:** See Section 6 above.

**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:** VISN 8 contracting is working on getting a new contract in place. The expected award date is April 2015. Substantial market research has been conducted showing that there will be enough vendors to compete for the new contract action and there will be no barriers to competition.

**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.

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Steven Hellmers  
Deputy Chief Logistics Officer  
Logistics

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Date

**13. 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.

\_\_\_\_\_  
Carlos R. Morales  
Contracting Officer  
NCO 8 Tampa

\_\_\_\_\_  
Date

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

\_\_\_\_\_  
Name  
Network Contract Manager  
VISN/PCA  
Title  
Facility

\_\_\_\_\_  
Date

- c. **SAO (If over 650K):** I certify the justification meets requirements for other than full and open competition.

\_\_\_\_\_  
N/A  
Name  
Director  
Service Area Office, East

\_\_\_\_\_  
Date

- d. **VHA HCA Review and Approval:** I have reviewed the foregoing justification and find it to be complete and accurate to the best of my knowledge and belief and recommend approval (if over \$12.5 million) or approve (\$650K to 12.5 million) for other than full and open competition.

\_\_\_\_\_  
N/A  
Name  
Chief Procurement and Logistics Officer  
VHA Head of Contracting Activity (HCA)

\_\_\_\_\_  
Date

- e. **VA Deputy Senior Procurement Executive Approval (over \$12.5 million but not exceeding \$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.

\_\_\_\_\_  
N/A  
Name  
Deputy Senior Procurement Executive (DSPE)  
Office of Acquisition and Logistics  
Department of Veterans Affairs

\_\_\_\_\_  
Date

- f. **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.

\_\_\_\_\_  
N/A  
Name  
Deputy Assistant Secretary for Acquisition and Logistics  
Senior Procurement Executive (SPE)  
Department of Veterans Affairs

\_\_\_\_\_  
Date