

**LIMITED SOURCES JUSTIFICATION**

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

**2237 Transaction # or Vista Equipment Transaction #: 501-14-3 055-0068**

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: Remi Group, LLC.

Manufacturer/Contractor POC & phone number: Jack Jaimes, 704-602-0862

Mfgr/Contractor Address: 11325 North Community House Rd., Suite 300, Charlotte, NM 28277

Dealer/Rep address/phone number: Same

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

**(1) AGENCY AND CONTRACTING ACTIVITY:**

Department of Veterans Affairs

New Mexico VA Health Care System  
(NMVAHCS)

1501 San Pedro SE

Albuquerque, NM 87108

**VISN:**

NCO 18

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

The New Mexico VA Health Care System (NMVAHCS), located in Albuquerque, New Mexico, requires annual maintenance and repair services for the Medtronic StealthStation S7 Surgical Navigation System. The government intends to entered into a new, firm-fixed-price, task order with Remi Group, LLC., 11325 North Community House Rd., Suite 300, Charlotte, NM 28277, for the required services.

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

Correct function of the Medtronic SteathStation S7 is vital to the performance of the NMVAHCS Surgical Service and is used directly in patient surgical procedures. The Surgical Navigation Systems allows surgeons greater precision and monitoring during surgical procedures, allowing for more complex and safer procedures and more positive outcomes. The NMVAHCS requires a maintenance and repair service agreement to maintain correct equipment function. The period of performance will begin at award, 09/26/2014, and will consist of one (1) base year, followed by up to four (4) additional option year periods.

**(b) ESTIMATED DOLLAR VALUE: Redaction**

(c) REQUIRED DELIVERY DATE: 09/26/2014

(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. (CHECK ALL THAT APPLY AND COMPLETE)

☒ 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 Medtronic StealthStation S7 Surgical Navigation System is currently in use by the NMVAHCS surgical department. The equipment maintenance and repair services are no longer covered under initial warranty. The StealthStation S7 is proprietary to the manufacturer in parts, hardware, software, and trained service technicians. The StealthStation S7 is not compatible with any other system, parts, or software. Medtronic USA, Inc. can provide the services through an open market purchase. However, Remi Group, LLC. covers maintenance and repair of the StealthStation S7 under their GSA contract, GS-21F-0093V. Remi Group, LLC. takes responsibility for receiving and tracking service calls, and then subcontracts directly with Medtronic USA, Inc. for the maintenance and repair portion. Through their GSA contract, Remi Group, LLC., can offer a Redaction over Medtronic USA, Inc. industry pricing. No other GSA contractor was identified as capable of proving the services.

☐ 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 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:**

Pricing for these services was provided by Medtronic USA, Inc. and an analysis indicates Medtronic is offering the government **Redaction** over their standard pricing offered to industry for equivalent services. Pricing was also provided from Remi Group, LLC. under GS-21F-0093V. It was determined that Remi Group, LLC. has quoted **Redaction** as compared to Medtronic USA, Inc. standard industry pricing. Therefore, it is determined that the use of the GSA contract, offering the greatest overall saving, is in the best interest of the government.

**(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 was conducted in accordance with FAR Part 10, utilizing the hierarchies listed in FAR 8.002(a)(2). Medtronic USA, Inc. was identified as the manufacturer of the StealthStation S7 system. National Acquisition Center (NAC) contract, V797P-2110D, was identified on mandatory Federal Supply Schedule (FSS) 65 II A – Medical Equipment and Supplies, category A-41 – Electrosurgical Apparatus. Mr. Barney Carter, with Medtronic USA, Inc., Medtronic Surgical Technologies, was contacted in reference to the StealthStation S7. Per Mr. Carter the StealthStation S7 is proprietary to Medtronic in hardware, software, parts, and service and cannot be maintained or repaired by any third party contractor. Mr. Carter stated that the maintenance and repair services for the StealthStation S7 system are not available under their NAC GSA contract, and that services would need to be procurement through open market procedures. In addition, optional FSS 03FAC – Facilities Maintenance and Management, category 811 006 – Facilities Maintenance and Management Consulting was identified as containing potential contractor, Remi Group, LLC. In total, one hundred-sixteen (116) GSA contract holders were contacted. Of those contacted, twenty-one (21) contractors responded in writing. One (1) contractor indicated that they were capable and interested in providing the services. Per Jack Jaimes, Remi Group, LLC., the services are included in their GSA schedule GS-21F-0093V, and services would be rendered by Medtronic USA, Inc., acting as a subcontractor.

Additionally, a sources sought notice was issued to [www.fbo.gov](http://www.fbo.gov) under VA258-14-I-0883 from 09/04/2014 to 09/08/2014. There were zero (0) responses from industry, as a result of the sources sought notice.

**(7) ANY OTHER FACTS SUPPORTING THE JUSTIFICATION:**

The Medtronic StealthStation S7 Surgical Navigation System has previously been repaired under the manufacturer's warranty.

**(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:**

At this time the government has two (2) options when procuring these services. The first is to award a task order to Remi Group, LLC. under their GSA contract. The second is to contract directly with Medtronic USA, Inc. using open market processes. At this time there are no actions the agency may take to remove or overcome any barriers to restricted consideration.

**(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.)*

**Redaction**

SIGNATURE

Brandi C. Tellis

NAME

New Mexico VA Health Care System

FACILITY

9/19/2014

DATE

Biomedical Engineer

TITLE

Biomedical Engineering, 138

SERVICE LINE/SECTION

**(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.

**Redaction**

CONTRACTING OFFICER'S SIGNATURE

Michael J. Tusinger, Contracting Officer

NAME AND TITLE

9/22/14

DATE

NCO 18 Big Spring

FACILITY

**Redaction**

foregoing justification is accurate and complete to the best

SIGNATURE

9/23/2014

DATE

Sabrina J. Smith

NAME

VISN 18 NCM/PCM

**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.

\_\_\_\_\_  
SIGNATURE

\_\_\_\_\_  
DATE

Delia A Adams

NAME

DIRECTOR, SAO West

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

\_\_\_\_\_  
NAME

\_\_\_\_\_  
DATE

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

g. **VA Deputy Senior Procurement Executive Approval (\$12.5 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

\_\_\_\_\_  
DATE

Deputy Senior Procurement Executive (DSPE)

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

\_\_\_\_\_  
DATE

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