

9/18/14

SAOC-14-03- Audio Visual  
Equipment (c/m)  
KAW

## DEPARTMENT OF VETERANS AFFAIRS

### Justification and Approval

For

### Other Than Full and Open Competition

SAOC-14-03

**1. Contracting Activity:** The Department of Veteran Affairs (VA), Veterans Health Administration (VHA), Service Area Office - Central (SAOC), Veterans Integrated Service Networks (VISN) 10 is seeking sources for the supply, installation, and training of a Simulation Center Management System for the Dayton VA Medical Center, 4100 W. 3rd St., Simulation Laboratory in Building 315, Dayton, OH 45428. SAOC is requesting a justification for other than full and open competition for purchase request (PR) 552-14-2-121-0059.

**2. Nature and/or Description of the Action Being Processed:** SAOC is requesting the approval to award a new sole source firm-fixed price purchase order for a simulation center management system. Clinical simulation training is used to train providers: physicians, nurses, residents, etc. We are performing this work through grant funds, "Enhancing Provider Competencies in VISN 10", and "Palliative Care", funded by the Office of Rural Health. This funding allows us to travel throughout the state of Ohio to train providers, in addition training providers at the Dayton VA Medical Center in the Simulation Laboratory. This effort is necessary to facilitate and enhance our provider's competencies using cutting edge technology. Activities sometimes include high-fidelity simulations with male and female mannequins and/or standardized patients. During training activities, providers are considered learners and are given feedback about their training activities. Using technology such as audio visual (AV) systems that have the ability to record in real-time and playback for these educational encounters, including standardized patients and high-fidelity simulations serves another tool to teach providers during these activities.

The Simulation Center will play a critical role in training health care providers to deliver the highest quality, most effective, and most efficient care to patients. Multiple technologies seamlessly integrated together will enable staff and faculty to perform their tasks efficiently and effectively. The Software Management Solution for the Simulation Center must be flexible, scalable, and easily approachable by a broad spectrum of users. Ease of accessibility, ease of use, and behind the scenes metrics gathering to monitor progress, will help ensure the success of the Simulation Center.

**3. Description of Supplies/Services Required to Meet the Agency's Needs:** The contractor shall provide a system that can integrate our current medical equipment and simulators. More specifically, the contractor shall provide technology able to integrate with existing simulators including, Human Patient Simulator (Model HPS - 010), iSTAN (Model 385 and Model 386), Gaumard (Susie S200), but not limited to other brands and models from CAE Healthcare, Laerdal, and/or Gaumard. In doing so, we will use our current simulation center network, which is stand-alone from the VA network. Currently we do not have this capability in our new facility and we are hoping to acquire an AV system to do so in each room each in the facility, where educational encounters will take place.

The Contractor shall furnish all labor, tools, supervision, material, parts, equipment, integration and transportation necessary to provide an operational AV system. This includes but is not limited to providing backing and wall mounts for each display screen along with fittings, such the required screws, nuts, and bolts, in addition to installing the display monitors.

The contractor shall also be responsible for training approximately eight (8) members Dayton VA Medical Center Simulation Center staff to use the AV system.

Each of the 6 simulation rooms will have 1 system that has the ability to recording in real-time and playback the encounter, 6 systems will be used for the 2 task training rooms with 2 stations each, 5 systems will be used for the debriefing rooms, 1 system for the small debriefing room/office, and 1 system that will be shared between the nurse station, scrub sink area and medication area. Each system itself is composed of a camera, camera control, speakers, ceiling and wall microphones (both in simulation rooms due to their size), monitor (flat panel), mini computers to control the LCD, simulator interface extenders (remotely control wired simulators). A central control (CC) AV system will have the ability to access and control each system in all areas of the simulation center.

The Independent Government Cost Estimate (IGCE) for this project is \$993,955.00. Performance is required to begin no later than 09/30/2014 with the period of performance lasting up to ninety (90) days.

**4. Statutory Authority Permitting Other than Full and Open Competition:** 41 USC §253(c) (1), as implemented by FAR 6.302-5 (b) (6), Authorized or required by statute. In addition, this sole source justification is authorized by Veterans Affairs Acquisition Regulations (VAAR) 819.7007, Sole source awards to service-disabled veteran-owned small business concerns.

- ☐ (1) Only One Responsible Source and No Other Supplies or Services Will Satisfy Agency Requirements per FAR 6.302-1;
- ☐ (2) Unusual and Compelling Urgency per FAR 6.302-2;
- ☐ (3) Industrial Mobilization, Engineering, Developmental or Research Capability or Expert Services per FAR 6.302-3;
- ☐ (4) International Agreement per FAR 6.302-4
- ☒ (5) Authorized or Required by Statute FAR 6.302-5;
- ☐ (6) National Security per FAR 6.302-6;
- ☐ (7) Public Interest per FAR 6.302-7;

**5. Demonstration that the Contractor's Unique Qualifications or Nature of the Acquisition Requires the Use of the Authority Cited Above (applicability of authority):**

V3Gate possesses the intimate knowledge of integrating the VA Medical Center Dayton's multiple medical patient training simulators and equipment, with the ability to start performance by the required start date of 09/30/2014. Timely integration of systems is critical in that overall training and assessment tools offered by the combined systems will reduce accidents during surgery, prescription, and general practice; not only improving quality medical care, but also through improved efficiencies enhancing access to care for the veteran. V3Gate has also demonstrated successful contract performance and experience as evidenced by various federal data bases (FPDS, CPARS, Experian etc.). Therefore, it is in the best interest of the Government to award to V3Gate, whom has the greatest likelihood of successful contract completion within the desired timeframes.

**6. Description of Efforts Made to ensure that offers are solicited from as many potential sources as deemed practicable:** As stated in VAAR 819.7007:

- (a) A contracting officer may award contracts to SDVOSB concerns on a sole source basis provided:
  - (1) The anticipated award price of the contract (including options) will not exceed \$5 million;
  - (2) The requirement is synopsisized in accordance with FAR part 5;
  - (3) The SDVOSB concern has been determined to be a responsible contractor with respect to performance; and
  - (4) Award can be made at a fair and reasonable price.
- (b) The contracting officer's determination whether to make a sole source award is a business decision wholly within the discretion of the contracting officer. A determination that only one SDVOSB concern is available to meet the requirement is not required.
- (c) When conducting a SDVOSB sole source acquisition, the contracting officer shall ensure businesses are registered and verified as eligible in the VIP database prior to making an award.

It is at the contracting officer's sole discretion to award this procurement as a sole source.

**7. Determination by the Contracting Officer that the Anticipated Cost to the Government will be Fair and Reasonable:** Market research conducted detailed the range of current market pricing for this requirement to be between \$1,276,988 and \$1,453,532. The contracting officer shall determine the price paid by the Government is fair and reasonable in accordance with FAR 13.106-3 (a) (2) (i) Market Research.

**8. Description of the Market Research Conducted and the Results, or a Statement of the Reasons Market Research Was Not Conducted:** Pursuant to FAR Part 10, the following market research was conducted:

(a) Market research was performed by quarrying the following: Google, GSA Advantage, Small Business Dynamic Search (SBDS), Small Business Administration (SBA), System for Award Management (SAM), Experian, Government Personnel, and issuance of a Sources Sought.

(b) Extensive market research was conducted in August and September 2014. The NAICS code selected for this acquisition is 334310 – Audio Visual Equipment Manufacturing with a small business size standard of 750 employees. SBA has granted a “non-manufacturing rule” waiver for the selected NAICS code. Searches of the Small Business Dynamic Search (SBDS) database indicated that this procurement could be set aside for small business concerns. However, in accordance with VAAR 819.7004 Contracting Order of Priority which states:

“In determining the acquisition strategy applicable to an acquisition, the contracting officer shall consider, in the following order of priority, contracting preferences that ensure contracts will be awarded:

(a) To SDVOSBs;

(b) To VOSB, including but not limited to SDVOSBs;

(c) Pursuant to—

(1) Section 8(a) of the Small Business Act (15 U.S.C. 637(a)); or

(2) The Historically-Underutilized Business Zone (HUBZone) Program (15 U.S.C. 657a); and

(d) Pursuant to any other small business contracting preference”

Further market research was conducted to analyze the two (2) SDVOSB concerns that responded to the RFI (Stellar Innovations & Solutions, V3Gate). In reviewing FPDS, V3 Gate does have current Government experience with 149 total actions for the period of 01/01/2011 through present with an aggregate total of \$8,074,873.73. In reviewing Experian, V3Gate has a Current Financial Stability Risk Score of 72 and is in Risk Class 1 – Low Risk. V3Gate is certified through [www.VetBiz.gov](http://www.VetBiz.gov).

Based on market analysis, the Contracting Officer has determined the following:

a. Market research confirms the commerciality of the services being requested.

b. The requirement is a service contract, and thus NAICS code 334310, Audio and Visual Equipment Manufacturing with a size standard of 750 employees will be used. There is a “non-manufacturing” rule waiver for the selected NAICS code.

c. The resulting contract will be a firm fixed price purchase order.

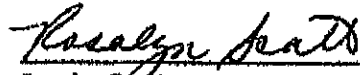
- d. Price reasonableness will be established based on market research.
- e. SDVOSB's are capable of providing for this requirement.
- f. V3Gate, which is a SDVOSB, was identified as having the greatest likelihood of successful contract completion.
- g. In accordance with VAAR 819.7007 (b) the contracting officer has made the decision to award a sole source purchase order to V3Gate, formally known as Veterans Tech, LLC.

**9. Any Other Facts Supporting the Use of Other than Full and Open Competition:** Not Applicable

**10. Listing of Sources that Expressed, in Writing, an Interest in the Acquisition:** The following companies responded to the RFI indicating their interest: V3Gate (SDVOSB), Bridges System Integration (SB), Salus LLC (SDVOSB), Education Management Solutions (SDB, MO), Human Circuit (SB), Buffalo Supply (SB), Iron Bow Technologies (SB), Sensory Technologies (WO), and Stellar Innovations & Solutions (SDVOSB).

**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:** This requirement is not reoccurring and the sole source set aside is authorized by statute. No further actions will be taken.


**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.

  
Rosalyn Scott  
Medical Director, Simulation Center  
Dayton VA Medical Center

9/10/14  
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.

  
Keh Eshom  
Contracting Officer  
SAOC

9/10/14  
Date

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

terry.spitzmill  
er@va.gov  
Terry Spitzmiller  
Director of Contracting  
NCO 10

Digitally signed by  
terry.spitzmiller@va.gov  
DN: cn=terry.spitzmiller@va.gov  
Date: 2014.09.10 13:27:14 -0400

9/10/2014

Date

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

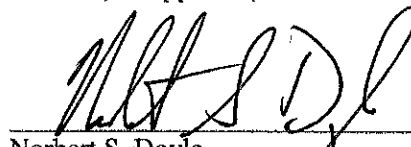
**Randy L. Hays 534204**

Randy Hays  
Acting Director  
Service Area Office, Central

Digitally signed by Randy L. Hays 534204  
DN: dc=gov, dc=va, o=Internal, ou=people, 0.9.2342.19200300.100.1.1=randy.hays@va.gov,  
cn=Randy L. Hays 534204  
Reason: I agree to specified portions of this document.  
Date: 2014.09.16 08:59:20 -0700

                      
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.

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

9/17/14  
Date