

Chapter VI: Other Than Full and Open Competition (OFOC) SOP
Attachment 2: Request for Limited Sources Justification Format >\$150K

LIMITED SOURCES JUSTIFICATION

ORDER >\$150,000
FAR PART 8.405-6

2237 Transaction # or Vista Equipment Transaction #: 557-15-1-2152-0013

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 Healthcare
Manufacturer/Contractor POC & phone number: Matt Harrison, 919-244-8792
Mfgr/Contractor Address: 3000 N. Grandview Blvd Waukesha, WI 53188
Dealer/Rep address/phone number: n/a

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

(1) AGENCY AND CONTRACTING ACTIVITY:

Department of Veterans Affairs
Carl Vinson VAMC
1826 Veterans Blvd
Dublin, GA 31021

VISN:

VISN 07

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

CT and Medrad Services, to include preventative maintenance, troubleshooting and repair of system problems. The Medrad injector has been integrated as a component of the CT system and is controlled by the GE CT Software. Simultaneous calibration and maintenance by a single vendor is required for these systems to ensure proper interoperability and the accuracy of patient testing.

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

GE Healthcare provides the required preventative maintenance and repair services on an annual basis via VA NAC Contract V797P-6019B. These services include preventative maintenance, calibration, troubleshooting and repair of system problems. These services will be acquired for a total of 3 years, with a base contract period of 1 year, and 2 option years.

(b) ESTIMATED DOLLAR VALUE: \$557,676.00

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- (c) **REQUIRED DELIVERY DATE:** Base: 15 MAR 2014 – 14 MAR 2016
Option 1: 15 MAR 2016 – 14 MAR 2017
Option 2: 15 MAR 2016 – 14 MAR 2018

(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 CT system contains proprietary technology, and GE Healthcare is the original equipment manufacturer (OEM). GE Healthcare does not authorize any 3rd party vendors to perform maintenance or repair activities on the CT machine, and the service materials required to perform these services are not released to any 3rd party vendors. Although GE Healthcare is not the OEM for the Medrad components, they possess the capability to perform the required services. The Medrad components have been integrated into the CT system, and the CT software controls the functions of the Medrad injector during patient testing. Because the Medrad injector has been integrated as a component of the overall CT system in order to perform certain types of patient testing, the CT and Medrad systems require maintenance, calibration and repair from a single source in order to ensure their interoperability. Calibration and maintenance by separate vendors on this equipment could result in non-interoperability and possibly have negative impacts on patient testing. Because of these requirements, GE Healthcare is the only source capable of performing these services on both the CT and Medrad systems.

- A patent, copyright or proprietary data limits competition. The proprietary data is:
- 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.

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An urgent and compelling need exists, and following the ordering procedures would result in unacceptable delays.

(4) 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:

Procuring these services from a single source is in the best interest of the government and GE Healthcare is the only source capable of providing both these services. Utilizing separate vendors for these services could result in non-interoperability of the systems, and result in duplication of costs if systems require recalibration or repair. GE Healthcare's quoted price will be in accordance with the pricing, terms and conditions of their NAC contract, and the pricing will be evaluated against the IGCE of \$557,672.00, and the prices previously paid for these services.

(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, as described in the attached market research reports. The OEM was contacted and confirmed in the attached letter that they have no authorized 3rd party service providers. A summary of the GSA/VA NAC research conducted is included in the attached reports. Because GE Healthcare does not release the required service materials to 3rd party, there are no other vendors capable of providing these services.

(7) ANY OTHER FACTS SUPPORTING THE JUSTIFICATION:

None.

(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:

Because there are no authorized 3rd party providers of these services, there are no steps that can be taken at this time to remove barriers to competition. However, GE Healthcare will provide training to hospital staff which will allow the trained personnel to perform maintenance on the equipment. The value of the training, along with the available personnel resources to determine if it is in the best interest of the government to continue these contracted services or bring the maintenance functions in-house.

(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.)*

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Michael Snelgrove 1/21/2015
SIGNATURE DATE
Michael Snelgrove Biomed. Sup.
NAME TITLE Eng.
Carl Vinson VAMC
FACILITY SERVICE LINE/SECTION

(10) APPROVALS IN ACCORDANCE WITH THE VHAPM, Volume 6, Chapter VI: OFOC SOP: This part is filled out by Contracting Staff as part of the Justification

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

JB 26 JAN 15
CONTRACTING OFFICER'S SIGNATURE DATE
JAMES E. BOLES, Site Team Supv CARL VINSON VAMC
NAME AND TITLE Contracting Officer FACILITY

b. Director of Contracting/DESIGNEE: I certify that the foregoing justification is accurate and complete to the best of my knowledge and belief.

Calvin Thomas Jr 1/28/2015
SIGNATURE DATE
CALVIN THOMAS JR. DDOC
NAME
NCO/PCO X Director of Contracting

ADJ
NCO/PCO
1-27-15