

DEPARTMENT OF VETERANS AFFAIRS

Justification and Approval (J&A)

For

Other Than Full and Open Competition (>\$150K)

1. **Contracting Activity:** Department of Veterans Affairs, NCO 19 Rocky Mountain Acquisition Center, 515 East 100 South, Suite 400 Salt Lake City, Utah 84102 Fort Harrison VA Medical Center, 3687 Veterans Drive, Fort Harrison, Montana 59636
2. **Nature and/or Description of the Action Being Processed:** Approval is requested to award a sole source lease for the Missoula Vet Center without competition to the Lessor located at 910 Brooks Street, Missoula, Montana 59801. The proposed lease is for a term of 10 years, 5 year base with 5 one-year options for up to 5,400 rentable square feet (RSF). The effective date expected is approximately February 01, 2015.

This new replacing, sole sourced lease would replace the current lease VA259-R-0632 expiring on January 01, 2015. The Missoula Vet Center currently has 4,725 RSF.

3. **Description of Supplies/Services Required to Meet the Agency's Needs:** The Missoula Vet Center needs to expand its current 4,725 RSF up to 5,400 RSF to support the additional staffing and to continue to support the veteran population. The new location needs to have the facilities available on site to store the Mobile Vet Center. The new lease term will be for 10 years, 5 year base with 5 one-year options..

The estimated annual unserviced rent is \$13,725 and \$74,086 annually. The total lease contract value for ten years is \$740,860. Tenant improvement cost will be in lump sum upon completion. In accordance with GSAM 570.102 this lease is below the Simplified Lease Acquisition Threshold 150,000.

4. **Statutory Authority Permitting Other than Full and Open Competition:** The proposed lease may be negotiated without full and open competition pursuant to 41 U.S.C. 253(c)(1), as implemented by FAR 6.302-1, Only One Responsible Source and No Other Supplies or Services Will Satisfy Agency Requirements.
5. **Demonstration that the Contractor's Unique Qualifications or Nature of the Acquisition Requires the Use of the Authority Cited Above (applicability of authority):** The Lessor located at 910 Brooks Street, Missoula, Montana 59801 is the only location that was in the delineated area, space located on the first floor, dedicated VA parking, and has a facility onsite to store the Mobile Vet Center.
6. **Description of Efforts Made to ensure that offers are solicited from as many potential sources as deemed practicable:** A Source Sought Synopsis was posted on 04/03/2014 on the Federal Business Opportunities' website. The advertisement was posted for 12 days. Additionally, I emailed all 20 of the Commercial Real Estate Brokers that had properties listed in the Missoula, Montana area a copy of the Sources Sought Notice.

The VA received 5 properties within the delineated area that were visited on the Market Survey conducted on May 28, 2014. Out of the five properties only one location can provide 5,400 RSF of space for the Vet Center and a garage for the Mobile Vet Center.

Rose Park Building  
910 Brooks Street  
Missoula, Montana 59801  
Curt and Lanni Jacobson  
406-329-7660

7. **Determination by the Contracting Officer that the Anticipated Cost to the Government will be Fair and Reasonable:** In accordance with Draft VA Handbook 7815 Chapter 6, paragraph C (1) the CO is required pursuant to FAR Subpart 15.4 to determine reasonableness of price. An appraisal must be completed for all VA leases to establish that the recommended offer is a fair rental value. Therefore, the awarded price will be in line with an appraised fair rental value.

Additionally, the rental rates were analyzed by comparison to similar commercial properties listed on Loopnet.com.

8. **Description of the Market Research Conducted and the Results, or a Statement of the Reasons Market Research Was Not Conducted:** A Source Sought Synopsis was posted on 04/03/2014 on the Federal Business Opportunities' website. The advertisement was posted for 12 days. Additionally, I emailed all 20 of the Commercial Real Estate Brokers that had properties listed in the Missoula, Montana area a copy of the Sources Sought Notice.

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9. **Any Other Facts Supporting the Use of Other than Full and Open Competition:** In general most commercial office space available doesn't have a garage on site to store a 35' Mobile Vet Center (motor Coach).

10. **Listing of Sources that Expressed, in Writing, an Interest in the Acquisition:**

Rose Park Building  
910 Brooks Street  
Missoula, Montana 59801

145 West Front Street  
Missoula, Montana 59802

Lewis & Clark Center  
700 SW Higgins Avenue  
Missoula, Montana 59801

1900 Brooks Street  
Missoula, Montana 59801

2675 Palmer Street, Suite 6  
Missoula, Montana 59808

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:** None
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.

  
Eric Kettenring  
Team Leader  
Missoula Vet Center

11/5/2014

\_\_\_\_\_  
Date

**13. Approvals in accordance with the VHAPM, Volume 6, Chapter VI: OFOC SOP.**

- a. **Contracting Officer's Certification (required):** I certify that the foregoing justification is accurate and complete to the best of my knowledge and belief.

Michael  
Chester

Digitally signed by Michael Chester  
DN: cn=Michael Chester, o=Rocky  
Mountain Contracting Center,  
ou=NCO19,  
email=Michael.Chester3@va.gov, c=US  
Date: 2014.11.06 06:43:32 -07'00'

11/5/2014

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Michael Chester  
Contract Officer  
NCO 19 Rocky Mountain Contracting Center

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Date