

DEPARTMENT OF VETERANS AFFAIRS

Justification and Approval (J&A)

For

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

1. Contracting Activity:

Department of Veterans Affairs
Network 23 Contracting Office
474 45th St. S. Suite 202
Fargo, ND 58103

2237#: 636-16-1-9778-0001

2. Nature and/or Description of the Action Being Processed: A firm fixed price purchase order will be awarded on a sole source basis for the procurement of continued rental of a modular building.

3. Description of Supplies/Services Required to Meet the Agency's Needs:

VA Central Iowa Health Care System (VACIHCS) has been renting a modular building for the past six years and is currently working through VA Central Office Real Property Services to purchase this building. It has been critical that the VACIHCS continue "occupancy" of the building while actions are taken to purchase the item.

ITEM #	DESCRIPTION OF SUPPLIES/SERVICES	QTY	UNIT	UNIT PRICE	AMOUNT
0001	Building 7M - rent for the time period of 10/1/2015 to 9/30/2016.	12	MO	\$13,250.00	\$159,000.00
1001	Option Period 1 - Building 7M - rent for the time period of 10/1/2016 to 9/30/2017	12	MO	\$13,250.00	\$159,000.00
				GRAND TOTAL	\$318,000.00

4. Statutory Authority Permitting Other than Full and Open Competition:

- (X) (1) Only One Responsible Source and No Other Supplies or Services Will Satisfy Agency Requirements per FAR 6.302-1; (41 U.S.C. 3304(a)(1))
() (2) Unusual and Compelling Urgency per FAR 6.302-2; (41 U.S.C. 3304(a)(2))
() (3) Industrial Mobilization, Engineering, Developmental or Research Capability or Expert Services per FAR 6.302-3; (41 U.S.C. 3304(a)(3))
() (4) International Agreement per FAR 6.302-4; (41 U.S.C. 3304(a)(4))
() (5) Authorized or Required by Statute FAR 6.302-5; (41 U.S.C. 3304(a)(5))
() (6) National Security per FAR 6.302-6; (41 U.S.C. 3304(a)(6))
() (7) Public Interest per FAR 6.302-7; (41 U.S.C. 3304(a)(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):

This building has been in place under contract VA263-P-0336 as a rental agreement since January, 2009.

In accordance with FAR 6.302-1 Only one responsible source and no other supplies will satisfy the agency requirement.

Supplies and services may be deemed to be available only from the original source in the case of a follow-on contract for the continued development or production of a major system or highly specialized equipment...when it is likely that award to any other source would result in- (A) substantial duplication of cost to the government that is not expected to be recovered through competition." (FAR 6.302-1(a)(2)(ii))

This 17,500 square foot module building has been specifically designed to suit the needs of the VHA. The floor plan was specially configured to meet the clinical needs present at the CIVAHCS. Competing this requirement would result in a substantial duplication of costs. The Des Moines VA had been previously renting this building at \$22.34 per square foot per year. Satellite has offered continued occupancy to the Des Moines VA at \$9.09 per square foot/year. The costs of re-competing this requirement would result in unnecessary duplication of efforts and would result in a higher overall cost to the Government.

Sources:

GSA Advantage

6. Description of Efforts Made to ensure that offers are solicited from as many potential sources as deemed practicable: Pricing for modular buildings is readily available on the internet – primarily GSA. After recognizing the significant duplications of costs. This building is in place and has been since January 2009. No further soliciting is justifiable.

7. Determination by the Contracting Officer that the Anticipated Cost to the Government will be Fair and Reasonable: The anticipated costs to the government will be found reasonable in accordance with FAR part 13.106-3(a)(2)(ii) Comparison with prices previously found fair and reasonable. For the past year we have been renting at a rate of \$15,500.00 per month. The vendor has offered to allow us continued rental at a rate of \$13,250.00 per month, this is a \$27,000.00 savings over last year.

8. Description of the Market Research Conducted and the Results, or a Statement of the Reasons Market Research Was Not Conducted:

As mentioned above, market research concluded that there would be a significant duplication of costs if this order is otherwise competed.

9. Any Other Facts Supporting the Use of Other than Full and Open Competition:

None.

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

None.

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:

It is VISN 23's and the VHA's intention that every contract be awarded on a competitive basis. Future procurement will be procured using fair opportunity if possible.

Chapter VI: Other Than Full and Open Competition (OFOC) SOP
Attachment 3: Request for Sole Source Justification Format >\$150K

- 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.

Steve Long
Contracting Officers Representative
Des Moines, VA Health Care System

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.

Jesse R. Rheault
Contracting Officer
NCO 23 – Fargo, ND

Date

- b. **NCM/PLCM (Required \$3K and above):** 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.

CHRISTOPHER VOLK
Brand Chief
Network 23 Contracting Office – Fargo, ND

Date