



DEPARTMENT OF VETERANS AFFAIRS

**Justification and Approval (J&A)
For
Other Than Full and Open Competition (>\$150K)**

Acquisition Plan Action ID: VA262-16-AP-1587

1. Contracting Activity:

Department of Veterans Affairs (VA), Service Area Office (SAO) West - Network Contracting Office (NCO) 22, for the following Healthcare Systems:

- i. VA Long Beach Healthcare System (VALBHS)
5901 E. 7th St.
Long Beach, CA 90822
2237# 600-16-2-667-0024
- ii. VA Greater Los Angeles Healthcare System (VAGLAHS)
11301 Wilshire Blvd
Los Angeles, CA 90073
2237# 691-16-2-208-0043
- iii. VA Loma Linda Healthcare System (VALLHS)
11201 Benton St.
Loma Linda, CA 92357
2237# 605-16-1-027-0023
- iv. VA San Diego Healthcare System (VASDHS)
3350 La Jolla Village Dr.
San Diego, CA 92161
2237# 664-16-2-038-0038
- v. VA Southern Nevada Healthcare System (VASNHS)
6900 N. Pecos Road
North Las Vegas, NV 89086
2237# 593-16-2-140-0114

2. Nature and/or Description of the Action Being Processed:

This action is a J&A pursuant Federal Acquisition Regulation (FAR) Subpart 13.5 – Simplified Procedures for Certain Commercial Items and 41 United States Code (U.S.C.) 1901 for a turn-key full service agreement for the Government-owned Advanced Sterilization Products (ASP) Sterilizers. This will be a new Firm-Fixed-Price (FFP) contract with a base year and one (1) option year period. As required by FAR

Subpart 13.501(a)(1)(ii) -- Special Documentation Requirements, this J&A is written based on the format outline in FAR Subpart 6.303-2.

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

The requirement is to provide a turn-key full service agreement for Government-owned ASP Sterilizers, which is inclusive of labor, materials, personnel, supervision, and travel. The full service agreement will include, but is not limited to the following:

- i. Technical Support
- ii. Corrective Maintenance (CM)
- iii. Planned Maintenance (PM)
- iv. Upgrades of software
- v. Unlimited Original Equipment Manufacturer (OEM) parts
- vi. Unlimited labor
- vii. Service reports
- viii. ASP Certified Field Service Technician (FST)

These services will only be performed by ASP's FST and will ensure the Government-owned ASP Sterilizers will be operating and functioning as intended and IAW OEM manuals, specifications, and recommendations. Furthermore, the CM and PM will maintain the equipment to factory specifications, keeping it fully functional and in optimal working conditions and certified for use in the medical facility.

4. Statutory Authority Permitting Restriction in Competition:

The statutory authority for restricting competition using Simplified Acquisition Procedures (SAP), specifically FAR Subpart 13.5, is Section 4202 of the Clinger-Cohen Act of 1996 and FAR Subpart 13.106-1(b)(2).

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

ASP is the sole OEM and no other contractor(s) are authorized to provide services and repairs, perform calibrations, and provide maintenance and corrective maintenance for ASP equipment. As the OEM, ASP is the only source that possesses specific factory training, authorized OEM parts, and the capability to perform certified repairs in accordance with OEM service manuals and specifications. ASP offers a comprehensive and technical program, "Full Service" which includes all services listed in paragraph three (3). ASP's repair standards, OEM components, sterility, and liability deem it the sole source provider for this requirement.

6. Description of Efforts Made to Ensure that Offers are Solicited from As Many Potential Sources as Deemed Practicable:

Market research was conducted on Internet search engines, www.fbo.gov, and www.fpds.gov, all of which affirmed that ASP is the only contractor who can fulfill this requirement. A request for information (RFI) -- Sources Sought under solicitation # VA262-16-N-0180, was posted on www.fbo.gov from 12/1/15 through

12/8/2015. This allowed any interested party the opportunity to state their capability to fulfilling this requirement, however no responses received.

7. Determination by the Contracting Officer that the Anticipated Cost to the Government will be Fair and Reasonable:

The anticipated total cost for the base year and one (1) twelve (12) month option period is [REDACTED]. Each respective Healthcare System provided an Independent Government Cost Estimate (IGCE) based on their specific needs. The IGCE provided was based previous contract pricing.

The estimated cost of the contract has been deemed fair and reasonable based on the following reasons:

- i. Historical pricing data from the previous contract # VA262-14-C-0074 which was deemed fair and reasonable.
- ii. Comparison of similar contracts from different Federal agencies, to include the U.S. Air Force and U.S. Army, within the last year. The variation in contract costs is determined by the type and quantity of equipment being serviced.
- iii. Additional 10% discount for multiple ASP equipment included under one (1) contract

8. Description of the Market Research Conducted and the Results, or Statement of Reasons Market Research was not Conducted (FAR 10):

As stated in paragraph six (6), market research was conducted on Internet search engines, www.fbo.gov, www.fpbs.gov, and with ASP. All sources researched indicated that ASP is the only entity who is able to fulfill the Government's requirement. Research on www.fbo.gov resulted in the following sole source announcements from various agencies, all which occurred within the last year:

- (1) U.S. Air Force, Air Combat Command, Notice posted on 9/25/2015, Solicitation # F2Q4015190AW01
- (2) Department of Veterans Affairs, VA South Texas Healthcare System, Notice posted on 4/23/2015, Solicitation # VA25715N0961
- (3) Department of the Army, MEDCOM North Atlantic Regional Contracting Office, Solicitation # W91YTZ15TX171

A sources sought was also posted, but provided no results; and thus deeming ASP as the only concern capable of fulfilling this requirement.

9. Any Other Facts Supporting the Restriction of Competition:

[REDACTED] the ASP Account Manager, verbally confirmed that ASP is the only authorized entity to provide services to ASP equipment. Furthermore, a letter confirming that ASP is the only authorized source that can perform service for the ASP Sterilizers was provided and signed by [REDACTED] ASP's Director, U.S. Service and Worldwide Service Operations & Compliance.

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

No sources expressed in writing an interest in this acquisition.

11. Statement of 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:

Based on the market research and the supporting facts stated above, it is improbable and highly unlikely that future requirements will be available for competition because ASP retains all the exclusive rights, data, parts, certified technicians, and servicing to their equipment. If other potential sources emerge, the VA will consider and assess whether competition for future requirements is feasible.

The ASP equipment is vital to sterilization of scopes and other medical equipment that are used at the medical centers during medical procedures and exams. Furthermore, the ASP equipment has not reached its end of life and will be in use for another 2 – 5 years. Ongoing maintenance services are required to ensure the ASP equipment meets OEM standards / specifications, local standards, and all other Federal and governing body standards to be used in the medical centers. As such, this sole source justification will ensure the VA will have seamless and continuous services for the ASP equipment in support of the VA's mission.

12. Requirements Certification - IAW FAR 6.303-2(c):

I certify that the requirement outlined in this justification is a bona fide need of the VA 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.

PATRICIA C TANG
347062

Digitally signed by PATRICIA C TANG 347062
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0.9.2342.19200300.100.1.1=patricia.tang@va
.gov, cn=PATRICIA C TANG 347062
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Patricia Tang
VA Greater Los Angeles
Biomedical Engineer

1/7/2016

Date

Justin H.
Marquardt 464849

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Justin Marquadt
VA Southern Nevada
Chief Biomedical Engineer

1/7/2016

Date

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Howard 196243

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Jason Howard
VA Long Beach
Biomedical Engineer

1/7/2016

Date

SARAH E.
MORFORD 494475

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Sarah Morford
VA San Diego
Biomedical Engineer

1/7/2016

Date

Rolando
Jara

Rolando Jara
VA Loma Linda
Biomedical Engineer

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email=rolando.jara@va.gov, c=US
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1/8/2018

Date

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

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

Tue M. Tran 324469

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324469
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Tue M. Tran
Contract Specialist
NCO 22 Services Team II

Date

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

Tamara A Feist-Hatfield
486029

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Feist-Hatfield 486029
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Tamara Feist-Hatfield
Contracting Officer
NCO 22 Services Team II

Date

- c. **Director of Contracting/Designee (Required \$150K 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 recommend approval for other than full and open competition.

Kevin W. Blanchard 294653

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Kevin Blanchard
Director of Contracting
Network Contracting Office 22

Date

- d. **VHA HCA Review and Approval (Required \$150 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 recommend approval (if over \$12.5 million) or approve (\$650K to 12.5 million) for other than full and open competition.

Delia A. Adams
196519

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Delia A. Adams (SES), MBA, CPCM
Director SAO West
VHA Head of Contracting (HCA)

28 January 2016

Date