

## DEPARTMENT OF VETERANS AFFAIRS

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

**Acquisition Plan Action ID:** VA260-16-AP-0187

1. **Contracting Activity:** Department of Veterans Affairs, NCO 20, VA Puget Sound Health Care System, Seattle Division and American Lake. Purchase request 663-16-1-213-0020.
2. **Nature and/or Description of the Action Being Processed:** The request is for on-site, full service maintenance, and repair contract to ensure Seattle Division and American Lake Steris Sterilizer Equipment are kept in its proper operating condition and ready for safe and effective use of sterilize medical instruments. There was an existing contract V797P-4921A/VA663-C11610 that expired on September 30, 2015. The service requested a new contract for a base and one year option, total amount of the base year is **\$118,489.81** and aggregate total of **\$240,534.31**, if option is exercised. This will be a firm fixed priced contract.

**FAR13.5 Test Program:** This procurement is for preventative maintenance of Steris sterilizer equipment. In accordance with FAR 13.5 Test Program for Certain Commercial Items and specifically FAR 13.501 Special Documentation Requirements, where acquisitions conducted under Simplified Acquisition Procedures are exempt from the requirements of FAR Part 6, but still require a justification using the format of FAR 6.303-2.

3. **Description of Supplies/Services Required to Meet the Agency's Needs:** This requirement provides full service and maintenance of the Steris equipment on Seattle Division and American Lake. The service equipment is required for the instruments to be safe and effective in its use. The period of performance is March 1, 2016 – February 28, 2017 plus one (1) option year. The required services are as follows:
  1. The contractor shall clean the system.
  2. The contractor shall perform a system validation, calibration, and all required adjustments.
  3. The contractor shall replace susceptible parts to failure to ensure performance as designed by the Manufacturer.
  4. The contractor shall return the equipment to the operating condition designed by the Manufacturer.
  5. The contractor shall furnish a complete service report indicating the result of the scheduled inspection.
  6. The Contractor shall furnish certified in-service training to SPS staff to ensure safe and effective use of the equipment.
  7. The contractor shall provide repair service which may consist of calibration, cleaning, oiling, adjusting, replacing parts, and maintaining the equipment, including all intervening calls necessary between regular services and calibrations. All required parts shall be furnished.
  8. The CO, COR or designated alternate has the authority to approve/request a service call from the

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

Contractor, as long as the funds are available. Only CO can modify the contract.

9. Response Time: Contractor's FSE must respond with a telephone call to the COR and his/her Designee within two (2) hours after receipt of telephoned notification 24 hours per day. If the problem cannot be corrected by phone, the FSE will commence work (on-site physical response) within eight (8) hours after receipt of notification and will proceed progressively to completion without undue delay.
10. The contractor shall furnish a completed service report indicating the result for all work performed.

The total amount of the contract is **\$240,534.31** for base and one year option, Firm Fixed Priced contract. The period of performance is March 1, 2016 thru February 28, 2018.

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

- ☒ (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):**

Only One Responsible Source (FAR 6.302-1): The preventative maintenance is required for Puget Sound and American Lake Medical Center; they own and utilize several of Steris supplied equipment. Steris is a provider for the highly specialized equipment and supports some of the equipment's proprietary maintenance elements. Steris provides a demonstrated a unique capability across Puget Sound facilities. They have established an innovative approach to source their and created an innovative process to source maintenance, often in a very time sensitive/emergency nature due to the type of service in maintenance of critical healthcare equipment, and there would be a substantial risk to the Government in a competitive environment.

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

A Special Notice was issued on January 18, 2016, VA260-16-N-0171, to notify if any firms can provide the service for the following equipment AMSCO, Finn Aqua, and Hamo. There was no response or phone call from any potential contractor. In addition, a sources sought was issued on December 20, 2015, VA260-16-Q-0123, for market research purposes only; looking for potential businesses with capabilities to provide the services according to the Statement of Work (SOW). There was no response or phone call from any contractor. This confirmed that only one responsible company can provide the needs of the government according to *the authority of 10 USC 2304(c)(1)*.

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

7. **Determination by the Contracting Officer that the Anticipated Cost to the Government will be Fair and Reasonable:** It is determined that the cost of the services is fair and reasonable based on FAR 13.106-3(a)(2)(iii), current price listing from Steris Inc. The award for base year is \$118,489.81 and the current price listing for the 23 line items is \$159,203.00, a difference of -\$40,713.19 or 29% lower. When compared with the option year one, the price difference is -\$37,158.50 or 26% lower.
8. **Description of the Market Research Conducted and the Results, or a Statement of the Reasons Market Research Was Not Conducted:** Market research was conducted in *pursuant to FAR Part 10* as described in Section VI above and confirmed that only one responsible source is available that can provide the service for Steris Equipment in accordance with FAR 6.302-1.
9. **Any Other Facts Supporting the Use of Other than Full and Open Competition:** This Company has the proprietary rights and any contractor other than Steris will lose its equipment warranty according to FAR 6.302-1(a)(ii) only one source and no other supplies and services will satisfy the requirements.
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:** Market research was conducted and confirmed that only one source can provide the service for Steris equipment. The Government will continue to conduct market research in the future to remove the barriers of competition.
3. **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.

\_\_\_\_\_  
Michael McDonald  
Chief, Biomedical Engineer  
VA Puget Sound Health Care System

\_\_\_\_\_  
Date

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

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

\_\_\_\_\_  
Thomas M. Ebenhoh  
Contracting Officer

\_\_\_\_\_  
Date

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

Network Contracting Office 20  
Services I Branch

- b. **Director of Contracting /Designee (Required \$150K and above):** I certify the justification meets requirements for other than full and open competition.

---

Thomas R. Guyer  
Chief, Division 1 Contracting  
Network Contracting Office 20

---

Date