

DEPARTMENT OF VETERANS AFFAIRS

Justification and Approval (J&A)

For

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

Acquisition Plan Action ID: VA262-16—AP-2086

1. **Contracting Activity:** Department of Veterans Affairs, VISN 22, Southern Nevada Healthcare System located at 6900 N. Pecos Rd, N. Las Vegas, NV 89086. Transaction Number: 593-16-2-140-0117.
2. **Nature and/or Description of the Action Being Processed:** The Department of Veteran Affairs, VISN 22 Network Contracting Office, as requested by the VA Southern Nevada Healthcare System has a requirement for repair services from Karl Storz Endoscopy America Inc. (*Karl Storz") for twenty-three (23) endoscopes. The Government intends to enter into a contract that will require justification for other than full and open competition.
3. **Description of Supplies/Services Required to Meet the Agency's Needs:** VA Southern Nevada Healthcare System, Facility Management (138) is requesting sole source procurement with Karl Storz Endoscopy America Inc. to provide repair services for twenty-three (23) Karl Storz Flexible Endoscopes at an estimated total cost of \$253,343.16. Period of performance shall be March 1, 2016 through February 28, 2017.
4. **Statutory Authority Permitting Other than Full and Open Competition:** The service is being procured under the authority of 41 U.S.C. 253(c) (1), FAR Part 6.302-1(2). This authority applies:
 - (X) (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):** Karl Storz is the Original Equipment Manufacturer (OEM) of the Karl Storz equipment. Karl Storz owns all proprietary rights and all parts used to service and repair the equipment. These units must be maintained by authorized and trained personnel with access to original equipment parts. The Operating Room uses these devices on a regular basis and due to their delicate nature and history of breakage a full service contract is requested. For this reason, a purchase order is needed for one (1) year to maintain the endoscope in operable condition to allow uninterrupted critical patient care and diagnosis. Without these devices, various medical procedures have the potential of being cancelled because the necessary equipment would be unavailable.

Karl Storz Endoscopy America Inc. is the only responsible source per FAR 6.302-1) – capable of providing the repair services for the endoscopes as described in paragraph 3 above without the Veteran's Health Administration experiencing substantial duplication of cost that could not be expected to be recovered through competition and unacceptable delays in fulfilling its requirements.

Karl Storz is a small business, the manufacturer and sole owner of the intellectual property rights to the endoscope equipment. All maintenance services and parts are only available from Karl Storz.

6. **Description of Efforts Made to ensure that offers are solicited from as many potential sources as deemed practicable:** A FEDBIZOPPS Notice of intent to make award absent competition has been drafted and shall be published following supervisory approval of this procurement method.
7. **Determination by the Contracting Officer that the Anticipated Cost to the Government will be Fair and Reasonable:** The Contracting Officer has determined that the cost is fair and reasonable to the Government based on the Independent Government Cost Estimate (IGCE) submitted by the Using Service and previous prices paid in the past.
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 pursuant to FAR Part 10. Services were not found at Unicor, Ability One, Source America and on Federal Supply Schedule(s). Services were not found at the VA-NAC website and GSA e-Library website, Vetbiz yields 0 sources, the Small Business Administration (SBA) yields 0 Sources.

Karl Storz has a GSA Contract Number: V797D-30255, it is for the purchase of Medical Equipment and Supplies only and does not cover the repair services for the endoscopes.
9. **Any Other Facts Supporting the Use of Other than Full and Open Competition:** Full and open competition was not utilized for this procurement due to the reasons stated in paragraph 4 and 5 above. Karl Storz Endoscopy America Inc. has been determined to be the sole source provider.
10. **Listing of Sources that Expressed, in Writing, an Interest in the Acquisition:** No other sources as stated in paragraphs 5 & 8 above.
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:** In order to overcome and remove barriers in future procurements actions, the Network Contracting Office requires a one-year purchase order for the repair services while the VASNHS is transiting to a new VISN in the future.

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.

Tucker J.

Scherger 642549

Digitally signed by Tucker J. Scherger 642549
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va.gov, cn=Tucker J. Scherger 642549
Date: 2016.02.22 15:22:51 -08'00'

02/22/2016

Name: Tucker J. Scherger

Date

Title: Biomedical Engineer

Facility: VA Southern Nevada Healthcare System

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.

IMELDA M.

MARTINEZ 172851

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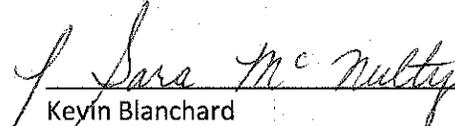
Imelda Martinez

Date

Contracting Officer

NCO 22

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


Keyin Blanchard

Director of Contracting

VISN 22 Network Contracting Office

2-23-16
Date