

Chapter VI: Other Than Full and Open Competition (OFOC) SOP  
Attachment 2: Request for Limited Sources Justification Format >\$150K

**LIMITED SOURCES JUSTIFICATION**  
**FAR PART 8.405-6**

This acquisition is conducted under the authority of the Multiple Award Schedule Program. The material or service listed in par. 3 below is sole source, therefore, consideration of the number of contractors required by FAR Subpart 8.4 – Federal Supply Schedules, is precluded for the reasons indicated below.

Restricted to the following source: Provide original manufacturer's name for material or contractor's name for service. (If a sole source manufacturer distributes via dealers, ALSO provide dealer information.)

Manufacturer/Contractor Omniceil Inc.

Manufacturer/Contractor POC & phone number: Wendy Smith, 951-206-8473

Mfgr/Contractor Address: 1201 Charleston Road, Mountainview CA 94043

Dealer/Rep address/phone number: Wendy Smith, 951-206-8473

☐ The requested material or service represents the minimum requirements of the Government.

(1) AGENCY AND CONTRACTING ACTIVITY: Department of Veterans Affairs  
Veterans Health Administration  
Network Contracting Office 5 , SAO East

VISN: 5 \_\_\_\_\_

(2) NATURE AND/OR DESCRIPTION OF ACTION BEING APPROVED:

Network Contracting Office 5 is requesting approval of this Justification so that VISN 5 may continue to procure medical storage automation equipment and software. The requirement is for the VAMCs in Washington DC, Martinsburg WV, and the VA Maryland Health Care System. This acquisition is A bridge Blanket Purchase Agreement associated with Omnicell, Inc.'s GSA Advantage Schedule 65 II, SIN A-92, V797D-30111.

(3) (a) A DESCRIPTION OF THE SUPPLIES OR SERVICES REQUIRED TO MEET THE AGENCY'S NEED:

Automated dispensing cabinets (ADCs) are crucial to state of the art, best practices, patient-centric care and patient safety practices as defined by the Joint Commission. ADCs house medications and supplies in locked cabinets, and assure security of medications and accurate administration to patients. Further, they track expiration dates, controlled substance management and automatic replenishment of medications. ADCs comply with regulatory requirements and support of National Patient Safety Standards.

(b) ESTIMATED DOLLAR VALUE: \$750,000

(c) REQUIRED DELIVERY DATE: All orders shall be placed on or before September 27, 2016.

(4) IDENTIFICATION OF THE JUSTIFICATION RATIONALE (SEE FAR 8.405-6), AND IF APPLICABLE, A DEMONSTRATION OF THE PROPOSED CONTRACTOR'S UNIQUE QUALIFICATIONS TO PROVIDE THE REQUIRED SUPPLY OR SERVICE. (CHECK ALL THAT APPLY AND COMPLETE)

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- ☐ Specific characteristics of the material or service that limit the availability to a sole source (unique features, function of the item, etc.). Describe in detail why only this suggested source can furnish the requirements to the exclusion of other sources.

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- ☐ A patent, copyright or proprietary data limits competition. The proprietary data is:  
*(If FAR 8.405-6(a)(2)(ii) is the basis, do not include specific proprietary data. Only mention the type of equipment, procedure, etc. to show that proprietary supplies or services are being procured.)*

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- ☐ These are "direct replacements" parts/components for existing equipment.

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- ☐ The material/service must be compatible in all aspects (form, fit and function) with existing systems presently installed/performing. Describe the equipment/function you have now and how the new item/service must coordinate, connect, or interface with the existing system.

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- ☐ The new work is a logical follow-on to an original Federal Supply Schedule order provided that the original order was placed in accordance with the applicable Federal Supply Schedule ordering procedures. The original order must not have been previously issued under sole source or limited source procedures.

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- ☒ An urgent and compelling need exists, and following the ordering procedures would result in unacceptable delays.

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As a movement of the health and welfare of Veterans served in VHA's VAMCs, use of Omnicell's ADCs and related software and training services must continue without interruption. Here, the award of an interim bridge contract facilitates the health and welfare of Veterans while fully complying with the statutory requirement of giving a protested award. The urgent and compelling circumstances were created as a result of litigation related to the procurement. Courts have encouraged and approved bridge contract awards as an alternative to a formal override where the bridge contract merely maintains the status quo during the pendency of the protest. See, e.g., *Norcal Gov't Solutions, Inc. v. United States*, 84 Fed.Cl. 243, 250, 252 (2000) (holding that agency override decision was arbitrary and capricious, in part, because "the bridge contract provided a reasonable alternative"); *Access Sys. Inc. v. United States*, 84 Fed.Cl. at 243 (holding that award of bridge contract was not a de facto override because "the bridge contract did not disturb the status quo"); *Keston Corrections, Inc. v. United States*, Inc., 59 Fed.Cl. 753, 757-58 (2004) (holding that agency override decision lacked a rational basis where the agency could have continued awarding short-term, sole-source contracts to the incumbent contractor)."

(5) DESCRIBE WHY YOU BELIEVE THE ORDER REPRESENTS THE BEST VALUE CONSISTENT WITH FAR 9.4 TO AID THE CONTRACTING OFFICER IN MAKING THIS BEST VALUE DETERMINATION:

The bridge contract includes a discount off the already negotiated terms of HHS V797D-10111. GSA had already determined that the prices under this schedule contract were fair and reasonable, before any additional discounts are needed.

(6) DESCRIBE THE MARKET RESEARCH CONDUCTED AMONG SCHEDULE HOLDERS AND THE RESULTS OR A STATEMENT OF THE REASON MARKET RESEARCH WAS NOT CONDUCTED:

Market research was conducted for the subject commodities on the GSA Acquisition schedules. Only one contractor, Omnicell Inc., was found to have the proprietary medical services subscription equipment and software required.

(7) ANY OTHER FACTS SUPPORTING THE JUSTIFICATION:

Not applicable.

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(8) A STATEMENT OF THE ACTIONS, IF ANY, THE AGENCY MAY TAKE TO REMOVE OR OVERCOME ANY BARRIERS THAT LED TO THE RESTRICTED CONSIDERATION BEFORE ANY SUBSEQUENT ACQUISITION FOR THE SUPPLIES OR SERVICES IS MADE:

Before any subsequent acquisitions, Network Contracting Office 5 will post a sources sought notice on Federal Business Opportunities.

(9) REQUIREMENTS CERTIFICATION: I certify that the requirement outlined in this justification is a Bone 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. I understand that processing of this limited sources justification restricts consideration of Federal Supply Schedule contractors to fewer than the number required by FAR Subpart 8.4. (This signature is the requestor's supervisor, fund control point official, chief of service or someone with responsibility and accountability.)

Eugene M. de Lora, Ph.D.

SIGNATURE

3/28/2016

DATE

Eugene M. de Lora, Ph.D.

NAME

Acting VISA 5 Pharmacy Executive

TITLE

VA Maryland Health Care System

FACILITY

(10) APPROVALS IN ACCORDANCE WITH THE VHA GEN. VISION & Chapter VI OF OC 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.

Sally Familton

CONTRACTING OFFICER'S SIGNATURE

3/28/2016

DATE

SALLY FAMILTON

NAME AND TITLE

NCO 5 VAMC - Baltimore

FACILITY

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b. Director of Contracting/DESIGNEE: I certify that the foregoing justification is accurate and complete to the best of my knowledge and belief.

*for: [Signature]*  
SIGNATURE

4-5-16  
DATE

Scott A. Sands  
NAME  
NCO 5 Director of Contracting

**HIGHER LEVEL APPROVAL (Required For orders over \$650,000):**

c. SAO: I certify the justification meets requirements for restricting consideration of Federal Supply Schedule contractors to fewer than the number required by FAR Subpart 8.4.

d. VHA HCA REVIEW AND APPROVAL (over \$650,000 to \$12.5 million): 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 restricting consideration of the Federal Supply Schedule contractors to fewer than the number required by FAR Subpart 8.4

*[Signature]*  
Joseph P. Maletta  
Director, SAO East  
VHA Head of Contracting Activity (HCA)

4-8-2016  
DATE