

06 April 2016

JUSTIFICATION FOR OTHER THAN FULL AND OPEN COMPETITION

Upon the basis of the following justification, I, as Contracting Officer hereby approve the use of other than full and open competition of the proposed contractual action pursuant to the authority of 41 U.S.C. 253(c).

Identification Number: 657-313F-B

1. Identification of the agency, contracting activity, and specific identification of the document as a justification for other than full and open competition.

The U.S. Department of Veterans Affairs, Office of Construction & Facilities Management, proposes to enter into a contract on a basis other than full and open competition for the Jefferson Barracks Veterans Health Administration Medical Center in St. Louis, MO.

2. The nature and/or description of the action being approved, i.e., sole source, limited competition, establishment of a new source, etc.

This action is a brand name justification for a Johnson Controls Inc. building automation system (BAS) components, including network automation engines, network control engines, variable volume controllers, field equipment controllers, terminal equipment controllers, input/output modules, and associated proprietary programming labor required for proper installation. The VA Office of Construction & Facilities Management intends to award a firm-fixed price contract for construction of a new engineering/warehouse facility on the Jefferson Barracks Division campus of the Department of Veterans Affairs Medical Center in St. Louis, MO in fiscal year 2016. The effective period of the justification is April 06, 2016 to April 05, 2017.

3. A description of the supplies or services required to meet the agency's needs.

The requirement is to provide proprietary Johnson Controls, Inc. (JCI) building automation system components and labor, which are compatible with the existing proprietary JCI Metasys building automation system head end system currently utilized on the Jefferson Barracks campus, with the new engineering/warehouse building to be constructed at the Jefferson Barracks Division campus of the Department of Veterans Affairs medical center in St. Louis, MO. The estimated total cost for these components and labor is \$234,500 which represents approximately 0.697% of the total estimated construction contract value to be awarded. This will allow the St. Louis Medical Center to efficiently and effectively control the heating, ventilation, and air conditioning systems in its facilities, ensuring energy efficiency and comfort for patients, staff, and visitors, using equipment specifically designed to interface with the proprietary building automation system already in place and in use on the Medical Center campus.

4. The statutory authority permitting other than full and open competition.

The statutory authority permitting other than full and open competition is 41 U.S.C.253(c)(1) as implemented by the Federal Acquisition Regulation (FAR) Subpart 6.302-1 entitled, "Only One Responsible Source and No Other Supplies or Services Will Satisfy Agency Requirements."

5. A statement demonstrating the unique qualifications of the proposed contractor or the nature of the action requiring the use of the authority.

JCI is uniquely qualified because their Metasys Extended Architecture field controllers, consisting of Field Equipment Controller (FEC), Network Automation Engine (NAE), Network Control Engine, Variable Volume Controller (VMA), Input/Output Module (IOM), and Terminal Equipment Controller (TEC), require a proprietary software interface to connect them to the building automation system user interface workstations and data servers (head end), which are not compatible with other manufacturers' field controllers. This is due to the proprietary nature of JCI software tools, System Configuration Tool, Controller Configuration Tool, and Logic Connector Tool. JCI is also uniquely qualified to perform the hardware and software engineering, commissioning, graphics, device verification, and project management required to properly integrate these components into the building automation systems.

6. A description of efforts to ensure that offers were solicited from as many potential sources as is practicable. Include whether or not a FedBizOps announcement was made and what response, if any, was received, or include the exception under FAR 5.202 if not synopsisizing. Describe whether any additional or similar requirements are anticipated in the future (this may not be included as an addendum, but must be in the body of the JOFOC).

Efforts to ensure that offers are solicited from as many potential sources as practicable will include synopsisizing the construction contract as required by FAR 5.2. This sole source justification is meant to only allow for specifying brand name for the components that must interface with the existing building automation system head end which will comprise only a very small portion of the construction contract anticipated to be awarded for the engineering/warehouse facility. Where possible, the construction contract requirements will be tailored to allow full and open competition for all but the proprietary building automation system components listed in item 5, software tools, and programming of the specific components utilizing the specific software tools to be performed by JCI staff. The VA Office of Construction & Facilities Management estimates the sole source brand name requirements to total \$234,500 for the components required for the new engineering/warehouse facility to be constructed.

The building automation system is specified in specification section 23 09 23 - Direct-Digital Control System for HVAC. It is typical for this scope of work to be provided to the Mechanical Contractor by a Temperature Controls Sub-Contractor, such as JCI, as a turnkey system. For this construction contract, JCI would provide this turnkey system. However, with the exception of the proprietary components and labor noted above, the remaining items required for a working system, such as temperature and pressure sensors,

switches, meters, conduit, wiring, control valves, dampers, actuators, etc., and the installation of these items, can be competitively bid amongst various manufactures, mechanical contractors, and electrical contractors within the turnkey system cost. It is estimated the turnkey system cost will total \$234,500 for the new engineering/warehouse facility to be constructed.

7. The anticipated dollar value of the proposed acquisition, including options if applicable, and a determination by the Contracting Officer that the anticipated cost to the Government will be fair and reasonable.

The anticipated dollar value of the sole source brand name acquisition is approximately \$234,500 for proprietary building automation system components and labor associated with the construction of the new engineering/warehouse. This estimate is based on Johnson Controls, Inc. GSA Worldwide Federal Supply Schedule 084 pricing (GSA Contract # GS-07F-7823C valid through August 31, 2015). The contracting officer determines the anticipated pricing will be fair and reasonable based on comparison to this and upon acquisition history associated with prior purchases of similar building automation systems

8. A description of the market research conducted and the results.

Market research included telephone surveys of numerous BAS manufacturers' representatives to confirm whether field controllers from competing manufacturers were compatible with the existing JCI Metasys user interface workstation and data server (head end) currently utilized on the Jefferson Barracks campus. Those representatives provided the comments listed below:

A. BAS Manufacturer: Siemens

Representative Company: Siemens

Contact & Title: Monty Gossen, Senior Account Executive

Comment: Siemens can operate with a JCI Metasys system, but is not fully compatible and would require a redundant front end and additional programming by both Siemens and JCI for proper integration.

B. BAS Manufacturer: Automated Logic

Representative Company: Automatic Controls Equipment Systems, Inc.

Contact & Title: Bob Vogt, Jr., President

Comment: Automated Logic can communicate with the JCI system BACnet points, but is not fully compatible with the JCI proprietary components. It would require its own head end and additional programming for proper integration. This programming would need to be performed by JCI in conjunction with Automated Logic. If desired, the Automated Logic head end could become the graphical interface for the overall BAS system.

C. BAS Manufacturer: Reliable Controls; Honeywell; American Auto-Matrix

Representative Company: Automation Solutions Group

Contact & Title: Mike Mertens, Automation Manager

Comment: Reliable Controls, Honeywell, and American Auto-Matrix are able to integrate with the JCI BACnet points, but is not fully compatible with the JCI proprietary components. It would require a dedicated front end in addition to the JCI front end. Any programming in place on the JCI system could only be changed by JCI. Any programming needed to tie any of these systems into the existing JCI system would require a coordinated effort with JCI.

D. BAS Manufacturer: Trane

Representative Company: Trane

Contact & Title: Bill Bourne, BAS Sales Manager

Comment: Trane is not compatible with JCI and is not able to tie into the JCI proprietary system.

E. BAS Manufacturer: TAC Andover

Representative Company: Dynamic Controls, Inc.

Contact & Title: Jeff Gross, Vice President

Comment: Andover is not fully compatible with JCI, but could provide a master panel to control a building in which the existing JCI system could communicate with. It would require an Andover software license in order to manage the panel. However, this arrangement can be difficult to manage by the owner and creates potential warranty issues if distinct levels of responsibility are not established and understood by those individuals who eventually will operate the system. Further, JCI would need to be the overall systems integrator and would need to provide additional programming to ensure proper integration.

F. BAS Manufacturer: Alerton

Representative Company: Thermal Mechanics, Inc.

Contact & Title: Tom Amsler, Temperature Control Manager

Comment: Alerton is able to tie into a JCI BACnet system, but is not fully compatible with the JCI proprietary components. It would require a separate head end system and JCI would need to provide additional programming for integration between the two systems.

G. BAS Manufacturer: Johnson Controls, Inc.

Representative Company: Johnson Controls, Inc.

Contact & Title: Curt Crossly, Major Projects Account Executive

Comment: The JCI Metasys BAS user interface workstations, data servers, and software are proprietary and are not BACnet, and therefore are not compatible with other systems. Any other system which may tie into the existing JCI head end would require additional programming and coordination by JCI for proper integration. Even after the additional integration occurs, no other system will be fully compatible with the JCI system.

9. Any other facts supporting the use of other than full and open competition.

The overall project demolishes seventeen existing buildings and structures. The majority of those buildings that will remain contain proprietary Johnson Control building automation equipment and head end systems. Technical specifications for the building automation system cannot be modified to use other than JCI Metasys Extended Architecture field controllers and interfaces because:

- a. No other manufacturers' controllers are compatible with the JCI programming software tools used on the Building Automation Systems Graphical User Interface, Application Data Server, and field controllers already in use on the Jefferson Barracks Medical Center campus. Redundant hardware and additional integration would be required to allow the other controllers to work with the JCI system.
- b. System complexity would be unacceptably increased and the Government would incur redundant and increased costs associated with operating multiple systems simultaneously, including:
 - i. Costs for operating and maintaining additional software licenses and having redundant head ends consisting of Graphical User Interfaces and Data Servers.
 - ii. Increased training costs for operators and facility personnel who would be required to stay proficient on and use multiple systems.
 - iii. Potential for confusion with who to contact for issues and service during warranty and the life of the system (potentially delaying repairs and adversely impacting healthcare operations).
 - iv. Multiple sets of different building automation system as-built drawings to keep up to date and continually manage for operators and facility personnel use.
 - v. Labor hours needed to integrate DDC point attributes such as trends, alarm parameters, and naming conventions.
 - vi. When software upgrades occur on either system, additional costs to resolve integration issues may be incurred to ensure proper performance between the systems.
 - vii. Cost for additional network IP connections.

10. A listing of any sources that expressed a written interest in the acquisition.

Sources that expressed a written interest in the acquisition: N/A

11. A statement of any actions the agency may take to remove or overcome any barriers to competition, if subsequent acquisitions are anticipated.

Actions the agency may take to remove or overcome any barriers to competition, if subsequent acquisitions are anticipated: N/A - only one source can meet the requirement without duplicating costs for other system components already in place.

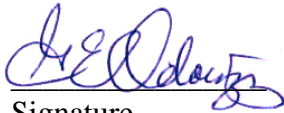
Certification

The information contained in this justification for other than full and open competition is certified accurate and complete to the best of my knowledge and belief.

Acquisition Initiator:

I certify that the facts and representations under my cognizance, which are included in this justification and which form a basis for this justification, are complete and accurate.

George Odorizzi
Project Manager



Signature

4-06-2016

Date

Contracting Officer:

I certify that this justification is accurate and complete to the best of my knowledge and belief. Since this effort does not exceed \$550K, this certification serves as APPROVAL

Signature

04-06-2016

Date

Both the technical and requirements personnel are required to certify each justification as to its accuracy and completeness. *By signing the justification the Contracting Officer certifies that the facts and statements made are accurate and complete*
