

LIMITED SOURCES JUSTIFICATION

FAR PART 8.405-6(g)

2237 Transaction # or Vista Equipment Transaction #: 636-12-1-9073-0001 (Johnson Controls, Inc.)
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: Johnson Controls, Inc.

Manufacturer/Contractor POC & phone number: John Wenzel (703) 865-2326

Mfr/Contractor Address: PO Box 423, Milwaukee, WI 53201

Dealer/Rep address/phone number: Bob Kahn, 1318 Aurora Ave, Des Moines, IA 50322-790 5152086823

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

1. AGENCY AND CONTRACTING ACTIVITY:

Department of Veterans Affairs

VA Central Iowa Health Care System

Des Moines Division

3600 30th Street, 90C

Des Moines, IA 50310

WISN:

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2. NATURE AND/OR DESCRIPTION OF ACTION BEING APPROVED:

This is a limited sources justification document, in accordance with FAR 8.405-6, for items peculiar to one manufacturer. The requirement is for a maintenance and service agreement on an existing Metasys System at the VA Central Iowa Healthcare Facility. This agreement is a premium coverage contract that covers repairs that occur from normal use of the system. It covers both materials and labor costs. The agreement also covers a software subscription for the Johnson Controls ADX Server Software and all Network Automation Engines that are connected to the ADX server. The subscription covers all software upgrades for the system and the labor needed to install those upgrades.

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

Johnson Controls, Inc. will provide the following support services:

- The contractor will perform a basic and premium service for the Facility Management Systems and a Premium Service for the Software Subscription
- Perform all service, calls maintenance and repairs as necessary and per service agreement
- Standard replacement parts are required within a 24-hour time period.
- On request, the contractor shall furnish on call emergency services.
- The contractor will perform initial equipment inspections on all provided equipment lists

- The contractor shall instruct government specified operating personnel in the prescribed operation of listed equipment and the preparation of operating reports or logs that may be required to assist in the determination of necessary service or repairs.
- The contractor shall comply with state and federal regulations and maintain current state and federal certifications regarding correct handling, removal and disposal of all hazardous waste material generated as a result of maintenance or repairs.

b. ESTIMATED DOLLAR VALUE:

c. REQUIRED DELIVERY DATE: 12/01/2011

3. 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)

☒ 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.

Johnson Controls is the sole provider and has proprietary rights to the software utilized for the Metasys system. The Metasys system is already in place at the VA Central Iowa Healthcare Facility. Johnson Controls has an existing FSS contract; Contract number GS-07F-7823C. Based upon conversations with their federal team and a local subsidiary it has been determined that no other vendor supplies this proprietary software. Other vendors on schedule have software that can link to Johnson Control's Metasys System but only with permission from Johnson Controls, Inc. This software does not serve the same function as the Metasys software needed for this requirement. Upon searching for "Metasys software" several GSA contractors were contacted that confirmed this information. Some contractors do sell parts for the Metasys system but all of those parts are owned by Johnson Controls. There is no other authorized source that distributes their proprietary software. Any maintenance or service agreement would require certified Johnson Controls technicians; with full access to the Metasys system and Johnson Controls proprietary software.

☒ A patent, copyright or proprietary data limits competition. The proprietary data is: Johnson Controls, Inc. has proprietary rights for the software required on the HVAC Metasys System at the VA Central Iowa Healthcare Facility. They have exclusive licensing rights. Their personnel and technicians are the only authorized personnel capable of performing this work without violating warranties for this equipment.

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

☐ 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.

☐ 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.

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

4. DESCRIBE WHY YOU BELIEVE THE ORDER REPRESENTS THE BEST VALUE CONSISTENT WITH FAR 8.404(d) TO AID THE CONTRACTING OFFICER IN MAKING THIS BEST VALUE DETERMINATION:

This order will come from GSA Contract #GS-07F-7823C. Rates used in the vendor's proposal have been verified within GSA contractual requirements and consequently, based upon the establishment of that contract, are considered to be fair and reasonable. Past performance, attested by the local Program Managers at the Veterans Administration Central Iowa's Health Care System, is deemed appropriate and sufficient for facility requirements. Johnson Controls, Inc. has a working knowledge of the system that is in place at the VA Central Iowa Healthcare Facility. The vendor offered a 10% off the street labor rate to the government for three critical cost elements: control service, chiller service and mechanical HVAC service. For the reasons stated above, an award to Johnson Controls, Inc., via GSA schedule, represents the best value to the government.

5. DESCRIBE THE MARKET RESEARCH CONDUCTED AMONG SCHEDULE HOLDERS AND THE RESULTS OR A STATEMENT OF THE REASON MARKET RESEARCH WAS NOT CONDUCTED:

Johnson Controls has an existing FSS contract; Contract number GS-07F-7823C. Based upon conversations with their federal team and a local subsidiary it has been determined that no other vendor supplies this proprietary software. Other vendors on schedule have software that can link to Johnson Control's Metasys System but only with permission from Johnson Controls, Inc. Regardless, those softwares do not serve the same function as the Metasys software needed for this requirement. Upon searching for "Metasys software", several GSA contractors were contacted that confirmed this information. Some contractors do sell parts for the Metasys system but all of those parts are owned by Johnson Controls. There is no other authorized source that distributes their proprietary software. Any maintenance or service agreement would require certified Johnson Controls technicians; with full access

to the Metasys system. There are no other Schedule Holders that provide training or maintenance on the Johnson Controls Metasys system.

6. ANY OTHER FACTS SUPPORTING THE JUSTIFICATION:

7. 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:

- Market research, in accordance with FAR part 8, will be conducted for all future requirements to establish competitive grounds, if market conditions permit, at that time. The VA typically competes all requirements, with the exception of requirements that can only be fulfilled by one company or manufacturer.

8. REQUIREMENTS CERTIFICATION: I certify that the requirement outlined in this justification is a bonafide 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.)

SIGNATURE

Bruce O. Mitchell

DATE

12-7-2011

NAME

CIHCS Des Moines

TITLE

Chief MRO

SERVICE LINE/SECTION

Eng 138

FACILITY

9. APPROVALS IN ACCORDANCE WITH FAR 8.405-6(h):

a. CONTRACTING OFFICER'S CERTIFICATION (required): I certify that the foregoing justification is accurate and complete to the best of my knowledge and belief.

CONTRACTING OFFICER'S SIGNATURE

Sarah Davis

DATE

12-7-2011