

LIMITED SOURCES JUSTIFICATION

FAR PART 8.405-6(g)

2237 Transaction # or Vista Equipment Transaction #: 636-12-1-9075-0004 (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

VISN:

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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 training, provided by Johnson Controls, Inc. associated with the HVAC Metasys system located throughout the VA facility. The training will be given monthly to employees at the VA Central Iowa Healthcare System and will be given by certified Johnson Controls employees; specifically geared to the HVAC Metasys system and all system components.

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 provide monthly training of employees for the HVAC Metasys system at the VA Central Iowa Healthcare Facility.
- Training will include the Metasys system, all HVAC components, valves and air handling units. The training will allow VA technicians to have a better understanding of existing systems, and provide them with the knowledge required to support the operational capabilities and the functionality of the Johnson Controls HVAC Metasys system. Employees will have knowledge of system related upgrades and feature changes.

b. ESTIMATED DOLLAR VALUE: \$ [REDACTED]

c. REQUIRED DELIVERY DATE: 12/15/2011

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 owner of the software, equipment and components for the controls of the HVAC Metasys system. Their personnel and technicians are certified and trained on the Johnson Controls system. The proprietorship of the system software limits any competition. Other non-certified technicians do not have the authority or technical capacity to provide training on Johnson Controls HVAC 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 market research, conversations with their federal team and a local subsidiary it has been determined that no other vendor supplies this training. The only training of any nature on the HVAC Metasys system that could be located through market research was a video, which is distributed by one GSA Schedule holder, Capp, Inc. That video is not sufficient for the training requirements. That video is owned by Johnson Controls, Inc. Capp Inc. also confirmed that they do not perform nor do they have the technical capacity to train anyone on Metasys systems. They are simply a parts dealer. Upon searching for "Metasys training", several GSA contractors were contacted that confirmed this information. Johnson Controls provides the training on their GSA schedule.

☒ 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 training VA employees because of their knowledge of this proprietary data. If VA employees were improperly trained on the Metasys system by anyone other than a Johnson Controls certified technician, and the result of that improper training led to system failures, warranties for this equipment would be violated.

☐ 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 existing HVAC system at the VA Central Iowa Healthcare Facility is a Metasys System, purchased from Johnson Controls. Only Johnson Controls certified technicians are capable of performing the training that is provided to employees at the VA Central Iowa Healthcare Facility.

☐ 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 and therefore their certified technicians are imminently qualified to train the employees at the VA Central Iowa Healthcare Facility. The vendor offered a 10% off the street labor rate for this training. For the reasons stated above, an award to Johnson Controls, Inc., via GSA contract, 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 schedule holder supplies this training. Based upon market research among GSA schedule holders and conversations held with several FSS Schedule holders, it was determined that no other vendor can supply this training. Johnson Controls, Inc. is the sole owner of the software, equipment and components for the controls of the HVAC Metasys system. Their personnel and technicians are certified and trained on the Johnson Controls system. The proprietorship of the system software limits any competition. Other non-certified technicians do not have the authority or technical capacity to provide training on Johnson Controls HVAC 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 market research, conversations with their federal team and a local subsidiary it has been determined that no other vendor supplies this training. The only training of any nature on the HVAC Metasys system that could be located through market research was a video, which is distributed by one GSA Schedule holder, Capp, Inc. That video is not sufficient for the training requirements. That video is owned by Johnson Controls, Inc. Capp Inc. also confirmed that they do not perform nor do they have the technical capacity to train anyone on Metasys systems. They are simply a parts dealer. Upon searching for "Metasys training", several GSA contractors were contacted that confirmed this information. Johnson Controls provides the training on their GSA schedule.

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 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. 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

NAME

CHCS Des Moines, IA

FACILITY

TITLE

Chief, MRO

DATE

12-5-2011

SERVICE LINE/SECTION

Eng 138

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.

Senah Davis
CONTRACTING OFFICER'S SIGNATURE

12/7/11
DATE

NAME AND TITLE

NCO 23 Central Tower
FACILITY

HIGHER LEVEL APPROVAL (For orders over \$500,000): ☐ REQUIRED ☒ NOT REQUIRED

b. FACILITY CONTRACTING MANAGER'S CERTIFICATION: I certify that the foregoing justification is accurate and complete to the best of my knowledge and belief.

Senah Davis
FACILITY CONTRACTING MANAGER'S SIGNATURE

2/7/11
DATE

NAME AND TITLE

NCO 23 Central Tower
FACILITY