

## DEPARTMENT OF VETERANS AFFAIRS

### Justification and Approval

For

### Other Than Full and Open Competition

1. **Contracting Activity:** SAO West, VISN 18, El Paso Contracting Office (00258) - 5001 N. Piedras St, El Paso, TX 79930 proposes to enter into a firm-fixed price contract on the basis of justification for other than full and open competition for the Department of Veterans Affairs, Raymond G. Murphy VA Health Center (RGMVAMC), 1501 San Pedro SE, Albuquerque, NM 87108 for a one time purchase of a medical research instrument, *XCT 2000L pQCT Scanner*. The Purchase Request number is ~~(501-12-2-148-0022)~~.
2. **Nature and/or Description of the Action Being Processed:** This is a request for other than full and open competition for the procurement of *XCT 2000L pQCT Scanner*. The contract action will be firm-fixed price, \$174,879.60. The proposed contractor is Orthometrix, Inc., 5621 Strand Blvd., Suite 111, Naples, FL 34110.
3. **Description of Supplies/Services Required to Meet the Agency's Needs:** This request is for the purchase the peripheral Quantitative Computed Tomography (pQCT) scanner which provides true volumetric measurement of bone density and can separate the Cortical shell from Trabecular bone compartment for early detection of changes in response to testosterone replacement. The results from the peripheral QCT taken together with real bone density from DXA and bone markers of turnover, will provide a comprehensive assessment of the impact of testosterone replacement in hypogonadal men as a function of CYP19A1 polymorphism. This instrument is needed for the research project "CYP19A1 gene and Pharmacogenetics of Response". Delays with procurement could adversely affect the progress of the research project and the gathering of data. Furthermore, the scanner will be used in the support of the competing renewal of a RO1 research grant titled, "Weight Loss and Exercise in Frail Subjects" in which it is planned to measure bone quality by pQCT. Consequently, any delay in the purchase of this scanner will not only affect ongoing clinical trial data collection but could jeopardize acquiring clinical data needed to submit a competitive RO1 grant renewal. Prior year funds, which are currently available, will be used for the purchase of this instrument. The purchase consist of the following:
  - 1 EA   XCT 2000L Pqct Scanner
  - 1 EA   Arm holder, tibia/foot holder, and customized high adjustable table, rotating collimator for adjustable slice thickness (2mm, 1mm, .5mm, .2mm).
  - 1 EA   In VIVO Rat Holder
  - 1 EA   In VIVO Mouse Holder

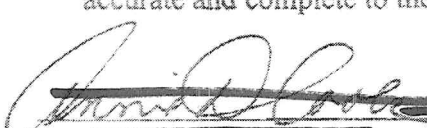
1 EA XCT Computer System

\*Special 5% Government Discount (-\$8,788) plus One year Manufacturer's Warranty on all parts\*

4. **Statutory Authority Permitting Other than Full and Open Competition:** (1) Only One Responsible Source and No Other Supplies or Services Will Satisfy. FAR 6.302-1 allows for the procurement of items through other than full and open competition; (a) Authority, (1) Citations: 10 U.S.C. 2304 (c)(1). (2) When the supplies or services required by the agency are available from only one responsible source, or, For DoD, NASA, and the Coast Guard, from only one or a limited number of responsible sources, and no other type of supplies or services will satisfy agency requirements, full and open competition need not be provided for.
5. **Demonstration that the Contractor's Unique Qualifications or Nature of the Acquisition Requires the Use of the Authority Cited Above (applicability of authority):** This instrument is urgently needed for the research project. Delays with procurement could adversely affect the progress of the research project and the gathering of data. Furthermore, the scanner will be used in the support of the competing renewal of a RO1 research grant titled, "Weight Loss and Exercise in Frail Subjects" in which it is planned to measure bone quality by pQCT. Consequently, any delay in the purchase of this scanner will not only affect ongoing clinical trial data collection but could jeopardize acquiring clinical data needed to submit a competitive RO1 grant renewal. Orthometrix, Inc. is the sole distributor of system requested. The vendor has exclusive rights to the proprietary data which is imbedded in the scanner and is copy-protected.
6. **Description of Efforts Made to ensure that offers are solicited from as many potential sources as deemed practicable:** Market research was conducted. There is only one source capable of meeting the requirement. Orthometrix, Inc. is the only company that is capable of providing the *XCT 2000L pQCT Scanner* requested. A Sources Sought was issued on GSA eBuy RFQ637442 (65 II A, A-14G) on November 25, 2011 with a closing date of November 11, 2011, there were no interested sellers; this indicates that the item is not an FSS contracted item. In addition, VA258-12-I-0108 was issued on December 05, 2011 with a response date of December 9, 2011, to date, there are no interested sellers. A notice of award will be posted within 14 days after award is made in FEDBIZOPPS.
7. **Determination by the Contracting Officer that the Anticipated Cost to the Government will be Fair and Reasonable:** The anticipated price to the Government is \$174,879.60. Pricing techniques as described in FAR 15.404-1(b)(2), will be used to establish price fairness and reasonableness. The Contracting Officer determines that the anticipated price will be fair and reasonable based on historical price analysis. A search was conducted in the FPDS database to see if other VA contracting offices have procured the same items. The results showed purchase order V640D40024 for VISN 21 for the same items priced at \$173,250.00 compared to our price of \$174,879.60. An additional search on FedBizzOpps was conducted

and results show that the Department of the Army purchased the same item under FAR 6.302-1 Only one responsible source (Ref: W81NLC-1210-0001), buyer was contacted in regards to pricing, a response is pending.


8. Description of the Market Research Conducted and the Results, or a Statement of the Reasons Market Research Was Not Conducted: FAR Part 10 directs that market research be conducted on each acquisition appropriate to the circumstances. Items are only available from Orthometrix, Inc., a small business concern. This request is not available from a mandatory source, government wholesale supplier or optional supply schedule. Market research found no socioeconomic category supplier.
9. Any Other Facts Supporting the Use of Other than Full and Open Competition: The notice required by FAR 5.201 will be published and any bids or proposals received shall be considered for future requirements. Research on FedBizOps revealed other facilities posting notice to negotiate a Sole Source contract for *XCT 2000L pQCT Scanner System*. A GSA search did not provide any acceptable vendors. The *XCT 2000L pQCT Scanner System* has been a registered trademark of Orthometrix, Inc. since 1993 and is a stand-alone system which are made to order. Delivery is expected within six to eight weeks from order date.
10. Listing of Sources that Expressed, in Writing, an Interest in the Acquisition: See 9. above.
11. A Statement of 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: None.
12. 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 and belief.

  
Anne D. Cook, RN, MSN  
Chief, Research Administration  
Raymond G. Murphy VA Medical Center

12/20/2011  
Date

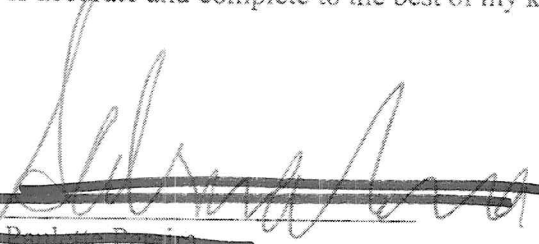
13. Approvals in accordance with FAR 6.304

- a. Contracting Officer's Certification: (required) I certify that the foregoing justification is accurate and complete to the best of my knowledge and belief.

  
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Contracting Officer  
VISN 18, NCO/SAO West

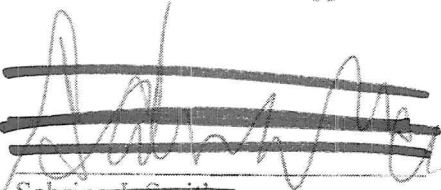
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Date

b. VISN/PCA QA (Required \$3K and above): I certify that the foregoing justification is accurate and complete to the best of my knowledge and belief.

  
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Paulette Pereira  
QA/ Compliance Procurement Analyst  
VISN 18, NCO/SAO West

12/15/11  
\_\_\_\_\_  
Date

c. NCM/PCM Approval (Required \$3K and above): I have reviewed the foregoing justification and find it to be complete and accurate to the best of my knowledge and belief and recommend approval for other than full and open competition.

  
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Sabrina J. Smith  
Network Contract Manager  
VISN 18, NCO/SAO West

12/15/11  
\_\_\_\_\_  
Date