

DEPARTMENT OF VETERANS AFFAIRS

Justification and Approval (J&A) For Other Than Full and Open Competition (>\$150K)

Acquisition Plan Action ID: VA69D-16-AP-3284

1. Contracting Activity:

Department of Veterans Affairs
NCO 12
Great Lakes Acquisition Center
Milwaukee, WI 53295

2. Nature and/or Description of the Action Being Processed:

The Government requires an open-market contract for a full-service freight management system for the Milwaukee VA Medical Center. This will be a new firm-fixed price contract action which will begin on 08/01/2016. This procurement shall be conducted in accordance with FAR 13.5 Test Program for Certain Commercial Items and specifically FAR 13.501 Special Documentation Requirements, where acquisitions conducted under Simplified Acquisition Procedures are exempt from the requirements of FAR Part 6, but still require a justification using the format of FAR 6.303-2.

3. Description of Supplies/Services Required to Meet the Agency's Needs:

The Department of Veteran Affairs requires the procurement of a full-service freight management system for the Milwaukee VA Medical Center. Recent improvements in shipping, tracking, and delivering material, largely inaugurated by Amazon, have created several new innovative freight management systems that can produce vast cost-savings for any institution, but especially larger institutions with shipping costs in the tens and even hundreds of thousands. These cost-savings can be realized by the Milwaukee VA with the contract for a holistic freight management system. The period of performance for this contract will begin on 08/01/2016 and end on 07/31/2017 and it will include four option years. The total IGCE of this contract is expected to be \$255,091.44 with the base year estimated to be \$43,482.00.

4. Statutory Authority Permitting Other than Full and Open Competition:

- () (1) Only One Responsible Source and No Other Supplies or Services Will Satisfy Agency Requirements per FAR 6.302-1;
- () (2) Unusual and Compelling Urgency per FAR 6.302-2;

- () (3) Industrial Mobilization, Engineering, Developmental or Research Capability or Expert Services per FAR 6.302-3;
- () (4) International Agreement per FAR 6.302-4
- (x) (5) Authorized or Required by Statute FAR 6.302-5;
- () (6) National Security per FAR 6.302-6;
- () (7) Public Interest per FAR 6.302-7;

FAR13.5 Simplified Procedures for Certain Commercial Items: *The authority for applying the Simplified Procedures for Commercial Items of FAR 13.5 is 41 U.S.C. 1901 and is implemented by for restricting competition on this procurement via FAR 13.106-1(b)(2).*

5. Demonstration that the Contractor's Unique Qualifications or Nature of the Acquisition Requires the Use of the Authority Cited Above (applicability of authority):

Capture LLC is an SDVOSB and their OptiFreight vendor management system satisfies the Government requirement for this procurement. Public Law 109 Sec. 502 and FAR 19.1406 allows for a VA Contracting Officer to award an open-market sole-source procurement, "required or authorized by Statute" with a value not to exceed \$5,000,000, if the contract award can be made at a fair and reasonable price, to a responsible vendor, and that offers best value to the United States. Therefore in accordance with Public Law 109 Sec. 502 and FAR 19.1406, the Department of Veteran Affairs anticipates an open-market, sole-source contract being awarded to Capture LLC to satisfy this requirement. The service is determined to be a non-personal service, and it is determined to be commercial, once the processes in the FAR are accomplished. The base year will begin on 08/01/2016 and will end on 07/31/2017 this contract will include four option years.

6. Description of Efforts Made to ensure that offers are solicited from as many potential sources as deemed practicable:

The Contracting Officer searched in FPDS and FBO for awards made for a freight management system. Capture LLC is the only SDVOSB that has won awards from the federal government for these services. While there are some "other than small-businesses" that offer these services, only Capture is a SDVOSB.

7. Determination by the Contracting Officer that the Anticipated Cost to the Government will be Fair and Reasonable:

Capture LLC won a BPA for VISN 5 and then VA Medical Centers in Baltimore, Washington D.C. and Martinsburg each had task orders off of this BPA. VISN 5 competed this requirement and only received one quote from Capture LLC. Baltimore and Martinsburg's price were each \$30,000 for a one year task order for Capture LLC's OptiFreight system. The Washington D.C. VA Medical Center's price was \$100,000 for a one year task order. The Milwaukee VA Medical Center is estimated to pay \$43,482.00 for the base year. While a separate price reasonableness determination will be completed, it is anticipated that the price will be found to be price reasonable.

8. Description of the Market Research Conducted and the Results, or a Statement of the Reasons Market Research Was Not Conducted:

The Contracting Officer searched in FPDS and FBO for awards made for a freight management system. Capture LLC is the only SDVOSB that has won awards from the federal government for these services. While there are other than small-businesses that offer these services, only Capture LLC is an SDVOSB. Therefore in accordance with Public Law 109 Sec. 502 and FAR 19.1406, the Department of Veteran Affairs anticipates an open-market, sole-source contract being awarded to Capture LLC to satisfy this requirement.

9. Any Other Facts Supporting the Use of Other than Full and Open Competition:

None

10. Listing of Sources that Expressed, in Writing, an Interest in the Acquisition:

Capture LLC

11. A Statement of the 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. The VA has the statutory authority in accordance with Public Law 19 and FAR 19.1406 to award open-market, sole-source procurements to SDVOSBs as long as the firm is found to be a responsible contractor, the award price can be made to be fair and reasonable, and it represents the best value to the Government. Separate determinations of all three of these items will be completed before award.

12. 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 and belief.

Pat Ingol
Logistics
Milwaukee VA Medical Center

Date

13. Approvals in accordance with the [VHAPM, Volume 6, Chapter VI: OFOC SOP](#).

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

Ashley Johnson
Lead Contracting Officer
GLAC

Date

- b. **Director of Contracting /Designee (Required over \$150K but not exceeding \$700K):**
I certify the justification meets requirements for other than full and open competition.

Brent Goe
NCO 12 Director of Contracting or Designee
GLAC

Date