

DEPARTMENT OF VETERANS AFFAIRS

Justification and Approval  
For  
Other Than Full and Open Competition

**1. Contracting Activity:** The agency responsible for this acquisition is:

Department of Veterans Affairs  
Southern Arizona VA Health Care Systems (SAVAHCS 678/9-90C)  
3601 S. 6th Ave  
Tucson, AZ 85723  
(520) 792-1450

The Department of Veteran Affairs proposes to enter into a contract on the basis of other than full and open competition for the SAVAHCS Clinical Procedures Unit Activation. PR Number 678-12-1-1026-0001

**2. Nature and/or Description of the Action Being Processed:** This Brand Name justification comes as a result of a current requirement at the SAVAHCS to purchase nine Skytron booms and lights systems for the new Clinical Procedures Unit that is currently under construction. Included in this request is the installation and certification of the systems. This is a new procurement and the contract contemplated will be firm fixed price to: Skytron, 5085 Corporate Exchange Blvd. Grand Rapids, MI 49512 (GSA Contract # V797-4098B). Once awarded, Skytron will utilize its only authorized distributor in Arizona (Innovative Medical Systems) to deliver, install, and provide training.

**3. Description of Supplies/Services Required to Meet the Agency's Needs:** The procurement is to provide, install, and certify nine complete Skytron booms and light systems for the Clinical Procedures Unit. The Skytron Envision Integration System will be utilized in the following special procedure suites located on the third floor of Building 50 of the Southern Arizona VA Health Care System in Tucson, AZ:

- |                                     |                                   |
|-------------------------------------|-----------------------------------|
| • Room 356 – Bronchoscopy Suite     | • Rooms 350, 351, 353 – GI Suites |
| • Room 335 – Bronchoscopy Suite     | • Room 348 – GI Suite             |
| • Rooms 344/346 – Cystoscopy Suites | • Room 357 – ERCP Suite           |

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

41 USC §253(c) (1), as implemented by FAR 6.302.1

- (X) (1) Only One Responsible Source and No Other Supplies or Services Will Satisfy Agency Requirements per FAR 6.302-1; **BRAND NAME**
- ( ) (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
- ( ) (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;

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

- a) The reason for citing FAR Part 6.302-1 as the statutory authority for this JOFDC is that it is appropriate in this situation where the agency's requirements can only be satisfied by the unique supplies/services from Skytron, which is the manufacturer and only source for the Skytron Booms and Lights systems which will be integrated with the Phillips Medical Systems Physiological Patient Monitoring Systems and various endoscopic systems in the Clinical Procedures Unit. Both components are compatible and dependent upon each other to provide the service required and Skytron is the only manufacturer of the Booms and Lights System compatible with the Patient Monitoring Systems and various endoscopic systems to provide for the adequate specialized utilization.
- b) An identical Skytron boom and light system has been installed in four newly constructed Operating Suites for the SAVAHCS's Surgical Care Line. This technology was intended to be standardized throughout the facility for developing end user staff competency through the utilization of a new technology that meets the needs of Care/Service line procedures. By having a standardized system, Biomedical Engineering staff will develop a competency in the maintenance and repair of these systems as well. It has been determined that standardization of these specialized systems saves healthcare facilities inordinate amounts of money in these two areas.
- c) With the mindset of cost-savings, staff competency, and standardization, this technology was incorporated into the design of the Clinical Procedures Unit. When the Medicine and Surgical Care Lines determined the new Skytron systems would be optimal for their procedures and processes in the Clinical Procedures Unit, the design phase incorporated the specifications of these systems. The construction project of the Clinical Procedures Unit includes the ceiling infrastructure for each of the eight rooms specifically designed for the Skytron boom and light system. The infrastructure is steel and requires a network of struts and supports in the ceiling for support. This infrastructure has been purchased and incorporated into the construction projects and is solely for the Skytron solution.
- d) The Skytron Envision Integration System also allows for the Olympus endoscopic systems to be used and displayed in the Clinical Procedures Unit and is the only system to do so. The systems utilized are: Endoscopes, GI scopes, Bronchoscopy scopes, light sources, and processors. Integration of the Phillips Medical System's physiological patient monitoring is critical to the procedures. This network is able to be fully integrated into the Skytron Envision system to display all necessary physiological vital signs which need to be monitored during the procedures.
- e) As denoted, the Skytron Envision Integration System that will be supplied by Skytron, and distributed by the only authorized distributor, will provide a comprehensive light and boom network that will be utilized in the special procedures suites shown above in item 3. These suites have specific applications & procedures which will rely on the Skytron lighting and boom system to function. The Skytron Envision in general includes:
  - Cabling for the various endoscope systems and physiological patient monitoring inputs.
  - Monitor booms/mounts/shelves for endoscope/physiological patient monitoring equipment
  - Monitors for displaying the outputs of endoscope and physiological patient monitoring.
  - Control workstation for determining the appropriate system, displays.
  - Power and utilities integration.
  - Installation and programming of the complete system.

**6. Description of Efforts Made to ensure that offers are solicited from as many potential sources as deemed practicable:** A notice of the impending sole source solicitation was posted on FedBizOps on October 14, 2011; there have been no responses to the sole source notice. The Skytron Envision

Integration System is the only system that will interface with the existing ceiling infrastructure and steel support structures already installed in the construction portion of this project and integrate into the existing medical monitoring systems in place. Contact has been made with David Mackey, Territory Manager for Innovative Medical Systems and Kim Mastenbrook, Communications Manager for Skytron during the period—October thru December 2011 (most recently 12/16/2011). These representatives confirmed that Skytron is the sole owner and manufacturer of the proprietary technology that is required by the SAVAHCS and can still provide the system(s) in all suites. Also, these representatives identified that while the Skytron equipment is proprietary, Innovative Medical Systems is the only authorized distributor for Skytron in the state of Arizona and that this firm would be doing the distribution, installation, and training, after the order is placed with Skytron.

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

The anticipated total dollar amount of the proposed acquisition is \$702,000.00. Since there have been other purchases of the Skytron Booms, lights and integration systems, there is prior pricing data (as of June 2011) of these commercial items (with minor modifications) that has allowed the Contracting Officer to conduct a price comparison or price analysis. In accordance with FAR 15.404-1(b) 'price analysis for commercial and non-commercial items', the Contracting Officer has examined and evaluated the proposed price and the received quote mirrors that of the previous purchase(s) by the SAVCHCS. The Contracting Officer determines that the anticipated price will be fair and reasonable based on the price analysis and detailed audit of the quote submitted by the contractor and the subsequent negotiation that will take place. By signing the justification the Contracting Officer makes a determination that the costs/prices to the government are expected to be fair and reasonable.

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

Market research was conducted through online research of specifications needed and by comparing costs from other Operating Room Suite upgrades. Biomedical Engineering's market research did not reveal any other vendor whose integration system could fully integrate with the ceiling infrastructure and existing steel support structures purchased and installed with the construction contract. The market research conducted further concluded that no other vendor's system specifications such as Steris or Stryker possessed the exact requirements needed to integrate appropriately with the Philips Medical Systems Physiological Patient Monitoring System and Olympus Endoscopy Systems established in the Clinical Procedures Unit. The compatibility between these two systems and the Skytron Envision Integration System maintains new technology standardization between the Clinical Procedures Unit's suites and the other Operating Room Suites.

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

The new Clinical Procedures Unit, which is currently under construction requires specialized ceiling infrastructure and existing steel support structures. This unit has been designed and based on the specifications required to safely support the Skytron Booms and Lights system. The addition of this product in each of the new suites maintains a standardized equipment approach that is cost effective from a support and staff competency perspective. The construction of the Clinical Procedures Unit is estimated at being 60%-70% complete. It is imperative that this equipment be procured and on-hand (prior to Jan 31, 2012) to coincide with the SAVAHCS construction phasing timeline or the facility will face the very real possibility of paying \$900 a day in fees to the contractor due to delays that the lack of this equipment will cause.

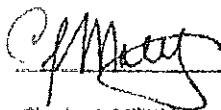
**10. Listing of Sources that Expressed, in Writing, an Interest in the Acquisition:** None

**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:**

A notice of intent to award was placed in FedBizOps to ensure that no other firm can perform.

The goal of the SAVAHCS is to provide the most efficient and affordable clinical procedures for Veterans throughout Southern Arizona. However, future procurements will be sought via full and open competition to increase the amount of products and services available to the VA prior to construction of a planned facility or expansion.

- 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.



Charles J. Militti Jr.  
Logistics Officer  
SAVAHCS

10.14.11

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.

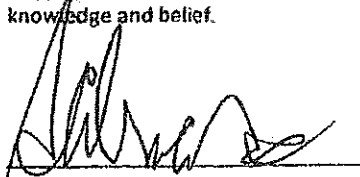


Keron White  
Contracting Officer  
VISN 18 NCA

10-17-11

Date

- b. **VISN/PCA QA:** I certify that the foregoing justification is accurate and complete to the best of my knowledge and belief.

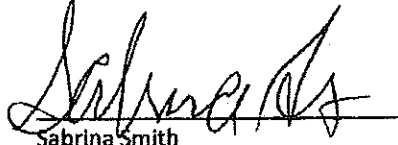


Paulette Pereira  
QA Compliance Officer  
SAVAHCS

12/20/2011


Date

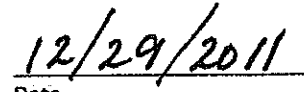
- c. **NCM/PCM (Required \$3K and above):** I certify the justification meets requirements for other than full and open competition.

  
Sabrina Smith  
Network Contract Manager  
VISN 18


  
Date

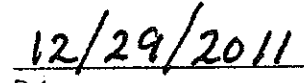
- d. **SAO OA (If over 500K):** I certify that the foregoing justification is accurate and complete to the best of my knowledge and belief.

  
Name:  
Title:  
Facility:

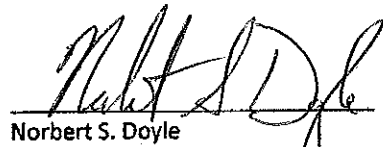
  
Date

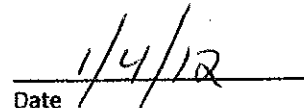
- e. **SAO (If over 500K):** I certify the justification meets requirements for other than full and open competition.

  
for Delia Adams  
Director  
Service Area Office, West

  
Date

- f. **VHA HCA Review and Approval:** 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 (if over \$10million) or approve (\$500K to 10 million) for other than full and open competition.

  
Norbert S. Doyle  
Acting Chief Procurement and Logistics Officer  
VHA Head of Contracting Activity (HCA)

  
Date

## V18-SAO CCA West Document Transmittal Cover Sheet

To: Mr. Paulette Pereira / SAO West QA  
Mr. Debra Adams / Mr. Norbert Doyle From: Zach Harris

email: Zachary.harris@va.gov Pages: 6 (including Cover)

Phone: 480-466-7920 Date: 12.20.11

Support staff initial: *EM* Document Type: Justification and Approval for Sole Source

☐ Urgent ☒ For Review ☒ For Signature ☐ Please Reply ☒ Please Forward

### Subject:

Only One Responsible Source and No Other Supplies or Services Will Satisfy Agency Requirements per FAR 6.302-1;

The reason for citing FAR Part 6.302-1 as the statutory authority for this JOFDOC is that it is appropriate in this situation where the agency's requirements can only be satisfied by the unique supplies/services from

Skytron, which is the manufacturer of the Skytron Boom and Lights system which will be integrated with the Phillips Medical Systems Physiological Patient Monitoring Systems and various endoscopic systems in the Special Procedures Unit. Both equipments are compatible and dependent upon each other to provide the service required.

### Comments:

The procurement is to provide, install, and certify nine complete Skytron boom and light systems for the Special Procedure Unit. The Skytron Invision Integration System will be utilized in the following procedure rooms or suites for the newly constructed third floor of Building 50 of the Southern Arizona VA Health Care System:

- Room 356 Bronchoscopy Suite
- Room 355 Bronchoscopy Suite
- Rooms 344 and 346 Cystoscopy Suites
- Rooms 350, 351, and 353 GI Suites
- Room 348 GI Suite
- Room 357 ERCP Suite

## NCO 18 – J&A, Brand Name, Skytron Light System

This document is confusing and difficult to understand as it refers to other systems, requirements, etc. This document would be easier to read if paragraph and subparagraphs had numbers or letters to identify them.

1. Paragraph 2 states contract contemplated with Skytron but Paragraph 5, subparagraph 5 states 'System will be supplied by Skytron and distributed by authorized distributors. Which statement is correct? Is this requirement going to be a sole source to Skytron or is it going to be competed among authorized distributors? Is the contract number referenced for Skytron?
2. Paragraph 5: What is the purpose of subparagraphs 1 and 2 on the 2<sup>nd</sup> page? How do they demonstrate the contractor's unique qualifications?
3. Paragraph 5: Page 2 – (2<sup>nd</sup> and 3<sup>rd</sup> paragraphs) provide contract numbers and/or additional information about the systems installed in the newly constructed Operating suites.
4. Paragraph 5: Page 2 – 4<sup>th</sup> paragraph. What does the Olympus endoscopic system and the Phillips Medical System have to do with the Skytron System? Paragraph 3 states the system is for the Special Procedure Unit and now reference is made to the Medical Procedure Unit. Explain. If these units are the same please use the same wording throughout the document.
5. Paragraph 5: Page 2 – Is the procedure suites the same as the Special Procedure Unit? Use the same wording throughout the document. It now becomes more confusing because I thought the Skytron system interacted with the Phillips Medical System?
6. Explain Innovative Medical Systems part in a brand name or equal for Skytron. Why would Innovative Medical, who is not part of Skytron, be able to confirm that Skytron is the sole owner and manufacturer? Why would we ask them?
7. Explain why you are going to do cost analysis and not price analysis? Who is going to audit the certified cost proposal and why would a certified cost proposal be required for a commercially available item?
8. Paragraph 9. Is the Special Procedures Unit still being built? This is very confusing considering the information given in Paragraph 5, subparagraph 3 on the 2<sup>nd</sup> page.

Linda K. Robinson  
20 December 2011

NCO 18 – J&A, Brand Name, Skytron Light System – 2<sup>nd</sup> review, Keron White, Contracting Officer

I have conducted a 2<sup>nd</sup> review of the J&A for Skytron Lights and recommend that it be forwarded to Ms. Adams for signature.

Linda K. Robinson  
23 December 2011