

DEPARTMENT OF VETERANS AFFAIRS

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

Acquisition Plan Action ID: VA69D-16-AP-1147

1. **Contracting Activity:** Department of Veterans Affairs (VA), Network Contract Office 12, Great Lakes Acquisition Center. PR: 537-16-1-6985-0013
2. **Nature and/or Description of the Action Being Processed:** Justification and approval for a sole source contract for engineering and construction services in support of the switchgear Building 21 replacement project at Jesse Brown (JB) VA Medical Center (VAMC) campus, Chicago, Illinois. These services will be procured via a new firm fixed price contract.
3. **Description of Supplies/Services Required to Meet the Agency's Needs:** Energy Systems Group, LLC, (ESG) the VA Enhanced Use Lease (EUL) holder, shall provide all labor, materials, components, and supervision for supporting work in Building 6 of the Energy Center for the 5kv switchgear Building 21 replacement project on the JB VAMC. The Energy Center, equipment and systems are owned by the JB Energy Trust. Engineering and utility services are required and include the following: design & coordination for assistance for surveying Energy Center power and controls; planning & coordination of Utility shutdowns; submittal review of switchgear & controls; provide cogeneration system documentation to Commonwealth Edison (ComEd) and coordinate with ComEd and JDM, LLC, General Contractor, for installation of the replacement switchgear equipment (Contract VA69D-14-C-0188), for the parallel configuration; redesign, modify or replace ESG Master Control, Relay and Synchronizing Panel for compatibility with the new VA Main switchgear; reconfigure or replace ESG PLC Master Control panel for control of co-generation switchgear, synchronizing and line select and locate in ESG Control Room; provide engineering oversight and functional performance testing of the final electrical connection from the ESG Paralleling Gear to JB VAMC A-Side feeds and functionally test ESG 4.16kV generator paralleling switchgear; upgrade and replace 4.16 kV generator paralleling switchgear, Com Ed RTU panel and Master Control Panel station battery system in the Energy Center; and provide engineering oversight during JDM's reconfiguration of the B-Side feeds and removal of VBA, Parking Garage, and Bed Tower from the existing connection to the ESG paralleling switchgear to the JB VAMC B-Side switchgear.

The total estimated price is \$750,000 for a period of performance of 365 calendar days.

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

(X) (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

() (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):** JB VAMC's energy service requirements are provided by the Energy Center on the JB VAMC campus through a VA Enhanced Use Lease (EUL) agreement, # 0020899112, executed August 1, 2002 and runs through

April 2037. ESG is under contract to manage, supply, and operate all the energy requirements (electricity, steam and chilled water) for the JB VAMC. ESG is responsible for the system design, function and operation of the Energy Center, and as this scope of work is directly related to the Energy Center's operations, ESG is the only contractor able to complete the work. This ensures the proper interface and operation between the Energy Center and the A and B side of the VA Service Switch Gear, mitigating interruption in utility services for hospital operations. Any surveying, coordination, reconfiguration, testing, improvements or modification to the existing switchgear, main tie circuit breakers, controls, relays, panels, and other associated property held by the Jesse Brown Energy Trust, as part of the EUL, is required to be completed by ESG.

6. **Description of Efforts Made to ensure that offers are solicited from as many potential sources as deemed practicable:** There are no other potential sources. ESG has sole responsibility and liability for the proper maintenance and operation of the Energy Center. Intent to Sole Source this sole source contract to ESG was published to Fed Biz Opps April 8, 2016. No response or comments were received.
7. **Determination by the Contracting Officer that the Anticipated Cost to the Government will be Fair and Reasonable:** An Independent Government Estimate (IGE) in the amount of \$750,000.00 has been prepared. ESG will be required to submit a detailed cost breakdown. Costs will be evaluated to determine that the proposed price is fair and reasonable and reflects reasonable value. Certified Cost or Pricing data will be required and used in determining reasonableness.
8. **Description of the Market Research Conducted and the Results, or a Statement of the Reasons Market Research Was Not Conducted:** No market research was conducted as ESG has sole responsibility and liability for maintenance and operation of the Energy Center.
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:** 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:** No action planned as the Energy Center is part of the Jesse Brown Energy Trust under an EUL through April 2037.
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.

Ronald J.

Hughes 176070

Ron Hughes

Chief Engineer, Jesse Brown VAMC

Digitally signed by Ronald J. Hughes 176070
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gov, cn=Ronald J. Hughes 176070
Date: 2016.06.08 08:31:44 -0700

June 8, 2016

Date

13. **Approvals in accordance with the VHAPM, Volume 6, Chapter VI: OFOC SOP.**

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

Anne V Vossler
351186

Anne Vossler

Contracting Officer, NCO 12

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June 8, 2016

Date

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

Diane M Brazale
348123

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for Donald R. King
Acting Director of Contracting
NCO 12

Date

- c. **VHA SAO 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 \$13.5 million) or approve (\$700K to 13.5 million) for other than full and open competition.

Randy L. Hays 534204

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Randy L. Hays
~~Acting Director, SAO Central Region~~
SAO Central Head of Contracting Activity (HCA)

Date