

DEPARTMENT OF VETERANS AFFAIRS

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

1. **Contracting Activity:** Department of Veterans Affairs, NCO 19 Rocky Mountain Acquisition Center, 515 East 100 South, Suite 400 Salt Lake City, Utah 84102 Salt Lake City VA Medical Center, 500 Foothill Drive, Salt Lake City, Utah 84148
2. **Nature and/or Description of the Action Being Processed:** Approval is requested to award a sole source lease for the Pocatello Community Based Outpatient Clinic (CBOC) without competition to the Lessor located at Portneuf Medical Center 500 South 11<sup>th</sup> Avenue, Pocatello, Idaho 83201. This new replacing, sole sourced lease would replace the current lease VA259-14-L-0040 expiring on January 01, 2017. The Pocatello Community Based Outpatient Clinic currently has 7,680 NUSF.
3. **Description of Supplies/Services Required to Meet the Agency's Needs:** The Pocatello Community Based Outpatient Clinic needs to expand its current 7,680 NUSF up to 15,235 NUSF to support the additional staffing and continue to support the veteran population. The proposed lease is for a term of 20 years, 10 year base with 2 five-year options for up to 15,235 Net Usable Square Feet (NUSF). The effective date expected is approximately July 01, 2015.

The Portneuf Medical Center proposed annual unserviced rental rate is \$10.00 rentable square feet (RSF) years 1-5, \$8.16 RSF for years 6-10, \$6.32 RSF for years 11-15, and \$4.47 RSF for years 16-20 for 17,216 RSF yielding 15,235 NUSF. In accordance with GSAM 570.102 the total contract value is \$ 141,902.88

4. **Statutory Authority Permitting Other than Full and Open Competition:** The proposed lease may be negotiated without full and open competition pursuant to 41 U.S.C. 253(c)(1), as implemented by

(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):** The Lessor located at 500 South 11<sup>th</sup> Avenue, Pocatello, Idaho 83201 is part of the Portneuf Medical Center Hospital Campuses This is the only location that expressed interest that has an existing building that can meet the VA's requirements and approved budget. The other existing building (Pineridge Mall) that was submitted could not meet the VA' requirement and according to the Director of Real Property Services, Jessica Kaplan a mall is an unacceptable location for a medical clinic of this size.

6. **Description of Efforts Made to ensure that offers are solicited from as many potential sources as deemed practicable:** A Sources Sought Synopsis was posted September 15, 2014 on the Federal Business Opportunities' website and in the Idaho State Publishing (local newspaper) for 11 days.

Both advertisements received a total of 7 interested Offeror's with 17 locations. Two (2) of the locations were existing building and the reaming 15 were build-to-suit locations.

7. **Determination by the Contracting Officer that the Anticipated Cost to the Government will be Fair and Reasonable:** In accordance with Federal Acquisition Regulation (FAR) 6.303-2(b)(7), the Contracting Officer determines by certifying this document that the anticipated cost to the Government of [REDACTED] per rentable square foot for unserviced rent is fair and reasonable based on the market research using Loopnet.com.

8. **Description of the Market Research Conducted and the Results, or a Statement of the Reasons Market Research Was Not Conducted:** A market survey was conduct on September 25, 2014 by the Salt Lake City VAMC personnel and Contracting Officer on the two existing buildings submitted to the VA for consideration.

Only one building could meet the VA's requirements, Portneuf Medical Center 500 South 11th Avenue, Pocatello, Idaho.

9. **Any Other Facts Supporting the Use of Other than Full and Open Competition:** VA's FY2013 SCIP approval for funding will not support a build-to-suit acquisition. Additionally, there are no building listed on Loopnet.com with 15,000 NUSF for lease.

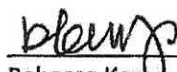
10. **Listing of Sources that Expressed, in Writing, an Interest in the Acquisition:**

Broker	Address	Property
Sherwin Spelght	4705 Yellowstone Avenue, Chubbuck, Idaho	Build-to-Suit
Josh Hausman	SEC corner of Yellowstone & Siphon Rd, Chubbuck, ID 15.24 Acres	Build-to-Suit
Josh Hausman	Lot #8 Via Caporatti Drive 2.6 Acres	Build-to-Suit
Josh Hausman	Knudsen Corner	Build-to-Suit
Josh Hausman	Hurley Drive 6.95 Acres	Build-to-Suit
Josh Hausman	Vista Park 3.7 Acres	Build-to-Suit
Josh Hausman	2929 Poleline Road, Pocatello Id Auto Dealership	Build-to-Suit
Dan Carr	Siphon Rd, Chubbuck ID 10.16 Acres	Build-to-Suit
Dan Carr	Knudsen's Corner, Chubbuck, ID	Build-to-Suit
Dan Carr	Sec Yellowstone Ave & Siphon Rd, Chubbuck ID 15.24 Acres	Build-to-Suit
Dan Carr	Yellowstone Ave & Poline Rd Pocatello, ID Retail Pads	Build-to-Suit
Dan Carr	Yellowstone Ave & Siphon Rd, Chubbuck ID 5.08 Acres	Build-to-Suit
Stephen White	4031 Poline Road, Chubbuck, Idaho - Site A	Build-to-Suit
Stephen White	4031 Poline Road, Chubbuck, Idaho - Site B	Build-to-Suit
Stephen White	4155 Yellowstone Ave (Pineridge Mall), Chubbuck, Idaho - Site A	Build-to-Suit
Stephen White	4155 Yellowstone Ave (Pineridge Mall), Chubbuck, Idaho	Existing Building
Shaun Mecchaca	Portneuf Medical Center 500 South 11th Avenue, Pocatello, Idaho	Existing Building

Out of 17 locations submitted to the VA only one location is acceptable for a Community Based Outpatient Clinic.

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

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.



Rebecca Kemp  
Health Systems Specialist  
Salt Lake City Veterans Affairs Medical Center

03-16-2015

Effective 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.



Michael Chester  
Contract Officer  
NCO 19 Rocky Mountain Contracting Center

03-16-2015

Effective Date

