

LIMITED SOURCES JUSTIFICATION

ORDER >\$150,000

FAR PART 8.405-6

Acquisition Plan Action ID: VA528-16-AP-2160, VA528-16-AP-2785, VA528-16-AP-2945, VA528-16-AP-2950, VA528-16-AP-3153

This acquisition is conducted under the authority of the Multiple Award Schedule Program. The material or service listed in par. 3 below is sole source, therefore, consideration of the number of contractors required by FAR Subpart 8.4 – Federal Supply Schedules, is precluded for the reasons indicated below.

Restricted to the following source: Provide original manufacturer's name for material or contractor's name for service. (If a sole source manufacturer distributes via dealers, ALSO provide dealer information.)

Manufacturer/Contractor: Arxium Inc.

Manufacturer/Contractor POC & phone number: Valerie Vitale/ (888) 537-3102 X5857

Mfgr/Contractor Address: 1400 Busch Parkway, Buffalo Grove IL 60089

Dealer/Rep address/phone number: _____

☒ The requested material or service represents the minimum requirements of the Government.

(1) AGENCY AND CONTRACTING ACTIVITY:

Department of Veterans Affairs

VISN:

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(2) NATURE AND/OR DESCRIPTION OF ACTION BEING APPROVED:

Basic support and maintenance plan for VISN 02's inventory of Arxium FastPak EXP dispenser inventory located at the Albany, Bath, Buffalo, Canandaigua and Syracuse Medical Centers from 10/01/2016 through 09/30/2021.

(3) (a) A DESCRIPTION OF THE SUPPLIES OR SERVICES REQUIRED TO MEET THE AGENCY'S NEED:

The basic support and maintenance plan consists of the following:

1. Technical support center access 24 hours\365 days
2. On-site Field service within 24 hours of initial call

(b) ESTIMATED DOLLAR VALUE: (base and four option years): \$558,359.69

(c) REQUIRED DELIVERY DATE: 10/01/2016-09/30/2021

(4) IDENTIFICATION OF THE JUSTIFICATION RATIONALE (SEE FAR 8.405-6), AND IF APPLICABLE, A DEMONSTRATION OF THE PROPOSED CONTRACTOR'S UNIQUE QUALIFICATIONS TO PROVIDE THE REQUIRED SUPPLY OR SERVICE. (CHECK ALL THAT APPLY AND COMPLETE)

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☒ Specific characteristics of the material or service that limit the availability to a sole source (unique features, function of the item, etc.). Describe in detail why only this suggested source can furnish the requirements to the exclusion of other sources.

Market research has identified that Arxium's FSS contract (V797P-4251B) is the only FSS contract to contain line items for service maintenance plans for Arxium FastPak EXP dispensers.

☐ A patent, copyright or proprietary data limits competition. The proprietary data is:
(If FAR 8.405-6(a)(2)iii before posting. Do not include specific proprietary data. Only mention the type of equipment, procedure, etc. to show that proprietary supplies or services are being procured.)

☐ These are "direct replacements" parts/components for existing equipment.

☐ The material/service must be compatible in all aspects (form, fit and function) with existing systems presently installed/performing. Describe the equipment/function you have now and how the new item/service must coordinate, connect, or interface with the existing system.

☐ The new work is a logical follow-on to an original Federal Supply Schedule order provided that the original order was placed in accordance with the applicable Federal Supply Schedule ordering procedures. The original order must not have been previously issued under sole source or limited source procedures.

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☐ An urgent and compelling need exists, and following the ordering procedures would result in unacceptable delays.

(5) DESCRIBE WHY YOU BELIEVE THE ORDER REPRESENTS THE BEST VALUE CONSISTENT WITH FAR 8.4 TO AID THE CONTRACTING OFFICER IN MAKING THIS BEST VALUE DETERMINATION:

The pricing of this contract has been compared to pricing from previous procurements for the same items. VISN2 has a service maintenance agreement with Arxium Inc. (V797P-4251B/VA528-13-F-1936, 10/01/2013-09/30/2016, 528C63114, 528C60111, 528C62055, 528C64074, 528C65042) whose final option year was for a consideration of \$102,100.00. The price of the base period of the quote provided by Arxium Inc. for the requested service maintenance agreements is \$105,179.00, which is a 3% increase in price. The increase in price between the quote and the previous procurement is below 5%, therefore considered fair and reasonable.

(6) DESCRIBE THE MARKET RESEARCH CONDUCTED AMONG SCHEDULE HOLDERS AND THE RESULTS OR A STATEMENT OF THE REASON MARKET RESEARCH WAS NOT CONDUCTED:

A search of the VetBiz database using the NAICs code "811219 and keyword "automated" did not identify any SDVOSB or VOSB contractors that could possibly meet the requirements of this procurement.

A search on GSA ebuy using the keyword "Arxium" and a search of CCST using keywords "Arxium service maintenance agreement" identified that only Arxium Inc. (V797P-4251B) has an FSS contract with line items that can meet the requirements of this procurement. A sources sought notice was posted on GSA eBuy (RFQ# 1117766) and there were no responses.

(7) ANY OTHER FACTS SUPPORTING THE JUSTIFICATION:

None

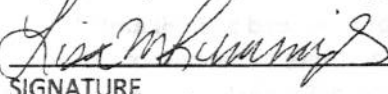
(8) A STATEMENT OF THE ACTIONS, IF ANY, THE AGENCY MAY TAKE TO REMOVE OR OVERCOME ANY BARRIERS THAT LED TO THE RESTRICTED CONSIDERATION BEFORE ANY SUBSEQUENT ACQUISITION FOR THE SUPPLIES OR SERVICES IS MADE:

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None, the barrier to competition is as a result of there being no other FSS contract holders that have contracts that contain line items that can provide the required service maintenance agreements.

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(9) 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. I understand that processing of this limited sources justification restricts consideration of Federal Supply Schedule contractors to fewer than the number required by FAR Subpart 8.4. *(This signature is the requestor's supervisor, fund control point official, chief of service or someone with responsibility and accountability.)*

		<u>August 4, 2016</u>
SIGNATURE		DATE
<u>Lisa Rummings</u>	<u>Program Support Specialist</u>	<u>Biomedical</u>
NAME	TITLE	SERVICE LINE/SECTION
<u>Buffalo VAMC</u>		
FACILITY		

(10) APPROVALS IN ACCORDANCE WITH THE VHAPM, Volume 6, Chapter VI: OFOC SOP: *This part if filled out by Contracting Staff as part of the Justification*

a. CONTRACTING OFFICER'S CERTIFICATION (required): I certify that the foregoing justification is accurate and complete to the best of my knowledge and belief.

<u>CONTRACTING OFFICER/DESIGNEE'S SIGNATURE</u>	<u>DATE</u>
<u>Michael Spivack</u>	<u>Buffalo VAMC</u>
<u>Contract Specialist</u>	
<u>NCO2 – Services Team</u>	

b. Director of Contracting/DESIGNEE: I certify that the foregoing justification is accurate and complete to the best of my knowledge and belief.

<u>SIGNATURE</u>	<u>DATE</u>
<u>Irma Ferro</u>	
<u>Division Chief, NCO2</u>	

HIGHER LEVEL APPROVAL (Required For orders over \$700,000):

c. VHA SAO HCA REVIEW AND APPROVAL (over \$700,000 to \$13.5 million): I have reviewed the foregoing justification and find it to be complete and accurate to the best of my knowledge and belief

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and approve for restricting consideration of the Federal Supply Schedule contractors to fewer than the number required by FAR Subpart 8.4

Not Applicable

NAME

VHA Head of Contracting Activity (HCA)

DATE

d. **VA Deputy Senior Procurement Executive Approval (\$13.5 million not to exceed \$68 million):** I have reviewed the foregoing justification and find it to be complete and accurate to the best of my knowledge and belief and approve for restricting consideration of the Federal Supply Schedule contractors to fewer than the number required by FAR Subpart 8.4

Not Applicable

Name

Deputy Senior Procurement Executive (DSPE)

DATE

e. **VHA Senior Procurement Executive Approval (over \$68 million):** I have reviewed the foregoing justification and find it to be complete and accurate to the best of my knowledge and belief and approve for other than full and open competition.

Not Applicable

JAN R. FRYE

Deputy Assistant Secretary

Office of Acquisition and Logistics

Senior Procurement Executive (SPE)

DATE