

**DEPARTMENT OF VETERANS AFFAIRS**

**Justification and Approval (J&A)**

**For**

**Other Than Full and Open Competition (>\$150K)**

**Acquisition Plan Action ID: VA259-17-AP-1420**

1. **Contracting Activity:** Department of Veteran Affairs, Program Contracting Activity Central (PCAC) in support of the VA Eastern Colorado Health Care System, Research Facility located at 1700N. Wheeling Street, Aurora, CO 80045.
2. **Nature and/or Description of the Action Being Processed:** **FAR 13.5 Simplified Procedures for Certain Commercial Items:** The proposed action is for a one time purchase of specialty mobile pedestals/cabinets that are to be integrated with existing laboratory tables that were previously provided by Haldeman and Homme, Inc. and are for the A Eastern Colorado Health Care System, Research Facility located at 1700N. Wheeling Street, Aurora, CO 80045.
3. **Description of Supplies/Services Required to Meet the Agency's Needs:** The procurement is for the delivery and installation of 405 mobile pedestals/cabinets that need to be integrated with existing lab tables that have been provided by Haldeman and Homme, Inc. The total estimated value for these 405 mobile pedestals/cabinets is \$279,824. The manufacture requires a 12 week lead time for delivery and the required delivery is to be no later than March 30<sup>th</sup>, 2017. Installation will need to occur at the time of delivery.
4. **Statutory Authority Permitting Other than Full and Open Competition:**  
**FAR 13.5 Simplified Procedures for Certain Commercial Items:** The authority for applying the Simplified Procedures for Certain Commercial Items of FAR 13.5, is 41U.S.C. 1901, as implemented by 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):** These specialized cabinets are an integral piece to a laboratory workstation configuration which includes specialized tables. Initially, as parts of the construction contract with the Denver Replacement Medical Center these workstations with cabinets were being procured and installed as an integrated system by the construction contractor Kiewit-Turner and their subcontractor Haldeman and Homme, Inc. During the design and layout of the laboratory space, these tables and associated cabinets were custom designed to meet the unique requirements of this space as part of Kiewit-Turner's subcontracting plan with Haldeman and Homme, Inc. Design work for these cabinets as well as the space planning has already been accomplished and approved by the Denver Replacement Medical Center and Haldeman and Homme has already been paid for this portion of the work through their contract with Kiewit-Turner.

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Approximately 18 months ago, items were cut out of the construction plan including the custom design tables and associated cabinets due to a lack of budget on the construction contract. Since this cut, it has been determined that these custom tables with associated cabinets are still an essential part to the Denver Replacement Medical Center Research Lab.

These custom tables with associated cabinets represent a segment of a major system that must be integrated in both form and function. The design work for these cabinets as well as the space planning has already been accomplished through Haldeman and Homme, Inc. and paid for by Kiewit-Turner. Seeking out a different vendor would require expenditures for design work and space planning as well as create excessive delays that will result in operational delays to the Research facility. Selecting a different vendor other than Haldeman and Homme, Inc. would also result in a duplication of effort and cost to the Government that is not expected to be recovered through competition. The selected vendor is currently on site working, already has shop drawings created and maintains a project manager on site for other work being funded by Kiewit-Turner. Additionally, Haldeman and Homme, Inc. has confirmed that manufacturing of these cabinets can start immediately following award and delivery and installation can occur within the anticipated timeframes with no additional requirement for storage or warehousing at the expense of the Government. Haldeman and Homme, Inc. is a local company residing approximately 20 miles from the delivery location. Delivery and packaging costs would be minimal and the Government would assume no additional cost for storage.

Additionally, under the previous purchase contract with the construction contractor, Kiewit-Turner, the Haldeman and Homme, Inc. manufactured samples for inspection. Those samples have been approved by the VA Research team and would require no additional approvals before contract award. This represents a considerable time and cost savings that the Government is not expected to be recovered through competition.

Accordingly, sole sourcing the contract to Haldeman & Homme, Inc. as a follow-on contract would in turn save the Government from experiencing substantial duplication of cost that would not be expected to be recovered through competition and unacceptable delays in fulfilling its requirements.

6. **Description of Efforts Made to ensure that offers are solicited from as many potential sources as deemed practicable:** Internet research, phone calls, and email requests were sent to a variety of potential vendors, including Veteran Owned Small Businesses, to identify other capable vendors with results detailed in section 8 below.
7. **Determination by the Contracting Officer that the Anticipated Cost to the Government will be Fair and Reasonable:** Market research efforts, as listed on section 8, have revealed that the prices per cabinet quoted by Haldeman Homme, Inc. are fair and reasonable based on industry comparison.

**8. Description of the Market Research Conducted and the Results, or a Statement of the Reasons**

**Market Research Was Not Conducted:** As described in Section VI above, market research, in accordance with FAR Part 10, was conducted by synopsis of the proposed acquisition, advising industry of the pending acquisition and soliciting inquiries from interested parties.

**The Lab Depot, Inc.** provides a very wide assortment of cabinets however none of their items will meet the size requirements even with minor alterations.

**Grainger Lab Supplies** offers a similar product but a special order would have to be completed to change the paint color to match existing colors of the laboratory tables and the sales person contacted was unsure if their painting process would meet the SEFA 8-1999 requirement for chemical resistance. The cabinet would fit however, the spacing allocated under the tables would not be maximized which will reduce overall storage. Additionally, the cost for the 4 drawer cabinet alone without special order costs increase is \$1,425 each with an \$87 delivery charge per item. This equates to a cost of more than double of the recommended source vendor.

**Mott Manufacturing**, a subsidiary of Fisher Scientific, has been contacted to determine if they provide these types of cabinets and if they can meet our timelines. The sales representative mentioned that a site visit would have to be conducted for design work and design plans would have to be drawn up and approved before work can begin. The site visit and design work required would cause duplication of cost and effort to the government. The added efforts of design work by another vendor will not only create additional unnecessary charges but also require additional time which could prospectively delay the project.

**9. Any Other Facts Supporting the Use of Other than Full and Open Competition:** FAR 6.302.1(a)(ii),

"Supplies may be deemed to be available only from the original source in the case of a follow-on contract for the continued development or production of a major system or highly specialized equipment, including major components thereof, when it is likely that award to any other source would result in - Substantial duplication of cost to the Government that is not expected to be recovered through competition; or Unacceptable delays in fulfilling the agency's requirements."

**10. Listing of Sources that Expressed, in Writing, an Interest in the Acquisition:** As detailed in section 8, Mott Manufacturing has been contacted but have only provided verbal interest in the acquisition. Final determination of whether they can support the custom supply and delivery requirements would not be available until after a site visit and ample design work.

**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:** This is a one-time purchase and subsequent acquisitions will not be required. The Government will continue to conduct market research to ascertain if there are changes in the market place that would enable other products to meet the Government's needs.

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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.

*(This signature is the requestor's supervisor, fund control point official, chief of service, someone with responsibility and accountability)*



1.17.2017

Name:

Date

Title: Project Specialist

Facility: EASTERN COLORADO HEALTH CARE SYSTEM

13. **Approvals in accordance with the VHAPM, Volume 6, Chapter VI: OFOC SOP.** This part is filled out by Contracting Staff as part of the Justification

- 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.

Name: Jeremy Gulden

Date

Title: Contracting Officer

Facility: Program Contracting Activity Central (PCAC)