

LIMITED SOURCES JUSTIFICATION

ORDER >\$150,000

FAR PART 8.405-6

**Acquisition Plan Action ID:** VA261-17-AP-2545; 662-17-1-047-0025

This acquisition is conducted under the authority of the Multiple Award Schedule Program. The material or service listed in par. 3 below is being procured as a single 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:**

Contractor: MGA Healthcare California, Inc  
Contractor POC & phone number: Ari Ochoa 480 364-4460  
Contractor Address: 879 W 190<sup>th</sup> St Ste 260 Gardena, CA 90248-4267

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

**(1) AGENCY AND CONTRACTING ACTIVITY:** Department of Veterans Affairs  
Service Area Office West  
Network Contracting Office 21  
6900 North Pecos Road, Bldg. 6  
North Las Vegas, NV 89086

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

This action is required as the results of an internal audit conducted on the previous contracting vehicle which ultimately determined the contract vehicle could no longer be used for the services for various reasons. As a result, instead of exercising any further options under 52.217-9, the option under 52.217-8 was exercised for six months in an attempt to continue services while a replacement long-term procurement was conducted. Due to unforeseen delays with the long-term procurement, this single source action is being used to generate a short-term contract for six months for the purposes of continuing the vital services for the VAMC while the long-term procurement continues to progress.

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

This service is to provide Medical Technicians and/or Phlebotomists to the Clearlake CBOC, Eureka CBOC, Santa Rosa CBOC, and Ukiah CBOC. These positions are responsible for specimen collection and processing services to Veterans, whether it be through direct or indirect care.

**(b) ESTIMATED DOLLAR VALUE:** \$291,366.40

**(c) REQUIRED PERIOD OF PERFORMANCE:** 1 April 2017 through 30 Sep 2017.

**(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.**

The new work is a logical follow-on to an original Federal Supply Schedule order in accordance with FAR 8.405-6 (a)(1)(i)(C). The original order was placed in accordance with the applicable Federal Supply Schedule ordering procedures. The original order was not previously issued under sole source or limited source procedures, rather was a competitive multi-award action.

This vital and lifesaving service has been provided by the current vendor for the last two years.

The professionals provided by MGA Healthcare California, Inc. are available to provide services immediately since they have been providing these critical services to the Department of Veterans Affairs on prior contracts. Thus, there would be no interruption in service to our veterans. There is no possibility to contract with a single or a group of new provider(s) since an entirely new contract needs to be established in accordance with updated agency procedures and there is insufficient time to properly do so. Historical volume also precludes this possibility. The Department of Veterans Affairs would also need to do background checks and training on any new providers that were contracted. This would severely limit laboratory services at the San Francisco VAMC and its CBOCs until new staff members were sourced (contracted) and trained. Without this short-term task order, the VAMC may be required to cancel clinic appointments, cancel major surgical cases, and negatively impact patient diagnosis. This would result in negative impact to our critical access, safety and patient care requirements. There is a possibility that life and limb may be affected if this action is not approved and generated. The services and quantities procured under this task order will sustain the VAMC requirements until the long-term contract can be awarded.

**(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 order represents the best value because of the contractor's previous performance record and ability to satisfy the stated requirements without interruption to services. The anticipated cost to the Government for this contract action will be determined fair and reasonable by the contracting officer as the costs coincide with Federal Supply Schedules and previous VA contracts. Services offered on the schedules are priced at ceiling hourly rates for performance of a specific position/occupation. GSA has already determined the prices for services offered at hourly rates, under schedule contracts to be fair and reasonable. By placing an order against a schedule contract using the procedures in 8.405, the ordering activity has concluded that the order represents the best value (as defined in FAR 2.101) and results in the lowest overall cost alternative (considering price, special features, administrative costs, etc.) to meet the Government's needs.

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

Complete market research was conducted on the previous contract action and is currently being performed in anticipation for a long-term procurement. At the onset of the present contract, multiple awards were generated as a single contractor/provider capable of providing these services to the VA at a fair and reasonable price could not be sourced.

Due to the nature of this action and the fact multiple short-term task orders will be issued to contractors who received awards during the prior acquisition, additional market research, evaluations, correspondence, or telephone discussions were not conducted with any other contractors/providers.

**(7) ANY OTHER FACTS SUPPORTING THE JUSTIFICATION:**

Implementing a short-term task order to continue services to Veterans allows the VA to continue to establish long-term contract(s) which will be determined suitable for serving the Veterans.

**(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:**

The VA is using this non-competitive procurement as a temporary solution to provide patient care and service without bed closure and negative impact to patient care. All future needs for this service will be conducted competitively.

**(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>3/17/2017</u>
SIGNATURE	DATE

Howard Leong, Chief Medical Technologist, for, Chief, Laboratory Medicine Service  
NAME, TITLE, SERVICE LINE/SECTION

San Francisco VAMC HCS  
FACILITY

**(10) 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.

\_\_\_\_\_  
CONTRACTING OFFICER/DESIGNEE'S SIGNATURE DATE

Amanda J. Simmons, Branch Chief, Medical Sharing II  
NAME AND TITLE

\_\_\_\_\_  
Network Contracting Office (NCO) 21  
FACILITY

**b. Director of Contracting/DESIGNEE:**

I certify that the foregoing justification is accurate and complete to the best of my knowledge and belief.

\_\_\_\_\_  
Samuel M. Harbin Amanda J. Simmons, Branch Chief, MS II  
Director of Contracting, NCO 21 Designee

\_\_\_\_\_  
Date

**HIGHER LEVEL APPROVAL (Required *For orders over \$700,000*):** N/A

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

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Delia A. Adams, MBA, CPCM  
Director, SAO West  
Head of Contracting Activity

\_\_\_\_\_  
Date