

Other Than Full and Open Competition (OFOC)
Request for Sole Source Justification
Harrisburg Veterans Center – Succeeding Lease Action

DEPARTMENT OF VETERANS AFFAIRS

**Justification and Approval (J&A)
For
Other Than Full and Open Competition**

1. Contracting Activity: The Readjustment Counseling Service (end user) has submitted a requirements package to NCO4 Specialized Contracting requiring 4,000 NUSF of office space in the Harrisburg area. This new lease would allow the VA to continue providing mental health services to the surrounding veteran population. The GSA granted the VA with the delegation authority to procure leased space on 4/4/2016.

2. Nature and/or Description of the Action Being Processed: Since the expiration, standstill agreements have been implemented to protect the Government’s occupancy and continue with veteran care (i.e 4/1/2014-3/31/2015; 4/1/2015-3/31/2016; and 4/1/2016-9/30/2016.) Due to the lack of competition, however, NCO4 Specialized Contracting plans to procure a sole source/succeeding lease for 4,000 net usable square feet (NUSF) directly with the incumbent-lessor at 1500 North Second Street in Harrisburg PA.

3. Description of Supplies/Services Required to Meet the Agency’s Needs:

An estimated six (6) Veterans Affairs (VA) employees would occupy the space and an estimated 400 VA beneficiary visits per year are anticipated. The new lease would consist of: private offices, reception area, conference rooms, file and storage closets, and a break room. Proposed lease term would be 10 years, five years firm (or 5 years soft with termination rights).

- 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;

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[REDACTED]

5. Demonstration that the Contractor’s Unique Qualifications or Nature of the Acquisition Requires the Use of the Authority Cited Above (applicability of authority):

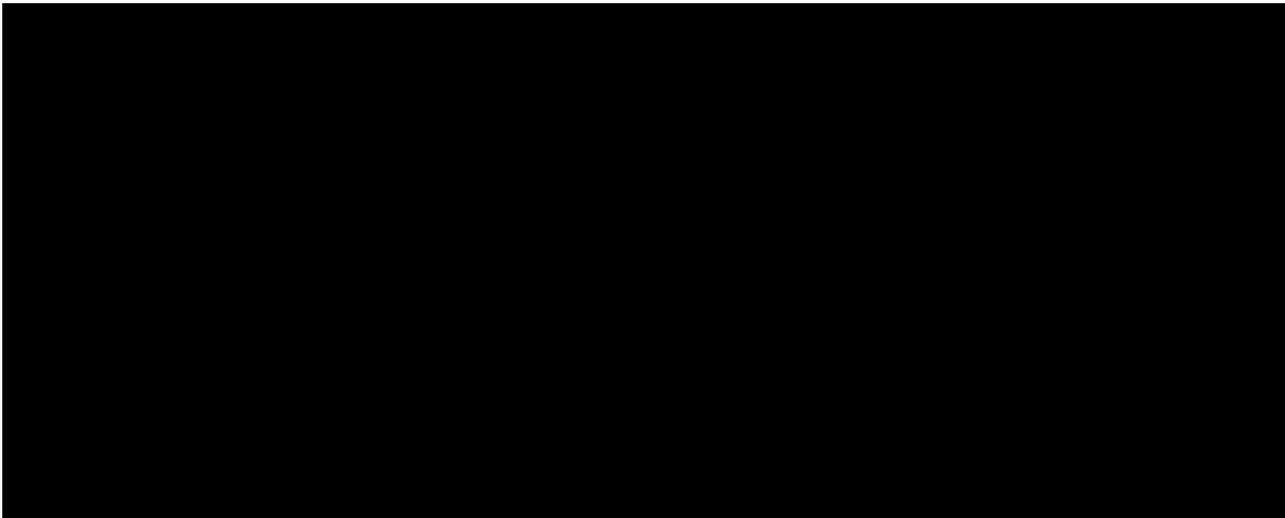
EI 1500 North Second Street is uniquely positioned to offer office space to the Department of Veterans Affairs. Firstly, the end user has enjoyed an amicable relationship with the landlord and property management firm over the past five years. The VA has time and time again witnessed consistent professionalism and accountability from this particular company. Secondly, an award made to an alternate lessor would mean added buildout and relocation costs to the Government. Lastly, there isn’t any interest from those listings found or no practicable alternative– leaving the Government with the only option of initiating discussions with the landlord for a lease.

6. Determination by the Contracting Officer that the Anticipated Cost to the Government will be Fair and Reasonable:

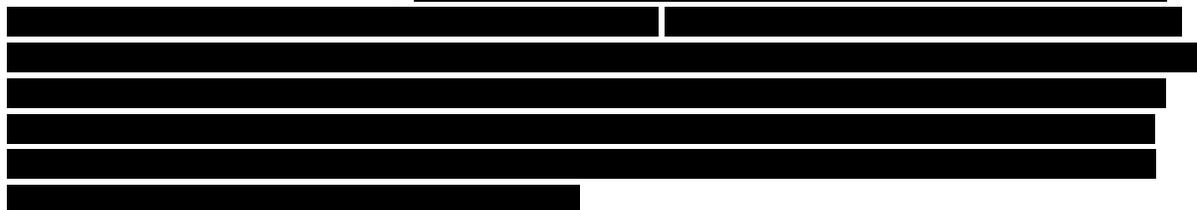
The contracting specialist examined current rates from LoopNet market data to determine fair and reasonable pricing. [REDACTED]

[REDACTED]

[REDACTED] The table below indicates that the Government would create a cost savings if a sole source lease is procured rather than establishing a new lease through competition. (The total contract value includes the scope of tenant improvements and the average market rent.)



This table indicates the ten year comparison for the Government expenditure between remaining at the current location or relocating. [REDACTED]



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[REDACTED]

7. Description of the Market Research Conducted and the Results, or a Statement of the Reasons Market Research Was Not Conducted:

While the Government is not required to advertise formally on FedBizOps since the request is under 10,000 sq ft (GSAR 570.402-2), an FBO sources sought announcement was posted in late May 2015 to attract expressions of interests but no responses were received. [REDACTED]

[REDACTED]

However, only the incumbent was situated within the delineated area. Since, there are no potentially viable locations with exception of the landlord, it makes sense to directly negotiate with the incumbent for a succeeding lease (GSAR 570.402-4). The landlord (EI 1500 North Second Street) is the only legitimate remaining source which can fulfill the end user's need.

8. Any Other Facts Supporting the Use of Other than Full and Open Competition: N/A

9. Listing of Sources that Expressed, in Writing, an Interest in the Acquisition: N/A

10. 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:

In accordance with Draft VA Handbook 7815 and GSAM Part 570, all future space requirements will be publicized and market research will be conducted for a new space requirements in order to determine available properties that may fulfill the Government's requirement using competitive acquisition.

11. 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.

[REDACTED]

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

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.

[REDACTED]