

LIMITED SOURCES JUSTIFICATION

ORDER >\$150,000

FAR PART 8.405-6

Acquisition Plan Action ID: VA257-17-AP-6687

This acquisition is conducted under the authority of the Multiple Award Schedule Program. The material or service listed in paragraph 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:

Manufacturer/Contractor: Abbott Laboratory, Inc.

Manufacturer/Contractor POC & phone number: Steven Dethlefsen, 224-668-3892

Mfgr/Contractor Address: 100 Abbott Park Road, North Chicago IL 60064

Dealer/Rep address/phone number: 847-935-2135

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

(1) AGENCY AND CONTRACTING ACTIVITY:

Department of Veterans Affairs

SAO WEST NCO 17

Big Spring

707 East 3rd St.

Big Spring, TX 79720

VISN:

17

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

The Department of Veterans Affairs, El Paso VA Health Care System (EPVAHCS), located at 5001 N. Piedras St., El Paso, TX 79930, requires Chemistry Immunoassay Cost-Per-Test analysis to monitor and diagnose patients for routine illnesses and patients who are critically ill and are in life threatening states. The EPVAHCS intends to enter into a firm-fixed-price delivery order with Abbott Laboratories, Inc., 100 Abbott Park Rd., North Chicago, IL 60064, under Federal Supply Schedule (FSS) National Acquisition Center (NAC) contract V797P-7335A. This contract is a short term solution to maintain uninterrupted Laboratory services to Veteran patients. The POP of five months will allow the Integrated Product Team enough time for proper acquisition planning and to adequately prepare a solicitation to maximize competition, considering set aside limitations.

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

The proposed acquisition is for continued Chemistry Immunoassay Cost-Per-Test to ensure that there is no loss of coverage to patient care at the EPVAHCS Laboratory. The Abbott analyzer equipment is already in use at the EPVAHCS. The equipment is essential for the prompt and accurate patient testing. The EPVAHCS Chemistry Immunoassay testing is high volume and requires two (2) Chemistry Immunoassay Analyzers. These analyzers are not desk top models which are easily replaced. They are eleven (11) feet in length and four (4) feet in width and are extremely heavy. Replacement analyzers will require extensive calibration and validation testing. The calibration and validation testing requires a thirty (30) to ninety (90) day lead time to complete, after delivery and installation.

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(b) ESTIMATED DOLLAR VALUE: \$351,875.00

(c) REQUIRED DELIVERY DATE: 05/01/2017 (Period of Performance 05/01/2017-09/30/2017)

(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. (CHECK ALL THAT APPLY AND COMPLETE)

☒ 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.

The Chemistry Immunoassay Analyzer already in use at the EPVAHCS provides the minimum requirements needed for effective and prompt patient care. Market research has revealed that the lead-time required for full system replacement would be thirty (30) to ninety (90) days from date of delivery order award to fulfill validation and calibration studies. At this time, the equipment already installed and employed at the EPVAHCS represents the best method of satisfying the government's requirements and its continued use can be determined to be in the best interest of the government. The equipment is provided by Abbott Laboratories, Inc. and covered under V797P-7335A, within the above referenced FSS. A competitive procurement for full system replacement is in the solicitation stage.

☐ 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.



(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:

In accordance with FAR Part 8.404, GSA has previously determined the prices of supplies and fixed-price services, and rates for services offered at hourly rates, under schedule contractors to be fair and reasonable. Therefore, ordering activities are not required to make a separate determination of fair and reasonable pricing, except for a price evaluation as required by FAR Part 8.405-2(d). 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 for the Government (as defined in FAR 2.101) and results in the lowest overall cost alternative (considering price, specialist features, administrative costs, etc.) to meet the Government's needs.

In addition, pricing was previously determined fair and reasonable. Abbott Laboratories, Inc. has agreed to continue previous pricing until the end of FY17. A comparison was made with the FSS catalogue and pricing is found to be discounted over FSS pricing.

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

Market Research was conducted in accordance with FAR Part 10. FSS 65 III – Clinical Analyzer, Laboratory, Cost-Per-Test, category 1605-1A– Clinical Chemistry Analyzer, High Maintenance/Complexity Analyzer, has been identified as containing contractors capable of satisfying the government's minimum requirements. Market research has revealed that the lead-time required for full system replacement would be thirty (30) to ninety (90) days from date of installation to fulfill calibration and validation studies. At this time, the equipment already installed and employed at the EPVAHCS represents the best method of satisfying the government's minimum requirements and its continued use can be determined to be in the best interest of the government. The equipment is provided by Abbott Laboratories, Inc. and covered under V797P-7335A.

A competitively procured Blanket Purchase Agreement (BPA) is currently in the solicitation phase; solicitation VA257-17-Q-0306 was issued 03/29/2017 and is scheduled to close 05/09/2017. The following listing represents the anticipated milestones of the long term procurement.

1. Completion of acquisition package 02/23/2017
2. Acquisition plan approvals 03/14/2017
3. Solicitation reviews completed 03/29/2017
4. Issuance of solicitation 03/29/2017
5. Quotes due 05/09/2017
6. Evaluation of Quotes 5/29/2017
7. Contract preparation, reviews, and clearances obtained 06/25/2017
8. Contract Award 06/30/2017

(7) ANY OTHER FACTS SUPPORTING THE JUSTIFICATION:

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System replacement lead time is between thirty (30) to ninety (90) days from installation for calibration and validation studies. The lead time for delivery is thirty (30) days After Receipt of Order (ARO) per FSS contract terms (see: V797P-7335A, V797D-60637, V797P-7347A, V797D-30175, and V797D-40130).

(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:

This J&A is for the bridge contract to maintain continuity of support. A competitive procurement for the long term contract is currently in the solicitation phase and award is anticipated within the next two (2) months. The proposed PoP for this action takes into account the lead time necessary after installation.

(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.)*

_____ SIGNATURE		26 April 2017 DATE
Cheryl D. Austin NAME	Acting LAB Manager TITLE	756/113 SERVICE LINE/SECTION
El Paso VA HCS 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.

_____ CONTRACTING OFFICER/DESIGNEE'S SIGNATURE	04/26/2017 DATE
Michael J. Tusinger, Contracting Officer NAME AND TITLE	NCO 17 FACILITY

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

_____ SIGNATURE	4/26/2017 DATE
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NAME

NCO/PCO X Director of Contracting

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

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

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.

JAN R. FRYE

Deputy Assistant Secretary
Office of Acquisition and Logistics
Senior Procurement Executive (SPE)

DATE