

DEPARTMENT OF VETERANS AFFAIRS

**Justification and Approval (J&A)
For
Other Than Full and Open Competition (>\$150K)**

Acquisition Plan Action ID:

1. **Contracting Activity:** Department of Veterans Affairs, VISN 21, VA Reno Medical Center
(2237 number: 654-17-1-6059-0014)

2. **Nature and/or Description of the Action Being Processed:**

This solicitation is for the purchase and installation of a generator and switchgear to support emergency power to Buildings 6 and 10 on the north side of the Reno VA facility. It is anticipated that a solicitation will be issued with a brand name justification for the Caterpillar manufacturer. Proposals will be requested and shall ONLY be accepted from contractors who were awarded a Veterans Integrated Service Network 21 (VISN 21) Multiple-Award Task Order Contract from Network Contracting Office 21, which is exclusively set-aside for Service Disabled Veteran Owned Small Businesses.

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

The VA Reno Medical Center requires the purchase and installation of a generator and switchgear system to support Buildings 6 and 10. The IGE came in at \$2,800,000.00. The system will consist of the following components:

| Quantity | Item | Description |
|----------|------------|--------------------------------------------|
| 1 | Generator | 450kW, 208/120V, 3-phase, 4-wire generator |
| 1 | Switchgear | Low voltage paralleling switchgear |

4. **Statutory Authority Permitting Other than Full and Open Competition:**

- (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;

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

The same requirement for the south side of the facility was previously solicited under VA261-15-B-0128, which resulted in one manufacturer (Caterpillar) being installed for the facility. A technical review was conducted by the Architect/Engineer of record (PK Electrical) who concluded that the system meets the VA requirements. A

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technical meeting was then held with the engineer team at the VA Reno, who noted that the system needed to operate with existing generators and equipment which were currently in place throughout the entire facility. The generators feeding Buildings 1, 1A, 1D, 4, 6, 10, and 12 are Caterpillar as well as the paralleling switchgear that serves Buildings 1D, 4, and 12. It was noted that non-Caterpillar generators would not communicate with the Caterpillar switchgear unless additional software was purchased from another source. Other suppliers noted that their product would not communicate to other systems, stating they are brand specific. The technical review also noted that having different systems in different buildings throughout the VA Campus would cause difficulty with the staff, as they would be accustomed to utilizing one system, and going to a different system in a different building could cause errors in its use. It was further noted that a different system would add costs to the VA Reno, due to additional training, parts, and maintenance contracts. This substantial duplication of cost is not expected to be recovered through competition.

6. Description of Efforts Made to ensure that offers are solicited from as many potential sources as deemed practicable:

Caterpillar equipment is available through multiple distributors and is available for sale. It can be purchased by any party as a purchase and install product. This will allow the opportunity to compete for the business in the sale of the equipment as well as the installation.

Other Actions:

This requirement will be a Service Disabled Veteran Owned Small Business Set-Aside, and we expect multiple interested parties who fall within that category under the NAICS code 238210 Electrical Contractors and Other Wiring Installation Contractors. This will allow a number of contractors under the Veterans Integrated Service Network 21 (VISN 21) Multiple-Award Task Order Contract from Network Contracting Office 21 to respond.

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

This new requirement will be solicited as a request for proposal with the brand name justification under the NAICS code 238210 Electrical Contractors and Other Wiring Installation Contractors. Whereby enabling the purchase and install by other than the manufacturer alone. It is further noted that we have the results from VA261-15-B-0128 for cost comparison and price reasonableness for a project with similar scope and complexity.

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

No market research was conducted for this specific project. However, extensive research was conducted as part of VA261-15-B-0128 generator and paralleling switchgear equipment manufacturers. This research determined that Caterpillar is the only manufacturer that is guaranteed to work with existing equipment without additional proprietary integration software. While there are multiple manufacturers of generators, this could lead to the potential of having a number of manufacturers that need to be operated and maintained by VA staff that require manufacturer-specific training. This could cause a number of problems for the campus down the road in the areas of additional training, parts, and maintenance for many systems as mentioned in item 5 above.

9. Any Other Facts Supporting the Use of Other than Full and Open Competition:

No other factors are applicable at this time.

10. Listing of Sources that Expressed, in Writing, an Interest in the Acquisition:

N/A

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:

The VA Network Contracting Office 21 fully supports competition among contractors, and brands, however, this must be tempered with the other federal requirements including Enterprise Architecture, and Life Safety issues. Changing brands on a one off basis, or from requirement to requirement, is not practical in this instance due to the limited ability of brands to communicate with each other. However, it is noted that when major refresh cycles, or product-end of-life cycles are reached, where a significant part of the system(s) require replacement, then full and open competition based on open standards will be utilized. Other opportunities to support multiple manufacturer solutions continue to be investigated by the Network Contracting Office 21 staff and included in project and strategic planning.

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.

Phil Feiler
Chief, Projects Section, FMS
VA Reno Medical Center

Date

13. 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.

5/8/2017

Brett Vegeto
NCO 21 Contracting Officer
Veterans Health Administration

Date

b. VHA SAO HCA Review and Approval (If over 650K):

I have reviewed the foregoing justification and find it to be complete and accurate to the best of my knowledge and belief and recommend approval (if over \$13.5 million) or approve (\$700K to 13.5 million) for other than full and open competition.

Delia Adams
VHA Head of Contracting Activity (HCA)
SAO West

Date