

DEPARTMENT OF VETERANS AFFAIRS

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

Acquisition Plan Action ID: VA69D-17-AP- 4746

1. Contracting Activity:

Department of Veterans Affairs
Great Lakes Acquisition Center
115 South 84th Street
Milwaukee, WI 53214

VISN: 12
2237: 607-17-3-969-0108
William S. Middleton MVH
2500 Overlook Terrace
Madison, WI 53705

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

Justification for Sole Source procurement, for the William S. Middleton MVH requirement of an Olympus Endobronchial Ultrasound Unit, i/a/w: Public Law (PL) 109-461. A firm-fixed-price contract is planned.

FAR13.5 Simplified Procedures for Certain Commercial Items: This procurement is for a new Olympus Endobronchial Ultrasound Unit in accordance with FAR 13.5 Simplified Procedures for Certain Commercial Items and specifically FAR 13.501 Special Documentation Requirements, where acquisitions conducted under Simplified Acquisition Procedures are exempt from the requirements of FAR Part 6, but still require a justification using the format of FAR 6.303-2.

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

The William S. Middleton MVH requires a new Olympus Endobronchial Ultrasound Unit. This unit shall include the following:

- (1) CV-190 EVIS EXERA III VIDEO PROCESSOR
- (1) CLV-190 EVIS EXERA III LIGHT SOURCE
- (1) MAJ-1916 CV-190 INTERFACE CONVERT DEVICE
- (2) MAJ-1918 REMOTE CABLE PERIPH DEVICE 1.8M
- (1) OEV-262H HIGH DEFINITION LED LCD MONITOR
- (1) OIS-09670 CBL-YV-BBD606BK RG-6 SERIAL DI
- (1) OEP-5 HD OLYMPUS PRINTER
- (1) K10021769 WM-NP2 GI CO2 STANDARD SET
- (1) OL-0015-02 GCX STD ROLLSTAND
- (1) EU-ME2 ULTRASOUND PROCESSOR
- (2) BF-UC180F-A ULTRASOUND BRONCHOSCOPE
- (1) MAJ-1626 EUS ARM MOUNT KIT KM#K10004158
- (1) MAJ-1720 PROBE DRIVER FOR ALL PROBES
- (1) MAJ-683 PROBE DRIVER ARM
- (2) UM-S20-17S ULTRASONIC PROBE
- (1) MAJ-1430 VIDEOSCOPE CABLE EVIS EXERA II

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

Vets First Program – Public Law (PL) 109-461

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 Olympus Endobronchial Ultrasound Unit will meet the needs of the Government, and only Olympus America, Inc. and authorized distributors can provide it. The Olympus Endobronchial Ultrasound Unit is an endoscope with an ultrasound node. The endoscope enters the patient's body and attached ultrasound provides a visual image of surrounding areas. The image is then used to help guide a disposable needle which acquires samples of pathology samples of the lymph nodes. There are no other endoscopes that have these technologies available in one instrument.

The Olympus Endobronchial Ultrasound Unit is equipment that the staff at the William S. Middleton MVH already use and are trained on. The staff currently utilizes this equipment at The University of Wisconsin Hospital, which is connected to the William S. Middleton MVH, where the tests are conducted at considerably inflated costs (a significant external cost estimated to range between \$75,000.00 - \$100,000.00) and with procedure delays due to scheduling conflicts with the UW Hospital (adding administrative time and cost). The Olympus equipment will allow staff to use immediately upon delivery and without the need for contracted services, assembly, or training that is expensive and causes negative delays for the Veterans. With immediate, out-of-the-box use and access of equipment, the William S. Middleton MVH can positively impact the care of patients and begin to schedule multiple same-day tests.

Alliant Enterprises, LLC is the only authorized SDVOSB distributor for Olympus.

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

The only equipment that will meet the needs of the Government is manufactured by Olympus, an Other Than Small Business. The Non-Manufacturer Rule applies to this procurement as the IGCE is greater than \$150,000.00, and the NAICS and FSC code combination (339113 / 6515) does not exist on the SBA's Class Waiver List dated January 1, 2015, therefore a set-aside cannot be sought. As the Non-Manufacturer Rule at FAR 19.502-2(c), indicates the requirement cannot be set aside. Olympus has one authorized SDVOSB distributor Alliant Enterprises, LLC, whose pricing is the pricing of Olympus's FSS contract pricing.

The requirement is on the Olympus America, Inc. NAC contract V797P2065D, and as such the prices have been determined to be fair and reasonable. Olympus authorized SDVOSB distributor Alliant Enterprises, LLC pricing is the pricing of Olympus's FSS contract pricing.

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

The only equipment that will meet the needs of the Government is manufactured by Olympus. This is in the best value of the Government, because purchasing an Endobronchial Ultrasound Unit of a different brand would be less cost effective due to the additional costs for contracted services, assembly, or training for other brands. As well as the significant external cost (estimated to range between \$75,000.00 - \$100,000.00) for tests being conducted at the UW Hospital until the contracted assembly and training are completed.

i/a/w FAR 8.405-1 GSA has already determined the prices of supplies and fixed-price services, and rates for services offered at hourly rates, under schedule contracts to be fair and reasonable. The pricing information received from Alliant Enterprises, LLC is the pricing of the Olympus NAC contract pricing.

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

The NMR does apply to this procurement, the IGCE is greater than \$150,000.00, the appropriate NAICS and FSC code combination (339113 / 6515) does not exist on the SBA's Class Waiver List dated January 1, 2015, therefore a set-aside will not be sought.

Ability One website search was conducted; Ability One does not provide the required product. **VetBiz** search was conducted using the search criteria of NAICS Code: 339113 and Keyword: "Olympus." The search resulted in one match for SDVOSB and Veteran Owned Small Business (VOSB) vendors who can provide the requirement.

1) ALLIANT ENTERPRISES, LLC (12-117-0653) – SDVOSB – Capable of providing requirement.

FSS search conducted, resulting in one FSS contract holders providing the requirement:

1) OLYMPUS AMERICA INC. (01-701-8859) – V797P2065D – Other Than Small Business.

Based on the information provided above, it is determined this procurement will be fulfilled by Sole Sourcing a purchase order to ALLIANT ENTERPRISES, LLC (DUNS: 12-117-0653), a Service Disabled Veteran Owned Small Business, utilizing the Veterans First Contracting Program which requires the Veterans Affairs (VA) to increase contracting and subcontracting opportunities for Service-Disabled Veteran-Owned Small Businesses and Veteran-Owned Small Businesses. i/a/w: Public Law (PL) 109-461.

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

Alliant Enterprises, LLC is the only Olympus authorized SDVOSB distributor, and the pricing is the Olympus FSS contracted prices.

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

Olympus America, Inc. (manufacturer)

Alliant Enterprises, LLC (SDVOSB distributor)

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:

Post Sources Sought to determine if any other SDVOSB's are available to do a SDVOSB set aside. If more than one (1) SDVOSB can provide requirement, request an individual waiver from the Small Business Administration, which would allow for a set-aside among small business distributors.

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.

SIGNATURE

Julia Vazquez – Inventory Management Specialist
William S. Middleton MVH

13. 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.

SIGNATURE

Thomas H. Chesak – Contracting Officer
NCO-12

- b. **Director of Contracting /Designee (Required over\$150K but not exceeding \$700K)**: I certify the justification meets requirements for other than full and open competition.

SIGNATURE

Alea Barnes – Branch Chief Equipment Team
NCO-12