

DEPARTMENT OF VETERANS AFFAIRS

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

1. Contracting Activity:

The Department of Veterans Affairs, VISN 2, New York Harbor Healthcare System Medical Center – Manhattan campus
Purchase Request # 630-17-3-4306-0107

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

This requirement is a follow on to a previous Mobile central sterile processing (CSP) unit lease contract for New York Harbor Healthcare System Medical Center Sterile Processing Department (SPD). The requirement will be procured via an open market Firm-Fixed-Price (FFP) projected contract award.

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

VA NYHHS has a requirement for self-contained mobile central sterile processing (CSP) unit during remodeling phase of the in-house Sterile Processing Department (SPD).

- Self-contained Central Sterile Processing Mobile Unit to provide sterilization and decontamination solutions
- Complete commission and decommission
- Workflow assessment
- Site Review and evaluation
- Delivery, installation and removal of Equipment
- Complete Staff Training

The estimated value for the Base period of six months plus two three-month options will be \$866,500.

Period of Performance:

- Base Period: June 8, 2017 to December 7, 2017
- Option One: December 8, 2018 to March 7, 2018
- Option Two: March 8, 2018 to June 7, 2018

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

41 USC §3304(a)(1), as implemented by FAR 6.302-1. The specific paragraph must be cited. Most likely, only the -1 or -2 authorities will be cited. Please be aware that failure to adequately plan for future requirements does not constitute appropriate use of the unusual and compelling urgency statutory authority.

- (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;

FAR13.5 Simplified Procedures for Certain Commercial Items: *The authority for applying the Simplified Procedures for Commercial Items of FAR 13.5 is 41 U.S.C. 1901 and is implemented by for restricting competition on this procurement via FAR 13.106-1(b)(2).*

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

VA NYHHS SPD area was destroyed due to the flooding caused by Hurricane Sandy. VA NYHHS used a vendor to accomplish sterilization of surgical and dental instruments, but the vendor failed to provide adequate sterilization so a mobile central sterile processing unit was leased. A construction project to rebuild the SPD is ongoing, but it has been subject to delay.

Currently, surgical instrumentation is being sterilized in the Steris onsite mobile sterilization unit. Onsite instrument sterilization is critical to maintain the patient care activities of the operating and procedure areas. The current onsite mobile sterilization unit has allowed for this continued operation by allowing the proper sterilization of equipment used on VA patients in the interim of SPD construction – projected to be completed in 6-12 months.

The installation of this mobile unit at the medical center required extensive utility and walk way connectivity to the main hospital building. The current unit is “built-into” the side of the hospital ground floor east wing and runs off the hospital’s infrastructure. Removal of the unit will require a decommissioning process as well as construction to restore the integrity of the medical centers exterior/interior and utility tie-ins. Decommissioning, demolition, commissioning of a new unit, and new construction will require the government to incur an additional expense for this service as well as additional time for the service.

This equipment is currently ‘built in’ to the facility. Any attempt to remove and replace this equipment will require considerable time, effort and additional expense, as indicated in section 9.

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

This procurement is a follow to a previously awarded contract VA242-17-P-0721. Market research conducted for this contract included GSA search which showed that mobile central sterile processing unit was not available. Previous Internet searches found two manufacturers for mobile units in the

US; Steris and MMIC. Both manufacturers were contacted and only Steris had a mobile CSP unit available immediately to meet the emergent need of VA NYHHS.

The Contract Specialist conducted additional market research for this new procurement which included VetBiz, SBA search and sources sought notice posted in FBO, Notice No. VA24217N0601; the search returned zero results. Even if there was another vendor, the cost of decommissioning and demolition of current unit and commissioning of a new unit and new construction will require the government to incur an additional expense for this service. Additionally, the transition from current vendor to a different vendor will incur lapse in service which will affect direct immediate patient care.

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

The events of Hurricane Sandy and the non-compliance by the previous sterilization vendor have placed an undue stress on the sterilization process. The introduction of the mobile CPS unit will alleviate some of the stress while ensuring patients receive the best possible care.

Price will be determined fair and reasonable based on comparison with previous contracts for same scope of work performed by the same vendor at VISN 2, contract VA242-17-P-0721, and Salt Lake City VA Medical Center, contract VA259-13-F-3711. Also, previous contracts show that pricing has not increased throughout the years.

Based on this information, the Contract Specialist anticipates cost to the Government will be fair and reasonable. The total estimated cost is \$866,500.

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

As described in Section 6 above, market research, in accordance with FAR Part 10, was conducted via GSA schedule, VetBiz, internet search, FBO searches, phone and email. Additionally, to replace this equipment / service would require the (a) decommissioning of the current unit; (b) demolition costs as the unit is currently built into the hospital facility; (c) construction costs for a new unit; (d) lack of instrument sterilization services for the hospital which would affect patient care and (e) training costs for the staff. This is on-going residual effect of the events of Superstorm Sandy on the NY area. The need for this Sterilization Processing unit continues as the SPD at New York Harbor Healthcare System was destroyed after the flooding of the NYH VA. Previously medical instruments were being shipped to the Brooklyn VAMC for sterilization, but this proved to be unsustainable as the costs continued to increase and logistically patient care was going to suffer. Construction after Superstorm Sandy at the NYH VA is on-going and has not yet been completed thus necessitating the continuing need for this equipment / service.

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

The Mobile Unit is necessary during construction of the SPD and Steris is the only available viable source. The government would be forced to incur the additional expense and delay (decommissioning, demolition costs, reconstruction cost, the expense and time of re-training of staff, startup costs, testing, re-certification, etc.), without the sole sourcing of this contract. The service being provided currently allows for the operation of the OR's at the NYH VA. An interruption in this service would severely and negatively impact the ability of the Hospital to perform necessary

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and needed surgeries therefore putting Veteran's at risk. An additional cost and time would be incurred in the transportation of Veterans to other facilities to perform surgeries that would and could be done at NYH.

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

Steris Corporation
5960 Heisley Road
Mentor, OH 44060

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:

This is a one-time requirement and only necessary until the construction of the SPD offices is complete.

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.



Name: Michael Ingino
Title: Chief, Logistics Service
Facility: 630 NYHHS

April 25, 2017

Date

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.

Safa Shleiwet
Contract Specialist
Network Contracting Office (NCO 2)

June 1, 2017

Date

- 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.

Cherie Widger-Kresge
Director of Contracting (DoC)
Network Contracting Office (NCO 2)

Date

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- c. **VHA SAO HCA Review and Approval:** 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.

6/2/2017

Joseph P. Maletta
Executive Director, SAO East
Head of Contracting Activity, SAO East

Date