

LIMITED SOURCES JUSTIFICATION

Acquisition Plan Action ID: VA248-17-AP-9007

This acquisition is conducted under the authority of the Multiple Award Schedule Program. The material or service listed in par. 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: Johnson Controls, Inc, GS-07F-190CA

Manufacturer/Contractor POC: Marc-Anthony Doyon, Marc.Doyon@jci.com, 813-727-4304

Contractor Address: 3802 Sugar Palm Drive, Tampa, FL 33619

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

(1) AGENCY AND CONTRACTING ACTIVITY:

Department of Veterans Affairs
James A. Haley Veterans' Hospital
13000 Bruce B, Downs Blvd
Tampa, FL 33612
VISN: 08

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

A limited source order to Johnson Controls, Inc to provide repairs and scheduled maintenance of the Johnson Control Energy Management System, Metasys Control System (MCS). The services are highly specialized requirements per FAR 8.405-6(a)(1)(B). GSA contract GS-07F-190CA for Johnson Controls will be utilized to perform the repairs and scheduled maintenance task orders that includes certification and monthly, quarterly, semiannual and annual preventive maintenance and inspections. Routine and emergency repairs of the Energy Management System, Metasys Control System (MCS), located throughout the James A. Haley VA Hospital in Tampa, FL will also be performed.

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

The James A. Haley VA Hospital requires preventive maintenance, certification repair, and monthly, quarterly, semi-annual and annual preventive maintenance inspections along with routine and emergency repairs of the Energy Management System, Metasys Control System (MCS). This is to ensure proper equipment functioning during its daily use supporting patient care and patient scheduled procedures. Metasys Extended Architect is designed for continuous multi-point monitoring of air handlers, chilled water, chillers, chilled water pumps, heat exchangers, and unlimited trending to review past services performances. Johnson Control Inc is the original equipment manufacturer, (OEM) of this highly specialized Metasys and BacNet Extended Architect Devices Controllers, for all mechanical system installed at the James A. Haley VA Hospital.

(b) ESTIMATED DOLLAR VALUE: Base plus 4 option years - \$741,104.00

(c) REQUIRED DELIVERY DATE: 04-30-2017

(4) IDENTIFICATION OF THE JUSTIFICATION RATIONALE: IAW FAR 8.405-6(a)(1)(i)(B): Only one source is capable of providing the supplies or services required at the level of quality required because the supplies or services are unique or highly specialized.

Describe in detail why only this suggested source can furnish the requirements to the exclusion of other sources.

This highly specialized system is manufactured by Johnson Controls, Inc. Johnson Controls, Inc is the original equipment manufacturer, (OEM) with proprietary equipment devices/mechanism covered by Johnson Controls patents and other intellectual property rights. FDA approved hardware and software required to repair and properly maintain this highly-specialized system. Johnson Controls, Inc does not partner with any small business for the proprietary maintenance servicing of this highly specialized system. No other company manufactures this equipment or have access to the system's proprietary software, and there are no third-party repair companies that have been located that can perform the work necessary to this equipment for maintenance and service on this highly specialized system. This one-of-a-kind system is used continually at this facility, patient care would be negatively impacted if there was a delay in obtaining and performing the required maintenance services. Any repairs or servicing of this system must be compatible in all aspects with the existing system and any improper repairs or servicing to this system can cause critical impairment to the entire system. Johnson Controls, Inc has the proprietary hold/rights on the software and controls for both the servicing and maintenance of their systems and do not license to 3rd parties. The Energy Management System, Metasys Control System (MCS) is very critical for the VA Hospital to maintain proper chilled water for all of the air handlers throughout the facility to ensure patient care is sustained. The Metasys Extended Architect supports all the major hospital systems encompassing all refrigeration unit's freezers, and air conditions.

Johnson Controls, Inc is the original equipment manufacturer (OEM) with proprietary, FDA approved hardware and software required to repair and properly maintain the Energy Management System, Metasys Control System (MCS).

This is maintenance and repairs of the system only. No parts will be needed on the contract since the Government have a surplus of parts as well as the personnel to install them.

This requirement is for preventive maintenance and repair services on the existing specialized system. Any repairs and servicing must be compatible in all aspects with the existing system and improper repairs to this system can cause critical impairment to the system. The original equipment functionality must be maintained and must meet the FDA requirements for appropriate functioning. The maintenance requires the use of software that is an integral component in the proper functioning of this system. The Metasys Extended Architect is designed for continuous multi-point monitoring of air handlers, chilled water, chillers, chilled water pumps, heat exchangers, and unlimited trending to review past performances.

(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:

The previous contract included parts and the labor cost for the installation of the required parts. However, the Government requirement has changed and the Government will now be providing the parts, resulting in savings on labor and parts cost. The parts that the Government cannot install are propriety to Johnson Controls, Inc. This FSS contract is offered at a substantial discount from non-government listing pricing as a Task Order under a Government contract, the prices are already determined to be fair and reasonable. Based on the previous contract price for labor, GSA labor cost for this service with the anticipated work schedule for the new scope of work required, the current price is fair and reasonable. By placing an order against the GSA schedule contract

awarded to Johnson Controls, Inc, I have concluded that the order represents the best value and results in the lowest overall cost alternative (considering price, special features, administrative costs, etc.) to meet the Government's needs.

(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 in accordance with FAR Part 10, was conducted by synopsis of the proposed acquisition, advising industry of the pending acquisition and soliciting inquiries from interested parties, using the following techniques/methods to identify potential sources: RFI, GSA e-library, VETBIZ, phone conversations and emails. The market research resulted in no vendors authorized to performed the critical software upgrades and programing required to the Metasys system, as the system is proprietary and only Johnson Controls technicians have the training and expertise to service this equipment.

(7) ANY OTHER FACTS SUPPORTING THE JUSTIFICATION:

The previous contract requirement supported the Johnson Controls Systems, however, the scope of that requirement has changed. The new requirement will no longer require maintenance and repair with parts but maintenance and repairs of the system only. No parts will be needed since the Government have a surplus of parts as well as the personnel to install them. Hence, parts and labor will no longer be needed on the contract. In changing the scope of work to reflect that the Government personnel will be doing the installation of the parts and Johnson Controls, Inc will do the proprietary programming and updates of the program, will be a cost saving to the Government. A revised statement of work has been developed for this procurement. The critical need for the services is time-sensitive and delays could have an adverse impact on patient care.

(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 agency is committed to the competitive spirit of all procurement regulations. It is our policy to seek full and open competition to the largest extent possible while fulfilling the necessary requirements. Although many equipment manufacturers, including Johnson Controls, Inc, have proprietary service documentation, diagnostic tools, software and equipment, service keys as well as some parts; as equipment ages or become more common, manufacturers become less guarded about sharing these resources with competitors. Currently, third party companies do not have access to these necessary resources and therefore often cannot complete maintenance work on highlyspecialized equipment. As this state-of-the-art equipment ages, it is likely that there will be some other vendors who may be able to perform maintenance work.

(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.