

LIMITED SOURCES JUSTIFICATION

ORDER >\$150,000

FAR PART 8.405-6

Acquisition Plan Action ID: 523-17-3-4813-0254

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: Provide original manufacturer's name for material or contractor's name for service. (If a sole source manufacturer distributes via dealers, ALSO provide dealer information.)

Manufacturer/Contractor: Xenex Disinfection Services, LLC.

Manufacturer/Contractor POC & phone number: Rob Harris 707-363-6838

Mfgr/Contractor Address: 121 Interpark Blvd, STE 104, San Antonio TX 78216

Dealer/Rep address/phone number: 707-363-6838

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

(1) AGENCY AND CONTRACTING ACTIVITY:

Department of Veterans Affairs

Boston healthcare

VISN:

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

The purpose of this procurement is to extend the Xenex Warranty Program for 11 Xenex devices (robots), Model PXUV4D-XCT-W, for a period of 3 years in the amount of \$378,211.60 (\$11,460.96 per device/robot.) The devices were upgraded to Xenex X4 in February 2016 which included a one year warranty once delivered. The current warranty program will expire on 4/1/17 for 8 out of the 11 machines. The Warranty extension program for the other 3 at JP will expire on 10/1/17.

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

The warranty program with XCT covers services and maintenance of the robots and includes replacement parts and components, as necessary, software upgrades, monthly utilization reports, access to the Xenex Disinfection Management System Portal, training and certification of Customer's Xenex Certified Technicians, and repair or replacement of the robot if it does not properly operate and Customer's XCT is unable to perform the repair.

(b) ESTIMATED DOLLAR VALUE: \$378,211.60

(c) REQUIRED DELIVERY DATE: 06/15/2017

Chapter VI: Other Than Full and Open Competition (OFOC) SOP
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(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 Boston VA currently has 11 Xenex devices in circulation that are at the end of their current warranty term. Eight of the eleven Xenex Devices were purchased through GSA utilizing FedBid for posting the RFQ (VA241-13-F-0729) as a small business set aside. One response was received. Contract VA241-16-F-0695 was issued as a sole source task order through GSA for an upgrade to 11 of the devices and provide a one year warranty. There is no other vendor capable of providing the requested extensions and additional warranties because Xenex is the original equipment manufacturer and is the sole provider of the warranty program.

☐ 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 warranty program with XCT covers services and maintenance of the robots and includes replacement parts and components, as necessary, software upgrades, monthly utilization reports, access to the Xenex Disinfection Management System Portal, training and certification of Customer's Xenex Certified Technicians, and repair or replacement of the robot if it does not properly operate.

☒ 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.

Currently, the VA has 11 Xenex PXUV4D-XCT-W machines in circulation at the Boston VA that require a warranty extension.

☐ 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.

☐ An urgent and compelling need exists, and following the ordering procedures would result in unacceptable delays.

(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:

By extending the warranties for our inventory, as opposed to purchasing the latest disinfection devices/robots, there is less financial burden on the government. In addition, services offered on the GSA schedules are priced at a fixed price for the warranty. GSA has already determined the prices of the warranty under schedule to be fair and reasonable. Therefore, ordering activities are not required to make a separate determination of fair and reasonable pricing.

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

No market research was conducted amongst scheduled contract holders. The Boston VA currently has 11 Xenex machines in circulation that need to have warranty extensions for full coverage for 36 months. There is no other vendor capable of providing the requested services and additional warranties because Xenex is the original equipment manufacturer and is the sole provider of the upgrade services and warranty programs.


(7) ANY OTHER FACTS SUPPORTING THE JUSTIFICATION:

N/A

(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:

There are no other available actions to overcome restricting competition for this requirement in the future as long as Xenex robots are in use. There is no other vendor capable of providing the requested services and additional warranties because Xenex is the original equipment manufacturer and is the sole provider of the upgrade services and warranty program.

(9) REQUIREMENTS CERTIFICATION: I certify that the requirement outlined in this justification is a Sona 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.)*

<u></u>		<u>6-6-17</u>
SIGNATURE		DATE
<u>Robert Robert</u>	<u>Chief</u>	<u>EMS</u>
NAME	TITLE	SERVICE LINE/SECTION
<u>BHS</u>		
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*

Chapter VI: Other Than Full and Open Competition (OFOC) SOP
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a. **CONTRACTING OFFICER'S CERTIFICATION (required):** I certify that the foregoing justification is accurate and complete to the best of my knowledge and belief.

Paul E Marvin

Digitally signed by Paul E Marvin
916912

DN: dc=gov, dc=va, o=internal,
ou=people,

916912
CONTRACTING OFFICER/DESIGNEE'S SIGNATURE
0.9.2342.19200300.100.1.1=paul.marvin@va.gov, cn=Paul E Marvin 916912
Date: 2017.06.08 15:37:30 -04'00'

NAME AND TITLE

FACILITY

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

SIGNATURE

DATE

NAME

NCO/PCO ☒ Director of Contracting