

Chapter VI: Other Than Full and Open Competition (OFOC) SOP
Attachment 2: Request for Limited Sources Justification Format >\$150K

LIMITED SOURCES JUSTIFICATION

ORDER >\$150,000

FAR PART 8.405-6

Acquisition Plan Action ID: 561-17-3-1140-0018 (INSERT)

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: PENTAX OF AMERICA INC _____

Manufacturer/Contractor POC & phone number: SAM HO/ 800-431-5880 _____

Mfgr/Contractor Address: 3 PARAGON DR. MONTVALE NJ 07645 _____

Dealer/Rep address/phone number: _____

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

(1) AGENCY AND CONTRACTING ACTIVITY:

Department of Veterans Affairs

VISN:

2

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

SOLE SOURCE PROCUREMENT TO LEASE PENTAX ENDOSCOPES AND ANCILLARY EQUIPMENT OFF OF THEIR FSS CONTRACT (V797D-30172)

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

36 MONTH LEASE OF PENTAX ENDOSCOPES AND ANCILLARY EQUIPMENT AS PER LEASE TERMS FOUND IN PENTAX OF AMERICA'S FSS CONTRACT (V797D-30172).

(b) ESTIMATED DOLLAR VALUE: \$184,425.12

(c) REQUIRED DELIVERY DATE: 07/01/2017

(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.

Due to patents and copy rights only Pentax of America Inc. can provide the required endoscopes and ancillary equipment.

☐ 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 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.

☐ 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.

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☐ 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:

Price reasonableness was determined by comparing the annual lease rate of the current quote against the annual lease rate of the previous procurement for the leased endoscopes. The annual rate of the previous procurement VA243-BP-0152/ VA243-14-J-4009, 07/01/2014-06/30/2017, 561C70134) was \$60,860.29. The annual rate quoted for the replacement lease is \$61,475.04 which is a 1% increase over the price of the previous leasing agreement therefore can be considered fair and reasonable.

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

a search on the VetBiz website using NAICs Code 339112 and keyword "endoscope" did not identify any SDVOSB or VOSB contractor that could meet the requirements of this procurement.

A search on GSA elibrary using keyword "Pentax" has identified that Pentax of America does have an FSS contract (V797P-30172). The contracting officer for this contract provided me with the leasing terms portion of this FSS contract.

(7) ANY OTHER FACTS SUPPORTING THE JUSTIFICATION:

As per Deputy Under Secretary for Health and Management's (DUSHOM) memo "VHA National Standardization of Endoscopes" dated 12/06/2010, all endoscopes shall be leased off of the vendor's Federal Supply Schedule (FSS) approved government leasing contract.

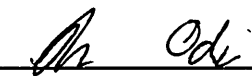
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(8) A STATEMENT OF THE ACTIONS, IF ANY, THE AGENCY MAY TAKE TO REMOVE OR OVERCOME ANY BARRIERS THAT LED TO THE RESTRICTED CONSIDERATION BEFORE ANY SUBSEQUENT ACQUISITION FOR THE SUPPLIES OR SERVICES IS MADE:

None, the barrier to competition is as a result of the Deputy Under Secretary for Health and Management's (DUSHOM) memo "VHA National Standardization of Endoscopes" dated 12/06/2010 that all endoscopes shall be leased off of the vendor's Federal Supply Schedule (FSS) approved government leasing contract and Pentax of America has the only contract with leasing provisions for Pentax endoscopes..

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(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. *(This signature is the requestor's supervisor, fund control point official, chief of service or someone with responsibility and accountability.)*

 _____ SIGNATURE	6/13/2017 _____ DATE	
Ryan Odi	BioMed Equipment Support Specialist	Biomedical Engineering
NAME	TITLE	SERVICE LINE/SECTION
East Orange VA Medical Campus _____ 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*

a. CONTRACTING OFFICER'S CERTIFICATION (required): I certify that the foregoing justification is accurate and complete to the best of my knowledge and belief.

_____ CONTRACTING OFFICER/DESIGNEE'S SIGNATURE	_____ DATE
Michael Spivack Contracting Officer, NCO 2 Service Team I _____ 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
Hope Freeman Division Chief, NCO2 _____ NAME	

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HIGHER LEVEL APPROVAL (Required For orders over \$700,000):

c. VHA SAO HCA REVIEW AND APPROVAL (over \$700,000 to \$13.5 million): I have reviewed the foregoing justification and find it to be complete and accurate to the best of my knowledge and belief and approve for restricting consideration of the Federal Supply Schedule contractors to fewer than the number required by FAR Subpart 8.4

NAME
VHA Head of Contracting Activity (HCA)

DATE

d. VA Deputy Senior Procurement Executive Approval (\$13.5 million not to exceed \$68 million): I have reviewed the foregoing justification and find it to be complete and accurate to the best of my knowledge and belief and approve for restricting consideration of the Federal Supply Schedule contractors to fewer than the number required by FAR Subpart 8.4

Name
Deputy Senior Procurement Executive (DSPE)

DATE

e. VHA Senior Procurement Executive Approval (over \$68 million): I have reviewed the foregoing justification and find it to be complete and accurate to the best of my knowledge and belief and approve for other than full and open competition.

JAN R. FRYE
Deputy Assistant Secretary
Office of Acquisition and Logistics
Senior Procurement Executive (SPE)

DATE