

**LIMITED SOURCES JUSTIFICATION**  
**ORDER >\$150,000**  
**FAR PART 8.405-6**

**Acquisition Plan Action ID: VA258-17-AP-2966**

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: **Rees Scientific Corporation**

Manufacturer/Contractor POC & phone number: **Ricardo Padilla**

Mfgr/Contractor Address: **1007 Whitehead Road Extension, Trenton, NJ 08638**

Dealer/Rep address/phone number: **(609) 671-3219**

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

**(1) AGENCY AND CONTRACTING ACTIVITY:**

Department of Veterans Affairs

NCO 18

3601 S. 6<sup>th</sup> Avenue

Tucson, AZ 85723

**VISN:**

22

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

A limited sources, firm-fixed price order with Rees Scientific Corporation for annual preventative maintenance, validation, calibration, certification, and servicing of SAVAHCS wireless temperature tracking system. Rees Scientific Corporation is the original equipment manufacturer (OEM) of the system that includes the main medical facility and its seven (7) associated Community Based Outpatient Clinics (CBOCs). The system operates off radio frequency connectivity, sending wireless signals to OEM input devices that converts them digitally, then relaying the information to its related software node. All OEM equipment and information is proprietary to Rees Scientific. Validation and calibration that is done cannot be provided by any other vendors due to Rees Scientific's software proprietary rights.

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

To provide all labor, supervision, tools, parts, transportation, and lodging required to calibrate and maintain all wireless temperature tracking systems found at the main Southern VA Health Care facility and its seven (7) Community Based Outpatient Clinics.

(b) ESTIMATED DOLLAR VALUE: \$267,430.04

(c) REQUIRED DELIVERY DATE: 07-20-2017

**(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.

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A patent, copyright or proprietary data limits competition. The proprietary data is:

Software and servers that communicate between the main facility and its CBOCs. Data is transferred via OEM hardware and software that only OEM trained and certified personnel have access to. Information is then utilized by Rees Scientific Tracking Node Managers who monitor and manage temperature readings from a central location.

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These are "direct replacements" parts/components for existing equipment.

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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.

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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

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

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.

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**(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:**

IAW FAR 8.404(d), fixed prices for services have already been determined fair and reasonable. Prices provided by the vendor have not increased since the previous contract. When additional equipment is acquired, Rees Scientific provides a quantity discount for increased services. Preventative Maintenance services are found in GSA, under Federal Supply Schedule (FSS) GS-07F-248AA, Special Item Number (SIN) 615 5000.

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

The requirement was first reviewed with the customer who stated the system was proprietary and on a GSA schedule. After reviewing the schedule, it was found that the current GSA contract expires in one year on May 5, 2018. The vendor's regional POC was then contacted who provided a new quote that discounted the GSA pricing schedule. To see if any small business concerns could provide service, a sources sought was posted on FBO on April 28, 2017. On May 12, 2017, Rees Scientific was the only vendor that responded to the notice.

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**(7) ANY OTHER FACTS SUPPORTING THE JUSTIFICATION:**

Rees Scientific Corporation's GSA Contract remains active until May 5, 2018. In accordance with FAR clauses 52.216-18 and 52.216-22, an order can extend beyond the term of the contract if these two clauses are included in the original contract. GSA contract GS-07F-248AA contains both of these clauses. 52.216-18 states that orders may be issued until the contract expiration date. This means that on the last day of the effective period of the contract, an order may be issued. 52.216-22 states that if an order is not completed within the effective period of the contract, that it shall be completed within the time specified in the order. In February 2016, GSA modified some of the Schedule contracts to include FAR clause 52.216-22, Indefinite Quantity (OCT 1995) to allow options on orders to be exercised after the effective period. A review of 52.216-22 in GS-07F-248AA, 52.216-22(d) states that any order issued during the effective period of this contract and not completed within that period shall be completed by the Contractor within the time specified on the order. The contract shall govern the Contractor's and Government's rights and obligation with respect to that order to same extent as if the order were completed during the contract's effective period; provided, that the contractor shall not be required to make any deliveries under this contract after the completion of the customer's order, including options, 60 months following the expiration of the basic contract ordering period. As such, NCO 18 may issue a task order against contract GS-07F-248AA that extends beyond the expiration of the contract, and exercise four option years (if required) since the duration of the order is equal to or less than the 60 months following the expiration of the basic ordering period as stated in 52.216-22 of the GSA contract.

**(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:**

If future conditions change, a complete system will be solicited and other contractors will be given an opportunity to provide a suitable system that meets the needs and demands of a VA Level 1a complexity facility.

**(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.)*



June 22, 2017

SIGNATURE

DATE

Richard B. Harker

Biomedical Engineer

Facilities Management Service Line

NAME

TITLE

SERVICE LINE/SECTION

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

Southern Arizona VA Health Care System  
FACILITY

**(10) APPROVALS IN ACCORDANCE WITH THE VHAPM, Volume 6, Chapter VI: OFOC SOP:**

Prepared by:

  
CONTRACTING SPECIALIST

06-22-2017  
DATE

Michael Williams  
NAME AND TITLE

NCO 18  
FACILITY

**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

6-22-17  
DATE

Daniel C. Thiel/Division Chief  
NAME AND TITLE

NCO 18  
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

6-22-17  
DATE

DANIEL THIEL  
~~Sabrina Smith~~

NAME  
NCO 18 ~~Director of Contracting~~  
DIVISION CHIEF