

DEPARTMENT OF VETERANS AFFAIRS
Justification and Approval (J&A)
For
Other Than Full and Open Competition (>\$150K)

Acquisition Plan Action ID: VA263-17-AP-10356 and VA263-17-AP-3019

1. **Contracting Activity:** Department of Veterans Affairs, VISN 23, Fargo VA Healthcare, 636-17-1-4154-0010 and 656-17-3-1003-0315
2. **Nature and/or Description of the Action Being Processed:** A firm fixed priced purchase order will be awarded for the procurement of the upgrade of digital recorders for OR and ENT from Windows XP to Windows 7. This is a mandatory upgrade for equipment that uses proprietary software. The estimated amount for both of these sites combined is \$384,488.00.
3. **Description of Supplies/Services Required to Meet the Agency's Needs:**
Upgrade/Replacement of digital recording devices for ENT and the OR. The VA has mandated all networked and integrated systems be moved to Windows 7 systems or higher because Windows XP will no longer receive security updates or support if an XP system fails. Additionally, to meet current documentation standards, the Iowa City and St. Cloud VA requires a system which can capture a live video stream or video image from a surgical procedure and have these images sent to a DICOM storage system for accurate storage and retrieval of this information at future dates and integration with the medical record. The devices that are procured must be able to communicate with the server systems already in place from Image Stream.
4. **Statutory Authority Permitting Other than Full and Open Competition:**
(x) (1) Only One Responsible Source and No Other Supplies or Services Will Satisfy Agency Requirements per FAR 6.302-1;
5. **Demonstration that the Contractor's Unique Qualifications or Nature of the Acquisition Requires the Use of the Authority Cited Above (applicability of authority):** The nStream G3 recorders that are being upgraded are only a part of the existing Image Stream server-based system, which has several years of remaining useful life and thus upgrade is preferred to outright replacement for reasons of cost effectiveness and desire to retain as much of the current imaging workflow as possible. Image Stream is the only responsible source because the Image Stream system is an FDA cleared medical system, and a 3rd party cannot alter the devices without becoming "medical device manufacturers" and re-approving devices through the FDA. The VA is trading these in for new devices (nCare MX and nCare RX) devices that are certified by Image Stream to be compatible with existing system and run on Windows 7. It appears there are other sources, but nothing matches up, so existing system would need to be replaced at a cost of over a million dollars and would require month's worth of time to install and train staff.
6. **Description of Efforts Made to ensure that offers are solicited from as many potential sources as deemed practicable:** Vetbiz, GSA, NAC Medsurge Catalog, FBO, Internet, FPDS and other contract officer's desktops in eCMS have been researched and only one vendor was identified. No like items were found that would satisfy this requirement.
7. **Determination by the Contracting Officer that the Anticipated Cost to the Government will be Fair and Reasonable:** The anticipated pricing will be determined to be fair and reasonable, based on comparison from pricing from recent purchases as well as comparison to the IGE.

8. **Description of the Market Research Conducted and the Results, or a Statement of the Reasons Market Research Was Not Conducted:** Vetbiz, GSA, NAC Medsurge Catalog, FBO, Internet, FPDS and other contract officers desktops in eCMS have been researched. GSA does not offer the equipment or similar items. A mandated requirement for a similar upgrade needed for another VISN 23 was recently sole sourced to Image stream. VIP showed no SDVOSB or VOSB could meet this requirement based on NAICS and Keyword searches. Market research revealed that this upgrade is only available from Image Stream.
9. **Any Other Facts Supporting the Use of Other than Full and Open Competition:** None
10. **Listing of Sources that Expressed, in Writing, an Interest in the Acquisition:** Image Stream Medical, One Monarch Drive, Littleton, MA 01460-2017
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:** VISN 23 will monitor and access the market in the future. If the platform is at the end of its lifecycle a competitive procurement will be issued. If other vendors come to the market and provide similar equipment the barrier of competition will be entertained per CICA.
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: Katherine Beardsley
Title: Supervisory Biomedical Engineer
Facility: Iowa City VA

Date

13. **Approvals in accordance with.**

- a. **Contracting Officer or Designee's Certification :** I certify that the foregoing justification is accurate and complete to the best of my knowledge and belief.

Name: Lance Haman
Title: Contract Officer
Facility - Fargo VA

Date

- b. **Director of Contracting /Designee :** 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.

Name: Scott Petrin
Division Chief
NCO 23

Date