

LIMITED SOURCES JUSTIFICATION

ORDER >\$150,000

FAR PART 8.405-6

Acquisition Plan Action ID: VA259-17-AP-4706

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: Biorad / Government Scientific Source Inc

Manufacturer/Contractor POC & phone number: Annette Cheltenham / 800-248-8030

Mfgr/Contractor Address: 12351 Sunrise Valley Dr, Reston VA 20191

Dealer/Rep address/phone number: Same as above

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

(1) AGENCY AND CONTRACTING ACTIVITY:

Department of Veterans Affairs

NCO 19

4100 E Mississippi Ave, Ste 900

Glendale, CO 80246

VISN:

19

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

The action under review and submitted for approval is a follow-on requirement for BioRad laboratory equipment lease previously provided under VA259-17-F-1206 and VA256-16-F-0113 for the Oklahoma City VA Medical Facility. The current award expires September 30th, 2017 and cannot be extended. The follow-on requirement will be awarded as a firm-fixed-price limited source contract, base plus two years.

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

The Oklahoma City VA Medical Center requirement is for BioRad laboratory equipment lease to include consumables. The contractor shall furnish the equipment and all service/supplies to operate this equipment. This equipment is required for laboratory testing and is in direct support of patient care and diagnostic laboratory testing.

(b) ESTIMATED DOLLAR VALUE: \$578,384.60

(c) REQUIRED DELIVERY DATE: October 1st 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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The original solicitation performed by VISN 16 involved posting the requirement on eBuy, RFQ1047582. It was determined during the posting that only once source for the BioRad analyzer was found as the manufacturer had one distributor, Government Scientific Source (GSS). GSS was the only response received to the eBuy solicitation.

☐ 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.

☐ 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:

The pricing provided by GSS is lower than the GSA FSS Contract listed pricing as the originally quoted pricing took into account the five-year lease. By placing an order against the schedule contract, we have concluded that the order represents the best value and results in the lowest overall cost alternative to meet the government’s needs when we consider price, cost to break the lease, administrative costs and any additional repercussions of terminating the 60-month lease early.

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

The original award, VA256-16-F-0113, which put in place the 60-month lease utilized an eBuy solicitation which was posted to six vendors. Only one vendor responded. Before this award the previous incumbent, BioRad, did not submit a quote as they had partnered with GSS and GSS submitted a quote. As this current requirement is a sole source requirement additional market research was not performed as the original market research is considered adequate and this action is being taken to complete the 60-month lease.

(7) ANY OTHER FACTS SUPPORTING THE JUSTIFICATION:

Continuation of this lease to complete the originally agreed upon 60-month lease entered at the time of award of VA256-16-F-0113 and is in the best interest of the government. The additional costs for new

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validation of replacement equipment and the incurred fines to return the existing equipment prior to the completion of the lease period far exceeds any benefit of re-competing this requirement.

The original award made by VISN 16 was allowed to lapse by VISN 16 due to an error made by VHA. VISN 16 did not include the annual 3% increase in costs originally quoted by the vendor and did not modify the award when they were informed of this error at the time of award. VISN 19 put a one year contract in place until further research could be performed to discover all the information in regards to this requirement. As the VHA entered into a 60-month lease for this equipment this sole-source contract will allow the completion of that originally accepted lease period. To obtain new equipment would require a minimum of a sixty day validation period and the additional cost that validation requires plus any additional increase in costs since originally quoted in FY15. Additionally, the return of this equipment would incur fees for terminating our 60-month lease early of approx. \$5,000.00 to pick up the equipment (to include decommission/decontamination), reimbursement of the VISTA interface fee of approx. \$10,000.00 which was paid by the manufacturer based on the 60-month lease and any equitable adjustment for supplies and services provided as the original quoted price was based on the 60-month lease.

(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:
Future requirements will be competed to the best of our ability within the confines of the market.

(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	04/20/2017 DATE	_____
Lisa Foster NAME	Chief Medical Technologist TITLE	Laboratory SERVICE LINE/SECTION
OKC VA Health Care System FACILITY		

(10) APPROVALS IN ACCORDANCE WITH THE [VHAPM, Volume 6, Chapter VI: OFOC SOP](#): *This part is 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	4/20/2017 DATE
Bai Perney NAME AND TITLE	NCO 19 Services 2 Branch Chief FACILITY

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

4/20/2017

SIGNATURE

DATE

Albert Williams

NAME

Chief, Division I NCO 19