

JUSTIFICATION FOR SOLE SOURCE AWARDS IAW FAR 13.106-1(b)(2) and 13.501(2)(i)
(OVER \$150K BUT NOT EXCEEDING \$700K)

IAW [FAR13.104](#), COs must promote competition to the maximum extent practicable to obtain supplies and services from the source whose offer is the most advantageous to the Government, considering the administrative cost of the purchase. When competition is not practicable, IAW [FAR13.106-1\(b\) and 13.501\(a\)\(2\)\(i\)](#), COs may solicit from a single source for purchases exceeding the simplified acquisition threshold. COs may solicit from one source if the CO determines that the circumstances of the contract action deem only one source reasonably available (e.g., urgency, exclusive licensing agreements, brand-name or industrial mobilization). IAW [FAR13.106-3\(b\)\(3\)](#), COs are required to include additional statements ***explaining the absence of competition*** (see [13.106-1](#) for brand name purchases) if only one source is solicited and the acquisition does not exceed the simplified acquisition threshold (does not apply to an acquisition of utility services available from only one source) or supporting the award decision if other than price-related factors were considered in selecting the supplier. This template when completed can be used to document single source awards IAW [FAR13.106-3\(b\)\(3\)](#). IAW VHAPM 806.3, sec 2.1 and IAW VHAPM 813.106-1(b), sec 1.3, procurements using 13.501(a)(2)(i) are exempt from using the VHAPM OFOC SOP. Single Source Award Justification for Simplified Acquisitions Procedures under \$150K is the appropriate form for these acquisitions.

1. ACQUISITION PLAN ACTION ID:
668-17-3-5057-0403

1A. PROJECT/TASK
No. N/A

1B. ESTIMATED AMOUNT:
\$210,000.00

2. BRIEF DESCRIPTION OF SUPPLIES OR SERVICES REQUIRED AND THE INTENDED USE:

This requirement is to provide the Mann-Grandstaff VA Medical Center (VAMC) with specialized transformer preventative maintenance and repair support of 17 medium voltage transformers. This service will include maintenance, technical support, electrical hardware, and on-site repairs to install new pressure gauges, filter oil to remove any impurities per original equipment manufacturer maintenance procedures, pressurize the transformers with nitrogen and check for leaks at all accessible penetrations per original equipment manufacturer maintenance procedures. Repair fuse block leaks per statement of work. This system is used by the entire Mann-Grandstaff VAMC to provide campus electrical infrastructure. This requirement is for highly specialized equipment and services. As electrical transformer equipment ages, the associated risk of a failure increases significantly. Such failures usually occur without warning and can be potentially catastrophic. Without this equipment, the Mann-Grandstaff could experience catastrophic electrical failure and cause potentially fatal interruptions in the care of our Veterans.

3. UNIQUE CHARACTERISTICS THAT LIMIT AVAILABILITY TO ONLY ONE SOURCE, WITH THE REASON NO OTHER SUPPLIES OR SERVICES CAN BE USED:

ARC Electric originally installed all the campus transformers, has intimate knowledge of the campus electrical infrastructure, current working knowledge of the electrical building systems and equipment and is capable of providing services critical to the Medical Center Patient Care without interruption. This requirement is for highly specialized equipment and services. As electrical transformers equipment ages, the associated risk of a failure increases significantly. Such failures usually occur without warning and can be potentially catastrophic. Repairing or replacing aged equipment is another issue due to obsolescence or non-availability of parts. In the event of a failure, there is a great possibility parts will not be available and create unacceptable delays in fulfilling the agency's requirements. ARC Electric is the only contractor with the immediate resources, experience, skill sets and knowledge to ensure the continued success performance of this effort without causing a break in service or otherwise negatively mission impact. Mission impacts include Loss of HVAC systems that rely on electricity for heating, cooling, and ventilation. Loss of respiratory devices and other critical equipment for patients in intensive care, neonatal, or cardiac units. Loss of lighting for high-risk surgical procedures and potential black out of rooms with no emergency lighting. Loss of pressure in water distribution systems. Potential loss of access to other hospitals and healthcare facilities if they are also affected. Inability to access electronic patient medical records and other hospital data. Loss of patient signaling system for assistance by medical and hospital staff. Potential loss of access to medication, vaccines, and other medical supplies requiring keyless entry. ARC ELECTRIC is the only vendor that can supply the replacement switches and there is no other vendor with the capability to perform these services with no additional cost for the failing equipment. Additionally, any other vendor besides ARC ELECTRIC would have a 'learning curve' to fully

understand the project complexity and to fully understand the mission essential background of Mann-Grandstaff VA Medical Center. Accordingly, ARC Electric is the only firm capable of providing the supplies and services described above without the Veteran's Health Administration experiencing unacceptable delays and potentially catastrophic events in fulfilling its requirements.

4. DESCRIPTION OF MARKET RESEARCH CONDUCTED AND RESULTS OR STATEMENT WHY IT WAS NOT CONDUCTED:

There are currently 17 medium voltage transformers that govern the electrical service in the facility and they are used to conduct electricity for all facility operations including patient care. These are faulty switches which were purchased on a prior contract. The electrical work under this prior contract was subcontracted to ARC ELECTRIC. The failing equipment is still under warranty with the subcontractor. ARC ELECTRIC only requires minimal labor costs for the service time to remove the faulty switches and install the new equipment. Due to the warranty terms and conditions, ARC ELECTRIC is the only vendor that can supply the replacement switches and there is no other vendor with the capability to perform these services with no additional cost for the failing equipment. With no known alternate sources for this service, and the urgency of the requirement, no additional market research was performed.

5. Contracting Officer's Certification: *Purchase is approved in accordance with FAR13.106-1(b) and 13.501(2)(i). I certify that the foregoing justification is accurate and complete to the best of my knowledge and belief. Note: COs are required to make a determination of price reasonableness IAW FAR 13.106-3. See the [Commercial Supply and Service SOP](#) for Price Reasonableness templates.*

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