

Request for Limited Sources Justification >\$150K

LIMITED SOURCES JUSTIFICATION

ORDER >\$150,000

FAR PART 8.405-6

Acquisition Plan Action ID: VA256-17-AP-8290

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: The Chudy Group LLC (TCGRX)

Manufacturer/Contractor POC & phone number: 262-279-5307

Mfgr/Contractor Address: N 1671 Powers Lake Rd. Powers Lake, WI 53159-0409

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
Veterans Health Administration
Network Contracting Office 16
2575 N. Keystone Crossing
Fayetteville, AR 72703

VISN:

16

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

Purchase of pharmacy unit dose medication quality assurance verification device for use with prescription packaging machine. Equipment is to be used for verification of prescription packing quality assurance.

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

Provide, deliver and install a prescription medication package inspection/verification machine to work in conjunction with existing prescription packaging system.

(b) ESTIMATED DOLLAR VALUE: \$165,379.40 (with trade-in)

(c) REQUIRED DELIVERY DATE: 45 Days ARO

(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.

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☐ 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.

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

☐ 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.

This system is designed to work with the existing automatic prescription packaging system currently in use at this facility, also manufactured by TCGRX. Due to configuration and software interoperability, no other manufacturer's product will work with this 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:

This equipment is available on FSS contract V797D-40054. As such, the pricing has already been determined fair and reasonable. To procure any similar product would require this facility to replace the existing prescription packaging system, and equivalent quality assurance equipment, at a cost substantially higher than the cost of the requested equipment.

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

A thorough review was conducted of competitor's similar products (i.e., Omnicell, ATC, McKesson). None of the other known manufacturer's products are compatible with our existing prescription filling system.

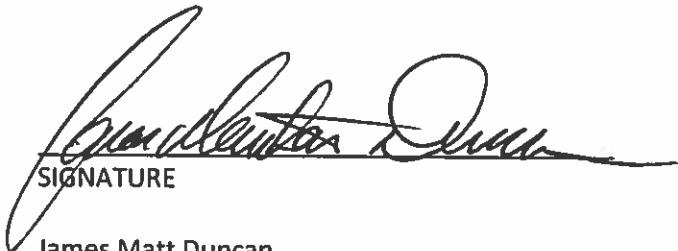
(7) ANY OTHER FACTS SUPPORTING THE JUSTIFICATION:


TCGRX is offering a \$30,000.00 trade-in allowance for our existing, obsolete equipment. This allowance further lowers the overall cost of procurement and cannot be matched by any other source.

(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:

So long as this facility continues to utilize its existing prescription filling equipment it is unlikely anyone other than the OEM will be able to provide similar support equipment. If, in the future, the prescription filling equipment is replaced, the appropriate market research and competitive procedures will be used to procure that equipment and any similar support equipment.

(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


DATE

James Matt Duncan

NAME

Associate Chief, Pharmacy Services

TITLE

Veterans Healthcare Center of The Ozarks

FACILITY

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

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

JAMES W

HUNT 579495

Digitally signed by JAMES W HUNT 579495
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ou=people,
0.9.2342.19200300.100.1.1=james.hunt2@
va.gov, cn=JAMES W HUNT 579495
Date: 2017.08.11 13:32:27 -05'00'

CONTRACTING OFFICER/DESIGNEE'S SIGNATURE

DATE

James Hunt, Contracting Officer

NAME AND TITLE

NCO 16 (Fayetteville)

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.

ANDREW J
RAIBER 292563

Digitally signed by ANDREW J RAIBER 292563
DN: dc=gov, dc=va, o=internal, ou=people,
0.9.2342.19200300.100.1.1=andrew.raiber@va.
gov, cn=ANDREW J RAIBER 292563
Date: 2017.08.18 13:38:57 -05'00'

SIGNATURE

8/18/2017
DATE

Aaron Villalpando

NAME

NCO/PCO 16 Director of Contracting

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.

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

DATE