

DEPARTMENT OF VETERANS AFFAIRS
Justification and Approval
For
Other Than Full and Open Competition

1. Contracting Activity: Department of Veterans Affairs, Network Contracting Office 15, Harry S. Truman Memorial VA Medical Center (VAMC), 800 Hospital Drive, Columbia, MO 65201-5275.

The Harry S. Truman Memorial VA Medical Center has requested the purchase of a contractual agreement with Siemens Medical Solutions for maintenance service. The maintenance services are required to maintain the Inveon Dedicated PET and the Inveon Multimodality (SPECT-CT) located in the Research Department of the Harry S. Truman VA Medical Center. The 2237 Contract request number is 589-17-3-5380-0015.

2. Nature and/or Description of the Action Being Processed:

Procurement of a labor and materials to perform on-site maintenance services for the Siemens Medical Solutions Systems, Inveon CT/SPECT, and Inveon DPET (and associated computer workstation) all of which are in the Research Department of the Harry S. Truman VA Medical Center, Columbia, MO. Services shall be performed in accordance with the terms and conditions contained in the Statement of Work (SOW). The VA intends to award a fixed price contract for a base period of one year with option to extend two (2) additional years. This will be a firm-fixed price contract.

3. Description of Supplies/Services Required to Meet the Agency's Needs:

This request is for the procurement of labor and materials to perform on-site maintenance services for the Siemens Medical Solutions Systems, Inveon CT/SPECT, and Inveon DPE. The Harry S. Truman VA Medical Center request is needed to maintain the proprietary system in fully functional manner by providing the services spelled out in the Statement of Work document.

Contractor will be required to provide unlimited full service coverage on the equipment listed below and their associated workstations. Coverage includes all replacement parts to include all required sources, glassware, detectors, software, firmware, installation, calibration, labor, tools, and travel expenses necessary to bring the listed equipment to manufacture operating specifications.

Mfr: Siemens Medical Solutions

Model: Inveon CT/SPECT

S/N: 7019

VA ID #: 589 EE113502

Location: Room F012 (Research Department)

Mfr. Siemens Medical Solutions

Model: Inveon DPET

S/N: 1087

VA ID#: 589 EE115380

Location: Room F012 (Research Department)

Mfr. Siemens Medical Solutions

Model: 2443BWT

S/N: IEM1209F05583

VA ID#: 589 EE115381

Location: Room F012 (Research Department)

Total estimated cost for these services is Base Year \$101,859. Total Base Plus Two Option Years \$305,577.00.

Period of performance will be a base period of 12 months and Two 12 month Option periods

4. Statutory Authority Permitting Other than Full and Open Competition:

(1) Only One Responsible Source and No Other Supplies or Services Will Satisfy Agency Requirements per FAR 6.302-1;

(2) Unusual and Compelling Urgency per FAR 6.302-2;

(3) Industrial Mobilization, Engineering, Developmental or Research Capability or Expert Services per FAR 6.302-3;

(4) International Agreement per FAR 6.302-4;

(5) Authorized or Required by Statute FAR 6.302-5;

(6) National Security per FAR 6.302-6;

(7) Public Interest per FAR 6.302-7;

5. Demonstration that the Contractor's Unique Qualifications or Nature of the Acquisition Requires the Use of the Authority Cited Above (applicability of authority):

Only One Responsible Source and No Other Supplies or Services Will Satisfy Agency Requirements per FAR 6.302-1; Siemens Medical Solutions holds the proprietary rights to the highly specialized equipment. The equipment/systems have components that are exclusive to the manufacturer and have potential of costing the government more than \$100,000 per incident to replace upon failure. Siemens does not train any other competitors or independent service organizations (ISOs) in the servicing of any Siemens-manufactured equipment. Only Siemens' service technicians have access to the highest level of the proprietary diagnostic software and other tools that are used in the maintenance of Siemens equipment. Only Siemens can provide the proprietary software updates and upgrades of equipment, and no other software has been validated for these systems.

6. Description of Efforts Made to ensure that offers are solicited from as many potential sources as deemed practicable:

Only one responsible sources: 10 USC 2304(c) (1). No other vendor provides this service.

Siemens Medical Solutions holds the proprietary rights to the systems, services can only be provided from the original source as this is a highly specialized service.

FPDS search results identified one vendor Siemens Medical Solutions that could provide the service requested by the customer.

A Google search located only one company Siemens Medical Solutions that could provide the maintenance services requested by the Harry S. Truman VA Medical Center.

There is a DLA contract SPE2D1-17-d-0023 that allows the VA to purchase maintenance services against the contract.

7. Determination by the Contracting Officer that the Anticipated Cost to the Government will be Fair and Reasonable:

The estimated amount of this acquisition is \$101,859 for the base year and \$305,577.00 for base year plus two option years. In accordance with FAR Subpart 15.404-1(b) the following price analysis techniques and procedures will be utilized to ensure a fair and reasonable price.

Comparison of previously proposed prices and previous Government and commercial contract prices for the same or similar items. The average cost for previous Government purchases for the same or similar items was \$144,000.00 for a one year contract on a similar system.

8. Description of the Market Research Conducted and the Results, or a Statement of the Reasons Market Research Was Not Conducted:

- A search of the National Acquisition Center (NAC) Contract Catalog produced no results. No mandatory use contracts IAW FAR 8.002 and VAAR 808.002 “Priorities for use of Government supply sources” were found that could perform/supply the requested task.
- A search of the National Acquisition Center (NAC) Contract Catalog produced no results. After further research and a call to the NAC results that there is a DLA contract in place that does include maintenance and repair of all Siemens equipment
- A search on www.gsa.gov for vendor’s that could perform/supply the requested repair service on Federal Supply Schedules (FSS). There were no vendors on GSA/FSS that could provide the task being requested.
- A search of the VetBiz.gov Registry website Using NAICS code 811219 with the keyword “Inveon” yielded no vendors. A search of the SBA Dynamic Small Business Search tool: Using NAICS code 811219 with the keyword “Inveon” yielded no vendors that could perform the task requested.
- A search of the Federal Business Opportunities website produced no relevant results for small business or other category set-asides. Search results were “Sources Sought Notice” and “Intent to sole source” posted to FedBizOpps.gov. A search of FPDS resulted in finding several government awards none were to small business concerns. FPDS search results identified one vendor (SIEMENS MEDICAL SOLUTIONS USA, INC.) that could provide the service requested by the customer.
- A Google search located only one company (SIEMENS MEDICAL SOLUTIONS USA, INC.) that could provide the services requested by the Harry S. Truman VA Medical Center, according to Sam.gov, that company is a large business.

Due to the proprietary nature of this procurement no other vendor can meet the requirements.

9. Any Other Facts Supporting the Use of Other than Full and Open Competition:

There are no other factors supporting the use of other than full and open competition.

10. Listing of Sources that Expressed, in Writing, an Interest in the Acquisition:

See Section VI above.

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:

This is a unique service, and only SIEMENS MEDICAL SOLUTIONS USA, INC. can fulfill the requirement requested.

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 _____ Date 8/17/17

Douglas Weable
Biomedical Equipment Support Specialist
Harry S. Truman VA Medical Center

13. Approvals in accordance with FAR 6.304

a. Contracting Officer's Certification: (required) I certify that the foregoing justification is accurate and complete to the best of my knowledge and belief.

Name _____ Date _____

Julie Willie
CONTRACT OFFICER
SAOC CONTRACTING OFFICE

b. NCM/PCM: I certify the justification meets requirements for other than full and open competition.

Name _____ Date 08/31/2017

Roy D Harrison
NETWORK CONTRACT MANAGER
NETWORK 15 CONTRACTING OFFICE