

Other Than Full and Open Competition (OFOC) SOP
Request for Limited Sources Justification Format >\$150K

LIMITED SOURCES JUSTIFICATION

ORDER >\$150,000

FAR PART 8.405-6

Acquisition Plan Action ID: VA701-17-AP-0206

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:	<u>Venergy Group LLC</u>
Manufacturer/Contractor POC & phone number:	<u>Corey Clive 561-676-8382</u>
Mfgr/Contractor Address:	<u>1217 Delaware Ave Fort Pierce, FL 34950</u>
Dealer/Rep address/phone number:	<u>N/A</u>

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

(1) AGENCY AND CONTRACTING ACTIVITY:	<u>Department of Veterans Affairs (VA)</u>
	<u>Program Contracting Activity Central</u>
	<u>6150 Oak Tree Blvd. Suite 300</u>
	<u>Independence, OH 44131</u>
VISN:	<u>Program Contracting Activity Central</u>

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

This limited source justification is for the Metering Integration of all remaining Electric and Non-Electric Meters at the VA Facilities in Detroit, MI; Ft. Wayne, IN; and Marion, IN that are not currently integrated. This service includes the complete design, integration, and implementation of a solution that will integrate the data collected from the meters installed under the Pilot Project, Advanced Electric Metering Project, Advanced Non-Electric Metering Project and any meter that has been installed under any other project at the above listed sites.

This procurement will follow the VA sole source authority in 38 U.S.C. 8127 (c) for contracts not exceeding \$5,000,000, if appropriately justified and approved pursuant to FAR 6.302-5(c)(2)(ii).

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

The Contractor shall provide engineering, design, installation, and integration services to meet the program objectives and requirements and to provide the required outcome in terms of overall quality, timeliness and documentation. The Contractor shall be responsible for obtaining and coordinating the services of any and all third-party Contractors performing other services on site and other entities as part of the contract to ensure the expected quality and timeliness of the documented final product.

(b) ESTIMATED DOLLAR VALUE: \$182,650.00

(c) REQUIRED DELIVERY DATE: 25 September 2017 – 25 September 2018

(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.

☒ 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.

This justification and analysis is to provide rationale for the Contracting Officer's decision to award the Metering Integration of all Electric and Non-Electric Meters at Detroit, MI and Fort Wayne, Marion IN sole source to a Service Disabled Veteran Owned Small Business (SDVOSB) firm, Venergy Group LLC, for a 365 day performance period while following the guidance of the Vets First Contracting Program and Public Law 109-461.

The current metering system is a Schneider Electric system used as the foundation for the VA's national energy program and can only be accessed for integration by Schneider Electric or their approved proxy/partner; third party access of this hosted system is not permitted.

In order to meet veteran owned small business goals and preferences outlined in the sole source authority in 38 U.S.C. 8127 (c), contracts awarded pursuant subsection (b), (c), or (d) to small business concerns owned and controlled by veterans with service-connected disabilities are the prioritized preference for award. Schneider Electric is a large business and for that reason does not meet the priority for contracting preferences. However, Schneider has approved for the SDVOSB firm, Venergy Group LLC (Venergy), to access this system in the circumstance that Venergy is awarded the metering integration contract as the prime contractor and Schneider Electric is the subcontractor. Therefore, Venergy is uniquely qualified to meet this requirement as they are the only contractor other than Schneider Electric that is approved to integrate the metering system.

☒ 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.)

The VA meter monitoring system that is in place is a proprietary Schneider Electric EEM system which is used as the foundation for the VA's national energy program and can only be administered and/or managed by Schneider Electric or their approved proxy/partner. Third party access to integrate this system is not permitted. Schneider Electric has approved for only Venergy to access the system to integrate the meters to the proprietary system.

☐ 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.

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☐ 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:

Venergy has been authorized by Schneider as the only contractor other than Schneider to access the existing proprietary metering system for metering integration. By Venergy being allowed access to this existing system, the CO believes that Venergy will be capable to perform the work at a fair and reasonable price that provides best value to the Government.

In accordance with the Vets First Contracting Program and Public Law 109-461 (Dec 22, 2006) the Contracting Officer has followed guidance for sole source contracts for contracts above the simplified acquisition threshold. Venergy Group, LLC is determined to be a responsible source with respect to performance of such contract opportunity. Venergy Group, LLC is expected to have an anticipated award price that will exceed the simplified acquisition threshold but not exceed \$5,000,000. Additionally, the CO has determined that a sole source award to Venergy Group LLC can be made at a fair and reasonable price that offers best value to the Government. Venergy Group LLC is a registered SDVOSB and awarding to Venergy would follow to the government's requirement to follow public law 109-461 regarding awarding to a veteran owned small businesses when applicable. In order to achieve small business contracting goals and to increase contracting opportunities for small business concerns owned by veterans with service-connected disabilities, the CO has determined that a sole source to Venergy Group represents the best value to Government.

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

Market research for this requirement includes a query of SDVOSB vendors on the Vendor Information Page (VIP), analysis of previous related procurements, research of sources, market research from the previously awarded procurement for metering integration at these sites in FY15, and the Contracting Officer's knowledge of the procurement situation. A full analysis of the market research can be found in the market research attachment. A summary of the market research pertaining to the sole source justification and analysis is described below.

The Contract Specialist searched the Vendor Information Pages (VIP) of VetBiz for SDVOSB contractors listed under NAICS 238210. It was verified that there are two or more SDVOSB contractors registered under the VIP with the specified NACIS. An additional search was done in the System for Award Management (SAM) and concluded that Venergy is a SDVOSB with the registered NAICS 238210. The CO determined that Venergy is expected to submit a quote for the service at a fair and reasonable price that would provide best value to the Government.

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This service has been previously provided by Schneider Electric and both the servers that host the VA's data and the software that currently manipulates and reports the data to the VA is owned by Schneider Electric. Schneider Electric has successfully performed ten task orders from the BPA before reaching the maximum order limitation. However, due to the restrictions posed by the hosting server and data manipulation software, the existing metering system cannot be connected to any other external system or contractor other than to Schneider Electric or Venergy Group, without the system potentially being compromised. Schneider Electric has agreed to allow only for Venergy Group to access the system. The CO determined through the market research efforts that Venergy Group is an SDVOSB vendor that is expected to submit a fair and reasonable quote to provide best value to the government.

(7) ANY OTHER FACTS SUPPORTING THE JUSTIFICATION:

N/A

(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:

N/A

(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.)*

Phyllis C
Stange 195140

Digitally signed by Phyllis C Stange
195140
DN: dc=gov, dc=va, o=internal,
ou=people,
0.9.2342.19200300.100.1.1=phyllis.stang
e@va.gov, cn=Phyllis C Stange 195140
Date: 2017.08.25 08:41:47 -04'00'

Phyllis Stange
Energy Portfolio Manager
Office of Asset and Enterprise Management

DATE

(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.

Donald Marsh III
Contracting Officer

Date