

**LIMITED SOURCES JUSTIFICATION**

**ORDER >\$150,000**

**FAR PART 8.405-6**

**Acquisition Plan Action ID VA242-17-AP-7034**

**Transaction ID: 528-17-1-8893-0009**

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: The Trane Company

Manufacturer/Contractor POC & phone number: Scott W. Miller

Mfgr/Contractor Address: The Trane Company, Albany Office 301 Niskayuna Road Latham, NY 12311-2214

Dealer/Rep address/phone number: 518-785-6486; SWMILLER@TRANE.COM

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

**(1) AGENCY AND CONTRACTING ACTIVITY:**

Department of Veterans Affairs  
Network Contracting Office – Albany \_  
20 Madison Avenue Ext  
Albany, NY 12203

**VISN:**

02

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

The Stratton VA Medical Center in Albany New York is requesting preventive maintenance and repair services to the facility wide heating, ventilating, and air conditioning (HVAC) building automation systems (BAS) and temperature control end devices for systems specified.

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

The Stratton VA requires a contractor to operate, maintain, program, troubleshoot and repair the Trane Tracer Summit system and components installed in the facility. These services do not allow for additional communication protocol for tie in to the Tracer Summit building control Systems. Services are to be performed on the systems and components currently installed. The requirement is for preventative maintenance, repair services and emergency call-ins on a 24 hour basis of availability 7 days a week.

**(b) ESTIMATED DOLLAR VALUE:** \$Base year: \$204,101.70 Total Base +Options: \$637,123.87

**(c) REQUIRED DELIVERY DATE:** POP: 10/1/2017-09/30/2018 with 2 option years

**(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:  
(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 Trane Tracer Summit HVAC Building Automated Systems operate on a system that is proprietary to The Trane Company. Trane only certifies their own employees to work on their equipment to ensure protection of their proprietary software which their units operate on. Furthermore, the temperature, humidity and pressure sensors which periodically require repair or replacement are also proprietary to The Trane Company and they do not employ distributors. Any of these items will need to be procured from them as well. Accordingly, The Trane Company is the only firm capable of providing the supplies and services described in Section 3 above.

☐ 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 previous contract for these services which was awarded to Trane was VA528-13-F-0693. The base period was awarded for \$15,162.50 per month. The first option year was slightly less at \$15,162.33 per month. Every option year we experienced a 4% increase in cost for the services. The current requirement estimated rate for the base year is \$17,008.48 per month. This is slightly less than the final option on the previous contract. The pricing for the follow on options are again at a 4% increase over the previous contracts. This rate coincides with their labor rate increase for maintenance technicians from one option year to the next on GSA contract GS-06F-0079. The Trane company also utilizes this rate to make adjustments to other costs on their GSA contract.

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

A sources sought was posted to FBO.gov on June 14, 2017. The sources sought notice VA242-17-N-0747 was closed on June 23, 2017. Two small businesses; Pro Electric and Eastern Heating and Cooling expressed interest. One large business, The Trane Company expressed interest. The original Statement of work was for The Trane Tracer Summit and the Automated Logic BAS. The two small businesses

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indicated that they could provide the Automated Logic portion but the Trane Tracer was proprietary. The Trane Company rep was confident in the ability to perform the Preventative Maintenance on the Trane System but they would have to sub contract for the Automated Logic portion of the requirement. The customer made the determination to split the requirements.

A search of FPDS government procurements resulted in numerous procurements for the Trane Tracer Summit from Trane as well as a number of Preventative Maintenance contracts awarded to Trane. All of these were awarded to Trane due to the proprietary nature of the requirement described above in section 4.

A search of GSA elibrary showed that The Trane Company has an active contract #GS-06F-0079 on which they offer Preventative Maintenance on all of their HVAC and BAS systems. Given the proprietary nature they are the sole offeror of the required services on schedule.

**(7) ANY OTHER FACTS SUPPORTING THE JUSTIFICATION:**

**(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:**

The government will conduct market research for every new requirement as well as renewal request as a means to verify whether or not new authorized providers have entered the market place since the placement of the previous contracts.

**(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.)*

	<u>08/04/2017</u>	
SIGNATURE	DATE	
<u>Mark Zakrzewski</u>	<u>Maintenance and Operations Manager FMS</u>	
NAME	TITLE	SERVICE LINE/SECTION
<u>Stratton VA Medical Center</u>		
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.

\_\_\_\_\_  
CONTRACTING OFFICER/DESIGNEE'S SIGNATURE

\_\_\_\_\_  
DATE

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Anthony Murray - Contracting Officer \_\_\_\_\_  
NAME AND TITLE

Network Contracting Office Albany \_\_\_\_\_  
FACILITY

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

\_\_\_\_\_  
SIGNATURE

\_\_\_\_\_  
DATE

Hope Freeman – Division Chief \_\_\_\_\_  
NAME  
NCO/PCO DOC Designee

**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