

DEPARTMENT OF VETERANS AFFAIRS

**Justification and Approval (J&A)
For
Other Than Full and Open Competition (>\$150K)**

Acquisition Plan Action ID: VA701-17-AP-0146 (Atlanta VA Underground Utility Duct bank)

1. Contracting Activity: Department of Veterans Affairs, Program Contracting Activity Central

2237 Number: 508-17-4-EMP-0053

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

This justification and approval is for a sole source task order for a requirement by the local utility provider for the installation of a new duct bank and four (4) 1/0 UD Services to connect the VA Combined Heat and Power (CHP) plant to the utility. This action is for a new task order to be issued as a firm-fixed-price contract off Georgia Power Company's GSA Area-Wide Contract (GS-00P-15-BSD-1134).

This procurement will follow the VA sole source authority as defined by FAR 6.302-1 for sole source Only One Responsible Source and No Other Supplies or Services Will Satisfy Agency Requirements if appropriately justified and approved pursuant to FAR 6.302-1 (b)(3).

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

The duct bank installation is to include 940' of concrete encased rebar reinforced 8 x 6" duct bank, four (4) service runs of new 25kV class 1/0 service cable, 2 x 300/350 2 way manholes H-20 rated with racking, T-body separable connectors in the manholes, four (4) x three phase terminations in both switchgears, repaving and re-concreting in affected areas. The installation is necessary and required by Georgia Power in order to connect the Combined Heat and Power (CHP) plant which is being installed at the Atlanta VA Health Care System to the Utility Provider, Georgia Power Company. The estimated award amount for all associated work is \$1,505,980.00. The Areawide Public Utility Contract (Contract No. GS-00P-15-BSD-1134) for the Negotiated Areawide Contract between Southern Company Services, Inc. (as designated agent for Georgia Power Company) is to be utilized. The estimated period of performance will be 150 calendar days.

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

41 USC §3304(a)(1), as implemented by FAR 6.302-1.

- (X) (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):

This acquisition requires the procurement of part of a utility system and the utility company itself is the only source available to work on the system as defined by FAR 6.302-1(b)(3). The only capable source available to perform the work is the local utility company (Georgia Power Company). The Contracting Officer has determined that a GSA Area-wide Contract is established with Georgia Power Company and is valid through 12/15/2024. The area-wide contract established with Georgia Power outlines the retrieval distribution line extension and service connection regulations in the established rules and regulations (page 1.30 section C) which includes the scope of work covered by this procurement. The duct bank installation is required by Georgia Power in order to connect the VA's CHP system to the utility provider. Georgia Power is the only available source to provide the work to connect the VA system to their existing system.

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

The Contracting Officer initially tried to maximize competition by contacting an SDVOSB contractor that had initially expressed interest in the project. The SDVOSB contractor attempted to collect information from the utility (Georgia Power) to prepare a proposal for the work associated with the installation, however the utility would not provide the necessary information in order for the SDVOSB to prepare a quote. Due to the lack of information needed from the utility provider the SDVOSB contractor decided not to submit a proposal due to the unknown information and high risk to the contractor.

Additional market research was completed to determine potential sources for this requirement, the Contracting Officer made the determination that the local utility provider, Georgia Power, would be the only responsible source able to provide this service and no other services will satisfy the requirement.

Following guidance of FAR 5.202(a)(5), the Atlanta Duct Bank sole source is exempt from posting a notice of intent to sole source.

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

The GSA Area-Wide Contract (GS-00P-15-BSD-1134) with Georgia Power that will be utilized for this procurement has established pricing that has been negotiated and is determined to be fair and reasonable. Because the utility provider is connecting to their own system, the Contracting Officer

has confidence that the anticipated cost will be reasonable as no other contractor is permitted access to the system. The submitted price will be evaluated against the independent government estimate and the pricing established by the areawide contract.

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

Market research was conducted to determine potential sources for this requirement. An initial search was done on the Vendor Information Page (VIP) for SDVOSB vendors under NAICS 221118 for "other electric power generation". The search provided 12 SDVOSB contractors listed under the referenced NAICS. The Contracting Officer emailed all 12 SDVOSB contractors listed and received a response from 3 of the 12 contractors. The Contracting Officer made a determination that he does not expect that any of the SDVOSB contractors are capable to perform the work at a fair and reasonable price that would offer best value to the Government.

The Contracting Officer also contacted an additional SDVOSB Contractor, Greenland Enterprises. The utility provider, Georgia Power, would not provide the information requested by Greenland to coordinate the duct bank installation to connect to their utility system. After an initial attempt to procure through a Service Disabled Veteran Owned Small Business, it was determined that the utility company was unwilling to provide the necessary information to allow for a company other than Georgia Power to access the system.

Through market research, the Contracting Officer also found that Georgia Power currently has an established GSA areawide contract which covers the scope of work of this project. The Contracting Officer made the determination that the local utility provider, Georgia Power, would be the only responsible source able to provide this service and no other services will satisfy the requirement. The market research that was conducted concluded that a sole source procurement to the utility provider would provide best value to the government. Accordingly, the Contracting Officer has determined that Georgia Power is the only responsible source that has access to connect this required installation to the existing Georgia Power Company utility system.

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

The stated Rules and Regulations for Electric Services for Georgia Power indicates that in the case of extension and/or connection to the underground distribution system will proceed to do such work and to provide and install such equipment as it may be required to do in order to render its preferred method of service.

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

- a. Georgia Power Company
241 Ralph McGill Blvd Bldg 10071
Atlanta, GA 30308-3374

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:

Not applicable. Per authorities cited above, these types of agreements are limited to the servicing utility (gas, electric, water and sewer) based on location of the project.

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.

Phyllis C
Stange 195140

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Date: 2017.09.27 14:19:22 -04'00'

Phyllis Stange
Energy Portfolio Manager
Office of Asset and Enterprise Management

Date

13. Approvals in accordance with the [VHAPM Part 806.3 OFOC SOP](#):

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

John Yallech
189260

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John Yallech, Jr.
Contracting Officer
Program Contracting Activity Central

Date

- b. **One Level Above the Contracting Officer (Required over\$150K but not exceeding \$700K):** I certify the justification meets requirements for other than full and open competition.

Richard C. Dahmen
199197

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Date: 2017.09.28 11:07:31 -04'00'

Richard Dahmen
Director of Contracting
Program Contracting Activity Central

Date

VHAPM Part 806.3 Other Than Full and Open Competition (OFOC) SOP
Attachment 2: Request for Sole Source Justification Format >\$150K

- c. **VHA SAO HCA Review and Approval:** I have reviewed the foregoing justification and find it to be complete and accurate to the best of my knowledge and belief and approve (\$700K to \$68 million) for other than full and open competition.

Linda S.

Greaves 404790

Linda S. Greaves

Acting Director, SAO Central Region

SAO Central Head of Contracting (HCA)

Digitally signed by Linda S. Greaves 404790
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9/28/2017

Date