

LIMITED SOURCES JUSTIFICATION
ORDER >\$150,000
FAR PART 8.405-6

Acquisition Plan Action ID: VA248-17-AP-3492

This acquisition is conducted under the authority of the Multiple Award Schedule Program. The material or service listed in paragraph 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.

Manufacturer/Contractor: Censis Technologies, Inc. (GSA Contract# GS-35F-0462X –
Expiration Date: June 23, 2021)

Expiration Date for this Contract: September 30, 2022

Manufacturer/Contractor POC & phone number: Ryan Givens/1-888-877-3010

Manufacturer/Contractor Address: 830 Crescent Centre Drive, Suite 610 Franklin, TN 37067

Dealer/Representative's address/phone number: Same as above.

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

(1) AGENCY AND CONTRACTING ACTIVITY:

Department of Veterans Affairs
Bay Pines VA Healthcare Systems
Network Contracting Office 8 (248)
10000 Bay Pines Blvd.
Bay Pines, FL 33744
08

VISN:

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

This is a limited source justification for the procurement of the Censis Technologies Electronic Instrument Tracking & Management renewal software license. This software provides hospitals visibility into equipment usage, location and where equipment is in the sterilization queue. This software renewal is an end-to-end Surgical Instrument Tracking System used in all of the hospitals within VISN 8 (Veterans Integrated Service Network).

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

The software is utilized throughout VISN 08 including Bay Pines VAHCS; Lee County Healthcare Center; Miami VAHCS; Orlando; Lake Baldwin, Orlando, Viera Medical Center. The renewal software license will be used for tracking medical instruments through the sterilization process. The process is to ensure that these instruments have been sterilized and are available for use during surgical procedures. Renewal software includes the following features:

- Schedule and Measure Instrument Level Maintenance
- Automated Count Sheets
- Electronic Sterilizer Interface
- Recall at Instrument Level
- Complete Suite of Reporting Tools
- Professional Implementation
- Track at the Instrument Level

(b) ESTIMATED DOLLAR VALUE: \$1,034,559.20

Bay Pines	\$43, 000.00	1	Year
Miami	\$43, 000.00	1	Year
Orlando	\$43, 000.00	1	Year
Vierra	\$43, 000.00	1	Year
Lee County	\$34, 911.84	1	Year
Total	\$206, 911.84	1	Year

(c) REQUIRED DELIVERY DATE: October 1, 2017 to September 30, 2021

Base:	October 1, 2017 to September 30, 2018
Option1:	October 1, 2018 to September 30, 2019
Option2:	October 1, 2019 to September 30, 2020
Option3:	October 1, 2020 to September 30, 2021
Option4:	October 1, 2021 to September 30, 2022

(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 is a new procurement for Sterilization Processing Service (SPS) that already owns the equipment from Censitrac System. Replacing the software would cause a duplication of cost, basically to compete this requirement you would need to replace the equipment and the software. The equipment was purchased by the Technology Acquisition Center (TAC) in 2013 for \$1 million to replace this equipment the cost would be \$1.5 million to \$2 million for something similar plus the implementation and calibrating of a new system would be an additional \$500,000. This requirement is for renewal licenses, which combines labeling, scanning technology, and application software to create a tracking system for critical reusable medical equipment (RME). Censis Technologies Inc. is the only vendor that can perform upgrades and maintenance to the renewal licensed software. The Censis Technologies Inc. software and Censitrac System equipment has been used as a standard for all surgical instruments throughout SPS in VISN 08 since it was awarded by the TAC. This vendor is the only company that

possesses the qualified service engineers with the technical expertise for this specialized technical support and is the only vendor that has the production and distribution rights for the software and all upgrades. This is proprietary software. The manufacture does not have any authorized distributors per letter, dated February 13, 2017.

☒ 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 current software was developed by Censis Technologies, Inc. and the request is for annual renewal software licenses. The software is proprietary to Censis Technologies, Inc., therefore, no other vendor can provide the software license keys needed for renewal of the subscription for this software. The Censis Technologies Inc. software can only be utilized on Censis Technologies equipment. No other software can be utilized with the system.

☐ These are "direct replacements" parts/components for existing equipment.

None

☐ 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.

None

☐ 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.

None

☐ An urgent and compelling need exists, and following the ordering procedures would result in unacceptable delays.

None

(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:

Far 8.404 (d) GSA has already determined the prices of supplies and fixed-price services, and rates for services offered at hourly rates, under schedule contracts to be fair and reasonable. Therefore, ordering activities are not required to make a separate determination of fair and

reasonable pricing, except for a price evaluation as required by 8.405-2. In addition to FAR 8.405-4, a price reduction will be requested.

(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 was conducted using eCMS, GSA Advantage, Internet, SEWP, NAC Tool and FPDS with the intention to find the source and the procurement method previously used. Several contracts were found within eCMS, VA248-16-F-0016, having a value of \$38,238.04, and VA248-13-F-3709 having a dollar value of \$31,738.04. The contracts that were searched were all awarded to Censis Technologies, Inc. who is the sole manufacture and distributor of the renewal software.

(7) ANY OTHER FACTS SUPPORTING THE JUSTIFICATION:

None

(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:

Barriers to competition will be overcome when the RTLS brand name software is no longer available from the manufacture or the government owned equipment. Censis, becomes obsolete. The VA could invest in its own open source software compatible with this equipment. This investment may not be effective since technology changes too rapidly,

(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.)*

GREGORY W.

FOGLEMAN 256492
SIGNATURE

Digitally signed by GREGORY W. FOGLEMAN 256492
DN: dc=gov, dc=va, o=internal, ou=people,
p=9.2342.19200300.100.1.1=gregory.fogleman@va.gov,
c=us, cn=GREGORY W. FOGLEMAN 256492
Date: 2017.08.04 10:54:00 -0400

8-3-2017

DATE

Gregory W. Fogleman

NAME

VISN 08

FACILITY

Biomedical Engineer

TITLE

VISN 08

SERVICE LINE/SECTION

**(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.
ROBERTS 117945

Digitally signed by JAMES W. ROBERTS 117945
DN: dc=gov, dc=va, o=Internal, ou=people,
0.9.2342.1.1.200300.100.1.1=james.roberts2ev
a.gov, cn=JAMES W. ROBERTS 117945
Date: 2017.08.04 14:17:33 -0400

CONTRACTING OFFICER/DESIGNEE'S

SIGNATURE DATE

James Roberts
NCO8. Contracting Officer, Commodities

FACILITY

b. DIVISION CHIEF: I certify that the foregoing justification is accurate and complete to the best of my knowledge and belief.

SIGNATURE

[Redacted Signature]

c. DIRECTOR OF CONTRACTING/DESIGNEE: 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

[Redacted Signature]

DATE