

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, St Louis VAMC, John Cochran and Jefferson Barracks Divisions, Saint Louis, MO 63106-1621.

The St. Louis VA Health Care System Facilities Engineering Service has requested a contract for a maintenance agreement on Pyxis equipment items. The 2237 Purchase request number is 657-18-1-1110-0009.

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

Provide unlimited routine or emergency service on CareFusion Pyxis brand equipment items located at the VA St. Louis Health Care System, John Cochran and Jefferson Barracks Divisions, St. Louis, MO. Service includes priority scheduling for service calls and access to spare parts inventory, all labor and travel during standard hours of coverage (Monday – Friday, 8am to 5pm, excluding holidays), all parts that fail during normal use, unlimited technical service and clinical applications telephone support, remote support (RSS), and on-board system diagnostics. This will be a firm-fixed price contract.

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

The St. Louis VA Medical Center is requesting to establish a contract for maintenance agreements on the following Pyxis equipment:

SUPPLY MANAGEMENT (or INVENTORY MANAGEMENT) Products

- 1) Pyxis SupplyStation System
- 2) Pyxis CathRack System
- 3) Pyxis JITrBUD System
- 4) Pyxis ParAssist System
- 5) Pyxis StockStation System
- 6) Pyxis SupplyCenter Server
- 7) Pyxis Remote Manager

MEDICATION MANAGEMENT Products

- 1) Pyxis MedStation System
- 2) Pyxis SMART Remote Manager

Specifications of Work:

The Contractor shall provide all maintenance (scheduled or unscheduled) during the hours of 8:00 AM – 4:30 PM, Monday through Friday, excluding federal holidays. The Contractor shall respond by telephone within one hour of original call and provide an initial consultation, or possible interim measures, until the repair can be completed. The Contractor shall respond on-site within eight (8) business hours after Biomedical Engineering has placed the service call (CareFusion Advanced Support Plan). Pyxis Product equipment items that are RSS-enabled shall perform properly for at least 97% of

the time (Uptime Guarantee); except for preventative maintenance, delays caused by VA, external causes, or any period VA or VA's information system prevents CareFusion from providing remote support for RSS-enabled products.

The maintenance agreement will be for one year, starting 1 January 2018 and expiring on 31 December 2018. The contract includes the option to extend services for up to six months (FAR 52.217-8). The total estimated cost for these services is \$279,432.00 for the base year and a six-month extension.

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

(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):

Only One Responsible Source and No Other Supplies or Services Will Satisfy Agency Requirements per FAR 6.302-1. CareFusion Solutions, LLC is the exclusive manufacturer of Pyxis products. Only CareFusion and their Field Service Technician Affiliates have the capabilities and authorization necessary to perform installation and maintenance services for Pyxis products. Performance of those services by any other party voids the warranty for the serviced products.

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.

- CareFusion is the manufacturer of Pyxis equipment and is the owner of the property rights of any Pyxis equipment items. Only technicians certified by CareFusion may properly perform installation and maintenance services on Pyxis equipment.
- A Google search located only one company (CareFusion) that could provide the maintenance agreement for Pyxis equipment requested by the St. Louis VA Medical Center.

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 \$186,288.00 for the base year and \$279,432.00 for the base and a six-month extension. 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.

- a. 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 and service was \$52,848.00 for ten months.

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

- According to the contracting officer (Nicholas McGregor) at the NAC who's responsible for negotiating the replacement contract with CareFusion, CareFusion's new FSS offer is still with the VA OIG for pre-award review. The previous contract expired on 30 June 2017. 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 on www.gsa.gov for vendors that could perform/supply the requested repair service on Federal Supply Schedules (FSS) yielded no vendors.
- A search of the VetBiz.gov Registry website Using NAICS code 811219 with the keywords "Pyxis" yielded no vendors.
- A search of the SBA Dynamic Small Business Search tool using NAICS code 811219 with the keywords "Pyxis" yielded no vendors.
- A search of the Federal Business Opportunities website produced no relevant results for small business or other category set-asides.
- A search of FPDS yielded several government awards but none to small business concerns. FPDS search results identified one vendor (CareFusion) that could provide the service requested by the customer.
- A Google search located only one company (CareFusion) that could provide the services requested by the Saint Louis 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:

N/A

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, only CareFusion can perform the requested services.

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 _____

13. Approvals in accordance with FAR 6.304

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.

Paul A. Landry
Contract Specialist
General Services Team II

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.

Dean Harrison
Supervisory Contracting Officer
Branch Chief, General Services Team II

Date