

LIMITED SOURCES JUSTIFICATION
FAR PART 8.405-6 Order or BPA >\$150K to \$700K

Acquisition Plan Action ID: VA260-18-AP-3122 _____

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: Provide *original manufacturer's* name for material or contractor's name for service. (If a sole source manufacturer distributes via dealers, ALSO provide dealer information.)

Manufacturer/Contractor: MGC Diagnostics Corp _____
Manufacturer/Contractor POC & phone number: Adam Galloway 800.333.4137 _____
Mfgr/Contractor Address: 350 Oak Grove Parkway St. Paul, MN 55127-8599 _____
Dealer/Rep address/phone number: Adam Galloway 916.717.0202 _____
FSS Contract Number: V797P-4220B _____

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

(1) IAW FAR 8.405-6 AGENCY AND CONTRACTING ACTIVITY:

Department of Veterans Affairs _____
Portland VA Health Care System _____
Portland Warehouse _____
3710 SW US Veterans Hospital Road _____
Portland, OR 97239 _____
Network Contracting Office (NCO): 20 _____

(2) IAW FAR 8.405-6 NATURE AND/OR DESCRIPTION OF ACTION BEING APPROVED: This acquisition is conducted under the authority of the Multiple-Award Schedule Program ([41 U.S.C. 251](#) and [40 U.S.C. 501](#)).

Purchase of two new MGC Pulmonary function systems to replace aging equipment that Can no longer be effectively supported or repaired.

(3)(a) IAW FAR 8.405-6 A DESCRIPTION OF THE SUPPLIES OR SERVICES REQUIRED TO MEET THE AGENCY'S NEED:

qty 2 Platinum Elite DX Body Plethysmograph with RTD and required components and software, Quantity 2 Mobile Ultima PFX Cardio2 System PFT acquisition stations (one for each plethysmograph) and all required components and software, quantity 2 cycle ergometers, and 3 months of consumables.

(b) ESTIMATED DOLLAR VALUE: \$ _____

(c) REQUIRED DELIVERY DATE or PERFORMANCE PERIOD: Estimate: March 30 (exact date needs to be determined based on MGC manufacturing lead times and the ability of the site to cancel and reschedule patients without impacting patient flow.

(4) IDENTIFICATION OF THE JUSTIFICATION AUTHORITY AND SUPPORTING RATIONALE (SEE FAR 8.405-6(a)(1)(i)(A), (B), and (C) or 8.405-6(b)), AND IF APPLICABLE, A DEMONSTRATION OF THE PROPOSED CONTRACTOR'S UNIQUE QUALIFICATIONS TO PROVIDE THE REQUIRED SUPPLY OR SERVICE. ORDER AGAINST FSS: Authority of the Multiple Award Schedule Program, Title III of the Federal Property and Administrative Services Act of 1949 (41 USC 251, et seq.); Title 40 USC 501, Services for Executive Agencies; and Section 803 of the National Defense Authorization Act of 2002 (PL 107-107) and implemented by FAR 8.405-6. Mark the applicable exception:

(CHECK AND COMPLETE ALL THAT APPLY)

In accordance with FAR 8.405-6(a)(1)(i)(B) and FAR 8.405-6(b): Only one source is capable of providing the supplies or services required at the level of quality required because the supplies or services are unique or highly specialized:

In accordance with FAR 8.405-6(a)(1)(i)(B) and FAR 8.405-6(a)(2)(iii): Items are peculiar to one manufacturer:

A patent, copyright or proprietary data limits competition. The proprietary data is:

In accordance with FAR 8.405-6(a)(1)(i)(B) and FAR 8.405-6(b): These are "direct replacements" parts/components for existing equipment.

In accordance with FAR 8.405-6(a)(1)(i)(B) and FAR 8.405-6(b): 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.

In accordance with FAR 8.405-6(a)(1)(i)(C) and FAR 8.045-6(b)(2): In the interest of economy and efficiency, 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.

In accordance with FAR 8.405-6(a)(1)(i)(A): An urgent and compelling need exists, and following the ordering procedures would result in unacceptable delays. The system reliability has decreased to the point that server or equipment failures occur on nearly a weekly basis. This directly impacts patient care and causes patient case cancellations. Due to its age and condition, the system is at risk of catastrophic disc failure that could result in loss of patient data. This represents an urgent and compelling reason for the Portland VAMC.

(5) DESCRIBE WHY YOU BELIEVE THE ORDER REPRESENTS THE BEST VALUE CONSISTENT WITH FAR 8.404(d), FAR 8.405-1(c), FAR 8.405-1(f), FAR 8.405-6(c)(2)(v) TO AID THE CONTRACTING OFFICER IN MAKING THIS BEST VALUE DETERMINATION:

This order represents the best value for the following reasons:

1. This system will integrate seamlessly into the existing Breezesuite database, therefore negating the need for a new, additional database, additional OIT resources, and additional preparation and integration times.
2. All of VISN 20 has standardized on MGC. Currently, Portland is the only site that does not have MGC equipment. Purchase of MGC will help the overall standardization focus, as well as allow cross-site analyses and case comparisons across VISN 20.
3. MGC equipment has an excellent operational track record based on its use in the VISN. The current system (from Carefusion) has undergone so many company name changes that support has been poor. The MGC unit will allow for fewer patient case cancellations and risks due to being a more robust system.
4. MGC has incorporated designs to eliminate the risk of cross patient infection that the current system does not have in place.

(6) IN ACCORDANCE WITH FAR 8.405-6(b)(1) and FAR 8.405-6(c)(2)(ii) DESCRIBE THE MARKET RESEARCH CONDUCTED AMONG SCHEDULE HOLDERS AND THE RESULTS OR A STATEMENT OF THE REASON MARKET RESEARCH WAS NOT CONDUCTED:

Although there are numerous manufacturers of this equipment, only the MGC equipment can seamlessly integrate, without modification or additional hardware Or software, into our existing Breezesuite database and server. This is due to the fact That Breezesuite is made by MGC. This is also one of the key salient characteristics. It is essential that the PFT equipment purchased integrate into the existing database for consistency of operation, cross study comparisons, and best utilization of manpower and resources. No market research has been performed due to these reasons.

(7) IN ACCORDANCE WITH FAR 8.405-6(c)(2)(vii) ANY OTHER FACTS SUPPORTING THE JUSTIFICATION:

Given the fact that MGC also makes the Breezesuite database which is currently installed, and will be soon utilized at all the CBOCs, purchase of MGC equipment at Portland is then a logical follow on order to the overall system. This allows the Portland system to seamlessly integrate into the existing database. If an alternate vendor is utilized, an entirely new database and software will need to be set up, which is a waste of time and finances. Furthermore, there can be no comparative studies between results at the CBOCs and Portland.

(8) IN ACCORDANCE WITH FAR 8.405-6(c)(2)(viii) 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:

Please see (5) above

(9) IN ACCORDANCE WITH FAR 8.405-6(c)(2)(x) 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.

Gordon Hosoda

02-13-18

SIGNATURE

DATE

Gordon Hosoda

Chief, Biomedical Engr

FMS/Biomed

NAME

TITLE

SERVICE LINE/SECTION

648 Portland

FACILITY

(10) APPROVALS IN ACCORDANCE WITH FAR 8.405-6(d) and the VHAPM at

