

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

**Acquisition Plan Action ID:** VA257-17-AP-10267

**1. Agency:** Department of Veterans Affairs

**Contracting Activity:** Network Contracting Office 17 (NCO-17)  
6010 Amarillo Blvd., West  
Amarillo, TX 79106

**Purchase Request #:** 671-18-1-121-0041

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

NCO-17 intends to place an open market sole source procurement for the maintenance services of government owned Leica brand named laboratory equipment with Leica Microsystems Inc. The proposed action will be awarded as a new firm-fixed-price contract action. The proposed contract action will include a base period of performance and four (4) options years.

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

Equipment maintenance services, on-site at the South Texas Veterans Health Care System (STVHCS), for the following instruments:

Leica IPC Inkjet Printer; Leica IPS Inkjet Printer; Leica RM2255 Automated Microtome, Quantity: 2; Leica RM2235 Manual Microtome; Leica Autostainer XL, TS5015; Leica CV5030 Automated Glass Coverslipper; and Peloris II Tissue Processing System

Period of Performance: One Year (12 Months) + Four Options

Estimated Value: \$REDACTED\$

**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):**

Leica Microsystems offers specialized testing and repair of their patented instruments. Leica Biosystems provided the VA a "Sole Source Provider" letter. The sole source letter states that Leica and its ERD networks are the only authorized source of factory trained service engineers to service and repair Leica Biosystems Division equipment. The letter also states that if service is performed by any non-authorized provider, the instrument's warranty is voided.

Patents, copyright or proprietary data limits competition. Leica Microsystems holds proprietary access to diagnostic software and original equipment manufactured repair parts that are unavailable to third-party organizations.

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

The market research conducted for the requirement did not identify an alternative source that could perform the requested services.

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

In accordance with FAR 13.106-3(a)(2)(ii), a comparison of the proposed price with prices found reasonable on previous purchases, the Contracting Officer has determined that the prices proposed by Leica Microsystems Inc. are fair and reasonable.

Instrument	Unit Price (Month), VA25713-F-0213			Proposed Price	
IPS Inkjet Printer	\$253.88	OYII \$273.37	OYIV \$286.87	Base \$295.48	OYIV \$332.58
IPC Inkjet Printer	\$253.88	\$273.37	\$286.87	\$295.48	\$332.58
RM 2255 - C1	\$161.25	\$172.87	\$181.50	\$181.50	\$204.27
RM 2235 - C4	\$121.88	\$125.25	\$131.25	\$131.25	\$147.70
RM 2255 - C1	\$161.25	\$172.87	\$181.50	\$181.50	\$204.27
AXL TS5015	\$222.75	\$237.37	\$249.00	\$256.47	\$288.66
CV5030	\$368.63	\$396.75	\$370.50	\$381.61	\$429.50
PELORIS II	N/A	N/A	\$1,284.00	\$1,284.00	\$1,445.16

A review of the pricing noted that an annual increase occurs for most equipment items. An increase can be expected due to the aging equipment and anticipated higher repair/maintenance costs.

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

Market research did not identify another vendor that offers the requested Leica equipment maintenance services. A search of the Procurement List of Services of the mandatory source for services, Ability One, identified that they do not offer the requested services. A search of GSA Advantage revealed that Leica Microsystems offers equipment on their VA National Acquisition Center (NAC) Federal Supply Schedule (FSS); however, they do not offer services for the equipment through the FSS. A search of GSA Advantage through services did not identify another vendor that offers the requested equipment maintenance services. A search of the Office of Small & Disadvantaged Business Utilization's (OSDBU) Vendor Information Pages (VIP) did not identify a Service-Disabled Veteran-Owned Small Business, or Veteran-Owned Small Business that offers the requested maintenance services. A search using the Small Business Administration's (SBA) Dynamic

Small Business Search (DBSB) did not identify a vendor that offers the requested maintenance services. An internet search did not identify an alternate vendor that offers the requested services.

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

The equipment for the requested services is government owned. The purchase of another equipment brand to fulfill the laboratory needs, for any potential savings on equipment service costs, would be cost prohibitive.

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

None

**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:**

The STVHCS pathology laboratory will conduct market research on future requirements to determine if changes have taken places in the marketplace.

**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.

//Signed// \_\_\_\_\_

Signature

REDACTED

Acting Laboratory Manager, Pathology and Laboratory Medicine Service  
South Texas Veterans Health Care System

01/08/2018 \_\_\_\_\_

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.

//Signed// \_\_\_\_\_

REDACTED

Contracting Officer

Network Contracting Office 17

01/26/2018 \_\_\_\_\_

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.

//Signed//

REDACTED

Chief, Division I

Network Contracting Office 17, SAO-W

02/12/2018

Date