

**LIMITED SOURCES JUSTIFICATION**

**ORDER >\$150,000**

**FAR PART 8.405-6**

**Acquisition Plan Action ID:VA263-17-AP-11385**

- 1. Contracting Activity:** Department of Veterans Affairs, VISN 23, Black Hills Health Care System (VA BHHCS) has a requirement for a firm fixed priced contract to provide maintenance, both preventative and systems repairs on the fire alarm system at the Ft. Meade location. National Contracting Office (NCO) 23 intends to award a five-year contract, one base year and four option years, for this requirement. Funding is available for the base year under 2237 #568-18-2-9006-0005
- 2. Description of Action:** This acquisition is conducted under the authority of the Multiple-Award Schedule Program (41 U.S.C. 251 and 40 U.S.C. 501). *Describe the action being reviewed and approved and state whether the action will be awarded as New Requirement Follow-on Order Mod to Existing Order Number (insert task/deliver order number)*  
Order against:  FSS Contract Number: GS-06F-0054N

Simplex Grinnel

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Fargo, ND 58103-8733

701-237-6712

The estimated value of the proposed action is \$ 249,526.00

Equipment included under this maintenance contract is the hospital Simplex 2100 & 4100 Series fire control system campus wide, this includes the monitor and printer at the VA fire station system. Buildings are; 40, 46, 48, 50, 53, 55, 65, 72E, 85, 87, 88, 89, 90, 91, 96, 109, 110, 113, 120, 137, 144, 145, 146, 147, 148, T-171, T-296, and CWT houses located in Sturgis and Rapid City. Contractor shall provide semi-annual preventive maintenance service. Contractor shall conduct device testing for Smoke Detector, record Smoke Detector Sensitivity as listed via FACP, rate of rise heat detector, Duct Detector, HVAC shut down, Elevator Shunt trip/Recall, per NFPA requirements. Contractor shall provide emergency service upon the request of the VA. Contractor shall provide all labor, materials, panel pc boards, peripheral devices connected to FACP, and equipment necessary to correct any equipment malfunctions and return equipment to operational condition. Contractor shall guarantee after completion of any emergency service calls the equipment shall meet manufacturer's factory tolerance. Contractor shall perform emergency service coverage twenty-four (24) hours per day, seven (7) day a week including holidays. Contractor shall respond to emergency call via telephone within four (4) hours of notifications by VA personnel and be onsite, if needed, within twenty- four (24) hours of notification.

Equipment shall be functional within twenty-four (24) hours after inspection. Contractor shall provide the proper procedures for an emergency service to be handled, including the service representatives name, address and phone numbers. After each emergency service call the contractor will submit a document indicating in detail the work that was preformed, listing out each part that was installed or replaced.

**(4) IDENTIFY THE AUTHORITY AND SUPPORTING RATIONALE (see 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.**

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

Only one source can provide the supplies or services required at the level of quality required because the supplies or services are unique or highly specialized.

The fire control system being supported by this maintenance contract is a major system that controls the fire system and receives environmental controls such as refrigerator temps in the pharmacy and lab. If the temps get to cold/warm it lets us know and we respond, thousands of dollars at stake if loss of drugs or blood. The system is vital to the safety of the employees and the patients they serve.

The system is proprietary to Simplex Grinnell and no other company has access to the programming that controls the system. To get another vendor for this effort the whole system would have to be replaced at an estimated cost of \$1.8M. The process to install the system took 19 months after contract award in 2004. The time it would take to develop a solicitation, award the contract, and install the new system would cause unacceptable delays and put the lives of VA BHHCS employees and patients at risk. Accordingly, Simplex Grinnell is the only firm capable of providing the supplies and services described in Section II above without VA BHHCS experiencing substantial duplication of cost that could not be expected to be recovered through competition and unacceptable delays in fulfilling its requirements.

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.

Items peculiar to one manufacturer:

A patent, copyright or proprietary data limits competition. The data is proprietary to Simplex Grinnell and no other company has access to the programming that controls the system.

These are “direct replacements” parts/components for existing equipment.

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.

**(5) DESCRIBE WHY YOU BELIEVE THE ORDER REPRESENTS THE BEST VALUE CONSISTENT WITH FAR 8.404(d) TO AID THE CONTRACTING OFFICER IN MAKING THIS BEST VALUE DETERMINATION:**

Prices will be determined fair and reasonable based on an analysis of historical prices paid, current GSA price schedule, and a comparison of the IGCE. The initial fire alarm system was competed. It will again be competed at the end of its useful life.

**(6) DESCRIBE THE MARKET RESEARCH CONDUCTED AMONG SCHEDULE HOLDERS AND THE RESULTS OR A STATEMENT OF THE REASON MARKET RESEARCH WAS NOT CONDUCTED:**

In order to determine if there are SDVOSB/VOSB vendors capable of providing the service, complete, a query of Vendor Information Pages (VIP) was conducted. The results of the VIP included 1 SDVOSB vendor who was contacted and a capability statement was provided. A source sought notice was published to FBO on 12/8/17. The results of the sources sought notice provided 2 interested SDVOSB vendors, one of them being the vendor identified within the VIP search. Based on the information provided from the capability statements and Q&A of proper certifications and data software rights, it was determined the SDVOSB vendors would have to subcontract most of the requirement to Simplex Grinnell. Based on this information there would be excessive pass-through charges and this is not in the best interest of the government.

**(7) ANY OTHER FACTS SUPPORTING THE JUSTIFICATION:**

The fire control system is proprietary to Simplex Grinnell; the Government lacks the required rights to the programming so to develop a Full and Open competitive procurement for this effort. Except for replacing the entire system, which will be competed if the system becomes obsolete, developing a full and open competitive approach for this effort is impracticable.

**(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:**

No actions will be taken to promote competition for this effort. The cost of replacement of the system prior to its useful life is not in the best interest of the Government. This system is expected to be a viable system within the VA BHHCS throughout the five-year duration of this contract.

**(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.

Shane Galles  
Contract Specialist  
NCO 23 Contracting Office

**(10) APPROVALS IN ACCORDANCE WITH THE VHAPM Part 806.3 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.

Jonathan L. Allen  
Contracting Officer  
NCO 23 Contracting Office