

LIMITED SOURCES JUSTIFICATION

ORDER >\$150,000

FAR PART 8.405-6

Acquisition Plan Action ID: VA242-18-AP-1280

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: OLYMPUS AMERICA, INC.
John G. Freeh, 484.896.5414
3500 Corporate Parkway,
Center Valley, PA 18034-0610

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

(1) AGENCY AND CONTRACTING ACTIVITY: Department of Veterans Affairs
New York Harbor Healthcare System
New York Campus
423 E. 23rd Street,
New York, NY 10050

VISN: 02

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

This is a request for approval of purchasing various Olympus scopes on a delivery order under VA NAC contract V797P-2065D, to be used at the New York VA Medical Center. This procurement will be conducted in accordance with FAR Part 8.4. The purpose of the equipment purchase is to reduce service costs and improve equipment turn-around time and reliability. This will be a firm-fixed price delivery order contract from contract V797P-2065D.

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

The New York VA Medical Center requires that the Contractor shall provide to the Government Olympus scopes and related equipment. Some items are not available from the NAC contract and are priced on the open market; see other justification using statutory exception FAR 6.302-1 – Only one responsible source and no other supplies or services will satisfy agency requirements. The purpose of the equipment purchase is to reduce service costs and improve equipment turn-around time and reliability. This will be a firm-fixed price delivery order contract from contract V797P-2065D. FSS items for this NAC delivery order are as follows:

Model BF-1T180	Evis Exera II video bronchoscope	2	Each
Model BF-MP160F	Evis Exera slim hybrid video bronchoscope	2	Each
Model MAJ-1430	Videoscope cable for Evis Exera II	2	Each
Model GIF-XP180N	Evis Exera II Ultra-Slim Video Gastroscope	1	Each
Model MAJ-1912	SDI Cable 8.5M	2	Each
Model MAJ-1918	Remote Cable Peripheral Device 1.8M	2	Each
Model MAJ-1916	CV Interface Coverat. Device	2	Each
Model MAJ-1626	EUS arm mount kit for WM-WP1 and WM-NP1	1	Each

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Model UM-S20-17S	Ultrasound probe	1	Each
Model MAJ-683	Articulating Probe Support Arm	1	Each
Model EU-ME1	Endoscopic Ultrasound Univ. Processor	1	Each
Model MAJ-1720	Probe Driving Unit for Ultrasound Mini Probes	1	Each
Model 00121	Flexible Foreign-Body Forceps	5	Each
Model 00123	Flexible Biopsy Forceps	5	Each
Model 00242	Adapter for Toomey Square	6	Each
Model 03664	Adapter for Ellik Evacua Tor	11	Each
Model 75U	Universal Stopcock, Luer Lock	8	Each
Model A00001A	Valve 5.5mm Channel 10 pcs	2	Each
Model A20712A	Biopsy Forceps, Spoon Type	5	Each
Model A20913A	Cystourethroscope Sheath	5	Each
Model A20914A	Cystourethroscope Sheath	5	Each
Model A20976A	Cystourethroscope Bridge Single Channel	5	Each
Model A20977A	Cystourethroscope Bridge Double Channel	5	Each
Model A22001A	OES ProTelescope, 12 deg, 4mm	5	Each
Model A22003A	OES ProTelescope, 70 deg, 4mm	5	Each
Model A22026A	Outer Sheath 26FR 2 Stopcocks Rotatable	5	Each
Model A22040T	Inner Sheath 24 FR	5	Each
Model A22051A	Irrigation Port 1 Stopcock Rotatable	8	Each
Model A22071A	Obturator Optical	5	Each
Model A22093A	Bridge for 70 Deg Telescope and Resectoscope	1	Each
Model A3342	Attachment, with auto valve	2	Each
Model A4558	Sealing cap, green, for 3.5mm trocar tube	2	Each
Model A5976	Tray insert, urology, pre-molded	12	Each
Model CLV-S190	Visera Elite Xenon Light Source	5	Each
Model CYF-VHR	HD Flexible Cystonephro vs Reverse Deflection	21	Each
Model OEP-5	HD Olympus Printer	3	Each
Model OTV-S190	Visera Elite Video System	3	Each
Model URF-V	EndoEye Flexible Uretero-reno Videoscope	3	Each
Model WA00013A	HF Cable UES 40 to Turis	1	Each
Model WA05970A	Instrument tray with lid and silicone mat	14	Each
Model WA20021A	Telescope, 4mm, 12, Long	1	Each
Model WA20023A	Telescope, 4mm, 70, Long	1	Each
Model WA22016A	Obturator, Optical	1	Each
Model WA22017T	Inner Sheath, Long w/deflect tip	1	Each
Model WA22018A	Pro 27FR Outer Sheath Tumr-Long	1	Each
Model WA22019A	Outer Sheet, 27FR, Long Rotatable	1	Each
Model WA22067A	Working Element, Passive	6	Each
Model WA22367A	Passive Working Elements for Turis	11	Each
Model WA22810A	Outer Sheath 22.5 FR CF Cystoscope	1	Each
Model WA22830A	Optical Obturator for WA22810A CF Cystoscope	1	Each
Model WA22850A	Working insert w/8FR Channel	1	Each
Model WA22870A	Adapter, Greenlight laser probe to WA228xxA	1	Each
Model WA22880A	Sealing Cap for WA22870A 5 PCS	1	Each
Model WA33036A	OP-telescope, 30d, 4mm channel	2	Each
Model WA33037A	Outer sheath, 25Fr., continuous flow, rotate	1	Each
Model WA63810A	Grasping forceps, toothed, w/lumen 3.25 x 400mm	2	Each

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Model WA63813A	Grasping forceps, w/lumen, 3.2mm	2	Each
Model WA63815A	Grasping forceps, toothed, 3.25mm	2	Each
Model WA63819A	Grasping forceps, 3-nail, 3.25mm	2	Each
Model WA91502A	Light Source "Endo LED" for Flexible Endoscopes	3	Each
Model GIF-H180J	Evis Exera II High-Definition	1	Each
Model GF-UE160-AL5	360 degree Radial Array Video Gastroscope	1	Each
Model CF-HQ190L	Evis Exera III HD Colonoscope Dual Focus	3	Each
Model MAJ-1921	Visera Elite Keyboard	2	Each
Model MAJ-854	Remote Cable, SVR/Printer, CV-160	2	Each
Model ENF-GP	Portable, Flexible Rhinolaryngoscope	15	Each
Model ENF-VQ	Flexible Video Rhinolaryngoscope w/Full Screen	15	Each
Model CLK-4	Simplified Light Source (150-watt Halogen)	3	Each

(b) ESTIMATED DOLLAR VALUE: \$699,270.86 (including \$74,071.86 for Open Market Items)

(c) REQUIRED DELIVERY DATE: March 7, 2018

(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.).

Olympus America, Inc. has been the sole provider since January 2016, providing these items under lease with maintenance services and repairs. Olympus America, Inc. is the only company that can provide all the necessary OEM parts and perform all the necessary returns and repairs for the Olympus America, Inc. surgical equipment described above due to VHA Handbook 1761.1 – Standardization of Supplies and Equipment Procedures. It is VHA policy to standardize to the maximum extent possible the types and categories of supplies and equipment VHA purchases, consistent with patient care and practitioner needs. Standardization is expected to facilitate best-value product pricing through volume purchasing and facilitate the delivery of high-quality health care. The requesting service has standardized with Olympus America, Inc. since 2012. Purchasing universal alternatives would cause issues with standardization, which could lead to significant patient risk.

A patent, copyright or proprietary data limits competition.

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

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.

Past procurement history indicates that this procurement was supported by successive delivery orders under BPA VA243-BP-0151, which also cited the role that standardization played in creating this BPA with Olympus America, Inc.

(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:

Per FAR 8.404(d), GSA has already determined the prices of supplies under schedule contracts to be fair and reasonable. Therefore, ordering activities are not required to make a separate determination of fair and reasonable pricing. Additional discounts will be sought before placing an order per FAR 8.405-4.

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

Olympus America, Inc. has been the sole provider since January 2016, providing these items under lease with maintenance services and repairs. Due to the proprietary nature, Olympus America, Inc. is the only company than can access its systems remotely and offer certified parts that meet the original equipment manufacturer's specifications. Olympus America, Inc. technicians have been the only OEM trained and certified personnel authorized to perform work on this equipment. However, GSA Advantage/e-buy, VetBiz, Ability One and the VA NAC MedSurg Catalog were used to determine if there were any other sources of providing service maintenance agreements on the Philips equipment.

(7) ANY OTHER FACTS SUPPORTING THE JUSTIFICATION:

Some of the equipment items to purchase are open market items; see other justification using statutory exception FAR 6.302-1 – Only one responsible source and no other supplies or services will satisfy agency requirements.

(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:

In situations involving medical equipment, it is difficult to remove barriers to competition because the OEM is the only qualified company capable to provide the repair and maintenance of its own medical equipment. This is especially true where proprietary software, specific diagnostics tools, and specialized electronics are used to maintain the equipment in accordance with OEM specifications and VA facilities practice standardization. Unless the manufacturer chooses to license its software and authorize local service providers to maintain the Olympus equipment, the only alternative would be to replace the existing Olympus America, Inc. equipment with a more generic brand. At this time, New York VAMC is satisfied with the quality and operation of the installed equipment, its maintenance and repair. New York VAMC currently does not have the sufficient budget to replace the Olympics equipment. Considerations for new equipment will be made when the existing equipment reaches the end of its life cycle span.

(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.



GARTH H. BALLANTYNE
Chief of Surgery
New York Harbor Healthcare System

November 14, 2017

Date

(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.

BRAD MILLS

Contracting Officer
NCO 2 Hudson Valley Healthcare System – FDR Campus

Date

b. One Level Above the Contracting Officer (Required over\$150K but not exceeding \$700K): I certify that the foregoing justification is accurate and complete to the best of my knowledge and belief.

LAWRENCE UNGER

Services Branch Chief, Team 2
Network Contracting Office (NCO 2)

Date

No other signatures are required.