

DEPARTMENT OF VETERANS AFFAIRS

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

Acquisition Plan Action ID: VA249-18-AP-2066

1. **Contracting Activity:** Department of Veterans Affairs, VISN 09, Robley Rex VA Medical Center (Louisville, Kentucky), Network Contracting Office (NCO) 9. Purchase Requisition [REDACTED]
2. **Nature and/or Description of the Action Being Processed:**
Design, prepare the existing site and install a new GE Uroview® FD Urology System in accordance with the manufacturer's specifications, site planning guide and the Department of Veterans Affairs Design and Construction guidelines as provided in the Technical Information Library (TIL) available for download at <https://www.cfm.va.gov/til/spec.asp>. The GE Uroview® FD Urology system is one of many proprietary specialized medical imaging systems manufactured by General Electric (GE) and distributed through GE Healthcare division.

This procurement requires the contractor to possess the specialized knowledge to design, prepare the site, provide the necessary utility systems, install the equipment through coordination with the equipment manufacturer, as well as with the various construction trades, concluding with the commissioning by a Physics upon completion of the equipment installation. Design/Build projects involving High Technical High Cost (HTHC) medical equipment are specialized construction services, as the construction contractor is required to have the knowledge about the utility requirements related to installation, the structural steel required to support the equipment, the shielding requirements (where the contractor has consulted with a Physics), power supply and certain other items that are specific only to HTHC medical equipment. In addition, the Preferred Vendor intentionally coordinates each phase of the Design/Build work with a specialist specific to that equipment manufacturer.

Recent changes that occurred in FY17 with the Department of Veterans Affairs-National Acquisition Center (NAC) turnkey program placed restriction limits on the amount of construction associated with equipment installation projects. Construction costs associated with turnkey projects now require that those costs cannot exceed thirty percent (30%) of the equipment purchase.

Historical and current information show High Technical High Cost equipment manufacturers use a "Preferred Vendors" list to provide design/build services. These "Preferred Vendors" have been skilled through training regimens from the manufacturer that span more than 100 classes, as well as hand-on guidance, where the manufacturer performs side by side project management. As a result, to warranty the equipment installation the manufacturers require installation by preferred vendors.

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An attachment provided with this JOFOC that further support the findings is an email from [REDACTED] with GE Healthcare, (Ohio Valley Region) indicating a listing of the Preferred Vendors used by GE. The preferred vendor list includes:

[REDACTED]
[REDACTED] on
[REDACTED]

[REDACTED] Inc. and [REDACTED] are both large businesses that do not have an active SAM registration. [REDACTED] is a small business with an active SAM registration. This company has successfully performed similar work in the past at the Robley Rex VA Medical Center. [REDACTED] is a small business that has demonstrated the capability to successfully perform.

[REDACTED] Inc. is a Service Disabled Veteran Owned Small Business concern, who is also a GE Preferred Vendor. In accordance with Federal Acquisition Regulation (FAR) 6.302-5 "Full and open competition need not be provided for when (i) a statute expressly authorizes or requires...", therefore, pursuant to the Veterans and Benefits Act of 2003 (15U.S.C. 657(f), the proposed contract action is authorized by statute, as the CO is pursuing a sole source award to a Service Disabled Veteran Owned Small Business (SDVOSB) concern.

3. Description of Supplies/Services Required to Meet the Agency's Needs: The project involves the design, site preparation and installation of highly specialized medical equipment in the former Cystoscopy Suite room C415, to support the GE/OEC Uroview FD system at the Robley Rex VA Medical Center. Work shall be in accordance with the Department of Veterans Affairs Design and Construction guidelines as provided for in the Technical Information Library (TIL) to include all disciplines necessary for the completion of the project. The TIL is available for download at <https://www.cfm.va.gov/til/spec.asp> ; work shall also conform to the latest Department of Veterans Affairs guidelines for this space, as well as the specifications stated by General Electric (GE) Healthcare (the equipment manufacturer). The new design shall conform to current VA standards. Design includes the preparation of complete drawings in AutoCAD 2012 or other format upon agreement with the VA. The Independent Government Cost Estimate (IGCE) for this project is \$[REDACTED].

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

- (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;

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5. **Demonstration that the Contractor's Unique Qualifications or Nature of the Acquisition Requires the Use of the Authority Cited Above (applicability of authority)**

[REDACTED] Contracting Services, Inc. (CS) is fully capable and uniquely qualified to perform the requirements of this procurement action as they have successfully performed similar work in scope and magnitude at other VA Medical Centers, as well as in both private and public hospitals/medical centers within the United States. [REDACTED] Service, Inc. has work directly with hospitals, imaging and cancer treatment practices, equipment vendors (such as Philips, Siemens, GE Healthcare, etc.) and healthcare management service providers to fulfill requirements for specialized medical equipment. They have completed over 146 imaging projects, finding solutions to some of the most challenging situations. They are experienced contractors in the design and construction of MRI, CT, PET, PET/CT, Catherization Labs, X-rays, Nuclear Medicine equipment and requirements. [REDACTED] is a Preferred Vendor for Siemens, Philips, and GE Healthcare to design and prepare sites for the installation of the GE Uroview® FD Urology system. In accordance with FAR 6.302-5, proposed contract actions under this authority is authorized by statute, as the anticipated contractor is a verified SDVOSB concern.

[REDACTED] is a verified Service Disabled Veteran Owned Small Business concern, who is also on the list of GE Preferred Vendors for High Technical High Cost equipment installation. The company is a verified SDVOSB with an active registration good through October 17, 2020. The company also has an active registration in the System for Award Management (SAM) which is good through January 22, 2019. The company has performed a myriad of specialized equipment installation such as MRI, Cath Lab, Nuclear Medicine Labs, CT's, PET/CT systems, Mobile MRI's, Angio Suites demonstrating the ability to successfully perform. The company provided references from multiple VA medical centers, as well as public and private hospitals/medical facilities. [REDACTED] is a preferred equipment installer for General Electric (GE) and Philips Medical Systems. The CO has determined [REDACTED] to be a qualified contractor, capable of meeting the requirements for Project 603-17-803.

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

On January 29, 2018, a Request For Information (RFI) was published on the government wide point of entry for procurement actions-Federal Business Opportunities (FBO) website. The announcement is being published for twenty (20) days seeking information on qualified firms that have the specific capability of relocating, installing and providing site preparation for high dollar medical equipment by manufacturers such as Siemens, Philips, GE Healthcare, Toshiba Medical Systems, Varian Medical Systems and other similar manufacturers of highly specialized medical equipment. The screening process used in determining capability is a demonstration by the Offeror of performance of the type of work identified in the synopsis, three or more times within the past five years. Over the past two (2) months the CO has posted multiple notices seeking qualified firms, with little to no response from firms demonstrating a capability to perform.

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

The Contracting Officer anticipates that the overall cost to the Government will be Fair and Reasonable. The steps to ensure fair and reasonable pricing will be a comparison of past pricing of similar work in scope and magnitude at the medical center. In addition, the proposed price will be analyzed against the Independent Government Cost Estimate (IGCE).

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the preferred vendor list. No further actions are planned by the Contracting Officer, as many of the action plans requires an active role on part of the SDVOSB or VOSB vendor.

- 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.

MICHAEL A. DAY 294473 Digitally signed by
MICHAEL A. DAY 294473
Date: 2018.02.12 15:46:34
-05'00'

Michael Day
Chief, Bio-Medical Engineering
Robley Rex VA Medical Center

Date

13. Approvals in accordance with the VHAPM, Volume 6, Chapter VI: 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.

Roxie A. Keese 299082 Digitally signed by Roxie A.
Keese 299082
Date: 2018.02.12 15:49:06
-05'00'

Roxie Ann Keese
Contracting Officer
NCO 9/Robley Rex VA Medical Center

Date

- b. **Director of Contracting /Designee (Required over\$150K but not exceeding \$300K):** I certify the justification meets requirements for other than full and open competition.

Douglas Crowley 446500 Digitally signed by Douglas Crowley 446500
Date: 2018.02.12 16:24:59 -06'00'

Douglas Crowley
Branch Chief-Construction (West)
Network Contracting Office (NCO) 9

Date