

DEPARTMENT OF VETERANS AFFAIRS

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

Acquisition Plan Action ID: VA246-18-AP-7963

1. Contracting Activity: Department of Veterans Affairs, VISN 6, and Network Contracting Office (NCO) 6, Veteran Affairs.

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

The purpose of this justification is to request sole source approval for a contract with the incumbent contractor/manufacturer. Veteran Healthcare Supply Solution for Durham VA Medical Center, 508 Fulton Street, Durham, NC 27701-3897. The proposed contracting action is for a firm fixed price contract, not to exceed approximately twelve months from award date or specifically April 6, 2018. To meet a continuous need for Custom Sterile Surgical Packs for VA Medical Center, Durham, North Carolina, until such time as a new contract can be executed.

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

Durham VAMC has a repetitive requirement for custom surgical packs to be utilized within the operating room. Custom Sterile Surgical Packs are made up of individually selected components, specific to the facility where they are used. The packs are assembled by a manufacturer, sterilized, and shipped to the VAMC, Durham, NC. These packs are required regularly, and as such, the estimated value of this requirement is \$748,086.65.

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;

FAR13.5 Simplified Procedures for Certain Commercial Items: "This procurement is for Custom Packs in accordance with FAR 13.5 Simplified Procedures for Certain Commercial Items and specifically FAR 13.501 Special Documentation Requirements, where acquisitions conducted under Simplified Acquisition Procedures are exempt from the requirement of FAR Part 6, but still require a justification using the format of FAR 6.302-1."

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

Due to the time required to adjust to a different manufacturer, there are several compelling reasons to sole source this short term IDIQ to VHHS until a new contract can be awarded. Changing pack manufacturers, components, or distributors initially takes approximately two to three months to allow the new contractor lead time to stock all required components. VHSS is the only known vendor which has the specialized products readily available at this time that meets VAMC Durham's requirement for very specific precision surgical procedures, including angiography, arthroscopy, podiatry, craniotomy and neuro-spinal surgery.

Inventory space concerns at VAMC Durham along with current VA inventory metrics do not allow for the overstocking of surgical packs. The process from order receipt to the VAMC delivery is approximately 2-3 weeks.

Failure to establish this contract would require processing individual orders for custom packs, unduly increasing the administrative burden and the associate costs. Additionally, delays inherent in preparing individual orders would increase the assembly lead-time required by Cardinal Health (2-3 weeks) to prepare the custom packs, which may also increase the likelihood of procedure delays or cancellations by VAMC Durham's surgical unit.

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

To maintain patient services at VAMC Durham, competition among more than one source is deemed impracticable at this time due to the assembly lead-in time requirement noted in paragraph five. This justification relates solely to the need of ensuring a contractual vehicle is in place pending the execution of a long-term solution.

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

Pricing for the custom packs is considered fair and reasonable based on published pricing of individual components and on historical procurements.

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

Market research indicates providers other than Cardinal Health may reasonably be able to meet the requirement. However, for the reasons stated above, undue delays incurred by the competitive process are not allowable at this time, as there are no gains to be realized by competition that would offset the potentially serious consequences of not having product readily available for routine and/or emergency surgical procedures at VAMC Durham. It is anticipated the upcoming facility requirement for custom surgical packs will be solicited using Full and Open Competition

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

Due to the discrepancies (held up) of national BPA contract for packs and the extended time to custom these packs, Durham VAMC is requesting a contract. In April 2018, NAC discontinued the Custom Surgical Packs program. VAMC has had a series of 8-10 contracts, but has not acquired a long term IDIQ contract. This sole source, contract request will allow uninterrupted receipt of custom surgical packs to VAMC Durham while a long term solution can be prepared and implemented.

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 period performance will not exceed the time necessary for the agency to enter into another contract for the required goods through the use of competitive procedures, specifically not to exceed April 5, 2019. Competition will be sought to the fullest extent practicable for the follow-on contract.

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.

Clarence H.
Lea 429197

Digitally signed by Clarence
H. Lea 429197
Date: 2018.04.04 07:27:01
-04'00'

Name: Clarence H. Lea

Date

Title: Acquisition and Utilization Specialist

Facility: Durham VAHCS

13. Approvals in accordance with the VHAPM Part 806.3 OFOC SOP: *This part if filled out by Contracting Staff as part of the Justification*

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.

JAMES W. BROWN 539158

Digitally signed by JAMES W. BROWN 539158
Date: 2018.04.03 17:37:43 -04'00'

James W. Brown

Date

Contract Specialist

Network Contracting Office (NCO) 6

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.

John Kopp 169202

Digitally signed by John Kopp 169202
Date: 2018.04.04 11:05:04 -04'00'

Name John Kopp

Date

Division Chief,

Network Contracting Office (NCO) 6

c. VHA SAO HCA Review and Approval: I have reviewed the foregoing justification and find it to be complete and accurate to the best of my knowledge and belief and recommend approval (if over \$68 million) or approve (\$700K to \$68 million) for other than full and open competition.

Maletta, Joseph

Digitally signed by Maletta,
Joseph
Date: 2018.04.04 14:47:32 -04'00'

Name: Joseph P. Maletta

Date

VHA Head of Contracting Activity (HCA)