

DEPARTMENT OF VETERANS AFFAIRS
Sole Source Justification and Approval (J&A)
For
DAT EQ026 – Speech Pathology Carts

Acquisition Plan Action ID: [REDACTED]
2237: [REDACTED]

1.

Contracting Activity:

Department of Veterans Affairs
Network Contracting Office 19 (NCO19)
6162 S Willow Dr. Suite 300
Greenwood Village, CO 80111

Organizational Activity:

Department of Veterans Affairs
Rocky Mountain Regional VA Medical Center
1700 N. Wheeling Street
Aurora, CO 80045

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

The proposed action is to justify NCO19 conducting an open market, sole source procurement to Alliant Enterprises, LLC for the acquisition of Olympus Speech Pathology Carts for the Rocky Mountain Regional VA Medical Center on 1700 N. Wheeling Street, Aurora, Colorado 80045.

FAR13.5 Simplified Procedures for Certain Commercial Items: The intended procurement is for a new firm-fixed-priced order of two (2) each (EA) Olympus (brand name manufacturer) Speech Pathology Carts (surgical cart, LCD monitor, Rhino-Laryngo Video scope, video and image capturing system, light source, and software), in accordance with FAR 13.5 Simplified Procedures for Certain Commercial Items and specifically FAR 13.501 Special Documentation Requirements (including brand name), where acquisitions conducted under Simplified Acquisition Procedures are exempt from the requirements of FAR Part 6, but still require a justification using the format of FAR 6.303-2.

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

- Brand Name: Olympus - Surgical Cart with power strip (TC-C2-PS) - 2ea**
- Brand Name: Olympus - Widescreen Medical LCD Monitor (LMD-2110MD/OL) - 2ea**
- Brand Name: Olympus - Rhino-Laryngo Video scope (ENF-VH) - 2ea**
- Brand Name: Olympus - LCD Mount Adapter Plate Kit (MAJ-197) - 2ea**
- Brand Name: Olympus - NStream GS Single HD-SDI (IS40950) - 2ea**
- Brand Name: Olympus - Soft Key control kit (IS40840) - 2ea**
- Brand Name: Olympus - DVR Foot Switch (IS40020) - 2ea**
- Brand Name: Olympus - Remote cable (MAJ-854) - 2ea**
- Brand Name: Olympus - Video System (OTV-S190) - 2ea**
- Brand Name: Olympus - Light Source (CLV-S190) - 2ea**
- Brand Name: Olympus - Back Panel Kit for TC-C 2/TC-G2 (MAJ-90) - 2ea**

ESTIMATED DOLLAR VALUE: [REDACTED]

REQUIRED DELIVERY DATE: Within 60 days after receipt of order (ARO)

TC-C2-PS: Surgical cart with power strip: Small, compact workstation for use in the surgical and/or outpatient environments.

LMD-2110MD/OL: 21.5-inch Full HD 2D LCD medical monitor

ENF-VH: Flexible video HD rhino- laryngoscope that delivers high definition images to the care provider. Scope qualities include full screen HD image, wide angle, exceptional illumination field and pre-freeze function. NBI (narrow band imaging) capabilities enhancing visibility of vessels and other tissue on the mucosal surface.

MAJ-197: Monitor mount kit designed to mount a flat screen LCD monitor onto TC-C2 trolley
Monitor size: 600W x 410H x 100D mm.

IS40950: NStream GX provides secure centralized storage of images and video. Images are high resolution and M-PEG videos are recorded in high definition. After the procedure, data can be stored locally, exported for use in a presentation, or submitted to PACS or a centralized Vault stream server for use as a diagnostic aid, for consultation or historical analysis.

IS40020: DV-R Foot switch for NStream GX. Allows user to easily capture images and videos with foot while holding procedure rhino laryngoscope during procedures with 12ft cable.

IS40840: Soft Key control kit.

MAJ-854: remote cable that allows for rhino laryngoscope switches to record images and videos to the NStream GX.

OTV-S190: VISERA ELITE HDTV Video Processor w/high-resolution HDTV imaging capability provides the optimal image for a wide range of surgical procedures with both rigid and flexible endoscopes.

CLV-S190: VISERA ELITE 300W Xenon Light Source w/high-resolution HDTV imaging capability provides the optimal image for a wide range of surgical procedures with both rigid and flexible endoscopes.

MAJ-90: Rear panel kit designed for use on the TC series workstations.

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
- (X) (5) Authorized or Required by Statute FAR 6.302-5; VAAR 819.7007
- () (6) National Security per FAR 6.302-6;
- () (7) Public Interest per FAR 6.302-7;

FAR13.5 Simplified Procedures for Certain Commercial Items: The authority for applying the Simplified Procedures for Commercial Items of FAR 13.5 is 41 U.S.C. 1901 and is implemented by for restricting competition on this procurement via FAR 13.106-1(b)(2).

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

On September 1st, 2016 the Network Contracting Office 19 (NCO19) established a 60-month lease of fifty (50) Olympus HD Laryngoscopes, four (4) VISERA Elite Video Systems with Xenon Light Sources, four (4) Therapeutic Rhino-Laryngo Video Scopes, and a monthly service agreement [REDACTED]

[REDACTED] The impending procurement of the equipment described in Section 3 is designed to be compatible for use with the existing scopes being leased on the existing order. The leased scopes by Olympus equipment are interchangeable with the pathology cart and if another manufactured product is sought for this procurement, the scopes on the current lease will not be compatible. The equipment in this requirement is being purchased versus leased, therefore the current order will not be utilized but to remain consistent with equipment currently being used, the Government has determined that the purchase of the Olympus equipment described in section 4 in the best interest of the VA patients and the Government.

In accordance with VAAR 819.7007, the market research in Section 8 of this document outlines and only one (1) verified service disabled veteran-owned small business, Alliant Enterprises, LLC, capable of providing the Olympus equipment to the Government. In the estimation of the contracting officer, contract award can be made at a fair and reasonable price that offers best value to the Government and the total contract price will not exceed \$5 million. Alliant Enterprises, LLC is determined to be a responsible contractor with respect to performance of such contract an opportunity and the contracting office does not have a reasonable expectation that two (2) or more small business concerns owned and controlled by service-disabled veterans will submit offers for the contracting opportunity.

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

Market research was also conducted by the Network Contracting Office, details of which are in the market research section of this document. This effort did not yield any additional sources (manufactured brands) that can meet the Government's requirements. Competition is not anticipated for this acquisition. In accordance with FAR 6.305(a) and 13.501, this award action will be synopsisized under a Notice of Intent to Sole Source on the Federal Business Opportunities Page and the justification will be made publicly available on the Governmentwide point of entry.

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

The final contract price will be fair and reasonable by a comparison of published pricing from the brand name manufacturer and the pricing determined fair and reasonable on the Olympus FSS Contract. Additional market research will be utilized to compare the prices offered to those previously found fair and reasonable for the procurement of the same or similar systems purchased by Department of Veterans Affairs Network Contracting Offices in accordance with FAR 13.106-3(a).

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

Clinical subject matter experts were an integral part in the market research of the specialized speech pathology system needed for the new Rocky Mountain Regional VA Medical. It was determined that Olympus America Inc. is the only brand name manufacturer able to meet the speech pathology cart system requirements outlined in Section 5, to ensure existing Olympus Endoscopy systems and scopes are compatible with the required speech pathology carts.

Market research, which included a search of the Vendor Information Pages (VIP) database using the selected NAICS Code 339113 (Surgical Appliance and Supplies Manufacturing) and a search on GSA Advantage, gave indication that the Rule of Two in accordance with (IAW) 38 U.S.C. 8127(d) would not be met by soliciting service disabled veteran-owned small business (SD/VOSB) GSA contract holders.

Market research efforts included a search for speech pathology cart systems on GSA Advantage, conversations with the manufacturer of the requested equipment, and a search of previous purchase history on the VA/DOD Medical Product Database (MPDB). The GSA Advantage search yielded no results. The conversation with Olympus America Inc's Executive Director, Chief Contracting Officer, revealed only one (1) Authorized Federal Reseller of items produced by Olympus America Inc's Medical Systems Group. An official letter dated March 9th, 2018 was provided by Olympus America, authorizing Alliant Enterprises, LLC (a CVE certified service disabled veteran-owned small business) as the only federal distributor of their products. IAW Public Law 109-461, Sec. 8127, The contracting office does not have reasonable expectation that two or more small business concerns owned and controlled by veterans can meet the requirements of the purchase request at a fair and reasonable price; however, it is recognized that one (1) Large business manufacturer and one (1) service disabled veteran-owned small business distributor can meet the requirement at a fair and reasonable price.

[REDACTED] NCO19 has determined it to be in the best interest of the government to conduct a sole source procurement to Alliant Enterprises, LLC, the only authorized federal distributor of the required Olympus speech pathology systems and products for the VA.

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

The speech pathology system outlined in this justification will be procured under NAICS Code 339113 – Surgical Appliance and Supplies Manufacturing, using Product Service Code 6515– Medical and Surgical Instruments, Equipment, and Supplies. The Small Business Administration's non-manufacturer waiver is not applicable because this action is not being set-aside for competition.

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

Manufacturer

Olympus America Inc.
3500 Corporate Parkway
Center Valley, PA 18034

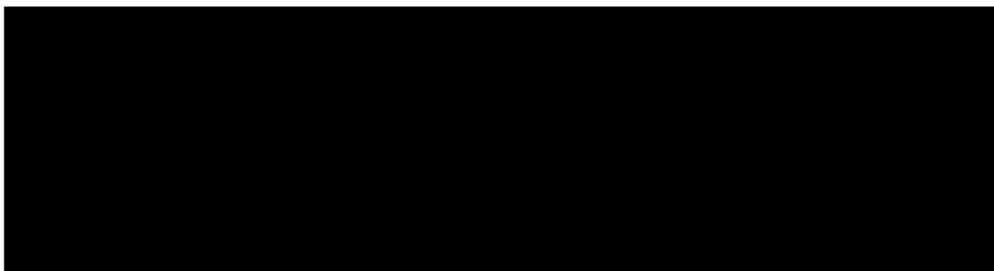
Federal Distributor

Alliant Enterprises, LLC
333 Bridge St. NW, STE. 1125
Grand Rapids, MI 49504

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:

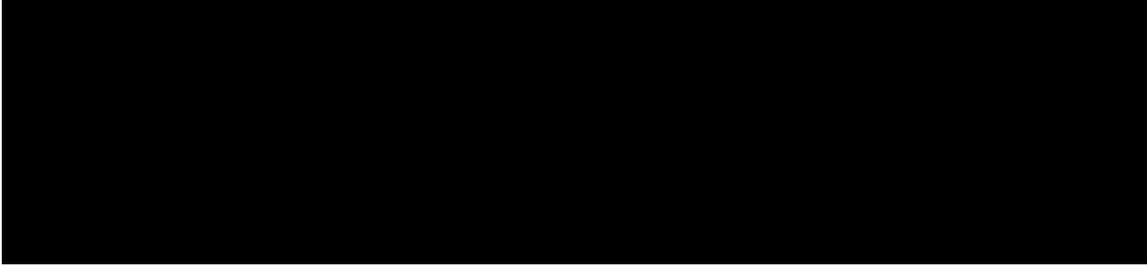
NCO19 acknowledges the importance of protecting the integrity of the procurement system and are committed to working in a manner that promotes competition to the greatest extent practicable to compete requirements and overcome barriers to competition in future acquisitions. The VA has and will continue to meet with industry on a periodic basis for continued input and feedback on acquisition strategies, along with the requesting services continued work with the NCO19 in conducting market research to identify opportunities to compete future requirements.

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.



13. Approvals

- a. **Contracting Officer Certification:** *Purchase is approved in accordance with [FAR13.106-1\(b\)](#). I certify that the foregoing justification is accurate and complete to the best of my knowledge and belief, and the justification meets requirements for other than full and open competition.*



- b. **Division or Branch Chief/Designee:** I certify the justification meets requirements for other than full and open competition.

