

DEPARTMENT OF VETERANS AFFAIRS

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

Acquisition Plan Action ID: VA261-18-AP-4737

1. **Contracting Activity:** Department of Veterans Affairs, VISN 21, San Francisco Medical Center, Transaction Number# 662-18-2-296-0010.
2. **Nature and/or Description of the Action Being Processed:** This is a purchase for automated inventory equipment made by Wave Mark, provided by Cardinal Healthcare, 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 requirements of FAR Part 6, but still requires a justification using the format of FAR 6.303-2. The total cost is \$460,130.00 and the original need date was March 30th 2018.
3. **Description of Supplies/Services Required to Meet the Agency's Needs:** Cardinal Health™ RFID-enabled technologies automated supply cabinets.
 - 1) HF1500-CE - 5 Shelf Cabinet
 - 2) HFS1500-CE - Cabinet, Standing Products
 - 3) XPOS2-GEN-BTV-CE - XPOS2 Station Generic (White)
 - 4) TM-STATION-TA - Tagging Station with VA Laptop
 - 5) OTF-INSL - WaveMark eRTLS License - OR (One Hospital, One Dept)
 - 6) OTF-INSL - ONE TIME FEES Professional Services Consulting
 - 7) OTF-INSL - Professional Services - Execution
 - 8) HPD 8 ACCESSORIES OSHPD Mounting Kit
 - 9) ACC-DIVIDER-C
CE 9 Single Divider for HFS
 - 10) ACC-SPLITTER 10 Splitter Shelf
 - 11) ACC-BIN-4PK 11 Storage Bins, Pack of 4
 - 12) TAG-SQ-CAH-CE
ET 12 TAGS Tags - Square (2,000)
 - 13) TAG-SPINE-CAH
H-CET 13 Tags - Spine (1,000)
 - 14) TAG-HANGM-CET
T 14 Tags - Hanging (100)
 - 15) TAG-POUCH-CET
T 15 Tags - Foil Pouch (25)

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

- (1) Only One Responsible Source & No Other Supplies/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: 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 (applicability of authority):

The Cardinal Health Inventory System is the only system compatible with the Wave Mark system that we have already purchased and is a Cardinal product that uses the RFID tag technology which was purchased on the following PO. The Wavemark components are a major system and most of the services were procured with VACO PO# 101-S35097. The site visit required to amend the preliminary hardware deployment design (PHDD) document to our current situation as well as the user training was procured with VACO PO# 101-C70291 . Both systems which are highly specialized are owned by Cardinal Health who is also our Prime Vendor. To match the exsisting WaveMark cabinets with anything other than the already proprietary Cardinal Health Inventory System would cause extreme difficulty in maintain any data or analytics that is crucial to maintaining proper medical supply inventories and Implant tracking that is vital to patient care.

6. Description of Efforts Made to ensure that offers are solicited from as many potential sources as deemed practicable: This justification will be posted on FBO.gov in order to allow other potential sources to comment.

7. Determination by the CO that the Anticipated Cost to the Government will be Fair and Reasonable:
The prices awarded are anticipated to be fair and reasonable.

8. Description of the Market Research Conducted and the Results, or a Statement of the Reasons Market Research Was Not Conducted: Cardinal Health is our prime vendor and is the only system compatible with the existing WaveMark system.

9. Any Other Facts Supporting the Use of Other than Full and Open Competition: The Carinal Health Sysytem is the only one that has the RFID tag technology that is compatible with the exsistng WaveMark system.

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

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 only way to do that is if we completely replaced the entire system.

VHAPM Part 806.3 Other Than Full and Open Competition (OFOC) SOP
Attachment 2: Request for Sole Source Justification Format >\$150K

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.

Name: Date:
Title:
Facility:

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.

Name Date
Title
Facility

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.

Name Date
Title
Facility

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.

Name Date
VHA Head of Contracting Activity (HCA)

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- d. **VHA Senior Procurement Executive Approval (over \$68 million):** I have reviewed the foregoing justification and find it to be complete and accurate to the best of my knowledge and belief and approve for other than full and open competition.

Jan R. Frye
Deputy Assistant Secretary for Acquisition and Logistics
Senior Procurement Executive (SPE)
Department of Veterans Affairs

Date