

DEPARTMENT OF VETERANS AFFAIRS

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

Acquisition Plan Action ID: VA263-17-AP-12986

1. **Contracting Activity:** Department of Veterans Affairs, Network Contracting Office 23 (NCO 23), St Paul, Station 36C618. 636-18-2-3278-0003.
2. **Nature and/or Description of the Action Being Processed:** Firm fixed price service contract for the labor, transportation, parts and expertise necessary to provide repairs, including unscheduled emergency repairs of Philips PIIC-IX patient monitoring equipment at the Central Iowa VA Health Care System.

This procurement is being conducted in accordance with procedures found in FAR Part 12 for Commercial Items and FAR Part 13 for Simplified Acquisition Procedures.

3. **Description of Supplies/Services Required to Meet the Agency's Needs:** Service contract for the labor, transportation, parts and expertise necessary to provide emergency unscheduled repairs of Philips PIIC-IX patient monitoring equipment at the Central Iowa VA Health Care System. The current contract to cover services expires on 3/29/18. The new contract needs to include the provision for four option years. The vendor providing the required services must be capable of performing emergency repairs on the patient monitoring systems in accordance to the original manufacturer's specifications. The new contract must be awarded effective 3/30/18 to avoid a lapse in coverage. The estimated cost of these services is \$69,626.98 for the base year and \$344,655.90 for the base and four option years.
4. **Statutory Authority Permitting Other than Full and Open Competition:** In accordance with 41 U.S.C 3304(a)(1), Only One Responsible Source and No Other Supplies or Services Will Satisfy Agency Requirements per 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):** This system has proprietary software that is accessible for off-site troubleshooting through a VA National Site to Site VPN connection. These connections must be approved by national ISO's and the companies trying to make these connections must have certain levels of security clearance. The proprietary software keys used for troubleshooting are only accessible to Philips Patient Care and Monitoring Solutions personnel.
6. **Description of Efforts Made to ensure that offers are solicited from as many potential sources as deemed practicable:** In an effort to ensure as many potential sources are considered, the intent to sole source was posted to FedBizOpps (FBO) on 2/4/18 as required by FAR 5.201.

7. **Determination by the CO that the Anticipated Cost to the Government will be Fair and Reasonable:** Based on industry standards, support for medical equipment is typically charged at a rate anywhere from 5-15% of the acquisition price of the asset. The services fall into the "fair" contract cost range.
8. **Description of the Market Research Conducted and the Results, or a Statement of the Reasons Market Research Was Not Conducted:** To my knowledge, there are no other companies that are able to offer this service due to the unavailability of software maintenance access, and the level of security clearance and approvals needed for the VPN connection. I have performed internet searches, checked the HISD website which houses the entire approved Site to Site agreements, and also checked with peers in the VA.
9. **Any Other Facts Supporting the Use of Other than Full and Open Competition:** There are no other actions the VA can take to increase competition for this scenario.
10. **Listing of Sources that Expressed, in Writing, an Interest in the Acquisition:** Philips Patient Care and Monitoring Solutions, Marla Myers, marla.myers@philips.com, (803) 521-3835
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:** When replacement equipment is procured, the process will once again be done competitively.
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.



Enrique Pérez for Dale Sharp
Electronics Technician and COR
VA Central Iowa Health Care System

2/6/2018

Date

13. **Approvals in accordance with the [VHAPM Part 806.3 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.

SANDRA M.
MCANANY 201272

Sandra McAnany
Contracting Officer
Network Contracting Office 23 (NCO 23)
St Paul, MN

Digitally signed by SANDRA M.
MCANANY 201272
Date: 2018.02.06 09:47:16 -06'00'

2/6/2018

Date

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

- 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.

Arlene Jorgensen Hillestad
Branch Chief, Medical Sharing Team 2
Network Contracting Office 23 (NCO 23)
Saint Paul, MN

5/8/2018

Date