

**DEPARTMENT OF VETERANS AFFAIRS**

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

**Acquisition Plan Action ID:** [VA256-18-AP-5725 / 629-18-3-036-0224](#)

**1. Contracting Activity:**

Department of Veterans Affairs, Veterans Health Administration, Network Contracting Office 16 (VHA, NCO-16), Services Team A, Southeast Louisiana Veterans Health Care System, New Orleans, LA, Justification for Other Than Full and Open Competition.

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

The purpose of this requirement is to initiate a new service/maintenance agreement for the Censitrac Instrument Management Tracking System that is currently being used in the facility. The proposed service/maintenance agreement would cover all necessary software, application usage maintenance, updates, system enhancement, database management, backup and recovery, and 24-hour support for the following time period: Base year of twelve (12) months and four (4) option years that are 12 (twelve) months in length (for each option year). This service agreement will serve as a continuation of the software, application usage maintenance, updates, system enhancement, database management, backup and recovery, and 24-hour support necessary for the management and tracking of surgical instrumentation and portable health equipment that are used in Sterile Processing Services (SPS) at Southeast Louisiana Veterans Healthcare System (SLVHCS), New Orleans, LA.

**FAR13.5 Simplified Procedures for Certain Commercial Items:**

The service plan being acquired is a commercial service and will be procured under the authority of FAR 13.5 (Test Program For Certain Commercial Items). As non-competitive procedures are being used for this procurement (i.e. FAR 6.302-1 -- Only One Responsible Source and No Other Supplies or Services Will Satisfy Agency Requirements) the special documentation requirements contained within FAR 13.501 will be adhered to (i.e. preparation/certification of the justification and posting of this justification to the government point of entry (GPE)).

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

The Censitrac Instrument Management Tracking System was purchased to provide instrument tracking services for Sterile Processing Services (SPS) located at Southeast Louisiana Veterans Healthcare System (SLVHCS), New Orleans, LA. As the manufacturer's standard warranty (for service/maintenance on this system) is expiring, a new service agreement must be obtained. The Censitrac Instrument Management Tracking System is a critical piece of equipment for Sterile Processing Services (SPS) and represents the nucleus for daily operations/patient care for the Sterile Processing Services division within the facility. A firm, fixed price contract is contemplated for this requirement which will consist of a base year and four (4) option years. The total estimated cost for the base and all option years is \$311,511.84.

**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:**

FAR 13.5 applies to this acquisition as this procurement is for a commercial service. In accordance with FAR 13.106-1(b)(2) non-competitive procedures are being utilized (i.e. FAR 6.302-1 -- Only One Responsible Source and No Other Supplies or Services Will Satisfy Agency Requirements). Per FAR 13.501 there are special documentation requirements for this action (preparation/certification of the justification and posting of the justification to the government point of entry (GPE)).

**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 Statutory Authority Permitting Other than Full and Open Competition for this requirement is the following:

**(X) Only One Responsible Source and No Other Supplies or Services Will Satisfy Agency Requirements per FAR 6.302-1.**

The Censitrac Instrument Management Tracking System is currently being used in Sterile Processing Services (SPS) at Southeast Louisiana Veterans Healthcare System (SLVHCS), New Orleans, LA. This system is critical for supporting daily operations and patient care for SPS. This system is used by staff to manage and track surgical instruments as well as portable health equipment in use at the facility. When first purchased, implementing the system required integrating the system throughout the facility, purchasing and installing hardware, and training personnel to use the system. The proposed service/maintenance agreement would cover all necessary software, application usage maintenance, updates, system enhancement, database management, backup and recovery, and 24-hour support. This agreement will also serve as a continuation of the software, application usage maintenance, updates, system enhancement, database management, backup and recovery, and 24-hour support necessary for the management and tracking of surgical instrumentation and portable health equipment. The manufacturer's standard warranty (which is currently covering these services) is expiring. Therefore a new service agreement (for maintenance/service on the system) is required. The required service/maintenance plan that is needed for this system is only available from (and is only provided by) the manufacturer, Censis Technologies, Inc. Censis Technologies, Inc. is the sole provider for all versions of CensiTrac for the North American market which includes but is not limited to InstrumenTrac, TrayTrac, ScopeTrac, MobileTrac, SterilTrac and CensiCount. The manufacturer, Censis Technologies, Inc., does not allow other entities (non-manufacturers) to sell or market CensiTrac, nor deliver CensiTrac Training, without their expressed, written consent. Non-manufacturers who elect to perform service/maintenance on CensiTrac systems are not factory

trained/factory certified and therefore cannot provide/perform the aptitude of service/maintenance that is required for this proprietary system.

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

The exceptions listed in FAR 5.202 (Synopsis of Proposed Contract Actions) do not apply to this acquisition. It is not the government's intent to limit or to restrict competition however the specific services required for this procurement are only available from one source (the manufacturer, Censis Technologies, Inc.). As the manufacturer does not allow third party contractors, distributors, suppliers, and non-manufacturer's to provide these services without their expressed, written consent, it is highly unlikely that alternative sources (excluding the manufacturer) can support this procurement. Therefore a competitive solicitation does not appear to be the best acquisition strategy for this procurement. Small businesses (to include SDVOSB's and VOSB's) as well as large businesses, would not be able to respond to a solicitation that was set aside for them (for these specific services for this specific requirement).

Other Actions: In accordance with applicable regulations, an Intent to Sole Source Notice will be executed prior to an official contract award for this requirement. Interested contractors who are authorized/certified/licensed to perform service/maintenance on Censitrac Instrument Management Tracking Systems would be considered if they could provide the following documentation (if responding to the Intent to Sole Source Notice that is posted):

- 1). Credentials/certification from the manufacturer which proves that the contractor is factory trained/factory certified at the aptitude level required for the specific system that is to be maintained/serviced.
- 2). Proof of expressed, written consent (from the manufacturer, Censis Technologies, Inc.) to perform service/maintenance on Censitrac Instrument Management Tracking Systems.

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

The criteria contained within FAR 13.106-3 will be used to determine fair and reasonable pricing for this requirement. A fair and reasonable price determination will be made prior to contract award.

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

As described in Section 6 above, market research, in accordance with FAR Part 10, was conducted through utilization by synopsis of the proposed acquisition, advising industry of the pending acquisition and soliciting inquiries from interested parties (i.e. Intent to Sole Source Notice).

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

N/A See previous sections

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

Pre-approval is required for acquisitions that are non-competitive in nature. As pre-approvals must be obtained before an Intent to Sole Notice is published (to the Government Point of Entry (GPE)) an addendum to this Justification (to change or add to Item 10 of this J&A) will be done at a later time.

**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:**

For this specific acquisition market conditions are to be reviewed periodically to determine if alternate or additional sources have become available. Such actions also include corresponding with the manufacturer, Censis Technologies, Inc. to determine if industry related restrictions (imposed by the manufacturer) have been removed in an effort to foster a competitive environment for similar or related acquisitions in the future.

**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: **Jennifer Boudreaux**

Date

Title: **Clinical Engineer (Project Manager/COR)**

Facility: **SLVHCS, New Orleans, LA**

**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.

Name: **Deborah E. Newman**

Date

Title: **Contracting Officer**

Facility: **Services Team A Contracting Office  
New Orleans, LA**

- 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: **Travis A. Sippel**

Date

NCO/PCO XX Duty Title:

**Branch Chief, Services Team A**

Facility: **New Orleans, LA**