

Attachment 1: Request for SDVOSB/VOSB Sole Source Justification Format >\$150K

**DEPARTMENT OF VETERANS AFFAIRS**

**Justification and Approval (J&A)**

**For**

**Other Than Full and Open Competition (>\$150K)**

**Acquisition Plan Action ID: VA263-18-AP-4122**

1. **Contracting Activity:** Department of Veterans Affairs, Network Contracting Office 23 (NCO23), VA Iowa City Health Care System (VAICHCS) Iowa City, IA, Project Number 636A8-14-006; 2237 Number 636-18-3-8869-0026

2. **Nature and/or Description of the Action Being Processed:** A new firm fixed price contract to Calvin L. Hinz Architects (CLH) is needed to provide Construction Period Services (CPS's) for Project 636A8-14-006, "Replace Steam Traps and Correct Condensate Over Pressurization" which is a project to replace aging and failing steam traps and facility condensate issues. The contractor has provided conceptual design, design development, and construction design documents for this project. The Construction Period Services (CPS) were included on the original task order; however due to a bona fide need violation, the CPS were removed so they can be obligated with the correct fiscal year appropriations and laws.

Estimated Cost 

3. **Description of Supplies/Services Required to Meet the Agency's Needs:** Provide Construction Period Services for Project 636A8-14-006, Replace Steam Traps and Correct Condensate Over Pressurization including, but not limited to, solicitation support, construction administration, inclusive of a specified number of site visits, investigative architectural duties, observation reports, documentation of meeting minutes, prescribed teleconferences, detailed responses to contractor requests for information and Government issued instructions to contractor, attendance at pre-bid and pre-construction conference, asbestos removal monitoring by an Industrial Hygienist, inspections and punch list verification, providing opinion and estimating services on contractor change order requests, review of all shop drawings and submittals to ensure compliance of the contract plans and specifications.

4. **Statutory Authority Permitting Other than Full and Open Competition:** 41 USC §3304(a)(5), 38 U.S. Code § 8127, as implemented by FAR 6.302-5 (Authorized or Required by Statute). COs may use the non-competitive (sole source) procedures authorized in VAAR 819.7007 or 819.7008 up to \$5,000,000. Check the specific VAAR clause used below:

(X) 819.7007 Sole source awards to a verified service-disabled veteran-owned small business; or  
( ) 819.7008 Sole source awards to a verified veteran-owned small business

5. **Demonstration that the Contractor's Unique Qualifications and/or Nature of the Acquisition Requires the Use of the Authority Cited Above (applicability of authority):** Calvin L. Hinz Architects was originally issued a task order for the design of Project 636A8-14-006, Replace Steam Traps and Correct Condensate Over Pressurization. This design included 100% construction

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documents. These documents have been reviewed and accepted by the VAICHCS Engineering and are additionally proprietary documents of the contractor.

The services requested for this acquisition would allow the original design firm (Calvin L Hinz Architects) to oversee the construction administration (CA) without going through a costly design reviews and additional liability cost that would be passed on to the Government should another firm be awarded this requirement. This is a highly complex project that essentially replaces defective steam traps, piping, pumps and pressure reducing valves for Building 1, 2, and 7 along with decommissioning the existing steam and condensate associated with Building 1. The Calvin L. Hinz team has been intimately involved with this project for many months and has the institutional knowledge of the many variable conditions to be concerned about in the structural, architectural, mechanical, fire protection, and electrical disciplines. Awarding to another firm would be cost-prohibitive to the Government and would require countless labor hours to investigate site conditions and extra review of design documents that are not owned or supported by that firm. Making another firm become familiar with all these nuances will be surely leaving some valuable knowledge behind, increase the cost of the project and cause unacceptable delays to the projects timeline. It would additionally provide a path for inefficient and substandard architectural practices and increase the overall risk, time and cost to the project.

Accordingly, CLH Architects is the only firm capable of providing the services described in Section III above without the Veteran's Health Administration experiencing substantial duplication of cost that could not be expected to be recovered through competition and unacceptable delays in fulfilling its requirements.

Based upon 38 U.S.C. 8127, this authority allows sole source awards to an SDVOSB. CLH is registered as verified SDVOSB on the Vendor Information Pages website, <https://www.vip.vetbiz.gov/>. CLH was last verified on November 30, 2015 and currently expires on November 30, 2018.

6. **Description of Efforts Made to ensure that offers are solicited from as many potential sources as deemed practicable:** The original task order for this design was competed from the NCO 23 IDIQ with all NCO 23 IDIQ contract holders' qualifications being reviewed and evaluated.

Other AE firms were considered for this action; however, it is expected to be unsuccessful if this action were to be competed due to the nature of the acquisition described in Number 5 as no other AE firm has the proprietary design documents or would be willing to take the risk of liability of another firm's design documents.

This requirement complies with Kingdomware as CLH is a certified Service Disabled Veteran Owned Small Business (SDVOSB) on [www.vip.vetbiz.gov](http://www.vip.vetbiz.gov), Vendor Information Page.

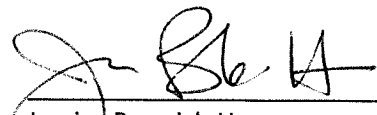
A Notice of Intent to Sole Source will be posted to [www.fbo.gov](http://www.fbo.gov) in accordance with FAR 5.203. If any responses are received, a determination will be made on this proposed sole source contract action.

7. **Determination by the CO that the Anticipated Cost to the Government will be Fair and Reasonable:** The anticipated costs shall be determined Fair and Reasonable by the awarding Contracting Officer based upon past similar requirements of the IDIQ and other open market

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procurements. It is expected that the Contracting Officer will be able to use the negotiated and awarded per hour costs of each of the disciplines that were used on the NCO 23 IDIQ for CLH and as a base to assist in finding the price Fair and Reasonable for this requirement. A technical evaluation will be completed to ensure that the number of labor hours proposed is Fair and Reasonable based upon the original task order for this project

8. **Description of the Market Research Conducted and the Results, or a Statement of the Reasons Market Research Was Not Conducted:** Market research was conducted to determine if there were SDVOSB AE firms under NAICS 541330. VIP showed that there 2213 matches of SDVOSB under NAICS 541330 for these types of services; however, it is anticipated that other AE firms would have to provide costly design reviews and increased labor hours creating unwarranted and unnecessary costs and time delays. Awarding to another contractor would cause the Government to incur additional liability risks which also equal time and dollars to the Government.
9. **Any Other Facts Supporting the Use of Other than Full and Open Competition:** None.
10. **Listing of Sources that Expressed, in Writing, an Interest in the Acquisition:** Calvin L. Hinz Architects (CLH), 3705 North 200th Street, Elkhorn, Nebraska 68022-2922 is the only vendor that has expressed interest in this 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:** All AE contracts are currently being solicited by adding Construction Period Services as an option line item. This allows the Government to obtain pricing at time of solicitation for those services but not violate any Fiscal Appropriation laws by only obligating those services when there is an actual need for them.
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.

  
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Jessica Beswick-Honn  
Assistant Chief Engineer  
VAICHCS, Iowa City, IA

3/13/2018  
Date

VHAPM Part 819.7007/7008 Sole Source Awards to a Verified Service-Disabled Veteran-owned Small Business/Veteran-owned Small Business

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**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.

4/9/18

\_\_\_\_\_  
Michael Casper  
Construction Branch Chief  
NCO23

\_\_\_\_\_  
Date

- 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.

\_\_\_\_\_  
Scott Petrin  
Division Chief  
NCO23

\_\_\_\_\_  
Date