

## DEPARTMENT OF VETERANS AFFAIRS

### Justification and Approval (J&A) For Other Than Full and Open Competition (>SAT)

Acquisition Plan Action ID: 36C256-18-AP-0779

1. **Contracting Activity:** Department of Veterans Affairs, Network Contracting Office, VISN 16, Gulf Coast Veterans Health Care System in Biloxi, Ms.

Purchase Request (2237) Number: 520-18-3-031-0135.

2. **Nature and/or Description of the Action Being Processed:** Justification and approval for Other Than Full and Open Competition to for the procurement of an Olympus Visera Elite Video System Center and related accessories for the Gulf Coast Veterans Health Care System in Biloxi, MS. The action will be awarded as a new purchase order at a firm-fixed price.
3. **Description of Supplies/Services Required to Meet the Agency's Needs:** The Gulf Coast Veterans Health Care System has a requirement to purchase a video processor and light source, Olympus Visera Elite Video System Center (OTC-S190), for use in the Urology Cysto Suite. The required electromedical endoscopic instruments are designed to be used with an endoscope, video system center, light source, monitor, and other ancillary equipment for endoscopic observation, diagnosis and treatment. The system provides image quality for flexible and rigid endoscopes and enables a comprehensive observation of different organs and tissues.

The requested electromedical endoscopic equipment is needed to upgrade the existing Urology Cysto Suite equipment. All items must be compatible with current technology on hand and continuing with continuity of care; all items must come from the same vendor.

The following items are required to meet the VA need:

1	VISERA ELITE VIDEO SYSTEM CNTR	1
2	VISERA ELITE XENON LIGHT SRCE	1
3	HD Olympus Printer	1
4	Telescope "OES Elite" 4 mm 12 deg HD	6
5	Telescope "OES Elite", 4 mm, 70 deg, HD	6
6	Telescope "OES Elite", 4 mm, 30 deg, HD, g	6
7	CH-S190-08-LB HD ULTRA-LIGHT URO CAMERA	6
8	Tray insert urology, pre-molded	6
9	Instrument tray with lid and silicone mat	6
10	INSTRUMENT TRAY WITH LID FOR OPERATING TELESCOPES	6
11	Light-guide cable, 2.8 mm, 3 m, CF type	6
12	UNIVERSAL STOPCOCK, LUER LOCK	6

13	A20912A CYSTOURETHROSCOPE SHEATH 19.8 FR	6
14	A20914A CYSTOURETHROSCOPE SHEATH 22.5 FR	6
15	A20976A CYSTOURETHROSCOPE BRID GE SINGLE CHANNEL	6
16	A20977A CYSTOURETHROSCOPE BRID GE DOUBLE CHANNEL	6
17	WA22367A PASSIVE WORKING ELEMENTS FOR TURIS	4
18	WA22067A WORKING ELEMENT, PASSIVE	2
19	INNER SHEATH 24 FR. W/ TIMBERL AKE FOR 26 FR. OUTER SHEATH	4
20	OUTER SHEATH 26FR 2 STOPCOCKS ROTATABLE	4
21	03664 ADAPTER FOR ELLIK EVACUA TOR	4
22	FLEX ELECTRODE	2
23	00121 FLEXIBLE FOREIGN BODY FO RCEPS, 7FR	6
24	00123 FLEXIBLE BIOPSY FORCEPS, 7FR	6
25	OBTURATOR OPTICAL 24 FR	6
26	ESG-400 ELECTROSURGICAL GEN	1
27	ESG-400 Footswitch with one ped	1
28	GRASPING FORCEP SHARK TOOTH	2
28	A42091A OES-PRO CFR WORKING IN SERT, 7FR, ABS FOR 8.5MM OUTER S	4
30	WA29049A URETEROSCOPE 6.4/7.8FR 330MM STR	2
31	C650-129A Mono Active Cord Bovie/VALLEY	2
32	A3551 OPTICAL URETHROTOME SHEATH 22FR	1
33	A3560 OBTURATOR FOR A3551	1
34	A3552 OUTER SHEATH FOR A3551 2 7FR	1
35	A3550 WORKING ELEMENT FOR ORT  CAL URETHROTOME	1

The estimated value of this acquisition is \$2,000,000.

The delivery time for this requirement is 60 days ARO.

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):**

The required electromedical endoscopic instruments are to upgrade the existing Olympus endoscope, video system center, light source, monitor and other ancillary equipment. The required instruments must be compatible with the system currently in use at the medical center. These instruments are manufactured by Olympus Medical Systems Corp and proprietary to Olympus.

As part of standardization, to avoid human error, and increase patient safety, it is imperative to continue using the Olympus brand name video system currently in use at the Gulf Coast Veterans Health Care System. It will cost significantly more money to purchase another brand video process system instead of the one requested. It will require a substantial re-investment in infrastructure and training before the facility will be able to use another brand of product from other vendors.

The required video processor and light source will be used for direct patient care in the Urology Department. The existing and new Olympus brand name equipment operates on an integrated, patented and proprietary platform, which provides streamlined workflow. The proprietary equipment and supplies differentiates Olympus from similar manufacturers because of configurations unique to Olympus products making it impossible of utilize other brand products with the existing equipment.

A disruption/delay in providing efficient and timely endoscopic testing to patients will result if a manufacturer's product other Olympus is acquired. The cost to replace the current system, including disassembly and removal of the existing system along with purchase and installation of a new system, would not be cost effective; the medical center would experience substantial duplication of cost that could not be expected to be recovered through competition and unacceptable delays in fulfilling its requirements.

Market research was conducted by searching VIP, GSA eLibrary, FBO, and the Internet. Currently, Alliant Healthcare Products is the only authorized SDVOSB distributor for the requested supplies. Therefore, based VAAR Clause 819.7007, the CO may use non-competitive (sole source) procedures and award to a verified service-disabled veteran-owned small business.

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

To ensure that offers are solicited from as many potential sources as practicable under the circumstances, the CO made the following efforts.

- **The number of SDVOSBs and VOSBs reviewed:** A search on the VIP database returned 169 matches for NAICS Code 334510 and key words, Electromedical Endoscopic instruments; 50 matches for NAICS Code 334510 and key words, Olympus Visera Elite Video System Center. Searches using NAICS Code 334510 and key words, Olympus returned 169 matches; NAICS 334510 and key words, Endoscope Video Process, returned 20 matches.

A search on GSA eLibrary was conducted on Schedule 65 II A, Sin A-9, Scopes Medical returned 5 SDVOSBs and 6 VOSBs. However, a review of their contract T&Cs/Pricelist returned none capable of the providing the required Olympus Visera Elite Video System Center and related products.

- An explanation for finding the non-competitive procurement is in the best interest of the government: Market research indicates that only two vendors can provide the required products to meet the Government's need. One is the manufacturer, Olympus, a LB, and Alliant Healthcare Products, a SDVOSB.

It is the belief that one SDVOSB can provide the products as a distribution partner of Olympus. Documentation supplied by Olympus declared one SDVOSB would have the ability to provide the products listed. No Sources Sought will be posted for this procurement.

Based on VAAR Clause 819.7007, the CO may use non-competitive (sole source) procedures and award to a verified service-disabled veteran-owned small business for this requirement.

Market research was conducted by searching VIP, GSA eLibrary, and the internet. Currently, Alliant Healthcare Products is the only authorized SDVOSB distributor for the requested equipment.

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

Price reasonableness will be determined by comparison to comparable items and/or the Independent Government Cost Estimate (IGCE). Historical data provided the use of SDVOSB distribution partner Alliant provides a fair and reasonable price.

**8. Description of the Market Research Conducted and the Results, or a Statement of the Reasons Market Research Was Not Conducted:** The following market research was conducted.

A search on the VIP database returned 169 matches for NAICS Code 334510 and key words, Electromedical Endoscopic instruments; 50 matches for NAICS Code 334510 and key words, Olympus Visera Elite Video System Center. Searches using NAICS Code 334510 and key words, Olympus returned 169 matches; NAICS 334510 and key words, Endoscope Video Process, returned 20 matches.

A search on GSA eLibrary was conducted on Schedule 65 II A, Sin A-9, Scopes Medical returned 5 SDVOSBs and 6 VOSBs. However, a review of their contract T&Cs/Pricelist returned none capable of the providing the required Olympus Visera Elite Video System Center and related products.

Market research indicates that only two vendors can provide the required products to meet the Government's need. One is the manufacturer, Olympus, a LB, and Alliant Healthcare Products, a SDVOSB.

Currently, Alliant Healthcare Products is the only authorized SDVOSB distributor for the requested supplies. Therefore, based VAAR Clause 819.7007, the CO may use non-competitive (sole source) procedures and award to a verified service-disabled veteran-owned small business.

A letter was obtained from Olympus confirming that Alliant was selected by Olympus America Inc, Medical Systems Group (Olympus) as its exclusive authorized Service Disabled Veteran Owned Small Business partner.

Although research provided vendors with acceptable NAICS code, the Contracting Officer found no supporting documentation that disputed the use of a single distribution partner with Olympus. The Rule of Two cannot be met based on market research conducted.

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

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

Alliant Healthcare  
333 Bridge St NW Ste. 1125  
Grand Rapids, MI 49504

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

N/A

**12. Listing of Sources that Expressed, In Writing, an Interest In the Acquisition:**

Alliant Healthcare  
333 Bridge St NW Ste. 1125  
Grand Rapids, MI 49504  
1-888-307-1144  
Rick Lariviere  
Government Sales Representative  
[rlariviere@allianthealthcare.com](mailto:rlariviere@allianthealthcare.com)

**13. 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:**

Prior to the award of future acquisitions for the same or similar products, additional market research will be conducted to determine whether the market conditions have changed to allow competition for the requirement.

**14. 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.

  
\_\_\_\_\_  


Gulf Coast Veterans Health Care System (520)

22 AUG 18  
Date

**Approvals in accordance with the VHAPM Part 806.3 OFOC SOP:**

- Network Contracting Office (NCO 16

Date \_\_\_\_\_

- Date**