

LIMITED SOURCE JUSTIFICATION

ORDER >SAT

FAR PART 8.405-6

Acquisition Plan Action ID: VA257-17-AP-6571

1. Agency: Department of Veterans Affairs

Contracting Activity: Network Contracting Office 17 (NCO-17)
7201 W. Interstate 40, Ste. 100
Amarillo, TX 79106-2612

2. Description of Action: This acquisition is conducted under the authority of the Multiple-Award Schedule Program ([41 U.S.C. 251](#) and [40 U.S.C. 501](#)). NCO-17 intends to place a sole source delivery/task order against Sysmex America Inc.'s National Acquisition Center (NAC) Federal Supply Schedule (FSS) for the acquisition of a hematology Cost-Per-Reportable Result (CPRR) program. The action will be awarded as a new contract action. The period of performance of the proposed action will be for one year and four one-year options (contingent upon the option or extension of the vendor's FSS). Est. Base POP: 1 August 2018 thru 31 July 2019.

Order against: ☒ FSS Contract Number: V797D-40235

Name of Proposed Contractor: Sysmex America Inc.

Street Address: 577 Aptakisic Dr.

City, State, Zip: Lincolnshire, IL 60069

Phone: 888-879-7639

3. Description of Supplies or Services:

Hematology CPRR program; program consists of equipment rental (may be at no-cost), required reagents, controls and consumable supplies at a CPRR cost of (price to be determined). CPRR program also includes equipment maintenance services, training, and freight, delivery and installation at Central Texas Veterans Health Care System (CTVHCS) locations; Olin Teague Medical Center, Temple TX; Waco VA Medical Center, Waco TX; and Austin Outpatient Clinic, Austin TX. CPRR price will be based on estimated annual tests:

| Facility | CBC with 6/PT DIFF | Retic Count | Slides Stained |
|----------|--------------------|-------------|----------------|
| Temple | 138,000 | 3,000 | 15,000 |

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| | | | |
|--------|--------|---|-------|
| Waco | 25,000 | 0 | 900 |
| Austin | 39,900 | 0 | 3,200 |

CBC (Complete Blood Count)

DIFF (Differential)

Retic (Reticulocyte [immature red blood cell still developing] Count)

The instruments will analyze specimens collected from patients; pertaining to their diagnosis, treatment and prevention of diseases.

The estimated value of the proposed action is \$REDACTED

(4) AUTHORITY AND SUPPORTING RATIONALE (see 8.405-6(a)(1)(i)(A), (B), and (C) or 8.405-6(b)), AND IF APPLICABLE, A DEMONSTRATION OF THE PROPOSED CONTRACTOR'S UNIQUE QUALIFICATIONS TO PROVIDE THE REQUIRED SUPPLY OR SERVICE.

☐ An urgent and compelling need exists, and following the ordering procedures would result in unacceptable delays.

☒ Only one source is capable of providing the supplies or services required at the level of quality required because the supplies or services are unique or highly specialized;

The CTVHCS laboratories state they require hematology analyzers with CBC that includes a measurement of Hematocrit, IPF (Immature Platelet Fraction) and RET-He (Reticulated Hemoglobin) testing capability to aid in the diagnostic management of Oncology patients. The hematology analyzers manufactured by Sysmex America, Inc. are the only known automated analyzers available through a GSA or NAC FSS.

☐ In the interest of economy and efficiency, the new work is a logical follow-on to an original Federal Supply Schedule order provided that the original order was placed in accordance with the applicable Federal Supply Schedule ordering procedures. The original order must not have been previously issued under sole source or limited source procedures.

☐ Items peculiar to one manufacturer:

☐ A patent, copyright or proprietary data limits competition. The proprietary data is redacted (If FAR 8.405-6(a)(2)(iii) applies) before posting.

☐ These are "direct replacements" parts/components for existing equipment.

☐ The material/service must be compatible in all aspects (form, fit and function) with existing systems presently installed/performing. Describe the equipment/function you have now and how the new item/service must coordinate, connect, or interface with the existing system.

(5) DETERMINATION BY THE ORDERING ACTIVITY CONTRACTING OFFICER THAT THE ORDER REPRESENTS THE BEST VALUE CONSISTENT WITH FAR 8.404(d):

The Contracting Officer has determined that placing a delivery/task order with Sysmex America, Inc. to be a best value consistent with FAR 8.404(d). The Contracting Officer can compare the proposed prices with the vendor's FSS pricelist prices to identify the cost is consistent with the vendor's pricing rates (higher volume = lower cost). The Contracting Officer can also review past hematology CPRR program contracts/orders to compare the proposed price with prices found reasonable on previous purchases.

(6) DESCRIPTION OF THE MARKET RESEARCH CONDUCTED AMONG SCHEDULE HOLDERS AND THE RESULTS OR A STATEMENT OF THE REASON MARKET RESEARCH WAS NOT CONDUCTED:

A review of GSA Advantage revealed that there are five (5) large business NAC FSS vendors, SIN III, category 605-2A (Clinical Hematology Analyzers), that offer hematology CPRR or Cost-Per-Test (CPT) programs. Correspondence from an interested vendor during GSA eBuy RFQ solicitation 36C25718Q0804 stated the IPF & RET-He testing parameters to be proprietary to only one vendor. A review of the analyzers offered by Sysmex America, Inc. revealed they offer multiple analyzers with an IFP testing parameter. A review of the specifications of the analyzers offered by the other four NAC FSS vendors did not find that they have a IPF testing parameter.

(7) ANY OTHER FACTS SUPPORTING THE JUSTIFICATION:

The CTVHCS laboratories also believe the fluorescent flow cytometry technology available on Sysmex America, Inc. hematology analyzers will aid in the laboratory diagnostics specific to Oncology to include WBC (white blood count), NRBC (nucleated red blood cells), and platelet identification and enumeration.

(8) A STATEMENT OF THE ACTIONS, IF ANY, THE AGENCY MAY TAKE TO REMOVE OR OVERCOME ANY BARRIERS THAT LED TO THE RESTRICTED CONSIDERATION BEFORE ANY SUBSEQUENT ACQUISITION FOR THE SUPPLIES OR SERVICES IS MADE:

Sysmex America Inc. is the only known firm capable of providing the requested supplies/services without the Veterans Health Administration experiencing duplication of cost that could not be expected to be recovered through competition and unacceptable delays in fulfilling its requirements. The CTVHCS pathology and laboratory medicine service will conduct market research prior to the exercise of option renewals and new requirements to determine if there have been any changes in the marketplace.

(9) 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

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my knowledge. I understand that processing of this limited sources justification restricts consideration of Federal Supply Schedule contractors to fewer than the number required by FAR Subpart 8.4.

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| <u>//SIGNED//</u> _____ Signature REDACTED Chief Technologist, Pathology & Laboratory Medicine Service Central Texas Veterans Health Care System | <u>6/26/2018</u> _____ Date |
|---|-----------------------------------|

(10) APPROVALS IN ACCORDANCE WITH THE [VHAPM Part 806.3 OFOC SOP](#):

a. CONTRACTING OFFICER'S CERTIFICATION (required): I certify that the foregoing justification is accurate and complete to the best of my knowledge and belief.

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| <u>//SIGNED//</u> _____ REDACTED Contracting Officer | <u>7/3/2018</u> _____ Date |
|---|----------------------------------|

b. One Level Above the Contracting Officer (Required over the SAT but not exceeding \$700K):
I certify the justification meets requirements for other than full and open competition.

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| <u>//SIGNED//</u> _____ REDACTED Chief, Division I Network Contracting Office 17, SAO-W | <u>7/3/2018</u> _____ Date |
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HIGHER LEVEL APPROVAL (Required for orders over \$700,000):

c. VHA SAO HCA REVIEW AND APPROVAL (over \$700,000 to \$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 restricting consideration of the Federal Supply Schedule contractors to fewer

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//SIGNED//

REDACTED

Acting Executive Director, SAO West
Head of Contracting Activity (HCA)

7/29/2018

Date