

The LIMITED SOURCES JUSTIFICATION

ORDER >SAT

FAR PART 8.405-6

Acquisition Plan Action ID:VA249-18-AP-4891

- 1. Contracting Activity:** Department of Veterans Affairs, VISN 09. This is a VISN wide requirement for Lexington, Louisville, Memphis, Mountain Home, and Tennessee Valley Medical Centers.
- 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). This is a new requirement for a Censitrac Instrument Tracking System for each facility within VISN 9.

Order against: ☒ FSS Contract Number: GS-35F-0462X, SIN: 70/132-8.

Name of Proposed Contractor: Censis Technologies

Street Address: 830 Crescent Centre Drive

City, State, Zip: Franklin, TN 37067

Phone: 615-468-8003

3. Description of Supplies or Services:

The estimated value of the proposed action is \$ 2,818,504.60.

This is a new requirement for the deployment of a Censitrac Instrument Tracking System for all VISN 9 facilities. The requirement is for a base year task order contract that includes the purchase of the equipment with the first year of service, and 4 additional option years for continued service. In order to meet the regulatory requirements in FAR 8.405(f) an Intent to Sole Source these open market items will be published to FBO in accordance with FAR 5. Also, in accordance with FAR 6-305(a) this approved LSJ will be published to FBO within 14 days after award. All open market items will clearly be labeled as open market items and all clauses applicable to items not on the GSA Schedule contract will be included in the order. The items identified in the table below are priced as open market:

<u>Product Code</u>	<u>Product</u>	<u>Quantity</u>	<u>Price</u>	<u>Total Price</u>
CSGOV	Censitrac GOV Cloud Server	6.00	4,500.00	27,000.00
CT0157	Hardware - Camera and Stand Bundle	10.00	483.00	4,830.00

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CT0003	Hardware - Censitrac Buffer Server - Rack mount	6.00	2,735.00	16,410.00
CT0098	Hardware - Document Scanner	12.00	253.00	3,036.00
IMS101	Marking Services - Single Instrument	6.00		750,000.00
CT0071	Hardware - Laser Jet Printer	9.00	599.00	5,391.00
CT0175	Cybernet Medical Grade Windows Tablet	1.00	3,510.00	3,510.00

(4) IDENTIFY THE 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 Censis Technologies, Inc. Censitrac solution has been endorsed by the National Program Office for Sterile Processing (NPOSP) as the official workflow system of record for all Sterile Processing Services (SPS) across the VHA enterprise. This solution is proprietary to Censis Technologies.

- ☐ 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: (If FAR 8.405-6(a)(2)iii before posting. Do not include specific proprietary data. Only mention the type of equipment, procedure, etc. to show that proprietary supplies or services are being procured.)
- ☐ 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) DESCRIBE WHY YOU BELIEVE THE ORDER REPRESENTS THE BEST VALUE CONSISTENT WITH FAR 8.404(d) TO AID THE CONTRACTING OFFICER IN MAKING THIS BEST VALUE DETERMINATION:

To meet the regulatory requirements as required by FAR Part 8.404(d) and 8.405-2(d), the Contracting Officer anticipates that this sole source firm fixed priced FSS award will be determined fair and reasonable based on both the validity of the comparison and the price reasonableness of previous award prices, market research, and the Independent Government Cost Estimate.

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

A sources sought notices was posted on FBO on May 30, 2018 seeking potential sources for the instrument tracking system. Censis Technologies, a small business with a GSA contract, was the only vendor to respond to the sources sought notice. Additionally, a search was conducted on the Vendor Information Pages using the NAICS code 518210 with the keyword censitrac and zero Service Disabled Veteran Owned Small Businesses were returned on this search.

(7) ANY OTHER FACTS SUPPORTING THE JUSTIFICATION:

The VA has purchased and is deploying Real Time Location System (RTLS) at VHA facilities throughout the nation. The initial purpose of RTLS was for Asset Tracking, Temperature Monitoring, Instrument Tracking (aka Sterile Processing Workflow), and Cardiac Cath Lab Supply Management. These use cases constituted the “base deployment” or the “base applications” of RTLS. The goal of the RTLS base deployment was to install a standardized locating infrastructure and software platform in all facilities. The base deployment sought to empower VHA facilities to utilize the technology to improve patient care and streamline processes beyond the initial four applications.

As a part of the comprehensive RTLS suite the Sterile Processing Workflow use case, a technology referred to as an Instrument Tracking System (ITS) with the brand name of Censitrac is manufactured and provided by Censis Technologies, Inc. This solution provides the unique capabilities of complete traceability for Dental and Medical-Surgical instruments. Along with accountability for instrument set reprocessing and assembly, sterilization records management, and training (competency)/standard operating procedures (SOPs) management for sterile processing services. Censitrac is already capable of RTLS integration for all of VHA along with future capabilities such as sterilization equipment integration.

The Censitrac solution has been endorsed by the National Program Office for Sterile Processing (NPOSP) as the official workflow system of record for all Sterile Processing Services (SPS) across the VHA enterprise. The solution provided by Censis is currently installed in 102 facilities in VHA and standards of practice and interfaces to other VA Systems have been aligned to match with

this product. Considering that the majority of VHA facilities that have this solution already installed or scheduled to be installed, deviation from Censis to another manufacturer would introduce a non-standardized solution in to the VHA. Having multiple instrument tracking products provided by multiple manufacturers can cause integration issues, increased burden to training, and hinder capabilities toward VISN-level data aggregation/reporting. Introducing another manufacturer may not be able to work with the existing RTLS interfaces or would require significant investment for the development of such an interface.

The RTLS system was designed with scalability in mind. By installing the ITS baseline system in all medical facilities, the VA is positioned to utilize the locating capability to improve patient care in many different aspects. Having a standardized solution provided by Censis can alleviate issues tied to integration with multiple instrument tracking products, lessen the training burden and provide VISN-level SPS data. Installing Censitrac with the prospects of RTLS in the near future is relatively simple and less expensive when compared to designing and installing an entirely new system. Therefore, it is in the government's best interest to proceed with a sole source procurement for this application.

(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:

The ITS baseline system has already been installed in all VISN 9 medical facilities. Censitrac has already been selected by the RTLS program office as the standard instrument tracking system to be included as part of the RTLS suite. The Censis Technologies, Inc. Censitrac solution has been endorsed by the National Program Office for Sterile Processing (NPOSP) as the official workflow system of record for all Sterile Processing Services (SPS) across the VHA enterprise. A waiver has been signed and included from the RTLS program office.

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(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 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.

Brandon T. Weiss 448860
Digitally signed by Brandon T. Weiss
448860
Date: 2018.06.22 12:58:55 -05'00'

SIGNATURE

DATE

Brandon Weiss
NCO 9 Biomedical Engineer

(a) Contracting Officer's Certification: I certify that the foregoing justification is accurate and complete to the best of my knowledge and belief.

Mark B. Bentley
1375760
Digitally signed by Mark B.
Bentley 1375760
Date: 2018.06.22 13:11:32 -05'00'

Mark Bentley
Contracting Officer
Network Contracting Office 9

DATE

(b) APPROVALS IN ACCORDANCE WITH THE VHAPM Part 806.3 OFOC SOP:

Jon E. Doliana 236173
Digitally signed by Jon E. Doliana
236173
Date: 2018.06.22 14:07:12 -05'00'

Jon E. Doliana, Sr.
Branch Chief, Supply
Network Contracting Officer 9

DATE

Robert M Kellner
184085
Digitally signed by Robert M
Kellner 184085
Date: 2018.06.25 08:36:42 -05'00'

Robert Kellner
Division Chief
Network Contracting Officer 9

DATE

Linda S. Greaves 404790
Digitally signed by Linda S. Greaves
404790

Linda S. Greaves
Director of Contracting
Network Contracting Officer 9

Date: 2018.07.06 12:36:19 -05'00'
DATE

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HIGHER LEVEL APPROVAL:

c. **VHA SAO HCA REVIEW AND APPROVAL:** 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 than the number required by FAR Subpart 8.4

Brent Goe 625253

Digitally signed by Brent Goe
625253
Date: 2018.07.10 06:56:50 -0400

for

Randy L. Hays
Acting Executive Director, SAO Central

DATE