

**LIMITED SOURCES JUSTIFICATION**

**ORDER >\$150,000**

**FAR PART 8.405-6**

**Acquisition Plan Action ID: VA263-18-AP-7982**

- 1. Contracting Activity:** Department of Veterans Affairs, Network Contracting Office (NCO) 23, 2501 W. 22<sup>nd</sup> St., Sioux Falls 57105, purchase request 636-18-1-2301-0113.
- 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](#)).

The Sioux Falls Services Contracting Office at NCO 23 will issue a limited source firm fixed price task order for preventive and corrective maintenance and emergency repairs, including parts coverage for contractor to provide services to VA Nebraska Western Iowa Health Care System, 4101 Woolworth Avenue, Omaha, NE 68105.

Order against:  FSS Contract Number: VA119-14-D-0001

Name of Proposed Contractor: Intuitive Surgical, Inc

Street Address: 1020 Kifer Road BLDG 108

City, State, Zip: Sunnyvale, CA, 94086

Phone: (800) 876-1310

**3. Description of Supplies or Services:**

The estimated value of the proposed action is \$174,000

The contractor will furnish all labor, transportation, parts, test equipment, tools, and expertise necessary to maintain the Intuitive Surgical Da Vinci Xi-Dual Console Surgical Robot System, serial number SK1459 located at the Omaha VA Medical Center. The vendor shall provide the following coverages on the system. Corrective Maintenance: provide diagnostics, labor, and repair of the system should the product fail to function within Intuitive Surgical's (the manufacturer of the system) published specifications. The vendor shall provide, at no cost to the government, all replacement parts necessary to return the covered unit to good working order. Standard overnight shipping will be used for replacement parts. Planned Maintenance: At a mutually agreed upon time during normal coverage hours, the vendor shall provide all necessary planned maintenance as defined in the system technical manual. Software Coverage: provide all software maintenance releases as deemed necessary by equipment manufacturer.

**(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;

A third party service vendor will not be able to have access to the software keys to allow them to service the equipment's software or perform troubleshooting. Additionally, third party service vendors often use reverse engineered or refurbished parts due to unavailability of the parts from the Original Equipment Manufacturer (OEM). If any reverse engineered or refurbished parts are used, VA Nebraska-Western Iowa Health Care System would take on the liability of any failures of the equipment that may potentially cause patient harm.

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:**

This is a Federal Supply Service Task-Order for Strategic Acquisition Center (SAC) contract VA119-14-D-0001. As such the pricing has already been determined to be fair and reasonable.

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

Market research was conducted under NAICS Code 811219 (Other Electronic and Precision Equipment Repair and Maintenance) searching Vet Biz at <https://www.vip.vetbiz.gov> for Service Disabled Veteran Owned Small Business (SDVOSB) and Veteran Owned Small Businesses (VOSB). Such search yielded 59 SDVOSB and VOSB, but none with capability to provide DaVinci Surgical Maintenance. GSA Federal Supply Schedules and Ability One were researched as well, as documented in Contract File. However, market research revealed that only Intuitive Surgical Intuitive, Inc. is authorized to conduct the maintenance services for the equipment and a SAC contract VA119-14-D-0001 exists for these services. The Contracting Officer provided fair opportunity for response from prospective vendors on basis of Intent to Sole Source Notice issued on [www.fbo.gov](http://www.fbo.gov) on 7-2-2018, which allowed for responses and to provide capabilities/documentation of ability to service DaVinci equipment. Upon passing of that deadline on 7-12-2018, no responses were received.

**(7) ANY OTHER FACTS SUPPORTING THE JUSTIFICATION:**

This equipment is highly sensitive and specialized. A malfunction of this equipment could cause patient misdiagnoses and resulting improper treatment. The manufacturer holds parts and service information as proprietary, so there would be no third-party service available for full coverage of the equipment, unless reverse engineered or refurbished parts were used, which is unacceptable. Only OEM parts may be used. If service were to be performed by a third party, all liability would be on the VA Nebraska-Western Iowa Health Care System for any possible equipment malfunctions.

**(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:**

None, there are no other vendors that can provide the service for the equipment on basis of market research conducted and Intent to Sole Source posted to [www.fbo.gov](http://www.fbo.gov). It is common practice in the industry for OEM to maintain proprietary service for their equipment. When replacement equipment is procured, that process will be done competitively.

**(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:

James M.

Mazurek 219986

Digitally signed by James M.  
Mazurek 219986

Date: 2018.07.16 14:18:00  
-05'00'

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SIGNATURE

James Mazurek

NAME

VA Nebraska-Western Iowa Health Care System  
FACILITY

Biomed Engineer

TITLE

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DATE

Biomed/Engineering  
SERVICE LINE/SECTION

**(10) APPROVALS:**

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

Douglas H.

Reed 1114517

Digitally signed by  
Douglas H. Reed 1114517

Date: 2018.07.16 14:46:17  
-05'00'

7-16-2018

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CONTRACTING OFFICER SIGNATURE

Doug Reed, Contracting Officer

NAME AND TITLE

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DATE

NCO 23 Sioux Falls

FACILITY