

Attachment 1: Request for SDVOSB/VOSB Sole Source Justification Format >SAT

DEPARTMENT OF VETERANS AFFAIRS

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

Acquisition Plan Action ID: VA701-18-AP-0205

1. Contracting Activity:

Department of Veterans Affairs, Program Contracting Activity Central (PCAC), in support of Ocala Community Based Outpatient Clinic in Ocala, Florida.

2. Nature and/or Description of the Action Being Processed:

This justification is in support of a new, single award Indefinite Delivery Indefinite Quantity (IDIQ) contract with the intent to issue Firm-Firm-Fixed-Price (FFP) task orders, for Initial Outfitting, Transition, and Activation (IOT&A) for the Ocala Outpatient Clinic activation project.

FAR13.5 Simplified Procedures for Certain Commercial Items: This procurement is being conducted in accordance with FAR 13.5 Simplified Procedures for Certain Commercial Items and specifically FAR 13.501 Special Documentation Requirements, where acquisitions conducted under Simplified Acquisition Procedures are exempt from the requirements of FAR Part 6, but still require a justification using the format of FAR 6.303-2.

3. Description of Supplies/Services Required to Meet the Agency's Needs:

Activation contracts are necessary to support the National Activations Office (NAO) with a variety of activation related tasks, that enables VHA to deliver activation projects on schedule, within budget, and within expectations.

These comprehensive services support the overall activation project. Continuity throughout the lifecycle of the activation project is key to a successful facility activation. Activation tasks often times overlap, therefore awarding the IDIQ to a single contractor to perform these tasks is logical.

This IOT&A IDIQ Contract will include activation of the new facility through a multitude of tasks being executed simultaneously to ensure that the facility is fully operational on Day One. Individual task orders will be issued throughout the project lifecycle to cover the services required. Task Order #1 will be awarded at the same time as the IDIQ. Task Order #1 will meet the minimum ordering requirements under the IDIQ.

Services performed under this IOT&A IDIQ Performance Work Statement (PWS) includes undefined tasks (tasks which are unknown at the time of IDIQ award but will fall within scope of the overall project) and defined tasks listed below:

1. Comprehensive Management Support Services

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2. Comprehensive Interior Design, and Space Planning Support Services
3. Comprehensive Furniture, Fixtures, and Equipment (FF&E Planning) Support
4. Acquisition Support Services
5. Concepts of Operations (CONOPS) and Transition Planning
6. Relocation Services
7. Warehousing and Warehousing Management Services
8. Installation and Testing Services
9. Training and Simulation
10. Technical Request for Information (RFI) Assistance
11. Facilitation Services
12. Final Turnover, Close-Out, and Post Occupancy Evaluation (POE) Services
13. Strategic Communication (STRATCOM) Support Services
14. Information Technology (IT)
15. Biomedical Planning, Execution, and Quality Assurance
16. Plan Development

The period of performance for this IDIQ is estimated to be September 17, 2018 – September 16, 2023; or five years from date of award. The period of performance for each task order will be established at time of award. If the activation project is completed before the expiration date of the IDIQ – no additional task orders will be issued.

4. Statutory Authority Permitting Other than Full and Open Competition:

41 USC §3304(a)(5), 38 U.S. Code § 8127 . COs may use the non-competitive (sole source) procedures authorized in VAAR 819.7007 up to \$5,000,000. Full and open competition need not be provided for when awarded a sole source contract with a verified SDVOSB in accordance with 819.7007, as authorized.

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):

In accordance with VAAR 819.707 the VA has the statutory authority to award sole source to a verified Service-Disabled Veteran-Owned Small Business (SDVOSB) using procedures other than competitive procedures given the following:

38 U.S.C 8127(c) states, in part, "...a contracting officer at the Department may award a contract to a small business concern owned and controlled by Veterans using procedures other than competitive procedures if –

- 1) Such concern is determined to be a responsible source with respect to performance of such contract opportunity;
- 2) The anticipated award price of the contract (including options) will not exceed \$5,000,000.

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- 3) It is the anticipation of the Contracting Officer (CO) that award will be made provided that a fair and reasonable price that offers best value of the United States can be obtained.

The implementing regulations at VAAR 819.7007 (b) & (c) [DEVIATION] state in part:

- b) "The Contracting Officer's determination whether to make a sole source award is a business decision wholly within the discretion of the contracting officer..."
- c) "A determination that only one SDVOSB can meet the requirement is not required..."

The proposed source for this acquisition is Strategic Medical Solutions, LLC. (SME, LLC) of 4944 Garden Trail, Colorado Springs, CO. 80918; a registered and verified SDVOSB by VA Center for Verification and Evaluation (CVE). SME, LLC. is technically qualified by their experience providing IOT&A services for the VHA and comprehensive IOT&A services previously to the Departments of Defense via the Defense Health Agency. SME, LLC has the necessary capabilities to meet all the Government's requirements for this activation project and possesses the application knowledge and technical expertise required to complete this project within the established activation schedule.

In light of the above, the Government's activation team at the Ocala Outpatient Clinic has reviewed SME, LLC's capabilities statement and determined that SME, LLC is capable of meeting all the Government's requirements and is considered a responsible SDVOSB. There is an expectation that an award will be made at a fair and reasonable price, as SME, LLC is currently providing activation services for the Omaha Ambulatory Care Center activation project at prices that were determined fair and reasonable.

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

In accordance with the Class Deviation from VAAR 819.7007(b), Sole Source Awards to SDVOSB Business Concerns, the Contracting Officer's determination whether to make a sole source award is a business decision. For the reasons stated herein, and specifically, in response to Paragraph 5, the undersigned Contracting Officer, has determined that SME, LLC is a qualified, responsible SDVOSB.

A special notice announcing the contract action will be posted to www.fbo.gov, the Government's point of entry. The Justification and Approval (J&A) document will be posted within 14 days after award in accordance with FAR Subpart 6.305. The award synopsis will be posted to FEDBIZOPPs in accordance with FAR Subpart 5.301(a)(2).

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

Based on the authorities cited in this justification, a sole source award under the Veterans Benefits Act of 2003 to SME, LLC is proposed pending negotiation of a fair and reasonable price for the work performed. It is anticipated a fair and reasonable price will be reached as SME, LLC. is currently providing activation type services to VHA at prices determined fair and reasonable. Based on

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historical prices paid for activations of the same size, scope and complexity of the Ocala Outpatient Clinic project, the IDIQ ceiling will be set at \$5,000,000. An individual IGCE will be completed for each task order under the IDIQ. Funds will be obligated at the task order level. A separate fair and reasonable price determination will be made for each task order awarded under the base IDIQ.

8. Description of the Market Research Conducted and the Results, or a Statement of the Reasons Market Research Was Not Conducted:

Market research considered the acquisition history and experience under a previous acquisition performed for a similar service. SME, LLC, a SDVOSB, has been awarded the following contract:

Project: Nebraska-Western Iowa Healthcare System, Omaha Ambulatory Care Center
Contractor: Strategic Medical Equipment Solutions, LLC. (SME, LLC)
Size: SDVOSB
Contract # : VA701-17-D-0018
Contract Value: IDIQ Ceiling Value \$4,000,000.00
Period of Performance: 09/26/2017 – 09/25/2022
Performance to Date: Satisfactory

Based on the contractor's current performance on the above contract, the Contracting Officer anticipates SME, LLC will be capable of meeting the Government's needs for this requirement and will be determined to be a responsible source.

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

Based on the authorities cited in this justification, a sole source award under the Veterans Benefits Act of 2003 to SME, LLC is proposed pending negotiation of a fair and reasonable price for the work to be performed.

It is recommended that a sole source award be made to SME, LLC. SME, LLC is a SDVOSB that is performing similar services for the activation of the Nebraska-Western Iowa Healthcare System – Omaha Ambulatory Medical Center, Omaha, NE. project and has a positive performance history on that project. A sole source award to SME, LLC is in the Government's best interest to mitigate the risks for this activation project.

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

A Notice of Intent to Sole Source was posted on May 29, 2017 giving SDVOSBs an opportunity to provide a capabilities statement for this project or upcoming activation projects no later than June 12, 2017. No responses were received.

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:

In an effort to create a more competitive environment amongst SDVOSB firms for future activation requirements, PCAC will use the authority under 38 U.S. Code § 8127 to award smaller IOT&A projects to responsible SDVOSB firms who have Federal IOT&A activation experience but limited VHA activation experience. The expectation is to build more competition in the marketplace and ultimately create a savings to the Government.

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- 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.



Patrick Hull
Health System Administrator
National Activations Office
ADUSH For Administrative Operations VACO 10NA

Date

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.



HEIDI GALLAHER
Contracting Officer
Program Contracting Activity Center



Date

- b. **Director of Contracting / Designee:** I certify the justification meets requirements for other than full and open competition.



Richard Dahmen
Director of Contracting
Program Contracting Activity Central



Date

- 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 recommend approval (if over \$68 million) or approve (\$700K to \$68 million) for other than full and open competition.



RANDY HAYS
Acting Executive Director, SAO Central Region
SAO Central Head of Contracting (HCA)



Date

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Attachments: Draft IDIQ PWS
Market Research Report
Notice of Intent to Sole Source
Acquisition Plan