

DEPARTMENT OF VETERANS AFFAIRS

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

Acquisition Plan Action ID: 605-18-4-077-0327

1. **Contracting Activity:** Department of Veterans Affairs, VISN 22, VA Loma Linda Healthcare System, Finance & Logistics Service.

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

FAR 13.5 Simplified Procedures for Certain Commercial Items: This procurement is for various surgical scopes and support equipment (gastrosopes, colonoscopes, monitors, towers, etc.) 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:** The VA Loma Linda Healthcare System (VALLHS) has an immediate need to purchase various surgical scopes, monitors, towers, workstations, and accessories. The GI scopes are needed for patient safety to allow the physicians to check the integrity of their anastomotic leaks (very low survival rate if there is a leak). The Government intends to award a one-time, firm-fixed-price Purchase Order for this new requirement.

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

- ☐ (1) Only One Responsible Source and No Other Supplies or Services Will Satisfy Agency Requirements per FAR 6.302-1;
- ☐ (2) Unusual and Compelling Urgency per FAR 6.302-2;
- ☐ (3) Industrial Mobilization, Engineering, Developmental or Research Capability or Expert Services per FAR 6.302-3;
- ☐ (4) International Agreement per FAR 6.302-4
- ☒ (5) Authorized or Required by Statute FAR 6.302-5;
- ☐ (6) National Security per FAR 6.302-6;
- ☐ (7) Public Interest per FAR 6.302-7;

5. **Demonstration that the Contractor's Unique Qualifications or Nature of the Acquisition Requires the Use of the Authority Cited Above (applicability of authority):**

Authorized or Required by Statute (FAR 6.302-5):

FAR 6.302-5 allows for the procurement of items through other than full and open competition; when a statute expressly authorizes or requires that the acquisition be made through another agency or from a specified source, or the agency's need is for a brand name commercial item for authorized resale.

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Additionally, for purposes of meeting the established goals under subsection 38 U.S.C. 8127(a), and in accordance with subsection 38 U.S.C. 8127(c), a contracting officer of the Department [of Veterans Affairs] may award a contract to a small business concern owned and controlled by veterans using procedures other than competitive procedures if –

- a. Such concern is determined to be a responsible source with respect to performance of such contract opportunity;
- b. The anticipated award price of the contract (including options) will exceed the simplified - acquisition threshold (as defined in section 4 of the Office of Federal Procurement Policy Act (41 U.S.C. 403) but will not exceed \$5,000,000;
- c. In the estimation of the contracting officer, the contract award can be made at a fair and reasonable price that offers best value to the United States.

The vendor Alliant Enterprises (DBA "Alliant Healthcare Products") is a Service-Disabled Veteran Owned Small Business (SDVOSB) contractor as certified by Vetbiz.gov. The excluded parties list was checked in the System for Award Management (SAM) and no active exclusions were found for this SDVOSB. This SDVOSB has a successful record of providing equipment and performing services to several VA Medical Centers.

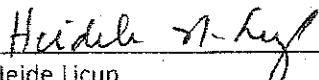
The vendor has submitted a quote with fair and reasonable pricing as compared to the Independent Government Cost Estimate (IGCE) that was performed by the Using Service. The estimated value of the proposed action is \$290,749.28, which exceeds the simplified acquisition threshold but does not exceed \$5,000,000.00. Therefore, full and open competition will not be provided for and a sole-source award will be made in the open market to Alliant Healthcare at a firm-fixed price IAW FAR 6.302-5, VAAR 819.7007, and by authority of Title 38 – US Code 8127 (c).

6. **Determination by the CO that the Anticipated Cost to the Government will be Fair and Reasonable:** Alliant has a successful record of providing equipment and performing services to VA Medical Centers as an authorized Olympus distributor with fair and reasonable pricing. Alliant does not mark-up the Olympus Government price, so the VA does not pay anything extra to work with Alliant. The products will ship direct from Skytron to VALLHS and will include no shipping charges.
7. **Description of the Market Research Conducted and the Results, or a Statement of the Reasons Market Research Was Not Conducted:** Market Research was conducted IAW FAR Part 10. It was determined that there were no vendors that could offer a complete solution to fulfill this requirement other than the Olympus solution offered by Alliant.
8. **Any Other Facts Supporting the Use of Other than Full and Open Competition:** Alliant Healthcare (Alliant), the suggested vendor, provided a letter of exclusivity which revealed that they were selected by Olympus America, Inc., Medical Systems Group ("Olympus" – the Original Equipment Manufacturer) as its exclusive authorized SDVOSB partner to purchase products from Olympus and to resell them to the federal Government on an Open Market basis. That communication served as Olympus' official letter of supply to Alliant Healthcare that Alliant shall have an uninterrupted supply of products to meet the requirements of Government contracts awarded to Alliant while their distribution agreement remains in effect. A capability statement was provided stating that Alliant, as Olympus' authorized distributor is capable of providing the requested equipment which is exclusively

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manufactured and designed by Olympus. Alliant is the only vendor that can provide a complete solution for this requirement.

9. Listing of Sources that Expressed, in Writing, an Interest in the Acquisition: N/A.
10. 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: N/A.
11. 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.


Heide Licup
OR/Surg
VALLHS

09/18/18
Date

12. Approvals in accordance with the VHAPM Part 806.3 OFOC SOP:

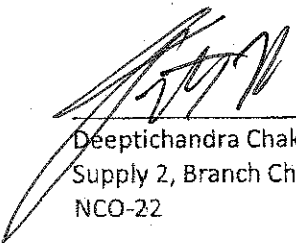
- a. Contracting Officer or Designee's Certification (required): I certify that the foregoing justification is accurate and complete to the best of my knowledge and belief.

Digitally signed by Fredy A. Arteaga
165614
Date: 2018.09.19 08:19:27 -0700
Fredy A. Arteaga 165614

Fredy Arteaga
Contracting Officer
NCO-22

Date

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


Deeptichandra Chakka
Supply 2, Branch Chief
NCO-22

9/19/18
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.

N/A
Name

N/A
Date

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VHA Head of Contracting Activity (HCA)

- d. VHA Senior Procurement Executive Approval (over \$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 other than full and open competition.

<u>N/A</u>	<u>N/A</u>
Jan R. Frye	Date
Deputy Assistant Secretary for Acquisition and Logistics	
Senior Procurement Executive (SPE)	
Department of Veterans Affairs	