

**DEPARTMENT OF VETERANS AFFAIRS**  
**Justification and Approval (J&A)**  
**For**  
**Other Than Full and Open Competition (>\$150K)**

**Acquisition Plan Action ID: 36C770-18-AP-0306**

1. **Contracting Activity:** Department of Veterans Affairs, VISN 15, Charleston Consolidated Mail Outpatient Pharmacy (CMOP)  
**2237: 766-19-1-401-0002**

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

Charleston CMOP is requesting a maintenance and software support contract for the RX Automation Solutions (RXAS) Tablet and Capsule Automation (TCA). The Charleston Consolidated Mail Outpatient Pharmacy (CMOP) is a state of the art, automated pharmacy with a daily output of approximately 110,000 prescriptions; we rely heavily on several unique pieces of high output, automated dispensing equipment to complete our daily mission and service to the VA Medical Centers and Clinics of the Veterans Health Administration and the Veteran patient. The Charleston CMOP is requesting approval of a limited sources justification for base plus an option year services contract for software, controls programming and hardware support related to the RXAS TCA. The support contract requires Help Desk Support, to include an emergency call line, onsite technical support, preventative maintenance (PM), and documentation. The Charleston CMOP completed installation of the TCA system in May 2014 and the current support contract expires October 2018. Due to the complex nature of the system, aging components, and the continuing modifications and improvements (both from the vendor as well as those required by CMOP), the need for comprehensive support is critical to sustain productivity and prevent service interruptions to the Veterans.

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

The purpose of this service request is to obtain a one year with two option years, comprehensive support agreement contract for software, controls programming, hardware design and interface architecture with the CMOP main production control and hardware systems as outlined in the Statement of Work Part II – TCA Support Agreement and Part III – Optional Line Items and Itemized Services. These services are required by 01 October 2018.

Item One: Remote Technical Assistance (Help Desk, Emergency Line, Site Visits, Engineering Blocks for RX Information Technology (RXIT) and RX Engineering Services (RXES)) - \$ [REDACTED]

Item Two: Preventative Maintenance Services (Bi-annual Site Visits: 2 technicians each plus travel costs) - \$ [REDACTED]

Item Three: Unscheduled Software and Hardware Modifications, Parts and Support, and Upgrades – estimated \$ [REDACTED] with additional estimated travel costs of \$ [REDACTED].  
Estimated OEM and proprietary repairs = \$ [REDACTED].

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):**

RXAS is the developer/manufacturer of the TCA software and system. RXAS is uniquely qualified to provide this support based on their comprehensive understanding of the software, controls programming, hardware design and interface architecture with the CMOP main production control with regards to installation of the TCA system in May 2014. The RXAS TCA contains proprietary hardware and patent pending technology that requires technical software and preventative maintenance support through RXES and RXIT systems. Some spare parts are proprietary and only available from the manufacturer. The contract requires materials and repair services for automated pharmaceutical dispensers that are proprietary and can best be serviced by the manufacturer. If replacement units are cost advantageous to the government, then they can only be delivered by the manufacturer. The counting cells are uniquely designed to work within the RXAS Tablet/Capsule Automation and alternatives are not available. To award this level of service contract to a new service provider without prior knowledge and understanding of the RXAS TCA system and the CMOP Production Fulfillment System would require a steep learning curve not conducive to the Charleston CMOP's fast-paced, high-speed integrated pharmacy automation or meet the time constraints of an expiring building lease. Delays in modifications or repairs could result in an interruption of service to the Veterans and the pharmacy supply chain.

**6. Description of efforts made to ensure that offers are solicited from as many potential sources as deemed practicable:**

As the developer/manufacturer of the proprietary TCA software and system, RXAS is the sole source to provide the necessary services to maintain this equipment. RXAS is the only source of OEM and proprietary parts for repairs. Therefore, no other potential sources exist for this acquisition without serious jeopardy to the TCA operations.

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

The previous contract was determined to be fair and reasonable. Based on input from the current vendor, the new proposal will be cost similar to the original. This history makes cost estimation more accurate and the contract will be fair and reasonable.

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

This contract is for the overall system support which would be most cost effective if performed by the manufacturer due to their intimate knowledge and design of the system. It also presents the best method to provide for patient safety since RXAS understands the inherent risks associated with the system and the internal checks and balances relating to the dispensing mechanisms. The initial contract for the TCA required the maximum use of commercial off the shelf (COTS) components. The

contract will allow the government to procure the proprietary and customized parts that are associated with this system.

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

Charleston VA CMOP has plans to relocate to a new facility in two years, and has awarded a new automation contract to a different vendor. The current acquisition will be in place until the new facility is available and the system is fully operational. It is essential to keep the current system operational to ensure sufficient time to evaluate the system design (both hardware and software) and allow additional time to train staff to minimize downtime and interruption of service to the Veteran patient.

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

RX Information Technology (RXIT) in partnership with RX Automation Solutions (RXAS)

**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:**

Same as above. This contract will not be needed further once the new automation has been accepted and placed into service, and will be terminated at that time.

**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.

Dena Wolforth  
541609

Dena Wolforth  
Director  
Charleston VA CMOP (766)

9/11/2018

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.

Bonnie M.  
Joranko  
607765

Digitally signed by Bonnie  
M. Joranko 607765  
Date: 2018.09.18  
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Bonnie Joranko  
Contracting Officer  
CMOP Contracting, NCO 15

9/18/18

Date

VHAPM Part 806.3 Other Than Full and Open Competition (OFOC) SOP  
Attachment 2: Request for Sole Source Justification Format >\$150K

b. **One Level Above the Contracting Officer (Required over\$150K but not exceeding \$700K):**

I certify the justification meets requirements for other than full and open competition.

PENNY J  
CAPPS 492179

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J CAPPS 492179  
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Penny J. Capps  
Branch Chief, CMOP 3  
CMOP Contracting

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Date