

**DEPARTMENT OF VETERANS AFFAIRS**

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

**VA Acquisition Lease Plan Action ID: VA255-14-AP-4343**  
**GSA Acquisition Delegated Project Number: DMO03927-002**

**1. Contracting Activity:**

Department of Veterans Affairs  
Network Contracting Office (NCO15)  
3450 South 4<sup>th</sup> St Trwy  
Leavenworth KS 66048

The St. Louis, MO VAMC facilities management department is the requesting activity.

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

This is an Other than Full and Open Competition approval request for the St. Louis Women's and Dermatology Clinic Lease in accordance with 41 U.S.C. § 3304(a) (1). This requirement is for the Lessor to continue to provide space to the St. Louis VAMC for a Clinic, located at 3615 Olive Street St. Louis, Missouri 63108, to operate a lease extension for a term not to exceed two (2) years with 30 day termination rights. The current facility is in the ideal location, and due to the existing services already being offered, it would be less costly and efficient to award a Succeeding Lease to Owen Continental, rather than relocate services to another location. Currently, the St. Louis Women's and Dermatology Clinic occupies 9,000 Rentable Square Feet (RSF) of space, under lease VA255-R-0677. This lease will expire on May 25, 2019.

A Succeeding Lease will be conducted by the Network Contracting Officer (NCO 15) and estimated to be awarded in August 2020. The current lease will expire May 25, 2019 and therefore a succeeding lease is required. The PALT time for a succeeding lease is 18 months, therefore, the two-year extension will provide sufficient time for the contracting office to get the succeeding lease put in place before the expiration of the extension. The current facility is centrally located and functions sufficiently for its purpose. Until the new lease activates, it would be significantly less expensive to remain in place in the short interim period while the succeeding lease is put in place. Most importantly, remaining in place provides continuity of clinic services.

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

The St. Louis VAMC Director submitted a continuing need request on 10/20/2017 to extend the lease of 9,000 RSF of medical space. To satisfy the Medical Center's requirements, the facility must be within the current established delineated area.

This requirement is for 9,000 RSF leased VA medical space with the lease extension term requirement for a 2 year term to commence on May 26, 2019. The estimated annual cost of this lease is \$196,414.00 per year. The delineated area is within a .5 mile radius of the intersection of 915 North Grand Boulevard and Enright Avenue in St. Louis, MO.

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

- (X) (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):**

The General Service Administration's Acquisition Manual, Part 570.402-5 allows for negotiation with the incumbent lessor when a cost-benefit analysis shows that the Government cannot expect to recover relocation and duplication costs through competition. The current lessor has agreed to a two-year extension of the lease.

Therefore, award to any entity other than the current Lessor would require a relocation of the St. Louis Women's and Dermatology Clinic and thus create a hardship on Veterans being serviced at that location and Government employees.

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

Market research was conducted on November 21, 2017 by the NCO-15 Leasing Contracting Specialist using Loopnet, which came up with no results for acceptable properties that might meet the agency's needs within the delineated area, however, the current lease expires May 25, 2019 and the Government doesn't have sufficient time to relocate before the expiration of the lease.

**7. Current lessor: Owen Continental**

**8. Determination by the Contracting Officer that the Anticipated Cost to the Government will be Fair and Reasonable:**

In accordance with Federal Acquisition Regulation (FAR) 6.303-2(a) (7), the Contracting Officer has made the determination by certifying within this document that the anticipated cost to the Government of \$392,828.00 for the entire requirement is fair and reasonable. When comparing cost proposals in section eight (8) below, the Leased cost per SQFT per month of the lots researched outside our delineated area reflects almost a fifty percent increase of the incumbent lessor's cost.

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

Market research was conducted using loopnet, however, analyzing other options in the delineated area isn't relevant since the current lease expires May 2019, therefore, the Government does not have enough time to conduct a new/replacing lease at this time. A lease extension is necessary in order to have sufficient time to analyze the marketplace and determine the most cost effective route for this lease.

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

No other information

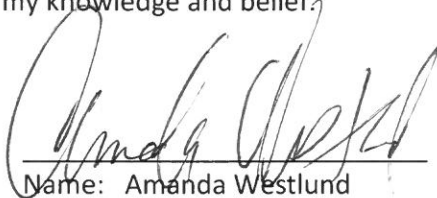
**11. Listing of Sources that Expressed, in Writing, an Interest in the Acquisition:**

Current lessor: Owen Continental

**12. 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**

multiple methods of market research as previously stated above. Future contract actions for any of the requesting agencies will follow competitive acquisition procedures except where 41 U.S.C 3304 (a) (1) or other statutory provisions apply.

**13. 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.



Name: Amanda Westlund

Date

11/28/17

Title: Contracting Officer Representative

Facility: St. Louis VAMC

**14. Approvals in accordance with the VHAPM, Volume 6, Chapter VI: OFOC SOP.**

OFOC SOP Revision 05

Original Date: 03/22/11

Revision 05 Date: 05/02/2016

Chapter VI: Other Than Full and Open Competition (OFOC) SOP  
Attachment 3: Request for Sole Source Justification Format >\$150K

The Contracting Officer certifies that the award of a lease extension is in the Government's best interest.

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.

Melissa K.  
Brau 440013

Digitally signed by Melissa K. Brau 440013  
DN: dc=gov, dc=va, o=internal, ou=people,  
0.9.2342.19200300.100.1.1=melissa.brau@va  
.gov, cn=Melissa K. Brau 440013  
Date: 2017.11.21 13:27:41 -0600

Name: Melissa K. Brau                      Date  
Title: Lease Contracting Specialist  
Facility: Network Contracting Office (NCO) 15  
3450 S. 4<sup>th</sup> Street Trafficway  
Leavenworth, KS 66048

b. **Director of Contracting /Designee (Required over\$150K but not exceeding \$700K):** I certify the justification meets requirements for other than full and open competition.

Name: Peggy S. Becker                      Date  
Title: Lease Contracting Officer  
Facility: Network Contracting Office (NCO) 15