

**DEPARTMENT OF VETERANS AFFAIRS**  
**Justification and Approval**  
**For**  
**Other Than Full and Open Competition**

1. **Contracting Activity:** The Contracting Activity responsible for this procurement is the Department of Veterans Affairs (VA), Office of Procurement Acquisition and Logistics (OPAL), Strategic Acquisition Center –Frederick (SAC-F), located at 321 Ballenger Center Drive, Suite 125, Frederick, MD 21703.
2. **Nature and/or Description of the Action Being Processed:** The Agency requires a firm-fixed price contract for Land Mobile Radio Equipment Trunking Services within the Washington D.C. Metropolitan Area for the Department of Veterans Affairs Central Office (VACO). The requested period of performance is 12 months from date of award, with four 12-month option periods.

The Department of Commerce is (DOC) National Telecommunications and Information Administration (NTIA) has been designated as the regulating agency for all Federal spectrum use in accordance with the Executive Order 12046, Section 2-404 dated Mar 27, 1978 and the Executive Order 12472, Section 2 (c)(3) dated April 3, 1984. As the designee, NTIA, with advice from the Emergency Planning Subcommittee (EPS) and Spectrum Planning Subcommittee (SPS), reviews National Security and Emergency Planning (NSEP) spectrum dependent systems and assigns the appropriate Telecommunications Service Priority for Radio communications (TSP-R) (spectrum use priority) and system approval certifications. This certification ensures system compliance with prevailing spectrum management policies, allocations, regulations and technical standards (Federal, National, and international). The SPS Secretary maintains a list of NTIA approved trunking systems and their TSP-R information. Radio frequency and telecommunications have specific interoperability requirements that are regulated in order to provide a secure and survivable interagency telecommunications capability within the Department of Defense, Department of Homeland Security, and the White House.

In order to encourage the efficient use of the radio frequency spectrum, on December 01, 1992, NTIA contracted with Federal Specialized Mobile Radio (FedSMR) to operate a land mobile radio system for Federal Agencies. Under this agreement, Pegasus Radio Corp. (doing business as (DBA) Federal Radio) is the sole approved provider of trunked radio, programming, and equipment maintenance services for Federal Agencies within the Washington, DC area. The use of Pegasus Radio Corp/Federal Radio frequency spectrum and equipment will provide the necessary interoperability and compatibility required to continue secure communications between federal agencies and state/local government and their existing radio frequencies. Additionally, being an approved NTIA frequency spectrum provider, Pegasus Radio Corp/Federal Radio meets all spectrum management policies, allocations, emergency preparedness regulations and technical standards which ensure that their frequency and equipment provide a robust communications network for protecting Federal Continuity of Government communications; which is critical to telecommunications emergency preparedness.

Furthermore, the NTIA Manual of Regulations and Procedures for Federal Radio Frequency Management (Red Book) Paragraph 8.2.48A.5 states "All requests for frequency assignments to support Government owned and operated conventional or trunked land mobile radio systems within 30 km of an existing NTIA authorized trunked land-mobile system, whether operated by a

Federal agency or a commercial vendor, shall be accompanied by a justification that indicates why use of the existing system could not meet agency requirements." (ex. Existing system would not meet the requesting agency's mission requirements, GAO B-279349). The available FedSMR trunking system meets VACO needs.

NTIA has established FedSMR to provide spectrum-efficient trunked radio communications to Federal users that can benefit from multiple talk groups and other features. Several other agencies also use the NTIA administered FedSMR system, which supports Continuity of Operations (COOP), emergency response operation requirements as well as day-to-day communications.

The Base Year for maintenance and airtime of 165 (F4161 DS71 RC, ICOM) radios, and programming for 3 talk groups, is estimated to be [REDACTED]. Annual recurring charges for trunking services and extended coverage are estimated to be [REDACTED] with no yearly escalation. The total estimated cost for the Base Year and four Option Years is as follows:

Base Year	[REDACTED]
Option Year 1	[REDACTED]
Option Year 2	[REDACTED]
Option Year 3	[REDACTED]
Option Year 4	[REDACTED]00
Total	[REDACTED]

3. **Description of Supplies/Services Required to Meet the Agency's Needs:** Trunking is the automatic sharing of multiple radio channels between several separate radio user groups, providing fast and efficient use of the available radio spectrum. Traditional radio systems use a single radio at a building or tower site. The Federal Radio digital trunked radio achieves greater range by utilizing both high antenna sites and low power networked sites. Trunking at a site allows all users to benefit from the greater range achieved by the tower(s). VACO requires, programming of 3 talk groups, and airtime subscription and maintenance for 165 radios. Trunking Services will include independent call groups for each VACO facility location across all locations within the Washington DC Metropolitan Wide Area.
4. **Statutory Authority Permitting Other than Full and Open Competition:** There is only one responsible source (Federal Radio) that can provide the required services, and no other supplies or services will satisfy the Agency requirements. The statutory authority permitting other than full and open competition is Federal Acquisition Regulation (FAR) subpart 13.501(a)(2)(ii), in accordance with 41 U.S.C. 1901.
5. **Validity of Use of Statutory Authority:**  
***Only One Responsible Source and No Other Supplies or Services Will Satisfy Agency Requirement – the services requested are “highly specialized.”***  
 Federal Radio is the sole contractor for the federal government in the Washington, D.C. area for the construction, operation, and maintenance of a federal government land mobile radio trunking system. As such, Federal government agencies and contractors located in the Washington, D.C. metropolitan area are required to use Federal Radio to maintain connectivity.

The FedSMR-D service utilizes an open protocol system, NXDNTM Type D, which contains proprietary information that is owned by Federal Radio. The proper operation of the system requires all fixed equipment and subscriber equipment to be in proper working order.

Additionally, FedSMRs-D requires a password for certain maintenance and programming options. Only the system owner is authorized to be in possession of this password. Federal Radio possesses the password for the Washington, D.C. FedSMR-D system. Therefore, FRSC is the only source authorized by NTIA to provide FedSMR-D airtime and maintenance services.

6. **Description of Efforts Made to ensure that offers are solicited from as many potential sources as deemed practicable:** In accordance with FAR 5.203(a), the Government will publish a Notice of Intent to Sole Source to [www.FedBizOps.gov](http://www.FedBizOps.gov) 15 days prior to entering into an award for these services.
7. **Determination by the Contracting Officer that the Anticipated Cost to the Government will be Fair and Reasonable:** The total dollar amount of the proposed acquisition is [REDACTED]. There is adequate price history for analysis. The Contracting Officer determines that the anticipated price will be fair and reasonable based on historic cost analysis and examination of the current and future needs of the facility. The anticipated price to the Government for membership covering the period December 1, 2018 through November 30, 2023, is [REDACTED]. Price is determined reasonable by the contracting officer based on historical pricing paid by VA and other Government Agencies.
8. **Description of the Market Research Conducted and the Results, or a Statement of the Reasons Market Research Was Not Conducted:** The Government reviewed the Office of Small and Disadvantaged Business Utilization's (OSDBU) Vendor Information Pages (VIP). Searches were conducted using NAICS 811213, which revealed 169 potential SDVOSB and VOSB sources. Refining the search with Keywords "Trunking", "NXDN", "Federal Specialized Mobile Radio", and "FSMR" did not identify any SDVSOB or VOSB sources capable of providing the required services.

The Government reviewed the Procurement List Maintained by the Committee for Purchase from People Who are Blind or Severely Disabled (AbilityOne) and found that AbilityOne does not provide the required services.

The Government searched the Small Businesses Administration's (SBA) Dynamic Small Business Search (DSBS) tool using NAICS Code 811213, which revealed 2, 968 potential sources. The search was filtered using keyword "NXDN", which resulted in 1 potential small business source, Pegasus Radio Corp, DBA Federal Radio.

The Government searched USASpending.gov, which displayed 18 Fiscal Year 2018 sole source procurements awards to Pegasus, INC. to several Government Agencies for similar services.

Market research did not yield two Service-Disabled Veteran-Owned Small Businesses or Veteran-Owned Small Businesses that were capable of providing the required membership.

Per the information above, there is only one responsible source capable of providing services that will satisfy agency requirements. It is in the Government's best interest to procure these

memberships via Federal Acquisition Regulation (FAR) subpart 13.501(a)(2)(ii), in accordance with 41 U.S.C. 1901

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

VACO has a significant investment in equipment that is engineered to operate with the Federal Radio System frequencies. This equipment includes: 165 hand held portable radios and chargers. To migrate to another service would involve a costly replacement of all equipment.

GAO case B-279349 outlining NAVY's decision to develop its own land radio system, rather than utilize the NTIA with FedSMR was found and reviewed. The case confirmed the arrangement between NTIA and FedSMR and further showed that VACO does not have the resources or the need for an independent radio system (i.e. radio tower space, radio tower equipment, service personnel, etc.).

**10. Listing of Sources that Expressed, in Writing, an Interest in the Acquisition:** None.

**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:** VACO will continue to stay abreast of revisions to The Manual of Regulations and Procedures for Federal Radio Frequency Management in the event additional authorized sources become available. VACO will also continue to monitor the government-wide point-of-entry for indications of changes in the marketplace.

**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.

**13. Approvals in accordance with FAR 13.501(2)(ii)**

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

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SAC -F

Officer

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