

**Justification For
Other Than Full and Open Competition**

Acquisition Plan Action ID: 36C257-19-AP-1989

1. Agency: Department of Veterans Affairs

Contracting Activity: Network Contracting Office 17 (NCO-17)
7201 W. Interstate 40, Ste. 100
Amarillo, TX 79106-2612

Purchase Request #: 549-19-2-052-0730

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

NCO-17 intends to enter into an open market sole source contract for the purchase of reagents and consumable supplies with vendor Cepheid. The proposed contract action will be awarded as a new firm-fixed-price action for a period of performance of one (1) year. The contract will be considered a standing order; where, the reagents and supplies will be requested/ordered on an as-needed basis, throughout the period of performance.

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

The pathology laboratory at the VA North Texas Veterans Health Care System (VATVHCS) requests the following items (estimated annual quantities):

0001: Xpert Carba-R, Item No.: GXSACARBAR-10, Unit: EA, Qty.: 33
0002: Xpert MRSA Test Kit, Item No.: GXMRSA-120, Unit: EA Qty.: 4
0003: Xpert MTB/RIF, Item No.: GXMTB/RIF-US-10, Unit: EA, Qty.: 18
0004: Xpert Xpress Flu, Item No.: XPRSFLU-10, Unit: EA, Qty.: 200
0005: Xpert CT/NG, Item No.: GXCT/NG-120, Unit: EA, Qty.: 4
0006: Xpert Vaginal Specimen Kit, Item No.: SWAB/A-50, Unit: EA, Qty: 8
0007: Xpert Urine Specimen Kit, Item No.: URINE/A-50, Unit: EA, Qty: 60
0008: Xpert Sample Specimen Kit, Item No.: SWAB/B-100, Unit: EA, Qty.: 30
0009: Xpert Carba-R Control, Item No.: CARBAR-BU1, Unit: EA, Qty.: 4
0010: Xpert Xpress Flu Control, Item No.: XPRSFLU-BU1, Unit: EA Qty.: 24
0011: Xpert MTB/RIF Control, Item No.: MTB/RIF-BU2, Unit: EA, Qty.: 4
0012: Xpert CT/NG Control, Item No.: CT/NG-BU1, Unit: EA, Qty.: 16

Estimated Period of Performance: 6/1/2019 through 5/31/2020

Estimated Value: \$REDACTED

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

41 USC §3304(a)(1), as implemented by FAR 6.302-1.

(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;

VHAPM Part 806.3 Other Than Full and Open Competition (OFOC) SOP
Attachment 2: Request for Sole Source Justification

- () (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 VA North Texas Veterans Health Care System, Pathology & Laboratory Medicine Service, operates a Cepheid GeneXpert analyzer under a separate equipment rental agreement. The containers for the requested reagents and consumable supplies are manufactured specifically for GeneXpert analyzers. The reagents must be compatible in all aspects of form, fit and function, with the existing system. Cepheid is the only known manufacturer of the requested reagents.

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

A special notice, notice of intent to award a sole source procurement, was posted on FBO under RFI 36C25719Q0638 on 4/23/2019. The notice stated that all responsible sources may submit a capability statement, proposal or quotation, which shall be considered by the agency to determine if a comparable source is available and more advantageous for the government. The response date of the notice has passed, will be archived in FBO on 5/9/2018, and has had no responses to the notice.

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

In accordance with FAR 13.106-3(a)(2)(ii), the Contracting Officer has determined that the anticipated proposed prices, when compared with the prices found reasonable on previous purchases, to be fair and reasonable. A comparison of the proposed prices will be conducted on previous purchases.

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

Market research did not identify an alternative procurement source for this requirement. A search of the mandatory sources of procurement for supplies, GSA, NAC, VIP, SBA DSBS and open market searches only found two large businesses that offered Cepheid products.

Correspondence with Cepheid stated that they are the sole source for VA procurements. Cepheid stated that other commercial businesses are only used as distributors for non-acute care facilities.

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

N/A

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:

Cepheid is the only known manufacturer of the requested reagents for their GeneXpert analyzer. The VATVHCS pathology & laboratory medicine service will conduct market research prior to new purchase requirements to determine if there have been any 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.

Signature:

//SIGNED// _____ 5/8/2019
REDACTED Date:
Laboratory Manager
VA North Texas Veterans Health Care System

13. Approvals in accordance with VHAPM Part 806.3 OFOC SOP:

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

//SIGNED// _____ 5/8/2019
REDACTED Date:
Contracting Officer