

DEPARTMENT OF VETERANS AFFAIRS

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

Acquisition Plan Action ID: 36C242-19-AP-5293

1. Contracting Activity:

Department of Veterans Affairs, Southeast Network
Veterans Integrated Services Network (VISN) 7,
1670 Clairmont Rd.
Atlanta, GA. 30030

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

Network Contracting Office (NCO) 7 intends to award a sole source contract to Superior Optical Labs, Inc., a Service Disabled Veteran Owned Small Business (SDVOSB), registered in the Vendor Information Pages (VIP) for Prescription Eyeglasses and Optician Services. This requirement is for the manufacturing and delivery of both dress and safety prescription eyeglasses to include fitting services provided by a licensed optician. Contractor shall offer both dress and safety frames, as well as single vision, bifocal, trifocal, and progressive lenses. The proposed sole source contract is for a one (6) six-month period. The anticipated performance period is September 15, 2019 through March 14, 2020.

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

The Department of Veterans Affairs (VA) has an ongoing program to provide prescription eyeglasses (both dress and safety) to eligible veterans. The provision of corrective eyeglasses is required for eligible veterans to meet their optic and low vision medical needs. The VA eye clinic prescribes corrective lenses based upon a medical exam. The clinical judgement and assessment are used to determine medical necessity in conjunction with VHA Directive 2008-070 (Prescribing Hearing Aids and Eyeglasses) and 39 CFR 17.149 (Sensory-Neural Aids). Eyeglasses are not an emergent service and follow the administrative standard for assessment and procurement practices. The Contractor shall provide all labor and materials necessary to provide prescription eyeglasses and in house (onsite at VA facilities) optician fitting services.

At this time, all ordering is done by the Prosthetic and Sensory Aids Service (PSAS) Central Processing Section. However, each VISN 7 site reserves the authority to develop individual ordering and payment processes during the contract term.

The Contractor is to provide prescription eyeglasses including fitting services by a licensed optician according to contract specification for beneficiaries of the following sites of care and their entire catchment areas, including their respective Community Based Outpatient Clinics (CBOCs), within the Veterans Integrated Service Network (VISN) 7 VA Health Care Network:

Atlanta VAMC (508)
1670 Clairmont Rd
Decatur GA 30033

VHAPM Part 819.7007/7008 Sole Source Awards to a
Verified Service-Disabled Veteran-Owned Small Business/Veteran-owned Small Business
Attachment 1: Request for SDVOSB/VOSB Sole Source Justification Format >SAT

Augusta VAMC (509)
1 Freedom Way
Augusta GA 30904

Birmingham VAMC (521)
700 South 19th St
Suite 500, 950 N 22nd St
Birmingham AL 35233

Charleston VAMC (534)
109 Bee St
Charleston SC 29493

Columbia VAMC (544)
6439 Garners Ferry Rd
Columbia SC 29209

Dublin VAMC (557)
Carl Vinson VA Medical Center
1826 Veterans Blvd
Dublin GA 31021

Central Alabama VA Health Care System (619)
215 Perry Hill Rd
Montgomery AL 36109

Central Alabama VA Health Care System (619)
West Campus
2400 Hospital Rd
Tuskegee AL 36083

Tuscaloosa VAMC (679)
3701 Loop Rd East
Tuscaloosa AL 35404

VA anticipates the award of a single, firm-fixed-price, IDIQ contract resulting from this solicitation. The number of patients covered by this contract is expected to increase/decrease among VISN 7 patients and dependent upon beneficiaries added or removed throughout the contract term. The volumes or amounts of prescription eyeglass orders shown below are annual estimates only. These estimates are based on historical data (quantities of eyeglasses ordered for Veteran patients in the VISN 7 Medical Center Optical Clinics during the last fiscal year) and includes optician services. The estimated quantities for the six-month period of performance for this contract is: 59,500. The Independent Government Estimate for the six-month performance period is \$4,846,778.50.

Facility	FY19 Qty
508 Atlanta	22,000
509 Augusta	9,000
521 Birmingham	17,000
534 Charleston	18,000
544 Columbia	21,000
557 Dublin	12,000
619 Central Alabama	14,000
679 Tuscaloosa	6,000

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

38 U.S. Code § 8127(c); 41 USC §3304(a)(5), as implemented by FAR 6.302-5 (Authorized or Required by Statute). COs may use procedures other than competitive procedures (sole source) up to \$5,000,000. Check the specific VAAR clause used below:

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- (x) 819.7007 Sole source awards to a verified service-disabled veteran-owned small business;
() 819.7008 Sole source awards to a verified veteran-owned small business

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

Pursuant to 38 U.S.C. § 8127(c) a sole source award to a SDVOSB concern is authorized where the SDVOSB concern is determined to be a responsible source with respect to performance of the contract; the anticipated award will exceed the simplified acquisition threshold but will not exceed \$5,000,000; and the contract award can be made at a fair and reasonable price that offers best value to the United States. Superior Optical Labs, Inc. is a verified SDVOSB by the Center for Veteran Enterprise (CVE) on the Vendor Information Pages (VIP). Superior Optical Labs, Inc. (DUNS No. 788332286) has performed satisfactorily on contracts for similar supplies and services to other Veteran Integrated Service Networks. Superior Optical Labs, Inc. currently provides eyeglasses and fitting services to VISN 6 and historically provided eyeglasses and fitting services to VISN 8 for 14 years. Superior Optical Labs, Inc. also has an overflow contract for VISN 20, and is an outsource partner for VISN 10. A new award was issued by VISN 2 Upstate with a performance effective date of October 1, 2019. VISN 7 currently has a Blanket Purchase Agreement (BPA) for prescription eyeglasses and optician services with AbilityOne/Winston-Salem Industries for the Blind (WSIFB). VISN 7 places individual orders under the BPA on a daily basis. On October 17, 2018 the United States Court of Appeals for the Federal Circuit (CAFC) issued a ruling in *PDS Consultants v. U.S., Winston-Salem Industries for the Blind* that states "Where a product or service is on the [AbilityOne Procurement] List and ordinarily would result in the contract being awarded to a nonprofit qualified under the JWOD, the [Veterans Benefits Act of 2006] unambiguously demands that priority be given to veteran-owned small businesses", which directly impacts VISN 7's BPA with WSIFB. As a result of the ruling, VISN 7 has conducted market research and identified SDVOSB interest and capability to provide prescription eyeglasses and optician services. As VISN 7 is no longer able to continue the current BPA with WSIFB after the end of the existing extension period (October 31, 2019), this contract will provide the short-term coverage needed for the VISN 7 facilities to provide continuity of services to Veteran beneficiaries while a long-term contract is sought. A consolidated acquisition planning approach has been adopted, and a short-term contract is considered to be in the best interest of the Government in order to provide uninterrupted services, while pursuing a best value, long-term contract solution. A competitive, long-term SDVOSB set-aside solicitation is expected to be released on FBO on or around October 15, 2019.

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

A Sources Sought Notice was posted to the Federal Business Opportunities (FBO) website on November 16, 2018. The announcement provided an opportunity for interested SDVOSBs to respond with their interest and capability to provide the described requirement. Two (2) capable SDVOSB entities with current VA contracts for prescription eyeglasses responded on November 27, 2018. The two SDVOSB concerns were Superior Optical Labs, Inc. and PDS Consultants, Inc.

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

The Contracting Officer will determine fair and reasonableness of the proposed prices through a comparison of those prices to the Independent Government Estimate (IGE), market research, and other available price analysis techniques in accordance with FAR 13.106-3(a)(2).

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

The following market research was conducted to identify potential sources to fulfill the requirement for VISN 7:

1. A search was conducted in the Vendor Information Pages (VIP) for SDVOSBs registered under NAICS Code 339115. It identified 9 verified SDVOSBs, but it was impossible to determine whether the identified companies were capable of fulfilling VISN 7's requirement as the NAICS Code is very broad.
2. A Sources Sought Notice was posted to FBO and three interested vendors responded to the notice – Superior Optical Labs, Inc., PDS Consultants, Inc., and Corp Medical. Two companies appeared capable of fulfilling VISN 7's requirement after review of their Sources Sought Notice responses. Corp Medical, based on its response, was not determined to be able to meet the immediate needs of VISN 7 at this time.
3. A search was conducted in CPARS.GOV formerly PPIRS to identify performance history of Superior Optical and PDS Consultants. This search identified 30 positive reports for PDS Consultants Inc. and nine (9) positive reports for Superior Optical. The largest dollar values were to PDS Consultants, Inc., and both held contracts with the VA for prescription eyeglasses.
4. During the period market research was being conducted Superior Optical Labs, Inc., reached out directly to the contract specialist, VISN Contracts Team on May 23, 2019 to express Superior Optical Labs, Inc.'s interest in providing prescription eyeglasses to VISN 7. Superior Optical Labs, Inc. explained they have would be interested should a short-term sole source opportunity arise.
5. A decision was made to spread the short-term requirements across the identified sources to provide as much opportunity to the SDVOSB community as possible. As a result, VISN 7 is pursuing a sole-source short-term contract with Superior Optical Labs, Inc.

In order to determine Superior Optical Labs, Inc.'s technical capability as well as their compliance with the Buy America Act and the Limitations on Subcontracting, the following market research tasks were conducted:

1. In a query of Center for Veteran Enterprise (CVE) on the Vendor Information Pages (VIP), Superior Optical Lab, Inc. was listed as a verified Service Disabled Veteran Owned Small Business;
2. In a review of the System for Award Management (SAM) website, Superior Optical Labs, Inc. (DUNS No. 788332286) is listed as a small business under this requirement's NAICS Code 339115 (Ophthalmic Goods Manufacturing) with Size Standard 1000 employees. In addition, Superior Optical Labs, Inc. has confirmed that they manufacture all of their eyeglasses.
3. Superior Optical Labs, Inc. made assurances in November 2018 in writing that they were in compliance with the requirements of the Buy American Statute and Limitations on Subcontracting. Superior explained

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they manufacture all of their eyeglasses and will comply with the Limitations on Subcontracting in accordance with 13 CFR 125.6 and VAAR 852.219-10.

4. Based upon the detailed capability statement and review of current CPAR reports we determine that Superior Optical is responsible and capable to provide Eyeglasses and Fitting Services to VISN 7. Below are the findings:
 - a. Superior Optical manufactures all of its eyeglasses. Superior Optical is a small business concern for the applicable NAICS code size standard (1000 employees).
 - b. Furthermore, Superior Optical will deliver only domestic end products in compliance with the Buy American Act FAR 52.225-1(d) and Superior Optical will comply with the applicable Limitations on Subcontracting.
 - c. Finally, Superior Optical is technically capable of meeting the requirement. Superior Optical confirmed that they have resources to immediately provide eyeglasses to all VISN 7 Medical Centers and their entire catchment areas and could immediately begin recruitment to fulfill the additional requirement for licensed optician services.

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

Based on market research performed during the planning stage for this solicitation for Prescription Eyeglasses and Optician Services, the Contracting Officer has determined that multiple awards shall not be used to acquire this supply in indefinite quantities. The requirements of FAR 16.504(c)(1)(ii)(A)&(B) were considered in making this decision, and the rationale is as follows:

Prescription Eyeglasses and Optician Services require a high level of oversight to ensure all contract requirements are being met. The VISN 7 Optical staff and Prosthetics and Sensory Aid Service (PSAS) staff are in daily contact with the Contractor and monitor areas such as staff licensing, timeliness of eyeglasses shipping and delivery, compliance with ANSI quality standards, and customer satisfaction survey processing, in addition to working with the contractor to place orders throughout the day when a Veteran is seen by the VA optical shops. Historically, VISN 7 has held a contract for prescription eyeglasses (with services) with Winston-Salem Industries for the Blind, the qualified non-profit under the AbilityOne program. All sources sought respondents stated they could incorporate VISN7's orders into their daily operations without issue, as well as provide Optician Services. Considering the scope of the requirement, the required level of oversight and time in order to effectively manage the Prescription Eyeglasses program, it would not be in the best interest of the Government to award multiple contracts.

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

Superior Optical Labs, Inc., PDS Consultants Inc., and Corp Medical

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:

VISN 7 NCO will continue to monitor the market to ensure that future sole source requirements are avoided. Furthermore, a full market analysis will be conducted for the long-term contract requirements.

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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.

SHARON A
MARSH 698593

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SHARON A MARSH 698593
Date: 2019.08.21 10:45:06
-04'00'

Sharon Marsh
VISN 7 Network Prosthetics Manager

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.

Laurinda Millage

Laurinda Millage
Contracting Officer
Network Contracting Office (NCO) 7

8/23/2019

Date

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

for _____
Prudence Howard
Director of Contracting
Network Contracting Office (NCO) 7

08/26/2019

Date

- c. **VHA RPO 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.

Joseph P. Maletta
Executive Director, RPO East
Head of Contracting Activity (HCA)

Date