

## DEPARTMENT OF VETERANS AFFAIRS

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

#### Acquisition Plan Action ID: 36C261-19-AP-3318

1. **Contracting Activity:** Department of Veterans Affairs, Service Area Office West, Network Contracting Office (NCO 21) on behalf of VISN 21. The procurement request number is 640-19-2-554-0011.
2. **Nature and/or Description of the Action Being Processed:** This is a request for maintenance, support, and periodic upgrade of Intelligent InSites proprietary software for the following VISN 21 sites: Livermore, Martinez, Reno, Mather, Fresno, San Francisco and Palo Alto. The resulting contract will be a base year plus four (4) option years, Firm Fixed-Price contract with Intelligent InSites, Inc., DUNS 170443837.

**FAR 13.5 Simplified Procedures for Certain Commercial Items:** This procurement will be accomplished in accordance with FAR 13.5 Simplified Procedures for Certain Commercial Items and specifically FAR 13.501 Special Documentation Requirements, where acquisitions conducted under Simplified Acquisition Procedures are exempt from the requirements of FAR Part 6, but still require a justification using the format of FAR 6.303-2.

3. **Description of Supplies/Services Required to Meet the Agency's Needs:** Real Time Location System (RTLS) Asset Tracking (AT) capability is provided by CenTrak RTLS Technology, Intelligent InSites middleware in VA Medical Centers and OATSystems in VA Consolidated Mail Order Pharmacies (CMOPs). Both are supplemented via the Intelligent InSites Asset Management Business Intelligent (BI) Solution. RTLS technology combines a variety of signaling and wireless communication methods to determine the location of tagged assets. Knowing the location of tagged assets can be used to speed up annual inventory, locate equipment, reduce theft/loss, track patients and track staff to improve workflow.

RTLS technology comes in two basic forms, active and passive tag technology. Active RTLS technology uses tags that transmit a Radio Frequency ID (RFID) through Wi-Fi at a regular interval. The same tags may also listen for, and report the receipt of, other signaling technologies like infrared (IR) or low frequency (LF) emitters. These technologies are designed for room level accuracy. The alternative form of RTLS technology uses passives tags that are powered by the electromagnetic energy transmitted from RFID readers. VA's Asset Tracking (AT) solution uses Active Tags only, except at the CMOP, where passive technology is also used.

AT is one of three RTLS business use cases deployed by VA, and one of eight that VA has identified. At those VISN facilities currently operating AT, AT data is collected and transferred from the CenTrak system to the Intelligent InSites system. InSites for AT, is a RTLS specific Business Intelligent platform that leverages location-based data to provide users with the following information:

- A real-time GUI display of location status for individual assets
- A set of statistically based reports and dashboards that present the state of the RTLS inventory, as well as the employment of individual assets.

RTLS users may access and use individual application functionality directly from InSites. The InSites implementation can also be interfaced to VA's Veterans Information Systems and Technology Architecture (VISTA) Automated Engineering Management System /Medical Equipment Reporting System (AEMS/MERS) and to IBM's Maximo Asset Management solution.

AEMS-MERS is a VISTA legacy package that supports IT Equipment management, transfer and tracking. IBM® Maximo® Asset Management is an asset management life cycle and workflow management application. Currently, MuleSoft Enterprise Service Bus (ESB) is deployed as part of the interface solution to both VISTA and Maximo.

This request is to provide Software Maintenance and Application Support for the Intelligent InSites RTLS User Interface installed and implemented at the following VISN 21 sites: Livermore, Martinez, Reno, Mather, Fresno, San Francisco and Palo Alto.

The government estimate for these services is [REDACTED] for 1 base year plus 4 option years.

4. **Statutory Authority Permitting Other than Full and Open Competition:** FAR 13.5 Simplified Procedures for Certain Commercial Items; the authority for applying the Simplified Procedures for Commercial Items of FAR 13.5 is 41 U.S.C. 1901 and is implemented by for restricting competition on this procurement via FAR 13.106-1(b)(2).

- (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):**

Only One Responsible Source and No Other Supplies or Services Will Satisfy Agency Requirements per FAR 6.302-1. Intelligent InSites is the VA Standard User Interface for VA Asset Tracking system as part of the National RTLS project, and was developed specifically to work with CenTrak Asset Tracking systems. This request is to support the InSites user interface software that is already in place in VISN 21 and several other VISNs. This request is for post warranty support of an existing installed software solution. To utilize another company's software (and hardware) will require at least 2 years of development with CenTrak and support of VACO (specifically, the National RTLS project Management Office and Office of Information and Technology (OIT)). This support is required for Intelligent InSites to upgrade the current software, which will be necessary for OIT compliance. VA RTLS National Project Management Office (PMO) selected CenTrak and Intelligent InSites as part of a RTLS selection and implementation project that began in 2011 and awarded in late 2012. CenTrak has their own software that is used to manage the operation of the various radiofrequency and infrared components of their Asset Tracking product. The software is also to monitor the operational status of these components. The software is not for the user interface, the part of the solution that tells users hospital asset locations on a PC screen. For that, CenTrak partners with other companies, such as Intelligent InSites. The VA chose Intelligent InSites as part of a RTLS selection and implementation project. The National Enterprise Systems Engineering Task Order to interface Intelligent InSites to VistA for Asset Management was a parallel project to the VISN 21 (and other VISN's) RTLS

projects and were all managed through the National RTLS Program Management Office (VACO); VISN TAC IDIQ Contract VA118A-12-D-0025, Task Order VA118A-13-J-0030.

Intelligent InSites, Inc. is the only company capable to provide Software Maintenance and Application Support for the existing Intelligent InSites RTLS User Interface implemented in VISN 21. The service and software installed in VISN 21 is proprietary, copyrighted code of Intelligent InSites, Inc. as there is a requirement to use only OEM approved parts/software to support the system. The equipment must be serviced by individuals trained and certified by Intelligent InSites, Inc. The software upgrades are proprietary and only available from Intelligent InSites, Inc. which includes service packs for bug fixes/enhancements and updates of the application software with new releases. Intelligent InSites, Inc. does not authorize any other third-party company to provide maintenance and support services for this software. A proprietary letter from the company Intelligent InSites, Inc. confirms this statement. See attached.

6. **Description of Efforts Made to ensure that offers are solicited from as many potential sources as deemed practicable:** Intelligent InSites, Inc. is the only company capable to provide Software Maintenance and Application Support for the Intelligent InSites RTLS User Interface. The service and software installed in VISN 21 is proprietary, copyrighted code of Intelligent InSites, Inc. Intelligent InSites, Inc. does not authorize any other third-party company to provide maintenance and support services for this software. VA RTLS National Project Management Office (PMO) selected CenTrak and Intelligent InSites as part of a RTLS selection and implementation project that began in 2011 and awarded in late 2012. Implementing new software would take at least 1 – 2 years or more to complete replacing Intelligent InSites throughout VISN 21. The InSites Software cost [REDACTED] Per Site in late 2013, when the National RTLS Project was awarded. To replace the existing software with new software would result in a substantial duplication of costs estimated for 7 sites multiplied by [REDACTED]. If the VISN were to transition from Intelligent InSites to another Asset Tracking user interface software, VistA interfaces would need to be designed from scratch, which would entail creating a new National Enterprise Systems Engineering Task Order similar to which was developed for Intelligent InSites. The National Enterprise Systems Engineering Task Order to interface Intelligent InSites to VistA for Asset Management was a parallel project to the VISN 21 (and other VISN's) RTLS projects and were all managed through the National RTLS Program Management Office (VACO).

In addition, a search was conducted on the Vendor Information Pages (VIP) <https://www.vip.vetbiz.va.gov/> to determine if there are potential vendors registered under NAICS code 541512 with keyword "InSites". In addition, a sources sought notification 36C26119Q0677 was posted on May 22, 2019 to [www.fbo.gov](http://www.fbo.gov). The VIP pages populated (0) no results. See briefcase under P02. In addition, no firms responded to the Sources Sought announcement posted on FBO.

7. **Determination by the CO that the Anticipated Cost to the Government will be Fair and Reasonable:** This is a requirement for Software Maintenance and Application Support, and the positions are covered by the Service Contract Labor Standards, formerly known as the Service Contract Act of 1965. Consequently, there are Department of Labor (DoL) wage determinations in place for the service area. The Government will be able to use the DoL wage determination to assist with providing hourly pricing information to determine the hourly rates to be fair and reasonable after accounting for equipment, labor burden, overhead, and profit.
8. **Description of the Market Research Conducted and the Results, or a Statement of the Reasons Market Research Was Not Conducted:** Market research is done using Sources Sought on [www.fbo.gov](http://www.fbo.gov), reviewing the Federal Supply Schedule (FSS) GSA eLibrary website [www.gsaelibrary.gsa.gov/](http://www.gsaelibrary.gsa.gov/), and through interoffice communication among Contracting Officers. A search was conducted on the Vendor Information Pages (VIP) <https://www.vip.vetbiz.va.gov/> to

determine if there are potential vendors registered under NAICS code 541512 with keyword "InSites". In addition, a sources sought notification 36C26119Q0677 was posted on May 22, 2019 to [www.fbo.gov](http://www.fbo.gov). The VIP pages populated (0) no results. See briefcase under P02. In addition, no firms responded to the Sources Sought announcement posted on FBO.

9. **Any Other Facts Supporting the Use of Other than Full and Open Competition:** The Intelligent InSites software installed in VISN 21 is proprietary, copyrighted code of Intelligent InSites. Only InSites can offer maintenance and support of this software - which includes service packs for bug fixes/enhancements and updates of the application software with new releases. VA RTLS National Project Management Office (PMO) selected CenTrak and Intelligent InSites as part of a RTLS selection and implementation project that began in 2011 and awarded in late 2012. This request is not for new software, but for support of existing software already implemented at the VISN 21 sites.
10. **Listing of Sources that Expressed, in Writing, an Interest in the Acquisition:** Intelligent InSites, Inc. is the only capable firm who expressed interest. A sources sought notice was posted on FBO on May 22, 2019 with no responses from interested parties.
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:**  
In order to overcome barriers to competition, more sources supplying equivalent services must be available. There will be a substantial duplication of cost to the government to purchase new software equipment or outsource this service to any other vendor. Without having this software application serviced and maintained by the authorized provider, it can greatly affect VISN 21 facilities ability to provide Real Time Location System (RTLS) Asset Tracking (AT). RTLS technology combines a variety of signaling and wireless communication methods to determine the location of tagged assets. Knowing the location of tagged assets can be used to speed up annual inventory, locate equipment, reduce theft/loss, track patients and track staff to improve workflow.
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.

Tocher R.  
Kellom 452772  
Tocher Kellom  
Chief Healthcare Technology Manager  
VISN 21

Digitally signed by Tocher R.  
Kellom 452772  
Date: 2019.07.12 11:45:55  
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7/12/19

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.

Parvinder S.  
Brar 747434  
Parvinder S. Brar  
Contracting Officer, NCO 21

Digitally signed by  
Parvinder S. Brar 747434  
Date: 2019.07.12 11:51:52  
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Date

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

Brooke C. Robison  
1615983

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Robison 1615983  
Date: 2019.07.12 12:33:47 -07'00'

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Brooke C. Robison  
Director of Contracting, NCO 21

Date

- c. **VHA SAO 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.

CURTIS M JORDAN  
597130

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JORDAN 597130  
Date: 2019.07.13 19:44:23 -06'00'

Curtis M. Jordan  
Executive Director, Regional Procurement Office (RPO) West  
Head of Contracting Activity (HCA)

Date