

**DEPARTMENT OF VETERANS AFFAIRS**

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

**Acquisition Plan Action ID:** \_\_\_\_\_ **36C24419AP4631**

**PR: 562-19-4-5021-0525**

1. **Contracting Activity:** Department of Veterans Affairs, Services Area Office East (SAO-E), Network Contracting Office 4 (NCO4) provides contracting support for Erie Veteran Affairs Medical Center, 135 E. 38<sup>th</sup> Street, Erie, PA 16504.

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

The Erie Department of Veteran Affairs Medical Center had an EMERGENCY requirement for the rental of stand-by equipment. The Medical Center has two chiller units that are at end of useful life and are failing. Due to the nature of the services provided at the FACILITY, there is a need to rent stand-by equipment in case the existing units completely fail prior to the new systems being designed and constructed. This will be a new Firm Fixed Price contract.

**FAR13.5 Simplified Procedures for Certain Commercial Items:** This procurement is for EMERGENCY requirement for the rental of stand-by equipment 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:**

The Erie Department of Veteran Affairs Medical Center had an EMERGENCY requirement for the rental of stand-by chiller and cooling tower equipment. The Medical Center has two chiller units that are at end of useful life and are failing. Due to the nature of the services provided at the FACILITY, there is a need to rent stand-by equipment in case the existing units completely fail prior to the new systems being designed and constructed. The total value of the contract is [REDACTED] and the period of performance is 9/30/2019-4/29/2020 with one five month option period.

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

- ( ) (1) Only One Responsible Source and No Other Supplies or Services Will Satisfy Agency Requirements per FAR 6.302-1;  
(X ) (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;

**FAR13.5 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).

**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 suggested source was United Rentals, Inc., 100 First Stamford Pl, Ste 700, Stamford, CT 06902-9200. The existing chiller serves the hospital's SPS (sterilization processing) and Pharmacy systems providing year-round cooling and humidity control via chilled water cooling. This system will stop pharmacy and SPS operations if the chilled water system goes down. Since pharmaceutical preparations and sterilization of hospital surgical and medical instruments are fundamental to hospital operation, this cooling system is critical to hospital operation. IF the system fails, SPS and Pharmacy stop operating and patients don't get sterile compounds, sterile IV's, chem drugs, or sterile surgical/medical instruments. The cooling tower is the cooling system that serves the hospital's data center. It cools the data center year-round due to 24-7 operation. The data center will stop functioning if it doesn't have 24/7 cooling year-round. If the data center goes down, all VISN and EVAMC networks hosted in the data center go down. Patient care is directly dependent on the many, many network systems that serve patient: charting, telemetry, radiology, medication distribution, clinical staff communications and many other life-safety systems.

As of early summer, the EVAMC became aware of serious operational problems for the cooling systems serving the data center and the SPS/Pharmacy areas. The problem was with the aged chiller and dry cooling unit at the heart of these systems. Both units were found to be near failure and too old for overhaul. This VA was not built with redundant cooling systems, so no backup is in place in the event of a failure. Rental units are needed to support these two critical systems while the two pieces capital equipment are permanently replaced. Shutting down the hospital if either of these systems failed would be disastrous to the local VA and the patients they serve and would result in mission failure. The suggested vendor has the required knowledge, familiarity and capacity to provide the needed equipment on an urgent basis.

**6. Description of Efforts Made to ensure that offers are solicited from as many potential sources as deemed practicable:** This requirement was originally posted on FBO as a Small Business Set-Aside for 10 days and three vendors responded. None of the vendors could provide the required services. As the timeline progressed it was clear that the Government equipment discussed in #5 above was no longer dependable and could fail at any moment and the determination was made to process this requirement on an urgent basis.

If a requirement, similar to this is needed, in the future every effort will be made to process as a competitive action.

**7. Determination by the CO that the Anticipated Cost to the Government will be Fair and Reasonable:** This proposed price will be subject to a price analysis to determine price fair and reasonable prior to award.

8. **Description of the Market Research Conducted and the Results, or a Statement of the Reasons Market Research Was Not Conducted:** Market research was conducted, and RFI was posted and no successful vendors resulted from the solicitation discussed in #6 above..
9. **Any Other Facts Supporting the Use of Other than Full and Open Competition:** All facts have been provided.
10. **Listing of Sources that Expressed, in Writing, an Interest in the Acquisition:** The suggested vendor was one of the respondents to the RFI discussed in #8 above. There were also Small Business vendors who did provide quotes for the solicitation that was posted but none of those quotes were successful.
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:** Any future actions for similar requirement that are not urgent can be processed on a competitive basis on the open market. Due to the urgent nature of this requirement the Government cannot afford further delays in acquiring these services.
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.

Robert J. Petrone  
1348359

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J. Petrone 1348359  
Date: 2019.09.28 16:02:21  
-04'00'

Robert Petrone

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.

Renee L. Kale 1727628

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1727628

Date: 2019.09.28 16:08:22 -04'00'

Renee L Kale  
Contracting Officer

Date

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

- 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.

Ryan M. Hess

1571027

Name

NCO 4

Branch Chief

Services 1

Facility

Digitally signed by Ryan M. Hess

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Date