

Attachment 1: Request for SDVOSB/VOSB Sole Source Justification Format >SAT

DEPARTMENT OF VETERANS AFFAIRS

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

Acquisition Plan Action ID: 36C245-19-AP-3012

1. **Contracting Activity:** Department of Veterans Affairs, RPOE, Washington D.C. Medical Center, 688-19-4-478-0102

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

Installation and programming of 6 Brand New ATS Switches for Cummins generators at the Washington D.C. Medical Center. This is a replacement for the old switches. These Switches connect to other Cummins systems. Cummins Power Systems holds all rights to the software on the equipment that is to be upgraded.

These Switches are part of a system that provide power to direct patient care areas, centralized testing, communication, medical and clinical data networks, climate control systems, vertical transport and life safety systems. ATS Switch components have been phased out for many years with limited reconditioned parts and no new parts available. The existing control components are obsolete. This is a life safety issue that must be addressed.

The intent of this contract is to ensure that all emergency power systems perform properly and are maintained for the support of patients, visitors and employees, and lab specimens of the Medical Center. Delaying an award of a contract may result in injury and possible loss of lives. If the system fails, the facility would need to stop medical procedures. This would lead to implementing emergency processes to move in-house equipment to non-VA facilities which will cost approximately \$500K in weekly charges.

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

The contractor must demolish/remove the old ATS Switches and attached components. New switches will be installed, which will require new housing and an improved foundation. The total estimated cost for this was \$311,696.00. After market research and additional input from Cummins, the new estimate is approximately \$375,000.00. The total installation is planned to take no longer than 1 year.

List of supplies/services:

1. ATS – 6ea
2. Wiring and Components – 1
3. Demolition – 1
4. Installation - 1

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4. **Statutory Authority Permitting Other than Full and Open Competition:** 41 USC §3304(a)(5), 38 U.S. Code § 8127(c), as implemented by FAR 6.302-5 (Authorized or Required by Statute). COs may use the non-competitive (sole source) procedures authorized in VAAR 819.7007 or 819.7008 up to \$5,000,000. Check the specific VAAR clause used below:
(X) 819.7007 Sole source awards to a verified service-disabled veteran-owned small business; or
() 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):**

Cummins does not perform installation services. GSI Power Systems was suggested by Cummins upon completing the site inspection listed in paragraph 6. GSI is listed in VIP as a Certified SDVOSB.

Due to the potential life-threatening ramifications if the current ATS switches were to fail, the VA has determined sole sourcing to a SDVOSB is the safest, quickest, and best option to fulfill the Government's interests.

6. **Description of Efforts Made to ensure that offers are solicited from as many potential sources as deemed practicable, including whether a notice was or will be publicized as required by [subpart 5.2](#) and, if not, which exception under [5.202](#) applies:**

This requirement was originally posted on FBO under RFQ: 36C24519Q0591 from 05Sep2019 to 17Sep2019. It was done as a SDVOSB Set Aside Using Tiered Evaluations to Include Large Business. One quote was received, which was \$200K more than our IGCE.

To understand the difference in price Cummins performed a site visit. It was determined that the Statement of Work (SOW) was not clear enough. Due to the potential life-threatening ramifications if the current ATS switches were to fail, the VA has determined sole sourcing to a SDVOSB is the safest, quickest, and best option to fulfill the Government's interests.

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

The VA knows what the cost of the supply portion of this installation should cost as GSI Power Solutions must buy them directly from Cummins. Cummins has provided a general cost of these supplies to the VA. Costs of labor and additional needs will be negotiated. If the negotiations fail to reach fair and reasonable price, then the sole source SDVOSB set-aside will be dissolved and recompeted.

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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:

An RFI was issued on 08/29/2019 and ended on 09/03/2019.

- RJY Group, Duns#: 962029737, an SDVOSB, provided a capabilities statement.



Updated
Capabilities_August

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

None. This is being pursued using the authority under 38 USC 8127(c) and VAAR Part 819.7007.

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

- RJY Group, Duns#: 962029737, an SDVOSB, provided a capabilities statement.
 - RJY Group
 - 9303 Kirby Dr. Suite B.
 - Houston, TX 77057
 - Marketing@rjygroup.net
- Ares Energy, Duns#: 08120376, an SDVOSB, provided the quote from the RFQ.
 - Ares Energy LLC
 - 374 Einmeyer Ave
 - Odenton, MD 21113
 - sales@ares-energy.com
- GSI Power Systems, an SDVOSB, was suggested by Cummins and submitted documentation as well.
 - GSI Power Systems
 - 242 N. Whiteoak St.
 - Kutztown, PA 19530
 - Peter.schroeck@cummins.com

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:

Training between the customer and the contracting office will take place on the quality of SOW. Improved SOWs will lead to less rewrites and improved acquisition times.