

DEPARTMENT OF VETERANS AFFAIRS

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

Acquisition Plan Action ID: 36C250-19-AP-2145

1. **Contracting Activity:** Department of Veterans Affairs, VISN 10, 583 Indianapolis VA Medical Center by VA Network Contracting Office (NCO) 10, 260 E. University Ave., Cincinnati, OH 45219. PR# 583-19-2-997-0130.
2. **Nature and/or Description of the Action Being Processed:**
This procurement is for firm-fixed price sole source procurement with Omnicell for the purchase of computer upgrades from G4 to G5.
FAR13.5 Simplified Procedures for Certain Commercial Items: This is a purchase of an Omnicell specific computer upgrade 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:**
Upgrade the existing 62 Omnicell G4 model cabinets with a G5 computer. The G5 computer upgrade runs on Microsoft Windows 10 which is approved for medical devices per facility biomedical engineering. The total estimated value of the acquisition is \$835,912.86. The estimated delivery date is 60 days after receipt of order.
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;
 - () (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):

Based on the requirements of the Indianapolis VAMC and the fact that the impending procurement of items must be designed to be compatible for use with the existing interface and Omnicell Automated Medication Management Systems (OAMMS) equipment installed at the Indianapolis VAMC, Omnicell is a suitable sole source vendor for this requirement. There is only one source for this requirement, i.e. upgrading the existing system to a fully supported system. Omnicell is sole manufacturer and exclusive provider of Omnicell products and support services. Additionally, Omnicell is the only manufacturer of G5 ADC cabinet upgrade systems and does not have or authorize anyone else to manufacture or service these solutions and only Omnicell can produce and provide them. No other upgrade is authorized by Omnicell. The cost involved in achieving compatibility with another manufacturer would exceed the technical personnel resources available and create substantial duplication of cost to the Government not expected to be recovered through competition.

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

A search of VetBiz using NAICS Code 339112, keyword FSC code 6515 revealed zero SDVOSB/VOSB concerns. A catalog review of VA Advantage, NAC, SAC, MSPV-NG and NX Equipment Catalog listings resulted in zero schedule contracts. This equipment is expected to be on FSS schedule by the end of the year. Omnicell has issued a memorandum stating they have no authorized distributors for this upgrade.

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

The proposed pricing was compared to the price quoted at another VA Medical Center for procurement for the same items. Overall, the pricing this year has gone down. The comparison shows that VISN6, VAMC Charlotte was quoted MDA-CNS-002 G5 OMNIRX CONSOLE UPGRADE for 5 at \$22,975.38 each, and the latest quote for VISN10, VAMC Indianapolis, for the MDA-CNS-002 G5 OMNIRX CONSOLE UPGRADE for 29 is \$17,785.38 each. This reflects a volume price reduction of just over \$150K from last year's quote. As a result, the Contracting Officer has determined the price to be considered fair and reasonable.

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

The market research efforts are described in paragraph 6 above. Based on the market research, the VA Rule of Two requirements could not be met.

9. Any Other Facts Supporting the Use of Other than Full and Open Competition: None.

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: For future acquisitions, market research will be performed to determine if there are other sources available. However, until the current equipment reaches the end of its useful life and/or is replaced and a procurement for new equipment is needed, the proprietary nature of the acquisition dictates a single source for the items.