

LIMITED SOURCES JUSTIFICATION ORDER >SAT

FAR PART 8.405-6

Acquisition Plan Action ID: 36C24119AP1165

1. Contracting Activity: Department of Veterans Affairs, VISN 01, Department of Veterans Affairs, Veterans Health Administration Network Contracting Office 1, New England located at 200 Springs Road, Bedford MA 01730 is the Contracting Activity responsible for this procurement action. The services, to be procured are for the entirety of VISN 01 utilizing funding from each station.

2. Description of Action: This acquisition is conducted under the authority of the Multiple-Award Schedule Program ([41 U.S.C. 251](#) and [40 U.S.C. 501](#)). This is a requirement for GPS monitoring services for the fleet vehicles leased by VISN One. The GPS Fleet Tracking is required by 41 CFR 102 and Executive Order 13693 as both mandate monitoring of Government Fleet Vehicles. It is intended that this requirement will be a follow-on Order to GSA FSS BPA Contract No. GS-07F-5559R, VA241-15-A-0125, in accordance with 8.405-6.

Order against: ☒ FSS Contract Number: GS-07F-5559R

Name of Proposed Contractor: Verizon Connect, Inc.

Street Address: 9868 Scranton Rd, Bldg. C1

City, State, Zip: San Diego, CA 92121

Phone: 619-430-3744

3. Description of Supplies or Services:

The estimated value of the proposed action is \$909,600.00 which consists of a Base Year and Four (4) Option Years. The services to be provided are fleet telematics monitoring and web services for non-camera-based systems. The monitoring is for the Verizon Network Connect (formerly Network Fleet) model 5500 GPS receivers currently installed in approximately 800 VISN 01 Vehicles. This includes free upgrades of outdated GPS units as well as addition and deletion of GPS units as VISN 01 vehicle inventory changes.

(4) IDENTIFY THE AUTHORITY AND SUPPORTING RATIONALE (see [8.405-6\(a\)\(1\)\(i\)\(A\)](#), [\(B\)](#), and [\(C\)](#) or [8.405-6\(b\)](#)), AND IF APPLICABLE, A DEMONSTRATION OF THE PROPOSED CONTRACTOR'S UNIQUE QUALIFICATIONS TO PROVIDE THE REQUIRED SUPPLY OR SERVICE. (CHECK ALL THAT APPLY AND COMPLETE)

- ☐ An urgent and compelling need exists and following the ordering procedures would result in unacceptable delays.
- ☐ Only one source can provide the supplies or services required at the level of quality required because the supplies or services are unique or highly specialized;
- ☐ In the interest of economy and efficiency, the new work is a logical follow-on to an original Federal Supply Schedule order provided that the original order was placed in accordance with the applicable Federal Supply Schedule ordering procedures. The original order must not have been previously issued under sole source or limited source procedures.
- ☒ Items peculiar to one manufacturer:
- ☒ A patent, copyright or proprietary data limits competition. The proprietary data is: Model 5500 GPS Device and associated monitoring software (If FAR 8.405-6(a)(2)iii before posting. Do not include specific proprietary data. Only mention the type of equipment, procedure, etc. to show that proprietary supplies or services are being procured.)
- ☒ These are “direct replacements” parts/components and services for existing equipment.
- ☒ The material/service must be compatible in all aspects (form, fit and function) with existing systems presently installed/performing. Describe the equipment/function you have now and how the new item/service must coordinate, connect, or interface with the existing system.

(5) DESCRIBE WHY YOU BELIEVE THE ORDER REPRESENTS THE BEST VALUE CONSISTENT WITH FAR 8.404(d) TO AID THE CONTRACTING OFFICER IN MAKING THIS BEST VALUE

DETERMINATION: This order represents the Best Value to the Government because Verizon Network Connect’s GPS units are already installed in 800 VISN One vehicles and are not compatible with any other vendor’s monitoring software. The software/monitoring services associated with those GPS units is proprietary and may only be provided by Verizon. Entering into a contract with a contractor *other* than Verizon would involve the additional costs of 1) removal and proper disposal of the current GPS units from approximately 800 VISN One Fleet Vehicles; 2) Purchase of approximately 800 new GPS units; 3) Installation (time and cost) of approximately 800 new units in all Fleet Vehicles. This does not take into account the administrative costs and time involved in coordinating these activities. Therefore, this order enables the Government to realize savings of over **\$700,000.00** (see below)

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(6) DESCRIBE THE MARKET RESEARCH CONDUCTED AMONG SCHEDULE HOLDERS AND THE RESULTS OR A STATEMENT OF THE REASON MARKET RESEARCH WAS NOT CONDUCTED:

The GSA Schedule was checked and the following results were found:

Vendor	Contract No.	Products	Price/ Cost	Extended Price	Total Base Year	4 Option Years
Geotab USA, Inc.	GS-35F-164GA (84 426 4Q)	ProPlus Subscription	\$13.00 per month x 800 vehicles	\$10,400.00 (per month x 12 months)	\$124,800.00	\$41,600.00
		(Ancillary service required) \$377.89 One-time device fee	\$377.89 ea. x 800 devices	\$302,312.00	\$302,312.00	\$ 0.00
		(Ancillary service required) \$13.15 per vehicle per month	\$13.15 per month x 800 x 12 months	\$126,240.00	\$ 126,240.00	\$ 504,960.00
		(Ancillary service required) PIV/CAC enabled NFC Reader for driver identification -\$80 one-time device fee	\$80.00 x 800 devices	\$64,000.00	\$ 64,000.00	\$0.00
				TOTALS:	Base Year: \$617,352.00	Base + 4 Options: \$1,163,912.00
Vendor	Contract No.	Products	Price/ Cost	Extended Price	Total Base Year	4 Option Years
AT&T Mobility	GS-35F-0297K	Fleet Complete Tracker Installation Service (vehicle diagnostics, driver ID & GPS tracking)	\$178.13 per vehicle x 800 vehicles	\$142,504.00	\$142,504.00	\$0.00
		Fleet Complete- Fleet Tracker Software and MGS 100 Bundle, Monthly	\$35.41 per month x 800 units	\$28,328.00 per month x 12 mos.	\$339,936.00	\$1,359,744.00
		AT&T Fleet Manager-activation and set up per vehicle	\$23.75 per vehicle x 800	\$19,000.00	\$19,000.00	\$0.00
				GRAND TOTAL BASE YEAR:	\$501,440.00	Base + 4 Options: \$1,861,184.00

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Pricing Comparison - Services Only:

Contractor	Price /month per vehicle	Price Base Year 800 vehicles x 12 mo.	Price Base + 4 Option Years	Price Difference / Service Only
Verizon	\$18.95	\$181,920.00	\$ 909,600.00	
AT&T	\$35.41	\$339,936.00	\$1,669,680.00	+ \$760,080.00
GeoTab USA	\$26.15	\$251,040.00	\$1,255,200.00	+ \$345,600.00

Price Comparison – Purchase, Service and Installation:

Contractor	Service Price Base + 4 Option Years	Purchase & Installation Cost	Price Difference / Service, Purchase and installation costs
Verizon	\$ 909,600.00	\$0.00	
AT&T	\$1,669,680.00	\$161,504.00	+ \$921,584.00
GeoTab USA	\$1,255,200.00	\$366,312.00	+ \$711,912.00

(7) ANY OTHER FACTS SUPPORTING THE JUSTIFICATION:

Additional Market Research:

Sources Sought #36C24119Q0162-1 was posted on the Government's Point of Entry site, FedBizOpps on February 22, 2019. This Notice was for VISN Wide GPS Fleet Monitoring services with the intent to set aside for SDVOSBs. The NAICS used in this Sources Sought Notice was 517919. There were no responses from VOSBs. The following SDVOSBs responded:

Contractor	DUNS	Findings
TigerSwan LLC	607735292	928110 (National Security), 611699 (All other miscellaneous schools and instruction), 611519 (other technical and trade schools), 611430 (Professional management and development training) 561612 (security guards and patrol services), 541611 (admin mgmt. and general mgmt. consulting services). Contractor notes it has unsuccessfully submitted proposals for VA contracts and did not win because evaluation was based on LPTA and not Best Value (and further recommended that future acquisitions should utilize Best Value Approach.)
Glory Enterprise	927674226	FPDS and other research reveal contracts for General Freight Trucking, Long Distance (NAICS 484121) and Inorganic Chemical Mfg. (NAICS325188)
L7 Global Services	080480264	Sells a GPS device only . Checked FPDS and GSA for existing contracts and found none.
Directional Command, LLC	080639940	FPDS search reveals several Purchase Orders under NAICS code 517919. Spoke with a Contracting Officer in Washington DC regarding a contract for GPS monitoring (approximately 31 vehicles in two locations.) Vast difference in scope as compared to VISN 01 requirements.
Government Marketing and Procurement	123922788	GSA contract No. GS-35F-0858N – sells GPS device only. The GPS units manufactured by Agile Access Control, Inc. Monitoring fees only would not qualify as performing as SDVOSB for the majority of the contract value/performance.

(8) A STATEMENT OF THE ACTIONS, IF ANY, THE AGENCY MAY TAKE TO REMOVE OR OVERCOME ANY BARRIERS THAT LED TO THE RESTRICTED CONSIDERATION BEFORE ANY SUBSEQUENT ACQUISITION FOR THE SUPPLIES OR SERVICES IS MADE:

The currently installed GPS Units are satisfactory for the Government's use and are being upgraded to newer technology free of charge. As long as the service remains proprietary and the pricing remains significantly lower than competitor pricing, it would be difficult to justify purchasing new units and service given the very significant cost savings.

(9) 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. I understand that processing of this limited sources justification restricts consideration of Federal Supply Schedule contractors to fewer than the number required by FAR Subpart 8.4. *(This signature is the requestor's supervisor, fund control point official, chief of service or someone with responsibility and accountability.)*

Jeffrey G. Barnes 250987
Digitally signed by Jeffrey G. Barnes
250987
Date: 2019.08.01 14:03:50 -04'00'

8/1/19

SIGNATURE

DATE

JEFFREY BARNES
NAME

TRANSPORTATION SPECIALIST VA BOSTON HCS
TITLE

(10) APPROVALS IN ACCORDANCE WITH THE VHAPM Part 806.3 OFOC SOP: *This part if filled out by Contracting Staff as part of the Justification*

a. CONTRACTING OFFICER'S CERTIFICATION (required): I certify that the foregoing justification is accurate and complete to the best of my knowledge and belief.

Lorrie A. Baines 154610
Digitally signed by Lorrie A. Baines 154610
Date: 2019.08.05 15:57:56 -04'00'

08/05/2019

CONTRACTING OFFICER/DESIGNEE'S SIGNATURE

DATE

Lorrie Baines, Supv. Contracting Officer
NAME AND TITLE

RPO EAST,NCO1, VA Manchester, NH
FACILITY

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.

William Nalls, Division Chief NCO-1

DATE

HIGHER LEVEL APPROVAL (Required for orders over \$700,000):

c. **VHA SAO HCA REVIEW AND APPROVAL (over \$700,000 to \$68 million):** I have reviewed the foregoing justification and find it to be complete and accurate to the best of my knowledge and belief and approve for restricting consideration of the Federal Supply Schedule contractors to fewer than the number required by FAR Subpart 8.4.

Joseph Maletta
VHA Head of Contracting Activity (HCA)
Regional Procurement Office East

DATE