

JUSTIFICATION FOR OTHER THAN FULL AND OPEN COMPETITION

1. Contracting Activity: Department of Veterans Affairs (VA)
Office of Procurement, Acquisition, and Logistics
Technology Acquisition Center (TAC)
23 Christopher Way
Eatontown, New Jersey 07724
2. Description of Action: The proposed action is for a firm-fixed-price modification to Contract Number VA118-16-C-0807 for the Office Services Solution via Hoteling Seats and Services effort with [REDACTED] to extend the overall contract period of performance (PoP) and continue to provide hoteling seats for the TAC, the Office of Information and Technology (OI&T), and the Office of General Counsel (OGC). Note: from this point forward, the acronym "TAC" will apply to the TAC, OI&T, and OGC unless otherwise noted.
3. Description of Supplies or Services: The TAC has a continued need for office work space in the Eatontown, New Jersey (NJ) area in order to continue to effectively and efficiently perform its mission to support Veterans without any disruption of work while the General Services Administration (GSA) and building landlord complete the tenant improvement (TI) and buildout of the TAC's new GSA leased space prior to occupancy.

The TAC was established in Eatontown, NJ to provide acquisition support to OI&T and other VA agencies. Upon its establishment, the TAC began occupying temporary office space in Eatontown, NJ. This was accomplished through various hoteling contracts which culminated in the aforementioned contract. These efforts were intended to be temporary, stop-gap solutions to be used until the TAC obtained permanent leased space through GSA.

GSA awarded the TAC's permanent lease on September 23, 2018 under a competitive acquisition, however, further changes to the lease were necessary based upon changing space requirements to accommodate organizational growth which were modified into the lease on July 24, 2019. As a result, space design and approval timelines and the forecasted TI; buildout and construction schedule; and subsequent occupancy of the GSA permanent leased space is delayed beyond the current contract's PoP which ends on December 31, 2019. This original PoP was established in the original contract based upon discussions with GSA and their then forecasted permanent lease award schedule and subsequent schedule for completing TI and build-out and TAC occupancy.

Based upon the above, there is a continued need for hoteling seats in order for the TAC to continue to perform its mission during TI and build-out of the GSA permanent leased space. Although the current forecasted schedule for the permanent leased space has occupancy in approximately the mid 2020 timeframe, the proposed contract modification is to extend the overall contract PoP for the temporary space by incorporating two 6-month option periods to accommodate potential unanticipated TI and build-out delays. If the second 6-month option is not needed, the option will simply not be exercised.

Additionally, the option periods will continue to provide approximately the same seating quantities currently contained in the contract. This equates to a current total of 285 hoteling seats. Furthermore, the option periods will continue to provide approximately the same necessary conference rooms, training rooms, storage rooms, a computer technical support room and computer storage room, printer/copy/scanner rooms, and other rooms/areas necessary for the effective and efficient function of the organizations.

The PoP for the proposed action is to extend the current contract by incorporating two 6-month options for the periods of January 1, 2020 – June 30, 2020 and July 1, 2020 – December 31, 2020 respectively. The total estimated value of the proposed action is [REDACTED]

4. Statutory Authority: The statutory authority permitting other than full and open competition is 41 U.S.C.3304(a)(1) as implemented by the Federal Acquisition Regulation (FAR) 6.302-1 entitled, "Only One Responsible Source and No Other Supplies or Services Will Satisfy Agency Requirements."

5. Rationale Supporting Use of Authority Cited Above: The proposed source for this action is [REDACTED] [REDACTED] currently provides hoteling seats to the TAC at its 3 Christopher Way and 23 Christopher Way locations in Eatontown, NJ under the aforementioned contract. There are no other firms in the area that have the required number of hoteling seats or hoteling space available to accommodate the TAC's requirements for the time period needed. [REDACTED] is the only source that has the capability, capacity, and space available to accommodate the seats and services required by the TAC for the additional two 6-month option periods.

In addition, the continued use of [REDACTED] existing hoteling seats and space will not contain the risks associated with a new Contractor seeking out the appropriate amount of space and negotiating its own lease for such a shortened period of time as the proposed extension. The potential Contractor would also have to build out all or a portion of their space to meet TAC functional requirements, which would add significant risk that their space would not be ready to relocate TAC staff to the new space by the end of the current contract period, December 31, 2019, as required. It is estimated, based upon past experience, that it would take another Contractor a minimum of 6 months to ramp up to meet TAC requirements and have their temporary space ready for occupancy. The work required could include, but not be limited to, acquiring the actual leased space, initial design, construction and build-out, installation of data and telephone cabling, phone system design and install, furniture design, acquisition, and install; and security system install, e.g., card reader, Closed Circuit Television, etc. Any schedule slip would leave the TAC without adequate work space to accomplish its mission and, as a result, the TAC's support to Veterans would be adversely affected. Furthermore, VA would have to acquire additional network equipment in order to install a secure VA network in the temporary space so as to provide a turnkey and

uninterrupted solution. This additional VA network equipment would be an unnecessary duplication of equipment already installed in the current space.

In addition, [REDACTED] can satisfy the TAC's continued temporary requirements by utilizing basically its same space contained in its current contract without disruption to the TAC mission in support of the Veteran or to [REDACTED] operations in support of the TAC. The contract extension will also eliminate any workforce disruptions associated with having to move the entire workforce, all their computer equipment and work related files, and other items to another temporary location for potentially as short as a 6-month period and then again having to move them to the final GSA space within the same 6-month period. Utilizing [REDACTED] current space would also keep any internal TAC movements within the same space and scope of the current contract.

[REDACTED] is the only known company that can satisfy the TAC's requirements. [REDACTED] currently has the required amount of space and services available and can provide it within the required timeframe and in contiguous locations. If these hoteling seats and services are not acquired from [REDACTED] in the time required the TAC will not have office space to perform its mission, and as a result, TAC support to its customers and more importantly, the Veterans, will greatly suffer.

6. Efforts to Obtain Competition: Market research was conducted, details of which are in the market research section of this document. This effort did not yield any additional sources that can meet the Government's short term requirements. There is no competition anticipated for this acquisition. This effort will be synopsisized on the Federal Business Opportunities (FedBizOpps) website (www.fbo.gov) in accordance with FAR 5.201 and any proposals, quotations, or capability statements received from other sources will be considered.

7. Actions to Increase Competition: In the event there are delays beyond the extension requested under this proposed action, the Government will conduct additional market research to ascertain if there are changes in the market place that would enable future actions to be competed. In addition, if the permanent GSA leased space is available prior to exercising the second option period of this proposed extension, TAC will transition to the permanent leased space and not utilize that option.

8. Market Research: Market research was conducted by releasing a Request for Information (RFI)/Sources Sought announcement on FedBizOpps on September 27, 2019 with responses due by October 3, 2019. The announcement contained information which included the estimated number of seats and services required. Potential responders were asked to provide a Capability Statement describing their ability to meet the requirements. No responses were received.

Additional market research was conducted in September 2019 by performing an internet search using such terms as "Business Center Office Space in Monmouth County, New Jersey" and "Furnished Office Space in Monmouth County, NJ". Based upon those searches and knowledge from previous market research activities, the companies listed

below were identified as providing office seats in a hoteling type manner in the Monmouth County, NJ area.

- [REDACTED] Red Bank, NJ and [REDACTED] Neptune, NJ 07753.
- [REDACTED] Red Bank, NJ.
- [REDACTED], Wall, NJ.
- [REDACTED], Shrewsbury, NJ.
- [REDACTED] Sea Girt, NJ:
- [REDACTED], Eatontown, NJ.
- [REDACTED] Middletown, NJ.

The general findings of this additional market research is that the above firms generally do provide the types of hoteling seats required; however, the total number of available seats each has in their respective space is below what is required by the TAC. For example, past market research has shown that [REDACTED] has a total of approximately 60 offices at their [REDACTED] location and approximately 67 offices at their [REDACTED] location. Even if all seats at both locations were available, the total amount of seats does not come close to meeting TAC requirements. This also does not include the requirement for conference rooms, a training room, etc., which the firms did not possess in the numbers needed. The remaining sources have similar or lower available seat capacity than [REDACTED] spaces and cannot meet VA's needs. Also, these businesses normally have renewal policies that require advanced notice, usually around 90-120 days. In addition, their clientele is normally very small companies who only need a single office or a few offices and, as a result, there is likely a high number of firms occupying offices within their space. Because of this, predictability of office vacancies can fluctuate at any given time and it was discovered that forecasting availability to meet even a portion of the TAC's requirement is difficult. Furthermore, the space is at such varied locations that moving all employees to those varied locations and duplicating any required internal VA services will be unnecessarily disruptive to the workforce and its required support to the Veterans.

The TAC also performed a search of the Vendor Information Pages website for the Monmouth County, New Jersey area using the applicable North American Industry Classification System (NAICS) code of 531120, Lessors of nonresidential buildings (except mini-warehouses), and a description of "hoteling seats." No matches were found as a result of the search.

The TAC also contacted [REDACTED] as to whether it could continue to provide the seats and services it provides under its current contract in order to meet the TAC's requirements.

██████ confirmed that there are no barriers to continuing to provide the hoteling seats and services at its 3 Christopher Way and 23 Christopher Way locations in Eatontown, NJ as required by the proposed extension.

Based upon the market research, ██████ is the only company that can satisfy the TAC's requirements of the contract extension. ██████ currently has the required amount of seats/services/space available and can continue to provide it until the TAC moves into its GSA acquired space.

9. Other Facts: The TAC only requires space until its permanent GSA leased space is built-out and TAC can move in. If the current contract is not extended, the TAC will have to move its entire operation at the end of December 2019 and then will have to move again when its permanent GSA space is completed. This move would entail relocating the TAC's entire workforce and all their computer equipment and work files. In addition, the TAC would have to also move miscellaneous TAC owned IT equipment and furniture to include network switches and routers, printers, scanners, storage cabinets, and work tables. The disruptions to the TAC's mission to support the Veterans as a result of these two closely timed moves is unacceptable.

10. Technical and Requirements Certification: I certify that the supporting data under my cognizance, which are included in this justification, are accurate and complete to the best of my knowledge and belief.

Edward Nowak

Date: 10/21/2019

Program Manager / Engineer

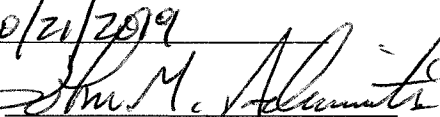
Signature: 

11. Fair and Reasonable Cost Determination: I hereby determine that the anticipated price to the Government for this contract action will be fair and reasonable based on price analysis, past historical pricing, and negotiations with [REDACTED]

John M. Adamitis

Date: 10/21/2019

Procuring Contracting Officer

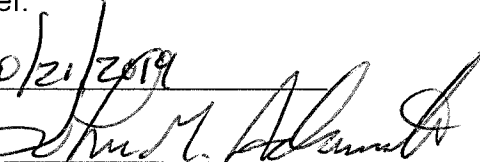
Signature: 

12. Procuring Contracting Officer Certification: I certify that this justification is accurate and complete to the best of my knowledge and belief.

John M. Adamitis

Date: 10/21/2019

Procuring Contracting Officer

Signature: 

Approval

In my role as procuring activity Advocate for Competition, based on the foregoing justification, I hereby approve the modification to extend the Office Services Solution via Hoteling Seats and Services Contract, VA118-16-C-0807, on an other than full and open competition basis pursuant to the statutory authority cited in Section 4 above, subject to availability of funds, and provided that the property and services herein described have otherwise been authorized for acquisition.

Date: 10/21/2019

Signature:



Summer Spalliero
Advocate for Competition
Technology Acquisition Center
Office of Procurement, Acquisition, and
Logistics

Justification For Other Than Full and Open Competition
Coordination Matrix

Anne Marie Vasconcelos

10/21/19

Anne Marie Vasconcelos
Director, Procurement Services A
Technology Acquisition Center (003B2A)
Office of Procurement, Acquisition, and Logistics
Department of Veterans Affairs

Date

Concur/Non-Concur