

DEPARTMENT OF VETERANS AFFAIRS

Justification and Approval

For

Other Than Full and Open Competition

1. Contracting Activity:

Department of Veterans Affairs, VISN 04, Louis A. Johnson Medical Center
540-13-1-5082-0003

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

The heating and hot water needs of the Louis A. Johnson Medical Center (LAJMC) and the adjoining West Virginia State Veterans Nursing Facility are served by a central plant, in Building #7, consisting of three (3) 12,000 lbs/hr steam boilers operating at a nominal pressure of 105 psig saturated steam at 350F. Boilers No. 1 and No. 2 are fire tube boilers and Boiler No. 3 is a water tube boiler. Boiler No. 3 operation is problematic, not reliable, and has been plagued with numerous interruptions in service due to burner and fuel system failures.

AECOM conducted a site visit of the existing boiler plant on 21 February 2012 to observe the present condition and configuration of Boiler No. 3 and its component subsystems, to observe the boiler in operation, and to gather as-built documents and historical plant operational data, including steam charts, and boiler plant daily log sheets to document plant performance. On 21 March 2012, AECOM issued a Site Assessment Report which identified that the existing plant steam load profile is well within the capacity of two of the three boiler in operation at the central plant. Boiler No. 3 was replaced in 1995, appears to be well maintained, and is well within its serviceable life for a boiler of this type. The report presented a range of options with construction cost estimates for addressing the firing instability of Boiler #3 from boiler burner and controls replacement to the complete replacement of Boiler #3.

The Louis A. Medical Center decided for best value to replace the existing burner of Boiler No. 3 with a burner having a high turndown rate more closely matching load, to replace the associated fuel train, and to integrate the head end controls for all three boilers in the central plant monitoring and operation from the boiler control room. The updated controls will report back to the existing Johnson Controls Building Automation System presently in operation throughout the Medical Center.

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

Louis A. Johnson Medical Center currently has Maxon automatic safety shut-off valves serving Boilers #1 and #2. Maxon valves have demonstrated a superior operational performance. In accordance with VA guide specification Section 23 52 33, Paragraph 2.4 Burner and Fuel Trains, Subpart 4.e., VA safety device testing program has revealed problems with auto safety shut off valves other than Maxon. Problems included proof of closure switches, and pressure pulses upon closure that affect the high gas pressure switches.

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

- (X) (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;

5. Demonstration that the Contractor's Unique Qualifications or Nature of the Acquisition Requires the Use of the Authority Cited Above (applicability of authority):

Automatic safety shut-off valve manufacturers other than Maxon Corporation will add complexity and duplication of equipment and require additional training and spare parts.

Operational uniformity between the automatic safety shut-off valves for Boilers #1, #2, #3, enhances safety of operations and testing.

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

Multiple private and public facilities, including a number of VA facilities has in the past allowed multiple manufacturers of shut off valves on their sites in the past. These have without exception created a significant number of negative issues for the facilities. Some and definitely not all of the negative issues are as follows: A requirement that on-site VA staff have significant training in multiple systems. These systems are complex enough that being an expert in one system takes a great deal of training and work experience. Attempting to learn multiple systems is self defeating and ends in having facilities that are not properly controlled wasting significant amounts of energy increased trouble calls, lower levels of comfort/satisfaction for employees, patients and visitors and increased maintenance costs. In addition hiring a maintenance contractor to maintain a hybridized system become costly as the contractor is by necessity required to take one of two options to maintain the facility. 1. Slowly convert the facility over to a single system or hire sub-contractors to maintain various sections of your facility. Almost without exception, in both private and public markets, facilities with hybrid systems work aggressively to eliminate all but one system to end up with a single unified and functionally operations controls system. This is done at great cost and disruption but the benefits are universally recognized within maintenance and operations.

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

Sole sourcing is recognized as increasing the unit cost of changes and additions. This has to be weighed against improved system performance, no need to remove the second or third controls system in the future in order to get to a single unified system, improved system performance simplified maintenance, having only one single unified system to be trained in and learn for maintenance and operations staff, the ability to more readily achieve a higher standard for the environment of care.

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

VA Specification Section 23 52 33 2.4.F.4.e states;

Approval: FM approved, UL listed for burner service.

SPEC WRITER NOTE: VA safety device testing program has revealed problems with auto safety shut off valves other than Maxon. Problems included proof of closure switches, and pressure pulses upon closure that affect the high gas pressure switches.

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

See Section VIII above.

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

Varies depending on the specific manufacturer that already exists at a given facility.

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:

At the national level, any new facility will be fully competed to install a complete unified system meeting all VA requirements for these systems. As such with the VA as an agency will have multiple manufacturers installed at VA facilities across the nation. At specific stations where an existing system requires a full and complete upgrade or replacements due to age, operational condition, or lack of system support, full and open competition will take place.

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.

(This signature is the requestor's supervisor, fund control point official, chief of service, someone with responsibility and accountability)



Name: Dana Lanham
Title: Acting Chief, FMS
Facility: Clarksburg, VAMC

7-25-13

Date

13. Approvals in accordance with FAR 6.304 *This part is 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.



Name: Jennifer L. Robinson
Title: Contracting Officer
Facility: Clarksburg VAMC

7/25/13

Date

- b. **NCM/PCM (Required \$3K and above):** I certify the justification meets requirements for other than full and open competition.



Name
Network Contract Manager
VISN/PCA X

07/25/2013

Date

Title

Supervisory
Contracts Specialist
for

Facility

- c. **SAO (If over 500K):** I certify the justification meets requirements for other than full and open competition.

Name

Director

Service Area Office, East

Date

- d. **VHA HCA Review and Approval:** I have reviewed the foregoing justification and find it to be complete and accurate to the best of my knowledge and belief and recommend approval (if over \$10million) or approve (\$500K to 10 million) for other than full and open competition.

Name

Chief Procurement and Logistics Officer

VHA Head of Contracting Activity (HCA)

Date

- e. **VA Deputy Senior Procurement Executive Approval (over \$10 million but not exceeding \$50 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 other than full and open competition.

C. FORD HEARD

Deputy Senior Procurement Executive (DSPE)

Office of Acquisition and Logistics

Department of Veterans Affairs

Date

- f. **VHA Senior Procurement Executive Approval (over \$50 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 other than full and open competition.

Jan R. Frye

Deputy Assistant Secretary for Acquisition and Logistics

Senior Procurement Executive (SPE)

Department of Veterans Affairs

Date