

DEPARTMENT OF VETERANS AFFAIRS
Justification and Approval
For
Other Than Full and Open Competition

1. Contracting Activity:

Department of Veterans Affairs, NCO 12, 695 Medical Center Department of Veterans Affairs,
Great Lakes Acquisition Center, 115 South 84th Street, Milwaukee, WI 53214

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

There is an immediate need for service repair for EP Lab Coroskop Fluoro C-Arm System at the Milwaukee VAMC. There is currently no maintenance contract in place; it has been more cost effective to replace parts as they became needed. The system was purchased in 2001 for \$714,707.00. It is slated for replacement, but the construction project has been delayed.

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

The EP Lab Coroskop system is not functional and patients are not able to be treated until it is repaired. Parts and on-site service by Siemens are required to repair the problems. There is no back-up system and the majority of cases will need to be outsourced until the system is function again. Parts and on-site service are required to repair the problems. This is requested to be a sole source purchase due to its emergent nature and affecting direct patient care. The contractor shall provide all necessary labor, supervision, materials, and equipment to fix the system. All work performed will be in accordance with the Industry and Conformance standards, manufacturer's recommendations, applicable safety regulations, and will not void the maintenance warranty with Siemens.

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

The statutory authority permitting other than full and open competition is 41 USC §253(c)(1)(or 10 USC 2304(c)(1) as implemented by the Federal Acquisition Regulation (FAR) Subpart 6.302-2 entitled, "Unusual and Compelling Urgency."

(X) Unusual and Compelling Urgency per FAR 6.302-2;

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

Siemens has been the current provider of similar services under the NAC (National Acquisition Contract) since the Department of Veterans Affairs brought the system. There is no back-up system for the Coroskop system and the majority of cases will need to be outsourced until the system is function again. There is currently no maintenance contract in place; it has been more cost effective to replace parts as they became needed. It is slated for replacement, but the construction project has been delayed. The nature of the service requires a contractor with experience in not only providing serve but of the facility as well. Having the system up and running is necessary to maintain proper patient care. To prevent disruption of the current services, a short-term one-time service sole source to Siemens is required until a long-term contract is put into place, pursuant to acquisition regulations. Siemens Medical Solutions USA, Inc. meets and exceeds all minimum requirements for the equipment, personnel qualifications and training, and as the incumbent, is familiar with the existing service level and current facilities.

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

It is anticipated that a long-term contract will be compete for these services within the next several moths to allow adequate transition time and mitigate any disruption of service. A sources sought notice will be released by June 2013 and the GLAC will post the solicitation on www.FBO.gov to ensure competition is obtained.

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

The government intends to solicit to the incumbent contractor for the same service provided to Milwaukee VAMC. The former maintenance service contract was award based on a competitive pricing and determined fair and reasonable. The requirements have not significantly changed from previous contracts and therefore an adequate price comparison is expected by utilizing historical pricing and comparison to other facilities. Also, contracting with Siemens is the only means for maintaining continuity of services at a reasonable price. A preliminary check with the contractor was done and the contractor committed to continued pricing – the same pricing already determined fair and reasonable. The contractor is giving pricing based on the NAC contract, which is 20% lesser than if the services were obtained open market.

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

Market research has indicated other providers may be able to meet this requirement, but would void the service contract agreement with the NAC. This is urgent and compelling; therefore, adequate time was not afforded to conduct a thorough market research. Further market research will be required to confirm if this will be conducted as an open market acquisition or whether a set-aside procurement is appropriate. Potential contractors are encouraged to respond to the sources sought notice or contact the contracting office to express interest in this procurement.

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

If VA were not to obtain this particular service, we would not be able to safely and effectively treat patients.

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

The contracting office contacted the incumbent contractor to determine if they would be interested in continuing services on a one time basis while a competitive procurement was conducted.

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:

The NCO 12 intends to conduct a competitive procurement for a firm-fixed price contract within the next 6 months.