

DEPARTMENT OF VETERANS AFFAIRS

Justification and Approval Under Simplified Acquisition Procedures (SAP) For Restricting Competition under FAR 13.106-1(b)(1) "Single Source"

1. **Contracting Activity:**

Department of Veterans Affairs, NCO 20 Acquisitions, Vancouver, WA

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

This procurement is for a purchase order for cable installation at the Sacramento (Herakles) Interim Data Processing Center (IDPC), where in accordance with FAR 6.001(a), acquisitions conducted under FAR 13 for SAP 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 or Services Required to Meet the Agency's Needs:**

Installation of Category 6A cables for the Sacramento Data Processing Center (DPC) located in Sacramento, California. This procurement is under PR #644-13-3-7797-0182 for [REDACTED], for cable installation in 10 cabinets (G8, G9, H11, H12, H13, I9, I11, I12, I13, I14) and Rows E & G .

4. **Statutory Authority Permitting Restriction in Competition:**

The statutory authority for restricting competition under SAP, or Single Sourcing, for acquisitions under \$150,000 or Simplified Acquisition Threshold (SAT) is 41 U.S.C 253 (c), as implemented by FAR 13.106-1(b)(1). The specific reason for restricting competition is the requirement under section 6.16 of the lease agreement (V261R-2906) the VA has with Herakles-California LLC states the Lessor will provide and maintain all electrical, network, and data storage equipment within the facility, to include the installation of new network cabling as required by the Government. Therefore, under this agreement the Lessor has sole discretion on its choice of secondary contractors to perform work as it deems necessary. In this case, Ever-green Communications is the only vendor Herakles-California LLC has selected to perform this type of work.

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

The Sacramento IDPC is housed in a facility owned and operated by Herakles-California LLC (the Lessor). Section 6.16 of the lease agreement with that company requires the VA to procure network equipment, and the installation, operation, and maintenance of network equipment from the Lessor or its contracted designee. The Herakles Data Processing Center is a large building with numerous tenants leasing space for their Data Processing Centers, therefore Herakles-California LLC controls who is allowed in the building to do maintenance, etc., in order to preclude the least amount of disruption to all the tenants. This order covers work which falls under this category of request and therefore the VA's choice of contractor is restricted to Herakles-California, LLC's selected contractor, Ever-Green Communications.

6. Description of Efforts Made to Ensure that Offers are Solicited from As Many Potential Sources as Deemed Practicable IAW FAR 13.104:

Under normal circumstances this acquisition would fall under usual requirements for open-market competition and be open to bidding by any and all eligible contractors. However, the lease agreement we have with Herakles, LLC, (described in sections 4 and 5 above) precludes opening this acquisition to open-market bidding.

7. Determination by the Contracting Officer that the Anticipated Cost to the Government will be Fair and Reasonable – IAW FAR 13.106-3:

The lease agreement with the contractor was negotiated in response to a solicitation issued under fair and open competition. The requirement that the Lessor maintain the networking and data storage service and equipment was part of the negotiation as was deemed to represent the best value to the government at the time of award. It is worth noting that while the requirement to purchase network cable installation from the Lessor's designated contractor is stated in the lease agreement, it contains no schedule of prices nor does it define a mechanism of acquisition for this equipment. Therefore, market research will be conducted as a survey of prices for similar equipment and labor with vendors advertising on the internet, as well as historical pricing will be surveyed, to help in determining Ever-Green Communication's price as fair and reasonable.

8. Description of the Market Research Conducted and the Results, or Statement of Reasons Market Research was not Conducted (FAR 10):

Pursuant to [FAR Part 10](#), market research was conducted as a survey of vendors offering similar items on the internet. Since we are governed by the Lease Agreement to procure these services from the Lessor's source, market research was only conducted to facilitate a determination of price reasonableness. This procurement, therefore, is required to be conducted in accordance with FAR Part 13, Simplified Acquisition Procedures. Ever-Green Communications is a small business as defined by NAICS code 238210, \$14M.

9. Any Other Facts Supporting the Restriction of Competition:

No other facts to report.

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

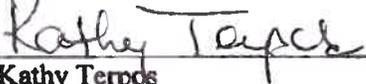
None.

11. Statement of 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 lease agreement with Sacramento Herakles precludes the removal of barriers to competition.

12. Requirements Certification - IAW FAR 6.303-2(c):

I certify that the requirement outlined in this justification is a bonafide 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.


Kathy Terpos
Region 1 OIT

6/18/13
Date

13. Approvals IAW VHA SOP 3.22.11:

- a. **Contracting Officer's Certification: (required)** I certify that the foregoing justification is accurate and complete to the best of my knowledge and belief.


Brenda J Leckrone
Contracting Officer
SAO West OIT Procurement Cell/NCO20 Specialized Team

6/19/2013
Date

- b. **NCM/PCM/Designee:** 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 for other than full and open competition.

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Jonathan Santangelo
NCO20 Specialized Team Manager

Date