

DEPARTMENT OF THE NAVY

OFFICER IN CHARGE OF CONSTRUCTION MARINE CORPS INSTALLATIONS WEST BOX 555200 BLDG. 1160 CAMP PENDLETON, CALIFORNIA 92055-52 30

> N62473-10-C-0001 J&A 12-22

JUSTIFICATION AND APPROVAL FOR USE OF OTHER THAN FULL AND OPEN COMPETITION

- 1. <u>Contracting Activity</u>: Department of the Navy, Officer in Charge of Construction, Marine Corps Installations West (OICC MCIWEST), Resident Officer in Charge of Construction (ROICC), Camp Pendleton, California.
- 2. Description of the Action Being Approved: Upon the basis of the following justification, a contract modification is planned under N62473-10-C-0001 with Clark/McCarthy a Joint Venture, 575 Anton Blvd, Suite 100, Costa Mesa, CA and will be negotiated without full and open competition pursuant to authority of 10 U.S.C. 2304 (c) (1) as implemented by the Federal Acquisition Regulation (FAR) 6.302-1. This procurement will result in a firm-fixed price modification for the purchase and installation of "brard named" radiology equipment. This justification requests approval to procure one Dual Head Nuclear Scanner without providing for competition among federal supply schedule (ISS) contracts. The Naval Diagnostic Imaging and Radiotherapy Board (NAVDIRB) are chartered with the responsibility to determine which radiology equipment will be used in naval medical facilities (see paragraph 5). Upon completing the review of potential sources of radiology equipment, the NAVDIRB issued its findings which mandated the procurement of the Siemens model Symbia T16 Dual Head Nuclear Scanner for use in the Replacement Naval Hospital at Camp Pendleton. The total cost of the Dual Head Nuclear Scanner, and therefore the amount of this justification, is \$1,043,887.00.
- 3. Description of Supplies/Services: Contract N62473-10-C-(001 is a firm-fixed price (FFP) Military Construction (MILCON) contract that is funded by the American Recovery and Reinvestment Act (ARRA). The contract is currently valued at \$404,827,319.00, with a contract completion date of 7 January 2014. The contract is for the design and construction of the Replacement Naval Hospital (Project 71653) at Marine Corps Base (MCB), Camp Pendleton, California. The contract includes a planned modification that is to be issued for the procurement of furniture, fixtures, and equipment as well as medical equipment; estimated at a total cost of \$55 million. Per the terms of the contract, CMJV is required to solicit sources for medical equipment from Federal Supply Schedule (FSS) holders. The Dual Head Nuclear Scanner is one piece of medical equipment that is being procured as part of this planned modification and will be funded with Fiscal Year 2012, Other Procurement funds.
- 4. Statutory Authority Permitting Other Than Full And Open Competition: The statutory authority permitting other than full and open competition is 10 U.S.C. §2304(c)(1), as implemented by FAR 6.302-1(a)(2), Only one responsible source and no other supplies or services will satisfy agency requirements.

5. Rationale Justifying Use of Cited Statutory Authority. FAR 6.302-1 (b)(4) provides the authority for agency heads to order specific makes and mocels of equipment if the determination is in accordance with the agency's established standardization program. The NAVDIRB was established by the Chief of the Navy Bureau of Medicine and Surgery (BUMED) to evaluate new and emerging medical imaging and radiotherapy technologies and recommend short and long range planning and acquisition strategies for radiographic, nuclear medicine, ultrasound diagnostic imaging, radiotherapy, and related support equipment. The NAVDIRB provides BUMED with a technically and clinically educated board composed of clinical and administrative personnel participating in the decision process to identify and introduce new imaging technologies, to evaluate cost-effective alternatives to these technologies, and to determine equipment replacement cycles. Responsibilities of the NAVDIRB include: 1) direct planning for acquisition of all diagnostic imaging and radiotherapy equipment using ionizing or non-ionizing radiation, electromagnetic waves, or ultrasonic waves to produce a diagnostic image, or which is used as a part of a therapeutic treatment for all medical treatment facilities; 2) review all new equipment requirements to ensure conformance to the diagnostic Imaging and Radiotherapy Strategic Plan; and 3) provide specialty leader technical approval authority on all equipment requests referred for action. This technical approval will be based on analysis of the requesting command's mission, staffing, workload, location, equipment density, cc st effectiveness, and conformance with Navy Medicine's strategic objectives.

For this facility, in accordance with FAR 11.105(a)(1), Navy Medical Logistics Command (NAVMEDLOGCOM) is authorized to defined the medical equipment requirements, conduct market research, solicit and evaluate a variety of manufactures and models of radiological equipment, based on the projected needs of the new hospital. At the conclusion, NAVMEDLOGCOM selected those manufacturers that appeared to meet the technical requirements; they are then forwarded to the NAVDIRB for final selection. The NAVDIRB's evaluation included ensuring the equipment met the functional requirements of the facility; consideration of the benefits and value for equipment that offered additional features or functional capabilities; and the overall strategic goal of standardizing equipment throughout naval medical treatment facilities. Based on the thorough analysis of a variety of equipment manufacturers, the vendors chosen by NAVDIRB met all of the requirements and technical specifications needed to fulfill the modalities that the facility will have to conduct. The manufacturers chosen were compared to the network of manufacturers that NAVMEDLOGCOM has on their approved vendors list. The approved vendors list has all vendors that meet the basic requirements for each piece of radiological equipment that Navy Medicine utilizes. NAVDIRB also works to standardize the equipment that goes into Navy hospitals and Medical Treatment Facilities. As a result of this extensive analysis of medical equipment, the NAVDIRB's final decision resulted in selection of the specific pieces of radiology equipment being selected for the Replacement Hospital at Camp Pendleton which includes the Siemens model Symbia T16 Dual Head Nuclear Scanner. Based on NAVMEDLOGCOM market research and evaluation of a variety of manufacturers/models of radiological equipment, NAVDIRB's decision was that the Siemens model Symbia T16 Dual Head Nuclear Scanner model was the only model that met the Agency's need. A prior Justification and Approval (12-04) was previously approved for six pieces of radiological equipment that were part of the built-in equipment costs, included in the total construction price. This piece of equipment was not classified as built-in equipment, and is therefore funded with Other Procurement funds.

Based on the above justification, it is in the Government's best interest to require Clark/McCarthy A Joint Venture to procure only the Siemens Symbia T16 Dual Head Nuclear Scanner without soliciting or considering other federal supply schedule sources.

6. <u>Description of Efforts Made to Solicit Offers from as Many Offerors as Practicable</u>: At this time, there is only one acceptable source for Dual Head Nuclear Scanner. If and when the NAVDIRB identifies additional manufacturers that can provide the aforementioned radiological equipment that have the same performance criteria and meets or exceeds Navy Medicine's requirements, additional sources will be considered.

The radiological equipment, including the Siemens Symbia T16, chosen by NAVDIRB met all of the requirements and technical specifications needed to fulfill the modalities that the facility will have to conduct. The vendors chosen were compared to the network of vendors that NAVMEDLOGCOM has on their approved vendors list. The approved vendors list has all vendors that meet the basic requirements for each piece of radiological equipment that Navy Medicine utilizes. NAVDIRB also works to standardize the equipment that goes into Navy hospitals and Medical Treatment Facilities.

The planned action covered by this Justification and Approval meets an exception to the synopsis requirements per FAR Part 5.202 (a)(11), and FAR 3.404 (a). However, because this is a modification to an existing contract that is funded by the American Recovery and Reinvestment Act, a pre-award notice will be issued in accordance with Naval Facilities Engineering Command's internal guidance. A post-award notice will also be issued in accordance with Naval Facilities Engineering Command's internal guidance and FAR 5.705. The approved Justification and Approval will be released in accordance with FAR 6.305(c).

- 7. <u>Determination of Fair and Reasonable Cost</u>: Per FAR 8.404 (d), GSA has already determined the price of supplies ordered under schedule contracts to be fair and reasonable, and ordering activities are not required to make a separate determination of fair and reasonable pricing.
- 8. Actions to Remove Barriers to Future Competition: In accordance with their charter, the NAVDIRB meets quarterly. Advances in technology or charges in medical treatment requirements provide the opportunity for the board to consider additional manufacturers of radiological equipment.

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CERTIFICATIONS AND APPROVAL.

TECHNICAL/REQUIREMENTS CERTIFICATION - I certify that the facts and representations under my cognizance which are included in this justification and its supporting Acquisition Plan (if applicable) and which a basis for this justification are complete and accurate. (FAR 6.303-1(b)).		
ICDR VERRY BROWN Senior Health Facilities Planning Project (Navy Medicine West Det Camp Pendleton	(760) 763-0947 Officer	27 S=7-12 Date
LEGAL SUFFICIENCY REVIEW - I have determined this Justification is legally sufficient based upon the representations and certifications of the Justification and NAVDIRB representative.		
CHARLES CHAMBERS Associate Counsel	(619) 532-2507	9/27/20/2 Date
CONTRACTING OFFICER CERTIFICATION - I certify that this Justification is accurate and complete to the best of my knowledge and belief.		
WILLIAM J. HEPLER Contracting Officer NAVFAC Southwest	(760)763-9833	27.Sut 2012 Date
CONTRACTING OFFICER CERTIFICATION - I certify that this Justification is accurate and complete to the best of my knowledge and belief.		
DENIESE D. KELLY Director, Acquisition OICC, MCIWEST, NAVFAC Southwest	(760) 763-7343	27 Sept 20/2 Date

COMMANDING OFFICER CERTIFICATION - I certify that this Justification is accurate and complete to the best of my knowledge and belief.

M. MEDVED (760) 763-7341 27 5E9 12 Date

Commanding Officer, OICC, MCIWEST

NAVFAC Southwest

ECHELON IV CHIEF OF THE CONTRACTING OFFICER CERTIFICATION - I certify that this Justification is accurate and complete to the best of my knowledge and belief.

RENAE A. JONES

NAE A. JONES (619) 532-2339

Chief of Contracting NAVFAC Southwest

912812012

Date

APPROVING OFFICIAL (NFAS 6.304)

Upon the basis of the above justification, I hereby approve, the solicitation of the proposed procurement(s) described herein using other than full and open competition, pursuant to the authority of 10 U.S.C. 2304 (c)(1) (FAR Part 6.302-1)

C. M. MAURER

(619) 532-2317

28 /sep 2012 Date

Captain, CEC, US Navy

Commanding Officer, NAVFAC Southwest