

DEPARTMENT OF VETERANS AFFAIRS

**Justification and Approval (J&A)
For
Other Than Full and Open Competition (>SAT)**

Acquisition Plan Action ID: 36C263-24-AP-4399

1. **Contracting Activity:** Department of Veterans Health Affairs, Network 23 Contracting Office, 111 South 18th Plaza – Ste. C53/C62, Omaha, NE 68105

Requiring Activity: Department of Veterans Health Affairs, VISN 23, Royal C Johnson Veterans Medical Center, 2501 W 22nd St, Sioux Falls, SD 57105

2. **Nature and/or Description of the Action Being Processed:** Project 438-22-900, Replace Boiler Plant at the Sioux Fall VAMC is building a new boiler plant. This will include new building temperature controls, building security including door access, door security and security cameras, and fire alarm for the new boiler plant but it will be tied into the existing campuswide Johnson Controls temperature controls, security and door access, fire alarm and camera system. This will be a new firm-fixed price contract. This contract will include materials and labor for the new system. The estimated cost of this would be approximately the following:

- a. Temperature controls: [REDACTED]
- b. Building Security: [REDACTED]
- c. Fire Alarm: [REDACTED]

This would be a total of [REDACTED]

This contract would be part of the general contractor bid for the entire project and would have a period of performance of 950 day from the notice to proceed.

3. **Description of Supplies/Services Required to Meet the Agency's Needs:** Johnson Controls would provide the facility a complete system including equipment, materials and labor for the temperature controls system, security system, and fire alarm. The temperature controls system would include all controllers, thermometers, thermostats, humidistats, and pressure sensors, programming, and all control wiring and conduit for building. The security system would include all door access controls, cameras, controllers, server hardware, programming, and all wiring and conduit for the building. Lastly the fire alarm system will include all alarm devices including strobes and horns, smoke alarms, pull stations, alarm panels, annunciators, programming and all wiring and conduit for the building. The delivery date and period of performance would be the same as the construction project. The period of performance for the building is 950 days from notice to proceed.

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

- (1) Only One Responsible Source and No Other Supplies or Services Will Satisfy Agency Requirements per 41 USC §3304(a)(1) as implemented by FAR 6.302-1;
- (2) Unusual and Compelling Urgency per 41 USC §3304(a)(2) as implemented by FAR 6.302-2;
- (3) Industrial Mobilization, Engineering, Developmental or Research Capability or Expert Services per 41 USC §3304(a)(3) as implemented by FAR 6.302-3;
- (4) International Agreement per 41 USC §3304(a)(4) as implemented by FAR 6.302-4
- (5) Authorized or Required by Statute per 41 USC §3304(a)(5) as implemented by FAR 6.302-5;
- (6) National Security per 41 USC §3304(a)(6) as implemented by FAR 6.302-6;
- (7) Public Interest per 41 USC §3304(a)(7) as implemented by 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):

The three systems by Johnson Controls including the temperature controls system, the security system, and the fire alarm system is both a major system and a highly specialized system for the facility that has a huge effect on patient care in the facility. This includes the comfort of the patients and staff, security for the patients and staff, and safety if there natural disaster or fire in the facility. Furthermore, the main fire alarm annunciator panel for the entire facility will be housed in the new boiler plant building and will act as a command center for any emergency services if there is a natural disaster or fire event in any building on the campus.

All three of the Johnson Controls Incorporated systems are highly specialized as they include manufacturer propriety programs that will not seamlessly communicate with other manufacturers equipment. Overall these three systems need to seamlessly communicate with the existing main building automation system server, main fire control panel, and main security server, including the software and hardware. If the three new systems do not integrate seamlessly patients and the facility will be put at risk. Since other manufactures would not be able to seamlessly integrate into the existing three Johnson Controls Incorporated systems this would require an entirely new main building automation server, main fire control panel, and main security server. In addition to new main building automation server, main fire control panel, and main security server all the existing hardware and software all the way down to individual sensors or alarms would need to be replaced for the entire campus, which would have substantial duplication cost for the facility and require a substantial amount of currently working equipment and sensors to be discarded. Accordingly, Johnson Controls Incorporated is the only firm capable of providing the supplies and services described in Section III above without the Veteran's Health Administration experiencing substantial duplication of cost that could not be expected to be recovered through competition and unacceptable delays in fulfilling its requirements.

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

The solicitation for the entire construction effort that these sole-sourced items are a part of will be issued competitively as a 100% Service-Disabled Veteran-Owned Small Business set-aside.

7. **Determination by the CO that the Anticipated Cost to the Government will be Fair and Reasonable:** A determination by the Contracting Officer that the anticipated cost to the Government will be fair and reasonable will be made prior to award of any subsequent contract under this acquisition. The solicitation will be issued competitively in accordance with FAR 16.505(b). Price reasonableness shall be established through competition.
8. **Description of the Market Research Conducted and the Results, or a Statement of the Reasons Market Research Was Not Conducted:**
Market research was conducted prior to selecting this manufacturer as the facilities standard base. New components must tie into an existing, operational system. Currently, there are no competing vendors whose products are fully compatible with our existing system. If a device other than Johnson Controls is found to have the capability to communicate and maintain the integrity of the entire system, it will be considered acceptable. None to date is known or shown to be available.
9. **Any Other Facts Supporting the Use of Other than Full and Open Competition:**
The specified building automation system is the only item meeting the requirements of the Sioux Falls VAMS. The intent is to install the same brand and type of building automation system throughout the medical center to provide a system that is compatible with the existing system. The medical center has standardized on this system to improve patient safety, security, and reduce maintenance and training costs. The current Johnson Controls Building Automation System utilizes proprietary technology so other systems are not able to connect to it.
10. **Listing of Sources that Expressed, in Writing, an Interest in the Acquisition:**
None.
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:** Because the new main building automation server, main fire control panel, and main security server were provided many years ago, and cannot reasonably be replaced without significant cost and effect to the government, this current barrier to future competition will remain.
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.

LANCE
NIEWENHUIS



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Lance E. Niewenhuis
Projects Team Lead
Royal C. Johnson VA Medical Center

Date

13. Approvals in accordance with the [VHAPM Part 806.3 OFOC SOP](#):

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

**GREGG
SUTCLIFFE** Digitally signed by
GREGG SUTCLIFFE
Date: 2025.01.23
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Gregg R. Sutcliffe
Contracting Officer/Branch Chief
NCO 23

January 23, 2025

Date

- b. **One Level Above the Contracting Officer (Required over SAT but not exceeding \$750K)**: I certify the justification meets requirements for other than full and open competition.

**TRAVIS
JOHNSON** Digitally signed by
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Travis A. Johnson
Division Chief
NCO 23

1/23/2025

Date