



DEPARTMENT OF THE NAVY  
NAVSUP FLEET LOGISTICS CENTER NORFOLK  
1968 GILBERT STREET SUITE 600  
NORFOLK VA 23511-3392

N REPLY REFER TO  
11 October 2016  
J&A# 16012

JUSTIFICATION & APPROVAL  
OTHER THAN FULL AND OPEN COMPETITION  
(SOLE SOURCE)

1. **IDENTIFICATION OF AGENCY AND CONTRACTING ACTIVITY:**

**Requiring Activity:** Commanding Officer  
Naval Hospital Camp Lejeune (NHCL)  
100 Brewster Blvd.  
Camp Lejeune, NC 28547-0100

**Contracting Activity:** Commanding Officer  
NAVSUP Fleet Logistics Center Norfolk (FLCN)  
Contracting Department, Code 200  
Norfolk, Virginia 23511-3392

**Requisition Number:** N6809317RC04504

2. **NATURE AND DESCRIPTION OF ACTION:** This justification and approval anticipates the award of a sole source contract to Draeger Medical. The government intends to award a firm-fixed price contract utilizing FY17 O&M funds.

3. **DESCRIPTION OF SUPPLIES/SERVICES:** This requirement is to provide preventive maintenance service of anesthesia equipment in support of Naval Hospital Camp Lejeune. The Naval Hospital Camp Lejeune, NC will be requiring Draeger Medical to provide Maintenance services, which shall include periodic certification, electrical safety checks, software updates and on-site corrective repairs during normal working hour coverage from (8:00 A.M. to 4:30 P.M. Monday through Friday excluding Federal holidays), 24-hour emergency service, installation of engineering updates and preventive maintenance services as recommended by the Original Equipment Manufacturer (OEM) to clean, test and maintain equipment and/or system per OEM operating standards. All 10 anesthesia machines in our facility are Draeger brand name and equip with the most recent version of technological advances to support the highest standard of patient care. And operate entirely on Draeger proprietary software. In order to maintain consistency with maintenance, ensure patient safety and apply the highest standard of care, the anesthesia machines must be maintained and serviced by Draeger Medical Inc.

The period of performance for this requirement will be 1 November 2016 through 31 October 2017 with four one year option periods to conclude 31 October 2021. The contract will also include the option at FAR 52.217-8. The address for delivery will be Naval Hospital Camp Lejeune (NHCL), 100 Brewster Blvd., Camp Lejeune, NC 28547-0100.

The Independent Government Estimate (IGE) for this requirement, formulated by NHCL, is based on market research of similar efforts and historical pricing data of similar requirements in the command. Based on Producer Price Index industry data an escalation rate of [REDACTED] was applied to account for the anticipated inflation. The overall estimate inclusive of four (4) option periods and the FAR 52.217-8 is \$ [REDACTED]

<b>Period of Performance</b>	<b>Independent Government Estimate</b>	
Base Year – 11/1/2016-10/31/2017		
Option Year I – 11/1/2017-10/31/2018		
Option Year II – 11/1/2018-10/31/2019		
Option Year III – 11/1/2019-10/31/2020		
Option Year IV – 11/1/2020-10/31/2021		
-8 Option to Extend 11/1/2021-04/30/2022		
<b>Total</b>		

4. **IDENTIFICATION OF STATUTORY AUTHORITY:** Section 41 U.S.C. 1901 - a sole source acquisition under the authority of the test program for certain commercial items, as implemented by FAR 13.501(a)(1)(ii).

5. **DEMONSTRATION OF CONTRACTOR'S UNIQUE QUALIFICATIONS:**

Naval Hospital Camp Lejeune (NHCL) owns the following systems: The Draeger Fabius GS Premium, Fabius OS, Fabius Tiro, and Fabius Tiro D-M anesthesia machines which are used to administer anesthesia and ventilation to patients during surgical procedures. Draeger Medical Inc. is the sole developer, manufacturer, and distributor of these systems and its required maintenance. The requested preventive maintenance is required for these systems proper functioning. Due to the proprietary nature of service rights, Draeger Medical, Inc, the Original Equipment Manufacturer (OEM), is the only source that could provide the requested maintenance on the anesthesia equipment. Any unauthorized vendor performing these services voids the equipment warranty, jeopardizes the safety of the patients and NHCL staff, and increases the liability of the Government. Acquiring a preventive maintenance agreement will ensure that the equipment is working efficiently and the patients will have the best care possible. Only Draeger Medical has access to proprietary software and computerized maintenance management system required to maintain this equipment.

6. **DESCRIPTION OF EFFORTS MADE TO SOLICIT OFFERS FROM AS MANY OFFERORS AS PRACTICABLE:** The synopsis required by FAR 5.201 will be published on the Government-wide point of entry as intent to negotiate on a sole source basis to Draeger Medical 3135 Quarry Road Telford, Pa. 18969 USA

7. **DETERMINATION OF FAIR AND REASONABLE COST:** A determination of fair and reasonableness of price will be based on the Contracting Officer's price analysis of the contractor's quote and/or a comparison of previous pricing history and published price list of the same or similar items in accordance with FAR 13.106-3.

8. **DESCRIPTION OF MARKET SURVEY:** Market research was conducted on Federal Business Opportunities (FBO), Navy Electronic Commerce Online (NECO), internet searches, discussions with the requiring activity and industry, and review of prior contract history. A sources sought notice was posted to NECO on 30 September 2016 and closed on 05 October 2016; no response was received. Draeger Medical was found to be the sole source provider. Draeger Medical does not authorize other vendors to service this system due to patented technologies and liability issues.

9. **ANY OTHER SUPPORTING FACTS:** Draeger, as the Original Equipment Manufacturer, has the legal rights to propriety equipment diagnostic software. Failure to utilize the Proprietary Software may result in the inability to identify equipment operating parameters and to accurately calibrate the equipment.

10. **ACTIONS TAKEN TO REMOVE BARRIERS TO COMPETITION:** At this time there is only one known manufacturer that can provide the maintenance service with the capabilities required by NHCL. However, each future requirement will be examined on an individual basis and market research will be performed to determine the most logical and appropriate acquisition approach. If another potential source emerges, FLCN will assess whether competition for future requirements is feasible.

**11. CONTRACTING POINT OF CONTACT:**

The point of contact at NAVSUP Fleet Logistic Center Norfolk is Vincent Washington, who can be reached at (757) 443-1340 or by email at [Vincent.J.Washington@navy.mil](mailto:Vincent.J.Washington@navy.mil).

**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 planning documents, except as noted herein, are complete and accurate to the best of my knowledge and belief.

_____	_____	_____	_____
Signature	Name (Printed)	Phone No.	Date

**LEGAL SUFFICIENCY REVIEW**

I have determined this Justification is legally sufficient.

_____	_____	_____	_____
Signature	Name (Printed)	Phone No.	Date

**CONTRACTING OFFICER CERTIFICATION**

I certify that this Justification is accurate and complete to the best of my knowledge and belief. To the extent that the J&A/LSJ value is between \$150K and \$650K, the Contracting Officer's signature below also represents approval of the J&A/LSJ.

_____	_____	_____	_____
Signature	Name (Printed)	Phone No.	Date