

JUSTIFICATION AND APPROVAL
FOR AN EXCEPTION TO FAIR OPPORTUNITY

1. Contracting Activity: Department of Veterans Affairs (VA)
Office of Acquisition Operations
Technology Acquisition Center
260 Industrial Way West
Eatontown, New Jersey 07724

2. Description of the Action: This proposed action is for a firm-fixed-price delivery order issued under the National Aeronautics and Space Administration (NASA) Solutions for Enterprise-Wide Procurement (SEWP) IV Government-Wide Acquisition Contract (GWAC) for International Business Machines (IBM) brand name enterprise equipment in order to expand the existing IBM National Exchange Augmentation Messaging storage infrastructure at VISN 7, Dublin, Georgia; VISN 8, Orlando, Florida; and VISN 22 Long Beach, California VA sites. The period of performance for this effort will be three years from date of contract award to include installation and hardware and software maintenance services warranty.

3. Description of Supplies or Services: VA requires IBM brand name enterprise equipment, specifically IBM disk shelves, IBM Storage Area Networks (SAN) Controllers, IBM Servers, and IBM Tape Libraries to expand VA's existing IBM National Exchange Augmentation Messaging storage infrastructure to accommodate an additional 10,000 users at each site. VA procured IBM hardware for the current VA Exchange environment in 2004 and requires IBM hardware and IBM storage to expand the VA's current Exchange infrastructure. Access to the VA Exchange environment is integral to VA users who need email for their day to day tasks which ultimately provide support to the Veteran. Currently, there are existing IBM storage controllers, IBM Disk Shelves, IBM Tape Libraries, and IBM Servers at all three sites. VA requires a software maintenance services warranty of all hardware and software to ensure it remains operational. The total estimated price of the proposed action is \$847,206.08

4. Statutory Authority: The statutory authority permitting an exception to fair opportunity is Section 41 U.S.C. 4106(c), as implemented by Federal Acquisition Regulation (FAR) Subpart 16.505(b)(2)(i)(B) entitled "Only one awardee is capable of providing the supplies or services required at the level of quality required because the supplies or services ordered are unique or highly specialized."

5. Rationale Supporting Use of Authority Cited Above: Based on market research, as described in paragraph 8 of this document, it was determined that limited competition is available among authorized resellers for the brand name hardware and software. This is a brand name justification in support of FAR 11.105, Items Peculiar to One Manufacturer. The existing VA National Exchange Augmentation Messaging storage infrastructure uses IBM disk shelves, IBM SAN Controllers, IBM Servers and IBM Tape Libraries. Only IBM equipment is fully interoperable and compatible with the current Exchange Augmentation Messaging storage infrastructure. Alternative vendor solutions

would have to be implemented as a completely separate environment from the current Exchange environment. This is due to the proprietary technical data that comprises the aforementioned IBM infrastructure. Any other brand name item that does not have this data would not be able to communicate within the current IBM infrastructure. VA would have to update, monitor and manage a separate environment in addition to the existing VA system. Expanding the existing infrastructure will provide the storage capacity and speed required to prevent outages from occurring due to the increased amount of users. Outages prohibit VA users from doing their job and, ultimately, supporting the Veteran. The solutions provided by other hardware manufacturers would not be compatible with the existing hardware monitoring, support, and licensing infrastructure.

6. Efforts to Obtain Competition: Market research was conducted, details of which are in the market research section of this document. This effort did not yield any additional sources that can meet the Government's requirements. It was determined, however, that limited competition is viable among authorized resellers for these brand name items. In accordance with FAR 5.301 and FAR 16.505(b)(2), this action will be synopsisized at award on the Federal Business Opportunity Page (FBO) and the justification will be made publicly available.

7. Actions to Increase Competition: In order to remove or overcome barriers to competition in future acquisitions, the agency will work with the program office to perform additional market research to ascertain if there are changes in the market place that would enable future acquisitions to be competed.

8. Market Research: Market research was performed by the Government's technical experts to identify any other similar items that could meet the Government's requirements. Hewlett Packard, EMC, IBM, Dell, NetApp, and Nimble Storage provide storage devices. The Government's technical experts contacted these manufacturers in May 2013 to determine if any devices could be used within the VA IBM storage environment. Each manufacturer, including IBM, confirmed that all equipment, software, and components within an enterprise storage solution, such as VA Exchange environments, must be of the same manufacturer in order to ensure interoperability and compatibility. In addition, none of the manufacturers could provide a warranty for a system that contained equipment, software, or components manufactured by another company.

Additional market research was conducted by issuing a Request for Information (RFI) on NASA SEWP. The RFI stated the need for an integrated solution to expand the current VA National Exchange Augmentation Messaging storage infrastructure. Seven responses were received. Of the seven responses, four were able to provide a compatible IBM solution. The other 3 responses offered solutions from Dell, Cisco and EMC, and Hewlett Packard (HP) and EMC.

Dell's solution provided the Dell equivalent hardware and software that it believed to be interoperable and compatible with the current IBM infrastructure. The Government's technical experts reviewed the Dell solution and verified that while the solution provides

the necessary hardware and software, the solution would not be interoperable with the existing infrastructure without being implemented, updated, monitored and managed as a completely separate environment from the rest of the Exchange environment. The Government's technical team contacted Dell on August 23, 2013 to notify them that their solution did not meet the Government's requirements. Dell did not respond.

The combination Cisco and EMC solution also provided equivalent hardware and software; however, this solution would also not be interoperable with the existing infrastructure, requiring implementation, updating, monitoring, and managing a separate environment from the rest of the Exchange environment. The Government's technical team contacted the vendor, Red River, on August 23, 2013 to notify them that their solution did not meet the Government's requirements. Red River did not respond.

The solution which provided hardware and software from HP and EMC was a virtual Cloud environment which did not meet the Government's requirements of expanding the existing infrastructure. The Government's technical team contacted the vendor, Iron Bow, on August 23, 2013 to notify them that their solution did not meet the Government's requirements. Iron Bow did not respond.

Limited competition is anticipated based on receiving four vendor responses that provided compatible and interoperable solutions.

9. Other Facts: None.

10. Technical and Requirements Certification: I certify that the supporting data under my cognizance, which are included in this justification, are accurate and complete to the best of my knowledge and belief.

Noel Flanagan

Date: 08/28/2013

Systems Implementation Manager

Signature:



11. Fair and Reasonable Cost Determination: I hereby determine that the anticipated price to the Government for this contract action will be fair and reasonable because contracts awarded on NASA SEWP IV GWAC have already been determined to be fair and reasonable. As there are several potential vendors on NASA SEWP IV GWAC, price competition is anticipated. Finally, the successful quote will be compared to the Independent Government Cost Estimate.

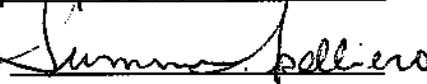
Summer Spalliero

Date:

8/29/2013

Procuring Contracting Officer

Signature:



12. Procuring Contracting Officer Certification: I certify that this justification is accurate and complete to the best of my knowledge and belief.

Summer Spalliero

Date:

8/29/2013

Procuring Contracting Officer

Signature:



13. Legal Sufficiency Certification: I have reviewed the justification and find it adequate to support an exception to fair opportunity deem it legally sufficient.

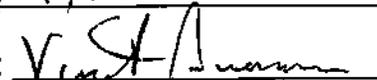
Vincent H. Buonocore

Date:

8/29/13

Legal Counsel

Signature:

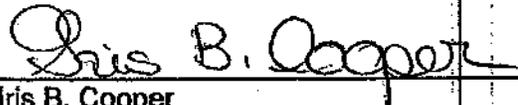


Approval

In my role as Contracting Activity Competition Advocate, based on the foregoing justification, I hereby approve the acquisition of IBM brand name enterprise equipment, installation, and hardware and software maintenance services warranty on an other than fair opportunity basis, pursuant to the authority cited in paragraph 4 above, subject to the availability of funds, and provided that the property and services herein described have otherwise been authorized for acquisition.

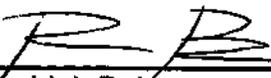
Date: 9-9-13

Signature:



Iris B. Cooper
Head of the Contracting Activity

Justification and Approval For An Exception To Fair Opportunity
Coordination Matrix



Ronald J. Bakay
Competition Manager
Technology Acquisition Center
Office of Acquisition Operations
Department of Veterans Affairs

8/29/13
Date Concur/Non-Concur



Patricia A Meyer
Director, Procurement Service B
Technology Acquisition Center
Office of Acquisition Operations
Department of Veterans Affairs

9/3/13
Date Concur/Non-Concur



Michele R. Foster
Deputy Associate Executive Director
Technology Acquisition Center
Office of Acquisition Operations
Department of Veterans Affairs

9.6.2013
Date Concur/Non-Concur