

JUSTIFICATION AND APPROVAL
FOR AN EXCEPTION TO FAIR OPPORTUNITY

1. Contracting Activity: Department of Veterans Affairs (VA)
Office of Acquisition Operations
Technology Acquisition Center-Austin
1701 Directors Boulevard, Suite 600
Austin, TX 78744
2. Description of Action: The proposed action is for a task order (TO) to Hewlett Packard Enterprise Services, LLC, (HPES) to be issued under the General Services Administration (GSA) E-Government Travel Service (ETS1) Master Contract Number GS-33F-P0015 for web-based travel management services. The period of performance will consist of a one-year base period and four three-month option periods.
3. Description of the Supplies or Services: ETS is a government-wide, web-based, world-class travel management service. It was launched in April 2002 by GSA to save significantly on costs and improve employee productivity. VA requires a continuation of web-based travel management services to support all VA travel for employees and beneficiaries. It is required for use by federal employees when planning and submitting expenses for official business travel. The Federal Travel Regulation (FTR), Part 301-73, requires all agencies to deploy and implement a Travel Management Service (TMS) (See FTR 301-73.104) or use ETS. VA awarded TO number 101-G57066 under GSA ETS1 Master Contract Number GS-33F-P0015 to HPES as its ETS1 contractor. HPES' ETS1 solution system is FedTraveler.com. The ETS master contract, which is managed by GSA, would have expired on November 11, 2013. On February 14, 2013, GSA Issued 2 contract modifications to the ETS1 contract GS-33F-P0015 that allow for the extension. Modification PS109 adds Contract Line Item Numbers (CLINs) and Pricing for Option Periods 4 through 8. Modification PA0111 exercises Option period 4 and extends the period of performance from November 12, 2013 through November 11, 2014. Option Periods 5 through 8 are quarterly periods starting from November 12, 2014 through November 11, 2015. GSA advised agencies to attempt to complete their ETS1 extensions on or before November 11, 2013. The total estimated price for this proposed action is \$5,300,776.50, inclusive of options.
4. Authority Cited: The statutory authority permitting an exception to fair opportunity is Section 41 U.S.C. 4106(c) as implemented by the 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: The proposed source for this action is HPES, 13600 EDS Drive, Herndon, VA 20171. The current TO expires on November 11, 2013. HPES implemented and deployed the FedTraveler.com system and has operated it for the past eight years. The present service took several months to be implemented and deployed. The software interface that allows FedTraveler.com to record obligations and expenditures in VA's Financial Management System (FMS) was produced, customized and implemented by HPES with the costs recovered through payments received as the system was used by VA employees for official travel. Any other ETS1 contractor would be using a different travel solution system and would have to develop a different interface for FMS. The estimated timeframe to develop, implement and test such an interface would take approximately eight months. VA Financial Services Center is currently working on a concurrent project which is the E-Government Travel System 2 (ETS2) travel program. ETS2 was awarded in July 2013 and will replace FedTraveler.com with a new web-based travel system. The ETS2 implementation schedule is from July 2013 through January 2015, during which time, the ETS1 TO expires. Should ETS1 not be extended, during the ETS2 implementation, VA would experience a gap in the aforementioned travel services that would seriously harm the Government. Additionally, any other source other than HPES would have to customize the interface and implement a new infrastructure with ETS1. This would result in extensive delays. Only HPES can provide seamless support during the ETS2 transition without interruption of VA travel transactions. Additionally any other vendor's service would have to be integrated to replace FedTraveler.com and replaced again for ETS2. This would require additional tasks to be awarded to both programs at various intervals that would otherwise not be required. Award to another source will result in disruption of VA customer agencies' access, substantial duplication of efforts to the Government not expected to be recovered through competition, and unacceptable delays in the transition of the ETS2 program. Based on the above reasoning, the Government's technical experts concluded that in the interest of VA, only HPES can meet all of VA's needs.

6. Efforts to Obtain Competition: Market research was conducted, details of which are in the market research section in paragraph 8 below. No competition is anticipated for this effort. In accordance with FAR 5.301 and 16.505(b)(2), this action will be synopsisized at award on the Federal Business Opportunities Page (FBO) and the justification will be made publicly available.

7. Actions to Increase Competition: VA has already competitively solicited and contracted for ETS2 services to replace the FedTraveler.com system currently being used under ETS1. The ETS2 travel program is expected to be fully implemented by the end of this TO and should have no effect on future competition of travel services. If ETS2 is implemented prior to exercising any of the option periods, VA will not exercise the remaining options under this TO.

8. Market Research: The Government's technical experts conducted market research in October 2013 to ascertain the ability of any other system to meet VA's aforementioned requirements. While other sources were determined to provide systems that could meet some general capabilities, no other system was found to meet VA's requirements in the timeframe required based on the assessments previously discussed in paragraph 5 of this justification.

9. Other Facts: None