

JUSTIFICATION AND APPROVAL
FOR OTHER THAN FULL AND OPEN COMPETITION

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 Action: The proposed sole source action is for a firm-fixed-price (FFP) contract for International Business Machines (IBM) Accelerated Value Program (AVP) software maintenance and technical support of the VA's Maximo Asset Management Software version 7.5 (and all subsequent updated versions). The period of performance is a 12-month base period, with two (2), 12-month option periods.
3. Description of Supplies or Services: The proposed action is to provide continued IBM AVP software maintenance and technical support to already existing software which provides for a toll free number, a support hotline with 24 hours a day, 7 days a week coverage, and a single point of contact. Additionally, the Contractor shall provide Priority 1 – Critical Support and Priority 2 – Urgent Support which provides for varying levels of support for different degrees of software problems or issues. Furthermore, the Contractor shall provide access to an On-Line Support Portal and Bug Database System. The support portal shall provide technical advice, downloads for fixes, troubleshooting tools, product documentation, and service history; as well as updates for patches and maintenance releases. The total estimated dollar amount, inclusive of the option [REDACTED]
4. Statutory Authority: The statutory authority permitting other than full and open competition is 41 U.S.C.3304(a)(1) as implemented by the Federal Acquisition Regulation (FAR) Subpart 6.302-1 entitled, "Only One Responsible Source and No Other Supplies or Services Will Satisfy Agency Requirements."
5. Rationale Supporting Use of Authority Cited Above: The proposed source for this action is IBM Corporation 6710-G Rockledge Drive, Bethesda, Maryland, 20817. VA currently owns and maintains a perpetual, enterprise-wide Maximo Asset management software license suite from IBM for VA's use which requires on-going software support and maintenance. VA's only requirement is to continue to purchase the AVP software maintenance and technical support for the Maximo Asset Management Software. The IBM AVP software maintenance and technical support is the only solution that ensures compatibility with the existing system and with current business needs. Only IBM can provide the aforementioned services because any source would need access to IBM proprietary technical data. Specifically, IBM is the sole proprietor of the Maximo code which allows IBM to provide VA with technical support of VA's Maximo Asset Management Software version 7.5 and subsequent updates for patches and maintenance releases. In addition, IBM is the sole supplier of AVP services as only the AVP team has access to internal IBM systems and resources that cannot be accessed by a third party. For example, AVP customers receive priority call handling within IBM

support queues, access to draft technical notes and white papers, and access to Product Management and Development resources that cannot be provided by anyone outside of IBM. In October 2013, VA contacted IBM and asked if IBM would sell the proprietary technical data to the Government to enable actions for these services to possibly be competed, however IBM advised VA that its technical data is not for sale. The lack of IBM proprietary technical data does preclude the VA from adequately defining the applicable form, fit, function, interoperability and interface requirements necessary to allow for competition with other commercial vendors. Maximo Asset Management Software version 7.5 is being used for the Service Oriented Architecture Research and Development (SOARD) project, a multi-year effort to replace VA's existing asset management systems with a single web-based, integrated, enterprise-level system. The lack of annual maintenance and support could result in the loss of production, testing and implementation for updated software intended for SOARD. The AVP software maintenance complements its standard Software Subscription and Support by offering technical troubleshooting of configuration setting and log file support of Oracle WebLogic Application Server, its successors/upgrades on an IBM brand Advanced interactive eXecutive (AIX) compatible version platform and updates for patches and maintenance releases.

6. Efforts to Obtain Competition: Market research was conducted, the details of which are in the market research section of this document in paragraph 8 below. The market research conducted did not yield any potential sources, other than IBM, who could meet all of the Government's requirements. There is no competition anticipated for this acquisition. Additionally, the proposed action will be synopsized on the Federal Business Opportunities Page in accordance with FAR Part 5.

7. Actions to Increase Competition: The Government will continue to conduct market research to ascertain if there are changes in the market place that would enable future actions to be competed.

8. Market Research: The Government's technical experts performed market research in April 2013 by researching other similar software maintenance and technical support that could be used for the Maximo Asset Management software, to ascertain if these services could meet VA's requirements. Specifically, the Government's technical experts reviewed similar maintenance plans from Dell Federal Systems, Intelligent Decisions, ImmixGroup, Sword & Shield, and PC Mall Government, Inc. None of these other brand name maintenance and technical support plans could meet the VA's requirements as no other updates or patches would be compatible with Maximo Asset Management Software suite of products without access to IBM's proprietary technical data. Additionally, on September 12, 2013, a Request for Information (RFI) was posted to the National Aeronautics and Space Administration (NASA) Solutions for Enterprise-Wide Procurement IV (SEWP) Government-Wide Acquisition Contract (GWAC) website to ascertain if any source could meet VA's needs; no responses were received. Furthermore, in October 2013, the technical experts researched product/service data information from Aquitas Solutions, Inc. and Interloc Solutions, Inc. Aquitas is only authorized by IBM to provide Level I standard support under its Maximo/Tivoli maintenance and support agreements. Interloc is authorized by IBM to provide only Levels I and II standard support with IBM providing Level III support to its Maximo clients. Aquitas and Interloc's Maximo level of support (i.e. Level 1 and 2) is not

equivalent to IBM's AVP, priority 1 or 2 because it does not offer critical services such as 24/7 support hotline, single point of contact, problem resolution within 4 hours and access to IBM's On-Line Support Portal and Bug Database System. The Technology Acquisition Center (TAC) sent additional market research questions to IBM and it was confirmed that IBM is the sole supplier of AVP maintenance and technical support services.

9. Other Facts: Given the proprietary nature of the AVP software maintenance and technical support of VA's Maximo Asset Management Software applications, the Government does not possess the technical data or expertise relative to the application to define requirements allowing any other source, other than IBM, to provide the necessary technical and maintenance support for this application. In addition, before the execution of an Option Period, VA will conduct market research to ascertain if there are changes in the market place that would enable the requirement to be competed.

