

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
23 Christopher Way
Eatontown, New Jersey 07724
2. Description of Action: The proposed action is a firm-fixed priced (FFP), contract that will consist of a one, six-month base period and four, six-month option periods for 5,375 square feet of data center space and associated support services from SunGard Availability Services LP (SunGard), 680 East Swedesford Road, Wayne, Pennsylvania in its Philadelphia, Pennsylvania data center hosting facilities at 401 North Broad Street and at 1500 Spring Garden Street.
3. Description of Supplies or Services: The proposed action is in direct support of Federal continuity of operations (COOP) requirements that requires every Federal agency to plan for continuous performance of essential functions and operations in the event of an emergency. This is stated in the Federal Preparedness Circular 65, which is reinforced by the National Security Presidential Directive (NSPD)-51 and Homeland Security Presidential Directive (HSPD)-20. In accordance with these requirements the Office of Information and Technology (OIT) Region 4 has two established data centers: a VA owned data center located in Brooklyn, New York and the other comprised of the aforementioned split locations in Philadelphia under SunGard. This arrangement ensures all essential Veterans Health Information Systems and Technology Architecture (VistA) operations are provided with the essential hosting requirements to minimize potential disruptions in services and maximize business continuity. The current data centers host critical clinical applications, such as VistA, which require seamless support in order to ensure continuity of operations to the Veterans Health Administration (VHA). The SunGard facilities provide the necessary square footage of secure, raised floor space, complex telecommunications data circuits, operational/managed technical support, power and heating, ventilation, and air conditioning (HVAC). Providing seamless support requires that two separate data centers are always functioning simultaneously, thus providing data redundancy in the event that one center goes offline. The total estimated price for the proposed action is \$ [REDACTED] (inclusive of options).
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 SunGard Availability Services LP, 680 East Swedesford Road, Wayne, Pennsylvania. This contract will provide up to two and half years of support, which

provide time to transition to a new vendor. The existing support is set to expire on March 31, 2014. Region 4 did not pursue a competitive solicitation because Region 4 was waiting on fruition of the NDCP Operations Plan. The failure of certain options – specifically, the Defense Information Systems Agency (DISA) Defense Enterprise Computing Center (DECC) limited their hosting support to the VistA systems of Regions 2 and 3 - required for the fruition of the NDCP Operations plan, which is necessary to pursue the remaining options originally planned for Region 4, has rendered implementation of previous plans for relocation impossible at this juncture. Relocating to a source other than SunGard via a competitive acquisition requires: 1) Development of a comprehensive inventory of all applications, hardware/software systems and warranty support contracts; 2) Based on this inventory, VA and the proposed Contractor must engage in joint planning for procurement of resources, data migration, mitigation of disruption, scheduled down times at VA facilities in 11 states, and the scheduling of Government personnel. Based upon prior experience, it is anticipated a transition of this complexity to a new vendor would take up to 24 months. As the consolidation plan has taken longer, such planning has now become necessary. There are substantial scheduling requirements as well as substantial risks associated in moving equipment from one location to another. Sensitive IT equipment must be cycled off, database validation and integrity must be performed on any duplicated systems, followed by complete operational acceptance testing and verification upon cycling back to the production state at the new location. Any break in service due to hardware, software, telecommunications or power circuit installation issues associated with a new hosting facility would render all OIT Region 4 critical clinical systems managed by OIT Region 4 unavailable, directly impacting delivery of healthcare and benefits services to Veterans. Further, any break in service would result in an unacceptable threat to the security posture as well as the inability to continue essential OIT Region 4 operations and functions which would be in direct breach of the Federal COOP requirements. An interruption in service of any critical system provided to Region 4 constituents requires a complete incident review to determine root cause and improve future business continuity and system availability. Therefore, it is imperative to maintain the SunGard data centers while the Government solicits a competitive acquisition for new data center support. Further, if the Government does award data center support to a new hosting vendor, maintaining the SunGard data centers will be necessary for up to 24 months while the Government and the new hosting vendor plan and execute the relocation of systems, the migration of data and validation testing of all involved systems. Simultaneous to VA and a vendor developing a relocation/migration/validation plan, the vendor would have to do the following: 1) prepare the tenant space(s) within its facilities with redundant electrical circuits, security walls/gates, adequate HVAC, etc.; 2) order, receive and install any replacement equipment for old systems that would not be relocated as identified in the above referenced inventory; 3) order and install dedicated wide area network (WAN) telecommunications circuits necessary to support VA system's links to VA WAN.

The Government's technical experts estimate that preparation of the tenant spaces could likely be completed in two months. VA's extensive experience with ordering, receiving and installing the types of systems and network equipment used in the

data center indicate the process could take from three to four months. VA's experience with arranging for WAN telecommunications circuits indicates that it could take from three to six months from date of order to date of installation. Without the WAN circuits in place, equipment cannot be relocated and data cannot be migrated. As a result, the Government has determined a timeline of approximately six months for preparation of the new data center space(s), *only after which*, the myriad tasks identified in the relocation/migration/validation plan could begin to be executed.

The Region 4 footprint at SunGard involves many application systems and includes more than 125 racks of network, server, storage and backup equipment. Based on prior experience, VA estimates a data center relocation would require up to 24 months because VA cannot interrupt the operations of all critical systems simultaneously in a single large move. It would have to occur in carefully managed and executed phases.

Regarding the migration of data from old systems to new systems, this would have to occur over the WAN circuits. Such migration must also take place while normal operational data traffic is also running over the same WAN circuits and as such would be limited by the overall capacity of the circuits and the WAN and local area network (LAN) equipment to process, transmit and receive it. VA is currently in the midst of migrating a 20 Terabyte (TB) application database of 11 files from an old storage array to a new one. The process has already consumed four months and has not yet been completed. Using a single application database for comparison, the VistA database currently in use at SunGard is 18TB in size and continues to grow daily. While still currently under warranty support, the VistA storage systems are at end of life and would require replacements at a new location. VA projects the transfer of this single application's data over the WAN would require at least six to eight months and there are approximately 145 application databases equaling approximately 100TB (terabytes) that must also be migrated. Each of these would need to be migrated serially, not simultaneously, due to previously stated rationale regarding interruption of operations.

6. Efforts to Obtain Competition: Market research was conducted, the details of which are in the market research section of this document. This effort did not yield any additional potential sources who could meet the Government's requirements. There is no competition anticipated for this acquisition which would satisfy the Government's requirements. Additionally, the proposed action will be synopsized on the Federal Business Opportunities Page in accordance with FAR Part 5.201.

7. Actions to Increase Competition: VA is currently refining the requirements in order to competitively award a new contract. The requirements will include the full inventory details, conditions and scheduling considerations cited in paragraph 5 above. The period of performance for this action is one, six-month base period and four, six-month option periods. An award for the competitive solicitation is anticipated by November 2014. With having the four, six-month option periods, the Government will have the amount of time required to host the services, provide seamless support, and transition to a new vendor. It is anticipated that all services

will be migrated by September 2016 at the latest. The current hosting services contract with SunGard will have to be maintained during that time.

8. Market Research: Market research was conducted in June 2013 by technical experts which included reviews of existing requirements against commercially available data center vendors and various reviews of data center trade publications and informational resources, matching requirements with availability for qualifying data center space within 100 miles of the Brooklyn data center. Further, inquiries on Google located a firm called QuoteColo which distributes customer requirements among multiple data center hosting firms. A Performance Work Statement (PWS) detailing Region 4 requirements for a commercially leased data center facility was provided to QuoteColo which in turn distributed it to multiple firms. Of all firms contacted by QuoteColo, two data center hosting companies contacted QuoteColo for further details. After additional information was given, only one company provided a response. The respondent's per square foot costs were somewhat lower than the projected costs of SunGard. However, the respondent's facilities did not offer split locations as required for disaster recovery security, nor did they meet the Government's certification and accreditation (C&A) requirements and the lengthy VA C&A process would be required. Based on the market research, it was determined that no other disaster recovery compliant C&A data center exists within the geographical area. The SunGard data center is the only available space that can ensure data transfer rates and redundancy of data in an effective manner to ensure seamless support of OIT Region 4 VistA, Exchange, and other critical applications currently running at the existing facilities. Interruption of these crucial services would lead to an incalculable loss of service to our Veterans due to the unavailability of vital systems. Additional market research was conducted in the second quarter of Fiscal Year 2014. A Request for Information (RFI) was posted to the Federal Business Opportunities (FBO) website. Nine responses were received from large businesses. The technical review of the RFI responses by OIT Region 4 technical staff concluded that four out of nine responses were deemed capable of providing hosting capabilities. While there are four companies who are capable of hosting, only SunGard would be able to host the information within the necessary time frame. The Government contacted the five noncapable vendors and provided rationale for the evaluation. For the four capable of providing hosting services, the Government contacted each company and explained that, while their company is capable of meeting the requirement for hosting, transition services would also be required by April 1, 2014. Given the complexity of this requirement and VA's technical assessment, and based on their responses, the companies would not be able to transition and provide the hosting services by April 1, 2014. AT&T requested clarification on the Government's determination that it would not be able to provide transition services. The Government responded with estimations of the requirements that transitioning to a new vendor would entail (i.e. relocation of more than 125 racks of equipment supporting multiple applications with high availability requirements, preparation of enclosed space to house VA equipment in two geographically separate data center locations equipped with the correct power whips from dual power distributions units and access controls, and arranging for installation and provisioning of two dedicated OC-12 telecommunication circuits and two dedicated MetroE circuits from separate vendors at each geographic data center

location). AT&T followed up and confirmed receipt of this information. The Government notified all vendors who responded to the RFI and informed them that the Government anticipates posting a solicitation in September 2014, with an award of November 2014 for a long term solution via competitive acquisition. Therefore, no competition is anticipated for this acquisition which would satisfy the Governments requirements under this procurement.

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.

Jack Galvin

Date:

3-11-14

Chief Information Officer Region 4 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 based on comparison to the independent Government cost estimate and price analysis.

For Iris Farrell

Date:

3/11/14

Procuring Contracting Officer

Signature: _____

[Signature]

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

For Iris Farrell

Date:

3/11/14

Procuring Contracting Officer

Signature: _____

[Signature]

13. Legal Sufficiency Certification: I have reviewed this justification and find it adequate to support other than full and open competition and deem it legally sufficient.

Josyl Barchue

Date:

josyl.barchue@va.gov
ue@va.gov

Legal Counsel


Signature: _____

Digitally signed by
josyl.barchue@va.gov
DN: cn=josyl.barchue@va.gov
Date: 2014.03.11-16:14:10
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Approval

In my role as Contracting Activity Competition Advocate, based on the foregoing justification, I hereby approve the acquisition of data center support services from SunGard Availability Services on an other than full and open competition basis pursuant to the statutory authority cited in paragraph 4 above, subject to availability of funds, and provided that the property and services herein described have otherwise been authorized for acquisition.

Date: 3-17-2014

Signature: 
Michele R. Foster
Head of Contracting Activity