

JUSTIFICATION  
FOR AN EXCEPTION TO FAIR OPPORTUNITY

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 for a firm-fixed-price (FFP) delivery order (DO), to be issued under the National Aeronautics and Space Administration (NASA) Solutions for Enterprise-Wide Procurement (SEWP) IV Government Wide Acquisition Contract (GWAC), for the procurement of annual software maintenance and support for Hughes Identification Devices (HID) Corporation's ActivIdentity brand name software utilized on the ActivIdentity ActivID Card Management System (CMS). The base period of performance shall be for 12 months beginning July 1, 2014 to June 30, 2015, with two 12-month option periods.
3. Description of the Supplies or Services: The proposed action is to procure annual software maintenance and support services for 450,000 currently fielded ActivIdentity brand name software clients utilized on the ActivIdentity ActivID CMS. This brand name software allows the Government to issue and manage the Homeland Security Presidential Directive 12 (HSPD-12) Personal Identity Verification (PIV) smart cards. The ActivIdentity software is installed on each computer within VA to allow local workstations or laptops to successfully read information stored on the PIV smart card. The software maintenance and support will provide troubleshooting, updates, fixes and patches, and upgrades to the ActivIdentity software, which will ensure that the existing software remains operational. The current DO for software maintenance and support for the ActivIdentity software is set to expire on June 30, 2014. VA requires these services to ensure that the software remains operational with no break in support. [REDACTED]  
[REDACTED]
4. Statutory Authority: The statutory authority permitting an exception to fair opportunity is Section 41 United States Code (U.S.C.) § 4106(c)(2) 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: This is a brand name justification in support of FAR 11.105, Items Peculiar to One Manufacturer. Based on market research, as described in paragraph 8 of this document, it was determined that limited competition is available among authorized resellers for this brand name software maintenance and support. Continuing the use of ActivIdentity software will be in direct support and compliance of the HSPD-12 Program Office mandate by the Office of Management and Budget and the

Secretary of the VA to issue smart cards to the entire VA workforce. No other brand name software, other than brand name ActivIdentity software, can be used on the ActivIdentity ActivID CMS. Purchasing an alternative brand name would require all new software rather than the renewal of the current software maintenance and support. Additionally, other brand name software would cause interoperability and compatibility issues with the ActivIdentity ActivID CMS. Substantial delays would be incurred that would delay the utilization of these critical services. These critical services are referenced in HID's Identity Assurance Technical Support Handbook Version 4.8. The current software maintenance and support is set to expire on June 30, 2014. Failure to obtain these services would result in a failure to meet the requirements, interrupt issuance of HSPD-12 PIV smart cards, and prevent VA personnel from the ability to utilize the PIV smart card. Furthermore, the Government does not possess the proprietary technical data for the ActivIdentity software. Without this technical data, no other source has the ability to provide the aforementioned software maintenance and support services other than ActivIdentity or its authorized resellers.

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 this brand name item. 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: 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: Market research was conducted in October 2013 to ascertain the ability of any other source other than an ActivIdentity reseller to provide the aforementioned software maintenance and support. The research consisted of reviewing various service plans offered on the NASA SEWP IV GWAC. Based on these reviews, VA's technical experts could not find any other sources that could provide the aforementioned software maintenance and support without access to the proprietary technical data for the ActivIdentity software. Unauthorized software providers do not have access to the proprietary data of the software to be able to provide troubleshooting, updates, fixes and patches, and upgrades. Failure to acquire this software maintenance and support for the ActivIdentity software would compromise the continuity of the ActivIdentity ActivID CMS and disrupt the Government's ability to issue and manage the HSPD-12 PIV smart cards.
9. Other Facts: None.