

JUSTIFICATION  
FOR AN EXCEPTION TO FAIR OPPORTUNITY

1. Contracting Activity: Department of Veterans Affairs (VA)  
Office of Acquisition Operations  
Technology Acquisition Center  
1701 Directors Blvd. Suite 600  
Austin, TX 78744
  
2. Description of Action: The proposed action is for a 12-month firm-fixed-price task order to provide premium maintenance subscription services for one Dell PowerEdge M910 blade server. VA intends to issue the solicitation under the National Aeronautics and Space Administration (NASA) Solutions for Enterprise Wide Procurement (SEWP) IV Governmentwide Acquisition Contract (GWAC). This procurement uses Information Technology (IT) funds.
  
3. Description of Supplies or Services: The VA Field Operations – Research and Development Computing Center (RDCC) has a brand name requirement for maintenance subscription services for one VA-owned Dell PowerEdge M910 blade server. The maintenance subscription services provide 24x7x365 web/phone support, four-hour remote/on-site parts and labor response time, incident-based third party software assistance troubleshooting, and disk retention. The Dell M910 blade server located within Region 2's IT server environment provides critical data storage for information created by the VA engineering research operations team. Critical information stored within the RDCC Region 2's Dell M910 blade server includes patient healthcare information, healthcare research data and statistics, and prosthesis engineering research data. The total estimated price for the proposed action is [REDACTED]
  
4. Statutory Authority: The statutory authority permitting an exception to fair opportunity is Section 41 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. The proposed sources for continued Dell PowerEdge premium maintenance subscription services are Dell and Dell authorized resellers, because these companies possess the proprietary technical data or authorized hardware necessary to deliver the required services. The Government does not possess the proprietary technical data nor has access to Dell proprietary hardware replacement for Dell PowerEdge premium maintenance subscription services. Without this proprietary technical data or hardware, no source has the ability to provide Dell PowerEdge premium maintenance subscription services. The proprietary technical data allows access to the fundamental elements of the hardware that is essential for firmware version control, updates, and hardware

## Dell PowerEdge M910 Blade Server Premium Maintenance Subscription Services

replacement. RDCC needs to continue using Dell PowerEdge M910 Blade Server premium maintenance subscription services because it ensures critical data created by the VA engineering research operations team can be stored, available, secured, and recoverable in case of catastrophic storage network failure. Failure to acquire Dell PowerEdge M910 Blade Server premium maintenance subscription services increases the risk of data loss, loss of healthcare data research and statistics, and Veterans' health information.

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. The solicitation covering this procurement will not be synopsisized in the Federal Business Opportunities Page pursuant to FAR 5.202(6).

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

8. Market Research: The RDCC subject matter experts (SME) conducted market research in May 2014, by analyzing and comparing technical specifications between the VA-owned Dell PowerEdge server and commercial off the shelf hardware from manufacturers other than Dell. The SMEs compared hardware maintenance subscription services from IBM, Hewlett Packard, EMC, Fujitsu, and SUN Microsystem. The SMEs' technical analysis found that each manufacturer provides maintenance subscription services only for their particular hardware. Based on the market research, only Dell and Dell authorized resellers can provide the required hardware maintenance subscription services. The RDCC SMEs also performed market research in March 2014, by issuing a request for information to all contract holders under the NASA SEWP GWAC. The SMEs received six responses including one service-disabled Veteran-owned small business, one woman-owned small business, one small business, and three other than small businesses.

9. Other Facts: None.