



Justification For A Limited Source Award Under A Federal Supply Schedule
Coordination Matrix



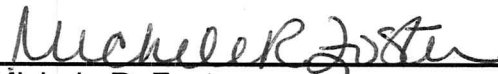
Ronald J. Bakay
Competition Manager
Technology Acquisition Center (003B2)
Office of Acquisition Operations
Department of Veterans Affairs

6/19/14
Date Concur/Non-Concur



Kevin Loesch
Director, Procurement Services B
Technology Acquisition Center (003B2)
Office of Acquisition Operations
Department of Veterans Affairs

6/20/2014
Date Concur/Non-Concur



Michele R. Foster
Associate Executive Director
Technology Acquisition Center (003B2)
Office of Acquisition Operations
Department of Veterans Affairs

6-30-2014
Date Concur/Non-Concur

LIMITED SOURCES JUSTIFICATION

1. Contracting Activity: Department of Veterans Affairs (VA)
Office of Acquisition Operations
Technology Acquisition Center
23 Christopher Way
Eatontown, NJ 07724

2. Description of Action: The proposed action is for a three month firm fixed-price (FFP) delivery order with one, three month option period and one, 12 month option period to be awarded under the General Services Administration (GSA) Federal Supply Schedule (FSS) Schedule Information Technology (IT) 70, for Public Key Infrastructure (PKI) Shared Service Provider (SSP) services for VA's Office of Information and Technology (OI&T), Enterprise Systems Engineering (ESE), Enterprise Messaging and Collaboration Services.

3. Description of Supplies or Services: The proposed action will provide PKI SSP services in support of the PKI certificates issued by Verizon Business Services (VzB) under Contract Number GS-35-F-0382T. Additionally, a three month optional task will be included in the proposed action to provide continued services in the event that VA is unable to complete the transition to being fully supported by the Department of the Treasury (Treasury) for future PKI services under Interagency Agreement (IA) VA118-14-IA-X-0005. An additional task will be included for providing 12 months of certificate recovery upon completion of the base three months and/or three month optional task. This will support VA's requirement to recover user keys for card issuance, or litigation discovery purposes in accordance with the Homeland Security Presidential Directive 12 (HSPD-12) PIV program and the Federal Information Processing Standard (FIPS) 201-1 requirements. The 12 month option may be exercised, at the Government's discretion, prior to the completion of either the three month base period, or the three month option; however, the three month option may only be exercised prior to completion of the three month base period.

PKI SSP Services are required to meet the technical specifications and requirements associated with compliance to HSPD-12 and FIPS 201-1. VA requires a recovery capability for all escrowed encryption keys. Additionally, VA requires a source to provide revocation for any certification that has been issued that is currently active. This support shall include configuration, certificate validation, software certificate registration and device certificate. The total estimated value of the proposed action, to include the two option periods is \$1,978,000.00.

4. Statutory Authority: Federal Acquisition Regulation (FAR) Part 8.405-6(a)(1)(i)(B), "Only one source is capable of providing the supplies or services required at the level of quality required because the supplies or services are unique or highly specialized."

5. Rationale Supporting Use of Authority Cited Above: The proposed source for this action is Verizon Business Services (VzB), 22001 Loudoun County Pkwy, Ashburn, VA 20147. VzB is a SSP of PKI and a current contract holder with VA, under Delivery Order VA118-13-F-0242, Contract Number GS-35F-0382T. Under this contract, VzB issues PKI encryption certificates to VA employees and VA contractors, as well as provides revocation and recovery support. In addition, VzB is the current host and operator of VA's PKI certificate authority. VzB holds private keys in escrow on VA's behalf in accordance with X.509 Certificate Policy for the U.S. Federal PKI Common Policy Framework. This escrow is unique and specific to VzB where other vendors do not have access to the data and it cannot be transitioned to another provider due to the requirements to maintain trust relationships with the existing VzB certificate authority.

VA does not possess the ability to retain the issued encryption keys due to the fact that only VzB retains the proprietary rights to the PKI certificates they issue. Only VzB's hosting certificate authority software can provide the required decryption capability and compatibility with issued encrypted certificates through VA. Therefore, the aforementioned support services can only be provided by VzB due to unique knowledge of VzB's proprietary data and access to VzB enterprise databases for the support of automated certificate issuance and administration functions. On June 16, 2014, VA contacted VzB to ascertain if its proprietary data was for sale. VzB advised that this data is not for sale. All PKI certificates previously issued by VzB can only be revoked and recovered using VzB's current certificate authority. VzB is the sole provider capable of operating the current certificate authority that maintains and controls all VA PKI issued by VzB. No other source other than VzB can host the complete PKI. VzB is the only source capable of operating the current infrastructure and publishing the verification information for credentials from the current system. The current delivery order ends on July 9, 2014; a break in service would immediately invalidate VA secure email certificates and VA PIV cards eliminating the ability to access all critical VA healthcare systems and severely disrupting Veterans' access to care and benefits.

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. There is no competition anticipated for this acquisition.

7. Actions to Increase Competition: VA does not anticipate any future need for continuation of VzB PKI support beyond this action and expect future procurements will be done on a competitive basis. VA has completed the transitioning of the existing contractor-hosted and maintained Card Management System (CMS) from VzB's data centers to a VA-hosted and maintained system located in VA data centers. Additionally, VA currently has multiple PKI contracts that are administered by the application owners with which they serve. On August 30, 2013, VA established an IA with Treasury for enterprise-wide PKI certification as current PKI contracts do not meet VA's overarching needs. VA's technical transition to full support by Treasury is currently incomplete, thus

driving the need for continuation of VzB PKI issuance services. The technical transition to full PKI support under the Treasury IA is expected by January 2015. Once the technical transition is complete the IA will reduce the need for future follow-on PKI certificate issuance contracts. In accordance with FAR Part 8.405-6(a)(2) a copy of this Limited Source Justification will be posted to the Federal Business Opportunities website within 14 days of award of the subject order.

8. Market Research: Market Research efforts were conducted in April 2014 by OI&T ESE representatives that queried GSA Schedule 70 product catalogs and National Aeronautics and Space Administration (NASA) Solutions for Enterprise-Wide Procurement (SEWP) for companies to fulfill VA's PKI needs. While multiple companies are certified to issue new PKI certificates under all existing guidelines, none have the capability to operate the current infrastructure. VzB is the only source capable of operating the current infrastructure and publishing the verification information for credentials from the current system and conducting maintenance of all the previously issued certificates, since VzB retains the proprietary rights to the PKI certificates they issue. No other vendor has the capability of recovering PKI encryption keys issued by VzB. Therefore, a follow-on delivery order with VzB is required to maintain VA's ability to issue, revoke, and recover PKI encryption keys.

9. Other Facts: VA requires the ability to issue, revoke, and recover PKI encryption keys in order to maintain access to key material that allows for the decryption of email. This process is required by the policies under which the certificates were issued, and supports users' access to legacy data. There are also numerous legal and law enforcement initiatives that require VA to maintain access to the escrowed key material for seven to ten years. A break in service would render VA unable to issue and recover previously issued encrypted certificates and would not meet the PKI requirements.

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.

Rolanda Copeland

Date: June 19, 2014

IT-Specialist

Signature: rolanda.copeland@va.gov
Digitally signed by
rolanda.copeland@va.gov
DN: cn=rolanda.copeland@va.gov
Date: 2014.06.19 08:18:59 -05'00'

11. Fair and Reasonable Cost Determination: I hereby determine that the proposed contract action will represent the best value to the Government consistent with FAR 8.404(d). GSA has already determined that the prices on the FSS contract are fair and reasonable. Further price analysis, to include an analysis of proposed level of effort and mix of labor, will be conducted and subsequent negotiations held as necessary. Additionally, price discounts will be sought.

Robert Kirzow

Date: 6/19/2014

Procuring Contracting Officer

Signature: Robert Kirzow

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

Robert Kirzow

Date: 6/19/2014

Procuring Contracting Officer

Signature: Robert Kirzow

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.

James V. Scuro

Date: James V Scuro

Legal Counsel

Signature: 6/19/2014

In my role as Contracting Activity Competition Advocate, based on the foregoing justification, I hereby approve the acquisition of a three month FFP delivery order with one, three month option and one, 12 month option awarded under the GSA FSS IT 70, for PKI SSP 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: 7/9/14

Signature:



Phyllis Bower
Head of Contracting Activity