

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, 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 purchase of brand name Xiotech (X-IO) equipment that will add 120 terabytes (TB) of useable capacity to the storage area network (SAN) at the Chief Business Office, Purchased Care (CBOPC) Denver Data Center (DC), located at 3773 Cherry Creek North Dr. Denver CO 80209. The X-IO equipment shall be delivered within 30 days of receipt and processing of the delivery order. The period of performance for the premium hardware warranty shall be for five years from date of award. The base period for the software maintenance shall be 12 months from date of award, with four 12-month option periods.

3. Description of the Supplies or Services: The purpose of this proposed action is to provide additional hardware (storage controllers, disk enclosures, disk drives, and cables) and professional services (installation, configuration, testing and knowledge transfer) to successfully integrate new storage capabilities with the existing storage area network (SAN) at the CBOPC Denver data center located at 3773 Cherry Creek North Dr., Denver, CO 80209. The X-IO equipment will be add 120 TB of useable capacity to the SAN at the CBOPC Denver DC, which is required to eliminate single points of failure in the SAN and meet the business continuity requirements of VA for systems supported by the CBOPC SAN.

The total estimated price of the proposed action is [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 resellers for Xiotech equipment, premium hardware support and software maintenance. The proposed action is to augment existing storage systems to support capacity, performance, and high availability requirements. The SAN is essential to Information Technology (IT)

Storage Replacement Disks

operations. System oversubscription by users has resulted in service outages and performance degradation. Additionally, X-IO equipment provides additional capability which must work seamlessly with the existing SAN or else all the current X-IO storage hardware would have to be replaced at a prohibitive cost that would not be recovered through competition. X-IO's storage products are proprietary and one cannot plug another manufacturer's controller into X-IO's backplane system and anticipate it to interoperate. If another storage manufacturer was selected, the CBOPC's Denver DC operations would be at risk of falling short of meeting performance, availability and disaster recovery needs because of shortfalls of storage, lack of interoperability, and increased overhead of maintaining two separate storage systems.

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 equipment, premium hardware warranty and software maintenance. In accordance with FAR 5.301 and 16.505(b)(2), this action will be synopsized on the Federal Business Opportunities (FBO) Page 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 January 2014 to ascertain the ability of any other source other than an X-IO reseller to provide a data storage solution that will add 120TB of functional capacity to the SAN at the CBOPC Denver DC. Other similar equipment reviewed included Hewlett Packard (HP) EVA Storage Array and EMC VNX Storage Array. Based on these reviews, VA's technical experts determined that none of these products can meet the Government's interoperability and compatibility requirements of individual disk self-healing. Also, VA's technical experts reviewed other similar premium hardware warranty and software maintenance 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 premium hardware warranty and software maintenance without access to the propriety technical data for the X-IO equipment/firmware. Unauthorized resellers do not have access to the proprietary technical data of the equipment/firmware to be able to provide troubleshooting, updates, fixes and patches, and upgrades. Additionally, VA networking Subject Matter Experts regularly review industry trade publications and conduct Internet research to ascertain if any other brand name equipment will meet functional requirements. Based on all of these market research efforts, the Government's technical experts have determined that only X-IO storage array brand name equipment can meet all of VA's needs.
9. Other Facts: None.