

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, NJ 07724

2. Description of Action: The proposed action is for the issuance of a Firm-Fixed Price Delivery Order under the National Aeronautics and Space Administration (NASA) Solutions for Enterprise-Wide Procurement (SEWP) IV Government-Wide Acquisition Contract (GWAC) for the procurement of brand name Oracle Sun MicroSystems hardware and software, brand name International Business Machines (IBM) hardware, brand name Dialogic Gateway appliances, and associated warranties for the Office of Information and Technology (OI&T), Field Operations Region 5.

3. Description of the Supplies or Services: The proposed action is for the acquisition of Oracle Sun MicroSystems and IBM brand name servers, Oracle software, Dialogic Gateway network appliances, and five-year warranties which will be used to augment the current Virtual VA (VVA) server infrastructure within OI&T. The required hardware and software will be utilized to create a VA corporate test environment that will allow VVA to test its products against other applications that operate within the Veterans Benefits Administration (VBA) domain. The required hardware consists of four brand name Oracle Sun MicroSystems Scalable Processor Architecture servers, four brand name Oracle Solaris and Oracle VM Server software licenses, six IBM x86 x3650 M4 Servers, and three Dialogic Gateway network appliances. The proposed action also includes a five-year warranty with data retention for the servers and a three-year warranty for the Dialogic Gateway appliances. The total estimated value of 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 Subpart 11.105, Items Peculiar to One Manufacturer. In 1998, VBA launched an effort to develop a means of electronically capturing and retrieving information used to process a Veteran's claims for benefits. That effort became the VVA system that currently resides in a production environment, supporting VBA Compensation Service and Pension and Fiduciary Service claims processing. The VVA system is a combination of commercial off-the-shelf products and custom developed software. It provides the ability to scan documents into an electronic repository and access for claims processing. VVA also provides a Batch File Import capability that allows existing images to be imported into the repository from external systems. The web-enabled VVA system is accessible from multiple locations and by a variety of VBA authorized users. Approximately 24,000 VA end-users rely on the VVA

system to support their production business claims process and other programs/organizations including the Veterans Benefits Management System, Pension Management Center, Veterans Service Representatives, Benefits Delivery at Discharge, Disability Evaluation System, Regional Offices, Veteran Service Organizations, Veterans Health Administration, Vocational Rehabilitation, Loan Guarantee, and Defense Finance and Accounting Service. VA has mandated that a VA Corporate Testing Environment systems model must be used to satisfy all VBA application testing. The VVA's infrastructure is currently based upon Oracle Sun Microsystems hardware running Oracle Solaris operating system (OS) software along with IBM x86 x3650 xM4 servers running Windows Server OS. Due to compatibility requirements with the existing the Oracle Sun Microsystems and IBM hardware infrastructure, there is no other hardware that is able to integrate with the currently fielded hardware, software, and VVA system. Additionally, no other OS software is interoperable or compatible with the currently fielded VVA system and Oracle Solaris OS software. Specifically, the current system and software communicates through a source code comprised of approximately one million lines of custom software code composed of Active Server Pages, web services, Oracle, Visual Basic, C, C++, HTML, XML, COM, DCOM and Dynamic-link library modifications. This custom source code is only operable on IBM and Oracle systems and there is no other hardware or OS software that can provide this communication capability without this source code. Additionally, no other system hardware products can perform the upstream forwarding of localized data into the existing VVA architecture, which is critical in allowing Compensation and Pension (C&P) claims adjustors to continue to utilize VVA to award C&P claims for Veterans. The Dialogic Gateway network appliance is currently used in the VVA test and development environments and it is the only gateway network appliance that can operate within the VVA custom code which was developed based upon the Dialogic Gateway appliance.

6. Efforts to Obtain Competition: Market research was conducted; details of which are in the market research section of this document, however, this effort did not yield any other sources that can meet the Government's technical requirements. In accordance with FAR 5.301 and 16.505(b)(2)(D)(2)(i), this action will be synopsized at time of award on the Federal Business Opportunities Page and the justification will be made publicly available. Additionally, this Justification for an Exception to Fair Opportunity will be submitted to the NASA SEWP website in accordance with FAR Subpart 16.505(a)(4)(iii)(A)(1).

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 fully competed.

8. Market Research: The Government's technical experts conducted market research by reviewing the technical specifications of other similar hardware and software. This market research is an ongoing process that started in 2010 and is continuously being conducted, with research conducted as recently as July 2014. Based on the market research conducted, the Government's technical experts determined that no other products can meet the Government's interoperability and compatibility requirements

previously discussed. Additionally, VVA Subject Matter Experts regularly review industry trade publications and conduct internet research to ascertain if any other hardware and software is available in the marketplace that can meet the Government's requirements. Based on all of these market research efforts, the Government's technical experts have determined that only Oracle Sun Microsystems' and IBM's brand name hardware, Oracle Solaris brand name software, and Dialogic Gateway brand name network appliances can meet all of VA's technical requirements.

9. Other Facts: Additional market research was conducted from July 8, 2014, through July 14, 2014, to identify potential sources of the required brand name hardware and software on the NASA SEWP IV GWACs through the issuance of a Request for Information and utilization of the Manufacturer Lookup Tool. This market research determined that there are three potential sources in Contract Group A (Value Added Resellers (VARs) and Computer System Original Equipment Manufacturers); three potential sources in Contract Group B (Service-Disabled Veteran-Owned Small Business VARs); seven potential sources from Contract Group C (Small Business Set-Aside VARs); and, six potential sources from Contract Group D (VARs). Based upon the market research results, this requirement will be solicited from NASA SEWP IV GWAC holders in Contract Groups B and C.