

JUSTIFICATION FOR OTHER THAN FULL AND OPEN COMPETITION

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: This proposed sole source action is for a firm-fixed price contract to obtain Local Exchange Carrier (LEC) services on the VA Region 3 Telecommunications Business Office (R3 TBO) TDS Telecom Corporation (TDS) infrastructure (wired telephone and data services for the R3 TBO). The proposed action is for a 12 month base period with two, 12 month option periods with TDS, 525 Junction Road, Madison, Wisconsin (WI) 53717-2152.

3. Description of Supplies or Services: VA, R3 TBO requires continued services at the VA Medical Centers located in Ann Arbor, Michigan and Tennessee Valley, Tennessee. The LEC services include Plain Old Telephone (POTs) service, Centrex service, Integrated Services Digital Network (ISDN) Primary Rate Interface (PRI) service, Basic Rate ISDN 2B+D Service, T-1 Digital Switched Service, Direct Inward Dialing numbers, Metro E-Service metropolitan-area Ethernet, or metro Ethernet network, Caller Identification (name and number) feature (POTS Line and PRI Circuit, 23B+D), Three-Way Calling feature, Call Forward feature, Call Wait feature, Voicemail feature, Call Block feature, Call Hunting/Roll over feature, Call Redirect feature, Third Party Billing Block feature, Primary inter-LATA (Local access and transport area) Carrier provisioning, Telephone Service Priority (TSP), E-911 Private Switch / Automatic Location Information, and Digital Subscriber Line. The Contractor shall provide telecommunication services at each facility 24 hours per day, seven days per week with maximum service availability.

These services are currently provided by TDS, 525 Junction Road, Madison, WI 53717-2152, under accounts 6157732008; 8256071060 and 7349296295. The period of performance is 12 months, beginning October 1, 2014 through September 30, 2015, with two, 12 month option periods. [REDACTED]

4. Statutory Authority: The statutory authority permitting other than full and open competition is 41 U.S.C.3304(a)(1) as implemented by the Federal Acquisition Regulation (FAR) Subpart 6.302-1 entitled, "Only One Responsible Source and No Other Supplies or Services Will Satisfy Agency Requirements."

5. Rationale Supporting Use of Authority Cited Above: TDS is the only LEC provider in the Ann Arbor, MI and Tennessee Valley, TN area that can provide telephone circuits and telephone number services to VA. No other contractor can provide the required services because they do not have access to the proprietary technical data within the

existing TDS R3 TBO infrastructure. VA does not own the proprietary data. Any other source would require access to the current proprietary infrastructure in order to obtain the code structure to complete the services. Failure to access the TDS R3 TBO infrastructure would result in disruption in service of communications systems and the inability to share resources within the Veterans Integrated Service Network, increased maintenance time, increased system blockages, and reduced computer access to patient record databases. Tennessee Regulatory Authority (TRA) and Public Service Commission of Michigan authorizes TDS as the provider of service in these locations. The Government must be considered the "Customer of Record" in order to have a direct relationship with TDS who owns the equipment. This will allow VA to contact TDS directly and be listed as a "Federal Government" account which would prevent services from being disconnected due to late or non-payment of invoices and enable VA to have TSP in case of disasters. TSP is a Federal Communications Commission program that authorizes National Security and emergency preparedness organizations (of which VA is considered one) to receive priority treatment for vital voice and data circuits as a result of hurricanes, floods, earthquakes and other natural and manmade disasters. Moreover, TDS currently retains the "last mile" rights for these circuits. Disruption of telephone services would severely interrupt services to these medical centers, their staffs and Veterans that they serve. Maintaining these circuits and services would continue to provide local telephone services to VA staff with minimal disruptions.

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. Additionally, the proposed action will be synopsized on the Federal Business Opportunities Page in accordance with FAR 5.201. Any proposals that are received shall be evaluated.

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

8. Market Research: In June 2014, VA's technical experts conducted market research by reviewing the TRA and Public Service Commission of Michigan website to ascertain if there are other sources that can provide the aforementioned LEC services. It was determined that, while there were other sources that could provide similar services, no other sources were available with the technical and proprietary services to support the TDS infrastructure. Additional market research was conducted via email by contacting AT&T, Frontier, Windstream and CenturyLink to see if they could provide service to these facilities. All vendors indicated that they were not capable of meeting the requirement given the facilities were not within their respective Local Area Telecommunication Agreement. Based on this market research, the Government's technical experts have determined that TDS is the only source that can meet the Government's requirements.