



## LIMITED-SOURCES JUSTIFICATION

1. Contracting Activity: Department of Veterans Affairs  
Office of Acquisition Operations  
Technology Acquisition Center  
23 Christopher Way  
Eatontown, NJ 07724
  
2. Description of Action: This proposed action is for a one year, firm-fixed-price delivery order issued under a Blanket Purchase Agreement (BPA) under the General Services Administration (GSA) SmartBUY Program, for the annual renewal of the VMware product suite software subscription support agreement and professional services for VA-owned VMWare software products and licenses. Eight optional line items for additional professional services credits are also included in this action.
  
3. Description of Supplies or Services: The contractor shall provide the VMware software subscription support agreement for the VMware software product suite installed throughout the existing VA virtual server infrastructure. This procurement action will continue VA's efforts to consolidate all the existing VMware software subscription support under one centralized agreement. Specifically, this software subscription support agreement includes support and maintenance services for the existing VMware software currently in use throughout the VA enterprise. This VMware production level support includes software upgrades, bugs and fixes, 24 x 7 production support, multiple contact options (i.e., Web, eSupport, e-mail, unlimited phone access, voicemail) with tiered level escalation to resolve user issues. The professional services consist of a dedicated technical account manager, and professional service organization credits that will assist VA in providing efficient IT enterprise virtualization services and continuing cost reduction efforts by providing recommendations on how to best utilize current VMware assets to gain the most value and ensure security and availability of VA's information technology (IT) infrastructure. This proposed action is only for services for existing software and does not include purchasing any additional software. These services will ensure the aforementioned VMware software products and licenses remain operational. The total estimated value of the proposed action including optional line items is \$14,527,256.98.
  
4. Statutory Authority: This acquisition is conducted under the authority of the Multiple-Award Schedule Program. The specific authority providing for a limited source award is 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 Carahsoft Technology Corp. (Carahsoft), 12369 Sunrise Valley Drive, Suite D-2, Reston, VA 20191-5471. Carahsoft is the only authorized reseller of VMware software subscription support and professional services on the GSA SmartBUY Program. VMware software has been in use at VA nationally since 2001 and in that time it has allowed virtualization across the enterprise to meet the requirements of VA. The renewal of the VMware software subscription support agreement provides VA with

the essential support required to meet the ongoing needs of enterprise virtualization by ensuring that the current software remains operational. VMware or an authorized reseller of VMware services are the only known sources with access to a proprietary VMware software code, and with the requisite knowledge and skill set capable of providing the level of support required to ensure mission critical requirements are handled in a timely manner. Any other source would need access to the aforementioned proprietary VMware software code to provide the software support for the VMware software licenses. The proprietary VMware software code allows only VMware or an authorized re-seller of VMware services the ability to alter or modify the VMware software source code, utilized in enterprise production software by VA, which no other source can do. Additionally, for the same proprietary reasons, the professional services can only be provided by VMware or their authorized reseller. The Government does not possess the proprietary technical data or source code for the VMware software. The Government's technical experts contacted VMware in July 2014 to ascertain if its proprietary technical data and source code was for sale and was advised that it is not for sale. Without this technical data and source code, no other source has the ability to provide the aforementioned VMware subscription and support other than VMware or an authorized reseller. VMware virtualization software supports over 60% of the server workloads under Office of Information and Technology control. Failure to acquire the aforementioned subscription and support would prevent obtaining software upgrades, security fixes, and technical support that likely would result in downtime of critical business systems. This downtime would have a detrimental impact to ongoing business operations within the Department, increasing Veteran wait times and backlogs and may result in patent safety issues.

6. Efforts to Obtain Competition: Market research was conducted and the details are contained in the market research section of this document. This effort did not yield any additional sources that can meet the Governments' requirements. The ordering activity will post the justification along with the Request for Quotation (RFQ) to the GSA e-Buy web site in accordance with FAR 8.405-6(b)(3). In accordance with FAR 8.405-6(a)(2) and FAR 5.301 the ordering activity will publish a notice and post the justification on the Federal Business Opportunities page within 14 days of award.

7. Actions to Increase Competition: The Government will continue to conduct market research to ascertain if there are additional contract vehicles in the marketplace that would enable additional competition while still maintaining the U.S. Federal Technical Support VA requires. However, renewal of existing VMware licenses used within the organization will be required as long as VA continues to utilize VMware products for virtualization.

8. Market Research: Market research was conducted in July 2014 to ascertain the ability of any other source other than a VMware Reseller to provide the aforementioned support. The research consisted of reviewing various service plans offered on the GSA SmartBUY BPA. Based on these reviews, the Government's technical experts could not identify any other sources that could provide the aforementioned software support without access to the proprietary technical data or source code for the VMware software.

9. Other Facts: An August 2005 Office and Management and Budget memo requires all Executive Agencies to use GSA SmartBUY for all applicable products included in the GSA SmartBUY BPAs, which includes VMware. The BPA was competitively established under FAR Part 8.4; therefore the BPA provides the most competitive pricing to the Government by leveraging the collective purchasing power of all VMware purchases across the Government.

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.

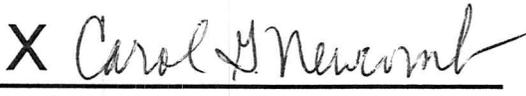
9/5/2014

X 

Randy Padal  
Program Manager

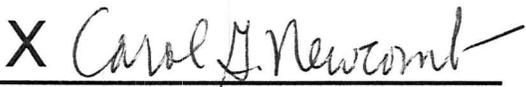
Signed by: Randolph L. Padal 238647

11. Determination of Best Value: I hereby determine that the proposed contract action will represent the best value of the Government consistent with FAR 8.404(d). Contracts awarded on GSA SmartBUY have already been determined to be fair and reasonable. Finally, the successful quote will be compared to the Independent Government Cost Estimate.

X  9/5/2014

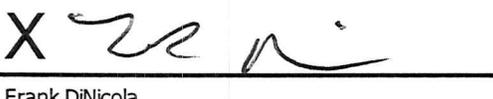
Carol G. Newcomb  
Procuring Contracting Officer

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

X  9/5/2014

Carol G. Newcomb  
Procuring Contracting Officer

13. Legal Sufficiency Certification: I have reviewed this justification and find it adequate to support a limited source award and deem it legally sufficient.

X  9/5/2014

Frank DiNicola  
Legal Counsel

Approval

In my role as Head of the Contracting Activity, based on the foregoing justification, I hereby approve a one year, firm-fixed-price delivery order issued under a BPA under the GSA SmartBUY Program, for the annual renewal of the VMware product suite software license subscription support agreement and professional services for VA-owned software products and licenses. Pursuant to the authority cited in paragraph 4 above, subject to availability of funds, and provided that the services herein described have otherwise been authorized for acquisition.

Date: \_\_\_\_\_

Signature: \_\_\_\_\_

Phyllis Bower  
Head of the Contracting Activity