

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: This proposed action is for a firm-fixed-price delivery order to be issued under the National Aeronautics and Space Administration (NASA) Solutions for Enterprise-Wide Procurement (SEWP) V Governmentwide Acquisition Contract (GWAC) for NEC brand name Private Branch Exchange (PBX) devices, licenses, phone cards, as well as brand name or equal phones and headsets and associated hardware warranty for an existing PBX telephone exchange.
3. Description of the Supplies or Services: VA, Office of Information and Technology (OI&T), Service Delivery and Engineering, Field Operations Region3 has a requirement to support telecommunications capabilities at the James A. Haley Veterans Hospital, Tampa, FL. This proposed acquisition is in support of the activation of the Veterans Access, Choice and Accountability Act (VACAA) initiative at this hospital and affiliated locations. With an increase in staff to meet the VACAA program requirements, personnel within the James A. Haley Veterans Hospital are being coordinated into functional healthcare teams, which directly increase the amount of resources. The proposed action will acquire a quantity of 4 Virtual Port Interface modules for the existing hospital NEC Ultra Module Group 8500 Telephone Switch, which shall increase the Internet Protocol (IP) user license by a quantity of 350, as well as phones and line cards for the existing hospital PBX telephone exchange. This action shall also acquire a quantity of 100 NEC brand name Automatic Call Distribution (ACD) licenses for the server at Grand Oaks location in Tampa Bay, FL and 25 IP phone licenses for the Lakeland, Florida Community Based Outpatient Clinic phone switch. In accordance with Federal Acquisition Regulation (FAR) 16.505(a)(4)(iii)(B), this justification is covering only the portion of this action for brand name NEC hardware requirements. The total estimated price of the proposed action is [REDACTED]; however, the total estimated price for the NEC brand name PBX devices and associated software licenses included in this proposed effort is [REDACTED]. All hardware shall be delivered within 30 days of contract award. The period of performance for required warranty for all PBX hardware shall be for two years from date of award.
4. Statutory Authority: The statutory authority permitting an exception to fair opportunity is Section 41 U.S.C. § 4106(c)(2) as implemented by FAR 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 accordance with FAR 11.105, Items Peculiar to One Manufacturer. Based on market research, as described in section 8 of this justification, it was determined that limited competition is viable among authorized resellers for the required NEC brand name PBX devices. These NEC brand name devices are the only PBX items that can continue to build upon Veterans Integrated Service Network (VISN) 8 existing NEC-based telecommunications infrastructure. The telephonic devices and systems currently implemented within VISN 8 are manufactured by NEC and run its proprietary NEC Fusion Network. The telecommunication system integrates with the NEC Fusion network to use an automatic call distributor (ACD) processor from an alternate node for ACD purposes. ACD integration allows callers to seamlessly transfer from site to site. All ACD data is monitored by VA's Global Navigator system, which allows for call statistics, advanced routing abilities, and data used for staffing purposes. VISN 8's current telecommunications system communicates through source code that is based on NEC's proprietary data. Any other brand name telecommunications device is not able to integrate with the currently fielded NEC brand name telecommunication equipment and VA's Global Navigator system. Without this interoperability, the PBX devices will not perform their intended functions and will not allow callers to seamlessly transfer from site to site. This will lead to network delays and interoperability issues, leading to work stoppages and erosion in supporting VA's overall mission to delivery healthcare and benefits to Veterans. Additionally, only NEC or an authorized reseller can provide the installation services and warranty services due to the proprietary technical data required to perform those services. Without that proprietary technical data no other source has the ability to install the items and configure them to operate within the current infrastructure which consists of NEC brand name equipment.
6. Efforts to Obtain Competition: Market research was conducted, details of which are in section 8 of this justification. 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 NEC brand name PBX devices and warranty. In accordance with FAR 16.505(a)(4)(iii)(A)(2), this justification will be provided with the solicitation to all appropriate NASA SEWP V GWAC holders. Furthermore, in accordance with FAR 5.301 and FAR 16.505(b)(2), notice of award of the resulting order will be synopsisized on the Federal Business Opportunities website and this justification will be made publicly available within 14 days of award.
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: Market research was conducted by OI&T Converged Technology subject matter experts in March 2015. Market research consisted of OI&T technical personnel reviewing products similar to NEC brand name devices. [REDACTED]  
[REDACTED]  
[REDACTED] However, the Government's technical experts determined that

these products cannot integrate into the existing NEC telecommunications infrastructure supporting the James A. Haley Veterans Hospital and affiliated locations and provide full functionality. NEC infrastructure communicates through a source code that is based on NEC's proprietary data. No other PBX device or system researched can provide seamless and full communication capability without the NEC proprietary source code. Additionally, VA subject matter experts regularly review industry trade publications and conduct internet research to ascertain if any other PBX devices are available to meet the requirements. Based on all of these market research efforts, the Government's technical experts have determined that only NEC brand name PBX devices and software licenses can meet all of VA OI&T needs.

9. Other Facts: In order to determine if there is a reasonable expectation of obtaining quotes from two or more responsible service-disabled Veteran-owned small business concerns, further market research was conducted in June 2015. The Contract Specialist utilized the NASA SEWP V Provider Lookup tool, and identified [REDACTED] resellers of NEC products/services under North American Industry Classification System code 541519 that meet the requirements of this acquisition who hold a current GWAC.