

VIP/VetBiz Operations and Maintenance

LIMITED SOURCES JUSTIFICATION

1. AGENCY AND CONTRACTING ACTIVITY:

The U.S Department of Veterans Affairs (VA)
Office of Small Disadvantaged Business Utilization (OSDBU)
Vermont Ave
Washington, DC 20420

The U.S Department of Veterans Affairs (VA)
Strategic Acquisition Center - Frederick (SAC-F)
321 Ballenger Center Dr., Suite 125
Frederick, MD 21703

2. NATURE AND/OR DESCRIPTION OF THE ACTION BEING APPROVED:

This activity proposes to negotiate a new, noncompetitive award (sole source) with Valador, Inc. (Valador) for the procurement of maintenance and operations support to the Vendor Information Pages (VIP) VetBiz database, a public-facing internet portal for organizations participating as verified Service-Disabled and Veteran-Owned Small Businesses (SD/VOSB). The proposed action is for a five-month firm fixed price task order. The anticipated period of performance is from August 30, 2015 through January 29, 2016.

3. DESCRIPTION OF SUPPLIES OR SERVICES REQUIRED (INCLUDING THE ESTIMATED VALUE):

The Office of Small and Disadvantaged Business Utilization (OSDBU) provides numerous services for Veterans and service-disabled Veterans who seek to open or expand a business. The OSDBU staff coordinates the tasks required of the VA by several Federal laws, including Public Law (PL) 109-461 for the Veterans First Contracting Program.

VIP is a federally controlled database (www.vip.VetBiz.gov) in which a legal verification process is used to determine Veteran and Service Disabled status of a small business. All companies participating in the Veterans First Program, under Public Law 109-461, are required to submit evidence of ownership, control and veteran status before being awarded a VA contract under the set-aside authority.

Contractor support is required to provide operations, maintenance, defect repair, migration, and technical support for the VetBiz system to include support for the VIP web server, VIP database, VetBiz Case Management System (VCMS) e-signature solutions, and all other software components without a break in service. Operational support shall include systems and direct application administration, database management, user management and system security, including source code and security vulnerability scan and resolution using VA approved Deploy Static Application Security Testing (SAST) Tools.

These services are considered performance-based. Services are continuous as existing and new application statuses are regularly updated on VIP/VetBiz. The estimated value of this acquisition is \$493,015.00.

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4. AUTHORITY:

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:

On January 23, 2015, the VA's Director, Office of Cyber Security (OCS) granted VIP an extension of the Office of Information Technology (OIT) issued temporary authority to operate (TATO) pending the remediation of critical vulnerabilities which were discovered during a November 28, 2014 security scan and code review performed on VIP. In addition, on June 23, 2015, the NSOC conducted a scan of the VIP database and identified several security vulnerabilities which must be addressed and remediated within the next 60 to 90 days. VIP continues to operate under a conditional 30 day ATO, which requires mandatory forward progress for continued extensions.

These security issues are currently being addressed by the VIP/VCMS Operations & Maintenance (O&M) contractor under contract VA798-11-P-0114. To continue meeting the required deadlines by the VA and achieve an authority to operate (ATO) for VIP/VCMS, a new contract is needed to ensure the critical work of fixing all known security vulnerabilities in a timely manner is accomplished. Addressing of all source code findings is planned through December 31, 2015. Significant progress has been made to date; however, given the number of issues noted in the original scan, additional effort is required to close all issues by December 31, 2015.

A TATO was issued to allow time to correct security issues. In order to avoid a system shut-down, OSDDBU CVE must repair the security issues. The VetBiz system will be shut-down without appropriate updates. The decision to shut down VIP would ultimately be made by the Director, Office of Cyber Security (OCS) after a full review of the risk and any ongoing efforts to remediate critical and high vulnerabilities that may expose the VA to a cyber-attack.

Valador has spent the previous four years maintaining the existing legacy system providing intimate knowledge of the inner-workings of the operations and procedures required for daily usage by federal agencies. While Valador may not be the only source capable of managing and maintaining the database, Valador is the only source that can provide the required services in the required timeframe. It has been determined that based on the procurement timeline for the re-compete, that continuity of services with the current vendor was the best way forward considering the need for constant and continued forward progress in security vulnerabilities resolution and potential mission degradation due to multiple changes in contractor support in a short time frame. While there are vendors with the IT capabilities to support this requirement, it would be extraordinarily difficult for them to get up to speed and familiarized with the system and the security vulnerability remediation required in the timeframe to maintain the TATO. Failure to adhere to the requirements in the TATO will jeopardize the mission by causing the database to be shutdown. Additionally, transition of the incumbent contractor's work activities to a new contractor entails transferring work material, such as software, system documentation, and development support tools. It also requires the transfer of institutional knowledge; including systems design tradeoffs, systems lifecycle

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management, organizational policy and procedures, and risk assessment. A normal transition for a customized software solution, without ongoing security issues, would require 6-12 months of transition to reduce the contractor learning curve through training of skilled and cleared personnel who can begin working productively when tasking begins.

VIP is a specialized web application and case management system that has been custom made for the VA. The challenges of maintaining such a complex system are made even more difficult with an embedded electronic signature feature which allows the required information to be collected in a manner that is legally binding in court.

This effort is being conducted under the authority of the Multiple Award Schedule Program and will be awarded under Valador's General Services Administration (GSA) Federal Supply Schedule (FSS) Schedule Information Number (SIN) 70 for General Purpose Commercial Information Technology Equipment, Software and Services, GS-35F-135AA, 560 Herndon Parkway, Ste. 300, Herndon, VA 20170-5239.

6. EFFORTS TO OBTAIN COMPETITION:

For this effort, market research was conducted by reviewing the GSA IT Schedule 70 SDVOSB vendors under NAICS codes 541511 and 541512. While there are multiple SDVOSB vendors listed under this NAICS code, based on the incumbent's specialized knowledge of the legacy system, a need for knowledge transfer to another vendor, the relatively short period of time before the scheduled end of performance, and need for continued ATO, there is no other source that could be used without severe disruption to the program. It would take another vendor a considerable amount of time for required contract ramp-up activities. Full details of the market research results can be found below.

7. ACTIONS TO INCREASE COMPETITION:

Once the long-term goals and contracting needs are determined for this requirement, market research, for the VEMS re-compete will be conducted in accordance with FAR Part 10. Every attempt will be made to ensure as many potential sources as practicable are included for consideration under the new contract that is being competed by the TAC. It is anticipated that the VEMS re-compete will be done as full and open or full and open after exclusion of sources.

8. MARKET RESEARCH:

As stated above, market research was conducted by reviewing the GSA IT Schedule 70 SDVOSB vendors under NAICS codes 541511 and 541512. A small sample of vendors under GSA IT Schedule 70 is provided below:

541511 Customer Computer Programming Services:

- 1) Halfaker and Associates (Verified SDVOSB)
Arlington VA
Socio-Economic: S/DV/D
GSA Contract #: GS-35F-241AA
- 2) Thermopylae Sciences and Technology LLC (Verified SDVOSB)

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Arlington VA
Socio-Economic: S/DV/D
GSA Contract #: GS-35F-0084V

- 3) Valador Inc. (Verified SDVOSB)
Herndon VA
Socio-Economic: S/DV/D
GSA Contract #: GS-35F-135AA

541512 Computer System Design Services:

- 4) Ventura Group (Verified SDVOSB)
Ashburn VA
Socio-Economic: S/DV/D
GSA Contract #: GS-35F-0647T
- 5) 2ND WAVE LLC (Verified SDVOSB)
Rockville, MD 20850
Socio-Economic: S/DV/D
GSA Contract #: GS-35F-403AA
- 6) FIRST INFORMATION TECHNOLOGY SERVICES, INC (Verified SDVOSB)
Arlington VA
Socio-Economic: S/DV/D
GSA Contract #: GS-35F-0364X

Additionally, in accordance with FAR 5.201 a Notice of Intent was posted to FedBizOps (FBO) to allow interested vendors to submit capabilities statements. The following were received and assessed:

1. Intelysis Consultants LLC (DBA WP Enterprise Solutions) – There does not appear to be anything in this vendor's capability assessment or past performance that gives any indication that they have any experience in software development, software engineering, systems administration, system security, .NET ASP, Agile Development, etc.
2. PABULUM Consulting, LLC - This vendor appears to have no experience in software development or software engineering services. Their primary focus as it relates to security is around compliance with FISMA, NIST, and other regulations. There is no mention of software, software engineering, development, SQL, web services, data services, etc. in the capabilities statement.
3. CEdge Software Consultants - This company seems to have the pedigree of a software engineering/software development firm. However, we did not see any information regarding any current or previous contracts they may have held. While they may be technically qualified according to their capabilities statement, this doesn't address our concerns about the length of time it would take to onboard their personnel and learn businesses processes, address the remaining security vulnerabilities, and get up to speed with the software configuration, etc. This vendor is an 8(a), Minority Owned Small Disadvantaged Business.

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4. SM Group, LLC- SM Group LLC is not qualified to perform the requirements outlined in the notice. There is no mention of software development, software engineering, or other IT services mentioned in their capabilities statement.
5. Delaney Advantage Technologies LLC- It is difficult to determine the capabilities of Delaney to meet the requirements for VIP. The capabilities statement is written in very general terms and doesn't provide specifics on the type of database or web-based applications they've worked on or developed in the past. I would be looking for terms like SQL, .NET, ASP.net, Windows, Java, J2EE, etc. In addition, even with the most liberal review of the capability statement, I don't believe it would be possible for this vendor to support VIP without a break in service.
6. Valador, Inc.- Valador is currently providing all the services outlined in the notice. They are very familiar with the VetBiz VIP system, having built it from inception, and are best positioned with knowledgeable staff to provide continuous support of all the tasks described in the PWS without a break in service or degradation of the mission. This is an SDVOSB.

9. OTHER SUPPORTING FACTORS:

SAC-F awarded contract VA798-11-P-0114 to Valador on September 14, 2011 to provide VIP Operations & Maintenance services and it is scheduled to expire on August 29, 2015. Currently, this database needs to be updated to comply with new technology and contracting requirements. The system has features that need to be revamped to function as intended. The Veteran community has voiced concerns on the VA's ability to correct the deficiencies in the system. VIP Operations & Maintenance services, under the subject contract, were initially scheduled to be replaced by the previously awarded contract (awarded by the Technology Acquisition Center(TAC) in Eatontown, NJ) VA118-11-D-1001 for the Veterans Enterprise Management System (VEMS); however, the VEMS contract was terminated on a no fault basis (termination for convenience) by TAC on October 6, 2014 due to lack of performance and preparations are now underway for a re-compete of the VEMS solution. Based upon the current acquisition timeline, contract award is anticipated on or about February 2016 with initial operational capability in the fall of 2016. Once initial operational capability is achieved, an additional five to six months is anticipated to fully phase operations off the legacy system. Pending the award of the new VEMS contract and successful deployment of the new system, OSDDBU must continue to maintain the legacy VIP system until an adequate replacement system is fully operational.

On the acquisition of the VEMS requirement, the Requesting Activity shall engage the Contracting Activity at the earliest stages of acquisition planning IAW FAR 7.102(a)(2) to obtain competition to the maximum extent practicable. The specific barriers identified in this justification will be overcome on future procurements in that the award will be issued as a full and open competition re-procurement effort of the successor system. Based on current conditions, a procurement acquisition lead-time (PALT) of between 12 to 15 months is anticipated for a new procurement effort.

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10. TECHNICAL 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.

[REDACTED]
IT Systems Integration

[REDACTED]
Date: 08/27/2015

11. DETERMINATION OF BEST VALUE:

I hereby determine that the proposed contract action will represent the best value to the Government. In accordance with FAR 8.404(d), GSA has already determined prices of supplies and services offered at fixed-prices, as well as services offered at hourly rates, under schedule contract to be fair and reasonable. The procured services will be priced according to labor categories outlined in the Valador GSA schedule. In accordance with FAR 8.405-2(d), the labor mix and level of effort proposed will be evaluated to determine the total price is reasonable. A discount off published pricing will be pursued.

[REDACTED]
Strategic Acquisition Center, Frederick

[REDACTED]
Date: 08/27/2015

12. CONTRACTING OFFICER CERTIFICATION:

For a proposed order or BPA exceeding the simplified acquisition threshold but not exceeding \$650,000, the contracting officer's certification required by FAR 8.405-6(d)(1) will serve as approval. I certify that this justification is accurate and complete to the best of my knowledge and belief. As this contract action does not exceed \$650,000, the certification below required by FAR 8.405-6(d)(1) serves as approval.

Thomas Brick
Contracting Officer,
Strategic Acquisition Center, Frederick

THOMAS J
Signature: BRICK [REDACTED]
Date: 08/27/2015