

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 Task Order (TO) to be issued under the National Aeronautics and Space Administration (NASA) Solutions for Enterprise-Wide Procurement (SEWP) V Government-Wide Acquisition Contract (GWAC) for brand name Hewlett Packard (HP) hardware maintenance coverage.

3. Description of Supplies or Services: VA, Office of Information and Technology, Service Delivery and Engineering, Enterprise Operations (EO) has a requirement for the renewal of brand name HP maintenance coverage for brand name HP servers, printers, scanners, chassis, blade enclosures and network switches located at EO data centers, EO third party data center and remote locations including National Cemeteries. The HP maintenance coverage will consist of hardware maintenance coverage to repair or replace systems equipment components that restore full operation and accessibility to the original redundant component configuration. The required HP hardware maintenance coverage for these devices supports VA's mission-critical functions such as payroll, financial management, logistics, medical systems, and eligibility benefits for our Veterans. The maintenance is required to ensure the hardware remains operational. This HP maintenance coverage will include both replacement parts and services. The period of performance for this action is 12 months. [REDACTED]

4. Statutory Authority: The statutory authority permitting an exception to fair opportunity is 41 U.S.C. 4106(c)(2) as implemented by the Federal Acquisition Regulation (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: Based on market research, as described in section 8 of this document, it was determined that limited competition is available among authorized resellers for the HP hardware maintenance coverage. This is a brand name justification in accordance with FAR 11.105, Items Peculiar to One Manufacturer. The current EO infrastructure is based on existing HP hardware and VA requires support compatible with the existing infrastructure protocols and functionality for continued operational availability. VA requires HP hardware maintenance coverage to include hardware upgrades and updates to include major releases, point releases, service releases of applicable hardware on a quarterly

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basis, or within 48 hours in cases where a high risk vulnerability fix becomes available. The hardware updates are required for brand name HP servers, printers, scanners, chassis, blade enclosures and network switches located at EO data centers, EO third party data center and remote locations including National Cemeteries. Only HP or an authorized reseller of HP products/services can provide the necessary hardware maintenance coverage because of the propriety source code required to develop and implement hardware updates. No other source is capable of providing the required hardware maintenance coverage that meets VA's unique functional requirements. In addition, a prior implementation of HP hardware already exists in EO. Acquisition of a different product would require multiple support costs if the HP hardware were abandoned in favor of a different product and would lead to duplicative cost of similar previously purchased hardware that would not be recouped through competition. No other maintenance coverage is compatible with the existing HP hardware. The HP hardware maintenance is the only hardware maintenance coverage that meets the Government's requirements.

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, other than authorized resellers, that can meet the Government's requirements. It was determined, however, that limited competition is viable among authorized resellers for hardware maintenance coverage. In accordance with FAR 5.301 and 16.505(b)(2)(ii)(D), this action will be synopsisized and the justification will be made publicly available within 14 days of award on the Federal Business Opportunities Page. Additionally, in accordance with FAR 16.505(a)(4)(iii)(A)(2) the justification and supporting documentation shall be provided along with the solicitation to all contract awardees.
7. Actions to Increase Competition: In order to remove or overcome barriers to competition in future acquisitions for this requirement, the Government will continue to perform market research to determine if there are any new maintenance services available that will enable future requirements to be competed.
8. Market Research: Market Research was conducted by the Government's technical experts in April 2015 by performing extensive internet searches, reading of white papers and service technical specifications of the vendor's website to ensure there are no other sources other than HP or its authorized resellers that could provide the required hardware maintenance coverage. When conducting market research the Government's technical experts reviewed similar hardware products and associated maintenance services from Dell, Hitachi and International Business Machines to ascertain if these other sources could meet VA's requirements. Based on these reviews, the Government's technical experts confirmed that only HP maintenance coverage will meet VA's functional requirements due to the compatibility requirements for hardware updates and patches. Based on the above, the Government's technical experts have concluded only HP hardware maintenance coverage meets all of the Government's requirements. In July 2015, additional

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market research was conducted on the NASA SEWP V GWAC which found that numerous resellers of the product were available.

9. Other Facts: None.