

JUSTIFICATION FOR AN EXCEPTION TO FAIR OPPORTUNITY

1. Contracting Activity: Department of Veterans Affairs (VA)
Office of Acquisition Operations
Technology Acquisition Center
1701 Directors Blvd
Austin, Texas 78744
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 Government Wide Acquisition Contract (GWAC).
3. Description of Supplies or Services: This proposed action supports the VA Office of Information and Technology (OI&T), Service Delivery and Engineering, Enterprise Operations (EO), by acquiring continued maintenance for the existing [REDACTED] Computer Associates (CA) perpetual software licenses currently fielded. It will also provide [REDACTED] additional perpetual licenses and include one year of maintenance. The licenses monitor the performance of the VA systems and software; as well as provide automation and configuration discovery functions. The additional licenses are required due to the expansion of EO services and capabilities and the recent reorganization. EO is taking on more oversight of contracts, servers, and software from individual sites/regions. The software maintenance will consist of software upgrades and updates to include major releases, point releases, service and security releases of applicable software on a quarterly basis, and/or within 48 hours in cases in which a high risk vulnerability fix becomes available. These software licenses and updates are necessary for VA, OI&T, Service Delivery and Engineering, EO to be able to operate successfully. The maintenance is required to ensure the software remains operational. The period of performance is for a 12-month base period with two 12-month option periods. The total estimated price of the proposed action is [REDACTED] including options.
4. Statutory Authority: The statutory authority permitting this exception to fair opportunity is Section 41 U.S.C 4106(c)(2) as implemented by Federal Acquisition Regulation (FAR) Section 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 extensive market research, as described in paragraph 8 of this document, it was determined that limited competition is viable among authorized SEWP resellers for the CA licenses and software maintenance and update support as described in paragraph 3 of this justification. The current EO infrastructure is based only on existing CA software, protocols, and programs. VA requires software to be interoperable and compatible with the existing infrastructure protocols and functionality for continued operational

availability. Only CA software can meet these interoperability and compatibility requirements. Use of any other brand name software would not communicate with the existing infrastructure due to the proprietary data constraints. Specifically, only CA software can work with the existing CA mainframe, proprietary database structures, protocols, and software application programming interfaces. EO requires all of the software to integrate into a seamless interface. Other commercial off-the-shelf software products are not designed to integrate into a seamless interface with CA software. In addition, there would be extensive duplicated cost required to develop integration across multiple vendor tools. If the CA software licenses were abandoned in favor of a different product, EO would need to purchase new software licenses and create a new infrastructure to support the new software. Replacing this infrastructure would result in duplicated costs of over \$100 million that would not be recovered through competition. This estimate is based on the expert experience in the cost of similar software, knowledge of what EO has currently invested in the existing licenses, and the expert opinion on the estimated labor required to migrate a different solution and create a new infrastructure. Furthermore, only CA or an authorized reseller can provide the required software maintenance, because of the propriety source code required to develop and implement software updates and upgrades. No other source is capable of providing the required software maintenance that meets VA's unique functional requirements. Without access to this code, maintenance services provided on the software would not be properly configured and render the software inoperable. In conclusion, no other software is compatible or interoperable with the existing CA mainframe, proprietary database structures, protocols, and software application programming interfaces. The brand name CA mainframe software maintenance is the only software maintenance that meets the Government's requirements.

6. Efforts to Obtain Competition: Market research was conducted, details of which are in the market research paragraph of this document. 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 this brand name software maintenance. 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 on the Federal Business Opportunities Page within 14 days of award of the order. The Justification will also be posted with the solicitation on the NASA SEWP V GWAC website in accordance with FAR 16.505(a)(4)(iii)(A)(1).
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 fully competed.
8. Market Research: VA technical experts conducted market research from April 2015 through February 2016, by reviewing similar software products and services to ascertain if these items could meet VA's requirements. The Government's technical experts conducted web-based research on web sites

and reviewed similar companies/organizations, such as BMC, Dell, and Arcturus Technologies, in the performance mainframe area. As a result of the market research, the technical experts confirmed that the other companies' software products will not support VA's existing infrastructure protocols, interoperability, and compatibility requirements. Additionally, because the source code required to maintain the software is proprietary, CA or an authorized reseller is the only sources capable of providing the required maintenance. Based on the above, only CA mainframe software licenses and maintenance meet all of the Government's requirements.

The Contract Specialist (CS) posted the RFI on the NASA SEWP V GWAC website to all Groups under North American Industry Classification System 541519 on February 19, 2016. Based on this market research, the CS found several authorized resellers under NASA SEWP V GWAC capable of meeting the full requirement.

9. Other Facts: N/A