

Veterans Health Administration Support Services Center Technical Refresh
TAC-16-32344

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: The proposed action is for the issuance of a Firm-Fixed Price Delivery Order under the National Aeronautics and Space Administration (NASA) Solutions for Enterprise-Wide Procurement (SEWP) V Government-Wide Acquisition Contract (GWAC) for the procurement of brand name Microsoft software licenses.
3. Description of Supplies or Services: The proposed action is for the acquisition of 33 Dell PowerEdge R930 servers, or equivalent, 7 brand name Microsoft Windows Server 2012 – 3 year DataCenter Edition software licenses and maintenance support, 6 brand name Microsoft Structured Query Language (SQL) Server 2014 – 3 year software licenses and maintenance support, and 26 brand name Microsoft Windows Server 2012 – 3 year software licenses and maintenance support for the VA Office of Information and Technology (OI&T), Veterans Health Administration (VHA) Support Services Center (VSSC). The total estimated value of the proposed action inclusive of all brand name and non-brand name requirements is [REDACTED]. The total estimated value of the brand name Microsoft brand name licenses is [REDACTED]. The period of performance for this acquisition consists of completion of hardware and software delivery no later than 30 days from date of award followed by 3 years of warranty support.
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 the market research, as described in section 8 of this document, it was determined that limited competition is available among resellers of the required brand name Microsoft licenses. VSSC requires the ability to seamlessly pull vital data from the Corporate Data Warehouse (CDW) for upward reporting; this data includes well over a million objects across more than 800 databases. VSSC's prior experiences have demonstrated a lack of compatibility involving the movement of data from different platforms and trying to execute Analysis Services. These issues also occurred when using the earlier versions, such as SQL 2012. In addition to the 800 plus databases, VSSC hosts 235 cube databases, nearly 3,000 web reports, and over 125 web applications which depend on these databases. Many of the urgent wait time reports in the VHAs are hosted on VSSC servers. SQL 2014 provides new speed increases that have proven to be up to 100 times faster, therefore decreasing wait

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times and the overall cost to the VA. If the VSSC was to migrate to another platform, it is estimated that it would take years of staff time and be cost prohibitive. CDW has moved to SQL 2014, and to eliminate these issues VSSC needs to follow suit. Only Microsoft or an authorized reseller can provide the necessary licenses, because of the propriety source code required to develop and implement software updates. No other source is capable of providing the required licenses that meets VA's unique functional requirements. Acquisition of a different product, even if another one existed with qualifications that met VA's stated functional needs, would require massive revision and redevelopment to Enterprise Operations to enable it to support a new product.

6. Efforts to Obtain Competition: Market research was conducted in February 2016, details of which are in the market research section of this document. This effort did not yield any additional sources that can meet the Government's requirements. Although the Government is limiting competition as a result of specifying Microsoft brand name software licenses and maintenance, there are multiple resellers of Microsoft software on the NASA SEWP V GWAC. In accordance with FAR 5.301 and 16.505(b)(2)(ii)(D), the resulting notice of award will be synopsisized and this justification will be made publically available on the Federal Business Opportunities website within 14 days of award. In addition, in accordance with FAR 16.505(a)(4)(iii)(A)(2), this justification will be posted with the solicitation on the NASA SEWP web site.
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 conduct market research to ascertain if there are changes in the marketplace that would enable future actions to be fully competed.
8. Market Research: The Government's technical experts conducted market research in February 2016 by reviewing similar licenses to ascertain if these items could meet VA's requirements. Specifically, the Government's technical experts conducted web-based research to include, but not limited to, NeoOffice, Softmaker Freeoffice, Apple IWork, and Calligra Suite. As a result of the market research, the technical experts confirmed that the source code required to issue the required software updates is proprietary. Furthermore, the market research demonstrated that no product, other than Microsoft licenses, was capable of meeting the functional requirements detailed in paragraph 5 to include VA's interoperability and compatibility requirements as outlined in paragraph 5 of this document. Therefore, based on all of these market research efforts, the Government's technical experts have determined that only Microsoft brand name software can meet all of VA's needs. Additional market research was conducted in March 2016 utilizing the NASA SEWP V Provider Lookup tool, and it was determined that there are multiple resellers of Microsoft software.
9. Other Facts: N/A