

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 the award of a brand name 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 the procurement of brand name Cisco hardware.
  
3. Description of the Supplies or Services: VA, Office of Information and Technology, Service Delivery and Engineering, Enterprise Operations, Quantico Information Technology Center (QITC), has a requirement for brand name Cisco Unified Computing System (UCS) B200-M3 and M4 Blade Servers and memory. These brand name servers and additional memory will be used to expand the current virtual hosting environment to maintain redundancy as servers run close to capacity. These Cisco blade servers will enable expansion of the current VMWare hosting environments. Also, additional memory will provide increased capacity and performance within virtual environments in support QITC and its support of National Cemetery Administration (NCA) programs. The period of performance shall consist of delivery of the required equipment within 30 days after award. The total estimated value of the proposed action is [REDACTED]
  
4. Statutory Authority: The statutory authority permitting an exception to fair opportunity is Section 41 U.S.C. 4106(c)(2) as implemented by the Federal Acquisition Regulation (FAR) Subpart 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: 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 Cisco UCS Blade servers and memory. The purpose of this acquisition is to expand the current virtual hosting environment to maintain redundancy and increase capacity and performance within existing virtual environments. To accomplish this, servers and memory will be housed and connected through VA's existing Cisco chassis. VA's requirement is to purchase servers that are capable of using the blank slots in the current Cisco 5108 UCS chassis, and memory to be placed in the existing Cisco servers. Due to VA's current infrastructure, no other Original Equipment Manufacturers' (OEM) servers or memory modules can meet the Government's compatibility and interoperability requirements. This is due to Cisco's proprietary equipment design. As a result, any servers used for expansion of QITC's current infrastructure, other than those manufactured by Cisco, would not be interoperable

## Cisco UCS B-200 Blade Servers and Memory

with critical components of the existing Cisco UCS infrastructure at QITC. If additional Cisco hardware is not purchased, QITC will be unable to provide the necessary virtual environments to support increased capacity and redundancy to adequately support NCA program requirements.

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 brand name Cisco UCS Blade servers and memory. In accordance with FAR 16.505(a)(4)(iii)(A)(2), this justification will be provided with the solicitation to all interested NASA SEWP V GWAC holders. In accordance with FAR 5.301 and FAR 16.505(b)(2)(ii)(D), notice of award of the resulting order will be synopsisized and this justification will be made publicly available within 14 days after award on the Federal Business Opportunity website.
7. Actions to Increase Competition: VA will continue to conduct market research to ascertain if there are changes in the market place and/or VA development environments that would enable future requirements to be executed utilizing salient characteristics and not limited to a particular brand name.
8. Market Research: The Government's technical experts conducted market research in March 2016 to ascertain the ability of any other source other than Cisco or an authorized reseller to provide the aforementioned brand name Cisco UCS Blade servers and memory. The research consisted of reviewing various servers and other components from other sources [REDACTED] on the NASA SEWP V website. Based on these reviews, VA's technical experts determined that these other sources do provide similar Cisco components, however they are incompatible with the existing QITC infrastructure. Specifically, each blade server manufacturer implements proprietary technology to provide server virtualization solutions and each vendor's components are not interchangeable with another vendor's solution. Additionally, VA subject matter experts regularly review trade publications, conduct Internet market research, and review any similar equipment as an ongoing effort to determine if other brand name products can meet QITC's requirements. Based on these efforts, the Government has concluded that currently only the specified brand name Cisco hardware can meet the stated interoperability and compatibility requirements.

Additional market research was conducted in May 2016 by utilizing the NASA SEWP V GWAC Provider Look-up Tool to determine whether the brand name Cisco hardware is available from resellers that hold NASA SEWP V contracts. It was determined that there are several resellers of brand name Cisco hardware that hold current NASA SEWP V contracts. Therefore, limited competition is expected among NASA SEWP V GWAC resellers of Cisco products.

9. Other Facts: None.