

## 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, NJ 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 NetApp brand Premium hardware and software maintenance for all NetApp systems under the Core system Service line.
3. Description of the Supplies or Services: VA, Office of Information and Technology (OI&T) Service Delivery and Engineering (SDE), Region 3 Storage Division NetApp brand Premium hardware and software maintenance for NetApp systems under the Core system Service line within the Region 3 Core boundaries. VA Region 3 is geographically located across the Midwestern and southeastern United States covering a territory stretching from Michigan to Florida and includes a facility in Puerto Rico. The 44 medical centers in the Region are served by two datacenters. Veterans Integrated Service Network (VISNs) 6, 7, and 8 are served by a southern tier datacenter located in Orlando Lakemont VA facility. VISNs 9, 10, and 11 are served by a northern tier datacenter located in Cleveland, Ohio Veterans Affairs Medical Center (VAMC.) All Region 3 sites are currently utilizing NetApp storage systems to support server virtualization operations, site Files Shares, critical medical and administrative systems.
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) 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 market research, as described in section 8 of this document, it was determined that limited competition is available among authorized resellers for the required brand name NetApp hardware and software maintenance. The NetApp brand is the only brand that can meet all VA's technical requirement to include interoperability and compatibility of existing NetApp storage infrastructure. Specifically, NetApp is the only product capable of providing support to these systems, as they are compatible with the existing storage systems, data mover enclosures, and disk-array enclosures. NetApp maintenance support is required due to proprietary code, testing, upgrade releases synchronization, and systems interoperability of the existing infrastructure. This is primarily due to multiple pieces of hardware/software and their respective support efforts being highly dependent on one another.

No other product will provide support for storage array shelves that will be operational with the current storage systems back end. Therefore, no other solution is interoperable or compatible with the existing Netapp storage array installed at the VA Medical centers

due to NetApps proprietary source code that allows the hardware and software to work in conjunction with one another. No other brand name parts could be installed or maintenance be provided on the current system equipment due to system's proprietary code which does not interoperate with any other brand name products. Purchasing any other software and maintenance will void the existing NetApp warranties and could render the current software and equipment unoperational.

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 that limited competition is viable among authorized resellers for the required brand name Netapp hardware and software maintenance. In accordance with FAR 5.301 and 16.505(b)(2)(ii)(D), notice of award for this action will be synopsisized and this justification will be made publicly available on the Federal Business Opportunities Page within 14 days of award. In accordance with FAR 16.505(a)(4)(iii)(A), this justification will be posted with the request for quotation on the NASA SEWP V GWAC to notify interested parties.

7. Actions to Increase Competition: The Government will continue to conduct market research to ascertain if there are changes in the market place that would enable future actions to be fully competed.

8. Market Research: Market research was conducted by VA technical experts in June 2016 by reviewing other similar storage hardware and software products, to include those provided by EMC Corporation, International Business Machines, and Hewlett Packard. The market research, which was conducted by a review of industry websites, discussions with third party contractors, and analysis of storage array product offerings demonstrated that other Original Equipment Manufacturers do not provide the required Premium hardware and software maintenance for the existing NetApp systems that are installed in the existing Region 3 NetApp infrastructure. Additional market research was conducted by the using the NASA SEWP V Provider Look-up tool to identify GWAC holders offering the required NetApp as authorized resellers. This search identified numerous NASA SEWP V GWAC holders capable of providing the required brand name NetApp Premium hardware and software maintenance as authorized resellers

Based on the market research conducted, the Government's technical experts determined that no other storage vendor can provide hardware and software maintenance support for the existing Netapp storage systems, as they are not technically compatible with other vendor's hardware systems and proprietary software code. Although the other vendors can provide maintenance to their unique systems, they are unable to provide the support required for the NetApp systems due to proprietary code, parts, testing, upgrade releases synchronization, and systems interoperability of the existing infrastructure.

9. Other Facts: None