

JUSTIFICATION AND APPROVAL
FOR AN EXCEPTION TO FAIR OPPORTUNITY

1. **Contracting Activity:** Department of Veterans Affairs
Office of Acquisition Operations
Technology Acquisition Center
260 Industrial Way West
Eatontown, NJ 07724

2. **Description of Action:** This proposed action is for a firm-fixed-price delivery order (DO) issued under the National Aeronautics and Space Administration (NASA) Solutions for Enterprise-Wide Procurement (SEWP) IV Government Wide Acquisition Contract (GWAC) for the purchase of scanner maintenance support for twenty-two (22) Kodak i660 scanners for the Virtual VA effort. This procurement is for Kodak One Year Post Warranty Carekit which will consist of same-day, on-site service coverage, repair parts, phone support, and one Periodic Maintenance. The period of performance (POP) for this order shall be from February 15, 2012 through February 14, 2013 with two (2) one year option periods.

3. **Description of Supplies and Services:** The proposed action is to provide continued maintenance and support already in use by The Department of Veterans Affairs (VA), Office of Information and Technology (OIT), Service Delivery & Engineering (SD&E), Region 5. Kodak i660 scanners are essential to the daily operation of the Virtual VA system. The Kodak i660 scanners provide the Virtual VA document intake centers located at Regional Offices with imaging capabilities. These scanners are used to digitize documents for insertion into the Veteran's Virtual VA electronic folder supporting VA's Compensation, Pension and Fiduciary services. As such, these scanners are critical to the continuing effort to provide Veterans the ability to electronically apply for and track their VA claims as well as move VA to a paperless enterprise. The total estimated price of the proposed action is \$468,145.22 consisting of \$141,433.60 for the base year, \$155,576.96 for Option Year One and \$171,134.66 for Option Year Two.

4. **Statutory Authority:** The statutory authority permitting an exception to fair opportunity is Section 41 U.S.C. 253(j)(b) 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 at the level of quality required because the supplies or services ordered are unique or highly specialized."

5. **Use of Authority Cited Above:** Based on market research, as described in paragraph 8 of this document, it was determined that limited competition is available for the aforementioned brand name maintenance renewal and technical support. Only Kodak, or an authorized reseller, can provide the Kodak One Year Post Warranty Carekit scanner maintenance required by the Virtual VA. Virtual VA programs need to be supported and updated to the latest versions to keep up with

the software technologies and to integrate with VA's Microsoft platforms. Kodak i660 is required by name brand to allow VA to update and sustain existing Virtual VA application specifically developed, tested, and placed in the current Benefits Delivery Network (BDN), which was been tested for integration and compatibility with the other 90 plus VBA designed applications used for Veterans claim processing in VBA. If the Kodak One Year Post Warranty Carekit scanner maintenance is not utilized, there is a potential risk that the Veterans' claims processing timeline will be adversely affected. Use of any other hardware would result in delays of up to 180 days in processing Veterans claims for benefits, which would result in Veterans waiting an additional six months to receive benefits determinations or benefits payments,

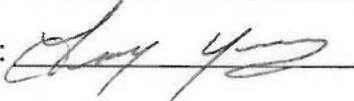
6. **Efforts to Obtain Competition:** Market research was conducted, details of which are in the market research section of this document. Limited competition is anticipated for the required brand name maintenance and warranty. Furthermore, in accordance with FAR 5.301 and 16.505(b)(2), the DO award will be synopsisized on the Federal Business Opportunities (FBO) Page. In addition, this Justification and Approval (J&A) will be made publicly available on the FBO Page.
7. **Actions to Increase Competition:** Although the Government is limiting competition as a result of specifying a unique and highly specialized brand name item, there are numerous authorized resellers of these products on the NASA SEWP IV GWAC. Limited competition for this requirement among these vendors is anticipated. Additionally, this J&A and the Request for Quote will be submitted to all four (4) NASA SEWP IV GWAC Groups in order to fully notify all interested parties and obtain price competition. Any proposals received will be evaluated. Finally, in order to remove or overcome barriers to competition in future acquisitions for this requirement, the agency will work with the program office to perform additional market research so that other solutions can be considered.
8. **Market Research:** In December 2011, VA, OIT, SD&E, Region 5, conducted market research to identify potential sources, using the manufacturer lookup tool on NASA SEWP, which could provide the necessary Kodak i660 scanner maintenance. The SEWP contract was chosen as it is the mandatory VA option for Information Technology (IT) hardware and software. Market research has indicated that the required Kodak i660 scanner maintenance support is available from resellers on the NASA SEWP IV contract vehicle. Of the thirty-eight NASA SEWP IV prime contract holders, two (2) resellers responded to SEWP Market Research Request 125517. On January 6, 2012 a Request for Information (RFI) was released on SEWP to find providers of Kodak One Year Post Warranty Care Kit. The RFI closed on January 13, 2012 with seven (7) interested parties responding; 2 from Group A, 4 from Group C, and 1 from Group D.
9. **Other facts:** None.

10. **Technical and Requirements Certification:** I certify that the supporting data under my cognizance, which are included in this justification, are accurate and complete to the best of my knowledge and belief.

Troy Young

Date: 7 Feb 2012

Contracting Officer Representative

Signature: 

11. **Fair and Reasonable Cost Determination:** I hereby determine that the anticipated price to the Government for this contract action will be fair and reasonable based on the Independent Government Cost Estimate and price analysis.

Debra Clayton

Date: 2/8/2012

Procuring Contracting Officer

Signature: 

12. **Procuring Contracting Officer Certification:** I certify that this justification is accurate and complete to the best of my knowledge and belief. Since this effort does not exceed \$650K, this certification serves as approval.

Debra Clayton

Date: 2/8/2012

Procuring Contracting Officer

Signature: 