

JUSTIFICATION
FOR OTHER THAN FULL AND OPEN COMPETITION

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 sole source action is for a firm-fixed-price contract with Quality Investment Properties, LLC (QIP), 1100 North Market Boulevard, Sacramento, California, for continued connectivity to the circuit extensions/cross connects.
3. Description of Supplies or Services: Under a separate lease contract, Region 1 houses VA-owned information technology (IT) equipment in a leased caged area within a data center facility owned by QIP. The data center is designed for collocated and managed IT services. Under the lease contract, the lessor provides the caged data center floor space, telecom/network connectivity, facility security, and operations support. The proposed action is to provide for continued connectivity to the circuit extensions/cross connects from the building demarcation point to VA data center equipment for VA, Office of Information and Technology, Region 1 at the QIP caged data center facility located at 1100 North Market Boulevard, Sacramento, California. The period of performance is 12 months plus, two, 12-month option periods, plus optional tasks. The total estimated price of this proposed action is \$xxxxx, inclusive of option periods.
4. Statutory Authority: The statutory authority permitting other than full and open competition is 41 U.S.C.3304(a)(1) as implemented by Federal Acquisition Regulation (FAR) 6.302-1 entitled, "Only One Responsible Source and No Other Supplies or Services Will Satisfy Agency Requirements."
5. Rationale Supporting Use of Authority Cited Above: Based on market research, as described in section 8 of this justification, it has been determined that only QIP is capable of providing the aforementioned continued connectivity to the circuit extensions/cross connects at its Sacramento data center as per the lease contract for caged data center floor space. The contract award for the data center floor space was a sole source contract awarded directly to QIP, the lessor. Stipulations in VA's existing lease agreement with the facility limited potential vendors for security purposes down to only the lessor, QIP, as the sole viable source for the cross connects and related maintenance. This connectivity is provided to VA's network room. Based on this contractual agreement, VA is responsible to pay for these services. The service is billed to VA on a monthly basis and provides ongoing connectivity. VA has a continued requirement to install various circuit extensions/cross connects from VA's network room to VA caged space. This space is only accessible by QIP, who does not authorize third party vendor access. Only QIP is capable of providing the continued connectivity because it holds all proprietary rights to the circuit extensions/cross connects installed at 1100 North

Market Boulevard, Sacramento, California. If the circuit extensions/cross connects lost connectivity, medical centers and community based outpatient clinics that are supported by the QIP datacenter would lose all telecommunications which would be detrimental to Veteran care.

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 other vendors that are permitted to provide the services that can meet the Government's requirements. There is no competition anticipated for this action. In accordance with FAR 5.201, the proposed action will be synopsized on the Federal Business Opportunities (FBO) Page. Any proposals that are received shall be evaluated.

7. Actions to Increase Competition: The Government will continue to conduct market research to ascertain if there are changes in security requirements that permit an outside vendor to provide continued connectivity to the circuit extensions/cross connects at the QIP Sacramento data center.

8. Market Research: Market research was conducted in November 2016 by VA subject matter experts and consisted of reading the Lease Agreement, speaking with the vendor directly and comparing to other vendors. In the Telecommunications section of the lease, it states that the "lessor shall provide access from the point of entry into the building to the Government's floor space, subject to any inherent limitations in the pathway involved." Access cannot be provided to the Government's space because there are "limitations in the pathway involved" due to telecommunication lines under the floor where there are other tenants in a highly secured area. In addition, the Lessor has stated that due to the risk of potentially disrupting another customer's environment, QIP does not allow third party vendors to pull cable from the telco/meet-me rooms to the customer environment. Since the space is only accessible by QIP, who does not authorize third party vendor access, this requirement cannot be completed by another vendor. Although there are other vendors that could provide the circuit extensions/cross connects (i.e. Sungard, Techanax), there is no feasible manner for another vendor to provide continued connectivity to the circuit extensions/cross connects at the QIP data center facility in Sacramento, California.

9. Other Facts: None.