

JUSTIFICATION
FOR AN EXCEPTION TO FAIR OPPORTUNITY

1. Contracting Activity: Department of Veterans Affairs (VA)
Office of Acquisition and Logistics
Technology Acquisition Center
23 Christopher Way
Eatontown, NJ 07724

2. Description of Action: The proposed action is for a brand name firm-fixed-price delivery order, issued under the National Aeronautics and Space Administration (NASA), Solutions for Enterprise-Wide Procurement (SEWP) V, Government-Wide Acquisition Contract (GWAC) for Dell hardware and software maintenance for storage controllers and disk shelves, and internal operating system licenses and related software that allow for continued operations, and software management and disaster recovery functionality.

3. Description of the Supplies or Services: The VA Office of Information and Technology (OI&T), IT Operations and Services (formerly Service Delivery and Engineering), Enterprise Operations (EO), Quantico Information Technology Center (QITC) and Culpeper Information Technology Center (two data centers) require brand name Dell maintenance for controllers and disk storage devices currently in use as well as Dell Storage Center and Data Progression base and expansion licenses, Dell Remote Instant Replay base licenses, and Dell Replay Manager Management suite licenses. The Dell Storage Center and Data Progression base and expansion licenses are part of the Dell internal operating systems, while the Remote Instant Replay base and expansion licenses allow for disaster recovery of data on existing Dell compellant storage units while the Replay Manager Management suite allows for management of all functions. These Dell software base and expansion licenses and support maintain current functions and allow for additional storage that have been added previously for the two data centers. The hardware maintenance provides 24x7 next business day parts replacement, service updates, phone support and labor if necessary. The period of performance is a 12 month base period with four (4) 12 month option periods. The total estimated price of this proposed action is [REDACTED], inclusive of options.

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 viable among authorized resellers for this requirement. VA requires hardware maintenance for storage controllers and disk shelves as well as support for software licenses that is compatible with the existing Dell storage system infrastructure for the continuation of operations and to minimize data loss during equipment failure. No other

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manufacturer's storage system software licensing are interoperable and interchangeable with the existing infrastructure. Dell storage systems are proprietary hardware products therefore, no other hardware maintenance provider has the proprietary code to perform the required support services or to provide the parts and updates to include major releases, point releases, and service releases that are necessary to ensure the hardware remains operational. Without the required hardware and software maintenance support, the two data centers would not be able to operate the Dell storage systems, recover data during disasters, perform remote backups, maintain the current data protection scheme, schedule, Recover Point Objectives (RPOs) and Recovery Time Objectives (RTOs) to ensure Culpeper Disaster Recovery DR site's replicated data is available, up-to-date and ready for recovery when failures occur, or quickly and reliably receive parts replacement 24x7 with Next Business Day delivery. Based on the market research conducted by the Government's technical experts, it has been determined that only Dell or its authorized resellers have the required access to the source code and other proprietary data of the software to be able to meet the Government's needs.

6. Efforts to Obtain Competition: Market research was conducted, details of which are in Section 8 of this Justification. In accordance with FAR 5.301 and 16.505(b)(2), this action will be synopsisized within 14 days of award on the Federal Business Opportunities (FBO) page and the justification will be made publically available. In addition, in accordance with 16.505(a)(4)(iii)(A), this Justification for an Exception to Fair Opportunity will be posted on the NASA SEWP V website with the solicitation.

7. Actions to Increase Competition: 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 April 2017, Government technical representatives conducted market research to determine if there were viable manufacturers other than Dell to meet VA's requirement. Competitors such as Microsoft, International Business Machines, and Hewlett Packard were analyzed. Based on this analysis, the Government's technical experts determined that none of these sources could satisfy VA's requirement for maintenance of Dell hardware and software based on the proprietary nature of the source code required to issue the updates. Additionally, market research was conducted on April 11, 2017 through the issuance of a Request for Information (RFI) on NASA SEWP V to identify potential sources for the required Dell software maintenance. The RFI resulted in responses from two (2) Service Disabled Veteran Owned Small Businesses (SDVOSBs), Four Points Technology and RedHawk IT. On April 18, 2017 additional market research was conducted by utilizing the NASA SEWP V GWAC Provider Look-up Tool which confirmed that there are 10 federal registered partners for Dell software maintenance on NASA SEWP V GWAC, including 4 SDVOSBs. Based on the analysis of the responses, there is a reasonable expectation that limited competition exists on the NASA SEWP V GWAC for the required Dell software maintenance.

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9. Other Facts: None.