

JUSTIFICATION FOR AN EXCEPTION TO FAIR OPPORTUNITY

1. Contracting Activity: Department of Veterans Affairs (VA)
Office of Acquisition Operations
Technology Acquisition Center
1701 Directors Blvd, Ste. 600
Austin, TX 78744
2. Description of Action: This proposed action is for a firm-fixed-price delivery order to be issued under the National Aeronautics and Space Administration (NASA), Solutions for Enterprise-Wide Procurement (SEWP), V Government-Wide Acquisition Contract (GWAC).
3. Description of Supplies or Services: The proposed action is to to obtain maintenance for IBM software used by the VA loan Guaranty Service (LGY) staff. The software maintenance will consist of software upgrades and technical support which includes 24 hours day, 7 days a week assistance. The period of performance for this action is for a 12-month base period from August 30, 2017 to August 29, 2018, with two 12-month options. The total estimated price for this proposed action is [REDACTED] including the options.
4. Statutory Authority: The statutory authority permitting an exception to fair opportunity is Section 41 U.S.C. 4106(c) 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 market research, as described in paragraph 8 in this document, it was determined that limited competition is available among authorized resellers for the aforementioned software licenses. The current infrastructure is based on existing IBM software and VA requires support compatible with the existing infrastructure protocols and functionality for continued operational availability. The LGY has been using the IBM SPSS software since 2005. The IBM SPSS software is a foundational component that enables LGY program staff to have accurate information. Only IBM or an authorized reseller can provide the necessary software updates, because of the propriety source code required to develop and implement software updates. In addition, a prior implementation of IBM software licenses already exist. Competing for new software would not result in savings, and the purchase of IBM brand name software maintenance is more advantageous to the Government.
6. Efforts to Obtain Competition: Market research was conducted, details of which are in the market research section of this document. 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 this brand name software maintenance. In accordance with 16.505(b)(2)(ii)(D), this action will not be synopsisized at award on the Federal Business Opportunities

Page because the total estimated price is less than the simplified acquisition threshold, but this Justification will be posted on the NASA SEWP website to notify all 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 competed.

8. Market Research: Market research was conducted by Government technical experts in April 2017 by reviewing similar products, such as R Project and SAS Analytics software. Based on the market research, these software products are not compatible with the VA's existing systems. No other company can provide maintenance to the existing IBM software. It is in the VA's best interest to procure the IBM SPSS software brand name product, which meets all of VA's current needs, rather than replacing it with a different product that do not meet all of VA's compatibility and interoperability requirement.

The Contract Specialist (CS) conducted market research in May 2017 by using the NASA SEWP V GWAC Market Research tool to determine what vendors are capable of meeting the requirement. Based on this market research, the CS found multiple resellers capable of meeting the full requirement.

9. Other Facts: None