

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, New Jersey 07724

2. Description of Action: The 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) for brand name Riverbed Technology, Inc. (Riverbed) Wide Area Network (WAN) acceleration fiber optic network interface by-pass card (NIC) hardware (NIC-004-4SX and NIC-1-001G-4SX-BP) and brand name Cisco Catalyst 6800 network switching hardware (C6800-16P10G and WX-X6816-10G-2T).

3. Description of the Supplies or Services: The VA Office of Information and Technology (OI&T), Enterprise Program Management Office (EPMO) has a requirement to procure 19 Riverbed brand name WAN acceleration fiber optic NICs (NIC-004-4SX and NIC-1-001G-4SX-BP) as well as 15 Cisco brand name 10Gig line cards (C6800-16P10G and WX-X6816-10G-2T). The Riverbed hardware will allow 10 VA network sites to be converted from Category 5e/6 copper network cable media to fiber optic media. The Riverbed WAN acceleration hardware will also allow VA to maximize its current network resources and support VA's ever-increasing business needs by ensuring sufficient capacity and compression of increasing data for transfer. The Riverbed hardware will also prevent degraded application performance caused by significant reductions in available network bandwidth. The required Cisco hardware will allow VA to upgrade existing Cisco 6800 series core switches to provide additional port capacity at 8 of the 10 VA network sites listed above. Additional port capacity is necessary to expand network capacity at these locations.

Delivery of all hardware under this order will be required within 30 days after delivery order award. The delivery order will also include next day return merchandise authorization support for a period of 12 months plus one optional task for additional quantities of hardware to expand network capacity at the 10 VA sites, which may be exercised at any time within one year from date of delivery order award. [REDACTED]

[REDACTED]

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 available for the required brand name Riverbed and Cisco hardware. Only Riverbed and Cisco or its authorized resellers can provide hardware that can meet VA's interoperability and compatibility requirements. No other brand of hardware will be able to communicate with the existing infrastructure at the 10 VA network sites.

VA currently has 1,098 WAN acceleration devices consisting of Riverbed hardware and software. In order to change from Category 5e/6 copper network cable media to fiber optics at the 10 VA facilities, Riverbed WAN acceleration fiber optic by-pass network interface cards (NICs) are required. No other vendors produce fiber optic by-pass NICs compatible with Riverbed WAN acceleration devices. With respect to the Cisco 10Gig line cards, which will be installed into existing Cisco 6500 switches, Cisco brand name hardware is the only hardware that can be used in the existing Cisco-based network infrastructure. No other manufacture/vendor produce line cards compatible with existing Cisco 6500 switches. The alternative to acquiring Riverbed and Cisco brand name items for this procurement would be to replace the underlying Riverbed and Cisco network infrastructure that VA already owns. It does not make technical or financial sense to replace the entire infrastructure simply to upgrade to fiber optics, as doing so would incur sunk costs in the estimated amount over \$100 million and the implementation project milestones the VA communicated to the Office of Management and Budget would be delayed by years.

6. Efforts to Obtain Competition: Market research was conducted, details of which are contained in the market research section 8 of this document. This effort did not yield any additional sources that can meet the Government's technical requirements. It was determined however that limited competition is viable among authorized resellers for both of these brand name requirements specified herein who are current NASA SEWP V GWAC holders. In accordance with FAR 16.505(a)(4)(iii)(A)(2), this justification will be provided with the solicitation to all interested NASA SEWP V GWAC holders. In accordance with FAR 5.301 and FAR 16.505(b)(2)(ii)(D), notice of award of the resulting order will be synopsisized and this justification will be made publicly available within 14 days after award on the Federal Business Opportunity website.

7. Actions to Increase Competition: The Government will continue to conduct market research to ascertain if any new sources become capable of providing other WAN acceleration products that meet the requirements of VA's current WAN Acceleration infrastructure, which would enable future actions to be competed. Specifically, the Government will continue to monitor the marketplace to determine whether Riverbed or Cisco begins making its hardware and software with open Application Program Interfaces (APIs) which may allow other brand products with open APIs to integrate.

8. Market Research: The market research for the Riverbed WAN Acceleration hardware has been ongoing since early 2014 and concluded in May 2017. The VA team looked at WAN acceleration hardware from multiple vendors to include, but not

be limited to, Blue Coat Systems Inc. and Cisco Systems, Inc. The VA team conducting the market research determined that neither Blue Coat nor Cisco could provide hardware that is interoperable with the current Riverbed WAN acceleration infrastructure. Based on this market research, the Government's technical experts determined that only Riverbed hardware can meet all of VA's requirements relative to its WAN acceleration infrastructure.

The market research for the Cisco 6800 series switch modules has been ongoing since March 2017 and concluded in May 2017. The research concluded that only Cisco manufactures 10Gig line cards compatible with the Cisco 6500 series switches VA currently has in production. Based on the aforementioned market research efforts, the Government's technical experts have determined that only Cisco brand name hardware can meet all of VA's requirements relative to 10Gig line cards.

Additional market research for the Riverbed WAN Acceleration NICs and 10Gig line cards was conducted in May 2017 by utilizing the NASA SEWP V GWAC Provider Look-up Tool to determine whether both brand name Riverbed and Cisco products are available from resellers that hold NASA SEWP V GWAC contracts. It was determined that there are 17 prospective resellers of Riverbed products and 25 resellers of Cisco products under NASA SEWP V GWAC Group B(2), which consists of service-disabled Veteran-owned small businesses. Of those SDVOSB resellers, it was determined that 17 resellers offer both Riverbed and Cisco products, thereby promoting competition. As a result of the aforementioned market research, VA intends to issue request for quote (RFQ) VA118-17-Q-2370 via Fair Opportunity to NASA SEWP V GWAC Group B(2). NASA SEWP is a dynamic GWAC in which products can be added to vendor catalogs based on customer requests on a daily basis; so long as the required IT product is within scope of the NASA SEWP GWAC. The requirement discussed herein has been found to be within scope of the NASA SEWP contract in a separate determination.

9. Other Facts: None.

