

## 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  
Austin, TX 78744
2. Description of Action: The 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) V Government Wide Acquisition Contract (GWAC) for MuleSoft Enterprise Edition – Pre-Production and Production software licenses and maintenance.
3. Description of the Supplies or Services: The proposed action is to procure the annual renewal of 42 one-year term software subscriptions, to include reinstatement fee for MuleSoft Enterprise Edition – Pre-Production and Production software licenses to support the Real-Time Location Systems (RTLS) program. The RTLS architecture currently utilizes MuleSoft as its Enterprise Service Bus (Mule ESB). RTLS requires the renewal of a term subscriptions for Mule ESB to support the enterprise-wide Real Time Location System. Mule ESB is licensed by cores in a hosting server's processor. All Mule servers are allocated two cores. There are two production servers and one test server. The two production servers are an active/passive cluster, meaning there is only one server actually in use at any given time. This allows the license for the production server to be reduced to 2 (for the active node) while the pre-production server still requires 4 (2 for the inactive nodes and 2 for the test server). This setup is how all the other Veterans Integrated Service Network (VISN) have been configured. The annual subscription also includes maintenance. This maintenance will ensure the software remains operational. The total estimated price of this proposed action is [REDACTED], and includes a term of 12-months.
4. Statutory Authority: The statutory authority permitting this 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 market research, as described in paragraph 8 of this justification, it was determined that limited competition is available for this procurement. There are no other software products that can communicate and function within the existing RTLS architecture without VA conducting a massive redesigning and reengineering effort that would result in extensive delivery delays and duplicated costs that would not be recovered through competition. The Mule ESB is used for integrations with third party "system of records" which contain information that provides the RTLS system with a strong context for interpreting meaningful actions or events. These types of interfaces require higher levels of transformation and orchestration of the data such as field level mapping and two-way synchronization processes that are ideal for an ESB topology. These integrations were

developed as part of the delivery of a National RTLS system and handle interactions to all the VA-owned services within the RTLS enterprise. Only MuleSoft can meet all of VA's interoperability and compatibility requirements because the current RTLS design structure is comprised of only MuleSoft products and operated through MuleSoft proprietary code. Without the subscription renewals, the RTLS solution would not be able to interface with the VA's systems of record. No other vendor has the ability or data rights to access the software source code in order to develop and push software updates, patches, or provide technical support on its products. Access to the proprietary source code is critical to meet the VA's need to maintain the MuleSoft software as operational. Therefore, only MuleSoft or authorized MuleSoft resellers can provide the requisite software.

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 additional sources that can meet the Government's requirements. However, it was determined that limited competition is viable among resellers for these brand name Mule ESB Enterprise Edition Subscription – Pre-Production and Production software renewal subscriptions. In accordance with FAR 5.301 and 16.505(b)(2), this action will be synopsisized at award on the Federal Business Opportunities Page (FBO) and the justification will be made publicly available.

7. Actions to Increase Competition: The Government will continue to conduct market research to learn if there are changes in the marketplace that would enable future actions to be competed.

8. Market Research: VA technical personnel conducted market research in August 2017 by researching websites for products comparable to the MuleSoft software. Specifically, the Government's technical experts conducted web-based research on similar software products available from Talend, Oracle, Microsoft and International Business Machines (IBM). The research revealed that no other products are capable of meeting all of Government's requirements as outlined in section 5 of this justification. In addition, the market research confirmed that the source code required to issue the updates is proprietary, and therefore, only MuleSoft or its authorized resellers have the tools and can access the source code and other proprietary data to provide the necessary software maintenance support services.

The Contract Specialist (CS) conducted market research between July and August 2017 by using the NASA SEWP V GWAC Market Research and Request for Information tools to determine what vendors are capable of meeting the requirement. Based on this market research, the CS found multiple resellers interested and capable of meeting the full requirement.

9. Other Facts: VA requires software to be open source and compliant with the Government's Federal Information Processing Standard (FIPS) Publication 140-2 standards. MuleSoft can meet both these critical requirements.