

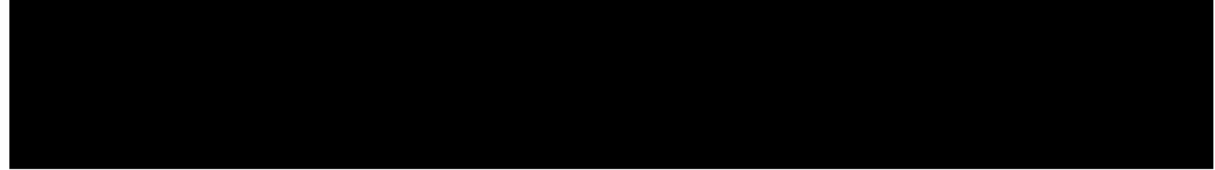
JUSTIFICATION FOR AN EXCEPTION TO FAIR OPPORTUNITY

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: 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 Governmentwide Acquisition Contract (GWAC), for International Business Machines (IBM) QRadar software maintenance renewals.
3. Description of Supplies or Services: The proposed action is for brand name IBM QRadar software maintenance renewals for 223 currently deployed IBM software licenses for VA, Office of Information and Technology, Service Delivery and Engineering, Enterprise Operations (EO). The IBM QRadar software consolidates log source event data from thousands of devices, endpoints, and applications distributed throughout the VA network and distinguish real security threats from false positives. The required IBM QRadar software maintenance consists of software upgrades and updates to include major releases, point releases, service releases, and security releases on a quarterly basis, and/or within 48 hours of when a high risk vulnerability fix becomes available. The software maintenance is required by VA to ensure its IBM QRadar software remains operational and can react to new security threats over time. This proposed action is for services only; no software will be renewed and/or procured. The period of performance is from October 1, 2017 through September 30, 2018. The total estimated price of the proposed action is [REDACTED]
4. Statutory Authority: The statutory authority permitting this exception to fair opportunity is Section 41 U.S.C 4106(c)(2) as implemented by Federal Acquisition Regulation (FAR) Section 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: Based on extensive market research, as described in paragraph 8 of this document, it was determined that limited competition is viable among authorized resellers for the brand name IBM QRadar software maintenance. The current EO infrastructure is based on existing IBM QRadar software and VA requires support compatible with the existing infrastructure protocols and functionality for continued operational availability. No other software maintenance is compatible with or interoperable with the existing IBM QRadar infrastructure. Only IBM or an authorized reseller can provide the necessary software maintenance as access to the IBM proprietary source code is required to develop and implement software updates. Access to this code is also required to

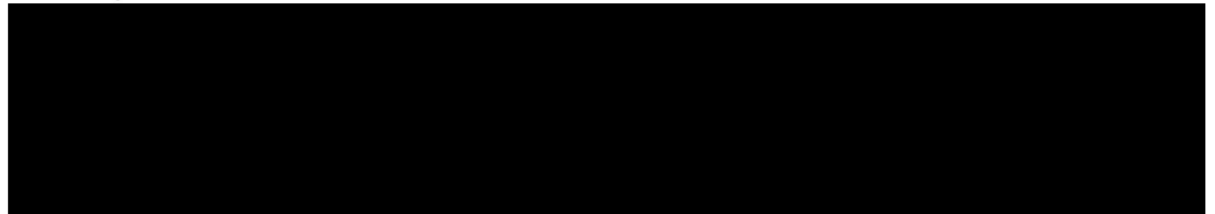
ensure all the services provided are properly configured. Acquisition of a different brand of software maintenance would require a completely separate non-IBM infrastructure to support the application, which substantially and unnecessarily multiplies costs in the form of new software licenses, associated maintenance, and training of VA staff to learn the new application. The IBM QRadar software maintenance is the only software maintenance available that meets the Government's current requirements. If the aforementioned software maintenance is not obtained, EO's datacenter and current infrastructure would not meet the mandatory Federal Information Security Management Act high security level to monitor and protect its systems. The lack of security monitoring and protection to EO systems compromises Veterans' personally identifiable information and ultimately Veteran care.

6. Efforts to Obtain Competition: Market research was conducted, details of which are in the market research paragraph 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 FAR 5.301 and 16.505(b)(2)(ii)(D), this action will be synopsisized and the justification will be made publicly available on the Federal Business Opportunities Page within 14 days of award of the order.
7. Actions to Increase Competition: The Government will continue to conduct market research to ascertain if there are changes in the marketplace that would enable future actions to be fully competed.
8. Market Research: QRadar is a commercially available off-the-shelf software license currently in use in EO. In May 2017, Government technical experts reviewed maintenance offered by similar software products to ascertain if these items could meet VA's requirements. Specifically, the Government's technical experts conducted web-based research on web sites for products such as FireEye Security and Malware protection, VSS Monitoring, and Imperva Web Application Security. As a result of the market research, the technical experts conclusively determined that these products cannot meet VA's requirements for maintenance on IBM QRadar software for the proprietary reasons explained above. Only IBM or IBM authorized resellers can meet VA's requirement. Additional market research conducted on NASA SEWP in September 2017 identified multiple IBM authorized resellers. The requirement discussed herein has been found to be within scope of NASA SEWP in a separate determination. As a result of the aforementioned market research, VA intends to issue Request for Quotation number VA118-17-Q-2394 on NASA SEWP.
9. Other Facts: N/A

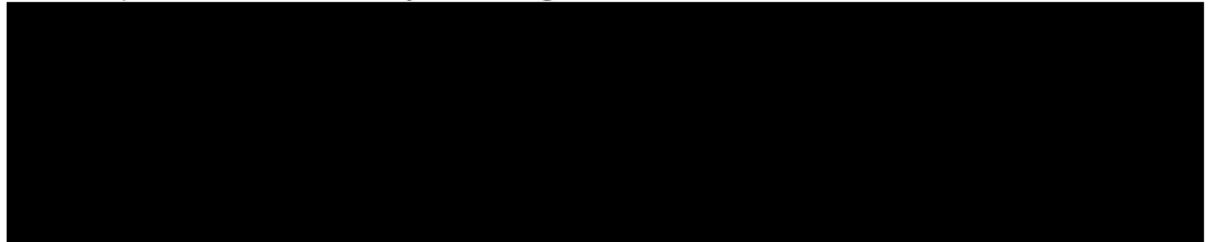
10. Technical and Requirements Certification: I certify that the supporting data under my cognizance, which are included in this justification, are accurate and complete to the best of my knowledge and belief.



11. Fair and Reasonable Cost Determination: I hereby determine that the anticipated price to the Government for this contract action will be fair and reasonable based on based on contracts awarded on NASA SEWP having already been determined to be fair and reasonable. Additionally, as there are multiple potential resellers on NASA SEWP, further price competition is anticipated. Finally, the proposed price will be compared to the Independent Government Cost Estimate.



12. Procuring Contracting Officer Certification: I certify that this justification is accurate and complete to the best of my knowledge and belief.



Approval

In my role as procuring activity Advocate for Competition, based on the foregoing justification, I hereby approve the acquisition of IBM QRadar software maintenance on an other than fair opportunity basis pursuant to the authority cited in paragraph 4 above, subject to availability of funds, and provided that the services herein described have otherwise been authorized for acquisition.

