JUSTIFICATION FOR AN EXCEPTION TO FAIR OPPORTUNITY

1. <u>Contracting Activity</u>: Department of Veterans Affairs (VA) Office of Acquisition Operations Technology Acquisition Center 23 Christopher Way Eatontown, New Jersey 07724

2. <u>Description of Action</u>: The proposed action is for a firm-fixed-price task order issued under the National Aeronautics and Space Administration (NASA) Solutions for Enterprise-Wide Procurement (SEWP) V Governmentwide Acquisition Contract (GWAC) for the procurement of brand name Network Appliance (NetApp) storage system hard drives, software and maintenance support.

3. Description of the Supplies or Services: VA Office of Information and Technology (OI&T), Enterprise Operations (EO), Quantico Information Technology Center (QITC) supports the National Cemetery Administration (NCA) programs and requires the procurement of NetApp storage system hard drives, software, and maintenance support. NetApp storage system hard drives and software (Flexclone and SnapRestore) will allow QITC to provide support to NCA by increasing performance and capacity while maintaining compatibility and interoperability with the existing infrastructure which consists of NetApp 2552 and 2554 storage controllers. The storage system hard drives augment the performance of the hardware by increasing the QITC data storage system read/write speeds, and overall system capacity, allowing EO to host additional virtual servers supporting various NCA programs. The Flexclone and SnapRestore software enable additional functional that is used in the support of data protection and disaster recovery operations. FlexClone's functionality allows QITC to rapidly clone data without taking up any space on the storage system unless a change to the data has to be written, at which time, it only writes the changes. This is used in testing scenarios with database recovery, and allows us to perform functional testing with QITC's existing VMware Site Recovery Manager (SRM) virtual machine disaster recover software. SnapRestore is required to perform actual disaster recovery operations and to rapidly recover large amounts of file share data, which would otherwise have to be recovered one file at a time, potentially consuming many hours of administration resources. In addition, the NetApp storage system provides an interchangeable system to the current infrastructure to ensure flexibility and redundancy when storage hardware failures occur; and minimizes data losses during equipment failure, to the extent possible. The required maintenance support shall consist of any and all original equipment manufacturer-released software updates, patches, and versions for the NetApp storage system. Additionally, the support and maintenance shall also include access to approved support resources such as 24/7 access to helpdesk and technical support for the purposes of resolving problems, issues, and questions concerning the Flexclone and SnapRestore software. The period of performance includes delivery of required hardware/software within 30 days after contract award, followed by 12-months of software support.

4. <u>Statutory Authority</u>: The statutory authority permitting an exception to fair opportunity is 41 U.S.C. 4106(c)(2) as implemented by the Federal Acquisition Regulation (FAR) 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 paragraph 8 of this document, it was determined that limited competition is available for the NetApp storage system hard drives, software, and maintenance support. NetApp is the manufacturer of the NetApp storage hard drives and software that are currently being utilized by QITC. As such, only NetApp brand storage system hard drives and aforementioned software will be compatible and interoperable with the current infrastructure which is comprised of NetApp storage controllers. The existing NetApp hardware and software is proprietary to NetApp and due to the proprietary nature of the array hardware and software, only NetApp or its authorized resellers can interoperate with VA's existing NetApp infrastructure. Specifically, no other brand name storage system hard drives or software will communicate and function within the current infrastructure due to the aforementioned proprietary constraints. The additional storage system hard drives and software must be compatible and interoperate with the existing infrastructure in order to expand storage capacity and performance of the existing NetApp storage system as the Government is not replacing the entire current NetApp storage system. Use of non NetApp storage components would result in duplicative cost in excess of \$250,000.00 and time for VA staff to train and learn new storage system and to address any implementation issues. This cost estimate is based on previous efforts conducted by the VA and would not be recovered by competition of this effort. Additionally, only NetApp can provide the required maintenance support on its software as it is proprietary software product; therefore, only NetApp or its authorized resellers have the access to the proprietary data and source code necessary to maintain its software. Access to NetApp proprietary data and source code is required to provide the required maintenance on the NetApp software. This NetApp hardware, software and maintenance will be used to maintain the current environment already in place being managed by QITC. The continued support and maintenance of NetApp software is required to ensure that QITC is able to effectively and efficiently provide support to their internal and external customers. Failure to maintain the NetApp software may result in a patient safety incident where an information technology (IT) product or system produces erroneous results that go undetected and have a direct, negative impact on the life-safety of patients and risk to patient safety. Brand name NetApp maintenance is the only maintenance that meets the Government's requirements. Failure to procure the brand name storage system hard drives, software and maintenance support for the storage system would result in an unacceptable level of risk to VA's business function applications that are dependent on the services provided by the NetApp storage system. Finally, VA relies heavily on the data stored on the NetApp Storage Area Network for analysis of network performance of numerous production systems within the NCA programs. The procurement of the required NetApp storage system hard drives, software and maintenance support will facilitate the expansion of the existing NetApp system and ensure that the storage system remains operational without interruption.

6. <u>Efforts to Obtain Competition</u>: 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. There is no competition anticipated for this acquisition. Additionally, the proposed action will be synopsized on the Federal Business Opportunities Page in accordance with FAR 5.201. Any proposals that are received shall be evaluated.

7. <u>Actions to Increase Competition</u>: The Government will continue to conduct market research to ascertain if there are changes in the marketplace that would enable future actions to be competed. The Government has and will continue to conduct market research to see if any other product will be compatible with the existing NetApp 2552 and 2554 storage controllers.

8. <u>Market Research</u>: Market research was conducted in February 2017 by the Government's technical experts to ascertain the ability of any other source other than a NetApp reseller to provide the brand name NetApp hardware, software and maintenance support. The research consisted of reviewing storage system hard drives, software and maintenance support service plans on vendor's web sites such as Hewlett Packard and EMC. Upon review, it was determined that any other brand hard drives and software are not compatible or interoperable with the existing NetApp infrastructure. Additionally, NetApp confirmed that the storage array hardware and associated software are proprietary to NetApp. Thus, only NetApp, or its authorized resellers can access the proprietary source code in order to provide the required storage system hard drives, software and maintenance support. Unauthorized maintenance providers do not have access to the proprietary data on the existing NetApp components to be able to provide required maintenance trouble shooting updates, fixes, patches and upgrades.

9. Other Facts: None