

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 issued under the National Aeronautics and Space Administration (NASA) Solutions for Enterprise-Wide Procurement (SEWP) V Government Wide Acquisition Contract (GWAC) for brand name Sun-Oracle hardware and software maintenance coverage.

3. Description of Supplies or Services: VA, Office of Information and Technology (OI&T), Information Technology Operations and Services (ITOPS), Infrastructure Operations (IO) has a requirement for brand name Sun-Oracle hardware and software maintenance, and update support consisting of major product and technology releases for software, program updates, fixes and security alerts, general maintenance releases, functionality releases, documentation updates, and upgrade tools/scripts. The Sun-Oracle System is utilized throughout the VA and is critical for the VA payment system via secure communication encrypted channels. The Sun-Oracle System hardware and software maintenance coverage to be provided under the proposed effort will ensure that the system remains operational. The required hardware and software maintenance consists of repairs and/or replacement of Sun-Oracle equipment components to fully restore the system to operational in the event of a system failure. The software maintenance consist of access to technical experts, backed by industry leading online tools and knowledgebase resources, major product and technology releases for software, program updates, fixes and security alerts, general maintenance releases, functionality releases, documentation updates, upgrade tools/scripts, assistance with service requests 24 hours per day, 7 days a week, access to My Oracle Support, and non-technical customer service. The period of performance shall be October 1, 2017 through September 30, 2018.

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 market research, as described in section 8 of this justification, it was determined that limited competition is viable among authorized resellers for the brand name Sun-Oracle hardware and software maintenance, and update support. The current IO infrastructure is based on existing Sun- Oracle hardware and VA requires support compatible with the existing infrastructure protocols and functionality for continued operational availability. VA

requires hardware upgrades and updates to include major releases, point releases, service releases of applicable hardware on a quarterly basis, or within 48 hours in cases where a high risk vulnerability fix becomes available. Only Sun-Oracle or an authorized reseller can provide the necessary hardware and software maintenance coverage because of the propriety source code required to develop and implement hardware updates. Access to this code is also required to ensure all the services provided are properly configured. No other source is capable of providing the required hardware and software maintenance that meets VA's unique functional requirements. Also, no other brand name replacement hardware can meet VA's form, fit and functional requirements. Specifically, any other hardware will not communicate nor fit in the existing infrastructure due to Sun-Oracle's proprietary constraints within the existing platform. In addition, a prior implementation of Sun-Oracle hardware and software already exists in IO. In order to utilize any other source, the Government would be required to procure a new hardware and software solution. Additionally, re-purchase would result in significant down time of critical VA systems, impacting Veterans ability to receive care and resulting in duplicated costs that would not be recovered through competition. No other maintenance is compatible with or interoperable with the existing Sun-Oracle hardware and software. The brand name Sun-Oracle hardware and software maintenance is the only maintenance coverage that meets the Government's requirements.

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. It was determined, however, that limited competition is viable among authorized resellers for this required brand name hardware and software maintenance. In accordance with FAR 5.301 and 16.505(b)(2)(ii)(D), notice of award for this action will be synopsisized and this justification will be made publicly available on the Federal Business Opportunities Page within 14 days of award. In accordance with FAR 16.505(a)(4)(iii)(A), this justification will be posted with the request for quotation on the NASA SEWP V GWAC to notify interested parties.

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: The Government's technical experts conducted market research in April of 2017 to ascertain if any other sources could provide the required hardware and software maintenance. Specifically, the Government's technical experts conducted web-based research on web sites for other equipment manufacturers such as International Business Machines (IBM) and Hewlett Packard (HP). None of the hardware and software maintenance services offered by these companies can meet the Government's requirements as outlined in section five of this justification. In addition, IBM and HP's hardware and software cannot communicate with or through the existing Oracle proprietary source code. Based on the above, only Oracle System hardware and software maintenance meets all of the Government's requirements.

Additional market research was conducted in August 2017 by utilizing the NASA SEWP V Provider Lookup Tool to determine whether the brand name Sun-Oracle hardware and software maintenance is available from NASA SEWP V GWAC holders. This research revealed there are several resellers of the brand name Oracle hardware and software maintenance that hold current GWACs. Of the identified resellers, 19 are verified Service Disabled Veteran Owned Small Businesses. Therefore, limited competition among these vendors is anticipated.

9. Other Facts: None

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.

Lee Crowder
 Project Manager

Date: 9/8/2017
 Signature: Lee M Crowder
 265350

Digitally signed by Lee M Crowder 265350
 DN: dc=gov, dc=va, o=Internal,
 ou=people,
 0.9.2342.19200300.100.1.1=lee.crowder@gov, cn=Lee M Crowder 265350
 Date: 2017.09.08 10:34:50 -05'00'

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 anticipated price competition among NASA SEWP V GWAC holders for the required brand name Sun-Oracle hardware maintenance support. Additionally, NASA SEWP has already determined that the product prices on its GWAC are fair and reasonable. Finally, price analysis shall be conducted by comparing the successful quotation to the Independent Government Cost Estimate.

Debra G. Clayton
 Procuring Contracting Officer

Date: 9/12/17
 Signature: [Handwritten Signature]

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

Debra G. Clayton
 Procuring Contracting Officer

Date: 9/12/17
 Signature: [Handwritten Signature]