

LIMITED-SOURCES JUSTIFICATION

1. Contracting Activity: Department of Veterans Affairs (VA)
Office of Acquisition Operations
Technology Acquisition Center – Austin
1701 Director's Blvd, Suite 600
Austin, TX 78744

2. Description of Action: The proposed action is for a brand name 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).

3. Description of Supplies or Services: The Office of Information and Technology (OI&T), Enterprise System Engineering, Service Delivery and Engineering, requires 60 Fargo HDP5000 Personal Identification Verification (PIV) printers, with optional quantity Contract Line Item Numbers (CLIN) for 80 additional Fargo HDP5000 PIV Printers. The initial quantity of 60 units will be delivered directly to the more than two dozen locations throughout the Department of Veterans Affairs (VA) that most urgently need the printers, and the additional quantities of optional units will be delivered directly to VA Central Office where they will then be shipped accordingly. It has been determined that the Fargo HDP5000 PIV Printers must be procured in compliance with the Trade Agreements Act (TAA), and market research indicates that the TAA compliant versions of the Fargo HDP5000 PIV Printers are assembled only upon receipt of order. Therefore, all Fargo HDP5000 PIV Printers are to be delivered via next-day shipping as the units are built. [REDACTED]
[REDACTED]

4. Authority Cited: 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) 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: This is a brand name justification in accordance with 16.505(b)(2)(i)(b). Based on market research, as described in paragraph 8 of this justification, it was determined that limited competition is available for this procurement. The OI&T requires an identification card printer and necessary supplies that is approved and compatible with Homeland Security Presidential Directive-12 (HSPD-12) and Federal Bureau of Investigation (FBI) databases. Fargo brand is the only brand approved by HSPD-12 and the only brand of equipment that is interoperable with the FBI database used to validate the printed identification cards.

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 items. 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 ascertain if there are changes in the market place that would enable future actions to be competed.

8. Market Research: The Government's technical experts conducted market research in April 2018, to identify if other manufacturers provide similar identification card printers. While other manufacturers can provide similar equipment, only Fargo is approved by the HSPD-12 office. In order to connect to HSPD-12 and the FBI databases, VA must use equipment that is approved and compatible with existing HSPD-12 and FBI systems. As a result, VA can only purchase Fargo identification card printers. Based on the market research conducted by the Government's technical expert there are no other manufacturers that can meet the Government's requirement.

The Contract Specialist (CS) conducted market research in April 2018, by using the NASA SEWP V GWAC Market Research tool to determine what vendors are capable of meeting the requirement. Additionally, the CS issued a Request for Information (RFI) to all service-disabled Veteran-owned small businesses (SDVOSB) on NASA SEWP V GWAC. Based on this market research, the CS found the several SDVOSBs capable of meeting the full requirement. During the RFI, it was discovered that TAA-compliant printers were not kept in stock. TAA-compliant printers are only assembled once and order is placed, which results in a lead-time of approximately four weeks. The CS confirmed that this was not an issue limited to resellers in the NASA SEWP V GWAC by contacting a reseller on the General Services Administration contract. The GSA reseller confirmed that they would experience the same lead-time for the same reasons. Respondents to the RFI also noted that adequate stock on non-TAA compliant units existed, and they could deliver orders of these non-TAA compliant printers within a few days after receipt or order. The CS, along with VA's technical experts, investigated the possibility of accepting non-TAA compliant versions of the Fargo HDP5000 PIV Printers. After discovering that the non-TAA compliant versions of the devices were assembled in China, it was determined that the Fargo HDP5000 PIV Printers must be TAA compliant due to IT security protocol prohibiting the procurement of products largely manufactured in China.

9. Other Facts: None

Fargo HDP5000 PIV Printers

Control Number: TAC-18-50707

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.

[Redacted]

Date: 4/18/2018

Program Analyst

Signature: [Redacted] Digitally signed by Jose L. [Redacted]

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 because NASA SEWP GWAC prices have previously been determined fair and reasonable. Additionally, price competition is expected among authorized resellers for this action. Additional price analysis may be performed in accordance with FAR 15.404-1(b).

[Redacted]

Date: 4/18/18

Procuring Contracting Officer

Signature: [Redacted]

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

[Redacted]

Date: 4/18/18

Procuring Contracting Officer

Signature: [Redacted]