

## JUSTIFICATION FOR 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 the award of a firm-fixed price (FFP) task order under the National Aeronautics and Space Administration (NASA) Solutions for Enterprise-Wide Procurement (SEWP) V Governmentwide Acquisition Contract (GWAC) for Cisco brand name Voice over Internet Protocol (VoIP) phones, associated hardware, and software licenses.
3. Description of the Supplies or Services: VA, District 3 Midwest Territory 1, St Cloud Minnesota Health Care Systems (St. Cloud), Office of Information Technology (OIT) is wanting to secure Cisco hardware, licenses, and software encompassing Contact Center Express Agent Licenses (v.10.0 premium editions), UCS Server: C240 M4S2 TRC#1 (BE7M-M4-K9), CISCO ISR, FXS / FXO Modules, Voice T1 / E1 Modules, PVDM Modules; Cisco 6901 Phone (1 line); Cisco 8841 Color Phone (5 lines); Cisco 8841 Color Phone (5 lines), Cisco 88xx Series Side Card; Cisco 88xx Series Wall Mount Kit; Cisco 8831 Conference Phone Micphone; Variphy Insight; and VG350 (144 lines) to transition the current analog voice infrastructure to Cisco VoIP telephones, associated software, and licenses at the St Cloud, Minnesota main campus and three supported CBOCs in Brainerd, Montevideo, and Alexandra. The anticipated delivery is 30 days after the receipt of an order. The total estimated value of the proposed action is \$1,556,168.00.
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) 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 the market research, as described in section 8 of this justification, VA has determined that limited competition is viable among authorized resellers. The current Nortel voice system is at end of life cycle. VA, District 3 Midwest Territory 1, St Cloud Minnesota Health Care Systems currently owns and operates Cisco phones as a part of implementing the 2014 infrastructure VoIP enhancements. Because Cisco operates within its own proprietary constraints, no other brand name product can communicate with those items as required by VA. Routers, switches, licenses, and other identified equipment must be fully electronically, logically (software) and

physically (hardware) compatible with Cisco. Use of any other brand name product will result in interoperability issues and outage of the entire VISN.

The current infrastructure is utilizing Cisco and some end of life Nortel products; however, this environment has not been able to meet VA's interoperability, compatability, and operational requirements. Specifically, there have been numerous instances where the Nortel items failed to work with the Cisco infrastructure. For example, on March 12, 2018 the Nortel items failed to operate within the Cisco infrastructure resulting in a complete shutdown of the entire VISN voice system for an extended period causing hardship to both the individuals providing services and veterans seeking services from VAMCs within the district. Because St Cloud, Minnesota must communicate and share data with other sites within District 3 that are totally dependent on or are transitioning to Cisco items, use of any other brand would result in interoperability and combability issues thereby hindering service to veterans on a regional scale.

6. Efforts to Obtain Competition: Market research was conducted, details of which are in the market research section of this document. It was determined that limited competition is viable among authorized resellers for the required Cisco hardware and software licenses and associated maintenance. In accordance with FAR 5.301 and 16.505(b)(2)(ii)(D), the resultant delivery order 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. In addition, prior to exercising the option periods, VA will perform market research to ensure market conditions have not changed.

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: VA's technical personnel conducted market research in January 2018, to ascertain sources other than Cisco or Cisco authorized resellers' ability to provide the above-mentioned products. The research performed web searches of other similar, hardware and software from NetGear, TelcoSystems, Nokia, and NEC. Based on a review of these items, the Government's technical experts determined that none of these other brand can meet VA's interoperability and compatability requirments as outlined in Section 5 of this Justification. The technical experts confirmed that the brand name Cisco telephone system are the only products available that will accept the infrastructure code in the native format and syntax with VA VoIP existing infrastructure to ensure voice and data package transmission without performance degradation.

The Contract Specialist (CS) conducted market research in March 2018 by using the NASA SEWP V GWAC Market Research Tool and found 17 Service Disabled Veteran Owned Small Business (SDVOSB) NASA SEWP V GWAC holders under

Group B (2) SDVOSB that are registered as Authorized Resellers for both Cisco capable of meeting the full requirement.

9. Other Facts: The decision to transition the infrastructure to VoIP is in line with the Secretary's planned modernization intent to replace IT mission critical legacy systems and operations and maintenance of the Veterans Administration IT health delivery systems.

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.

Willie Mora

Date: March 29, 2018

Implementation Manager

Signature: Willie Mora

11. Determination of Best Value: I hereby determine that the anticipated price to the Government for this action will be fair and reasonable based on adequate price competition and discounts among NASA SEWP V GWAC holders who are resellers of the required brand name Cisco Infrastructure. NASA SEWP V GWAC holder catalog prices have already been determined to be fair and reasonable. Additionally, price analysis shall be conducted by comparing the proposed prices will be compared to the Independent Government Cost Estimate.

Lino Vera

Date: 3-29-2018

Procuring Contracting Officer

Signature: [Signature]

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

Lino Vera

Date: 3-29-2018

Procuring Contracting Officer

Signature: [Signature]

## Approval

In my role as procuring activity Advocate for Competition, based on the foregoing justification, I hereby approve the acquisition of Cisco brand Voice over Internet Protocol (VoIP) phones, associated hardware, and software licenses 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 property and services herein described have otherwise been authorized for acquisition.

Date: 3-30-18Signature: 

Ronald J. Bakay  
Advocate for Competition  
Technology Acquisition Center  
Office of Procurement, Acquisition, and  
Logistics