

## JUSTIFICATION FOR AN EXCEPTION TO FAIR OPPORTUNITY

1. Contracting Activity: Department of Veterans Affairs (VA)  
Office of Procurement Acquisition and Logistics  
Technology Acquisition Center (TAC)  
23 Christopher Way  
Eatontown, NJ 07724
2. Description of Action: The proposed action is for the award of a firm-fixed-price (FFP) delivery order under the National Aeronautics and Space Administration (NASA) Solutions for Enterprise-Wide Procurement (SEWP) V Governmentwide Acquisition Contract (GWAC) for brand name Cisco network switches, servers and other 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 requires Cisco Local Area Network and Wide Area Network (LAN/WAN) Switches (408) with associated hardware, cables (Multi-Type-634), Power over Ethernet servers (252), and software and Licenses to upgrade its existing Voice & Data infrastructure to a Voice Over Internet Protocol (VoIP) at the main St. Cloud campus VA Medical Center and its three Community Based Outpatient Clinics. Delivery is required 30 days after receipt of order. The estimated value of the proposed action is.
4. Statutory Authority: 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 market research, as described in section 8 of this document, it was determined that limited competition is available among authorized resellers for the required brand name Cisco VoIP network equipment. VA currently utilizes a limited amount of Nortel voice system equipment, however, it is at end of its life cycle. Outside of this limited Nortel equipment, the VA St. Cloud VAMC currently owns and operates Cisco phones and LAN/WAN VoIP infrastructure as a part of implementing the 2014 infrastructure VoIP enhancements. In order to upgrade the end of life Nortel equipment, all new equipment must be Cisco brand because Cisco operates within its own proprietary constraints. Therefore, no other brand name product can communicate with those items as required by VA. 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, compatibility, 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 compatibility issues thereby hindering service to veterans on a regional scale. Furthermore, as previously stated, the Cisco infrastructure was refreshed in 2014 and does not currently require another refresh, but the Nortel equipment is end of life and requires the refresh. If VA chose to refresh to any other brand LAN/WAN equipment, the entire infrastructure would have to be replaced, rather than just the subset of Nortel products.

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.

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 have conducted market research through April 2018 in an attempt to identify products other than Cisco brand LAN/WAN hardware and software that could interoperate with the St. Cloud VAMC's current VoIP infrastructure. The research included web searches of other similar hardware and software from Dell, Huawei, HPE Aruba Networks, EMC2, and Extreme Network. 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 compatibility requirements 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 without VA VoIP performance degradation.

The Contract Specialist 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) that are registered as Authorized Resellers for Cisco hardware capable of meeting the full requirement.

9. Other Facts: The TAC is currently executing a corresponding separate action to procure brand name Cisco VoIP phones. The anticipated award for VoIP phones is projected to be May 2018. Based on the Market Research detailed in paragraph 8, it was determined that it in order to increase competition among resellers, VA will

procure the network equipment separately from the VoIP phones to increase competition amongst SDVOSBs as more resellers could provide the LAN/WAN equipment under this effort. Combining the effort would result in further limited availability of competition for Cisco VoIP phones when combined with network equipment, as not all SDVOSBs are capable of providing both requirements.