

JUSTIFICATION FOR AN EXCEPTION TO FAIR OPPORTUNITY

1. Contracting Activity: Department of Veterans Affairs (VA)
Office of Procurement, Acquisitions, and Logistics
Technology Acquisition Center
1701 Directors Blvd
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 Governmentwide Acquisition Contract (GWAC) for International Business Machine, Inc. (IBM) Power System E850C servers and system software licenses.
3. Description of the Supplies or Services: VA requires five each IBM Power System E850C servers and the Operating System (OS) licenses. The servers host the DEV, ALPHA, BETA and Production BOSS (Burial Operations Support System) Database. VA is purchasing the OS (Operating System) license and not any other software. The BOSS application is for burial eligibility benefits, arranging burials, ordering headstone and markers, presidential certificate program, and burial flags. The BOSS application is primarily used by the VA scheduling office, funeral homes, all VA cemeteries, and also the grave location lookup. All servers are located at the QITC data center in Quantico VA, with one backup server located at a Continuous Operating Plan (COOP) site. The total estimated price of this proposed action is [REDACTED] including a base year and two 12 month option periods for software maintenance and account advocate OS software support.
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) 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 paragraph 8 of this justification, it was determined that limited competition is available for this procurement. The purpose of this acquisition is to replace brand name IBM p-series servers, and related items that are end-of-life (EOL), end-of-support (EOS) and to provide capability to better support the National Cemetery Administration (NCA) Memorial Benefits production data base and improve system security. The existing EOL/EOS equipment, and its replacement, must maintain interoperability with existing infrastructure at both the Quantico Information Technology Center (QITC) and the Continuous Operating Plan data centers. IBM servers are the platform used at both data centers.

This requirement is for servers that are compatible with IBMs p-series midrange servers currently in place and maintain interoperability with IBM's server operating system,

Advanced Interactive eXecutive (AIX). The entire QITC MEM environment which includes the Burial Operations Support System (BOSS), the Automated Monument Application System (AMAS) supports over 130 National Cemeteries and is currently running on IBM P-series. There are 11 p-series currently in use, 10 at QITC and 1 at the COOP site. The AIX operating system is IBM proprietary and no other Original Equipment Manufacturers' (OEM) are able to produce servers that use AIX. Use of any other brand name servers and software would not be able to communicate with the existing infrastructure that is not being renewed under this proposed action.

No other OEM servers or storage can meet the Government's requirements because they are not capable of running AIX. In addition, changing the current architecture would cost well over [REDACTED] in duplicated costs. The cost is a hardware estimate by taking the total tech refresh costs from Fiscal Year (FY)16 and FY17, adding in the current FY18 request. The cost is for a replacement of all 11 servers and storage area networks, which would represent the entire environment if using OEM servers. This would require the replacement of the entire infrastructure at two data centers including servers, chassis, storage, network switches, recertification of applications, new licenses, and maintenance. This would also take a few years to accomplish due to system testing, approvals and obtaining system certifications. In addition, this would also increase the risk of losing Veteran data. As a result, any servers/storage replaced with anything other than IBM would not be interoperable with the existing IBM infrastructure, currently in use at the two data centers, and would not meet the Government's needs. Thus, the use of the IBM brand is essential to meet 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. However, the undersigned VA technical representative determined that limited competition is available among authorized resellers for brand name IBM servers and license OS software. In accordance with FAR 16.505(a)(4)(iii)(A)(1), this justification will be provided with the solicitation to all appropriate NASA SEWP V GWAC holders. Furthermore, in accordance with FAR 5.301, 16.505(b)(2)(ii)(D), and 16.505(a)(4)(iii), the award notice for this action will be synopsisized on the Federal Business Opportunities website and this justification will be made publicly available within 14 days of award.

7. Actions to Increase Competition: The Government will continue to conduct market research to learn if there are changes in the marketplace that would enable future actions to be competed.

8. Market Research: Market research was conducted by VA technical experts intermittently from May 2017 to April 2018, by reviewing other similar server hardware and license OS software products to include those provided by Hewlett Packard and Sun. The market research was conducted by a review of industry websites, and discussions with third party contractors. Analysis of server and storage product offerings demonstrated other OEM's do not provide servers and storage that are technically compatible with the existing QITC IBM infrastructure.

The Contract Specialist (CS) conducted market research in June 2018 by using the SEWP Provider Lookup tool. Based on this market research, the CS found several resellers under SEWP capable of meeting the full requirement.

9. Other Facts: None.

