

## JUSTIFICATION FOR AN EXCEPTION TO FAIR OPPORTUNITY

1. Contracting Activity: Department of Veterans Affairs (VA)  
Office of Procurement, Acquisition and Logistics  
Technology Acquisition Center  
1701 Directors Blvd., Ste 600  
Austin, Texas 78744
2. Description of Action: This proposed action is for the award of a firm-fixed-price (FFP) delivery order issued under the National Aeronautics and Space Administration (NASA) Solutions for Enterprise-Wide Procurement (SEWP) V Governmentwide Acquisition Contract (GWAC) for the refresh of End of Life and End of Support Cisco network, routers, switches, cables, and internal components.
3. Description of the Supplies or Services: VA, Office of Information and Technology (OI&T), IT Operations and Services (ITOPS), Solution Delivery (SD) has a requirement to refresh End of Life and End of Support network equipment at multiple VA locations nationwide. This equipment consists of 9,662 Cisco Catalyst switches, cables and internal parts that make up the VA network infrastructure of Local Area Networks (LAN). Of the 9,662 Switches, 812 are to be acquired through the initial procurement with 8,850 to be acquired through optional tasks. Additional equipment consists of 35 Cisco Wide Area Network (WAN) Routers and interface cards. This equipment is used to interconnect and conduct networking traffic for virtually all computers and other information technology (IT) equipment components, Veterans Health Information Systems & Technology Architecture, (VistA), VistA Imaging Systems, desktop computers, voice, computer room servers, and lab equipment throughout VA. VA is dependent upon the networking infrastructure to more efficiently deliver health care and perform its business and mission of ensuring timely inpatient and outpatient medical care services, mental health benefits, disability benefits, education benefits, housing benefits, and memorial services to over nine million U.S. Veterans. Existing network equipment currently installed at 49 facilities for LAN, and 35 facilities for WAN, either has or is becoming obsolete and needs replacement to augment identical gear already on site. Failure to replace network equipment would result in a disruption of communications between networked IT systems. This, in turn, will impact and seriously compromise VA's ability to perform its mission. A brand name waiver was approved by the Director, OI&T, ITOPS, SD Infrastructure Engineering, for the use of Cisco brand name equipment on August 8, 2018. All warranties for Cisco equipment and licenses will be covered under VA's National Enterprise Service Agreement. The total period of performance for this action is 12 months, to include optional tasks for additional quantities that can be exercised within six months of contract award.
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 is determined that limited competition is viable among authorized resellers for the brand name Cisco products. VA OI&T ITOPS requires Cisco networking equipment at targeted facilities supported by End User Operations. The infrastructure in place requires augmentation that ensures compatibility and interoperability with the existing Cisco equipment. This effort will expand the existing Cisco hardware in production, which supports VA LAN and WAN applications. Presently-installed Cisco equipment at these locations supports thousands of network-dependent clinical, logistic, financial and administrative devices at over 80 locations; connecting all facets of delivering Veteran patient care at these locations, to include their remote clinics. The current infrastructure in place within VA is preexisting, and VA requires augmentation that ensures compatibility and interoperability with the existing Cisco equipment. Factors requiring the continued use of Cisco hardware include: the use of Cisco internetworking operating system (IOS) firmware code which ensures required communications protocols are available for local and agency-wide connectivity between all VA facilities; hardware that meets the unique VA baseline requirements for local and wide-area networking; continued efficiencies of VA's training and talent for maintaining Cisco hardware and operating code; continued leverage of VA's maintenance coverage of Cisco products through the Cisco Enterprise Support Agreement.

There is no equipment currently compatible and interoperable with existing facility Cisco networks. Only brand name Cisco can be used due to the proprietary nature of the Cisco IOS software. Specifically, the current software communicates through a source code that is based on Cisco proprietary data. Non-interoperable network equipment brings significant risk to medical centers delivering clinical services as providers, and administrative personnel would not have the data they need to provide patient care. Clinicians would not have electronic access to the patient's records, and clerical staff would not have electronic patient information to schedule appointments. As such, interoperability with existing newer Cisco equipment is required so that all VA facilities can provide medical, logistical and other administrative business data. Use of alternative equipment other than Cisco for this augmentation and refresh effort would result in extensive implementation delays and duplicated costs that would not be recovered through competition. Implementing a dual (hence possibly more than two in the future) network infrastructure at medical facilities would negatively impact patient care due to the added risk of additional unacceptable outages, including the extended downtime presented in determining root-cause between dueling support vendors. Impacts (both cost and human resources) of maintaining multiple network infrastructure plants will result in unacceptable delays and duplicative costs (largely associated with back-filling information collected during contingency plan data during outages) which could exceed millions of dollars. Excluding Personal Computer and server end points, the installed Cisco gear for these VA locations support more than 13,000 telecommunications devices; based on the assessed value of all equipment warranted under VA's Cisco Enterprise Support Agreement the duplicated costs associated with having to replace the existing Cisco infrastructure, in the event that non-Cisco equipment was procured, would result in the loss or rework of the current \$490 million VA investment. Replacing these Cisco switches and routers with another brand would

also cause issues due to interoperable communications with existing facility networks. Other brands will not work with VA's existing network infrastructure.

Using two separate brands would negatively impact medical care and administration of benefits due to communications dis-interoperability. Additional impacts of disassociated systems monitoring would greatly complicate sustaining a dual architecture and put VA back into a high-risk position. Having a multi-vendor environment would require duplicate maintenance and support efforts anywhere this multi-vendor environment existed. This holds true for the device's firmware. Duplicate firmware update monitoring and schedules would need to be maintained as well as duplicative firmware upgrading efforts. Network equipment needs to run Cisco IOS software to achieve full interoperability with existing VA network infrastructure. This impact's VA's ability to implement and maintain a workable baseline which presents security and business continuity risk for delivering health and benefits services. Therefore, for security and system stability, Cisco equipment and Cisco's IOS software is required.

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

8. Market Research: VA technical experts conducted market research in July 2018, which consisted of a review of similar products, including Hewlett Packard Enterprise/Aruba, Brocade, Juniper, and Avaya. While other networking hardware and software solutions from alternative manufacturers exist, they do not meet VA's requirements as outlined in Section 5 of this Justification because only Cisco, or an authorized reseller, has access to the current hardware and software that communicates through a source code based on Cisco proprietary data currently in place across the VA. In addition, VA technical experts regularly review industry trade publications and conduct internet research to ascertain if any other brand name equipment is available. As a result of the market research, it was determined that no other equipment was found to be compatible and interoperable with the existing Cisco networking system. Based on this market research, the VA technical experts have determined that only Cisco brand name equipment can meet all the VA's needs.

The Contract Specialist (CS) conducted market research in August 2018 by using the NASA SEWP V GWAC Provider Lookup tool as well as through the issuance of a Request for Information, number 97481, to determine what vendors are capable of meeting the requirement. Based on this market research, the CS found multiple Service-Disabled Veteran-Owned Small Businesses authorized resellers under SEWP V capable of meeting the full requirement.

9. Other Facts: None.