

JUSTIFICATION AND APPROVAL  
FOR AN EXCEPTION TO FAIR OPPORTUNITY

1. Contracting Activity: Department of Veterans Affairs (VA)  
Office of Acquisition Operations  
Technology Acquisition Center  
260 Industrial Way West  
Eatontown, New Jersey 07724
  
2. Description of Action: This proposed action is for a firm-fixed-price (FFP) Delivery Order (DO) issued under the National Aeronautics and Space Administration (NASA) Solutions for Enterprise-Wide Procurement (SEWP) IV Government-Wide Acquisition Contract (GWAC). Office of Information and Technology (OIT) has a requirement for the procurement of Hewlett-Packard (HP) Brand Name Integrated Lights-Out (iLO) advanced licenses to support the Tier 1 VistA Imaging Storage system at Bay Pines VA Medical Center (VAMC). The period of performance for the license as offered by HP is three years for 24x7 support and software updates.
  
3. Description of Supplies or Services: The proposed action is to acquire 18 approved HP brand name iLO advanced licenses with 24x7 support and software updates to support 18 HP servers at the Bay Pines VAMC VistA Imaging Storage System. The iLO is an embedded server management technology exclusive to HP. This unique server management system helps VA system administrators to simplify server setup, health monitoring and power, thermal control, and promote remote dynamic administration of HP servers at VA's data centers and remote locations. This process helps to significantly reduce costs associated with Region 3 Information Technology staff members travel and unplanned server downtime. The 24x7 support and updates service provides access to HP technical resources for assistance in resolving software implementation or operations problems that may arise. It also provides access to software updates and references manuals. The total estimated price of this proposed action is [REDACTED].
  
4. Statutory Authority: The statutory authority permitting an exception to fair opportunity is Section 41 U.S.C. 4106(c) 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: VA does not possess the proprietary data for the hardware and software that is critical to support the large and complex server configuration at Bay Pines VAMC and all supported entities are dependent on the use of existing HP hardware and software for VistA Imaging. VistA Imaging system stores images and ties them to the patient records which physicians and specialists must access to provide care. The Food and Drug Administration (FDA) has classified the VistA Imaging solution as an FDA Regulated medical device which requires approved hardware and software configurations. Failure to obtain the necessary iLO licenses for the current installed HP VistA Imaging system servers will



## HP iLO Software Licenses

at risk and greatly reduce the overall remote management and support of the servers. Furthermore, it will be detrimental to the Bay Pines VAMC VistA imaging system as server failures will result in incomplete medical records which directly affects clinical decision-making and patient care outcome.

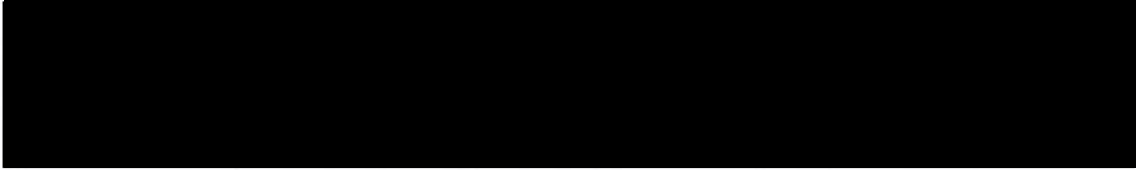
6. Efforts to Obtain Competition: Market research was conducted, details of which are in the market research section of this document. Limited competition is anticipated for this acquisition. Although VA is limiting competition as a result of specifying a unique and highly specialized brand name, there are multiple HP authorized resellers of the iLO licenses on the NASA SEWP IV GWAC. In accordance with FAR 5.301 and FAR 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 within 14 days after 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. The VistA Imaging Program office works with vendors that are interested in providing VistA Imaging Hardware in accordance with the FDA 510(K) regulated medical devices process.

8. Market Research: On November 06, 2012, VA awarded task order number VA118-13-F-0015 to HP for the installation and expansion of the Bay Pines VAMC VistA Imaging storage system. The task order consisted of various HP brand name hardware and software. This task order was completed on January 10, 2013. However, due to an oversight on the part of VA, 18 iLO software licenses were not included in aforementioned task order which are needed to ensure remote dynamic administration of HP servers at VA's data centers and remote locations. This situation has led VA to this procurement request in order to support the already installed HP brand name hardware at the Bay Pines VAMC. Furthermore, since completion of the aforementioned task order, no new technologies have come into the market place that could replace iLO software without interoperability issues with existing VA systems and the cost to replace the hardware and software previously procured would be in the millions and take months to complete. Additionally, on January 22, 2013, the Contract Specialist conducted a product search utilizing the NASA SEWP Product Verification tool. The search revealed that there are 12 authorized HP resellers of required products on Groups A, B, C, and D; one in Group A (HP), three in Group B, four in Group C, and four in Group D. Based on the above, the Government's technical experts have determined that only HP brand name software can meet VA's needs.

9. Other Facts: None.

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.



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 based on Contracts awarded on NASA SEWP IV GWAC have already been determined to be fair and reasonable. Furthermore, the successful quote will be compared to the Independent Government Cost Estimate.

James D. Cozzolino

Date:

James D. Cozzolino  
1/24/2013

Procuring Contracting Officer

Signature:

12. Procuring Contracting Officer Certification: I certify that this justification is accurate and complete to the best of my knowledge and belief. As this contract action does not exceed \$650,000, the certification below required by FAR 16.505(b)(2)(ii)(C)(1) serves as approval.

James D. Cozzolino

Date:

James D. Cozzolino  
1/24/2013

Procuring Contracting Officer

Signature: