

#### DEPARTMENT OF THE NAVY

NAVAL AIR WARFARE CENTER WEAPONS DIVISION

1 ADMINISTRATION CIRCLE
CHINA LAKE, CA 93555-6100

575 I AVENUE SUITE 1
POINT MUGU, CA 93042-5049

J&A Number: 21-0383

### LIMITED SOURCE JUSTIFICATION

### 1. Contracting Activity.

Naval Air Warfare Center Weapons Division (NAWCWD) China Lake, CA

### 2. Nature and/or Description of Action being Approved.

This limited source justification and approval authorizes the procurement of twelve Quad Xeon servers with the associated power distribution units, uninterruptible power supplies, and server rack enclosure. This purchase is intended to be a manufacturer sole source procurement to Supermicro and Tripp Lite with competition among authorized GSA schedule holders.

# 3. Description of the Supplies or Services Required to Meet the Agency's Needs (including the estimated value).

The items required for procurement are twelve Quad Xeon Servers with their associated power distribution units, uninterruptible power supplies, and server rack enclosure. The estimated value of this procurement is [Redacted].

4. Identification of the Justification Rationale (see FAR 8.405-6) and, if applicable, a Demonstration of the Proposed Contractor's Unique Qualifications to Provide the Required Supply or Service.

FAR 8.405-6(b), Items peculiar to one manufacturer.

As this order is required to expand on an existing capability, the hardware configuration is intended to be duplicated, to the greatest extent possible, to minimize the potential of incompatibilities and increase operational synchronization. There is no other source that would be able to duplicate this capability due to the unique, highly specialized nature of these systems. As this is an expansion of an existing capability, the initial Federal Supply Schedule (FSS) order was placed without the utilization of sole-source or limited-source procedures. The expansion requirement occurring today is consistent with the award provided on the initial FSS order. The initial FSS order attributed three server units [Redacted] with a follow on FSS order expanding with an additional six server units [Redacted]. This expansion FSS order provides an additional twelve server units [Redacted] which is consistent with previous purchases.

An identical purchase was placed previously under the applicable FSS ordering procedures as a follow on to an initial order. The initial FSS order was not previously issued under sole-source or limited sources procedures and was awarded to H. Co. Computer Products Inc. through open competition. The first expansion order was intended to expand the capability and the vendor was contacted to provide a two-times duplication of the original order with exact specifications. The vendor responded to the first expansion request but identified that the 480GB hard drives utilized

in the initial order were no longer available from the manufacturer and would need to be increased to 960GB hard drives.

This order is intended to be a four-time duplication of the original quantity with specifications matching the first expansion order.

## 5. Determination by the Ordering Activity Contracting Officer that the Order Represents the Best Value Consistent with FAR 8.405-4.

In accordance with FAR 8.404(d), by placing an order against a schedule contract, the ordering activity has concluded that the order represents the best value and results in the lowest overall cost alternative to meet the Government's needs. Additionally, if necessary, NAVAIR will seek additional discounts from the schedule holder before placing an order, as the order will exceed the simplified acquisition threshold, in accordance with 8.405-4.

## 6. A Description of the Market Research Conducted among Schedule Holders and the Results or a Statement of the Reason Market Research was not conducted.

Market research was performed under value comparison with Purchase Request #1300812909-0001. Purchase Request #1300812909-0001 was competitively bid and awarded to H. Co. Computer Products Inc. DBA ThinkCP Technologies. Market research is described as the existing award's cost, as compared to this request, and resulted as fair and comparable. Purchase Request #1300863163 was sole sourced to H. Co. Computer Products Inc. as an expansion of existing system that market research showed was the only applicable expansion. Market research for the current system showed the same as previous, the expansion was the only available products that would be compatible, however updated market research shows that H. Co Computer Products is not the only authorized vendor of these products, they are available from other vendors as well.

### 7. Any other Facts Supporting the Justification.

As this is an expansion of an existing capability, the initial FSS order was placed without the utilization of sole-source or limited-source procedures. The expansion requirement occurring today is consistent with the award provided on the initial FSS order and on the first expansion order. The initial FSS order attributed three server units [Redacted], the first expansion order expanded with an additional six server units [Redacted], and this expansion order will expand by an additional twelve servers [Redacted].

8. A Statement of the Actions, if any, the Agency May Take to Remove or Overcome any Barriers that Preclude the Agency from Meeting the Requirements of FAR 8.405-1 and FAR 8.405-2 before any Subsequent Acquisition for the Supplies or Services is Made.

Currently Supermicro servers and Tripp Lite accessories are the only equipment available on the market that can meet the unique capability described within this justification. With that stated, we will continue to perform market research in all future requirements as to promote competition and address and changing requirements.