## JUSTIFICATION FOR AN EXCEPTION TO FAIR OPPORTUNITY

1. Contracting Activity: Department of Veterans Affairs (VA)

Office of Procurement, Acquisition, and Logistics

**Technology Acquisition Center** 

23 Christopher Way Eatontown, NJ 07724

- 2. <u>Description of Action</u>: This proposed action is for the award of a firm-fixed-price delivery order issued under the National Aeronautics and Space Administration (NASA) Solutions for Enterprise-Wide Procurement (SEWP) V Governmentwide Acquisition Contract (GWAC) for brand name Cisco switches, cables and internal parts and compatible media converters that make up the VA network Local Area Network (LAN) infrastructure.
- 3. Description of the Supplies or Services: The Department of Veterans Affairs (VA), Office of Information and Technology (OIT), Development, Security and Operations (DevSecOps) has a requirement for Cisco Catalyst, incidental hardware, compatible media converters, software maintenance including software updates and resolution of hardware defects to support National Activations/Acquisitions Projects. Specifically, DevSecOps requires brand name Cisco Catalyst 9300 48-port (C9300-48UN) switches, Cisco 9500 48-Port (C9500) switches, and associated peripherals and equipment to meet VA Network Requirements. The Cisco C9300-48UN and C9500 switches are required to provide connectivity for other networked devices in existing campus environments where this equipment has been previously deployed. This equipment will support End User Operations (EUO) Activations and Acquisitions Projects. Acquisitions are to cover expansions to existing equipment. This equipment is proprietary and utilizes the Cisco Stackwise and VSTACK technologies. Because of this, the only brand that is compatible with the equipment that exists on the VA campus environments are the aforementioned switches. All LAN Switches must be Federal Information Processing Standard 140-2 compliant per the National Institute of Science and technology standards for cryptography. VA personnel will install and configure the equipment; therefore, installation is not required by the Contractor. This order shall be comprised of a base that will include 1.500 Cisco C9300 devices, related equipment, as well as media converters. This order will also have an optional task for up to an additional 500 Cisco C9300 switches and related equipment. The delivery of equipment shall be within 180 days of receipt of delivery order. This action will have a 12-month ordering period for all optional ancillary equipment which will be delivered 180 days after optional task exercise. This brand name justification covers only a portion of the acquisition.
- 4. <u>Statutory Authority</u>: Pursuant to Federal Acquisition Regulation (FAR) 16.505(a)(4), the following brand name requirement is being justified and approved as an exception to fair opportunity under the statutory authority of Section 41 U.S.C. 4106(c)(2) as

implemented by the 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 Section 8 of this document, it is determined that limited competition is viable among authorized resellers for the brand name Cisco products. VA requires this equipment to ensure compatibility and interoperability with the existing Cisco equipment deployed in the VA enterprise. Existing LAN network equipment, currently installed at all facilities utilizes Cisco brand equipment. The current network infrastructure in placed throughout VA sites and facilities that utilizes only Cisco C9300-UN and C9500 brand networking switches and products. Specifically, the current system and software communicates through a source code that is based on Cisco proprietary data. Cisco has proprietary communication protocols and software which can only be used with other Cisco products. Because these protocols and software are proprietary, only this manufacturer can create a switch which will operate in the existing network infrastructure. This, in turn, would impact and significantly compromise VA's ability to perform its mission. Performance and risk to the network is also a factor in that the Cisco switches allow computers/networked equipment to talk to other computers/networked equipment. Non-proprietary Cisco equipment could cause inoperability issues among existing VA infrastructure and cause a total loss of data. Therefore, only Cisco or an authorized reseller can provide the necessary products required because of the incompatibility with other manufacturers. No other manufacturer can provide the required hardware that meets VA's unique interoperability requirements.

Based on the value of all equipment warranted under VA's Cisco's Enterprise Agreement and the duplicated costs associated with having to replace the existing Cisco infrastructure, in the event that non-Cisco equipment was procured, it would result in a duplicative cost of approximately \$200,000,000 across the VA to replace all other Cisco Switches, software and management architecture in the affected sites. This replacement would take an estimated timeframe of 12 to 18 months based on previous acquisition history. These duplicative costs would not be recouped through competition. 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 healthcare 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 all Veterans. Failure to use the Cisco switches proposed would result in a disruption of communications between networked IT systems due to the equipment incompatibility issues between different vendors.

If VA cannot procure the required switches detailed above, VA will not be able to provide connectivity to expanded facilities which in turn will stop VA from providing services throughout the expanded locations. This will negatively impact VA's ability to offer

comprehensive medical care to its Veterans.

- 6. Efforts to Obtain Competition: Market research was conducted, details of which are in Section 8 of this justification. It was determined that limited competition is viable among authorized resellers for the required brand name Cisco switches. The Cisco 9300-48UN and the 9500-48Y4C will meet the switch requirements. 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 synopsized on the Contracting Opportunities website and this justification will be made publicly available within 14 days of award.
- 7. <u>Actions to Increase Competition</u>: The Government will continue to conduct market research to ascertain if there are changes in the marketplace that would enable future actions to be competed.
- 8. Market Research: VA technical experts conducted market research in June of 2022, which consisted of a review of similar products to Cisco, including Aruba, Ruckus, Juniper, Arista. While other networking hardware and software solutions from alternative manufacturers exist, they do not meet VA's interoperability 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. Market research revealed that Cisco hardware is the only brand hardware that can be added to the VA's infrastructure without requiring the duplicative cost and time as outlined in Section 5 of this justification.

Further market research was conducted by the Contract Specialist in August 2022 utilizing the Provider Look Up Tool on the NASA SEWP V GWAC website. A search was conducted using the keyword "Cisco" and the results identified 133 contract holders that are resellers of the brand name Cisco. Of these 133 resellers, 23 were verified Service-Disabled Veteran-Owned Small Businesses (SDVOSB). Furthermore, NASA SEWP has a dynamic catalog where line items can be added based on customer requests provided that the required item or service is within the scope of the NASA SEWP V contract suite and therefore additional competition may be achieved.

Based on the results of the review set forth above, there is reasonable expectation that multiple resellers offer the items from both OEMs and therefore it is not anticipated that there will be an impact to competition. Therefore, given that there is a reasonable expectation of competition between at least two capable SDVOSBs, it has been determined by the Contracting Officer that the subject RFQ will be released as a SDVOSB set-aside under the existing NASA SEWP V contract vehicle, under NAICS code 541519. The VIP database will be utilized to verify the eligibility status of each offeror as a verified SDVOSB prior to evaluation of quotes.

9. Other Facts: None.

10. <u>Technical and Requirements Certification</u> : 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 anticipated limited competition. Additionally, NASA SEWP V has already determined the prices on contract to be fair and reasonable and more competitive pricing may result from competition. Finally, the successful quote will be compared with the Independent Government Cost Estimate
12. <u>Procuring Contracting Officer Certification</u> : I certify that this justification is accurate and complete to the best of my knowledge and belief.

## Approval

In my role as procuring activity Advocate for Competition, based on the foregoing justification, I hereby approve the acquisition of brand name Cisco hardware on an other than fair opportunity basis pursuant to the authority cited in Section 4 above, subject to availability of funds, and provided that the property herein described have otherwise been authorized for acquisition.

