

Justification and Approval

For

Limited Sources, Use of Multiple Award Schedule

1. Contracting Agency: Defense Human Resource Activity- Procurement Support Office
4800 Mark Center Drive, Alexandria, Virginia, 22350.

2. Authority Cited: 10 U.S.C.2304(c)(1), FAR 6.302-1 -- Only One Responsible Source and No Other Supplies or Services Will Satisfy Agency Requirements –BRAND NAME.

3. Description of Supplies and Services: The Defense Manpower Data Center (DMDC) requires repair services for the IBM System Storage DS8800 due to battery and voltage error messages. The existing maintenance expired on May 10, 2014 and has not required service.

4. Description of Action: A Firm fixed price contract is planned. FY15 Operating and Maintenance (O&M) funds are available in the total estimated amount of [REDACTED]

5. Reason for Authority Cited:

a. DMDC's mainframe consists of IBM Hardware; specifically the IBM System Storage DS8800 which was purchased on May 11, 2011 on contract H98210-11-F-0057 with three years of maintenance. The maintenance expired on May 10, 2014 and has not required service since then. The IBM System Storage DS8800 series provides DMDC with a scalable, resilient, high performance storage capability for mission critical workloads. Recently, the storage system began displaying Hardware Management Console errors indicating the system requires maintenance.

b. The equipment has not required maintenance since the previous contract. The Government does not intend to replace the current system but rather maintain. Replacing the current system would cost the Government approximately \$300,000. Only an IBM Certified service provider is authorized to service this to ensure that all of the components of the System Storage DS8800 work correctly with the other components it is connected to.

c. Market research determined that the required maintenance support is only available from IBM and their authorized resellers.

6. Effort to Obtain Competition: Until such time as the requirement changes or the IBM Hardware or the products become obsolete, this acquisition will continue to be limited to the manufacturer and any other authorized products resellers that may become available.

7. Effort to remove barriers to/increase competition: DMDC will continue to monitor the market place for competitive options to support the current hardware as well as to remain informed of changes in technology. When the products reach the end of life, the Government will consider ways to remove any barriers in the future requirement and thereby maximize competition.

8. Market Research: Market was conducted using the internet, GSA Schedule and NASA SEWP to identify potential vendors who were able to perform this task. IBM provided a budgetary estimate detailing the parts and labor required to resolve the error messages. Again, while there are multiple vendors who are identified as IBM resellers, not many are capable of performing this task.

One GSA Schedule 70 small business vendor was able to provide a budgetary quote for this service. No other small business vendors on the open market were found that could provide the service.

9. Interested Sources: CHE Consulting, IBM Corp

10. Other Factors: None