

JUSTIFICATION FOR AN EXCEPTION TO FAIR OPPORTUNITY

1. Identification of the agency and the contracting activity:

The Internal Revenue Service (IRS), User and Network Services (UNS), TIPSS-4 MBOSS

2. Nature and/or description of the action being approved:

Sole source 1-year task order award to Kilda Group, LLC. Under TIPSS IDIQ TIRNO-11-D-00061.

3.a A description of the supplies or services required to meet the agency's needs:

User and Network Services (UNS), Unified Communications (UC) Division requires a contractor to provide Program Management, Design, Development, Testing, Architecture, and Functional and Technical Operations and Maintenance Support Services for a number of key enterprise wide services within UNS. The period of performance– will be from 9/08/2016 to 9/07/2017. Employees of the Kilda Group currently perform the required services through Task Order 0002 issued against the IRS TIPSS-4 MBOSS BPA, TIRNO-11-D-00061. A description of the required functional areas of support is as follows:

SUB-TASK 1, Enterprise Electronic Fax (EEFax)

Provide design, development, test, deployment, training, updates, documentation, and operations and maintenance support for the EEFax system which includes interaction with the Biscom and Audiocodes proprietary software packages as well as many custom interfaces with IRS legacy systems. This support includes overall management and operations of the EEFax capability and includes the continuation, modification, updates, and deployment of many specific inflight initiatives.

SUB-TASK 2, Enterprise Fax Storage (EFS)

Provide design, development, test, deployment, documentation, operations and maintenance support, for the EFS system, which will be integrated within the Enterprise Document Management Platform (EDMP) infrastructure, and developed within the IRS Enterprise Architecture approved vendor software - currently the Documentum proprietary software packages. The EFS system will also be tightly integrated with the EEFax system. This effort continues and finalizes efforts started for the development of the business processes, custom interfaces with new and legacy systems, EDMP configuration and workflow development, test and deployment strategies.

SUB-TASK 3, Video Relay Service/OCS (VRS)

Provide ongoing development, deployment, training, technical and functional operations and maintenance support. This effort requires coordination with the VRS vendors to complete the integration of the communication services as well as the deployment of the next generation video phone. The effort will also include the updates of training, the respective IRM, Computer Operator Handbook (COH), other key Enterprise Life Cycle (ELC) documentation, which is in the process of being developed and updated, and the VRS SharePoint site.

SUB-TASK 4, Video Strategy to include Lync

Provide ongoing technical and programmatic support to complete and continue the Lync deployment. This includes close interaction with both the vendor as well as the various stakeholders to identify and correct any discrepancies and eventually the training and

JUSTIFICATION FOR AN EXCEPTION TO FAIR OPPORTUNITY

deployment support when Lync is rolled out to the enterprise. Conduct analysis of alternatives with the Microsoft team on next-generation communications solutions including Skype for Business and develop business case analysis to support alternatives / decision-making. This work is a continuation of a current effort and is critical to maintain schedule for deployment of the interim and final communication services.

SUB-TASK 5, UNS Support Services, Studies, Strategy Development, Technology Design, Implementation and Sustainment

This sub-task is for support of key UNS initiatives and broader IRS initiatives to advance the provision of tax payer services and to improve tax collection. This task is structured to cover a broad range of initiatives across the various development phases and Information Technology Infrastructure Library (ITIL) maturity levels including strategy, design, development, execution, studies, analysis and support. The ability to identify and field technology and processes that provide a high rate-of-return (ROI) in the form of increased performance and/or cost savings is paramount to the success of the IRS. The IRS requires the agility to rapidly identify opportunities and execute to bring key capabilities to meet emerging requirements.

3.b Estimated value:

4.a Identification of the exception to fair opportunity being used (Check the appropriate box that applies):

FAR 16.505(b)(2)(i)(A) – The agency need for the supplies or services is so urgent that providing a fair opportunity would result in unacceptable delays.

FAR 16.505(b)(2)(i)(B) – 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.

FAR 16.505(b)(2)(i)(C) – The order must be issued on a sole-source basis in the interest of economy and efficiency because it is a logical follow-on to an order already issued under the contract, provided that all awardees were given a fair opportunity to be considered for the original order

FAR 16.505(b)(2)(i)(D) – It is necessary to place an order to satisfy a minimum guarantee.

FAR 16.505(b)(2)(i)(E) – For orders exceeding the simplified acquisition threshold, a statute expressly authorizes or requires that the purchase be made from a specified source.

FAR 16.505(a)(4) – The requirement is for an item peculiar to one manufacturer.

4.b Supporting Rationale:

This support is required to manage and further implement a number of key initiatives that will improve current services and add new capabilities that will continue to avoid the additional expenditure of millions of dollars per year and it is critical to continue this support based on the very specific knowledge, experience and skillsets of the employees involved in the current effort and required for future efforts:

- Many proprietary Software and Hardware systems require specific subject matter expertise to develop, maintain, improve, update, and modify
- Many initiatives are in the middle of development and deployment that require access, training, and expert knowledge across a large number of proprietary systems to include MS Active Directory (AD), Convergence, Copier and Multifunction Devices (CMFD), MS Exchange, database integration, virtual servers and multiple interfaces and service accounts
- Government PMO staff has recently decreased and changed leadership, resulting upon the historical knowledge, technical and operational expertise of the Contractor PMO team due to their high level of technical and subject matter expertise

JUSTIFICATION FOR AN EXCEPTION TO FAIR OPPORTUNITY

- Many initiatives have been started and are in the middle of development and deployment; which would be greatly delayed or potentially not feasible if the Contractor PMO support team changed
- Many of the initiatives require months of studies and integration for an individual or new PMO support team to be minimally effective in operational support; as the system design knowledge and system access is required to understand the systems integration to resolve incidents and outages; understand ripple effects of modifications; and table reductions to evaluate system effectiveness.

The following projects are currently being supported by the incumbent team and are all in critical stages involving the development of new capabilities, deployment and upgrades. Re-staffing this effort would not just require new security clearances (90-120 days) but would require a level of expertise that may not exist in other vendors

EEFax: A complex, tightly integrated system to electronically delivers or transmit facsimiles. This system is tightly integrated between and amongst the telephone network, AD, OL5081, Exchange, virtual servers, Audiocodes technologies. The future intent is for integration with the EDMP environment. This is in the middle of several key upgrades and deployments that have all been started including the environment upgrade to MS2008 servers as well as the upgrades to the Biscom and AudioCode SW programs. The final large upgrade will be the integration of EEFax within the COE. Potential upgrades also include the integration of an encryption system between Exchange and the EEFax servers. The level of complexity and number of interactions cannot be successfully transitioned without significant delay.

EFS: Upon approval, this will be the continuation of earlier efforts to provide the integration and business operations of electronically flowing faxes amongst the EEFax, EDMP, Enterprise Storage, EDMP, and SW interfaces. This effort was started but not completed due to delays in funding the EDMP infrastructure. This also includes the analysis and development of business process workflows with several business partners. They have been integral in the development and testing of the EDMP's Dcoumentum proprietary software – Biscom interface as well as several telephony, storage (SAN) and conversion protocols that would need to be re-started. Having a new vendor continue, would cause a large delay that would severely delay development, implementation, and testing as well as reduce or remove the projected IRS Service savings of \$11M per year.

Lync: This is going through a high level of scrutiny and troubleshooting to stabilize the current Lync deployment and prepare for the upgrade to both the Lync backend and clients to two (2) new versions within the next twenty-four (24) to thirty-six (36) months. This effort is underway and would be highly impacted.

VRS: This is also going through a significant deployment and series of capability upgrades. The contractor has in-depth knowledge of the IRS team, customers, processes and SW systems. They are integral to the successful deployment of a new video phone and instrumental in the transition of ownership from AWSS to UNS for the operations of VRS.

Special Studies: The contractor has been very responsive to emergent needs across the UNS organizations. This level of performance and flexibility is unique among small and large businesses and is critical to quickly identify and field new cost savings and opportunities to improve performance.

JUSTIFICATION FOR AN EXCEPTION TO FAIR OPPORTUNITY

Failure to implement this task order for the required UNS services will result in:

1. EEFax will not be able to support current operation and maintenance of a system supporting over 50M faxes annually; resolution of enterprise system incidents impacting operations; and provide an extreme negative impact on IRS operations and taxpayer support
2. EFS deployment will be significantly delayed or stopped which will prevent a large savings opportunity projected at \$11M/year for just the pilot implementation. This would also delay the physical Fax Retirement - requiring additional funds and assets to support.
3. The Lync deployment will be significantly delayed and the next generation capability will not be evaluated and deployed on time resulting in costly upgrades to the communications infrastructure
4. A delay in VRS is likely to increase liability for the IRS in providing critical communication services to its Deaf and Hard of Hearing employees
5. Identification and fielding of new capabilities will not be fielded in a timely manner, which will cause an increase in operations costs and reduced performance.

5. A determination that the anticipated cost to the government will be fair and reasonable:

Labor rates for TIPSS-4 contractors have been established and determined fair and reasonable at the IDIQ contract level. Additional diligence will be taken by the Contracting Officer, which will include a comparison of proposed rates to historical rates and established GSA schedule rates. The proposed hours will be evaluated against the hours estimated by the Program Office in the Independent Government Cost Estimate (IGCE) to ensure the overall price is fair and reasonable.

6. Any other facts supporting this justification:

This requirement does not result from a lack of planning or the expiration of funds. The program office was aware of the requirement and submitted the request in a timely manner. The Period of Performance for the current IDIQ would have extended through 6/22/2018, however the estimate for the Task Order ceiling did not anticipate the high rate of usage and the ceiling is not sufficient to accommodate all requirements while a new competition progresses.

JUSTIFICATION FOR AN EXCEPTION TO FAIR OPPORTUNITY

7. A statement of the actions, if any, the Requiring Activity and Contracting Activity may take to remove or overcome any barriers that led to the exception to fair opportunity before any subsequent acquisition for the supplies and services is made:

The VDSS Branch Management has conducted a brief internal discussion to identify if any of the past UNS/ UC contractors would have the current operational, system knowledge, and current access to the systems to be effective upon contract award (i.e. no time is lost with a learning curve, background investigations, or obtaining access to IRS systems).

8. Certifications and Approvals:

8.a Program Office Certification (Requiring Activity). I hereby certify that any supporting information and data provided (e.g., the Government's minimum needs or requirements, or other rationale for the limited sources) and which form the basis for this justification for an exception to fair opportunity, are accurate and complete to the best of my knowledge and belief.

JUSTIFICATION FOR AN EXCEPTION TO FAIR OPPORTUNITY

Name: _____	Date: <u>7/8/2016</u>
Signature: <u>6H9CB</u> <small>Date: 2016.07.28 10:05:19 -05'00'</small>	
8.b Small Business Specialist Determination (Contracting Activity). I have reviewed this justification for an exception to fair opportunity, including any attached documentation, if applicable, and <input checked="" type="checkbox"/> concur / <input type="checkbox"/> do not concur with the findings.	
Name: _____	Date: <u>7/28/16</u>
Signature: <u>LLGLB</u> <small>Digitally signed by LLGLB Date: 2016.07.28 14:57:46 -04'00'</small>	
8.c Contracting Officer Certification and Approval. I certify this justification for an exception to fair opportunity is accurate and complete to the best of my knowledge and belief. Therefore, unless additional approvals are required as prescribed below, as the authorized contracting officer for this acquisition, I hereby approve the processing of this requirement based on the authority specified in 4.a above.	
Name: _____	Date: _____
<small>Digitally signed by 20YMB DN: cn=20YMB, email=Mary.Mudd@irs.gov Date: 2016.07.28 11:31:22 -04'00'</small>	
Signature: _____	
9. Additional Approvals (if applicable):	
9.a Advocate for Competition (if >\$700,000 and <=\$13.5 million) (Contracting Activity). I have reviewed this justification for an exception to fair opportunity and find it to be accurate and complete to the best of my knowledge and belief. Therefore, unless additional approvals are required as prescribed below, as the ordering activity's Advocate for competition, I hereby approve this justification based on the authority specified in 4.a above.	
Name: _____	Date: _____
Signature: <u>RT1KB</u> <small>Digitally signed by RT1KB Date: 2016.08.01 17:59:14 -04'00'</small>	
9.b Head of the Procuring Activity or Authorized Designee (if >\$13.5 million and <=\$68 million) (Contracting Activity). I have reviewed this justification for an exception to fair opportunity and find it to be accurate and complete to the best of my knowledge and belief. Therefore, unless additional approvals are required as prescribed below, as the head of the procuring activity or authorized designee, I hereby approve this justification based on the authority specified in 4.a above.	
Name: _____	Date: _____
Signature: _____	
9.c Senior Procurement Executive (if >\$68 million) (Contracting Activity). I have reviewed this justification for an exception to fair opportunity and find it to be accurate and complete to the best of my knowledge and belief. Therefore, as the senior procurement executive, I hereby approve this justification based on the authority specified in 4.a above.	
Name: _____	Date: _____
Signature: _____	