

JUSTIFICATION  
FOR AN EXCEPTION TO FAIR OPPORTUNITY

1. Contracting Activity: Department of Veterans Affairs (VA)  
Office of Acquisition Operations  
Technology Acquisition Center  
23 Christopher Way  
Eatontown, NJ 07724
  
2. Description of Action: The proposed action is for a firm fixed-price delivery order to be issued under the National Aeronautics and Space Administration (NASA) Solutions for Enterprise Wide Procurement (SEWP) V Government Wide Acquisition Contract (GWAC) for Splunk Enterprise Perpetual license and associated support services.
  
3. Description of the Supplies or Services: The proposed action is to provide Splunk Enterprise perpetual licenses; Splunk Enterprise Support; Splunk Professional Services Deployment; Splunk onsite training for system architects and users. Splunk Enterprise Support includes software upgrades, updates, and/or resolution of software bugs and fixes. Splunk Professional Services Deployment includes services for the stand-up and initialization of the platform will be completed. This will include the installation of needed hardware and software. This will be a new installation to include rack and stack of hardware; connection to the network, and installation of Red Hat Enterprise. Installation of Splunk Enterprise with 10GB per day indexing license. This will include the install of Indexers, Search Heads and Forwarders. Connections will be established to hosts and devices for data collection. Data verification within Splunk to ensure indexing of needed data. Basic reports, alerts, and monitoring will be completed to ensure the system is operating normally and all portions function. Splunk training will familiarize the user base community with formal training on the utilization of the software application and provide the system architects with the knowledge on how to configure the Splunk software in an enterprise environment. In addition, system architects will be able to create log event inputs, security event alerts, enterprise reports, data parsing and mining, system scripting and performance tuning. The licenses, professional deployment services, and training shall be completed with 60 days of award. Splunk Enterprise Support shall be valid for a period of 12-months from installation of the software. Three options for additional 12-months of support will be included. The total estimated value of the proposed action is \$ [REDACTED] (inclusive of options).
  
4. Statutory Authority: The statutory authority permitting an exception to fair opportunity is Section 41 U.S.C. 4106(c)(2) 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: Based on extensive market research, as described in paragraph 8 of this document, it was determined that limited competition is available for the aforementioned brand name item. Market research

conducted in June of 2016 by VA technical experts revealed Splunk to be the only stand-alone log management tool capable of meeting all of VA's requirements. Only Splunk can meet VA's functional requirements to include the following: index and store log data in a manner that will allow for the retrieval of logs based on keyword searches in less than one (1) minute; support up to 3,000 messages per second; perform a real-time search returning streaming search results from real-time data (all elements required to reduce unnecessary network activity/contribute to network latency); not be limited by event formats (works across and capable of seamlessly expanding with VA's heterogeneous environment); and alert system administrators to errors and alerts as they occur (via snmp, email, RSS, custom script). These functional capabilities allow the Government to effectively monitor the extremely large and expanding VA network consisting of numerous products that provide information in multiple formats thus ensuring VA's network remains protected. Utilization of any other brand name log management tool without these required functional capabilities will not allow VA to effectively manage, protect, and monitor the cyber and security posture of VA, thus putting VA's network at risk. Additionally, any other brand log management tool will require additional supporting infrastructure that includes hardware, correlation software, and/or additional storage capacity for the log files. Furthermore, Splunk software has already been deployed and tested in VA's environment, and meets all of VA's requirements.

Splunk Enterprise Support is required to ensure the software remains up-to-date. No other manufacturer can provide the software maintenance due its inability to access Splunk's proprietary source code. Without the aforementioned proprietary source code, no source other than Splunk can meet VA's needs.

Additionally, VA requires Splunk Professional Services Deployment and Splunk Training for the Splunk software licenses. Any source that provides the deployment and training services must possess extensive knowledge and the requisite certification from Splunk to perform these services.

6. Efforts to Obtain Competition: Market research was conducted, details of which are in the market research section of this document. This effort did not yield any additional sources that can meet the Government's requirements. It was determined however that limited competition is viable among authorized resellers for this brand name item. In accordance with FAR 5.301 and 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.

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.

8. Market Research: The Government's technical experts conducted market research in June of 2016 by reviewing the NASA SEWP V GWAC website. In addition, Gordon McKinley of Red River Computer Company was consulted in the research of available products. The other similar software reviewed included NetScout, Net Optics, and

OmniPeek. Specifically, the government's technical experts conducted web based research on the NetScout, Net Optics, and OmniPeek websites. This effort did not yield any additional sources that could meet the government's technical requirements. Based on reviews of these products, the Government's technical experts determined that none of these products can meet the Government's technical requirements previously discussed.

Further market research was conducted by VA technical experts in July of 2016 to identify sources capable of providing the aforementioned Splunk software licenses and associated services. Market research was conducted on the NASA SEWP V GWAC website using the product verification tool. The tool identified 54 resellers of Splunk products and services, demonstrating that limited competition exists amongst contract holders under NASA SEWP V GWAC.

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.

██████████.

Date: ██████████

ESL Sr. LAN Analyst

Signature: ██████████

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 as the NASA SEWP V GWAC prices have periously been determined fair and reasonable. Additionally, price competition is expected among authorized resellers for this action.

██████████

Date: ██████████

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 \$700,000, the certification below required by FAR 16.505(b)(2)(ii)(C)(1) serves as approval.

Kevin Monahan

Date: ██████████

Procuring Contracting Officer

Signature: ██████████