Mississippi Department of
Information Technology Services

3771 Eastwood Drive
Jackson, MS 39211-6381
Phone: 601-432-8000
Fax: 601-713-6380
www.its.ms.gov

Craig P. Orgeron, Ph.D., Executive Director

Notice of Intent to Certify Sole Source

To: Interested Parties

From: Craig P. Orgeron, Ph.D.

CC: ITS Project Number 42935

Date: September 6, 2016

Re: Sole Source Certification Number 3938 for IBM Support Services Representative (SSR) Technical Services Hours for the Mississippi Department of Information Technology Services (ITS)

Contact Name: Jill Chastant

Contact Phone Number: 601-432-8214

Contact E-mail Address: Jill.Chastant@its.ms.gov

Sole Source Certification Award Details

Regarding Information Technology Services (ITS) Sole Source Certification Number 3938 for IBM SSR Technical Services Hours for the Mississippi Department of Information Technology Services (ITS), please be advised that ITS intends to award the purchase of IBM SSR Technical Services Hours to IBM Corporation as the sole source provider of IBM SSR Technical Services Hours through September 30, 2017, in an amount not to exceed $11,250.00. For an explanation regarding Mississippi state law, policy and procedures for sole source procurements, refer to Attachment C: Sole Source Procurement Overview.

Sole Source Criteria

1. The product or services being purchased must perform a function for which no other product or source of services exist:

   IBM will provide SSR Technical Services for relocations and movement of equipment within the State Data Center. In the past, the hours have been used to move the IBM Mainframe and tape drives within the State Data Center and also to the Robert E. Lee Building. The customer's sole source certification request is included as Attachment A.

2. The purchaser must be able to show specific business objectives that can be met only through the unique product or services:

   For IBM equipment to be moved and remain under warranty, the move must be completed by an IBM certified technician and recertified after the move. The customer's sole source certification request is included as Attachment A.

Board Members - D. Shane Loper, Chairman • Rodney Pearson, Vice-Chairman • June Songy • J. Keith Van Camp • Thomas A. Wicker
Legislative Advisors - Senator Sampson Jackson, II • Representative Gary V. Staples

3. The product or services must be available only from the manufacturer and not through resellers who could submit competitive pricing for the product or services:

   IBM has certified that they are the sole source provider for these services. The Vendor's sole source certification letter is included as Attachment B.

4. Explain why the amount to be expended for the services is reasonable:

   IBM offers SSR hours to be used as needed, saving money as ITS only pays for the actual hours used.

5. Explain what your agency did to obtain the best possible price for the services:

   IBM offers two types of hourly rates for the SSR services. The Commercial rate, also known as standby services, has an hourly rate of $231.00 per hour. The ITS Data Center requested and received a discounted hourly rate of $225.00 per hour.

Schedule

Task	Date
First Advertisement Date	09/06/16
Second Advertisement Date	09/13/16
Response Deadline From Objectors	09/20/16, at 3:00 P.M. Central Time
Notice of Award/No Award Posted	Not before 09/21/16

Project Details

In 2013, ITS executed a Supplement to the Master Agreement with IBM Corporation to provide SSR Technical Services hours for IBM equipment relocation. Due to the growth of the business, ITS has determined a need to have a standing service contract with IBM for the relocation of equipment. For IBM equipment to be moved and remain under warranty, the move must be completed by an IBM certified technician. This project will add 50 hours to the Agreement and extend the Contract through September 30, 2017.

Submission Instructions and Format of Response from Objecting Parties

Interested parties who have reason to believe that the IBM SSR Technical Services Hours should not be certified as a sole source should provide information in the following format for the state to use in determining whether or not to proceed with awarding the Sole Source contract to IBM Corporation.

1.1 Interested Party Information

1.1.1 Contact Name, Phone Number and email address

1.1.2 Company Website URL, if applicable

1.2 Objection to Sole Source Certification

1.2.1 Interested parties must present specific objections to the Sole Source certification using the criteria listed above.

1.2.2 A statement regarding the Interested Party's capabilities as related to this Sole Source Certification Request.

1.3 Comments will be accepted at any time prior to Tuesday, September 20, 2016, at 3:00 p.m. (Central Time) to Jill Chastant at Jill.Chastant@its.ms.gov or at the Mississippi Department of Information Technology Services, 3771 Eastwood Drive, Jackson, Mississippi 39211. Responses may be delivered by hand, via regular mail, overnight delivery, e-mail or by fax. Fax number is (601) 713-6380. ITS WILL NOT BE RESPONSIBLE FOR DELAYS IN THE DELIVERY OF RESPONSES. It is solely the responsibility of the Interested Parties that responses reach ITS on time. Interested Parties may contact Jill Chastant to verify the receipt of their Responses. Responses received after the deadline will be rejected.

1.4 Interested Party responses should include the following information:

SUBMITTED IN RESPONSE TO
Sole Source Certification No. 3938-42935
Accepted until September 20, 2016 @ 3:00 p.m.,
ATTENTION: Jill Chastant

If you have any questions concerning the information above or if we can be of further assistance, please contact Jill Chastant at 601-432-8214 or via email at Jill.Chastant@its.ms.gov.

Attachment A: Customer Sole Source Certification Request
Attachment B: Vendor Correspondence
Attachment C: Sole Source Procurement Overview

Attachment A

ITS
mississippi department of
Information Technology Services

3771 Eastwood Drive
Jackson, Mississippi 39211
Phone 601-432-8000 Fax 601-713-6380

Sole Source Certification Request

Project Title: IBM SOW – Hourly services **Stimulus (ARRA) Funds?** Yes No X

Customer Contact Information

Agency/Public University: Mississippi Department of Information Technology Services **Address**: 3771 Ridgewood Road, Jackson, MS 39211	**Contact Person:** Lynn Templeton **Phone:** 601-432-8054 **Fax: 601-713-6380** **Email Address:** lynn.templeton@its.ms.gov
MAGIC Customer Number (only required from state agencies): **700000174 (ITS-Data Services)**	**Division/Dept:** **Handmail: X Yes ☐ No**

Project Summary ***Narrative Description of Project*** (include details of original acquisition if applicable): In 2013, ITS executed a Supplement to the Master Agreement with IBM Corporation to provide Technical Service hours for IBM equipment relocation. Due to the growth of the business, ITS Data Services has determined a need to have a standing service Contract with IBM for the relocation of equipment. For IBM equipment to be moved and remain under warranty, the move must be completed by an IBM certified technician. This project will add 50 hours to the Agreement and extend the Contract through September 30, 2017.

ITS Acquisition Approval (CP-1) should be effective through this date (Please allow time for all vendor invoices to be paid): 09/30/17

Cost Estimates *Fiscal Year*	*Costs*	Time Constraints Item Needed by: 08/31/16 Funds Expire: 09/30/17	Anticipated Lifecycle of Products/System (i.e. estimated years of effective use): 1 yr
2017	$11,250.00	**Discuss Funding** (e.g. how much of needed funding is definite; total project budget; any matching or other non-state funds) All funding is definite and will be from ITS funds.	
Total	**$11,250.00**		

Acquisition Details

Items Requested	Quantity	Description	Location(s)
SSR Technical Service Hours	50	Relocation services	ITS Eastwood Bldg B

Progress to Date: What has been done related to this project, including any communication with ITS staff (data/voice/procurement/other)? ITS received verification that this relocation services are still needed. A quote and sole source letter were received from the vendor, IBM Corporation.

Sole Source Certification Note: Certification must be renewed for each revision or continuation of previous Sole Source Approvals.

Specific business requirements to be met by the requested products or services:
For IBM equipment to be moved and remain under warranty, the move must be completed by an IBM certified technician and recertified after the move. In the past, the hours have been used to move the IBM Mainframe and tape drives within the State Data Center and also to the Robert E. Lee Building.

Explain why these products or services are the only ones that can meet your needs (include unique features/special functionality): IBM will provide SSR Technical Services for relocations and movement of equipment within the State Data Center.

Explain why the source is the only entity that can provide the products or services (Include other products/vendors researched or evaluated): IBM has certified that they are the sole source provider for these services.

Explain why the amount to be expended for the services is reasonable:
IBM offers SSR hours to be used as needed, saving money as ITS only pays for the actual hours used.

Explain what your agency did to obtain the best possible price for the services: IBM offers two types of hourly rates for the SSR services. The Commercial rate, also known as standby services, has an hourly rate of $231.00 per hour. The ITS Data Center requested and received a discounted hourly rate of $225.00 per hour.

Vendor's Certification of Sole Source attached: X Yes ☐ No **Vendor's proposal submitted: X Yes ☐ N**

MAGIC Vendor Code(s) Vendor must be in MAGIC before a CP-1 can be issued.

Place Order To	Remit To
Vendor Name: IBM Corp – Atlanta	**Vendor Name:** IBM Corp - Atlanta
Vendor Address: P. O. Box 534151 Atlanta, GA 30353-4151	**Vendor Address:** P. O. Box 534151 Atlanta, GA 30353-4151

By my signature, I certify that, to the best of my professional knowledge: the requested product or services are a sole source as outlined in the ITS Procurement Handbook, Rule 207.2:013-030 Procurement Types: Sole Source, and as outlined in Mississippi Code annotated Section 31-7-13. In addition, I acknowledge that there is a charge for ITS procurement services associated with this request which will be billed to the requestor by ITS and that my agency/public university is responsible for these charges/costs.

CRAIG P. ORGERON, PhD

Name (Agency Head or Public University CIO)/Title

Signature

Date 9/1/16

Attachment B

7100 Highlands Parkway
Smyrna, GA 30082

June 1, 2016

To the Attention of:

Lynn Templeton
Technology Consultant
Mississippi Department of Information Technology Services
3771 Eastwood Drive
Jackson, MS 39211
601-432-8045

Dear Lynn,

In reference to the IBM Corporation Hourly Services Contract for $11,250.00 to the State of Mississippi (Project # 42935), IBM is the sole source provider for these services. Let me know if you need anything else in regards to this matter.

Sincerely,

Patrick J. Walsh

Patrick "PJ" Walsh
IBM Corporation
Site & Facilities SPL – South East Region Senior Sales Specialist
Phone Number 770-863-2400
email: pjwalsh@us.ibm.com

Attachment C: Sole Source Procurement Overview

The acquisition of information technology for all state agencies and institutions of higher learning (IHLs) is within the scope of the ITS law, found in Mississippi Code Section 25-53-1, et seq., and the policies and procedures established in accordance with this statute, found in the ITS Procurement Handbook posted on the ITS website (www.its.ms.gov).

ITS enabling legislation requires that information technology hardware, software and services be acquired in a manner that insures the maximum of competition among all manufacturers and suppliers of such equipment and services. Accordingly, ITS promotes full and open competition through the issuance of open specifications and the objective evaluation of Interested Party proposals to determine the lowest and best offering to meet an agency's or public university's business requirements. True competition protects the integrity and credibility of purchasing in the public sector and is essential in providing best value and adequate contractual protection for the purchasing entity. In certain limited situations, information technology acquisitions may be sole-sourced.

ITS utilizes the provisions of Public Purchasing Law for Sole Source and Emergency procurements of information technology. Mississippi Public Purchasing Law (Mississippi Code Section 31-7-13) specifies that noncompetitive items available from one source only be exempted from bid requirements (sole-sourced). ITS statute, in Section 25-53-5 (p), permits ITS to utilize provisions in Public Purchasing Law or regulations, when applicable.

Per Public Purchasing law, acquisitions must meet the following criteria to be authorized as sole source:

1. The product or services being purchased must perform a function for which no other product or source of services exists,

2. The purchaser must be able to show specific business objectives that can be met only through the unique product or services, AND

3. The product or services must be available only from the manufacturer and NOT through resellers who could submit competitive pricing for the product or services. The vendor's correspondence regarding this criterion for this project is included as Attachment B.

By policy as documented in the ITS Procurement Handbook, acquisitions of IT services must include the following information to be authorized as sole source:

1. An explanation about why the amount to be expended is reasonable, and

2. An explanation regarding the efforts by the purchaser to obtain the best possible price.

For state agencies, approval of all technology purchases with a lifecycle cost of $5,000 or less, including sole source purchases, has been delegated to the agency. The ITS Procurement Limits Policies for Agencies (a section in the ITS Procurement Handbook) require a minimum of two competitive written bids or proposals for technology purchases with a lifecycle cost over $5,000 but not over $50,000 (not over $25,000 for projects funded by the American Recovery and Reinvestment Act). Since, for single source items, the procuring agency will be unable to obtain two written bids, ITS must certify all sole source acquisitions of information technology with a lifecycle cost greater than $5,000.

Institutions of Higher Learning (IHLs) or public universities have been delegated the authority to certify sole source procurements up to $250,000 lifecycle cost under the ITS Procurement Limits Policies for IHLs (a section in the ITS Procurement Handbook). For the certification of sole source procurements delegated to the CIOs at public universities, the public university must follow ITS' Sole Source Procedure, including advertisement of the intent to award as sole source. Institutions certifying a sole source purchase must ensure the criteria listed above are met and documented in writing by the institution and the Interested Party prior to certifying a product or service as sole source. Sole source documentation must be reviewed and approved by the IHL's CIO for any sole-source certification above $5,000. All sole source documentation should be retained in the public university's procurement file. Sole source requests above $250,000 lifecycle cost require ITS approval.

Attachment C: Sole Source Procurement Overview

Other than the delegations outlined above, all sole source technology procurements must be certified by ITS. The customer's Sole Source Certification Request for this project is included as Attachment A.

ITS thoroughly reviews Sole Source Certification Requests, determining if competing products and/or services exist. If so, ITS conducts a competitive procurement. If ITS' review confirms the sole source, then a Sole Source advertisement is issued, giving other Interested Parties an opportunity to identify competing products and/or services. Based upon the results of the Sole Source advertisement, ITS will either certify the request as a sole source or conduct a competitive procurement.