

Notice of Intent to Certify Sole Source

To: Interested Parties *CHA*
From: Craig P. Orgeron, Ph.D.
CC: ITS Project Number 45234
Date: August 6, 2019
Re: Sole Source Certification Number 4237 to provide the renewal of Earth Resources Data Analysis System (ERDAS) Imagine Educational Site License for the Mississippi Institutions of Higher Learning (IHL)
Contact Name: Alec Shedd
Contact Phone Number: 601-432-8162
Contact E-mail Address: Alec.Shedd@its.ms.gov

Sole Source Certification Award Details

Regarding Information Technology Services (ITS) Sole Source Certification Number 4237 for Earth Resources Data Analysis System (ERDAS) Imagine Educational Site License Renewal for the Mississippi Institutions of Higher Learning (IHL), please be advised that ITS intends to award Intergraph Corporation dba Hexagon Geospatial, as the sole source provider of Earth Resources Data Analysis System (ERDAS) Imagine Educational Site License Renewal through October 31, 2022, in an amount not to exceed \$300,000.00. 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:

ERDAS Imagine incorporates geospatial image processing and analysis, remote sensing, and GIS capabilities into a single powerful, convenient package. ERDAS can create 2D and 3D images, 3D flythrough movies, and cartographic-quality map compositions from geospatial data. ERDAS is also suitable for geometry processing and mosaic analysis. In Mosaic analysis, where multiple adjacent images are combined into a single seamless image for analysis, the software mainly focuses on mosaic-based geographical references and mosaic edges that are automatically calculated by different algorithms or lines drawn by users. Mosaic processing and analysis are aided by some of the various tools that are provided by ERDAS, including the Area of Interest (AOI) Tool Box, which allows for a bigger

choice of space for users when conducting analysis. 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:

The site license allows for the full use of Intergraph's software at all 8 universities and all 15 community colleges and junior colleges. Each Mississippi Research Consortium's (MRC) (Jackson State University, Mississippi State University, University of Mississippi, and University of Southern Mississippi) campus coordinator has the authority to copy and distribute the software as necessary on all computers at their university and all their assigned non-MRC Mississippi IHL sites. Use of the software is limited to educational and research purposes.

Under this acquisition, Intergraph will provide ERDAS software licenses to faculty, staff, and students as part of current and future curriculum, as well as use in research projects. These projects bring considerable funds into the universities, providing researches for departments and real-world experience to students. This acquisition includes: ERDAS Imagine Educational Core, GeoMedia Professional, Educational ESRI Extensions, IMAGINE Objective, IMAGINE SAR, Geospatial Server, ECW SDK, GeoMedia Objects, and IMAGINE Toolkit. The customer's sole source certification request is included as Attachment A.

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:

As the manufacturer of these products, Hexagon Geospatial is also the sole source for the procurement of consulting and training services for these software products as well as the sole source for their maintenance. There are no authorized resellers within the State of Mississippi for the IMAGINE, ESRI, ECWSDK (Educational, Subscription, or otherwise) software suites of products, training or their associated maintenance. The Vendor's sole source certification letter is included as Attachment B.

Schedule

Task	Date
First Advertisement Date	08/06/19
Second Advertisement Date	08/13/19
Response Deadline From Objectors	08/20/19 at 3:00 P.M. Central Time
Notice of Award/No Award Posted	Not before 08/21/19

Project Details

According to the Mississippi Institutions of Higher Learning (IHL), this software was originally purchased from the company that owns the software by IHL in 2004 without ITS involvement. Since 2004, IHL has continued to renew the Educational Site License without ITS involvement as IHL believed their procurement threshold was \$250,000.00 and not \$50,000.00 for state agencies. IHL is now seeking to certify this procurement as sole source and to renew the Educational Site License for 3 years. The total spend to date is \$1,500,000.00.

Submission Instructions and Format of Response from Objecting Parties

Interested parties who have reason to believe that the Earth Resources Data Analysis System (ERDAS) Imagine Educational Site License Renewal 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 Intergraph Corporation dba Hexagon Geospatial.

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, August 20, 2019, at 3:00 p.m. (Central Time) to Alec Shedd at Alec.Shedd@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 Alec Shedd 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. 4237-45234
Accepted until August 20, 2019 @ 3:00 p.m.,
ATTENTION: Alec Shedd**

If you have any questions concerning the information above or if we can be of further assistance, please contact Alec Shedd at 601-432-8162 or via email at Alec.Shedd@its.ms.gov.

Attachment A: Customer Sole Source Certification Request

Attachment B: Vendor Correspondence

Attachment C: Sole Source Procurement Overview

RECEIVED

Attachment A



10/29/2019

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

COMMISSIONER OFFICE

Sole Source Certification Request

Project Title: Hexagon Intergraph ERDAS		Stimulus (ARRA) Funds? Yes No <u>X</u>	
Customer Contact Information			
Agency/Public University: Institutions of Higher Learning Address: 3825 Ridgewood Road, Jackson, MS 39211		Contact Person: Phil Cumberland/Steve Walker Phone: 601-432-6315 Fax: 601-432-6990 Email Address: pcumberland@mississippi.edu & swalker@mississippi.edu	
MAGIC Customer Number (only required from state agencies): 50000000004-106		Division/Dept.: Handmail: <input type="checkbox"/> Yes <input type="checkbox"/> No	
Project Summary Narrative Description of Project (include details of original acquisition if applicable): The statewide geospatial site license program provides all public university and community college students, professors, and staff with access to the industry leading software used in the Geospatial Information Science and Technology (GIS & T) industry.			
ITS Acquisition Approval (CP-1) should be effective through this date (Please allow time for all vendor invoices to be paid)			
Cost Estimates Fiscal Year	Initial Costs	Ongoing Costs	Time Constraints Item Needed by: October 1, 2019 Funds Expire: June 30, 2020
FY20		\$100,000.00	Anticipated Lifecycle of Products/System (i.e. estimated years of effective use): 3 years Discuss Funding (e.g. how much of needed funding is definite; total project budget; any matching or other non state funds). During the previous Legislative session, Senate Bills 3014 and 3005 were passed and signed by the Governor to provide funding for FY20 geospatial site licenses
FY21		\$100,000.00	
FY22		\$100,000.00	
Total		\$300,000.00	
Acquisition Details			
Items Requested	Quantity	Description	Building Location(s)
License and Support	1	Statewide Geospatial Site License	Statewide universities and community colleges
Describe platform & infrastructure (connectivity, software/hardware platforms; utilization of State Data Center resources; mainframe, eGovernment portal, payment engine, document management, hosting). For equipment or hosting outside the State Data Center, attach justification:			
Progress to Date: What has been done related to this project, including any communication with ITS staff (data/voice/procurement/other)? None			
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: The site license allows for the full use of Intergraph's software at all 8 universities and all 15 community colleges and junior colleges. Each Mississippi Research Consortium's (MRC) (Jackson State University, Mississippi State University, University of Mississippi, and University of Southern Mississippi) campus coordinators has the authority to copy and distribute the software as necessary on all computers at their university and all their assigned non-MRC IHL sites. Use of the software is limited to educational and research purposes. Under this acquisition, Intergraph will provide ERDAS software licenses to faculty, staff, and students as part of current and future curriculum, as well as use in research projects. These projects bring considerable funds into the universities, providing researches for departments and real-world experience to students.			
Explain why these products or services are the only ones that can meet your needs (include unique features/special functionality): ERDAS Imagine incorporates geospatial image processing and analysis, remote sensing, and GIS capabilities into a single powerful, convenient package. ERDAS can create 2D and 3D images, 3D flythrough movies, and cartographic-quality map compositions from geospatial data. ERDAS is also suitable for geometry processing and mosaic analysis. In Mosaic analysis, where multiple adjacent images are combined into a single seamless image for analysis, the software mainly focuses on mosaic-based geographical references and mosaic edges that are automatically calculated by different algorithms or lines drawn by users. Mosaic processing and analysis are aided by some of the various tools that are provided by ERDAS, including the Area of Interest (AOI) Tool Box, which allows for a bigger choice of space for users when conducting analysis.			
Explain why the source is the only entity that can provide the products or services (Include other products/vendors researched or evaluated): As the manufacturer of these products, Hexagon Geospatial is also the sole source for the procurement of consulting and training services for these software products as well as the sole source for their maintenance. There are no authorized resellers within the State of Mississippi for the IMAGINE, ESRI, ECWSDK (Educational, Subscription, or otherwise) software suites of products, training or their associated maintenance.			
Vendor's Certification of Sole Source attached: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		Vendor's proposal submitted: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	

MAGIC Vendor Code(s) Vendor must be in MAGIC before a CP-I can be issued.	
Place Order To	Remit To
Vendor Name: Intergraph Corporation dba Hexagon Geospatial	Vendor Name: Intergraph Corporation d/b/a Hexagon Geospatial
Vendor Address: 305 Intergraph Way, Madison, AL 35758	Vendor Address: 305 Intergraph Way, Madison, AL 35758

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.

Marcus L. Thompson / Deputy Commissioner / CAO Marcus L. Thompson 7/30/19
Name (Agency Head or Public University CIO)/Title Signature Date



305 Intergraph Way
Madison, Alabama 35758
1+256.730.2000
www.hexagongeospatial.com

May 1, 2019

Steve Walker
Mississippi Institutions of Higher Learning
3825 Ridgewood Rd., Suite 717
Jackson, MS 39211

Subject: Sole Source Verification

Dear Mr. Walker:

Intergraph Corporation, doing business as Hexagon Geospatial with this letter confirms that it is the sole source provider of software maintenance (the annual renewal of support, including updates and upgrades) for all Hexagon Geospatial products listed in Quote # HG-2019-116791.

As the manufacturer of these products, Hexagon Geospatial is also the sole source for the procurement of consulting and training services for these software products as well as the sole source for their maintenance. There are no authorized resellers within the State of Mississippi for the IIMAGINE, ESRI, and ECWSDK (Educational, Subscription, or otherwise) software suites of products, training or their associated maintenance.

Please let me know if you have any questions.

Sincerely,

A handwritten signature in blue ink that reads "Rebecca Harris".

Rebecca Harris
Chief Financial Officer
Hexagon Geospatial
Becky.Harris@hexagon.com
www.hexagongeospatial.com

Attachment C

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.

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.