

David C. Johnson, Executive Director

Notice of Intent to Certify Sole Source

To: Interested Parties

From: David C. Johnson

CC: ITS Project Number 47262

Date: August 23, 2022

Re: Sole Source Certification Number 4492 to provide educational site license for the Mississippi Institutions of Higher Learning (IHL)

Contact Name: Roshunda Mitchell

Contact Phone Number: 601-432-8223

Contact E-mail Address: Roshunda.Mitchell@its.ms.gov

Sole Source Certification Award Details

Regarding Information Technology Services (ITS) Sole Source Certification Number 4492 for the Mississippi Institutions of Higher Learning (IHL), please be advised that ITS intends to award Intergraph Corporation d/b/a Hexagon Safety & Infrastructure (Hexagon) as the sole source provider of educational site license through October 31, 2025, in an amount not to exceed \$274,266.48. Please be advised that ITS will determine if additional licenses, enhancements, upgrades, and support are within scope during the certification period and may increase the spending authority accordingly. Should Hexagon change their name during this certification period, then ITS will determine if a recertification is necessary. For an explanation regarding Mississippi state law, policy and procedures for sole source procurements, refer to Attachment B: 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:

Earth Resources Data Analysis System (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) Toolbox, which allows for a bigger choice of space for users when conducting analysis.

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 Hexagon'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, Hexagon will provide ERDAS software licenses to faculty, staff, and students as part of current and future curricula, as well as use in research projects. These projects bring considerable funds into the universities, providing research for departments and real-world experience to students.

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:

Hexagon is the single and only source able to legally provide all of the licenses to the software identified in Quote 2022-89209. Software identified in the Quote is copyrighted software under the Copyright Act of 1976, 17 U.S.C. § 101 *et seq* and owned by Hexagon. Because the software is copyrighted by Hexagon is the only vendor legally authorized to provide the Hexagon software given it has not authorized any other vendor to resell such software to your agency within the United States. The Vendor's sole source certification letter is included as Attachment A.

Schedule

Task	Date
First Advertisement Date	08/23/22
Second Advertisement Date	08/30/22
Response Deadline From Objectors	09/07/22 at 3:00 P.M. Central Time
Notice of Award/No Award Posted	Not before 09/08/22

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. In August 2019, ITS issued Sole Source Certification number 4237 for the renewal of Earth Resources Data Analysis System (ERDAS) Imagine Educational Site License. IHL is seeking to certify this procurement as a sole source and to renew the Educational Site License for three years. The total spend to date is \$1,800,000.00.

Submission Instructions and Format of Response from Objecting Parties

Interested parties who have reason to believe that the educational site license 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 Hexagon.

- 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 Wednesday, September 7, 2022 at 3:00 p.m. (Central Time) to Roshunda Mitchell at <u>Roshunda.Mitchell@its.ms.gov</u> 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 Roshunda Mitchell 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. 4492-47262 Accepted until September 7, 2022 @ 3:00 p.m., ATTENTION: Roshunda Mitchell

If you have any questions concerning the information above or if we can be of further assistance, please contact Roshunda Mitchell at 601-432-8223 or via email at <u>Roshunda.Mitchell@its.ms.gov</u>.

Attachment A: Vendor Correspondence Attachment B: Sole Source Procurement Overview



Victor S. Vasile Hexagon Safety, Infrastructure & Geospatial 305 Intergraph Way Madison, Alabama 35758 t: 1.256.730.1516 victor.vasile@hexagon.com www.hexagonsafetyinfrastructure.com

August 11, 2022

Mississippi Institutions of Higher Learning Attn: Steve Walker Manager GIS Operations 3825 Ridgewood Road, Suite 717 Jackson, Mississippi 39211

Re: Single Source Certification

Dear Madam or Sir:

Pursuant to your request, Intergraph Corporation doing business as Hexagon Safety & Infrastructure ("Hexagon") is pleased to certify that Hexagon is the single and only source able to legally provide all of the licenses to the software identified in Quote 2022-89209. Software identified in the Quote is copyrighted software under the Copyright Act of 1976, 17 U.S.C. §§ 101 *et seq* and owned by Hexagon. Because the software is copyrighted Hexagon is the only vendor legally authorized to provide the Hexagon software given it has not authorized any other vendor to resell such software to your agency within the United States. Should you have any questions, or require additional information regarding this issue, please do not hesitate to contact me.

Sincerely asile

Regional Divisional Counsel Hexagon Safety, Infrastructure & Geospatial

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 A.

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.

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.