

Notice of Intent to Certify Sole Source

To: Interested Parties

From: David C. Johnson 

CC: ITS Project Number 48126

Date: June 4, 2024

Re: Sole Source Certification Number 4613 to provide a Risk Based Data Management System (RBDMS) Upgrade and Development Services for the Mississippi State Oil and Gas Board (MSOGB)

Contact Name: Matthew Livingston

Contact Phone Number: 601-432-8244

Contact E-mail Address: matthew.livingston@its.ms.gov

Sole Source Certification Award Details

Regarding Information Technology Services (ITS) Sole Source Certification Number 4613 for the Mississippi State Oil and Gas Board (MSOGB), please be advised that ITS intends to award Ground Water Protection Council (GWPC), as the sole source provider of a Risk Based Data Management System (RBDMS) Upgrade and Development Services through June 30, 2025, in an amount not to exceed \$0.00. If MSOGB opts to renew Risk Based Data Management System (RBDMS) Upgrade and Development Services, this sole source certification shall be valid through June 30, 2027. Please be advised that ITS will determine if additional enhancements, upgrades, or support are within scope during the certification period and may increase the spending authority accordingly. Should Ground Water Protection Council 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:

The MSOGB RBDMS requires upgrades that can only be provided by the Ground Water Protection Council. MSOGB needs the ability to assign roles to specific logins that are very granular with respect to who can login and then which company's data can be submitted as well as which hosted electronic forms a given user is able to submit. The logins will either be internal agency users or external company users. The upgraded electronic forms development and hosting (on-line forms framework) web site will accomplish those needs by reading security information directly out of the MSOGB

security database. Then forms will be developed to use data directly out of MSOGB's "live" RBDMS database. That data can be used to fill forms, drop-down menus or validate data entered. After data is validated and accepted, it will be imported into MSOGB's 2 "live" database. To maintain security, the importation is a two-step process, so extensive knowledge of the "live" database structure is essential.

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

The MSOGB Production Form (Form 9- 12-15-Z) is used for the monthly reporting per well per operator of produced oil, gas and/or water from Oil, Gas or CO2 wells, as well as the quantity of oil or gas sold or otherwise disposed of by each operator for each well. The MSOGB collects fees based upon those sold amounts, so it is crucial that all collected information be as correct as possible. That collected information is also used for environmental purposes. The collection, validation and possible importation of all of that information as well as the workflow associated with each step is extremely complicated and must work as expected to the MSOGB specifications. All data entered as well as fees calculated and collected must be subject to audit.

The MSOGB Injection Form (Form 14) is used for the monthly reporting per injection (disposal) well of injected fluids and information about them such as quantities that are injected into underground rock strata. The types of fluids, quantities, injection pressures, etc. are subject to review and are also subject to state and Federal (EPA) regulations. It is crucial that all collected information be as correct as possible. That collected information is also used for environmental purposes. The collection, validation and possible importation of all of that information as well as the workflow associated with each step is extremely complicated and must work as expected to the MSOGB specifications. All data must be subject to audit.

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 GWPC is the only vendor and the only organization authorized to develop, enhance, extend, or customize RBDMS and its associated components. The Vendor's sole source certification letter is included as Attachment A.

Schedule

Task	Date
First Advertisement Date	06/04/24
Second Advertisement Date	06/11/24
Response Deadline From Objectors	06/18/24 at 3:00 P.M. Central Time
Notice of Award/No Award Posted	Not before 06/19/24

Project Details

The Groundwater Protection Council (GWPC) was the original developer of a desktop program called the Risk Based Data Management System (RBDMS) for tracking Oil and Gas wells as well as other types of well information and an RBDMS database that was first deployed at the Mississippi Oil and Gas Board (MSOGB) in 1994. Through a GWPC sole-source contract an upgraded version of the RBDMS was deployed in 2010 for the MSOGB to track oil, gas, and other well types as well as data related to permitting, inspecting, and the risks associated with those wells. Since the initial deployment, the GWPC has developed additional modules for the MSOGB.

The GWPC has acquired, developed, and retained in-depth knowledge of our database and regulatory practices all along. Then in 2011, MSOGB had a need to capture payment information and generate fees based upon requested permits within the desktop program as well as submitted production information that was entered into the RBDMS database. There were also needed enhancements to the agencies' "Data Explorer" website. ITS issued Notice of Intent to Certify Sole Source 4503 for Risk Based Data Management System (RBDMS) Upgrade and Development Services on January 24, 2023, and received no objections. A Professional Services Agreement was executed on April 27, 2023. The total amount spent to date is \$717,243.90.

Submission Instructions and Format of Response from Objecting Parties

Interested parties who have reason to believe that the Risk Based Data Management System (RBDMS) Upgrade and Development Services 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 Ground Water Protection Council.

- 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, June 18, 2024 at 3:00 p.m. (Central Time) to Matthew Livingston at matthew.livingston@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 Matthew Livingston 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. 4613-48126
Accepted until June 18, 2024 @ 3:00 p.m.,
ATTENTION: Matthew Livingston**

If you have any questions concerning the information above or if we can be of further assistance, please contact Matthew Livingston at 601-432-8244 or via email at matthew.livingston@its.ms.gov.

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



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Dedicated to protecting our nation's ground water

March 4, 2024

Mississippi State Oil and Gas Board
500 Greymont Avenue, Suite E
Jackson, MS 39202

The Ground Water Protection Council (GWPC) requests that the Mississippi Department of Information Technology Services (ITS) consider a sole-source contract with the GWPC to upgrade the Mississippi State Oil and Gas Board's (MSOGB) current eForms program to the latest Risk Based Data Management System (RBDMS) Online Forms 3.0 program for development of electronic forms. The upgraded system will be used to host two newly developed online forms. The funding for upgrading the existing software will be provided through a grant from the U.S. Department of Energy.

Since 1995, GWPC has developed, extended, enhanced, and continuously maintained the Risk Based Data Management System (RBDMS), RBDMS database and associated programs for many state and tribal regulatory oil and gas agencies to manage their regulatory programs and analyze oil and gas data. GWPC is the only vendor and the only organization authorized to develop, enhance, extend, or customize RBDMS and its associated components.

Through a GWPC sole-source contract, the initial RBDMS Windows desktop application was deployed in 2010 for tracking oil, gas, and other well types as well as data related to permitting, inspecting, and the risks associated with those wells. Since the initial deployment, GWPC has developed additional modules for the MSOGB.

The additional modules developed included an eForms program and an electronic reporting system for both production and underground injection data. The MSOGB requested a proposal to upgrade the eForms program and develop the two new online forms as GWPC is the original developer of both applications and is uniquely suited to upgrade the existing software. This proposal includes developing the upgraded application base (RBDMS Online Forms 3.0) to meet advanced security requirements for internal and external users and complex data validation needs as well as developing two new online forms including functionality for submission via an Electronic Data Deliverable (EDD) which meets the agency need for reporting capabilities.

The upgraded application and online forms developed will leverage the MSOGB RBDMS database to both read and write data. Data will be stored in the RBDMS 3.0 Online Forms tables until validated for submission to the MSOGB RBDMS database for added security. The collection, validation, and workflow to handle the management of this data is extremely complex and must

meet MSOGB specifications. Complex security and validation functionality is a requirement as data submitted may result in auditing, fines being invoiced or additional follow-up at the state level, federal level, or both.

GWPC has a longstanding partnership with Mississippi and other state and tribal agencies to support their ability to manage oil and gas data using RBDMS products. RBDMS represents the national standard for governmental oil, gas, and underground injection data management. Through those partnerships RBDMS continues to evolve and meet the changing needs of Mississippi and the other agencies involved. Continued development of RBDMS has been supported and funded in part by the U.S. Department of Energy through several cooperative agreements and is the recipient of a DOE Energy 100 Award.

Sincerely

A handwritten signature in cursive script that reads "Dan Yates".

Dan Yates
Executive Director
The Ground Water Protection Council

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 \$75,000 (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.