

Notice of Intent to Certify Sole Source

To: Interested Parties

From: Dr. Craig P. Orgeron, CPM, Ph.D

CC: ITS Project Number 48260

Date: August 29, 2024

Re: Sole Source Certification Number 4634 to provide NeuraLog Software Licenses and Maintenance for the Mississippi Department of Environmental Quality (MDEQ)

Contact Name: Christopher Gooday

Contact Phone Number: 601-432-8037

Contact E-mail Address: Christopher.Gooday@its.ms.gov

Sole Source Certification Award Details

Regarding Information Technology Services (ITS) Sole Source Certification Number 4634 for the Mississippi Department of Environmental Quality (MDEQ) please be advised that ITS intends to award Neuralog L.P., as the sole source provider NeuraLog Software Licenses and Maintenance through September 30, 2027, in an amount not to exceed \$27,000.00. Please be advised that ITS will determine if additional licenses, enhancements, and maintenance are within scope during the certification period and may increase the spending authority accordingly. Should Neuralog L.P., 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 Neuralog software suite, developed and provided solely by Neuralog L.P., is the only scientific software suite that captures and analyzes subsurface geophysical data that will work with MDEQ's currently installed hardware. Neuralog's suite of scientific software captures and analyzes subsurface geophysical data derived from borehole drilling and logging activity. MDEQ requires their scanned data to be captured from the borehole log reports. The suite consists of NeuraLog, NeuraMap, NeuraSection, NeuraView, and NeuraDesktop.

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

This software is used for the scanning, digitizing, organizing, and storing of geologic data captured on paper over decades of borehole drilling and logging activity. The NeuraScanner along with the NeuraLog software works with the paper format, where the paper logs are usually 4 inches wide and may be several meters in length, to provide continuous scanning. The results of the scanning help geologists delineate and protect the state’s drinking water aquifers.

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:

Neuralog L.P. is the developer and sole provider of Neuralog hardware and software products in the USA. Neuralog L.P. is the direct seller of its products and maintenance services with no resellers, distributors, or other sales outlets in North America. The Vendor’s sole source certification letter is included as Attachment A.

Schedule

Task	Date
First Advertisement Date	08/29/2024
Second Advertisement Date	09/05/2024
Response Deadline From Objectors	09/13/2024 at 3:00 P.M. Central Time
Notice of Award/No Award Posted	Not before 09/14/2024

Project Details

Geologists at MDEQ must scan results from historical borehole log reports in order to delineate and protect fresh drinking water aquifers. The Neuralog suite of products has been used successfully at MDEQ for over 20 years, and the NeuraScanner, manufactured by Neuralog, is currently in use at MDEQ. This certification does not cover the maintenance of the NeuraScanner, only for Neuralog software.

ITS began issuing Notice of Intent to Certify Sole Source in 2018 for the NeuraLog software licenses and has not received any objections. A Software License and Maintenance Agreement for the software licenses and maintenance expires September 30, 2024. MDEQ has received approval from ITS to spend a total of \$93,258.96 since 2001.

Submission Instructions and Format of Response from Objecting Parties

Interested parties who have reason to believe that the NeuraLog Software Licenses and Maintenance 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 NeuraLog L.P.

- 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 Friday, September 13, 2024 at 3:00 p.m. (Central Time) to Christopher Gooday at christopher.gooday@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 Christopher Gooday 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. 4634-48260
Accepted until September 13, 2024 @ 3:00 p.m.,
ATTENTION: Christopher Gooday

If you have any questions concerning the information above or if we can be of further assistance, please contact Christopher Gooday at 601-432-8037 or via email at christopher.gooday@its.ms.gov.

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



Sole Source Justification – North America

08/06/2024

To Whom It May Concern,

Neuralog L.P., a limited partnership in the state of Texas, USA, having its registered office at:
 4800 Sugar Grove Boulevard, Suite 200
 Stafford, Texas 77477 USA

hereby states for the record that it is the developer and sole provider of Neuralog hardware and software geoscience products here in the USA. Neuralog L.P. is the direct seller of its products and maintenance services with no resellers, distributors or other sales outlets in North America. These products and maintenance services include, but are not limited to the following:

Products:

SW-LOG-PC	NeuraLog
SW-MAP-PC	NeuraMap
SW-SECT-PC	NeuraSection
SW-VIEW-PC	NeuraView
SW-VIEW5-PC	NeuraView 5 Pack
SW-NXDT-PC	Neuralog Desktop
HW-NSCAN	NeuraScanner
HW-NSCAN-TB1	NeuraScanner Turbo
HW-NZC2-115V	NeuraLaserColor II Log Printer
HW-NJ17-115V	NeuraJet17 Log Printer
HW-300X	300x Log Printer
HW-NZC3-120V	Z3 Log Pinter

Maintenance/Warranty:

MT-LOG-PC; MT-LOG-FLOAT-PC	NeuraLog Maintenance (PC or Network)
MT-MAP-PC; MT-MAP-FLOAT-PC	NeuraMap Maintenance (PC or Network)
MT-SECT-PC; MT-SECT-FLOAT-PC	NeuraSection Maintenance (PC or Network)
MT-VIEW-PC; MT-VIEW-FLOAT-PC	NeuraView Maintenance (PC or Network)
MT-VIEW5-PC	NeuraView 5 Pack Maintenance (Network)
MT-NXDT	Neuralog Desktop Maintenance (PC or Network)
MT-NSCAN-G; MT-NSCAN-P	NeuraScanner Gold or Platinum Warranty
MT-NZC-P	NeuraLaserColor Log Printer Warranty
MT-NZC2-P	NeuraLaserColor II Log Printer Warranty
MT-NJ17-D	NeuraJet17 Log Printer Warranty
MT-300X-P1-WL	300x Log Printer Warranty
MT-NZC3-P	Z3 Log Printer Warranty

Sincerely,

Lori Fernandez
 Director of Operations

Neuralog, LP

4800 Sugar Grove Boulevard, Suite 200

Stafford, Texas 77477 USA

Attachment B

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.