

Notice of Intent to Certify Sole Source

To: Interested Parties
From: Craig P. Orgeron, Ph.D. *CPO*
CC: ITS Project Number 40332
Date: July 14, 2015
Re: Sole Source Certification Number 3797 for Maintenance of AVAYA Telecommunications Equipment

Contact Name: Paula Conn

Contact Phone Number: 601-432-8046

Contact E-mail Address: Paula.Conn@its.ms.gov

Sole Source Certification Award Details

Regarding Information Technology Services (ITS) Sole Source Certification Number 3797 for AVAYA manufacturer maintenance for the State of Mississippi, please be advised that ITS intends to award maintenance of the AVAYA communication system to AVAYA, Inc. as the sole source provider of manufacturer maintenance. As additional equipment and software are procured, these items will be added to the AVAYA manufacturer maintenance agreement through December 31, 2017. 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:

The State of Mississippi has made a substantial investment in its AVAYA communication system deployed at various agencies and entities across the state. Further, the State of Mississippi has made the business decision to provide maintenance of this equipment and the associated software necessary for the system to function. 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:

Failure to maintain the existing communication system could result in a complete system shut down for voice communications in Mississippi state government. 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:

The system is installed throughout the State of Mississippi at state agencies, including institutions of higher learning, providing inoperability among the agencies. While ITS has pursued other options for providing maintenance via AVAYA resellers, due to the requirements of such a large system, only AVAYA directly can provide certain maintenance options and features not available with resellers. AVAYA has certified that in order to have the capability of Maintenance Service Permissions, to have 24-hour on-line remote monitoring, and Expert Analysis of the AVAYA Definity Communications Servers and associated adjuncts provided directly from AVAYA, a Service Agreement is required. In these situations, agreements can only be executed with AVAYA, Inc. The vendor's sole source certification letter is included as Attachment B.

Schedule

Task	Date
First Advertisement Date	7/14/15
Second Advertisement Date	7/21/15
Response Deadline From Objectors	7/28/15, at 3:00 P.M. Central Time
Notice of Award/No Award Posted	Not before 7/29/15

Project Details

Prior to the "break-up" of the Bell system in the late 1970s, the state of Mississippi procured a telecommunications system to serve the Capitol Complex in Jackson, Mississippi. After the divestiture in 1984, the telecommunications system was upgraded to the System 85. In 1991, the state issued Request for Proposal (RFP) No. 2031 for post-warranty maintenance of the system 85. From 1991 until 1994, the system was upgraded several times in order to maintain the most current software available.

In 1996, ITS evaluated the voice communications platform serving the Capitol Complex, which includes the metro-Jackson area. ITS issued an RFP to include the options of upgrading the existing AT&T (now AVAYA, Inc.) Definity Generic 2 platform or replacing the system in total. In August, 1996, the ITS Board, based upon the recommendation from staff, awarded to AT&T the upgrade of the system to the Definity Generic 3 Enhanced Communications System, making the AVAYA platform the standard for telecommunications equipment connected into the Capitol Complex. That upgrade was completed in April 1997. In August, 1998, the ITS Board approved the recommendation of Lucent Technologies (now AVAYA) as the lowest and best vendor to provide maintenance in response to RFP 3033.

RFP 3169 for AVAYA equipment and maintenance was issued in 2002, with a single response received. In 2006, after the issuance of several RFPs for maintenance, spanning several years, and with documentation from AVAYA, Inc., ITS deemed AVAYA manufacturer maintenance to be sole source.

In 2010, with an increasing number of AVAYA resellers, ITS decided to again issue an RFP for maintenance of the AVAYA communication platform, now implemented increasingly statewide. RFP No. 3611 was issued in September 2010 with responses due in December 2010. Due to the widespread deployment of the communication system, the RFP required that responding vendors (other than AVAYA) must be an AVAYA Platinum Partner. In addition to maintenance, the RFP included the ability to procure equipment and software as needed to keep the system current as well as to add locations. The RFP included the state's right to award to multiple vendors if deemed to be

in the best interest of the state. ITS received two responses from AVAYA Platinum Partners with one response being eliminated from consideration due to an exception to the state's right to award to multiple vendors. After evaluation of the remaining response, ITS realized that there were maintenance capabilities that AVAYA did not pass along even to its Platinum Partners. AVAYA has certified that in order to have the capability of Maintenance Service Permissions, to have 24-hour on-line remote monitoring, and Expert Analysis of the AVAYA Definity Communications Servers and associated adjuncts provided directly from AVAYA, a Service Agreement is required. In these situations, agreements can only be executed with AVAYA, Inc. Further, when evaluating the proposed costs, AVAYA provided more maintenance services for a lesser or equal price than the Platinum Partner.

As a result, ITS has made the business decision to support the equipment and software with AVAYA manufacturer maintenance for the AVAYA communication systems utilized throughout Mississippi state government.

Submission Instructions and Format of Response from Objecting Parties

Interested parties who have reason to believe that the manufacturer direct 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 Avaya, Inc.

- 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, July 28, 2015, at 3:00 p.m. (Central Time) to Paula Conn at Paula.Conn@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 Paula Conn 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. 3797-40332
Accepted until July 28, 2015 @ 3:00 p.m.,
ATTENTION: Paula Conn**

If you have any questions concerning the information above or if we can be of further assistance, please contact Paula Conn at 601-432-8046 or via email at Paula.Conn@its.ms.gov.

Attachment A: Customer Sole Source Certification Request

Attachment B: Vendor Correspondence

Attachment C: Sole Source Procurement Overview

Sole Source Certification Request

Project Title: AVAYA Manufacturer Maintenance		Stimulus (ARRA) Funds? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	
Customer Contact Information			
Agency/Public University: ITS Address: 3771 Eastwood Drive, Jackson, MS 39211		Contact Person: Dennis Bledsoe Phone: 601-432-8085 Fax: Email Address: Dennis.Bledsoe@its.ms.gov	
MAGIC Customer Number (only required from state agencies): 7000000180, C05		Division/Dept: Telecom Services Handmail: <input type="checkbox"/> Yes <input type="checkbox"/> No	
Project Summary Narrative Description of Project (include details of original acquisition if applicable): Manufacturer maintenance of the AVAYA communication system that serves state government agencies across the state.			
ITS Acquisition Approval (CP-1) should be effective through this date (Please allow time for all vendor invoices to be paid):			
Cost Estimates <i>Fiscal Year</i>	<i>Initial Costs</i>	<i>Ongoing Costs</i>	Time Constraints Item Needed by: July 1, 2015 Funds Expire: ongoing
FY16		\$894,000.00	Anticipated Lifecycle of Products/System (i.e. estimated years of effective use): 10 years Discuss Funding (e.g. how much of needed funding is definite; total project budget; any matching or other non-state funds) Ongoing operational funding is definite.
FY17		\$919,000.00	
Total		\$1,813,000.00	
Acquisition Details			
Items Requested	Quantity	Description	Building Location(s)
		Maintenance of AVAYA equipment	Various across the state
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: AVAYA Communication System is in place; manufacturer maintenance			
Progress to Date: What has been done related to this project, including any communication with ITS staff (data/voice/procurement/other)? Maintenance contract is in place with AVAYA.			
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 State of Mississippi has made a substantial investment in its AVAYA communication system deployed at various agencies and entities across the state. Further, the State of Mississippi has made the decision to provide maintenance of this equipment and the associated software necessary for the system to function.			
Explain why these products or services are the only ones that can meet your needs (include unique features/special functionality): Failure to maintain the existing communication system could result in a complete system shut down for voice communications in the state.			
Explain why the source is the only entity that can provide the products or services (Include other products/vendors researched or evaluated): The system is installed throughout the State of Mississippi at state agencies, including institutions of higher learning, providing inoperability among the agencies. While ITS has pursued other options for providing maintenance via AVAYA resellers, due to the requirements of such a large system, only AVAYA direct can provide certain maintenance options and features not available with resellers. AVAYA has certified that in order to have the capability of Maintenance Service Permissions, to have 24-hour on-line remote monitoring, and Expert Analysis of the AVAYA Definity Communications Servers and associated adjuncts provided directly from AVAYA, a Service Agreement is required. In these situations, agreements can only be executed with AVAYA, Inc. During its RFP process regarding maintenance, ITS found that with or without the abovementioned required maintenance options, the maintenance pricing from AVAYA was less than or equal to that offered by resellers who offered fewer maintenance options.			
Explain why the amount to be expended for the services is reasonable: N/A			
Explain what your agency did to obtain the best possible price for the services: N/A			
Vendor's Certification of Sole Source attached: <input type="checkbox"/> Yes <input type="checkbox"/> No		Vendor's proposal submitted: <input type="checkbox"/> Yes <input type="checkbox"/> No	
MAGIC Vendor Code(s) Vendor must be in MAGIC before a CP-1 can be issued. MAGIC contract number 8800000567			
Place Order To Vendor Name: AVAYA Communication Vendor Address:		Remit To Vendor Name: AVAYA Communication Vendor Address: 3100002078	

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, Ph.D., Executive Director
Name (Agency Head or Public University CIO)/Title

[Signature] 7/14/15
Signature Date

Attachment B



June 1, 2015

Craig P. Orgeron, Ph.D.
ITS
3771 Eastwood Drive
Jackson, MS 39211

RE: Avaya Sole Source for ITS Services.

Dear Dr. Orgeron,

In order to ensure that Avaya is providing ITS with the best possible service and to meet the needs of the agencies that you serve we are requesting your approval as the sole source provider for non-project related hourly services for Avaya systems supported by ITS and covered under your current software and hardware support agreements with Avaya.

The size and mission-critical nature of the ITS platform as the central facility for telephone services for state government entities require that Avaya Inc. be the direct provider of installation services, post-warranty maintenance, software support and upgrades for the ITS voice platform, including core switch, voice mail and applications.

For occasional hourly services related to the ITS Avaya platform, as defined above, Avaya Inc. should serve as the sole source provider of these services to ITS. This will allow ITS to expeditiously place service orders with Avaya at our current hourly rates.

Thank you for your consideration in this matter. Should you need any additional information please call me at 205.948.2333.

Sincerely,

A handwritten signature in black ink, reading "Mike Curington", is positioned below the "Sincerely," text.

Mike Curington
Named Account Manager
mikecur@avaya.com
205-948-2333

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.