

Notice of Intent to Certify Sole Source

To: Interested Parties
From: Craig P. Orgeron, Ph.D. *cmo*
CC: ITS Project Number 42351
Date: November 3, 2015
Re: Sole Source Certification Number 3842 for Wine & Spirits Order Fulfillment and Tracking (WSOFT) software maintenance and support for the Mississippi Department of Revenue (DOR)
Contact Name: Cerria Walker
Contact Phone Number: 601-432-8013
Contact E-mail Address: Cerria.Walker@its.ms.gov

Sole Source Certification Award Details

Regarding Information Technology Services (ITS) Sole Source Certification Number 3842 for Wine & Spirits Order Fulfillment and Tracking (WSOFT) software maintenance and support for the Mississippi Department of Revenue (DOR), please be advised that ITS intends to award the maintenance to Bastian Software Solutions, as the sole source provider through March 31, 2022, in an amount not to exceed \$123,020.00. 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:
DOR originally purchased and installed the Wine & Spirits Order Fulfillment and Tracking (WSOFT) software system from Contech/Forte Engineering in 2003 as a sole source. Bastian Software Solutions has acquired the WSOFT WCS Suite. Bastian Solutions provides integrated material handling systems reducing the total cost of order fulfillment and delivery cycle times for its customers; tremendous productivity gains and a quick return on investment are ensured. 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 current WSOFT software in place at the Alcohol and Beverage Control (ABC) Warehouse was custom designed to meet specific needs of DOR. The software provides integrated material handling systems reducing the total cost of order fulfillment and delivery cycle times for its customers. 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:

Bastian Software Solutions is the only entity authorized to support and make modifications to the WSOFT software suite. The vendor's sole source certification letter is included as Attachment B.

Schedule

Task	Date
First Advertisement Date	11/03/15
Second Advertisement Date	11/10/15
Response Deadline From Objectors	11/19/15, at 3:00 P.M. Central Time
Notice of Award/No Award Posted	Not before 11/20/15

Project Details

In 2003, DOR's ABC Warehouse acquired specialized equipment and software necessary for picking, shipping, and inventory control within the warehouse from Contech Systems. The software purchased, WCS Software known as "WSOFT" is not a mass produced piece of software, but rather a highly customized application specific to the ABC Warehouse. Forte Engineering wrote the WSOFT Software and Contech was the distributor and marketing vendor. Bastian Software Solutions recently acquired the WCS Software Suite. DOR has made a business decision to continue the maintenance of the WCS Software rather than replace the system. Since 2011, DOR has spent \$138,920.00 on the WSOFT software.

Submission Instructions and Format of Response from Objecting Parties

Interested parties who have reason to believe that the maintenance and support 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 Bastian Software Solutions.

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 Thursday, November 19, 2015, at 3:00 p.m. (Central Time) to Cerria Walker at cerria.walker@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 Cerria Walker 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. 3842-42351
Accepted until November 19, 2015 @ 3:00 p.m.,
ATTENTION: Cerria Walker**

If you have any questions concerning the information above or if we can be of further assistance, please contact Cerria Walker at 601-432-8013 or via email at cerria.walker@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: Contech Name Change		Stimulus (ARRA) Funds? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>												
Customer Contact Information														
Agency/Public University: Department of Revenue Address: 500 Clinton Center Drive Clinton, MS 39056		Contact Person: Jennifer Summerlin Phone: 601-923-7466 Fax: 601-923-7500 Email Address: Jennifer.Summerlin@dor.ms.gov												
MAGIC Customer Number (only required from state agencies): 7000000082		Division/Dept.: OIT Handmail: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No												
Project Summary Narrative Description of Project (include details of original acquisition if applicable): In 2003, DOR's Alcohol and Beverage Control (ABC) warehouse acquired specialized equipment and software necessary for picking, shipping and inventory control within the warehouse from the vendor Contech Systems. The software purchased, WCS Software known as "WSOFT" is not a mass-produced piece of software, but rather a highly customized application specific to the ABC warehouse. Since the initial implementation, the company formerly known as Contech has gone through several business acquisitions and the name has changed to Forte Engineering and most recently to Bastian Solutions. DOR now needs to change the vendor name on the original Sole Source Contract from Contech to Bastian Software Solutions.														
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>	Initial Costs	Ongoing Costs	Time Constraints Item Needed by: ASAP Funds Expire: 03/31/2022											
FY2016		\$123,020.00	Anticipated Lifecycle of Products/System (i.e. estimated years of effective use): 15 years Discuss Funding (e.g. how much of needed funding is definite; total project budget; any matching or other non-state funds) 100% General Fund											
Total														
Acquisition Details <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: center;">Items Requested</th> <th style="text-align: center;">Quantity</th> <th style="text-align: center;">Description</th> <th style="text-align: center;">Building Location(s)</th> </tr> </thead> <tbody> <tr> <td>Server Hardware & Setup</td> <td></td> <td>See associated CP1 20120244</td> <td>ABC Warehouse – Gluckstadt, MS</td> </tr> <tr> <td>WSOFT Software & Setup</td> <td></td> <td></td> <td>ABC Warehouse – Gluckstadt, MS</td> </tr> </tbody> </table>				Items Requested	Quantity	Description	Building Location(s)	Server Hardware & Setup		See associated CP1 20120244	ABC Warehouse – Gluckstadt, MS	WSOFT Software & Setup		
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Server Hardware & Setup		See associated CP1 20120244	ABC Warehouse – Gluckstadt, MS											
WSOFT Software & Setup			ABC Warehouse – Gluckstadt, MS											
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: The infrastructure for this project is outside of the State Data Center and is housed at the ABC Warehouse in Gluckstadt, MS where the actual inventory is located.														
Progress to Date: What has been done related to this project, including any communication with ITS staff (data/voice/procurement/other)? A procurement request has been submitted to ITS to change the vendor name from Contech to Bastian.														
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: DOR originally purchased and installed the Wine & Spirits Order Fulfillment and Tracking (WSOFT) software system from Contech/Forte Engineering in 2003 as a sole source. Bastian Software Solutions has acquired the WSOFT WCS Suite. Bastian Solutions provides integrated material handling systems reducing the total cost of order fulfillment and delivery cycle times for its customers; tremendous productivity gains and a quick return on investment are ensured.														
Explain why these products or services are the only ones that can meet your needs (include unique features/special functionality): The current WSOFT software in place at Alcohol and Beverage Control (ABC) warehouse was custom designed to meet specific needs of DOR. The software provides integrated material handling systems reducing the total cost of order fulfillment and delivery cycle times for its customers.														
Explain why the source is the only entity that can provide the products or services (Include other products/vendors researched or evaluated): Bastian Software Solutions is the only entity that can support or modify the existing software in use at ABC.														
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														

Attachment A

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-1 can be issued.			
Place Order To		Remit To	
Vendor Name: Bastian Software Solutions		Vendor Name: Bastian Software Solutions	
Vendor Address: 2031 Nelson Miller Parkway Louisville, KY 40233		Vendor Address: 2031 Nelson Miller Parkway Louisville, KY 40233	

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.

J. Ed Morgan/Commissioner
Name (Agency Head or Institution CIO) Title


Signature

10/22/15
Date



2031 Nelson Miller Parkway
Louisville, KY 40223 USA
Phone: (502) 266-9494
Fax: (502) 267-1886
Website: www.BastianSoftware.com

October 6, 2015

Jennifer Summerlin
Mississippi Department of Revenue
Office of Information Technology
Chief Information Officer

Jennifer,

Earlier this year, Bastian Solutions acquired Forte Engineering, Inc.

Forte Engineering wrote and installed the Wsoft WCS suite at the MSTC – ABC Distribution Center in Madison, MS. It was originally installed in 2003.

The WCS software suite is not a mass-produced piece of software, but rather a highly customized application for that specific warehouse. As such, Bastian Software Solutions is the only entity to support and modify the WCS software suite at the Madison warehouse. Bastian Software Solutions does not authorize any third party entity to sell, support, or modify this WCS software suite.

Regards,

A handwritten signature in black ink that reads "Bernie Victor".

Bernie Victor
Bastian Software Solutions
601 Second Street
La Salle, IL 61301
815-224-8300
815-252-2327 (mobile)

Indianapolis Indiana	Louisville Kentucky	Novi Michigan	Cincinnati Ohio	St. Louis Missouri	Bangalore India
Grand Rapids Michigan	Ft. Wayne Indiana	Evansville Indiana	Lexington Kentucky	Los Angeles California	Boca Raton Florida
Toronto Canada	Atlanta Georgia	Toledo Ohio	Sao Paulo Brazil	Sydney Australia	Riyadh Saudi Arabia

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.