Mississippi Department of Information Technology Services

3771 Eastwood Drive
Jackson, MS 39211-6381
Phone: 601-432-8000
Fax: 601-713-6380
www.its.ms.gov

Craig P. Orgeron, Ph.D., Executive Director

Notice of Intent to Certify Sole Source

To: Interested Parties

From: Craig P. Orgeron, Ph.D.

CC: ITS Project Number 42322

Date: November 4, 2015

Re: Sole Source Certification Number 3844 for Pitney Bowes Mailstream Plus Maintenance for the Mississippi Department of Employment Security (MDES)

Contact Name: Jill Chastant

Contact Phone Number: 601-432-8214

Contact E-mail Address: Jill.Chastant@its.ms.gov

Sole Source Certification Award Details

Regarding Information Technology Services (ITS) Sole Source Certification Number 3844 for Pitney Bowes Mailstream Plus Maintenance for the Mississippi Department of Employment Security (MDES), please be advised that ITS intends to award the maintenance to Pitney Bowes Software, Inc. (PBSI), as the sole source provider of Pitney Bowes Mailstream Plus Maintenance through November 30, 2017, in an amount not to exceed $80,177.00. 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:

   Mailstream Plus is a comprehensive system for computerized mail preparation. It presorts mailing lists according to USPS Regulations, allowing MDES to take advantage of the maximum postal discounts before printing reports. PBSI is the owner, developer and manufacturer of the source code to the software. No other vendor has end-user distribution rights to the source code. 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:

   Pitney Bowes Mailstream Plus presorts mailing lists according to the USPS Regulations and organizes outgoing mail. PBSI is the only vendor that has the ability and expertise to support the software for the purposes of maintenance services, including software updates, enhancements, bug fixes and standard

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Legislative Advisors - Senator Sampson Jackson, II • Representative Gary V. Staples

technical support issues. 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:

   Pitney Bowes has certified upgrades and maintenance can only be obtained from Pitney Bowes. 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

Mailstream Plus is a comprehensive system for computerized mail preparation. It presorts mailing lists according to USPS Regulations, allowing MDES to take advantage of the maximum postal discounts before printing reports. MailStreamPlus is used by MDES to sort correspondence based on the MailStreamPlus database. This database is updated regularly showing any updates to zip codes, such as the areas they are a part of, new post offices, closed post offices, etc. Maintenance through PSBI allows for software updates, enhancements, bug fixes and standard technical support issues. MDES has made a business decision to continue using this software.

In February 1988, a Master Agreement with Pitney Bowes was executed. At the time, MDES was not under ITS' purview. In November 2014 with MDES under ITS' purview, ITS executed an Amendment to a Supplemental Software Product Addendum executed by MDES. To date, the Pitney Bowes contract totals $289,039.00.

Submission Instructions and Format of Response from Objecting Parties

Interested parties who have reason to believe that the 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 Pitney Bowes Software, 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 Thursday, November 19, 2015, at 3:00 p.m. (Central Time) to Jill Chastant at Jill.Chastant@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 Jill Chastant 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. 3844-42322
Accepted until November 19, 2015 @ 3:00 p.m.,
ATTENTION: Jill Chastant

If you have any questions concerning the information above or if we can be of further assistance, please contact Jill Chastant at 601-432-8214 or via email at Jill.Chastant@its.ms.gov.

Attachment A: Customer Sole Source Certification Request
Attachment B: Vendor Correspondence
Attachment C: Sole Source Procurement Overview

Attachment A

3771 Eastwood Drive
Jackson, Mississippi 39211
Phone 601-432-8000 Fax 601-713-6380

Sole Source Certification Request

Project Title: Pitney Bowes Mailstream Plus Maintenance **Stimulus (ARRA) Funds?** Yes__ No X

Customer Contact Information

Agency/Public University: Mississippi Department Employment Security **Address:** 1235 Echelon Parkway, Jackson, MS 39213	**Contact Person:** Deidra Turner **Phone:** 601-321-5497 **Fax:** **Email Address:** dturner@mdes.ms.gov
MAGIC Customer Number (only required from state agencies): 7000000191 (Employment Security – Business Management)	**Division/Dept:** **Handmail:** X Yes ☐ No

Project Summary ***Narrative Description of Project*** (include details of original acquisition if applicable):
Mailstream Plus is a comprehensive system for computerized mail preparation. It presorts mailing lists according to USPS Regulations, allowing MDES to take advantage of the maximum postal discounts before printing reports.

ITS Acquisition Approval (CP-1) should be effective through this date (Please allow time for all vendor invoices to be paid):

Cost Estimates *Fiscal Year*	*Initial Costs*	*Ongoing Costs*	**Time Constraints** Item Needed by: 11/25/15 Funds Expire:	**Anticipated Lifecycle of Products/System** (i.e. estimated years of effective use): 6 years
Maintenance Year 1		$39,302.00	**Discuss Funding** (e.g. how much of needed funding is definite; total project budget; any matching or other non-state funds)	
Maintenance Year 2		$40,875.00		
Total		**$80,177.00**		

Acquisition Details

Items Requested - Maintenance	Description
Mailstream Plus Maintenance	RED HAT: LINUX, 2 copies
Universal Addressing Module US Maintenance	RED HAT: LINUX, 2 copies
Universal Addressing Module US Database	RED HAT: LINUX, 2 copies
Universal Addressing Module Web US Comp Maintenance	RED HAT: LINUX, 2 copies
USPS Reference File Monthly	RED HAT: LINUX, 2 copies

Describe platform & infrastructure (connectivity; software/hardware platforms; utilization of State Data Center resources: mainframe, eGovernment portal, payment engine, document management, hosting). Software runs on Linux.

Progress to Date: What has been done related to this project, including any communication with ITS staff (data/voice/procurement/other)? Project request submitted. Obtained quote from Pitney Bowes.

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:
Pitney Bowes Mailstream Plus presorts mailing lists according to the USPS Regulations and organizes outgoing mail. PBSI is the only vendor that has the ability and expertise to support the software for the purposes of maintenance services, including Software updates, enhancements, bug fixes and standard technical support issues.

Explain why these products or services are the only ones that can meet your needs (include unique features/special functionality):
Mailstream Plus is a comprehensive system for computerized mail preparation. It presorts mailing lists according to USPS Regulations, allowing MDES to take advantage of the maximum postal discounts before printing the reports. PBSI is the owner, developer and manufacturer of the source code to the software. No other vendor has end-user distribution rights to the source code.

Explain why the source is the only entity that can provide the products or services (Include other products/vendors researched or evaluated): Maintenance for Pitney Bowes Mailstream Plus is only sold through Pitney Bowes.

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: X Yes ☐ No **Vendor's proposal submitted: X Yes ☐ No**

MAGIC Vendor Code(s) Vendor must be in MAGIC before a CP-1 can be issued.

Place Order To	**Remit To**
Vendor Name: Pitney Bowes Software Inc.	**Vendor Name:** Pitney Bowes Software Inc.
Vendor Address: P. O. Box 911304, Dallas, TX 75391	**Vendor Address:** P. O. Box 911304, Dallas, TX 75391

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.

Mark Henry
Name (Agency Head or Public University CIO)/Title
Executive Director

Mark Henry Nov. 2, 2015
Signature Date

Attachment B

Pitney Bowes
Software

August 21, 2015

Mississippi Department of Employment Security
Attn: Deidra Turner
1235 Echelon Pkwy
Jackson, MS 39213

SOLE SUPPLIER CERTIFICATION

This is to certify that the computer software program(s) identified below (the "Software"), are proprietary property of Pitney Bowes Software Inc. ("PBSI"). PBSI is the owner, developer, and manufacturer of the source code to the Software and has exclusive rights to distribute the Software or authorize resellers to distribute the Software on PBSI's behalf. No other vendor has end user distribution rights to the source code.

PBSI is the only vendor that has the ability and expertise to support the Software for the purposes of maintenance services, including Software updates, enhancement, bug fixes, and standard technical support issues. If subscription services are applicable, the subscription master file is manipulated by PBSI to operate with the proprietary nature of the Software.

Signature

Liz Dorner
Renewal Account Manager
PITNEY BOWES SOFTWARE INC.

4200 Parliament Place Suite 600 Lanham MD 20706-1844 Phone (301) 731-2300 Fax (301) 731-0360

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.