

State of Maine Waiver of Competitive Bidding Request Form

Form Instructions: Please provide the requested information in the white boxes below. This form is to precede all contract requests that are not the direct result of a competitive bid process.

Requesting Department's Contract Administrator:	Nick Zaharchuk/Jeff Jordan	Office/Division/Program of Contract Administrator:	DAFS/OIT/IBM Services
Est. Contract Amount:	\$48,348.00	Contract or RQS Number:	RQS 18B 20190503*1177
Proposed Start Date:	7/1/2019	Proposed End Date:	6/30/2020
Vendor/Provider Name, City, State:		INTERNATIONAL BUSINESS MACHINES CORP PO BOX 676673 Dallas, TX 75267-6673	
Short Description of Good or Service:		Hardware Maintenance services for IBM z114 Enterprise Server	
Please note, for transparency purposes, Waivers of Competitive Bidding will be publicly posted. Public postings are placed on the Division of Procurement Services website for a period of seven consecutive calendar days.		<p style="text-align: center;">To be completed by the Division of Procurement Services</p> <p style="text-align: center;">Posting dates on Division of <i>Procurement Services</i> website: From: <u>5/10/2019</u> To: <u>5/16/2019</u></p>	
Notice of Intent to Waive Competitive Bidding Number:		NOI# 0520190607	
1. Statutory Justification			
State of Maine statute (5 M.R.S. §1825-B(2)) allows waivers of competitive bidding only for the specific reasons listed below. Please mark the appropriate box (X) next to the justification which applies to this specific request.			
<input type="checkbox"/>	A. The procurement of goods or services by the State for county commissioners pursuant to Title 30-A, section 124, involves the expenditure of \$2,500 or less, and the interests of the State would best be served;		
<input type="checkbox"/>	B. The Director of the Bureau of General Services is authorized by the Governor, or the Governor's designee, to make purchases without competitive bidding because, in the opinion of the Governor or the Governor's designee, an emergency exists that requires the immediate procurement of goods or services;		
<i>If citing the above justification for this Waiver of Competitive Bidding request, please have the requesting Department's Commissioner or Chief Executive (as the Governor's "designee") sign and date on the right.</i>		<i>By signing below, I signify as the Governor's designee there is an emergency that necessitates this non-competitive procurement.</i>	
		Signature:	
		Printed Name:	Date:
<input checked="" type="checkbox"/>	C. After reasonable investigation by the Director of the Bureau of General Services, it appears that any required unit or item of supply, or brand of that unit or item, is procurable by the State from only one source;		

State of Maine Waiver of Competitive Bidding Request Form

	<p>D. It appears to be in the best interest of the State to negotiate for the procurement of petroleum products;</p>
	<p>E. The purchase is part of a cooperative project between the State and the University of Maine System, the Maine Community College System, the Maine Maritime Academy, or a private, nonprofit, regionally accredited institution of higher education with a main campus in this State involving:</p> <p>(1) An activity assisting a state agency and enhancing the ability of the university system, community college system, Maine Maritime Academy, or a private, nonprofit, regionally accredited institution of higher education with a main campus in this State to fulfill its mission of teaching, research, and public service;</p> <p>(2) A sharing of project responsibilities and, when appropriate, costs;</p> <p><i>If citing the above justification for this sole source request, please note that the specific approval of the Governor's Office is required, in accordance with Executive Order 26 FY 11/12, "An Order to Enhance Competitive Bidding". The approval must be documented on DAFS/BGS/Division of Procurement Services "GOVCOOP" form, found here: http://www.maine.gov/purchases/info/forms/govcoop.doc.</i></p>
	<p>F. The procurement of goods or services involves expenditures of \$10,000 or less, in which case the Director of the Bureau of General Services may accept oral proposals or bids;</p>
	<p>G. The procurement of goods or services involves expenditures of \$10,000 or less, and procurement from a single source is the most economical, effective and appropriate means of fulfilling a demonstrated need.</p>
	<p>If a different authorization specifically allows for this non-competitive procurement, please provide that reference here:</p>
<p>Please note that the following four points below (#2 through 5) <u>all</u> require a response.</p>	
<p>2. Description of Specific Need</p> <p>Please identify, and fully describe, the specific problem, requirement, or need the resulting non-competitive contract would address and which makes the goods or services necessary. Explain how the requesting Department determined that the goods or services are critical and/or essential to agency responsibilities or operations.</p>	
<p>This procurement is for hardware maintenance, parts, 24x7 on-site repair services, microcode updates and call-home support which is required to maintain the information technology equipment, (IBM Enterprise Server and attached data storage subsystem), on which the State of Maine Human Resources Payroll application runs on.</p> <p>The State of Maine's IBM Enterprise Server (mainframe) provides the Information Technology platform, or application hosting environment, for the State of Maine Office of the State Controller's Human Resources Payroll application, which is both critical and essential to the operation of Maine State Government.</p>	

State of Maine Waiver of Competitive Bidding Request Form

3. Availability of other Public Resources

Please explain how the requesting Department concluded that sufficient staffing, resources, or expertise is not available within the State of Maine's government, or other governmental entities (local, other state, or federal agencies) external to the requesting Department, which would be able to address the identified need more efficiently and effectively than the identified vendor.

There are no resources within Maine State Government, or local, other state, or federal agencies which provide hardware maintenance, parts, repair services, microcode updates and call-home support for IBM mainframes.

4. Cost

Since a waiver of competitive bidding is being requested for this procurement, please explain how the requesting Department concluded the negotiated costs, fees, or rates are **fair and reasonable**.

Costs are established by the vendor based upon equipment age and the availability of both parts and qualified service technicians.

The support agreement is billed quarterly. Services may be terminated early, with 30-days notice, and invoices are discontinued/reduced accordingly.

5. Future Competition

Please describe potential opportunities which may be available to foster competition for these goods or services in the future.

Should it be necessary, future replacement, or modernization, of existing IBM mainframe-hosted equipment will be competitively bid using the Request for Quote process, following the rules and procedures established by the State of Maine Division of Procurement Services in accordance with State of Maine Statutes related to the procurement of goods and services.

It is unlikely that a future replacement system will be required as the last remaining mainframe-hosted application is scheduled for replacement 1Q2020. It is expected that this equipment will be decommissioned sometime in 2020 and that no further procurements of this type of equipment will be made.

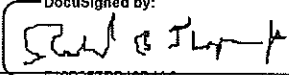
Please note that only one of the two points below ("Uniqueness" or "Timeframe") requires a response. Requesting Departments are not required to respond to both points.

6. Uniqueness

Please explain if the goods or services required are unique to a specific vendor. Describe the unique qualifications, abilities, and/or expertise of the vendor and how those particular unique factors address the specific need identified above. If the vendor has unique equipment, facilities, or proprietary data, also explain the necessity of these particular unique assets.

IBM Corporation designs, builds and markets IBM mainframes, optional mainframe components, and replacement parts. IBM Corporation designs and writes the proprietary microcode which is loaded on this technology equipment.

State of Maine Waiver of Competitive Bidding Request Form

7. Timeframe (Complete only if B. is the Statutory Justification marked on Page 1) Please explain if time is of the essence and an emergency exists which requires the immediate procurement of goods or services. Describe the nature of this emergency, provide the date by which the goods or services must be delivered, and explain how that date was determined and its significance (i.e. impact if delayed beyond this date). Also, provide information as to how it was determined this vendor is the best option to address this time-sensitive procurement.	
Signature of requesting Department's Commissioner or Chief Executive (or designee within the Commissioner's Office):	By signing below, I signify that my Department requests, and I approve of, this Waiver of Competitive Bidding.
Printed Name:	DocuSigned by:  <small>F10B257DB19B4AC...</small> Richard B. Thompson
Date:	5/8/2019

DocuSigned by:  5/7/2019
052B9AC7F56A489...