

## Sole Source Justification Form

Bulletin Reference Number

B-18633

Requesting Agency/University

DoIT

### Sole Source Justification Form - Part I

#### Section I - General Information

Department/Bureau/Section: DoIT/Infrastructure Services Division

Need Identified Date: Oct 20, 2020

Supply/Service Need By Date: Dec 28, 2020

Project Title: ESRI GIS FY21 JPMC - Products and Maintenance

Vendor: Environmental Systems Research Institute

Provide a description of the supplies or services required:

Establish an indefinite quantity JPMC with Environmental Systems Research Institute (ESRI) for purchase of their GIS related products and maintenance services including enterprise licensing option which can provide governmental units and non for profit entities the ability have unlimited licensing usage at reduced costs.

Value: Estimated

Value of Initial Term, this Change Order or Amendment: 4,000,000

Will this Sole Source amend a Professional or Artistic Services contract? ☐ Yes ☒ No

\*Sole Source may not be used for amendments for Professional or Artistic Services if the amendment would increase the value by more than 5% of the initial award or extend the term by more than 60 days.

Type: New Sole Source

#### Section II - Proposed Term

☐ One-Time Purchase ☒ Term Contract

Estimated Contract Begin Date: Dec 28, 2020

Estimated Contract End Date: Dec 27, 2023

Number of Potential Renewals: 0

Length of Each Renewal in Months: 0

Total Value of All Renewals: 0

If a Term Contract, does the term, including renewals, exceed 12 months? ☒ Yes ☐ No

If yes, provide a detailed justification including any economic benefit received for agreeing to a multi-year term:

The State of Illinois has been using ERSI GIS related proprietary products as an adopted standard for GIS for many years. Multiple agencies have critical business applications that are tightly integrated into and dependent on the ERSI GIS platform. Application Rationalization was initially started in 2017, it has become clear that this is an ongoing effort throughout the life-cycle of agency business applications and processes. Currently there are no plans to replace ERSI GIS as the State of Illinois has standardized on this product set across the Enterprise for GIS needs. ERSI has offered DOIT special annual pricing if we do a 3 year contract. This special pricing is about 4% lower per year than what we would get compared to single year contract pricing. The additional 4% discount pricing will be good for all 3 years, even though ERSI comes out with a new pricing schedule each year. This still amounts to a 4% savings over if we were to do an annual contract. ERSI is also offering an option of entering into a multi year enterprise licensing agreement which can allow agencies to benefit from unlimited licensing usages that can significantly reduce the cost of increasing licensing usage when necessary to ERSI GIS applications. The 3 year contract is using "GSA-like pricing" and a 1 year contract will be using ERSI normal pricing. "GSA like pricing" gives us the 4% additional discount.

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### Section III - Funding Source

Select the type of funding to be used (Check all that apply): ☒ State Appropriate Funds ☐ Federal Funds ☐ Other (Explain):

### Section IV - Sole Source Justification

This purchase is economically only available from a single source **primarily** because it is: (If "Other" explain in one sentence)

Items are Copyrighted or Patented and the Items are Only Available from the Holder

Are there secondary justification(s) for this sole source? ☒ Yes ☐ No

Another justification that this purchase is only available from a sole source is because it is:

Software License/Upgrade/Maintenance

Another justification that this purchase is only available from a sole source is because it is:

Compatibility of Equipment, Accessories, Replacement Parts or Service

### Section V - Purchase History

Has the Agency or University Purchased these supplies or services in the past? ☒ Yes ☐ No

Term	Term From	Term To	Value	Description	Contract Number	Type
1	Sep 29, 2020	Dec 27, 2020	250,000	ESRI 90 Day Emergency - B-17774		Emergency
2	Sep 29, 2019	Sep 28, 2020	1,800,000	ESRI Master - P-13130	CMT0129630	Sole Source
3	Jul 1, 2019	Sep 28, 2020	110,750	ESRI 90 Day Emergency - P-10932	CMT8P00697A	Emergency
4	Feb 22, 2018	Jun 30, 2019	7,593,645.5	ESRI Master thru 6/30/19 - P-697	CMT8P00697	Sole Source
5	Aug 22, 2017	Feb 21, 2018	250,000	ESRI Master thru 02/21/18- PBC 105797	DIT8057970	Sole Source
6	Jul 1, 2017	Aug 21, 2017	125,000	ESRI 90 Day Emergency - PBC 107282	DIT8072820	Emergency
7	Jul 1, 2016	Jun 30, 2017	500,000	ESRI Statewide Master - PBC 97264	CMS7972640	Sole Source
8	Jul 1, 2015	Jun 30, 2016	250,000	ESRI Master Renewal - PBC 91568	CMS2587800-B	Renewal
9	Jul 1, 2014	Jun 30, 2015	250,000	ESRI Master Renewal - PBC 85700	CMS2587800-A	Renewal
10	Jul 1, 2011	Jun 30, 2014	750,000	ESRI Master - PBC 58780	CMS2587800	Sole Source

If more than 10, or if other comments, explain:

07/1/10 - 06/30/11 - \$400,000 ESRI Master Renewal - PBC52004 - CMS042750 - Renewal  
07/1/09 - 06/30/10 - \$5,000,000 ESRI Master - PBC 42750 - CMS042750 - Sole Source  
07/1/08 - 06/30/09 - \$2,500,000 ESRI Master Renewal - PBC 32894 CMS826273A  
07/1/07 - 06/30/08 \$400,000 ESRI Sole Source P-697 CMS8262730  
07/1/06 - 06/30/07 \$150,000 ESRI Master Renewal - PBC 16912 CMS5009100A Renewal  
06/27/06 - 06/27/06 \$0 ESRI Master Amendment - PBC 16938 CMS6009100A Amendment  
07/1/05 - 06/30/06 \$200,000 ESRI Master PBC 910 CMS5009100 Sole Source  
State of Illinois has procured contracts for the ESRI sole source products for over 14 years for it's on going needs.

### Section VI - Business Rationale

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1. Provide a detailed explanation of the need for the supplies or services:

Establish a JPMC Master Contract with Environmental Systems Research (ESRI) for the purchase of their sole source GIS products and maintenance. Multiple agencies have the need for on going maintenance, support and additional licensing for growth beyond the current contract end date of 09/28/20. Multiple agencies have also showed interest in multi year agreement that will allow for the option of Enterprise Licensing that will give the agencies the ability to increase usage of ESRI at a reduced cost.

ESRI GIS licenses are used by a variety of agencies to capture, manage, analyze, and display all forms of geographically referenced information. Agencies perform resource management, logistics, planning, transport, surveying and demographic studies. IDOT utilizes it for road and highway planning and surveying. DNR utilizes it to survey and analyze lakes, rivers and waterways, etc. Maintenance is required to ensure the GIS software applications are working properly and providing the needed information from all user agencies.

2. Provide a list and describe in detail the specifications required to satisfy the need:

Statewide Master contract with ERSI for proprietary GIS related products, maintenance and support. Agencies may purchase any items listed on the ESRI MPA Price List provided by ESRI.

3. Provide detail explaining the justification selected in Section IV to explain why the requested supplies or services are the only ones available that can satisfy the agency or university requirements?

The proprietary ESRI GIS related products utilized by numerous state agencies are only available through ESRI. In addition the State of Illinois DoIT has standardized the ESRI GIS product for use by throughout the state and there are no current plans to replace and/or to make significant costly changes (both time and money) to multiple agency critical applications (96 in total) to integrate with another GIS vendor. There are other GIS vendors in the marketplace, but the cost of converting all current user platforms to a new GIS product would be extremely cost prohibitive. DoIT estimates as of a couple years ago the cost of converting the state GIS platforms to a new vendor at roughly \$8,300,000, which doesn't include the cost of the new software and support.

4. What are the unique features of the supplies or services that are not available in any other product or by any other vendor? Provide specific quantifiable factors/qualifications:

The GIS related products currently utilized by the state are only available through ESRI direct (no resellers). The ESRI product has been the State standard for GIS mapping software since 2005. Converting to a different vendor GIS solution will require a substantial investment of time and money to convert the state's systems to a new provider's GIS product. In addition to the cost of conversion there will be a significant increase in existing costs for some years with overlap of paying for two separate GIS infrastructures (existing and new vendor) until all applications are converted. At this point the State has no immediate plans for converting the 96 existing applications away from the ESRI GIS products.

5. Has the Agency or University considered alternative supplies or services to satisfy their need? ☐ Yes ☒ No

5a. If no, why weren't alternatives evaluated?

At this time DoIT and customer agencies are not prepared to incur the cost of replacing the existing ESRI GIS standard. However DoIT has recently undertaken the Application Rationalization initiative which will begin to map the importance of applications to the business as well as the future disposition (replacement, enhancements, replacement and retirement). This initiative should give better clarity in terms of defining the road map for these types of applications that could allow alignment with more competitive procurements in the future.

6. Are there resellers or distributors?

☐ Yes ☒ No ☐ N/A

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7. What efforts were made to get the best possible price (i.e. did the agency/university negotiate) and how did you determine the price for this purchase is considered fair and reasonable?

The price points previously shared by ESRI have not changed much over the years. ESRI is offering about a 4% lower annual pricing if DOIT enters into a 3 year agreement. This amounts to about a 4% savings per year beyond the single year pricing table annual costs. With the 3 year agreement, the better discount pricing is locked in for all 3 years. The additional 4% discount pricing will be good for all 3 years, even though ESRI comes out with a new pricing schedule each year. This still amounts to a 4% savings over if we were to do an annual contract. There is also opportunity for entities to leverage the enterprise agreement option which can save significant dollars and provide the ability for unlimited licensing. Since the ESRI products we need are sole source we are unable to attain these specific products via resellers. Only core products will be in BidBuy, DoIT will provide the price list for the initial year as an attachment in BidBuy.

8. Will this purchase obligate the State to this vendor for future purchases such as maintenance, licensing or continuing need?

☐ Yes ☒ No

9. What will be the financial or other impact to the State if this sole source is not approved and a competitive bid is required?

The impact of switching to another vendor GIS product would be monumental, both in terms of time and money. In addition to possible new investments in another vendor product, there would be significant impact to re-writing applications and interfaces that currently exist from State Agencies critical business systems. In a survey from couple years ago of 5 agencies (DOT, DNR, EPA, DPH and ISP), that have 96 applications dependent on ESRI GIS; 59 of those applications have been estimated to cost approximately \$8,300,000 for conversion (these costs do not include the costs of the possible replacement GIS platform which would be both software and hardware components); 37 of those agencies applications have stated that it is not possible to either calculate the cost to convert or that converting may not be feasible based on integration into federal systems built on the ESRI GIS platform. These lists are not all inclusive of all the GIS usage agencies but it gives a fairly good example as to how large the impact of switching off of the ESRI products could be to the State of Illinois.

10. Is there any additional information you would like to add to justify this sole source?

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### Section VII

#### Requesting Department Signature Required

I know and understand the contents of this Sole Source Justification and attest that all statements are true and correct and the fairness and reasonableness of the price was adequately confirmed.

Requesting Department Representative

Phone Number

217-524-8779

Date

Nov 16, 2020

Printed Name

Todd Roth

E-mail Address

todd.roth@illinois.gov

#### State Agency Bureau/Division Head or University Purchasing Director Approval and Signature Required

I know and understand the contents of this Sole Source Justification and attest that all statements are true and correct and the fairness and reasonableness of the price was adequately confirmed. (All prior form fields will lock once this e-signature is completed)

Agency Bureau/Division Head or University  
Purchasing Director and Not a Designee

Phone Number

217-524-2733

Date

Nov 16, 2020

Printed Name

Dante' Watson

E-mail Address

dante.watson@illinois

#### SPO Approval and Signature Required

☒ I have reviewed and understand the contents of this Sole Source Justification and agree with the State Agency or University determination.

☐ I have reviewed and understand the contents of this Sole Source Justification and do not agree with the State Agency or University determination. As a result, the State Agency or University must explore other sourcing methods to satisfy their need.

State Purchasing Officer Signature

Phone Number

217-720-6771

Date

Nov 17, 2020

Printed Name

Kylie D. Carter

E-mail Address

Kylie.Carter@Illinois.gov

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### Sole Source Justification Form - Part II

#### Section I - General Information

Project Title

ESRI GIS FY21 JPMC - Products and Maintenance

Vendor

Environmental Systems Research Institute

Initial Date of Procurement Bulletin Posting

Nov 18, 2020

Was a Sole Source hearing held per 30 ILCS 500/20-25?

☐ Yes - Complete Section II and III below (Section II will only be visible when this option is selected)

☐ No - Section II not required, go to Section III below

#### Section III - CPO Approval and Signature Required

☐ Based on my review, I authorize the Agency/University to proceed in accordance with the published Notice referenced above.

☐ Based upon my review, I authorize the Agency/University to proceed with the following Changes.

☐ Based on my review, the Agency/University is not authorized to proceed with this sole source as presented and my recommendation is that it be cancelled.

☐ Other

CPO Signature

CPO Phone

Printed Name

Ellen H. Daley

Date

CPO E-mail

Ellen.H.Daley@Illinois.gov