

ADDENDUM TWO

DATE: September 16, 2011

TO: All Vendors

FROM: Robert Thompson, Buyer
 State Purchasing Bureau

RE: Questions and Answers for RFP Number 3758Z1
 to be opened October 12, 2011 2:00 p.m. Central Time

Following are the questions submitted and answers provided for the above mentioned Request For Proposal. The questions and answers are to be considered as part of the Request For Proposal.

QUESTIONS	ANSWERS
1. Can you explain the 30 day cancelation section. I just don't understand how companies can bid with that included. Is it because that State makes it so tight on the reason why it might be exercised and that has or should not be a problem for a Vendor because of the reason that it would ever be used?	The language is included to permit the State to terminate a contract when it is determined to be in the best interest of the State. The right to terminate may occur, for example, based on the government's need to adapt acquisition needs – and hence, the taxpayer's dollars. It is not a clause that is exercised on a standard basis or in any way intended to penalize a contractor.
2. How many vendors does the State of Nebraska envision making awards to?	The award will be in accordance with Section III, item B. AWARD.

QUESTIONS	ANSWERS
<p>3. What are the acquisition plans that will be awarded under this contract?</p>	<p>Per the Scope of Proposal Section IV., Item B. “The intent of this RFP is to obtain a contract for the purchase of new MFP’s and all related peripherals from MFP equipment manufacturers and/or their certified dealers, Contract for new equipment will include cost per copy maintenance and service (option A). The intent is also to obtain a contract to provide cost per copy maintenance and service on the State’s existing MFP’s (Option B). List of existing equipment and deployment zones are provided (Attachment A and Attachment C).</p> <p>Pricing offered for option A must include the cost of new equipment as specified and, maintenance/service for equipment and all operating parts, and supplies (i.e. all toner, developer, fuser agent, waste bottles, all staples, stitching wire, etc. with the only exception being paper). Prices offered for option B must include maintenance/service and all operating parts, and supplies (i.e. all toner, developer, fuser agent, waste bottles, all staples, stitching wire, etc. with the only exception being paper).</p> <p>The bidder has the option to bid Option A and or Option B individually and may also bid new equipment with cost per copy maintenance/service and cost per copy maintenance/service for the existing MFP’s combined (Option C). Prices offered for option C must include the cost of new equipment as specified and, maintenance/service for new and existing equipment and all operating parts, and supplies (i.e. all toner, developer, fuser agent, waste bottles, all staples, stitching wire, etc. with the only exception being paper).</p>
<p>4. Page 7 III Terms and Conditions – Please clarify that the vendor is allowed to take exception to these terms—Items A- BBB.</p>	<p>Per Section III TERMS AND CONDIONS (second paragraph) “a bidder may indicate any exceptions to the Terms and Conditions by (1) clearly identifying the term or condition by subsection, (2) including an explanation for the bidder’s inability to comply with such term or condition which includes a statement recommending terms and conditions the bidder would find acceptable. Rejection in whole or in part of the Terms and Conditions may be cause for rejection of a bidder’s proposal.”</p>

QUESTIONS	ANSWERS
<p>5. Page 22, B. Scope of Proposal – Last Paragraph states that the “bidder has the option to bid Option A and or Option B individually and may also bid new equipment with cost per copy maintenance/service and cost per copy maintenance/service for the existing MFP’s combined, Option C.” Will preference be given to one option bid over the other?</p>	<p>The award will be in accordance with Section III, item B. AWARD.</p>
<p>6. Page 23, Item C. Contract Requirements – State that the contractor must “Inform the State at least ninety (90) calendar days in advance about machines which will be phased out, and any new machines that will be introduced.” Will the State be flexible on this? Many times, vendors do not know that a product is being discontinued until less than thirty days before it is discontinued and the new product is introduced.</p>	<p>The RFP is hereby amended to change the requirement:</p> <p>From: “Inform the State at least ninety (90) calendar days in advance about machines which will be phased out, and any new machines that will be introduced.”</p> <p>To: Inform the State at least thirty (30) calendar days in advance about machines which will be phased out, and any new machines that will be introduced.</p>

QUESTIONS	ANSWERS
<p>7. Page 23, Item C. Contract Requirements – Item 1 states that “when adding new products to the contract, they must be submitted in the same discount structure and format as submitted in the original Request for Proposal as required by this document.” Please clarify if this clause is intended for replacement machines or add on machines (additional) offerings in a particular category. If it is for replacement machines please clarify which clause governs—this clause requiring the same discount or Page 2, Item B- General Information, paragraph 3 which states “a fixed-price contract will be awarded as a result of this proposal.”</p>	<p>Requirement would pertain to replacement equipment or added equipment.</p> <p>Per Section III, Item QQ “All prices, costs, terms and conditions outlined in the proposal shall remain fixed and valid commencing on the opening date of the proposal until an award is made (and for bidder receiving award prices shall remain as bid for the duration of the contract <i>unless otherwise so stated in the contract</i>) or the Request for Proposal is cancelled.”</p> <p>Per Section IV, Item C During the term of the contract, the State recognizes that existing MFP models will be phased out and new models and/or technology will be manufactured and introduced. Therefore, it will be the Contractor’s responsibility to:</p> <ol style="list-style-type: none"> 1. Inform the State at least ninety (90) calendar days in advance about machines which will be phased out, and any new machines that will be introduced. 2. When adding new products to the contract, they must be submitted in the same discount structure and format as submitted in the original Request for Proposal as required by this document. Any new additions to this contract will require written prior approval by the State Purchasing Bureau. 3. Make recommendations to the State as to which new replacement models should be offered. Any replacement model must meet and/or exceed the minimum equipment specifications by group as specified. <p>The State must receive a copy of the manufacturer’s notice to discontinue a product. Section III, Item LL. Changes in Scope/Change Orders.</p> <p>Maintaining the same discount</p>

QUESTIONS	ANSWERS
<p>8. Page 26, Section IV, D. Data Security of removed devices – Would the winning vendor be responsible for erasure, destruction or removal and return of the hard drive of the current vendor’s MFD’s upon trade-in?</p>	<p>A vendor awarded option B or C would be required to provide for the erasure, destruction or removal and return of the hard drive of the existing equipment.</p>
<p>9. Page 30, Item Q. Service – Will the state allow vendors to provide variable service rates by distance? For instance, for service beyond 100 miles each way from the nearest servicing location, vendors may charge an additional charge per mile, or percentage increase from price for locations within 100 miles? Can vendors utilize remote monitoring for meter reads?</p>	<p>No, per Section IV, Item C. “Maintenance rates must be the same for service provided throughout the State. The Contractor must provide a flat cost per copy rate with no minimum charges, one click charge per imprinted image regardless of sheet size (letter, legal, ledger, 12 x 18 or 5 1/2 x 8 1/2).”</p> <p>Meter reads are provided by Copy Services per Section IV, Item A.”... Maintenance is cost per copy (CPC) and must include all parts, labor, travel time, surge protectors and supplies (including all staples and stitching wire), billed quarterly in arrears based on meter readings reported by agencies to Copy Services. This billing averages 20,000,000 copies per quarter. The agencies are billed quarterly on a per copy cost plan that includes maintenance and all consumable supplies to include toner, developer, fuser agent, waste bottles, drums and all staples, stitching wire and excludes paper. The quarterly billings are determined by usage reported to Copy Services...”</p>
<p>10. Page 33, Item V. Relocation or Removal – Can machines in rural locations be stored at the local servicing dealers warehouse as opposed to a central warehouse, which may be hundreds of miles away, and very expensive for the vendor to transport to? In addition, would the state allow the vendors to put a cap on the distance for storage transport to be 100 miles each way, with a charge for additional distance?</p>	<p>Yes, the State would allow for storage at local dealer warehouse, provided the location is within the required 2 hour response time of Lincoln (see Section IV, Item V)</p> <p>The State will not allow a cap on the distance for storage transportation or surcharges for additional distance.</p>
<p>11. Attachment B. Mandatory Requirements – Can a vendor take exception to these mandatory requirements without risking rejection of their entire proposal?</p>	<p>No, requirements in Attachment B. are mandatory.</p>

QUESTIONS	ANSWERS
<p>12. Attachment B. Item 26 – “The Contractor must provide statewide maintenance coverage on all existing equipment under this contract”. Please clarify that this would only apply to vendors responding to Option B and/or C of the RFP. Option A vendors would only be providing statewide service coverage to their own branded and installed equipment.</p>	<p>“The Contractor must provide statewide maintenance coverage on all existing equipment under this contract”. Is only applicable to Options B. and C.</p> <p>Subsequently, Attachment B Item 25 is applicable to Options A. and C.</p>
<p>13. Attachment B. Item 29 – regarding a \$25/per hour/per failure penalty for not responding to a service call within 2/4 hours. Will weather, road delays, accidents be taken into consideration as these will be outside of the control of the vendor, and the vendor should not be penalized for this type of delay.</p>	<p>Attachment B, Item 29 states “Contractor <i>may</i> incur a charge of \$25 per hour per failure”. The State will take the circumstances of the failure into consideration before assessing any fees.</p>
<p>14. Attachment B. Item 33 – asks the vendor to list the address of the physical warehouse for storing equipment. May a vendor simply list that the address is to be determined? A vendor would probably seek a warehouse location after the award, as they would have no need for this warehouse prior to award.</p>	<p>The Bidder may respond “address to be determined”, however, the bidder if awarded, must provide the address within ten (10) calendar days of the posting of the intent to award on the State’s website.</p>
<p>15. Attachment D. Relocation and Removal history – under Surplus/destroy—Is the winning vendor expected to surplus and or destroy equipment that they state does not want? From this chart, what percentage of machines picked up or destroyed involved the current awarded vendor placing a new machine as the replacement for the picked up, surplus or destroyed machine?</p>	<p>No, the contractor would be required to relocate the equipment to State Surplus Property.</p> <p>Nearly all equipment listed under “Surplus/Destroy” in Attachment D was replaced with new or redeployed equipment (percentage in the ninety percentile).</p>
<p>16. We already maintain a regional warehouse in Des Moines Iowa, will this be acceptable for requested warehouse?</p>	<p>No, per Section IV Item V “The Contractor shall maintain a warehouse within 2 hours response time of Lincoln, NE for State owned equipment to be relocated.”</p>
<p>17. Can you provide an example of one of your monthly “Contractor Reports”</p>	<p>Yes, a sample is posted with this addendum (Attachment E)</p>

QUESTIONS	ANSWERS
18. A lot of states are moving towards recycled components in their equipment for environmental reasons. Will you allow responses with recycled components provided they are covered under the guarantee?	Yes, recycled components may be acceptable provided the equipment or component is OEM, and are guaranteed to perform as new, and do not void or limit any warranty.
19. Security Option Encryption required in purchase price. Do you require hard drive encryption added into the base price of the machines, or would you prefer this priced as an option? Do you also require emails/scans to be encrypted when sent?	Yes, encryption is to be part of the base price if applicable to the equipment (please also see response to question 22). E-mail/scan to be encrypted when sent can be added as an option.
20. Not every manufacturer and its supporting servicing organizations have the ability to service your existing equipment. If we elect to submit a bid response, will we be deemed non responsive if we are unable to respond to "3758 Bid Options B & C"? Will we be penalized ?	The award will be in accordance with Section III, item B. AWARD.
21. Most manufactures Group I units are equipped with 250-Sheets Standard Drawer for 8 ½ X 11. Would the State consider lowering the paper requirement from 500-Sheets to 250-Sheets Standard ?	No, the requirement will stand as written.
22. Not all manufacturers produce units with Hard Drives. Will the State still require Data Security override and Encryption ?	On the bid sheets please annotate Yes, No, or Other adjacent to the item in the list of standard features. If No, or other, please explain in the space provided what security features are provided at the bid price.
23. We are unable to provide Wireless Connectivity on new equipment. Will this deem us non responsive if we are unable to provide this feature ?	No, not applicable.
24. Is Network Faxing required in all Groups ?	On the bid sheets please annotate Yes, No, or Other adjacent to the item in the list of standard features. If No, or other, please explain in the space provided what security features are provided at the bid price.

QUESTIONS	ANSWERS
<p>25. Will it be the requirement of the successful vendor to move or sanitize any Hard Drive in any competitive unit before it is removed as a trade-in ? Will it be the requirement of the successful vendor to move or sanitize any Hard Drive in any competitive unit that is updated and the State will destroy ?</p>	<p>A vendor awarded option B or C would be required to meet these requirements on the existing equipment.</p>
<p>26. Most manufacturers' equipment is 508 Compliant by standards of Federal Government. However, NOT all manufacturers have Braille Kits. Will this deem us non responsive if we are unable to provide this feature ?</p>	<p>If reasonable accommodation cannot be made due to age of equipment or lack of manufacturer or third party accessories, the requirement may be waved.</p>
<p>27. Will are unable to provide responses for the Groups 11, 11 Color and Group 12, 12 Color. Will this deem us non responsive if we are unable to provide responses for these groups ?</p>	<p>Bidders are not required to bid all groups.</p>
<p>28. Pg 5, paragraph J. - Evaluation of Proposals. Is there any way the State can articulate what weight will be assigned to the three Non cost components, Executive Summary, Corporate Overview and Technical Approach?</p>	<p>No. Per Section II, Item J. "Evaluation criteria will not be released prior to the proposal opening."</p>
<p>29. Page 7, paragraph B. - Award. Will the State confirm if there is or has been a preference to do multiple awards versus just a single award? We feel by allowing for multiple awards the state will have the ability to provide the end users with more choices both from a technology standpoint as well as cost options.</p>	<p>The State does not have a preference for award and will award in accordance with Section III, Item B.</p>
<p>30. Page 14, paragraph Y. - Early Termination. It states the State, in its sole discretion, may terminate the contract for any reason upon 30 days written notice to the customer. Will the State allow for a remedy period (30 Days) to resolve any issues prior to just terminating the contract with the 30 days notice?</p>	<p>The language is included to permit the State to terminate a contract when it is determined to be in the best interest of the State. The right to terminate may occur, for example, based on the government's need to adapt acquisition needs – and hence, the taxpayer's dollars. It is not a clause that is exercised on a standard basis or in any way intended to penalize a contractor.</p>

QUESTIONS	ANSWERS
<p>31. Page 26, paragraph D. - Equipment Considerations. Is the State's expectation to require vendors to cleanse or remove Hard Drives from another manufacturer's machine when it is being replaced?</p>	<p>A vendor awarded option B or C would be required to meet these requirements on the existing equipment.</p>
<p>32. Page 27, paragraph F - Ordering and Invoicing. Will the State permit the manufacturer's Authorized Dealer to submit invoices directly to the State for processing and payment?</p>	<p>The bidder signing the Request for Proposal For Contractual Services Form is considered the primary bidder and is responsible for any subcontractors or dealers. The primary bidder is responsible for receiving purchase orders and invoicing Copy Services.</p>
<p>33. Page 37, paragraph i – Summary of Bidder's Proposed Personnel/Management Approach - requires the vendors to submit resumes for all personnel proposed to work on the project. The information requested includes personal, professional and specific academic information.</p> <p>We respectfully request that the state change the requirement to include only information specifically related to the responsibilities associated with the management of a resulting contract with the State of Nebraska and not the academic and personal references which our company considers proprietary to our employees and may present opportunity for identity security breach if submitted to the state and then made available to other vendors at part of our response.</p>	<p>The requirement will stand as written. The required information may be submitted as proprietary. Please refer to Section III, Item OO., PROPRIETARY INFORMATION for the requirements for submitting proprietary information.</p>
<p>34. Attachment B. - Mandatory Requirements #26. We feel by the State requiring the Contractor be able to provide statewide maintenance coverage on all existing equipment (regardless of brand) under this contract to be very restrictive and places an unreasonable expectation and requirement on each vendor. It will potentially result in limited responses. Will a manufacturer's submission be able to be evaluated on the merits of its own manufactured machines?</p>	<p>Statewide maintenance coverage on existing equipment is required for Options B and C.</p> <p>The State will not comment on evaluation criteria during the Question and Answer period.</p>

QUESTIONS	ANSWERS
<p>35. Page 22, Section B, Scope of Proposal</p> <p>“The bidder has the option to bid Option A and or Option B individually and may also bid new equipment with cost per copy maintenance/service and cost per copy maintenance/service for the existing MFP’s combined (Option C). Prices offered for option C must include the cost of new equipment as specified and, maintenance/service for new and existing equipment and all operating parts, and supplies (i.e. all toner, developer, fuser agent, waste bottles, all staples, stitching wire, etc. with the only exception being paper).”</p> <p>It is our understanding that the awarded vendor needs to be able to service all existing equipment in order to bid. Is that correct?</p>	<p>The State may split award Option A and Option B or combine award Option C. An awarded vendor for Option A would not be required to service the existing equipment.</p>
<p>36. Page 22, Section A, Overview of Copy Services</p> <p>“The quarterly billings are determined by usage reported to Copy Services.” Will Copy Services report those same meter readings to the awarded vendor?</p>	<p>Yes, Copy Services will report the same meter readings.</p>

QUESTIONS	ANSWERS
<p>37. Page 26, Section D, Equipment Considerations</p> <p>“Data Security of Removed Devices – The vendor will be responsible for removing and/or destroying any user-input data stored in non-volatile memory on any part of the MFP. Options include, but are not limited to:</p> <p>Erasure of MFP hard drive to current security standards, including a letter stating what was done.</p> <p>Removal of hard drive and its physical destruction, including a letter stating what was done to the hard drive and under what standard it was destroyed (listing all identifier information for the machine and its hard drive).</p> <p>Removal of hard drive and its return to Copy Services for destruction and provide proof that MFP has been sanitized of State information.”</p> <p>Will the options listed, be mandatory for all state entities to purchase? Should we configure the devices with these security options?</p>	<p>No the options are not mandatory for all state entities. The options may be determined on a case per case basis.</p>

QUESTIONS	ANSWERS
<p>38. Page 27, Section E, Contractor Reports</p> <p>“A monthly report including Agency, make and model, Copy Services assigned machine number, vendor ID number, serial number, and location of all installed equipment. This report shall also include make, model, Copy Services assigned machine number, serial number and final meter reading of any equipment that has been replaced. These reports must be received by Copy Services within seven (7) days of installation of new equipment. Invoices for new equipment purchases should not be sent out until install reports have been provided.”</p> <p>This section states, there is a monthly report and then it states that the reports should be received by Copy Services within 7 days of installation of new equipment. Does this mean there are two reports? Can the state clarify the due dates of all of the reports?</p>	<p>Yes, there are two different types of reports referenced in the section. The Installation report is due within seven days of installation of the new equipment and there are monthly reports that are due within seven (7) calendar days after the end of each month.</p>
<p>39. Page 27, Section E, Contractor Reports</p> <p>“Activity report to include: make, model, Copy Services assigned number, vendor ID number, serial number of all machines that have been traded in, the trade in dollar amount and what machine it was traded in for.”</p> <p>When and how will the awarded vendor get the Copy Services assigned number?</p>	<p>The assigned number will appear on the purchase order.</p>

QUESTIONS	ANSWERS
<p>40. Page 27, Section E, Contractor Reports</p> <p>“Monthly machine performance reports to include machine make and model, Copy Services assigned number, vendor ID number, serial number, location, number of service calls for the quarter, response time and total down time per service call, per machine and details of any major service issues. The report shall include faxes over the phone.”</p> <p>It is our understanding that this report will be provided monthly however, it will track service calls for the quarter. Can the state clarify if this is correct? Can the state clarify how quarterly is defined, will it be per calendar quarter or will it be a rolling 3 month period? In addition how will the reports be provided (over the phone, faxed or emailed?)</p>	<p>The service call report needs to be broken into a monthly print out.</p> <p>Jan-March April-June July-Sept Oct-Dec Monthly e/mail unless we require a monthly visit</p>
<p>41. Page 27, Section E, Contractor Reports</p> <p>Activity report to include: make, model, Copy Services assigned number, vendor ID number, serial number and date of all equipment that has been delivered to State Surplus Property.</p> <p>It is our understanding that the State Surplus Property a specific agency. Is this correct? Is the report for new equipment, trade-in, etc.?</p>	<p>Yes, Surplus Property is a State Agency. This report is for surplus/destroy and trade-in equipment only.</p>

QUESTIONS	ANSWERS
<p>42. Page 28, Section J, Authorized Dealer:</p> <p>“If a manufacturer is bidding directly, all purchase orders will be directed to the manufacturer and it will be the manufacturer’s option to fulfill the order and/or channel that responsibility to a dealer/distributor. With this option, all billing and payments will be directed/received by the manufacturer.”</p> <p>If the manufacturer decides to bid, can its Authorized Dealers be allowed to obtain purchase orders and bill state entities?</p>	<p>The bidder signing the Request for Proposal For Contractual Services Form is considered the primary bidder and is responsible for any subcontractors or dealers. The primary bidder is responsible for receiving purchase orders and invoicing Copy Services.</p>
<p>43. Ref. Bid Option - A Pricing Form. Can you provide a brief description or an example of what is meant by “Smart Features/Output Management Software?”</p>	<p>Example: Duplex Scanning. Personalized user setting, ease of IT management</p>
<p>44. Who is your current MFP vendor? Who is providing MFP service/maintenance, if different?</p>	<p>The current contractor is Capital Business Systems Inc., DBA Modern Methods. The contract is a combined award. Contract is available at the link provided.</p> <p>http://www.nebraska.gov/das/materiel/purchasing/contract_search/index.php</p>
<p>45. What percentage of your current MFP fleet is networked?</p>	<p>85% to 95% of the current MFP fleet is networked.</p>
<p>46. Of the 94 moves/pickups and 20 redeployments listed in Attachment D, how many were:</p> <p>a. Within the same building? b. Within Lincoln? c. From city to city?</p>	<p>a. 17 moves/pickups 2 redeployments b. 28 moves/pickups 5 redeployments c. 49 moves/pickups 13 redeployments</p>
<p>47. Is the bidder allowed to place a limit on the number of moves/relocations?</p>	<p>No, the State is not to be limited on the number of moves/relocations.</p>
<p>48. Can you provide a list of State locations (addresses) that fall under the scope of this RFP?</p>	<p>A list of current locations is provided with this addendum (Attachment F). This list is subject to change and is not to be construed as a minimum or maximum list of deployment sites.</p>

QUESTIONS	ANSWERS
<p>49. Ref. Page 24 – “The Contractor shall remove and properly dispose of all replaced equipment as required by Copy Services.”</p> <p>a. Does this refer to your legacy equipment?</p> <p>b. Please clarify that the State owns all of the equipment that will be removed. If the device is not owned, is the device to be returned to the funding source?</p> <p>c. For each machine being installed by the new vendor, will there be a corresponding removal of an existing machine?</p>	<p>a. Yes, this refers to legacy equipment.</p> <p>b. Yes, the State owns all of the equipment that will be removed.</p> <p>c. No. There are occasions for new placements with no pre-existing equipment.</p>
<p>50. How many machines does the State expect to replace under this contract over the three year term?</p>	<p>The State does not have a projected number of replacements. The number replaced over the previous three years is 487.</p>
<p>51. While the pricing sheets ask for Purchase only, is the State interested in lease pricing?</p>	<p>No, the State is not seeking bids for a lease option.</p>