

This Amendment can be acknowledged on Attachment C



Department of Administration
Shared Services of Alaska
Suite 801, State Office Building
PO Box 110210
Juneau, AK 99811-0210

THIS IS NOT AN ORDER

DATE AMENDMENT ISSUED: 06/17/2019

RFP TITLE: Audio Video Equipment and Supplies 190000044

AMENDMENT 5

IMPORTANT NOTE TO OFFERORS: Only the following items referenced in this amendment are to be changed. All other sections of the RFP remain the same.

The following are Amended Sections of RFP 190000044 resulting from vendor questions that were submitted to the Lead State:

Section 13.b. has been changed to say:

All Products are subject to inspection at reasonable times and places before Acceptance and acceptance or rejection shall occur no later than five (5) business days after delivery of product.

Section 13.d. has been changed to say:

Warranty period will begin upon shipment of product.

Section 15. Warranty, the second sentence has been changed to say:

The Contractor warrants for a period of 30-days from the date of Acceptance that: (a) the Product performs according to all specific claims that the Contractor made in its response to the solicitation, (b) the Product is suitable for the ordinary purposes for which such Product is used, (c) the Product is suitable for any special purposes identified in the solicitation or for which the Purchasing Entity has relied on the Contractor's skill or judgment, (d) the Product is designed and manufactured in a commercially reasonable manner, and (e) the Product is free of defects.

Section 17. Pre-Existing Intellectual Property is amended as follows:

Upon payment in full, Contractor grants to the Purchasing Entity a nonexclusive, perpetual, royalty-free, irrevocable, license to use, publish, translate, reproduce, transfer with any sale of tangible media or Product, perform, display, and dispose of the work product delivered under a statement of work, and its derivatives, used or delivered under this Master Agreement, but not created under it ("Pre-existing Intellectual Property").

Attachment C – Submittal Form E Amended as follows:

SPECIAL REQUIREMENTS: The Offeror's company name must be filled in on each Submittal Form included in the Technical Proposal. This Submittal Form must not exceed the 2-page limit (Reference RFP Section 4.2). If an Offeror exceeds a page limit, the information that is in excess of the limit will be removed by the Procurement Officer prior to the proposal evaluation and will not be evaluated.

The following sentence is added to Attachment C – Submittal Form F – Category 7 and Attachment B Scope of Work, first paragraph:

If Value Add Service Options are requested, the purchasing entity may choose to request a quote only or require the Contractor to create a Statement of Work (SOW) detailing the exact scoping and pricing of the services to be provided.

The following are answers for questions submitted by vendors to the Lead State regarding RFP 190000044:

1. If we are a company from out of state interested in this contract, do we have to have an Alaska Business License to even submit a Proposal? We do not currently have an office or contact in Alaska, which makes this a little more difficult based on the wait time for getting a license.

Answer: Yes, see 4.3.1 Alaska Business License.

Offerors are not required to have an office in Alaska to get Alaska Business License.

2. Shipping is FOB origin with prepaid freight: Due to the high variability of freight charges in shipping in Alaska. Having freight be prepaid to destination will significantly drive up the price of goods. Will the state consider freight to be prepay and add, so it covers actual charges and allows for more competitive pricing on the cost of goods?

Answer: No

3. 24/7 Customer Service: What level of service is the state requiring? Is it just in reference to the 24/7 availability on the ability to order as in specified in section 4.3, or is it required to have someone available by phone?

Answer: 24/7 availability to order as specified in Section 4.3, with someone available by phone Monday – Friday during normal business hours.

4. In 4.8.4 section 1: The state requires a webpage for each state, will this be true of states joining after the deadlines of the RFP submittal? Or before award? The cost of maintaining each page could increase quickly.

Answer: Webpages would be required for states that have entered into a Participating Agreement with an Awarded Vendor at any time during the life of the Master Agreement.

5. In 4.8.4 section 1a: The state requests the site not need additional software or licenses. Does this include plug-in for browsers, i.e. ad blocker and the sort?

Answer: This requirement was included so the end user will not have to purchase any additional software or licenses in order to use the vendor's catalog website.

6. In 4.8.4 section 2e: The state requests notifications regarding products, for when they change or replace with new products. Who is this reported to? A group or individual? With the many changes in the industry and the eventual cycling of products in a three-year period we are going to see many updates.

Answer: These notifications will need to be listed on the website so end users can be kept updated on changes. See below:

4.8.4 Section 2e: The website shall provide contract and ordering information to include at a minimum notifications regarding products, such as pending key products changes or new products.

7. In 4.8.4 section 5: The state request that the catalog should have the capability of being used as a "punch out" system. What does the state mean by this? Being able to tell who placed the order, or another form of tracking the users?

Answer: Punch out refers to a method for a corporate purchasing agent to buy from a supplier's website from within the buyer's own procurement application or hosted eProcurement system.

8. Also, do we have a timeline for the new pre-proposal conference?

Answer: the state has no intentions of conducting another pre-proposal conference.

9. If a state is not currently participating in the master contract, do we still list those states as ones we would like to do business with on the proposal?

Answer: Yes

10. If we have listed the states that are not currently participating will we have to negotiate a separate contract with them if they are added as a participating state?

Answer: Regardless if a state is listed as participating or not currently participating, after a Master Agreement is awarded, a Participating Addendum will need to be negotiated with each state prior to doing business in that state. See section 1.3 Definitions: Participating Addendum (PA).

11. If those states come online and have additional requirements, do we just have to accept them without knowing what they are willing or will have a chance to review that before committing to working with them?

Answer: See answer to question 10

12. In Attachment B "Scope of Work" under Performance Requirements, Item 1 states:

"The Contractor(s) must deliver goods within fifteen (15) calendar days from receipt of an order, unless otherwise mutually agreed upon by the Ordering Entity, with exceptions being made for holidays, special orders and backorders. Contractor must contact the Ordering Entity to notify them of any deliveries that will not be made within fifteen (15) calendar days, along with an explanation with the actual delivery date and the reason for the delay."

If a vendor has sold A/V equipment to Public Agencies in Alaska, then by the terms of this section they would have had to tell every customer for every order that we would not be able to meet the expectation set in this section. Could you set a more realistic expectation of 45 calendar days, or possibly even 30.

Answer: No.

13. We understand that prices would be discounts off MSRP. Would we include our normal shipping charges to Alaska in the basis for our discount?

Answer: Yes.

14. Is the administrative fee the sum of the Alaska and ValuePoint fees added together?

Answer: No

15. Does the 1.5% prompt payment discount mandatory? Does it apply specifically to sales to the State of Alaska itself, or are other entities eligible to buy off this contract eligible for that prompt payment discount as well?

Answer: Prompt payment language is only in Alaska Terms and Conditions.

16. In Attachment B "Scope of Work" under Shipping Requirement, Item 1 states:

“All deliveries will be “Inside Deliveries” as designated by a representative of the Purchasing Entity placing the Order. Inside Delivery refers to a delivery to other than a loading dock, front lobby, or reception area.”

We have yet to have an Alaska entity request “Inside Delivery”, although it is much more common in other places. Can we offer discounts to Alaska entities that elect to either pick up their shipment at our location or opt for delivery terms other what you describe as an “Inside Delivery”?

Answer: Additional discounts offered within a state may be negotiated, after award, with the purchasing entity.

17. There is a conflict in the RFP document and Submittal forms. We noticed that page 21 of Attachment C-Submittal Forms A-E has listed that Submittal Form E (Section 4.11-Marketing of NASPO ValuePoint MA) states this form cannot exceed the 3-page limit. Only 2 pages were provided for this section. On page 20 of the RFP document, it states Submittal Form E has a maximum of 2 pages. Please clarify.

Answer: Submittal Form E, Special Requirements is amended to say:

SPECIAL REQUIREMENTS: The Offeror’s company name must be filled in on each Submittal Form included in the Technical Proposal. This Submittal Form must not exceed the 2-page limit (Reference RFP Section 4.2). If an Offeror exceeds a page limit, the information that is in excess of the limit will be removed by the Procurement Officer prior to the proposal evaluation and will not be evaluated.

18. Will you provide a complete list of various systems used by individual states/agencies that require integration for purchasing or informational site links as it relates to setting up an e-commerce website?

Answer: This information is not available.

19. Can you provide technical integration details and various system requirements within the State of Alaska as it relates to setting up an e-commerce website?

Answer: Integration with the State’s system is based on the cXML protocol for PunchOut and eOrdering. The required transactions are: PunchOutSetUpRequest, PunchOutSetupResponse, PunchOutOrderMessage, and OrderRequest. Further details about this protocol are available at cXML.org. Liaison/OpenText will be able to provide other lower level technical requirements such as TLS version/encryption.

20. We would like to request that the following items be removed from Category 4 (Photographic Equipment): Stand Alone Printers for Digital Camera Printing, Large Format SLR, Film Holders, and Slide Printers. These products are either not sold at all or have a very limited manufacturing as to limit competition.

Answer: No.

21. We would like to add a product to category 4 (Photographic Equipment) for 360-degree cameras which have many government applications.

Answer: All Categories have the statement, “which includes, but is not limited to”, so this addition is not necessary.

22. We would like to request that the product designation “SLR” cameras be changed to “DSLR” cameras as these products are now digital.

Answer: SLR Cameras are still being made and used, as well as DSLR, so we will keep the SLR Camera in the list.

23. Please clarify the following statement (under Categories in Attachment B – Scope of Work) – “Potential Offerors may submit a proposal for any or all of the Categories listed in this Scope of Work for any of the groups but may not submit for less than one entire Category listed below.” If we are unable to offer every single product in a category, does that make us ineligible? (for example, we can only offer 4 of the 8 products in a category)

Answer: yes, offeror would be found ineligible for that category.

24. I do not see any reference to Product Updates in the bid. How often can products be added and deleted from the product offering (monthly, quarterly, semi-annually)?

Answer: See answer to Question 6. Additionally; there is no set time for products to be added or deleted.

25. Is there only 1 discount % per category allowed?

Answer: See attachment C – Submittal form F, discounts are listed per each manufacturer in a category.

26. In Section 4.9 Customer Service, please clarify the 24/7 customer service requirement.

Answer: see answer to question 3

27. In Section 13 under Inspection and Acceptance, please define standard of performance. The bid states “no charges shall be paid until the standard of performance is met”.

Answer: standard of performance as advertised by the manufacture.

28. Please provide State of Alaska’s requirements for placing an order (PO model). Will it be a punch out site? If yes, what is the interface?

Answer: Delivery Order, Purchase order or Punch out. (for interface, see answer to 19)

29. Would the State of Alaska be open to changing delivery of goods from within 15 days to within 30 days? Sometimes uncontrollable vendor shortages or delays make the 15-day timeframe difficult.

Answer: No. Contractor can extend if mutually agreed upon by the ordering entity. For unanticipated delays contractor must contact the ordering entity.

30. Can the State provide a list of manufacturers/vendors that are currently being used?

Answer: This information is not available.

31. Can the state provide a list of Manufacturers/vendors that are currently the “Standards?”

Answer: see answer to question 30

32. In section 4.8.4, regarding the requirement for developing and supporting a website specific to each participating State, or Entity- if Vendor is participating at the National Level, would 50+ websites be required automatically to fulfill this requirement?

Answer: State specific website is only required for any state if/when a Participating Addendum for an individual state is fully exercised.

33. Regarding the FOB Requirement: Would the NASPO association be open to changing this requirement, as shipping to Alaska and Hawaii can be substantially different than shipments made in the Continental US?

Answer: No, keep in mind that orders to Alaska and Hawaii are a very small percentage of the spend for a National Master Agreement.

34. The Cost sheet states on tab 7 that an Area Group # is required. What is the area group #? Where can it be found?

Answer: The Area Group Numbers are listed on Page 1 of Attachment B, Scope of Work.

35. Will the Lead State please confirm that Section 4.8 Experience and Capabilities opening paragraph detailing the allotted possible points for the number of manufacturers for which they are certified resellers applies at the broadest level of capabilities and not to the number of manufacturers proposed in the submitted solution?

Answer: Points will be given to proposers according to the number of manufacturers they are certified with.

36. Attachment C: Submittal Form F – Cost Schedule. Value Added Resellers (VARs) deliver the added value of a distinct pricing advantage to our customers. To realize this value, we suggest allowing a discount driven by publicly available prices which are updated much more frequently, often several times a day. We feel that pricing models where discounts are driven by publicly verifiable sources vs MSRP realize higher, measurable savings through bulk purchases, stocked inventory, OEM rebate programs and special, negotiated OEM pricing.

Answer: We are unable to use variable MSRP pricing due to auditing requirements, however, resellers can always provide higher discounts to ordering entities than the discount listed in their proposal.

37. Will the Lead State consider deleting Section 7g. NASPO ValuePoint Cooperative Program Marketing, Training, and Performance? We may be in breach of a third-party agreement's confidentiality provisions should we be obligated to 1. Let the Lead State know if the existence of any such provision and 2. Provide the language to the Lead State to review.

Answer: No. NASPO ValuePoint needs to know that vendors are not inhibited in fully marketing this contract because of conflicts and restrictions from competing contracts.

38. Will the Lead State consider making the following modification to section 13 b. Inspection and Acceptance?
- *All Products are subject to inspection at reasonable times and places before Acceptance, **and acceptance or rejection shall occur no later than three (3) days after delivery of Products.*** (The rest of language is left as is).

Answer: Lead State Agrees to amend section 13 b as follows:
All Products are subject to inspection at reasonable times and places before Acceptance and acceptance or rejection shall occur no later than 5 business days after delivery of product

39. Will the Lead State consider deleting section 13.d Inspection and Acceptance? No manufacturer starts their warranty upon Acceptance. All manufacturer's warranties begin upon shipment.

Answer: Lead State agrees to amend section 13 d as follows:
The warranty period will begin upon shipment of the product.

40. Will the Lead State consider making the following modification to Section 14.b Payment:

- *Payment after Acceptance is normally made within 30 days following the date a partial ~~the entire~~ order is delivered or the date a correct invoice is received, whichever is later.*

Answer: No. Partial shipment payments can be negotiated in the Participating Addendum.

41. Will the Lead State consider modifying section 15 - Warranty? Product warranties come directly from the manufacturer and differ from each product. VARs have no control over the warranty terms, but the VAR can certainly pass through those warranties to the Purchasing Entity:
- *Contractor shall pass through any product warranties provided by the manufacturer to the purchasing entity.*

Answer: The Lead State agrees to modify the second sentence of the Warranty terms to read: "The Contractor warrants for a period of 30-days from the date of Acceptance..."

42. Will the Lead State consider modifying section 16 - Title of Product? The VAR can pass through title of the physical hardware, but the licensing of the operating software comes from the publisher of the software, the VAR does not have the legal standing to modify or change licensing terms:
- *Upon Acceptance by the Purchasing Entity, Contractor shall convey to Purchasing Entity title to the Product free and clear of all liens, encumbrances, or other security interests. ~~Transfer of title to the Product shall include an irrevocable and perpetual license to use any Embedded Software in the Product. If Purchasing Entity subsequently transfers title of the Product to another entity, Purchasing Entity shall have the right to transfer the license to use the Embedded Software with the transfer of Product title. A subsequent transfer of this software license shall be at no additional cost or charge to either Purchasing Entity or Purchasing Entity's transferee.~~*

Answer: Purchasing Entities that acquire software shall be subject to the license agreements distributed with such software. Any negotiations will be the responsibility of the purchasing entity and publisher.

43. Will the Lead State consider modifying section 17 Pre-Existing Intellectual Property? Similar to section 16 above, Contractor cannot convey rights to IP that it does not own. Contractor can however, grant rights to preexisting IP that belongs to the Contractor such as IP in any work product under a statement of work. Please see the following modifications to the language:
- ***Upon payment in full**, Contractor grants to the Purchasing Entity a nonexclusive, perpetual, royalty-free, irrevocable, license to use, publish, translate, reproduce, transfer with any sale of tangible media or Product, perform, display, and dispose of the **work product delivered under a statement of work Intellectual Property**, and its derivatives, used or delivered under this Master Agreement, but not created under it ("Pre-existing Intellectual Property"). ~~The Contractor shall be responsible for ensuring that this license is consistent with any third-party rights in the Pre-existing Intellectual Property.~~*

Answer: The State agrees to amend Section 17.

44. Will the Lead State consider the following modifications to section 18.c & d Insurance respectively?
- *18 C. Contractor shall pay premiums on all insurance policies. Contractor shall provide notice to a Participating Entity who is a state ~~within five (5) business days~~ **a commercially reasonable time** after Contractor is first aware of expiration, cancellation or nonrenewal of such policy or is first aware that cancellation is threatened or expiration, nonrenewal or expiration otherwise may occur.*

Answer: No, the state does not accept this modification.

- *18.d. 1) ~~names~~ **includes** the Participating States identified in the Request for Proposal as additional insureds,*

Answer: No, the state does not accept this modification

45. Will the Lead State consider the following modifications to section 30.a. Indemnification:

- a. The Contractor shall defend, indemnify and hold harmless NASPO, NASPO Cooperative Purchasing Organization LLC (doing business as NASPO ValuePoint), the Lead State, Participating Entities, and Purchasing Entities, along with their officers and employees, from and against third-party claims, damages or causes of action including reasonable attorneys' fees and related costs for any death, injury, or damage to tangible property **proximately caused by the negligence or willful misconduct of the** ~~arising from act(s), error(s), or omission(s) of the Contractor, its employees or subcontractors or volunteers, at any tier, relating to~~ **during** the performance under the Master Agreement.

Answer: No, the state does not accept this modification.

46. Will the Lead State consider the following modifications to section 30.b.2 Indemnification?

- ~~Unless otherwise agreed in writing, this section is not subject to any limitations of liability in this Master Agreement or in any other document executed in conjunction with this Master Agreement.~~

Answer: No, the state does not accept this modification.

47. Will the Lead State consider the following modifications to section 30.b.2 Indemnification: Unless otherwise agreed in writing, this section is not subject to any limitations of liability in this Master Agreement or in any other document executed in conjunction with this Master Agreement?

Answer: see answer to question 46.

48. Additional Terms for Consideration: Will the Lead State include this language as it relates to the value-added services:

- "Before certain Value-Added Services are to be performed, contractor will create a Statement of Work (SOW) detailing the exact scoping and pricing of the services to be provided, which will be excluded by the contractor and Purchasing Entity prior to the start of the Value-Added Services. The SOW will reflect the terms and conditions as negotiated between the parties during the bidding and contracting process."

Answer: The State agrees to amend Attachment C, Submittal Form F, Cost Sheet Category 7, and Attachment B, Scope of Work, the first paragraph to add the following: If Value-Add Service Options are requested, the Purchasing Entity may choose to request a quote only or require the Contractor to create a Statement of Work (SOW) detailing the exact scoping and pricing of the services to be provided.

49. Additional Terms for Consideration: It is industry standard to include a limitation of liability in IT contracts; would the Lead State consider including the following limitation of Liability in the contractual terms?

- Neither party shall be liable for any incidental, indirect, consequential, punitive or special damages. In the event of any liability of contractor or any of its affiliates for damages for any cause whatsoever shall not exceed One Hundred Thousand Dollars (\$100,000) per occurrence or Five Hundred Thousand (\$500,000) in aggregate.

Answer: No.

50. Attachment A, Page 4, Section 6.b., the 2nd item labeled as (4) – Does the "Contractor PO identifier/number(s)" refer to our PO to our vendor or the Purchasing Entity's PO to us?

Answer: It is the Purchasing Entities PO identifier number.

51. Attachment A: Is partial invoicing or line item invoicing allowed? What occurs in a backorder scenario?

Answer: See answer to question 40.

52. What is the process for managing cost changes beyond the Dealer's control? (i.e. tariffs, fuel surcharges, etc.)

Answer: Please see Section 9 of Attachment A. All prices and rates must be guaranteed for the initial term of the Master Agreement. Following that term, requests for price or rate adjustment must include sufficient documentation supporting the request and must be approved by the Lead State. No retroactive adjustments to prices or rates will be allowed.

53. In 4.8.4 section 5 "User Differentiation" "Punch Out" system being a custom integration and not mandatory. Concerns being; cost involved with the customization. Does that fall completely on vendor, or funded by PA's whom wish to use it?

Answer: The burden will be on the vendor unless negotiated otherwise in the individual State Participating Addendum.

54. The free shipping clause in the RFP is a two-fold issue.

Because the AV industry has such a vast line of products, some items may be very cheap to ship while others cost as much as the item itself. Because of this, free shipping is not standard in this industry. A small microphone may cost a few dollars to ship (to CONUS), however a large monitor cannot be shipped via carrier (USPS, Fedex, UPS), and therefore needs to be shipped via a 3PL company, sometimes costing several hundred dollars.

Also, shipping to Alaska, on average, costs more than 300% higher than shipping anywhere else in the continental United States.

Given these reasons, when a vendor is writing a response to the RFP, they must consider what their costs will be to ship to Alaska, and because of the price difference, they will be forced to give unfavorable pricing. This will affect contract utilization nationwide (as those states will have better priced contracts locally) and we will be left with an unattractive contract. Waiving the free shipping clause will allow for a highly utilized, advantageous best value contract.

Answer: See answer to question 33.

55. In section 4.9 the RFP seems to require that a vendor provides 24/7 customer service for all participating entities. The owners of our company are orthodox religious Jews and their religion restricts them from having any employees work for them on their Sabbath (the Sabbath is a weekly holiday that begins Friday afternoon and ends Saturday evening). Because of this, we would not be able to meet the requirement of having a customer service that is open 24/7. Being that this is a government contract, and most government offices are closed on the weekends, this should not pose to be an issue.

Answer: Please see the answer to Question 3.

56. In Attachment C- Submittal form F- Cost Schedule, it allows for up to 32 brands per category. Is this the maximum number of brands we can respond to per category or can we add lines to the excel sheet?

Answer: You may add lines to the excel sheet if you need more room to enter Manufacturers and Discounts.

57. In Attachment C- Submittal form F- Cost Schedule, comment 5 on the cost schedule instructions. "All Offerors must be an established, authorized reseller for each of the Manufacturer's for which they are listing a discount. A current, signed authorization agreement indicating that your company is authorized to provide such sales must be included with your cost proposal submittal."

Answer: A current certification would be one that is signed, and for which you currently resell.

58. Is there an editable version of Attachment C – Submittal Form A?

Answer: No. Please see Section 4.1 of the RFP.

59. Can we participate in the bid if our business model is to sell to end user customers via our list of authorized resellers?

Answer: No. We want to have the most brand options available for a Master Agreement of this size, so we are targeting resellers. Manufacturers will still make money through their resellers if their reseller is awarded a category in this RFP.