



State of South Carolina
Request for Proposals

Solicitation: 04212020DRAWMACHRFP
 Date Issued: 04/21/2020
 Procurement Officer: Petrina F. Marsh, CPPB
 Phone: 803.737.2808
 E-Mail Address: Petrina.Marsh@sclot.com
 Mailing Address: SC Education Lottery
 ATTN: Petrina F. Marsh
 PO Box 11949
 Columbia, SC 29211-1949

DESCRIPTION: **Lottery Draw Machines and Other Related Services**

USING GOVERNMENTAL UNIT: **South Carolina Education Lottery**

SUBMIT YOUR OFFER ON-LINE TO THE FOLLOWING ADDRESS: Petrina.Marsh@sclot.com

SUBMIT OFFER BY (Opening Date/Time): **05/15/2020 11AM ET** (See "Deadline For Submission Of Offer" provision)

QUESTIONS MUST BE RECEIVED BY: **04/28/2020 11AM ET** (See "Questions From Offerors" provision)

NUMBER OF COPIES TO BE SUBMITTED: SEE PAGE 3

AWARD & AMENDMENTS	Award will be posted on May 28, 2020. The award, this solicitation, any amendments, and any related notices will be posted at the following web address: https://www.sceducationlottery.com/Lottery/Procurement
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You must submit a signed copy of this form with Your Offer. By submitting a bid or proposal, you agree to be bound by the terms of the Solicitation. You agree to hold Your Offer open for a minimum of ninety (90) calendar days after the Opening Date.

NAME OF OFFEROR (Full legal name of business submitting the offer)	OFFEROR'S TYPE OF ENTITY: (Check one)
AUTHORIZED SIGNATURE (Person signing must be authorized to submit binding offer to enter contract on behalf of Offeror named above.)	<input type="checkbox"/> Sole Proprietorship
TITLE (Business title of person signing above)	<input type="checkbox"/> Partnership
PRINTED NAME (Printed name of person signing above)	<input type="checkbox"/> Corporate entity (not tax-exempt)
DATE SIGNED	<input type="checkbox"/> Tax-exempt corporate entity
	<input type="checkbox"/> Government entity (federal/state/local)
	<input type="checkbox"/> Other _____
	(See "Signing Your Offer" provision.)

Instructions regarding Offeror's name: Any award issued will be issued to, and the contract will be formed with, the entity identified as the offeror above. An offer may be submitted by only one legal entity. The entity named as the offeror must be a single and distinct legal entity. Do not use the name of a branch office or a division of a larger entity if the branch or division is not a separate legal entity, *i.e.*, a separate corporation, partnership, sole proprietorship, etc.

STATE OF INCORPORATION
(If offeror is a corporation, identify the state of Incorporation.)

TAXPAYER IDENTIFICATION NO.
(See "Taxpayer Identification Number" provision)

COVER PAGE

PAGE TWO

(Return Page Two with Your Offer)

HOME OFFICE ADDRESS (Address for offeror's home office / principal place of business)	NOTICE ADDRESS (Address to which all procurement and contract related notices should be sent.) (See "Notice" clause) <hr/> Area Code - Number - Extension Facsimile <hr/> E-mail Address
PAYMENT ADDRESS (Address to which payments will be sent.) (See "Payment" clause) <input type="checkbox"/> Payment Address same as Home Office Address <input type="checkbox"/> Payment Address same as Notice Address (check only one)	ORDER ADDRESS (Address to which purchase orders will be sent) (See "Purchase Orders and "Contract Documents" clauses)

ACKNOWLEDGMENT OF AMENDMENTS							
Offeror acknowledges receipt of amendments by indicating amendment number and its date of issue. (See "Amendments							
Amendment No.	Amendment Issue Date	Amendment No.	Amendment Issue Date	Amendment No.	Amendment Issue Date	Amendment No.	Amendment Issue Date

PREFERENCES – A NOTICE TO VENDORS (SEP. 2009): On June 16, 2009, the South Carolina General Assembly rewrote the law governing preferences available to in-state vendors, vendors using in-state subcontractors, and vendors selling in-state or US end products. This law appears in Section 11-35-1524 of the South Carolina Code of Laws. A summary of the new preferences is available at procurement.sc.gov/preferences. ALL THE PREFERENCES MUST BE CLAIMED AND ARE APPLIED BY LINE ITEM, REGARDLESS OF WHETHER AWARD IS MADE BY ITEM OR LOT. VENDORS ARE CAUTIONED TO CAREFULLY REVIEW THE STATUTE BEFORE CLAIMING ANY PREFERENCES. THE REQUIREMENTS TO QUALIFY HAVE CHANGED. IF YOU REQUEST A PREFERENCE, YOU ARE CERTIFYING THAT YOUR OFFER QUALIFIES FOR THE PREFERENCE YOU'VE CLAIMED. IMPROPERLY REQUESTING A PREFERENCE CAN HAVE SERIOUS CONSEQUENCES. [11-35-1524(E)(4)&(6)]

END OF PAGE TWO

IMPORTANT INFORMATION FOR ALL OFFERORS

Offerors will need to carefully **READ** and **FOLLOW** the **INSTRUCTIONS** provided **BELOW** when responding to this solicitation.

BIDDING INSTRUCTIONS

1. Offerors desiring to respond to this solicitation must submit their response electronically to the SCEL Procurement Officer listed on the Cover Page via email to Petrina.Marsh@sclot.com.
2. Each response should contain separate attachments of the Offeror's Technical Proposal AND Compensation Proposal. Each proposal must be clearly identified and labeled accordingly. Offerors may be required to submit additional documents upon SCEL's request. Multiple attachments containing additional documents **MUST** be clearly labeled.
3. Offerors will be notified by the Procurement Officer upon successful receipt of electronic bids. Offerors should save an electronic copy of their offer and confirmation of receipt to document bid submission.
4. Offerors encountering problems should contact the Procurement Officer listed on the Cover Page via email at Petrina.Marsh@sclot.com.

NUMBER OF COPIES

1. Offers submitted electronically to the email address provided in the Bidding Instructions above shall be considered the official and "original" response (and must include separate attachments of the Offeror's Technical Proposal and Compensation Proposal as described above). No additional copies of the "original" response are required.
2. Additionally, Offerors should submit one (1) "original redacted" electronic version of the Offeror's Technical Proposal and Compensation Proposal. The redacted version should be submitted electronically via the email address provided in the Bidding Instructions above.

Note: Except for the information removed or concealed, the redacted version must be identical to your original offer. The redacted version must reflect the same pagination as the original and show the empty space (or blacked out sections) from which information was redacted.

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PART I. SCOPE OF SOLICITATION

1.1 ACQUIRE SERVICES & SUPPLIES/EQUIPMENT (MODIFIED)

The purpose of this solicitation is to establish multiple sources of supply for Lottery Draw Machines and Other Related Services on behalf of the South Carolina Education Lottery (SCEL). The Contractor(s) shall replace SCEL's nine (9) existing draw machines with nine (9) new draw machines and machine related components as required; and, provide any other related services, supplies and/or equipment, as needed throughout the course of the Contract in accordance with the requirements stated herein.

1.2 MAXIMUM CONTRACT PERIOD – ESTIMATED (JAN 2006)

The Maximum Contract Period is 06/05/2020 through 06/04/2025. Dates provided are estimates only. Any resulting contract will begin on the date specified in the notice of award. See clause entitled "Term of Contract - Effective Date/Initial Contract Period". [01-1040-1]

1.3 INTRODUCTION AND SCOPE

The South Carolina Education Lottery conducts multiple drawings each day from the Lottery's Draw Studio on Main ("Draw Studio") located at 1333 Main Street, Columbia, S.C. Drawings for SCEL's Pick 3, Pick 4, and Palmetto Cash 5 terminal generated games are broadcast live each evening, Sunday through Saturday, at 6:59 p.m. Midday draws for Pick 3 and Pick 4 are not televised, but occur daily, Monday through Saturday, at 12:59 p.m., excluding Sundays and Christmas Day. Each drawing lasts approximately one minute in length and is performed by SCEL Draw Talent who announce the numbers drawn from a random set of balls in an air-mixed ball machine specifically designed for each above mentioned game.

SCEL strives to maintain the highest level of public confidence, security, and integrity throughout the draw process. Lottery draw procedures are comprehensive with clearly defined rules that require every aspect of each drawing to be thoroughly scrutinized. Prior to each draw, a series of pre-tests are performed by an employee of the Lottery's Security Division ("Draw Manager") and witnessed by an external auditor employed with an independent certified public accounting firm ("Auditor") to ensure each draw machine is working properly. Ball sets are weighed on certified electronic scales before and after each drawing. Draw machines and ball sets are determined and selected at random. The Auditor must then certify to the integrity, security and fairness of each drawing. Draw machines, ball sets, and other related equipment are stored and sealed in a secure room with limited access in the Draw Studio; and, securely monitored by uniformed armed security officers and video surveillance 24 hours a day.

1.4 GENERAL COMMITMENT AND CONTRACT INTERPRETATION

All responses to this RFP and the resulting Award(s) will be subject to the requirements of, and must comply with, the South Carolina Education Lottery Act (Act 59 of 2001, as amended) and the South Carolina Consolidated Procurement Code as provided in Title 11, Chapter 35 of the SC Code of Laws and Regulations, regardless of whether or not those requirements are specifically addressed in this RFP or in the Offeror's response. Contractor agrees, in total and complete satisfaction of the requirements of this Contract, that it will fully and completely perform all services, supply all of the materials required under this Contract in first-class manner, and apply the best practices of the industry. Contractor warrants that it meets all requirements in this Contract and will continue to meet said requirements throughout the term of the Contract.

In the event there are any disagreements between the parties in regard to the requirements arising from this Contract, or otherwise, including, but not limited to: disputes concerning scope of work, and whether particular items or efforts were included in the scope of work as mutually agreed upon by the parties; the Contractor agrees to defer to the interpretations made by SCEL, and thus, deemed reasonable by SCEL.

1.5 AWARD

Award may be made to more than one Offeror; and shall be made to the responsive and responsible Offeror(s) whose offer(s) is deemed to best fulfill the requirements of this RFP as stated herein.

1.6 SCHEDULE OF KEY EVENTS

All dates subject to change.

1. Request for Proposal Issued	April 21, 2020
2. Deadline for Offerors to submit Questions (11:00 a.m. ET.)	April 28, 2020
3. State’s Written Responses to Questions (tentative)	April 29, 2020
4. Submission and Opening of Proposals (11:00 a.m. ET.)	May 15, 2020
5. Intent to Award Posting Date (tentative)	May 28, 2020
6. Award Final (tentative)	June 5, 2020

PART II. INSTRUCTIONS TO OFFERORS – A. GENERAL INSTRUCTIONS

2.0 DEFINITIONS, CAPITALIZATION, AND HEADINGS (MODIFIED)

CLAUSE HEADINGS USED IN THIS SOLICITATION ARE FOR CONVENIENCE ONLY AND SHALL NOT BE USED TO CONSTRUE MEANING OR INTENT. EVEN IF NOT CAPITALIZED, THE FOLLOWING DEFINITIONS ARE APPLICABLE TO ALL PARTS OF THE SOLICITATION, UNLESS EXPRESSLY PROVIDED OTHERWISE.

AMENDMENT means a document issued to supplement the original solicitation document.

AUTHORITY means the State Fiscal Accountability Authority or its successor in interest.

BUSINESS means any corporation, partnership, individual, sole proprietorship, joint stock company, joint venture, or any other legal entity. [11-35-310(3)]

CHANGE ORDER means any written alteration in specifications, delivery point, rate of delivery, period of performance, price, quantity, or other provisions of any Contract accomplished by mutual agreement of the parties to the Contract. [11-35-310(4)]

CONTRACT See Section 7.4 entitled Contract Documents & Order of Precedence.

CONTRACT MODIFICATION means a written order signed by the procurement officer, directing the Contractor to make changes which the clause of the Contract titled "Changes," if included herein, authorizes the Procurement Officer to order without the consent of the Contractor. [11-35-310(9)]

CONTRACTOR means the Offeror receiving an award as a result of this solicitation.

COVER PAGE means the top page of the original solicitation on which the solicitation is identified by number. Offerors are cautioned that Amendments may modify information provided on the Cover Page.

LOTTERY, unless the context clearly conveys a different meaning, means lottery, "lotteries", "lottery game", or "lottery games" as defined in S.C. Code Ann. § 59-150-20(7), as the same may be amended from time to time.

NOTICE TO PROCEED means the notice given to the Contractor to begin work on the Contract.

OFFER means the bid or Proposal submitted in response this solicitation. The terms Bid and Proposal are used interchangeably with the term Offer.

OFFEROR means the single legal entity submitting the Offer. The term Bidder is used interchangeably with the term Offeror. See bidding provisions entitled Signing Your Offer and Bid/Proposal As Offer To Contract.

PAGE TWO means the second page of the original solicitation, which is labeled Page Two.

PROCUREMENT OFFICER means the person, or his successor, identified as such on either the Cover Page, an amendment, or an award notice.

YOU and YOUR means Offeror.

SOLICITATION means this document, including all its parts, attachments, and any Amendments.

STATE means the Using Governmental Unit(s) identified on the Cover Page.

SUBCONTRACTOR means any person you contract with to perform or provide any part of the work.

US or WE means the using governmental unit.

USING GOVERNMENTAL UNIT means the South Carolina Education Lottery.

WORK means all labor, materials, equipment, services, or property of any type, provided or to be provided by the Contractor to fulfill the Contractor's obligations under the Contract.

2.1 AMENDMENTS TO SOLICITATION (JAN 2004)

(a) The Solicitation may be amended at any time prior to opening. All actual and prospective Offerors should monitor the following web site for the issuance of Amendments: <https://www.sceducationlottery.com/Lottery/Procurement>. (b) Offerors shall acknowledge receipt of any amendment to this solicitation (1) by signing and returning the amendment, (2) by identifying the amendment number and date in the space provided for this purpose on Page Two, (3) by letter, or (4) by

submitting a bid that indicates in some way that the bidder received the amendment. (c) If this solicitation is amended, then all terms and conditions which are not modified remain unchanged. [02-2A005-1]

2.2 AUTHORIZED AGENT (FEB 2015)

All authority regarding this procurement is vested solely with the responsible Procurement Officer. Unless specifically delegated in writing, the Procurement Officer is the only government official authorized to bind the government with regard to this procurement or the resulting contract. [02-2A007-1]

2.3 AWARD NOTIFICATION (MAY 2019)

Notice regarding any award, cancellation of award, or extension of award will be posted at the location and on the date specified on the Cover Page or, if applicable, any notice of extension of award. Should the contract resulting from this Solicitation have a total or potential value of one hundred thousand dollars, such notice will be sent electronically to all Offerors responding to the Solicitation and any award will not be effective until the calendar day (including weekends and holidays) immediately following the seventh business day after such notice is given. [02-2A010-1]

2.4 BID/PROPOSAL AS OFFER TO CONTRACT (JAN 2004)

By submitting Your Bid or Proposal, You are offering to enter into a contract with the Using Governmental Unit(s). Without further action by either party, a binding contract shall result upon final award. Any award issued will be issued to, and the contract will be formed with, the entity identified as the Offeror on the Cover Page. An Offer may be submitted by only one legal entity; "joint bids" are not allowed. [02-2A015-1]

2.5 BID IN ENGLISH AND DOLLARS (JAN 2004)

Offers submitted in response to this solicitation shall be in the English language and in US dollars. [02-2A025-1]

2.6 CERTIFICATE OF INDEPENDENT PRICE DETERMINATION (MAY 2008)

GIVING FALSE, MISLEADING, OR INCOMPLETE INFORMATION ON THIS CERTIFICATION MAY RENDER YOU SUBJECT TO PROSECUTION UNDER SECTION 16-9-10 OF THE SOUTH CAROLINA CODE OF LAWS AND OTHER APPLICABLE LAWS.

(a) By submitting an offer, the offeror certifies that-

(1) The prices in this offer have been arrived at independently, without, for the purpose of restricting competition, any consultation, communication, or agreement with any other offeror or competitor relating to-

(i) Those prices;

(ii) The intention to submit an offer; or

(iii) The methods or factors used to calculate the prices offered.

(2) The prices in this offer have not been and will not be knowingly disclosed by the offeror, directly or indirectly, to any other offeror or competitor before bid opening (in the case of a sealed bid solicitation) or contract award (in the case of a negotiated solicitation) unless otherwise required by law; and

(3) No attempt has been made or will be made by the offeror to induce any other concern to submit or not to submit an offer for the purpose of restricting competition.

(b) Each signature on the offer is considered to be a certification by the signatory that the signatory-

(1) Is the person in the offeror's organization responsible for determining the prices being offered in this bid or proposal, and that the signatory has not participated and will not

participate in any action contrary to paragraphs (a)(1) through (a)(3) of this certification; or
(2) Has been authorized, in writing, to act as agent for the offeror's principals in certifying that those principals have not participated, and will not participate in any action contrary to paragraphs (a)(1) through (a)(3) of this certification [As used in this subdivision (b)(2), the term "principals" means the person(s) in the offeror's organization responsible for determining the prices offered in this bid or proposal];

(3) As an authorized agent, does certify that the principals referenced in subdivision (b)(2)(i) of this certification have not participated, and will not participate, in any action contrary to paragraphs (a)(1) through (a)(3) of this certification; and

(4) As an agent, has not personally participated, and will not participate, in any action contrary to paragraphs (a)(1) through (a)(3) of this certification.

(c) If the offeror deletes or modifies paragraph (a)(2) of this certification, the offeror must furnish with its offer a signed statement setting forth in detail the circumstances of the disclosure. [02-2A032-1]

2.7 CERTIFICATION REGARDING DEBARMENT AND OTHER RESPONSIBILITY MATTERS (JAN 2004)

By submitting an Offer, Offeror certifies, to the best of its knowledge and belief, that-

(1) Offeror and/or any of its Principals-

(A) Are not presently debarred, suspended, proposed for debarment, or declared ineligible for the award of contracts by any state or federal agency;

(B) Have not, within a three-year period preceding this offer, been convicted of or had a civil judgment rendered against them for: commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, state, or local) contract or subcontract; violation of Federal or state antitrust statutes relating to the submission of offers; or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, tax evasion, or receiving stolen property; and

(C) Are not presently indicted for, or otherwise criminally or civilly charged by a governmental entity with, commission of any of the offenses enumerated in paragraph (1)(B) of this provision.

(2) Offeror has not, within a three-year period preceding this offer, had one or more contracts terminated for default by any public (Federal, state, or local) entity.

(A) "Principals," for the purposes of this certification, means officers; directors; owners; partners; and, persons having primary management or supervisory responsibilities within a business entity (e.g., general manager; plant manager; head of a subsidiary, division, or business segment, and similar positions).

(3) Offeror shall provide immediate written notice to the Procurement Officer if, at any time prior to contract award, Offeror learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.

(4) If Offeror is unable to certify the representations stated in paragraphs (a)(1), Offer must submit a written explanation regarding its inability to make the certification. The certification will be considered in connection with a review of the Offeror's responsibility. Failure of the Offeror to furnish additional information as requested by the Procurement Officer may render the Offeror nonresponsible.

(5) Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render, in good faith, the certification required by paragraph (a) of this provision. The knowledge and information of an Offeror is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.

(6) The certification in paragraph (a) of this provision is a material representation of fact upon which reliance was placed when making award. If it is later determined that the Offeror knowingly or in bad faith rendered an erroneous certification, in addition to other remedies available to the State, the Procurement Officer may terminate the contract resulting from this solicitation for default. [02-2A035-1]

2.8 CODE OF LAWS AVAILABLE (JAN 2006)

The South Carolina Code of Laws, including the Consolidated Procurement Code, is available at:
<http://www.scstatehouse.gov/code/statmast.php>

The South Carolina Regulations are available at:
<http://www.scstatehouse.gov/coderegs/statmast.php>

2.9 DISCLOSURE OF CONFLICTS OF INTEREST OR UNFAIR COMPETITIVE ADVANTAGE (MODIFIED)

By submitting a Proposal, the Offeror is certifying that it has no conflicts of interest or unfair competitive advantage as provided by applicable statutes, regulations, and interpretive authorities.

2.10 DEADLINE FOR SUBMISSION OF OFFER (JAN 2004)

Any offer received after the Procurement Officer of the governmental body or his designee has declared that the time set for opening has arrived, shall be rejected unless the offer has been delivered to the designated purchasing office or the governmental bodies mail room which services that purchasing office prior to the bid opening. [R.19-445.2070(G)][02-2A050-1]

2.11 DRUG FREE WORK PLACE CERTIFICATION (JAN 2004)

By submitting an Offer, Contractor certifies that, if awarded a contract, Contractor will comply with all applicable provisions of The Drug-free Workplace Act, Title 44, Chapter 107 of the South Carolina Code of Laws, as amended. [02-2A065-1]

2.12 DUTY TO INSPECT AND INQUIRE AND RELATED CERTIFICATIONS (MODIFIED)

(a) Offeror, by submitting a Proposal, represents and certifies that it has read and understands the Solicitation and that its Proposal is made in compliance with the Solicitation. Offerors are expected to examine the Solicitation thoroughly, conduct appropriate pre-submission reviews of the circumstances, conditions, and requirements and should submit a question requesting an explanation of any ambiguities, discrepancies, errors, omissions, or conflicting statements in the Solicitation in accordance with **Questions from Offerors** in Section 2.20. Failure to do so will be at the Offeror's risk. Offeror assumes responsibility for any assumption it makes concerning the Solicitation that Offeror does not bring to the State's attention pursuant to **Questions from Offerors** in Section 2.20. Information supplied by SCEL concerning its current operation is not binding on the State in any way and Offeror's reliance upon any such information is at its own risk and is without recourse. (b) By submission of a Proposal, Offeror also certifies that its Proposal has been reviewed by the appropriate individuals within the Offeror's organization, including, but not limited to, the individual(s) responsible for designing the technical components of the system proposed, the Chief Financial Officer, that the goods and services herein, if an award is made to that Offeror, can and will be provided on time and for the compensation proposed, subject to any negotiations that may affect the amount of compensation. (c) Any and all requested changes, modifications, etc. to **Terms and Conditions** in Part VII of this solicitation must be addressed during the Question and Answer Period. Taking exception to the terms and conditions in Part VII of the BVB in Your Proposal and not making clear that the Proposal will comply with the terms and conditions as written in the submitted Proposal, may render Your Proposal not "reasonably susceptible of being selected for award" and it could still be rejected in the Procurement Officer's sole judgment. Follow-up questions are allowed and encouraged. (d) Appendices (Additional information to Offerors relating to SCEL's operations) are intended as background and does not constitute specific requirements for this solicitation.

2.13 ETHICS CERTIFICATE (MAY 2008)

By submitting an offer, the offeror certifies that the offeror has and will comply with, and has not, and will not, induce a person to violate title 8, chapter 13 of the south carolina code of laws, as amended (ethics act). The following statutes require special attention: section 8-13-700, regarding use of official position for financial gain; section 8-13-705, regarding gifts to influence action of public official; section 8-13-720, regarding offering money for advice or assistance of public official; sections 8-13-755 and 8-13-760, regarding restrictions on employment by former public official; section 8-13-775, prohibiting public official with economic interests from acting on contracts; section 8-13- 790, regarding recovery of kickbacks; section 8-13-1150, regarding statements to be filed by consultants; and section 8-13- 1342, regarding restrictions on contributions by contractor to candidate who participated in awarding of contract. The state may rescind any contract and recover all amounts expended as a result of any action taken in violation of this provision. If contractor participates, directly or indirectly, in the evaluation or award of public contracts, including without limitation, change orders or task orders regarding a public contract, contractor shall, if required by law to file such a statement, provide the statement required by section 8-13-1150 to the procurement officer at the same time the law requires the statement to be filed. [02-2a075-2]

2.14 OMIT TAXES FROM PRICE (JAN 2004)

Do not include any sales or use taxes in Your price that the State may be required to pay. [02-2A080-1]

2.15 OPEN TRADE REPRESENTATION (JUN 2015)

By submitting an Offer, Offeror represents that Offeror is not currently engaged in the boycott of a person or an entity based in or doing business with a jurisdiction with whom South Carolina can enjoy open trade, as defined in SC Code Section 11-35-5300. [02-2A083-1]

2.16 PROHIBITED COMMUNICATIONS AND DONATIONS (FEB 2015)

Violation of these restrictions may result in disqualification of your offer, suspension or debarment, and may constitute a violation of law.

During the period between publication of the solicitation and final award, ***you must not communicate, directly or indirectly, with the Using Governmental Unit or its employees, agents or officials regarding any aspect of this procurement activity***, unless otherwise approved in writing by the Procurement Officer.

All communications must be solely with the Procurement Officer. [R. 19-445.2010]

You are advised to familiarize yourself with Regulation 19-445.2165, which restricts donations to a governmental entity with whom you have or seek to have a contract. ***You represent that your offer discloses any gifts made, directly or through an intermediary, by you or your named subcontractors to or for the benefit of the Using Governmental Unit during the period beginning eighteen months prior to the Opening Date.*** [R. 19-445.2165] [02-2A087-1]

2.17 PROTESTS (MODIFIED)

If you are aggrieved in connection with the solicitation or award of the contract, you may be entitled to protest, but only as provided in Section 11-35-4210. To protest a solicitation, you must submit a protest within fifteen days of the date the applicable solicitation documents is issued. To protest an award, you must (i) submit notice of your intent to protest seven business days of the date the award notice is posted, and (ii) submit your actual protest within fifteen days of the date the award notice is posted. Days are calculated in provided in Section 11-35-310(13). Both protest and notices if intent to protest must be in writing and must be received by the appropriate Chief Procurement Officer within the time provided. The grounds of the protest and the relief requested must be set forth with enough particularity to give

notice of the issues to be decided. Any protest must be addressed to the Chief Procurement Officer, Materials Management Office, and submitted in writing:

(a) by email to: protest-mmo@mmo.sc.gov,

(b) by post or delivery to: 1201 Main Street, Suite 601, Columbia, SC 29201.

2.18 PUBLIC OPENING (JAN 2004): Offers will be publicly opened at the date / time and at the location identified on the Cover Page, or last Amendment, whichever is applicable. [02-2A090-1]

2.19 QUESTIONS FROM OFFERORS (MODIFIED)

(a) Any prospective Offeror desiring an explanation or interpretation of the Solicitation, its requirements, specifications, etc, must make the request in writing (see **Duty to Inspect and Inquire and Related Certifications**, Section 2.13). Email is the preferred method for submitting questions to the procurement officer. Questions must be submitted in writing and should be sent in an easily copied format such as MS Word. Oral explanations or instructions will not be binding. Any information given a prospective Offeror concerning the Solicitation will be furnished promptly to all other prospective Offerors as an Amendment to the Solicitation, if that information is necessary for submitting offers or if the lack of it would be prejudicial to other prospective Offerors. When responding to any questions, via an Amendment, **the identity of the entity asking the question may be included in the response to the question.**

(b) The State seeks to permit the maximum practicable competition. Offerors are urged to advise the Procurement Officer as soon as possible regarding any aspect of this procurement, including any aspect of the Solicitation, which unnecessarily or inappropriately limits full and open competition. Offerors should not wait until the deadline for questions listed in the Schedule of Key Events.

- All questions must be received no later than **April 28, 2020 at 11:00 AM.**
- Title the "Subject" line of your email "Questions 04212020DRAWMACHRF".
- Questions and any related communication should be sent to Petrina.Marsh@sclot.com.

2.20 REJECTION/CANCELLATION (JAN 2004)

This solicitation does not commit the State of South Carolina to award a contract, to pay any cost incurred in the preparation of an offer, or to procure or contract for the articles of goods or services. The State may cancel this solicitation in whole or in part. The State may reject any or all offers in whole or in part. [Section 11-35-1710 & R.19-445.2065] [02-2A100-1]

2.21 RESPONSIVENESS (MODIFIED)

(a) Responsiveness. Any Offer which fails to conform to the material requirements of the Solicitation may be rejected as nonresponsive. Offers which impose conditions that modify material requirements of the Solicitation may be rejected. If a fixed price is required, an Offer will be rejected if the total possible cost to the State cannot be determined. Any deficiency resulting from a minor informality may be cured or waived at the sole discretion of the Procurement Officer. [R.19-445.2070 and Section 11-35-1520(13)]

(b) Any sales or marketing literature or brochures submitted shall become part of the Contract documents as defined in Section 7.4, to the extent they do not alter the Terms and Conditions.

2.22 SIGNING YOUR OFFER (JAN 2004)

Every Offer must be signed by an individual with actual authority to bind the Offeror. (a) If the Offeror is an individual, the Offer must be signed by that individual. If the Offeror is an individual doing business as a firm, the Offer must be submitted in the firm name, signed by the individual, and state that the

individual is doing business as a firm. (b) If the Offeror is a partnership, the Offer must be submitted in the partnership name, followed by the words by its Partner, and signed by a general partner. (c) If the Offeror is a corporation, the Offer must be submitted in the corporate name, followed by the signature and title of the person authorized to sign. (d) An Offer may be submitted by a joint venturer involving any combination of individuals, partnerships, or corporations. If the Offeror is a joint venture, the Offer must be submitted in the name of the Joint Venture and signed by every participant in the joint venture in the manner prescribed in paragraphs (a) through (c) above for each type of participant. (e) If an Offer is signed by an agent, other than as stated in subparagraphs (a) through (d) above, the Offer must state that it has been signed by an Agent. Upon request, Offeror must provide proof of the agent's authorization to bind the principal. [02-2A115-1]

2.23 SUBMITTING CONFIDENTIAL INFORMATION (FEB 2015)

(An overview is available at www.procurement.sc.gov) For every document Offeror submits in response to or with regard to this solicitation or request, Offeror must separately mark with the word "CONFIDENTIAL" every page, or portion thereof, that Offeror contends contains information that is exempt from public disclosure because it is either (a) a trade secret as defined in Section 30-4-40(a)(1), or (b) privileged and confidential, as that phrase is used in Section 11-35-410. For every document Offeror submits in response to or with regard to this solicitation or request, Offeror must separately mark with the words "TRADE SECRET" every page, or portion thereof, that Offeror contends contains a trade secret as that term is defined by Section 39-8-20 of the Trade Secrets Act. For every document Offeror submits in response to or with regard to this solicitation or request, Offeror must separately mark with the word "PROTECTED" every page, or portion thereof, that Offeror contends is protected by Section 11-35-1810. All markings must be conspicuous; use color, bold, underlining, or some other method in order to conspicuously distinguish the mark from the other text. Do not mark your entire response (bid, proposal, quote, etc.) as confidential, trade secret, or protected. If your response, or any part thereof, is improperly marked as confidential or trade secret or protected, the State may, in its sole discretion, determine it nonresponsive. If only portions of a page are subject to some protection, do not mark the entire page. By submitting a response to this solicitation or request, Offeror (1) agrees to the public disclosure of every page of every document regarding this solicitation or request that was submitted at any time prior to entering into a contract (including, but not limited to, documents contained in a response, documents submitted to clarify a response, and documents submitted during negotiations), unless the page is conspicuously marked "TRADE SECRET" or "CONFIDENTIAL" or "PROTECTED", (2) agrees that any information not marked, as required by these bidding instructions, as a "Trade Secret" is not a trade secret as defined by the Trade Secrets Act, and (3) agrees that, notwithstanding any claims or markings otherwise, any prices, commissions, discounts, or other financial figures used to determine the award, as well as the final contract amount, are subject to public disclosure. In determining whether to release documents, the State will detrimentally rely on Offeror's marking of documents, as required by these bidding instructions, as being either "Confidential" or "Trade Secret" or "PROTECTED". By submitting a response, Offeror agrees to defend, indemnify and hold harmless the State of South Carolina, its agencies, officers and employees, from every claim, demand, loss, expense, cost, damage or injury, including attorney's fees, arising out of or resulting from withholding information by the State of South Carolina or any of its agencies, that Offeror marked as "confidential" or "trade secret" or "PROTECTED". (All references to S.C. Code of Laws.) [02-2a125-2]

2.24 WITHDRAWAL OR CORRECTION OF OFFER (JAN 2004)

Offers may be withdrawn by written notice received at any time before the exact time set for opening. A bid may be withdrawn in person by a bidder or its authorized representative if, before the exact time set for opening, the identity of the person requesting withdrawal is established and the person signs a

receipt for the bid. The withdrawal and correction of Offers is governed by S.C. Code Section 11-35-1520 and Regulation 19-445.2085. [02-2a150-1]

PART II. INSTRUCTIONS TO OFFERORS – B. SPECIAL INSTRUCTIONS

2.25 CONTENTS OF OFFER (RFP) -- (FEB 2015)

(a) Offers should be complete and carefully worded and should convey all of the information requested. (b) Offers should be prepared simply and economically, providing a straightforward, concise description of offeror's capabilities to satisfy the requirements of the RFP. Emphasis should be on completeness and clarity of content. (c) The contents of your offer must be divided into two parts, the technical proposal and the business proposal. (d) If your offer includes any comment over and above the specific information requested in the solicitation, you are to include this information as a separate appendix to your offer. Offers which include either modifications to any of the solicitation's contractual requirements or an offeror's standard terms and conditions may be deemed non-responsive and not considered for award. [02-2B040-2]

2.26 CLARIFICATION (NOV 2007)

Pursuant to Section 11-35-1520(8), the Procurement Officer may elect to communicate with you after opening for the purpose of clarifying either your offer or the requirements of the solicitation. Such communications may be conducted only with offerors who have submitted an offer which obviously conforms in all material aspects to the solicitation. Clarification of an offer must be documented in writing and included with the offer. Clarifications may not be used to revise an offer or the solicitation. [Section 11-35-1520(8); R.19-445.2080] [02-2B055-1]

2.27 OPENING PROPOSALS – -- INFORMATION NOT DIVULGED (FEB 2015)

In competitive sealed proposals, neither the number or identity of offerors nor prices will be divulged at opening. [§ 11-35-1530 & R. 19-445.2095 (C)(1)] [02-2B110-2]

2.28 PREFERENCES - A NOTICE TO VENDORS (SEP 2009)

On June 16, 2009, the South Carolina General Assembly rewrote the law governing preferences available to in-state vendors, vendors using in-state subcontractors, and vendors selling in-state or US end products. This law appears in Section 11-35-1524 of the South Carolina Code of Laws. A summary of the new preferences is available at www.procurement.sc.gov/preferences. ALL THE PREFERENCES MUST BE CLAIMED AND ARE APPLIED BY LINE ITEM, REGARDLESS OF WHETHER AWARD IS MADE BY ITEM OR LOT. VENDORS ARE CAUTIONED TO CAREFULLY REVIEW THE STATUTE BEFORE CLAIMING ANY PREFERENCES. THE REQUIREMENTS TO QUALIFY HAVE CHANGED. IF YOU REQUEST A PREFERENCE, YOU ARE CERTIFYING THAT YOUR OFFER QUALIFIES FOR THE PREFERENCE YOU'VE CLAIMED. IMPROPERLY REQUESTING A PREFERENCE CAN HAVE SERIOUS CONSEQUENCES. [11-35-1524(E)(4) &(6)] [02-2B111-1]

2.29 PREFERENCES - SC/US END-PRODUCT (SEP 2009)

Section 11-35-1524 provides a preference to vendors offering South Carolina end-products or US end-products, if those products are made, manufactured, or grown in SC or the US, respectively. An end-product is the tangible project identified for acquisition in this solicitation, including all component parts in final form and ready for the use intended. The terms "made," "manufactured," and "grown" are defined by Section 11-35-1524(A). By signing your offer and checking the appropriate space(s) provided and identified on the bid schedule, you certify that the end-product(s) is either made, manufactured or grown in South Carolina, or other states of the United States, as applicable. Preference will be applied as required by law. Post award substitutions are prohibited. See "Substitutions Prohibited - End Product Preferences (Sep 2009)" provision. [02-2B112-1]

2.30 PREFERENCES - RESIDENT CONTRACTOR PREFERENCE (SEP 2009)

To qualify for the RCP, you must maintain an office in this state. An office is a nonmobile place for the regular transaction of business or performance of a particular service which has been operated as such by the bidder for at least one year before the bid opening and during that year the place has been staffed for at least fifty weeks by at least two employees for at least thirty five hours a week each. In addition, you must, at the time you submit your bid, directly employ, or have a documented commitment with, individuals domiciled in South Carolina that will perform services expressly required by the solicitation and your total direct labor cost for those individuals to provide those services must exceed fifty percent of your total bid price. [11-35-1524(C)(1)(iii)] Upon request by the procurement officer, you must identify the persons domiciled in South Carolina that will perform the services involved in the procurement upon which you rely in qualifying for the preference, the services those individuals are to perform, and documentation of the your labor cost for each person identified. If requested, your failure to provide this information promptly will be grounds to deny the preference (and, potentially, for other enforcement action). [02-2B113A- 1]

2.31 UNIT PRICES REQUIRED (JAN 2006)

Unit price to be shown for each item. [02-2B170-1]

PART III. SCOPE OF WORK/SPECIFICATIONS

3.0 GENERAL SCOPE OF WORK – DRAW MACHINES

(a) The Contractor(s) must produce, deliver, install, and perform all services necessary to replace SCEL's nine (9) existing draw machines with new draw machines and any other related supplies, and/or equipment SCEL requires throughout the course of this Contract. Additionally, the Contractor shall provide maintenance and repair services for a minimum of one (1) year; also, to include a warranty against any defects in the workmanship of draw machine equipment and/or any other machine related components' failure to perform as required by SCEL. The Contractor(s) shall apply industry best practices in a first-class manner and fully satisfy the requirements specified herein Part III and throughout this solicitation as directed by SCEL.

(b) While references herein discuss the initial purchase of 9 draw machines, SCEL reserves the right to order additional machines with the same specifications and cost during the contract period.

3.1 GENERAL SERVICES

1. Furnish and install (9) new draw machines and other related machine/and electrical components in accordance with the requirements stated herein;
2. Provide all necessary transport and rigging/lifting equipment needed to furnish and successfully install (9) new draw machines and other related machine/and electrical components;
3. Conduct startup and performance evaluations for all new machines;
4. Train SCEL Staff on use of machines and other related components and provide operation manuals for each machine type;
5. Provide (1) year warranty against defects, materials, workmanship, and performance failure for all new draw machines and other related machine/electrical components in accordance with the performance criteria requirements stated herein which shall begin upon the date of SCEL's receipt and acceptance of the initial order for a period of not less than one (1) year;
6. Provide (1) year of annual preventative maintenance inspections for all new draw machines and other related machine/electrical components to begin upon the date of SCEL's receipt and acceptance of the initial order for a period of not less than one (1) year;
7. Provide any additional maintenance and repair service on a timely basis throughout the term of this Contract; to include any emergency and/or non-emergency scheduled repairs needed for any draw machines and other machine related components acquired under this RFP;
8. Complete project date for initial order of (9) new draw machines and other related machine/and electrical components no later than August 14, 2020, unless otherwise directed by SCEL Security.

The Contractor(s) is solely responsible for all costs associated with the furnish and install of the initial order for (9) new draw machines and other related machine/electrical components and all other general services listed above, including but not limited to the: packaging, transportation and shipping charges (via F.O.B Point of Destination), travel, and any other related costs required to securely deliver and install the initial order of (9) new draw machines to the SCEL Draw Studio. All costs associated with these requirements must be included in the Compensation Proposal.

3.2 GENERAL TECHNICAL REQUIREMENTS - DRAW MACHINES AND RELATED COMPONENTS

SCEL requires a minimum of nine (9) air mix ball draw machines with each machine containing the following components: a blower fan for each chamber, motor, electrical connections, brackets, and an air filtration system. All machines and components must be identical and aesthetically similar, except for the number of chambers as required below. All horizontal surfaces, lines etc., must be level when

the machine is placed on a level surface. The design of each drawing machine must assure the completely random selection of balls with official numbers drawn and that the drawing machine is tamper proof. Each machine must be the same height. The height of each machine from the floor to the top of the selection display receptacles, including the cabinet base, should be 48" in height. Each machine must be designed and constructed in a manner to ensure balls naturally gravitate to the center of the mixing chamber where the air flow enters the chamber.

3.2.1 PICK 3 MACHINES

Three (3) draw machines must contain 3-chambers for each machine. Each chamber will mix a set of ten balls ranging from numbers 0 to 9 with one ball randomly drawn from each chamber and delivered to a single selection display receptacle for each chamber on top of the machine. The selection display receptacles should be positioned within close proximity of each other, so as to allow all three selected balls to be captured in their selection display receptacles within a singular zoomed in camera view.

3.2.2 PICK 4 MACHINES

Three (3) draw machines must contain 4-chambers for each machine. Each chamber will mix a set of ten balls ranging from numbers 0 to 9 with one ball randomly drawn from each chamber and delivered to a single selection display receptacle for each chamber on top of the machine. The selection display receptacles should be positioned within close proximity of each other, so as to allow all four selected balls to be captured in their selection display receptacles within a singular zoomed in camera view.

3.2.3 PALMETTO CASH 5 MACHINES

Three (3) machines must contain 2- chambers for each machine. For each of these machines, the left-hand chamber must mix a set of thirty-eight balls ranging from numbers 1 to 38 with five balls randomly drawn from the left-hand chamber and deliver to a single selection display receptacle on top of the machine. The right-hand chamber for each of these machines will be used to select a multiplier number and must mix a set of twenty-eight (28) balls with one ball randomly drawn and deliver to a single selection display receptacle on top of the machine.

3.3 GENERAL PERFORMANCE REQUIREMENTS -- DRAW MACHINES AND RELATED COMPONENTS

3.3.1 MIXING CHAMBER

Each of the (9) initial draw machines should contain identical components except for the number of mixing chambers required for each of the 3 machine types listed above. The mixing chambers, or "body", of each draw machine must contain the required number of separate mixing chambers. Each mixing chamber must be capable of drawing a single ball. Separation panels are required for each chamber. Each chamber shall be designed and constructed in a manner that does not allow airflow between mixing chambers. Each chamber must contain its own air vents and antistatic unit. When an air release gate is activated, a ball must travel from the mixing chamber in a transparent selection tube to a selection display receptacle.

- (a) SCEL desires the selection display receptacle for all chambers to terminate at the same location. Vendors may propose delivery designs, delivery location etc. The delivery structure and final location must not obstruct the audience viewing of the mixing chambers. Each mixing chamber shall have a controlled air release gate and pull handle and the gate is required to close automatically after a ball has been selected.
- (b) The pull handle that allows for ball selection shall be controlled by a piston unit.

- (c) Each drawing machine shall be constructed in a manner to function similarly to the drawing machines currently in rotation. All material/substances must be non-reflective to avoid hot spots during televised productions of the drawings. Please visit: <https://www.wltx.com/lottery> to view recent SCEL drawings.
- (d) Each drawing machine shall be designed and constructed in a manner that provides an unobstructed view of the mixing and selection process. All mixing and selection of balls must be able to occur in full view when viewed from the front of the machine. The balls must be completely visible from the front of the machine throughout the mix, selection, and delivery process.
- (e) Each drawing machine should be designed so that the average time for a ball to be drawn is one (1) second or less once the air release gate is fully activated.*
 - *Each ball set contains minimum and maximum ball sizes, with very close tolerances, to ensure that each of the balls will have essentially the same aerodynamic characteristics while being blown around in the mixing chamber. Upon activating the lever for each random draw test performed, a ball is required to drop easily from the feeder tubes into the mixing chamber and result in a winning number to be selected and shown in the display tube. The "round" dimension of each ball is measured at the poles and at the equator of each ball by the die. All balls are approximately the same size with a minimum 1.465 inch die and a maximum 1.515 inch die. The weight of each ball will vary between 2.5 and 2.8 grams with a tolerance weight not to exceed 0.095 grams between the heaviest and lightest balls.
- (f) All 3/4 inch Plexiglass shall be heat formed with welded joints (no screws, except as specifically set forth herein). The top must be a minimum of 1 inch thick.
- (g) The interior divider panels shall be clear. The outer perimeter of the exterior chambers shall be clear, except the entire back panel, including the door, which shall be 7C026 Dark (formally known as Acrylite 104-1GP Gray).
- (h) All corners and edges of Plexiglas should be rounded and polished. This includes corners and edges within the chambers, as much as possible, so as to limit damage to balls.
- (i) The base of the round selection tube must be rounded and polished to minimize ball damage during mixing and selection. The selection tube must be designed to minimize balls "rattling" while traveling up the tube.
- (j) The top of the selection display receptacle must have openings of a maximum of 1- 7/16 inches wide in front and in back to allow operator to turn the ball and display it. The ball stop bar on top of display tube must be screwed on so it may be removed if desired. Additionally the ball stop bar shall have a clear rubber bumper mounted underneath to prevent damage to the ball from hitting the ball stop bar.
- (k) A single door must be located on the back that swings down to provide access to all chambers. Doors shall open to a maximum of 90 degrees relative to the back panel. Door locks should easily reveal if the door is locked or not using colors, etc.

3.3.2 CABINET BASE

The specifications set forth below are to ensure that each draw machine and its components must be of exceptionally sturdy construction, capable of performing reliably and withstanding daily Draw Studio use (i.e. being rolled over large cables, maneuvering tight corners and other obstacles). All 4 wheels of the machines must be capable of easily locking the machine in place. All components must be capable of withstanding any bumps and vibrations incurred in these conditions.

The cabinet base of each draw machine must have the following features:

- (a) Constructed of minimum 3/4 inch marine plywood. The corners of the cabinet must be rounded. The color of the cabinet must be Kydex Calcutta Black 52000.
- (b) The inside of the cabinet base shall be insulated for sound proofing to suppress the noise emitted by the blower motors. Machines shall be designed with sound proofing that facilitates a maximum of 75 decibels measured at a distance of 3' from the floor and 3' from the sides of a machine. The maximum rating of 75 decibels includes the machine operating with a full set of balls in each chamber.
- (c) Heavy duty wheels/castors made of solid rubber, with each foot being operated separately and capable of easily locking, unlocking and turning 360 degrees (swivel), unobstructed. The casters must be approximately 3"-5" in total height and heavy duty. The wheels/castors must not protrude past the cabinet cases with the exception of the locking mechanism.
- (d) Heavy duty recessed black stainless steel handles sufficient to allow 2 people to lift and maneuver the machine. There is to be a total of 4 handles; 2 on each side of cabinet base.
- (e) A recessed integrated frame, on the front, capable of holding up to a 3/8 inch thick display board. The frame should run almost the entire length of the bottom edge and come up each side to a point 2 inches below the top edge. The frame should start approximately one or two inches from each of the rounded corners on the cabinet. The top of the frame shall be open to allow the display board to be dropped in.
- (f) Cabinet base equipped with at least 2 supports so the mixing chamber door opens to a maximum of 90 degrees relative to the back panel of the machine. These supports must not be visible from the front of the machine.
- (g) Air filtration system consisting of a non-corrosive plastic material mesh to enclose disposable filter material that is approximately 1" thick.
- (h) The back of each cabinet base must have cabinet doors to allow access to the cabinet base. The cabinet doors must have key locks and a latching system to keep doors closed when not locked. All machines must be keyed the same. One key must be supplied with each of the nine (9) machines.
- (i) The cabinet base must house a blower for each mixing chamber required for each machine.

3.3.3 ELECTRICAL FEATURES

Each draw machine must have the following electrical features:

- (a) Six foot SO cord with #12-3 wire, to exit from the bottom of each machine by three feet, fitted with a 120 volt, 20 amp twist lock male plug and one (1) 20-foot extension cord having twist lock grounding plugs and reinforced wiring near the plugs, with the same #12-3 wire, for each machine.
- (b) Neon indicator lamp of red/amber color on the top rear of the base unit, next to or near the On/Off switch on the top of the cabinet, to indicate the unit is plugged in and receiving power.
- (c) Selector switch with multiple heavy duty (NEMA rated) contact blocks to control each motor and antistatic unit. This On/Off switch is to be mounted on top of the cabinet near the right rear corner.
- (d) Blower motors for each chamber within each machine (3, 4, and 2 chambers) must have the ability to be turned on simultaneously from a single switch on each machine.
- (e) The switch and all connectors for each machine must be made inside a small enclosure, removable from the back panel of the cabinet base of the machine.
- (f) Three sets of switches and contact blocks to be included as spares for all machines.
- (g) Each drawing machine and/or electrical components must meet or exceed Underwriter Laboratory (UL) specifications.

3.4 PACKAGING

Each draw machine shall be packaged separately in its own carton and in a manner that prevents any contents from being damaged during the delivery and installation process, to include but not be limited to those incurred during the transportation, shipment, unpacking/uncrating, and/or installation of any new draw machine and other related machine/electrical components.

3.5 DELIVERY AND INSTALLATION

- (a) Contractor shall be solely responsible for ensuring the successful delivery, installation, and performance of each Draw Machine required to fulfill the initial minimum order for (9) Draw Machines, and any additional machines requested throughout the term of the contract.
- (b) Delivery and installation shall be completed as directed by SCEL Security. Because of ongoing drawings, the delivery and installation must occur outside the hours of: 10:00AM to 1:30PM and 3:30PM to 7:30PM EST Monday through Saturday and/or 3:30PM to 7:30PM EST Sunday.
- (c) The Contractor shall provide on-site assistance as required by SCEL to ensure the machines are fully operational after installation. If additional on-site assistance is requested by SCEL after receipt and acceptance of the order, SCEL shall provide travel compensation in accordance with SCEL travel policy.
- (d) Delivery terms shall be F.O.B. Point of Destination at the specified location at 1333 Main Street, Columbia, SC. Delivery requirements shall include inside delivery for all shipments and shall include the uploading, de-crating, and installation of all new draw machines and related

components. The Lottery reserves the right to reject and refuse to accept and/or pay for all items which do not meet the specified requirements of this solicitation. The Lottery reserves the right to order additional quantities if it deems necessary.

- (e) Contractor shall be responsible for acquiring transport carrier services; crate removal; floor protection; and any other related services required to successfully deliver and install the new draw machines and related components to the desired destination as required.
- (f) Upon successful completion of delivery and crate removal, Contractor shall provide the removal/replacement of any hardware associated with doors/entry ways necessary to successfully transport equipment to the desired destination.
- (g) Contractor shall be responsible for any and all costs required to ensure successful delivery and installation of the Draw Machines, including, but not limited to, any additional expenses associated with delivery and transport carrier services; installation; training SCEL staff; travel expenses; and any other costs related to the required services in Part III of this solicitation.

3.6 TRAINING

The Contractor shall provide on-site training at the South Carolina Education Lottery Draw Studio in Columbia, South Carolina to ensure that lottery personnel are able to operate the machines correctly and efficiently. Operational training must include a complete and comprehensive tutorial of all the draw machines and related equipment. The Contractor shall provide at least one (1) operational manual and design schematics for each type machine requested.

3.7 WARRANTY

- (a) Provide (1) year warranty against defects, materials, workmanship, and performance failure for all new draw machines and other related machine/electrical components in accordance with the performance criteria stated herein which shall begin upon the date of SCEL's receipt and acceptance of the initial order for a period of not less than one (1) year; Any warranty submitted in response to these requirements for a period of less than (1) year are not acceptable and provisions stated herein shall take precedence;
- (b) Any new draw machine(s) and/or other related machine/electrical components provided in response to this RFP which are found to be defective within the (1) year warranty period shall be replaced by the Successful Contractor(s) at no cost to the South Carolina Education Lottery; and shall include all costs related to any equipment, parts, material, labor rates, and/or travel/lodging expenses associated with any work covered and performed during the warranty period;
- (c) Due to draw machines being critical and vital for the successful operation of the Lottery; the Contractor shall be required to replace damaged or faulty products or parts immediately upon notification via overnight delivery and at the Contractor's expense. The Lottery will return the damaged products at a later date, at the Contractor's expense;
- (d) The (1) year warranty provided in response to the above requirements shall apply to all commodities purchased under the provisions of this RFP; and, may be submitted in the form of pre-printed literature if necessary.

3.8 PREVENTATIVE MAINTENANCE/ANNUAL SERVICE

The Successful Contractor(s) must provide (1) year of annual preventative maintenance inspections for all new draw machines and other related machine/electrical components to begin upon the date of SCEL’s receipt and acceptance of the initial order for a period of not less than one (1) year upon completion of the replacement and install of any draw machine(s) obtained under this contract. At the end of this (1) year period, the Contractor(s) shall provide annual preventative maintenance inspections and perform any additional maintenance repair services related to the draw machines and other machine related components as needed throughout the term of the Contract; and obtain prior approval for any expenses, including travel related expenses associated with these services throughout the term of the Contract.

3.9 SCHEDULED REPAIRS (EMERGENCY AND NON-EMERGENCY)

The successful Contractor must be capable of providing scheduled repairs on a timely basis as agreed upon between SCEL and the Contractor(s) throughout the term of the Contract, including emergency and non-emergency repairs. Prior to performance of any maintenance and repair work, the Contractor(s) shall provide SCEL with estimated quotes for equipment, supplies, and/or materials needed, including hourly rates for labor, travel related expenses, and any other fees associated with maintenance and repairs.

3.10 PARTS LIST

Contractor must provide a detailed list of all manufactured components used in producing each machine type requested; Parts list must be provided upon delivery.

3.11 ADDITIONAL REQUIREMENTS

- (a) Draw machines must be produced with materials that can be cleaned by using general purpose cleaners. The Contractor should provide recommendations for any cleaning products and submit recommendations for scheduled cleaning intervals in response to this RFP.

- (b) The contractor must successfully complete its own internal quality assurance testing on the system before delivery to the lottery. The lottery must receive a detailed description of the contractor’s quality assurance testing procedures before system delivery. The contractor must give the lottery a copy of the results of all system tests. The system must demonstrably comply with the lottery operations and security procedures stated in this solicitation.

3.12 DELIVERY/PERFORMANCE LOCATION -- SPECIFIED (JAN 2006)

After award, all deliveries shall be made and all services provided to the following address, unless otherwise specified:

South Carolina Education Lottery
1333 Main Street
Draw Studio, Suite 180
Columbia, SC 29201
[03-3030-1]

3.13 QUALITY -- NEW (JAN 2006)

Draw machines and all equipment components must be new and unused. [03-3060-1]

PART IV. INFORMATION FOR OFFERORS TO SUBMIT

4.0 INFORMATION FOR OFFERORS TO SUBMIT -- EVALUATION (JAN 2006)

In addition to information requested elsewhere in this solicitation, Offerors should submit the following information for purposes of evaluation. [04-4005-1]

GENERAL INSTRUCTIONS

This PART specifies the format for responses, provides a guide for an Offeror to ensure all required information is provided. All proposals must be complete and convey all of the information requested by SCEL. Proposals must provide a straightforward, concise description of the Offeror's capabilities to satisfy the requirements as provided in this solicitation. Offerors are encouraged to include any additional information, and any other recommendations or options they consider would be of benefit to SCEL.

To be considered for award, all proposals should include, at a minimum, the information requested below. Each proposal should present the requested information in the order listed. Please restate each item below and provide your response to that item immediately thereafter.

4.1 COVER LETTER

Offerors must provide a cover letter which includes a summary of the Offeror's ability to perform the services described herein and a statement that the Offeror is willing to perform those services and enter into a contract with the South Carolina Education Lottery. The cover letter must be signed by a person having the authority to commit the Offeror to a contract. The cover letter must include the representative's name, title, address, telephone number, e-mail address and any other appropriate means for contact of the representative.

4.2 TECHNICAL PROPOSAL – APPROACH AND UNDERSTANDING OF SCOPE OF WORK

Provide a statement describing the Scope of Work as you understand it, and how your solution provides the best overall value to SCEL in response to Part III:

- (a) Furnish and Supply SCEL with (9) new draw machines and other related machine/electrical components, including a projected timeline from order date through installation and training;
- (b) 1-Year Warranty Plan and 1-Year Preventative Maintenance/Annual Service Plan;
- (c) Service Plan for Scheduled Repairs, including emergency and non-emergency repairs (to include response time upon notification by SCEL)
- (d) The Contractor agrees to furnish two (2) copies of a Service Data Manuals, handbooks, or brochures containing operation and maintenance instructions (to include pictures, illustrations, schematics and complete repair/test guides as necessary);
- (e) The Contractor agrees to furnish two (2) copies of Sales and Marketing catalogs, brochures, or materials containing product information and pricing for draw machines and other machine related components available to SCEL for the term of the contract. Offeror may provide material relating to draw machines different than those specified in Sections 3.2.1-3.2.3.

4.3 QUALIFICATIONS OF OFFEROR

Offerors must submit the information requested in response to PART V. The information required for certain subcontractors pursuant to Section 5.1. must also be presented in this Section. Offerors must

include all pertinent information to substantiate their qualifications and capabilities to perform the services described in the scope of work including: Prior experience with the removal and installation of draw machines for public or government-related lottery jurisdictions.

4.4 ORDER SCHEDULE

Provide an estimate of time required to complete the project and a proposed timeline of work tasks, with the date of completion for the draw machines (See 4.2.a)

4.5 SUBMISSION OF ADDITIONAL INFORMATION

Offerors shall submit any additional information for consideration such as specialized services, staffs Available, or other pertinent information the Offeror may wish to include.

4.6 COMPENSATION PROPOSAL

All proposers must complete the COMPENSATION PROPOSAL WORKSHEET in the format provided on the next page for the services stated in Part III (See 4.6.1). All prices proposed shall be firm fixed prices. Any changes for items not included in the cost proposal must be approved in writing by SCEL prior to performance. The successful Contractor(s) will receive no compensation prior to successful removal and replacement of required draw machines prior to the required completion date.

4.6.1 COMPENSATION PROPOSAL WORKSHEET

The Compensation Proposal shall be separate from the technical proposal and should include:

A. TOTAL COST FOR MACHINES

Offerors must include an itemized breakdown of all rates/fees associated with the total cost necessary to provide the required services including, but not limited to: Equipment, materials, labor, and transportation necessary to furnish and install (9) draw machines and other related machine/and electrical components as required. Itemized costs should be submitted in addition to this Compensation Proposal Worksheet.

B. TOTAL PRODUCTION COST SUMMARY FOR EACH DRAW MACHINE*

MACHINE TYPE (QTY: 3)	UNIT COST	EXTENDED COST
PICK 3 MACHINE	\$	\$
PICK 4 MACHINE	\$	\$
PALMETTO CASH 5 MACHINES	\$	\$
OTHER ADDITIONAL MACHINE(S)	\$	\$

*Offerors must express the total cost required to produce each machine and machine related components described in Part III. Unit Cost shall be the total cost required for the Offeror to produce each requested machine type and extended cost shall include total cost to produce 3 machines for each requested machine type.

C. MAINTENANCE AND REPAIR SERVICES

Offeror must include all direct and indirect costs associated with providing maintenance and repair services required under this RFP. Pricing must include Draw Machine Preventive Maintenance Services with response time and hourly rates for maintenance and repair services for a term contract of one year to begin upon completion of installation of the draw machines. All proposed warranties should be listed. Costs shall include, but not limited to, any expenses related to draw studio machines and other machine related components, equipment, and installation and labor.

DESCRIPTION OF SERVICE	FIXED HOURLY RATE*
PREVENTATIVE MAINTENANCE/ANNUAL SERVICE	\$
SCHEDULED REPAIRS – EMERGENCY	\$
SCHEDULED REPAIRS – NON- EMERGENCY	\$
ANY OTHER RECOMMENDED SERVICE(S)	\$

*Offeror’s proposed fixed hourly rate for maintenance and repair services may be negotiated throughout the term of the contract.

4.7 INFORMATION FOR ALL OFFERORS TO SUBMIT – GENERAL (MODIFIED)

Offeror shall submit a signed Cover Page and Page Two. Offeror must submit a signed Cover Page and Page Two. Offeror should submit all other information and documents requested in this PART and in PARTS II.B. Special Instructions; III. Scope of Work; V - Qualifications; and any appropriate attachments addressed in PART VIII, Attachments to Solicitation.

4.8 IDENTIFYING INFORMATION AND INFORMATION REQUIRED BY THE LOTTERY ACT FOR ALL OFFERORS

As required by S.C. Code § 59-150-130(A), Offerors must submit the following information (if the Offeror believes that a particular item is inapplicable, please state so). Note: Information presented in response to Section 4.8 will not be evaluated nor scored by the Evaluation Panel. It will be used to determine full compliance with Lottery Act requirements and is necessary to perform any background investigations. Additional information may be requested at the appropriate time to complete the investigation. By submitting a proposal, the Offeror agrees to timely provide the needed information as outlined below.

- a) Offeror's name and address and, as applicable, the names and addresses of the following, if the Offeror is:
 - i. a corporation, the officers and directors and each stockholder in the corporation, except that in the case of owners of equity securities of a publicly traded corporation, the names and addresses of only those known to the corporation to own **(at a minimum)** beneficially five percent or more of the securities must be disclosed;
 - ii. a trust, the trustee, and all persons entitled to receive income or benefits from the trust;
 - iii. an association, the members, officers, and directors; and
 - iv. a partnership or joint venture, all of the general partners, limited partners, or joint venturers;
- b) states and jurisdictions in which the lottery vendor does business and the nature of the business for each such state or jurisdiction;
- c) states and jurisdictions in which the lottery vendor has contracts to supply gaming goods or services including, but not limited to, lottery goods and services, and the nature of the goods or services involved for each state or jurisdiction;
- d) states and jurisdictions in which the lottery vendor has applied for, sought renewal of, received, been denied, or had revoked, or has issuance pending of, a lottery or gaming license of any kind or had fines or penalties assessed to his license, Contract, or operation and the disposition of each in each state or jurisdiction. If a lottery or gaming license or Contract has been revoked or has not been renewed or a lottery or gaming license or application has been denied or is pending and has remained pending for more than six months, all of the facts and circumstances underlying the failure to receive a license must be disclosed;
- e) details of a finding or any plea, conviction, or adjudication of guilt in a state or federal court of the lottery vendor for a felony or other criminal offense other than a traffic violation;
- f) details of any bankruptcy, insolvency, reorganization, or corporate or individual purchase or takeover of another corporation, including bonded indebtedness, or pending litigation of the lottery vendor;
- g) contributions made to or independent expenditures relative to the campaign of a candidate for the General Assembly or statewide constitutional office, to any political party, as defined in S.C. Code Ann. § 8-13-1300(26), or to a committee, as defined in S.C. Code Ann. § 8-13-1300(6), for the twelve-

month period before the application and up to the date of disqualification of the applicant or the awarding of the Contract, whichever occurs first.

4.9 MINORITY PARTICIPATION (DEC 2015)

Is the bidder a South Carolina Certified Minority Business? Yes No

Is the bidder a Minority Business certified by another governmental entity? Yes No

If so, please list the certifying governmental entity: _____

Will any of the work under this contract be performed by a SC certified Minority Business as a subcontractor? Yes No

If so, what percentage of the total value of the contract will be performed by a SC certified Minority Business as a subcontractor? _____

Will any of the work under this contract be performed by a minority business certified by another governmental entity as a subcontractor? Yes No

If so, what percentage of the total value of the contract will be performed by a minority business certified by another governmental entity as a subcontractor? _____

If a certified Minority Business is participating in this contract, please indicate all categories for which the Business is certified:

- Traditional minority
- Traditional minority, but female
- Women (Caucasian females)
- Hispanic minorities
- DOT referral (Traditional minority)
- DOT referral (Caucasian female)
- Temporary certification
- SBA 8 (a) certification referral
- Other minorities (Native American, Asian, etc.)

(If more than one minority contractor will be utilized in the performance of this contract, please provide the information above for each minority business.) The Department of Administration, Division of Small and Minority Business Contracting and Certification, publishes a list of certified minority firms. The Minority Business Directory is available at the following URL: <http://osmba.sc.gov/directory.html>
[04-4015-3]

4.10 SUBMITTING REDACTED OFFERS (MAR 2015)

If your offer includes any information that you marked as "Confidential," "Trade Secret," or "Protected" in accordance with the clause entitled "Submitting Confidential Information," you must also submit one complete copy of your offer from which you have removed or concealed such information (the redacted copy). The redacted copy should (i) reflect the same pagination as the original, (ii) show the empty space from which information was redacted, and (iii) be submitted on magnetic media. (See clause entitled "Electronic Copies - Required Media and Format.") Except for the information removed or concealed, the

redacted copy must be identical to your original offer, and the Procurement Officer must be able to view, search, copy and print the redacted copy without a password. [04-4030-2]

PART V. QUALIFICATIONS

5.0 QUALIFICATIONS OF OFFERORS (MODIFIED)

To be eligible for award, you must have the capability in all respects to perform fully the contract requirements and the integrity and reliability which will assure good faith performance. This section establishes special standards of responsibility. **UNLESS YOU POSSESS THE FOLLOWING MANDATORY MINIMUM QUALIFICATIONS, DO NOT SUBMIT AN OFFER:**

An Offeror submitting a Proposal to be considered for Award must have at least five (5) years experience in supplying Lottery Draw Machines and Other Related Services to at least three (3) different lottery jurisdictions within the United States for the types of machines considered under this solicitation.

5.1 SUBCONTRACTOR – IDENTIFICATION (MODIFIED)

If you intend to subcontract, at any tier level, with another business for any portion of the work and that portion either (1) exceeds **20%** of your cost, (2) involves access to any "government information," as defined in the clause entitled "Information Security - Definitions," if included, or (3) otherwise involves services critical to your performance of the work (err on the side of inclusion), your offer must identify that business and the work which they are to perform. Identify potential subcontractors by providing the business name, address, phone, taxpayer identification number, **and point of contact**. In determining your responsibility, the state may contact and evaluate your proposed subcontractors.

PART VI. AWARD CRITERIA

6.0 AWARD CRITERIA – PROPOSALS (MODIFIED)

Award shall be made to the responsive and responsible Offeror(s) whose offer(s) SCEL deems best to fulfill the requirements of this RFP.

6.1 AWARD TO MULTIPLE OFFERORS (MODIFIED)

Award may be made to more than one Offeror.

6.2 DISCUSSIONS AND NEGOTIATIONS – OPTIONAL (FEB 2015)

Submit your best terms from both a price and a technical standpoint. Your proposal may be evaluated and your offer accepted without any discussions, negotiations, or prior notice. Ordinarily, nonresponsive proposals will be rejected outright without prior notice. Nevertheless, the State may elect to conduct discussions, including the possibility of limited proposal revisions, but only for those proposals reasonably susceptible of being selected for award. [11-35-1530(6); R.19-445.2095(I)] If improper revisions are submitted during discussions, the State may elect to consider only your unrevised initial proposal, provided your initial offer is responsive. The State may also elect to conduct negotiations, beginning with the highest ranked offeror, or seek best and final offers, as provided in Section 11-35-1530(8). Negotiations may involve both price and matters affecting the scope of the contract, so long as changes are within the general scope of the request for proposals. If negotiations are conducted, the State may elect to disregard the negotiations and accept your original proposal. [06-6058-1]

6.3 EVALUATION FACTORS – PROPOSALS (MODIFIED)

Offers will be evaluated using only the factors stated below. Factors are stated in the relative order of importance. Evaluations for the technical and compensation proposals shall be combined and independently evaluated by each member of the Panel. Each Panel Member will assign points subjectively in response to the information submitted below. Once evaluation is complete, all responsive offers will be ranked from most advantageous to least advantageous in accordance with the Offerors overall ability to fulfill the requirements of this RFP.

TECHNICAL PROPOSAL –700 potential points

The completeness and suitability of the Offeror's response to the Technical Proposal; to include the Offeror's approach, understanding, and overall ability to fulfill the requirements described in Part IV, Sections 4.1 through 4.5 of this RFP.

COMPENSATION PROPOSAL – 300 potential points

The completeness and suitability of the Offeror's response to the Compensation Proposal requirements described in Part IV, Sections 4.6 and 4.6.1(A)(B)(C) of this RFP. The Compensation Proposal must be submitted separately from that of the Technical Proposal.

PART VII. TERMS AND CONDITIONS -- A. GENERAL

7.0 ASSIGNMENT, NOVATION, AND CHANGE OF NAME, IDENTITY, OR STRUCTURE (FEB 2015)

(a) Contractor shall not assign this contract, or its rights, obligations, or any other interest arising from this contract, or delegate any of its performance obligations, without the express written consent of the responsible procurement officer. The foregoing restriction does not apply to a transfer that occurs by operation of law (e.g., bankruptcy; corporate reorganizations and consolidations, but not including partial asset sales). Notwithstanding the foregoing, contractor may assign monies receivable under the contract provided that the state shall have no obligation to make payment to an assignee until thirty days after contractor (not the assignee) has provided the responsible procurement officer with (i) proof of the assignment, (ii) the identity (by contract number) of the specific state contract to which the assignment applies, and (iii) the name of the assignee and the exact address or account information to which assigned payments should be made. (b) If contractor amends, modifies, or otherwise changes its name, its identity (including its trade name), or its corporate, partnership or other structure, or its FEIN, contractor shall provide the procurement officer prompt written notice of such change. (c) Any name change, transfer, assignment, or novation is subject to the conditions and approval required by Regulation 19-445.2180, which does not restrict transfers by operation of law. [07-7A004-2]

7.1 BANKRUPTCY - GENERAL (FEB 2015)

(a) Notice. In the event the Contractor enters into proceedings relating to bankruptcy, whether voluntary or involuntary, the Contractor agrees to furnish written notification of the bankruptcy to the Using Governmental Unit. This notification shall be furnished within two (2) days of the initiation of the proceedings relating to the bankruptcy filing. This notification shall include the date on which the bankruptcy petition was filed, the identity of the court in which the bankruptcy petition was filed, and a listing of all State contracts against which final payment has not been made. This obligation remains in effect until final payment under this Contract. (b) Termination. This contract is voidable and subject to immediate termination by the State upon the contractor's insolvency, including the filing of proceedings in bankruptcy. [07-7A005-2]

7.2 CHOICE-OF-LAW (MODIFIED)

The Agreement, any dispute, claim, or controversy relating to the Agreement or Contract, and all the rights and obligations of the parties shall, in all respects, be interpreted, construed, enforced and governed by and under the laws of the State of South Carolina, except its choice of law rules. As used in this paragraph, the term "Agreement" means any transaction or agreement arising out of, relating to, or contemplated by the solicitation.

7.3 CONTRACT DOCUMENTS & ORDER OF PRECEDENCE (FEB 2015)

(a) Any contract resulting from this solicitation shall consist of the following documents: (1) a Record of Negotiations, if any, executed by you and the Procurement Officer, (2) the solicitation, as amended, (3) documentation of clarifications [11-35-1520(8)] or discussions [11- 35-1530(6)] of an offer, if applicable, (4) your offer, (5) any statement reflecting the state's final acceptance (a/k/a "award"), and (6) purchase orders. These documents shall be read to be consistent and complimentary. Any conflict among these documents shall be resolved by giving priority to these documents in the order listed above.

(b) The terms and conditions of documents (1) through (5) above shall apply notwithstanding any additional or different terms and conditions in any other document, including without limitation, (i) a purchase order or other instrument submitted by the State, (ii) any invoice or other document submitted by Contractor, or (iii) any privacy policy, terms of use, or end user agreement. Except as otherwise allowed herein, the terms and conditions of all such documents shall be void and of no effect. No contract, license,

or other agreement containing contractual terms and conditions will be signed by any Using Governmental Unit. Any document signed or otherwise agreed to by persons other than the Procurement Officer shall be void and of no effect. [07-7A015-2]

7.4 CONTRACT INTERPRETATION

(a) In the event there are any disagreements between the parties with regards to the application of this Contract or the requirements of SCEL arising from any interpretation of the Request for Proposal, this Contract, or any other matter that is subject to resolution as provided in S.C. Code Ann. § 11-35-4230, Contractor agrees to defer to the reasonable interpretations of SCEL as from time to time may be made by SCEL (See Section 3.0). This provision applies to all matters including those arising from disputes concerning whether Contractor is required to provide some service or item including scope of work issues and whether particular items or services were included in the scope of work agreed to by the parties in this Contract or otherwise. In summary, if both parties have a reasonable interpretation regarding application of the Contract, Contractor agrees to defer to SCEL's interpretation.

(b) The above requirements shall apply to any Change Orders, Contract modifications, or other deviations to this Contract. Failure to receive the prior written and express approval of SCEL prior to implementing any changes to the requirements provided for hereunder, for which requests for extra or additional compensation are thereafter submitted by the Contractor to SCEL, shall impose no liability for payment upon SCEL and may be rejected by SCEL without recourse.

7.5 DISPUTES (MODIFIED)

a) Choice-of-Forum. All disputes, claims, or controversies relating to the Agreement or Contract shall be resolved exclusively by the appropriate Chief Procurement Officer in accordance with Title 11, Chapter 35, Article 17 of the South Carolina Code of Laws, or in the absence of jurisdiction, only in the Court of Common Pleas for, or a federal court located in, Richland County, State of South Carolina. Contractor agrees that any act by the Government regarding the Agreement or Contract is not a waiver of either the Government's sovereign immunity or the Government's immunity under the Eleventh Amendment of the United States' Constitution. As used in this paragraph, the term "Agreement" means any transaction or agreement arising out of, relating to, or contemplated by the solicitation or Contract.

b) Service of Process. Contractor consents that any papers, notices, or process necessary or proper for the initiation or continuation of any disputes, claims, or controversies relating to the Agreement; for any court action in connection therewith; or for the entry of judgment on any award made, may be served on Contractor by certified mail (return receipt requested) addressed to Contractor at the address provided as the Notice Address on Page Two or by personal service or by any other manner that is permitted by law, in or outside South Carolina. Notice by certified mail is deemed duly given upon deposit in the United States mail.

7.6 EQUAL OPPORTUNITY (JAN 2006)

Contractor is referred to and shall comply with all applicable provisions, if any, of Title 41, Part 60 of the Code of Federal Regulations, including but not limited to Sections 60-1.4, 60-4.2, 60-4.3, 60-250.5(a), and 60-741.5(a), which are hereby incorporated by reference. [07-7A030-1]

7.7 FALSE CLAIMS (JAN 2006)

According to the S.C. Code of Laws § 16-13-240, "a person who by false pretense or representation obtains the signature of a person to a written instrument or obtains from another person any chattel, money, valuable security, or other property, real or personal, with intent to cheat and defraud a person of that property is guilty" of a crime. [07-7A035-1]

7.8 FIXED PRICING REQUIRED (JAN 2006)

Any pricing provided by contractor shall include all costs for performing the work associated with that price. Except as otherwise provided in this solicitation, contractor's price shall be fixed for the duration of this contract, including option terms. This clause does not prohibit contractor from offering lower pricing after award. [07-7A040-1]

7.9 NO INDEMNITY OR DEFENSE (FEB 2015)

Any term or condition is void to the extent it requires the State to indemnify, defend, or pay attorney's fees to anyone for any reason. [07-7A045-2]

7.10 NOTICE (JAN 2006)

(A) After award, any notices shall be in writing and shall be deemed duly given (1) upon actual delivery, if delivery is by hand, (2) upon receipt by the transmitting party of automated confirmation or answer back from the recipient's device if delivery is by telex, telegram, facsimile, or electronic mail, or (3) upon deposit into the United States mail, if postage is prepaid, a return receipt is requested, and either registered or certified mail is used. (B) Notice to contractor shall be to the address identified as the Notice Address on Page Two. Notice to the state shall be to the Procurement Officer's address on the Cover Page. Either party may designate a different address for notice by giving notice in accordance with this paragraph. [07-7A050-1]

7.11 OPEN TRADE (JUN 2015)

During the contract term, including any renewals or extensions, Contractor will not engage in the boycott of a person or an entity based in or doing business with a jurisdiction with whom South Carolina can enjoy open trade, as defined in SC Code Section 11-35-5300. [07-7A053-1]

7.12 PUBLICITY (JAN 2006)

Contractor shall not publish any comments or quotes by state employees, or include the state in either news releases or a published list of customers, without the prior written approval of the procurement officer. [07-7A053-1]

7.13 PURCHASE ORDERS (JAN 2006)

Contractor shall not perform any work prior to the receipt of a purchase order from the using governmental unit. The using governmental unit shall order any supplies or services to be furnished under this contract by issuing a purchase order. Purchase orders may be used to elect any options available under this contract, e.g., quantity, item, delivery date, payment method, but are subject to all terms and conditions of this contract. Purchase orders may be electronic. No particular form is required. An order placed pursuant to the purchasing card provision qualifies as a purchase order. [07-7A065-1]

7.14 SURVIVAL OF OBLIGATIONS (JAN 2006)

The Parties' rights and obligations which, by their nature, would continue beyond the termination, cancellation, rejection, or expiration of this contract shall survive such termination, cancellation, rejection, or expiration, including, but not limited to, the rights and obligations created by the following clauses: Indemnification - Third Party Claims, Intellectual Property Indemnification, and any provisions regarding warranty or audit. [07-7A075-1]

7.15 TAXES (JAN 2006)

Any tax the contractor may be required to collect or pay upon the sale, use or delivery of the products shall be paid by the State, and such sums shall be due and payable to the contractor upon acceptance.

Any personal property taxes levied after delivery shall be paid by the State. It shall be solely the State's obligation, after payment to contractor, to challenge the applicability of any tax by negotiation with, or action against, the taxing authority. Contractor agrees to refund any tax collected, which is subsequently determined not to be proper and for which a refund has been paid to contractor by the taxing authority. In the event that the contractor fails to pay, or delays in paying, to any taxing authorities, sums paid by the State to contractor, contractor shall be liable to the State for any loss (such as the assessment of additional interest) caused by virtue of this failure or delay. Taxes based on Contractor's net income or assets shall be the sole responsibility of the contractor. [07-7A080-1]

7.16 THIRD PARTY BENEFICIARY (JAN 2006)

This Contract is made solely and specifically among and for the benefit of the parties hereto, and their respective successors and assigns, and no other person will have any rights, interest, or claims hereunder or be entitled to any benefits under or on account of this Contract as a third party beneficiary or otherwise. [07-7A090-1]

7.17 WAIVER (JAN 2006)

The State does not waive any prior or subsequent breach of the terms of the Contract by making payments on the Contract, by failing to terminate the Contract for lack of performance, or by failing to strictly or promptly insist upon any term of the Contract. Only the Procurement Officer has actual authority to waive any of the State's rights under this Contract. Any waiver must be in writing. [07-7A095-1]

PART VII. TERMS AND CONDITIONS -- B. SPECIAL

7.18 CHANGES (JAN 2006)

(1) Contract Modification. By a written order, at any time, and without notice to any surety, the Procurement Officer may, subject to all appropriate adjustments, make changes within the general scope of this contract in any one or more of the following: drawings, designs, or specifications, if the supplies to be furnished are to be specially manufactured for the [State] in accordance therewith; method of shipment or packing; place of delivery; description of services to be performed; time of performance (i.e., hours of the day, days of the week, etc.); or, place of performance of the services. Subparagraphs (a) to (c) apply only if supplies are furnished under this contract. Subparagraphs (d) to (f) apply only if services are performed under this contract. Adjustments of Price or Time for Performance. If any such change increases or decreases the contractor's cost of, or the time required for, performance of any part of the work under this contract, whether or not changed by the order, an adjustment shall be made in the contract price, the delivery schedule, or both, and the contract modified in writing accordingly. Any adjustment in contract price made pursuant to this clause shall be determined in accordance with the Price Adjustment Clause of this contract. Failure of the parties to agree to an adjustment shall not excuse the contractor from proceeding with the contract as changed, provided that the State promptly and duly make such provisional adjustments in payment or time for performance as may be reasonable. By proceeding with the work, the contractor shall not be deemed to have prejudiced any claim for additional compensation, or an extension of time for completion. Time Period for Claim. Within 30 days after receipt of a written contract modification under Paragraph (1) of this clause, unless such period is extended by the Procurement Officer in writing, the contractor shall file notice of intent to assert a claim for an adjustment. Later notification shall not bar the contractor's claim unless the State is prejudiced by the delay in notification. Claim Barred After Final Payment. No claim by the contractor for an adjustment hereunder shall be allowed if notice is not given prior to final payment under this contract. [07-7B025-1]

7.19 COMPLIANCE WITH LAWS (JAN 2006)

During the term of the contract, contractor shall comply with all applicable provisions of laws, codes, ordinances, rules, regulations, and tariffs. [07-7B035-1]

7.20 CONTRACTOR'S OBLIGATION -- GENERAL (JAN 2006)

The contractor shall provide and pay for all materials, tools, equipment, labor and professional and non-professional services, and shall perform all other acts and supply all other things necessary, to fully and properly perform and complete the work. The contractor must act as the prime contractor and assume full responsibility for any subcontractor's performance. The contractor will be considered the sole point of contact with regard to all situations, including payment of all charges and the meeting of all other requirements. [07-7B065-1]

7.21 DEFAULT – SHORT FORM (FEB 2015)

The state may terminate this contract, or any part hereof, for cause in the event of any default by the contractor, or if the contractor fails to comply with any material contract terms and conditions, or fails to provide the state, upon request, with adequate assurances of future performance. In the event of termination for cause, the state shall not be liable to the contractor for any amount for supplies or services not accepted, and the contractor shall be liable to the state for any and all rights and remedies provided by law. If it is determined that the state improperly terminated this contract for default, such termination shall be deemed a termination for convenience. [07-7B080-2]

7.22 DISPOSAL OF PACKAGING (JAN 2006)

Contractor shall dispose of all wrappings, crating, and other disposable materials pertaining to this contract at the end of each working day and upon completion of installation. [07-7B085-1]

7.23 ESTIMATED QUANTITY -- UNKNOWN (JAN 2006)

The total quantity of purchases of any individual item on the contract is not known. The State does not guarantee that the State will buy any specified item or total amount. The omission of an estimated purchase quantity does not indicate a lack of need but rather a lack of historical information. [07-7B095-1]

7.24 ILLEGAL IMMIGRATION (NOV 2008)

An overview is available at <http://www.procurement.sc.gov> By signing your offer, you certify that you will comply with the applicable requirements of Title 8, Chapter 14 of the South Carolina Code of Laws and agree to provide to the State upon request any documentation required to establish either: (a) that Title 8, Chapter 14 is inapplicable to you and your subcontractors or sub-subcontractors; or (b) that you and your subcontractors or sub-subcontractors are in compliance with Title 8, Chapter 14. Pursuant to Section 8-14-60, "A person who knowingly makes or files any false, fictitious, or fraudulent document, statement, or report pursuant to this chapter is guilty of a felony, and, upon conviction, must be fined within the discretion of the court or imprisoned for not more than five years, or both." You agree to include in any contracts with your subcontractors language requiring your subcontractors to (a) comply with the applicable requirements of Title 8, Chapter 14, and (b) include in their contracts with the sub-subcontractors language requiring the sub-subcontractors to comply with the applicable requirements of Title 8, Chapter 14. [07-7B097-1]

7.25 INDEMNIFICATION-THIRD PARTY CLAIMS – GENERAL (NOV 2011)

Notwithstanding any limitation in this agreement, and to the fullest extent permitted by law, Contractor shall defend and hold harmless Indemnitees for and against any and all suits or claims of any character

(and all related damages, settlement payments, attorneys' fees, costs, expenses, losses or liabilities) by a third party which are attributable to bodily injury, sickness, disease or death, or to injury to or destruction of tangible property arising out of or in connection with the goods or services acquired hereunder or caused in whole or in part by any act or omission of contractor, its subcontractors, their employees, workmen, servants, agents, or anyone directly or indirectly employed by them or anyone for whose acts any of them may be liable, regardless of whether or not caused in part by an Indemnitee, and whether or not such claims are made by a third party or an Indemnitee; however, if an Indemnitee's negligent act or omission is subsequently determined to be the sole proximate cause of a suit or claim, the Indemnitee shall not be entitled to indemnification hereunder. Contractor shall be given timely written notice of any suit or claim. Contractor's obligations hereunder are in no way limited by any protection afforded under workers' compensation acts, disability benefits acts, or other employee benefit acts. This clause shall not negate, abridge, or reduce any other rights or obligations of indemnity which would otherwise exist. The obligations of this paragraph shall survive termination, cancelation, or expiration of the parties' agreement. This provision shall be construed fairly and reasonably, neither strongly for nor against either party, and without regard to any clause regarding insurance. As used in this clause, "Indemnitees" means the State of South Carolina, its instrumentalities, agencies, departments, boards, political subdivisions and all their respective officers, agents and employees. [07-7B100-2]

7.26 MATERIAL AND WORKMANSHIP (JAN 2006)

Unless otherwise specifically provided in this contract, all equipment, material, and articles incorporated in the work covered by this contract are to be new and of the most suitable grade for the purpose intended. [07-7B120-1]

7.27 OFFSHORE CONTRACTING PROHIBITED (MODIFIED)

No part of the resulting contract from this solicitation may be performed offshore of the United States by persons located offshore of the United State or by means, methods, or communications that, in whole or in part, take place offshore of the United States, without express approval of SCEL.

7.28 RELATIONSHIP OF THE PARTIES (JAN 2006)

Neither party is an employee, agent, partner, or joint venturer of the other. Neither party has the right or ability to bind the other to any agreement with a third party or to incur any obligation or liability on behalf of the other party. [07-7B205-1]

7.29 SHIPPING / RISK OF LOSS (JAN 2006)

F.O.B. Destination. Destination is the shipping dock of the Using Governmental Units' designated receiving site, or other location, as specified herein. (See Delivery clause) [07-7B220-1]

7.30 STORAGE OF MATERIALS (JAN 2006)

Absent approval of the using governmental unit, Contractor shall not store items on the premises of the using governmental unit prior to the time set for installation. [07-7B235-1]

7.31 TERM OF CONTRACT -- EFFECTIVE DATE / INITIAL CONTRACT PERIOD (MODIFIED)

The effective date of this contract is the first day of the Maximum Contract Period as specified on the final statement of award. The initial term of this agreement is 5 years, 0 months, 0 days from the date performance begins. Regardless, this contract expires no later than the last date stated on the final statement of award.

7.32 TERMINATION FOR CONVENIENCE – SHORT FORM (JAN 2006)

The Procurement Officer may terminate this contract in whole or in part, for the convenience of the State. In such a termination, the Procurement Officer may require the contractor to transfer title and deliver to the State in the manner and to the extent directed by the Procurement Officer: (a) any completed supplies; and (b) such partially completed supplies and materials, parts, tools, dies, jigs, fixtures, plans, drawings, information, and contract rights (hereinafter called "manufacturing material") as the contractor has specifically produced or specially acquired for the performance of the terminated part of this contract. Upon such termination, the contractor shall (a) stop work to the extent specified, (b) terminate any subcontracts as they relate to the terminated work, and (c) be paid the following amounts without duplication, subject to the other terms of this contract: (i) contract prices for supplies or services accepted under the contract, (ii) costs incurred in performing the terminated portion of the work, and (iii) any other reasonable costs that the contractor can demonstrate to the satisfaction of the State, using its standard record keeping system, have resulted from the termination. The contractor shall not be paid for any work performed or costs incurred that reasonably could have been avoided. As a condition of payment, contractor shall submit within three months of the effective date of the termination a claim specifying the amounts due because of the termination. The absence of an appropriate termination for convenience clause in any subcontract shall not increase the obligation of the state beyond what it would have been had the subcontract contained such a clause. [07-7B260-1]

PART VIII. ATTACHMENTS TO SOLICITATION

The following documents are attached to this solicitation:

8.1 IMPORTANT TAX NOTICE - NONRESIDENTS ONLY

ATTACHMENT 8.1

IMPORTANT TAX NOTICE - NONRESIDENTS ONLY

Withholding Requirements for Payments to Nonresidents: Section 12-8-550 of the South Carolina Code of Laws requires persons hiring or contracting with a nonresident conducting a business or performing personal services of a temporary nature within South Carolina to withhold 2% of each payment made to the nonresident. The withholding requirement does not apply to (1) payments on purchase orders for tangible personal property when the payments are not accompanied by services to be performed in South Carolina, (2) nonresidents who are not conducting business in South Carolina, (3) nonresidents for contracts that do not exceed \$10,000 in a calendar year, or (4) payments to a nonresident who (a) registers with either the S.C. Department of Revenue or the S.C. Secretary of State and (b) submits a Nonresident Taxpayer Registration Affidavit - Income Tax Withholding, Form I-312 to the person letting the Contract.

The withholding requirement applies to every governmental entity that uses a Contract ("Using Entity"). Nonresidents should submit a separate copy of the Nonresident Taxpayer Registration Affidavit - Income Tax Withholding, Form I-312 to every Using Entity that makes payment to the nonresident pursuant to this solicitation. Once submitted, an affidavit is valid for all contracts between the nonresident and the Using Entity, unless the Using Entity receives notice from the Department of Revenue that the exemption from withholding has been revoked.

Section 12-8-540 requires persons making payment to a nonresident taxpayer of rentals or royalties at a rate of \$1,200.00 or more a year for the use of or for the privilege of using property in South Carolina to withhold 7% of the total of each payment made to a nonresident taxpayer who is not a corporation and 5% if the payment is made to a corporation. Contact the Department of Revenue for any applicable exceptions.

For information about other withholding requirements (e.g., employee withholding), contact the Withholding Section at the South Carolina Department of Revenue at 803-898-5383 or visit the Department's website at: <https://dor.sc.gov>

This notice is for informational purposes only. This agency does not administer and has no authority over tax issues. All registration questions should be directed to the License and Registration Section at 803-898-5872 or to the South Carolina Department of Revenue, Registration Unit, Columbia, S.C. 29214-0140. All withholding questions should be directed to the Withholding Section at 803-896-1420.