

REQUEST FOR PROPOSALS (RFP)

LOTTERY CENTRAL MONITORING AND CONTROL SYSTEM #2015-01

RESPONSES TO WRITTEN QUESTIONS (Q&A #7) April 5, 2016

This list of questions and responses #7 (Q&A#7) is being issued to clarify certain information contained in the above named Request for Proposals (RFP). The statements and interpretations of Contract requirements, which are stated in the following responses are not binding on the State, unless the State expressly amends the RFP. Nothing in the State's responses to these questions is to be construed as agreement to or acceptance by the State of any statement or interpretation on the part of the entity asking the question as to what the Contract does or does not require. Some questions have been edited for brevity and clarity, and duplicate questions may have been combined or eliminated.

The following are questions submitted pursuant to the RFP and the State Lottery and Gaming Control Agency's ("MLGCA") responses to those questions:

175. QUESTION: Please provide the working papers including the detailed prize structures for instant games that have been on sale in Maryland for FY15, which are needed to prepare a recommendation as per the RFP requirement Section 4.2.2.6.7.c to explain how the offeror would improve instant ticket sales.

ANSWER: Instant Ticket Working Papers have been loaded to the SFTP site. (File name: Instant Working Papers)

176. QUESTION: a) Since the potential prime contractors providing Lottery systems are located outside of Maryland, would the MLGCA consider making it mandatory that:

- 1) the primes must use MDOT certified MBEs with the correct NAICS codes, and
- 2) 50% of the MBE Goal must be Maryland MBE companies with their principal business located in the State of Maryland?

b) Some states do not offer reciprocity and Maryland should not allow companies from states that do not allow us to do business in their states.

ANSWER: a1) Yes, all Minority Business Enterprises used by a prime contractor to fulfill MBE requirements must be certified by MDOT in the appropriate NAICS code as specified in Section 1.33 of the RFP and in MBE Attachment D-3A at page 234 of the RFP.

a2) No, the MDOT certification process does not require firms to be located within Maryland and State law permits a prime contractor to fulfill MBE participation requirements with any qualified MBE firm or firms listed in the MBE Directory.

b) State law does not preclude vendors that are located in other states from doing business in Maryland and allows a contracting agency like MLGCA to give a resident preference only when certain conditions have been met. The State's policy for "Reciprocal Preference" is based on State law (State Finance and Procurement Article, § 14-401(c) and is contained in RFP Section 5.4.

177. **QUESTION:** The RFP clearly speaks to the ability for offerors to submit proposal responses in the form of a Joint Venture with an MBE (potentially in the form of an LLC). However, the RFP does not address the potential for the members of the JV to "pool" their experience and impute that experience to the JV, thus meeting qualifications. Rather, the RFP only speaks to "subcontractors," not MBE Prime JV equity members.

Will the MLGCA clarify that the RFP may be read to support the proposition that a JV that has an MBE and a non-MBE vendor that fully meets the requirements in Section 2.1, as the members may combine its experience and thereby have the "NEWCO,LLC meet the qualification?

ANSWER: Yes, the qualifications of individual Joint Venture ("JV") partners may be imputed to a JV Offeror and will be utilized to determine if the JV Offeror meets the qualifications and experience required by the RFP. The JV Offeror will be evaluated in accordance with the requirements of the RFP similarly to other Offerors.