

REQUEST FOR PROPOSALS (RFP)

TELEVISED DRAWINGS OF LOTTERY DRAW GAMES AND RELATED SERVICES #2017-02

RESPONSES TO WRITTEN QUESTIONS (Q&A #1) June 6, 2017

This list of questions and responses #1 (Q&A#1) 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:

1. **QUESTION:** a) Is it possible to post a list of potential prime contractors on eMarylandMarketPlace so that MBEs may contact the primes interested in this contract?

b) Who is the incumbent on this contract?

ANSWER: a) A Pre-Proposal Conference will be held on June 13, 2107 @ 10:00 a.m. at the MLGCA's headquarters. Subsequent to the Conference, the MLGCA will publish a list of attendees which MBEs or other interested parties may use to contact potentially interested prime contractors.

b) The contractor on the present TV Drawings Contract is:

Hearst-Argyle Stations, Inc.
d/b/a WBAL-TV 11
3800 Hooper Avenue
Baltimore, MD 21211

Mr. Dan Joerres
President & General Manager
djoerres@hearst.com

2. **QUESTION:** a) What does the Lottery pay the current contractor for the services. Please provide the total paid to the contractor (annualized) for each of the past 6 years. b) Also break out specific costs for each subcategory of services (i.e., cost for the drawings, cost for remotes, cost for other programs, reimbursement for set, cost of other services).

ANSWER: a)

Initial Contract Term (4.5 Years) = \$1,175,000 x 4.5 years = \$5,287,500
Renewal Option Period (2 Years) = \$1,175,000 x 2 years = \$2,350,000
Total Amount Paid to WBAL for 6.5 Years = \$7,637,500

The amount paid was all inclusive and covered all services, equipment, and personnel required by the RFP to produce and televise all Mandatory Drawings and to produce all Optional Drawings. As stated in the RFP, the Mandatory Drawings included Pick 3 and Pick 4 Evening, Mega Millions and Powerball. At no additional cost, WBAL televised Pick 3 and Pick 4 Midday and Multi Match -- both Drawings were listed as Optional by the MLGCA.

b) The current contractor provides up to 4 remote Drawings per year at no additional cost. Additional remote Drawings over and above 4 per year would require the price to be negotiated. Per the above response to the annual cost, the fee paid to the current contractor is all inclusive and not broken out by subcategories.

The Financial Proposal Sheet for the current contract is attached in "Attachment to Q&A#1"

3. **QUESTION:** The RFP requests a 1000 square foot secure storage facility. Is there any leeway to provide a smaller space?

ANSWER: Section 2.3.2.11.2.2 requires that "The Contractor shall provide an enclosed secured storage vault of *approximately* one thousand (1,000) square feet" Currently, several Drawing machines are secured in the storage vault, along with a safe, filing cabinets and some other equipment. While the MLGCA's equipment will fit in less than 1000 square feet, it is necessary to allow room for Drawing officials to maneuver in this space. The MLGCA will consider a smaller space, depending upon its configuration and overall size limitations, as a part of the evaluation process.

4. **QUESTION:** Please identify any subcontractors (MBE or others) that are utilized by the current contractor.

ANSWER: Two subcontractors (both MBEs) have been used for the current contract – REJ & Associates for production services and Stronghold Security, LLC for security services. MBE spending for the current contract is attached in "Attachment to Q&A#1".

5. **QUESTION:** a) Can the Lottery provide more specifics on the production of the current drawings? Specifically, how many cameras are utilized?
- b) How many people (and what positions) are utilized by the current contractor in production of the live drawings?
- c) Who are the on-air talent utilized currently for the drawings?

ANSWER: a) The MLGCA's current televised Drawings production utilizes two cameras. One camera captures the "wide shot" view of the Drawing machine(s) involved while the second camera zooms in on the ball display area to capture the selected balls up close for viewers to identify the numbers.

b) The current contractor utilizes two people in the studio: the floor director and the on-air talent. In the control room, the current contractor utilizes six people: the director, the audio tech, the camera operator, two graphics technicians (a switcher and a winning numbers technician), and the teleprompter operator (who is also the producer employed by the sub-contractor.)

c) The current contractor, in concert with the sub-contractor, provides the on-air talent who are comprised of personalities from both 98 Rock and WBAL-AM radio stations. All talent must first be approved by the MLGCA before appearing on the Drawings. These individuals are trained and scheduled by the sub-contractor.

The Drawings Officials, who are responsible for the pre- and post-testing of the Drawing machines as well as the operation of the Drawing machines, are trained, scheduled and employed directly by the MLGCA.

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