

1. What are the terms of the contract? In the document; Request for Proposals Cash Devices System 119588 O3, Page i paragraph 2 the terms state an initial 5-year term with an option of four additional two-year periods. In section V paragraph D it lists a base term of 7 years with an option of three two-year extensions.

The base term will be five years, with the potential for four two-year extension periods.

2. Can you provide the bid bond form to use for this proposal?

There is no form.

3. What are the bond requirements you want to see?

Per the RFP, "Bidders shall submit a bid bond with their proposal. The bid bond must be in the amount of \$50,000. The bid bond will be released upon execution of the awarded contract."

4. Are there liquidity requirements of the contractor beyond performance bond requirements?

It is expected that the successful Contractor will be a reputable and going concern with adequate assets and liquidity. The RFP does not address liquidity; see Section VI.

What are the terms of the contract? In the document; Request for Proposals Cash Devices System 119588 O3, Page i paragraph 2 the terms state an initial 5-year term with an option of four additional two-year periods. In section V paragraph D it lists a base term of 7 years with an option of three two-year extensions.

The base term will be five years, with the potential for four two-year extension periods.

If the state uses a specific bond form can you please provide it?

There is no form.

Are there liquidity requirements of the contractor beyond performance bond requirements?

It is expected that the successful Contractor will be a reputable and going concern with adequate assets and liquidity. The RFP does not address liquidity; see Section VI.

Regarding confidential or proprietary information, would the Division please confirm that the bidder must submit an un-redacted copy, a redacted copy, and a separate file of only confidential information.

Vendors wishing to designate proprietary information should submit a copy with confidential information noted but included, and a separate redacted copy.

The RFP does mention that proprietary information should be uploaded separately.

Per the RFP, "The Technical, Cost Proposal and Proprietary information should be uploaded as separate and distinct files."

Would the Division please provide any file-size limits or limits on the quantity of files allowed for the ShareFile submission link?

10GB is the limit.

Would the Division please confirm that the Bid Bond that is required by the submission due date can be an electronic copy?

An electronic copy of the Bid Bond is acceptable.

Would the Division please provide the hours of operation of the cash devices?

The cash device network should be capable of operating continuously, unless the Vendor proposes a maintenance or processing window. There is no statutory or regulatory limit on the hours of operation at this time, unless those hours are based on an establishment's other licenses or regulatory requirements.

Would the Division please confirm the complete operation of the system including all day-to-day activities will be the responsibility of the Contractor?

The successful Contractor will be responsible for maintaining day-to-day operational integrity and functionality of the central system as it delivers on contract terms with the State. Field service activities associated with connecting or maintaining connectivity with devices at operator locations will be the responsibility of the Distributors and Operators working with the Contractor to ensure their devices are meeting statutory requirements.

Vendors must provide an explanation of how the Contractor will handle the responsibility of establishing and executing "setup" with Operator locations connecting to the central system and the mechanism by which Operator licensees who run those devices will be able to maintain their responsibility of the day to day connectivity of devices with the central system.

Would the Division please confirm if it will be the responsibility of the Contractor or the State to send invoices and collect taxes from the Distributors of Cash Devices?

Per the RFP, "In addition to licensure and registration fees managed by the Division, Cash Devices are subject to a State tax on net operating revenue. Vendors must describe experience with and the functionality offered in receiving, processing and reconciling tax filings in specific apportionments (e.g. calculating taxes to go to different communities) with the activity logs required for all devices as enumerated in REPORTING above. The amount of the tax imposed and levied is set by statute and applied to the net operating revenue for each cash device. The quarterly tax will be submitted on a form prescribed by the Tax Commissioner (Division) documenting the total gross and net operating revenue for that quarter."

Would the Division please provide a quantity of licensed operators and distributors?

Presently there are approximately:

Distributors 70

Devices 5,300

Locations 1,700

Would the Division please confirm whether the Contractor is responsible for Field Service of Venue Equipment throughout the term of the contract or whether this will be the responsibility of the Distributor or Operator?

The Contractor is not required to provide any equipment or service at the Operator/Device level beyond that required for the Device connecting to the central system and the central system monitoring and accounting for all sales and validation transactions at the Device level. If the Contractor wishes to propose such equipment and service as part of the response to the RFP, the cost of such equipment and service should be clearly identified within the compensation proposal of the response.

Otherwise, such field service and venue equipment should be the responsibility of the Distributors, with whom the Contractor may establish and execute separate contracts.

If field service and venue equipment supply and support is not intended to be the responsibility of the Distributors, Vendors (as the Contractor) must detail how service, equipment and support will be provided. Relevant cost information must be described in the compensation proposal and will be evaluated accordingly the scoring process.

Would the Division please confirm if the Contractor is responsible for the installation of venue equipment in each venue throughout the state of Nebraska?

The Contractor is not required to provide any equipment or service at the Operator/Device level beyond that required for the Device connecting to the central system and the central system monitoring and accounting for all sales and validation transactions at the Device level. If the Contractor wishes to propose such equipment, installation and service as part of the response to the RFP, the cost of such equipment, installation and service should be clearly identified within the compensation proposal of the response. Otherwise, such field service and venue equipment should be the responsibility of the Distributors, with whom the Contractor may establish and execute separate contracts.

Surety companies require that a “claim” be made against a bond in lieu of strict forfeiture. We respectfully request that the language below (shown in red type) be changed in the Performance bond section as follows:

Failure to comply shall be grounds for forfeiture of the check or to make a claim against the bond ~~as liquidated damages.~~

The “liquidated damages” reference is part of prescriptive construction by the State purchasing bureau and may not be changed at this stage. It is conceivable that such language may be negotiated during the contract stage of this process.

Letters of credit are also considered a standard type of guarantee besides cash or a bond. Would the Division please confirm that for the Performance bond requirement; cash, a Letter of Credit, or a bond may be used? This would give the Contractor more flexibility.

This prescriptive construction by the State purchasing bureau and may not be changed at this stage.

In subsection X, the first sentence is overly broad since “all materials and information” will not be confidential information and having it as such would result in disclosure of what is public information, being a breach of the contract. Would the Division be willing to revise the first sentence as follows: “All proprietary trade secrets, academic and scientific research work which is in progress and unpublished, and other information which if released would give advantage to business competitors and serve no public purpose provided by a Party or acquired from a Party shall be regarded as confidential information.”?

Vendors wishing to designate proprietary information should submit a copy with confidential information noted but included, and a separate redacted copy. As a government agency, the Division is bound to comply with public records laws.

Would the Division please confirm if the system requires third party testing certification?

Appropriate testing and verification of functional specifications and capabilities is required.

Would the Division please confirm whether the requirement is for the System to be operational by July 19, 2025, or both the System and all 1,600+ sites have had all venue and communication installed and are connected the System by July 19, 2025?

The central system must be operational and available by July 19, 2025. Operators and Devices not connected to the system at that time will not be allowed to operate until their connectivity has been established. A deployment schedule should be described in the response to the RFP, and will be expected as part of the execution of any contract resulting from this RFP.

Would the Division please identify which of the following is the correct Terms of the Contract:

- “...seven (7) years, with the option of three (3) two 2-year extensions at the sole discretion of the Division,” as indicated on page 29.
- “Five (5) years commencing upon execution of the contract by the State, includes the option to renew for four (4) additional two (2) year periods,” as indicated on the cover.

The base term will be five years, with the potential for four two-year extension periods.

In order to provide secure communications, would the Division please provide a list of the retail locations with addresses or at minimum the zip codes?

(attached)

Would the Division please confirm if the Contractor is required to provide functionality that would provide Ticket In /Ticket out at the Cash Device?

The Contractor is not required to provide any equipment or service at the Operator/Device level beyond that required for the Device connecting to the central system and the central system monitoring and accounting for all sales and validation transactions at the Device level. If the Contractor wishes to propose such equipment and service as part of the response to the RFP, the cost of such equipment and service should be clearly identified within the compensation proposal of the response.

Would the Division please confirm if the Contractor is required to provide validation functionality of the cash-out voucher from the Cash Device at the retail location?

The Contractor is not required to provide validation and cash-out functionality at retail, but the central system must log winning and validation transactions. Vendors should discuss whether such equipment will be compatible with the central system, in the event licensees wish to deploy such equipment.

Would the Division please state whether the Gaming Related Vendors License currently held by a Contractor is sufficient to meet the licensure and registration requirements?

The basics of such licensure may be adequate, but relevant information must be provided in the form requested.

Would the Division please indicate if any individuals of the selected Contractor will be required to be licensed?

Licensure is not envisioned, but a background check may be required.

Would the Division please confirm that the Contractor can provide both the System and the Cash Devices?

Per Section IIII, Item I of the RFP, "In order to avoid the appearance of any impropriety among cash device licensees, the successful bidder will not be permitted to be licensed in any other form under the Act. Furthermore, neither the vendor, nor any parent company or subsidiary are permitted to hold any ownership interest in an entity who is licensed under the Act."

The section ,sub-section and item listed below mentions that a Completed State Cost Proposal Template is required. Can the State please either supply the document that is referenced, or provide direction to the site where the document can be obtained.

Section:

I. PROCUREMENT PROCEDURE

Sub-Section:

P. REQUEST FOR PROPOSAL/PROPOSAL REQUIREMENTS

Item:

6. Completed State Cost Proposal Template

There is no template required. The cost proposal should be submitted as outline in the RFP.

Q. 1. Could you please confirm the specific communication protocols (e.g., SAS, G2S) that the Monitoring System must support for Cash Devices? Additionally, are there any Cash Devices currently in use that may not support any protocol?

The system may employ whatever communication protocol the Vendor believes is most appropriate and which will best serve the State and the regulated population. There may be devices currently in use that are not compatible with the chosen protocol; conformity will be required of the licensees.

2. Is it a mandatory requirement for the system to support and monitor cash-out payments from Cash Devices for player winnings?

The central system does not have to support payment of prizes by the operator/distributors, but the system must record winnings instances and their amounts. Vendors should discuss whether equipment such as ticket-in/ticket-out (TITO) will be compatible with the central system, in the event licensees wish to deploy such equipment.

3. Could the Division please provide a detailed list of locations that are currently operating Cash Devices?

(see attached)

4. Could you please clarify how bidders are expected to submit cost information and which template should be used? The RFP 119588 O3 on page 5, section P, under 'Request for

Proposal/Proposal Requirements' mentions a 'completed State Cost Proposal Template' as item 6. We believe this document has not been shared.

There is no template required. The cost proposal should be submitted as outline in the RFP.

5. We respectfully request a one-week extension to the closing of the question-and-answer period. This extension would allow bidders the opportunity to ask additional questions once the cost template and requirements are provided.

The timeline for the RFP will not change and submissions will be due as stated.

6. The RFP mentions both a 7-year and a 5-year base term. Could the Division please confirm the actual contract duration? Additionally, could you confirm the available extension options for this contract?

The base term will be five years, with the potential for four two-year extensions.

7. Regarding the requirement in section R, "Performance Bond," on page 15: The wording references an amount "equal to the amount estimated to be paid annually to the contractor." Could you please confirm if this annual cost pertains solely to the gaming system, or does it also include services provided to the locations for example?

This would apply only to the fee(s) paid by the State to the contractor.

- 1. ADDED - Would the State accept an industry-standard form of an annually renewable performance bond form for the bid bond and/or the performance bond, or does the State require its own bond form?*

There is no predetermined form. An industry-standard form is acceptable.

Scope of Service states the contract will be five (5) years plus option to renew for four (4) additional two year periods. F. Prices also states five (5) years. However, Section D. SCOPE OF WORK states base term of the contract shall be seven (7) years, with option of three (3) two-year extensions. Please clarify.

The base term will be five years, with the potential for four two-year extensions.

Please clarify the deliverables and scope of work:

- Is scope limited to only providing the central system or does it include operations of the system such as adding new devices and locations, implementing changes in software on devices, supporting operators for issues, testing cash devices for compatibility with the system, or any other activities?

The Contractor will be responsible for maintaining the functionality and reliability of the system, including adding devices to the system or providing the Division the mechanism to do so, and ensuring that the system monitors Devices and provides reports to the Division as required.

The Contractor is not required to provide any software changes to the Devices, or equipment or service at the Operator/Device level beyond that required for the Device connecting to the central system and the central system monitoring and accounting for all sales and validation transactions at the Device level. If the Contractor wishes to propose such equipment and service as part of the response to the RFP, the cost of such equipment and service should be clearly identified within the compensation proposal of the response. Otherwise, such field service, venue equipment and Device compatibility verification should be the responsibility of the Distributors and Operators, with whom the Contractor may establish and execute separate contracts.

Appropriate testing and verification of functional specifications and capabilities is required.

- Is there any requirement for a fully redundant backup system or is only one system required?

The Contractor should propose redundancy or outage recovery mechanisms whereby the Division will be able to verify device operations and transaction activity in the event of an interruption in system functionality.

- Is there any requirement on where the system is located? In the state of Nebraska or can it be located out of state?

System functionality, performance and reliability are of primary importance. The Vendor should propose the location of the system best suited to those priorities.

Is there a specific document, form, or format for the price / cost submission?

There is no specific form or format, but the Vendor should detail price/cost information as clearly as possible based on equipment, personnel and programming needs as well as any ancillary equipment or services suggested as part of the maintenance of the central system. Additionally, the Vendor should itemize costs associated with location connectivity only if that equipment and functionality is intended to be provide to the Division rather than to the Operator/Distributor. The responsibility for Device and site connectivity rests with the Operator/Distributor. Devices and locations that are not able to connect and communicate with the central system when the system is live in July of 2025 will not be allowed to operate until such time as their connectivity to the system has been established.