

#18-001

REQUEST FOR PROPOSALS

**FOR INSTANT TICKET PRINTING AND RELATED
SERVICES**

AND

A PLAYER LOYALTY PROGRAM

FOR THE NEW MEXICO LOTTERY AUTHORITY

AMENDMENTS TO RFP #18-001

I. AMENDMENTS TO RFP #18-001

PART ONE, Section 4.3 is amended to read:

“4.3 A list of jurisdictions which the Offeror has contracts to supply casino or lottery gaming materials, equipment or services.”

PART ONE, Section 31., is amended to read:

31. PROFESSIONAL LIABILITY INSURANCE AND GENERAL LIABILITY INSURANCE

The Successful Offeror must include a statement in its proposal describing the professional liability and general liability insurance of the types described herein, that the Offeror carries, including: amounts of any per claim and aggregate limits; the amounts of deductibles; and the name and address of the carrier. If the insurance per claim and aggregate limits do not meet the specifications included in this RFP for general and professional liability insurance, the Offeror shall include a statement certifying that the Offeror will increase its limits to the requirements set forth in the RFP if it is chosen as the Successful Offeror. Under any contract entered into pursuant to this RFP, the Successful Offeror shall maintain professional liability insurance covering all liabilities and risks inherent in the Successful Offeror's performance of the services required under the contract(s), and general liability insurance to cover any additional liabilities and risks that could be incurred in connection with performance of the duties under the contract(s). The Successful Offeror's professional liability insurance policy must provide per claim and aggregate limits of at least two million dollars (\$2,000,000.00), must provide for a per claim/aggregate deductible in an amount reasonable for a firm of the Successful Offeror's size and financial condition, and must be in a form acceptable to the NMLA. The Successful Offeror's general liability insurance must provide per claim and aggregate limits of at least one million dollars (\$1,000,000.00), must provide for a per claim/aggregate deductible in an amount reasonable for a firm of the Successful Offeror's size and financial condition, and must be in a form acceptable to the NMLA. The Successful Offeror must provide the NMLA with acceptable certificates of insurance in force at the time of the inception of the contract and at each anniversary date, extension or renewal of the contract, which provides for not less than thirty (30) days' notice to the NMLA of non-renewal or cancellation. The Successful Offeror shall immediately notify the NMLA in the event of any cancellations, modifications or changes in the amounts of coverage provided under such professional liability coverage. Offeror must have, maintain and continue professional and general liability coverage in the amount and form specified in the contract. If a breach occurs, the Offeror shall have five days to rectify the breach or it shall be cause for immediate termination of the contract and shall not require the notice provided for in Section 26 (Termination for Convenience).

PART ONE, Section 32. is amended to read:

“32. PERFORMANCE BOND

The Successful Offeror, upon execution of a contract, shall be required to provide a performance bond in the amount of five hundred thousand dollars (\$500,000). The performance bond shall be in favor of the NMLA as principal. The performance bond is forfeited to the NMLA if the Successful Offeror defaults in the performance of the contract; however, with the concurrence of the NMLA, the surety may assume the remainder of the contract to perform or sublet. The performance bond must be in a form approved by the CEO and may be renewed annually.

The bond must be executed by a company authorized to do business in the State of New Mexico and must meet the approval of the NMLA. The Offeror must pay the cost of the bond. The bond must be drawn in such a manner that, at any time it may be assessed all damage payments due the NMLA under the provisions of the RFP and the contract, which have not been received by the NMLA within thirty (30) calendar days after written notice of their being incurred has been received by the Offeror. For purposes of a default, the Successful Offeror will only “forfeit” that portion of the Performance Bond that equals the NMLA’s damages, including any associated costs of the default.”

PART ONE, Section 33. is amended to read:

“33. SELF-INSURANCE

The Successful Offeror may not elect to provide entirely or in part for the protection described for professional liability, errors and omissions, and general liability, through self-insurance provisions. A deductible is not considered as self-insurance unless the deductible amount exceeds ten percent (10%) of the insurance policy’s face amount.”

PART ONE, Section 34. is amended to read:

“34. LITIGATION BOND

The Successful Offeror shall certify in its proposal that the bonds required by the RFP will be obtained if it is chosen as the Successful Offeror. Each Offeror must submit a litigation bond or letter of credit in the amount of five hundred thousand dollars (\$500,000) with their proposal. The term of the litigation bond or letter of credit is two years. No proposal will be considered unless the litigation bond is included in the proposal. A claim upon the bond would be made by the NMLA if: 1) the Offeror sues the State of New Mexico, the NMLA, the Evaluation Committee, any employees of the NMLA, any NMLA Authority member, or any individual member thereof, over the award of contracts as a result of this RFP; 2) the Offeror loses the lawsuit; and 3) a court determines that the action or any portion thereof was frivolous, or was brought in bad faith or was not brought upon any reasonable grounds. The purpose of the litigation bond is to discourage frivolous lawsuits by permitting the NMLA to recover the damages caused by the frivolous lawsuit. The Offeror shall pay the cost of such bond.”

PART ONE, Section 37. is amended to read:

“37. OWNERSHIP AND PROPRIETARY RIGHTS

All materials developed or acquired for NMLA by the Successful Offeror shall become the property of the NMLA. Nothing developed or produced in whole or in part, by the Successful Offeror shall be the subject of an application for copyright or other claim of ownership by or on behalf of the Successful Offeror. The Successful Offeror will agree to transfer to the NMLA all intellectual property rights to the materials developed or delivered under any agreement resulting from the RFP. Section 37 does not apply to anything that is: (i) licensed to the NMLA; or (ii) not delivered to the NMLA; or (iii) is on a Successful Offeror’s owned or controlled server; or (iv) procured, provided or accessed.”

The following Sections in PART TWO are renumbered to read:

“3.10(A) Ticket Orientation

The NMLA will require tickets to be printed in both horizontal and vertical formats. The Offeror will be disqualified if it cannot or will not produce tickets in both formats at the same price. Perforations will be required to be placed on the four-inch (4”) side of the ticket regardless of the vertical or horizontal format.”

“3.10(B) Font Generation

All imaged data (computer controlled) or graphic fonts (display printing) used in instant games whether they are standard, customized or licensed must be approved by the NMLA and provided at no additional cost.”

PART TWO, Section 3, 3.33 is amended to read:

“3.33 Trademark Marks

The Offeror shall conduct a search regarding the right of the NMLA to use proposed marks for instant tickets and services printed or offered by the Offeror. The search shall include, but not be limited to the latest available information from the records of the United States Patent and Trademark Office and trademark registers of the states.”

PART TWO, Section 6, 6.1 is amended to read:

“6.1 Marketing Plan and Research

The Offeror shall develop a three (3) year marketing plan, per Part Two Section 1.11, and shall implement initial market research that will address game development and player attitudes, with regular updates. The research shall include, but is not limited to, player surveys and segmentation studies for the purpose of seeking information about player satisfaction, attitudes about the NMLA and its products and awareness and recall of advertising and the games offered by the NMLA. The NMLA estimates that the successful Offeror shall appropriate \$30,000 per year for marketing and research initiatives. Any remaining funds at the end of the contract year must be carried forward to the next

fiscal year, unless used by the NMLA for other business purposes authorized pursuant to this RFP/contract. In the event the NMLA does not have a designated primary vendor, the cost of the marketing and research will be proportionally shared among successful Offerors' based on annual revenue amounts.

Offerors should indicate any other research services that may be provided to the NMLA.”

PART TWO, Section 7 is amended to read:

“7. TRAINING AND PROFESSIONAL DEVELOPMENT

The Offeror(s) will annually or cumulatively be required to credit NMLA for the reimbursement of all expenses approved pursuant to NMLA’s Business Meal and Travel Policy for up to six (6) NMLA representatives to participate in professional development conferences, training seminars and/or classes in the United States or Canada to assist in continued education within the lottery industry, including related registrations, and any security plant and/or printing inspections required by the NMLA. No Offeror will be required to reimburse the lottery for expenses incurred in a site visit to another Offeror’s facility.

For these reimbursements, the NMLA will provide the Offeror an invoice with supporting documentation of the expenses. The NMLA will credit the amount owed per this invoice against the next payment (wire transfer or check) provided to the Offeror.”

PART TWO, Section 9, 9.2, is amended to read:

“9.2 Evaluation Criteria for Instant Ticket Printing and Related Services

Proposals which are not rejected shall be evaluated and weighted as follows:

The financial status of the Offeror	Pass/Fail		
Offerors must have a minimum of three (3) years related lottery experience and have current printing experience with at least two (2) US lottery jurisdictions who are members of the North American Association of State and Provincial Lotteries (NASPL).	Pass/Fail		
TECHNICAL SCORING CRITERIA	POSSIBLE POINTS	% of Total	Points Awarded
The probable quality of the offered good or services	150	15%	
3 Year Marketing Plan and Retailer Support	100	10%	
Game design and creativity	50	5%	
Disaster Recovery	50	5%	
The qualification of the Offeror’s personnel	100	10%	
The experience of the Offeror in providing the requested goods or services	100	10%	
TECHNICAL SCORING SUBTOTAL	550	55%	
Cost Proposal Criteria*:			
The Offeror’s price to provide the goods or services	450	45%	

COST PROPOSAL SCORING SUBTOTAL	450	45%	
TOTAL	1,000	100%	

* Up to 450 points will be awarded for COST. An average overall cost will be used to award points for the COST PROPOSAL SCORING. OPTION 1 AND OPTION 2 will be averaged together to determine the COST SCORING SUBTOTAL and points will be allocated based on a scoring formula. The lowest COST PROPOSAL will receive 450 points and other Offerors will receive a proportional percentage of points as calculated against the lowest cost proposal. “

PART TWO, Section 10, 10.4 is amended to read:

“10.4 Missing/Incomplete Trademark Search

The Offeror at its own expense will conduct Federal and State trademark and service mark searches as per the requirement listed in Section 3.33, Trademark Search. If the trademark search or certification are inadequate, incomplete or incorrect and a game currently on sale must be canceled, the Offeror must provide and deliver a replacement game specified by the NMLA within fourteen (14) calendar days at no charge to the NMLA. Offeror will pay the NMLA fifteen thousand dollars (\$15,000) per day from the date of cancellation until the replacement game is received by the NMLA.”

PART THREE, Section 5, 5.2, is amended to read:

“5.2 Evaluation Criteria for a Player Loyalty Program

Proposals which are not rejected shall be evaluated and weighted as follows:

The financial status of the Offeror	Pass/Fail		
Offerors or subcontractors must have a minimum of one (1) years related lottery experience with player’s clubs in a US lottery jurisdiction who is a member of the North American Association of State and Provincial Lotteries (NASPL).	Pass/Fail		
TECHNICAL SCORING CRITERIA	POSSIBLE POINTS	% of Total	Points Awarded
Each Proposal must include a profile of the Offeror’s history, capability, capacity and relevant experience in providing the requested goods and services.	100	10%	
Qualifications of the Offeror’s Staff and Support Services.	50	5%	
Scope of Work, Marketing and Promotional Support. Offeror must clearly address the requirements as detailed in Part Three.	100	10%	
General Requirements			
A. Website (mobile, desktop, tablet)	50	5%	
B. Membership transfer	25	2.5%	
C. Customer Service and Support	25	2.5%	
D. Dynamic Content Management System (CMS)	25	2.5%	
E. Player and Retailer Promotions and Campaigns	25	2.5%	
F. Analytics	25	2.5%	
G. Geofencing and Triggered marketing	25	2.5%	
H. Free Play Games	25	2.5%	
I. Messaging	25	2.5%	
J. APIs to integrate ticket information	25	2.5%	
K. Security – cyber analytics	25	2.5%	
TECHNICAL SCORING SUBTOTAL	550	55%	
Cost Proposal Criteria:			
The Offeror’s price to provide the goods or services	450	45%	
COST PROPOSAL SCORING SUBTOTAL	450	45%	
TOTAL	1,000	100%	“

PART THREE, Section 6, 6.3 is amended to read:

“6.3 System Down

The System shall be defined to be "down" if a primary component of the Hosted Services fails as a consequence of an error or omission on the part of the Offeror that materially impairs players from logging in, registering, submitting tickets or redeeming points. The NMLA may impose liquidated damages up to five hundred dollars (\$500) for each one (1) hour of Hosted Services downtime, or fraction thereof, in excess of one (1) hour. For greater certainty, no Liquidated Damages shall be assessable unless and until the Hosted Services have been down for a period in excess of one (1) hour.”

