



Benefiting Idaho Public Schools and the Permanent Building Fund.

TO: All Interested Bidders
FROM: Idaho Lottery
RE: Package Delivery Request for Proposal (RFP) - AMENDED
DATE: ~~June 21, 2018~~ July 12, 2018

You are invited to submit a written proposal to provide package delivery services of lottery tickets to retailers located throughout the state of Idaho.

The Lottery seeks a supplier capable of providing excellent package delivery. The successful Bidder is expected to maintain a good working relationship with the Lottery and provide a central point of contact for managing the contract.

The contract term will begin November 1, 2018 and extend for five (5) years. The contract may be extended at the option of the Lottery for ongoing 2 year extensions. If the Lottery does not intend to extend the Contract, it shall provide 180 calendar day written notice to the bidder.

Interested Bidders are required to submit a proposal which will include all requested information in writing and consistent with the specific requirements detailed in the RFP document. Proposals are required to be submitted no later than 5:00 PM MT on July 27, 2018. Finalists may be asked to make a personal presentation before a final selection is made.

Be aware that the proposals we receive become public record and will be made available for public review upon request. Also be aware that key employees of the successful Bidder and the successful Bidder's primary subcontractors must submit to background checks.

Please direct all questions about this proposal process to the designated RFP Coordinator.

Thank you for your interest in this procurement process.

C. L. "Butch" Otter
Governor

Jeffrey R. Anderson
Director

1199 Shoreline Ln, Ste 100
Boise, ID 83702
P 208.334.2600
F 208.334.2610
idaholottery.com

IDAHO STATE LOTTERY REQUEST FOR PROPOSAL (RFP)

Package Delivery Service, Ground Service

I. PURPOSE/DURATION/BACKGROUND

The purpose of this Request for Proposal (RFP) is to obtain bids for the delivery of Idaho's Lottery tickets to retailers located throughout the State of Idaho. Contract term is five years from the date of the first delivery, with an option to renew for ongoing two year (2) extensions.

The Lottery expects to ship approximately 1500 orders of Instant Game Scratch Tickets ("scratch tickets" or "tickets") weekly to retailers in Idaho. All orders must be delivered the next day. Consistent on-time delivery is of paramount importance to the Lottery in the performance of this contract.

II. TIMETABLE AND INSTRUCTIONS TO BIDDERS

EVENT	DATE
Publish RFP	June 21, 2018
Bidders Submit Questions to RFP Coordinator. All questions submitted will be published here: https://www.idaholottery.com/rfp/	July 5, 2018
Idaho Lottery responds to questions from bidders. All responses will be published at the URL above.	July 12, 2018
Package Delivery RFP Proposals are due.	July 27, 2018
RFP Evaluation Team to review and score all responsive proposals.	July 30, 2018 to August 10, 2018
RFP Evaluation Team recommend Apparent Successful Bidder to Idaho Lottery Director.	August 15, 2018
Idaho Lottery Director to request approval of Apparent Successful Bidder by Idaho Lottery Commission.	September 20, 2018

1. BIDDER MINIMUM QUALIFICATIONS - The Bidder must be experienced in all aspects of small package delivery required under this RFP and must

furnish proof of their experience to the satisfaction of the Idaho Lottery. Note: Bidders who do not meet these minimum qualifications shall be deemed non-responsive and will not receive further consideration.

2. SUBMISSION OF PROPOSALS

- A. Three (3) printed copies of the proposal are required. One copy must have original signatures and two copies can have photocopied signatures. The proposal, whether mailed or hand delivered, must arrive at the Lottery address below no later than July 27, 2018. PROPOSALS RECEIVED AFTER 5 PM MT ON July 27, 2018 WILL BE REJECTED AND DEEMED NON-RESPONSIVE. Non-responsive bids will be eliminated from further evaluation.

The bid shall be addressed to:

Amber French, Deputy Director/RFP Coordinator
Security and Enforcement Division
Idaho State Lottery
1199 Shoreline Lane, Suite100
Boise, ID 83702

- B. The RFP Coordinator is the sole point of contact in the Lottery for this selection action. All communication between the Bidder and the Lottery upon receipt of this RFP shall be with the RFP Coordinator, as follows:

Amber French, Deputy Director/RFP Coordinator
Security and Enforcement Division
Idaho State Lottery
1199 Shoreline Lane, Suite100
Boise, ID 83702
T: 208.780.2551
F: 208.334.2391
E: afrench@lottery.idaho.gov

- C. The Bidder is specifically notified that failure to comply with any part of the Request for Proposal may result in rejection of the proposal as non-responsive.
- D. The Lottery reserves the right at its sole discretion to reject any and all proposals received. The final selection, if any, will be that proposal which, in the opinion of the Lottery after review of all submissions by the Evaluation Team, best meets the requirements set forth in the RFP and is in the best interests of the Lottery and the State of Idaho.
- E. Bids that do not address all areas requested by this RFP may be deemed non-responsive and may not be considered for a possible contract awarded as a result of this RFP.

- F. The Lottery reserves the right to make an award without further discussion of the bid submitted. Therefore, the bid should be submitted initially on the most favorable terms the Bidder can propose. The Bidder shall specifically stipulate that the bid is predicated upon the acceptance of all the terms and conditions contained in the RFP.

Bidder should be prepared to accept the RFP and bid for incorporation into a contract resulting from this RFP. This RFP does not, however, obligate the State of Idaho or the Lottery to contract for services specified herein, and the Lottery can cancel the RFP at any time throughout the process.

- G. In the event it becomes necessary to revise any part of the RFP, an amendment will be provided on the Idaho Lottery website (www.idaholottery.com) for all Bidders to access. The original RFP will be posted on the website as well.
- H. The Lottery may award this contract to a single bidder statewide, or to multiple bidders by specific areas, whichever provides the most benefit to the Lottery. Bidders should clearly detail all pricing based on all specifics to include but not limited to delivery areas, number of shipments, minimum financial obligations, etc.
- I. Bidders should understand that delivery areas are generalized and not specific, and no award will be considered a guarantee of a specific number of packages per year or be considered a right to deliver packages to any specific retailer. Retailers will be added and deleted based on Lottery licenses issued or withdrawn and based on other needs of the Lottery.

2. COMPLETION OF THE “CERTIFICATIONS, ASSURANCES AND UNDERSTANDINGS” FORM – Attachment A

The “Certifications, Assurances and Understandings” form, Attachment A, must be signed by an authorized representative of the Bidder. Bids which do not include a signed form shall be considered non-responsive.

3. REFERENCES

Bidder shall furnish a minimum of three (3) references for which bidder has delivered goods or services on a contract similar in scope to that described in this RFP. Include name, address and phone number of contact person for each reference.

4. EVALUATION INTERVIEW

To aid in the evaluation process, after bid opening, the Lottery may require individual bidders to appear to determine whether both parties have a full and complete understanding of the nature and scope of contractual requirements. In no manner shall such action be construed as negotiations or an indication of the Lottery’s intention to award.

5. CONTRACTOR'S REPRESENTATIVE

A. Designation: Bidder shall provide name, address, and phone number of Contractor(s) representative as required in bid documents.

B. Responsibility: Contractor's representative shall function as the primary point of contact, shall ensure supervision and coordination and shall take corrective action as necessary to meet contractual requirements.

C. Availability: Contractor's representative, or designee, shall be available at all times during normal working hours throughout the term of the contract.

6. QUESTIONS AND ANSWERS

The Idaho Lottery will accept questions from bidders directed to the RFP Coordinator and submitted by July 5, 2018. All questions will be published on the Idaho Lottery website: <https://www.idaholottery.com/rfp/>. Responses to all submitted questions will be posted to the same location on the website by close of business, July 12, 2018.

7. BID AWARD

A. Preliminary Step: The RFP Coordinator will review the bids for compliance with RFP instructions and determine that responses meet mandatory requirements.

B. Evaluation: The Evaluation Team will score the submitted proposals using an alphabetical grading system. If there are fundamental questions concerning the bid, the Evaluation Team will request clarification from the bidder during the time designated for the Evaluation Team's review. The Evaluation Team will review all aspects of each submission and will make the final award recommendation. The Lottery reserves the right to award to the bidder or bidders who demonstrate the best ability to fulfill the requirements of the RFP.

C. Scoring:

- 1) Pricing Proposal - This portion will focus on proposed costs, including initial costs, discounts, any and all additional fees, delivery schedules and terms of fixed, or other, pricing.
- 2) Technical/Specifications - This portion focuses on package security, equipment, service capabilities (including on-time delivery performance), and computer package tracking compatible with the Lottery system or an alternative.
- 3) Contract Management - This portion will focus on business stability, references, experience, problem resolution plan and local management of the Idaho account.

8. ANNOUNCEMENT OF APPARENT SUCCESSFUL BIDDER

The Evaluation Team will recommend the Apparent Successful Bidder to the Lottery Director. If the Director agrees and approves, he will then take that recommendation for final approval to the Idaho Lottery Commission at their regular meeting, tentatively scheduled for September 20, 2018.

III. LOTTERY PACKAGE DELIVERY SPECIFICATIONS

1. **Workload.** In Fiscal Year 2017 (July 1, 2016 – June 30, 2017) the Lottery shipped approximately 74,000 packages. The specific number of packages by Zip Code and weight are provided in Attachment B.

The Lottery ships two (2) times a week. Unless the week day falls on a State recognized holiday, the shipping days are every Monday and Thursday. In the event of a State recognized holiday falling on a Monday, these shipments are fulfilled on Tuesday. In the event of a State recognized holiday falling on a Thursday, these shipments are fulfilled on Wednesday.

The Lottery generates approximately 1000 shipments of scratch tickets on Mondays and 700 shipments of scratch tickets on Thursdays. These will vary depending on the number of orders and any new game launches and will change every shipment day. This is just an approximation.

Orders are packaged in corrugated boxes or polyethylene bags. The tickets are not “live”, such that they can be redeemed for cash, but the Lottery desires that they be treated as if they were “live.”

2. **Pickup.** All orders must be picked up at the Lottery warehouse at 2740 S. Cole Road, Unit 310, Boise, Idaho, 83709. Shipment pickup must occur in a mutually agreed upon window between 9:00 a.m. and 3:00 p.m.
3. **Coverage requirements.** The Lottery requires ground delivery service to its licensed Retailers, which are retail businesses located throughout the State of Idaho. The Lottery routinely licenses new retailers in the State and the Package Delivery Contractor is expected to provide delivery services to any and all new retailers.
4. **Subcontracting.** Subcontracting to achieve full coverage is allowed if the use of the subcontractor is pre-approved by the Lottery. Bidders shall indicate their intent to use a subcontractor in their bid. Prior Lottery approval of subcontractors will be a contract requirement and violation may result in termination of the Contract.
5. **Delivery time requirements/upgrades.** Orders must be delivered within **one business day** via ground service. Deliveries must be made within the business hours of 7:00 a.m. to 4:00 p.m. in the respective time zone.
6. **Delivery location requirements.** In certain cases, notably large grocery chains, as an example, the Lottery may designate a standard delivery point or

person for a retailer, which would appear on the label. The contractor must make delivery directly to the designated delivery person during normal business hours. These designated delivery points will be specified in the list of shipment locations. At this time, there are no such designations in place for any retailers.

7. **Tracking, tracing and signature requirements.** The Lottery requires that all deliveries are handed to a person whose name is to be recorded and be made available to the Lottery within 24 hours upon request. The Lottery requires the ability to track and trace shipments via the internet. Available data available should be no more than 8 hours old.
8. **Technical interface requirements.**
 - A. To minimize the labor involved in shipping, the Lottery and vendor must develop a joint-use shipping label which meets both Lottery and Contractor requirements.
 - B. As part of the Response to this RFP, if the bidder requires a specific label or any other specific information that is in current use on the label layout, the bidder shall describe how it will provide specifications that will permit the development of a joint shipping label. Gaming System vendor, Intralot, provides computer services to the Lottery. The successful bidder/contractor will be required to interface with the Intralot system (or any replacement system selected by the Lottery). Through Intralot, the Lottery will provide the data file format required for the online shipping application.
 - C. If pricing includes weight, package weights must be calculated by computer, utilizing individual package weights and a calculated total weight as part of the labeling process, rather than weighing each package individually by hand, in order to avoid the labor associated with weighing packages.
 - D. The Contractor's computer system must be able to accept a daily file or manifest with data regarding each shipment, to ensure timely, accurate tracking and billing. Access to this tracking system information must be available to Lottery personnel via the Internet. Data should be updated as near to real time as possible, but never more than 8 hours delayed.
 - E. Upon award, the Contractor will work with the Lottery and Contractor Intralot to complete detailed specifications for the file, the transfer process, as well as any equipment or software required for accomplishing the task. Access to the tracking system information must be available to Lottery personnel via the internet. Data should be updated as near to real time as possible, but never more than 8 hours delayed.
 - F. In addition to the previously described joint tracking system, the Lottery operates a separate inventory control system that requires the receiving

retailer to scan a Lottery bar code on the joint label upon receiving ticket shipments, indicating they have possession of the delivered package.

G. The Contractor is required to utilize a paperless billing system.

9. List of Shipping Locations. See Attachment C.

Attached find a current list of retailers at the time of RFP issuance. Because our current retailers changes constantly, this should not to be considered 100% accurate going forward. The Lottery will provide an updated list at the time of interface implementation and Contract.

10. Contract and General Terms & Conditions. Contractor(s) will be expected to enter into a contract which will incorporate the RFP and Contractor(s) proposals.

11. Financial Stability. During proposal evaluation, the Lottery reserves the right to make reasonable inquiry to determine the financial stability and responsibility of any Bidder. Requests may include, but not be limited to, financial statements, credit ratings, references, record of past performance, on-site inspection of Bidder's facilities, or Bidder subcontractor facilities. Failure to respond to said request(s) will be sufficient reason to consider the proposal non-responsive.

12. Established business. To be considered responsive, Contractor must, prior to commencing performance, be an established business with all required licenses, accreditation, registration, bonding, facilities, equipment and trained personnel necessary to perform the work as specified in the solicitation. All Bidders must have Federal Tax Identifier Number as required by IRS regulations. The State reserves the right to require proof of said requirements including business references within ten (10) calendar days from the date of request.

COST PROPOSAL

Attach your company's offered price list and provide a detailed description how the rates are charged (by package, weight, etc.) along with **any and all** additional costs, rates and description on the type(s) of pickup delivery services offered.

List any price discounts, increases or fees based on any of the following:

- 1) Statewide delivery (all retailers)
- 2) By Specific Area
- 3) Any factors that change your pricing
- 4) Minimum compensation requirements

Vendors may also provide optional pricing structures that the vendor considers to be in the best interest of the Lottery. The Lottery may choose to use optional pricing as the basis for scoring financial proposals.

1. Provide a list of all accessorial/additional charges (including but not limited to: package dimension charges, address changes, re-billing fees, weekly service fees, out of area fees, residential surcharge, fuel surcharge, delivery area surcharge, etc.) if bottom line discount does not apply.

Bidding Company's Name _____

TECHNICAL/SPECIFICATIONS PROPOSAL

Describe your company's ability to service the Lottery's needs. This should include information on the following issues:

Provide detailed information on the following:

1. Minimum to maximum package weight min _____ max _____
2. Policy regarding 'non-deliverable' or refused packages including time line and cost (or page number on attachment). Currently the Lottery incurs no charge for the return of a non-deliverable or refused packages.
3. Describe your package tracking system, tracing system and response times.
4. Describe your manifest system capabilities and software programs.
5. Describe your current customer service policy and guarantees, if any.
6. Provide documentation of on-time delivery results for ground service in the state of Idaho.
7. Provide documentation regarding speed of service to required delivery locations in the state of Idaho.
8. If applicable, provide details of what exactly will be subcontracted and subcontractor information.
9. Describe, in detail, your ability to provide a shipping label per RFP requirements as set forth in Section III.8.

Bidder's Company Name _____

CONTRACT MANAGEMENT PROPOSAL

Describe your company's ability to service the Lottery's needs. This should include the following information:

1. List Federal Tax Identification Number and ICC/MCC Carriers Permit Numbers.
2. The Idaho Account Management plan to include the customer service responsibilities of this designated position.
3. Authorized Representative(s):

Primary Contact - Contract
Administration

Name: _____
Telephone: _____
Email: _____

Alternate Contact - Contract
Administration

Name: _____
Telephone: _____
Email: _____

3. Specify experience with small package delivery service, comparable to the Lottery's requirements.

Bidding Company's Name _____

REFERENCES

Provide a minimum of three (3) references for which contracts, similar in size and scope to the requirements of this RFP, were/are held in furnishing package delivery service.

1. Company Name: _____

Address: _____

Contact Person: _____

Telephone: _____

Email: _____

2. Company Name: _____

Address: _____

Contact Person: _____

Telephone: _____

Email: _____

3. Company Name: _____

Address: _____

Contact Person: _____

Telephone: _____

Email: _____

Bidding Company's Name _____

PROPOSAL CHECKLIST

This checklist is provided for Bidder convenience only and identifies the proposal documents that must be submitted with each proposal in order to be considered responsive. Any proposal received without these documents will be deemed non responsive and will not be considered for award.

	INCLUDED
1. Pricing Proposal (Page 9)	_____
2. Technical/Specifications Proposal (Page 10)	_____
3. Contract Management Proposal (Page 11)	_____
4. References (Page 12)	_____
5. Certifications, Assurances and Understandings (Attachment A – Page 14)	_____

ATTACHMENT A CERTIFICATIONS, ASSURANCES, AND UNDERSTANDINGS

The Bidder makes the following certifications, assurances, and understandings as a required element of the proposal to which it is attached, understanding that the truthfulness of the facts affirmed here and the continuing compliance with these requirements are conditions precedent to the award and continuation of the contract resulting from this RFP. Any exceptions to these Certifications and Assurances must be described in full detail on a separate page(s) and attached to this document. The Lottery reserves the right to determine if such an exception is substantive and a basis for disqualification.

1. The prices and/or cost data have been determined independently, without consultation, communication, or agreement with others for the purpose of restricting competition. However, the Bidder may freely join with other persons or organizations for the purpose of presenting a single bid.
2. The attached bid is a firm offer for a period of ninety (90) days following receipt by the Lottery and may be accepted by the Lottery without further negotiation at any time within the ninety (90)-day period.
3. In preparing this bid, the Bidder has not been assisted by any current or former employee of the state of Idaho whose duties relate (or did relate) to this proposal or Lottery contract, who was assisting in other than his or her official, public capacity. Neither does such a person nor any member of his or her immediate family have any financial interest in the outcome of this proposal.
4. The Bidder understands that the Lottery will not reimburse the Bidder for any costs incurred in the preparation of this bid. All bids become the property of the Lottery, and the Bidder claims no proprietary right to the ideas, writings, items, or samples, other than as stated in the Transmittal Letter.
5. The Bidder understands that any person(s) selected as the Contractor(s) will be required to comply with all federal and state nondiscrimination laws, regulations, and policies. The Bidder will, if requested by the Lottery, submit additional information about the nondiscrimination policies and plans of its organization.
- ~~6. The Bidder certifies that no condition exists with respect to the Bidder or any of its employees that violates Title 74, Chapter 4 of the Ethics in Government Act, or any similar statute involving the submittal of this proposal.~~
- 7.6. The Bidder has read completely, fully understands, is in compliance with, and will continue to comply with all requirements, specifications, terms, and conditions of this RFP, and shall not make any claim for, or have any cause of action in, or any right to relief because of any misunderstanding or lack of information.
- 8.7. The Bidder certifies that persons listed in its proposal do not have:
 - a) Any affiliations with person recognized by law enforcement officers as being habitual criminals or members of criminal cartels; and/or

- b) Any convictions or judgments for fraud, deceit, or crimes involving moral turpitude.
9. The Bidder understands that the Lottery may disqualify any Bidder on the basis of criminal history or other background information, since the Lottery requires the personnel of its Package Delivery provider to be beyond reproach, in order to maintain public confidence in the integrity of the Lottery. The failure of the Lottery to disqualify a Bidder during evaluation shall not be considered a waiver of the warranty of lack of organized crime connections and crimes of moral turpitude.
10. The Bidder certifies that no person listed in its proposal is related by blood or marriage to, or has any other close personal relationship with, an employee of the Lottery.
11. The Bidder certifies that it has stated herein whether any of the following events have occurred and if so, details thereof, with respect to the Bidder, a subsidiary or intermediary company, parent company, holding company, or any partnership in which the Bidder was a general partner:
- a) The details of any bankruptcy, insolvency, pending sale, reorganization, or litigation, including whether a receiver, fiscal agent, or similar officer was appointed by a court for the business or property of any of the named entities.
 - b) The details of any civil adjudication of fraud, state or federal, of the Bidder or any person required to be named by this RFP, whether or not such fraud was related to Lottery services.
 - c) The details of any felony conviction of a criminal offense, state or federal, of the Bidder or any person required to be named by this RFP, or whether any of the named entities or persons was the subject of a grand jury or criminal investigation, or of an indictment or information filed, or was convicted of a crime.
 - d) Whether any of the named entities was the subject of any order, judgment, or decree of any court of competent jurisdiction or federal authority barring, suspending, or otherwise limiting the right or license of the Bidder to engage or participate in any type of business, practice, or activity or if trading in the stock of the companies has ever been suspended, with date(s) and explanation(s).
 - e) The Bidder certifies that it has stated herein whether it has had a contract terminated for default, or for cause, in the last five years, and if so, details thereof.
12. The Bidder certifies that the services and materials proposed by it hereunder do not infringe a U.S. or foreign patent or copyright, and is not in violation of any other applicable law. Bidder certifies it has all legal right necessary in making its proposal.
13. The Bidder assures that any request to modify the contract has been included with the transmittal letter. The Bidder understands and assures that if it is the successful bidder, it will use its best efforts to reach mutual agreements regarding any and all supplementary agreements and services deemed necessary to provide the Lottery with the services it requires. The Bidder further understands that the basic contract between the Lottery and the Bidder will control over conflicting provisions of supplementary agreements, unless otherwise mutually agreed to by the parties.

~~14. The Bidder and its subcontractor(s), if any, assures it has sufficient knowledge, skills, abilities, and experience to provide the banking services the Lottery requires.~~

~~15.~~14. The Bidder assures that persons who will be assigned to work with the Lottery under this RFP and subsequent contract will possess the requisite knowledge, skills, abilities, and training to carry out all services required by the Lottery.

~~16.~~15. The Bidder certifies that it possesses all requisite state and federal licenses, certifications, and/or endorsements necessary to conduct business ~~and provide banking services~~ in Idaho, and will keep such current throughout the term of this contract. The Bidder understands that failure to maintain such licenses, certifications, and/or endorsements for any reason shall constitute grounds for terminating this contract at the sole discretion of the Director.

Signature

Date

Title