

**STATE OF ARKANSAS**  
**OFFICE OF STATE PROCUREMENT**  
 1509 West 7th Street, Room 300  
 Little Rock, Arkansas 72201-4222

**INVITATION FOR BID**  
**BID SOLICITATION DOCUMENT**

SOLICITATION INFORMATION			
Bid Number:	SP-18-0116	Solicitation Issued:	04-06-2018
Description:	Ethernet Transport for Rural Health Care (RHC) Sites		
Agency:	Department of Information Systems		

SUBMISSION DEADLINE FOR RESPONSE			
Bid Opening Date:	May 4, 2018	Bid Opening Time:	9:00 a.m., Central Time
<p>Deliver bid submissions for this Invitation For Bid to the Office of State Procurement on or before the designated bid opening date and time. In accordance with Arkansas Procurement Law and Rules, it is the responsibility of Prospective Contractors to submit bids at the designated location on or before the bid opening date and time. Bids received after the designated bid opening date and time may be considered late and may be returned to the Prospective Contractor without further review. It is not necessary to return "no bids" to OSP.</p>			

DELIVERY OF RESPONSE DOCUMENTS	
Delivery Address:	Office of State Procurement 1509 West 7 <sup>th</sup> Street, Room 300 Little Rock, AR 72201-4222  Delivery providers, USPS, UPS, and FedEx deliver mail to OSP's street address on a schedule determined by each individual provider. These providers will deliver to OSP based solely on the street address. <b>Prospective Contractors assume all risk for timely, properly submitted deliveries.</b>
Bid's Outer Packaging:	Seal outer packaging and properly mark with the following information. If outer packaging of bid submission is not properly marked, the package may be opened for bid identification purposes. <ul style="list-style-type: none"> <li>Bid number</li> <li>Date and time of bid opening</li> <li>Prospective Contractor's name and return address</li> </ul>

OFFICE OF STATE PROCUREMENT CONTACT INFORMATION			
OSP Buyer:	Stephanie Cellers	Buyer's Direct Phone Number:	501-371-6065
Email Address:	Stephanie.Cellers@dfa.arkansas.gov	OSP's Main Number:	501-324-9316
OSP Website:	<a href="http://www.dfa.arkansas.gov/offices/procurement/Pages/default.aspx">http://www.dfa.arkansas.gov/offices/procurement/Pages/default.aspx</a>		

## **SECTION 1 - GENERAL INSTRUCTIONS AND INFORMATION**

- **Do not provide responses to items in this section unless specifically and expressly required.**

### **1.1 PURPOSE**

This Invitation for Bid (IFB) is issued by the Office of State Procurement (OSP) for the Department of Information Systems (DIS) to obtain pricing and contract(s) for Ethernet network transport service (or equivalent technology) for Rural Health Care (RHC) sites. These are site addresses where DIS plans to file for reimbursement through the RHC programs administered by the Universal Service Administrative Company (USAC). The rules for this Federal Communications Commission (FCC) Rural Health Care program apply to these sites. Many of the requirements listed are derived from FCC Order 12-250 §VI.B. and 47 CFR § 54.642 governing the Health Care Fund (HCF) competitive bidding process. Based on the program rules this IFB will have a minimum bidding period of 28 days per program rules and a maximum of 30 days per Arkansas Code §19-11-229. The services will be used by the Arkansas Department of Health (ADH) for access to the internet and State data services using the State Wide Area Network (WAN).

Consistent with the State of Arkansas' commitment to public-private partnerships, the State is seeking bids from private sector Prospective Contractors.

### **1.2 TYPE OF CONTRACT**

- A. As a result of this IFB per Arkansas Code §19-11-204(6) and 19-11-229, OSP intends to award this contract to multiple Contractors.
- B. The initial term of any resulting contract(s) will be for three (3) years. Upon mutual agreement by the Contractor(s) and DIS, the contract(s) may be renewed by OSP for up to four (4) additional one-year terms or portions thereof, not to exceed a total aggregate contract term of seven (7) consecutive years.
- C. The anticipated starting date for any resulting contract(s) is June 15, 2018, except that the actual contract start date may be adjusted forward unilaterally by the State for up to three (3) calendar months. By submitting a signed bid in response to the IFB, the Prospective Contractor represents and warrants that it will honor its bid as being held open as irrevocable for this period.

### **1.3 ISSUING AGENCY**

OSP, as the issuing office, is the sole point of contact throughout this solicitation.

### **1.4 BID OPENING LOCATION**

Bids will be opened at the following location:

Office of State Procurement  
1509 West Seventh Street, Room 300  
Little Rock, AR 72201-4222

### **1.5 ACCEPTANCE OF REQUIREMENTS**

- A. Prospective Contractor **must** unconditionally accept all Requirements in the Requirements Section(s) of this IFB to be considered a responsive Prospective Contractor.
- B. Prospective Contractor's bid will be disqualified if a Prospective Contractor takes exceptions to any Requirements in the Requirements Section(s) of this IFB.
- C. Per Arkansas' Procurement Laws and Rules 19-11-229(a)(3) and 19-11-229(h)(2)-(h)(2)(ii) *Competitive Sealed Bidding*, the State **shall not** consider or accept additional terms and conditions submitted by Prospective Contractors.

### **1.6 DEFINITION OF TERMS**

- A. The State Procurement Official has made every effort to use industry-accepted terminology in this *Bid Solicitation* and will attempt to further clarify any point of an item in question as indicated in *Clarification of Bid Solicitation*.

- B. Unless otherwise defined herein, all terms defined in Arkansas Procurement Law and used herein have the same definitions herein as specified therein.
- C. "Prospective Contractor" means a person who submits a bid in response to this solicitation.
- D. "Contractor" means a person who sells or contracts to sell commodities and/or services.
- E. The terms "Invitation For Bid", "IFB," "Bid Solicitation," and "Solicitation" are used synonymously in this document.
- F. "Responsive bid" means a bid submitted in response to this solicitation that conforms in all material respects to this IFB.
- G. "Bid Submission Requirement" means a task a Prospective Contractor completes when submitting a bid response. These requirements will be distinguished by using the term "**shall**" or "**must**" in the requirement.
- H. "Requirement" means a specification that a Contractor's product and/or service **must** perform during the term of the contract. These specifications will be distinguished by using the term "shall" or "must" in the requirement.
- I. "State" means the State of Arkansas. When the term "State" is used herein to reference any obligation of the State under a contract that results from this solicitation, that obligation is limited to the State agency using such a contract.
- J. Acronyms used through the solicitation:

<u>Acronym</u>	<u>Description</u>
ACIC	Arkansas Crime Information Center
ARE-ON	Arkansas Research and Education Optical Network
ARO	After Receipt of Order
ASP	Arkansas State Police
DFA	Department of Finance and Administration
DIS	Arkansas Department of Information Systems
EO	Equal Opportunity
FCC	Federal Communications Commission
FOIA	Freedom of Information Act
ID	Identification
IFB	Invitation for Bid
IP	Internet Protocol
NIST	National Institute of Standards and Technology
NOC	Network Operations Center
NRC	Non-Recurring Charges
NS/EP	National Security and Emergency Preparedness
OC&C	Other Charges and Credits
OSP	Office of State Procurement
PSC	Public Service Commission
RHC	Rural Health Care
SAP	Service Action Plan
SCC	Special Construction Cost
TSP	Telecommunications Service Priority
USAC	Universal Service Administrative Company
VLAN	Virtual Local Area Network
VPAT	Voluntary Product Accessibility Template
VPN	Virtual Private Network
VPR	Vendor Performance Report
WAN	Wide Area Network

## 1.7 **RESPONSE DOCUMENTS**

### A. Bid Response Packet

1. The following are Bid Submission Requirements and **must** be submitted in the original *Bid Response Packet*.
  - a. Original signed *Bid Signature Page*. (See *Bid Response Packet*.)
    - i. An official authorized to bind the Prospective Contractor(s) to a resultant contract **must** sign the Bid Signature Page included in the *Bid Response Packet*.
    - ii. Prospective Contractor's signature signifies agreement to and compliance with all Requirements in this IFB, and that any exception that conflicts with a Requirement or Bid Submission Requirement of this *Bid Solicitation* will cause the Prospective Contractor's bid to be disqualified.
    - iii. Bid response **must** be in the English language.
  - b. One (1) original *Official Bid Price Sheet* **must** be submitted electronically, preferably on a flash drive. A CD will also be acceptable.
2. The following items should be submitted in the original *Bid Response Packet*.
  - a. EO 98-04 Disclosure Form. (See *Standard Terms and Conditions, #27. Disclosure*.)
  - b. Copy of Prospective Contractor's *Equal Opportunity Policy*. (See *Equal Opportunity Policy*.)
  - c. *Voluntary Product Accessibility Template* (VPAT). (See *Technology Access*.)
  - d. Proposed Subcontractors Form. (See *Subcontractors*.)
3. **DO NOT** include any other documents or ancillary information, such as a cover letter or promotional/marketing information.

### B. Additional Copies and Redacted Copy of the *Bid Response Packet*

In addition to the original *Bid Response Packet*, the following items should be submitted:

1. Additional Copies of the *Bid Response Packet*
  - a. Three (3) complete hard copies (marked "COPY") of the *Bid Response Packet*.
  - b. Three (3) electronic copies of the *Official Bid Price Sheet* in MS Excel format, preferably on three (3) flash drives. CDs will also be acceptable.
  - c. All additional hard copies and electronic copies **must** be identical to the original hard copy. In case of a discrepancy, the original hard copy **shall** govern.
  - d. If OSP requests additional copies of the response packet, the copies **must** be delivered within twenty-four (24) hours of request.
2. One (1) redacted (marked "REDACTED") copy of the original *Bid Response Packet*, preferably on a flash drive. A CD will also be acceptable. (See *Proprietary Information*.)

## 1.8 **CLARIFICATION OF BID SOLICITATION**

- A. Submit any questions requesting clarification of information contained in this *Bid Solicitation* in writing via email by 4:00 p.m., Central Time on or before April 13, 2018 to the OSP buyer as shown on page one (1) of this *Bid Solicitation*. The Prospective Contractor **shall** submit questions using Response Template O-1 Written Questions. The questions **must** be submitted in the original file format "Microsoft Excel" as denoted in Template O-1.

1. For each question submitted, Prospective Contractor should reference the specific solicitation item number to which the question refers.
  2. Prospective Contractors' written questions will be consolidated and responded to by the State. The State's consolidated written response is anticipated to be posted to the OSP website by the close of business on April 16, 2018. If Prospective Contractor questions are unclear or non-substantive in nature, the State may request clarification of a question(s) or reserves the right not to respond to that question(s).
- B. The Prospective Contractor should notify the OSP buyer of any term, condition, etc., that precludes the Prospective Contractor from submitting a compliant, responsive proposal. Prospective Contractors should note that it is the responsibility of the Prospective Contractor to seek resolution of all such issues, including those relating to the terms and conditions of the contract, prior to the submission of a bid.
  - C. Prospective Contractors may contact the OSP buyer with non-substantive questions at any time prior to the bid opening.
  - D. An oral statement by OSP will not be part of any contract resulting from this solicitation and may not reasonably be relied on by any Prospective Contractor as an aid to interpretation unless it is reduced to writing and expressly adopted by OSP.
  - E. Prospective Contractors entering into a contract with the State **shall** comply with all the terms and conditions contained herein.

#### 1.9 **SUBCONTRACTORS**

- A. Prospective Contractor should complete and submit the *Proposed Subcontractors Form* included in the *Bid Response Packet*.
- B. **Do not** attach any additional information to the *Proposed Subcontractors Form*.
- C. The utilization of any proposed subcontractor is subject to approval by the State agency.

#### 1.10 **PRICING**

- A. Prospective Contractor(s) **shall** include all pricing on the *Official Bid Price Sheet(s)* only. If any cost is not identified by the successful Contractor but is subsequently incurred in order to achieve successful operation, the Contractor **shall** bear this additional cost. The *Official Bid Price Sheet* is provided as a separate electronic file posted with this *Bid Solicitation*.
- B. To allow time to review bids, prices **must** be valid for ninety (90) calendar days following the bid opening.
- C. Pricing **must** be proposed in U.S. dollars and cents.
- D. Prospective Contractors **must not** lock or password-protect the submitted price sheets.
- E. The submitted price sheet data will be evaluated using Excel formulas and **must** be accessible, sortable, and allow for pivot table creation from the data. If for any reason, formulas are found to be incorrect, manual calculations using the individual component pricing will be done to determine the low price.
- F. DO NOT submit any ancillary information not related to actual pricing on or with the *Official Bid Price Sheet*.

#### 1.11 **PRIME CONTRACTOR RESPONSIBILITY**

- A. A single Prospective Contractor **must** be identified as the prime Contractor.
- B. The prime Contractor **shall** be responsible for the contract and jointly and severally liable with any of its subcontractors, affiliates, or agents to the State for the performance thereof.

**1.12 INDEPENDENT PRICE DETERMINATION**

- A. By submission of this bid, the Prospective Contractor certifies, and in the case of a joint response, each party thereto certifies as to its own organization, that in connection with this bid:
- The prices in the bid have been arrived at independently, without collusion.
  - No prior information concerning these prices has been received from, or given to, a competitive company.
- B. Evidence of collusion warrants consideration of this bid by the Office of the Attorney General. All Prospective Contractors **shall** understand that this paragraph may be used as a basis for litigation.

**1.13 PROPRIETARY INFORMATION**

- A. Submission documents pertaining to this *Bid Solicitation* become the property of the State and are subject to the Arkansas Freedom of Information Act (FOIA).
- B. In accordance with FOIA and to promote maximum competition in the State competitive bidding process, the State may maintain the confidentiality of certain types of information described in FOIA. Such information may include trade secrets defined by FOIA and other information exempted from the Public Records Act pursuant to FOIA.
- C. Prospective Contractor may designate appropriate portions of its response as confidential, consistent with and to the extent permitted under the Statutes and Rules set forth above, by submitting a redacted copy of the response.
- D. By so redacting any information contained in the response, the Prospective Contractor warrants that it has formed a good faith opinion having received such necessary or proper review by counsel and other knowledgeable advisors that the portions redacted meet the requirements of the Rules and Statutes set forth above.
- E. Under no circumstances will pricing information be designated as confidential.
- F. One (1) complete copy of the submission documents from which any proprietary information has been redacted should be submitted on a flash drive in the *Bid Response Packet*. A CD is also acceptable. Do not submit documents via email or fax.
- G. Except for the redacted information, the redacted copy **must** be identical to the original hard copy, reflecting the same pagination as the original and showing the space from which information was redacted.
- H. The Prospective Contractor is responsible for identifying all proprietary information and for ensuring the electronic copy is protected against restoration of redacted data.
- I. The redacted copy will be open to public inspection under the Freedom of Information Act (FOIA) without further notice to the Prospective Contractor.
- J. If a redacted copy of the submission documents is not provided with Prospective Contractor's *Bid Response Packet*, a copy of the non-redacted documents, with the exception of financial data (other than pricing), will be released in response to any request made under the Arkansas Freedom of Information Act (FOIA).
- K. If the State deems redacted information to be subject to FOIA, the Prospective Contractor will be contacted prior to release of the documents.
- L. The State has no liability to a Prospective Contractor with respect to the disclosure of Prospective Contractor's confidential information ordered by a court of competent jurisdiction pursuant to FOIA or other applicable law.

**1.14 CAUTION TO PROSPECTIVE CONTRACTORS**

- A. Prior to any contract award, address all communication concerning this *Bid Solicitation* through the OSP buyer.
- B. Do not alter any language in any solicitation document provided by the State.
- C. Do not alter the *Official Bid Price Sheet*.
- D. All official documents and correspondence related to this solicitation become part of the resultant contract.
- E. The State has the right to award or not award a contract, if it is in the best interest of the State to do so.
- F. As requested, provide clarification regarding Prospective Contractor's bid response to OSP.
- G. Qualifications and proposed services **must** meet or exceed the required specifications as set forth in this *Bid Solicitation*.
- H. Prospective Contractors may submit multiple bids.
- I. If there are services or equipment being bid that include an ineligible component, the Prospective Contractor **must** provide pricing for a comparable service or piece of equipment that includes only eligible components.

**1.15 REQUIREMENT OF ADDENDUM**

- A. Only an addendum written and authorized by OSP will modify this *Bid Solicitation*.
- B. An addendum posted within three (3) calendar days prior to the bid opening may extend the bid opening and may or may not include changes to the Bid Solicitation.
- C. The Prospective Contractor is expected to check the OSP website, <http://www.arkansas.gov/dfa/procurement/bids/index.php>, for any and all addenda up to bid opening.

**1.16 AWARD PROCESS****A. Successful Contractor Selection**

- 1. Award will be made on a multiple Contractor award basis.
- 2. See Section 2.8 for additional information on Award Criteria.

**B. Negotiations**

- 1. If the State so chooses, negotiations may be conducted with the lowest-bidding Prospective Contractor. Negotiations are conducted at the sole discretion of the State.
- 2. If negotiations fail to result in a contract, the State may begin the negotiation process with the next lowest-bidding Prospective Contractor. The negotiation process may be repeated until the anticipated successful Contractor has been determined, or until such time the State decides not to move forward with an award.

**C. Anticipation to Award**

- 1. Once the anticipated successful Contractor(s) have been determined, the anticipated award will be posted on the OSP website at [http://www.arkansas.gov/dfa/procurement/pro\\_intent.php](http://www.arkansas.gov/dfa/procurement/pro_intent.php).
- 2. The anticipated award will be posted for a period of fourteen (14) calendar days prior to the issuance of a contract. Prospective Contractors and agencies are cautioned that these are preliminary results only, and a contract will not be issued prior to the end of the fourteen day posting period.
- 3. OSP may waive the policy of Anticipation to Award when it is in the best interest of the State.

4. It is the Prospective Contractor's responsibility to check the OSP website for the posting of an anticipated award.

D. Issuance of Contract

1. Any resultant contract of this *Bid Solicitation* is subject to State approval processes which may include Legislative review.
2. A State Procurement Official will be responsible for the solicitation and award of any resulting contract.

**1.17 MINORITY AND WOMEN-OWNED BUSINESS POLICY**

- A. A minority-owned business is defined by Arkansas Code Annotated § 15-4-303 as a business owned by a lawful permanent resident of this State who is:

- African American
- American Indian
- Asian American
- Hispanic American
- Pacific Islander American
- A Service Disabled Veteran as designated by the United States Department of Veteran Affairs

- B. A women-owned business is defined by Act 1080 of the 91<sup>st</sup> General Assembly Regular Session 2017 as a business that is at least fifty-one percent (51%) owned by one (1) or more women who are lawful permanent residents of this State.
- C. The Arkansas Economic Development Commission conducts a certification process for minority-owned and women-owned businesses. If certified, the Prospective Contractor's Certification Number should be included on the *Bid Signature Page*.

**1.18 EQUAL OPPORTUNITY POLICY**

- A. In compliance with Arkansas Code Annotated § 19-11-104, OSP is required to have a copy of the anticipated Contractor's *Equal Opportunity (EO) Policy* prior to issuing a contract award.
- B. *EO Policies* may be submitted in electronic format to the following email address: [eeopolicy.osp@dfa.arkansas.gov](mailto:eeopolicy.osp@dfa.arkansas.gov), but should also be included as a hardcopy accompanying the solicitation response.
- C. The submission of an *EO Policy* to OSP is a one-time Requirement. Contractors are responsible for providing updates or changes to their respective policies, and for supplying *EO Policies* upon request to other State agencies that must also comply with this statute.
- D. Prospective Contractors who are not required by law by to have an *EO Policy* **must** submit a written statement to that effect.

**1.19 PROHIBITION OF EMPLOYMENT OF ILLEGAL IMMIGRANTS**

- A. Pursuant to Arkansas Code Annotated § 19-11-105, Contractor(s) providing services **shall** certify with OSP that they do not employ or contract with illegal immigrants.
- B. By signing and submitting a response to this *Bid Solicitation*, a Prospective Contractor agrees and certifies that they do not employ or contract with illegal immigrants. If selected, the Prospective Contractor certifies that they will not employ or contract with illegal immigrants during the aggregate term of a contract.

**1.20 RESTRICTION OF BOYCOTT OF ISRAEL**

- A. Pursuant to Arkansas Code Annotated § 25-1-503, a public entity **shall not** enter into a contract with a company unless the contract includes a written certification that the person or company is not currently engaged in, and agrees for the duration of the contract not to engage in, a boycott of Israel.
- B. This prohibition does not apply to a company which offers to provide the goods or services for at least twenty percent (20%) less than the lowest certifying business.

- C. By checking the designated box on the Bid Signature Page of the response packet, a Prospective Contractor agrees and certifies that they do not, and will not for the duration of the contract, boycott Israel.

### 1.21 **PAST PERFORMANCE**

In accordance with provisions of State Procurement Law, specifically OSP Rule R5:19-11-230(b)(1), a Prospective Contractor's past performance with the State may be used to determine if the Prospective Contractor is "responsible". Bids submitted by Prospective Contractors determined to be non-responsible will be disqualified.

### 1.22 **TECHNOLOGY ACCESS**

- A. When procuring a technology product or when soliciting the development of such a product, the State of Arkansas is required to comply with the provisions of Arkansas Code Annotated § 25-26-201 et seq., as amended by Act 308 of 2013, which expresses the policy of the State to provide individuals who are blind or visually impaired with access to information technology purchased in whole or in part with state funds. The Prospective Contractor expressly acknowledges and agrees that state funds may not be expended in connection with the purchase of information technology unless that technology meets the statutory Requirements found in 36 C.F.R. § 1194.21, as it existed on January 1, 2013 (software applications and operating ICSs) and 36 C.F.R. § 1194.22, as it existed on January 1, 2013 (web-based intranet and internet information and applications), in accordance with the State of Arkansas technology policy standards relating to accessibility by persons with visual impairments.
- B. Accordingly, the Prospective Contractor expressly represents and warrants to the State of Arkansas through the procurement process by submission of a Voluntary Product Accessibility Template (VPAT) for 36 C.F.R. § 1194.21, as it existed on January 1, 2013 (software applications and operating ICSs) and 36 C.F.R. § 1194.22, that the technology provided to the State for purchase is capable, either by virtue of features included within the technology, or because it is readily adaptable by use with other technology, of:
1. Providing, to the extent required by Arkansas Code Annotated § 25-26-201 et seq., as amended by Act 308 of 2013, equivalent access for effective use by both visual and non-visual means.
  2. Presenting information, including prompts used for interactive communications, in formats intended for non-visual use.
  3. After being made accessible, integrating into networks for obtaining, retrieving, and disseminating information used by individuals who are not blind or visually impaired.
  4. Providing effective, interactive control and use of the technology, including without limitation the operating system, software applications, and format of the data presented is readily achievable by nonvisual means.
  5. Being compatible with information technology used by other individuals with whom the blind or visually impaired individuals interact.
  6. Integrating into networks used to share communications among employees, program participants, and the public.
  7. Providing the capability of equivalent access by nonvisual means to telecommunications or other interconnected network services used by persons who are not blind or visually impaired.
- C. State agencies cannot claim a product as a whole is not reasonably available because no product in the marketplace meets all the standards. Agencies must evaluate products to determine which product best meets the standards. If an agency purchases a product that does not best meet the standards, the agency must provide written documentation supporting the selection of a different product, including any required reasonable accommodations.
- D. For purposes of this section, the phrase "equivalent access" means a substantially similar ability to communicate with, or make use of, the technology, either directly, by features incorporated within the technology, or by other reasonable means such as assistive devices or services which would constitute reasonable accommodations under the Americans with Disabilities Act or similar state and federal laws. Examples of methods by which equivalent access may be provided include, but are not limited to, keyboard

alternatives to mouse commands or other means of navigating graphical displays, and customizable display appearance. As provided in Arkansas Code Annotated § 25-26-201 et seq., as amended by Act 308 of 2013, if equivalent access is not reasonably available, then individuals who are blind or visually impaired **shall** be provided a reasonable accommodation as defined in 42 U.S.C. § 12111(9), as it existed on January 1, 2013.

- E. If the information manipulated or presented by the product is inherently visual in nature, so that its meaning cannot be conveyed non-visually, these specifications do not prohibit the purchase or use of an information technology product that does not meet these standards.

#### **1.23 COMPLIANCE WITH THE STATE SHARED TECHNICAL ARCHITECTURE PROGRAM**

The Prospective Contractor's commodity or service **must** comply with the State's shared Technical Architecture Program which is a set of policies and standards that can be viewed at: <http://www.dis.arkansas.gov/policies-standards>. Only those standards which are fully promulgated or have been approved by the Governor's Office apply to this solution.

#### **1.24 VISA ACCEPTANCE**

- A. Awarded Contractor should have the capability of accepting the State's authorized VISA Procurement Card (p-card) as a method of payment.
- B. Price changes or additional fee(s) **must not** be levied against the State when accepting the p-card as a form of payment.
- C. VISA is not the exclusive method of payment.

#### **1.25 PUBLICITY**

- A. Do not discuss the solicitation nor your bid response, nor issue statements or comments, nor provide interviews to any public media during the solicitation and award process.
- B. Failure to comply with this Requirement may be cause for a Prospective Contractor's bid to be disqualified.

#### **1.26 RESERVATION**

The State will not pay costs incurred in the preparation of a bid.

## **SECTION 2 – REQUIREMENTS**

- **Do not provide responses to items in this section unless specifically and expressly required.**

### **2.1 INTRODUCTION**

By Arkansas Code §19-11-205 the Arkansas Department of Information Systems (DIS) is charged with:

- conceptualizing, designing, developing, building, and maintaining common information technology infrastructure elements used by State agencies and governmental entities;
- providing information technology services to State agencies (ADH), other governmental entities, nongovernmental first responder entities, and other quasi-governmental entities;
- entering into contracts with State agencies, other governmental entities, and nongovernmental first responder entities for the purpose of providing information technology services.
- working with State customers both on their project implementation and on their day to day installation and maintenance of the services that DIS provides.

The State network, operated by DIS, is designed to reduce costs by sharing larger pipes with logical separation of various State user services.

ADH, like other State agencies, is required to use DIS for their data networking needs. DIS operates a single Ethernet Statewide backbone network with three datacenters that also serve as internet points of presents. This network (including internet) serves all agencies, boards, and commissions.

By bidding a combined State network and purchasing bandwidth in quantity, DIS is seeking economies of scale to ensure a cost-effective strategy.

The Arkansas Department of Health (ADH) operates ninety-four (94) county health sites statewide. Of the ninety-four (94) county health sites, seventy-four (74) are Rural Health Care (RHC) sites.

The ADH Network serving *Rural Health Care sites* has been in service since the early 1990s and has used various network transport technologies over the years as technologies have evolved. ADH's current Wide Area Network (WAN) technology is a combination of Ethernet and multiple T1s where Ethernet was not available.

The RHC sites have access to the following applications through the ADH Network:

- Telemedicine expanding virtual monitoring and care through specialty physicians
- Diabetes Control
- University of Arkansas for Medical Sciences (UAMS) Antenatal and Neonatal support
- UAMS Virtual Emergency Support programs for education and learning
- Interactive video conferencing for any type of ongoing training or education
- Transmittal of medical records.

The circuit bandwidths for all seventy-four (74) Rural Health Care county offices (Price Sheet Table 2) will be aggregated by the awarded Contractor(s) into larger Contractor aggregation circuits (Price Sheet Table 4) with each site assigned a separate VLAN. The Contractor aggregation circuits will connect to one (1) of ten (10) State aggregation sites shown in *Figure A: State Aggregation Sites* to form a cohesive network for transport to the ADH Central Office and to the internet. ADH, the Consortium, hopes to move to more cost-effective transport technology even in the most rural counties in the State.

### **2.2 PROJECT PLAN**

#### **A. Project Management Approach**

1. The Project Manager has the overall authority and responsibility for managing and executing this project. The project team will consist of personnel from the DIS Network Services team along with the ADH Technology Services team. The project manager will work with all resources to perform project planning.

All project and subsidiary management plans will be reviewed and approved by the DIS project sponsor. All funding decisions will also be made by the project sponsor in concert with ADH Consortium lead. Any delegation of approval authority to the project manager should be done in writing and be signed by both the project sponsor and project manager.

2. The project team will be a matrix in that team members from each organization continue to report to their organizational management throughout the duration of the project. The project manager is responsible for communicating with organizational managers on the progress and performance of each project resource.
3. The DIS Network Project Manager and other DIS network personnel will work, as they have on the recent new K12 statewide network project.
4. The project stakeholders are listed below. Prior to any contract award, Prospective Contractor(s) should address all communication concerning this Bid Solicitation through the OSP buyer, Stephanie Cellers, as listed of the first page of the IFB.
  - a. DIS Network Project Coordinator: Don McDaniel, Electrical Engineer, Professional Engineer, Life Member of IEEE ; DIS Division Network Director, 17 yrs.; 52 years' experience  
Phone: 501-682-5027  
Email: [don.mcdaniel@arkansas.gov](mailto:don.mcdaniel@arkansas.gov)
  - b. DIS Network Assistant Project Coordinator: Rick Martin  
Phone: 501-682-4037  
Email: [rick.martin@arkansas.gov](mailto:rick.martin@arkansas.gov)
  - c. DIS Project Sponsor: TBD member of DIS executive Leadership team or delegate experienced in K-12 and Rural Health projects.
  - d. DIS Project Manager: TBD employee(s) of DIS Project Management Section experienced in K-12 and Rural health projects.
  - e. Network Operations Center (NOC) Liaison: NOC Supervisor
  - f. ADH Consortium Lead: ADH CIO or designated delegate
  - g. Director and State Health Officer: Nathaniel Smith, MD, MPH  
As a member of Governor Asa Hutchinson's cabinet, Dr. Nate Smith serves as Director of the Arkansas Department of Health and the State Health Officer. In this position, he provides senior scientific and executive leadership for the agency with approximately 2,000 employees and a budget of almost \$350 million, delivering services throughout the state in just under 100 different locations. Dr. Smith has served in this position since May, 2013, and has a strong commitment to the mission of ADH, "To protect and improve the health and well-being of all Arkansans." In his role as director, Dr. Smith strives to help colleagues achieve their full potential using public health best practices supported by science-based decisions.
  - h. Deputy State Health Officer and Chief Science Officer: Joseph Bates, MD, MS  
Dr. Joseph Bates serves as the Deputy State Health Officer, Chief Science Officer and Science Advisory Committee Chair. He is the principal advisor for medical and public health science issues and facilitates the development and implementation of public health policy. Dr. Bates serves as Associate Dean for Public Health Practice and Professor of Epidemiology at the UAMS Fay W. Boozman College of Public Health. He helps facilitate coordination between ADH and the College to ensure that the best public health science guides ADH. Dr. Bates is also a professor in the UAMS College of Medicine.
  - i. Deputy Director for Public Health Programs: Stephanie Williams, RNP, MPH  
Stephanie Williams works in coordination with the Department Director and State Health Officer to set policy direction for the Department and ensure that programmatic responsibilities are met. This position provides advice and recommendations to the Director on key policy and program

decisions and participates in the final decision making process within ADH. The Deputy Director for Public Health Programs is responsible for multiple programs and areas. Specifically, this position directly oversees the Center for Health Advancement, the Center for Health Protection, the Center for Local Public Health, the Center for Public Health Practice, the Public Health Laboratory, the Office of Health Communications and the Office of Minority Health and Health Disparities. The Deputy Director for Public Health Programs acts as the Director if he or she is absent or disabled, and when designated by the Director, serves in his place as a member of boards, committees, authorities or commissions of which the Director is by law a member.

- j. Deputy Director for Administration: Ann Purvis, JD  
Ann Purvis oversees all aspects of financial management, information technology, governmental affairs, human resources, policies and procedures, internal audit and facilities support services. Previously, she was Administrator in the Office of Intergovernmental Services at the Department of Finance and Administration (DF&A). She serves on several health- and technology-related boards and councils. She has a law degree from the University of Arkansas at Little Rock and has served as general counsel for the Arkansas Secretary of State and as a State Assistant Attorney General.

B. Project Scope and Milestones

1. ADH seeks to purchase additional bandwidth, lower ADH's cost per unit of bandwidth, and eliminate remaining T1s. With determination of award per Section 2.8 of this IFB, DIS will set rates that include the awarded Contractor's site and aggregation costs plus a decimal portion of the existing State backbone costs. Once the rates have been established, the ADH CIO will make a determination of the bandwidth to be ordered by balancing the bandwidth needed for the health services rendered at each Rural Health Care site and the ADH budget available. DIS will then issue service orders to the awarded Contractors based on the ADH bandwidths requested. DIS will work with the Contractors to eliminate any ADH, DIS or State roadblocks. As the Contractor circuit installs are completed, DIS will dispatch a technician to work with the DIS Network Operations Center (NOC) to complete any site router changes and turn up the new service to ADH. All monitoring programs will be updated to now show the new network service. DIS will then issue a service order to the previous Contractor to disconnect the old service effective the day of order issuance.
2. *Table A* below is comprised only of major project milestones. There may be smaller milestones which are not included on this chart but will be included in the jointly developed DIS and Contract detailed project schedule. If there are any scheduling delays which may impact a milestone or delivery date, the DIS project manager **must** be notified immediately so proactive measures may be taken to mitigate slips in dates. Any approved changes to these milestones or dates will be communicated to the Contractor's and DIS' project team by the DIS project manager.

**Table A: Milestones**

Milestone	Description	Date
Issue Solicitation	Issue IFB	4/6/2018
Bid Opening	Open the contractor bid responses	5/4/2018
Bid Evaluation	Determine awards per IFB Section 2.8	5/7/2018
Anticipation to Award	Post anticipation to award per IFB Section 1.16(C)	5/7/2018
Issue bid awards	Issue bid awards to winning contractors	5/21/2018
DIS Set Rates	DIS determine rates that include the awarded Contractor's site and aggregation costs plus portion of the existing State backbone costs. Provide options and rates to ADH.	5/22/2018
ADH Set Bandwidth	ADH determines bandwidth for each Rural Health Care Site	6/1/2018
DIS Issue Service Orders	DIS will issue service orders to awarded Contractors based on the ADH bandwidth requirements. *delivery clock starts – Refer to 2.16 (A)	6/15/2018
Provisioning and Installation Facilities existing	Each awarded Contractor will supply proposed installation and project schedule and plan with work breakdown for awarded sites based on facilities being available	6/22/2018
Provisioning and Installation Special Construction required	Each awarded Contractor will supply proposed installation and project schedule and plan with work breakdown for awarded sites based on need for Special Construction.	6/29/2018
Actual Rollout	Actual Installation will begin	7/16/2018
Project Completion	All sites will be completed and accepted	8/31/2018

C. Schedule Baseline and Work Breakdown Structure

DIS subscribes to the Project Management Institute (PMI) methodology of project management and prefers Contractors use the same methodology. Awarded Contractors **must** adhere to *Table A: Milestones*.

D. Change Management Plan

The following steps comprise the change management process.

1. Identify necessary change.
2. Allow ample notification and consideration of everyone who will be affected by the change.
3. Changes with considerable impact, with the exception of emergencies, will be considered in a weekly change review meeting before the change is implemented.

E. Communications Management Plan

1. *Table B: Communications Matrix* establishes the communications framework for this project. It will serve as a guide for communications throughout the life of the project and will be updated as communication requirements change. The Communications Matrix will be used as the guide for what information to communicate, who is to do the communicating, when to communicate it, and to whom to communicate to.

**Table B: Communications Matrix**

Communication Type	Description	Frequency	Format	Participants/ Distribution	Deliverable	Owner
Weekly Status Report	Email summary of project status	Weekly	Email	Project Sponsor, Team and Stakeholders	Status Report	Project Manager
Trouble Ticket Report	Report in Excel format of diagnostic findings	Monthly or Quarterly, prior to Monthly or Quarterly Contractor Meeting	Email	Project Manager, Service Manager, NOC Liaison	Trouble Ticket Report	Project Manager, Service Manager
Weekly Project Team Meeting	Meeting to review action register and status	Weekly	In Person or Web Meeting	Project Team	Updated Action Register	Project Manager
Monthly or Quarterly Contractor Meeting	Meeting to review service results	Monthly or Quarterly	In Person or Web Meeting	Project Manager, Service Manager	Trouble Ticket Report	Project Stakeholders

2. The Project Manager will take the lead role in ensuring effective communications on this project.
3. Trouble Ticket Report  
 Prior to the monthly or quarterly Contractor meeting, Contractor(s) **shall** provide a report in “.xls” format, via email to the designated Network Operations Center (NOC) Liaison, or upon request from DIS of the diagnostic findings, including at a minimum:
  - a. Circuit ID, or equipment item name or number
  - b. Time and date the trouble is reported
  - c. Time and date the trouble is resolved
  - d. Trouble resolution
4. Monthly or Quarterly Contractor Meeting  
 Contractor(s) **must** participate in Contractor meetings as part of DIS’ Contractor management program to review service results and arrive at remedies to improve or correct deficiencies. Contractor meetings will be monthly or quarterly, depending on the contractor’s volume of maintenance activity and installation. Additional weekly conference calls may be established with individual Contractors as needed.
  - a. The agenda and location for each meeting will be sent out in advance.

- b. Contractor(s) **must** have appropriate personnel present to address all agenda items on-site at a facility provided by DIS, or available by Contractor-provided and Contractor paid Conference Bridge and/or web meeting, unless otherwise authorized in writing by DIS.
- c. Failure to have appropriate Contractor personnel present may result in a negative Vendor Performance Report (VPR).

F. Consortium Funding

ADH, the Consortium, has appropriated funds that are used for the payment of the networking services. These funds are made-up from general State revenues and grant money set aside for M&O (Maintenance and Operations). ADH will use these funds to pay the contribution for the ADH Consortium members. ADH pays the full Contractor cost each month. DIS files for Rural Health Care funding and provides this funding to ADH when it is received. The 65% funding through Rural Health Care Fund allows ADH to end up with a 35% net contractor circuit cost.

## 2.3 **NETWORK PLAN AND ARCHITECTURE**

A. The current State Ethernet Network consists of:

1. Site circuits connecting various end user addresses to a Contractor aggregation site;
2. Contractor aggregation circuits (shared by multiple end user site VLANs) connecting the Contractor aggregation site to a State aggregation site;
3. Backbone circuits connecting the State aggregation sites to each other and to the State data centers to form a network of State agencies, boards, commissions, K12 school districts, and educational service coops.

B. The State backbone was upgraded over the last two (2) years to accommodate additional K12 bandwidth. The backbone will be used for transport of the sites and is not being bid.

C. Refer to Attachment A for a high-level overview of DIS' network.

D. The preferred State Data Center sites are shown below in *Figure A* as State Aggregation Sites. DIS utilizes ten (10) State aggregation sites, geographically dispersed throughout Arkansas for the State Ethernet Network. DIS encourages Prospective Contractors to bid service to as many of those State aggregation sites as possible.

1. These State aggregation sites include three (3) State data centers, and seven (7) Arkansas Research & Education Optical Network (ARE-ON) huts as shown in *Figure A: State Aggregation Sites*. The ARE-ON huts are State assets with environmental controls, physical security, battery power only, emergency generators, twenty-four hour access, and other elements needed for the latest technology and network designs.
2. Connectivity to the Arkansas Research & Education Optical Network (ARE-ON) is not planned at this time; however DIS will be utilizing ARE-ON huts.
3. The Arkansas Research & Education Optical Network (ARE-ON) sites were funded by the Broadband Technology Opportunities Program (BTOP) grant money, and therefore are subject to the following program requirement:
  - a. *"Recipients should allow collocation by interconnecting parties, on a first-come, first-served basis, in any equipment or facilities funded by BTOP, where and when possible. Recipients should expect customers to request a variety of collocation services, including secured space separated from the owner's equipment, 24 hour access, escorted or unescorted access, and AC and/or DC."*
  - b. Prospective Contractor(s) may find additional information regarding the BTOP program and applicable rules at the following link: [http://www.ntia.doc.gov/files/ntia/publications/fr\\_bbnofa\\_090709.pdf](http://www.ntia.doc.gov/files/ntia/publications/fr_bbnofa_090709.pdf).

**Figure A: State Aggregation Sites**

Site Code	Site Name	Address	City	Zip	NPA/NXX
ALMA	ARE-ON Alma	6803 Alma Hwy	Van Buren	72956	479/474
FYVLAREE	University of Arkansas Band Building – State Data Center	345 N Garland	Fayetteville	72701	479/442
HOPE	ARE-ON Hope	#1 358 Hwy 174 N	Hope	71801	870/777
HRSN	ARE-ON Harrison	1701 Pioneer Drive	Harrison	72601	870/741
LTRKAR42	Little Rock State Data Center MAC Building (DIS)	1 Capitol Mall	Little Rock	72201	501/372
LTRKARXZ	Little Rock Data Center West (DIS)	11025 Anderson Drive	Little Rock	72212	501/225
MTHO	ARE-ON Mountain Home	195 High Avenue	Mountain Home	72653	870/425
NLRK	ARE-ON North Little Rock	2809 Eanes Road	North Little Rock	72117	501/758
NWPT	ARE-ON Newport	3714 Comet	Newport	72212	870/523
PNBL	ARE-ON Pine Bluff	2300 W 18 <sup>th</sup> Ave	Pine Bluff	71603	870/534

**2.4 SERVICE TECHNICAL REQUIREMENTS**

- A. Prospective Contractor’s proposed Ethernet services **must** support the transport of the existing applications and related data currently being utilized by the Arkansas State network. Prospective Contractor’s proposed solution(s) **must** allow the existing applications to function normally and perform properly, including but not limited to:
  - 1. Internet access
  - 2. High Volume Database transmission
  - 3. Network Monitoring
  - 4. Security Monitoring
  - 5. E-mail
  - 6. Content Filtering
- B. The equipment proposed and provided by the Prospective Contractor(s) **must** support virtual private network traffic.
- C. Each proposed service demarcation point **must** be clearly labeled with applicable Circuit Identification.
- D. The network handoff for all Ethernet connections **must** follow these requirements:
  - 1. 100Mbps and below **must** be 100BaseT (copper) connections. A fiber handoff may be requested based on the distance from the expected Contractor demarcation to the site of the State router or other terminating device.
  - 2. Greater than 100Mbps and less than 1Gbps **must** be 1000BaseSX (preferred for MM and SM fiber) or 1000BaseLX for SM fiber, unless specified differently by the customer when the service is ordered. Contractor **must** notify DIS before installation of 1000BaseLX for SM fiber.
  - 3. Greater than 1Gbps **must** be 10GBase-SR (preferred for MM and SM fiber) or 10GBase-LR for SM fiber, unless specified differently by the customer when the service is ordered. Contractor **must** notify DIS before installation of 10GBase-LR for SM fiber.
  - 4. Where physical link speed is greater than ordered bandwidth Contractor rate limiting is acceptable.

- E. Contractor's services **must** be compatible with customer public or private IPv4 and IPv6 addressing. The network **must** support the participation of customers that use private network addresses.
- F. If an agency needs a private network address as specified in Request For Comments RFC 1918 (Network Address Translation), the State will allocate IP addresses out of the RFC 1918 address space. In this case, Contractor(s) **must** support private and public IP addresses equally. In the event that RFC 1918 addresses **must** traverse the Internet it will be accomplished within a site to site VPN tunnel.
- G. All Contractor Ethernet connections **must** be configured to support IEEE 802.1Q "tagging". This applies to all connections with the exception of Direct Internet Access.
- H. All proposed bandwidths **must** be symmetrical.
- I. If the Contractor utilizes Layer 3 transport to deliver the requested service, the Contractor **must** utilize pseudo-wire or similar encapsulation technology where the customer is not aware of, or participating in, the underlying Layer 3 infrastructure.

## 2.5 **INSTALLATION**

- A. Contractor(s) installation **must** include all required products and services needed to install a functional service.
  - 1. Any installation costs listed on the *Official Bid Price Sheets* **must** also include all costs associated with site preparation (wiring, poles [if any], equipment set up, safety requirements, cleanup, etc.) to fully install the site and restore the site to pre-installation conditions as determined by the site owner.
  - 2. Contractor(s) **shall** conduct worksite cleanup. All packing crates, boxes, paper, packing material, and all other such extraneous material **must** be removed from the premises by the Contractor at the Contractor's expense after installation.
  - 3. Contractor(s) will not be responsible for paying collocation fees inside the State aggregation sites. Installation of external towers, antennae, etc., are not expected.
- B. Contractor(s) **shall** un-box and install Contractor equipment in locations designated by DIS.
- C. The State will perform all customer site preparation activities including, but not limited to, power, ventilation, proper environmental conditions as per the equipment manufacturer's specifications and the installation of equipment racks.
  - 1. DIS uses standard nineteen (19) inch racks. If the Contractor's proposed equipment that is to be housed at any of the State aggregation sites requires unusual space or power requirements, the Contractor **must** formally submit those requirements to [dis.contracts@arkansas.gov](mailto:dis.contracts@arkansas.gov) no more than thirty (30) calendar days after award.
- D. Contractor(s) **shall** conduct technical interviews relating to Contractor needs at the State's site. Entrance facilities (typically conduit) are the responsibility of the owner/occupant of the property where services are being installed. Contractor(s) **shall** meet with site contact (owner/occupant of property where services are being installed) to arrange and assign necessary site preparation responsibilities (conduit, power, backboard, etc.) in a mutually agreed upon time frame to ensure established due dates are met. Contractor(s) **shall** also coordinate with State sites and aggregation sites for equipment installations.
- E. Contractor(s) **must** coordinate with DIS, customers, and other Contractors who receive awards from this solicitation to facilitate uninterrupted services to each site.
- F. DIS will provide authorized personnel on-site during the installation to assist and cooperate to the extent DIS deems necessary in the installation.
- G. DIS will provide access, escorts and/or badges for Contractor personnel to all necessary building areas in order to implement service.

- H. DIS will ensure circuit demarcation points are clearly identified.
- I. During installation the Contractor(s) **shall** provide experienced and knowledgeable onsite support at the DIS facilities at DIS' request at no charge.
- J. Contractor(s) **must** comply with all applicable codes, licenses, certifications, and standards in the State of Arkansas as it relates to the proposed installation services.
- K. Installation Involving Building Modification
  - 1. All Contractor(s) **must** have Arkansas Contractors Licenses for any installation services that modify existing building structures.
  - 2. State Agencies: Installation services that do not modify existing building structures as covered under Arkansas Building Authority Regulations are allowed for State agencies. Any installation services over \$35,000 that modify existing building structures **shall** be regulated by Division of Building Authority (DBA) regulations.
  - 3. All other Entities: Any other entity utilizing this contract **shall** follow their rules and regulations regarding installation services.

## 2.6 **TESTING**

- A. Contractor(s) **must** perform testing after installation of services to ensure said services are operating properly. Contractor(s) **must** provide documentation of test results within five (5) business days if so requested in writing by DIS. Records **must** be made available, upon request, to the State of Arkansas's designee(s) at any time during the contract period and any extension thereof, and for five (5) years from expiration date and final payment on the contract or extension thereof.

## 2.7 **SCHEDULE**

- A. Contractor(s) **must** submit a proposed timeline schedule, in calendar days, of the time required for the various components consisting of: facilities check, design, engineering, construction, central office or point of presence upgrades, installation, training, testing, and service acceptance to provide for a cutover date. Contractor(s) **must** email the information to [dis.contracts@arkansas.gov](mailto:dis.contracts@arkansas.gov) no later than thirty (30) calendar days following contract award. Prospective Contractor(s) should **not** include this with their bid response.
  - 1. If the proposed timeline schedule exceeds the requested initial installation interval of thirty (30) calendar days or the proposed initial Contractor service date, it **must** be agreed to in writing by DIS.
- B. Upon award DIS and the Contractor **shall** negotiate a mutually agreeable installation plan for the services.
- C. The service **must** be installed in a manner and within a time frame designed to minimize disruption of normal functions of all entities.
- D. The conversion of service **must** be performed on a schedule that supports DIS and DIS customers' operational needs and may include nights, weekends, and holidays.

## 2.8 **PRICE SHEET INSTRUCTIONS AND AWARD CRITERIA**

- A. The *Official Bid Price Sheet* contains tables numbered 1-9. Detailed instructions for completing the *Official Bid Price Sheet* tables are located on the tab immediately preceding each table or tables in the *Official Bid Price Sheet*.

**Figure C: Official Bid Price Sheet Table Listing**

Table 1	Contractor Aggregation Site(s)	List all Contractor aggregation site(s) used to serve the sites bid.
Table 2	Customer Site Service Pricing	Provide installation, construction, and monthly pricing
Table 3	State Aggregation Sites	No input
Table 4	Contractor Aggregation to State Aggregation Pricing	Provide Contractor to State Aggregation pricing
Tables 5-9	Ethernet Miscellaneous Cost	Provide pricing
Table 10	HCP Sites	No input

- B. DIS intends to obtain, for the duration of this contract, services that reflect the industry’s latest technology. DIS recognizes that there will be technological modifications and improvements that will become available during the life of this contract that will not be available on the date of contract award. The State will work with the awarded Contractors to take advantage of new technology as it becomes available.
- C. Contractors may make upgrades or fulfill orders consistent with the contract *though approved contract substitutions and amendments*; however, all items offered under this contract **must** remain within the scope of the contract in price and functionality.
- D. Prospective Contractor **must** provide pricing for every speed requested per site bid. Prospective Contractor **must** provide pricing and specify Contractor aggregation site for every speed requested per site bid.
- E. Special Construction Cost (SCC) and Non-Recurring Charges (NRC)
  - 1. Should a service with waived SCC or NRC be disconnected/terminated at a site and a subsequent higher bandwidth speed is installed at that site, it **shall** be considered an *upgrade* and the Contractor will not be entitled to rights to recover under provision in Section 3.3 A.6.e.
  - 2. Should a service with waived SCC or NRC be disconnected/terminated at a site and the same or higher bandwidth speed is installed at a different site, DIS desires the Contractor continue to waive the remaining portion of the SCC or NRC.
- F. Ethernet Network Transport Services **shall** be awarded by site to the Contractor with the lowest Average Cost per Mbps.
  - 1. The Average Contractor Aggregation Cost per Mbps for each Contractor aggregation site and State aggregation site combination will be calculated by summing the Total 36 Month Cost per Mbps (Table 4, Column J) for all bandwidth speeds and dividing the sum by the number of bandwidth speeds. If Prospective Contractor bids multiple aggregation sites, the aggregation site combination with the lowest average contractor aggregation cost per Mbps will be used.
  - 2. The Average Ethernet Site Cost per Mbps for each site on Table 2 will be calculated by summing the Total 36 Month Cost per Mbps (Table 2, Column O) and dividing by the number of bandwidth speeds for that site.
  - 3. The Average Cost per Mbps per site will be calculated by summing the Average Ethernet Site Cost per Mbps (Section 2.7.F.1.b) and the Average Contractor Aggregation Cost per Mbps (Section 2.7.F.1.a) for the associated Contractor aggregation site (Table 2, column H) and State aggregation site combination with the lowest average cost per Mbps.
- G. Miscellaneous Items
  - 1. The miscellaneous items in Tables 5-9 may or may not be awarded and if awarded may not be purchased

**2.9 FUTURE NEW ETHERNET ADDRESS NOT BID**

The Contractor with the lowest average cost per Mbps of all Contractors for a new site within an exchange will be given the first *right of refusal* to furnish service to the new site at that awarded price. Each subsequent low bidder will be given next *right of refusal*. If a Contractor cannot be obtained from the existing Contractor pool for that exchange, the State will then procure by the appropriate procurement vehicle based on the anticipated dollar amount. The HCF program allows for the Consortium to add sites and/or upgrade or change services throughout the length of the contract term without having to re-bid. Applicants should make such site and service adjustments in accordance with the Site and Service Substitution rules found in the HCF Order (47 C.F.R. § 54.646; 746 Appendix D, 47 C.F.R. § 54.646).

**2.10 CONTRACTOR PROJECT STAFFING**

- A. Contractor(s) **must** assign account specific resources for administrative and technical support to assist in initiating orders, resolving service problems, trouble escalation, billing errors, etc. Personnel should be familiar with the State Network and DIS processes. The resources **must not** be pooled.
- B. Service Manager
1. Contractor(s) **must** assign a Service Manager within fourteen (14) calendar days of contract award. Name and contact information **must** be submitted by email to [dis.contracts@arkansas.gov](mailto:dis.contracts@arkansas.gov).
  2. Contractor's Service Manager **shall** be responsible for all aspects of the contract, including but not limited to Contractor performance.
    - a. Service Manager **shall** provide reports of measurable results for such things as Network Provisioning Performance, Network Maintenance Performance, Service Billing Performance, and other desired metrics.
  3. The Service Manager **must** act as the central point of contact for all issues requiring advanced escalations.
  4. The Service Manager, upon DIS request, **shall** prepare a Service Action Plan (SAP) when there are complex outstanding service issues. The SAP **must** be agreed upon by both DIS and the Service Manager. The SAP **must** be reviewed periodically to audit progress in implementing action plans and document and measure progress toward the desired outcome.
- C. Project Manager
2. Contractor(s) awarded multiple sites may be required to assign a Project Manager. By DIS request, Contractor **must** assign a Project Manager. The Project Manager **shall** be responsible for all aspects of the installation and implementation processes.
  3. If DIS requires Contractor(s) to assign a Project Manager, Contractor(s) **shall** email [dis.contract@arkansas.gov](mailto:dis.contract@arkansas.gov) the Project Manager's name and contact information within fourteen (14) calendar days of notification.

**2.11 SUPPORT SERVICES**

- A. Contractor(s) **must** supply technical assistance and consultation to the designated DIS resources and DIS administrators on an ongoing basis as needed per DIS.
- B. Contractor(s) **shall** work in conjunction with DIS for any further responsibilities as mutually determined.
- C. Contractor(s) **must** maintain an inventory of records of the services provided site information that includes, at a minimum, the following:
1. Circuit ID
  2. Agency Name

3. Agency Address

4. Site Contact Information

- D. For each site to be deployed, DIS will provide contact name, telephone number, address, and email for a primary and backup site contact.
- E. Contractor(s) **must** provide, no later than thirty (30) calendar days from contract award, a toll free telephone support center with the following functionalities:
1. Available 24 hours a day, 7 days per week
  2. Has English-speaking staff
  3. Preferably located within the continental United States of America.

Contractor(s) **must** email the toll free number to [dis.contracts@arkansas.gov](mailto:dis.contracts@arkansas.gov). Prospective Contractor(s) should **not** include this with their bid response.

- F. Contractor(s) **shall** be responsive and timely to maintenance/technical support calls/inquiries made by DIS.
- G. Contractor(s) **must** maintain and own trouble tickets reported by DIS or DIS' authorized customer until those troubles are resolved.
- H. Contractor(s) **shall** log trouble calls including, at a minimum, the following information:
1. Date & Time of call
  2. Circuit ID, or equipment item name or number and site
  3. Apparent nature of trouble
  4. Arrival time of maintenance personnel (if applicable)
  5. Time trouble is cleared
  6. Cause of trouble
- I. Contractor(s) **must** describe their applicable trouble reporting system and how the State can access the system for originating trouble reports and receiving status reports. Contractor(s) **must** email the information to [dis.contracts@arkansas.gov](mailto:dis.contracts@arkansas.gov) no later than thirty (30) calendar days following contract award. Prospective Contractor(s) should **not** include this with their bid response.

## 2.12 OUTAGES

### A. Catastrophic Events

1. Restoration of service after catastrophic events such as fires, storms, earthquakes, or accidental damage **must** be on an around-the-clock basis until service is restored.
2. Contractor(s) **must** describe the anticipated level of response, response times, and response procedures in case of a catastrophe. Contractor(s) **must** email the information to [dis.contracts@arkansas.gov](mailto:dis.contracts@arkansas.gov) no later than thirty (30) calendar days following contract award. Prospective Contractor(s) should **not** include this with their bid response.

- B. Network Operations Center (NOC)
1. Contractor(s) **must** maintain a Network Operations Center (NOC) that is staffed on an around-the-clock basis that coordinates and manages all outages across their network.
  2. The NOC **shall** perform network surveillance and fault management (trouble identification, isolation and notification) where applicable.
  3. The NOC **shall** monitor network performance in near real-time to identify issues and implement controls to optimize the network health and performance immediately.
- C. Contractor(s) **must** immediately notify the designated DIS contact via e-mail or phone call as instructed by DIS for any planned maintenance outage by the Contractor.
- D. Contractor(s) **must** describe how they handle critical outages. Contractor(s) **must** email the information to [dis.contracts@arkansas.gov](mailto:dis.contracts@arkansas.gov) no later than thirty (30) calendar days following contract award. Prospective Contractor(s) should **not** include this with their bid response.
- E. Contractor(s) **must** have an established escalation procedure for all proposed services which **must** be accessible 24 hours per day, 7 days per week for all critical or emergency situations or outages. Contractor(s) **must** provide their escalation procedure with contact information (i.e. names, titles, phone numbers, and pager numbers) in writing within thirty (30) calendar days following contract award and provide any subsequent updates or changes in writing to DIS within ten (10) business days of said change or update. Contractor(s) **must** email the information to [dis.contracts@arkansas.gov](mailto:dis.contracts@arkansas.gov) no later than thirty (30) calendar days following contract award. Prospective Contractor(s) should **not** include this with their bid response.
- F. Contractor(s) **shall** comply with the Telecommunications Service Priority (TSP) Program, a Federal Communications Commission (FCC) mandate for prioritizing service requests by identifying those services critical to National Security and Emergency Preparedness (NS/EP) and be in compliance with all Arkansas Public Service Commission and FCC Requirements.
- G. The severity of the issue/support problem **shall** determine the average problem resolution and response time in any calendar month of the contract. DIS **shall** determine the severity level and **shall** have the ability to escalate/de-escalate the issue between severity levels.
- H. Trouble notifications and response procedures, including time, place, and frequency of Contractor acknowledgement of DIS supplied trouble tickets, **must** be negotiated with DIS upon award. All response and resolution times in Section 2.11.J **must** be applied.
- I. Outages **shall** be categorized by DIS, as the following:
1. Minor Outage – any apparent abnormal operation of the service that impacts user access to State network.
  2. Major Outage – any one (1) site not able to access the State network.
  3. Critical Outage – any outage that DIS determines will severely impact the ability to do business or endanger public health and safety.
  4. DIS **shall** the right to further define these outage terms as deemed necessary during the course of the contract.
- J. *Figure D* below specifies the maximum response time and resolution times based on level of severity:
1. “Response time” **shall** be calculated as the time from which the outage is reported until the time maintenance personnel arrive on site.

2. "Resolution time" **shall** be calculated as the time from which the trouble ticket is opened with the Contractor until the trouble is cleared and notification is received by DIS from the Contractor.
3. Response times may be met via remote maintenance procedures.
4. DIS business hours are 8:00 a.m. to 5:00 p.m. (CST) Monday through Friday excluding State holidays, <https://www.sos.arkansas.gov/news/calendar/>. However, there are critical locations which operate around the clock and require 7x24x365 Contractor support. The critical locations include, but **must not** be limited to, Arkansas Crime Information Center (ACIC) and Arkansas State Police (ASP).
5. If the awarded Contractor(s) have response and resolution times which exceed the service levels in *Figure D: Severity Levels*, the Contractor may offer it as an amendment to the awarded contract.

**Figure D: Severity Levels**

Severity Level	Sample Situations	Maximum Response Initial Time	Resolution Time
1	<b>Critical</b> outages and situations when network services are down and DIS customers are unable to use/access the network.	Four (4) hours Around the clock	As quickly as possible, which on average <b>must not</b> exceed four (4) hours around-the-clock, unless otherwise authorized in writing by the DIS.  For any critical outage that cannot be fixed remotely, DIS <b>shall</b> have the right to require an on-site response. DIS requested Contractor on-site response time should be no more than four (4) hours from time of request.
2	<b>Major</b> outages and/or repeated failure of service preventing its successful operation. The service may operate but is severely restricted (i.e. slow response, intermittent but repeated inaccessibility, etc.).	Six (6) business hours	As quickly as possible, which on average <b>must not</b> exceed six (6) business hours, unless otherwise authorized in writing by the DIS. DIS <b>shall</b> retain the right to escalate Level 2 outages to Level 1 at its discretion.  For any major outage that cannot be fixed remotely, DIS <b>shall</b> have the right to require an on-site response. DIS requested Contractor on-site response time should be no more than six (6) business hours from time of request.
3	<b>Minor</b> outages and/or a problem that exists with the service but the majority of the functions/services are still usable and some circumvention may be	Eight (8) business hours	As quickly as possible, which on average <b>shall not</b> exceed eight (8) business hours, unless otherwise authorized in writing by the DIS.

**2.13 SECURITY REQUIREMENTS**

- A. Contractor(s) **shall** physically secure all data and networking facilities through which data traverses Contractor's network complying with the physical security controls of National Institute of Standards and Technology (NIST) SP 800-53, ISO/IEC 27001, or equivalent standards.
- B. Contractor(s) **must** understand that DIS and each of DIS' customers may have individual standard government security policies and access requirements that the contractor's services, processes, or employees **must** abide by. Background checks **must** be performed on all persons entering State data centers.
- C. Contractor(s) **must** have measures in place to prevent security breaches as well as processes and procedures in place to react to a security breach that occurs via their access to the State network infrastructure.

**2.14 ADDITIONAL REPORTS**

- A. Contractor(s) **must** provide samples of available performance and maintenance reports that are available to DIS for the services bid and describe how they can be accessed by DIS, i.e., Web Interface, telephone or other electronic access. Performance and maintenance reports may include, but is not limited to: Network Provisioning Performance, Network Maintenance Performance, and Service Billing Performance. Contractor(s) **must** email the information to [dis.contracts@arkansas.gov](mailto:dis.contracts@arkansas.gov) no later than thirty (30) calendar days following contract award. Prospective Contractor(s) should **not** include this with their bid response.
- B. Contractor(s) **must** submit a sample Service Action Plan (SAP). Contractor(s) **must** email the information to [dis.contracts@arkansas.gov](mailto:dis.contracts@arkansas.gov) no later than thirty (30) calendar days following contract award. Prospective Contractor(s) should **not** include this with their bid response.

**2.15 MOVES, ADDS AND CHANGES**

Contractor(s) **shall** accept move, add, and change orders from only authorized DIS employees via email.

**2.16 DELIVERY AND PROVISIONING OF SERVICE – FOB DESTINATION: FREIGHT PREPAID AND ALLOWED**

- A. DIS requests delivery within thirty (30) calendar days after receipt of the order (ARO). If this delivery date cannot be met, the Prospective Contractor **must** state the alternate number of days required to begin the service and/or place the commodity in the ordering agency's designated location. (See *Bid Response Packet*) Failure to state the alternate delivery time obligates the Contractor to complete delivery by the agency's requested date. Extended delivery dates may be considered when in the best interest of the State.
- B. DIS will communicate in their purchase order the option to have Contractor equipment delivered to the end user service address or to DIS' storage at:  
Arkansas Department of Information Systems  
One Capitol Mall  
Room 3C014  
Little Rock, AR 72201
- C. All deliveries **must** be made during normal state work hours and within the agreed upon number of days unless otherwise arranged and coordinated with the agency. Contractor(s) **shall** give DIS immediate notice of any anticipated delays or plant shutdowns that will affect the delivery requirement.
- D. Contractor(s) **must** notify DIS in writing within ten (10) business days after receipt of order when the Contractor is unable to offer services ordered that were awarded as a result of this solicitation.
- E. Contractor(s) **shall** be responsible for damage to DIS property during installation of system and for damage to Contractor owned property caused by the Contractor.
- F. Loss or damage that occurs during shipping, prior to the order being received by the agency, is the Contractor's responsibility. All orders should be properly packaged to prevent damage during shipping.
- G. For each calendar day of delay beyond the stated interval ARO and after due allowance for reasonable extension of time upon request and mutually agreed upon and through a maximum of ninety (90) calendar days, DIS **shall** withhold from Contractor's compensation the following sum:

$$(A/B)*50\%*C = D$$

A = Monthly Contract Rate  
 B = 30 (daily rate)  
 C = Number of days beyond due date interval  
 D = Damages to be Assessed

- H. Such sum **shall** be treated as damages and not as a penalty. If the Contractor has Installation Service Level Agreements which exceed this requirement, the Contractor may offer it in place of the damages above.
- I. If any agreed upon or established due date or interval is subject to being missed by more than three (3) business days, DIS should be notified immediately and a new due date negotiated. A planned due date **must**

be established for tracking purposes. If an acceptable due date cannot be established DIS may cancel the order and alternate methods of procurement will be pursued.

### 2.17 **FORCE MAJURE**

Except for payment of amounts due, neither party will be liable for any delay, failure in performance, loss, or damage due to fire, explosion, cable/fiber cuts, power blackout, earthquake, flood, embargo, acts of civil or military authority, war, terrorism, acts of God, acts of public enemy, acts of regulatory or governmental agencies, delays from third parties deterring the Contractor from obtaining necessary licensing/construction permits/right of ways, or other causes beyond such party's reasonable control.

### 2.18 **ACCEPTANCE STANDARDS**

Inspection and acceptance/rejection of product(s) will be made within thirty (30) calendar days of receipt. The State has the option to return any product(s) within the thirty (30) calendar day timeframe for any reason. Bid **must** include a "total satisfaction" return policy for all products and **must not** impose any liability on the State for such returns.

### 2.19 **PERFORMANCE STANDARDS**

- A. State law requires that all contracts for services include Performance Standards for measuring the overall quality of services provided that a Contractor **must** meet in order to avoid assessment of damages.
- B. The State may be open to negotiations of Performance Standards prior to contract award, prior to the commencement of services, or at times throughout the contract duration. *Figure E: Performance Standards* identifies expected deliverables, performance measures, or outcomes; and defines the acceptable standards.
- C. The State has the right to modify, add, or delete Performance Standards throughout the term of the contract, should the State determine it is in its best interest to do so. Any changes or additions to performance standards will be made in good faith following acceptable industry standards, and may include the input of the Contractor so as to establish standards that are reasonably achievable.
- D. All changes made to the Performance Standards will become an official part of the contract.
- E. Performance Standards will continue throughout the aggregate term of the contract.
- F. Failure to meet the minimum Performance Standards as specified will result in the assessment of damages.
- G. In the event a Performance Standard is not met, the Contractor will have the opportunity to defend or respond to the insufficiency. The State has the right to waive damages if it determines there were extenuating factors beyond the control of the Contractor that hindered the performance of services. In these instances, the State has final determination of the performance acceptability.
- H. Should any compensation be owed to the State agency due to the assessment of damages, Contractor **shall** follow the direction of the State agency regarding the required compensation process
- I. If the awarded Contractor(s) have service level agreements which exceed the performance standards, the Contractor may offer it as an amendment to the awarded contract.

**FIGURE E: PERFORMANCE STANDARDS**

<b>PERFORMANCE STANDARDS</b>			
<b>Vendor's Network Availability</b>			
<b>Service Criteria</b>	<b>Acceptable Performance</b>	<b>Damages</b>	<b>Measurement</b>
<b>Contractor Network Service Interruption</b>	99.95% Network Availability each calendar month.	For each 30 minutes or more at the rate of 1/1440 of the monthly charges for the facility or service for each period of 30 minutes or fraction thereof that the interruption continues after the initial 30 minute interruption.	Contractor (preferred) or DIS provided monthly report based on a 30-day calendar month average.
<b>Initial Service Delivery</b>			
<b>Service Criteria</b>	<b>Acceptable Performance</b>	<b>Damages</b>	<b>Measurement</b>
<b>Missed Initial Service Delivery</b>	DIS requests service delivery within thirty (30) calendar days after receipt of the order (ARO). If this delivery date cannot be met, Contractor <b>must</b> negotiate with DIS within twenty (20) calendar days to set the number of days required to place the commodity or service in DIS' designated locations. This delivery time <b>shall</b> obligate the Contractor to complete delivery by DIS' negotiated date. Extended delivery dates may be considered when in the best interest of DIS, in which case Contractor's performance could not be negatively impacted.	For each calendar day of delay beyond the stated interval ARO and after due allowance for reasonable extension of time upon request and mutually agreed upon and through a maximum of ninety (90) calendar days.	DIS <b>shall</b> withhold from Contractor's compensation the following sum:  $(A/B)*50\%*C = D$  A = Monthly Contract Rate B = 30 (daily rate) C = Number of days beyond due date interval D = Damages to be Assessed

## **SECTION 3 – GENERAL CONTRACTUAL ITEMS**

- ***Do not provide responses to items in this section.***

### **3.1 BILLING PROCESS & MANAGEMENT**

#### **A. Billing Errors**

Contractor(s) **must** describe their process for resolving billing errors and the timeline for correcting billing errors. Contractor(s) **must** send the information to [dis.contracts@arkansas.gov](mailto:dis.contracts@arkansas.gov) no later than thirty (30) days following contract award. Prospective Contractor(s) should **not** include this with their bid response.

#### **B. Billing Review**

1. Contractor(s) **must** conduct a *first bill review* within thirty (30) days of the first bill cycle of each type of service to verify correctness of contract billing. It is the Contractor's responsibility to initiate and coordinate this meeting by emailing [dis.contracts@arkansas.gov](mailto:dis.contracts@arkansas.gov). Failure to do so may result in a negative Vendor Performance Report.
2. At least one (1) Contractor representative **must** be on site at DIS for the bill review meeting unless permission has been given by email from DIS to not be on-site. The Contractor representative will provide at their expense a conference bridge or web-meeting allowing all necessary Contractor personnel to participate.
3. If incorrect rates or quantities are found, DIS **must** be notified and they **must** be corrected no later than the fourth (4<sup>th</sup>) billing cycle after error is found. The State **shall** have the right to withhold payment until corrections have been made and a corrected invoice is received.

All billing errors **must** be credited back to the original date of the error, but not beyond the beginning of the corresponding contract.

4. Contractor(s) **shall not** impose any time restrictions upon DIS to identify billing errors and request a credit or refund.

#### **C. Billing Invoices**

1. Contractor(s) **must** set up and maintain account billing on an ongoing basis for no additional charge as directed by DIS to facilitate cost accounting and cost recovery.
2. Each service site billed on the Contractor invoice **must** have a service site plus circuit ID, telephone number, or equivalent which **will** be used to identify the site and/or DIS customer being billed.
3. Contractor(s) **must** invoice DIS by line of service or speed and in the account format directed by DIS. An invoice with only the address, account number and amount **shall not** be acceptable.
4. The HCF program requires the completion of a Form 463 in order for applicants to invoice for services. The Federal Communications Commission (FCC) Form 463 is the invoice that serves as the request to Universal Service Administrative Company (USAC) for the disbursement of funding from the Healthcare Connect Fund for the services, equipment, and/or facilities set forth in an applicant's funding commitment letter. For this network being bid DIS is the applicant. The filing of the Form 463 is a joint process between the applicant and the awarded contractor (service provider). The applicant initiates the filing of the Form 463, but the contractor has the opportunity to review and revise the Form 463 before it is submitted to USAC for processing and payment. Prior to submission of Form 463, ADH, the Consortium, **must** certify that the form is accurate and that the Consortium has paid its required 35% contribution. The Contractor **must** also certify to the accuracy of the form.
5. All awarded Contractor(s) participating in the HCF program **must** either have a 498 ID or apply to obtain a 498 ID by completing a Form 498 at <https://www.usac.org/sp/tools/forms.aspx>. The Form 498, Block 10, must be updated to explicitly select participation in the HCF program.

**D. Billing Discontinuance**

Contractor(s) **must** stop billing for service on the day notification to disconnect service is received or on a future date if requested. If the contractor's billing system does not allow this, credits **must** be issued within two billing cycles without DIS having to review each invoice and ask for the credits. Contractor(s) **shall not** make DIS open a billing dispute to receive credit. The Contractor's failure to comply with these requirements may result in DIS withholding payment on the overall account.

**E. Billing (End to End Circuit)**

End to End Circuit billing **must** be provided on the same invoice. If manual billing or special billing is required by the Contractor to provide End to End Circuit billing, the Contractor **must** provide this billing free of charge. Failure to do so will result in negative Vendor Performance Reports.

**F. Billing (Contract Rates)**

Detailed Contract Rate **must** match each line item bid as it appears on the monthly billing statement and electronic media.

**G. Billing Compatibility**

Detailed information in any form **must** be compatible with the tele-management system used by DIS (currently Calero previously known as Compco).

**H. Billing Fields Required**

The following fields for services, equipment, and onetime charges **must** be provided on each invoice if applicable.

1. Contractor Account Number
2. Invoice Number
3. Invoice Date
4. Invoice From Date
5. Invoice To Date
6. User ID, Extension, Subsystem, Circuit ID, Telephone No., Inventory number, etc.
7. Quantity
8. Unit Price
9. Total Amount
10. Transaction Date
11. Transaction From Date
12. Transaction To Date
13. Product Code, Service Code, USOC, Inventory Item
14. Description
15. State Service Order Number
16. Contract Number
17. Contractor Work Order Number
18. Originating City
19. Originating Street Address
20. Terminating City
21. Terminating Street Address
22. Taxes and Fees per circuit

- I. Contractor(s) **must** work with DIS resources to establish some form of mutually acceptable electronic billing media, such as excel, file transfer, or delivery of physical media such as CD or tape. The media will also be in a mutually agreeable file format. Contractor(s) **must** identify and provide the names of their company's resources who will be responsible for this requirement no later than thirty (30) days after award to [dis.contracts@arkansas.gov](mailto:dis.contracts@arkansas.gov)

**3.2 PAYMENT AND INVOICE PROVISIONS**

## A. Forward invoices to:

Arkansas Department of Information Systems  
Attention: Accounts Payable  
P.O. Box 3155  
Little Rock, AR 72203-3155

Or the appropriate ordering and billed entity as specified by the Purchase Order or the State Work Order.

By mutual agreement, invoices may be emailed to [dis.accounts.receivable@arkansas.gov](mailto:dis.accounts.receivable@arkansas.gov).

- B. Payment will be made in accordance with applicable State of Arkansas accounting procedures upon acceptance of goods and services by the agency.
- C. Do not invoice the State in advance of delivery and acceptance of any goods or services.
- D. Payment will be made only after the Contractor has successfully satisfied the agency as to the reliability and effectiveness of the goods or services purchased as a whole.
- E. Contractor(s) should invoice the agency by an itemized list of charges. The agency's Purchase Order Number and/or the Contract Number should be referenced on each invoice.
1. Each active site
  2. Associated billable features with each active site
  3. Labor charges associated to each service order and trouble ticket
  4. Other charges and credits (OC&C) associated to the service site
- F. Other sections of this *Bid Solicitation* may contain additional Requirements for invoicing.
- G. Selected Contractor(s) **must** be registered to receive payment and future *Bid Solicitation* notifications. Contractors may register on-line at <https://www.ark.org/contractor/index.html>.

**3.3 GENERAL INFORMATION**

## A. The State will not:

1. Lease any equipment or software for a period of time which continues past the end of a fiscal year unless the contract allows for cancellation by the State Procurement Official upon a thirty (30) calendar day written notice to the Contractor/lessor in the event funds are not appropriated.
2. Contract with another party to indemnify and defend that party for any liability and damages.
3. Pay damages, legal expenses or other costs and expenses of any other party.
4. Continue a contract once any equipment has been repossessed.
5. Agree to any provision of a contract which violates the laws or constitution of the State of Arkansas.
6. Enter a contract which grants to another party any remedies other than the following:
  - a. The right to possession.
  - b. The right to accrued payments.
  - c. The right to expenses of de-installation.

- d. The right to expenses of repair to return the equipment to normal working order, normal wear and tear excluded.
  - e. The right to recover only amounts due at the time of repossession and any unamortized nonrecurring cost as allowed by Arkansas Law.
- B. Any litigation involving the State **must** take place in Pulaski County, Arkansas.
- C. The laws of the State of Arkansas govern this contract.
- D. A contract is not effective prior to award being made by a State Procurement Official.
- E. In a contract with another party, the State will accept the risk of loss of the equipment or software and pay for any destruction, loss, or damage of the equipment or software while the State has such risk, when:
- The extent of liability for such risk is based upon the purchase price of the equipment or software at the time of any loss, and
  - The contract has required the State to carry insurance for such risk.

### 3.4 **CONDITIONS OF CONTRACT**

- A. Observe and comply with federal and State of Arkansas laws, local laws, ordinances, orders, and regulations existing at the time of, or enacted subsequent to the execution of a resulting contract which in any manner affect the completion of the work.
- B. Indemnify and save harmless the agency and all its officers, representatives, agents, and employees against any claim or liability arising from or based upon the violation of any such law, ordinance, regulation, order or decree by an employee, representative, or subcontractor of the Contractor.

### 3.5 **STATEMENT OF LIABILITY**

- A. The State will demonstrate reasonable care but will not be liable in the event of loss, destruction or theft of Contractor-owned equipment or software and technical and business or operations literature to be delivered or to be used in the installation of deliverables and services. The Contractor will retain total liability for equipment, software and technical and business or operations literature. The State will not at any time be responsible for or accept liability for any Contractor-owned items.
- B. The Contractor's liability for damages to the State will be limited to the value of the Contract. The foregoing limitation of liability will not apply to claims for infringement of United States patent, copyright, trademarks or trade secrets; to claims for personal injury or damage to property caused by the gross negligence or willful misconduct of the Contractor; to claims covered by other specific provisions of the Contract calling for damages; or to court costs or attorney's fees awarded by a court in addition to damages after litigation based on the Contract. The Contractor and the State will not be liable to each other, regardless of the form of action, for consequential, incidental, indirect, or special damages. This limitation of liability will not apply to claims for infringement of United States patent, copyright, trademark or trade secrets; to claims for personal injury or damage to property caused by the gross negligence or willful misconduct of the Contractor; to claims covered by other specific provisions of the Contract calling for damages; or to court costs or attorney's fees awarded by a court in addition to damages after litigation based on the Contract.
- C. Language in these terms and conditions **must not** be construed or deemed as the State's waiver of its right of sovereign immunity. The Contractor agrees that any claims against the State, whether sounding in tort or in contract, will be brought before the Arkansas Claims Commission as provided by Arkansas law and governed accordingly.

### 3.6 **RECORD RETENTION**

- A. Contractor(s) **must** maintain all pertinent financial and accounting records and evidence pertaining to the contract in accordance with generally accepted principles of accounting and as specified by the State of Arkansas Law. Upon request, Contractor(s) **must** grant access to State or Federal Government entities or any of their duly authorized representatives.

- B. Contractor(s) **must** make financial and accounting records available, upon request, to the State of Arkansas's designee(s) at any time during the contract period and any extension thereof, and for five (5) years from expiration date and final payment on the contract or extension thereof.
- C. Other sections of this *Bid Solicitation* may contain additional Requirements regarding record retention.

### 3.7 **PRICE REVIEW AND ESCALATION**

- A. Pricing **shall** be firm and **shall not** be subject to being increased during any contract term.
- B. If, during the term of the contract and any extension, there are any changes to legally mandated and/or required charges, fees, taxes or other costs that the Contractor is mandated to pass through to their customers, the Contractor **must** first provide notice of same to DIS; said notice **must** be delivered a minimum of sixty (60) days prior to any proposed change, and **must** include:
  - 1. The citation to the specific law, ruling, order, regulation or authorizing action.
  - 2. A copy of the document establishing the change.
  - 3. An explanation of how the change **shall** be calculated and applied to the pricing model for this contract.
- C. Increases **shall not** be considered to increase profit or margins.
- D. OSP **shall** have the right to approve or deny the request.
- E. A price review **shall** be conducted at DIS' discretion prior to any contract renewal.
- F. Price reductions may be sought based on then current market pricing trends.
- G. It is understood that if the parties are unable to agree on decreased pricing, OSP may, at its sole discretion, elect to terminate the vendor(s) contract and issue a solicitation for the services terminated.

### 3.8 **CONFIDENTIALITY**

- A. The Contractor, Contractor's subsidiaries, and Contractor's employees will be bound to all laws and to all Requirements set forth in this *Bid Solicitation* concerning the confidentiality and secure handling of information of which they may become aware of during the course of providing services under a resulting contract.
- B. Consistent and/or uncorrected breaches of confidentiality may constitute grounds for cancellation of a resulting contract, and the State has the right to cancel the contract on these grounds.
- C. Previous sections of this *Bid Solicitation* may contain additional confidentiality Requirements.

### 3.9 **CONTRACT INTERPRETATION**

Should the State and Contractor interpret specifications differently, either party may request clarification. However, if an agreement cannot be reached, the determination of the State is final and controlling.

### 3.10 **CANCELLATION**

- A. For Cause. The State may cancel any contract resulting from this solicitation for cause when the Contractor fails to perform its obligations under it by giving the Contractor written notice of such cancellation at least thirty (30) days prior to the date of proposed cancellation. In any written notice of cancellation for cause, the State will advise the Contractor in writing of the reasons why the State is considering cancelling the contract and provide the Contractor with an opportunity to avoid cancellation for cause by curing any deficiencies identified in the notice of cancellation for cause prior to the date of proposed cancellation. To the extent permitted by law and at the discretion of the parties, the parties may agree to minor amendments to the contract and avoid the cancellation for cause upon mutual agreement.
- B. For Convenience. The State may cancel any contract resulting from the solicitation by giving the Contractor written notice of such cancellation sixty (60) days prior to the date of cancellation.

- C. If upon cancellation the Contractor has provided commodities or services which the State of Arkansas has accepted, and there are no funds legally available to pay for the commodities or services, the Contractor may file a claim with the Arkansas Claims Commission under the laws and regulations governing the filing of such claims.

**3.11 SEVERABILITY**

If any provision of the contract, including items incorporated by reference, is declared or found to be illegal, unenforceable, or void, then both the agency and the Contractor will be relieved of all obligations arising under such provision. If the remainder of the contract is capable of performance, it will not be affected by such declaration or finding and **must** be fully performed.

**SECTION 4 – STANDARD TERMS AND CONDITIONS**

- *Do not provide responses to items in this section.*
- 1. **GENERAL:** Any special terms and conditions included in this solicitation **shall** override these Standard Terms and Conditions. The Standard Terms and Conditions and any special terms and conditions **shall** become part of any contract entered into if any or all parts of the bid are accepted by the State of Arkansas.
- 2. **ACCEPTANCE AND REJECTION:** The State **shall** have the right to accept or reject all or any part of a bid or any and all bids, to waive minor technicalities, and to award the bid to best serve the interest of the State.
- 3. **BID SUBMISSION:** Original Bid Packets **must** be submitted to the Office of State Procurement on or before the date and time specified for bid opening. The Bid Packet **must** contain all documents, information, and attachments as specifically and expressly required in the *Bid Solicitation*. The bid **must** be typed or printed in ink. The signature **must** be in ink. Unsigned bids **shall** be disqualified. The person signing the bid should show title or authority to bind his firm in a contract. Multiple bids **must** be placed in separate packages and should be completely and properly identified. Late bids **shall not** be considered under any circumstances.
- 4. **PRICES:** Bid unit price F.O.B. destination. In case of errors in extension, unit prices **shall** govern. Prices **shall** be firm and **shall not** be subject to escalation unless otherwise specified in the *Bid Solicitation*. Unless otherwise specified, the bid **must** be firm for acceptance for thirty days from the bid opening date. "Discount from list" bids are not acceptable unless requested in the *Bid Solicitation*.
- 5. **QUANTITIES:** Quantities stated in a *Bid Solicitation* for term contracts are estimates only, and are not guaranteed. Contractor **must** bid unit price on the estimated quantity and unit of measure specified. The State may order more or less than the estimated quantity on term contracts. Quantities stated on firm contracts are actual Requirements of the ordering agency.
- 6. **BRAND NAME REFERENCES:** Unless otherwise specified in the *Bid Solicitation*, any catalog brand name or manufacturer reference used in the *Bid Solicitation* is descriptive only, not restrictive, and used to indicate the type and quality desired. Bids on brands of like nature and quality will be considered. If bidding on other than referenced specifications, the bid **must** show the manufacturer, brand or trade name, and other descriptions, and should include the manufacturer's illustrations and complete descriptions of the product offered. The State **shall** have the right to determine whether a substitute offered is equivalent to and meets the standards of the item specified, and the State may require the Contractor to supply additional descriptive material. The Contractor **shall** guarantee that the product offered will meet or exceed specifications identified in this *Bid Solicitation*. Contractors not bidding an alternate to the referenced brand name or manufacturer **shall** be required to furnish the product according to brand names, numbers, etc., as specified in the solicitation.
- 7. **GUARANTY:** All items bid **shall** be newly manufactured, in first-class condition, latest model and design, including, where applicable, containers suitable for shipment and storage, unless otherwise indicated in the *Bid Solicitation*. The Contractor hereby guarantees that everything furnished hereunder **shall** be free from defects in design, workmanship and material, that if sold by drawing, sample or specification, it **shall** conform thereto and **shall** serve the function for which it was furnished. The Contractor **shall** further guarantee that if the items furnished hereunder are to be installed by the Contractor, such items **shall** function properly when installed. The Contractor **shall** guarantee that all applicable laws have been complied with relating to construction, packaging, labeling and registration. The Contractor's obligations under this paragraph **shall** survive for a period of one year from the date of delivery, unless otherwise specified herein.
- 8. **SAMPLES:** Samples or demonstrators, when requested, **must** be furnished free of expense to the State. Each sample should be marked with the Contractor's name and address, bid or contract number and item number. If requested, samples that are not destroyed during reasonable examination will be returned at Contractor's expense. After reasonable examination, all demonstrators will be returned at Contractor's expense.
- 9. **TESTING PROCEDURES FOR SPECIFICATIONS COMPLIANCE:** Tests may be performed on samples or demonstrators submitted with the bid or on samples taken from the regular shipment. In the event products tested fail to meet or exceed all conditions and Requirements of the specifications, the cost of the sample used and the reasonable cost of the testing **shall** be borne by the Contractor.
- 10. **AMENDMENTS:** Contractor's bids cannot be altered or amended after the bid opening except as permitted by regulation.
- 11. **TAXES AND TRADE DISCOUNTS:** Do not include State or local sales taxes in the bid price. Trade discounts should be deducted from the unit price and the net price should be shown in the bid.
- 12. **AWARD:** Term Contract: A contract award will be issued to the successful Contractor. It results in a binding obligation without further action by either party. This award does not authorize shipment. Shipment is authorized by the receipt of a purchase order from the ordering agency. Firm Contract: A written State purchase order authorizing shipment will be furnished to the successful Contractor.
- 13. **DELIVERY ON FIRM CONTRACTS:** This solicitation shows the number of days to place a commodity in the ordering agency's designated location under normal conditions. If the Contractor cannot meet the stated delivery, alternate delivery schedules may become a factor in an award. The Office of State Procurement **shall** have the right to extend delivery if reasons appear valid. If the date is not acceptable, the agency may buy elsewhere and any additional cost **shall** be borne by the Contractor.

- 14. DELIVERY REQUIREMENTS:** No substitutions or cancellations are permitted without written approval of the Office of State Procurement. Delivery **shall** be made during agency work hours only 8:00 a.m. to 4:30 p.m. Central Time, unless prior approval for other delivery has been obtained from the agency. Packing memoranda **shall** be enclosed with each shipment.
- 15. STORAGE:** The ordering agency is responsible for storage if the Contractor delivers within the time required and the agency cannot accept delivery.
- 16. DEFAULT:** All commodities furnished **shall** be subject to inspection and acceptance of the ordering agency after delivery. Back orders, default in promised delivery, or failure to meet specifications **shall** authorize the Office of State Procurement to cancel this contract or any portion of it and reasonably purchase commodities elsewhere and charge full increase, if any, in cost and handling to the defaulting Contractor. The Contractor **must** give written notice to the Office of State Procurement and ordering agency of the reason and the expected delivery date. Consistent failure to meet delivery without a valid reason may cause removal from the Contractors list or suspension of eligibility for award.
- 17. VARIATION IN QUANTITY:** The State assumes no liability for commodities produced, processed or shipped in excess of the amount specified on the agency's purchase order.
- 18. INVOICING:** The Contractor **shall** be paid upon the completion of all of the following: (1) submission of an original and the specified number of copies of a properly itemized invoice showing the bid and purchase order numbers, where itemized in the *Bid Solicitation*, (2) delivery and acceptance of the commodities and (3) proper and legal processing of the invoice by all necessary State agencies. Invoices **must** be sent to the "Invoice To" point shown on the purchase order.
- 19. STATE PROPERTY:** Any specifications, drawings, technical information, dies, cuts, negatives, positives, data or any other commodity furnished to the Contractor hereunder or in contemplation hereof or developed by the Contractor for use hereunder **shall** remain property of the State, **shall** be kept confidential, **shall** be used only as expressly authorized, and **shall** be returned at the Contractor's expense to the F.O.B. point provided by the agency or by OSP. Contractor **shall** properly identify items being returned.
- 20. PATENTS OR COPYRIGHTS:** The Contractor **must** agree to indemnify and hold the State harmless from all claims, damages and costs including attorneys' fees, arising from infringement of patents or copyrights.
- 21. ASSIGNMENT:** Any contract entered into pursuant to this solicitation **shall not** be assignable nor the duties thereunder delegable by either party without the written consent of the other party of the contract.
- 22. CLAIMS:** Any claims the Contractor may assert under this Agreement **shall** be brought before the Arkansas State Claims Commission ("Commission"), which **shall** have exclusive jurisdiction over any and all claims that the Contractor may have arising from or in connection with this Agreement. Unless the Contractor's obligations to perform are terminated by the State, the Contractor **shall** continue to provide the Services under this Agreement even in the event that the Contractor has a claim pending before the Commission.
- 23. CANCELLATION:** In the event, the State no longer needs the commodities or services specified for any reason, (e.g., program changes; changes in laws, rules or regulations; relocation of offices; lack of appropriated funding, etc.), the State **shall** have the right to cancel the contract or purchase order by giving the Contractor written notice of such cancellation thirty (30) days prior to the date of cancellation.
- Any delivered but unpaid for goods will be returned in normal condition to the Contractor by the State. If the State is unable to return the commodities in normal condition and there are no funds legally available to pay for the goods, the Contractor may file a claim with the Arkansas Claims Commission under the laws and regulations governing the filing of such claims. If upon cancellation the Contractor has provided services which the State has accepted, the Contractor may file a claim. **NOTHING IN THIS CONTRACT SHALL BE DEEMED A WAIVER OF THE STATE'S RIGHT TO SOVEREIGN IMMUNITY.**
- 24. DISCRIMINATION:** In order to comply with the provision of Act 954 of 1977, relating to unfair employment practices, the Contractor agrees that: (a) the Contractor **shall not** discriminate against any employee or applicant for employment because of race, sex, color, age, religion, handicap, or national origin; (b) in all solicitations or advertisements for employees, the Contractor **shall** state that all qualified applicants **shall** receive consideration without regard to race, color, sex, age, religion, handicap, or national origin; (c) the Contractor will furnish such relevant information and reports as requested by the Human Resources Commission for the purpose of determining compliance with the statute; (d) failure of the Contractor to comply with the statute, the rules and regulations promulgated thereunder and this nondiscrimination clause **shall** be deemed a breach of contract and it may be cancelled, terminated or suspended in whole or in part; (e) the Contractor **shall** include the provisions of above items (a) through (d) in every subcontract so that such provisions **shall** be binding upon such subcontractor or Contractor.
- 25. CONTINGENT FEE:** The Contractor guarantees that he has not retained a person to solicit or secure this contract upon an agreement or understanding for a commission, percentage, brokerage or contingent fee, except for retention of bona fide employees or bona fide established commercial selling agencies maintained by the Contractor for the purpose of securing business.
- 26. ANTITRUST ASSIGNMENT:** As part of the consideration for entering into any contract pursuant to this solicitation, the Contractor named on the *Bid Signature Page* for this solicitation, acting herein by the authorized individual or its duly authorized agent, hereby assigns, sells and transfers to the State of Arkansas all rights, title and interest in and to all causes of action it may have under the antitrust laws of the United States or this State for price fixing, which causes of action have accrued prior to the date of this

assignment and which relate solely to the particular goods or services purchased or produced by this State pursuant to this contract.

- 27. DISCLOSURE:** Failure to make any disclosure required by Governor's Executive Order 98-04, or any violation of any rule, regulation, or policy adopted pursuant to that order, **shall** be a material breach of the terms of this contract. Any Contractor, whether an individual or entity, who fails to make the required disclosure or who violates any rule, regulation, or policy **shall** be subject to all legal remedies available to the agency.