

Memorandum for General RFP Configuration

To: Vendors with a valid response to RFP number 3348, Micro Express Products List (EPL) or RFP number 3386, LAN EPL - Networking

From: David L. Litchliter

CC: Ms. Diane Mobley, Division of Medicaid

Date: October 6, 2004

Subject: Project #35438 for the procurement of desktops, laptops, printers, and switches for the purpose of expanding Regional Offices for the State of Mississippi, Division of Medicaid and for the addition of Five Regional Offices

Contact Name: Sheila Kearney

Contact Phone Number: 601-359-2686

Contact E-mail Address: sheila.kearney@its.state.ms.us

The Mississippi Department of Information Technology Services (ITS) is seeking the hardware described below for purchase by the State of Mississippi, Division of Medicaid (DOM). Our records indicate that your company currently has a valid proposal on file at ITS in response to RFP 3348, Micro EPL for HP and Lexmark hardware, and RFP 3386, LAN EPL – Networking, for Cisco hardware. Our preliminary review of this proposal indicates that your company offers products, software, or services that are appropriate to the requirements of this project. Therefore, we are requesting your configuration assistance for the components described below. Please submit a written response for the requested hardware and services.

1. General LOC Instructions

- 1.1 Beginning with Item 4.1 of this section, label and respond to each outline point in this section as it is labeled in the LOC.
- 1.2 The Vendor must respond with “ACKNOWLEDGED,” “WILL COMPLY,” or “AGREED” to each point in this section.
- 1.3 If the Vendor cannot respond with “ACKNOWLEDGED,” “WILL COMPLY,” or “AGREED,” then the Vendor must respond with “EXCEPTION.” (Please see Section 9 in this LOC regarding Vendor exceptions.)

- 1.4 Where an outline point asks a question or requests information, the Vendor must respond with the specific answer or information requested.
- 1.5 In addition to the above, the Vendor must provide explicit details as to the manner and degree to which the proposal meets or exceeds each specification.

2. General Overview

The 2005 Legislature mandated under House Bill 1434 that the Division of Medicaid (DOM) would be responsible for determining eligibility for low income families under Section 1931 of the federal Social Security Act and re-determining eligibility for those continuing under Title IV-A grants. This expansion of responsibility will result in the establishment of five (5) additional Regional Offices (ROs), the expansion of the 25 existing Regional Offices, and the hiring of 416 additional staff and contract workers.

DOM's current environment consists of HP/Compaq equipment with HP Proliant DL380 and DL 550 in the Robert E. Lee (REL) network and ROs with a single processor, 300 MHz Novell Netware 5.0 and 5.1 servers and Microsoft Windows 2000 servers supporting 3 remote offices (Highland Colony, Old River Place, and Lakeland) and twenty-five (25) Regional Offices located throughout the State. Medicaid's long-term technology strategy is to centralize hardware, software, and support for the Regional Offices by implementing blade server technology at the main office in the Robert E. Lee building and migrating the RO's from Novell to Windows 2003 in a Citrix environment.

DOM is requesting the necessary hardware required for the additional staff at the existing ROs as well as the hardware required for the establishment of five (5) new Regional Offices.

3. LOC Project Schedule

Task	Date
Deadline for Vendor's Written Questions	October 11, 2004, 3 p.m.
Addendum with Vendor's Questions and Answers	October 12, 2004, 5 p.m.
Proposals Due	October 19, 2004, 3 p.m.
Proposal Evaluation	October 19 – 21, 2004
Notification of Award	October 21, 2004
Contract Negotiated	October 25, 2004

Expedient delivery of equipment is critical to allow DOM to meet their mandatory project deadline. Delivery of equipment is expected within three (3) weeks of the date the contract is signed.

4. Statement of Understanding

- 4.1 The Vendor must provide pricing for all hardware, maintenance, and support for the proposed solution.

- 4.2 The Vendor must propose new equipment that meets or exceeds the minimum requirements specified below.
- 4.3 DOM has standardized on HP/Compaq, Lexmark, and Cisco equipment and will maintain that standard with this procurement.
- 4.4 The Vendor must be an authorized reseller of proposed hardware and must include a manufacturer authorization letter, if one is not already on file at ITS.
- 4.5 DOM acknowledges that the functional specifications within this Letter of Configuration (LOC) are not exhaustive. Rather, they reflect DOM's known requirements for the proposed system. The Vendor must propose all necessary components for fully functioning desktops, laptops, switches, and printers and must fully describe the features of the proposed equipment.
- 4.6 The State reserves the right to make separate awards for each device type.
- 4.7 The Vendor must include technical specifications (specification sheets) for the equipment being proposed.
- 4.8 The timeline for completion of this project is critical due to the mandated deadline of assuming eligibility verification and re-verification responsibilities by January 1, 2005.
- 4.9 Vendor must guarantee upon project award that all PCs provided for this project contain identical components. This specification is necessary to allow DOM to create and rollout one ghost image for all 176 PCs.
- 4.10 Vendor must guarantee upon project award that all laptops provided for this project contain identical components. This specification is necessary to allow DOM to create and rollout one ghost image for all 318 laptops.

5. Functional/Technical Specifications

The State is requesting pricing on two (2) different laptop models. Although the models with 17” screens are preferred, the State will select a single laptop model based on acceptable pricing.

Specification	Quantity	MFG Part Number	Description
Desktop Computers and LCD Monitors			
5.1	176	PC938A#ABA	HP Desktop DC7100 CMT, Intel P4 540 with HT Technology, 3.2 GHz, 1 GB DDR Memory, 80 GB HD (7200 rpm), 48X CDRW/DVD combo drive, 1.44 MB Floppy Drive, PS/2 Scroll Mouse, PS/2 Keyboard, Windows XP Pro SP1A or SP2
5.2	176	P9621D#ABA	17 IN LCD 1280X1024 .26 mm L1702 Carbon/Silver
Notebook Computers			
5.3	318	DW787AA#ABA	Compaq NX9110 P4-3.06GHz 512 MB 60GB XPP 15.4-WXGA DVD/CDRW WL-G
5.4	318	PF031UA#ABA	Compaq NX9500 P4 3.0 GHz 512 MB 60GB XPP 17” WXGA + DVD/CDRW WL-G
5.5	318	313318-002	Maint. 3 Yr Depot Repair for EVO V

			Series NX Series Notebooks
5.6	318	DL989A#ABA	Wireless Keyboard w/Optical Mouse USB CML US for Notebooks
Cisco Switches			
5.7	35	WS-C3550-24PWR-SMI	24-10/100BTX Inline Power + 2 GBIC Ports: SMI
Lexmark Printers			
5.8	40	T634N 10G0600	Lexmark T634N Laser Printer
5.9	120	11K0688	500 Sheet Additional Paper Drawer Assembly
5.10	40	11K0720	Envelope Feeder
5.11	40	10G0801	500 Sheet Duplex Option
5.12	40	32 – 16H0057	RAM Add-On Module
5.13	10	16C0100	X4500 MFP Option Mono & Color
5.14	40	2XWSR07	Two Year upgrade of original warranty to Lexmark Onsite
5.15	40	10G0080	Printer Base

6. Maintenance and Support

- 6.1 The Vendor must detail the base warranty included with their proposed systems.
- 6.2 If warranty described above does not include 9 x 5 four-hour onsite maintenance support for all equipment listed above for a three (3) year period, the Vendor must propose an annual fixed price to upgrade the base warranty to meet this requirement.

- 6.3 The Vendor must state a fixed price or the percentage increase, if any, of the Vendor's proposed pricing for maintenance in years 4 and 5. The Vendor must agree that in no event shall annual increases exceed the lesser of five percent (5%) or the percent of increase in the Consumer Price Index, All Urban Consumers US City Average (C.P.I.-U) for the preceding state fiscal year. The State reserves the right not to renew maintenance for years 4 and 5 with the Vendor.
- 6.4 The Vendor will provide the warranty service directly and/or coordinate these services between the customer and the manufacturer to the degree that the process to activate a service call is transparent to the customer. Therefore the customers will not have to fend for themselves with remote 1-800 support.
- 6.5 If manufacturer, not the winning Vendor, is providing warranty, the Vendor will ensure the warranty, regardless of manufacturer or manufacturer's warranty. The proposing Vendor must explain how they provide or coordinate with the manufacturer(s) for seamless service.
- 6.6 The Vendor must state who (in-house staff or third parties) performs the warranty work.
- 6.7 The Vendor must specify if there are any conditions that would require that third party support be used in lieu of in-house staff.
- 6.8 The Vendor must describe their technical support organization and problem resolution process.
- 6.9 The Vendor may propose enhanced warranty or post-warranty maintenance options. The Vendor must provide annual cost for years 1 through 3 for any proposed options. The Vendor must detail any options proposed.

7. Service Requirements

- 7.1 DOM staff plans to install all laptops, desktops, routers, and switches and will not require installation services from the Vendor.
- 7.2 DOM requires delivery of the PCs, laptops, and Cisco switches to DOM's warehouse at #2 Old River Place, Suite A, Jackson, Mississippi.
- 7.3 Printers must be delivered at the appropriate ROs and remote offices throughout the State. DOM will provide delivery specifics upon contract award.
- 7.4 For products listed on ITS EPLs 3348 and 3386, the State expects Vendor's proposed pricing to be less than EPL pricing, since EPL pricing is based on single quantity purchases.

8. Additional Requirements

- 8.1 The Vendor must specify the discounted price for each item. Freight is FOB destination. No itemized shipping charges will be accepted.
- 8.2 If any component necessary for operation of the requested systems is omitted from the Vendor's proposal, the Vendor must be willing to provide that component at no additional cost. This includes, but is not limited to, all cabling, connectors, and interfaces to render the configuration fully operational.
- 8.3 The Vendor must provide all technical specifications and manuals (documentation) at the point of sale.
- 8.4 ITS will require a contract with the winning Vendor. Vendors responding to this LOC must be willing to negotiate in good faith such a contract. If the winning Vendor has a Master Agreement with ITS, a Supplement may be negotiated instead of a new Agreement. A sample Purchase Agreement has been attached for reference.
- 8.5 The winning Vendor must be willing to sign the attached Purchase Agreement within fifteen (15) working days of the notice of award. If the Purchase Agreement is not executed within the 15 working day period, ITS reserves the right to negotiate with the next lowest and best Vendor in the evaluation.
- 8.6 The Vendor must provide the state of incorporation of the company and a name, title, and address for the "Notice" article of the contract.

9. Proposal Exceptions

- 9.1 Please return the attached Proposal Exception Summary Form with any exceptions listed and clearly explained or state "No Exceptions Taken." If no Proposal Exception Summary Form is included, the Vendor is indicating that he takes no exceptions.
- 9.2 Unless specifically disallowed on any specification herein, the Vendor may take exception to any point within this LOC, including a specification denoted as mandatory, as long as the following are true:
 - 9.2.1 The specification is not a matter of State law;
 - 9.2.2 The proposal still meets the intent of the LOC;
 - 9.2.3 A Proposal Exception Summary Form is included with the Vendor's proposal; and
 - 9.2.4 The exception is clearly explained, along with any alternative or substitution the Vendor proposes to address the intent of the specification, on the Proposal Exception Summary Form.

- 9.3 The Vendor has no liability to provide items to which an exception has been taken. ITS has no obligation to accept any exception. During the proposal evaluation and/or contract negotiation process, the Vendor and ITS will discuss each exception and take one of the following actions:
- 9.3.1 The Vendor will withdraw the exception and meet the specification in the manner prescribed;
 - 9.3.2 ITS will determine that the exception neither poses significant risk to the project nor undermines the intent of the LOC and will accept the exception;
 - 9.3.3 ITS and the Vendor will agree on compromise language dealing with the exception and will insert same into the contract;
 - 9.3.4 None of the above actions is possible, and ITS either disqualifies the Vendor's proposal or withdraws the award and proceeds to the next ranked Vendor.
- 9.4 Should ITS and the Vendor reach a successful agreement, ITS will sign adjacent to each exception which is being accepted or submit a formal written response to the Proposal Exception Summary responding to each of the Vendor's exceptions. The Proposal Exception Summary, with those exceptions approved by ITS, will become a part of any contract on acquisitions made under this LOC.
- 9.5 An exception will be accepted or rejected at the sole discretion of the State.
- 9.5.1 Prior to taking any exceptions to this LOC, ITS requests that, to the extent possible, the individual(s) preparing this proposal first confer with other individuals who have previously submitted proposals to ITS or participated in contract negotiations with ITS on behalf of their company, to ensure the Vendor is consistent in the items to which it takes exception.

10. Scoring Methodology

- 10.1 An evaluation team consisting of both ITS and DOM representatives will be responsible for the evaluation of proposals submitted in response to this LOC.
- 10.2 The evaluation team will use the following items to score proposals received.
 - 10.2.1 Cost
 - 10.2.2 Value-Add
- 10.3 Cost points will be calculated using the standard ITS Cost Formula calculation. Cost will equal 100 possible points. An Added Value rating

between 0 and 5 will be assigned based on the assessment of the evaluation team. These points will be added to the cost points. All information provided by the Vendors and other information available to ITS staff will be used to evaluate the proposals.

- 10.4 ITS and DOM are requesting that Vendors provide details on the features and functions of the proposed system that may provide a distinct value to DOM, distinguish your company and its offering from the group, and facilitate our selection process of the lowest and best proposals. In the event that DOM agrees that such features, functions, or other considerations do provide a distinct benefit, the State reserves the right to give the Vendor additional consideration. The evaluation team will make the sole assessment of the relative merits of each added-value proposal to the agency.

11. Instructions to Submit Product and Cost Information

Please use the attached CP-6: RFP Information Form to provide product descriptions, part numbers, and cost. Follow the instructions on the form. Incomplete forms will not be processed.

12. Delivery Instructions

The Vendor must deliver his response to Sheila Kearney at ITS by Tuesday, October 19, 2004, by 3:00 P.M. (Central Time). Responses may be delivered by hand, via regular mail, via email, or by fax. Fax number is (601) 354-6016. **ITS WILL NOT BE RESPONSIBLE FOR DELAYS IN THE DELIVERY OF PROPOSALS.** It is solely the responsibility of the Vendor that proposals reach ITS on time. Vendors should contact Sheila Kearney to verify the receipt of their proposals. Proposals received after the deadline will be rejected.

If you have any questions concerning this request, please e-mail Sheila Kearney of ITS at sheila.kearney@its.state.ms.us. **Any questions concerning the specifications detailed in this LOC must be received by Monday, October 11, 2004, by 3:00 P.M. (Central Time).**

Enclosures: CP-6: RFP Information Form
Reference Form
Proposal Exception Summary Form
Purchase Agreement

CP-6: COST INFORMATION SUMMARY FORM

Please submit the ITS requested information response under your RFP #3348, 3386 using the following format.

Send your completed form back to the Technology Consultant listed below. If the necessary information is not included, your response cannot be considered.

ITS Technology Consultant Name: Sheila Kearney RFP Number: 3348, 3386 Date: _____

Company Name: _____ Phone Number: _____

Contact Name: _____ Contact Email Address: _____

Manufacturer # *	Description	Qty	List Price	Disc %	Extended Cost**

TOTAL COST: EQUIPMENT, SERVICES, AND MAINTENANCE = _____

If any of the items below are included in Vendor's proposal, they must be detailed below.

Warranty:

Maintenance:

* Manufacturer model number, not Vendor number. If Vendor's internal number is needed for purchase order, include an additional column for that number.

** If Vendor travel is necessary to meet the requirements of the LOC, the Vendor should propose fully loaded costs including travel.

PROPOSAL EXCEPTION SUMMARY FORM

ITS LOC Reference	Vendor Proposal Reference	Brief Explanation of Exception	ITS Acceptance (sign here only if accepted)
(Reference specific outline point to which exception is taken)	(Page, section, items in Vendor's proposal where exception is explained)	(Short description of exception being made)	