

INTRODUCTION

1. INTRODUCTION

The State of Nebraska, Department of Administrative Services is issuing this Request for Proposal, Service Contract Award (SCA) # ___ for the purpose of selecting a qualified entity to assume the position of a “prime contractor” for implementation of a statewide telecommunications network.

A contract resulting from this RFP will be issued for a period of **five** years effective **December, 2001 through December, 2006**, with the option to renew for two additional five year periods as mutually agreed upon by all parties.

In this RFP, the State shall be interpreted to mean the State of Nebraska Department of Administrative Services, Division of Communications. Communities of Interest shall be interpreted to include the Nebraska’s K-12 schools, post-secondary educational institutions, libraries and local, state, tribal and federal government entities. Vendor shall be interpreted as the firm or firms that propose to supply the services described in this RFP. It is the State’s intention that the selected vendor will act as the prime contractor for this procurement.

1.1 RFP OBJECTIVES

Nebraska statute 86-1521 states:

“It is the intent of the State of Nebraska to support the development of a unified statewide telecommunications infrastructure. The statewide telecommunications infrastructure will be scalable, reliable, and efficient.”

To support that Legislative intent, the Nebraska Information Technology Commission (NITC) has established specific goals related to the State’s investments in telecommunications. The first goal states that the Commission will:

Support the development of a unified statewide telecommunications infrastructure that is scalable, reliable and efficient so as to:

- Improve government efficiency and effectiveness;
- Expand citizen access to government information;
- Broaden educational opportunities to include expanded access to lifelong educational and training opportunities so that Nebraska’s citizens and workforce can prosper in the emerging information society; and
- Enhance services to Nebraska communities and citizens.

The second goal states that the Commission will:

Coordinate the state's investment in telecommunications infrastructure so as to:

- Develop new ways to aggregate demand, reduce costs, and create support networks; and
- Encourage collaboration between communities of interest.

To meet these goals, the NITC has endorsed the recommendation of the Telecommunications Infrastructure Needs Assessment (TINA) Advisory Committee that the State move forward on pursuing the "prime contractor" alternative for implementation of a statewide enterprise telecommunications network.

The prime contractor concept is defined as the State contracting to lease services under a competitive procurement from a single statewide prime telecommunications service provider. This service provider will offer telecommunications services (i.e.; voice, data, video distribution, video conferencing, distance learning and Internet access) to all levels of state and local government, including K-12, post-secondary and higher education. Service Level Agreements (SLA) and performance parameters such as Quality of Service (QoS), circuit availability, and lead times for service implementation, among others, would be defined. The prime contractor will be expected to provide end-to-end services through subcontracting or joint ventures with the incumbent local exchange carriers (ILEC), competitive local exchange carriers (CLEC), Interexchange carriers (IXC), and any other telecommunications service providers as allowed by law. These services will be offered at a uniform postalized rate, with the prime contractor having the responsibility for averaging costs among its subcontractors/partners.

This scenario enables the local exchange carriers (LEC), Interexchange carriers (IXC), Internet service providers (ISP), as well as other telecommunications providers the opportunity to provision for the full range of needed services and be capable of offering services locally to the residents and business interests in each community.

The TINA Advisory Committee has committed to assisting with the implementation of this plan. The Committee's continued monitoring of the process to implement this plan will include periodic analysis of direction and monitoring of the process to ensure the continued integrity of the State network.

This RFP deals with telecommunications transport services only. However, as the NITC Technical Panel sets additional network standards for State government, it is the intent of the State of Nebraska to issue work through the various levels of network support to include specific services (i.e., video conferencing, ISP services, etc), as well as investigating bandwidth on demand scenarios.

1.2 PROCURING OFFICE AND CONTACT PERSON

Procurement responsibilities related to this Request for Proposal reside with the Department of Administrative Services. The point of contact for the procurement is as follows:

Ruth Gray
Department of Administrative Systems Materiel Division
P.O. Box 94847
301 Centennial Mall South
Lincoln, Nebraska 68509-4847
Telephone: 402-471-0974
Facsimile: 402-471-2089

1.3 DIVISION OF COMMUNICATIONS ORGANIZATION

State statute 81-1120 gives the responsibility for procurement of Telecommunications services for State government in Nebraska to the Department of Administrative Services Division of Communications. Additionally, 81-1120.17 gives the Division of Communications the authority to enter into agreements for communications services on behalf of political subdivisions of state government. In this RFP, those political subdivisions are referred to as communities of interest. Therefore, the Contractor will work closely with the State's Project Director, _____, in clarification, performance and acceptance of deliverables. In addition, the Network Architecture Steering Committee will oversee the project and receive monthly project briefings from the Contractor. The State reserves the right to approve, reject or ask for clarification of deliverables throughout the project.

PROCUREMENT PROCEDURES

2. PROCUREMENT PROCEDURES

This section contains solicitation procedures, procurement information, general proposal format requirements and proposal submission instructions.

2.1 GENERAL INFORMATION

The Request for Proposal is designed to elicit proposals from qualified contractors who will be responsible for providing the State of Nebraska a catalog of services at competitive, postalized and reasonable costs. Proposals that do not conform to the mandatory items provided in Section 2.10.6 will not be considered. Proposals should conform to all instructions, conditions, and requirements included in the Request for Proposal. Prospective contractors are expected to carefully examine all documentation, schedules and requirements stipulated in this Request for Proposal, and respond to each requirement in the format prescribed.

A fixed-price contract will be awarded as a result of this proposal. In addition to the provisions of this Request for Proposal and the awarded proposal, which shall be incorporated by reference in the contract, any additional clauses or provisions required by the terms and conditions will be included as an amendment to the contract.

2.2 SCHEDULE OF EVENTS

The State expects to adhere to the procurement schedule shown below. It should be noted, however, that some dates are approximate and subject to change.

ACTIVITY	DATE/TIME
Release request for proposal	4/30/2001
Last day to submit written questions	
Mandatory pre-proposal conference held in the DAS Materiel Division conference room at 301 Centennial Mall South, Lincoln, Nebraska	
State responds to written questions through request for proposal addendum	
Proposal opening held in the DAS Materiel Division conference room at 301 Centennial Mall South, Lincoln, Nebraska	6/29/2001
Finalists announced	
Oral Presentations and Demonstrations	
Issue letter of intent to contract	8/20/2001
Contract Award	

2.3 COMMUNICATION WITH STATE STAFF

From the date the Request for Proposal is issued until a determination is made and announced regarding the selection of the contractor, contact between potential contractors and individuals employed by the State is restricted only to written communication with the staff designated specifically to this Request for Proposal.

Once a contractor is selected, that contractor is restricted from communicating with State staff regarding this project until a contract is signed. Violation of this condition may be considered sufficient cause to reject a contractor's proposal and/or selection irrespective of any other condition.

The following exceptions to these restrictions are permitted:

- written communication with the State Purchasing Bureau staff designated specifically to this RFP or procurement;
- those contacts made pursuant to any pre-existing obligation;
- State staff and/or contractor staff present at the Pre-Proposal Conference when recognized by the State Purchasing Bureau staff facilitating the meeting for the purpose of addressing questions; and
- State-requested presentations, key personnel interviews, clarification sessions or discussions to finalize of contract.

Violations of these conditions may be considered sufficient cause to reject a contractor's proposal and/or selection irrespective of any other condition. No individual member of the State, employee of the State, or member of the Selection Committee is empowered to make binding statements regarding this RFP.

Department of Administrative Services Materiel Division will issue any clarifications or opinions regarding this RFP in writing.

2.4 WRITTEN QUESTIONS AND ANSWERS

Any explanation desired by a contractor regarding the meaning or interpretation of any Request for Proposal provision must be submitted in writing to Ruth Gray in an envelope clearly marked "SCA-____ Questions." Questions may be transmitted by facsimile to the Materiel Division at (402) 471-2089, but must include a cover sheet clearly indicating that the transmission is to the attention of Ruth Gray, showing the total number of pages transmitted, and clearly marked "SCA-____ Questions." The State assumes no liability for assuring accurate or complete facsimile transmission or receipt. All correspondence must include the Service Contract Award (SCA-____) number. Written answers will be provided through an addendum on or before the date shown in the Schedule of Events.

2.5 MANDATORY PRE-PROPOSAL CONFERENCE

A pre-proposal conference will be held on the date, time and location specified in the Schedule of Events. Contractors will have an opportunity to ask questions at the conference and the State will make every reasonable attempt to answer those questions before the end of the conference. Oral responses provided during the pre-proposal meeting shall not be binding on the State of Nebraska. Contractors attending the pre-proposal meeting may submit further questions in addition to those submitted prior to the Request for Proposal deadline, but only if written out and given to the State representative at the close of the pre-proposal meeting. The State will then respond to all written questions through an addendum to be mailed to contractors.

Attendance at the pre-proposal conference is mandatory in order to submit a proposal.

2.6 ORAL PRESENTATIONS AND DEMONSTRATIONS

The Evaluation Committee may require oral presentations and demonstrations in order to determine the successful contractor after the completion of the Technical and Cost Proposal evaluation. All contractors that submitted bids may not have an opportunity to present and/or demonstrate. The scores from the oral presentations and demonstrations will be added to the scores from the Technical and Cost Proposals to determine the final award. Contractors' key personnel will be required to participate in a structured presentation to determine their understanding of the requirements of this proposal, their authority and reporting relationships within their firm, their expertise and their management style. Contractors shall not be allowed to alter or amend their proposals. Only representatives of the State and the presenting contractor will be permitted to attend the oral presentations and demonstrations.

Once the oral interviews and demonstrations have been completed the State reserves the right to make a contract award without any further discussion with the potential contractors regarding the proposals received.

Detailed notes of demonstrations will be recorded and supplemental information (such as briefing charts, et cetera) shall be accepted. Additional written information gathered in this manner shall not constitute replacement of proposal contents.

Any cost incidental to the oral presentations and/or demonstrations shall be borne entirely by the contractor and will not be compensated by the State.

2.7 STATE USE OF PROPOSAL IDEAS

The State reserves the right to use any and all ideas presented in any proposal that is received in response to this RFP unless the Vendor shows such ideas as proprietary in their proposal. Selection or rejection of any proposal does not affect this right. In no event will an objection be considered valid with respect to the use of such ideas that are not the proprietary information of the Vendor and so designated in the proposal; or which

were known to the State before submission of such proposal; or properly became known to the State thereafter through other sources or through acceptance of any proposal..

2.8 DISCLOSURE OF DATA

The proposal submitted in response to the RFP may contain copyright and/or patent-related data which the contractor or its subcontractor does not want used or disclosed for any purpose other than evaluation of the proposal. The State agrees to restrict the use and disclosure of such technical data to the extent allowed by law, provided that the data is clearly marked as “Trade Secret” and submitted in a sealed envelope, and provided further that the contractor can make any showing required under Nebraska Revised Statutes 84-712.05(3). If a contract is awarded to the contractor, the State shall have the right to use or disclose the technical data to the extent otherwise provided in the contract or by law. The State does not assume liability for the use of data, whether marked or not.

2.9 COST OF PROPOSAL PREPARATION

The State shall not incur any liability for any costs incurred by contractors in replying to this Request for Proposal or in the demonstrations and oral presentations.

2.10 PROPOSALS

Following is a description of requirements related to proposal submission, proposal handling, and review by the State.

2.10.1 SUBMISSION OF PROPOSALS

The following describes the requirements related to proposal submission, proposal handling and review by the State.

To facilitate the proposal evaluation process, one (1) original and ten (10) copies of the entire proposal should be submitted by the proposal due date and time. Proposals must reference the Service Contract Award number and be sent to the specified address. Please note that the address label must appear as specified on the face of each container. The State accepts no responsibility for mislabeled/missent mail.

Proposals received late will not be accepted and will be returned to the sender unopened. If a recipient phone number is required for delivery purposes, (402) 471-0974 should be used. The SCA number must be included in all correspondence.

Emphasis should be concentrated on conformance to the Request for Proposal instructions, responsiveness to requirements, completeness and clarity of content. If the contractor’s proposal is presented in such a fashion that makes evaluation difficult or overly time consuming, it is likely that points will be lost in the evaluation process. Elaborate and lengthy proposals are neither necessary nor desired.

The Technical and Cost Proposals must be presented in separate sections (loose-leaf binders are preferred) on standard 8 ½” by 11” paper, except that charts, diagrams and the like may be on fold-outs which, when folded, fit into the 8 ½” by 11” format. Pages may be consecutively numbered for the entire proposal, or may be numbered consecutively within sections. Figures and tables must be numbered and referenced in the text by that number. They should be placed as close as possible to the referencing text. The Technical and Cost Proposals shall be packaged separately. The Technical Proposal must not contain any reference to dollar amounts. However, information such as data concerning labor hours and categories, materials, subcontracts and so forth, shall be considered in the Technical Proposal so that the contractor’s understanding of the scope of work may be evaluated. The Technical Proposal shall disclose the contractor’s technical approach in as much detail as possible, including, but not limited to, the information required by the Technical Proposal instructions.

2.10.2 PROPOSAL OPENING

The sealed proposals will be publicly opened and the bidding organizations announced on the date, time and location specified in the Schedule of Events.

2.10.3 REJECTIONS OF PROPOSALS

The State reserves the right to reject any or all proposals, wholly or in part and to waive any deviations or errors that are not material, do not invalidate the legitimacy of the proposal and do not improve the contractors competitive position. All awards will be made in a manner deemed in the best interest of the State. It is understood that all proposals, whether rejected or not, shall become the property of the State of Nebraska.

2.10.4 PROPOSAL EVALUATION

The State will conduct a fair, impartial and comprehensive evaluation of all proposals in accordance with the criteria set forth below. The evaluation process must comply with the terms and conditions, for competitive proposals. The criteria for determining the responsiveness level of each contractor shall include but not be limited to:

1. The ability, capacity and skill of the contractor to deliver and implement the system that meets the requirements of this Request for Proposal;
2. The character, integrity, reputation, judgment, experience and efficiency of the contractor;
3. Whether the contractor can perform the contract within the specified time frame;
4. The quality of contractor performance on prior contracts;
5. Such other information that may be secured and that has a bearing on the decision to award the contract; and
6. Cost.

2.10.5 EVALUATION COMMITTEE

Members of the Evaluation Committee will independently evaluate proposals. This committee will consist of staff with the appropriate expertise to conduct such proposal evaluations. Names of Evaluation Committee and any working documents will not become public information. The State reserves the right to share with any third party the RFP and resultant proposals to secure expert opinion.

Contractors are advised that only members of the Evaluation Committee, meeting in their official capacity, can clarify issues or render any opinion regarding this Request for Proposal. No individual member of the State, employee of the State or member of the Evaluation Committee is empowered to make binding statements regarding this Request for Proposal.

2.10.6 MANDATORY REQUIREMENTS

The proposals will first be examined to determine if all mandatory requirements listed below have been addressed to warrant further evaluation. Proposals not meeting mandatory requirements will be excluded from further evaluation. The mandatory requirement items are as follows:

1. The signed Request for Proposal for Contractual Services form;
2. Executive Summary;
3. Corporate Overview;
4. Technical Approach;
5. Cost Proposal.

2.10.7 REFERENCE CHECKS

Information to be requested and evaluated from each reference includes project description and background, job performed, functional and technical abilities, communication skills and timeliness, cost and schedule estimates and accuracy, problems (poor quality deliverables, contract disputes, work stoppages, et cetera), overall performance, and whether or not the reference would rehire the firm or individual. The State reserves the right to check any other reference(s) that might be indicated through the explicitly specified contacts or that result from communication with other entities involved with similar projects.

2.10.8 WEIGHTS AND SCORING

All responses to this Request for Proposal which fulfill all mandatory requirements will be evaluated. Each category will have a maximum possible point potential. Areas that will be addressed and scored during the evaluation include:

1. The Executive Summary;
2. Corporate Overview;
3. Technical Approach;
4. Project Cost;

5. References; and
6. Oral Presentations and demonstrations.

Scores from items 1 through 5 will be used to determine finalist contractors who may then be invited to participate in the oral presentations and demonstrations.

RIGHTS OF STATE GOVERNMENT

3. RIGHTS OF STATE GOVERNMENT

The State may make such investigations as deemed necessary to determine the ability of the Contractor to perform the service specified. The State reserves the right to reject any proposal if the evidence submitted by or the investigation of, the Contractor fails to satisfy the State that the Contractor is properly qualified to carry out the obligations of the contract. In determining the capabilities of the Contractor to perform the services specified herein, the following informational requirements must be met by the Contractor and will be weighted by the State. (NOTE: Each item must be thoroughly addressed. Taking exception to any requirement listed in this Section may disqualify the proposal):

3.1 CONTRACTOR IDENTIFICATION AND INFORMATION

The contractor must provide the full company or corporate name; address of the company's headquarters; entity organization (corporation, partnership, proprietorship); state in which the contractor is incorporated or otherwise organized to do business; year in which the contractor first organized to do business and whether the name and form of organization has changed in the interim; and Federal Employer Identification Number.

3.2 FINANCIAL STATEMENTS

The contractor must provide financial statements applicable to the firm. If publicly held, the contractor must provide a copy of the corporation's most recent audited financial reports and statements, and the name, address and telephone number of the fiscally responsible representative of the contractor's financial or banking organization.

If the contractor is not a publicly held corporation, either the reports and statements required of a publicly held corporation, or a description of the organization, including size, longevity, client base, areas of specialization and expertise, and any other pertinent information must be submitted in such a manner that proposal evaluators may reasonably formulate a determination about the stability and financial strength of the organization. Additionally, a non-publicly held firm must provide a banking reference.

The contractor must disclose any and all judgments, pending or expected litigation, or other real or potential financial reversals, which might materially affect the viability or stability of the organization, or warrant that no such condition is known to exist.

3.3 CHANGE OF OWNERSHIP

If any change in ownership or control of the company is anticipated during the twelve (12) months following the proposal due date, the contractor must describe the circumstances of such change and indicate when the change will likely occur.

3.4 OFFICE LOCATION

The contractor's office location responsible for performance pursuant to an award of a contract with the State of Nebraska must be identified.

3.5 RELATIONSHIP WITH THE STATE

The contractor shall describe any relationships it may have had with the State of Nebraska over the last twenty-four (24) months.

3.6 PRIOR AND EXISTING CONTRACTS

If the organization, its predecessor, or any party named in the contractor's proposal response to the RFP has contracted with the State, the contractor shall identify the contracts and/or any information available to identify such contracts. If no such contracts exist, so declare.

3.7 CONTRACTOR'S EMPLOYEE RELATIONS TO STATE

If any party named in the contractor's proposal response to the RFP is or was an employee of the State of Nebraska within the past twenty-four (24) months, identify the individual(s) by name, social security number, state agency with whom employed, job title or position held with the State, and separation date. If no such relationship exists or has existed, so declare.

If any employee of any agency of the State of Nebraska is employed by the contractor or is a subcontractor to the contractor, as of the due date for proposal submission, identify all such persons by name, position held with the contractor, an position held with the State (including job title and agency). Describe the responsibilities of such persons within the proposing organization. If, after review of this information by the State, it is determined that a conflict of interest exists or may exist, the contractor may be disqualified from further consideration in this procurement. If no such relationship exists, so declare.

3.8 CONTRACT PERFORMANCE

If the contractor or any proposed subcontractor has had a contract terminated for default during the past five (5) years, all such instances must be described as required below. Termination for default is defined as a notice to stop performance delivery due to the contractor's non-performance or poor performance, and the issue was either not litigated due to inaction on the part of the contractor, or litigated and such litigation determined the contractor to be in default.

It is mandatory that the contractor submit full details of all terminations for default experienced during the past five (5) years, including the other party's name, address and telephone number. The response to this section must present the contractor's position on

the matter. The State will evaluate the facts and will score the contractor's proposal accordingly. If no such termination for default have been experienced by the contractor in the past five (5) years, so declare.

If at any time during the past five (5) years, the contractor has had a contract terminated for convenience, non-performance, non-allocation of funds, or any other reason which termination occurred before completion of all obligations under the initial contract provisions, describe fully all such terminations including the name and address of the other contracting party, and the circumstances surrounding the termination. If no such early terminations have occurred, so declare.

3.9 CONTRACTOR'S QUALIFICATIONS AND EXPERIENCE

In this section, the contractor shall provide corporate details related to the proposed contract, including relevant experience.

3.10 SUMMARY OF CONTRACTOR'S CORPORATE EXPERIENCE

The contractor shall provide a summary which lists the contractor's previous projects similar to the RFP in size, scope and complexity. The contractors must address the areas listed below. Contractors must also provide narrative descriptions of a minimum of three projects to highlight similarities between their experience and the RFP. Contractor and subcontractor(s) experience must be listed separately. The contractor must identify projects with information regarding the following areas:

- Company name, location where services were provided;
- Customer contact persons with telephone numbers;
- Complete description of the project, including dates of project;
- Techniques and methodologies the Contractor has used in providing the services requested;
- Deliverables produced;
- Formats used for deliverables;
- Method used to communicate with customer on project status;
- Expertise areas of staff assigned to each project; and
- Timelines for deliverables.

PARTICIPANTS NETWORK ENVIRONMENT

4.0 PARTICIPANTS NETWORK ENVIRONMENT

State Statute 81-1120.17 states that the Division of Communications shall have the duty, power and responsibility to coordinate the purchase, lease and use of communications services equipment and facilities for state government; as well as advise departments and agencies of the state and political subdivisions thereof as to systems or methods to be used to meet requirements efficiently and effectively. It is the authority granted by this statute that is the basis of this RFP.

4.1 CURRENT NETWORK BANDWIDTH STUDY

The following represents the State's efforts in creating a current state wide telecommunications inventory via a bandwidth study encompassing those entities of the State that are committed as members of the "anchor tenant" group. The entities denoted in **bold** are locations where State Agencies have sites for various telecommunications requirements throughout the State. These locations will be the anchor tenants in each of the ninety-three (93) counties in the State. There are sites that are not county seats that have State agencies, etc. and thus will be the anchor tenant in these locations. These participants are state agencies, state colleges, etc. that are the primary responsibility of the Division of Communications.

4.2 ADDITIONAL PARTICIPANTS IN THE NETWORK

All other locations within the inventory, represent numerous entities that have expressed a desire to participate as potential users of the proposed network and are able to participate in this network under the State's statutory responsibility. These participants range from small K-12 schools up to the University of Nebraska System, encompassing the University of Nebraska-Lincoln, University of Nebraska-Omaha, University of Nebraska Medical Center, University of Nebraska-Kearney, Educational Service Units, Distance Learning Consortiums, several Community Colleges, Hospitals/Clinics, Libraries, Local Governmental Entities, and others. Also included are Private K-12's and Colleges/Universities that may be eligible to participate through other educational organizations.

4.3 PARTICIPANTS AVAILABLE TO THE PRIME OUTSIDE THE CONTRACT

There are others that have expressed interest in this project and have submitted bandwidth data. That information is contained in *Attachment* _____. It would be up to the provider to pursue further activity with this group.

4.4 STATE WIDE BANDWIDTH STUDY

(NOTE: THE BANDWIDTH STUDY WOULD BE INSERTED HERE WITH THE STATE ENTITIES IN BOLD)

SECTION 5 - TRANSPORT SPECIFICATIONS

5.1 OBJECTIVE

It is the objective of this RFP to identify a prime contractor or a consortium of network service providers (referred to as prime contractor in this RFP) who will build, operate and manage a statewide network to consolidate the needs of Nebraska's State agencies, institutions of higher education, local governments, K-12 schools, healthcare institutions and libraries (referred to as the State in this RFP). The resulting system will aggregate the networking investments of the entire community of interest named above while improving the infrastructure and communications opportunities for all Nebraska citizens. The transport area of the State network is defined as including all facilities, both backbone and local access circuits, and switching equipment which will provide end-to-end connectivity between end point CPE demarcation interfaces.

5.2 TECHNICAL REQUIREMENTS

The State of Nebraska is cognizant of the growing demand for bandwidth by the State, higher education and K-12. The State is interested in identifying a prime contractor that will meet the current and future telecommunications needs of eligible entities over the next 5 years. The successful prime contractor will provide a cost-effective, scaleable and flexible transport facility that will be able to meet the demand of all the network participants. The prime contractor will provide a detailed written description of the proposed network that clearly illustrates that the proposed network concept is in full compliance with the functional, performance and capacity specifications contained herein.

5.2.1 WIDE AREA PHYSICAL TRANSPORT

The State will not dictate the specific design philosophy, layout, or implementation, however the State is requiring the prime contractor's best approach be recommended based on its network and the needs of the State. The State, however, believes that a Fiber-based SONET/ATM/FR network is the preeminent approach considering present state-of-the-art technology. The extent to which the network 'cloud' covers the geography of the State is important to the economic development goal of this RFP. The prime contractor will provide a network design to allow for continuous operation in the event of a link failure by provisioning redundant/diverse paths as well as automatic protection network switching equipment. The prime contractor will provide a scaleable network and be able to address and provide a plan to accommodate network capacity growth throughout the State within 90 days of written notice.

The prime contractor will state the maximum capacity the initial design is capable of supporting. In addition, the prime contractor agrees to provide, on an ongoing quarterly basis, a utilization

analysis that identifies the network facilities (*i.e.*, switching or backbone circuit components) that are near maximum operational capacity. The network will be designed to allow operational capacity expansion as the user community and/or its networking requirements increase.

5.2.2 BACKBONE

The prime contractor will provide designs and identify their ability to implement a “carrier-class” WAN backbone capable of supporting a wide range of network transport. The prime contractor will define the physical location, layout or topology and capacity of the backbone trunks. The State is interested in how the prime contractor will handle growth of the backbone as well as the prime contractor’s ability to develop a non-disruptive migration strategy for future services, applications and technologies and manage the inherent traffic congestion associated with enterprise networks.

The prime contractor will demonstrate a network capable of aggregating State defined area traffic into concentrator sites, using high bandwidth circuits to backhaul service from the sites providing Frame Relay and ATM services. The prime contractor, as part of its design, will provide any redundant equipment and/or excess circuit capacity deemed prudent in supplying a reliable network.

5.2.2.1 BROADBAND SERVICES TO BE PROVIDED

- DS3 ATM / IMA (Inverse Multiplexing over ATM)
- OC-3/3c
- OC-3/STM-1 ATM / IMA
- OC-12/12c
- OC-12/STM-4 ATM
- Private Line
 - SONET Private Line (Packet over SONET)
 - DS-3c [44.736 Mbps]
 - OC-3 [155.520 Mbps]
 - OC-3c [155.520 Mbps]
 - OC-12 [622.080 Mbps]
 - OC-12c [622.080 Mbps]
- High-speed Frame Relay

- T3 [44.736 Mbps]
- Fractional T3 [n x 1.544 Mbps]

5.2.2.2 NARROWBAND SERVICES TO BE PROVIDED

- T1 ATM / IMA
- Frame Relay
 - DS-0 56/64 Kbps
 - T1 [1.544 Mbps]
 - Fractional T1 [n x 64 Kbps]
- Private Line
 - Digital
 - DDS Point-to-Point Sub-rate [2.4, 4.8, 9.6 and 56/64 Kbps]
 - DDS Multi-Point [2.4, 4.8, 9.6 and 56 Kbps]
 - Analog
 - Point-to-Point [2.4, 4.8, 9.6 and 19.2 Kbps]
 - Multi-Point [2.4, 4.8, 9.6 and 19.2 Kbps]

5.2.2.3 NETWORK INTERFACE

- ATM UNI (User Network Interface)
- Frame Relay UNI

5.2.3 COUNTY MULTI-SERVICE ACCESS CONCENTRATOR

This section concerns itself with services required to aggregate private lines in a county, town or other large community of interest (a college campus, for example) and transport them to the broadband core network. The service is to be provided by the Prime and/or Sub Contractor(s). It is envisioned that a multiprotocol, multiservice concentrator be located in the serving central office of a community. The concentrator will terminate local access lines from the various users and combine them for transport over a wideband trunk to the Core network. The concentrator is referred to in this RFP as CoNAP, which stands for County Network Access Point. Commercially available concentrators of this type are usually positioned at the intersection between the traditional copper

local loop and the fiber core. The usual method of aggregation is to converge the various lines onto an ATM link as virtual circuits for transport to a higher level ATM network. For a simplified visual of this concept see ATTACHMENT 2 (NETCOMACCESS OPTIONS)

The State considers that this approach will bring the converged network closer to it's customers. The Prime Contractor must specify and clearly describe the device or devices included in their proposal that most closely meet this vision.

5.2.3.1 GROWTH

Growth in bandwidth demand is expected to increase over the next five (5) years with the possible implementation of new applications associated with digital State driver's licenses, a new interactive process for State time reporting, and distance learning and video conferencing in the State , K12 and higher education areas. Potential growth relative to non-participants of this proposal is unknown. The figures in section 4.2 are provided for the prime contractor in the design and sizing of the backbone network.

5.2.4 DIGITAL SERVICES CATALOG

5.2.4.1 SERVICE TYPE

5.2.4.1.1 ATM

5.2.4.1.1.1 SERVICE CLASSES

The prime contractor will specify the combination of ATM service classes that will be offered

- Constant Bit Rate (CBR)
- Real Time Variable Bit Rate (rt_VBR)
- Non Real Time Variable Bit Rate (nrt_VBR)
- Available Bit Rate (ABR)
- Unspecified Bit Rate (UBR)

The prime contractor will comply with ATM specifications:

- User Network Interface (UNI 3.1)

Types of ATM services:

- Permanent Virtual Circuits (PVC)
- Switched Virtual Circuits (SVC)

5.2.4.1.2.1 SERVICE CLASSES

The prime contractor will specify what combination of Frame Relay services classes will be offered

- Variable Frame Rate Real-Time
- Variable Frame Rate non-Real-time
- Unspecified Frame Rate

The prime contractor will comply with the Frame Relay specifications:

- UNI FRF.1.1
- Network Interworking
 - FRF.5 Frame Relay/ATM PVC Network Interworking
- Service Interworking
 - FRF.8 Frame Relay/ATM PVC Service Interworking
- Multilink Frame Relay UNI/NNI
 - FRF.16 Multilink Frame Relay UNI/NNI

The prime contractor will provide the following types of Frame Relay services:

- Permanent Virtual Circuits (PVC)
- Switched Virtual Circuits (SVC)

The Frame Relay network will implement and enforce a committed information rate (CIR), in addition to a zero CIR option.

5.2.4.2 CIRCUIT TYPES

The proposed network will support all local access circuits as well as backbone facilities. To maximize the flexibility of access circuits and transport, the State has identified circuit and transport types. These include, but are not limited to:

- Access Circuits
 - Leased Lines
 - DS-0
 - T-1
 - Channelized T-1

- Bundled Service
 - FRF.16, Multilink Frame Relay UNI/NNI
- T-3
- Channelized T-3
- OC-3
- Local ATM
- Local Frame Relay
- Dialup
 - Analog
 - ISDN BRI
 - ISDN PRI
 - Switched-56
 - xDSL

5.2.4.3 TRANSMISSION RATES

The existing network supports circuit transmission rates as low as 2.4 Kbps. The State believes that the access circuit speeds should be based on:

- 2.4, 4.8, 9.6, 19.2 Kbps Private Line
- 56/64 - 256 kbps for small offices and some K-12 schools
- T1 and FT1 in 128 Kbps increments (768 Kbps max) for some K-12 school districts and most offices
- OC3 for major participants

5.3 MANAGEMENT

5.3.1 TECHNICAL MONITORING AND MANAGEMENT

TBD

5.3.2 NETWORK OPERATION CENTER (NOC)

The prime contractor will establish a State network operation center (NOC) supporting the State of Nebraska network. Personnel will staff the NOC during normal State business days, Monday through Friday from 8:00 *a.m.* to 6:00 *p.m.* Central Time, for administrative business. The NOC will provide 24x7x365 support for network monitoring, trouble reporting, and problem resolution. The NOC will serve as the State's single point of contact (SPOC) and provide direct support of the State's network for all circuit related issues including, but not limited to, order entry, installation,

The State's NOC will interface and have access to the prime contractors NOC. Appropriate software will be provided by the prime contractor on selected computers to allow staff to monitor network performance, status of orders, trouble tickets, and billing.

The NOC is a very critical element in the provisioning and operation of the network. Prime contractors are requested to describe in detail their proposed NOC operation. In particular, address the following questions and issues:

- Identify and describe the NOC(s) which would be supporting the State of Nebraska
- Prime contractors should expound on the staff: hours of operation, operator responsibilities, degree of proactive monitoring, technical skill levels
- Response should provide any statistics that indicate the time duration from the time of problem detection to the time of problem resolution
- Trouble ticket system will be identified and be capable of:
 - Sharing information on resolved problems with the customer
 - Allowing customer trouble ticket creation
 - Customer access to view trouble tickets.
- The prime contractor will be expected to provide Nebraska Division of Communications (DOC) staff training and documentation on requested NOC software interfaces.

Proposals submitted should also describe the network monitoring performed by the NOC. Is monitoring accomplished up to the customer connection or does it only include monitoring of the backbone network? The software/hardware tools used to monitor the network will be identified. To what extent will monitoring information be shared with customers? Please identify what statistical or data reports on network utilization will be shared with customers.

Finally, the prime contractor is given the option to provide additional technical support or to offer additional services.

5.3.2.1 AUTOMATIC CIRCUIT TESTING

To ensure a reliable network, the State believes that it will have the capability to automatically and continuously monitor all State network connections. To this end the prime contractor will propose its method(s) of determining that access circuits are active and working in addition to the backbone network. The prime contractor should fully describe its monitoring and reporting features including copies of reports and how the operational integrity of the network will be maintained. This should include both hardware/software and personnel used. It also should include error reporting, analysis, network performance and reliability

Proposals will identify what performance criteria are guiding the designs being proposed with justification for such recommendations. In no case should any proposed performance levels be less than those being experienced on the State's existing networks. *{What are current levels}*

To ensure the greatest reliability, products with self-diagnostics capabilities should be proposed for the transport network. In general, standard, readily available hardware and software network elements will be utilized in the design and construction of the network transport.

5.3.3 FAULT MANAGEMENT

5.3.3.1 MAINTENANCE PROCEDURES

Major disruptions are defined as including inoperable portions of the core sites and backbone circuits and/or the failure of more than one remote site off a given hub/switch center. Minor disruptions include single site failures, monitoring/reporting subsystem, and/or feature problems, which do not affect system operability.

Repairs for any major disruption will be started immediately on reporting, with restoration within four hours. Repairs for a minor disruption begin within four hours *{or next business day?added}*.

In either case, repair work will continue until service has been restored unless other arrangements have been made with the State.

5.3.3.2 SEVERITY LEVELS

TBD

Prime contractors will establish a methodology for providing maintenance service (to be approved by the State) including: a 24-hour trouble desk, trouble reporting forms, trouble reporting procedures, toll free telephone numbers for voice and facsimile, e-mail addresses, maintenance organizational chart (showing supervision and key personnel), and escalation procedures. All listed personnel will include their office and home telephone numbers and office e-mail addresses.

The prime contractor will provide an explanation of the redundancy that is available as part of the proposed system and a detailed explanation or recommendation regarding the need for additional redundant, hot-standby, backup equipment for critical segments of the system proposed. The information provided will fully describe the operation of network reliability especially concerning seamless/automatic/manual transfers of equipment and/or circuits from standby to operational status.

The prime contractor will establish a formal procedure for providing maintenance service (to be approved by the State) that would include: 24-hour trouble desk, trouble reporting forms, trouble reporting procedures, toll free telephone numbers for voice and facsimile, e-mail addresses, maintenance organizational chart (showing supervision and key personnel), and escalation

procedures. All listed personnel will include their office and home telephone numbers and office e-mail addresses.

5.3.4 PERFORMANCE MANAGEMENT

The prime contractor will monitor the networking systems performance and operations to make certain the network is meeting or exceeding the performance and operational SLA requirements. The prime contractor will provide monthly reports on the traffic patterns and volumes by location and track on-going changes and upgrades. In addition the prime contractor will provide real-time network monitoring tools and measurement results to the State.

5.3.5 CONFIGURATION MANAGEMENT

The prime contractor will provide an inventory management system. The system will include configuration documentation and diagrams of the NETCOM network systems and resources including all network elements, cabling, monitoring equipment, etc and the system connectivity.

5.3.6 SECURITY MANAGEMENT

The prime contractor will provide appropriate security methodologies to control unauthorized access to the State's network. A system to report and investigate attempted and actual security intrusions will be provided.

5.3.7 ADMINISTRATIVE MANAGEMENT

5.3.7.1 OSS TRAINING

The prime contractor will be expected to provide DOC staff training and documentation on at least the following NOC software interfaces:

- Trouble ticket reporting
- System performance monitoring
- Order entry status.

5.3.7.2 SERVICE MAINTENANCE

Maintenance of all circuits and prime contractor network equipment are part of the provided services. There will be no additional charges for maintenance service.

The prime contractor will submit its service maintenance philosophy addressing specific plans for

the State's network, including the prime contractor's plant and other team, partner, and subcontractor arrangements for the maintenance/repair of the State's network. *{add Maintenance Depots, how many, where, drive time, etc...}*

5.3.8 SERVICE LEVEL AGREEMENTS

Prime contractor should anticipate that Service Level Agreements would be required and specified by the State prior to final contract consummation. For example:

- To accommodate traffic bursts, the 30-day average peak traffic should be below 30% utilization of existing capacity. Whenever the 30% mark is exceeded, capacity should be increased
- Provisioning of new service within 45 business days from receipt of service order
- Low (1-4 hour) MTTR (mean time to repair) and high MTBF (mean time before failure) criteria will be applied to all proposed products *{major, holidays, minor after hours?}*
- All existing SLA's will be re-assessed to ensure their applicability to today's state-of-the-art equipment and environments.

5.3.8.1 EXAMPLE OF FRAME RELAY SLA'S

The prime contractor will define:

- Frame Transfer Delay (FTD) by Frame Size
- Frame Delivery Ratio (FDR)
- Data Delivery Ratio (DDR)
- Service Availability (classify outages as fault outages, or excluded outages, and FRMTTR)

Each SLA requires that the following be defined as in FRF.13 Edge-to-Edge (Ingress to egress)

- Measurement Domain and applicable reference points
- The connections being measured
- Measurement frequency (daily, weekly, monthly)
- Measurement Granularity (per-VC, per-port, per-customer network)
- Measurement mechanism for FTD, FDR, DDR and Service Availability
- Aggregation method

The prime contractor will identify the policies, network management system used to isolate and correct faults and the reporting system utilized to both the prime contractor and the State.

5.4 PROJECT MANAGEMENT

The State of Nebraska acknowledges that project management and implementation procedures will require alignment and adjustment of work processes for both the prime contractor's organizations and the State/user organizations. This initial alignment will be part of the contract negotiation, however the prime contractor will respond to this RFP assuming the following responsibilities as defined in section 5.4.1 and 5.4.2. The prime contractor also will describe any standard processes it already has developed for other client projects of similar scope, which may be applied to the requirements of this RFP.

5.4.1 STATE/USER GENERAL RESPONSIBILITIES

The State of Nebraska management staff will:

- Provide overall project direction and management
- Review and approve all project plans and deliverables
- Ensure that technical assistance and support are provided during the prime contractor's implementation phases and ongoing upgrade design of this project
- Establish project management guidelines by meeting with the prime contractor's project management team to finalize and document areas of responsibility, personnel reporting relationships and administrative procedures
- Establish evaluation mechanisms by setting up procedures for day-to-day control of the project
- Review and approve all project specific documentation standards and requirements for the various types of reports, technical/procedural documentation, and management materials that will be produced during the project; coordinate other resources as need to support the NETCOM implementation process
- Provide on-site assistance on an as needed basis during the implementation phases of the project.

The State of Nebraska management staff will assist the prime contractor in identifying eligible participants in the network, as well as setting out guidelines with the prime contractor on how services will be ordered, moved, added to or changed.

5.4.2 PRIME CONTRACTOR RESPONSIBILITIES

5.4.2.1 TECHNICAL PROPOSAL

The prime contractor will maintain a project management office in Lincoln, NE during the design and cutover phases of this project. This office will be responsible for administrative functions, project design/development, and initial installation. Once the initial cutover is complete and the

network is fully operational and accepted, a local project management office is not required. At that point, daily business activities, except for maintenance and help desk, may be supported remotely through the prime contractor's present facilities, to be identified by the prime contractor. The prime contractor will maintain toll free lines for voice and facsimile from the State to remote operational facilities for order entry and after hours help desk access. Installation and maintenance may be subcontracted to one or more third parties to adequately cover the State and to provide for rapid response in the event of a service disruption. The prime contractor will provide information regarding intent to maintain its facilities after project implementation has been completed.

The prime contractor will furnish with proposal technical information, graphs, charts, maps, photographs, block diagrams, operating manuals, and other information that will clearly show that the network concept offered is in full compliance with the minimum requirements of this RFP. In the event that the documentation furnished is at variance with the requirements of this RFP, the prime contractor will explain in detail, with full engineering support data, the reasons why the proposed network concept meets the RFP requirements and should not be considered an exception. All assumptions will be clearly documented.

5.4.2.2 NETWORK DIAGRAMS

The technical proposal will include detailed network diagrams and drawings that clearly illustrate the network configuration and the functional relationship of the various levels of network equipment and the end users. These diagrams and drawings will show, at a minimum, a block schematic at each distribution/interconnection point. [CoNAP, CoreNAP] i.e. FR/ATM switch

5.4.2.3 EQUIPMENT DESCRIPTION

The prime contractor will also provide basic technical specifications for each item of equipment included in the proposal. The information to be provided may be in the form of published specification sheets or other illustrative literature.

5.4.3 IMPLEMENTATION PLAN

The prime contractor will define the quality assurance of this project's work. The proposal will demonstrate the prime contractor's understanding of their responsibility for quality and define a comprehensive set of reasonable and effective practices for fulfilling those responsibilities. The prime contractor will submit to the State of Nebraska an implementation plan for the deployment of the services described in this RFP, along with a plan for implementation of pricing mechanisms of this contract.

5.4.4 ACCEPTANCE

The prime contractor will describe their plans and approach for accomplishing the work and in enough detail to enable the State to ascertain the prime contractor's understanding of the effort to be accomplished. The State and the prime contractor will establish, as part of the contract negotiations, specific times to meet and discuss the project's status and acceptance of specifications.

The prime contractor will indicate or identify any risks or constraints that might affect project schedules and any suggestions for minimizing such risks.

5.4.5 COST

The ultimate goal for the State network is to have broadband/narrowband access available anywhere in the State. The prime contractor will clearly identify what is "bundled" with each offered service and be specific on what is not included. Bid proposals should address the impact normal growth, as well as planned and unplanned network expansion, will have under the rate plan recommended.

5.4.5.1 POSTALIZED RATES

The State prefers "postalized" rates or rate averaging for government and education to equalize costs between high-density, technically developed urban areas and low-density, less technically developed rural areas. A postalized rate structure charges the same rates for the same services statewide, regardless of serving distance and/or geographical area.

The State will consider alternative multi-tiered rate structure approaches. The prime contractor will understand that in the evaluation process, the alternative multi-tiered rate structure is less desirable, and therefore will receive fewer points than the postalized rate requested.

5.4.5.2 NETWORK EQUIPMENT AND HARDWARE COSTS

Although not to be provided a part of the itemized list, the prime contractor will provide these items as part of its overall design. Network equipment and hardware should be part of and included in the itemized transport circuit costs. Circuit cost will be a bundled cost including hardware. The State or end user may provide all CPE, in which case the State or end user may request collocation in the prime contractor or subcontractor's facilities.

5.4.5.3 INSTALLATION COSTS

A cost model has been provided with an entry place for a one-time installation/set-up cost. This cost for the circuit installation will include all one time costs associated with terminating to the demarcation point. The transport provider may be required to extend a circuit to another location on the customer premises. Include the fee schedule for extending a circuit.

5.4.5.4 SOFTWARE, WARRANTY, AND MAINTENANCE COSTS

Include overall itemized circuit costs associated with the software, warranty, or maintenance of the provided circuits.

Software includes any initial or upgraded software required by each item of equipment proposed for the network to perform as a fully functional, integrated part of the prime contractor's proposed network. The software costs will include:

- Initial purchase and installation costs
- Use and licensing fees
- Software maintenance costs
- All other costs relative to the network's acquiring and using the software for the life of the network.
- Costs and procedures related to the transfer of the software from damaged or out of service equipment to new equipment and the reprogramming of the software to place equipment spares into service and to meet the changing needs of the network

5.4.5.5 ACCESS AND BACKBONE CIRCUIT COSTS

The prime contractor will provide a monthly all-inclusive cost for access and backbone. The costs for a bundled circuit will include all ancillary costs as described above. Costs associated with additional features such as additional virtual circuits (VC's) or Committed Bit Rate (CBR) will be noted.

TERMS and DEFINITIONS**(NOT COMPLETE)**

ANSI American National Standards Institute

ATM Asynchronous Transfer Mode

BER Bit Error Rate

Prime contractor(s) Any legal entity(ies) or company(ies) that have submitted a proposal for this RFP

CCITT International Telegraph and Telephone Consultative Committee

CoNAP County Network Access Point

CoreNAP Core Network Access Point

Contractor Successful prime contractor who is awarded a contract

CPE Customer provided equipment

DACS Digital Access Crossconnect System

dB decibel

Demarc Demarcation point between the provider's network the end point CPE

DS-1 See T1

DS-3 See T3

DSL Digital Subscriber Line

DSU/CSU Data Service Unit/Channel Service Unit

EIA	Electronic Industries Association
FCC	Federal Communications Commission
FR	Frame Relay
FT1	Fractional T1
IEEE	Institute of Electrical and Electronic Engineers
IP	Internet Protocol
ISO	International Standards Organization
ITU	International Telecommunications Union
Kbps	Kilobits per second
LAN	Local Area Network
LEC	Local Exchange Carrier
Mbps	Megabits per second
MCU	Multipoint Control Unit
MCS	Multipoint Conferencing Server
MHz	Megahertz
MTBF	Mean Time Before Failure
MTTR	Mean Time to Repair
NAP	Network Access Point
NOC	Network Operation Center
NTP	Notice to Proceed

Draft 4/6/01 TINA Team/FE Version 15
PER Packet Error Rate

POP Point of Presence

PSC Public Service Commission (of Nebraska)

QoS Quality of Service

RFP Request for Proposals

SLA Service Level Agreement

SONET Synchronous Optical Network

SPOC Single Point of Contact

State State of Nebraska, Division of Communications and major participants

T1 Circuit with 1.544 Mbps transmission rate

T3 Circuit with 44.736 Mbps transmission rate

TCP/IP Transmission Control Protocol/Internet Protocol

TIA Telecommunications Industry Association

Vendor(s) Legal entity(s) or company(s) expecting to submit a proposal for this RFP

WAN Wide Area Network, for this RFP the statewide Network

TERMS AND CONDITIONS

6. TERMS AND CONDITIONS

The terms and conditions stated herein are in addition to those stated in the “Standard Conditions and Terms of Contractual Services and Leasing Solicitation and Offer” form and apply in like force to this Request for Proposal and any contract resulting therefrom. The contractor’s signature on the “Request for Proposal for Contractual Services” form is a guarantee of compliance with the provisions stated in this Request for Proposal.

6.1 GENERAL

The contract resulting from this Request for Proposal shall incorporate the following documents:

1. The signed Request for Proposal form;
2. Any Request for Proposal Addenda, (Questions and Answers);
3. The Contractor’s Proposal;
4. Contract Award; and
5. Any Contract Amendments, in order of significance.

Once proposals are opened they become the property of the State of Nebraska and will not be returned. This Request for Proposal does not commit the State to award a contract. The State reserves the right to reject all proposals, and at its discretion, may withdraw or amend this Request for Proposal at any time. If, in the opinion of the State, revisions or amendments will require substantive changes in proposals, the due date may be extended. By submitting a proposal in response to this Request for Proposal, the contractor grants to the State the right to contact or arrange a visit in person with any or all of the contractor’s or subcontractor’s clients.

Contractors will be notified, in writing, once an award decision has been determined. Grievance and protest procedures are available by contacting Ruth Gray. The contractor must file all protests within ten (10) calendar days after the decision is made to award.

6.2 COMPLIANCE WITH CIVIL RIGHTS LAWS AND EQUAL OPPORTUNITY EMPLOYMENT

The contractor must assure the State that it shall comply with the Nebraska Fair Employment Practice Act and Title VI of the Civil Rights Act of 1964, as amended so that no person shall, on the grounds of age, creed, sex, physical handicap, race or national origin be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under this contract or under any project, program or activity supported by this contract.

The Federal Rehabilitation Act of 1973, as amended, the Americans With Disabilities Act of 1990 (P.L. 101-336), as amended, Section 5043 of the Rehabilitation Act of 1973, as amended, the Age Discrimination Act of 1975, as amended, and the Nebraska Fair Employment Act, as amended are incorporated herein.

The contractor further agrees to include similar provisions in all subcontracts for services allowed in connection with this contract.

6.3 CLEAN AIR AND WATER ACTS

The contractor shall comply with all applicable standards, orders and requirements issued pursuant to Section 306 of the Clean Air Act (42 U.S.C. 1857(H)), Section 508 of the Clean Water Act (33 U.S.C. 1368), Executive Order 11738, Environmental Protection Agency regulations (40 CFR Part 15) and applicable requirements of OMB Circular A-102.

6.4 OWNERSHIP OF INFORMATION AND DATA

The State of Nebraska shall have the unlimited right to publish, duplicate, use and disclose all information and data developed or derived by the contractor pursuant to this contract.

The contractor must guarantee that it has the full legal right of materials, supplies, and equipment necessary to execute this contract. The contract price shall without exception, include compensation for all royalties and costs arising from patents, trademarks and copyrights that are in any way involved in the contract. It shall be the responsibility of the contractor to pay for all royalties and costs, and the State must be held harmless from any claims.

6.5 PERMITS AND REGULATIONS

The contractor shall procure and pay for all permits, licenses and approvals necessary for the execution of the contract. The contractor shall comply with all laws, ordinances, rules, orders and regulations related to the performance of the contract.

6.6 COOPERATION WITH OTHER CONTRACTORS

The State may award supplemental contracts for work related to this Request for Proposal or any portion thereof. The State reserves the right to award the contract as a joint venture between two or more potential contractors, if such an arrangement is in the best interest of the State. The contractor shall agree to cooperate with such other contractors, and shall not commit or permit any act that may interfere with the performance of work by any other contractor.

6.7 INDEPENDENT CONTRACTOR

It is agreed that nothing contained herein is intended or should be construed in any manner as creating or establishing the relationship of partners between the parties hereto. The contractor represents that it has, or will secure at its own expense, all personnel required to perform the services under this agreement. The contractor or other persons engaged in work or services required by the contractor under this agreement shall have no contractual relationship with the State; they shall not be considered employees of the State.

All claims on behalf of any person arising out of employment or alleged employment (including without limit claims of discrimination against the contractor, its officers or its agents) shall in no way be the responsibility of the State. The contractor will hold the State harmless from any and all such claims. Such personnel or other persons shall not require nor be entitled to any compensation, rights or benefits from the State including without limit, tenure rights, medical and hospital care, sick and vacation leave, severance pay and retirement benefits.

6.8 CONTRACTOR RESPONSIBILITY

The contractor is solely responsible for fulfilling the contract, with responsibility for all services offered and products to be delivered as stated in its proposal. The contractor shall be the sole point of contact regarding all contractual matters.

If the contractor intends to utilize any subcontractors' services, the subcontractors' level of effort, tasks and time allocation must be clearly defined in the contractor's proposal. The contractor shall agree that it will not utilize any subcontractors not specifically included in its proposal, in the performance of the contract without the prior written authorization of the State.

6.9 CONTRACTOR PERSONNEL

The contractor shall warrant that all persons assigned to the project shall be employees of the contractor or specified subcontractors, and shall be fully qualified to perform the work required herein. Personnel employed by the contractor to fulfill the terms of this contract shall remain under the sole direction and control of the contractor. The contractor shall include a similar provision in any contract with any subcontractor selected to perform work on the project. Personnel commitments made in the contractor's proposal shall not be changed without the prior written approval of the State. Replacement of key personnel, if approved by the State, shall be with personnel of equal or greater ability and qualifications.

The State reserves the right to require the contractor to reassign or remove from the project any contractor or subcontractor employee.

In respect to its employees, the contractor agrees to be responsible for the following:

1. Any and all employment taxes and/or other payroll withholding;

2. Any and all vehicles used by the contractor's employees, including all insurance required by state law;
3. Damages incurred by contractor's employees within the scope of their duties under this contract;
4. Maintaining workers' compensation and health insurance to the extent required by governing state law. Evidence of workers' compensation coverage must be submitted annually to the State; and
5. Determination of the hours to be worked and the duties to be performed by the contractor's employees.

Notice of cancellation of any approved insurance policy must be submitted to the State when issued and a new coverage binder shall be submitted immediately to ensure no break in coverage.

The contractor and its employees agree that there is no right of subrogation, contribution or indemnification against the State for any duty owed by the contractor or any judgment rendered against the contractor.

The contractor understands that the State is liable for its own actions only to the extent that there is a judgment under the State Tort Claims Act or Nebraska Workers' Compensation Act. The State does not assume liability for the actions of its contractors. The contractor agrees that it has no right to indemnification or contribution from the State for any judgments rendered against the contractor or the subcontractor.

6.10 STATE OF NEBRASKA PERSONNEL RECRUITMENT PROHIBITION

The contractor shall not knowingly recruit or employ any State professional or technical personnel who has worked on the project, or who has had any influence on decisions affecting the project for two years following the completion of the services provided pursuant to the contract.

6.11 CONFLICT OF INTEREST

Prior to award of any contract, the contractor shall certify in writing, if requested by the State, that no relationship exists between the contractor and the procuring or contracting agency that interferes with fair competition or is a conflict of interest, and no relationship exists between the contractor and another person or organization that constitutes a conflict of interest with respect to a state contract. No official or employee of the State who exercises any functions or responsibilities in the review or approval of the undertaking or carrying out of the project shall, prior to the completion of the project, voluntarily acquire any personal interest, either directly or indirectly, in this contract or proposed contract.

The contractor shall provide assurances that it presently has no interest and shall not acquire any interest, either directly or indirectly, which will conflict in any manner or

degree with the performance of its services hereunder. The contractor shall also provide assurances that no person having any such known interests shall be employed during the performance of this contract.

6.12 PROPOSAL PREPARATION COSTS

As stated in Section 2.9, the State shall not incur any liability for any costs incurred by contractors in replying to this Request for Proposal or in the demonstrations and oral presentations.

6.13 ERRORS AND OMISSIONS

The contractor shall not take advantage of any errors and/or omissions in this Request for Proposal and contract. The contractor must promptly notify the State of any errors and/or omissions that are discovered.

6.14 BEGINNING OF WORK

The contractor shall not commence any billable work until a valid contract has been fully executed by the State and the successful contractor. The contractor will be notified in writing when work may begin.

6.15 ASSIGNMENT BY THE STATE

The rights of the State under this contract shall be assignable to any other agency of the State with prior notice to and the consent of the contractor. The contractor shall not unreasonably withhold its consent.

6.16 ASSIGNMENT BY THE CONTRACTOR

The contractor shall not assign or transfer any interest in the contract without the prior written consent of the State.

6.17 DEVIATIONS FROM THE CONTRACT

The requirements contained in the Request for Proposal are a part of the terms and conditions of this contract. Any deviations from the Request for Proposal must be clearly defined by the contractor in its proposal, and if accepted by the State, will become part of the contract. Any specifically defined deviations must not be in conflict with the basic nature of the Request for Proposal or mandatory requirements.

The contractor will clearly identify any exceptions to the terms and conditions in the proposal. The contractor's exceptions will be explicitly identified by section number, and will include an explanation as to why the contractor has the exception, and a statement identifying what terms and conditions the contractor would find to be acceptable. Any term or condition not explicitly listed as an exception by the contractor will be considered

acceptable by the contractor. If no exceptions to the terms and conditions are explicitly identified in the contractor's response, all terms and conditions included in this RFP are considered acceptable to the contractor.

6.18 GOVERNING LAW

The contract shall be governed in all respects by the laws and statutes of the State of Nebraska. Any legal proceedings against the State regarding this Request for Proposal or any resultant contract shall be brought in the State administrative or judicial forums. The contractor must be in compliance with all Nebraska statutory and regulatory law.

6.19 ATTORNEY'S FEES

In the event of any litigation, appeal or other legal action to enforce any provision of the contract, the contractor agrees to pay all expenses of such action, including attorney's fees and costs, at all stages of said litigation as set by the hearing officer or court if the State is the prevailing party.

6.20 ADVERTISING

The contractor agrees not to refer to the contract award in commercial advertising in such a manner as to state or imply that the company or its services are endorsed or preferred by the State. News releases pertaining to the project shall not be issued without prior written approval from the State.

6.21 STATE PROPERTY

The contractor shall be responsible for the proper care and custody of any State-owned property that is furnished for the contractor's use during the performance of the contract. The contractor shall reimburse the State for any loss or damage of such property, normal wear and tear excepted.

6.22 SITE RULES AND REGULATIONS

The contractor shall use its best efforts to ensure that its employees, agents and subcontractors comply with site rules and regulations while on State premises.

6.23 NOTIFICATION

After the award of the contract, all notices under the contract shall be deemed duly given upon delivery in person or upon delivery by Certified Mail, Return Receipt Requested. The contractor shall provide in its proposal the name, title and complete address of the contractor's designee to receive notices.

Either party may change its address for notification purposes by giving notice of the change, and setting forth the new address and an effective date.

6.24 EARLY TERMINATION

The State may terminate the Contract, in whole or in part, for default or the lack of available funding. The State of Nebraska's obligation to pay amounts due for fiscal years following the next fiscal year are contingent upon legislative appropriation of funds for this Contract. Should said funds not be appropriated, the State of Nebraska may terminate this Contract with respect to those payments for succeeding fiscal years for which such funds are not appropriated. The State will give the Contractor written notice thirty (30) days prior to the effective date of any termination, and advise the Contractor of the location (address and room number) of any related equipment. All obligations of the State of Nebraska to make payments after the termination date will cease and all interest of the State of Nebraska in any related equipment will terminate. In no event shall the Contractor be paid for a loss of anticipated profit.

6.26 DEFAULT BY CONTRACTOR

The State may terminate the contract, in whole or in part, if the contractor fails to perform its obligations under this contract in a timely and proper manner. The State may, by providing a written notice of default to the contractor, allow the contractor to cure a failure or breach of contract within a period of thirty (30) days (or longer at State's discretion considering the gravity and nature of the default). Said notice shall be delivered by Certified Mail, Return Receipt Requested or in person with proof of delivery. Allowing the contractor time to cure a failure or breach of contract does not waive the State's right to immediately terminate the contract for the same or different contract breach which may occur at a different time.

6.27 ASSURANCES BEFORE BREACH

If any document or deliverable required pursuant to the contract does not fulfill the requirements of the Request for Proposal, the contractor shall deliver assurances in the form of additional contractor resources at no additional cost to the project in order to complete the deliverable, and to ensure that other project schedules will not be adversely affected..

6.28 PENALTY/LIQUIDATED DAMAGES

In the event that the contractor fails to perform any substantial obligation under this contract, the State may withhold all monies due and payable to the contractor, without penalty, until such failure is cured or otherwise adjudicated.

6.29 PERFORMANCE BOND

Not applicable for this RFP.

6.30 FORCE MAJEURE

The contractor shall not be liable for any excess cost to the State if a failure to perform the contract arises from causes beyond the control and without the fault or negligence of the contractor. Such causes may include, but are not limited to, acts of God, fire, strikes, epidemics and quarantine restriction. The contractor shall take all possible steps to recover from such occurrences and inform the State of status.

6.31 PROHIBITION AGAINST ADVANCE PAYMENT

No compensation or payments of any kind will be made in advance of services actually performed and/or goods furnished.

6.32 PAYMENT

The State hereby agrees, in consideration of the covenants and agreements specified to be kept and performed by the contractor to pay to the contractor when the terms and conditions of the contract and specifications have been fully completed and fulfilled on the part of the contractor to the satisfaction of the State, the sum of the individual order amount. Payment will be made by the responsible agency in conjunction with the State of Nebraska Prompt Payment Act 81-2401 through 2408.

6.33 INVOICES

Invoices for payments must be submitted by the contractor to the agency requesting the services.

6.34 METHOD OF CHARGING

The Contractor shall maintain documentation of all charges against the State pursuant to the Contract. All contractor books, records and documents relating to work performed or monies received under this contract shall be subject to audit at any reasonable time upon the provision of reasonable notice by the State. These records shall be maintained for a period of five (5) full years from the date of final payment, or until all issues related to an audit, litigation or other actions are resolved. All records shall be maintained in accordance with generally accepted accounting principles.

6.35 AUDIT REQUIREMENTS

In addition to, and in no way in limitation of the obligation of the contract, the contractor shall agree that it will be held liable for any State audit exceptions, and shall return to the State all payments made under the contract for which an exception has been taken or which has been disallowed because of such an exception.

The contractor agrees to correct immediately any material weakness or condition reported to the state in the course of an audit.

6.36 TAXES

The State is not required to pay taxes of any kind and assumes no liability as a result of this solicitation. Any property tax payable on the contractor's equipment that may be installed in a State-owned facility is the responsibility of the contractor.

6.37 INSPECTION AND APPROVAL

Final inspection and approval of all work required under the contract shall be performed by the designated State officials. The State and/or its authorized representatives shall have the right to enter any premises where contractor or subcontractor duties under the contract are being performed, and to inspect, monitor or otherwise evaluate the work being performed. All inspections and evaluations shall be at reasonable times and in a manner that will not unreasonably delay work.

6.38 CHANGES IN SCOPE/CHANGE ORDERS

The State may at any time with written notice to the contractor, make changes within the general scope of the contract. Changes in scope shall only be conducted with the written approval of the State's project Director. (The State retains the right to employ the services of a third party to perform any change order(s)).

As soon as possible, but no more than ten (10) work days (or another mutually agreed upon time period for large scope change orders) after receiving the written change order, the contractor shall provide a written response that shall include a statement as to whether or not the change has an associated cost or schedule impact. If the change order has an associated cost or schedule impact, the statement shall include the price increase or credit, and the specific impact on the schedule. Any statement of price increase shall be accompanied by sufficient documentation that shows the estimated increase is based solely on the change order rates included in the contractor's Cost Proposal, an allowance was considered for any increase or decrease in the cost of the contractor's performance of the remainder of the contract, and an allowance was considered for any economies to the contractor resulting from the duplication or overlapping of similar work which has been or will be performed under the contract. The cost of analyzing the change order shall be separately identified from the cost associated with the implementation of the change order.

The State's project Director and the contractor shall determine in a timely manner as to the time, manner, price increase or decrease, and schedule of any change orders. Corrections of any deliverable services or performance of work required pursuant to the contract shall not be deemed a modification requiring a change order.

6.39 HOLD HARMLESS

The contractor agrees to hold the State harmless for all loss or damage sustained by any person as a direct result of the negligent or willful acts by the contractor, its employees or agents in the performance of this agreement including all associated costs of defending any action.

6.40 CONFIDENTIALITY

All materials and information provided by the State or acquired by the contractor on behalf of the State shall be regarded as confidential information in accordance with Federal and State Law, and ethical standards. The contractor must ensure the confidentiality of such materials or information.

6.41 SEVERABILITY

If any term or condition of the contract is declared by a court of competent jurisdiction to be illegal or in conflict with any law, the validity of the remaining terms and conditions shall not be affected, and the rights and obligations of the parties shall be construed and enforced as if the contract did not contain the particular provision held to be invalid.

6.42 PROPRIETARY INFORMATION

Data contained in the proposal and all documentation provided therein, become the property of the State of Nebraska and the data becomes public information upon opening the proposal. Proprietary information must be submitted in separate package and clearly marked. Proprietary information is defined in statute (see Nebraska State Statute 84-712, et cetera).

6.43 CERTIFICATION OF INDEPENDENT PRICE DETERMINATION

1. By submission of this proposal, the contractor certifies, and in the case of a joint proposal, each party thereto certified as to its own organization, that in connection with this procurement:
 - a) The prices in this proposal have been arrived at independently, without consultation, communication, or agreement, for the purpose of restricting competition, as to any matter relating to such prices with any other contractor or with any competitor;
 - b) Unless otherwise required by law, the prices which have been quoted in this proposal have not been knowingly disclosed by the contractor and will not knowingly be disclosed by the contractor prior to opening in the case of an advertised procurement or prior to award; and
 - c) No attempt has been made or will be made by the contractor to induce any other person or firm to submit or not to submit a proposal for the purpose of restricting competition.

2. Each person signing this proposal certifies that:

He/she is the person in the contractor's organization responsible within that organization for the decision as to the prices being offered herein and that he/she has not participated, and will not participate, in any action contrary to 1.a through 1.c above;

OR

He/she is not the person in the contractor's organization responsible within that organization for the decision as to the prices being offered herein, but that he/she has been authorized in writing to act as agent for the persons responsible for such decision in certifying that such persons have not participated, and will not participate in any action contrary to 1.a through 1.c above, and as their agent does hereby so certify; and he/she has not participated, and will not participate, in any action contrary to 1.a through 1.c above.

6.44 PRICES

All prices, costs, terms and conditions outlined in the proposal shall remain fixed and valid commencing on the opening date of the proposed until the award of the contract. Contractor represents and warrants that any or all prices for services, now or subsequently specified are as low as and no higher than prices which contractor has charged or intends to charge customers other than the State for the same or similar products and services of the same or equivalent quantity and quality for delivery or performance during the same periods of time. If during the term of this contract, contractor shall reduce any or all prices charged to any or all customers other than the State for the same or similar products or services specified herein, contractor shall make an equal or equivalent reduction in corresponding prices for said specified products or services.

Contractor also represents and warrants that all prices set forth in this contract and all prices in addition, which contractor may charge under the terms of this contract, do not and will not violate any existing federal, state or municipal law or regulations concerning price discrimination and/or price fixing.

Contractor agrees to hold the State harmless from any such violation now and throughout the term of this agreement. Prices quoted shall not be subject to increase throughout the contract period unless specifically allowed by these specifications.

6.45 BEST AND FINAL OFFER

The State reserves the right to conduct discussions with any or all respondents to this request for the purpose of clarification and modification. Discussion and negotiation may include, but is not limited to, the scope of work, schedule, and price.

6.46 ETHICS IN PUBLIC CONTRACTING

No contractor shall pay, offer to pay, either directly or indirectly any fee, commission compensation, gift, gratuity, or other thing of value to any State officer, legislator or

employee. Contractor shall be prohibited from utilizing the services of lobbyists, attorneys, political activists, or consultants to secure this contract.

If the contractor is found to be in non-compliance with this provision of the RFP, they will forfeit the contract if awarded to them or be disqualified from the selection process.

6.47 FUNDING OUT CLAUSE OR LOSS OF APPROPRIATIONS

The State may terminate the contract, in whole or in part, in the event funding is no longer available. The State's obligation to pay amounts due for fiscal years following the next fiscal year are contingent upon legislative appropriation of funds for this contract. Should said funds not be appropriated, the State may terminate this contract with respect to those payments for succeeding fiscal years for which such funds are not appropriated. The State will give the contractor written notice thirty (30) days prior to the effective date of any termination, and advise the contractor of the location (address and room number) of any related equipment. All obligations of the State to make payments after the termination date will cease and all interest of the State in any related equipment will terminate. The contractor shall be entitled to receive just and equitable compensation for any authorized work that has been satisfactorily completed as of the termination date. In no event shall the contractor be paid for a loss of anticipated profit.

6.48 RFP FORM