



State of South Carolina

Request for Proposal Amendment -2

Solicitation : 03-S5765
 Run Date : 05/08/2003 04:52 PM
 Issue Date : 05/08/2003
 Buyer : Sam Hanvey, CPPB
 Phone : (803) 896-5235

* Deliver all items to: B&CB - DIV OF THE STATE CIO
 4430 BROAD RIVER ROAD
 COLUMBIA, SC 29210 -

Requested Delivery Date: 30 Days ARO Bidder's Best Delivery: _____ days After Receipt of Order (ARO)
 Bidder's Discount Terms: _____ % _____ Days.

Return Bid No Later Than...(Opening Date/Time): 05/27/2003 02:30 pm Posting Date: 06/13/2003

Posting Location: www.cio.state.sc.us/awards.htm

Return Bid To: Office of the State CIO
 4430 Broad River Road
 Columbia, South Carolina 29210

Express/Hand-Carry To: Office of the State CIO
 4430 Broad River Road
 Columbia, South Carolina 29210

Description: State Term Contract for H.323 Video Services

Maximum Contract Period: July 1, 2003 through June 30, 2008

MUST BE SIGNED TO BE VALID

By signing this bid. I certify that we will comply with all requirements of Section 44-107-10, ET Seq., relating to the S.C. Drug-Free Workplace Act.

*** Solicitation Number and Opening Date must be shown on sealed envelope ***

Solicitation and Amendments will be posted at our website address <http://cio.state.sc.us/bids.htm>

Award will be posted at our website address: <http://cio.state.sc.us/awards.htm>

AUTHORIZED SIGNATURE		PRINTED NAME		DATE
COMPANY			STATE VENDOR NO. (IF KNOWN)	
MAILING ADDRESS			SOCIAL SECURITY OR FEDERAL TAX NO.	
CITY	STATE	ZIP CODE		PHONE
EMAIL ADDRESS: (Please Provide)				CONTRACT NO.
ACCEPTED BY STATE OF SOUTH CAROLINA AS FOLLOWS:				
BUYER				DATE

ACKNOWLEDGE RECEIPT OF THIS AMENDMENT PRIOR TO DATE AND TIME SPECIFIED IN THE SOLICITATION, OR AS AMENDED, BY ONE OF THE FOLLOWING METHODS: (A) BY SIGNING AND RETURNING ONE COPY OF THIS AMENDMENT WITH YOUR BID; (B) BY ACKNOWLEDGING RECEIPT OF THIS AMENDMENT ON EACH COPY OF THE OFFER SUBMITTED; OR (C) BY SEPARATE LETTER OR TELE-GRAM WHICH INCLUDES A REFERENCE TO THE SOLICITATION AND AMENDMENT NUMBER(S). FAILURE OF YOUR ACKNOWLEDGEMENT TO BE RECEIVED AT THE ISSUING OFFICE PRIOR TO DATE AND TIME SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER. IF, BY VIRTUE OF THIS AMENDMENT YOU DESIRE TO CHANGE AN OFFER ALREADY SUBMITTED, SUCH CHANGE MAY BE MADE BY LETTER OR TELEGRAM, PROVIDED SUCH LETTER OR TELEGRAM MAKES REFERENCE TO THE SOLICITATION AND THIS AMENDMENT AND IS RECEIVED PRIOR TO DATE AND TIME SPECIFIED.

Attached are the answers to the questions submitted pursuant the schedule set forth in the Schedule of Key Events. The opening date has been extended.

This clause is hereby added to the special contractual condition's section.

UNIVERSAL SERVICE FUND

The CONTRACTOR warrants that it is qualified under applicable Federal Communications Commission and South Carolina Public Service Commission rules to apply for and receive Universal Service Fund allocations/disbursements for services provided pursuant to this contract to agencies and entities which are eligible for those allocations/disbursements on behalf, and for the benefit, of those agencies and institutions. The CONTRACTOR also agrees to maintain those qualifications, and to assist agencies and entities in applying for and receiving these allocations/disbursements and applying these to any billing which the agency would receive from the CONTRACTOR for services. CONTRACTOR is to provide in detail, the means by which USF contributions will be applied to services obtained from the CONTRACTOR.

03-S5765
Amendment No. 2

The following questions were submitted pertaining to this solicitation, pursuant to the requirements listed in the Schedule of Key Events.

Questions received from BellSouth

Question 1: Page 24, Section 2.1 in the bullet points at the bottom of the page: Since there are no transport services requested with this Request for Proposal, and the gatekeeper is a network transport element, please describe your requirements for gatekeeper functionality and the location of the gatekeepers you are referring to in this section (provider's network versus SCINET).

States Response:

Gatekeeper functionality is expected to be provided by the successful proposer and accessible from SCINET.

Question 2: Please define "management of H.323 end point devices," and "totally managed videoconferencing including the local endpoint hardware devices as stated on pages 24 and 29 of the RFP. Specifically...what management services are needed? Also, is maintenance and repair of the end point devices a requirement of this RFP for the service provider?"

States Response:

The provider should provide an optional service for a specified fee to assume responsibility for troubleshooting and resolution of all connection issues related to successfully participating in multipoint conferences that utilize the providers bridging service. The provider will be expected to identify, isolate, and address endpoint hardware, firewall, and LAN connectivity issues that may affect successful participation in multipoint conferences. Maintenance and repair of endpoint devices is not required, but rather a technical consultative role to isolate problems.

Question 3: Page 25 of the RFP – Second Paragraph involving the SC DHEC Overview – Did your organization include an Exhibit 1 as part of this document?

States Response:

Reference to Exhibit 1 is deleted.

Question 4: Page 27 –Section 2.2.1.1 Network Connectivity and Access – First Paragraph – can you provide some additional information involving the QOS (Quality of Service) for all possible components including your routers, local area network, and wide area network. What QOS is specified for the wiring and terminating equipment?

States Response:

**No current Layer 1 QoS standards
Layer 2 Standard is COS
Layer 3 standard is DSCP**

Question 5: A possible network configuration would involve a router between the H.323 MCU and the network (SCINET). What level of security would be requested by the State of South Carolina for this arrangement?

States Response:

Define your proposed “level of security” in your response to the State.

Question 6: Page 27 – Section 2.2.1.1 Network Connectivity and Access – Second Paragraph – would the State of South Carolina consider a DS3 ATM level connectivity at one of three sites mentions in this section provided this transport will accommodate the video conferencing requirements.

States Response:

The state prefers ethernet (100 Mbps or Gibabit) because of the reduced cost of the physical interface on the State’s equipment. We can support ATM DS3 but it will require additional investment by the State. You can propose ATM DS3 connectivity.

Question 7: Page 29 – Section 2.4 – Bridged Service – First Paragraph. Please define the term “on demand” in this section

States Response:

This relates to conferences that due to time constraints were not scheduled through a reservation system, but need to be accommodated on short notice.

Question 8: Page 29 – Section 2.4 in the Second Paragraph: “Requirements in the near term include at a minimum a dedicated 17-port MCU for the Technical College System...”. By literal definition the word “dedicated” specifies that the “17-port MCU” be set apart for the specific and sole use of the State Technical College System. Is the requirement stated here that the winning offeror provide MCU resources that are set apart for the specific and sole use of the State Technical College System such that no other user will ever use those same 17 ports or is this text simply providing a guideline for the “near term” maximum size of conferences for which the State Technical College requires support? If dedicated ports are required, and the count is greater than the 17 specifically noted, please provide the total quantity of dedicated ports required for all customers that will be purchasing from this contract (by customer).”

States Response:

Dedicated simply refers to the need for the Technical College system to always have access to 17 available ports.

Question 9: Page 29 – Section 2.4 in the Second Paragraph: From section 2.4: “It is desirable to have the ability to monitor both active and dropped sessions from a central site...”. Does the “central site” noted in this text refer to a State of South Carolina site or the provider’s operations/customer support site?

States Response:

This refers to a State site.

Question 10: Does the new H.323 Scheduling Software need to interface with the State of South Carolina’s current H.320 Scheduling Software?

States Response:

No.

Question 11: Page 35 – Section 2.6.4 – Items a) and b): Please describe the difference between the terms “Bridged service usage” and “Managed service usage.”

States Response:

Managed means attended during the conference to provide proactive response to problems.

Question 12: Page 38 – Evaluation Criteria – How does the State of South Carolina plan to use the Business Plan (Pricing Information) in the overall evaluation of this Request for Proposal? Is pricing weighted a certain percentage, and if so, how much?

States Response:

Pricing is not weighted. The State will negotiate the final pricing with the highest ranked Offeror, as required in the South Carolina Procurement Code and Regulations section § 11-35-1530. Competitive Sealed Proposals -(8) Negotiations.

Question 13: In order for us to properly analyze your responses from these questions from us and the other companies participating with this bid process, we at BellSouth propose a two-week extension of the due date for proposals to be submitted to the State of South Carolina. Therefore, we request that the due date be changed to May 20, 2003 at 2:30 PM. We are hopeful that your organization will accept this extension request.

States Response:

Due to the complexity and importance of this RFP, the State grants a three week extension in order to allow additional time to provide a comprehensive proposal. The due date is changed to May 27, 2003 at 2:30 P.M.

Questions received from Wire One:

Question 14: The RFP references H.323 testing that the State conducted over its network. Can you elaborate on the results of that H.323 testing? Was the quality determined to be acceptable? Did you establish benchmarks for performance?

States Response:

Yes. Testing results were rated on a scale of 1-5 with 5 being excellent. Overall ratings exceeded 3.5 that were deemed acceptable, but improvement is expected.

Question 15: The RFP references an Administration Fee to be paid to the CIO's office. Can you specify what, if any, that administrative fee will be for this contract?

States Response:

The administrative fee will be a specified percentage that will be determined after the contract is awarded.

Question 16:) Would the State allow a bidder to designate a sales agent in response to this bid?

States Response:

As long as the proposer assumes responsibility for the subcontractor.

Question 17: Is the State of South Carolina IP network using public IP/TCP addressing or private IP addressing?

States Response:

Both, dependant on the agency.

Question 18: Is the State IP network peerable with a vendor network via BGP, TOS, or IP Presence routing?

States Response:

BGP is a routing protocol; The state can support BGP peering at 1426 Main Street. TOS & IP Precedence are QoS related and are also supported.

Question 19: Is it typical that State users use State network IP addressing or NAT to a private IP address of their own?

States Response:

State users generally use private IP addresses in their private network and either use PAT or NAT to access the public network.

Question 20: Is VBR-nrt (Variable Bit Rate - non-real-time) ATM PVC service available through the State network?

States Response:

This is available, but the State is not looking at ATM to provide QoS for this service.

Question 21: Is VBR-rt (Variable Bit Rate - real-time) ATM PVC service available through the State network?

States Response:

This is available, but the State is not looking at ATM to provide QoS for this service.

Question 22: Who is responsible for H.323 video performance and quality of service using the State's IP network architecture?

States Response:

Ultimately, the State is responsible for Qos over the State WAN, however, the successful proposer will be expected to work with the State for overall video performance and quality.

Question 23: In Section 2.6.5, you request a Service Level Agreement. Are you asking that the provider take responsibility for the quality of video calls over the State's backbone, or only that the provider offer a service level agreement on the H.323 management services it's offering? Is there a particular service level for which you are striving?

States Response:

The successful proposer will be responsible for the H.323 management services provided, but again, the successful proposer must work with the State to ensure the quality of video calls over the State's backbone. The State expects proactive resolution, and the proposer should provide a committed level of performance.

Question 24: Does the State own the network equipment that comprises the Metronet identified in the RFP? Is this equipment supported by the State, or is support outsourced to a vendor?

States Response:

Yes. It is supported by the State.

Questions received from Sprint:

Question 25: According to the current Schedule of Key Events, there is a very short timeframe between the receipt of answers to questions, and the proposal due date. In order for Sprint to prepare a comprehensive proposal, will the State consider extending the due date for three (3) weeks, to be due on May 27, 2003?

States Response:

Due to the complexity and importance of this RFP, the State grants a three week extension in order to allow additional time to provide a comprehensive proposal. The due date is changed to May 27, 2003 at 2:30 P.M.

Question 26: Contractual Obligations Section - Administrative Fee – What is the amount of the Administrative Fee that is to be assessed by the State? Sprint requests that this Administrative Fee be a set amount per month, that will not fluctuate.

States Response:

The administrative fee will be a specified percentage that will be determined after the contract is awarded. This fee may be adjusted during the term of the contract but will not fluctuate on a monthly basis.

Question 27: Contractual Obligations Section – Force Majeure – Sprint requests that in the 7th line, the words “or contractual” be deleted. Also in the last paragraph, please delete the last 2 lines, and substitute “pursuant to the termination for convenience provision herein.”

States Response: Request Denied

Question 28: Contractual Obligations Section – Taxes – In line 2, after the word “products”, please insert the words “or services”.

States Response: There are no taxes on services

Question 29: Contractual Obligations Section – Uniform Commercial Code – After the word “Code”, please insert the words “not inconsistent with the express terms of this agreement”.

States Response: Request denied

Question 30: Contractual Obligations Section – Records Retention & Right to Audit – Please insert the following at the start of the 1st sentence, “To the extent this contract does not require the delivery of “commercial off the shelf” goods and services,” .

States Response: Request Denied

Question 31: Contractual Obligations Section – Year 2000 Warranty – Sprint requests that this clause be deleted in its entirety, as it is no longer applicable.

States Response: Request denied, it is applicable.

Question 32: Contractual Obligations Section – Performance Bond/Security – This paragraph states that the State may require contractors to provide a bond. Can you please clarify whether a Performance Bond is going to be required for this bid? If so, is the amount of the bond going to be \$50,000?

States Response:

The State does not normally require a Performance Bond from those contractors that have an existing contract with the State; however new contractors may be required to submit a bond not to exceed \$50,000.

Question 33: Contractual Obligations Section – Acceptance – Can the contractor invoice for services prior to the receipt of acceptance?

States Response:

Yes.

Question 34: Contractual Obligations Section – Sprint requests that the State consider adding a Limitation of Liability clause to the contract terms and conditions. Sprint hereby proposes the following clause be added:

“Limitation of Liability. For any claim or cause of action arising under or related to this Contract:

- a. Neither party shall be liable to the other for punitive, special or consequential damages, even if it is advised of the possibility of such damages; and
- b. Vendor’s liability for damages of any kind to the Customer shall be limited to the total amount paid to Vendor under this Contract during the twelve months immediately preceding the accrual of the claim or cause of action resulting in such damages.”

States Response: Request denied. The State hereby incorporates the following:

LIABILITY FOR DAMAGES

CONTRACTOR will not be liable for any damages resulting from loss of data or use, lost profits, or any incidental or consequential damages unless said damages are the result of the CONTRACTOR’S negligence or willful misconduct.

The State will not be liable for any damages to the CONTRACTOR resulting from loss of data or use, lost profits, or any incidental or consequential damages unless said damages are the result of the State’s gross negligence or willful misconduct.

CONTRACTOR will be liable for damages resulting from personal injury or property damage caused by CONTRACTOR’S negligence or intentional harm.

Question 35 Special Contractual Conditions – Price Decreases – Sprint requests that the entire paragraph be deleted, and replaced with the following:

“For the base term of this contract the Contractor must agree to provide the State with prices equal to or better than prices offered to customers purchasing quantities or volumes of service comparable to that purchased by the State under substantially similar terms and conditions.

The Contractor's failure to offer lower rates as described above will be considered a violation of the terms and conditions of the contract. In this event, the State’s exclusive remedy under this agreement is to require the Contractor to issue credits to the State retroactively from the effective date of the reduced rates provided to other similarly situated customers as defined above. The Contractor will prospectively adjust rates for the remainder of the contract term accordingly.”

States Response: Request denied.

Question 36 Special Contractual Conditions – Termination for Cause – Please insert the following words at the beginning of the first sentence, “After written notice of the material breach to the Contractor, and expiration of a 30-day cure period,”

States Response: Request denied.

Question 37: Section 2.2 - Summary of Current Services, the section called SC DHEC Overview – the second paragraph mentions an Exhibit 1. We did not have an Exhibit 1 within our RFP. Can you please provide a copy of Exhibit 1?

States Response:

Reference to Exhibit 1 is deleted.

Question 38: Section 2.2 Summary of Current Services - The RFP mentions that traffic on the current H.320 network is 60k sessions and 125k hours annually. How much, if any, of this traffic is expected to migrate to the H.323 network?

States Response:

If financially and technically feasible, in the near term, approximately 20,000 hours annual for the two referenced agencies will migrate to the H.323 network. No volume commitments will be made by the State. These transitions are at the discretion of the State Agencies.

Question 39: Section 2.2 Summary of Current Services - The RFP mentions that videoconferencing usage is 10-20 hours of current usage. Is this for DHEC only? What is the current videoconferencing usage for all agencies?

States Response:

See Question 38 and response.

Question 40: Section 2.2 Summary of Current Services - With reference to your videoconferencing network, can you please answer the following questions:

- How many videoconferencing sites do you operate?
- What types of endpoints do you use, if existing?
- How are the endpoints connected (ISDN or IP and size of access)?
- Where are your sites located geographically (city, state, and country)?
- Do you need new equipment (replace old equipment or equip new sites)?
- Is any of your existing equipment covered by a vendor warranty or maintenance agreement? If so, what services are offered and when do the agreements expire?

States Response:

- There are over 4,000 endpoints on the State network that currently use or will potentially utilize videoconferencing.**
- Primarily Vtel Galaxy units (85%), but many Polycom and Tandberg units exist.**
- Connected via dedicated and switched access. Speeds range from 56Kbps – DS3. ISDN and IP are both available.**
- Primarily connections across the State of SC with isolated connections to Germany and other countries.**
- No. A separate contract exists for new or replacement equipment that includes Vtel, Polycom, and Tandberg equipment.**
- Vendor warranty and maintenance is covered by an existing contract.**

Question 41: Section 2.2 Summary of Current Services - If you need endpoint equipment (i.e. Polycom), have you determined a make and model of equipment desired?

- Do you require any maintenance or installation services for the site systems?
- What peripherals do you need in the room?
- Are there custom integration/construction needs for the sites? (drop down screens with ceiling-mounted LCD projectors, integrated room and device remote controls, special microphones, etc)

States Response:

N/A - A separate contract exists for all video hardware. This RFP is solely to address managed bridging service and support.

- Question 42:** Section 2.4 Bridged Service - Are there other equipment that needs to be considered?
(multipoint control units - aka MCUs or bridges - Gateways, Gatekeepers)
d. Do you require any maintenance or installation services for the additional equipment?

States Response:

See response to Question 41.

- Question 43:** Section 2.2 Summary of Current Services - Are your conferences mostly internal or do you plan on (or have) significant connections outside your network (i.e. do you require protocol transcoding and gateway services)?

States Response:

Most conferences that require H.323 bridging support are internal; however on occasion, a H.320 location will need to join; therefore the successful proposer will support gateway services. The State desires that you explain your transcoding capabilities.

- Question 44:** Section 2.2 Summary of Current Services - Can you please describe your videoconference volume:
- How many videoconferences do you have a month?
 - What is the percentage of multi-point versus point-to-point conferences?
 - On average how many sites are involved in a multi-point?
 - Do you prefer to pay for bridging by the call or do you require dedicated ports that are available to your agencies for 24 x 7?
 - What is the average videoconference duration?
 - For a multi-point?
 - For a point-to-point?

States Response:

- Not available.**
- Not available.**
- An average is not available, but the two referenced agencies average 17 sites per conference.**
- Dedicated ports (17) should be available to State Tech. Beyond that, preference will depend on the specific agency application that requires support. Options should be provided to address future Statewide needs.**
- Typical conferences for classroom instruction and administrative meetings average 90 minutes to two hours for both point-to-point and multipoint.**

Question 45: Section 2.4 Bridged Service - With respect to Preference of reserving conferences.

- a. Do you like to reserve your own conferences?
 - Intranet tool?
 - Over the Web?
 - With an agent?

States Response:

Individual agencies will have different preferences. The ability to allow the user to schedule/reserve conferences from a central site is extremely important for large agencies, however smaller agencies will require an agent to assist. Options should be provided to address user needs Statewide.

Question 46: Section 2.4 Bridged Service - Can you please describe in detail your ideal reservation experience?

- a. What is the average number of calls per month into your current reservation process?

States Response:

The Technical College System desires an on-line system that can be utilized by technical or non-technical personnel that provides ease of use with an automatic flow process and allows end users the ability to view all scheduled conferences system wide near real time.

The Technical College System has provided the following estimates:

Currently, approximately 80 courses are offered via video per semester that include both H.320 and H.323 utilization and are conducted on average twice weekly plus 3 to 4 administrative conferences are scheduled per week.

Question 47: Section 2.4 Bridged Service - Do you desire a Managed Conference Service?

- a. Describe your ideal conference level of service.
- b. Describe any “one-off” types of services that you might need.
 - Conference taping
 - Conference Producer or Monitor
 - Streaming

States Response:

Yes, a Managed Conference Service is a desirable option.

- Question 48:** Sections 2.2.1 Managed H.323 Videoconferencing and Section 2.4 Bridged Service- Do you require a Managed network?
- a. Managed endpoints?
 - b. Managed MCU, Gatekeeper etc...
 - b. Managed network (IP, ATM, Frame Relay etc...)
 - Any special network requirements? (Class of Service etc...)
 - c. Would you prefer proactive monitoring or is reactive troubleshooting appropriate?
 - d. How would you like to handle endpoint or networking equipment software upgrades and fixes?

States Response:

- a. **Managed endpoints? Yes**
- b. **Managed MCU, Gatekeeper? Yes**
- b. **Managed network (IP, ATM, FR)?**

The successful proposer will not be responsible for the State WAN performance, but will be expected to provide technical consultation and work with the State on issues affecting overall performance including class of service, etc.

- c. **Reactive troubleshooting is appropriate, but optional proactive monitoring service should be offered when requested with the associated pricing, if applicable.**
- d. **The proposer should assist end users with upgrades and fixes, when requested, and quote associated costs, if applicable.**

- Question 49:** Section 2.5.3 Billing Features and Functions - Do you have any special reporting requirements?

States Response:

It is expected that billing will be directed to the requesting agencies for service and support; however the State will require a monthly activity report depicting all usage and billing by the requesting State entity.

- Question 50:** Section 2.5 Billing - How do you wish to be billed?

States Response:

See response to Question 49. Specific billing detail and reports will be negotiated during the final contract process with the successful proposer.

Question 51: Section 2.2.1 Managed H.323 Videoconferencing and Section 2.4 Bridged Service - Do you require any branding of the service? If so, what service?

States Response:

Proposers should provide branding options. This will also be negotiated with the successful proposer during the contract process.

Question 52: Can you describe any additional information you feel would be important to share about your Videoconferencing needs?

States Response:

Service is paramount, and a successful ongoing partnership with the successful proposer that assists the State with the ongoing migration from H.320 to H.323 is extremely important. This will be accomplished by gaining an understanding of the current environment and the various current applications while providing recommendations for new videoconferencing applications that meet the needs of the State.

Questions submitted from Applied Global Technologies (AGT)

Question 53: Would it be acceptable to provide a monthly flat rate for H.323 bridging services with the rates associated with the number of participating utilizing the service?

For Example: 20 Sites = \$100/month

21-30 Sites = \$125/month

31-40 Sites = \$150 month

This would be a limitless service based on the number ports available. This would be the same as the 'all you can eat' concept.

States Response: Multiple pricing options are acceptable.

Question 54: The diagram in Appendix 4 indicates that the bridge and service equipment would be located outside the state firewall. Is this correct and are there other firewalls presently in the H.323 video network?

States Response: This is correct. Each agency potentially has their own firewall. These firewalls are from a variety of vendors.

Question 55: Are there Ethernet connections and space available for equipment provided by the contractor at the Metro Net Hub site that the winning contractor could utilize in order to provide the services?

States Response: **The PoP at 1426 Main Street is leased space. You will need to work with the building lease agent for leasing information. 1026 Sumter Street and 4430 Broad River Road are State owned sites. Limited space is available in these sites and charges may apply to this space.**

Question 56: Are the managed services operations 7/24/365 or are there week ends, holidays, or any other time periods during any given year where the service would not be available to the state users' community?

States Response: **These services will be available 7/24/365.**

Question 57: Does the existing H.323 video network have local Gatekeepers. If so, please provide manufacturer and model #.

States Response: **Local gatekeepers may be used by some agencies and/or schools. Make and model is unavailable.**