

Memo to File: #09014: Dispensers, Kiosks and Promotional Items

Solicitation coordinator: Alisha Ghanie, Chris Martinez & Roni Field

Contract overview:

The purpose of this contract is to replace state master contract #00209 – Lottery Merchandise which expired on June 30, 2015.

The Department of Enterprise Services (DES) awarded this contract to a total of six (6) vendors across the five (5) categories:

- Category 1 – Dispensers – Schafer Systems & Take-A-Ticket
- Category 2 – Play Centers – Schafer Systems
- Category 3 – Apparel – ASAP & Design One
- Category 4 – Premiums – ASAP & Image Source
- Category 5 – Kiosk – Asia Source, Inc.

Categories could be awarded to one or multiple vendors as follows:

- Category 1 – Up to 2 Awards
- Category 2 – Up to 1 Award
- Category 3 – Up to 2 Awards
- Category 4 – Up to 2 Awards
- Category 5 – Up to 1 Award

While Washington State Lottery is the primary user of this contract, it is available for use by all Washington State Agencies and authorized parties to the Master Contracts Usage Agreement (MCUA), including institutions of higher education, cities & counties, other political subdivisions or special districts, and nonprofit corporations. Their orders are subject to the same contract terms, conditions and pricing as state agencies. The contract will also be available for use by the Oregon Cooperative Purchasing Program (ORCPP) based on the contractor's acceptance.

Contract period	Initial: 2 years Max: 6 years
Estimated initial term worth	\$1,100,000.00
Contract type	<input type="checkbox"/> New <input checked="" type="checkbox"/> Rebid* <input type="checkbox"/> NASPO/ValuePoint <input checked="" type="checkbox"/> General use <input type="checkbox"/> Restricted to: Merchandise <input checked="" type="checkbox"/> * Replaces: #00209 Lottery
WEBS commodity codes	350-10 Banners, Pennants & Decorative Fans, Drapes and Pulldowns 801-09 Blanks, Sign, Metal (See 801-71, 89 & 97 for other Sign Blanks), 918-76 Marketing Consulting 961-53 Marketing Services (Incl. Distribution, Research, Sales, Promotions, etc.) 037-52 Novelties and Advertising Specialty Products, Including Biodegradable 801-58 Signs: Billboard, Advertising, etc. 037-78 Souvenirs: Promotional, Advertising, etc.

Bidders notified via WEBS  WEBS_Notification.pdf	2401 total vendors notified (23 – minority owned, 70 - woman owned, 19 - minority & woman owned, 524 – WA small business, 2 - WA mini business, 39 – WA micro business, 40- veteran owned)
Bid received	14
Bids rejected	3
MWBE goals	Veteran-owned 3% Minority/woman-owned 3% Small business 3%
Management fee	0.74 percent

Bid Development

Stakeholder work	<input checked="" type="checkbox"/> Customer forum Date 02/11/2015 <input checked="" type="checkbox"/> Vendor forum Date: 05/21/2015
Market research:	
Peer review by:	Kathie Collins (CS2), Connie Stacy (CS3), Breann Aggers (CS3), Josh Klika (Procurement Supervisor)

Date	Project developments and milestones
10/09/14	Alisha Ghanie (CS) established new contract number in PCMS.
12/24/14	Alisha Ghanie (CS) Bi-weekly broadcast for stakeholders. DBi-Weekly Broadcast sent out 10.3.2014 seeking stakeholders: Stakeholders sought for Lottery Merchandise State (#00209) contract The Lottery Merchandise State contract's (#00209) final term will expire June 30, 2015. If you are interested in being a stakeholder for the rebid of the Lottery Merchandise State contract, please contact Alisha Ghanie, (360) 407-9033. Lottery was the only stakeholder involved in this solicitation.
02/11/15	Stakeholders Meeting Representatives from DES Contracts and Legal (Alisha Ghanie and Christopher Martinez) and Washington Lottery (Kathy Patnode and Jennifer Johnson) attended. Key points raised during the meeting: <ul style="list-style-type: none"> • Evaluation process to include a greater emphasis on service, recommended 60/40 split between cost and non-cost factors • Review of first rough draft, recommendation from lottery to allow forty-five (45) days for prototypes and 15 days for samples. Not all categories will need prototypes or samples. • Lottery to provide specs by 02/18/15 • Christopher Martinez will now be the lead on this re-bid

<p>04/01/15</p>	<p>Peer Review. Christopher Martinez sent out draft contract for peer review to Connie Stacy CS3, Kathie Collins CS2, Breann Aggers CS3, and Josh Klika Procurement Supervisor. Draft did not include specs as Lottery had yet to provide specs that were clear enough for release. Small Changes were made based on feedback including:</p> <ul style="list-style-type: none"> • Verbiage surrounding management fee and sales reporting • Verbiage surrounding Samples and prototypes • Price Sheet requirements • Bidder profile and required documents to be responsive
<p>04/08/15</p>	<p>Stakeholder Review. Christopher Martinez sent final copy to stakeholders (Stacy Sund LOT, Kathy Patnode LOT, and Jennifer Johnson LOT) for input.</p>
<p>04/21/15</p>	<p>Meeting with Stakeholders. DES representatives Christopher Martinez, CS, Josh Klika, Procurement Supervisor. Washington Lottery representatives Stacy Sund, Jenna Johnson, Kathy Patnode. Items Discussed:</p> <ul style="list-style-type: none"> • Specifications unclear, LOT to provide clarification • When Samples are due, recommendation by DES after ASB is announced
<p>05/11/15</p>	<p>Solicitation 09014 Posted to WEBS. Question and Answer Period begins and runs through 05/21/2015.</p>
<p>05/21/15</p>  <p>PB_SignIn.pdf</p>	<p>Pre-Bid Conference. DES representatives Christopher Martinez CS, Breann Aggers CS, Veronica Field CS. LOT representatives Stacy Sund, Kathy Patnode, Jennifer Johnson. Approximately 20 people representing various vendors</p>
<p>05/29/15</p>  <p>09014a1.doc</p>	<p>Solicitation Amendment 1. Changes to Solicitation, Part 1:</p> <ul style="list-style-type: none"> • Bid due date • Split Category 2 Play Centers and Kiosks into 2 different categories. Categories are now: <ul style="list-style-type: none"> Category 1 – Dispensers Category 2 – Play Centers Category 3 – Apparel Category 4 – Premiums Category 5 - Kiosks • Shipping will be on a pass through basis to purchaser • Web site addresses will be accepted in lieu of sample catalogues • Vendors must report zero sales if no sales in a quarter • Changes to Price Worksheet, Product Specifications and Bidder Profile • Answers to Q & A, Part 2.

<p>06/02/15</p>  <p>09014a2.doc</p>	<p>Solicitation Amendment 2. Like products will be accepted for two products after vendors brought to attention that two requested items to quote were discontinued.</p>
<p>06/08/15</p>  <p>FW_ WEBS bid results for 09014.pdf</p>	<p>Bids received. Fourteen (14) bid packets were received by the bid-due deadline from thirteen (13) vendors.</p> <ul style="list-style-type: none"> • Roni Field is now the lead for this rebid. • All bids were received sealed and on time. • Bids were received from: <ul style="list-style-type: none"> – AD SPECIALTIES AND PROMOTIONAL – Asia Sources, Inc. – Design One!, Inc. – Gifts By Design, Inc. – Go Plastics LLC (submitted 2 bids) – IGWT Partners/ Cole Enterprises – Image Source – Kurey Company – National Design, LLC – Schafer Systems – Sierra Group LLC – TAKE-A-TICKET, INC – Tricor Print Communications • Three (3) were rejected in the initial determination of responsiveness. Those three (3) bids were: <ul style="list-style-type: none"> – Cole Enterprises – Did not receive Amd1 – Go Plastics – Did not receive Amd1 – Kurey Company – Did not receive Product Specifications • Evaluations continued with eleven (11) remaining bids. Vendors were allowed to bid on singular or multiple Categories. The categories must be bid ‘as a whole’ meaning that all items within the category must be bid on by the vendor. <ul style="list-style-type: none"> - Category 1 received 2 Vendor Bids - Category 2 received 2 Vendor Bids - Category 3 received 5 Vendor Bids - Category 4 received 7 Vendor Bids. One (1) vendor did not bid on all items and was rejected as non-responsive. - Category 5 received 1 Vendor Bid

Evaluation and Award

<p>Bid tabs/Evaluation</p>	<p>Bids deemed responsible and responsive received additional evaluation in the</p>
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<p>considerations</p> <p>Bid tabs</p>  <p>09014_OneSheet.xls x</p>  <p>09014 Bid Tab.xls</p>	<p>categories of cost and non-cost factors.</p> <p>The top five (5) vendors in each category (if more than 5 bids received) after scoring the contract cost factors moved forward to non-cost factor (references) evaluation check. The highest scored vendor(s) were selected as Apparent Successful Bidder(s).</p> <p>Additional evaluation details are listed below by category.</p> <p>Category 1 – Dispensers <u>Potential Awards:</u> 2 <u>Bidding Vendors:</u> 2 <u>Evaluation Notes:</u> Both Vendors did not bid on all items but the combination of items available between the two (2) vendors covers all of Lottery’s needs. This information was provided to Lottery and they determined it appropriate to move forward with evaluating both Vendors. <u>ASB:</u> Schafer Systems & Take-A-Ticket</p> <p>Category 2 – Play Centers <u>Potential Awards:</u> 1 <u>Bidding Vendors:</u> 2 <u>ASB:</u> Schafer Systems</p> <p>Category 3 – Apparel <u>Potential Awards:</u> 2 <u>Bidding Vendors:</u> 5 <u>ASB:</u> ASAP & Image Source</p> <p>Category 4 - Premiums <u>Potential Awards:</u> 2 <u>Bidding Vendors:</u> 6 <u>ASB:</u> ASAP & Image Source</p> <p>Category 5 – Kiosks <u>Potential Awards:</u> 2 <u>Bidding Vendors:</u> 1 <u>ASB:</u> Asia Sources, Inc.</p>
<p>Intent to Award recommendation</p>	<p>07/01/15: Based on the guidelines for award detailed in Section 5.6 of the main solicitation document, solicitation coordinator recommends naming the following as Apparent Successful Bidders:</p> <p>Category 1 – Dispensers: Schafer Systems and Take-A-Ticket Category 2 – Play Centers: Go Plastics, LLC Category 3 – Apparel: ASAP and Image Source Category 4 – Premiums: ASAP and Image Source Category 5 – Kiosks: Asia Sources, Inc.</p>

<p>Notice of Intent to Award</p> <p>ASB Notification</p>  <p>APPARENT SUCCESSFUL BIDDER:</p> <p>Cat 2 – Schafer</p>  <p>FW_ IFB 09014 - Schafer.pdf</p> <p>Cat 3 – Design One</p>  <p>#09014 Dispensers, Kiosks & Promotional</p>	<p>07/01/15: Schafer Systems, Take-A-Ticket, Go Plastics, LLC, ASAP, Image Source and Asia Sources, Inc were notified by email that they were Apparent Successful Bidders. Categories 2, 3 and 4 require samples/prototypes. Companies determined the ASB for those categories were notified of the following deadlines:</p> <p>Category 2 & Category 5: 3 Sept 2015 Category 3 & Category 4: 23 Jul 2015</p> <p>07/29/15: Schafer Systems was informed that they were the new ASB for Category 2 – Play Centers. Deadline for delivery of Prototypes is: 26 Sept 2015.</p> <p>Design One! was informed that they were the new ASB for Category 3 – Apparel. Deadline for delivery of Prototypes is: 29 Jul 2015.</p>
<p>Correspondence with vendors</p> <p>Cat 2 – GoPlastics</p>  <p>RE_ #09014 Dispensers, Kiosks & I</p>  <p>FW_ IFB 09014.pdf</p> <p>Cat 3 – Image Source</p>  <p>RE_ #09014 Dispensers, Kiosks & I</p>	<p>Category 2 – Play Centers: Go Plastics, LLC (ASB) and Lottery (via the Procurement coordinator) went back and forth through several iterations of Play Center Requirements. On 17 Jul 2015, Go Plastics, informed the Procurement Coordinator that they could not comply with the requirements. After several additional conversions, no resolution could be made.</p> <p>On 24 Jul 2015 the Procurement Coordinator provided Go Plastics, LLC with a letter rescinding their selection as ASB for Category 2 – Play Centers.</p> <p>Procurement Coordinator moved forward to announce Shafer Systems as new ASB for Category 2 – Play Centers.</p> <p>Category 3 – Apparel. Upon reviewing Category 2 – Play Centers to determine the new ASB (as explained above) Chris Martinez discovered a mathematical error in the scores for Category 3 – Apparel. ASBs for this category are actually ASAP & Design One! Image Source (original ASB) and Design One! (new ASB) were informed on 29 July 2015.</p>
<p>Debrief</p>	<p>No Debriefs were requested for this solicitation.</p>
<p>Protest</p>	<p>No Vendor entered a protest for this solicitation.</p>
<p>Protest outcome</p>	<p>No Vendor entered a protest for this solicitation.</p>
<p>Award considerations</p> <p>Cat 2 – Schafer Systems</p>	<p>Four (4) of the five (5) categories in the IFB required samples and/or prototypes. The following samples/prototypes were accepted on the following dates:</p> <ul style="list-style-type: none"> Category 2 – Play Centers Schafer Systems: 10/12/2015

<p> Cat2_Schafer.pdf</p> <p>Cat 3 – Design One!</p> <p> RE_Samples #09014 Dispensers, Kiosks & I</p> <p>Cat 3&4 – ASAP</p> <p> RE_Samples #09014 Dispensers, Kiosks & I</p> <p>Cat 4 – Image Source</p> <p> RE_Contract Follow Up.pdf</p> <p>Cat 5 – Asia Source, Inc.</p> <p> Cat5_AsiaSource.pdf</p>	<ul style="list-style-type: none"> • Category 3 – Apparel ASAP: 07/29/15 Design One!: 08/14/2015 • Category 4 – Premiums ASAP: 07/29/15 (e-mail above accepts Cat 3&4) Image Source: 7/29/15 • Category 5 – Kiosks Asia Sources, Inc.: 10/12/2015
<p>Award recommendation</p>	<p>Based on the guidelines for award detailed in Section 5 of the main solicitation document, solicitation coordinator recommends official award to the following bidders:</p> <p>Schafer Systems, Inc (Categories 1 &2) Take-A-Ticket (Category 1) Design One! (Category 3) ASAP (Categories 3&4) Image Source (Category 4) Asia Sources, Inc (Category 5)</p>

Signatures

**Contract administrator
Supervisor**

Veronica Field
Josh Klika

**Date: 10/15/2015
Date: 10/15/2015**