

State of Nebraska (State Purchasing Bureau)
REQUEST FOR PROPOSAL
FOR CONTRACTUAL SERVICES FORM

RETURN TO:
 State Purchasing Bureau
 301 Centennial Mall South, 1st Fl
 Lincoln, Nebraska 68508
 OR
 P.O. Box 94847
 Lincoln, Nebraska 68509-4847
 Phone: 402-471-2401
 Fax: 402-471-2089

SOLICITATION NUMBER	RELEASE DATE
RFP Number 2297Z1	November 21, 2007
OPENING DATE AND TIME	PROCUREMENT CONTACT
December 19, 2007; 2:00 p.m. Central Time	Todd Dlouhy

This form is part of the specification package and must be signed and returned, along with proposal documents, by the opening date and time specified.

PLEASE READ CAREFULLY!

SCOPE OF SERVICE

The State of Nebraska, Department of Administrative Services, Materiel Division, Purchasing Bureau, is issuing this Request for Proposal, RFP Number 2297Z1 for the purpose of selecting a qualified contractor to provide networking services in Nebraska.

Written questions are due no later than December 4th, 2007, and should be submitted via e-mail to matpurc@notes.state.ne.us. Written questions may also be sent by facsimile to (402) 471-2089.

Bidder should submit one (1) Original and seven (7) copies of the entire proposal. In the event of any inconsistencies among the proposals, the language contained in the Original proposal shall govern. Proposals must be submitted by the proposal due date and time.

PROPOSALS MUST MEET THE REQUIREMENTS OUTLINED IN THIS REQUEST FOR PROPOSAL TO BE CONSIDERED VALID. PROPOSALS WILL BE REJECTED IF NOT IN COMPLIANCE WITH THESE REQUIREMENTS.

1. Proposals must be received in State Purchasing by the date and time of proposal opening indicated above. NO late proposals will be accepted. NO fax, voice, or telephone proposals will be accepted.
2. This form "REQUEST FOR PROPOSAL FOR CONTRACTUAL SERVICES" MUST be manually signed, in ink, and returned by the proposal opening date and time along with your proposal and any other requirements as specified in the Request for Proposal in order to be considered for an award.
3. It is the responsibility of the bidder to check the website for all information relevant to this solicitation to include addenda and/or amendments issued prior to the opening date. Website address is as follows: <http://www.das.state.ne.us/materiel/purchasing/>

BIDDER MUST COMPLETE THE FOLLOWING

By signing this Request for Proposal For Contractual Services form, the bidder guarantees compliance with the provisions stated in this Request for Proposal, agrees to the terms and conditions (see Section III) and certifies that they maintain a drug free work place environment.

FIRM: _____

COMPLETE ADDRESS: _____

TELEPHONE NUMBER: _____ FAX NUMBER: _____

SIGNATURE: _____ DATE: _____

TYPED NAME & TITLE OF SIGNER: _____

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GLOSSARY OF TERMS

Acceptance Test Procedure: Benchmarks and other performance criteria, developed by the State of Nebraska or other sources of testing standards, for measuring the effectiveness of products or services and the means used for testing such performance.

Addendum: Something added or to be added.

Agency: Any State agency, board, or commission other than the University of Nebraska, the Nebraska State colleges, the courts, the Legislature, or any officer or agency established by the Constitution of Nebraska.

Agent: A person authorized by a superior or organization to act on their behalf.

Amend: To alter or change by adding, subtracting, or substituting. A contract can be amended only by the parties participating in the contract. If the contract is written, it can be amended only in writing.

Amendment: Written correction or alteration.

Appropriation: Legislative authorization to expend public funds for a specific purpose. Money set apart for a specific use.

Award: All purchases, leases, or contracts which are based on competitive proposals will be awarded according to the provisions in the Request for Proposal. The State reserves the right to reject any or all proposals, wholly or in part, or to award to multiple bidders in whole or in part. The State reserves the right to waive any deviations or errors that are not material, do not invalidate the legitimacy of the proposal, and do not improve the bidder's competitive position. All awards will be made in a manner deemed in the best interest of the State.

Bid: The executed document submitted by a bidder in response to a Request for Proposal.

Bid Bond: A bond given by a surety on behalf of the bidder to ensure that the bidder will enter into the contract and is retained by the State from the date of the bid opening to the date of contract signing.

Bidder: Any person or entity submitting a competitive bid in response to a solicitation.

Business: Any corporation, partnership, individual, sole proprietorship, joint-stock company, joint venture, or any other private legal entity.

Calendar Day: Every day shown on the calendar, Saturdays, Sundays and holidays included.

Collusion: A secret agreement or cooperation between two or more persons or entities to accomplish a fraudulent, deceitful or unlawful purpose.

Competition: The process by which two or more vendors vie to secure the business of a purchaser by offering the most favorable terms as to price, quality, delivery and/or service.

Confidential Information: Unless otherwise defined below, "Confidential Information" shall also mean proprietary trade secrets, academic and scientific research work which is in progress and unpublished, and other information which if released would give advantage to business competitors and serve no public purpose (see Neb. Rev. Stat. § 84-712.05(3)). In accordance with Nebraska Attorney General Opinions 92068 and 97033, proof that information is proprietary requires identification of specific, named competitor(s) who would be advantaged by release of the information and the specific advantage the competitor(s) would provide.

Contract: An agreement between two or more persons to perform a specific act or acts.

Contractor: Any person or entity that supplies goods and/or services.

Contract For Services: Any contract that directly engages the time or effort of an independent contractor whose purpose is to perform an identifiable task, study, or report rather than to furnish an end item of supply, goods, equipment, or material.

Conversion Period: A period of time not to exceed six (6) months, during which the State converts to a new Operating System under "Conversion" as per this RFP.

Copyright: A grant to a writer/artist that recognizes sole authorship/creation of a work and protects the creator's interest(s) therein.

CPU: Any computer or computer system that is used by the State to store, process, or retrieve data or perform other functions using Operating Systems and applications software.

Critical Program Error: Any Program Error, whether or not known to the State, which prohibits or significantly impairs use of the Licensed Software as set forth in the documentation and intended in the Contract.

Default: The omission or failure to perform a contractual duty.

Documentation: The user manuals and any other materials in any form or medium customarily provided by the Contractor to the users of the Licensed Software which will provide the State with sufficient information to operate, diagnose, and maintain the Licensed Software properly, safely, and efficiently.

Evaluation Committee: A committee (or committees) appointed by the requesting agency that advises and assists the procuring office in the evaluation of proposals.

Evaluation of Proposal: The process of examining a proposal after opening to determine the bidder's responsibility, responsiveness to requirements, and to ascertain other characteristics of the proposal that relate to determination of the successful bidder.

Education Entity: Defined by Neb. Rev. Stat. 79-1332 (3) as a school district, a private, denominational, or parochial school, an educational service unit, a community college, a state college, the University of Nebraska, or a nonprofit private postsecondary educational institution;

Educational Service Unit (ESU): Any one of 17 intermediate educational service agencies located across Nebraska for the purposes of serving the public and nonpublic school districts with core services (e.g. professional development, instructional materials, technology).

Extension: A provision, or exercise of a provision, of a contract that allows a continuance of the contract (at the option of the State of Nebraska) for an additional time according to contract conditions. Not to be confused with "Renewals."

Installation Date: The date when the procedures described in "Installation by Contractor, and Installation by State", as found in the RFP, are completed.

LATA (Local access and transport area); a region of service indicated in the RFP appendix either as "308", extending west from the Grand Island, Nebraska area to the Wyoming border or "402", pertaining to the cluster of education sites in the 402-South area code in and around the Hastings, Nebraska area.

Late Proposal: A proposal received at the place specified in the solicitation after the date and time designated for all proposals to be received.

LB 1208: Nebraska legislative bill which became law in 2006 that defined the responsibilities, funding and coordination to accompany a statewide upgrade of the distance learning network. Affected statutes are listed in full text at:

http://www.networknebraska.net/denu/NN_LB1208_ChangedStatutes.pdf

Licensed Software: Any and all software and documentation by which the State acquires or is granted any rights under the Contract.

Mandatory: Required, compulsory or obligatory.

Module: A collection of routines and data structures that perform a specific function of the Licensed Software.

Mbps: Megabits per second

MRC: Monthly Recurring Cost

Must: Required, compulsory or obligatory.

Network Nebraska: Neb. Rev. Stat. 86-5,100 defines Network Nebraska as a statewide, multipurpose, high capacity, scalable telecommunications network consisting of contractual arrangements with providers to meet the demand of state agencies, local governments, and educational entities as defined in section 79-1332.

Operating System: The control program in a computer that provides the interface to the computer hardware and peripheral devices, and the usage and allocation of memory resources, processor resources, input/output resources, and security resources.

Outsourcing: Acquiring computing or related services from a source outside of the State of Nebraska which may include programming and/or executing the State's Licensed Software on the State's CPU's, programming, and/or executing the State's programs and Licensed Software on the Contractor's CPU's or any mix thereof.

Outsourcing Company: A company that provides Outsourcing Services under Contract to the State.

Performance Bond: A bond given by a surety on behalf of the Contractor to ensure the timely performance of a Contract.

Platform: A specific hardware and Operating System combination that is different from other hardware and Operating System combinations to the extent that a different version of the Licensed Software product is required to execute properly in the environment established by such hardware and Operating System combination.

Pre-Proposal Conference: A meeting scheduled for the purpose of providing clarification regarding a Request for Proposal and related expectations.

Product: A module, a system, or any other software-related item provided by the Contractor to the State.

Program Error: Code in Licensed Software which produces unintended results or actions, or which produces results or actions other than those described in the specifications. A program error includes, without limitation, any "Critical Program Error."

Program Set: The group of programs and products, including the Licensed Software specified in the RFP, plus any additional programs and products licensed by the State under the Contract for use by the State.

Project: The total of all software, documentation, and services to be provided by the Contractor under the Contract.

Proposal: The executed document submitted by a bidder in response to a Request for Proposal.

Proprietary Information: Proprietary information is defined as trade secrets, academic and scientific research work which is in progress and unpublished, and other information which if released would give advantage to business competitors and serve no public purpose (see Neb. Rev. Stat. § 84-712.05(3)). In accordance with Attorney General Opinions 92068 and 97033, proof that information is proprietary requires identification of specific, named competitor(s) who would be advantaged by release of the information and the specific advantage the competitor(s) would receive.

Protest: A complaint about a governmental action or decision related to a Request for Proposal or the resultant Contract, brought by a prospective bidder, a bidder, a Contractor, or other interested party to Materiel Division or another designated agency with the intention of achieving a remedial result.

Public Proposal Opening: The process of opening proposals, conducted at the time and place specified in the Request for Proposal, and in the presence of anyone who wishes to attend.

QoS: Quality of Service

Recommended Hardware Configuration: The data processing hardware (including all terminals, auxiliary storage, communication, and other peripheral devices) to the extent utilized by the State as recommended by the Contractor.

Representative: Includes an agent, an officer of a corporation or association, a trustee, executor or administrator of an estate, or any other person legally empowered to act for another.

Request for Proposal (RFP): All documents, whether attached or incorporated by reference, utilized for soliciting competitive proposals.

Shall: Denotes the imperative, required, compulsory or obligatory.

Solicitation: The process of notifying prospective bidders or offerors that the State of Nebraska wishes to receive proposals for furnishing services. The process may consist of public advertising, posting notices, or mailing Request for Proposals and/or Request for Proposal announcement letter to prospective bidders, or all of these.

Specifications: The information provided by or on behalf of the Contractor that fully describes the capabilities and functionality of the Licensed Software as set forth in any material provided by the Contractor, including the documentation and User's Manuals described herein.

System: Any collection or aggregation of two (2) or more Modules that is designed to function, or is represented by the Contractor as functioning or being capable of functioning as an entity.

Termination: Occurs when either party pursuant to a power created by agreement or law puts an end to the Contract. All obligations which are still executory on both sides are discharged but any right based on prior breach or performance survives.

Trademark: A distinguishing sign, symbol, mark, word, or arrangement of words in the form of a label or other indication, that is adopted and used by a manufacturer or distributor to designate its particular goods and which no other person has the legal right to use.

Trade Secret: Information, including, but not limited to, a drawing, formula, pattern, compilation, program, device, method, technique, code, or process that; (a) derives independent economic value, actual or potential, from not being known to, and not being ascertainable by proper means, other persons who can obtain economic value from its disclosure or use; and (b) is the subject of efforts that are reasonable under the circumstances to maintain its secrecy (see Neb. Rev. Stat. § 87-502(4)).

Upgrade: Any improvement or change in the Software that improves or alters its basic function.

Vendor: An actual or potential Contractor; a Contractor.

WAN (Wide Area Network): Unless otherwise specified, WAN refers to a high bandwidth (e.g. ≥ 30 Mbps) wide area data network using IP communication and routing protocols for the purposes of interconnecting numerous Local Area Networks (LANs)

I. SCOPE OF THE REQUEST FOR PROPOSAL

The State of Nebraska, Department of Administrative Services, Materiel Division, Purchasing Bureau (hereafter known as State Purchasing Bureau), is issuing this Request for Proposal, RFP Number 2297Z1 for the purpose of selecting a qualified Contractor to provide Networking Services in Nebraska.

A Contract resulting from this Request for Proposal will be issued for a period effective from the date of contract award through June 30, 2012, with the option to renew for four (4) additional one (1) year periods as mutually agreed upon by all parties.

ALL INFORMATION PERTINENT TO THIS REQUEST FOR PROPOSAL CAN BE FOUND ON THE INTERNET AT: <http://www.das.state.ne.us/materiel/purchasing/rfp.htm>

A. SCHEDULE OF EVENTS

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

ACTIVITY		DATE/TIME
1.	Release Request for Proposal	November 21, 2007
2.	Last Day to Submit Written Questions	December 4, 2007
3.	State Responds to Written Questions Through Request for Proposal Addendum and/or Amendment to be posted to the Internet at: http://www.das.state.ne.us/materiel/purchasing/rfp.htm	December 7, 2007
4.	Proposal Opening Location: Nebraska State Office Building State Purchasing Bureau 301 Centennial Mall South, Mall Level Lincoln, NE 68508	December, 19, 2007 2:00 p.m. Central Time
5.	Review for Conformance of Mandatory Requirements	December 19, 2007
6.	Evaluation Period	December 19, 2007 through December 20, 2007
7.	Post Letter of Intent to Contract to Internet at: http://www.das.state.ne.us/materiel/purchasing/rfp.htm	December 21, 2007
8.	Contract Award	January 2, 2008
9.	Contractor Start Date	January 3, 2008

II. PROCUREMENT PROCEDURES

A. PROCURING OFFICE AND CONTACT PERSON

Procurement responsibilities related to this Request for Proposal reside with the State Purchasing Bureau. The point of contact for the procurement is as follows:

Name: Todd Dlouhy
Agency: State Purchasing Bureau
Address: 301 Centennial Mall South, Mall Level
Lincoln, NE 68508

OR

Address: P.O. Box 94847
Lincoln, NE 68509
Telephone: 402-471-2401
Facsimile: 402-471-2089
E-Mail: matpurc@notes.state.ne.us

B. GENERAL INFORMATION

The Request for Proposal is designed to solicit proposals from qualified vendors who will be responsible for providing Networking Services in Nebraska at a competitive and reasonable cost. Proposals that do not conform to the mandatory items as provided in the Proposal Instructions may not be considered.

Proposals shall conform to all instructions, conditions, and requirements included in the Request for Proposal. Prospective bidders 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.

C. COMMUNICATION WITH STATE STAFF

From the date the Request for Proposal is issued until a determination is announced regarding the selection of the Contractor, contact regarding this project between potential Contractors and individuals employed by the State is restricted to only written communication with the staff designated above as the point of contact for this Request for Proposal.

Once a Contractor is preliminarily selected, as documented in the intent to contract, that Contractor is restricted from communicating with State staff 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:

1. Written communication with the person(s) designated as the point(s) of contact for this Request for Proposal or procurement;
2. Contacts made pursuant to any pre-existing Contracts or obligations;
3. 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

4. State-requested presentations, key personnel interviews, clarification sessions or discussions to finalize a Contract.

Violations of these conditions may be considered sufficient cause to reject a bidder's proposal and/or selection irrespective of any other condition. 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. The buyer will issue any clarifications or opinions regarding this Request for Proposal in writing.

D. WRITTEN QUESTIONS AND ANSWERS

Any explanation desired by a bidder regarding the meaning or interpretation of any Request for Proposal provision must be submitted in writing to the State Purchasing Bureau and clearly marked "RFP Number 2297Z1; Statewide Networking Services Questions". It is preferred that questions be sent via e-mail to matpurc@notes.state.ne.us. Questions may also be sent by facsimile to 402-471-2089, but must include a cover sheet clearly indicating that the transmission is to the attention of Todd Dlouhy, showing the total number of pages transmitted, and clearly marked "RFP Number 2297Z1; Statewide Networking Services Questions".

Written answers will be provided through an addendum to be posted on the Internet at <http://www.das.state.ne.us/materiel/purchasing/rfp.htm> on or before the date shown in the Schedule of Events.

E. 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, clearly identified as such, and seven (7) copies of the entire proposal should be submitted. The copy marked "Original" shall take precedence over any other copies, should there be a discrepancy. Proposals must be submitted by the proposal due date and time. A separate sheet must be provided that clearly states which sections have been submitted as proprietary or have copyrighted materials. Proposals must reference the request for proposal number and be sent to the specified address. Container(s) utilized for original documents should be clearly marked "ORIGINAL DOCUMENTS". Please note that the address label should appear as specified on the face of each container. Regardless of the reason, 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, 402-471-2401 should be used. The request for proposal number must be included in all correspondence.

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. If the bidder wishes to have any information withheld from the public, such information must fall within the definition of proprietary information contained within Nebraska's public record statutes. All proprietary information the bidder wishes the State to withhold must be submitted in a sealed package, which is separate from the remainder of the bid. The separate package must be clearly marked "PROPRIETARY" on the outside of the package. Bidders may not mark their entire Request for Proposal as proprietary. Bidder's cost proposals may not be marked as proprietary information. Failure of the bidder to follow the instructions for submitting proprietary and copyrighted information may result in the information being viewed by other bidders and the public. Proprietary information is defined as trade secrets, academic and scientific research work which is in progress and unpublished, and other information which if released would give advantage to business competitors and serve no public purpose (see Neb. Rev. Stat. §84-712.05(3)). In accordance with Attorney General Opinions 92068 and

97033, bidders submitting information as proprietary may be required to prove specific, named competitor(s) who would be advantaged by release of the information and the specific advantage the competitor(s) would receive. Although every effort will be made to withhold information that is properly submitted as proprietary and meets the State's definition of proprietary information, the State is under no obligation to maintain the confidentiality of proprietary information and accepts no liability for the release of such information.

Emphasis should be concentrated on conformance to the Request for Proposal instructions, responsiveness to requirements, completeness and clarity of content. If the bidder'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 should be presented in separate sections (loose-leaf binders are preferred) on standard 8 ½" x 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 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.

F. PROPOSAL OPENING

The sealed proposals will be publicly opened and the bidding entities announced on the date, time and location specified in the Schedule of Events. Proposals will be available for viewing after the proposal opening.

G. LATE PROPOSALS

Proposals received after the time and date of the proposal opening will be considered late proposals. Late proposals may be returned to the bidder unopened. The State is not responsible for proposals that are late or lost due to mail service inadequacies, traffic or other similar reasons.

H. REJECTION OF PROPOSALS

The State reserves the right to reject any or all proposals, wholly or in part, or to award to multiple bidders in whole or in part. The State reserves the right to waive any deviations or errors that are not material, do not invalidate the legitimacy of the proposal and do not improve the bidder's competitive position. All awards will be made in a manner deemed in the best interest of the State.

I. 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. Cost Proposal.

J. REFERENCE CHECKS

The State reserves the right to check any reference(s), regardless of the source of the reference information, including but not limited to, those that are identified by the company in the proposal, those indicated through the explicitly specified contacts, those that are identified during the review of the proposal, or those that result from communication with other entities involved with similar projects.

Information to be requested and evaluated from references may include, but is not limited to, some or all of the following: 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. Only top scoring bidders may receive reference checks and negative references may eliminate bidders from consideration for award.

K. FOREIGN CORPORATION, CERTIFICATE OF AUTHORITY

Neb. Rev. Stat. § 21-20, 168

1. A foreign corporation may not transact business in this state until it obtains a certificate of authority from the Secretary of State.
2. The following activities, among others, shall not constitute transacting business within the meaning of subsection (1) of this section:
 - a. Maintaining, defending, or settling any proceeding;
 - b. Holding meetings of the board of directors or shareholders or carrying on other activities concerning internal corporate affairs;
 - c. Maintaining bank accounts;
 - d. Maintaining offices or agencies for the transfer, exchange, and registration of the corporation's own securities or maintaining trustees or depositaries with respect to those securities;
 - e. Selling through independent contractors;
 - f. Soliciting or obtaining orders, whether by mail or through employees or agents or otherwise, if the orders require acceptance outside this state before they become contracts;
 - g. Creating or acquiring indebtedness, mortgages, and security interests in real or personal property;
 - h. Securing or collecting debts or enforcing mortgages and security interests in property securing the debts;
 - i. Owning, without more, real or personal property;
 - j. Conducting an isolated transaction that is completed within thirty days and that is not one in the course of repeated transactions of a like nature;
 - k. Transacting business in interstate commerce; or
 - l. Acting as a foreign corporate trustee to the extent authorized under section 30-3820.
3. The list of activities in subsection (2) of this section shall not be construed as exhaustive.
4. The requirements of the Business Corporation Act shall not be applicable to foreign or alien insurers which are subject to the requirements of Chapter 44.

Source:

Laws 1995, LB 109, § 168

Laws 2003, LB 130, § 113

It is the bidders responsibility to ensure their company is in compliance with Statutes. Failure to be properly registered will void any contract award.

L. NONRESIDENT CONTRACTOR, REGISTRATION; CONTRACT, REGISTRATION; EXEMPTIONS.

Neb. Rev. Stat. § 77-3102

1. In order that the State of Nebraska and the political subdivisions thereof may receive all taxes due in every instance, including contributions due under the Employment Security Law, contractors who are nonresidents of this state, desiring to engage in, prosecute, follow, or carry on the business of contracting within this state shall register with the Tax Commissioner.
2. Each contract to which a nonresident contractor is a party shall be registered with the Tax Commissioner; PROVIDED, that where the total contract price or compensation to be received is less than twenty-five hundred dollars, the Tax Commissioner may waive the requirements of this subsection.

Source:

Laws 1969, c. 637, § 2, p. 2547

Cross References:

Employment Security Law, see section 48-601

It is the bidders responsibility to ensure their company is in compliance with Statutes. Failure to be properly registered will void any contract award.

M. VIOLATION OF TERMS AND CONDITIONS

Violation of the terms and conditions contained in this Request for Proposal or any resultant Contract, at any time before or after the award, shall be grounds for action by the State which may include, but is not limited to, the following:

1. Rejection of a bidder's proposal;
2. Suspension of the bidder from further bidding with the State for the period of time relative to the seriousness of the violation, such period to be within the sole discretion of the State.

III. TERMS AND CONDITIONS

By signing the "Request for Proposal For Contractual Services" form, the bidder guarantees compliance with the provisions stated in this Request for Proposal, agrees to the terms and conditions and certifies it maintains a drug free work place.

Vendors are expected to closely read the Terms and Conditions and provide a binding signature of intent to comply with such terms and conditions. Additionally, bidder must clearly identify by subsection number, any exceptions to the terms and conditions and include an explanation as to why the bidder cannot comply with the specific term and condition and a statement recommending terms and conditions the bidder would find acceptable. Rejection of these terms and conditions may be cause for rejection of a bidder's proposal.

A. GENERAL

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

1. The signed Request for Proposal form;
2. The original Request for Proposal document;
3. Any Request for Proposal Addenda and/or Amendments to include Questions and Answers;
4. The Contractor's Proposal;
5. Any Contract Amendments, in order of significance; and
6. Contract Award.

Unless otherwise specifically stated in a Contract amendment, in case of any conflict between the incorporated documents, the documents shall govern in the following order of preference with number one (1) receiving preference over all other documents and with each lower numbered document having preference over any higher numbered document: 1) the Contract award, 2) Contract amendments with the latest dated amendment having the highest priority, 3) Request for Proposal addenda and/or amendments with the latest dated amendment having the highest priority, 4) the original Request for Proposal, 5) the signed Request for Proposal form, 6) the Contractor's proposal.

Any remaining uncertainty or ambiguity shall not be interpreted against either party because such party prepared any portion of the Contract, but shall be interpreted according to the application of rules of interpretation of Contracts generally.

Once proposals are opened they become the property of the State of Nebraska and will not be returned.

B. AWARD

All purchases, leases, or Contracts which are based on competitive proposals will be awarded according to the provisions in the Request for Proposal. The State reserves the right to reject any or all proposals, wholly or in part, or to award to multiple bidders in whole or in part, and at its discretion, may withdraw or amend this Request for Proposal at any time. The State reserves the right to waive any deviations or errors that are not material, do not invalidate the legitimacy of the proposal, and do not improve the bidder's competitive position. All awards will be made in a manner deemed in the best interest of the State. This Request for Proposal does not commit the State to award a Contract. 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 bidder grants to the State the right to contact or arrange a visit in person with any or all of the bidder's clients.

Once an intent to award decision has been determined, it will be posted to the Internet at:

<http://www.das.state.ne.us/materiel/purchasing/rfp.htm>

Grievance and protest procedure is available on the Internet at:

<http://www.das.state.ne.us/materiel/purchasing/rfpmanual/rfpmanual.htm>

Any protests must be filed by a vendor within ten (10) calendar days after the intent to award decision is posted to the Internet.

C. COMPLIANCE WITH CIVIL RIGHTS LAWS AND EQUAL OPPORTUNITY EMPLOYMENT / NONDISCRIMINATION

The Contractor shall comply with all applicable local, State and Federal statutes and regulations regarding civil rights laws and equal opportunity employment. The Nebraska Fair Employment Practice Act prohibits Contractors of the State of Nebraska, and their subcontractors, from discriminating against any employee or applicant for employment, with respect to hire, tenure, terms, conditions or privileges of employment because of race, color, religion, sex, disability, or national origin (Neb. Rev. Stat. § 48-1101 to 48-1125). The Contractor guarantees compliance with the Nebraska Fair Employment Practice Act, and breach of this provision shall be regarded as a material breach of Contract. The Contractor shall insert a similar provision in all subcontracts for services to be covered by any Contract resulting from this Request for Proposal.

D. PERMITS, REGULATIONS, LAWS

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 applicable local, state, and federal laws, ordinances, rules, orders and regulations.

E. 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 the Contract.

The Contractor must guarantee that it has the full legal right to the materials, supplies, equipment, and other rights or titles (e.g. rights to licenses transfer or assign deliverables) necessary to execute the 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 such claims.

F. INSURANCE REQUIREMENTS

The Contractor shall not commence work under the Contract until he or she has obtained all the insurance required hereunder and such insurance has been approved by the State. The Contractor shall not allow any subcontractor to commence work on his or her subcontract until all similar insurance required of the subcontractor has been obtained and approved by the State (or Contractor). Approval of the insurance by the State shall not limit, relieve or decrease the liability of the Contractor hereunder.

If by the terms of any insurance a mandatory deductible is required, or if the Contractor elects to increase the mandatory deductible amount, the Contractor shall be responsible for payment of the amount of the deductible in the event of a paid claim.

1. WORKERS' COMPENSATION INSURANCE

The Contractor shall take out and maintain during the life of the Contract the statutory Workers' Compensation and Employer's Liability Insurance for all of the Contractors' employees to be engaged in work on the project under the Contract and, in case any such work is sublet, the Contractor shall require the subcontractor similarly to provide Worker's Compensation and Employer's Liability Insurance for all of the subcontractor's employees to be engaged in such work. This policy shall be written to meet the statutory requirements for the state in which the work is to be performed, including Occupational Disease. Where applicable, this policy shall provide USL&H coverage. This policy shall include a waiver of subrogation in favor of the State. The amounts of such insurance shall not be less than the limits stated hereinafter.

2. COMMERCIAL GENERAL LIABILITY INSURANCE AND COMMERCIAL AUTOMOBILE LIABILITY INSURANCE

The Contractor shall take out and maintain during the life of the Contract such Commercial General Liability Insurance and Commercial Automobile Liability Insurance as shall protect Contractor and any subcontractor performing work covered by the Contract from claims for damages for bodily injury, including death, as well as from claims for property damage, which may arise from operations under the Contract, whether such operation be by the Contractor or by any subcontractor or by anyone directly or indirectly employed by either of them, and the amounts of such insurance shall not be less than limits stated hereinafter.

The Commercial General Liability Insurance shall be written on an occurrence basis, and provide Premises/Operations, Products/Completed Operations, Independent Contractors, Personal Injury and Contractual Liability coverage. The policy shall include the State, and others as required by the Contract Documents, as an Additional Insured. This policy shall be primary, and any insurance or self-insurance carried by the State shall be considered excess and non-contributory. The Commercial Automobile Liability Insurance shall be written to cover all Owned, Non-owned and Hired vehicles.

3. INSURANCE COVERAGE AMOUNTS REQUIRED

a. WORKERS' COMPENSATION AND EMPLOYER'S LIABILITY

Coverage A	Statutory
Coverage B	
Bodily Injury by Accident	\$100,000 each accident
Bodily Injury by Disease	\$500,000 policy limit
Bodily Injury by Disease	\$100,000 each employee

b. COMMERCIAL GENERAL LIABILITY

General Aggregate	\$2,000,000
Products/Completed Operations Aggregate	\$2,000,000
Personal/Advertising Injury	\$1,000,000 any one person
Bodily Injury/Property Damage	\$1,000,000 per occurrence
Fire Damage	\$50,000 any one fire
Medical Payments	\$5,000 any one person

c. COMMERCIAL AUTOMOBILE LIABILITY

Bodily Injury/Property Damage	\$1,000,000 combined single limit
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d. UMBRELLA/EXCESS LIABILITY

Over Primary Insurance	\$1,000,000 per occurrence
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4. EVIDENCE OF COVERAGE

The Contractor shall furnish the State, at the opening date and time specified in the RFP, a certificate of insurance coverage complying with the above requirements, which shall be submitted to the Department of Administrative Services, Risk Management Division at 521 S. 14th Street, Suite 104, Lincoln, NE 68508 or by facsimile 402-471-2800. These certificates or the cover sheet shall reference the Contract number, and the certificates shall include the name of the company, policy numbers, effective dates, dates of expiration and amounts and types of coverage afforded. If the State is damaged by the failure of the Contractor to maintain such insurance, then the Contractor shall be responsible for all reasonable costs properly attributable thereto.

Notice of cancellation of any required 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.

G. COOPERATION WITH OTHER CONTRACTORS

The State may already have in place or choose to award supplemental Contracts for work related to this Request for Proposal, or any portion thereof.

1. The State reserves the right to award the Contract jointly between two or more potential Contractors, if such an arrangement is in the best interest of the State.
2. The Contractor shall agree to cooperate with such other Contractors, and shall not commit or permit any act which may interfere with the performance of work by any other Contractor.

H. 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 the Contract. The Contractor's employees and other persons engaged in work or services required by the Contractor under the Contract 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 or retirement benefits.

I. 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 the Request for Proposal, the Contractor's proposal, and the resulting Contract. 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. Following execution of the Contract, the Contractor shall proceed diligently with all services and shall perform such services with qualified personnel in accordance with the Contract.

J. CONTRACTOR PERSONNEL

The Contractor warrants 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 the 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 the Contractor's employees within the scope of their duties under the Contract;
4. Maintaining workers' compensation and health insurance and submitting any reports on such insurance to the extent required by governing State law; and
5. Determining the hours to be worked and the duties to be performed by the Contractor's employees.

Notice of cancellation of any required 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.

K. STATE OF NEBRASKA PERSONNEL RECRUITMENT PROHIBITION

The Contractor shall not, at any time, recruit or employ any State employee or agent who has worked on the Request for Proposal or project, or who had any influence on decisions affecting the Request for Proposal or project.

L. CONFLICT OF INTEREST

By submitting a proposal, bidder certifies that there does not now exist any relationship between the bidder and any person or entity which is or gives the appearance of a conflict of interest related to this Request for Proposal or project.

The Contractor certifies that it shall not take any action or acquire any interest, either directly or indirectly, which will conflict in any manner or degree with the performance of its services hereunder or which creates an actual or appearance of conflict of interest.

The bidder also certifies that no person having any such known interests or whose employment would be or appear to be a conflict of interest shall be employed during the performance of the Contract.

M. PROPOSAL PREPARATION COSTS

The State shall not incur any liability for any costs incurred by bidders in replying to this Request for Proposal, in the demonstrations, or oral presentations, or in any other activity related to bidding on this Request for Proposal.

N. ERRORS AND OMISSIONS

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

O. BEGINNING OF WORK

The bidder 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.

P. ASSIGNMENT BY THE STATE

The State shall have the right to assign or transfer the Contract or any of its interests herein to any agency, board, commission, or political subdivision of the State of Nebraska. There shall be no charge to the State for any assignment hereunder.

Q. ASSIGNMENT BY THE CONTRACTOR

The Contractor may not assign the Contract or any of its rights or obligations hereunder (including without limitation rights and duties of performance) to any third party including as part of the sale in whole or part of the Contractor's operations or entity, and the Contract may not be involuntarily assigned or assigned by operation of law, without the prior written consent of the State, in the sole exercise of its discretion.

R. DEVIATIONS FROM THE CONTRACT

The requirements contained in the Request for Proposal become a part of the terms and conditions of the Contract resulting from this Request for Proposal. Any deviations from the Request for Proposal must be clearly defined by the bidder 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 State discourages deviations and reserves the right to reject proposed deviations.

S. 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 of Nebraska regarding this Request for Proposal or any resultant Contract shall be brought in the State of Nebraska administrative or judicial forums as defined by State law. The Contractor must be in compliance with all Nebraska statutory and regulatory law.

T. 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.

U. ADVERTISING

The Contractor agrees not to refer to the Contract award in 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.

V. STATE PROPERTY

The Contractor shall be responsible for the proper care and custody of any State-owned property which 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 is expected.

W. 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. If the Contractor must perform on-site work outside of the daily operational hours set forth by the State, it must make arrangements with the State to ensure access to the facility and the equipment has been arranged. No additional payment will be made by the State on the basis of lack of access, unless the State fails to provide access as agreed to between the State and the Contractor.

X. NOTIFICATION

After the award of the Contract, all notices under the Contract shall be deemed duly given upon delivery to the staff designated as the point of contact for this Request for Proposal, in person, or upon delivery by U.S. Mail, facsimile, or e-mail. Each bidder shall provide in its proposal the name, title and complete address of its designee to receive notices.

1. Except as otherwise expressly specified herein, all notices, requests or other communications shall be in writing and shall be deemed to have been given if delivered personally or mailed, by U.S. Mail, postage prepaid, return receipt requested, to the parties at their respective addresses set forth above, or at such other addresses as may be specified in writing by either of the parties. All notices, requests, or communications shall be deemed effective upon personal delivery or three (3) days following deposit in the mail.
2. Whenever the Contractor encounters any difficulty which is delaying or threatens to delay its timely performance under the Contract, the Contractor shall immediately give notice thereof in writing to the State reciting all relevant information with respect thereto. Such notice shall not in any way constitute a basis for an extension of the delivery schedule or be construed as a waiver by the State of any of its rights or remedies to which it is entitled by law or equity or pursuant to the provisions of the Contract. Failure to give such notice, however, may be grounds for denial of any request for an extension of the delivery schedule because of such delay.

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.

Y. EARLY TERMINATION

The Contract may be terminated as follows:

1. The State and the Contractor, by mutual written agreement, may terminate the Contract at any time.
2. The State, in its sole discretion, may terminate the Contract for any reason upon 30 days written notice to the Contractor. Such termination shall not relieve the Contractor of warranty or other service obligations incurred under the terms of the Contract. In the event of cancellation the Contractor shall be entitled to payment, determined on a pro rata basis, for products or services satisfactorily performed or provided.
3. The State may terminate the Contract immediately for the following reasons:
 - a. If directed to do so by statute;
 - b. Contractor has made an assignment for the benefit of creditors, has admitted in writing its inability to pay debts as they mature, or has ceased operating in the normal course of business;

- c. A trustee or receiver of the Contractor or of any substantial part of the Contractor's assets has been appointed by a court;
- d. Fraud, misappropriation, embezzlement, malfeasance, misfeasance, or illegal conduct pertaining to performance under the Contract by its Contractor, its employees, officers, directors or shareholders;
- e. An involuntary proceeding has been commenced by any party against the Contractor under any one of the chapters of Title 11 of the United States Code and (i) the proceeding has been pending for at least sixty (60) days; or (ii) the Contractor has consented, either expressly or by operation of law, to the entry of an order for relief; or (iii) the Contractor has been decreed or adjudged a debtor;
- f. A voluntary petition has been filed by the Contractor under any of the chapters of Title 11 of the United States Code;
- g. Contractor intentionally discloses confidential information;
- h. Contractor has or announces it will discontinue support of the deliverable;
- i. Second or subsequent documented "vendor performance report" as accepted by the State Purchasing Bureau.

Z. 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 current fiscal year is contingent upon legislative appropriation of funds for the Contract. Should said funds not be appropriated, the State may terminate the Contract with respect to those payments for the 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 which has been satisfactorily completed as of the termination date. In no event shall the Contractor be paid for a loss of anticipated profit.

AA. BREACH BY CONTRACTOR

The State may terminate the Contract, in whole or in part, if the Contractor fails to perform its obligations under the 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. In case of default of the Contractor, the State may Contract the service from other sources and hold the Contractor responsible for any excess cost occasioned thereby.

BB. ASSURANCES BEFORE BREACH

If any document or deliverable required pursuant to the Contract does not fulfill the requirements of the Request for Proposal/resulting Contract, upon written notice from the State, 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.

CC. PENALTY

In the event that the Contractor fails to perform any substantial obligation under the Contract, the State may withhold all monies due and payable to the Contractor, without penalty, until such failure is cured or otherwise adjudicated. Failure to meet the dates stipulated in the Contract for the deliverables may result in an assessment of penalty due the State of \$500 dollars per day, until the deliverables are approved. Contractor will be notified in writing when penalty will commence.

DD. FORCE MAJEURE

Neither party shall be liable for any costs or damages resulting from its inability to perform any of its obligations under the Contract due to a natural disaster, or other similar event outside the control and not the fault of the affected party ("Force Majeure Event"). A Force Majeure Event shall not constitute a breach of the Contract. The party so affected shall immediately give notice to the other party of the Force Majeure Event. The State may grant relief from performance of the Contract if the Contractor is prevented from performance by a Force Majeure Event. The burden of proof for the need for such relief shall rest upon the Contractor. To obtain release based on a Force Majeure Event, the Contractor shall file a written request for such relief with the State Purchasing Bureau. Labor disputes with the impacted party's own employees will not be considered a Force Majeure Event and will not suspend performance requirements under the Contract.

EE. PROHIBITION AGAINST ADVANCE PAYMENT

Payments shall not be made until contractual deliverable(s) are received and accepted by the State.

FF. 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. Payment will be made by the responsible agency in compliance with the State of Nebraska Prompt Payment Act (See Neb. Rev. Stat. § 81-2401 through 81-2408). The State may require the Contractor to accept payment by electronic means such as ACH deposit. In no event shall the State be responsible or liable to pay for any services provided by the Contractor prior to the effective date, and the Contractor hereby waives any claim or cause of action for any such services.

GG. INVOICES

Invoices for payments must be submitted by the Contractor to the agency requesting the services with sufficient detail to support payment. The terms and conditions included in the Contractor's invoice shall be deemed to be solely for the convenience of the parties. No terms or conditions of any such invoice shall be binding upon the State, and no action by the State, including without limitation the payment of any such invoice in whole or in part, shall be construed as binding or estopping the State with respect to any such term or condition, unless the invoice term or condition has been previously agreed to by the State as an amendment to the Contract.

HH. AUDIT REQUIREMENTS

All Contractor books, records and documents relating to work performed or monies received under the 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 action are resolved, whichever is longer. All records shall be maintained in accordance with generally accepted accounting principles.

In addition to, and in no way in limitation of any obligation in 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.

II. TAXES

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

JJ. 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 the 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.

KK. 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 coordinator. (The State retains the right to employ the services of a third party to perform any change order(s)).

The State may, at any time work is in progress, by written order, make alterations in the terms of work as shown in the specifications, require the performance of extra work, decrease the quantity of work, or make such other changes as the State may find necessary or desirable. The Contractor shall not claim forfeiture of Contract by reasons of such changes by the State. Changes in work and the amount of compensation to be paid to the Contractor for any extra work so ordered shall be determined in accordance with the unit prices of the Contractor's proposal.

Corrections of any deliverable services or performance of work required pursuant to the Contract shall not be deemed a modification requiring a change order.

LL. LIMITATION OF LIABILITY

The Contractor agrees that there will be no limitation to the Contractor's liability under the Contract.

MM. 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.

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

It is incumbent upon the Contractor to inform its officers and employees of the penalties for improper disclosure imposed by the Privacy Act of 1974, 5 U.S.C. 552a. Specifically, 5 U.S.C. 552a (i)(1), which is made applicable to the Contractors by 5 U.S.C. 552a (m)(1), provides that any officer or employee of a Contractor, who by virtue of his/her employment or official position, has possession of or access to agency records which contain individually identifiable information, the disclosure of which is prohibited by the Privacy Act or regulations established thereunder and who knowing that disclosure of the specific material is prohibited, willfully discloses the material in any manner to any person or agency not entitled to receive it, shall be guilty of a misdemeanor and fined not more than \$5,000.

OO. 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. If the bidder wishes to have any information withheld from the public, such information must fall within the definition of proprietary information contained within Nebraska's public record statutes. All proprietary information the bidder wishes the State to withhold must be submitted in a sealed package, which is separate from the remainder of the proposal. The separate package must be clearly marked PROPRIETARY on the outside of the package. Proprietary information is defined as trade secrets, academic and scientific research work which is in progress and unpublished, and other information which if released would give advantage to business competitors and serve no public purpose (see Neb. Rev. Stat. §84-712.05(3)). In accordance with Attorney General Opinions 92068 and 97033, bidders submitting information as proprietary may be required to prove specific, named competitor(s) who would be advantaged by release of the information and the specific advantage the competitor(s) would receive. Although every effort will be made to withhold information that is properly submitted as proprietary and meets the State's definition of proprietary information, the State is under no obligation to maintain the confidentiality of proprietary information and accepts no liability for the release of such information.

PP. CERTIFICATION OF INDEPENDENT PRICE DETERMINATION/COLLUSIVE BIDDING

By submission of this proposal, the bidder certifies, that he or she is the party making the foregoing proposal that the proposal is not made in the interest of, or on behalf of, any undisclosed person, partnership, company, association, organization, or corporation; that the proposal is genuine and not collusive or sham; that the bidder has not directly or indirectly induced or solicited any other bidder to put in a false or sham proposal, and has not directly or indirectly colluded, conspired, connived, or agreed with any bidder or anyone else to put in a sham proposal, or that anyone shall refrain from bidding; that the bidder has not in any manner, directly or indirectly, sought by agreement, communication, or conference with anyone to fix the proposal price of the bidder or any other bidder, or to fix any overhead, profit,

or cost element of the proposal price, or of that of any other bidder, or to secure any advantage against the public body awarding the Contract of anyone interested in the proposed Contract; that all statements contained in the proposal are true; and further that the bidder has not, directly or indirectly, submitted his or her proposal price or any breakdown thereof, or the contents thereof, or divulged information or data relative thereto, or paid, and will not pay, any fee to any corporation, partnership, company association, organization, proposal depository, or to any member or agent thereof to effectuate a collusive or sham proposal.

QQ. PRICES

All prices, costs, terms and conditions outlined in the proposal shall remain fixed and valid commencing on the opening date of the proposal until an award is made or the Request for Proposal is cancelled.

Contractor represents and warrants that all prices for services, now or subsequently specified are as low as and no higher than prices which the 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 the Contract, the Contractor shall reduce any and/or all prices charged to any customers other than the State for the same or similar products or services specified herein, the 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 the Contract and all prices in addition, which the Contractor may charge under the terms of the 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. Prices quoted shall not be subject to increase throughout the Contract period unless specifically allowed by these specifications.

RR. ETHICS IN PUBLIC CONTRACTING

No bidder shall pay or offer to pay, either directly or indirectly, any fee, commission compensation, gift, gratuity, or anything of value to any State officer, legislator or employee based on the understanding that the receiving person's vote, actions or judgment will be influenced thereby. No bidder shall give any item of value to any employee of the State Purchasing Bureau.

Bidders shall be prohibited from utilizing the services of lobbyists, attorneys, political activists, or consultants to secure the Contract. It is the intent of this provision to assure that the prohibition of state contact during the procurement process is not subverted through the use of lobbyists, attorneys, political activists, or consultants. It is the intent of the State that the process of evaluation of proposals and award of the Contract be completed without external influence. It is not the intent of this section to prohibit bidders from seeking professional advice, for example consulting legal counsel, regarding terms and conditions of this Request for Proposal or the format or content of their proposal.

If the bidder is found to be in non-compliance with this section of the Request for Proposal, they may forfeit the Contract if awarded to them or be disqualified from the selection process.

SS. INDEMNIFICATION

1. GENERAL

The Contractor agrees to defend, indemnify, hold, and save harmless the State and its employees, volunteers, agents, and its elected and appointed officials (Indemnified Parties) from and against any and all claims, liens, demands, damages, liability, actions, causes of action, losses, judgments, costs, and expenses of every nature; including investigation costs and expenses, settlement costs, and attorney fees and expenses (Claims), sustained or asserted against the State arising out of, resulting from, or attributable to the willful misconduct, negligence, error, or omission of the Contractor, its employees, subcontractors, consultants, representatives, and agents, provided the Contractor shall not be liable hereunder to indemnify the State against liability for damages arising out of bodily injury to people or damage to property caused by or resulting from the gross negligence or willful misconduct of the State, its agents, or employees.

2. INTELLECTUAL PROPERTY

The Contractor agrees it will at its sole cost and expense, defend, indemnify, and hold harmless the Indemnified Parties from and against any and all Claims, to the extent such Claims arise out of, result from, or are attributable to the actual or alleged infringement or misappropriation of any patent, copyright, trade secret, trademark, or confidential information of any third party by the Contractor or its employees, subcontractors, consultants, representatives, and agents; provided, however, the State gives the Contractor prompt notice in writing of the Claim. The Contractor may not settle any infringement claim that will affect the State's use of the Licensed Software without the State's prior written consent, which consent may be withheld for any reason.

3. JUDGMENT

If a judgment or settlement is obtained or reasonably anticipated against the State's use of any Intellectual Property for which the Contractor has indemnified the State, the Contractor shall at the Contractor's sole cost and expense promptly modify the item or items which were determined to be infringing, acquire a license or licenses on the State's behalf to provide the necessary rights to the State to eliminate the infringement, or provide the State with a non-infringing substitute that provides the State the same functionality. At the State's election, the actual or anticipated judgment may be treated as a breach of warranty by the Contractor, and the State may receive the remedies provided under this RFP.

4. PERSONNEL

The Contractor shall, at its expense, indemnify and hold harmless the Indemnified Parties from and against any Claim with respect to withholding taxes, worker's compensation, employee benefits, or any other claim, demand, liability, damage, or loss of any nature relating to any of the personnel provided by the Contractor.

TT. NEBRASKA TECHNOLOGY ACCESS STANDARDS

Contractor shall review the Nebraska Technology Access Standards, found at <http://www.nitc.state.ne.us/standards/accessibility> and ensure that products and/or services provided under the Contract comply with the applicable standards. In the event such standards change during the Contractor's performance, the State may create an amendment to the Contract to request that Contract comply with the changed standard at a cost mutually acceptable to the parties.

UU. ANTITRUST

The Contractor hereby assigns to the State any and all claims for overcharges as to goods and/or services provided in connection with the Contract resulting from antitrust violations which arise under antitrust laws of the United States and the antitrust laws of the State.

VV. DISASTER RECOVERY/BACK UP PLAN

The Contractor shall have a disaster recovery and back-up plan which includes, but is not limited to equipment, personnel, facilities, and transportation in order to continue services as specified under these specifications in the event of a disaster.

WW. TIME IS OF THE ESSENCE

Time is of the essence in the Contract. The acceptance of late performance with or without objection or reservation by the State shall not waive any rights of the State nor constitute a waiver of the requirement of timely performance of any obligations on the part of the Contractor remaining to be performed.

XX. RECYCLING

Preference will be given to items which are manufactured or produced from recycled material or which can be readily reused or recycled after their normal use as per state statute (Neb. Rev. Stat. §81-15, 159).

YY. DRUG POLICY

Contractor certifies that it maintains a drug free work place environment to ensure worker safety and workplace integrity. Contractor agrees to provide a copy of its drug free workplace policy at any time upon request by the State.

ZZ. BEST AND FINAL OFFER

The State will compile the final costs for each proposal. The award may be granted to the lowest cost scoring responsible bidder. Alternatively, the lowest cost bidder or bidders may be requested to submit best and final offers. If best and final offers are requested by the State and submitted by the bidder, the cost will be evaluated (using the stated criteria) by the Evaluation Committee. The award will then be granted to the lowest cost bidder. However, a bidder should provide its best offer in its original proposal. Bidders should not expect that the State will request a best and final offer.

IV. PROJECT DESCRIPTION AND SCOPE OF WORK

This RFP serves multiple purposes in soliciting providers for services related to networking in the State of Nebraska. Each service will be reviewed individually or in combination with other services.

The individual sections of this RFP are:

Section 1	High Speed WAN – STEP Consortium
Section 2	High Speed WAN with Cisco 3825 Edge Router – STEP Consortium
Section 3	High Speed WAN – TVDEC-N Consortium
Section 4	High Speed WAN with Cisco 3825 Edge Router – TVDEC-N Consortium
Section 5	High Speed WAN – WNDLC Consortium
Section 6	High Speed WAN with Cisco 3825 Edge Router – WNDLC Consortium
Section 7	High Speed Transport – SWDLC Consortium to Grand Island
Section 8	High Speed Transport – TVDEC-S Consortium to Grand Island
Section 9	High Speed WAN – Higher Education

Notes:

- If the Bidder responds to Section 1, then Section 2 must also have a response.
- If the Bidder responds to Section 3, then Section 4 must also have a response.
- If the Bidder responds to Section 5, then Section 6 must also have a response.
- Sections 1 and 2 will be evaluated together in order to select the qualified Bidder.
- Sections 3 and 4 will be evaluated together in order to select the qualified Bidder.
- Sections 5 and 6 will be evaluated together in order to select the qualified Bidder.
- Sections 7 and 8 will be evaluated separately in order to select the qualified Bidder.
- Section 9 will be evaluated separately in order to select the qualified Bidder.
- The “edge router” equipment standard for Network Nebraska is the Cisco 3825 with 4 port Ethernet module.
- All services listed above will be offered to Schools and Libraries and therefore must meet E-rate guidelines for eligible services, products, services providers and contracts.
- All State agencies, the University, political subdivisions and other “eligible participants” will be allowed to purchase off of this contract.
- There is no guarantee that any or all of the institutions listed will purchase any or all of the services requested in this RFP.
- **The Bidder needs to clearly state when submitting pricing which section of the RFP they are bidding on.**
- Currently there are 3 “core” network nodes in the following locations:

Peter Kiewit Institute
Room 166
University of Nebraska – Omaha
1110 South 67th Street
Omaha, Nebraska 68182-0694

University of Nebraska Computing Services Network
Room 230 Nebraska Hall
University of Nebraska Lincoln
Lincoln, Nebraska 68588-0521

College Park
3180 W Hwy 34
Grand Island, NE 68801-7279

The objective of this RFP is to create a network environment that will meet the needs of the K-12 distance learning environment as defined in LB1208 as passed by the 2006 Nebraska Legislature. This will include “video services” (Interactive and streaming) and wide area data transport. In addition to serving the K-12 institutions, it will also be used to serve entities that are not e-rate eligible, such as higher education (Community Colleges, State Colleges and Universities), political subdivisions and State Agencies. Only E-rate eligible entities will apply for E-rate discounts.

Bidder must have a service provider identification number from the Universal Service Administrative Company and be eligible to participate in the Universal Service Fund discount program for telecommunications services provided to the E-rate eligible entities. Bidder agrees to provide any discounts, including any accrued credits, for which the entity is eligible under the Universal Service Fund for school telecommunications services. Bidder will, at its expense, prepare and file all carrier documents and reports required for the eligible entities to receive the benefit of such discounts and credits. Bidder's Service Provider Identification Number (SPIN) issued to bidder by the Universal Service Administrative Company must be included in the responding bid.

Bidders are required to identify strategies to the State on how bidders intend to transition the current contractual environment of the entities to their proposed solutions. Additionally, bidders should be prepared to address any pricing advantages that could be extended to Phase I of the network under the technology refresh clause (specifically the portion of that clause that states we will take pricing modifications associated with improved economies of scale). The State of Nebraska WILL NOT offer any additional consideration to a bid for Phase II that extends this opportunity. However, it is the intent of the State that any pricing advantages that are extended to Phase II will be discussed and acted upon during the first technology refresh opportunity.

Currently there are five different distance learning consortium contracts associated with K12 schools listed in Appendix A-F. Each of the distance learning consortia has its own contract expiration date. Below are the five consortiums with contact information.

Consortium Name	Acronym	Contact	E-mail	Phone	Main Educational Service Unit(s)	Reported Contract Expiration Date
Sandhills Technology Education Project	STEP	John Stritt	jstritt@esu10.org	308-865-5664 x281	ESU 10	2012
Southwest Distance Learning Consortium	SWDLC	Shirley Schall	sschall@esu15.org	308-334-5160	ESUs 15, 16	2013
TriValley-North Distance Education Consortium	TVDEC-N	John Stritt	jstritt@esu10.org	308-865-5664 x281	ESUs 7, 10	2009
TriValley-South Distance Education Consortium	TVDEC-S	John Stritt	jstritt@esu10.org	308-865-5664 x281	ESUs 10, 11	2013
Western Nebraska Distance Learning Consortium	WNDLC	B.J. Peters	bpeters@esu13.org	308-635-3696	ESU 13	2009

A. SECTION 1 - HIGH SPEED WAN – STEP Consortium

1. PROJECT OVERVIEW

The objective of this section of the RFP is to identify a Bidder or Bidders that will design, develop, and implement high speed data connectivity that will meet the current and future telecommunications needs of eligible participants over the term of the contract. The successful Bidder will provide a cost-effective, scalable, and flexible high speed data transport service that can interconnect all STEP Consortium entities listed in Appendix A. Appendix A includes all STEP Consortium locations that still need to be IP converted. When bidding Appendix A locations, the Bidder must bid the costs to have a flat layer 2 cloud in the appropriate region. The Bidder will also include connectivity through the carriers' cloud back to the Phase 1 College Park location in Grand Island. This connectivity needs to have the capacity to support one half of all schools in the STEP Consortium transmitting at full capacity at any given time. This connectivity should be a Gigabit interface to allow for flexible growth. . The cost for connectivity back to College Park should be figured into the MRC for the individual schools. A co-location closet in College Park will be provided.

Alternative bids with varying amounts of “connectivity” back to the Phase 1 College park location in Grand Island are encouraged.

This RFP is for the 2nd phase of a multi-phase project for connectivity to Network Nebraska. Connectivity may include colleges, universities, state government, political subdivisions and K-12 institutions. The network design of this phase must accommodate the full implementation of Network Nebraska connections including a Statewide, multi-purpose backbone.

All proposals must meet the technical requirements as stated in the RFP. All respondents must bid all sites as shown in Appendix A. Any proposals that meet technical requirements, but do not bid all schools included in Appendix A will be viewed as bidding an “alternative proposal”.

This will be deemed less desirable than a complete bid for all locations in Appendix A. The State strongly desires to have ONE “prime contractor” for all locations listed in Appendix A.

Although less desirable, Bidders are still encouraged to bid alternative proposals in the event a “prime contractor” is not cost effective.

If the State deems that it is more cost effective to award multiple awards to “alternative bids” it reserves that right. The State reserves the right to reject any or all proposals, wholly or in part, or to award to multiple bidders in whole or in part.

Current network costs are provided to assist Bidders in making a logical and cost effective proposal to the State. Current costs are: \$11,800 - \$18,000 per year per school for video and IP data transport.

The State requires the Bidder to bid a multi-purpose transport connection to interconnect the listed institutions along with the corresponding services that considers present, as well as future, state-of-the-art technologies. The extent to which these segments are included in the network ‘cloud’ that covers the geography of South-central and Western Nebraska is important to the economic development goals as defined in the Nebraska Information Technology Commission (NITC) goals on page 11

2. TECHNICAL ELEMENTS

a. CURRENT ENVIRONMENT

The current distance learning environment in the STEP Consortium consists of a commercial video and data service offered by multiple providers with various contract expiration dates. Some locations are carried on fiber DS3 circuits installed to each location and are based on JPEG or MPEG2 audio/video technology. The current DS3 is capable of providing two services. The primary service is committed to the support of the JPEG or MPEG2 video transmission consisting of one send and three receive sessions. The K-12 institutions secure Internet access via one or two T1 frame-relay connections multiplexed from the JPEG DS3 or from a Data ATM circuit associated with the MPEG2 video circuit.

b. PROJECT ENVIRONMENT

The STEP Consortium Network Nebraska service area consists of approximately nine K-12 locations.

These entities have expressed the need to upgrade their network to an IP network using the latest video standards as defined by the NITC. Funding for much of the K-12 equipment upgrade will come from appropriations in the Nebraska law as defined in Neb. Rev. Stat. 79-1336.

3. SCOPE OF WORK

The Bidder shall design, develop and implement a high-speed, IP-based, layer 2, wide area network to interconnect eligible entities as requested. This includes conversion of the current DS3 JPEG network to an IP network. The network interface to the customers CPE must physically be Ethernet with the capability to provide multiple virtual Ethernet interfaces via 802.1Q. The network connections must be a minimum of 40 Mbps, with options for 100 Mbps or faster, up to and including 1000 Mbps, where possible. The conversion will be performed over the summer of 2008 and must be as transparent as possible with completion by August 5th.

In addition to the wide area network to the entities, there will need to be a "transport connection" from the network cloud to the Network Nebraska Grand Island location (College Park).

Entities that select this service will be purchasing their own network equipment and video equipment. The bidder will need to work closely with these entities (institutions, Educational Service Units; etc) to ensure that the appropriate network equipment and video equipment delivery is coordinated and ready for installation at the time the network conversion takes place.

4. PROJECT REQUIREMENTS

The K-12 schools that require this service must be converted between July 1, 2008 and August 5, 2008. The circuits should be installed and tested by July 1, 2008, however the State can not incur charges on these circuits until after July 1st due to E-rate. The cutover to the customer must be complete by August 5, 2008. Existing service must remain active until the final cutover. The State of Nebraska is cognizant of a growing demand for bandwidth. The State is interested in identifying a Bidder who will meet the current and future telecommunications needs of eligible participants over the term of the contract. The successful Bidder will provide a cost-effective, scalable, and flexible

transport service that will be able to meet the demands of the network participants and it is expected the services would meet any future needs of other eligible participants as deemed appropriate. Bidders shall identify services that are a normal part of their offering without additional fees and optional services that are being offered for an additional fee (i.e., automatic trouble ticket generation, trouble notification, etc). The State requires a complete description of those services and fees to be included in the RFP response.

TECHNICAL REQUIREMENTS

The bidder will provide a network design in which:

- Layer 2 QoS tags pass unimpeded through the network
- **VLAN tags should not need to be matched by the provider they should be tunneled through the provider network**
- Layer 2 performance will be adequate to support jitter and low-latency sensitive applications (i.e. video over IP)
- IEEE 802.1q VLANs can be established at the request of the Network Nebraska staff or their authorized agent
- Allow participating institutions to manage IP address space and routing

The bidder will also:

- Indicate what layer 2 QoS capabilities the network will honor and support, (i.e. 802.1p queuing)
- Indicate availability of real time performance metrics (i.e. SNMP) access to a State provided list of authorized monitoring stations.
- Articulate the way in which overall cloud utilization will be monitored and under what conditions and within what timeframes upgrades will be implemented to ensure that the purchased bandwidth is available on demand to participants.
- Indicate the timeframe in which requests for virtual networks or layer 2 QoS changes will be honored

5. TECHNOLOGY REFRESHMENT CLAUSE

The State and the Bidder will work in partnership to ensure the services provided under this contract will be continuously refreshed as technologies evolve and user needs grow. The Chief Information Officer, in conjunction with or on behalf of all other participants, will assume the primary role in seeking and proposing new technologies and enhancements. This technology refreshment clause will be a required condition of the contract.

As a portion of the response to this RFP, bidders shall identify and define any pertinent new services currently being considered for deployment. Anticipated deployment dates shall also be identified.

The State and the Bidder will conduct periodic reviews of the contract at specific milestones during the term of the contract to review service offerings and pricing. These reviews may result in expanding the services offered by the Bidder to include new pricing elements or pricing modifications associated with improved economies of scale and/or technological innovations. Changes in the industry related to regulation and/or pricing mechanisms may also result in modification of rates identified in the services offered by the Bidder. These review periods will commence when the State feels an improvement in economies of scale or technological innovation has occurred.

6. SERVICE LEVEL GUARANTEES

This network must support production applications that require a high degree of reliability and must operate with little or no service disruptions for twenty-four (24) hours a day, seven (7) days a week. Bidders must provide solutions with the necessary redundancy, backup systems, and/or other disaster avoidance and recovery capabilities to support these needs. Bidders must have the necessary staff for the installation and maintenance of their network responsibilities and necessary staff to assist the State in its installation and maintenance of critical network services. The Bidder will provide an explanation of any redundancy that is available as part of the proposed system that will assure the required availability of the services. The following performance specifications are required service level guarantees. The Bidder will conform to these service level agreements, which are to include details concerning restoration procedures and goals, escalation procedures, and non-conformance penalties.

7. SPECIFICATIONS

At a minimum circuit availability will be 99.95% or greater as measured over twelve consecutive months (4.38 hours of outage per year).

Mean time to repair (MTTR) a failed transport backbone network element, measured over twelve consecutive months, will be four hours.

End-to-End Network MTTR: 4 hours

The Bidder will acknowledge that the above is a minimal set of assurances for this network.

Following the final system acceptance by the State, the Bidder shall guarantee overall network performance in accordance with RFP mandated requirements. Any outages and/or diminished QoS that are not resolved prior to the expiration of the four-hour MTTR (Mean Time To Repair), shall result in a credit to the State equal to four (4) days credit of service and one (1) day credit of service for each additional hour of outage and/or diminished QoS on the same circuit or network component. Repeated outages and/or diminished QoS on the same circuit or network segment greater than four (4) occurrences per month shall receive a full month credit for that circuit or network segment.

EXAMPLE:

24 hours x 30 days = 720 hours available.

720 x 99.95% = 719.64 hours of up time.

Difference of available and hours of up time: 720 – 719.64 = .36 hours or 21.6 minutes

Cumulative outage exceeds 21.6 minutes on a circuit, a one (1) day credit is due the State or entity involved for an outage and/or diminished QoS after 21.6 minutes.

Outage and/or diminished QoS of 21.7 to 1 hours 21.6 minutes = 1 day service credit;
1 hour 21.7 minutes to 2 hours 21.6 minutes = 2 days, etc.

8. PROJECT PLANNING AND MANAGEMENT

The State of Nebraska acknowledges that project management and implementation procedures will require alignment and adjustment of work processes for the Contractor's organizations, the educational entities, and the State. The alignment will be part of the contract finalization, however the Contractor will respond to this RFP assuming the following responsibilities:

The State of Nebraska and educational entity 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 Contractor's implementation phases and ongoing upgrade design of this project
- Establish project management guidelines by meeting with the Contractor's project management team as needed
- 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 needed to support the implementation process
- Provide on-site assistance, as needed during the implementation phases of the project

The State of Nebraska management staff will assist the Contractor in identifying eligible participants in the network as well as establishing guidelines with the Contractor for ordering, moving, adding or changing services.

The Contractor will coordinate and administer the requirements of the network service(s) that are proposed.

- The Contractor will maintain toll free lines for voice and facsimile from the State to operational facilities for order entry and after hours help desk. Installation and maintenance may be subcontracted to one or more third parties to adequately cover the locations of the core transport backbone sites and to provide for rapid response in the event of a service disruption. The Contractor will provide information regarding intent to maintain its facilities after project implementation has been completed.
- The Contractor will maintain toll free voice lines for after hours helpdesk support for the duration of the contract. This point of contact will serve as the single point of contact for all services and equipment provided by the contract, including services and equipment subcontracted to another vendor.
- The Contractor will furnish with its proposal technical information, graphs, charts, maps, photographs, block diagrams, operating manuals, and other information that will clearly show that the services offered are 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 Contractor will explain in detail, with full engineering support data, the reasons why the proposed services meet the RFP requirements and should not be considered an exception.
- The technical proposal will include detailed network diagrams and drawings that clearly illustrate the network configuration and the functional relationships, as they are associated with the proposed services. These network diagrams will be available to the State electronically in a format agreed upon by the Contractor and the State to allow for import into various computer programs.
- The Contractor will provide basic technical specifications for each item of equipment included in the proposal. The information to be provided will be in the form of published specification sheets or other illustrative literature.

9. IMPLEMENTATION PLAN

The Bidder must submit to the State of Nebraska an implementation plan for the deployment of the services, along with proposed pricing schemes that reflect the services to be included in the associated contract resulting from the award of this RFP.

The Bidder will adhere to the implementation plan submitted as a requirement of this RFP for deployment of services.

10. DEPLOYMENT STATUS REPORTS

The Bidder's designated project manager will provide weekly reports of the status of any deployment schedules to the State's designated project manager. Deployment status reports will provide weekly information related to the adherence to the deployment schedule identified in Section 9, identification of issues affecting the deployment schedule, and recommended resolution(s) to any identified barriers to network deployment.

11. BILLING

The State will provide detailed billing instructions for each order as placed. In some cases the billed entity will be a consolidated billing to the State in an electronic format. For e-rate eligible entities, the Bidder may be instructed to bill the entity directly to ensure that appropriate e-rate processing can be accomplished. The Bidder must comply with all applicable e-rate requirements. The State may request a copy or summary of billings to other entities.

Billings for the High Speed WAN in all STEP Consortium locations must comply with the following specific requirements:

- a. Eligible participants must file contract orders for equipment or services under this section that specifies the number and location of sites.
- b. The billing to all eligible participants in the region for services under this section must reflect a postalized cost per site for all STEP Consortium locations, based on the list of participants in Appendix A.
- c. The Bidder must bill each entity directly that connects to the statewide network, rather than presenting a consolidated billing to the State of Nebraska.

Any services billed to the State of Nebraska must meet the following requirements.

For the purpose of this section, the following are defined:

Paper Summary Invoice - A paper invoice or bill submitted to the State requesting payment for contracted services.

Electronic Detail File - An electronic file containing detailed information for all individual circuits billed to the State on the paper summary invoice.

The State requires that the billing cycle for all bidder provided services end on the last day of each month, and the next billing cycle shall begin on the day immediately following the preceding billing cycle.

A monthly paper summary invoice must be delivered to the Division of Communications at 501 S.14th Lincoln, NE 68508 within 10 business days after the end of the month. The State also requires that an electronic copy of the paper

summary invoice be e-mailed to the Division of Communications each month. At a minimum the invoice must contain the following information:

- Bill Date
- Account Number
- Invoice Number
- Service Period i.e. 01/01/2000 thru 01/31/2000
- Total Federal Universal Service Surcharge and percentage
- Total Nebraska Universal Service Surcharge and percentage
- All Non-Recurring charges to include State order # and/or Bidder trouble ticket # as well as a detailed description of each
- All recurring charges to include; circuit ID, circuit billing number, ASOC/USOC, common language description of service as well as the individual charges for each. Recurring charges must be grouped and itemized by circuit.

The following items must be subtotaled independently:

- All Non-Recurring charges
- All recurring charges

The Bidder must describe any additional information that will appear on their paper summary invoice. The Bidder must also submit with their proposal a paper copy of their proposed paper summary invoice that meets the specifications of this RFP.

All costs must reflect the actual contracted amount. The State will not accept any invoicing, billing, or billing detail that reflects a higher than contracted rate with a percentage discount.

The Bidder must deliver an automated electronic detail file each month with figures that match the paper summary invoice. The electronic file will be used in the State's current rebilling system to generate invoices for State agencies. The file needs to be a data file, not an image of the paper bill in a file. This entire process is automated requiring no manual intervention. Files that require a manual process each month are not acceptable. Merely sending a CD is not considered automation. Anything that requires State personnel to handle this file each month is not considered automation.

In order to facilitate automation the State will provide a relay server to receive the monthly billing file. This server is accessible via the Internet. The Bidder must utilize this server for transferring monthly billing detail prior to the 12th of each month. For example, by the 12th of January, December's billing detail needs to be sent to the relay server. Prior to "going live", testing this process must be done. The winning bidder will be provided with access, instructions, and a user ID. A record layout must be provided describing the fields contained in your file. Below is an example of what the file must look like:

```
12345678901234024710642ASOCXTHIS IS A CHARGE FOR AN ASOC 005000003
12345678901234024710642ASOCXTHIS IS A CHARGE FOR AN ASOC 005000003
12345678901234024710642ASOCXTHIS IS A CHARGE FOR AN ASOC 005000003
12345678901234024710642ASOCXTHIS IS A CHARGE FOR AN ASOC 005000003
12345678901234024710642ASOCXTHIS IS A CHARGE FOR AN ASOC 005000003
12345678901234024710642ASOCXTHIS IS A CHARGE FOR AN ASOC 005000003
```

Text/alpha fields must be left justified blank padded, numeric fields must be right justified, zero padding is not necessary as long as they are right justified and align. Editing is not desired for dates and amounts (other than a sign for credit amounts). For

example, the date 20060119 is preferred over 2006-01-19. For dollar values, 100000 are preferable to 1,000.00. Bidders must provide a detailed record layout to include field descriptions as well as field lengths.

The Bidder should provide a copy of their proposed electronic billing file on compact disk. Bidders should provide this test file along with their proposal in order to be considered. The State will verify that the content of the test file(s) are compatible with the state rebilling system. At minimum the following information must be contained in a record for each individual circuit and/or billable circuit element:

Field	Format
Identifying circuit ID	alphanumeric
Identifying billing #	numeric
ASOC or USOC	alphanumeric
Common language description	alphanumeric
Contracted rate	numeric signed
Quantity	numeric

All costs between the electronic detail file and the paper summary invoice must match exactly. If the paper summary invoice figures and the sums of the call detail file records do not match the entire call detail file and paper summary invoice may be returned to the Bidder for correction. It is imperative that Bidders provide complete and accurate invoicing. Partial payments will not be made on returned invoices regardless of the volume of errors.

In the event that minor infrequent errors exist on invoices the State may at its own discretion elect to receive a credit for such errors. All billing errors must be corrected or credited within (2) billing cycles. Accurate billing, timely invoice delivery, and billing dispute resolutions are required, and repeated failure to meet billing/invoicing requirements will result in penalties that compensate the State for all costs including labor. The State reserves the right to deduct an amount equal to \$150.00 per labor hour for time spent disputing billing errors and tracking such erroneous invoices and/or credits.

In events where the Bidder does not correct invoices in a timely manner as described above, the State reserves the right to pursue one or more of the following remedies:

- Withholding of payment on disputed invoices.
- “Vendor Performance Report” Filed with Material Division.
- Removing or suspending Bidder from State bidders list.
- Additional legal action as deemed appropriate by the State.

The Bidder may not disconnect any contracted service due to late payment if invoices are in dispute status. The following Nebraska State Statute addresses accurate invoicing by Bidders:

81-2405

Incorrect bill; notice to creditor; corrected bill; payment.

When a bill submitted to an agency is filled out incorrectly or when there is any defect or impropriety in a bill submitted, the agency shall notify the creditor in writing prior to the date on which payment in full is due. The notice shall contain a description of the defect or impropriety and any additional information necessary to enable the

creditor to correct the bill. Upon receiving a properly corrected bill, the agency shall make payment in full of the bill on or before the forty-fifth calendar day after the receipt of the corrected bill or, when the agency is making payment for goods or services provided by a third party, on or before the sixtieth calendar day after the receipt of the corrected bill.

Source:

Laws 1988, LB 1079, § 5.

The Bidder must provide a single point of contact for resolution of billing issues. The Bidder's proposal must include an escalation procedure for unresolved billing disputes.

The State will not pay for charges that do not conform to the above requirements. Call detail that does not conform to these requirements will be returned and the Bidder will be required to resubmit their call detail in the required format.

12. CERTIFICATION

The State requires that the Bidder be certificated by the Nebraska Public Service Commission to provide the services outlined in this Section of this RFP. The Bidders must elaborate on whether they would be willing to file Tariffs with the PSC specific to the network proposed in their bid. The Bidder must elaborate on whether they are willing to accept direct payment for USF and NUSF contributions to their proposed network and whether they are willing to deduct these contributions from the State's monetary obligations toward a contract resulting from this RFP.

13. COST

The Bidder will clearly identify each offered service (by service type) and be **specific** on all elements, processes, fees, etc. included in the cost. Bid proposals will address the impact of normal growth, as well as planned and unplanned network expansion or service enhancement. All prices shall be proposed as a "postalized rate" on a recurring or non-recurring basis. All bidder costs must be reflected in either the monthly recurring or non-recurring charges. No additional charges will be accepted. **The State shall not be required to purchase any specific service or minimum quantities of network services.** The quantities provided are for the sole purpose of assisting the Bidders in preparation of their proposals and for the State to evaluate the feasibility of the proposed network solutions. The State shall not be responsible for any cost that is not identified in the Bidders proposal. The State will not be able to consider bids that offer discounts based upon the number of network locations that join the network.

1. Network Equipment and Hardware Costs (Non-CPE)

Network equipment and hardware (non-CPE) will be part of and included in the itemized transport circuit costs. Circuit costs will be bundled costs, including all hardware.

2. Installation Costs

If one-time installation/set-up charges are applicable, these rates shall be delineated in the cost portion of the proposal. This cost for the circuit installation shall include all one time costs associated with termination to the demarcation point from the network side and/or fees associated with interconnection to local exchange carriers.

3. Software, Warranty, and Maintenance Costs

The Bidder will include costs for software, warranty, and maintenance of the provided circuits in the service rates.

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 Bidder's network and associated service rates. The software costs shall include all of the following applicable costs:

- Initial purchase and installation costs.
- Use and licensing fees.
- Software maintenance costs, including upgrades.
- All other costs relative to the network such as 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 changing network needs.

4. Optional Services

It is anticipated the Bidder may wish to offer optional services at an additional fee, i.e., network monitoring, project management, etc. These services will be identified and described in detail with the appropriate cost per unit (hour, month, circuit, service, etc.) delineated.

5. Total Costs

The Bidder will provide a detail description and list of the transport services being proposed in a table similar to the example reflected below. The monthly costs, installation, and any other charges are to be explicitly stated in order for the State to evaluate the proposed services incorporated in the proposal and the associated charges. The Bidder will define the increment(s) being proposed and the cost of each increment. The State has the option of purchasing any quantity of services in any increment proposed.

APPENDIX E SCHEDULE 1 EXAMPLE:

In Service	Qty.	Unit Monthly Recurring Charge	Total Monthly Recurring Charge	Unit Non-Recurring Charge	Total Non-Recurring Charge
40MB Service	4	\$800	\$3,200	\$1,200	\$4,800
100MB Service	1	\$1000	\$1000	\$1,500	\$1,500

In this scenario, the State could purchase 4 - 40 Mbps circuit, 1 - 100 Mbps circuit, for a Total Monthly Recurring Charge of \$4,200 and a Total Non-Recurring Charge of \$6,300.

6. Cost and Service Offering Reviews During the Contract

The State and the Bidder will conduct periodic reviews of the contract at specific milestones during the term of the contract to review service offerings and pricing as specified under item B.6, Technology Refreshment.

7. Proposal Cost Evaluation

The proposal cost will be evaluated based on the monthly recurring costs multiplied by the applicable length of contract in months, not to include extensions, plus the one time non-recurring costs.

B. SECTION 2 - HIGH SPEED WAN WITH CISCO 3825 EDGE ROUTER – STEP Consortium

1. PROJECT OVERVIEW

The objective of this section of the RFP is to identify a Bidder or Bidders that will design, develop, and implement high speed data connectivity that will meet the current and future telecommunications needs of eligible participants over the term of the contract. The successful Bidder will provide a cost-effective, scalable, and flexible high speed data transport service (including Cisco 3825 Edge Router) that can interconnect all STEP Consortium entities listed in Appendix A. Appendix A includes all STEP Consortium locations that still need to be IP converted. When bidding Appendix A locations, the Bidder must bid the costs to have a flat layer 2 cloud in the appropriate region. The Bidder will also include connectivity through the carriers' cloud back to the Phase 1 College Park location in Grand Island. This connectivity needs to have the capacity to support one half of all schools in the STEP Consortium transmitting at full capacity at any given time. This connectivity should be a Gigabit interface to allow for flexible growth. . The cost for connectivity back to College Park should be figured into the MRC for the individual schools. A co-location closet in College Park will be provided.

Alternative bids with varying amounts of “connectivity” back to the Phase 1 College park location in Grand Island are encouraged.

This RFP is for the 2nd phase of a multi-phase project for connectivity to Network Nebraska. Connectivity may include colleges, universities, state government, political subdivisions and K-12 institutions. The network design of this phase must accommodate the full implementation of Network Nebraska connections including a Statewide, multi-purpose backbone.

All proposals must meet the technical requirements as stated in the RFP. All respondents must bid all sites as shown in Appendix A. Any proposals that meet technical requirements, but do not bid all schools included in Appendix A will be viewed as bidding an “alternative proposal”.

This will be deemed less desirable than a complete bid for all locations in Appendix A. The State strongly desires to have ONE “prime contractor” for all locations listed in Appendix A.

Although less desirable, Bidders are still encouraged to bid alternative proposals in the event a “prime contractor” is not cost effective.

If the State deems that it is more cost effective to award multiple awards to “alternative bids” it reserves that right. The State reserves the right to reject any or all proposals, wholly or in part, or to award to multiple bidders in whole or in part.

Current network costs are provided to assist Bidders in making a logical and cost effective proposal to the State. Current costs are: \$11,800 - \$18,000 per year per school for video and IP data transport.

The State requires the Bidder to bid a multi-purpose transport connection to interconnect the listed institutions along with the corresponding services that considers present, as well as future, state-of-the-art technologies. The extent to which these segments are included in the network 'cloud' that covers the geography of South-central and Western Nebraska is important to the economic development goals as defined in the Nebraska Information Technology Commission (NITC) goals on page 11 of the Statewide Technology Plan (<http://www.nitc.state.ne.us/stp/stp.pdf>)

2. TECHNICAL ELEMENTS

a. CURRENT ENVIRONMENT

The current distance learning environment in the STEP Consortium consist of a commercial video and data service offered by multiple providers with various contract expiration dates. Some locations are carried on fiber DS3 circuits installed to each location and are based on JPEG or MPEG2 audio/video technology. The current DS3 is capable of providing two services. The primary service is committed to the support of the JPEG or MPEG2 video transmission consisting of one send and three receive sessions. The K-12 institutions secure Internet access via one or two T1 frame-relay connections multiplexed from the JPEG DS3 or from a Data ATM circuit associated with the MPEG2 video circuit.

b. PROJECT ENVIRONMENT

The STEP Consortium Network Nebraska service area consists of approximately nine K-12 locations.

These entities have expressed the need to upgrade their network to an IP network using the latest video standards as defined by the NITC. Funding for much of the K-12 equipment upgrade will come from appropriations in the Nebraska law as defined in Neb. Rev. Stat. 79-1336.

3. SCOPE OF WORK

The Bidder shall design, develop and implement a high-speed, IP-based, layer 2, wide area network to interconnect eligible entities as requested. This includes conversion of the current DS3 JPEG network to an IP network. The network interface to the customers CPE must physically be Ethernet with the capability to provide multiple virtual Ethernet interfaces via 802.1Q. The Bidder must also provide the Cisco 3825 Edge Router at each K-12 location as part of the service. The network connections must be a minimum of 40 Mbps, with options for 100 Mbps or faster, up to and including 1000 Mbps, where possible. The conversion will be performed over the summer of 2008 and must be as transparent as possible with completion by August 5th.

In addition to the wide area network to the entities, there will need to be a "transport connection" from the network cloud to the Network Nebraska Grand Island location (College Park).

4. PROJECT REQUIREMENTS

The K-12 schools that require this service must be converted between July 1, 2008 and August 5, 2008. The circuits should be installed and tested by July 1, 2008, however the State can not incur charges on these circuits until after July 1st due to E-rate. The cutover to the customer must be complete by August 5, 2008. Existing service must remain active until the final cutover. The State of Nebraska is cognizant of a growing demand for bandwidth. The State is interested in identifying a Bidder who will meet the current and future telecommunications needs of eligible participants over the term of

the contract. The successful Bidder will provide a cost-effective, scalable, and flexible transport service that will be able to meet the demands of the network participants and it is expected the services would meet any future needs of other eligible participants as deemed appropriate. Bidders shall identify services that are a normal part of their offering without additional fees and optional services that are being offered for an additional fee (i.e., automatic trouble ticket generation, trouble notification, etc). The State requires a complete description of those services and fees to be included in the RFP response.

5. TECHNICAL REQUIREMENTS

The bidder will provide a network design in which:

- Layer 2 QoS tags pass unimpeded through the network
- **VLAN tags should not need to be matched by the provider they should be tunneled through the provider network**
- Layer 2 performance will be adequate to support jitter and low-latency sensitive applications (i.e. video over IP)
- IEEE 802.1q VLANs can be established at the request of the Network Nebraska staff or their authorized agent
- Allow participating institutions to manage IP address space and routing

The bidder will also:

- Indicate what layer 2 QoS capabilities the network will honor and support, (i.e. 802.1p queuing)
- Indicate availability of real time performance metrics (i.e. SNMP) access to a State provided list of authorized monitoring stations.
- Articulate the way in which overall cloud utilization will be monitored and under what conditions and within what timeframes upgrades will be implemented to ensure that the purchased bandwidth is available on demand to participants.

Indicate the timeframe in which requests for virtual networks or layer 2 QoS changes will be honored

The Phase 1 RFP of Network Nebraska made the Cisco 3825 the “edge router” to be purchased by the schools. The Cisco 3825 that is bundled as a service by the Bidder should meet the below specifications:

DRAM 256MB Minimum and upgradeable to at least 1GB

Flash 64MB

Onboard Dual 10/100/1000 Ethernet interfaces

Modular Chassis

4 port 10/100 Ethernet switch module

Modular acceptance of T1's, DS3's and ADSL

Support IEEE 802.1Q Tagging, 802.1X, NAT, QoS, SSH, SNMP, H323, SIP, IPV4, IPV6, DHCP/BOOTP, Routing Protocols and Policy Routing

Stateful Firewall, IPSEC and VPN capability

Perform Configuration Backup and have a Web Based User Interface

In Addition to above specifications, the bullets below must also be adhered to:

- 32 hours of on-site router training occurring at one location.
- 4 hour, 7 days a week on-site response for hardware maintenance for the life of the contract.
- Software operating system upgrades for the life of the contract.

- Equipment bid shall be new, current models manufactured with 100% new OEM parts.
- The models being offered are in current production as of the date of the award. For purpose of this contract “current production” shall mean that the router model is being manufactured as new equipment for the United States market.
- Refurbished equipment is not acceptable.
- All equipment ordered as stated in the RFP must be shipped fully configured with the required memory, modules, and most current, stable operating system.
- In the event the Cisco 3825 goes end of life during the life of the contract an equivalent non end of life router will be substituted.
- The “edge router” will be configured and managed by the State and not by the Bidder.

6. TECHNOLOGY REFRESHMENT CLAUSE

The State and the Bidder will work in partnership to ensure the services provided under this contract will be continuously refreshed as technologies evolve and user needs grow. The Chief Information Officer, in conjunction with or on behalf of all other participants, will assume the primary role in seeking and proposing new technologies and enhancements. This technology refreshment clause will be a required condition of the contract.

As a portion of the response to this RFP, bidders shall identify and define any pertinent new services currently being considered for deployment. Anticipated deployment dates shall also be identified.

The State and the Bidder will conduct periodic reviews of the contract at specific milestones during the term of the contract to review service offerings and pricing. These reviews may result in expanding the services offered by the Bidder to include new pricing elements or pricing modifications associated with improved economies of scale and/or technological innovations. Changes in the industry related to regulation and/or pricing mechanisms may also result in modification of rates identified in the services offered by the Bidder. These review periods will commence when the State feels an improvement in economies of scale or technological innovation has occurred.

7. SERVICE LEVEL GUARANTEES

This network must support production applications that require a high degree of reliability and must operate with little or no service disruptions for twenty-four (24) hours a day, seven (7) days a week. Bidders must provide solutions with the necessary redundancy, backup systems, and/or other disaster avoidance and recovery capabilities to support these needs. Bidders must have the necessary staff for the installation and maintenance of their network responsibilities and necessary staff to assist the State in its installation and maintenance of critical network services. The Bidder will provide an explanation of any redundancy that is available as part of the proposed system that will assure the required availability of the services. The following performance specifications are required service level guarantees. The Bidder will conform to these service level agreements, which are to include details concerning restoration procedures and goals, escalation procedures, and non-conformance penalties.

8. SPECIFICATIONS

At a minimum circuit availability will be 99.95% or greater as measured over twelve consecutive months (4.38 hours of outage per year).

Mean time to repair (MTTR) a failed transport backbone network element, measured over twelve consecutive months, will be four hours.

End-to-End Network MTTR: 4 hours

The Bidder will acknowledge that the above is a minimal set of assurances for this network.

Following the final system acceptance by the State, the Bidder shall guarantee overall network performance in accordance with RFP mandated requirements. Any outages and/or diminished QoS that are not resolved prior to the expiration of the four-hour MTTR (Mean Time To Repair), shall result in a credit to the State equal to four (4) days credit of service and one (1) day credit of service for each additional hour of outage and/or diminished QoS on the same circuit or network component. Repeated outages and/or diminished QoS on the same circuit or network segment greater than four (4) occurrences per month shall receive a full month credit for that circuit or network segment.

EXAMPLE:

24 hours x 30 days = 720 hours available.

720 x 99.95% = 719.64 hours of up time.

Difference of available and hours of up time: $720 - 719.64 = .36$ hours or 21.6 minutes

Cumulative outage exceeds 21.6 minutes on a circuit, a one (1) day credit is due the State or entity involved for an outage and/or diminished QoS after 21.6 minutes.

Outage and/or diminished QoS of 21.7 to 1 hours 21.6 minutes = 1 day service credit;
1 hour 21.7 minutes to 2 hours 21.6 minutes = 2 days, etc.

9. PROJECT PLANNING AND MANAGEMENT

The State of Nebraska acknowledges that project management and implementation procedures will require alignment and adjustment of work processes for the Contractor's organizations, the educational entities, and the State. The alignment will be part of the contract finalization, however the Contractor will respond to this RFP assuming the following responsibilities:

The State of Nebraska and educational entity 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 Contractor's implementation phases and ongoing upgrade design of this project
- Establish project management guidelines by meeting with the Contractor's project management team as needed
- 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 needed to support the implementation process
- Provide on-site assistance, as needed during the implementation phases of the project

The State of Nebraska management staff will assist the Contractor in identifying eligible participants in the network as well as establishing guidelines with the Contractor for ordering, moving, adding or changing services.

The Contractor will coordinate and administer the requirements of the network service(s) that are proposed.

- The Contractor will maintain toll free lines for voice and facsimile from the State to operational facilities for order entry and after hours help desk. Installation and maintenance may be subcontracted to one or more third parties to adequately cover the locations of the core transport backbone sites and to provide for rapid response in the event of a service disruption. The Contractor will provide information regarding intent to maintain its facilities after project implementation has been completed.
- The Contractor will maintain toll free voice lines for after hours helpdesk support for the duration of the contract. This point of contact will serve as the single point of contact for all services and equipment provided by the contract, including services and equipment subcontracted to another vendor.
- The Contractor will furnish with its proposal technical information, graphs, charts, maps, photographs, block diagrams, operating manuals, and other information that will clearly show that the services offered are 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 Contractor will explain in detail, with full engineering support data, the reasons why the proposed services meet the RFP requirements and should not be considered an exception.
- The technical proposal will include detailed network diagrams and drawings that clearly illustrate the network configuration and the functional relationships, as they are associated with the proposed services. These network diagrams will be available to the State electronically in a format agreed upon by the Contractor and the State to allow for import into various computer programs.
- The Contractor will provide basic technical specifications for each item of equipment included in the proposal. The information to be provided will be in the form of published specification sheets or other illustrative literature.

10. IMPLEMENTATION PLAN

The Bidder must submit to the State of Nebraska an implementation plan for the deployment of the services, along with proposed pricing schemes that reflect the services to be included in the associated contract resulting from the award of this RFP.

The Bidder will adhere to the implementation plan submitted as a requirement of this RFP for deployment of services.

11. DEPLOYMENT STATUS REPORTS

The Bidder's designated project manager will provide weekly reports of the status of any deployment schedules to the State's designated project manager. Deployment status reports will provide weekly information related to the adherence to the deployment schedule identified in Section 9, identification of issues affecting the deployment schedule, and recommended resolution(s) to any identified barriers to network deployment.

12. BILLING

The State will provide detailed billing instructions for each order as placed. In some cases the billed entity will be a consolidated billing to the State in an electronic format. For e-rate eligible entities, the Bidder may be instructed to bill the entity directly to ensure that appropriate e-rate processing can be accomplished. The Bidder must

comply with all applicable e-rate requirements. The State may request a copy or summary of billings to other entities.

Billings for the High Speed WAN in all STEP Consortium locations must comply with the following specific requirements:

- a. Eligible participants must file contract orders for equipment or services under this section that specifies the number and location of sites.
- b. The billing to all eligible participants in the region for services under this section must reflect a postalized cost per site for all STEP Consortium locations, based on the list of participants in Appendix A.
- c. The Bidder must bill each entity directly that connects to the statewide network, rather than presenting a consolidated billing to the State of Nebraska.

Any services billed to the State of Nebraska must meet the following requirements.

For the purpose of this section, the following are defined:

Paper Summary Invoice - A paper invoice or bill submitted to the State requesting payment for contracted services.

Electronic Detail File - An electronic file containing detailed information for all individual circuits billed to the State on the paper summary invoice.

The State requires that the billing cycle for all bidder provided services end on the last day of each month, and the next billing cycle shall begin on the day immediately following the preceding billing cycle.

A monthly paper summary invoice must be delivered to the Division of Communications at 501 S.14th Lincoln, NE 68508 within 10 business days after the end of the month. The State also requires that an electronic copy of the paper summary invoice be e-mailed to the Division of Communications each month. At a minimum the invoice must contain the following information:

- Bill Date
- Account Number
- Invoice Number
- Service Period i.e. 01/01/2000 thru 01/31/2000
- Total Federal Universal Service Surcharge and percentage
- Total Nebraska Universal Service Surcharge and percentage
- All Non-Recurring charges to include State order # and/or Bidder trouble ticket # as well as a detailed description of each
- All recurring charges to include; circuit ID, circuit billing number, ASOC/USOC, common language description of service as well as the individual charges for each. Recurring charges must be grouped and itemized by circuit.

The following items must be subtotaled independently:

- All Non-Recurring charges
- All recurring charges

The Bidder must describe any additional information that will appear on their paper summary invoice. The Bidder must also submit with their proposal a paper copy of their proposed paper summary invoice that meets the specifications of this RFP.

All costs must reflect the actual contracted amount. The State will not accept any invoicing, billing, or billing detail that reflects a higher than contracted rate with a percentage discount.

The Bidder must deliver an automated electronic detail file each month with figures that match the paper summary invoice. The electronic file will be used in the State's current rebilling system to generate invoices for State agencies. The file needs to be a data file, not an image of the paper bill in a file. This entire process is automated requiring no manual intervention. Files that require a manual process each month are not acceptable. Merely sending a CD is not considered automation. Anything that requires State personnel to handle this file each month is not considered automation.

In order to facilitate automation the State will provide a relay server to receive the monthly billing file. This server is accessible via the Internet. The Bidder must utilize this server for transferring monthly billing detail prior to the 12th of each month. For example, by the 12th of January, December's billing detail needs to be sent to the relay server. Prior to "going live", testing this process must be done. The winning bidder will be provided with access, instructions, and a user ID. A record layout must be provided describing the fields contained in your file. Below is an example of what the file must look like:

```
12345678901234024710642ASOCXTHIS IS A CHARGE FOR AN ASOC 005000003
12345678901234024710642ASOCXTHIS IS A CHARGE FOR AN ASOC 005000003
12345678901234024710642ASOCXTHIS IS A CHARGE FOR AN ASOC 005000003
12345678901234024710642ASOCXTHIS IS A CHARGE FOR AN ASOC 005000003
12345678901234024710642ASOCXTHIS IS A CHARGE FOR AN ASOC 005000003
12345678901234024710642ASOCXTHIS IS A CHARGE FOR AN ASOC 005000003
```

Text/alpha fields must be left justified blank padded, numeric fields must be right justified, zero padding is not necessary as long as they are right justified and align. Editing is not desired for dates and amounts (other than a sign for credit amounts). For example, the date 20060119 is preferred over 2006-01-19. For dollar values, 100000 are preferable to 1,000.00. Bidders must provide a detailed record layout to include field descriptions as well as field lengths.

The Bidder should provide a copy of their proposed electronic billing file on compact disk. Bidders should provide this test file along with their proposal in order to be considered. The State will verify that the content of the test file(s) are compatible with the state rebilling system. At minimum the following information must be contained in a record for each individual circuit and/or billable circuit element:

Field	Format
Identifying circuit ID	alphanumeric
Identifying billing #	numeric
ASOC or USOC	alphanumeric
Common language description	alphanumeric
Contracted rate	numeric signed
Quantity	numeric

All costs between the electronic detail file and the paper summary invoice must match exactly. If the paper summary invoice figures and the sums of the call detail file records do not match the entire call detail file and paper summary invoice may be returned to the Bidder for correction. It is imperative that Bidders provide complete and

accurate invoicing. Partial payments will not be made on returned invoices regardless of the volume of errors.

In the event that minor infrequent errors exist on invoices the State may at its own discretion elect to receive a credit for such errors. All billing errors must be corrected or credited within (2) billing cycles. Accurate billing, timely invoice delivery, and billing dispute resolutions are required, and repeated failure to meet billing/invoicing requirements will result in penalties that compensate the State for all costs including labor. The State reserves the right to deduct an amount equal to \$150.00 per labor hour for time spent disputing billing errors and tracking such erroneous invoices and/or credits.

In events where the Bidder does not correct invoices in a timely manner as described above, the State reserves the right to pursue one or more of the following remedies:

- Withholding of payment on disputed invoices.
- “Vendor Performance Report” Filed with Material Division.
- Removing or suspending Bidder from State bidders list.
- Additional legal action as deemed appropriate by the State.

The Bidder may not disconnect any contracted service due to late payment if invoices are in dispute status. The following Nebraska State Statute addresses accurate invoicing by Bidders:

81-2405

Incorrect bill; notice to creditor; corrected bill; payment.

When a bill submitted to an agency is filled out incorrectly or when there is any defect or impropriety in a bill submitted, the agency shall notify the creditor in writing prior to the date on which payment in full is due. The notice shall contain a description of the defect or impropriety and any additional information necessary to enable the creditor to correct the bill. Upon receiving a properly corrected bill, the agency shall make payment in full of the bill on or before the forty-fifth calendar day after the receipt of the corrected bill or, when the agency is making payment for goods or services provided by a third party, on or before the sixtieth calendar day after the receipt of the corrected bill.

Source:

Laws 1988, LB 1079, § 5.

The Bidder must provide a single point of contact for resolution of billing issues. The Bidder’s proposal must include an escalation procedure for unresolved billing disputes.

The State will not pay for charges that do not conform to the above requirements. Call detail that does not conform to these requirements will be returned and the Bidder will be required to resubmit their call detail in the required format.

13. CERTIFICATION

The State requires that the Bidder be certificated by the Nebraska Public Service Commission to provide the services outlined in this Section of this RFP. The Bidders must elaborate on whether they would be willing to file Tariffs with the PSC specific to the network proposed in their bid. The Bidder must elaborate on whether they are willing to accept direct payment for USF and NUSF contributions to their proposed

network and whether they are willing to deduct these contributions from the State's monetary obligations toward a contract resulting from this RFP.

14. COST

The Bidder will clearly identify each offered service (by service type) and be specific on all elements, processes, fees, etc. included in the cost. Bid proposals will address the impact of normal growth, as well as planned and unplanned network expansion or service enhancement. All prices shall be proposed as "postalized rate" on a recurring or non-recurring basis. All bidder costs must be reflected in either the monthly recurring or non-recurring charges. No additional charges will be accepted. The State shall not be required to purchase any specific service or minimum quantities of network services. The quantities provided are for the sole purpose of assisting the Bidders in preparation of their proposals and for the State to evaluate the feasibility of the proposed network solutions. The State shall not be responsible for any cost that is not identified in the Bidders proposal.

a. Network Equipment and Hardware Costs (Non-CPE)

Network equipment and hardware (non-CPE) will be part of and included in the itemized transport circuit costs. Circuit costs will be bundled costs, including all hardware.

b. Installation Costs

If one-time installation/set-up charges are applicable, these rates shall be delineated in the cost portion of the proposal. This cost for the circuit installation shall include all one time costs associated with termination to the demarcation point from the network side and/or fees associated with interconnection to local exchange carriers.

c. Software, Warranty, and Maintenance Costs

The Bidder will include costs for software, warranty, and maintenance of the provided circuits in the service rates.

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 Bidder's network and associated service rates. The software costs shall include all of the following applicable costs:

- Initial purchase and installation costs.
- Use and licensing fees.
- Software maintenance costs, including upgrades.
- All other costs relative to the network such as 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 changing network needs.

d. Optional Services

It is anticipated the Bidder may wish to offer optional services at an additional fee, i.e., network monitoring, project management, etc. These services will be identified and described in detail with the appropriate cost per unit (hour, month, circuit, service, etc.) delineated.

e. Total Costs

The Bidder will provide a detail description and list of the transport services being proposed in a table similar to the example reflected below. The monthly costs, installation, and any other charges are to be explicitly stated in order for the State to evaluate the proposed services incorporated in the proposal and the associated charges. The Bidder will define the increment(s) being proposed and the cost of each increment. The State has the option of purchasing any quantity of services in any increment proposed. Additionally, the vendor will identify the edge device being bid by manufacturer, model and software operating system (including version).

APPENDIX E SCHEDULE 2 EXAMPLE:

Service with Cisco 3825	Qty.	Unit Monthly Recurring Charge	Total Monthly Recurring Charge	Unit Non-Recurring Charge	Total Non-Recurring Charge	24x7 4 Hour Mtc. Monthly Charge Per Device	32 Hrs./On-Site Single Location Training Charge(if applicable)
40MB Service with Cisco 3825	5	\$1,200	\$6,000	\$1,000	\$5,000	\$35	
100MB Service with Cisco 3825	2	\$1,400	\$2,800	\$1,300	\$2,600	\$35	

In this scenario, the Cisco 3825 is selected with five 40 Mbps services, two 100 Mbps services would have a one time installation cost of \$7,600.00 and a monthly fee of \$8,800.00.

f. Cost and Service Offering Reviews During the Contract

The State and the Bidder will conduct periodic reviews of the contract at specific milestones during the term of the contract to review service offerings and pricing as specified under item B.6, Technology Refreshment.

g. Training

Training must consist of 32 hours of on-site sessions at a single pre-appointed location for any representatives of the participating entities of Northeast Nebraska.

h. Proposal Cost Evaluation

The proposal cost will be evaluated based on the monthly recurring costs and 24x7 4 hour maintenance monthly charge per device, multiplied by the applicable length of contract in months, not to include extensions, plus the one time non-recurring costs and the one time 32 hour on-site, single location training charge.

C. SECTION 3 - HIGH SPEED WAN – TVDEC-N Consortium

1. PROJECT OVERVIEW

The objective of this section of the RFP is to identify a Bidder or Bidders that will design, develop, and implement high speed data connectivity that will meet the current and future telecommunications needs of eligible participants over the term of the contract. The successful Bidder will provide a cost-effective, scalable, and flexible high speed data transport service that can interconnect all TVDEC-N Consortium entities listed in Appendix B. Appendix B includes all TVDEC-N Consortium locations that still need to be IP converted. When bidding Appendix B locations, the Bidder must bid the costs to have a flat layer 2 cloud in the appropriate region. The Bidder will also include connectivity through the carriers' cloud back to the Phase 1 College Park location in Grand Island. This connectivity needs to have the capacity to support one half of all schools in the TVDEC-N Consortium transmitting at full capacity at any given time. This connectivity should be a Gigabit interface to allow for flexible growth. . The cost for connectivity back to College Park should be figured into the MRC for the individual schools. A co-location closet in College Park will be provided.

Alternative bids with varying amounts of “connectivity” back to the Phase 1 College park location in Grand Island are encouraged.

This RFP is for the 2nd phase of a multi-phase project for connectivity to Network Nebraska. Connectivity may include colleges, universities, state government, political subdivisions and K-12 institutions. The network design of this phase must accommodate the full implementation of Network Nebraska connections including a Statewide, multi-purpose backbone.

All proposals must meet the technical requirements as stated in the RFP. All respondents must bid all sites as shown in Appendix B. Any proposals that meet technical requirements, but do not bid all schools included in Appendix B will be viewed as bidding an “alternative proposal”.

This will be deemed less desirable than a complete bid for all locations in Appendix B. The State strongly desires to have ONE “prime contractor” for all locations listed in Appendix B.

Although less desirable, Bidders are still encouraged to bid alternative proposals in the event a “prime contractor” is not cost effective.

If the State deems that it is more cost effective to award multiple awards to “alternative bids” it reserves that right. The State reserves the right to reject any or all proposals, wholly or in part, or to award to multiple bidders in whole or in part.

Current network costs are provided to assist Bidders in making a logical and cost effective proposal to the State. Current costs are: \$11,800 - \$18,000 per year per school for video and IP data transport.

The State requires the Bidder to bid a multi-purpose transport connection to interconnect the listed institutions along with the corresponding services that considers present, as well as future, state-of-the-art technologies. The extent to which these segments are included in the network ‘cloud’ that covers the geography of South-central and Western Nebraska is important to the economic development goals as

defined in the Nebraska Information Technology Commission (NITC) goals on page 11 of the Statewide Technology Plan (<http://www.nitc.state.ne.us/stp/stp.pdf>)

2. TECHNICAL ELEMENTS

a. CURRENT ENVIRONMENT

The current distance learning environment in the TVDEC-N Consortium consists of a commercial video and data service offered by multiple providers with various contract expiration dates. Some locations are carried on fiber DS3 circuits installed to each location and are based on JPEG or MPEG2 audio/video technology. The current DS3 is capable of providing two services. The primary service is committed to the support of the JPEG or MPEG2 video transmission consisting of one send and three receive sessions. The K-12 institutions secure Internet access via one or two T1 frame-relay connections multiplexed from the JPEG DS3 or from a Data ATM circuit associated with the MPEG2 video circuit.

b. PROJECT ENVIRONMENT

The TVDEC-N Consortium Network Nebraska service area consists of approximately fourteen K-12 locations.

These entities have expressed the need to upgrade their network to an IP network using the latest video standards as defined by the NITC. Funding for much of the K-12 equipment upgrade will come from appropriations in the Nebraska law as defined in Neb. Rev. Stat. 79-1336.

3. SCOPE OF WORK

The Bidder shall design, develop and implement a high-speed, IP-based, layer 2, wide area network to interconnect eligible entities as requested. This includes conversion of the current DS3 JPEG network to an IP network. The network interface to the customers CPE must physically be Ethernet with the capability to provide multiple virtual Ethernet interfaces via 802.1Q. The network connections must be a minimum of 40 Mbps, with options for 100 Mbps or faster, up to and including 1000 Mbps, where possible. The conversion will be performed over the summer of 2008 and must be as transparent as possible with completion by August 5th.

In addition to the wide area network to the entities, there will need to be a "transport connection" from the network cloud to the Network Nebraska Grand Island location (College Park).

Entities that select this service will be purchasing their own network equipment and video equipment. The bidder will need to work closely with these entities (institutions, Educational Service Units; etc) to ensure that the appropriate network equipment and video equipment delivery is coordinated and ready for installation at the time the network conversion takes place.

4. PROJECT REQUIREMENTS

The K-12 schools that require this service must be converted between July 1, 2008 and August 5, 2008. The circuits should be installed and tested by July 1, 2008, however the State can not incur charges on these circuits until after July 1st due to E-rate. The cutover to the customer must be complete by August 5, 2008. Existing service must remain active until the final cutover. The State of Nebraska is cognizant of a growing demand for bandwidth. The State is interested in identifying a Bidder who will meet the current and future telecommunications needs of eligible participants over the term of

the contract. The successful Bidder will provide a cost-effective, scalable, and flexible transport service that will be able to meet the demands of the network participants and it is expected the services would meet any future needs of other eligible participants as deemed appropriate. Bidders shall identify services that are a normal part of their offering without additional fees and optional services that are being offered for an additional fee (i.e., automatic trouble ticket generation, trouble notification, etc). The State requires a complete description of those services and fees to be included in the RFP response.

5.

6. **TECHNICAL REQUIREMENTS**

The bidder will provide a network design in which:

- Layer 2 QoS tags pass unimpeded through the network
- **VLAN tags should not need to be matched by the provider they should be tunneled through the provider network**
- Layer 2 performance will be adequate to support jitter and low-latency sensitive applications (i.e. video over IP)
- IEEE 802.1q VLANs can be established at the request of the Network Nebraska staff or their authorized agent
- Allow participating institutions to manage IP address space and routing

The bidder will also:

- Indicate what layer 2 QoS capabilities the network will honor and support, (i.e. 802.1p queuing)
- Indicate availability of real time performance metrics (i.e. SNMP) access to a State provided list of authorized monitoring stations.
- Articulate the way in which overall cloud utilization will be monitored and under what conditions and within what timeframes upgrades will be implemented to ensure that the purchased bandwidth is available on demand to participants.
- Indicate the timeframe in which requests for virtual networks or layer 2 QoS changes will be honored

7. **TECHNOLOGY REFRESHMENT CLAUSE**

The State and the Bidder will work in partnership to ensure the services provided under this contract will be continuously refreshed as technologies evolve and user needs grow. The Chief Information Officer, in conjunction with or on behalf of all other participants, will assume the primary role in seeking and proposing new technologies and enhancements. This technology refreshment clause will be a required condition of the contract.

As a portion of the response to this RFP, bidders shall identify and define any pertinent new services currently being considered for deployment. Anticipated deployment dates shall also be identified.

The State and the Bidder will conduct periodic reviews of the contract at specific milestones during the term of the contract to review service offerings and pricing. These reviews may result in expanding the services offered by the Bidder to include new pricing elements or pricing modifications associated with improved economies of scale and/or technological innovations. Changes in the industry related to regulation and/or pricing mechanisms may also result in modification of rates identified in the services offered by the Bidder. These review periods will commence when the State feels an improvement in economies of scale or technological innovation has occurred.

8. SERVICE LEVEL GUARANTEES

This network must support production applications that require a high degree of reliability and must operate with little or no service disruptions for twenty-four (24) hours a day, seven (7) days a week. Bidders must provide solutions with the necessary redundancy, backup systems, and/or other disaster avoidance and recovery capabilities to support these needs. Bidders must have the necessary staff for the installation and maintenance of their network responsibilities and necessary staff to assist the State in its installation and maintenance of critical network services. The Bidder will provide an explanation of any redundancy that is available as part of the proposed system that will assure the required availability of the services. The following performance specifications are required service level guarantees. The Bidder will conform to these service level agreements, which are to include details concerning restoration procedures and goals, escalation procedures, and non-conformance penalties.

9. SPECIFICATIONS

At a minimum circuit availability will be 99.95% or greater as measured over twelve consecutive months (4.38 hours of outage per year).

Mean time to repair (MTTR) a failed transport backbone network element, measured over twelve consecutive months, will be four hours.

End-to-End Network MTTR: 4 hours

The Bidder will acknowledge that the above is a minimal set of assurances for this network.

Following the final system acceptance by the State, the Bidder shall guarantee overall network performance in accordance with RFP mandated requirements. Any outages and/or diminished QoS that are not resolved prior to the expiration of the four-hour MTTR (Mean Time To Repair), shall result in a credit to the State equal to four (4) days credit of service and one (1) day credit of service for each additional hour of outage and/or diminished QoS on the same circuit or network component. Repeated outages and/or diminished QoS on the same circuit or network segment greater than four (4) occurrences per month shall receive a full month credit for that circuit or network segment.

EXAMPLE:

24 hours x 30 days = 720 hours available.

720 x 99.95% = 719.64 hours of up time.

Difference of available and hours of up time: 720 – 719.64 = .36 hours or 21.6 minutes

Cumulative outage exceeds 21.6 minutes on a circuit, a one (1) day credit is due the State or entity involved for an outage and/or diminished QoS after 21.6 minutes.

Outage and/or diminished QoS of 21.7 to 1 hours 21.6 minutes = 1 day service credit;

1 hour 21.7 minutes to 2 hours 21.6 minutes = 2 days, etc.

10. PROJECT PLANNING AND MANAGEMENT

The State of Nebraska acknowledges that project management and implementation procedures will require alignment and adjustment of work processes for the Contractor's organizations, the educational entities, and the State. The alignment will be part of the contract finalization, however the Contractor will respond to this RFP assuming the following responsibilities:

The State of Nebraska and educational entity 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 Contractor's implementation phases and ongoing upgrade design of this project
- Establish project management guidelines by meeting with the Contractor's project management team as needed
- 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 needed to support the implementation process
- Provide on-site assistance, as needed during the implementation phases of the project

The State of Nebraska management staff will assist the Contractor in identifying eligible participants in the network as well as establishing guidelines with the Contractor for ordering, moving, adding or changing services.

The Contractor will coordinate and administer the requirements of the network service(s) that are proposed.

- The Contractor will maintain toll free lines for voice and facsimile from the State to operational facilities for order entry and after hours help desk. Installation and maintenance may be subcontracted to one or more third parties to adequately cover the locations of the core transport backbone sites and to provide for rapid response in the event of a service disruption. The Contractor will provide information regarding intent to maintain its facilities after project implementation has been completed.
- The Contractor will maintain toll free voice lines for after hours helpdesk support for the duration of the contract. This point of contact will serve as the single point of contact for all services and equipment provided by the contract, including services and equipment subcontracted to another vendor.
- The Contractor will furnish with its proposal technical information, graphs, charts, maps, photographs, block diagrams, operating manuals, and other information that will clearly show that the services offered are 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 Contractor will explain in detail, with full engineering support data, the reasons why the proposed services meet the RFP requirements and should not be considered an exception.
- The technical proposal will include detailed network diagrams and drawings that clearly illustrate the network configuration and the functional relationships, as they are associated with the proposed services. These network diagrams will be available to the State electronically in a format agreed upon by the Contractor and the State to allow for import into various computer programs.
- The Contractor will provide basic technical specifications for each item of equipment included in the proposal. The information to be provided will be in the form of published specification sheets or other illustrative literature.

11. IMPLEMENTATION PLAN

The Bidder must submit to the State of Nebraska an implementation plan for the deployment of the services, along with proposed pricing schemes that reflect the services to be included in the associated contract resulting from the award of this RFP.

The Bidder will adhere to the implementation plan submitted as a requirement of this RFP for deployment of services.

12. DEPLOYMENT STATUS REPORTS

The Bidder's designated project manager will provide weekly reports of the status of any deployment schedules to the State's designated project manager. Deployment status reports will provide weekly information related to the adherence to the deployment schedule identified in Section 9, identification of issues affecting the deployment schedule, and recommended resolution(s) to any identified barriers to network deployment.

13. BILLING

The State will provide detailed billing instructions for each order as placed. In some cases the billed entity will be a consolidated billing to the State in an electronic format. For e-rate eligible entities, the Bidder may be instructed to bill the entity directly to ensure that appropriate e-rate processing can be accomplished. The Bidder must comply with all applicable e-rate requirements. The State may request a copy or summary of billings to other entities.

Billings for the High Speed WAN in all TVDEC-N Consortium locations must comply with the following specific requirements:

- a. Eligible participants must file contract orders for equipment or services under this section that specifies the number and location of sites.
- b. The billing to all eligible participants in the region for services under this section must reflect a postalized cost per site for all TVDEC-N Consortium locations, based on the list of participants in Appendix B.
- c. The Bidder must bill each entity directly that connects to the statewide network, rather than presenting a consolidated billing to the State of Nebraska.

Any services billed to the State of Nebraska must meet the following requirements.

For the purpose of this section, the following are defined:

Paper Summary Invoice - A paper invoice or bill submitted to the State requesting payment for contracted services.

Electronic Detail File - An electronic file containing detailed information for all individual circuits billed to the State on the paper summary invoice.

The State requires that the billing cycle for all bidder provided services end on the last day of each month, and the next billing cycle shall begin on the day immediately following the preceding billing cycle.

A monthly paper summary invoice must be delivered to the Division of Communications at 501 S.14th Lincoln, NE 68508 within 10 business days after the end of the month. The State also requires that an electronic copy of the paper

summary invoice be e-mailed to the Division of Communications each month. At a minimum the invoice must contain the following information:

- Bill Date
- Account Number
- Invoice Number
- Service Period i.e. 01/01/2000 thru 01/31/2000
- Total Federal Universal Service Surcharge and percentage
- Total Nebraska Universal Service Surcharge and percentage
- All Non-Recurring charges to include State order # and/or Bidder trouble ticket # as well as a detailed description of each
- All recurring charges to include; circuit ID, circuit billing number, ASOC/USOC, common language description of service as well as the individual charges for each. Recurring charges must be grouped and itemized by circuit.

The following items must be subtotaled independently:

- All Non-Recurring charges
- All recurring charges

The Bidder must describe any additional information that will appear on their paper summary invoice. The Bidder must also submit with their proposal a paper copy of their proposed paper summary invoice that meets the specifications of this RFP.

All costs must reflect the actual contracted amount. The State will not accept any invoicing, billing, or billing detail that reflects a higher than contracted rate with a percentage discount.

The Bidder must deliver an automated electronic detail file each month with figures that match the paper summary invoice. The electronic file will be used in the State's current rebilling system to generate invoices for State agencies. The file needs to be a data file, not an image of the paper bill in a file. This entire process is automated requiring no manual intervention. Files that require a manual process each month are not acceptable. Merely sending a CD is not considered automation. Anything that requires State personnel to handle this file each month is not considered automation.

In order to facilitate automation the State will provide a relay server to receive the monthly billing file. This server is accessible via the Internet. The Bidder must utilize this server for transferring monthly billing detail prior to the 12th of each month. For example, by the 12th of January, December's billing detail needs to be sent to the relay server. Prior to "going live", testing this process must be done. The winning bidder will be provided with access, instructions, and a user ID. A record layout must be provided describing the fields contained in your file. Below is an example of what the file must look like:

```
12345678901234024710642ASOCXTHIS IS A CHARGE FOR AN ASOC 005000003
12345678901234024710642ASOCXTHIS IS A CHARGE FOR AN ASOC 005000003
12345678901234024710642ASOCXTHIS IS A CHARGE FOR AN ASOC 005000003
12345678901234024710642ASOCXTHIS IS A CHARGE FOR AN ASOC 005000003
12345678901234024710642ASOCXTHIS IS A CHARGE FOR AN ASOC 005000003
12345678901234024710642ASOCXTHIS IS A CHARGE FOR AN ASOC 005000003
```

Text/alpha fields must be left justified blank padded, numeric fields must be right justified, zero padding is not necessary as long as they are right justified and align. Editing is not desired for dates and amounts (other than a sign for credit amounts). For

example, the date 20060119 is preferred over 2006-01-19. For dollar values, 100000 are preferable to 1,000.00. Bidders must provide a detailed record layout to include field descriptions as well as field lengths.

The Bidder should provide a copy of their proposed electronic billing file on compact disk. Bidders should provide this test file along with their proposal in order to be considered. The State will verify that the content of the test file(s) are compatible with the state rebilling system. At minimum the following information must be contained in a record for each individual circuit and/or billable circuit element:

Field	Format
Identifying circuit ID	alphanumeric
Identifying billing #	numeric
ASOC or USOC	alphanumeric
Common language description	alphanumeric
Contracted rate	numeric signed
Quantity	numeric

All costs between the electronic detail file and the paper summary invoice must match exactly. If the paper summary invoice figures and the sums of the call detail file records do not match the entire call detail file and paper summary invoice may be returned to the Bidder for correction. It is imperative that Bidders provide complete and accurate invoicing. Partial payments will not be made on returned invoices regardless of the volume of errors.

In the event that minor infrequent errors exist on invoices the State may at its own discretion elect to receive a credit for such errors. All billing errors must be corrected or credited within (2) billing cycles. Accurate billing, timely invoice delivery, and billing dispute resolutions are required, and repeated failure to meet billing/invoicing requirements will result in penalties that compensate the State for all costs including labor. The State reserves the right to deduct an amount equal to \$150.00 per labor hour for time spent disputing billing errors and tracking such erroneous invoices and/or credits.

In events where the Bidder does not correct invoices in a timely manner as described above, the State reserves the right to pursue one or more of the following remedies:

- Withholding of payment on disputed invoices.
- “Vendor Performance Report” Filed with Material Division.
- Removing or suspending Bidder from State bidders list.
- Additional legal action as deemed appropriate by the State.

The Bidder may not disconnect any contracted service due to late payment if invoices are in dispute status. The following Nebraska State Statute addresses accurate invoicing by Bidders:

81-2405

Incorrect bill; notice to creditor; corrected bill; payment.

When a bill submitted to an agency is filled out incorrectly or when there is any defect or impropriety in a bill submitted, the agency shall notify the creditor in writing prior to the date on which payment in full is due. The notice shall contain a description of the defect or impropriety and any additional information necessary to enable the

creditor to correct the bill. Upon receiving a properly corrected bill, the agency shall make payment in full of the bill on or before the forty-fifth calendar day after the receipt of the corrected bill or, when the agency is making payment for goods or services provided by a third party, on or before the sixtieth calendar day after the receipt of the corrected bill.

Source:

Laws 1988, LB 1079, § 5.

The Bidder must provide a single point of contact for resolution of billing issues. The Bidder's proposal must include an escalation procedure for unresolved billing disputes.

The State will not pay for charges that do not conform to the above requirements. Call detail that does not conform to these requirements will be returned and the Bidder will be required to resubmit their call detail in the required format.

14. CERTIFICATION

The State requires that the Bidder be certificated by the Nebraska Public Service Commission to provide the services outlined in this Section of this RFP. The Bidders must elaborate on whether they would be willing to file Tariffs with the PSC specific to the network proposed in their bid. The Bidder must elaborate on whether they are willing to accept direct payment for USF and NUSF contributions to their proposed network and whether they are willing to deduct these contributions from the State's monetary obligations toward a contract resulting from this RFP.

15. COST

The Bidder will clearly identify each offered service (by service type) and be **specific** on all elements, processes, fees, etc. included in the cost. Bid proposals will address the impact of normal growth, as well as planned and unplanned network expansion or service enhancement. All prices shall be proposed as a "postalized rate" on a recurring or non-recurring basis. All bidder costs must be reflected in either the monthly recurring or non-recurring charges. No additional charges will be accepted. **The State shall not be required to purchase any specific service or minimum quantities of network services.** The quantities provided are for the sole purpose of assisting the Bidders in preparation of their proposals and for the State to evaluate the feasibility of the proposed network solutions. The State shall not be responsible for any cost that is not identified in the Bidders proposal. The State will not be able to consider bids that offer discounts based upon the number of network locations that join the network.

1. Network Equipment and Hardware Costs (Non-CPE)

Network equipment and hardware (non-CPE) will be part of and included in the itemized transport circuit costs. Circuit costs will be bundled costs, including all hardware.

2. Installation Costs

If one-time installation/set-up charges are applicable, these rates shall be delineated in the cost portion of the proposal. This cost for the circuit installation shall include all one time costs associated with termination to the demarcation point from the network side and/or fees associated with interconnection to local exchange carriers.

3. Software, Warranty, and Maintenance Costs

The Bidder will include costs for software, warranty, and maintenance of the provided circuits in the service rates.

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 Bidder's network and associated service rates. The software costs shall include all of the following applicable costs:

- Initial purchase and installation costs.
- Use and licensing fees.
- Software maintenance costs, including upgrades.
- All other costs relative to the network such as 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 changing network needs.

4. Optional Services

It is anticipated the Bidder may wish to offer optional services at an additional fee, i.e., network monitoring, project management, etc. These services will be identified and described in detail with the appropriate cost per unit (hour, month, circuit, service, etc.) delineated.

5. Total Costs

The Bidder will provide a detail description and list of the transport services being proposed in a table similar to the example reflected below. The monthly costs, installation, and any other charges are to be explicitly stated in order for the State to evaluate the proposed services incorporated in the proposal and the associated charges. The Bidder will define the increment(s) being proposed and the cost of each increment. The State has the option of purchasing any quantity of services in any increment proposed.

APPENDIX E SCHEDULE 1 EXAMPLE:

In Service	Qty.	Unit Monthly Recurring Charge	Total Monthly Recurring Charge	Unit Non-Recurring Charge	Total Non-Recurring Charge
40MB Service	4	\$800	\$3,200	\$1,200	\$4,800
100MB Service	1	\$1000	\$1000	\$1,500	\$1,500

In this scenario, the State could purchase 4 - 40 Mbps circuit, 1 - 100 Mbps circuit, for a Total Monthly Recurring Charge of \$4,200 and a Total Non-Recurring Charge of \$6,300.

6. Cost and Service Offering Reviews During the Contract

The State and the Bidder will conduct periodic reviews of the contract at specific milestones during the term of the contract to review service offerings and pricing as specified under item B.6, Technology Refreshment.

7. Proposal Cost Evaluation

The proposal cost will be evaluated based on the monthly recurring costs multiplied by the applicable length of contract in months, not to include extensions, plus the one time non-recurring costs.

D. SECTION 4 - HIGH SPEED WAN WITH CISCO 3825 EDGE ROUTER – TVDEC-N Consortium

1. PROJECT OVERVIEW

The objective of this section of the RFP is to identify a Bidder or Bidders that will design, develop, and implement high speed data connectivity that will meet the current and future telecommunications needs of eligible participants over the term of the contract. The successful Bidder will provide a cost-effective, scalable, and flexible high speed data transport service (including Cisco 3825 Edge Router) that can interconnect all TVDEC-N Consortium entities listed in Appendix B. Appendix B includes all TVDEC-N Consortium locations that still need to be IP converted. When bidding Appendix B locations, the Bidder must bid the costs to have a flat layer 2 cloud in the appropriate region. The Bidder will also include connectivity through the carriers' cloud back to the Phase 1 College Park location in Grand Island. This connectivity needs to have the capacity to support one half of all schools in the TVDEC-N Consortium transmitting at full capacity at any given time. This connectivity should be a Gigabit interface to allow for flexible growth. . The cost for connectivity back to College Park should be figured into the MRC for the individual schools. A co-location closet in College Park will be provided.

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3. SCOPE OF WORK

The Bidder shall design, develop and implement a high-speed, IP-based, layer 2, wide area network to interconnect eligible entities as requested. This includes conversion of the current DS3 JPEG network to an IP network. The network interface to the customers CPE must physically be Ethernet with the capability to provide multiple virtual Ethernet interfaces via 802.1Q. The Bidder must also provide the Cisco 3825 Edge Router at each K-12 location as part of the service. The network connections must be a minimum of 40 Mbps, with options for 100 Mbps or faster, up to and including 1000 Mbps, where possible. The conversion will be performed over the summer of 2008 and must be as transparent as possible with completion by August 5th.

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- Allow participating institutions to manage IP address space and routing

The bidder will also:

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- Indicate availability of real time performance metrics (i.e. SNMP) access to a State provided list of authorized monitoring stations.
- Articulate the way in which overall cloud utilization will be monitored and under what conditions and within what timeframes upgrades will be implemented to ensure that the purchased bandwidth is available on demand to participants.

Indicate the timeframe in which requests for virtual networks or layer 2 QoS changes will be honored

The Phase 1 RFP of Network Nebraska made the Cisco 3825 the “edge router” to be purchased by the schools. The Cisco 3825 that is bundled as a service by the Bidder should meet the below specifications:

DRAM 256MB Minimum and upgradeable to at least 1GB

Flash 64MB

Onboard Dual 10/100/1000 Ethernet interfaces

Modular Chassis

4 port 10/100 Ethernet switch module

Modular acceptance of T1's, DS3's and ADSL

Support IEEE 802.1Q Tagging, 802.1X, NAT, QoS, SSH, SNMP, H323, SIP, IPV4, IPV6, DHCP/BOOTP, Routing Protocols and Policy Routing

Stateful Firewall, IPSEC and VPN capability

Perform Configuration Backup and have a Web Based User Interface

In Addition to above specifications, the bullets below must also be adhered to:

- 32 hours of on-site router training occurring at one location.
- 4 hour, 7 days a week on-site response for hardware maintenance for the life of the contract.
- Software operating system upgrades for the life of the contract.
- Equipment bid shall be new, current models manufactured with 100% new OEM parts.
- The models being offered are in current production as of the date of the award. For purpose of this contract “current production” shall mean that the router model is being manufactured as new equipment for the United States market.
- Refurbished equipment is not acceptable.
- All equipment ordered as stated in the RFP must be shipped fully configured with the required memory, modules, and most current, stable operating system.
- In the event the Cisco 3825 goes end of life during the life of the contract an equivalent non end of life router will be substituted.
- The “edge router” will be configured and managed by the State and not by the Bidder.

6. TECHNOLOGY REFRESHMENT CLAUSE

The State and the Bidder will work in partnership to ensure the services provided under this contract will be continuously refreshed as technologies evolve and user needs grow. The Chief Information Officer, in conjunction with or on behalf of all other participants, will assume the primary role in seeking and proposing new technologies and enhancements. This technology refreshment clause will be a required condition of the contract.

As a portion of the response to this RFP, bidders shall identify and define any pertinent new services currently being considered for deployment. Anticipated deployment dates shall also be identified.

The State and the Bidder will conduct periodic reviews of the contract at specific milestones during the term of the contract to review service offerings and pricing. These reviews may result in expanding the services offered by the Bidder to include new pricing elements or pricing modifications associated with improved economies of scale and/or technological innovations. Changes in the industry related to regulation and/or pricing mechanisms may also result in modification of rates identified in the services offered by the Bidder. These review periods will commence when the State feels an improvement in economies of scale or technological innovation has occurred.

7. SERVICE LEVEL GUARANTEES

This network must support production applications that require a high degree of reliability and must operate with little or no service disruptions for twenty-four (24) hours a day, seven (7) days a week. Bidders must provide solutions with the necessary redundancy, backup systems, and/or other disaster avoidance and recovery capabilities to support these needs. Bidders must have the necessary staff for the installation and maintenance of their network responsibilities and necessary staff to assist the State in its installation and maintenance of critical network services. The Bidder will provide an explanation of any redundancy that is available as part of the proposed system that will assure the required availability of the services. The following

performance specifications are required service level guarantees. The Bidder will conform to these service level agreements, which are to include details concerning restoration procedures and goals, escalation procedures, and non-conformance penalties.

8. SPECIFICATIONS

At a minimum circuit availability will be 99.95% or greater as measured over twelve consecutive months (4.38 hours of outage per year).

Mean time to repair (MTTR) a failed transport backbone network element, measured over twelve consecutive months, will be four hours.

End-to-End Network MTTR: 4 hours

The Bidder will acknowledge that the above is a minimal set of assurances for this network.

Following the final system acceptance by the State, the Bidder shall guarantee overall network performance in accordance with RFP mandated requirements. Any outages and/or diminished QoS that are not resolved prior to the expiration of the four-hour MTTR (Mean Time To Repair), shall result in a credit to the State equal to four (4) days credit of service and one (1) day credit of service for each additional hour of outage and/or diminished QoS on the same circuit or network component. Repeated outages and/or diminished QoS on the same circuit or network segment greater than four (4) occurrences per month shall receive a full month credit for that circuit or network segment.

EXAMPLE:

24 hours x 30 days = 720 hours available.

720 x 99.95% = 719.64 hours of up time.

Difference of available and hours of up time: $720 - 719.64 = .36$ hours or 21.6 minutes

Cumulative outage exceeds 21.6 minutes on a circuit, a one (1) day credit is due the State or entity involved for an outage and/or diminished QoS after 21.6 minutes.

Outage and/or diminished QoS of 21.7 to 1 hours 21.6 minutes = 1 day service credit;

1 hour 21.7 minutes to 2 hours 21.6 minutes = 2 days, etc.

9. PROJECT PLANNING AND MANAGEMENT

The State of Nebraska acknowledges that project management and implementation procedures will require alignment and adjustment of work processes for the Contractor's organizations, the educational entities, and the State. The alignment will be part of the contract finalization, however the Contractor will respond to this RFP assuming the following responsibilities:

The State of Nebraska and educational entity 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 Contractor's implementation phases and ongoing upgrade design of this project
- Establish project management guidelines by meeting with the Contractor's project management team as needed

- 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 needed to support the implementation process
- Provide on-site assistance, as needed during the implementation phases of the project

The State of Nebraska management staff will assist the Contractor in identifying eligible participants in the network as well as establishing guidelines with the Contractor for ordering, moving, adding or changing services.

The Contractor will coordinate and administer the requirements of the network service(s) that are proposed.

- The Contractor will maintain toll free lines for voice and facsimile from the State to operational facilities for order entry and after hours help desk. Installation and maintenance may be subcontracted to one or more third parties to adequately cover the locations of the core transport backbone sites and to provide for rapid response in the event of a service disruption. The Contractor will provide information regarding intent to maintain its facilities after project implementation has been completed.
- The Contractor will maintain toll free voice lines for after hours helpdesk support for the duration of the contract. This point of contact will serve as the single point of contact for all services and equipment provided by the contract, including services and equipment subcontracted to another vendor.
- The Contractor will furnish with its proposal technical information, graphs, charts, maps, photographs, block diagrams, operating manuals, and other information that will clearly show that the services offered are 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 Contractor will explain in detail, with full engineering support data, the reasons why the proposed services meet the RFP requirements and should not be considered an exception.
- The technical proposal will include detailed network diagrams and drawings that clearly illustrate the network configuration and the functional relationships, as they are associated with the proposed services. These network diagrams will be available to the State electronically in a format agreed upon by the Contractor and the State to allow for import into various computer programs.
- The Contractor will provide basic technical specifications for each item of equipment included in the proposal. The information to be provided will be in the form of published specification sheets or other illustrative literature.

10. IMPLEMENTATION PLAN

The Bidder must submit to the State of Nebraska an implementation plan for the deployment of the services, along with proposed pricing schemes that reflect the services to be included in the associated contract resulting from the award of this RFP.

The Bidder will adhere to the implementation plan submitted as a requirement of this RFP for deployment of services.

11. DEPLOYMENT STATUS REPORTS

The Bidder's designated project manager will provide weekly reports of the status of any deployment schedules to the State's designated project manager. Deployment

status reports will provide weekly information related to the adherence to the deployment schedule identified in Section 9, identification of issues affecting the deployment schedule, and recommended resolution(s) to any identified barriers to network deployment.

12. BILLING

The State will provide detailed billing instructions for each order as placed. In some cases the billed entity will be a consolidated billing to the State in an electronic format. For e-rate eligible entities, the Bidder may be instructed to bill the entity directly to ensure that appropriate e-rate processing can be accomplished. The Bidder must comply with all applicable e-rate requirements. The State may request a copy or summary of billings to other entities.

Billings for the High Speed WAN in all TVDEC-N Consortium locations must comply with the following specific requirements:

- a. Eligible participants must file contract orders for equipment or services under this section that specifies the number and location of sites.
- b. The billing to all eligible participants in the region for services under this section must reflect a postalized cost per site for all TVDEC-N Consortium locations, based on the list of participants in Appendix B.
- c. The Bidder must bill each entity directly that connects to the statewide network, rather than presenting a consolidated billing to the State of Nebraska.

Any services billed to the State of Nebraska must meet the following requirements.

For the purpose of this section, the following are defined:

Paper Summary Invoice - A paper invoice or bill submitted to the State requesting payment for contracted services.

Electronic Detail File - An electronic file containing detailed information for all individual circuits billed to the State on the paper summary invoice.

The State requires that the billing cycle for all bidder provided services end on the last day of each month, and the next billing cycle shall begin on the day immediately following the preceding billing cycle.

A monthly paper summary invoice must be delivered to the Division of Communications at 501 S.14th Lincoln, NE 68508 within 10 business days after the end of the month. The State also requires that an electronic copy of the paper summary invoice be e-mailed to the Division of Communications each month. At a minimum the invoice must contain the following information:

- Bill Date
- Account Number
- Invoice Number
- Service Period i.e. 01/01/2000 thru 01/31/2000
- Total Federal Universal Service Surcharge and percentage
- Total Nebraska Universal Service Surcharge and percentage
- All Non-Recurring charges to include State order # and/or Bidder trouble ticket # as well as a detailed description of each

- All recurring charges to include; circuit ID, circuit billing number, ASOC/USOC, common language description of service as well as the individual charges for each. Recurring charges must be grouped and itemized by circuit.

The following items must be subtotaled independently:

- All Non-Recurring charges
- All recurring charges

The Bidder must describe any additional information that will appear on their paper summary invoice. The Bidder must also submit with their proposal a paper copy of their proposed paper summary invoice that meets the specifications of this RFP.

All costs must reflect the actual contracted amount. The State will not accept any invoicing, billing, or billing detail that reflects a higher than contracted rate with a percentage discount.

The Bidder must deliver an automated electronic detail file each month with figures that match the paper summary invoice. The electronic file will be used in the State's current rebilling system to generate invoices for State agencies. The file needs to be a data file, not an image of the paper bill in a file. This entire process is automated requiring no manual intervention. Files that require a manual process each month are not acceptable. Merely sending a CD is not considered automation. Anything that requires State personnel to handle this file each month is not considered automation.

In order to facilitate automation the State will provide a relay server to receive the monthly billing file. This server is accessible via the Internet. The Bidder must utilize this server for transferring monthly billing detail prior to the 12th of each month. For example, by the 12th of January, December's billing detail needs to be sent to the relay server. Prior to "going live", testing this process must be done. The winning bidder will be provided with access, instructions, and a user ID. A record layout must be provided describing the fields contained in your file. Below is an example of what the file must look like:

```

12345678901234024710642ASOCXTHIS IS A CHARGE FOR AN ASOC 005000003
12345678901234024710642ASOCXTHIS IS A CHARGE FOR AN ASOC 005000003
12345678901234024710642ASOCXTHIS IS A CHARGE FOR AN ASOC 005000003
12345678901234024710642ASOCXTHIS IS A CHARGE FOR AN ASOC 005000003
12345678901234024710642ASOCXTHIS IS A CHARGE FOR AN ASOC 005000003
12345678901234024710642ASOCXTHIS IS A CHARGE FOR AN ASOC 005000003

```

Text/alpha fields must be left justified blank padded, numeric fields must be right justified, zero padding is not necessary as long as they are right justified and align. Editing is not desired for dates and amounts (other than a sign for credit amounts). For example, the date 20060119 is preferred over 2006-01-19. For dollar values, 100000 are preferable to 1,000.00. Bidders must provide a detailed record layout to include field descriptions as well as field lengths.

The Bidder should provide a copy of their proposed electronic billing file on compact disk. Bidders should provide this test file along with their proposal in order to be considered. The State will verify that the content of the test file(s) are compatible with the state rebilling system. At minimum the following information must be contained in a record for each individual circuit and/or billable circuit element:

Field

Format

Identifying circuit ID	alphanumeric
Identifying billing #	numeric
ASOC or USOC	alphanumeric
Common language description	alphanumeric
Contracted rate	numeric signed
Quantity	numeric

All costs between the electronic detail file and the paper summary invoice must match exactly. If the paper summary invoice figures and the sums of the call detail file records do not match the entire call detail file and paper summary invoice may be returned to the Bidder for correction. It is imperative that Bidders provide complete and accurate invoicing. Partial payments will not be made on returned invoices regardless of the volume of errors.

In the event that minor infrequent errors exist on invoices the State may at its own discretion elect to receive a credit for such errors. All billing errors must be corrected or credited within (2) billing cycles. Accurate billing, timely invoice delivery, and billing dispute resolutions are required, and repeated failure to meet billing/invoicing requirements will result in penalties that compensate the State for all costs including labor. The State reserves the right to deduct an amount equal to \$150.00 per labor hour for time spent disputing billing errors and tracking such erroneous invoices and/or credits.

In events where the Bidder does not correct invoices in a timely manner as described above, the State reserves the right to pursue one or more of the following remedies:

- Withholding of payment on disputed invoices.
- “Vendor Performance Report” Filed with Material Division.
- Removing or suspending Bidder from State bidders list.
- Additional legal action as deemed appropriate by the State.

The Bidder may not disconnect any contracted service due to late payment if invoices are in dispute status. The following Nebraska State Statute addresses accurate invoicing by Bidders:

81-2405

Incorrect bill; notice to creditor; corrected bill; payment.

When a bill submitted to an agency is filled out incorrectly or when there is any defect or impropriety in a bill submitted, the agency shall notify the creditor in writing prior to the date on which payment in full is due. The notice shall contain a description of the defect or impropriety and any additional information necessary to enable the creditor to correct the bill. Upon receiving a properly corrected bill, the agency shall make payment in full of the bill on or before the forty-fifth calendar day after the receipt of the corrected bill or, when the agency is making payment for goods or services provided by a third party, on or before the sixtieth calendar day after the receipt of the corrected bill.

Source:

Laws 1988, LB 1079, § 5.

The Bidder must provide a single point of contact for resolution of billing issues. The Bidder's proposal must include an escalation procedure for unresolved billing disputes.

The State will not pay for charges that do not conform to the above requirements. Call detail that does not conform to these requirements will be returned and the Bidder will be required to resubmit their call detail in the required format.

13. CERTIFICATION

The State requires that the Bidder be certificated by the Nebraska Public Service Commission to provide the services outlined in this Section of this RFP. The Bidders must elaborate on whether they would be willing to file Tariffs with the PSC specific to the network proposed in their bid. The Bidder must elaborate on whether they are willing to accept direct payment for USF and NUSF contributions to their proposed network and whether they are willing to deduct these contributions from the State's monetary obligations toward a contract resulting from this RFP.

14. COST

The Bidder will clearly identify each offered service (by service type) and be specific on all elements, processes, fees, etc. included in the cost. Bid proposals will address the impact of normal growth, as well as planned and unplanned network expansion or service enhancement. All prices shall be proposed on a "postalized rate" on a recurring or non-recurring basis. All bidder costs must be reflected in either the monthly recurring or non-recurring charges. No additional charges will be accepted. The State shall not be required to purchase any specific service or minimum quantities of network services. The quantities provided are for the sole purpose of assisting the Bidders in preparation of their proposals and for the State to evaluate the feasibility of the proposed network solutions. The State shall not be responsible for any cost that is not identified in the Bidders proposal.

a. Network Equipment and Hardware Costs (Non-CPE)

Network equipment and hardware (non-CPE) will be part of and included in the itemized transport circuit costs. Circuit costs will be bundled costs, including all hardware.

b. Installation Costs

If one-time installation/set-up charges are applicable, these rates shall be delineated in the cost portion of the proposal. This cost for the circuit installation shall include all one time costs associated with termination to the demarcation point from the network side and/or fees associated with interconnection to local exchange carriers.

c. Software, Warranty, and Maintenance Costs

The Bidder will include costs for software, warranty, and maintenance of the provided circuits in the service rates.

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 Bidder's network and associated service rates. The software costs shall include all of the following applicable costs:

- Initial purchase and installation costs.
- Use and licensing fees.
- Software maintenance costs, including upgrades.

- All other costs relative to the network such as 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 changing network needs.

d. Optional Services

It is anticipated the Bidder may wish to offer optional services at an additional fee, i.e., network monitoring, project management, etc. These services will be identified and described in detail with the appropriate cost per unit (hour, month, circuit, service, etc.) delineated.

e. Total Costs

The Bidder will provide a detail description and list of the transport services being proposed in a table similar to the example reflected below. The monthly costs, installation, and any other charges are to be explicitly stated in order for the State to evaluate the proposed services incorporated in the proposal and the associated charges. The Bidder will define the increment(s) being proposed and the cost of each increment. The State has the option of purchasing any quantity of services in any increment proposed. Additionally, the vendor will identify the edge device being bid by manufacturer, model and software operating system (including version).

APPENDIX E SCHEDULE 2 EXAMPLE:

Service with Cisco 3825	Qty.	Unit Monthly Recurring Charge	Total Monthly Recurring Charge	Unit Non-Recurring Charge	Total Non-Recurring Charge	24x7 4 Hour Mtc. Monthly Charge Per Device	32 Hrs./On-Site Single Location Training Charge(if applicable)
40MB Service with Cisco 3825	5	\$1,200	\$6,000	\$1,000	\$5,000	\$35	
100MB Service with Cisco 3825	2	\$1,400	\$2,800	\$1,300	\$2,600	\$35	

In this scenario, the Cisco 3825 is selected with five 40 Mbps services, two 100 Mbps services would have a one time installation cost of \$7,600.00 and a monthly fee of \$8,800.00.

f. Cost and Service Offering Reviews During the Contract

The State and the Bidder will conduct periodic reviews of the contract at specific milestones during the term of the contract to review service offerings and pricing as specified under item B.6, Technology Refreshment.

g. Training

Training must consist of 32 hours of on-site sessions at a single pre-appointed location for any representatives of the participating entities of Northeast Nebraska.

h. Proposal Cost Evaluation

The proposal cost will be evaluated based on the monthly recurring costs and 24x7 4 hour maintenance monthly charge per device, multiplied by the applicable length of contract in months, not to include extensions, plus the one time non-recurring costs and the one time 32 hour on-site, single location training charge.

E. SECTION 5 - HIGH SPEED WAN – WNDLC Consortium

1. PROJECT OVERVIEW

The objective of this section of the RFP is to identify a Bidder or Bidders that will design, develop, and implement high speed data connectivity that will meet the current and future telecommunications needs of eligible participants over the term of the contract. The successful Bidder will provide a cost-effective, scalable, and flexible high speed data transport service that can interconnect all WNDLC Consortium entities listed in Appendix C. Appendix C includes all WNDLC Consortium locations that still need to be IP converted. When bidding Appendix C locations, the Bidder must bid the costs to have a flat layer 2 cloud in the appropriate region. The Bidder will also include connectivity through the carriers' cloud back to the Phase 1 College Park location in Grand Island. This connectivity needs to have the capacity to support one half of all schools in the WNDLC Consortium transmitting at full capacity at any given time. This connectivity should be a Gigabit interface to allow for flexible growth. . The cost for connectivity back to College Park should be figured into the MRC for the individual schools. A co-location closet in College Park will be provided.

Alternative bids with varying amounts of “connectivity” back to the Phase 1 College park location in Grand Island are encouraged.

This RFP is for the 2nd phase of a multi-phase project for connectivity to Network Nebraska. Connectivity may include colleges, universities, state government, political subdivisions and K-12 institutions. The network design of this phase must accommodate the full implementation of Network Nebraska connections including a Statewide, multi-purpose backbone.

All proposals must meet the technical requirements as stated in the RFP. All respondents must bid all sites as shown in Appendix C. Any proposals that meet technical requirements, but do not bid all schools included in Appendix C will be viewed as bidding an “alternative proposal”.

This will be deemed less desirable than a complete bid for all locations in Appendix C. The State strongly desires to have ONE “prime contractor” for all locations listed in Appendix C.

Although less desirable, Bidders are still encouraged to bid alternative proposals in the event a “prime contractor” is not cost effective.

If the State deems that it is more cost effective to award multiple awards to “alternative bids” it reserves that right. The State reserves the right to reject any or all proposals, wholly or in part, or to award to multiple bidders in whole or in part.

Current network costs are provided to assist Bidders in making a logical and cost effective proposal to the State. Current costs are: \$11,800 - \$18,000 per year per school for video and IP data transport.

The State requires the Bidder to bid a multi-purpose transport connection to interconnect the listed institutions along with the corresponding services that considers present, as well as future, state-of-the-art technologies. The extent to which these segments are included in the network ‘cloud’ that covers the geography of South-central and Western Nebraska is important to the economic development goals as

defined in the Nebraska Information Technology Commission (NITC) goals on page 11 of the Statewide Technology Plan (<http://www.nitc.state.ne.us/stp/stp.pdf>)

2. TECHNICAL ELEMENTS

a. CURRENT ENVIRONMENT

The current distance learning environment in the WNDLC Consortium consists of a commercial video and data service offered by multiple providers with various contract expiration dates. Some locations are carried on fiber DS3 circuits installed to each location and are based on JPEG or MPEG2 audio/video technology. The current DS3 is capable of providing two services. The primary service is committed to the support of the JPEG or MPEG2 video transmission consisting of one send and three receive sessions. The K-12 institutions secure Internet access via one or two T1 frame-relay connections multiplexed from the JPEG DS3 or from a Data ATM circuit associated with the MPEG2 video circuit.

b. PROJECT ENVIRONMENT

The WNDLC Consortium Network Nebraska service area consists of approximately twenty-six K-12 locations.

These entities have expressed the need to upgrade their network to an IP network using the latest video standards as defined by the NITC. Funding for much of the K-12 equipment upgrade will come from appropriations in the Nebraska law as defined in Neb. Rev. Stat. 79-1336.

3. SCOPE OF WORK

The Bidder shall design, develop and implement a high-speed, IP-based, layer 2, wide area network to interconnect eligible entities as requested. This includes conversion of the current DS3 JPEG network to an IP network. The network interface to the customers CPE must physically be Ethernet with the capability to provide multiple virtual Ethernet interfaces via 802.1Q. The network connections must be a minimum of 40 Mbps, with options for 100 Mbps or faster, up to and including 1000 Mbps, where possible. The conversion will be performed over the summer of 2008 and must be as transparent as possible with completion by August 5th.

In addition to the wide area network to the entities, there will need to be a "transport connection" from the network cloud to the Network Nebraska Grand Island location (College Park).

Entities that select this service will be purchasing their own network equipment and video equipment. The bidder will need to work closely with these entities (institutions, Educational Service Units; etc) to ensure that the appropriate network equipment and video equipment delivery is coordinated and ready for installation at the time the network conversion takes place.

4. PROJECT REQUIREMENTS

The K-12 schools that require this service must be converted between July 1, 2008 and August 5, 2008. The circuits should be installed and tested by July 1, 2008, however the State can not incur charges on these circuits until after July 1st due to E-rate. The cutover to the customer must be complete by August 5, 2008. Existing service must remain active until the final cutover. The State of Nebraska is cognizant of a growing demand for bandwidth. The State is interested in identifying a Bidder who will meet the current and future telecommunications needs of eligible participants over the term of

the contract. The successful Bidder will provide a cost-effective, scalable, and flexible transport service that will be able to meet the demands of the network participants and it is expected the services would meet any future needs of other eligible participants as deemed appropriate. Bidders shall identify services that are a normal part of their offering without additional fees and optional services that are being offered for an additional fee (i.e., automatic trouble ticket generation, trouble notification, etc). The State requires a complete description of those services and fees to be included in the RFP response.

5.

6. **TECHNICAL REQUIREMENTS**

The bidder will provide a network design in which:

- Layer 2 QoS tags pass unimpeded through the network
- **VLAN tags should not need to be matched by the provider they should be tunneled through the provider network**
- Layer 2 performance will be adequate to support jitter and low-latency sensitive applications (i.e. video over IP)
- IEEE 802.1q VLANs can be established at the request of the Network Nebraska staff or their authorized agent
- Allow participating institutions to manage IP address space and routing

The bidder will also:

- Indicate what layer 2 QoS capabilities the network will honor and support, (i.e. 802.1p queuing)
- Indicate availability of real time performance metrics (i.e. SNMP) access to a State provided list of authorized monitoring stations.
- Articulate the way in which overall cloud utilization will be monitored and under what conditions and within what timeframes upgrades will be implemented to ensure that the purchased bandwidth is available on demand to participants.
- Indicate the timeframe in which requests for virtual networks or layer 2 QoS changes will be honored

7. **TECHNOLOGY REFRESHMENT CLAUSE**

The State and the Bidder will work in partnership to ensure the services provided under this contract will be continuously refreshed as technologies evolve and user needs grow. The Chief Information Officer, in conjunction with or on behalf of all other participants, will assume the primary role in seeking and proposing new technologies and enhancements. This technology refreshment clause will be a required condition of the contract.

As a portion of the response to this RFP, bidders shall identify and define any pertinent new services currently being considered for deployment. Anticipated deployment dates shall also be identified.

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8. SERVICE LEVEL GUARANTEES

This network must support production applications that require a high degree of reliability and must operate with little or no service disruptions for twenty-four (24) hours a day, seven (7) days a week. Bidders must provide solutions with the necessary redundancy, backup systems, and/or other disaster avoidance and recovery capabilities to support these needs. Bidders must have the necessary staff for the installation and maintenance of their network responsibilities and necessary staff to assist the State in its installation and maintenance of critical network services. The Bidder will provide an explanation of any redundancy that is available as part of the proposed system that will assure the required availability of the services. The following performance specifications are required service level guarantees. The Bidder will conform to these service level agreements, which are to include details concerning restoration procedures and goals, escalation procedures, and non-conformance penalties.

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End-to-End Network MTTR: 4 hours

The Bidder will acknowledge that the above is a minimal set of assurances for this network.

Following the final system acceptance by the State, the Bidder shall guarantee overall network performance in accordance with RFP mandated requirements. Any outages and/or diminished QoS that are not resolved prior to the expiration of the four-hour MTTR (Mean Time To Repair), shall result in a credit to the State equal to four (4) days credit of service and one (1) day credit of service for each additional hour of outage and/or diminished QoS on the same circuit or network component. Repeated outages and/or diminished QoS on the same circuit or network segment greater than four (4) occurrences per month shall receive a full month credit for that circuit or network segment.

EXAMPLE:

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720 x 99.95% = 719.64 hours of up time.

Difference of available and hours of up time: 720 – 719.64 = .36 hours or 21.6 minutes

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- Provide on-site assistance, as needed during the implementation phases of the project

The State of Nebraska management staff will assist the Contractor in identifying eligible participants in the network as well as establishing guidelines with the Contractor for ordering, moving, adding or changing services.

The Contractor will coordinate and administer the requirements of the network service(s) that are proposed.

- The Contractor will maintain toll free lines for voice and facsimile from the State to operational facilities for order entry and after hours help desk. Installation and maintenance may be subcontracted to one or more third parties to adequately cover the locations of the core transport backbone sites and to provide for rapid response in the event of a service disruption. The Contractor will provide information regarding intent to maintain its facilities after project implementation has been completed.
- The Contractor will maintain toll free voice lines for after hours helpdesk support for the duration of the contract. This point of contact will serve as the single point of contact for all services and equipment provided by the contract, including services and equipment subcontracted to another vendor.
- The Contractor will furnish with its proposal technical information, graphs, charts, maps, photographs, block diagrams, operating manuals, and other information that will clearly show that the services offered are 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 Contractor will explain in detail, with full engineering support data, the reasons why the proposed services meet the RFP requirements and should not be considered an exception.
- The technical proposal will include detailed network diagrams and drawings that clearly illustrate the network configuration and the functional relationships, as they are associated with the proposed services. These network diagrams will be available to the State electronically in a format agreed upon by the Contractor and the State to allow for import into various computer programs.
- The Contractor will provide basic technical specifications for each item of equipment included in the proposal. The information to be provided will be in the form of published specification sheets or other illustrative literature.

11. IMPLEMENTATION PLAN

The Bidder must submit to the State of Nebraska an implementation plan for the deployment of the services, along with proposed pricing schemes that reflect the services to be included in the associated contract resulting from the award of this RFP.

The Bidder will adhere to the implementation plan submitted as a requirement of this RFP for deployment of services.

12. DEPLOYMENT STATUS REPORTS

The Bidder's designated project manager will provide weekly reports of the status of any deployment schedules to the State's designated project manager. Deployment status reports will provide weekly information related to the adherence to the deployment schedule identified in Section 9, identification of issues affecting the deployment schedule, and recommended resolution(s) to any identified barriers to network deployment.

13. BILLING

The State will provide detailed billing instructions for each order as placed. In some cases the billed entity will be a consolidated billing to the State in an electronic format. For e-rate eligible entities, the Bidder may be instructed to bill the entity directly to ensure that appropriate e-rate processing can be accomplished. The Bidder must comply with all applicable e-rate requirements. The State may request a copy or summary of billings to other entities.

Billings for the High Speed WAN in all WNDLC Consortium locations must comply with the following specific requirements:

- a. Eligible participants must file contract orders for equipment or services under this section that specifies the number and location of sites.
- b. The billing to all eligible participants in the region for services under this section must reflect a postalized cost per site for all WNDLC Consortium locations, based on the list of participants in Appendix C.
- c. The Bidder must bill each entity directly that connects to the statewide network, rather than presenting a consolidated billing to the State of Nebraska.

Any services billed to the State of Nebraska must meet the following requirements.

For the purpose of this section, the following are defined:

Paper Summary Invoice - A paper invoice or bill submitted to the State requesting payment for contracted services.

Electronic Detail File - An electronic file containing detailed information for all individual circuits billed to the State on the paper summary invoice.

The State requires that the billing cycle for all bidder provided services end on the last day of each month, and the next billing cycle shall begin on the day immediately following the preceding billing cycle.

A monthly paper summary invoice must be delivered to the Division of Communications at 501 S.14th Lincoln, NE 68508 within 10 business days after the end of the month. The State also requires that an electronic copy of the paper

summary invoice be e-mailed to the Division of Communications each month. At a minimum the invoice must contain the following information:

- Bill Date
- Account Number
- Invoice Number
- Service Period i.e. 01/01/2000 thru 01/31/2000
- Total Federal Universal Service Surcharge and percentage
- Total Nebraska Universal Service Surcharge and percentage
- All Non-Recurring charges to include State order # and/or Bidder trouble ticket # as well as a detailed description of each
- All recurring charges to include; circuit ID, circuit billing number, ASOC/USOC, common language description of service as well as the individual charges for each. Recurring charges must be grouped and itemized by circuit.

The following items must be subtotaled independently:

- All Non-Recurring charges
- All recurring charges

The Bidder must describe any additional information that will appear on their paper summary invoice. The Bidder must also submit with their proposal a paper copy of their proposed paper summary invoice that meets the specifications of this RFP.

All costs must reflect the actual contracted amount. The State will not accept any invoicing, billing, or billing detail that reflects a higher than contracted rate with a percentage discount.

The Bidder must deliver an automated electronic detail file each month with figures that match the paper summary invoice. The electronic file will be used in the State's current rebilling system to generate invoices for State agencies. The file needs to be a data file, not an image of the paper bill in a file. This entire process is automated requiring no manual intervention. Files that require a manual process each month are not acceptable. Merely sending a CD is not considered automation. Anything that requires State personnel to handle this file each month is not considered automation.

In order to facilitate automation the State will provide a relay server to receive the monthly billing file. This server is accessible via the Internet. The Bidder must utilize this server for transferring monthly billing detail prior to the 12th of each month. For example, by the 12th of January, December's billing detail needs to be sent to the relay server. Prior to "going live", testing this process must be done. The winning bidder will be provided with access, instructions, and a user ID. A record layout must be provided describing the fields contained in your file. Below is an example of what the file must look like:

```
12345678901234024710642ASOCXTHIS IS A CHARGE FOR AN ASOC 005000003
12345678901234024710642ASOCXTHIS IS A CHARGE FOR AN ASOC 005000003
12345678901234024710642ASOCXTHIS IS A CHARGE FOR AN ASOC 005000003
12345678901234024710642ASOCXTHIS IS A CHARGE FOR AN ASOC 005000003
12345678901234024710642ASOCXTHIS IS A CHARGE FOR AN ASOC 005000003
12345678901234024710642ASOCXTHIS IS A CHARGE FOR AN ASOC 005000003
```

Text/alpha fields must be left justified blank padded, numeric fields must be right justified, zero padding is not necessary as long as they are right justified and align. Editing is not desired for dates and amounts (other than a sign for credit amounts). For

example, the date 20060119 is preferred over 2006-01-19. For dollar values, 100000 are preferable to 1,000.00. Bidders must provide a detailed record layout to include field descriptions as well as field lengths.

The Bidder should provide a copy of their proposed electronic billing file on compact disk. Bidders should provide this test file along with their proposal in order to be considered. The State will verify that the content of the test file(s) are compatible with the state rebilling system. At minimum the following information must be contained in a record for each individual circuit and/or billable circuit element:

Field	Format
Identifying circuit ID	alphanumeric
Identifying billing #	numeric
ASOC or USOC	alphanumeric
Common language description	alphanumeric
Contracted rate	numeric signed
Quantity	numeric

All costs between the electronic detail file and the paper summary invoice must match exactly. If the paper summary invoice figures and the sums of the call detail file records do not match the entire call detail file and paper summary invoice may be returned to the Bidder for correction. It is imperative that Bidders provide complete and accurate invoicing. Partial payments will not be made on returned invoices regardless of the volume of errors.

In the event that minor infrequent errors exist on invoices the State may at its own discretion elect to receive a credit for such errors. All billing errors must be corrected or credited within (2) billing cycles. Accurate billing, timely invoice delivery, and billing dispute resolutions are required, and repeated failure to meet billing/invoicing requirements will result in penalties that compensate the State for all costs including labor. The State reserves the right to deduct an amount equal to \$150.00 per labor hour for time spent disputing billing errors and tracking such erroneous invoices and/or credits.

In events where the Bidder does not correct invoices in a timely manner as described above, the State reserves the right to pursue one or more of the following remedies:

- Withholding of payment on disputed invoices.
- “Vendor Performance Report” Filed with Material Division.
- Removing or suspending Bidder from State bidders list.
- Additional legal action as deemed appropriate by the State.

The Bidder may not disconnect any contracted service due to late payment if invoices are in dispute status. The following Nebraska State Statute addresses accurate invoicing by Bidders:

81-2405

Incorrect bill; notice to creditor; corrected bill; payment.

When a bill submitted to an agency is filled out incorrectly or when there is any defect or impropriety in a bill submitted, the agency shall notify the creditor in writing prior to the date on which payment in full is due. The notice shall contain a description of the defect or impropriety and any additional information necessary to enable the

creditor to correct the bill. Upon receiving a properly corrected bill, the agency shall make payment in full of the bill on or before the forty-fifth calendar day after the receipt of the corrected bill or, when the agency is making payment for goods or services provided by a third party, on or before the sixtieth calendar day after the receipt of the corrected bill.

Source:

Laws 1988, LB 1079, § 5.

The Bidder must provide a single point of contact for resolution of billing issues. The Bidder's proposal must include an escalation procedure for unresolved billing disputes.

The State will not pay for charges that do not conform to the above requirements. Call detail that does not conform to these requirements will be returned and the Bidder will be required to resubmit their call detail in the required format.

14. CERTIFICATION

The State requires that the Bidder be certificated by the Nebraska Public Service Commission to provide the services outlined in this Section of this RFP. The Bidders must elaborate on whether they would be willing to file Tariffs with the PSC specific to the network proposed in their bid. The Bidder must elaborate on whether they are willing to accept direct payment for USF and NUSF contributions to their proposed network and whether they are willing to deduct these contributions from the State's monetary obligations toward a contract resulting from this RFP.

15. COST

The Bidder will clearly identify each offered service (by service type) and be **specific** on all elements, processes, fees, etc. included in the cost. Bid proposals will address the impact of normal growth, as well as planned and unplanned network expansion or service enhancement. All prices shall be proposed as a "postalized rate" on a recurring or non-recurring basis. All bidder costs must be reflected in either the monthly recurring or non-recurring charges. No additional charges will be accepted. **The State shall not be required to purchase any specific service or minimum quantities of network services.** The quantities provided are for the sole purpose of assisting the Bidders in preparation of their proposals and for the State to evaluate the feasibility of the proposed network solutions. The State shall not be responsible for any cost that is not identified in the Bidders proposal. The State will not be able to consider bids that offer discounts based upon the number of network locations that join the network.

1. Network Equipment and Hardware Costs (Non-CPE)

Network equipment and hardware (non-CPE) will be part of and included in the itemized transport circuit costs. Circuit costs will be bundled costs, including all hardware.

2. Installation Costs

If one-time installation/set-up charges are applicable, these rates shall be delineated in the cost portion of the proposal. This cost for the circuit installation shall include all one time costs associated with termination to the demarcation point from the network side and/or fees associated with interconnection to local exchange carriers.

3. Software, Warranty, and Maintenance Costs

The Bidder will include costs for software, warranty, and maintenance of the provided circuits in the service rates.

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 Bidder's network and associated service rates. The software costs shall include all of the following applicable costs:

- Initial purchase and installation costs.
- Use and licensing fees.
- Software maintenance costs, including upgrades.
- All other costs relative to the network such as 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 changing network needs.

4. Optional Services

It is anticipated the Bidder may wish to offer optional services at an additional fee, i.e., network monitoring, project management, etc. These services will be identified and described in detail with the appropriate cost per unit (hour, month, circuit, service, etc.) delineated.

5. Total Costs

The Bidder will provide a detail description and list of the transport services being proposed in a table similar to the example reflected below. The monthly costs, installation, and any other charges are to be explicitly stated in order for the State to evaluate the proposed services incorporated in the proposal and the associated charges. The Bidder will define the increment(s) being proposed and the cost of each increment. The State has the option of purchasing any quantity of services in any increment proposed.

APPENDIX E SCHEDULE 1 EXAMPLE:

In Service	Qty.	Unit Monthly Recurring Charge	Total Monthly Recurring Charge	Unit Non-Recurring Charge	Total Non-Recurring Charge
40MB Service	4	\$800	\$3,200	\$1,200	\$4,800
100MB Service	1	\$1000	\$1000	\$1,500	\$1,500

In this scenario, the State could purchase 4 - 40 Mbps circuit, 1 - 100 Mbps circuit, for a Total Monthly Recurring Charge of \$4,200 and a Total Non-Recurring Charge of \$6,300.

6. Cost and Service Offering Reviews During the Contract

The State and the Bidder will conduct periodic reviews of the contract at specific milestones during the term of the contract to review service offerings and pricing as specified under item B.6, Technology Refreshment.

7. Proposal Cost Evaluation

The proposal cost will be evaluated based on the monthly recurring costs multiplied by the applicable length of contract in months, not to include extensions, plus the one time non-recurring costs.

F. SECTION 6 - HIGH SPEED WAN WITH CISCO 3825 EDGE ROUTER – WNDLC Consortium

1. PROJECT OVERVIEW

The objective of this section of the RFP is to identify a Bidder or Bidders that will design, develop, and implement high speed data connectivity that will meet the current and future telecommunications needs of eligible participants over the term of the contract. The successful Bidder will provide a cost-effective, scalable, and flexible high speed data transport service (including Cisco 3825 Edge Router) that can interconnect all WNDLC Consortium entities listed in Appendix C. Appendix C includes all WNDLC Consortium locations that still need to be IP converted. When bidding Appendix C locations, the Bidder must bid the costs to have a flat layer 2 cloud in the appropriate region. The Bidder will also include connectivity through the carriers' cloud back to the Phase 1 College Park location in Grand Island. This connectivity needs to have the capacity to support one half of all schools in the WNDLC Consortium transmitting at full capacity at any given time. This connectivity should be a Gigabit interface to allow for flexible growth. . The cost for connectivity back to College Park should be figured into the MRC for the individual schools. A co-location closet in College Park will be provided.

Alternative bids with varying amounts of “connectivity” back to the Phase 1 College park location in Grand Island are encouraged.

This RFP is for the 2nd phase of a multi-phase project for connectivity to Network Nebraska. Connectivity may include colleges, universities, state government, political subdivisions and K-12 institutions. The network design of this phase must accommodate the full implementation of Network Nebraska connections including a Statewide, multi-purpose backbone.

All proposals must meet the technical requirements as stated in the RFP. All respondents must bid all sites as shown in Appendix C. Any proposals that meet technical requirements, but do not bid all schools included in Appendix C will be viewed as bidding an “alternative proposal”.

This will be deemed less desirable than a complete bid for all locations in Appendix C. The State strongly desires to have ONE “prime contractor” for all locations listed in Appendix C.

Although less desirable, Bidders are still encouraged to bid alternative proposals in the event a “prime contractor” is not cost effective.

If the State deems that it is more cost effective to award multiple awards to “alternative bids” it reserves that right. The State reserves the right to reject any or all proposals, wholly or in part, or to award to multiple bidders in whole or in part.

Current network costs are provided to assist Bidders in making a logical and cost effective proposal to the State. Current costs are: \$11,800 - \$18,000 per year per school for video and IP data transport.

The State requires the Bidder to bid a multi-purpose transport connection to interconnect the listed institutions along with the corresponding services that considers present, as well as future, state-of-the-art technologies. The extent to which these segments are included in the network 'cloud' that covers the geography of South-central and Western Nebraska is important to the economic development goals as defined in the Nebraska Information Technology Commission (NITC) goals on page 11 of the Statewide Technology Plan (<http://www.nitc.state.ne.us/stp/stp.pdf>)

2. TECHNICAL ELEMENTS

a. CURRENT ENVIRONMENT

The current distance learning environment in the WNDLC Consortium consists of a commercial video and data service offered by multiple providers with various contract expiration dates. Some locations are carried on fiber DS3 circuits installed to each location and are based on JPEG or MPEG2 audio/video technology. The current DS3 is capable of providing two services. The primary service is committed to the support of the JPEG or MPEG2 video transmission consisting of one send and three receive sessions. The K-12 institutions secure Internet access via one or two T1 frame-relay connections multiplexed from the JPEG DS3 or from a Data ATM circuit associated with the MPEG2 video circuit.

b. PROJECT ENVIRONMENT

The WNDLC Consortium Network Nebraska service area consists of approximately twenty-six K-12 locations.

These entities have expressed the need to upgrade their network to an IP network using the latest video standards as defined by the NITC. Funding for much of the K-12 equipment upgrade will come from appropriations in the Nebraska law as defined in Neb. Rev. Stat. 79-1336.

3. SCOPE OF WORK

The Bidder shall design, develop and implement a high-speed, IP-based, layer 2, wide area network to interconnect eligible entities as requested. This includes conversion of the current DS3 JPEG network to an IP network. The network interface to the customers CPE must physically be Ethernet with the capability to provide multiple virtual Ethernet interfaces via 802.1Q. The Bidder must also provide the Cisco 3825 Edge Router at each K-12 location as part of the service. The network connections must be a minimum of 40 Mbps, with options for 100 Mbps or faster, up to and including 1000 Mbps, where possible. The conversion will be performed over the summer of 2008 and must be as transparent as possible with completion by August 5th.

In addition to the wide area network to the entities, there will need to be a "transport connection" from the network cloud to the Network Nebraska Grand Island location (College Park).

4. PROJECT REQUIREMENTS

The K-12 schools that require this service must be converted between July 1, 2008 and August 5, 2008. The circuits should be installed and tested by July 1, 2008, however the State can not incur charges on these circuits until after July 1st due to E-rate. The cutover to the customer must be complete by August 5, 2008. Existing service must remain active until the final cutover. The State of Nebraska is cognizant of a growing demand for bandwidth. The State is interested in identifying a Bidder who will meet the current and future telecommunications needs of eligible participants over the term of

the contract. The successful Bidder will provide a cost-effective, scalable, and flexible transport service that will be able to meet the demands of the network participants and it is expected the services would meet any future needs of other eligible participants as deemed appropriate. Bidders shall identify services that are a normal part of their offering without additional fees and optional services that are being offered for an additional fee (i.e., automatic trouble ticket generation, trouble notification, etc). The State requires a complete description of those services and fees to be included in the RFP response.

5. TECHNICAL REQUIREMENTS

The bidder will provide a network design in which:

- Layer 2 QoS tags pass unimpeded through the network
- **VLAN tags should not need to be matched by the provider they should be tunneled through the provider network**
- Layer 2 performance will be adequate to support jitter and low-latency sensitive applications (i.e. video over IP)
- IEEE 802.1q VLANs can be established at the request of the Network Nebraska staff or their authorized agent
- Allow participating institutions to manage IP address space and routing

The bidder will also:

- Indicate what layer 2 QoS capabilities the network will honor and support, (i.e. 802.1p queuing)
- Indicate availability of real time performance metrics (i.e. SNMP) access to a State provided list of authorized monitoring stations.
- Articulate the way in which overall cloud utilization will be monitored and under what conditions and within what timeframes upgrades will be implemented to ensure that the purchased bandwidth is available on demand to participants.

Indicate the timeframe in which requests for virtual networks or layer 2 QoS changes will be honored

The Phase 1 RFP of Network Nebraska made the Cisco 3825 the “edge router” to be purchased by the schools. The Cisco 3825 that is bundled as a service by the Bidder should meet the below specifications:

DRAM 256MB Minimum and upgradeable to at least 1GB

Flash 64MB

Onboard Dual 10/100/1000 Ethernet interfaces

Modular Chassis

4 port 10/100 Ethernet switch module

Modular acceptance of T1's, DS3's and ADSL

Support IEEE 802.1Q Tagging, 802.1X, NAT, QoS, SSH, SNMP, H323, SIP, IPV4, IPV6, DHCP/BOOTP, Routing Protocols and Policy Routing

Stateful Firewall, IPSEC and VPN capability

Perform Configuration Backup and have a Web Based User Interface

In Addition to above specifications, the bullets below must also be adhered to:

- 32 hours of on-site router training occurring at one location.
- 4 hour, 7 days a week on-site response for hardware maintenance for the life of the contract.
- Software operating system upgrades for the life of the contract.

- Equipment bid shall be new, current models manufactured with 100% new OEM parts.
- The models being offered are in current production as of the date of the award. For purpose of this contract “current production” shall mean that the router model is being manufactured as new equipment for the United States market.
- Refurbished equipment is not acceptable.
- All equipment ordered as stated in the RFP must be shipped fully configured with the required memory, modules, and most current, stable operating system.
- In the event the Cisco 3825 goes end of life during the life of the contract an equivalent non end of life router will be substituted.
- The “edge router” will be configured and managed by the State and not by the Bidder.

6. TECHNOLOGY REFRESHMENT CLAUSE

The State and the Bidder will work in partnership to ensure the services provided under this contract will be continuously refreshed as technologies evolve and user needs grow. The Chief Information Officer, in conjunction with or on behalf of all other participants, will assume the primary role in seeking and proposing new technologies and enhancements. This technology refreshment clause will be a required condition of the contract.

As a portion of the response to this RFP, bidders shall identify and define any pertinent new services currently being considered for deployment. Anticipated deployment dates shall also be identified.

The State and the Bidder will conduct periodic reviews of the contract at specific milestones during the term of the contract to review service offerings and pricing. These reviews may result in expanding the services offered by the Bidder to include new pricing elements or pricing modifications associated with improved economies of scale and/or technological innovations. Changes in the industry related to regulation and/or pricing mechanisms may also result in modification of rates identified in the services offered by the Bidder. These review periods will commence when the State feels an improvement in economies of scale or technological innovation has occurred.

7. SERVICE LEVEL GUARANTEES

This network must support production applications that require a high degree of reliability and must operate with little or no service disruptions for twenty-four (24) hours a day, seven (7) days a week. Bidders must provide solutions with the necessary redundancy, backup systems, and/or other disaster avoidance and recovery capabilities to support these needs. Bidders must have the necessary staff for the installation and maintenance of their network responsibilities and necessary staff to assist the State in its installation and maintenance of critical network services. The Bidder will provide an explanation of any redundancy that is available as part of the proposed system that will assure the required availability of the services. The following performance specifications are required service level guarantees. The Bidder will conform to these service level agreements, which are to include details concerning restoration procedures and goals, escalation procedures, and non-conformance penalties.

8. SPECIFICATIONS

At a minimum circuit availability will be 99.95% or greater as measured over twelve consecutive months (4.38 hours of outage per year).

Mean time to repair (MTTR) a failed transport backbone network element, measured over twelve consecutive months, will be four hours.

End-to-End Network MTTR: 4 hours

The Bidder will acknowledge that the above is a minimal set of assurances for this network.

Following the final system acceptance by the State, the Bidder shall guarantee overall network performance in accordance with RFP mandated requirements. Any outages and/or diminished QoS that are not resolved prior to the expiration of the four-hour MTTR (Mean Time To Repair), shall result in a credit to the State equal to four (4) days credit of service and one (1) day credit of service for each additional hour of outage and/or diminished QoS on the same circuit or network component. Repeated outages and/or diminished QoS on the same circuit or network segment greater than four (4) occurrences per month shall receive a full month credit for that circuit or network segment.

EXAMPLE:

24 hours x 30 days = 720 hours available.

720 x 99.95% = 719.64 hours of up time.

Difference of available and hours of up time: $720 - 719.64 = .36$ hours or 21.6 minutes

Cumulative outage exceeds 21.6 minutes on a circuit, a one (1) day credit is due the State or entity involved for an outage and/or diminished QoS after 21.6 minutes.

Outage and/or diminished QoS of 21.7 to 1 hours 21.6 minutes = 1 day service credit;
1 hour 21.7 minutes to 2 hours 21.6 minutes = 2 days, etc.

9. PROJECT PLANNING AND MANAGEMENT

The State of Nebraska acknowledges that project management and implementation procedures will require alignment and adjustment of work processes for the Contractor's organizations, the educational entities, and the State. The alignment will be part of the contract finalization, however the Contractor will respond to this RFP assuming the following responsibilities:

The State of Nebraska and educational entity 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 Contractor's implementation phases and ongoing upgrade design of this project
- Establish project management guidelines by meeting with the Contractor's project management team as needed
- 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 needed to support the implementation process
- Provide on-site assistance, as needed during the implementation phases of the project

The State of Nebraska management staff will assist the Contractor in identifying eligible participants in the network as well as establishing guidelines with the Contractor for ordering, moving, adding or changing services.

The Contractor will coordinate and administer the requirements of the network service(s) that are proposed.

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comply with all applicable e-rate requirements. The State may request a copy or summary of billings to other entities.

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The Bidder must describe any additional information that will appear on their paper summary invoice. The Bidder must also submit with their proposal a paper copy of their proposed paper summary invoice that meets the specifications of this RFP.

All costs must reflect the actual contracted amount. The State will not accept any invoicing, billing, or billing detail that reflects a higher than contracted rate with a percentage discount.

The Bidder must deliver an automated electronic detail file each month with figures that match the paper summary invoice. The electronic file will be used in the State's current rebilling system to generate invoices for State agencies. The file needs to be a data file, not an image of the paper bill in a file. This entire process is automated requiring no manual intervention. Files that require a manual process each month are not acceptable. Merely sending a CD is not considered automation. Anything that requires State personnel to handle this file each month is not considered automation.

In order to facilitate automation the State will provide a relay server to receive the monthly billing file. This server is accessible via the Internet. The Bidder must utilize this server for transferring monthly billing detail prior to the 12th of each month. For example, by the 12th of January, December's billing detail needs to be sent to the relay server. Prior to "going live", testing this process must be done. The winning bidder will be provided with access, instructions, and a user ID. A record layout must be provided describing the fields contained in your file. Below is an example of what the file must look like:

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Text/alpha fields must be left justified blank padded, numeric fields must be right justified, zero padding is not necessary as long as they are right justified and align. Editing is not desired for dates and amounts (other than a sign for credit amounts). For example, the date 20060119 is preferred over 2006-01-19. For dollar values, 100000 are preferable to 1,000.00. Bidders must provide a detailed record layout to include field descriptions as well as field lengths.

The Bidder should provide a copy of their proposed electronic billing file on compact disk. Bidders should provide this test file along with their proposal in order to be considered. The State will verify that the content of the test file(s) are compatible with the state rebilling system. At minimum the following information must be contained in a record for each individual circuit and/or billable circuit element:

Field	Format
Identifying circuit ID	alphanumeric
Identifying billing #	numeric
ASOC or USOC	alphanumeric
Common language description	alphanumeric
Contracted rate	numeric signed
Quantity	numeric

All costs between the electronic detail file and the paper summary invoice must match exactly. If the paper summary invoice figures and the sums of the call detail file records do not match the entire call detail file and paper summary invoice may be returned to the Bidder for correction. It is imperative that Bidders provide complete and

accurate invoicing. Partial payments will not be made on returned invoices regardless of the volume of errors.

In the event that minor infrequent errors exist on invoices the State may at its own discretion elect to receive a credit for such errors. All billing errors must be corrected or credited within (2) billing cycles. Accurate billing, timely invoice delivery, and billing dispute resolutions are required, and repeated failure to meet billing/invoicing requirements will result in penalties that compensate the State for all costs including labor. The State reserves the right to deduct an amount equal to \$150.00 per labor hour for time spent disputing billing errors and tracking such erroneous invoices and/or credits.

In events where the Bidder does not correct invoices in a timely manner as described above, the State reserves the right to pursue one or more of the following remedies:

- Withholding of payment on disputed invoices.
- “Vendor Performance Report” Filed with Material Division.
- Removing or suspending Bidder from State bidders list.
- Additional legal action as deemed appropriate by the State.

The Bidder may not disconnect any contracted service due to late payment if invoices are in dispute status. The following Nebraska State Statute addresses accurate invoicing by Bidders:

81-2405

Incorrect bill; notice to creditor; corrected bill; payment.

When a bill submitted to an agency is filled out incorrectly or when there is any defect or impropriety in a bill submitted, the agency shall notify the creditor in writing prior to the date on which payment in full is due. The notice shall contain a description of the defect or impropriety and any additional information necessary to enable the creditor to correct the bill. Upon receiving a properly corrected bill, the agency shall make payment in full of the bill on or before the forty-fifth calendar day after the receipt of the corrected bill or, when the agency is making payment for goods or services provided by a third party, on or before the sixtieth calendar day after the receipt of the corrected bill.

Source:

Laws 1988, LB 1079, § 5.

The Bidder must provide a single point of contact for resolution of billing issues. The Bidder’s proposal must include an escalation procedure for unresolved billing disputes.

The State will not pay for charges that do not conform to the above requirements. Call detail that does not conform to these requirements will be returned and the Bidder will be required to resubmit their call detail in the required format.

13. CERTIFICATION

The State requires that the Bidder be certificated by the Nebraska Public Service Commission to provide the services outlined in this Section of this RFP. The Bidders must elaborate on whether they would be willing to file Tariffs with the PSC specific to

the network proposed in their bid. The Bidder must elaborate on whether they are willing to accept direct payment for USF and NUSF contributions to their proposed network and whether they are willing to deduct these contributions from the State's monetary obligations toward a contract resulting from this RFP.

14. COST

The Bidder will clearly identify each offered service (by service type) and be specific on all elements, processes, fees, etc. included in the cost. Bid proposals will address the impact of normal growth, as well as planned and unplanned network expansion or service enhancement. All prices shall be proposed on a "postalized rate" on a recurring or non-recurring basis. All bidder costs must be reflected in either the monthly recurring or non-recurring charges. No additional charges will be accepted. The State shall not be required to purchase any specific service or minimum quantities of network services. The quantities provided are for the sole purpose of assisting the Bidders in preparation of their proposals and for the State to evaluate the feasibility of the proposed network solutions. The State shall not be responsible for any cost that is not identified in the Bidders proposal.

a. Network Equipment and Hardware Costs (Non-CPE)

Network equipment and hardware (non-CPE) will be part of and included in the itemized transport circuit costs. Circuit costs will be bundled costs, including all hardware.

b. Installation Costs

If one-time installation/set-up charges are applicable, these rates shall be delineated in the cost portion of the proposal. This cost for the circuit installation shall include all one time costs associated with termination to the demarcation point from the network side and/or fees associated with interconnection to local exchange carriers.

c. Software, Warranty, and Maintenance Costs

The Bidder will include costs for software, warranty, and maintenance of the provided circuits in the service rates.

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 Bidder's network and associated service rates. The software costs shall include all of the following applicable costs:

- Initial purchase and installation costs.
- Use and licensing fees.
- Software maintenance costs, including upgrades.
- All other costs relative to the network such as 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 changing network needs.

d. Optional Services

It is anticipated the Bidder may wish to offer optional services at an additional fee, i.e., network monitoring, project management, etc. These services will be identified and described in detail with the appropriate cost per unit (hour, month, circuit, service, etc.) delineated.

e. Total Costs

The Bidder will provide a detail description and list of the transport services being proposed in a table similar to the example reflected below. The monthly costs, installation, and any other charges are to be explicitly stated in order for the State to evaluate the proposed services incorporated in the proposal and the associated charges. The Bidder will define the increment(s) being proposed and the cost of each increment. The State has the option of purchasing any quantity of services in any increment proposed. Additionally, the vendor will identify the edge device being bid by manufacturer, model and software operating system (including version).

APPENDIX E SCHEDULE 2 EXAMPLE:

Service with Cisco 3825	Qty.	Unit Monthly Recurring Charge	Total Monthly Recurring Charge	Unit Non-Recurring Charge	Total Non-Recurring Charge	24x7 4 Hour Mtc. Monthly Charge Per Device	32 Hrs./On-Site Single Location Training Charge(if applicable)
40MB Service with Cisco 3825	5	\$1,200	\$6,000	\$1,000	\$5,000	\$35	
100MB Service with Cisco 3825	2	\$1,400	\$2,800	\$1,300	\$2,600	\$35	

In this scenario, the Cisco 3825 is selected with five 40 Mbps services, two 100 Mbps services would have a one time installation cost of \$7,600.00 and a monthly fee of \$8,800.00.

f. Cost and Service Offering Reviews During the Contract

The State and the Bidder will conduct periodic reviews of the contract at specific milestones during the term of the contract to review service offerings and pricing as specified under item B.6, Technology Refreshment.

g. Training

Training must consist of 32 hours of on-site sessions at a single pre-appointed location for any representatives of the participating entities of Northeast Nebraska.

h. Proposal Cost Evaluation

The proposal cost will be evaluated based on the monthly recurring costs and 24x7 4 hour maintenance monthly charge per device, multiplied by the applicable length of contract in months, not to include extensions, plus the one time non-recurring costs and the one time 32 hour on-site, single location training charge.

G. SECTION 7 – TRANSPORT SERVICE – SWDLC Consortium to Grand Island

1. PROJECT OVERVIEW

The objective of this section of the RFP is to identify a Bidder that will design, develop, and implement high speed data transport that will meet the current and future telecommunications needs of eligible participants over the term of the contract. The successful Bidder will provide a cost-effective, scalable, and flexible high speed data transport service that can interconnect between any single SWDLC Appendix D location and the Phase 2 Grand Island location of Network Nebraska with Gigabit interfaces. **The Bidder should provide costing to provide 100meg up to 1000meg**

connectivity in 100meg increments. The Bidder should also state the costs to move beyond a single Gigabit interface and the costs associated with this.

The State will analyze proposals with an emphasis on future flexibility, cost savings and technical approach.

The State requires the Bidder to bid a multi-purpose transport connection to interconnect the listed locations along with the corresponding services that considers present, as well as future, state-of-the-art technologies. The extent to which these segments are included in the network 'cloud' that covers the geography of South-central and Western Nebraska is important to the economic development goals as defined in the Nebraska Information Technology Commission (NITC) goals on page 11 of the Statewide Technology Plan (<http://www.nitc.state.ne.us/stp/stp.pdf>).

2. TECHNICAL ELEMENTS

a. CURRENT ENVIRONMENT

This Transport Service is new and will be used to interconnect already IP-converted SWDLC locations with Phase 1 of Network Nebraska.

b. PROJECT ENVIRONMENT

Currently there is a "core" network node in Grand Island. An E-rate eligible interconnection between a single SWDLC location is needed to transfer internet and distance learning between South-central, Western Nebraska and Phase 1 of Network Nebraska. This "single" interconnection needs to be large enough to support all locations wishing to transfer data at a single given time. This interface will not be larger than a Gigabit interface. However, the Bidder should also state the costs to move beyond a single Gigabit interface and the costs associated with this.

3. SCOPE OF WORK

The successful Bidder will provide a cost-effective, scalable, and flexible high speed data transport service that can interconnect between one of the SWDLC locations in Appendix D to Grand Island. This transport will act as internet and distance learning transport between Phase 1 and Phase 2 of Network Nebraska.

Below is the physical address for the "core" location in Grand Island:

College Park
3180 W Hwy 34
Grand Island, NE 68801-7279

4. PROJECT REQUIREMENTS

The State of Nebraska is cognizant of a growing demand for bandwidth. The State is interested in identifying a Bidder who will meet the current and future telecommunications needs of eligible participants over the term of the contract. The successful Bidder will provide a cost-effective, scalable, and flexible transport service that will be able to meet the demands of the network participants and it is expected the services would meet any future needs of other eligible participants as deemed appropriate. Bidders should identify services that are a normal part of their offering without additional fees and optional services that are being offered for an additional fee (i.e., automatic trouble ticket generation, trouble notification, etc). The State requires a complete description of those services and fees to be included in the RFP response.

5. TECHNICAL REQUIREMENTS

The Bidder will provide a network design will include:

- Point to point service
- 1000 Mbps connections with 100 Mbps incremental pricing
- Layer 2 QoS tags pass unimpeded through the network
- **Vlan tags should not need to be matched by the provider they should be tunneled through the provider network**
- Layer 2 performance will be adequate to support jitter and low-latency sensitive applications (i.e. video over IP)
- Indicate availability of real time performance metrics (i.e. SNMP) access to a State provided list of authorized monitoring stations.
- Ethernet connection to Customer Premise Equipment

6. TECHNOLOGY REFRESHMENT CLAUSE

The State and the Bidder will work in partnership to ensure the services provided under this contract will be continuously refreshed as technologies evolve and user needs grow. The Chief Information Officer, in conjunction with or on behalf of all other participants, will assume the primary role in seeking and proposing new technologies and enhancements. This technology refreshment clause will be a required condition of the contract.

As a portion of the response to this RFP, bidders shall identify and define any pertinent new services currently being considered for deployment. Anticipated deployment dates shall also be identified.

The State and the Bidder will conduct periodic reviews of the contract at specific milestones during the term of the contract to review service offerings and pricing. These reviews may result in expanding the services offered by the Bidder to include new pricing elements or pricing modifications associated with improved economies of scale and/or technological innovations. Changes in the industry related to regulation and/or pricing mechanisms may also result in modification of rates identified in the services offered by the Bidder. These review periods will commence when the State feels an improvement in economies of scale or technological innovation has occurred.

7. SERVICE LEVEL GUARANTEES

This network must support production applications that require a high degree of reliability and must operate with little or no service disruptions for twenty-four (24) hours a day, seven (7) days a week. Bidders will provide solutions with the necessary redundancy, backup systems, and/or other disaster avoidance and recovery capabilities to support these needs. Bidders must have the necessary staff for the installation and maintenance of their network responsibilities and necessary staff to assist the State in its installation and maintenance of critical network services The Bidder will provide an explanation of any redundancy that is available as part of the proposed system that will assure the required availability of the services. The following performance specifications are required service level guarantees. The Bidder will conform to these service level agreements, which are to include details concerning restoration procedures and goals, escalation procedures, and non-conformance penalties.

8. SPECIFICATIONS

At a minimum circuit availability will be 99.95% or greater as measured over twelve consecutive months (4.38 hours of outage per year).

Mean time to repair (MTTR) a failed transport backbone network element, measured over twelve consecutive months, will be four hours.

End-to-End Network MTTR: 4 hours

Following the final system acceptance by the State, the Bidder shall guarantee overall network performance in accordance with RFP mandated requirements. Any outages and/or diminished QoS that are not resolved prior to the expiration of the four-hour MTTR (Mean Time To Repair), shall result in a credit to the State equal to four (4) days credit of service and one (1) day credit of service for each additional hour of outage and/or diminished QoS on the same circuit or network component. Repeated outages and/or diminished QoS on the same circuit or network segment greater than four (4) occurrences per month shall receive a full month credit for that circuit or network segment.

EXAMPLE:

24 hours x 30 days = 720 hours available.

720 x 99.95% = 719.64 hours of up time.

Difference of available and hours of up time: $720 - 719.64 = .36$ hours or 21.6 minutes

Cumulative outage exceeds 21.6 minutes on a circuit, a one (1) day credit is due State for outage and/or diminished QoS after 21.6 minutes.

Outage and/or diminished QoS of 21.7 to 1 hours 21.6 minutes = 1 day service credit;
1 hour 21.7 minutes to 2 hours 21.6 minutes = 2 days, etc.

9. PROJECT PLANNING AND MANAGEMENT

The State of Nebraska acknowledges that project management and implementation procedures will require alignment and adjustment of work processes for the Bidder's organizations, the educational entities, and the State. The alignment will be part of the contract finalization, however the Bidder will respond to this RFP assuming the following responsibilities:

The State of Nebraska and educational entity 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 Bidder's implementation phases and ongoing upgrade design of this project
- Establish project management guidelines by meeting with the Bidder's project management team as needed
- 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 needed to support the implementation process
- Provide on-site assistance, as needed during the implementation phases of the project

The State of Nebraska management staff will assist the Bidder in identifying eligible participants in the network as well as establishing guidelines with the Bidder for ordering, moving, adding or changing services.

The Bidder will coordinate and administer the requirements of the network service(s) that are proposed.

- The Bidder will maintain toll free lines for voice and facsimile from the State to operational facilities for order entry and after hours help desk. Installation and maintenance may be subcontracted to one or more third parties to adequately cover the locations of the core transport backbone sites and to provide for rapid response in the event of a service disruption. The Bidder will provide information regarding intent to maintain its facilities after project implementation has been completed.
- The Bidder will maintain toll free voice lines for after hours helpdesk support for the duration of the contract. This point of contact will serve as the single point of contact for all services and equipment provided by the contract, including services and equipment subcontracted to another vendor.
- The Bidder will furnish with its proposal technical information, graphs, charts, maps, photographs, block diagrams, operating manuals, and other information that will clearly show that the services offered are 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 Bidder will explain in detail, with full engineering support data, the reasons why the proposed services meet the RFP requirements and should not be considered an exception.
- The technical proposal will include detailed network diagrams and drawings that clearly illustrate the network configuration and the functional relationships, as they are associated with the proposed services. These network diagrams will be available to the State electronically in a format agreed upon by the Bidder and the State to allow for import into various computer programs.
- The Bidder will provide basic technical specifications for each item of equipment included in the proposal. The information to be provided will be in the form of published specification sheets or other illustrative literature.

10. IMPLEMENTATION PLAN

The Bidder will submit to the State of Nebraska an implementation plan for the deployment of the services, along with proposed pricing schemes that reflect the services to be included in the associated contract resulting from the award of this RFP.

The Bidder will adhere to the implementation plan submitted as a requirement of this RFP for deployment of services.

11. DEPLOYMENT STATUS REPORTS

The Bidder's designated project manager will provide weekly reports of the status of any deployment schedules to the State's designated project manager. Deployment status reports will provide weekly information related to the adherence to the deployment schedule identified in Section 9, identification of issues affecting the deployment schedule, and recommended resolution(s) to any identified barriers to network deployment.

12. BILLING

The State will provide detailed billing instructions for each order as placed. In some cases the billed entity will be a consolidated billing to the State in an electronic format.

For e-rate eligible entities, the Bidder may be instructed to bill the entity directly to ensure that appropriate e-rate processing can be accomplished. The Bidder must comply with all applicable e-rate requirements. The State may request a copy or summary of billings to other entities.

Any services billed to the State of Nebraska must meet the following requirements.

For the purpose of this section, the following are defined:

Paper Summary Invoice - A paper invoice or bill submitted to the State requesting payment for contracted services.

Electronic Detail File - An electronic file containing detailed information for all individual circuits billed to the State on the paper summary invoice.

The State requires that the billing cycle for all bidder provided services end on the last day of each month, and the next billing cycle shall begin on the day immediately following the preceding billing cycle.

A monthly paper summary invoice must be delivered to the Division of Communications at 501 S.14th Lincoln, NE 68508 within 10 business days after the end of the month. The State also requires that an electronic copy of the paper summary invoice be e-mailed to the Division of Communications each month. At a minimum the invoice must contain the following information:

- Bill Date
- Account Number
- Invoice Number
- Service Period i.e. 01/01/2000 thru 01/31/2000
- Total Federal Universal Service Surcharge and percentage
- Total Nebraska Universal Service Surcharge and percentage
- All Non-Recurring charges to include State order # and/or Bidder trouble ticket # as well as a detailed description of each
- All recurring charges to include; circuit ID, circuit billing number, ASOC/USOC, common language description of service as well as the individual charges for each. Recurring charges must be grouped and itemized by circuit.

The following items must be subtotaled independently:

- All Non-Recurring charges
- All recurring charges

The Bidder must describe any additional information that will appear on their paper summary invoice. The Bidder must also submit with their proposal a paper copy of their proposed paper summary invoice that meets the specifications of this RFP.

All costs must reflect the actual contracted amount. The State will not accept any invoicing, billing, or billing detail that reflects a higher than contracted rate with a percentage discount.

The Bidder must deliver an automated electronic detail file each month with figures that match the paper summary invoice. The electronic file will be used in the State's current rebilling system to generate invoices for State agencies. The file needs to be a data file, not an image of the paper bill in a file. This entire process is automated requiring no manual intervention. Files that require a manual process each month are not acceptable. Merely sending a CD is not considered automation. Anything that requires State personnel to handle this file each month is not considered automation.

In order to facilitate automation the State will provide a relay server to receive the monthly billing file. This server is accessible via the Internet. The Bidder must utilize this server for transferring monthly billing detail prior to the 12th of each month. For example, by the 12th of January, December's billing detail needs to be sent to the relay server. Prior to "going live", testing this process must be done. The winning bidder will be provided with access, instructions, and a user ID. A record layout must be provided describing the fields contained in your file. Below is an example of what the file must look like:

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The Bidder should provide a copy of their proposed electronic billing file on compact disk. Bidders should provide this test file along with their proposal in order to be considered. The State will verify that the content of the test file(s) are compatible with the state rebilling system. At minimum the following information must be contained in a record for each individual circuit and/or billable circuit element:

Field	Format
Identifying circuit ID	alphanumeric
Identifying billing #	numeric
ASOC or USOC	alphanumeric
Common language description	alphanumeric
Contracted rate	numeric signed
Quantity	numeric

All costs between the electronic detail file and the paper summary invoice must match exactly. If the paper summary invoice figures and the sums of the call detail file records do not match the entire call detail file and paper summary invoice may be returned to the Bidder for correction. It is imperative that Bidders provide complete and accurate invoicing. Partial payments will not be made on returned invoices regardless of the volume of errors.

In the event that minor infrequent errors exist on invoices the State may at its own discretion elect to receive a credit for such errors. All billing errors must be corrected or credited within (2) billing cycles. Accurate billing, timely invoice delivery, and billing dispute resolutions are required, and repeated failure to meet billing/invoicing requirements will result in penalties that compensate the State for all costs including labor. The State reserves the right to deduct an amount equal to \$150.00 per labor hour for time spent disputing billing errors and tracking such erroneous invoices and/or credits.

In events where the Bidder does not correct invoices in a timely manner as described above, the State reserves the right to pursue one or more of the following remedies:

- Withholding of payment on disputed invoices.
- "Vendor Performance Report" Filed with Material Division.
- Removing or suspending Bidder from State bidders list.
- Additional legal action as deemed appropriate by the State.

The Bidder may not disconnect any contracted service due to late payment if invoices are in dispute status. The following Nebraska State Statute addresses accurate invoicing by Bidders:

81-2405

Incorrect bill; notice to creditor; corrected bill; payment.

When a bill submitted to an agency is filled out incorrectly or when there is any defect or impropriety in a bill submitted, the agency shall notify the creditor in writing prior to the date on which payment in full is due. The notice shall contain a description of the defect or impropriety and any additional information necessary to enable the creditor to correct the bill. Upon receiving a properly corrected bill, the agency shall make payment in full of the bill on or before the forty-fifth calendar day after the receipt of the corrected bill or, when the agency is making payment for goods or services provided by a third party, on or before the sixtieth calendar day after the receipt of the corrected bill.

Source:

Laws 1988, LB 1079, § 5.

The Bidder must provide a single point of contact for resolution of billing issues. The Bidder's proposal must include an escalation procedure for unresolved billing disputes.

The State will not pay for charges that do not conform to the above requirements. Call detail that does not conform to these requirements will be returned and the Bidder will be required to resubmit their call detail in the required format.

13. CERTIFICATION

The State requires that the Bidder be certificated by the Nebraska Public Service Commission to provide the services outlined in this Section of this RFP. The Bidders must elaborate on whether they would be willing to file Tariffs with the PSC specific to the network proposed in their bid. The Bidder must elaborate on whether they are willing to accept direct payment for USF and NUSF contributions to their proposed network and whether they are willing to deduct these contributions from the State's monetary obligations toward a contract resulting from this RFP.

14. COST

The Bidder will clearly identify each offered service (by service type) and be **specific** on all elements, processes, fees, etc. included in the cost. Bid proposals will address the impact of normal growth, as well as planned and unplanned network expansion or service enhancement. All prices shall be proposed on a “per unit” as a recurring or non-recurring basis. All bidder costs must be reflected in either the monthly recurring or non-recurring charges. No additional charges will be accepted. **The State shall not be required to purchase any specific service or minimum quantities of network services.** The quantities provided are for the sole purpose of assisting the Bidders in preparation of their proposals and for the State to evaluate the feasibility of the proposed network solutions. The State shall not be responsible for any cost that is not identified in the Bidders proposal.

1. Network Equipment and Hardware Costs (Non-CPE)

Network equipment and hardware (non-CPE) will be part of and included in the itemized transport circuit costs. Circuit costs will be bundled costs, including all hardware.

2. Installation Costs

If one-time installation/set-up charges are applicable, these rates shall be delineated in the cost portion of the proposal. This cost for the circuit installation shall include all one time costs associated with termination to the demarcation point from the network side and/or fees associated with interconnection to local exchange carriers.

3. Software, Warranty, and Maintenance Costs

The Bidder will include costs for software, warranty, and maintenance of the provided circuits in the service rates.

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 Bidder’s network and associated service rates. The software costs shall include all of the following applicable costs:

- Initial purchase and installation costs.
- Use and licensing fees.
- Software maintenance costs, including upgrades.
- All other costs relative to the network such as 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 changing network needs.

4. Optional Services

It is anticipated the Bidder may wish to offer optional services at an additional fee, i.e., network monitoring, project management, etc. These services will be identified and described in detail with the appropriate cost per unit (hour, month, circuit, service, etc.) delineated.

5. Total Costs

The Bidder will provide a detail description and list of the transport services being proposed in a table similar to the example reflected below. The monthly costs, installation, and any other charges are to be explicitly stated in order for the State to evaluate the proposed services incorporated in the proposal and the associated

charges. The Bidder will define the increment(s) being proposed and the cost of each increment. The State has the option of purchasing any quantity of services in any increment proposed.

APPENDIX E SCHEDULE 9 EXAMPLE:

Service	Qty.	Unit Monthly Recurring Charge	Total Monthly Recurring Charge	Unit Non-Recurring Charge	Total Non-Recurring Charge
1000MB Town A to Town B	1	\$4,000	\$4,000	\$1,500	\$1,500

6. Cost and Service Offering Reviews During the Contract

The State and the Bidder will conduct periodic reviews of the contract at specific milestones during the term of the contract to review service offerings and pricing as specified under item B.6, Technology Refreshment.

7. Proposal Cost Evaluation

The proposal cost will be evaluated based on the monthly recurring costs multiplied by the applicable length of contract in months, not to include extensions, plus the one time non-recurring costs.

H. SECTION 8 – TRANSPORT SERVICE – TVDEC-S Consortium to Grand Island

1. PROJECT OVERVIEW

The objective of this section of the RFP is to identify a Bidder that will design, develop, and implement high speed data transport that will meet the current and future telecommunications needs of eligible participants over the term of the contract. The successful Bidder will provide a cost-effective, scalable, and flexible high speed data transport service that can interconnect between any single TVDEC-S Appendix E location and the Phase 2 Grand Island location of Network Nebraska with Gigabit interfaces. **The Bidder should provide costing to provide 100meg up to 1000meg connectivity in 100meg increments.** The Bidder should also state the costs to move beyond a single Gigabit interface and the costs associated with this.

The State will analyze proposals with an emphasis on future flexibility, cost savings and technical approach.

The State requires the Bidder to bid a multi-purpose transport connection to interconnect the listed locations along with the corresponding services that considers present, as well as future, state-of-the-art technologies. The extent to which these segments are included in the network 'cloud' that covers the geography of South-central and Western Nebraska is important to the economic development goals as defined in the Nebraska Information Technology Commission (NITC) goals on page 11 of the Statewide Technology Plan (<http://www.nitc.state.ne.us/stp/stp.pdf>).

2. TECHNICAL ELEMENTS

a. CURRENT ENVIRONMENT

This Transport Service is new and will be used to interconnect already IP-converted TVDEC-S locations with Phase 1 of Network Nebraska.

b. PROJECT ENVIRONMENT

Currently there is a “core” network node in Grand Island. An E-rate eligible interconnection between a single TVDEC-S location is needed to transfer internet and distance learning between South-central, Western Nebraska and Phase 1 of Network Nebraska. This “single” interconnection needs to be large enough to support all locations wishing to transfer data at a single given time. This interface will not be larger than a Gigabit interface. However, the Bidder should also state the costs to move beyond a single Gigabit interface and the costs associated with this.

3. SCOPE OF WORK

The successful Bidder will provide a cost-effective, scalable, and flexible high speed data transport service that can interconnect between one of the TVDEC-S locations in Appendix E to Grand Island. This transport will act as internet and distance learning transport between Phase 1 and Phase 2 of Network Nebraska.

Below is the physical address for the “core” location in Grand Island:

College Park
3180 W Hwy 34
Grand Island, NE 68801-7279

4. PROJECT REQUIREMENTS

The State of Nebraska is cognizant of a growing demand for bandwidth. The State is interested in identifying a Bidder who will meet the current and future telecommunications needs of eligible participants over the term of the contract. The successful Bidder will provide a cost-effective, scalable, and flexible transport service that will be able to meet the demands of the network participants and it is expected the services would meet any future needs of other eligible participants as deemed appropriate. Bidders should identify services that are a normal part of their offering without additional fees and optional services that are being offered for an additional fee (i.e., automatic trouble ticket generation, trouble notification, etc). The State requires a complete description of those services and fees to be included in the RFP response.

5. TECHNICAL REQUIREMENTS

The Bidder will provide a network design will include:

- Point to point service
- 1000 Mbps connections with 100 Mbps incremental pricing
- Layer 2 QoS tags pass unimpeded through the network
- **Vlan tags should not need to be matched by the provider they should be tunneled through the provider network**
- Layer 2 performance will be adequate to support jitter and low-latency sensitive applications (i.e. video over IP)
- Indicate availability of real time performance metrics (i.e. SNMP) access to a State provided list of authorized monitoring stations.
- Ethernet connection to Customer Premise Equipment

6. TECHNOLOGY REFRESHMENT CLAUSE

The State and the Bidder will work in partnership to ensure the services provided under this contract will be continuously refreshed as technologies evolve and user needs grow. The Chief Information Officer, in conjunction with or on behalf of all other participants, will assume the primary role in seeking and proposing new technologies and enhancements. This technology refreshment clause will be a required condition of the contract.

As a portion of the response to this RFP, bidders shall identify and define any pertinent new services currently being considered for deployment. Anticipated deployment dates shall also be identified.

The State and the Bidder will conduct periodic reviews of the contract at specific milestones during the term of the contract to review service offerings and pricing. These reviews may result in expanding the services offered by the Bidder to include new pricing elements or pricing modifications associated with improved economies of scale and/or technological innovations. Changes in the industry related to regulation and/or pricing mechanisms may also result in modification of rates identified in the services offered by the Bidder. These review periods will commence when the State feels an improvement in economies of scale or technological innovation has occurred.

7. SERVICE LEVEL GUARANTEES

This network must support production applications that require a high degree of reliability and must operate with little or no service disruptions for twenty-four (24) hours a day, seven (7) days a week. Bidders will provide solutions with the necessary redundancy, backup systems, and/or other disaster avoidance and recovery capabilities to support these needs. Bidders must have the necessary staff for the installation and maintenance of their network responsibilities and necessary staff to assist the State in its installation and maintenance of critical network services. The Bidder will provide an explanation of any redundancy that is available as part of the proposed system that will assure the required availability of the services. The following performance specifications are required service level guarantees. The Bidder will conform to these service level agreements, which are to include details concerning restoration procedures and goals, escalation procedures, and non-conformance penalties.

8. SPECIFICATIONS

At a minimum circuit availability will be 99.95% or greater as measured over twelve consecutive months (4.38 hours of outage per year).

Mean time to repair (MTTR) a failed transport backbone network element, measured over twelve consecutive months, will be four hours.

End-to-End Network MTTR: 4 hours

Following the final system acceptance by the State, the Bidder shall guarantee overall network performance in accordance with RFP mandated requirements. Any outages and/or diminished QoS that are not resolved prior to the expiration of the four-hour MTTR (Mean Time To Repair), shall result in a credit to the State equal to four (4) days credit of service and one (1) day credit of service for each additional hour of outage and/or diminished QoS on the same circuit or network component. Repeated outages and/or diminished QoS on the same circuit or network segment greater than four (4)

occurrences per month shall receive a full month credit for that circuit or network segment.

EXAMPLE:

24 hours x 30 days = 720 hours available.

720 x 99.95% = 719.64 hours of up time.

Difference of available and hours of up time: 720 – 719.64 = .36 hours or 21.6 minutes

Cumulative outage exceeds 21.6 minutes on a circuit, a one (1) day credit is due State for outage and/or diminished QoS after 21.6 minutes.

Outage and/or diminished QoS of 21.7 to 1 hours 21.6 minutes = 1 day service credit;
1 hour 21.7 minutes to 2 hours 21.6 minutes = 2 days, etc.

9. PROJECT PLANNING AND MANAGEMENT

The State of Nebraska acknowledges that project management and implementation procedures will require alignment and adjustment of work processes for the Bidder's organizations, the educational entities, and the State. The alignment will be part of the contract finalization, however the Bidder will respond to this RFP assuming the following responsibilities:

The State of Nebraska and educational entity 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 Bidder's implementation phases and ongoing upgrade design of this project
- Establish project management guidelines by meeting with the Bidder's project management team as needed
- 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 needed to support the implementation process
- Provide on-site assistance, as needed during the implementation phases of the project

The State of Nebraska management staff will assist the Bidder in identifying eligible participants in the network as well as establishing guidelines with the Bidder for ordering, moving, adding or changing services.

The Bidder will coordinate and administer the requirements of the network service(s) that are proposed.

- The Bidder will maintain toll free lines for voice and facsimile from the State to operational facilities for order entry and after hours help desk. Installation and maintenance may be subcontracted to one or more third parties to adequately cover the locations of the core transport backbone sites and to provide for rapid response in the event of a service disruption. The Bidder will provide information regarding intent to maintain its facilities after project implementation has been completed.
- The Bidder will maintain toll free voice lines for after hours helpdesk support for the duration of the contract. This point of contact will serve as the single point of

contact for all services and equipment provided by the contract, including services and equipment subcontracted to another vendor.

- The Bidder will furnish with its proposal technical information, graphs, charts, maps, photographs, block diagrams, operating manuals, and other information that will clearly show that the services offered are 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 Bidder will explain in detail, with full engineering support data, the reasons why the proposed services meet the RFP requirements and should not be considered an exception.
- The technical proposal will include detailed network diagrams and drawings that clearly illustrate the network configuration and the functional relationships, as they are associated with the proposed services. These network diagrams will be available to the State electronically in a format agreed upon by the Bidder and the State to allow for import into various computer programs.
- The Bidder will provide basic technical specifications for each item of equipment included in the proposal. The information to be provided will be in the form of published specification sheets or other illustrative literature.

10. IMPLEMENTATION PLAN

The Bidder will submit to the State of Nebraska an implementation plan for the deployment of the services, along with proposed pricing schemes that reflect the services to be included in the associated contract resulting from the award of this RFP.

The Bidder will adhere to the implementation plan submitted as a requirement of this RFP for deployment of services.

11. DEPLOYMENT STATUS REPORTS

The Bidder's designated project manager will provide weekly reports of the status of any deployment schedules to the State's designated project manager. Deployment status reports will provide weekly information related to the adherence to the deployment schedule identified in Section 9, identification of issues affecting the deployment schedule, and recommended resolution(s) to any identified barriers to network deployment.

12. BILLING

The State will provide detailed billing instructions for each order as placed. In some cases the billed entity will be a consolidated billing to the State in an electronic format. For e-rate eligible entities, the Bidder may be instructed to bill the entity directly to ensure that appropriate e-rate processing can be accomplished. The Bidder must comply with all applicable e-rate requirements. The State may request a copy or summary of billings to other entities.

Any services billed to the State of Nebraska must meet the following requirements.

For the purpose of this section, the following are defined:

Paper Summary Invoice - A paper invoice or bill submitted to the State requesting payment for contracted services.

Electronic Detail File - An electronic file containing detailed information for all individual circuits billed to the State on the paper summary invoice.

The State requires that the billing cycle for all bidder provided services end on the last day of each month, and the next billing cycle shall begin on the day immediately following the preceding billing cycle.

A monthly paper summary invoice must be delivered to the Division of Communications at 501 S.14th Lincoln, NE 68508 within 10 business days after the end of the month. The State also requires that an electronic copy of the paper summary invoice be e-mailed to the Division of Communications each month. At a minimum the invoice must contain the following information:

- Bill Date
- Account Number
- Invoice Number
- Service Period i.e. 01/01/2000 thru 01/31/2000
- Total Federal Universal Service Surcharge and percentage
- Total Nebraska Universal Service Surcharge and percentage
- All Non-Recurring charges to include State order # and/or Bidder trouble ticket # as well as a detailed description of each
- All recurring charges to include; circuit ID, circuit billing number, ASOC/USOC, common language description of service as well as the individual charges for each. Recurring charges must be grouped and itemized by circuit.

The following items must be subtotaled independently:

- All Non-Recurring charges
- All recurring charges

The Bidder must describe any additional information that will appear on their paper summary invoice. The Bidder must also submit with their proposal a paper copy of their proposed paper summary invoice that meets the specifications of this RFP.

All costs must reflect the actual contracted amount. The State will not accept any invoicing, billing, or billing detail that reflects a higher than contracted rate with a percentage discount.

The Bidder must deliver an automated electronic detail file each month with figures that match the paper summary invoice. The electronic file will be used in the State's current rebilling system to generate invoices for State agencies. The file needs to be a data file, not an image of the paper bill in a file. This entire process is automated requiring no manual intervention. Files that require a manual process each month are not acceptable. Merely sending a CD is not considered automation. Anything that requires State personnel to handle this file each month is not considered automation.

In order to facilitate automation the State will provide a relay server to receive the monthly billing file. This server is accessible via the Internet. The Bidder must utilize this server for transferring monthly billing detail prior to the 12th of each month. For example, by the 12th of January, December's billing detail needs to be sent to the relay server. Prior to "going live", testing this process must be done. The winning bidder will be provided with access, instructions, and a user ID. A record layout must be provided describing the fields contained in your file. Below is an example of what the file must look like:

```

12345678901234024710642ASOCXTHIS IS A CHARGE FOR AN ASOC      005000003
12345678901234024710642ASOCXTHIS IS A CHARGE FOR AN ASOC      005000003
12345678901234024710642ASOCXTHIS IS A CHARGE FOR AN ASOC      005000003
12345678901234024710642ASOCXTHIS IS A CHARGE FOR AN ASOC      005000003
12345678901234024710642ASOCXTHIS IS A CHARGE FOR AN ASOC      005000003
12345678901234024710642ASOCXTHIS IS A CHARGE FOR AN ASOC      005000003

```

Text/alpha fields must be left justified blank padded, numeric fields must be right justified, zero padding is not necessary as long as they are right justified and align. Editing is not desired for dates and amounts (other than a sign for credit amounts). For example, the date 20060119 is preferred over 2006-01-19. For dollar values, 100000 are preferable to 1,000.00. Bidders must provide a detailed record layout to include field descriptions as well as field lengths.

The Bidder should provide a copy of their proposed electronic billing file on compact disk. Bidders should provide this test file along with their proposal in order to be considered. The State will verify that the content of the test file(s) are compatible with the state rebilling system. At minimum the following information must be contained in a record for each individual circuit and/or billable circuit element:

Field	Format
Identifying circuit ID	alphanumeric
Identifying billing #	numeric
ASOC or USOC	alphanumeric
Common language description	alphanumeric
Contracted rate	numeric signed
Quantity	numeric

All costs between the electronic detail file and the paper summary invoice must match exactly. If the paper summary invoice figures and the sums of the call detail file records do not match the entire call detail file and paper summary invoice may be returned to the Bidder for correction. It is imperative that Bidders provide complete and accurate invoicing. Partial payments will not be made on returned invoices regardless of the volume of errors.

In the event that minor infrequent errors exist on invoices the State may at its own discretion elect to receive a credit for such errors. All billing errors must be corrected or credited within (2) billing cycles. Accurate billing, timely invoice delivery, and billing dispute resolutions are required, and repeated failure to meet billing/invoicing requirements will result in penalties that compensate the State for all costs including labor. The State reserves the right to deduct an amount equal to \$150.00 per labor hour for time spent disputing billing errors and tracking such erroneous invoices and/or credits.

In events where the Bidder does not correct invoices in a timely manner as described above, the State reserves the right to pursue one or more of the following remedies:

- Withholding of payment on disputed invoices.
- "Vendor Performance Report" Filed with Material Division.
- Removing or suspending Bidder from State bidders list.
- Additional legal action as deemed appropriate by the State.

The Bidder may not disconnect any contracted service due to late payment if invoices are in dispute status. The following Nebraska State Statute addresses accurate invoicing by Bidders:

81-2405

Incorrect bill; notice to creditor; corrected bill; payment.

When a bill submitted to an agency is filled out incorrectly or when there is any defect or impropriety in a bill submitted, the agency shall notify the creditor in writing prior to the date on which payment in full is due. The notice shall contain a description of the defect or impropriety and any additional information necessary to enable the creditor to correct the bill. Upon receiving a properly corrected bill, the agency shall make payment in full of the bill on or before the forty-fifth calendar day after the receipt of the corrected bill or, when the agency is making payment for goods or services provided by a third party, on or before the sixtieth calendar day after the receipt of the corrected bill.

Source:

Laws 1988, LB 1079, § 5.

The Bidder must provide a single point of contact for resolution of billing issues. The Bidder's proposal must include an escalation procedure for unresolved billing disputes.

The State will not pay for charges that do not conform to the above requirements. Call detail that does not conform to these requirements will be returned and the Bidder will be required to resubmit their call detail in the required format.

13. CERTIFICATION

The State requires that the Bidder be certificated by the Nebraska Public Service Commission to provide the services outlined in this Section of this RFP. The Bidders must elaborate on whether they would be willing to file Tariffs with the PSC specific to the network proposed in their bid. The Bidder must elaborate on whether they are willing to accept direct payment for USF and NUSF contributions to their proposed network and whether they are willing to deduct these contributions from the State's monetary obligations toward a contract resulting from this RFP.

14. COST

The Bidder will clearly identify each offered service (by service type) and be **specific** on all elements, processes, fees, etc. included in the cost. Bid proposals will address the impact of normal growth, as well as planned and unplanned network expansion or service enhancement. All prices shall be proposed on a "postalized rate" on a recurring or non-recurring basis. All bidder costs must be reflected in either the monthly recurring or non-recurring charges. No additional charges will be accepted. **The State shall not be required to purchase any specific service or minimum quantities of network services.** The quantities provided are for the sole purpose of assisting the Bidders in preparation of their proposals and for the State to evaluate the feasibility of the proposed network solutions. The State shall not be responsible for any cost that is not identified in the Bidders proposal.

1. Network Equipment and Hardware Costs (Non-CPE)

Network equipment and hardware (non-CPE) will be part of and included in the itemized transport circuit costs. Circuit costs will be bundled costs, including all hardware.

2. Installation Costs

If one-time installation/set-up charges are applicable, these rates shall be delineated in the cost portion of the proposal. This cost for the circuit installation shall include all one time costs associated with termination to the demarcation point from the network side and/or fees associated with interconnection to local exchange carriers.

3. Software, Warranty, and Maintenance Costs

The Bidder will include costs for software, warranty, and maintenance of the provided circuits in the service rates.

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 Bidder's network and associated service rates. The software costs shall include all of the following applicable costs:

- Initial purchase and installation costs.
- Use and licensing fees.
- Software maintenance costs, including upgrades.
- All other costs relative to the network such as 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 changing network needs.

4. Optional Services

It is anticipated the Bidder may wish to offer optional services at an additional fee, i.e., network monitoring, project management, etc. These services will be identified and described in detail with the appropriate cost per unit (hour, month, circuit, service, etc.) delineated.

5. Total Costs

The Bidder will provide a detail description and list of the transport services being proposed in a table similar to the example reflected below. The monthly costs, installation, and any other charges are to be explicitly stated in order for the State to evaluate the proposed services incorporated in the proposal and the associated charges. The Bidder will define the increment(s) being proposed and the cost of each increment. The State has the option of purchasing any quantity of services in any increment proposed.

APPENDIX E SCHEDULE 9 EXAMPLE:

Service	Qty.	Unit Monthly Recurring Charge	Total Monthly Recurring Charge	Unit Non-Recurring Charge	Total Non-Recurring Charge
1000MB Town A to Town B	1	\$4,000	\$4,000	\$1,500	\$1,500

6. Cost and Service Offering Reviews During the Contract

The State and the Bidder will conduct periodic reviews of the contract at specific milestones during the term of the contract to review service offerings and pricing as specified under item B.6, Technology Refreshment.

7. Proposal Cost Evaluation

The proposal cost will be evaluated based on the monthly recurring costs multiplied by the applicable length of contract in months, not to include extensions, plus the one time non-recurring costs.

I. SECTION 9 - HIGH SPEED WAN – Higher Education

1. PROJECT OVERVIEW

The objective of this section of the RFP is to identify a Bidder or Bidders that will design, develop, and implement high speed data connectivity that will meet the current and future telecommunications needs of eligible participants over the term of the contract. The successful Bidder will provide a cost-effective, scalable, and flexible high speed data transport service that can interconnect all Higher Education entities listed in Appendix F to Phase 1 Network Nebraska. Appendix F includes all Higher Education locations that need connectivity to Network Nebraska. When bidding Appendix F locations, the Bidder will provide a layer 2 point to point connectivity through the carriers' cloud back to the Phase 1 College Park location in Grand Island.

All proposals must meet the technical requirements as stated in the RFP. All respondents may bid any or all sites as shown in Appendix F.

Although less desirable, Bidders are still encouraged to bid alternative proposals.

If the State deems that it is more cost effective to award multiple awards to "alternative bids" it reserves that right. The State reserves the right to reject any or all proposals, wholly or in part, or to award to multiple bidders in whole or in part.

Current network costs are provided to assist Bidders in making a logical and cost effective proposal to the State. Current costs are: \$11,800 - \$18,000 per year per school for video and IP data transport.

The State requires the Bidder to bid a multi-purpose transport connection to interconnect the listed institutions along with the corresponding services that considers present, as well as future, state-of-the-art technologies. The extent to which these segments are included in the network 'cloud' that covers the geography of South-central and Western Nebraska is important to the economic development goals as defined in the Nebraska Information Technology Commission (NITC) goals on page 11 of the Statewide Technology Plan (<http://www.nitc.state.ne.us/stp/stp.pdf>)

2. TECHNICAL ELEMENTS

a. CURRENT ENVIRONMENT

The current distance learning environment in the Higher Education locations consists of a commercial video and data service offered by multiple providers with various contract expiration dates. Some locations are carried on fiber DS3 circuits installed to

each location and are based on JPEG or MPEG2 audio/video technology. The current DS3 is capable of providing two services. The primary service is committed to the support of the JPEG or MPEG2 video transmission consisting of one send and three receive sessions.

b. PROJECT ENVIRONMENT

The Higher Education Western Network Nebraska service area consists of approximately eleven Higher Education locations.

3. SCOPE OF WORK

The Bidder shall design, develop and implement a high-speed, IP-based, layer 2, wide area network to interconnect eligible entities as requested. This includes conversion of the current DS3 JPEG network to an IP network. The network interface to the customers CPE must physically be Ethernet with the capability to provide multiple virtual Ethernet interfaces via 802.1Q. The network connections must be a minimum of 40 Mbps, with options for 100 Mbps or faster, up to and including 1000 Mbps, where possible. The conversion will be performed over the summer of 2008 and must be as transparent as possible with completion by August 5th.

In addition to the wide area network to the entities, there will need to be a “transport connection” from the carriers’ cloud to the Network Nebraska Grand Island location (College Park).

Entities that select this service will be purchasing their own network equipment and video equipment. The bidder will need to work closely with these entities (institutions, Educational Service Units; etc) to ensure that the appropriate network equipment and video equipment delivery is coordinated and ready for installation at the time the network conversion takes place.

4. PROJECT REQUIREMENTS

The Higher Education locations require this service to be converted between July 1, 2008 and August 5, 2008. The circuits should be installed and tested by July 1, 2008. Existing service must remain active until the final cutover. The State of Nebraska is cognizant of a growing demand for bandwidth. The State is interested in identifying a Bidder who will meet the current and future telecommunications needs of eligible participants over the term of the contract. The successful Bidder will provide a cost-effective, scalable, and flexible transport service that will be able to meet the demands of the network participants and it is expected the services would meet any future needs of other eligible participants as deemed appropriate. Bidders shall identify services that are a normal part of their offering without additional fees and optional services that are being offered for an additional fee (i.e., automatic trouble ticket generation, trouble notification, etc). The State requires a complete description of those services and fees to be included in the RFP response.

TECHNICAL REQUIREMENTS

The bidder will provide a network design in which:

- Layer 2 QoS tags pass unimpeded through the network
- **VLAN tags should not need to be matched by the provider they should be tunneled through the provider network**
- Layer 2 performance will be adequate to support jitter and low-latency sensitive applications (i.e. video over IP)
- IEEE 802.1q VLANs can be established at the request of the Network Nebraska staff or their authorized agent

- Allow participating institutions to manage IP address space and routing

The bidder will also:

- Indicate what layer 2 QoS capabilities the network will honor and support, (i.e. 802.1p queuing)
- Indicate availability of real time performance metrics (i.e. SNMP) access to a State provided list of authorized monitoring stations.
- Articulate the way in which overall cloud utilization will be monitored and under what conditions and within what timeframes upgrades will be implemented to ensure that the purchased bandwidth is available on demand to participants.
- Indicate the timeframe in which requests for virtual networks or layer 2 QoS changes will be honored

5. TECHNOLOGY REFRESHMENT CLAUSE

The State and the Bidder will work in partnership to ensure the services provided under this contract will be continuously refreshed as technologies evolve and user needs grow. The Chief Information Officer, in conjunction with or on behalf of all other participants, will assume the primary role in seeking and proposing new technologies and enhancements. This technology refreshment clause will be a required condition of the contract.

As a portion of the response to this RFP, bidders shall identify and define any pertinent new services currently being considered for deployment. Anticipated deployment dates shall also be identified.

The State and the Bidder will conduct periodic reviews of the contract at specific milestones during the term of the contract to review service offerings and pricing. These reviews may result in expanding the services offered by the Bidder to include new pricing elements or pricing modifications associated with improved economies of scale and/or technological innovations. Changes in the industry related to regulation and/or pricing mechanisms may also result in modification of rates identified in the services offered by the Bidder. These review periods will commence when the State feels an improvement in economies of scale or technological innovation has occurred.

6. SERVICE LEVEL GUARANTEES

This network must support production applications that require a high degree of reliability and must operate with little or no service disruptions for twenty-four (24) hours a day, seven (7) days a week. Bidders must provide solutions with the necessary redundancy, backup systems, and/or other disaster avoidance and recovery capabilities to support these needs. Bidders must have the necessary staff for the installation and maintenance of their network responsibilities and necessary staff to assist the State in its installation and maintenance of critical network services. The Bidder will provide an explanation of any redundancy that is available as part of the proposed system that will assure the required availability of the services. The following performance specifications are required service level guarantees. The Bidder will conform to these service level agreements, which are to include details concerning restoration procedures and goals, escalation procedures, and non-conformance penalties.

7. SPECIFICATIONS

At a minimum circuit availability will be 99.95% or greater as measured over twelve consecutive months (4.38 hours of outage per year).

Mean time to repair (MTTR) a failed transport backbone network element, measured over twelve consecutive months, will be four hours.

End-to-End Network MTTR: 4 hours

The Bidder will acknowledge that the above is a minimal set of assurances for this network.

Following the final system acceptance by the State, the Bidder shall guarantee overall network performance in accordance with RFP mandated requirements. Any outages and/or diminished QoS that are not resolved prior to the expiration of the four-hour MTTR (Mean Time To Repair), shall result in a credit to the State equal to four (4) days credit of service and one (1) day credit of service for each additional hour of outage and/or diminished QoS on the same circuit or network component. Repeated outages and/or diminished QoS on the same circuit or network segment greater than four (4) occurrences per month shall receive a full month credit for that circuit or network segment.

EXAMPLE:

24 hours x 30 days = 720 hours available.

720 x 99.95% = 719.64 hours of up time.

Difference of available and hours of up time: $720 - 719.64 = .36$ hours or 21.6 minutes

Cumulative outage exceeds 21.6 minutes on a circuit, a one (1) day credit is due the State or entity involved for an outage and/or diminished QoS after 21.6 minutes.

Outage and/or diminished QoS of 21.7 to 1 hours 21.6 minutes = 1 day service credit;

1 hour 21.7 minutes to 2 hours 21.6 minutes = 2 days, etc.

8. PROJECT PLANNING AND MANAGEMENT

The State of Nebraska acknowledges that project management and implementation procedures will require alignment and adjustment of work processes for the Contractor's organizations, the educational entities, and the State. The alignment will be part of the contract finalization, however the Contractor will respond to this RFP assuming the following responsibilities:

The State of Nebraska and educational entity 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 Contractor's implementation phases and ongoing upgrade design of this project
- Establish project management guidelines by meeting with the Contractor's project management team as needed
- 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 needed to support the implementation process
- Provide on-site assistance, as needed during the implementation phases of the project

The State of Nebraska management staff will assist the Contractor in identifying eligible participants in the network as well as establishing guidelines with the Contractor for ordering, moving, adding or changing services.

The Contractor will coordinate and administer the requirements of the network service(s) that are proposed.

- The Contractor will maintain toll free lines for voice and facsimile from the State to operational facilities for order entry and after hours help desk. Installation and maintenance may be subcontracted to one or more third parties to adequately cover the locations of the core transport backbone sites and to provide for rapid response in the event of a service disruption. The Contractor will provide information regarding intent to maintain its facilities after project implementation has been completed.
- The Contractor will maintain toll free voice lines for after hours helpdesk support for the duration of the contract. This point of contact will serve as the single point of contact for all services and equipment provided by the contract, including services and equipment subcontracted to another vendor.
- The Contractor will furnish with its proposal technical information, graphs, charts, maps, photographs, block diagrams, operating manuals, and other information that will clearly show that the services offered are 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 Contractor will explain in detail, with full engineering support data, the reasons why the proposed services meet the RFP requirements and should not be considered an exception.
- The technical proposal will include detailed network diagrams and drawings that clearly illustrate the network configuration and the functional relationships, as they are associated with the proposed services. These network diagrams will be available to the State electronically in a format agreed upon by the Contractor and the State to allow for import into various computer programs.
- The Contractor will provide basic technical specifications for each item of equipment included in the proposal. The information to be provided will be in the form of published specification sheets or other illustrative literature.

9. IMPLEMENTATION PLAN

The Bidder must submit to the State of Nebraska an implementation plan for the deployment of the services, along with proposed pricing schemes that reflect the services to be included in the associated contract resulting from the award of this RFP.

The Bidder will adhere to the implementation plan submitted as a requirement of this RFP for deployment of services.

10. DEPLOYMENT STATUS REPORTS

The Bidder's designated project manager will provide weekly reports of the status of any deployment schedules to the State's designated project manager. Deployment status reports will provide weekly information related to the adherence to the deployment schedule identified in Section 9, identification of issues affecting the deployment schedule, and recommended resolution(s) to any identified barriers to network deployment.

11. BILLING

The State will provide detailed billing instructions for each order as placed. In some cases the billed entity will be a consolidated billing to the State in an electronic format. For e-rate eligible entities, the Bidder may be instructed to bill the entity directly to ensure that appropriate e-rate processing can be accomplished. The Bidder must comply with all applicable e-rate requirements. The State may request a copy or summary of billings to other entities.

Billings for the High Speed WAN in all Higher Education locations must comply with the following specific requirements:

- a. Eligible participants must file contract orders for equipment or services under this section that specifies the number and location of sites.
- b. The billing to all eligible participants in the region for services under this section must reflect a postalized cost per site for all Higher Education locations, based on the list of participants in Appendix F.
- c. The Bidder must bill each entity directly that connects to the statewide network, rather than presenting a consolidated billing to the State of Nebraska.

Any services billed to the State of Nebraska must meet the following requirements.

For the purpose of this section, the following are defined:

Paper Summary Invoice - A paper invoice or bill submitted to the State requesting payment for contracted services.

Electronic Detail File - An electronic file containing detailed information for all individual circuits billed to the State on the paper summary invoice.

The State requires that the billing cycle for all bidder provided services end on the last day of each month, and the next billing cycle shall begin on the day immediately following the preceding billing cycle.

A monthly paper summary invoice must be delivered to the Division of Communications at 501 S.14th Lincoln, NE 68508 within 10 business days after the end of the month. The State also requires that an electronic copy of the paper summary invoice be e-mailed to the Division of Communications each month. At a minimum the invoice must contain the following information:

- Bill Date
- Account Number
- Invoice Number
- Service Period i.e. 01/01/2000 thru 01/31/2000
- Total Federal Universal Service Surcharge and percentage
- Total Nebraska Universal Service Surcharge and percentage
- All Non-Recurring charges to include State order # and/or Bidder trouble ticket # as well as a detailed description of each
- All recurring charges to include; circuit ID, circuit billing number, ASOC/USOC, common language description of service as well as the individual charges for each. Recurring charges must be grouped and itemized by circuit.

The following items must be subtotaled independently:

- All Non-Recurring charges
- All recurring charges

The Bidder must describe any additional information that will appear on their paper summary invoice. The Bidder must also submit with their proposal a paper copy of their proposed paper summary invoice that meets the specifications of this RFP.

All costs must reflect the actual contracted amount. The State will not accept any invoicing, billing, or billing detail that reflects a higher than contracted rate with a percentage discount.

The Bidder must deliver an automated electronic detail file each month with figures that match the paper summary invoice. The electronic file will be used in the State's current rebilling system to generate invoices for State agencies. The file needs to be a data file, not an image of the paper bill in a file. This entire process is automated requiring no manual intervention. Files that require a manual process each month are not acceptable. Merely sending a CD is not considered automation. Anything that requires State personnel to handle this file each month is not considered automation.

In order to facilitate automation the State will provide a relay server to receive the monthly billing file. This server is accessible via the Internet. The Bidder must utilize this server for transferring monthly billing detail prior to the 12th of each month. For example, by the 12th of January, December's billing detail needs to be sent to the relay server. Prior to "going live", testing this process must be done. The winning bidder will be provided with access, instructions, and a user ID. A record layout must be provided describing the fields contained in your file. Below is an example of what the file must look like:

```

12345678901234024710642ASOCXTHIS IS A CHARGE FOR AN ASOC 005000003
12345678901234024710642ASOCXTHIS IS A CHARGE FOR AN ASOC 005000003
12345678901234024710642ASOCXTHIS IS A CHARGE FOR AN ASOC 005000003
12345678901234024710642ASOCXTHIS IS A CHARGE FOR AN ASOC 005000003
12345678901234024710642ASOCXTHIS IS A CHARGE FOR AN ASOC 005000003
12345678901234024710642ASOCXTHIS IS A CHARGE FOR AN ASOC 005000003

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Text/alpha fields must be left justified blank padded, numeric fields must be right justified, zero padding is not necessary as long as they are right justified and align. Editing is not desired for dates and amounts (other than a sign for credit amounts). For example, the date 20060119 is preferred over 2006-01-19. For dollar values, 100000 are preferable to 1,000.00. Bidders must provide a detailed record layout to include field descriptions as well as field lengths.

The Bidder should provide a copy of their proposed electronic billing file on compact disk. Bidders should provide this test file along with their proposal in order to be considered. The State will verify that the content of the test file(s) are compatible with the state rebilling system. At minimum the following information must be contained in a record for each individual circuit and/or billable circuit element:

Field	Format
Identifying circuit ID	alphanumeric
Identifying billing #	numeric
ASOC or USOC	alphanumeric
Common language description	alphanumeric
Contracted rate	numeric signed
Quantity	numeric

All costs between the electronic detail file and the paper summary invoice must match exactly. If the paper summary invoice figures and the sums of the call detail file records do not match the entire call detail file and paper summary invoice may be returned to the Bidder for correction. It is imperative that Bidders provide complete and accurate invoicing. Partial payments will not be made on returned invoices regardless of the volume of errors.

In the event that minor infrequent errors exist on invoices the State may at its own discretion elect to receive a credit for such errors. All billing errors must be corrected or credited within (2) billing cycles. Accurate billing, timely invoice delivery, and billing dispute resolutions are required, and repeated failure to meet billing/invoicing requirements will result in penalties that compensate the State for all costs including labor. The State reserves the right to deduct an amount equal to \$150.00 per labor hour for time spent disputing billing errors and tracking such erroneous invoices and/or credits.

In events where the Bidder does not correct invoices in a timely manner as described above, the State reserves the right to pursue one or more of the following remedies:

Withholding of payment on disputed invoices.
“Vendor Performance Report” Filed with Material Division.
Removing or suspending Bidder from State bidders list.
Additional legal action as deemed appropriate by the State.

The Bidder may not disconnect any contracted service due to late payment if invoices are in dispute status. The following Nebraska State Statute addresses accurate invoicing by Bidders:

81-2405

Incorrect bill; notice to creditor; corrected bill; payment.

When a bill submitted to an agency is filled out incorrectly or when there is any defect or impropriety in a bill submitted, the agency shall notify the creditor in writing prior to the date on which payment in full is due. The notice shall contain a description of the defect or impropriety and any additional information necessary to enable the creditor to correct the bill. Upon receiving a properly corrected bill, the agency shall make payment in full of the bill on or before the forty-fifth calendar day after the receipt of the corrected bill or, when the agency is making payment for goods or services provided by a third party, on or before the sixtieth calendar day after the receipt of the corrected bill.

Source:

Laws 1988, LB 1079, § 5.

The Bidder must provide a single point of contact for resolution of billing issues. The Bidder’s proposal must include an escalation procedure for unresolved billing disputes.

The State will not pay for charges that do not conform to the above requirements. Call detail that does not conform to these requirements will be returned and the Bidder will be required to resubmit their call detail in the required format.

12. CERTIFICATION

The State requires that the Bidder be certificated by the Nebraska Public Service Commission to provide the services outlined in this Section of this RFP. The Bidders must elaborate on whether they would be willing to file Tariffs with the PSC specific to the network proposed in their bid. The Bidder must elaborate on whether they are willing to accept direct payment for USF and NUSF contributions to their proposed network and whether they are willing to deduct these contributions from the State's monetary obligations toward a contract resulting from this RFP.

13. **COST**

The Bidder will clearly identify each offered service (by service type) and be **specific** on all elements, processes, fees, etc. included in the cost. Bid proposals will address the impact of normal growth, as well as planned and unplanned network expansion or service enhancement. All prices shall be proposed as a "postalized rate" on a recurring or non-recurring basis. All bidder costs must be reflected in either the monthly recurring or non-recurring charges. No additional charges will be accepted. **The State shall not be required to purchase any specific service or minimum quantities of network services.** The quantities provided are for the sole purpose of assisting the Bidders in preparation of their proposals and for the State to evaluate the feasibility of the proposed network solutions. The State shall not be responsible for any cost that is not identified in the Bidders proposal. The State will not be able to consider bids that offer discounts based upon the number of network locations that join the network.

1. Network Equipment and Hardware Costs (Non-CPE)

Network equipment and hardware (non-CPE) will be part of and included in the itemized transport circuit costs. Circuit costs will be bundled costs, including all hardware.

2. Installation Costs

If one-time installation/set-up charges are applicable, these rates shall be delineated in the cost portion of the proposal. This cost for the circuit installation shall include all one time costs associated with termination to the demarcation point from the network side and/or fees associated with interconnection to local exchange carriers.

3. Software, Warranty, and Maintenance Costs

The Bidder will include costs for software, warranty, and maintenance of the provided circuits in the service rates.

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 Bidder's network and associated service rates. The software costs shall include all of the following applicable costs:

- Initial purchase and installation costs.
- Use and licensing fees.
- Software maintenance costs, including upgrades.
- All other costs relative to the network such as 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 changing network needs.

4. Optional Services

It is anticipated the Bidder may wish to offer optional services at an additional fee, i.e., network monitoring, project management, etc. These services will be identified and described in detail with the appropriate cost per unit (hour, month, circuit, service, etc.) delineated.

5. Total Costs

The Bidder will provide a detail description and list of the transport services being proposed in a table similar to the example reflected below. The monthly costs, installation, and any other charges are to be explicitly stated in order for the State to evaluate the proposed services incorporated in the proposal and the associated charges. The Bidder will define the increment(s) being proposed and the cost of each increment. The State has the option of purchasing any quantity of services in any increment proposed.

APPENDIX E SCHEDULE 1 EXAMPLE:

Line Item Service	Qty.	Unit Monthly Recurring Charge	Total Monthly Recurring Charge	Unit Non-Recurring Charge	Total Non-Recurring Charge
40MB Service	4	\$800	\$3,200	\$1,200	\$4,800
100MB Service	1	\$1000	\$1000	\$1,500	\$1,500

In this scenario, the State could purchase 4 - 40 Mbps circuit, 1 - 100 Mbps circuit, for a Total Monthly Recurring Charge of \$4,200 and a Total Non-Recurring Charge of \$6,300.

6. Cost and Service Offering Reviews During the Contract

The State and the Bidder will conduct periodic reviews of the contract at specific milestones during the term of the contract to review service offerings and pricing as specified under item B.6, Technology Refreshment.

7. Proposal Cost Evaluation

The proposal cost will be evaluated based on the monthly recurring costs multiplied by the applicable length of contract in months, not to include extensions, plus the one time non-recurring costs.