



RECOMMENDATION FOR CONTRACTOR SELECTION

Date: May 8, 2019

Revised: October 22, 2019

To: Janice Pistor
Chief Procurement Officer
Department of General Services, Bureau of Procurement

From: Michael Gress
Issuing Officer

RE: Evaluation of Proposals Submitted in Response to
iLottery and Game Platform Services
RFP 6100046662

PREFACE

The Issuing Office designated to conduct the **iLottery and Game Platform Services** procurement has completed its evaluation in accordance with Commonwealth policies and procedures. As further described below, **Scientific Games International** is recommended for selection for contract negotiations for **iLottery and Game Platform Services**. This memorandum also documents that all necessary steps were taken in conducting the procurement in accordance with the provisions of the Commonwealth Procurement Code (Code). To the extent that written determinations are required under the Code for any of the following steps and no attached record exists, this memorandum shall serve as written confirmation that such step occurred.

PROCESS

- A. **DETERMINATION TO USE COMPETITIVE SEALED PROPOSAL METHOD:** As set forth in Bureau of Procurement Policy Directive 2018-1, the Secretary of General Services has determined that the competitive sealed proposals process generally is the most practical and advantageous method for awarding contracts to obtain the best value for the Commonwealth. There are no features of this particular Project that are inconsistent with the rationale set forth in BOP Policy Directive 2018-1 and the justification for the use of competitive sealed proposals set forth in BOP Policy Directive 2018-1 is hereby adopted for this Project.
- B. **PUBLIC NOTICE:** Public notice of the RFP was posted on the DGS website on December 26, 2018
- C. **EVALUATION COMMITTEE:** An evaluation committee was established consisting of agency representatives from the Department of Revenue, Pennsylvania Lottery and



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Department of General Services. Representatives from the Comptroller's Office were invited and participated in the committee.

- D. **PRE-PROPOSAL CONFERENCE:** A pre-proposal conference was **not** conducted for this procurement.
- E. **ADDENDA TO THE RFP:** Potential offerors were given the opportunity to submit questions concerning the procurement to the Issuing Office. The official responses to the questions were incorporated into the RFP through the electronic procurement tool.

EVALUATION

- A. **EVALUATION CRITERIA:** The Issuing Office established the relative importance of the major evaluation criteria prior to opening the proposals, consisting of technical 60%, cost 20% and small diverse business and small business (SDB/SB) participation 20%. Up to **three percent (3%)** bonus points were also available for committing to Domestic Workforce Utilization (DW).
- B. **PROPOSAL OPENING:** Proposals were opened in a manner to avoid disclosure of their contents to competing offerors. The technical submittals were distributed to the evaluation committee and the SDB/SB participation submittals were forwarded to the Bureau of Diversity Inclusion and Small Business Opportunities (BDISBO) for its review and scoring. The Issuing Office retained the cost submittals until the evaluation committee completed its technical evaluation.
 - 1. Offerors were afforded approximately **70 days** to respond to the RFP. A **total of two (2)** proposals were received on or before the due date of March 5, 2019. Two (2) companies responded by stating that they would not be submitting proposals. **NO** proposals were submitted late or otherwise disqualified as non-responsive.
- C. **CLARIFICATIONS AND ORAL PRESENTATIONS:** In accordance with the Discussions for Clarifications, contained within the Description Section of the RFP, written clarifications and oral presentations were requested from the offerors based on the initial technical evaluation to assure full understanding and responsiveness to the RFP requirements.
- D. **RESULTS OF EVALUATION:**
 - 1. The evaluation committee reported the results of its technical evaluation to the Issuing Office.
 - 2. As indicated in the Overall Scoring, **no** Offerors' technical submittals failed to receive 75% of the available technical points required to be considered for selection for best and final offers or selection for contract negotiations.
 - 3. The Issuing Office evaluated and scored the cost proposals and combined the technical scores, cost scores, bonus points and the SB/SDB scores received from BDISBO.



4. As indicated in the Overall Scoring, two (2) offerors' proposals (**NeoPollard Interactive LLC**) and (**Scientific Game International**) achieved initial overall scores placing them within the top competitive range of proposals determined to be reasonably susceptible of being selected for award.
5. **BEST AND FINAL OFFERS PHASE:** As authorized by the Solicitation Description in Section 18 of the RFP, these offerors were selected to proceed to a "Best and Final Offers" phase of the evaluation process. All offerors were accorded fair and equal treatment during discussions and revisions of their proposals. There was no disclosure of any information derived from proposals submitted by competing offerors. **Both Offerors attaining the 75% threshold through evaluation of their technical proposals each had the opportunity to participate in a response to a BAFO letter.**
6. **OVERALL SCORING:** Based on the Best and Final Offer phase and/or pre-selection negotiations and any resulting revised technical, cost or small diverse business participation, the overall scoring for this procurement concluded as follows:

<i>Offeror</i>	<i>Technical Score</i>	<i>SDB/SB Score</i>	<i>Cost Score</i>	<i>DW Bonus</i>	<i>Overall Score</i>
ScientificGames International	500.00	200.00	200.00	30	930.00
NeoPollard Interactive LLC	600.00	65.12	183.12	30	878.24
<i>Suppliers NOT meeting 75% Technical Threshold</i>					
N/A					

7. **HIGHEST OVERALL SCORES:** After combining the final technical scores, SB/SDB participation scores, cost scores and bonus points in accordance with the relative weights assigned to these areas and fixed prior to the opening of the proposals, the proposal submitted by **Scientific Games International** received the highest overall score.
8. **SMALL DIVERSE BUSINESS AND SMALL BUSINESS COMMITMENTS:** As part of its proposal, **Scientific Games International** has committed to subcontracting with **three (3)** small diverse business(s) and/or small businesses for products and project services over the entire project timeframe. **Scientific Games International** is committing **46.21 %** of the total value of its offering to **Acclaim Systems Inc., Campos Inc. and PaP Technologies Inc.** This represents approximately **\$30,946,000.00** over seven (7) years contingent upon purchase and service volume.



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- 9. **DOMESTIC WORKFORCE:** As part of its proposal, **Scientific Games International** has certified that **100%** of the work for this project will be performed in the geographical boundaries of the United States or within the geographical boundaries of one of the countries listed in the World Trade Organization (WTO) Government Procurement Agreement.

- 10. **CONTRACTOR RESPONSIBILITY:** **Scientific Games International** and its subcontractors required to be disclosed or approved by the Commonwealth have been verified as responsible contractors in accordance with management directives, the Procurement Handbook and the Code, as applicable.

RECOMMENDATION.

As the Issuing Officer, I recommend that **Scientific Games International** be selected for contract negotiations. This recommended selection is based upon the results of the evaluation and review of the proposals as summarized above. Based on the cost submittal of this Offeror, the total value for the initial term of the Contract is **\$49,765,494.00**. The term of the contract will be for a period of **seven (7) years** with **three (3) optional renewals** for **one (1) year** each.

CONTRACTING OFFICER DETERMINATION:

- Based upon the results of the evaluation and the above recommendation, I have determined the proposal submitted by **Scientific Games International** is the most advantageous to the Commonwealth.

- I disapprove the recommendation.

Janice Pistor

Janice Pistor *10/23/19*
Date
Chief Procurement Officer

AGENCY HEAD AUTHORIZATION:

Based upon the Contracting Officer's determination, I authorize the Issuing Office to proceed with contract negotiations with **Scientific Games International**

Kenneth J. Hess

Kenneth J. Hess *10/23/19*
Date
Deputy Secretary for Procurement