

CONTRACT NUMBER: ACQ04001
EXPIRATION: JULY 01, 2007

The contract reflects all amendments and is a complete, current contract. Any amendments issued have been incorporated into the contract and are summarized below.

Amendment Number and Summary

Amendment #1 - Replaces Vendor Tax ID number with new number.

Index No. GDC528
Rev. 07/06/2006
Bid No. ACQ04001

STATE OF OHIO
OFFICE OF INFORMATION TECHNOLOGY
INVESTMENT AND GOVERNANCE DIVISION
30 EAST BROAD STREET, 39TH FLOOR
COLUMBUS, OHIO 43215

TO: ALL STATE AGENCIES, AND PROPERLY REGISTERED COUNTIES, TOWNSHIPS, MUNICIPAL CORPORATIONS, AND SCHOOL DISTRICTS, PURSUANT TO SECTION 125.04 (B) OF THE REVISED CODE, THE COOPERATIVE PURCHASING ACT. STATE UNIVERSITIES, STATE VOCATIONAL SCHOOLS, STATE COMMUNITY COLLEGES OR OTHER INSTITUTIONS OF HIGHER EDUCATION MAY USE THIS CONTRACT, (STATE TERM CONTRACT), SUCH USE, HOWEVER, IS BASED UPON THAT ENTITY'S PROCUREMENT AUTHORITY.

FROM: R. STEVE EDMONSON
DIRECTOR/STATE CHIEF INFORMATION OFFICER
INVESTMENT AND GOVERNANCE DIVISION

SUBJECT: PURCHASING INFORMATION, BID CONTRACT NUMBER ACQ04001 (07/01/07)

AMENDMENT #1
OHIO DEPARTMENT OF PUBLIC SAFETY, BUREAU OF MOTOR VEHICLES DRIVERS LICENSE AND IDENTIFICATION CARD PRINTER ITB
ACQ04001

Changes the Vendor Tax ID number.

QUANTITY AND DURATION: This contract shall cover the State's requirements from July 19, 2004 through June 30, 2007 (amended).

ESTIMATED VALUE
\$10,445,937.50

The State does not obligate itself, or any using agency, to purchase the full amount of the quantity (ies) listed, however, the full discount offered must be allowed should the purchase be less. The State's requirements may exceed the quantities shown and the successful bidder shall be required to furnish all items as shown on the Purchase Order issued during the effective period of this contract (to be determined by mailing date). FURTHER, THE STATE RESERVES THE RIGHT TO ISSUE SPECIAL INVITATIONS TO BID FOR LARGE OR UNUSUAL REQUIREMENTS.

CONDITIONS OF BID INVITATION NUMBER ACQ04001, PART OF THIS CONTRACT: All conditions and specifications set forth in Bid Number ACQ04001, dated February 09, 2004, are included in and become a part of this contract.

"Any breach of this sales contract and all provisions thereof, are governed by the laws of the State of Ohio."

SPECIAL NOTE: Any encumbrance made against this contract shall be accomplished on an ADM-0523 purchase order. EXCEPTION: Does not apply to state universities, state vocational schools, state community colleges and properly registered school districts, counties, townships, and municipal corporations located within the State of Ohio. These entities will utilize their own encumbering documents.

R. Steve Edmonson
Director/State Chief Information Officer
Investment and Governance Division

Index No. GDC528
Bid No. ACQ04001
Rev. 07/19/04

STATE OF OHIO
DEPARTMENT OF ADMINISTRATIVE SERVICES
INVESTMENT AND GOVERNANCE DIVISION
30 EAST BROAD STREET, 39TH FLOOR
COLUMBUS, OHIO 43215

TO: ALL STATE AGENCIES, AND PROPERLY REGISTERED COUNTIES, TOWNSHIPS, MUNICIPAL CORPORATIONS, AND SCHOOL DISTRICTS, PURSUANT TO SECTION 125.04 (B) OF THE REVISED CODE, THE COOPERATIVE PURCHASING ACT. STATE UNIVERSITIES, STATE VOCATIONAL SCHOOLS, STATE COMMUNITY COLLEGES OR OTHER INSTITUTIONS OF HIGHER EDUCATION MAY USE THIS CONTRACT, (STATE TERM CONTRACT), SUCH USE, HOWEVER, IS BASED UPON THAT ENTITY'S PROCUREMENT AUTHORITY.

FROM: MARY F. CARROLL
DEPUTY STATE CHIEF INFORMATION OFFICER
INVESTMENT AND GOVERNANCE DIVISION

SUBJECT: PURCHASING INFORMATION, BID CONTRACT NUMBER ACQ04001 (06/30/05)

TERM CONTRACT
OHIO DEPARTMENT OF PUBLIC SAFETY, BUREAU OF MOTOR VEHICLES DRIVERS LICENSE AND
IDENTIFICATION CARD PRINTER ITB
The term of the Contract is three years with the option to renew for two additional years in one-year
increments.

QUANTITY AND DURATION: This contract shall cover the State's requirements from July 19, 2004 through June 30, 2005.

ESTIMATED VALUE

\$10,445,937.50.00

The State does not obligate itself, or any using agency, to purchase the full amount of the quantity (ies) listed, however, the full discount offered must be allowed should the purchase be less. The State's requirements may exceed the quantities shown and the successful bidder shall be required to furnish all items as shown on the Purchase Order issued during the effective period of this contract (to be determined by mailing date). FURTHER, AS DETERMINED BY THE ASSISTANT DIRECTOR, DEPARTMENT OF ADMINISTRATIVE SERVICES, THE STATE RESERVES THE RIGHT TO ISSUE SPECIAL INVITATIONS TO BID FOR LARGE OR UNUSUAL REQUIREMENTS.

CONDITIONS OF BID INVITATION NUMBER ACQ04001, PART OF THIS CONTRACT: All conditions and specifications set forth in Bid Number ACQ04001, dated February 09, 2004, are included in and become a part of this contract.

"Any breach of this sales contract and all provisions thereof, are governed by the laws of the state of Ohio."

SPECIAL NOTE: Any encumbrance made against this contract shall be accomplished on an ADM-0523 purchase order.
EXCEPTION: Does not apply to state universities, state vocational schools, state community colleges and properly registered school districts, counties, townships, and municipal corporations located within the State of Ohio. These entities will utilize their own encumbering documents.

Mary F. Carroll
Deputy State Chief Information Officer
Investment and Governance Division

STATE OF OHIO
Department of Administrative Services
Information Technology Governance Division

BMV DRIVERS LICENSE AND IDENTIFICATION CARD PRINTER INVITATION TO BID ACQ04001

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INSTRUCTIONS FOR SUBMITTING BIDS

- A. An ORIGINAL BID is a response to an Invitation to Bid ("ITB") that complies with Paragraph D of these instructions and contains the cover page issued by the Department of Administrative Services, Information Technology Governance Division ("DAS/ITGD"). Any ambiguous statements contained in the Invitation to Bid or resulting Contract will be construed in favor of the State.
- B. BIDDERS MUST SUBMIT THEIR ORIGINAL BID RESPONSE AND FIVE DUPLICATE COPIES IN A SEALED ENVELOPE (envelope means any type of sealed, opaque container) WITH THE BID NUMBER CLEARLY MARKED ON THE OUTSIDE OF THE ENVELOPE. IF A BIDDER USES AN "EXPRESS MAIL" OR SIMILAR TYPE OF SERVICE, THE BID NUMBER MUST BE EITHER CLEARLY MARKED ON THE OUTSIDE OF THE "EXPRESS" ENVELOPE OR THE BID RESPONSE MUST BE CONTAINED IN A SEALED ENVELOPE WITHIN THE "EXPRESS" MAILER (THE BID NUMBER MUST BE LISTED ON THE EXTERIOR OF THE SEALED ENVELOPE CONTAINED WITHIN THE "EXPRESS" MAILER). FAILURE TO SUBMIT THE BID IN A SEALED ENVELOPE OR IN AN ENVELOPE WITHOUT THE BID NUMBER CLEARLY MARKED ON THE EXTERIOR WILL RESULT IN IMMEDIATE DISQUALIFICATION AND NO FURTHER CONSIDERATION FOR THE AWARD.
- C. A bidder must submit its ORIGINAL BID RESPONSE and FIVE DUPLICATE COPIES ("bid") to DAS/ITGD, before 11:00 a.m., Eastern Standard Time, on the scheduled day of opening as listed on the ITB. All bids will be time/date stamped upon receipt by DAS/ITGD, and such will be the official time/date of receipt. Postmarks, or other times/dates appearing will not be considered as the official time/date of receipt. Bids may be submitted to Department of Administrative Services, Information Technology Governance Division Bid Room, 30 E. Broad Street, 40th Floor, Columbus, Ohio 43215. Bids submitted with insufficient postage will not be accepted. Bids will be received during business hours, 8:00 a.m. - 4:30 p.m., Monday through Friday, excluding recognized holidays. TELEGRAPHIC, FACSIMILES, OR ANY MODE OF TRANSMISSION OTHER THAN STATED ABOVE WILL BE REJECTED. BIDDERS USING "EXPRESS MAIL" OR SIMILAR TYPES OF SERVICES SHOULD VERIFY THE REQUIRED ADDRESS WITH THE SERVICE TO ENSURE PROPER DELIVERY OF THE RESPONSE TO DAS/ITGD. **BIDDERS MUST ALLOW FOR POTENTIAL DELAYS DUE TO INCREASED SECURITY. THE STATE MAY REJECT LATE BIDS REGARDLESS OF THE CAUSE FOR THE DELAY.** THE STATE WILL NOT BE HELD LIABLE FOR NON-DELIVERY OR LATE DELIVERY OF ANY BID RESPONSE REGARDLESS OF THE CAUSE.
- D. THE ORIGINAL BID RESPONSE must be properly completed, signed by the Bidder, and accompanied by one copy of necessary supportive documentation. Unless otherwise stated, a Bidder need only return response pages (those pages requiring the Bidders to give any information necessary to properly respond to the ITB). THE ORIGINAL BID RESPONSE must contain an original signature of the Bidder. The DUPLICATE COPIES must be exact duplicates of the ORIGINAL BID RESPONSE and must contain the signature of the Bidder as it appears on the Original Bid Response.
- E. Any bid received after 11:00 a.m. on the scheduled day of opening will be marked as LATE, remain sealed, and will receive no further consideration for award. LATE bids will be retained in the bid file. Bidders should allow sufficient time for mailing of their bids to ensure delivery to DAS/ITGD prior to the opening time and date. The State will not accept a LATE bid for any reason, including failure of the Bidder to allow sufficient time for delivery of the bid.
- F. To protect the integrity of the bidding process, bids may not be prepared, completed or altered on the premises of DAS/ITGD. Any bid that is prepared, completed, or altered on the premises of DAS/ITGD will be immediately disqualified and receive no further consideration for award.
- G. Pursuant to Section 125.07 of the Ohio Revised Code, DAS/ITGD is required to mail Bid Bulletins to Bidders properly registered with the State. All ITBs, before their opening date, will be posted on a public bulletin board located at the DAS/ITGD Bid Room (the address set forth above in Paragraph C.). ITBs will be available on the Internet at the State Procurement Web Site. The site address is <http://procure.ohio.gov/proc/index.asp>. The

State will not mail copies of an ITB. Potential Bidders that want to become registered to receive Bid Bulletins should contact DAS State Purchasing, Bidder Registration, at 614-466-2812 for further information.

- H. The State will publicly open Bids at DAS/ITGD, after 11:00 a.m. on the scheduled date of opening. A State representative will read all bids in the presence of DAS/ITGD personnel and a representative of the Auditor of State. Once bid responses have been read, bids will be made available to any interested Bidder in attendance at the scheduled opening. **AT NO TIME MAY ANY BID, OR PART THEREOF, BE REMOVED FROM THE BID DESK OR FROM THE PREMISES.** Bids, unless otherwise provided herein, are subject to the Public Records Law, Section 149.43 of the Ohio Revised Code. Copies of bids must be requested and will be provided within a reasonable period of time. The State has established a fee for bid copies. To expedite and properly respond to such public records requests, DAS/ITGD asks that they be submitted in writing. To prevent delays in evaluating bids and awarding contracts, such requests for recently opened bids will be honored upon completion of the Contract award by the Deputy Director of DAS/ITGD.
- I. Any general or specific questions or inquiries regarding the ITB process should be directed to the **Internet Inquiries** section of the ITB. **The State is not responsible for the accuracy of any information regarding this ITB that was gathered through a source different from the inquiry process described in the ITB.**
- J. By submitting a bid, the bidder certifies that the Bidder is currently in compliance and will continue to adhere to the requirements of Ohio Ethics Law contained in Section 102.03 and 102.04 of the Ohio Revised Code.
- K. **BY SUBMITTING A BID RESPONSE, THE BIDDER ACKNOWLEDGES THAT IT HAS READ THIS ITB, UNDERSTANDS IT, AND AGREES TO BE BOUND BY ITS SPECIFICATIONS, TERMS AND CONDITIONS. THE STATE MAY DISQUALIFY ANY BID RESPONSES THAT TAKE EXCEPTION TO OR LIMIT THE RIGHTS OF THE STATE UNDER THE ITB.**
- L. Ohio Revised Code (ORC), Section 9.24 prohibits the State from awarding a contract to any bidder against whom the Auditor of State has issued a finding for recovery if the finding for recovery is “unresolved” at the time of award. By submitting a bid, bidder warrants that it is not now, and will not become subject to an “unresolved” finding for recovery under ORC 9.24, prior to the award of any contract arising out of this ITB, without notifying the Agency of such finding. See section 3.8 for additional requirement.
- M. Bidders WILL furnish all information requested in the ITB. Additional information, necessary for evaluation of a bid, will be attached to the **ORIGINAL BID RESPONSE and each requested copy**. The State reserves the right to request literature or other documentation for clarification, although such may not have been set forth in the ITB. **FAILURE TO PROVIDE REQUIRED INFORMATION WILL RENDER THE BID INVALID.**
- N. A Bidder may request to modify their bid response BEFORE THE SCHEDULED DATE AND TIME SET FOR BID OPENING. If changes or alterations are made to the bid, the original information must be lined or opaqued out with the new information inserted. All changes, corrections, or alterations must be legible and initialed by the Bidder. **ILLEGIBLE MODIFICATIONS WILL RESULT IN DISQUALIFICATION OF THE ITEM(S) WHICH HAVE BEEN MODIFIED.** The State may request written certification from the Bidder verifying that such changes were made by the Bidder and are applicable to the ITB and any resulting Contract. The Bidder must submit the modification in the same manner required for the initial bid response. All documents relating to the modification will be made part of the bid file.
- O. **A BIDDER MAY NOT ATTEMPT TO ASSIGN ANY DUTIES, RIGHTS OR INTEREST IN ITS BID. ANY SUCH EFFORT WILL NOT BE BINDING ON THE STATE UNLESS EXPRESSLY ACCEPTED AT THE AWARDING OF THE CONTRACT BY THE DEPUTY DIRECTOR OF DAS/ITGD.**

STANDARD TERMS AND CONDITIONS

1. **ADDITIONAL WAIVER IMPLIED**

If the State or the Bidder fails to perform an obligation or obligations under the Contract and thereafter such failure(s) is (are) waived by the other party, such waiver will be limited to the particular failure(s) so waived and will not waive any other failure. In no event will the State be deemed to have waived proper performance by the Bidder unless the Bidder receives a written waiver of such performance.

2. **ANTITRUST**

The State and the Bidder recognize that in actual economic practice, overcharges resulting from antitrust violations are usually borne by the State. As consideration for the Award of the Contract, the Bidder assigns to the State all claims and causes of action the Bidder now has or may acquire under state or federal antitrust laws if the claims or causes of action relate to the goods or services that are the subject of the Contract. This assignment does not apply to any claims or causes of action that result from antitrust violations occurring after the price is established under the Contract and that are not passed on to the State. Additionally, Bidder warrants that any overcharges resulting from antitrust violations by Bidder's first tier suppliers and subcontractors will not be passed on to the State.

3. **AWARD**

The Contract will be awarded to the lowest responsive and responsible Bidder who meets or exceeds the requirements specified in the ITB, in accordance with Section 125.11 of the Ohio Revised Code. Bid evaluations and awards are subject to the domestic preference provisions of 41 U.S.C.A. (Buy America), Sections 125.09 and 125.11 of the Ohio Revised Code (Buy Ohio), and any rules promulgated by the Department of Administrative Services. Unless otherwise stated, the Contract may be awarded by item or as a whole, at the sole discretion of the Deputy Director of DAS/ITGD. Bidders may offer cash discounts for prompt payment of invoices, but, such discounts will not be used in determining the final net prices offered. The State will endeavor to take advantage of such discounts, if offered. The Deputy Director of DAS/ITGD will attempt to award a Contract under this ITB within a reasonable period of time after the bid opening.

The bids submitted in response to this ITB will be evaluated by DAS/ITGD in conjunction with the primary purchasing agency(ies).

4. **BIDS FIRM**

Once opened, all pricing, terms and conditions contained in a Bid will remain firm for a period of one hundred and twenty (120) calendar days. The selected bidder's prices will remain firm during the term of the Contract as well.

5. **CANCELLATION**

Unless otherwise provided, the State may cancel the Contract with thirty (30) days written notice.

6. **CONFIDENTIALITY**

The State may disclose to the Bidder written material or oral or other information that the State treats as confidential ("Confidential Information"). Title to the Confidential Information and all related materials and documentation the State delivers to the Bidder will remain with the State. The Bidder agrees to treat such Confidential Information as secret if it is so marked, otherwise identified as such, or when, by its very nature, it deals with matters that, if generally known, would be damaging to the best interests of the public, other contractors or potential the contractors with the State, or individuals or organizations about whom the State keeps information. By way of example and by no means by way of limitation, information should be treated as confidential if it includes any proprietary documentation, materials, flow charts, codes, software, computer instructions, techniques, models, information, diagrams, know-how, trade secrets, data, business records, or marketing information. Such also includes police and investigative records, files containing personal information about individuals or employees of the State, such as personnel records, tax records, and so on, court and administrative records related to pending actions, any material to which an attorney-client, physician-patient, or

similar privilege may apply, and any documents or records expressly excluded by Ohio law from public records disclosure requirements.

The Bidder agrees not to disclose any Confidential Information to third parties and to use it solely to do the Project. The Bidder will restrict circulation of Confidential Information within its organization and then only to people in the Bidder's organization that have a need to know the Confidential Information to do the Project. The Bidder will be liable for the disclosure of such information whether the disclosure is intentional, negligent, or accidental, unless otherwise provided below.

The Bidder will not be liable for any unintentional disclosure of the Confidential Information that results despite the Bidder's exercise of at least the same degree of care as it normally takes to preserve and safeguard its own secrets, except when the Bidder's procedures are not reasonable given the nature of the Confidential Information or where the disclosure nevertheless results in liability to the State. In such a case, the Bidder will indemnify the State for all resulting liability.

The Bidder will not incorporate any portion of the Confidential Information into any work or product, other than a Deliverable, and will have no proprietary interest in any of the Confidential Information. Furthermore, the Bidder will cause all of its employees who have access to any Confidential Information to execute a confidentiality agreement incorporating the obligations in this section.

The Bidder's obligation to maintain the confidentiality of the Confidential Information will not apply where such: (1) was already in the Bidder's possession prior to disclosure by the State, and such was received by the Bidder without obligation of confidence; (2) is independently developed by the Bidder; (3) is or becomes publicly available without breach of this Contract; (4) is rightfully received by the Bidder from a third party without obligation of confidence; (5) is disclosed by the Bidder with the written consent of the State; (6) is released in accordance with a valid order of a court or governmental agency, provided that the Bidder (a) notifies the State of such order immediately upon receipt of such order and (b) makes a reasonable effort to obtain a protective order from the issuing court or agency limiting disclosure and use of the Confidential Information solely for the purposes intended to be served by the original order of production. The Bidder will return all originals of any Confidential Information and destroy any copies it has made for its own internal use on termination or expiration of this Contract.

The Bidder's obligation of confidentiality will remain in full force and effect after termination of this Contract and be a continuing obligation.

7. CONTRACT COMPLIANCE

During the term of this Contract, each using agency will be responsible to monitor the Bidder's performance and compliance with the terms and conditions of this Contract. If an agency observes any infraction(s), such will be documented and conveyed to the Bidder for immediate correction. If the Bidder fails to rectify the problem(s), the agency will notify DAS/ITGD to help resolve the incident(s). Continued failures by the Bidder to comply with the terms and conditions of the Contract may result in the immediate termination of the Contract by the Deputy Director of DAS/ITGD.

8. LIQUIDATED DAMAGES

In the event of a default as defined in paragraph 11, the Bidder agrees to reimburse the State for any actual and direct damages. In the event that direct damages are uncertain or difficult to ascertain, the Bidder agrees to pay the State liquidated damages in the amount of \$250.00 per day. Said payments will accrue from the first day of a default until the day that it is agreed to by the Bidder and the State that the default has been remedied, or until 180 days from the first day of default, whichever is sooner. The Deputy Director of DAS/ITGD may, in writing, waive or delay the accrual of liquidated damages. In addition, the State will have the right to terminate the Contract, either in whole or in part, without liability to the State whatsoever.

The Bidder agrees that the liquidated damages are not penalty. No remedy of the State is intended to be exclusive of any other available remedy, but each and every such remedy will be in addition to every other remedy given under the Contract or at law or in equity.

No delay or omission to exercise any right or option accruing to the State upon any default by the Bidder will impair any such right or option or will be construed to be a waiver thereof. Any such right or option may be exercised from time to time and as often as may be deemed expedient by the State.

9. COOPERATION WITH OTHER CONTRACTORS

The Bidder agrees to cooperate with State personnel, hardware manufacturer representatives, other contractors' personnel and communications systems suppliers to diagnose and correct hardware malfunctions. The Bidder agrees, when requested by the State, to cooperate in diagnostic testing efforts involving other contractors and to cooperate with other contractors' personnel in carrying out diagnostic testing of hardware malfunctions.

10. CREATION OF THE CONTRACT

A bid, upon acceptance and award by the Deputy Director of DAS/ITGD, immediately creates a binding Contract ("the Contract") between the successful Bidder (the "Bidder") and the State. The Contract will contain all the terms and conditions of the ITB, as well as the accepted responses in the bid, except that no responses may change or alter the terms and conditions of this ITB. Unless otherwise provided for in the ITB, the Contract may not be canceled or rescinded by the Bidder.

11. DEFAULT BY THE BIDDER

The State may suffer damages due to the failure of the Bidder to perform under the Contract. The Bidder agrees that, if the State does not give prompt notice of failure, the State has not waived any of its rights or remedies concerning the failure of performance by the Bidder.

Unless otherwise expressly stated elsewhere in the Contract, the Bidder agrees that it will correct said failure or failures within ten (10) working days after written notice. If the Bidder does not correct the failure or failures within the ten (10) working days, the Bidder will be in default.

12. DEFAULT BY THE STATE

The Bidder may suffer damages due to the failure of the State to act in accordance with the specifications, terms, and conditions of the Contract. Such a failure will constitute an event of default on the part of the State. The State agrees that, if prompt notice is not given of such a failure, the Bidder has not waived any of its rights or remedies concerning the failure by the State.

Unless otherwise provided for in the Contract, the State agrees that it will correct said default within ten (10) working days of written notice thereof. If the State does not correct said default within ten (10) working days, the Bidder will be entitled to the remedies as set forth in the Contract.

13. DELIVERY/FREIGHT CHARGES

Unless otherwise provided, the State will not be responsible for freight or delivery charges. Prices are to be based upon the product(s) or service(s) being offered F.O.B. destination, freight prepaid by the Bidder to the location(s) in the ITB or as listed on the purchase order issued under any Contract awarded. Any shipment marked C.O.D. will be rejected and returned at the Bidder's expense. Risk of loss will pass to the State only upon delivery and acceptance by the State.

14. DRUG-FREE WORKPLACE

The Bidder certifies that it will take reasonable steps to ensure, to the best of its ability, that none of its employees purchases, transfers, uses or possesses illegal drugs or alcohol or abuses prescription drugs, while working on State property. Failure to comply will be a default and will result in immediate termination of the Contract, with the Bidder being subject to any remedies that the State may have.

15. ENGINEERING CHANGES AND FIELD MODIFICATIONS

Bidder sponsored modifications and engineering changes will be made only with the written consent of the State and at no additional charge. The State may schedule these Bidder sponsored modifications and engineering changes to minimize their impact on the daily operations of the State. Bidder warrants that, to its knowledge, installation of such engineering changes and field modifications are required or recommended, will not degrade the performance of the goods or other items under this Contract.

If damages or losses that cannot be determined, liquidated damages as provided for in paragraph 11 will be assessed by the State if engineering changes and field modifications result in a substantially degraded performance level.

16. ENTIRE AGREEMENT

THE CONTRACTOR FURTHER AGREES THAT THE CONTRACT IS THE COMPLETE AND EXCLUSIVE STATEMENT OF THE AGREEMENT BETWEEN THE PARTIES, AND SUPERSEDES ALL PROPOSALS, ORAL OR WRITTEN, AND ALL OTHER COMMUNICATION BETWEEN THE PARTIES RELATING TO THE SUBJECT MATTER OF THE CONTRACT. THE CONTRACT, UNLESS OTHERWISE PROVIDED HEREIN, CAN ONLY BE MODIFIED IN WRITING, SIGNED BY THE CONTRACTOR AND THE STATE.

17. FORCE MAJEURE

If by reason of Force Majeure the Bidder is unable, in whole or in part, to perform under the Contract, the Bidder will not be in breach of contract during the continuance of such inability. The Bidder will, however, remedy, with all reasonable dispatch such cause preventing the Bidder from carrying out the obligations under the Contract. Except as otherwise provided herein, neither the Bidder nor the State will be liable to the other for any delay or failure of performance of any provisions contained herein, nor will any such delay or failure of performance constitute default hereunder, to the extent that such delay or failure is caused by Force Majeure. The term "Force Majeure" as used herein will mean without limitation; acts of God; such as epidemics; lightning; earthquakes; fire; storms; hurricanes; tornadoes; floods; washouts; droughts; or other severe weather disturbances; explosions; arrests; restraint of government and people; war; strikes; and other such events or any causes which could not be reasonably foreseen in the exercise of ordinary care, and which is beyond the reasonable control of the party affected and said party is unable to prevent.

18. GOVERNING LAW/SEVERABILITY

This ITB, the award and the Contract are governed by the Ohio law. If any provisions of the Contract or the application of any such provision is held by a court of competent jurisdiction to be contrary to law, the remaining provisions of the Contract will remain in full force and effect, to the extent that such does not create an absurdity.

19. HARDWARE REQUIREMENTS

ALL HARDWARE PROPOSED MUST BE NEW, NOT RECONDITIONED OR REFURBISHED. All hardware must be at the latest engineering change level offered by the original manufacturer. All hardware technology proposed must be available at the time of the award of the Contract.

20. HEADINGS

The headings used in this Invitation to Bid ("ITB") are for convenience only and will not affect the interpretation of any of the terms and conditions thereof.

21. INFRINGEMENT INDEMNITY

The Bidder will indemnify the State for any damages if a suit is brought against the State, including but not limited to its public officials, employees, and departments, based on a claim that anything furnished hereunder infringes a United States patent or copyright or constitutes misuse or misappropriation of a trade secret, provided Bidder is given written notice within thirty (30) days of such suit and is given the information required for the defense of same if applicable. Bidder will indemnify the State for any out-of-pocket costs and any judgment incurred by the State or the State's Office of the Attorney General provided Bidder has a full opportunity to participate as co-defendant.

If any item furnished hereunder is likely to or does become subject to a claim of infringement of a United States patent or copyright or constitutes misuse or misappropriation of a trade secret, at its own expense, the Bidder will do one of the following:

- a. Obtain the right for the State's continued use of the item;
- b. Modify or furnish a substitute for the item;
- c. Take back the item, subject to the State's concurrence, and issue a refund to the State for the depreciated value of the item.

The Bidder will not exercise the third option until the State has evaluated and dismissed the first two options. Any item substituted under the second option will be equivalent to or exceed the quality and performance of the original item. All options are subject to approval by the State, provided that no prior approval or concurrence by the State will be required for removal of item if its use has been enjoined by a court of competent jurisdiction. If the use of item is enjoined by a court of competent jurisdiction, the Bidder will issue a refund to the State as provided in option three above.

Bidder will not have any liability to the State under this section for any claim that is based on the use of any item in any manner for which it was not designed.

THE FOREGOING STATES THE CONTRACTOR'S ENTIRE LIABILITY AND THE STATE'S EXCLUSIVE REMEDIES FOR ANY LOSS OR DAMAGE ARISING FROM INFRINGEMENT.

22. INSURANCE

At its own expense, the Bidder will maintain adequate insurance for the type of work involved in this project. At a minimum, the Bidder must keep the following insurance coverage in effect until termination or expiration of this Contract:

- a. Workers' compensation insurance as required by Ohio law, or if some of the project will be done outside Ohio, the laws of the appropriate state(s) where the work will be done. The Bidder will also maintain employer's liability insurance with at least a \$1,000,000 limit.
- b. Personal injury, bodily injury, and property damage liability insurance, including automobile coverage, with personal injury and bodily injury of not less than \$500,000 combined single limit, and property damage of \$300,000 for any one occurrence.

The Bidder will also furnish certificates of insurance to the State for the required coverage. The certificate(s) must be in a form that is reasonably satisfactory to the State as to policy contents and the quality of the insurance carrier(s). The certificate(s) of insurance must contain the following provisions:

- a. A 30-day notice to the State prior to cancellation.
- b. An endorsement providing that the insurance is primary insurance and over any coverage held by the State.
- c. The State is an additional insured.

23. NEW TECHNOLOGY AVAILABILITY

The State recognizes the advancement of technology in the area of hardware and software. If the Bidder can provide the State with new hardware or software (the "New Hardware/Software") of advanced technology after the award of the Contract, the State and the Bidder may choose by mutual agreement to install the New Hardware/Software, provided the New Hardware/Software meets the requirements of the Contract. The New Hardware/Software must be provided at the same or lower prices as set forth in the Contract.

24. NON-APPROPRIATION OF FUNDS

The State's funds are contingent upon the availability of lawful appropriations by the Ohio General Assembly. Subject to the applicable provisions of the Ohio Revised Code, the State represents: that it has adequate funds to meet its obligations under any Contract awarded as a result of this ITB during the current fiscal year; that it intends to maintain any Contract awarded as a result of this ITB for the full period set forth herein; and that it has no reason to believe that it will not have sufficient funds to enable it to make all payments due hereunder during such period. However, if the Ohio General Assembly fails at any time during such Contract period(s) to continue funding for any Contract awarded as a result of this ITB, the State's obligations under such Contract(s) will terminate as of the date that the funding expires without further obligation of the State.

Article II, Section 22, of the Constitution of the state of Ohio prohibits the current General Assembly from committing a future General Assembly to an expenditure. In addition, no State contract may extend beyond June 30, of the current biennium. Should the effective date of any State contract extend beyond June 30, of the current biennium, the Contract will expire unless the State affirmatively renews the Contract through issuance of a valid

State Purchase Order (ADM-0523, PORE/ORDE). A biennium will expire on June 30 of an odd numbered calendar year. (For example, the 94/95 biennium expires on June 30, 1995.)

25. NON-ASSIGNMENT OF INTEREST

The Bidder may not assign any interest, duty or right under this Contract, in whole or in part, without prior written approval from the Deputy Director of DAS/ITGD.

26. NON-DISCRIMINATION/COMPLIANCE WITH APPLICABLE LAWS

The Bidder must comply with Civil Right Act of 1964, the Federal Rehabilitation Act of 1973, any and all applicable Federal Executive Orders, any and all applicable Ohio Governor Executive Orders, and any and all other statutes, rules and regulations pertaining to non-discrimination. The Bidder further certifies that it is in compliance with the requirements of the Ohio Revised Code Section 125.111.

27. OBM CERTIFICATION

The Contract is subject to Section 126.07 of the Ohio Revised Code which provides, in part, that the Contract will not be valid or enforceable unless the Director of the Office of Budget and Management first certifies that there is a balance in the appropriation not already designated to pay existing obligations.

28. PRICE REDUCTIONS

Should there be a decrease in the cost of anything furnished under this Contract due to a general decline in the market or some other factor, the Bidder will immediately notify the State and adjust the price of the affected goods or services.

29. PUBLICITY

Any use of or reference to the Contract by the Bidder to promote or solicit other business or to other dissemination of information regarding the Contract for marketing purposes is prohibited, unless otherwise agreed to in writing by the Deputy Director of DAS/ITGD. The State agrees to be used as a reference by the Bidder in other state of Ohio bidding situations.

30. PURCHASE ORDERS REQUIRED

The State will not be obligated to pay for any goods or services provided by the Bidder as a result of the Contract until the State has issued an official purchase order to the Bidder for those good or services. The official purchase order of the state of Ohio is the ADM-0523 ("PORE/ORDE") and must contain approval signatures of the Office of Budget and Management, the Department of Administrative Services and a responsible representative of the ordering agency. The approved Purchase Order will authorize the Bidder to provide goods or services listed on the PORE/ORDE and will obligate the State to pay for one goods or services on completion of delivery of the goods or performance of service. NO OTHER ENCUMBERING DOCUMENT WILL BE ACCEPTABLE FOR ANY PURCHASES PLACED AGAINST THIS CONTRACT. ANY PURCHASE ORDER PLACED, USING A DOCUMENT OTHER THAN THE "PORE/ORDE", WILL NOT BE A VALID PURCHASE ORDER AND MAY RESULT IN DENIAL OF PAYMENT AND RETURN OF GOODS AT THE CONTRACTOR'S EXPENSE.

This requirement does not apply to purchases placed by agencies exempted in Section 125.04 (B) of the Ohio Revised Code, authorized non-state agencies or educational institutions.

31. REJECTION OF ANY/ALL BIDS

The Deputy Director of DAS/ITGD may accept or reject any bids, in whole or in part, and may determine that any irregularities or deviations from the specifications do not result in the bid being non-responsive. The Deputy Director will waive irregularities or deviations only if doing so does not affect the amount of the bid or result in an unfair competitive advantage to the Bidder.

32. RISK OF LOSS

The State will bear the risk of loss or damage to an item after delivery and acceptance of the item unless the damage is due to the fault or negligence of the Bidder.

33. LIMITATION OF LIABILITY

The parties agree as follows:

- 1.) Neither party is liable for any indirect, incidental or consequential loss or damage of any kind, including but not limited to lost profits, even if the parties have been advised, knew or should have know of the possibility of such damages.
- 2.) The Contractor further agrees that the Contractor shall be liable for all direct damages due to the fault or negligence of the Contractor.

34. INDEMNITY FOR PROPERTY DAMAGE AND BODILY INJURY

The Contractor will indemnify the State for all liability and expense resulting from bodily injury to any person (including injury resulting in death) and damage to property arising out of the performance of this Contract, providing such bodily injury or property damage is due to the fault of the Contractor, its employees, agents, or subcontractors.

35. SUB-CONTRACTING

The successful Bidder, must be the Prime Bidder performing the primary functions under the Contract. If any portion of the Contract is to be subcontracted, such must be clearly set forth in the bid as to what parts are to be subcontracted, the scope of work and a listing of all subcontractors. Acceptance or rejection of a Bidder's inclusion/use of subcontractors is at the sole discretion of the State. The State may reject any bid wherein use of subcontractors significantly affects the ability of the Bidder to function as the Prime Bidder on any Contract awarded pursuant to a bid. Each subcontractor must agree in writing to and be bound by any and all terms, conditions and specifications of the Contract awarded to the Bidder.

36. SUBMISSION OF INVOICES

Upon delivery of goods or performance of services under the Contract, the Bidder must submit proper invoices, in quadruplicate, directly to the ordering agency billing office as indicated on the purchase order. A proper invoice is one that is free from defects, discrepancies, errors, or other improprieties and must include:

- a. Bidder's name and address as designated in the Contract.
- b. Bidder's Federal E.I. number.
- c. Invoice remittance address as designated in the Contract.
- d. The Purchase Order number authorizing the purchase of goods or services.
- e. Description, including time period, unit price, quantity, and total price of goods or services delivered or rendered as specified in the Purchase Order.

The State has the right to add to or modify the required contents of invoices under this Contract. Defective invoices will be returned to the Bidder with areas needing corrections noted. The required payment date will then be thirty (30) days after receipt of the corrected invoice.

Section 126.30 of the Ohio Revised Code is applicable to the Contract and requires payment of interest on overdue payments for all proper invoices. The interest charge will be at the rate per calendar month which equals one-twelfth (1/12) of the rate per annum prescribed by Section 5703.47 of the Revised Code.

Payment under the Contract will be due on the thirtieth (30th) calendar day after the later of the date of actual receipt of a proper invoice in the office designated to receive the invoice or the date goods or services are accepted in accordance with the terms of this Contract. The date of the warrant issued in payment will be considered the date payment is made. Payment will not be initiated before an invoice is received.

Initial invoices will not be received or processed until the performance period for any item delivered is successfully completed and the item is certified operational by an authorized representative of the State.

The State will pay the Bidder using the name and Federal employer identification number that the Bidder gave in its bid.

37. SUPPLIES

Bidder prices do not include operational supplies (such as paper, tape, diskettes, and ribbons) unless such supplies are specifically identified as a specification of the ITB. All supplies used by the State will conform to the Bidder's published specifications and the specifications in the Bidder's bid. The State may acquire such supplies from any contractor of its choice. Bidder will not offer any proprietary supply items that cannot be acquired by the State from other sources.

38. TAXATION

The State is exempt from federal excise taxes and all State and local taxes. The State will not pay any taxes.

39. TRAVEL EXPENSES

Any travel or per diem required by the Bidder to carry out its obligations under the Contract will be at the Bidder's expense. Any additional travel requested by the State after award of the Contract be paid by the State only with prior written approval. All additional travel and per diem will be paid in accordance with the Office of Budget and Management's Travel Rules as set forth in Section 126.1.02 of the Ohio Administrative Code.

40. UNIT PRICE GOVERNS

The UNIT PRICE governs the award unless otherwise specified in the ITB. The UNIT PRICE must be entered for each item being bid. Use of ditto marks, arrows, or other markings in lieu of the actual UNIT PRICE will be deemed not-responsive. LOT PRICES listed in the UNIT PRICE area will be considered as the UNIT PRICE unless clearly identified as the LOT PRICE. ANY REQUEST TO CHANGE OR ALTER THE PRICE AFTER OPENING OF THE BID WILL NOT BE ALLOWED. BIDDERS SHOULD REVIEW BID PRICING CAREFULLY. ONCE A CONTRACT IS AWARDED, THE CONTRACTOR WILL BE REQUIRED TO DELIVER THE GOODS OR SERVICES AT THE PRICES QUOTED.

41. WITHDRAWAL OF BIDS

BEFORE THE SCHEDULED TIME AND DATE OF OPENING, a Bidder may, by written notice to the Deputy Director of DAS/ITGD, request to withdraw its bid response. Such written notice must set forth the reason(s) for the withdrawal. AFTER BID OPENING, a Bidder may petition to withdraw its bid response from consideration if the price bid is substantially lower than the other bids, provided the bid was submitted in good faith, and the reason for the low bid was due to an unintentional and substantial mathematical error or unintentional omission of a substantial quantity of material or labor in the compilation of the bid. Notice of any such petition must be made within two (2) days after the bid opening date. All requests to withdraw a bid must be placed in writing to the Deputy Director of DAS/ITGD, and no bid may be withdrawn without written approval from the Deputy Director of DAS/ITGD. The decision to allow a bid to be withdrawn is in the sole discretion of the Deputy Director of DAS/ITGD. If the bid is to be awarded by category, the withdrawal request will apply to all items within the category. All documents relating to any withdrawal request will become a part of the permanent bid file.

42. DELAY PROVISION

If the Bidder is unable to act in accordance with the Contract for a period of thirty (30) working days by reason of a delay beyond the Bidder's control, the State will have the right to terminate this Contract and keep the part of the Contract's work and materials that have been accepted.

GENERAL DEFINITIONS

When used in this Invitation to Bid, the following definitions will apply. If a conflict exists between these definitions and any definition listed in the bid specifications, the bid specifications will prevail.

ACCEPTANCE: The point following a successful thirty (30) day Performance Period that an authorized State representative accepts any goods or services delivered under the Contract. This acceptance is marked by receipt of an Acceptance Letter.

AUTHORIZED DISTRIBUTOR: The Contractor/Bidder who maintains written legal agreements with manufacturers/producers to act as their agent and provide supplies, materials, equipment or services listed in the bid/Contract. The authorized distributor must maintain active and sufficient facilities necessary to perform the awarded Contract, own title to the goods inventoried within these facilities and maintain a true stock of these goods on a continuing basis and in sufficient quantity to provide uninterrupted service to ordering agencies.

BID RESPONSE: All documents, whether attached or incorporated by reference, supplied by the Bidder in response to this Invitation To Bid.

BIDDER: The company or authorized representative of the company who has signed and submitted a bid and who will be responsible for ensuring the proper performance of the Contract.

CONTRACT: The Contract will include the ITB, any addenda or modifications issued by the State, the Bidder's Bid and the executed Purchase Order(s).

CONTRACTOR: The Bidder who, upon awarding of a Contract, becomes the prime Bidder who is considered to be the primary source for providing the goods or services listed in the awarded Contract and the party to whom payment will be made on delivery of the goods or services or completion of the Contract.

DOWNTIME: The period of time when the Hardware or Software in question is inoperable due to failure.

EQUIPMENT: Items, implements and machinery with a predetermined and considerable usage life.

INVITATION TO BID or ITB: All documents, whether attached or incorporated by reference, used for soliciting bids for this ITB.

LOWEST RESPONSIVE AND RESPONSIBLE BIDDER: The Bidder who offers the lowest cost for the goods or services (**LOWEST**), whose bid responds to the bid specifications in all material respects and contains no irregularities or deviations from the specifications that would affect the amount of the bid or otherwise give him an unfair competitive advantage (**RESPONSIVE**), and whose experience, financial condition, and conduct and performance on previous contracts demonstrates the facilities, management skills, resources and ability needed to execute the Contract properly (**RESPONSIBLE**).

MATERIALS: Items or substance of an expendable or non-expendable nature from which something can be made, improved or repaired.

PERFORMANCE PERIOD: The thirty (30) day equipment and systems testing period after the installation of the goods or performance of the services under the Contract. All goods must operate according to specifications for thirty (30) consecutive days, with a total of ninety (90) days allowed for this process. A letter cosigned by the authorized State representative and the Bidder marks the beginning of the Performance Period.

SOFTWARE: Computer programs, data, routines, operating and communications systems, etc. as specified in the ITB that are held in some kind of storage medium and that perform common functions for all users as well as specific applications for particular user needs.

SPECIFICATION: Any description of the physical or functional characteristics or of the nature of supplies, equipment, service, or insurance. It may include a description of any requirements for inspecting, testing, or preparing supplies, equipment, services or insurance.

SUPPLIES: Provisions and items normally considered expendable or consumable.

UPTIME: The period of time when the Hardware or Software in question is operational.

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SECTION 1 GENERAL OVERVIEW

1.1 INTRODUCTION TO INVITATION TO BID

- 1.1.1 ALL CONTRACTUAL TERMS AND CONDITIONS AND ALL SPECIFICATIONS LISTED AS MANDATORY MUST BE PROVIDED BY THE BIDDER. PROPOSED EXCEPTIONS TO TERMS AND CONDITIONS OR MANDATORY SPECIFICATIONS WILL BE GROUNDS FOR DISQUALIFICATION.

ANY DISCREPANCIES BEYOND THIS SECTION SUPERSEDE THE STANDARD LANGUAGE ON PAGES 1 THROUGH 16.

- 1.1.2 The state of Ohio by the Department of Administrative Services for the Department of Public Safety (the "State"), is releasing this ITB to enter into a Contract to acquire approximately 250 digitized card printers, printer maintenance and supplies for a three-year period for over-the-counter issuance of color driver licenses and identification cards at 217 locations throughout the state. The bidder awarded this Contract will be responsible for the following: 1) providing a card printer capable of meeting all of the requirements in this ITB including providing drivers to enable the use of the card printer on a Windows 2000; 2) providing a one year warranty and two years maintenance for the supplied card printer; 3) warranting a 4 ½ year service life for every driver license or identification card issued; 4) providing for and distributing printer supplies and imaging materials, which include card and laminate materials, to each of the 217 issuing locations throughout Ohio for the life of the Contract; and 5) providing technical support and training for use of the card printers. The over-the-counter license and identification card issuance volume is expected to average approximately 2.9 million per year for a total of approximately 8.7 million over a three-year period.

The State's intent is to create a Contract that compensates the bidder based on a bid price that includes the prices of the card printers and associated equipment and the number of completed licenses or identification cards issued during the Contract. The term of the Contract resulting from this ITB will be three years with the option to renew for two additional years in one-year increments.

1.2 BACKGROUND

1.2.1 State Hardware and Software

The card printers provided by the bidder must be compatible and interface with the BMV's computers and network system. The card printer must be supported under Windows 2000. The image capture station will be an IBM PC 300GL or equivalent. The supplied printer must include all associated equipment to connect as a LAN device to an IP network.

Ten of the highest volume locations of Exhibit A [Registrar Agencies That Issue Driver Licenses] issue between 30,000 and 50,000 licenses and ID cards annually. Two of the high volume agencies are in Cuyahoga County and two are in Montgomery County. Peak issuance volume at some agencies runs 300 to 400 a day.

1.2.2 Synopsis of bidder Responsibility

The bidder is required to provide a card printer, which includes application of a holographic overlay and magnetic stripe encoding for issuance of driver licenses and identification cards at the Deputy Registrar locations.

The State will be responsible for all hardware and software required to capture and store the digitized portrait image. The bidder will be responsible for providing the card printer, printer drivers, imaging materials, supplies, training, technical support, and printer maintenance for the production of the cards.

Design features, operation, security and other required items are specified in detail in the mandatory requirements section. These requirements, including but not limited to those summarized below, are also mandatory.

- i) Bidder must provide approximately 250 card printers for over-the-counter issuance of color driver licenses and identifications cards.
- ii) Bidder must provide the required equipment at all license issuance locations for placing a one dimensional bar code on front of the license, encoding the magnetic stripe data on back of the license, printing text, and the portrait image on the front of the license, and printing a two-dimensional bar code and text on the back of the license.
- iii) Bidder must furnish and maintain a minimum 30-calendar day inventory of all imaging materials and supplies delivered to locations for issuance of color drivers license and identification cards. Mailing and shipping costs must not be charged separately and should be incorporated in the bid price.
- iv) Bidder must provide maintenance on all Hardware provided.
- v) Bidder must warrant that the driver's license and identification cards will meet the requirements described in the ITB.
- vi) Bidder must bid a card printer that will provide a one-step operation for printing, laminating or coating the license, die cutting, and encoding the magnetic stripe.
- vii) Bidder must provide training to approximately 37 field and help desk staff at the Ohio Department of Public Safety, Bureau of Motor Vehicles, 1970 West Broad Street, Columbus, Ohio 43223. Bidder must also provide on site technical supervision for training purposes on the day of installation for at least two hours.
- viii) Bidder must provide technical support for the Hardware installed. Within 30 days of Contract award, bidder must provide a technical representative on site for 30 days to assist BMV personnel and to respond to technical questions and resolve problems with the Hardware.

1.3 **CALENDAR OF EVENTS**

ITB Issued:	February 9, 2004
Inquiry Period Begins:	February 9, 2004
Bidders Conference:	February 17, 2004
Inquiry Period Ends:	February 27, 2004
ITB Response Due Date (the "opening date"):	Tuesday March 4, 2004 @ 11:00 a.m.
Demonstration (Estimated Date)	March 11, 2004

1.4 **INTERNET INQUIRIES**

Bidders may make inquiries regarding this ITB any time during the inquiry period listed in the Calendar of Events. To make an inquiry, bidders must use the following process:

- Access the State Procurement Web site at <http://www.ohio.gov/procure>;
- From the Navigation Bar on the left, select "Find It Fast";
- Select "Doc/Bid/Schedule #" as the Type;
- Enter the ITB Number found on Page 1 of the document (ITB Numbers begin with "ACQ" followed by five numbers);
- Click the "Find It Fast" button;
- On the document information page, click the "Submit Inquiry" button;
- On the document inquiry page, complete the required "Personal Information" section by providing:
 - First and last name of the prospective bidder's representative who is responsible for the inquiry,
 - Name of the prospective bidder,

- Representative's business phone number, and
- Representative's e-mail address;
- Type the inquiry in the space provided including:
 - A reference to the relevant part of this ITB,
 - The heading for the provision under question, and
 - The page number of the ITB where the provision can be found; and
- Click the "Submit" button.

Bidders submitting inquiries will receive an immediate acknowledgement that their inquiry has been received as well as an e-mail acknowledging receipt. Bidders will not receive a personalized e-mail response to their question nor will they receive notification when the question has been answered.

Bidders may view inquiries using the following process:

- Access the State Procurement Web site at <http://www.ohio.gov/procure>;
- From the Navigation Bar on the left, select "Find It Fast";
- Select "Doc/Bid/Schedule #" as the Type;
- Enter the ITB Number found on Page 1 of the document (ITB Numbers begin with "ACQ" followed by five numbers);
- Click the "Find It Fast" button;
- On the document information page, click the "View Q & A" button to display all inquiries with responses submitted to date.

The State will try to respond to all inquiries within 48 hours, excluding weekends and State holidays. But the State will not respond to any inquiries received after 8:00 a.m. on the inquiry end date.

1.5 AMENDMENTS TO THE ITB

If the State decides to revise this ITB before the due date, amendments will be announced on the State Procurement Web site.

Bidders may view amendments using the following process:

- Access the State Procurement Web site at <http://www.ohio.gov/procure>;
- From the Navigation Bar on the left, select "Find It Fast";
- Select "Doc/Bid/Schedule #" as the Type;
- Enter the ITB Number found on Page 1 of the document (ITB Numbers begin with "ACQ" followed by five numbers);
- Click the "Find It Fast" button;
- On the document information page, click on the amendment number to display the amendment.

When an amendment to this ITB is necessary, the State may extend the due date through an announcement on State Procurement Web site question and answer area for this ITB. Amendment announcements may be provided any time before 5:00 p.m. on the day before the bid is due. It is the responsibility of each prospective offeror to check for announcements and other current information regarding this ITB.

1.6 BIDDERS CONFERENCE

The State will hold a bidders conference at the Rhodes State Office Tower, Lobby Hearing Room, 30 East Broad Street, Columbus, Ohio 43215, on February 17, 2004 at 9:00 A.M. where questions concerning this ITB may be addressed. Attendance at the bidders conference is not a prerequisite to submitting a bid response. The purpose of this meeting will be to clarify the requirements contained in this ITB.

SECTION 2 GENERAL TERMS AND CONDITIONS

2.1 DEFINITION OF TERMS

In addition to the General Definitions set forth on page 15 and for purposes of this Invitation to Bid and resulting Contract, the following definitions will apply:

AAMVA - American Association of Motor Vehicle Administrators, 4200 Wilson Blvd., Suite 1100, Arlington, Virginia, 22203.

Acceptance - The point following a successful thirty (30) day Performance Period that an authorized State representative accepts the Hardware delivered under the Contract. This acceptance is marked by receipt of an Acceptance Letter.

BMV - Bureau of Motor Vehicles.

CDL - Commercial Driver License.

Code 128 - Bar code with 128 alphanumeric characters. Allows encoding all characters on CRT keyboard.

Coercivity - Strength of magnetic field necessary to erase magnetic media.

Days - For the purposes of this ITB if not specified, is defined as calendar days.

DL/ID Cards – Drivers License and Identification Cards.

DRS – Deputy Registrar Services.

Hardware – The Card Printer, associated equipment, and the printer driver(s).

Imaging Materials – Card Substrate and Laminate or Coating (with Security Overlay, if applicable).

Installation Site - One of the statewide Deputy Registrar locations where Hardware will be installed. Locations are identified in Exhibit A.

ISO - International Organization for Standardization. Specifies standards for card material including physical characteristics, material, construction, and dimensions.

LRC - Longitudinal Redundancy Checking.

ODPS - Ohio Department of Public Safety.

OSI - Open Systems Interface Protocol.

Performance Period - The thirty (30) day Hardware testing period after installation of the Hardware under the Contract before acceptance. Hardware installed in 99% of the Installation Sites must operate according to specifications for thirty (30) consecutive days, with a total of ninety (90) days allowed for this process. A certification letter (Attachment II) cosigned by the authorized State representative and the bidder marks the beginning of the Performance Period. This is also referred to as the period for the acceptance test.

Pixel - Portrait element with horizontal and vertical matrix.

SSN - Social Security Number

2.2 GENERAL REQUIREMENTS

2.2.1 Intentions

It is the intent of the State to describe a complete working configuration. Any incidental items omitted from these specifications but needed to make a complete working configuration, such as cables, drivers and cards, must be provided by the bidder and must be included in the bid price.

2.2.2 Demonstration Requirements

The demonstration will be conducted at the Ohio Department of Public Safety, BMV, 1970 West Broad Street, Columbus, Ohio 43223. The demonstrated Hardware must be identical to the bidder's proposed Hardware and the demonstration must consist of, but not be limited to, the following:

1. Examination of internal and external features and ease of use of the Hardware.
2. Demonstration of producing a finished DL/ID card.
3. Demonstration of producing a finished DL/ID card including printing of the one dimensional bar code on the face and a two dimensional bar code on the back of the license.
4. Legibility and quality of the finished laminated and or coated DL/ID card.
5. Hardware start-up time to be ready to produce a finished DL/ID card including establishment of communications sessions and time to shutdown and secure the Hardware.
6. Demonstration of the security features of the DL/ID card and the laminate or coating.
7. Demonstration of adding a computer chip to a DL/ID for smart card capabilities.
8. In order to demonstrate the ability to place captured images on the DL/ID card, bidders must provide their own equipment with respect to the generation or transference of imagery. This equipment and function will not be held to any requirements specified by the BMV, however, DL/ID cards will be checked for captured images and for production of DL/ID cards at average of one per 60 seconds as a required part of the demonstration.
9. Any other demonstration deemed necessary by the BMV.

Demonstration Samples

Samples of finished DL/ID cards, produced during the demonstration will become the property of the BMV and must include captured images created during the live demonstration.

Failure to provide a live demonstration, furnish captured images, or required samples will result in disqualification of the bidder's response. Results of the live demonstration will be considered in determining the lowest responsive and responsible bidder for Contract award. The Hardware demonstrated must be the same Hardware to be delivered under Contract. Deviations from the demonstrated Hardware may be cause for immediate cancellation of the Contract, with the bidder being liable for any additional costs to the State.

2.2.3 Performance Bond

The State may require the bidder to procure a performance bond in the amount of 30% of the Grand Total bid price submitted by the bidder. The bond must be for a period covering the duration of the Contract. As part of the evaluation process used to determine the lowest responsive and responsible bidder, the bidder will be required to provide the said performance bond within ten (10) business days, after notification, to the IT Governance Division. FAILURE TO PROVIDE THE PERFORMANCE BOND WITHIN THE STATED TIME PERIOD WILL RESULT IN THE BIDDER BEING DEEMED AS NOT RESPONSIVE AND THE BID RESPONSE WILL BE IMMEDIATELY DISQUALIFIED WITH NO FURTHER CONSIDERATION GIVEN FOR POTENTIAL AWARDING OF THE CONTRACT.

The purpose of the bond is to ensure proper performance by the bidder on any Contract awarded pursuant to this bid. A standard bond form, from any company authorized to do business within the State, is acceptable. The bond must be made payable to the Treasurer, state of Ohio, referencing the applicable bid number.

The bond must become effective upon written notification by the State that the bidder has been determined to be the lowest responsive and responsible bidder and that a Contract has been awarded to the bidder. THE BOND MUST REMAIN IN EFFECT FOR THE DURATION OF THE AWARDED CONTRACT AND ANY CONTRACT RENEWALS THERETO. ANY ACTION ON THE PART OF THE CONTRACT BIDDER OR THEIR BONDING COMPANY TO REVOKE AND/OR CANCEL THE BOND, PRIOR TO THE EXPIRATION OF THE CONTRACT OR CONTRACT RENEWALS THERETO WILL BE CONSIDERED AS A BREACH OF CONTRACT AND WILL RESULT IN IMMEDIATE CANCELLATION OF THE CONTRACT. SHOULD THIS OCCUR, THE BIDDER WILL BE HELD LIABLE FOR ANY ADDITIONAL COSTS INCURRED BY THE STATE IN SEEKING REPLACEMENT ITEMS/SERVICES.

The actual cost of securing this bond must be listed on the cost summary page on the designated line. The State agrees to pay only the actual cost of the performance bond and may request a copy of the invoice from the bonding company for documentation. If the cost of the bond entered on the cost summary page and the cost shown on the bonding company's invoice does not match, the State will pay whichever is less.

2.2.4 Contract Renewal

In addition to the provisions set forth in paragraph 24 on page 11, the following will apply. The State may renew the Contract at the end of this biennium, June 30, 2005, and for any additional biennia that corresponds with the contract term, under the same terms and conditions stated herein.

The term of the Contract resulting from this ITB will be three years with the option to renew for two additional years in one year increments. Therefore in addition to renewing at the end of the biennium, the State may also renew after the three year term for two additional years in one year increments. The State will request renewal three months prior to Contract expiration.

2.2.5 Escalation of Price per Completed DL/ID Card

The price per completed DL/ID card listed in the Cost Summary of the bid response will remain fixed for the three-year term of the Contract. However, if the State elects to renew the Contract at the end of the three-year term, the bidder may escalate its price per completed DL/ID card listed in the Cost Summary. The price per completed DL/ID card may be escalated once per year for the duration of any one-year Contract renewal; however the increase may not exceed the calculated percentage increase determined by using the Finished Goods Price Index (FGPI) published by the US Department of Labor, Bureau of Labor Statistics. The calculation of price adjustments will always involve unadjusted indexes and it will always use the latest version of FGPI data published at the time of the requested increase, which includes preliminary index data. The base index used to calculate the percentage increase will be the FGPI data published 12 months prior to the latest version of FGPI data published at the time of the bidder's request for an increase. Percentages will be rounded off to the nearest tenth, one decimal point. If the Bureau of Labor Statistics discontinues publishing the FGPI, the State will determine an appropriate index to employ for any price increase. At no time will the price adjustment exceed a 3.0 % increase, even if the FGPI calculated percentage increase exceeds 3.0%. bidder must provide written notice to the Procurement Representative at least 60 days prior to the end of the Contract period of any desired price increase.

Upon receipt of a price escalation letter from the bidder, DAS will respond in writing with an acceptance or rejection of the price escalation. If the State accepts the bidder's request to escalate the price per completed DL/ID card, the State will execute a Contract amendment that includes the adjusted price per completed DL/ID card for the Contract renewal period.

In accordance with the provision set forth in paragraph 28 on page 12, prices may also be decreased at any time by providing written notice to the Procurement Representative.

2.2.6 Terms of Compensation

Hardware

The price of the Hardware will be paid upon Acceptance of all Hardware installed at the Installation Sites. Upon Acceptance of the Hardware, the BMV Project Manager or designee will transmit to the bidder a signed acceptance letter (Attachment III). Upon receipt of the acceptance letter, the bidder may submit an invoice for the total price of the Hardware installed throughout the Installation Sites.

Per Completed DL/ID Cards

The BMV will submit a report to the bidder on or before the end of each month stating the number of DL/ID cards actually issued during the previous month. The bidder may then submit an invoice in the amount of the price per completed DL/ID card multiplied by the number of completed DL/ID cards actually issued for that month to the BMV. The price per completed DL/ID card must include at a minimum all necessary imaging materials, supplies and maintenance costs (see Table 3 of the Cost Summary). All payments will be made in arrears on a monthly basis upon receipt of a proper invoice from the bidder including completed DL/ID cards issued with the bidder's Hardware during any pilot test or training the State decides to conduct and the phase-in period of Hardware installation.

The bidder will be held responsible for the cost of all imaging materials and supplies whether from proper use, improper use, waste or defect and will only be compensated for completed DL/ID cards.

The bidder must furnish and deliver at its own expense to the Installation Sites all necessary imaging material and supplies to provide a minimum 30-calendar day operational supply at each location. When the ODPS Purchasing Section requests imaging material or supplies using the toll-free phone number, the required imaging materials or supplies must be delivered within 10 days of notification.

2.2.7 Submission of Invoices

In addition to the provisions set forth in paragraph 35 on page 13, the following will apply: The bidder must submit invoices in quadruplicate (one (1) original and three (3) copies) to the "Bill to" address on the purchase order. Bidder must indicate the Federal Tax Identification Number on all statements and invoices.

If an invoice contains a defect or impropriety and/or it is not a proper invoice as defined in this section, a written notification and the improper invoice will be sent to the business concern at the address designated for receipt of Purchase Orders within fifteen (15) calendar days after receipt of the improper invoice. The notice will contain a description of the defect or impropriety and any additional information necessary to correct the defect or impropriety. If such notification has been sent, the required payment date will be thirty (30) days after the receipt of a proper invoice.

2.2.8 Selected Bidder Responsibilities

The bidder selected for Contract award will be required to assume responsibility for all Hardware and services in this bid whether or not the bidder produces them. Further, the State will consider the selected bidder to be the sole point of contact with regard to contractual matters, including payment of any and all charges resulting from the Contract.

2.3 **HARDWARE REQUIREMENTS**

In addition to the provisions set forth in paragraph 19 on page 10, the following requirements will apply.

2.3.1 General Card Printer Requirements

The card printer must be commercially available. Additionally, the card printer must:

- include software drivers to operate under Microsoft Windows 2000;
- print different format for drivers licenses and identification cards;
- print text, portrait image, and single dimension bar code on the face of the card;
- apply a security overlay on the face of the card after printing;
- print text and two-dimensional bar code on the back of the card;

- encode three tracks on the magnetic stripe;
- provide a completed card within the printer with no human intervention required;
- not involve any external die-cutting;
- provide a completed card within 60 seconds;
- the dimensions of the DL/ID must be in conformance with ISO/IEC7810 ID-1;
- magnetic stripe encoding errors must not exceed 0.1%;
- durability tests of the produced cards must document a useful life expectancy of 4½ years based upon ANSI NCITS 322 test data;
- printer noise level must not exceed 75 decibels; and
- be able to be connected to the local Ethernet, local area network as an IP addressable device.

The imaging technology proposed by the bidder must be based on *Personal Identification – AAMVA International Specification – DL/ID Card Design* dated 09/25/2003 standards adopted by the American Association of Motor Vehicle Administrators. The bidder must supply laboratory test results of the test methods and sample sizes detailed in the *Personal Identification – AAMVA International Specification – DL/ID Card Design* (Annex E) dated 09/25/2003 standards adopted by the American Association of Motor Vehicle Administrators.

2.3.2 Printer Capabilities

The printer must produce a color digitized image of the applicant and a gray scale signature from an electronic source, in such a manner as to provide for a non-embossed, finished, color DL/ID card, one section of which must be an "above the shoulder" portrait of the applicant of not less than 1-1/8" in width and 1-1/4" in height. The DL/ID card without laminate or coating must be a minimum of 3-1/8" wide x 1-7/8" high. The laminated or coated DL/ID card must not exceed 3-3/8" wide x 2-1/8" high.

The imaging material for the DL/ID cards must be polyester, polyester-blend, polycarbonate or an equivalent plastic meeting card material standards specified in ISO 7810.

The thickness of the finished license with laminate or coating, including magnetic stripe, must meet credit card industry standard of .030" (+ or - .003"). Corners of the DL/ID cards must be rounded with a radius of 0.125".

The front of the DL/ID card must contain the applicant's portrait in color, the applicant's signature, the applicant's personal data and other special features and background information, designated by the Registrar to be electronically captured and shown on the DL/ID. The under age 21 portrait will be positioned differently from the 21 and over individual.

The card printer, including all associated electrical equipment, must be designed and built in such a manner that a voltage fluctuation with a low of 90 volts and a high of 130 volts AC will not affect performance. All electrical equipment must operate on a regular 110 volts, 60 cycle AC; be equipped with a grounded plug; and meet Underwriter Laboratory Standards.

2.3.4 Printer Speed Requirements

The color printer must be capable of producing the license within 60 seconds [average of 60 per hour]. The license must contain the applicant's image in color, the applicant's signature, applicant's license information, and the Registrar's signature.

Printer noise level must not exceed 75 decibels.

2.4 DL/ID Card Requirements

2.4.1 DL/ID Card Requirements

The bidder must provide security accounting measures for the imaging materials, supplies, and Hardware under its control and during delivery and shipping.

Each DL/ID card must be of such material and design to prevent its reproduction or alteration without being readily detected. The State has selected several security features from those listed in the *Personal Identification – AAMVA International Specification – DL/ID Card Design* dated 09/25/2003. The common security element, as prescribed by AAMVA, must be included in Zone 4 of the card.

- For driver license documents, the background color of Zone 1 of the card must be predominantly pink and the color of the background, which may be a printed image, must be matched as closely as possible to a 30% tint of Pantone reference 198. This is a specific requirement of ISO/IEC CD 18013-1 for ISO compliant driver licenses.
- For non-driver license identification card documents, the background color of Zone 1 of the card must be predominantly green and the color of the background, which may be a printed image, must be matched as closely as possible to a 30% tint of Pantone reference 368.
- The reproduction of the portrait of the holder of the license is depicted on the left side on the portrait side of the card as shown by the position of Zone III in Attachment 10.

Additional security features will be included on the card but are not specified here in order to protect the knowledge of all security features. The bidder provided printers, cards, and supplies must be capable of all of the following security features.

Printing

- a. Deliberate Errors/known flaws - A feature is purposely made with an intentional mistake known only to the manufacturer or inspection officials.
- b. Duplex Patterns - A design made up of an interlocking pattern of small irregular shapes, printed in two colors and requiring very close register printing in order to preserve the integrity of the image.
- c. Fine line background (Guilloche pattern) - A pattern of continuously fine lines constructed by using two or more lines in overlapping bands that repeat a lacy, web-like curve.
- d. Fine line foreground - A pattern of continuously fine lines constructed by using two or more lines overlapping bands that repeat a lacy, web-like curve.
- e. Front to back (see through) register - A design printed on both sides of a card that forms an interlocking image when held to a light source.
- f. Ghost Image - Half tone reproduction of the original image that is typically printed in the same area as, and behind, personal data.
- g. Layered printing (on lamination) - Printing separate elements of the secure design on different layers of the laminated card body materials so that no single layer contains all of the security features and the entire product is only apparent after lamination.
- h. Micro optical imaging - Text, line art, gray scale images and multi—reflectivity images are engineered into optical WORM media at high resolution (over 12,000 dpi). Difficult to simulate the printing resolution.
- i. Micro-printing / nano-printing - Miniature lettering which is discernible under magnification. Incorporated into fine line backgrounds or placed to appear as bold lines. Continues to decrease in size as technology improves. Difficult to duplicate.
- j. Moiré pattern (anti-scan/VOID pattern) - A new pattern formed by the super positioning of two patterns whose periodicities are not identical. Security designs can be developed so that a scanner or copier will only display part of the pattern and/or word VOID or COPY appears instead of the pattern.
- k. Non-standard type fonts - Special type that is not available on the commercial market and is reserved for security card use only.
- l. Rainbow printing - A subtle shift of color across a document. Accurately designed patterns cannot be easily copied. It is often used with a fine line or medallion pattern in the background of a card.
- m. Security code High-resolution color printing systems print a security code within the body of the color printed photo image. The code can be printed in a non-proportional font that can imbed characters on the edge or bottom of the printed picture.

Inks

- a. Chemically Reactive - Contains a security agent that is sensitive to chemicals, i.e., polar and non-polar solvents and bleach, commonly used to alter documents. The chemical reaction is for the ink to run, stain, and bleed to show evidence of document tampering.

- b. Infrared fluorescent - Forms a visible image when illuminated with light in the infrared / red visible part of the spectrum.
- c. Infrared dropout - Forms a visible image when illuminated with light in the visible part of the spectrum, but cannot be detected in the infrared region.
- d. Metallic, pearlescent, and iridescent - Inks that fluctuate in brilliance depending on the angle of illumination of the viewing. Difficult to mimic the luster and hard to copy or scan.
- e. Metameric - The use of a pair of ink colors that differ in spectral composition but match one another under certain lighting conditions. Under incandescent light that may appear the same, but under colored light they appear as different colors.
- f. Optically variable (color shifting) - This overt security ink can be printed as a semi-transparent or opaque color shifting security feature. Advanced multi-layer light interference structures create noticeable, reflecting color shifts, i.e., gold to green, green to blue, etc.
- g. Phosphorescent - Contains a pigment that glows when exposed to a light source of appropriate wavelength. The reactive glow decays after the light source is removed.
- h. Tagged - Contains taggants or compounds that are not naturally occurring and that can be detected using special equipment that reacts to electromagnetic energy identifying the grouping or type.
- i. Thermochromatic - Ink that exhibits a sharp, reversible color change when exposed to heat, i.e., finger rubbing or hot air.
- j. Ultraviolet fluorescence - Invisible inks that emit visible color under exposure to ultraviolet light. Colors can be formulated that are not commercially available, making resistance to counterfeiting higher.

Substrate Inclusion

- a. Core inclusion - The manufacture of card stock with different layers. A colored core material may be placed inside to create a colored edge along the card.
- b. Embedded thread, fiber or planchette - Small, often fluorescent particles or platelets incorporated into a card material at the time of manufacture that can be seen later under certain lighting conditions. The embedded elements may have magnetic or other machine-readable properties that may be used to enhance the levels of security provided.
- c. Opacity mark - Similar to a watermark, it is a plastic that contains a unique translucent mark.
- d. Security bonding - The card periphery incorporates a security bonding material that bonds all of the layers together. Tamper evidence is seen if access is attempted to obtain the internal structures of the card.
- e. Ultraviolet features - Card bodies are made UV dull or possess a controlled response to UV light so they exhibit fluorescence that can be distinguished in color from the "blue" used in commonly available fluorescent materials.

Optically Variable Devices

- a. De-Metalized OVD - A combination of metal and transparency on the same foil or laminate. High-resolution OVD has selective de-metallization, either transparent or opaque, as defined above.
- b. Non-transparent OVD - Printed opaque, OVD's advanced multilayer light interference structures create noticeable, reflecting color shifts, i.e., gold to green, green to blue, etc. similar to what is seen on many global identification documents including driver licenses, banknotes, passports, and visas. The color shifting and authentication effect cannot be replicated or digitally recreated. Tightly controlled and only available for the most secure document applications.
- c. Personalized OVD - OVD that is personalized for each card based upon biographical data, portrait, or signature of the cardholder.
- d. Transparent OVD - Printed on transparent lamination overlay material, advanced multilayer light interference structures create noticeable, reflecting color shifts, i.e., gold to green, green to blue, etc. When incorporated into a driver license design, feature will not interfere with photo or data information. Transparent OVD color shifting and authentication effect cannot be replicated or digitally recreated. Tightly controlled and only available for the most secure document applications, i.e., driver licenses, passports, visas, etc. The OVDs are digitally mastered and created using computer-guided lasers or electron beams.

Additional Features

- a. Biometric feature (template) - A biometric template of the customer's physical characteristics.
- b. Covert variable pixel manipulation - Covert dot matrix images that are converted to visible text with a special reader or lens.

- c. Digital Seal - A method of securing and validating data by electronic means using digital signature technology. The issuing authority "signs" the information contained in the Machine Readable Technology (MRT).
- d. Embedded Image (e.g., digital watermark) - An image or information that is embedded or encoded within a primary visual image.
- e. Laminates (security) - Transparent layers or films with an integrated security feature(s) are applied to the card with an adhesive or fused by heat. Available in a number of forms, security laminates are designed to be tamper evident and carry other security features to the card.
- f. Laser encoded optical image - Image and text files are placed to an optical WORM media as a visible diffraction pattern image that is eye-readable under a variety of lighting conditions.
- g. Laser engraving - The information cannot be mechanically or chemically removed without surface damage to the card. Can be used for photos, characters, bar codes, OCR, etc.
- h. Laser perforation - Holes are made with the laser beam of images or objects. The image is visible when held up to a light source. It has a tactile feel with conical holes that are larger at the entrance than exit.
- i. Machine-readable technology (MRT) - Magnetic stripe, smart card, bar codes, OCR, optical WORM media, etc. Verifies the authenticity of the document, the data or the person presenting the card by the use of a reader and comparison of the stored data to other information.
- j. Magnetic media fingerprinting - Tracks unique, random patterns of magnetic media formed as a by-product manufacture of card. The pattern is recorded at the time the card is encoded and this pattern can later be compared to the pattern detected when the card is scanned.
- k. Optical media fingerprinting - Tracks unique, random patterns of optic media (e.g., fibers) on card. The pattern is recorded at the time the card is encoded and this pattern can later be compared to the pattern detected when the card is scanned.
- l. Optical watermark - Fine line images that are engineered into optical WORM medial with a very high resolution (12,000 dpi). The watermark is overwritten with a laser-encoded optical image, locking together a preformatted document security feature with a laser encoded personalization security feature.
- m. Overlay - An ultra-thin film or protective coating that may be applied to the surface of a card in place of a security laminate and which may contain optically variable features.
- n. Overlapping data - Variable data, such as digitized signature, seals or text can be placed over another field such as a photo image. Both fields must be altered if a substitution is to take place making it more difficult.
- o. Redundant data - Display of data in more than one location on the card. A visual inspection may determine if all of the fields match. Usually, the data is displayed in a variety of colors and fonts to further deter alteration.
- p. Retro reflective device - Optical constructions that reflect light such that covert logos become visible over the entire document when viewed using a focused light source or retro reflective viewer.
- q. Security threads - Metal or plastic, these threads are seen on currency. With special metallized film, demetallized text is invisible in reflected light and therefore is difficult to copy. When viewed in transmitted light, the opaque aluminum letters are clearly visible.
- r. Thin film interference filters - Multiple layer structures that produced color effects by interference.
- s. Tactile feature- A feature which is apparent to touch or feel without requiring a special instrument. This could include texture, flexibility, or weight of the document and/or a feature incorporated in the card structure or card components.

2.4.2 Two-Dimensional Barcode

The PDF417 symbology (see ISO/IEC 15438 *Automatic Identification and Data Capture Techniques - International Two-dimensional Symbology Specification - PDF417*) must be used for the Driver's License and Identification Cards. The following PDF417 symbology variants as defined in the ISO/IEC 15438 *Automatic Identification and Data Capture Techniques - International Two-dimensional Symbology Specification - PDF417* must NOT be used.

- Compact PDF417
- MicroPDF417
- MacroPDF417

Narrow element dimension

The narrow element dimension (X dimension) range must be from .170mm (.0066 inch) to .380mm (.015 inch) as determined by the printing capability of the supplier/printer. Symbols with narrow elements at the lower end of this range, i.e., .170mm (.0066 inch) to .250mm (.010 inch), may require special care to meet the print quality requirements of this standard.

Row height

The PDF417 symbol must have a minimum row height (height of the symbol element) of three (3) times the width of the narrow element ("X" dimension). Increasing the row height may improve scanning performance but will reduce the number of characters that can be encoded in a given space.

Quiet zone

The PDF417 symbol must have a minimum quiet zone of 1X (X = the narrow element dimension) above, below, to the left, and to the right. The quiet zone is included within the calculation of the size of the symbol.

Print Quality

The AIMUSA Uniform Symbology Specification PDF417 and ANSI X3.182 *Bar Code Print Quality - Guideline* must be used to determine the print quality of the PDF417 symbol.

The minimum symbol grade must be 3.5/10/660, where:

Recommended Print Quality grade 3.5 (A) at the point of printing the symbol before lamination and a Print Quality Grade of 2.5 (B) after lamination.

Measurement Aperture = .250mm (0.010 inch)

Light Source Wavelength = 660 nanometers (nm) \pm 10 nm

The above symbol quality and measurement parameters assure scanability over a broad range of scanning environments.

It is important that the bar code be decodable throughout the system of use. For this reason, quality tests should not be limited to production inspection but also should be followed through to the end use.

Error Correction

PDF417 symbols must use a minimum Error Correction Level of 3. Where space allows, an Error Correction Level of 5 is recommended. Error correction is important for decoding the bar code because certain security laminates interfere with the readability of bar codes, and higher error correction levels help to insure the prolonged usability of the bar code as abrasions and other damage are incurred over time.

Character sets

The 2-dimensional bar code must use the 256-character table known as ASCII/ISO 8859-1 as the character set table when generating Hi-Density symbols and for efficiency must use the 128-character subset TEXT COMPACTION TABLE as defined in the specification.

Bar code area

The bar code area must be located in Zone V of the DL/ID document. The maximum width of the PDF417 symbol must be 75.565 mm (2.975"). The maximum height of the PDF417 symbol must be 38.1 mm (1.50").

All PDF417 symbols and linear bar codes must have the same orientation. The bars of the PDF417 symbol must be perpendicular to the natural bottom of the card. (see Figure D.1).

The symbol skew must not be more than \pm 5 degrees.

2.4.3 Magnetic Stripe

The back of the laminated or coated DL/ID card must have a magnetic stripe near the top of the DL/ID card. Specifications for the magnetic stripe are listed below:

1. The magnetic stripe must be encoded with bidder furnished Hardware using AAMVA recommended industry standards, with data that will provide access to stored records and/or images for verification purposes.
2. The encoded data must remain in usable condition for a minimum of 4-1/2 years. Total thickness of the laminated or coated license with a magnetic stripe must meet generally accepted ISO 7810 credit card industry standards, including warping and surface distortion standards.
3. The magnetic stripe must be high coercivity of not less than 3000 oersted and capable of storing 204 characters including start and end sentinels and LRC characters. Tracks 1, 2 and 3 data characteristics must conform to AAMVA recommended standards.
4. Track 2 must be easily read by commercially available magnetic stripe readers. Information that will be encoded on Tracks 1, 2 and 3 will be AAMVA specified standards.
5. Magnetic stripe reading errors must not exceed 0.1%.
6. The bit and density characteristics for Tracks 1, 2, and 3 on the magnetic stripe must meet AAMVA specifications.

The physical characteristics and dimensions must conform to ISO/IEC 7810. The magnetic stripe area must conform to ISO/IEC 7811-6 for tracks 1, 2, and 3.

2.4.4 DL/ID Card Durability Requirements

During the four and one-half (4-1/2) year service life of the DL/ID card, the laminate or coating must meet the following requirements:

- 1) The color digitized image must remain stable and survive intact under conditions of strenuous wear and tear;
- 2) The digitized image must not significantly deteriorate or discolor;
- 3) The printed matter must not deteriorate or become illegible; and
- 4) The card must not break or crack.

2.4.5 Supply Requirements for Imaging Materials

The bidder must guarantee to keep each Installation Site supplied with a minimum 30-calendar day supply of DL/ID card production imaging materials.

The bidder must maintain all imaging materials in such a manner that the on-hand supply at each location will have a minimum six (6) month shelf life from the date of receipt at the location.

2.5 **TRAINING REQUIREMENTS**

The following components of training are required:

1. Manual: The bidder must provide a minimum of 300 Hardware manuals. The manual should cover Hardware use from startup through Hardware shut down. The manual should also include a trouble-shooting guide.

Within 15 days of Contract award and prior to any pilot testing, the bidder must provide at least 40 Hardware manuals to BMV at 1970 West Broad Street, Columbus, Ohio 43223 for field, help desk, and pilot staff. The remaining Hardware manuals must be distributed at the time of Hardware installation at each Installation Site. At the completion of Hardware installation, any remaining Hardware manuals must be delivered to BMV at 1970 West Broad Street, Columbus, Ohio 43223.

2. Training Sessions: Prior to beginning Hardware installations, the bidder must provide two, one-day training sessions for the training of approximately 37 field and help desk staff at the ODPS, BMV, 1970 West Broad Street, Columbus, Ohio 43223. Approximately 18-19 people will attend each session. During training sessions, bidder must allow sufficient time for trainees to become familiar with and to practice using the Hardware (changing ribbons, producing test cards, clearing jams, etc.). The bidder must provide 5 terminals and 5 printers for the training sessions. The bidder will be solely responsible for all training equipment supplied, including accidental damage, theft, etc., except for any willful negligence on the part of the State personnel or its agents. It will be the bidder's option as to whether it insures such equipment.

It is anticipated that the field staff will provide additional training to office staff, if necessary.

3. Training during Hardware Installation: The bidder must provide a skilled technical representative for two hours immediately after Hardware installation at each Installation Site to provide additional training on Hardware operation to BMV personnel and agency staff.

2.6 PRE-WARRANTY, WARRANTY, AND MAINTENANCE TERMS AND CONDITIONS

Due to installation requirements for the Hardware, the bidder will install Hardware at different times throughout the installation schedule. The bidder is responsible for maintaining the Hardware once installed at each Installation Site. This maintenance is not the beginning of the Warranty Period. This maintenance is referred to as Pre-Warranty Maintenance. The bidder must meet all of the requirements for Warranty and Maintenance of the Hardware during the Pre-Warranty Maintenance Period.

The one-year Warranty for the installed Hardware will not commence until all Hardware has been installed at each Installation Site and has successfully completed the Performance Period for Acceptance. This will allow coterminous Warranty and maintenance periods for the Hardware installed.

Bidder must provide a single maintenance contact during Pre-Warranty, Warranty and Maintenance Periods.

2.6.1 Warranty - Hardware

- 2.6.1.1 Bidder warrants that the Hardware must meet or exceed all of the specifications of the State including, but not limited to, the State's functional, technical, and maintenance specifications.
- 2.6.1.2 Bidder warrants that all Hardware furnished hereunder will be new and not used or refurbished. Such Hardware must have been manufactured within the last 12 months. In no event will any Hardware proposed be an alpha or beta test product.
- 2.6.1.3 Bidder warrants that all Hardware must be free from defects in material and workmanship for a period of one year after the date that all Hardware is accepted (the "Warranty Period"). At the option of the State, the bidder must either repair, replace, or exchange any defective piece of Hardware that the bidder or the State determines to be defective. The bidder must bear all costs and risks regarding the return of any defective piece of Hardware.
- 2.6.1.4 Bidder warrants to the State good and clear title to the Hardware, free and clear of any liens, encumbrances, or security interests.
- 2.6.1.5 Bidder warrants that it must provide remedial and preventative maintenance for the Hardware at no additional cost during the one year Warranty Period.
- 2.6.1.6 Bidder warrants that it must provide all parts and labor during the Warranty Period at no additional cost to the State. All parts must be new or certified as new. All Hardware maintenance must be on site at the Installation Site.

- 2.6.1.7 The bidder must provide a single phone number to call for warranty and maintenance service.
- 2.6.1.8 Bidder warrants that it will contact an authorized representative of BMV within an hour of notification of a problem to discuss the error codes, with a goal of solving the problem over the phone (the "1-Hour Response Time").
- 2.6.1.9 Except when adversely affected by reason of force majeure as described in paragraph 17 on page 10, the bidder must provide a qualified technician that will arrive on-site within two hours after notification that Hardware is in need of maintenance (the "2-Hour On-site Time"). The qualified technician must come prepared to fix the Hardware on the first call. The site's working hours will be taken into consideration in measuring this time.
- 2.6.1.10 Bidder warrants that any Hardware maintenance performed under the Contract during the Warranty Period must be completed within four hours after notification that Hardware is in need of maintenance within the site's hours of operation or the bidder will be in default. Failure to comply with either of these service requirements (1-Hour Response Time, 2-Hour On-site Time or 4-Hour Repair (or Fix) Time) will result in cancellation of this Contract or a charge, at the option of BMV, of \$250.00 per day commencing upon the end of the service requirements. Additionally, the bidder will have eight (8) working hours after initial notification to remedy the default before the State imposes the \$250 per day charge. Any deviation from these terms must be approved in writing by an authorized employee of BMV. A list of authorized names will be provided upon award of the Contract.
- 2.6.1.11 The On-Going Performance Requirement of section 2.6.2.2 will be effective during the Warranty period.
- 2.6.1.12 During the Warranty Period, the bidder must render maintenance to keep Hardware in, or restore Hardware to, good working order. This maintenance may include preventive and remedial maintenance, installation of safety changes and installation of engineering changes based upon the specific needs of the individual item of Hardware. This maintenance must include the repair, replacement, or exchange deemed necessary to restore the Hardware to good working order. For purposes of the Contract, Hardware restored to good working condition will be defined as Hardware that will perform all functions as prescribed in this ITB, the bidder's bid, and in the manufacturer's published specifications for such Hardware as originally manufactured.
- 2.6.1.13 Hardware maintenance will include lubrication, adjustments, and replacement of maintenance parts deemed necessary. Maintenance parts may or may not be manufactured by the original Hardware manufacturer, may be altered by the bidder to enhance maintainability, but will be acceptable to the original Hardware manufacturer. All maintenance parts must be furnished and replaced for the Hardware on an exchange basis, and the exchanged parts will become the property of the bidder. All maintenance parts must be new or certified as new.
- 2.6.1.14 Bidder must exert its best efforts to perform all fault isolation and problem determination including Hardware, System Software, and network problem diagnosis, attributed to the Hardware covered under the Contract. There will be no additional charge to the State for the warranty maintenance performed by the bidder whether or not the actual cause was determined to be isolated to within the Hardware included in the Contract.

EXCEPT AS EXPRESSLY STATED IN THE CONTRACT, THERE ARE NO OTHER WARRANTIES, EXPRESS OR IMPLIED, BY OPERATION OF LAW OR OTHERWISE, INCLUDING THE IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR PARTICULAR PURPOSE.

2.6.2 Maintenance – Hardware

2.6.2.1 Maintenance Start-Up

Maintenance will begin upon expiration of the Warranty Period as specified herein and continue for the life of the Contract and any optional renewals of the Contract.

The bidder must notify the State at least 15 days prior to the date on which the Warranty expires and maintenance begins. Before the maintenance period begins, the bidder must make sure that all Hardware is in good operating condition. If upon inspection by the bidder, the Hardware is not found to be in good operating condition, the bidder must return the Hardware to good operating condition at no cost to the State. In the absence of notification to the State that the Hardware is not in good operating condition, the bidder will be deemed to have accepted the Hardware for maintenance on the date of the Warranty expiration.

2.6.2.1 Preventive Maintenance

Preventive or scheduled maintenance must be performed at a mutually agreeable time. The bidder must specify the number of hours of preventive maintenance required for each piece of Hardware per month, which must be consistent with the bidder's established standards for preventive maintenance. The bidder must specify the frequency and duration of the preventive maintenance required for the Hardware. The State will specify when the preventive maintenance will be performed subject to change and agreeable to both parties.

If applicable, the bidder must provide periodic cleaning of printers, at the request of the State, in conjunction with calls for remedial maintenance and/or in accordance with the preventive maintenance schedule.

2.6.2.2 On-Going Performance Requirement

Any Hardware that has required remedial maintenance more than three (3) times in any 30-calendar day period due to no fault or negligence on the part of the State, will be replaced by the bidder at no additional cost to the State within ten (10) working days of written notification from the State even if the Hardware remains operational.

If, in any 30-calendar day period that the Hardware or part of the Hardware is under warranty or maintenance by the bidder, the Hardware is non-operational for more than three (3) times or for any one time for eight (8) hours or more, the bidder will be in default. The bidder can only remedy such default at the discretion of the State in one or both of the following manners:

1. The bidder must pay \$250.00 per day per default in liquidated damages to the State or
2. The bidder will replace, at no additional cost to the State that part of the Hardware that the State and the bidder reasonably determine to be the cause of the Hardware being non-operational. The bidder must install this replacement within three (3) working days of notification by the State.

In the event the bidder does not remedy the default as provided in 1 and 2, above, the State will have the right, in addition to pursuing the remedies set forth above, to pursue the remedies set forth in paragraph 8 on page 8. In such a case, the bidder will not have the ten working days to cure a default as provided in paragraph 11 on page 9.

Bidder will be solely responsible for the effective maintenance of furnished Hardware and must provide for a maintenance plan. This maintenance plan must, in conjunction with adequate back-up equipment as determined by the bidder, be designed to assure that no bidder furnished Hardware, be unusable for over four hours. In the event of Hardware failure in excess of a total of 16 hours during any thirty (30) day period at an Installation Site, the bidder will be in default and may be required to supply full-time back-up equipment for the location within ten days of notification from the State for the next thirty (30) day period at no charge. In the event of Hardware failure in excess of twenty-four (24) hours during any thirty (30) day period at an Installation Site, the bidder will be in default and may be required to supply full-time back-up equipment to the same location within ten days of notification from the State for the next ninety (90) days at no charge. In the event the bidder does not remedy the default as provided above, the State will have the right, in addition to pursuing the remedies set forth above, to pursue the remedies set forth in the Contract. In such a case, the bidder will not have the ten working days to cure a default as provided in paragraph 11 on page 9.

This section must not be construed to limit, conflict with, or modify the Warranty or maintenance sections of the Contract. At any time the Hardware is in need of remedial maintenance, the bidder must perform in accordance with the maintenance and Warranty sections of the Contract.

The bidder agrees that the liquidated damages provided herein are not a penalty.

2.6.2.3 Maintenance Continuity

If the bidder is unable to provide maintenance to meet the State's ongoing performance requirements and if, in the State's sole opinion, the bidder is unlikely to resume providing maintenance that meets the State's ongoing performance requirement, the bidder will be in default, and the State will be entitled to the remedies set forth in the Contract. The State may agree in writing to waive such default if the bidder, its receiver or its trustee will provide the following items to the State:

- 1) All information necessary for the State to perform or to have performed such maintenance including, but not limited to, logic diagrams, maintenance manuals, and system and unit schematics.

Except when adversely affected by reason of force majeure as defined in paragraph 17 page 10, the bidder must complete on-site remedial maintenance within four (4) hours after technician arrives on site, unless the State and bidder mutually agree to another period of time. If on-site remedial maintenance is not completed within four (4) hours, the bidder will be deemed in default of standards of performance. In such an instance, the bidder must provide an alternative solution that allows the Installation Site to continue operations.

All maintenance must meet the standards set forth in the requirements and terms and conditions of the Contract. Failure of the bidder to meet or maintain these requirements, terms and conditions will provide the State with the same rights and remedies as specified elsewhere in the Contract, EXCEPT THAT THE BIDDER WILL ONLY HAVE EIGHT (8) WORKING HOURS TO REMEDY A DEFAULT.

The bidder must provide adequate staff and stock necessary levels of spare parts to provide maintenance per the requirements, terms and conditions of the Contract.

- 2) A listing of suppliers capable of supplying necessary spare parts.
- 3) Available information adequate to permit the State to have spare parts manufactured elsewhere.
- 4) A listing of spare parts and their recommended replacement schedule that will enable the State to create a centralized inventory of spare parts.

Any information in items one (1) through four (4) above that is identified by the bidder as proprietary information will be maintained in confidence by the State except where disclosure to a third party is necessary in order for the State to continue the maintenance; however, any third party to whom disclosure is made pursuant thereto must agree to hold such proprietary information in confidence and to make no further disclosure thereof. Further, the State agrees that any such proprietary information will be used solely to perform the bidder's maintenance obligations hereunder and will be returned to the bidder upon completion of such use.

2.6.2.4 Withdrawal of Hardware from Maintenance

The State may, at its sole option, withdraw any item of Hardware from maintenance by bidder at any time upon thirty (30) calendar days notice without any liability excluding charges previously incurred on its part before such withdrawal, provided only that the State furnishes the bidder with a written notice of any such withdrawal before such thirty (30) calendar day period begins. bidder agrees to proceed with recertification of any Hardware withdrawn as provided in this Maintenance section.

2.6.2.5 Recertification

To ensure an orderly transition of Hardware being withdrawn from maintenance, the bidder agrees that the following steps must be taken to assure the units are recertified for original manufacturer maintenance:

- 1) Upon 30 days written notification that Hardware will be withdrawn from maintenance, the bidder will establish a schedule for completing recertification that is agreeable with the State representative at the affected Installation Site;

- 2) After the bidder has checked a unit, the original Hardware manufacturer will be notified by the bidder to inspect that unit with the understanding that it needs to be certified for maintenance; and
- 3) If any repairs are required to recertify the Hardware, the bidder will make said repairs at no additional cost to the State or as outlined in its bid.

2.6.2.6 Principal Period of Maintenance During Warranty and Maintenance Periods

On-site maintenance must be available 14 working hours per day, generally between 7:00 a.m. and 9:00 p.m. Eastern Standard Time, Monday through Saturday, excluding State holidays.

At the discretion of the State, the Principal Period of Maintenance for Hardware may be changed to alternative hours at an Installation Site.

The bidder will control and install, without charge, all safety devices it deems necessary during the principal period of maintenance. If the State refuses to permit installation of a safety change or removes a safety change already installed, the bidder may, at its option, discontinue providing maintenance until the hazard has been corrected.

If the State requests installation of engineering changes, including safety changes, at any time other than during the principal period of maintenance availability, the bidder reserves the right to charge for such service at the applicable per call rates and terms then in effect.

2.6.2.7 Maintenance Access

The bidder must keep the Hardware in good operating condition, and the State will provide the bidder with reasonable access to the Hardware to perform maintenance. All maintenance that requires the Hardware to be inoperable during the period of maintenance should be performed outside the State's customary working hours except when the Hardware is already inoperable.

2.6.2.8 Key Maintenance Personnel & Location of Service Centers

The bidder agrees that it will identify all key personnel who will be providing maintenance on the Hardware, furnish the State with a means of identifying these personnel, furnish the State with credentials on these personnel and notify the State at least thirty (30) days in advance of any reductions in staffing levels of key personnel at any local or district office serving Ohio. The bidder must provide personnel that have a minimum of one-year experience maintaining the Hardware bid. The bidder must provide references on the maintenance personnel.

The bidder must identify the location of service centers for maintenance for Ohio. The service center(s) must be strategically located so the bidder can meet the response time requirements set forth in this ITB. The State will closely review and consider the mileage to Installation Sites in assessing whether or not the bidder can meet the response time requirements.

2.6.2.9 Out of Scope Services

The following services are outside the scope of the Contract during the Warranty and maintenance periods:

- a. Electrical work external to Hardware.
- b. Repair of damage or increase in maintenance time due to causes external to the Hardware adversely affecting its operability or maintainability, which will include but not be limited to fire, flood, water, wind, lightning, or due to neglect or misuse by the State.
- c. Repair and replacement work or increase in maintenance time as a result of damage or loss resulting from accident, casualty, neglect, misuse or abuse, damage resulting from improper packing by the State and/or failure of the State to follow prescribed shipping instructions, failure of electrical power, air conditioning or humidity control, use of supplies not approved by the original

manufacturer of the Hardware and described in the bidder's bid or causes other than ordinary prudent use for the purposes for which the Hardware was designed.

- d. Repair of damage or increase in maintenance time caused by the use of Hardware for purposes other than that for which it was designed.
- e. Furnishing platens, supplies or accessories not approved by the Hardware manufacturer, painting or refinishing the Hardware or furnishing material therefore, making specification changes, or adding or removing approved accessories, attachments or other devices except as set forth herein.
- f. Systems engineering maintenance, programming, and operational procedures of any sort.
- g. Replacement of maintenance parts such as cathode ray tubes is limited to failure of such parts and does not include such occurrences as burnt phosphor on the CRT screen.
- h. Activity required to restore Hardware to good operating condition, if resulting from persons other than bidder's authorized service personnel improperly repairing, modifying or performing any maintenance service on any equipment.
- i. Maintenance to bring any Hardware into compliance with any law, rule, or regulation of any government authority having jurisdiction provided such law, rule, or regulation was not in effect on the Contract Effective Date, or any provision of any applicable insurance policy that was not in effect on the Contract Effective Date.

Upon request, services outside the scope of the Contract will be at the discretion of the bidder and, if performed after the issuance of a purchase order, will be at the bidder's applicable per call rates and terms.

2.6.3 DL/ID CARD WARRANTY TERMS AND CONDITIONS

2.6.3.1 The warranty will be the sole responsibility of the bidder.

2.6.3.2 The bidder must certify on company letterhead, signed by an authorized representative, that the durability requirements for the DL/ID card, as specified in section 2.4.4 and items 60 and 61 of section 4.2 of the ITB, will be met for a minimum of four and one-half (4 1/2) years, the required service life for a DL/ID card.

The BMV will be able to establish the length of time a card has been in service through the computer database for DL/ID card issuance sales.

If during the term of the Contract, changes need to be made to the DL/ID card imaging materials and supplies to meet durability requirements, the bidder will be in default and bear the cost for implementing the required changes needed to meet the durability requirements.

2.6.3.3 If any completed DL/ID cards fail to perform according to the specifications of this ITB for the 4 1/2-year service life, the bidder will be in default and must compensate the State at a rate of \$2.25 per defective card. The State may allow the bidder to provide replacement materials as an alternative to the compensation per defective card provision described herein.

The bidder must warrant the durability and security of each DL/ID card for 4 1/2 years from the day the card was issued by BMV. This provision survives the expiration of this Contract.

2.6.3.4 A DL/ID card may be deemed defective due to discoloration, fading, spider web cracking, spotting,

failure of laminate to adhere to substrate, or any other card failures described elsewhere in this ITB. In no instance will a card be deemed defective as a result of damage caused by the card registrant.

2.6.3.5 Following are conditions under which warranty certification would be called into question. The bidder must warrant the DL/ID cards as required herein.

Item 60 of section 4.2 of the ITB requires the bidder to submit durability test results. BMV does not intend to test the cards or to require samples for testing as part of the bid evaluation process. As part of the production deliveries of imaging materials to the Installation Sites, the bidder must provide with each production lot 50 extra, printed DL/ID cards. These cards must be representative of the cards issued by BMV and must have been printed using the same Hardware, imaging materials and supplies provided to the State under the Contract resulting from this ITB. The printed DL/ID cards must be delivered to BMV at the central site, 1970 West Broad Street, Columbus, Ohio 43223. The 50 extra DL/ID cards will be set aside by BMV under stowage conditions commensurate with the DL/ID card manufacturer's recommended stowage conditions.

In the event that it is brought to the attention of BMV that the DL/ID cards are defective as described above or elsewhere in this ITB during its required 4 ½ years service life, the DL/ID cards identified will be matched to their respective production lot. The fifty DL/ID cards in stowage for that production lot will be withdrawn and subjected to some, or all, of the testing described in item 60 of section 4.2 of this ITB, depending upon the perceived problem(s). The State reserves the right to select the testing laboratory. If the DL/ID card fails any of the tests, the bidder will be in default and must pay for the testing conducted and the BMV may enforce the compensation per defective card provision described herein. If the cards pass the test, the State will pay for the testing and work with the bidder to ascertain the problem.

BMV anticipates that the organizations listed below will act as valid initiators of possible problems with the DL/ID cards as they will most likely have an awareness of the magnitude of any card problems verses the occurrence of an occasional bad card or vandalism occurrences.

- Law enforcement agencies
- Deputy Registrar Stations
- The Office of the Ohio Governors Highway Safety Representative
- Bureau of Motor Vehicles (BMV)
- Other State Government entities that interface with the motoring public in Ohio

2.7 TECHNICAL SUPPORT REQUIREMENTS

Upon Hardware installation at each Installation Site, the bidder must provide technical support when requested. Although the bidder is not responsible under this Contract to fix a problem unrelated to the specific components contained in this bid, the bidder must assist each site in resolving any problems with, or answering any technical questions regarding, the Hardware. The bidder must also assist in identifying a problem with the entire system configuration, which would prevent this Hardware to work.

A procedure will be established between the bidder and an agency representative for reporting technical problems not covered by the Warranty and maintenance portion of this Contract.

2.7.1 Toll-free Telephone Support

Two toll-free telephone numbers must be provided for contacting the bidder. One number must be provided concerning services (Pre-Warranty, Warranty, maintenance and technical support) required and another number is required for requesting imaging materials or supplies. Both numbers must be available, Monday through Saturday, 7:00 a.m. to 9:00 p.m. Eastern Standard Time for the duration of this Contract. Telephone calls for services will be placed by authorized BMV personnel. Telephone calls for imaging materials and supplies will be placed by authorized Deputy Registrar staff. A technical support person must return the call within one hour of the phone call from authorized BMV or DRS personnel, (the "1-Hour Response Time").

2.7.2 Initial Technical Support

The bidder must provide a skilled technical representative to provide onsite assistance to BMV personnel with technical questions and problems during the first 30 days of initial implementation of Hardware installations, which will commence within 30 days of Contract award. The bidder representative will be required to work at the central site, BMV, 1970 West Broad Street, Columbus, Ohio 43223 under the direction and supervision of the DRS Help Desk Supervisor. The bidder representative will be required to work Monday through Friday, 8:00 a.m. to 5:00 p.m. Eastern Standard Time.

2.8 **STANDARDS OF PERFORMANCE AND ACCEPTANCE**

Hardware Acceptance is dependent upon a thirty (30) day successful standard of performance (Performance Period) as defined herein. The bidder will install the Hardware. This section also applies to replacement or substitute Hardware and Hardware, which is field modified after the Hardware has completed its successful Performance Period.

- a. The Performance Period will begin after the bidder has provided all installation completion letters (Attachment IV) signed by both the bidder and an authorized representative of BMV. The Performance Period will end when the Hardware has met the standard of performance for a period of thirty (30) consecutive days by operating in conformance with the bidder's technical specifications (as set forth in the bidder's operations manual for Hardware ordered or as quoted in any ITB response) and in conformance with this ITB at an effectiveness level of 95% or more for 99% of the Installation Sites. Upon Hardware Acceptance, all Installation Sites must maintain an effectiveness level of 95% or more for the duration of the Contract.
- b. In the event the Hardware does not meet the standard of performance during the initial thirty (30) days, documentation detailing Hardware problems will be given to the bidder in a timely manner in the form of BMV designed error logs. Until the bidder has demonstrably corrected all outstanding error logs, the Performance Period will not be restarted and the Hardware will not be accepted. The standard of performance test will continue on a day-by-day basis until the standard of performance is met for a total of thirty (30) consecutive days.
- c. If the Hardware fails to meet the standard of performance after ninety (90) calendar days from the start of the Performance Period, the bidder will be in default. The bidder will not have ten working days to remedy such a default notwithstanding paragraph 11 on page 9. Such a default will only be remedied when the State agrees that a successful Performance Period has been completed. In addition to all the other rights and remedies conferred to the State under the Contract, the State reserves the right to request replacement Hardware or terminate the order.
- d. The effectiveness level for Hardware is computed by dividing the sum of the uptime by the number of working hours. The number of working hours is defined as the total number of hours for the period during which the Hardware was scheduled to be available to the user (7:00 a.m. to 9:00 p.m. Monday through Saturday, excluding State holidays).
- e. Hardware downtime is that period of time when any Hardware is inoperable due to failure.
- f. During a period of downtime, the State may use operable Hardware when such action does not interfere with repair of the inoperable Hardware.

- g. Downtime will start from the time the State notifies the bidder's designated representative of the inoperable Hardware until the Hardware is returned to proper operating condition (rounded to the nearest quarter hour).
- h. Hardware will not be accepted nor charges paid until the Performance Period is complete.
- i. Uptime and downtime will be measured in hours and quarter hours.
- j. Should it be necessary, the State may delay the start of the Performance Period, but such delay will not exceed thirty (30) consecutive days after the installation completion date. Unless otherwise mutually agreed to by the State and the bidder, the Performance Period must start not later than the thirty-first (31st) day after the installation completion date.
- k. Charges for the Hardware will apply beginning on the first day of Acceptance of the Hardware by the State and will not be invoiced until that date.

2.8.1 General Test Procedures for Hardware Acceptance

The State must verify that all Hardware features and functions, which the bidder proposed, have been delivered and that they operate as set forth in the ITB.

2.8.2 Standards of Performance

The terms and conditions set forth in the Warranty and maintenance sections must be met and maintained by the bidder. Failure of the bidder to meet or maintain these terms and conditions will provide the State with the same rights and remedies as specified elsewhere in the Contract.

Bidder must provide adequate staff, labor, and stock necessary levels of spare parts to provide Pre-Warranty, Warranty and maintenance to Hardware per the terms and conditions of the Contract.

SECTION 3 IMPLEMENTATION AND INSTALLATION

3.1 DELIVERY

In addition to the provisions set forth in paragraph 13 on page 9, the following will apply:

The State may delay any delivery to a mutually agreeable time. Bidder must deliver and install the Hardware according to the project workplan submitted by the bidder and approved by the State.

Shipment by the bidder must be F.O.B. destination to the locations identified in Exhibit A:

3.1.1 Relocation of Hardware

The State reserves the right to move the Hardware acquired under the Contract.

- a. The State will prepare a relocation site that conforms to the bidder's specifications.
- b. The State will arrange and pay for all transportation, rigging, drayage, and any other relocation charges.

Rearrangement of the Hardware within the same office for the State's convenience will be entirely at the State's expense. Upon request of the State and issuance of a purchase order, the bidder may provide paid assistance and supervision, at bidder's standard rates.

3.1.2 Return of Hardware

If the Hardware is returned to the bidder for failure of performance, the bidder must, at the State's option, refund all amounts paid to the bidder for such Hardware or replace the Hardware and the following must apply:

- a. Within twenty (20) days of written notification, the bidder must prepare the Hardware for removal.
- b. Within thirty (30) days of written notification, the bidder must ship the Hardware.
- c. All shipping and insurance costs will be borne by the bidder.
- d. Bidder will be liable for any damages to the Hardware, unless caused by the fault or negligence of the State, which occur during the return process.

If the Hardware is returned to the bidder for any other reason, then the State will be responsible for all costs associated with preparation of Hardware for shipping, and for shipping costs to the bidder's nearest location.

The remedies of the State under this section will not be exclusive of any other remedies or rights of the State under the Contract or in law or equity.

3.2 **SITE PREPARATION**

The State must provide the bidder reasonable access to each Installation Site at least ten (10) days prior to installation; certify, in conjunction with the bidder, that the Installation Site is complete; participate in site preparation planning; and verify the Installation Site for compliance with written site preparation standards. The bidder must perform the following:

- 1) Develop and provide written site preparation standards for the Installation Site;
- 2) Direct and/or work with engineers, electricians, or others deemed necessary at the Installation Site;
- 3) Agree that all Hardware installations will comply with building and facility standards established by the State;
- 4) Supply the cable, and the bidder will be responsible for the cable and devices to connect the Hardware to the State provided router/hub and attach all connector devices to the cabling;
- 5) Unpack and uncrate the Hardware;
- 6) Remove all Hardware packaging from the Installation Site;
- 7) Attach all connector devices;
- 8) Complete a copy of the installation completion letter and secure required signatures for the Installation Site certifying that installation is complete and the Hardware is operational; and
- 9) Coordinate the site preparation planning.

3.3 **HARDWARE INSTALLATION**

The bidder from this ITB will be responsible for providing, installing, and maintaining the Hardware. The bidder must also provide the supplies for the Hardware to produce the DL/ID cards for the life of the Contract. The bidder must supply all cabling and devices necessary for the provided Hardware to connect to the State provided router / hub as an IP network device.

At the time of initial installation, all Hardware must be new, in good working order and it will be the bidder's responsibility to make all necessary adjustments, repairs, and replacements without additional charge to maintain the Hardware in this condition for the life of the Contract. All Hardware must be installed in accordance with the

specifications contained in the original equipment manufacturer's (OEM) installation instructions. The bidder must clearly and legibly mark all cable at both ends.

3.4 INSTALLATION SEQUENCE

The Hardware installations may occur five days a week, Monday through Friday; however, BMV prefers that bidders limit the installations to three days a week on Tuesdays, Wednesdays, and Thursdays, if possible.

The installations must be performed geographically by DRS districts (see Exhibit A). The sequence in which the printers must be installed is as follows: District 4 (Northwest), District 1 (Northeast), District 2 (East), District 3 (Southeast & Southwest) and District 5 (central).

Bidder must install one unit of the Hardware within 15 days of Contract award at the central site, BMV 1970 West Broad Street, Columbus, Ohio 43223. BMV will pilot test the Hardware at the central site. Once testing is complete, BMV will transmit a pilot completion letter (Attachment V) that will provide written approval to the bidder to begin Hardware installations. The remaining Hardware installations must begin within 30 days of Contract award. All Hardware must be installed no later than June 30th, 2004.

3.5 ASSET MANAGEMENT

The bidder will place State provided inventory labels on each item delivered and installed; record the inventory number, make, model, serial number, and location of installation; provide an electronic file to the State for addition to the asset management database. Electronic file format and location to affix the label on each item will be discussed with the bidder after award. Inventory labels are 2 inch by 1 inch preprinted self-adhesive labels generated by the Asset Management Section. Labels will be provided to the bidder after award.

To allow for tracking of items removed from a site and / or replaced by a new unit: Vendor will maintain a serial number inventory by location of all equipment provided via this ITB. An electronic listing of this information will be provided on demand, or based on a mutually agreeable schedule, to ODPS for records update. Required information: Asset Number, Serial Number, Location, Manufacturer, and Model Designation.

Vendor will be responsible to notify ODPS Asset Management any time an item is removed from a site, or any time an item is introduced to a site. Required information: Asset Number, Serial Number, Manufacturer, Model Designation, and Losing Location and / or Gaining Location.

The state requires this information to maintain accurate asset management records. Comments as to whether the item will be replaced and returned to inventory or will be disposed of are required to ensure the Asset Management Office can properly track equipment. Notification will be made to this office via FAX at (614) 466-5181 or by U.S. Mail to an address to be provided after award.

3.6 RETURN OF OLD PRINTERS BEING REPLACED BY THIS ACQUISITION

The Bidder will be responsible for returning the printers replaced by their product to ODPS. ODPS will be responsible for returning the replaced printers to State Salvage. The Bidder will be responsible to return the replaced printers to ODPS at the following ship to/delivery address:

Drivers License Printer Return
1583 Alum Creek Drive
Columbus Ohio, 43209-2713

Attn: ACF Receiving [Joe Senft/Bill Wertz]

- a. All shipping and insurance costs from the installation site to the ship to/delivery address above will be borne by the Bidder.

- b. Bidder will be liable for any damages to the systems being shipped/delivered, unless caused by the fault or negligence of the State, which occur during the return process.
- c. The Bidder will make every effort to ship/deliver the replaced printers to ODPS within 15 days of the completion of the installation of the new printers at the installation site.
- d. The Bidder will be responsible for generating a list of the serial numbers for all items turned in to ODPS from a given installation site.
- e. Coordination of the replaced printers shipping will be conducted by the bidder through the ODPS Asset Management Section at 1970 West Broad Street; Telephone (614) 752-7883 [primary], (614) 752-7826 [secondary], FAX: (614) 466-5181. Contacts: Randy Hawk [primary], Craig Batzer [secondary]

3.7 REQUIREMENT FOR CONFIDENTIALITY STATEMENT

Vendors receiving an award based upon their response to this ITB will be required to sign a confidentiality statement once they have been informed by the State as to the specific security items to be implemented on the Drivers License and/or Identity cards.

3.8 OHIO REVISED CODE SECTION 9.24

The bidder must provide a statement that the bidder is not now, and will not become subject to an “unresolved” finding for recovery under ORC 9.24, prior to the award of a Contract arising out of this ITB, without notifying DAS of such finding.

SAMPLE LANGUAGE:

Contractor affirmatively represents and warrants to the State that it is not subject to a finding for recovery under R.C. 9.24, or that It has taken appropriate remedial steps required under R.C. 9.24 or otherwise qualifies under that section. Contractor agrees that if this representation and warranty is deemed to be false, the Contract shall be void *ab initio as between the parties to this Contract*, and any funds paid by State hereunder shall be immediately repaid to State, or an action for recovery may be immediately commenced by State for recovery of said funds.

Contract Items

Contract Number: ACQ04001-1

Vendor OAKS ID: 0000091820

Effective Date: 7/2/2007

Digimarc ID Systems, LLC

OAKS Item Number	Manufacturer Part Number	Description (60 character maximum)	Price	UOM	UNSPSC Code
000000000000005658		Zebra Atlantek Card Printer P620, printer drivers included, bundled with P620 Cables, Ethernet Connector, Network Interface and Magnetic Stripe Encoder.	\$8,109.35	ea	43212100
00000000000000717		Zebra Atlantek Card Printer P620, printer drivers included	\$7,340.96	ea	43212100
000000000000005990		Cables for the Zebra Atlantek P620 Printer	\$13.59	ea	26121600
00000000000000494		Ethernet connector for the Zebra Atlantek P620 Printer	\$142.80	ea	39121400
00000000000000716		Network Interface for the Zebra Atlantek P620 Printer	\$272.00	ea	43201400
000000000000005607		Magnetic Stripe Encoder for the Zebra P620 Atlantek Printer	\$340.00	ea	43211700
000000000000009705		Completed Drivers License/Identification (DL/ID) Card, which includes the following: drivers license/identification card substrate, lamination, transportation of imaging materials and supplies, training, installation, asset management, return of old printers, technical support, pre-warranty coverage of hardware, warranty coverage of hardware, maintenance of hardware, print heads, ribbons, security features, and cleaning tape.	\$0.743	ea	55121800
000000000000003879		Hourly rate for services outside the scope of the contract	\$165.00	ea	81112200
000000000000004288		Hourly rate for hardware relocations	\$165.00	ea	81111800
000000000000004724		Performance bond	\$47,006.72	ea	80131500

ATTACHMENT II CERTIFICATION LETTER

This is a facsimile of the certification letter from the bidder stating that the initial requested installation is complete. This statement must also be signed by a representative of the State agency for whom the installation is being made. This letter should be on the bidder's company letterhead. NOTE: This is NOT a letter of acceptance. Billing/payment does NOT begin at this point. This is the beginning of the 30-day Performance Period.

Date

****Agency Contact****
State of Ohio
****Department****
****Agency Address****

Dear ****Mr./Ms. Agency Contact****:

We hereby certify that the Hardware has been successfully and completely installed to the satisfaction of the Department of Public Safety. This order was purchased from Bid Number _____ and purchase order number _____. We understand that a 30-day Performance Period commences from this date and that invoices cannot be processed until acceptance of the ordered item(s).

Sincerely,

Bidder Representative

Agency Representative

ATTACHMENT III LETTER OF ACCEPTANCE

This is a letter of acceptance. It should be reproduced on the participating Agency's letterhead. Beginning with the date this letter is signed, the warranty period will begin. This follows, and is in addition to, the certificate of successful installation (see Attachment II).

Date

****Agency Contact****
State of Ohio
****Department****
****Agency Address****

Dear ****Mr./Ms. Agency Contact****:

This letter precedes invoicing for the Contract cost for the Department of **. This equipment was ordered from Bid Number _____ and purchase order number _____. We attest to the fact that this equipment has been successfully installed and tested. We hereby agree to accept this equipment.

Sincerely,

Agency Representative

Bidder Representative

ATTACHMENT IV INSTALLATION COMPLETION LETTER

This is a facsimile of the installation completion letter from the bidder stating that the Hardware installation is complete. The bidder must supply this letter for each Installation Site completed. This statement must also be signed by a representative of the State agency for whom the installation is being made. This letter should be on the bidder's company letterhead. NOTE: This is NOT a letter of acceptance. Billing/payment does NOT begin at this point. This is the beginning of the Pre-Warranty Period for the Hardware at the Installation Site.

Date

****Agency Contact****
State of Ohio
****Department****
****Agency Address****

Dear ****Mr./Ms. Agency Contact****:

We hereby certify that the Hardware has been successfully and completely installed to the satisfaction of the _____. This order was purchased from Bid Number _____ and purchase order number _____. We understand that a Pre-Warranty Period for the Hardware at the Installation Site begins at this time.

Sincerely,

Bidder Representative

Agency Representative

ATTACHMENT V PILOT COMPLETION LETTER

This is a facsimile of the pilot completion letter from the State indicating that the pilot test of the Hardware is complete. This letter will precede the beginning of Hardware installations at the Installation Sites.

Date

****Bidder Contact Name****

****Address ****

Dear ****Mr./Ms. Bidder Contact Name****:

We hereby certify that the Hardware has successfully completed pilot testing. Hardware installations at the Installation Sites may begin at this time.

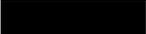
Sincerely,

Agency Representative

ATTACHMENT VI CONTRACTOR INDEX

CONTRACTOR TERMS AND SHIPMENT

BID CONTRACT #: ACQ04001


Digimarc ID Systems LLC
PO Box 2550
Fort Wayne, IN 46801-2550

SHIPMENT: 30 DAYS ARO
TERMS: Net 30 Days
FOB Destination
Free Inside Delivery

CONTRACTOR'S CONTACT: Dino Redmond Telephone: (800) 627-3899 x5320
Fax: (260) 482-2428

NOTICE TO VENDOR: EFFECTIVE IMMEDIATELY, ALL INVOICES TO THE STATE OF OHIO MUST SHOW THE VENDOR'S E.I. TAX NUMBER. THIS CONTRACT SHOWS YOUR NUMBER AS PART OF THE ADDRESS AND IS ALSO YOUR CURRENT VENDOR NUMBER.

NOTICE TO THE INSTITUTIONS: YOUR PURCHASE ORDERS AGAINST THIS CONTRACT MUST INCLUDE THE VENDOR NUMBER AS SHOWN ABOVE.