



ADDENDUM NO.: 7

IFB or RFP NO.: 728

Description: Provide Point-of-Sale Software associated hardware and implementation services for retail cannabis dispensaries across NYS

Project: DASNY OCM

Bid Opening Date: October 14th, 2022, at 2:00PM

Specifics of the Addendum: Provide responses to Requests for Information, provide a revised Bid Breakdown & Schedule per Response to Question No. 19 below and extend the Bid Opening Date to October 14, 2022, at 2 p.m.

1. Question: Can you explain the criteria and scoring for the bid review? Will there be a product demo or how will features be validated during the process? Are there any technical software or cannabis advisors assisting in the feature review?

Response: The Intent to Bid included required qualifications for submitting a Bid. Providers that meet the qualifications in the Intent to Bid will be notified of their prequalification status. The Bid is a cost-based Bid. After the Bid Opening, the apparent low bid will be reviewed per the qualifications and a product demo will be scheduled with the apparent low bidder. At that time the product demo should further confirm that the system meets all requirements included in the Detailed Specifications and Scope of Work. We expect to have representatives from DASNY, DASNY subsidiary Social Equity Servicing Corporation ("SESC"), and the New York State Office of Cannabis Management Representatives present for the demo.

2. Question: Is there an expected format or template for the final bid? How do you prefer the software to be presented in the final bid?

Response: The Provider should complete the Bid Breakdown and Schedule with pricing. We will set up a meeting for a demo with the low bidder.

3. Question: In regard to hardware and given that the solution is SaaS, we can operate with any hardware that has an internet connection. We will provide a standard kit and quote but wanted to note that we see a wide variety of hardware used based on dispensary preference.

Response: All Bidders should include the hardware they propose to use with their point-of-sale system. Pricing should be provided for a qty 1 hardware kit along with the detailed breakdown of the kit.

4. Question: Confirming that we are providing a price per Point-of-Sale station and not inclusive of all other network and hardware required to operate a dispensary.

Response: Confirmed. Pricing provided in this Bid is per Point-of-Sale station and not inclusive of all network and hardware required to operate the system in the dispensary. The Point-of-Sale Provider will be required to coordinate the infrastructure requirements (i.e., provide the requirements of their system by identifying all required parts) to the Contractor for Contractor install. All interior network connections and set up work will be performed by the Point of Sale Contractor, once the infrastructure is in place.

5. Question: How do we handle price fluctuations or increases given the hardware may not be purchased for a while and there is potential price volatility? Will there be future adjustments or is the quote fixed and the PO will be for the exact amount?

Response: Bidder shall provide a fixed pricing using escalation out to two years.

6. Question: For Intent to Bid question #6, cashless ATMs were mentioned. Given the Visa memo on December 2, 2021, condoning this activity, is the DASNY implying that cashless ATMs are acceptable in this process? We understand the current market operates on this setup, but just flagging the potential risk.

Response: We will set up a meeting for a software demo with the low bidder. At that time, bidder will be able to provide information on all cashless options.

7. Question: In regard to the financial viability, we will provide the completed risk assessment. Can you share insight as to the weighting of this portion? Given we are a high growth software company, a lot of the metrics don't necessarily capture our business properly. We will provide insight on our current capital position as well.

Response: DASNY/SESC is looking to determine if the firm from which we are procuring products and/or services will be able to provide these products and/or services without interruption from or risk of a going concern issue. If you feel that our metrics do not capture this for your company, please feel free to add an explanation to your bid.

8. Question: Does New York intend for the Fund to continue paying SaaS fees beyond 3 months for licensees who choose to continue with the chosen vendor, or will the licensees be expected to pay after the initial 3 months?

Response: The option to extend the subscription term will be made by DASNY/SESC. DASNY/SESC will have a sub-license arrangement of the SaaS with the Licensees.

9. Question: Do you prefer the chosen vendor to have a minimum level of in-house support services and account management staffing to support the 100 - 150 licensees?

Response: We prefer the chosen POS provider to have a proper level of in-house support services and account management staffing to support 100 - 150 licensees.

10. Question: Will the operators (businesses) be prohibited from using other platforms at their cost?

Response: We will require all operators to use the selected POS system. They will not be prohibited from using other platforms, subject to compliance with the regulations and guidance set forth by the New York State Office of Cannabis Management.

11. Question: Will the chosen vendor be restricted from monetizing the data?

Response: Yes. No third party can monetize such data.

12. Question: Currently dispensaries are forced to utilize numerous solutions and integrate them together. The industry knows those integrations often do not work as intended and cause additional operational burden and expense. Will there be beneficial scoring to being an all-in-one solution and will the vendor be required to demo all of the functionality, including point-of-sale, loyalty, delivery, CRM/marketing, menu screens, data analytics, native iOS applications, white label and customization capabilities?

Response: We will only require the apparent low bidder to demo on POS specifications as indicated in POS Bid documents; Detail demo scopes will be shared with the low bidder prior to the demo.

13. Question: As DASNY is selecting a statewide seed-to-sale compliance platform and a point-of-sale solution, is there any plan to select/mandate other technology vendors for statewide uniformity, including but not limited to: (1) E-commerce; (2) Loyalty and CRM; (3) Accounting / General Ledger; (4) Wholesale purchasing and distribution; and/or (5) Market-level data and analytics?

Response: The seed to sale tracking platform selection was conducted by The New York State Office of Cannabis Management, and therefore, DASNY/SESC is not in a position to comment on it.

14. Question: Is there expected to be an oral presentation segment as part of the RFP decision making process?

Response: See response to first question in this Addendum.

15. Question: Has the Seed-to-Sale tracking vendor, which will be independently procured by New York State, for the NYS Adult-Use cannabis market been identified and/or selected? And if so, can DASNY disclose this vendor?

Response: The seed to sale tracking platform selection was conducted by The New York State Office of Cannabis Management, and therefore, DASNY/SESC is not in a position to comment on it.

16. Question: Has the state of NY chosen a compliance system for the state (Metric or Biotrack)? If not, is there an RFP out for this?

Response: The seed to sale tracking platform selection was conducted by The New York State Office of Cannabis Management, and therefore, DASNY/SESC is not in a position to comment on it.

17. Question: What are the scoring criteria and their weighting for DASNY in determining the prevailing bidder for RFP # 728.

Response: See response to the first question above. A demo will be scheduled with the low bidder. The low bidder must be able to show in their demo that their proposed system meets all requirements in the Detailed Spec and Scope of work.

18. Question: Will the selected vendor be required to demonstrate their ability to support multiple third party payment solutions, third-party loyalty marketing solutions, compliance solutions (i.e. Metrc or Biotrack), dispatch solutions, in-store kiosk solutions, that a licensee may choose?

Response: The low bidder will be requested to provide a demo of their system. The demo should show the system's ability to meet all requirements included in the Detailed Specifications and Scope of Work of this Bid.

19. Question: Will the selected vendor be required to disclose their full set of fees (monthly or per transaction) that would be charged for any component of the proposed solution e.g. hardware, software, e-commerce, loyalty/marketing, etc.? What are the repercussions for withholding details of fees or costs?

Response: Bidders should include all costs associated with the monthly subscription fees in the Bid Breakdown & Schedule. Additional costs will not be honored. Bidder should provide pricing in the Bid Breakdown and Schedule for:

One (1) month subscription fee for up to 24-month term subscription.

E-commerce and all other components per the detailed specifications should be listed separately as a fixed fee line item, not a per transaction fee added to the monthly cost, and all items should be included as part of the POS software subscription pricing.

Bidder should attach a cost breakdown detailing all costs associated with the monthly POS Software subscription fee.

20. Question: If POS providers intend to charge the licensee for integration of third party software and/or integrations, including that which is required by licensee to be used, will those charges need to be disclosed?

Response: Yes, these fees need to be disclosed and included in the Bid.

21. Question: What are the critical decision factors in the vendor selection process and what is the associated weighting of each factor?

Response: See response to the first question in this Addendum.

22. Question: Will the full list of respondents be published?

Response: Yes, bid results will be posted to our website immediately after the Bid Opening

** All references herein to “DASNY” should mean, as appropriate and as the context requires, the Authority or any subsidiary thereof acting as agent of the New York Social Equity Cannabis Investment Fund, LP. Please refer to the initial Notice and Information for Bidders for further information regarding DASNY’s role and the Fund.

All other terms and conditions of the original Invitation for Bids shall remain the same.

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BID BREAKDOWN & SCHEDULE

Bidder: _____

DASNY Designated Procurement Contact: Kristen Costello, Manager Purchasing (kcostell@dasny.org)

Description: Provide Point-of-Sale Software associated hardware and implementation services

Bid Open Date and Time: October 14, 2022, at 2 p.m.

Location: DASNY, 515 Broadway, Albany, NY 12207

Provide pricing below for a quantity of one (1) complete Point of Sale System. Purchase Orders for Point of Sale Systems are anticipated to be issued for an estimated one hundred (100) to one hundred fifty (150) Point of Sale Systems for a license term of twenty four (24) months with the option to extend to forty eight (48) months.

Item No.	Description	QTY	UOM	Price
1	POS Software– 24 month subscription *	1	EA (month)	\$
2	Hardware Kit**	1	EA	\$
3	Implementation (One Time Fee)	n/a	LS	\$
4	Training: One (1) full days live session	1	EA	\$
5	MISCELLANEOUS****	n/a	LS	\$

*Bidder should pricing for one (1) month of a 24-month term subscription. E-commerce should be included as part of the POS Software subscription pricing and should not be a per transaction fee added to the monthly cost. Bidder should attach a cost breakdown detailing all costs associated with the monthly POS Software subscription fee including a flat fee for the e-commerce platform.

**Attach a detailed list including description/make/model/quantities of all hardware included in the hardware kit associated with the proposed Point of Sale System.

***Each Dispensary Licensee may require up to five full days live training sessions. Provide pricing for a qty of (1) full day training session. The number of training sessions required will vary per dispensary.

****Attach a detailed and itemized list including costs of any miscellaneous items associated with the Point-of-Sale System.

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TOTAL BID _____

(The below questions 1) and 2) need only be answered if the above total bid is for one million dollars or more)

- 1. Does your firm anticipate the use of subcontractors and outside suppliers specific to this procurement?
Yes No
- 2. Does your firm anticipate the creation of employment opportunities arising from this procurement?
Yes No

(The below information must be completed for all bids.)

Identify all subcontractors, if any: _____

STATE, PROVINCE FOR FOREIGN COUNTRY
THAT YOUR FIRM'S PRINCIPAL PLACE OF
BUSINESS IS LOCATED:

BIDDER (FIRM NAME)

ADDRESS OF FACTORY OR PLANT WHERE
ITEMS ARE MANUFACTURED AND/OR
ASSEMBLED. *(Attach additional sheet(s) if more
than one manufacturer)*

SIGNATURE

NAME (TYPE/PRINTED)

TITLE

Date

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SCOPE OF WORK

Introduction to the Office of Cannabis Management

On March 31, 2021, New York State legalized adult-use cannabis (also known as marijuana, or recreational marijuana) by passing the Marijuana Regulation & Taxation Act (MRTA). This law sets out a framework for the comprehensive regulation of legal, adult use recreational cannabis in New York State in a manner that will protect public health and safety, while promoting social equity and economic development. The MRTA also created the Cannabis Control Board (CCB) and the Office of Cannabis Management (OCM) to oversee and implement the MRTA. The CCB is authorized to issue licenses and develop regulations for the cultivation, processing, manufacture, distribution, transportation, and sale of medical cannabis, adult-use or “retail” cannabis and cannabinoid hemp in New York State. The CCB, in conjunction with OCM staff, also oversees the State’s existing Medical Marijuana Program and Cannabinoid Hemp Program, previously regulated by the Department of Health and licenses cultivators, processors, distributors, and dispensaries to grow and sell cannabis in New York. The CCB and OCM will license cultivators, processors, distributors, and dispensaries to grow and sell cannabis in New York. Additionally, the CCB and OCM has been granted the authority to create and regulate a social equity program (“Social Equity Fund Program”) to provide persons harmed by the disproportionate enforcement of the cannabis laws with licenses for the legal sale of cannabis through conditional adult use retail cannabis dispensaries in New York State (“Dispensaries”). Persons selected by the OCM and CCB to receive licenses under the Social Equity Fund Program (“Social Equity Licensees”) will be eligible for funding of their Dispensaries by a private fund, the New York Social Equity Cannabis Investment Fund, LP, (“the “Fund”) to be formed by a private fund sponsor selected by DASNY for the purpose of undertaking the initial build-out of the Dispensaries for operation by the Social Equity Licensees.

Introduction to New York Social Equity Cannabis Investment Fund, LP

Under the Social Equity Fund program, the Fund is charged, among other things, with: (i) identifying sites throughout the State that will be selected by OCM and leased by the Fund to use as Dispensaries; and (ii) undertaking the design, construction and fit out of these leased premises so they satisfy the applicable OCM requirements for Dispensaries (each a “Project” and collectively the “Projects”). The Fund will then sublease these sites to Social Equity Licensees who will be responsible for their operation. The Fund is authorized to be established pursuant to Part II of Part HH of Chapter 52 of the Laws of 2022 (the “Act”). The Fund is authorized to accept investments of up to \$200 million for purposes of funding the Projects. A portion of this investment (up to \$50 million) will be invested by the Dormitory Authority of the State of New York (the “Authority”) or a subsidiary thereof in its capacity as a limited partner (the “Public Investment”). To undertake the Projects authorized by the Act, the Fund retained is expected retain design-build firms to undertake the buildout of the Dispensaries across the State. Upon completion of the build out of dispensaries, Purchase Orders will be issued for the Dispensary’s Point-of-Sale System which will include the first 3 months of the software subscription, all associated hardware, implementation services and training

Introduction to Dormitory Authority of the State of New York

The Authority is a public benefit corporation of the State of New York empowered by Titles 4 and 4-B of the Public Authorities Law (the “Act”), to provide design and project management services, and to issue bonds, notes and other obligations, for a wide variety of public purposes. Under the Act, the Authority provides a multitude of services in various forms in connection with the design, construction and financing of capital

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facilities for State University of New York, including dormitories and educational facilities; City University of New York Senior Colleges; Community Colleges; Boards of Cooperative Educational Services; cities and counties with respect to court facilities and combined occupancy structures, as defined by law; the Department of Education of the State of New York with respect to certain facilities under its jurisdiction; other State and local governmental entities; independent colleges and universities; facilities for the aged; certain not-for-profit hospitals and nursing homes, as well as a wide variety of other not-for-profit organizations specifically described in the Act. Pursuant to PAL § 1676(2)(b) and PAL §1680(1), the Authority and any subsidiary thereof was granted the requisite authority to provide, as agent, construction and other services to OCM and the Fund. All references herein to “DASNY” should mean, as appropriate and as the context requires, the Authority or any subsidiary thereof.

DASNY as Agent for the Fund

DASNY, as agent for the Fund, is undertaking to prepare or cause to be prepared plans and cost estimates for the construction or reconstruction of Dispensaries for use by Social Equity Licensees and, in its capacity as agent for the Fund, to negotiate and Agent, to recommend to the Fund, once formed, the procurement of consultants, vendors and contractors necessary for the creation of a turnkey operation of such Dispensaries. It is expected that the Fund and DASNY will enter into a construction manager advisor agreement (the “Construction Manager Advisor Agreement”) that would obligate DASNY, in its capacity as construction manager advisor, to assist the Fund in awarding Purchase Orders for an estimated one hundred to one hundred fifty Point of Sale Systems for the Dispensaries across New York State to the lowest bidding qualified Provider. Prospective Providers should be aware that to the extent DASNY issues Purchase Orders to the awarded entity, it will only be in its capacity as an agent for the Fund. Moreover, all references to DASNY in this IFB refer to DASNY acting in its capacity as construction fund advisor and agent to the Fund and the Fund will be legally responsible for all determinations made by DASNY in that capacity.

Purpose and Scope of Work

DASNY, as agent for the Fund, invites Cannabis Point of Sale System Providers to submit Bids to provide a complete Point-of-Sale System per the requirements provided in Attachment C: Detailed Specifications. The Point-of-Sale System Provider will provide a system inclusive of software and hardware for the adult use retail cannabis dispensary facilities (“RCDs) to be operated by Social Equity Licensees. The Point-of-Sale System Provider will also be responsible for implementation and training followed by system support on an as-needed basis. Pricing should be provided in the Bid Breakdown and Schedule for one complete Point of Sale System. Purchase Orders will be issued per the pricing provided in the Bid Breakdown & Schedule. Pricing should reflect cost for a twenty four (24) month period. Purchase Orders for Point-of-Sale Systems will be issued per dispensary as they are built out. The license holder may be DASNY, as agent, the Fund, or the dispensary operator. Please advise if pricing will differ and if so, identify.

Key Dates

Invitation for Bid Issued (DASNY Bid #728)	August 9, 2022
Intent to Bid Due	August 29, 2022
Request for Information Due	August 30, 2022
DASNY Issues Response to Request for Information	September 20, 2022
Bid Opening/Bid Responses Due	October 14, 2022
Anticipated Bid Award Date	November 15, 2022

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DETAILED SPECIFICATIONS

The proposed Software Point-of-Sale System for Retail Cannabis Dispensaries should meet the following requirements:

1. SOFTWARE REQUIREMENTS

1.1 System Requirements

- User roles-based access control (RBAC) features.
- A strong password policy that includes a combination of letters, numbers and symbols (@, #, \$, %, etc.) if allowed.
- Maintains detailed activity logs to keep an audit trail of changes to the data.
- Web application is compatible with current versions of Google Chrome, Microsoft Edge, Mozilla Firefox, Safari, and mobile devices.
- Redundancy should be provided to minimize planned and unplanned downtime.
- Controls need to be in place for business continuity and data loss prevention.
- A Sandbox environment for training and implementation, if applicable.

1.2 Transactions Module

The Transactions Module should provide access for a dispensary employee to manage and track all orders including:

- The ability to scan customer ID right from the POS to verify age and add customers to the queue.
- Check-in features to capture and track the customer.
- Digital payments, Cashless ATM's or any other application the customer can use to minimize the use of cash transactions.
- An e-commerce platform which includes online menu and ordering platform that offers a built-in product library for easy creation and management of pickup and delivery (via a courier) orders available at the request of the Licensee.
- E-commerce, Cashless ATM's or other applications that shall fully integrate with the Point of Sale System or Licensee's website.

1.3 Dashboard / Reporting Module

The Analytics / Reporting Module should allow the system administrator (Licensee) to view and report transactional data including sales, cost of sales, inventory status, dispensary performance and other applicable reports:

- Provides algorithms to identify set high-risk alerts to the licensee on the dashboard to guide operations for compliance (i.e., inventory discrepancies).

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- Allows for the extraction and transfer of data sets that are needed to conduct data analysis and compliance with submission of data to the State's seed to sale database via API.
- The data files should be available in raw text, CSV, Excel, and Adobe formats.
- The capability to produce electronic reports along with printing functionality.
- Displays dashboards on devices such as smartphones, iPhones, iPads, and tablets to allow OCM staff to view them for compliance.

1.4 Administration Module

The Administration Module should include the following functionality:

- Maintains and tracks user access, password maintenance and user capabilities
- Audit trail capability to monitor user access and data transaction including data editing and deletion.

1.5 Inventory Management Module

The Inventory Management Module should include the following functionality:

- Uses Barcode Scanner to record product information.
- Uses FIFO (First In, First Out) inventory management principle to allow Licensees to prevent stocking or selling expired products.
- Provides data-related features such as automated product equivalency, purchase limit calculations, product recall management and lab testing tracking.
- Inventory is updated in real time and consolidated across multiple sales channels – online and in-store allowing for accurate inventory reporting and prevent overstocking.
- Provides inventory audit functionality including periodic cycle counting.

1.6 Compliance

New York State Cannabis Licensees will be required by the State of New York to submit data from their Point-of-Sale systems to the contracted State solution via API. The Point-of-Sale System Provider should ensure that their proposed system configures with and has the ability to transfer all required data on a real time basis to the State's Seed to Sale tracking system. The data submitted to the Seed-to-Sale tracking system will be related to product inventory, transaction data, and tax collection, including but not limited to:

- Individual item(s) sold including the form and the quantity of cannabis products and any other items sold.
- Product inventory in the dispensary.
- Selling price.
- Tax due including a separate delineation for each tax imposed on adult-use cannabis pursuant to Article 20-C of the Tax Law.
- Method of payment.

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- Employee completing the sales transaction.
- Device used to complete a sales transaction that may be a combination of software and hardware.
- Unique identifier for the sales transaction.
- Date and time of the sale.
- Any returns made by the consumer.
- Transactions between the retail dispensary and a distributor, including but not limited to receiving inventory and sending back expired or defective products.

2. HARDWARE REQUIREMENTS

The Provider should provide all hardware related to the complete operation of the Point of Sale System Proposed system hardware must include a Point of Sale terminal such as a desktop and a keyboard, ipad or tablet. Specifications for all other required hardware proposed as part of the system and included in the hardware kit such as receipt printers, barcode scanners, cash drawers, etc. must also be provided.

3. IMPLEMENTATION AND USER TRAINING REQUIREMENTS

The Provider will provide implementation services and industry expertise to the Licensee and OCM staff and facilitate the installation of all system components.

3.1 Implementation should include the following items:

- A project plan including a timeline, business rules and business analysis, implementation approach and best practices, within compliance with New York State law and regulations.
- Assign a project team with a project lead who should have experienced at least three (3) full cycles of software implementation.
- Provide a system requirement specification
- Provide a requirement traceability matrix
- System configuration
- Data migration, if applicable
- User Acceptance Testing

3.2 User training requirements

The Provider should:

- Conduct up to five (5) full days live training per dispensary onsite or via video, at a time designated by OCM or DASNY.
- Provide system administrator training separately, as needed.
- Provide a group training (multi-licensees) as needed.

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- Offer a free online course designed for all licensees, from owners and managers to budtenders including:
 - Video tutorials
 - Interactive content
 - Written documentation
 - Unlimited attendees
 - Flexible and self-directed

Upon training completion, the Provider should provide complete system documentation including:

- System Administrator manuals
- User manuals
- Installation instructions
- Troubleshooting guidelines
- Helpdesk manuals and instructions
- Data dictionary

4. MAINTENANCE/SUPPORT

Provide system maintenance, upgrades, enhancements, and support on an as-needed basis,

including but not limited to:

- Providing off-hours support for incidents, emergencies, including disaster recovery.
- Providing a customer care plan for post-Implementation.
- Providing a detailed outline of how end user will access helpdesk and other support services.
- Providing user notice regarding maintenance windows.
- Providing toll-free telephone support services during business hours to the Licensee and OCM. If standard product support hours are more expansive than business hour, Licensee and OCM should be entitled to the expansive support hours.

Provider should include information as to how the deployed hardware will be maintained throughout the term of the subscription.

- 5. To Be Determined:** In certain circumstances, DASNY as agent for the Fund, may require access to above services.