

REQUEST FOR PROPOSALS

ISSUED BY THE

CALIFORNIA HORSE RACING INDUSTRY

FOR PROVISION OF A

STATEWIDE

COMPUTERIZED PARI-MUTUEL WAGERING SYSTEM

JUNE 2014

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REQUEST FOR PROPOSALS
FOR PROVISION OF
COMPUTERIZED PARI-MUTUEL WAGERING SERVICES

1.0 INTRODUCTION

This Request for Proposal (RFP) is issued by Northern California Off Track Wagering, Inc. (NCOTWInc.) and Southern California Off Track Wagering, Inc. (SCOTWInc.) on behalf of the following racing associations, hereinafter "TRACKS": California Authority of Racing Fairs (Alameda County Fair, California State Fair, Fresno District Fair, Humboldt County Fair, San Joaquin Fair); Del Mar Thoroughbred Club; Los Angeles Turf Club; Los Alamitos Race Course; Los Angeles County Fair; Oak Tree Racing Association; Sonoma County Fair; Pacific Racing Association and watchandwager.com, LLC, and any successor racing associations that may conduct racing in California during the term of the Agreement.

Northern California Off-Track Wagering (NCOTWInc.) and Southern California Off-Track Wagering, Inc. (SCOTWInc.), hereinafter "SIMULCAST ORGANIZATIONS," are acting as Contracting Agents for the TRACKS.

The purpose of this Request is to solicit proposals from Bidders to furnish, install, operate and maintain a state-of-the-art, full-service computerized totalisator system for the conduct of pari-mutuel wagering on horse racing throughout the State of California. The system will process 1) all wagers on-track; 2) all wagers at all licensed simulcast wagering facilities (SWF's) in California; and 3) all other wagering transactions that are included in California pari-mutuel pools.

TRACKS operate in a highly competitive gaming environment in California. In order to remain competitive in this environment, TRACKS request proposals from Bidders qualified to provide, operate and maintain a new pari-mutuel system which will employ the most current, state-of-the-art technology for present, anticipated and future mechanisms of self-service betting, account wagering, walk-up wagering, web-based wagering, wireless wagering and PC wagering or any other new technologies in which Bidder might be conducting research and development. In addition, TRACKS expect a system that will support efficient management through integrated information systems, report-generating capacity and operations analysis. CHRIMS, Inc., hereinafter "CHRIMS", is an integral part of TRACKS' operations.

TRACKS are licensed to conduct horse racing in California throughout the course of the year. These organizations maintain the highest standards of quality, service, and integrity in the conduct of that racing. Any Bidder selected to offer these services will be expected to maintain these same high standards.

1.1 Goals and Objectives

TRACKS are issuing this Request for Proposals and intend to enter into a contract with the successful Bidder for computerized pari-mutuel wagering services in order to accomplish each and all the following objectives. The system provided is required to:

- A. Maximize net revenue to the California racing industry;
- B. Ensure highest standards of operational reliability, integrity and security in the conduct of pari-mutuel wagering in California and in the conduct of interstate and international simulcast wagering;
- C. Engage a Contractor with a demonstrated record of innovation, flexibility and forward thinking to provide a computerized wagering system that will meet TRACKS' operating and marketing needs for at least the next five and possibly ten years;
- D. Ensure smooth transition into new contract period;
- E. Minimize risk to TRACKS;
- F. Provide California patrons and TRACKS' pari-mutuel employees with reliable, ergonomically appropriate, efficient and safe wagering equipment;
- G. Engage a Contractor with the technical and financial resources to provide the described services on the schedule specified;
- H. Introduce new products and applications to reach new players and new markets;
- I. Meet all standards for licensure by the California Horse Racing Board ("CHRB")
- J. Provide the best value for system proposed.

TRACKS expect that any proposed system will be capable of meeting the system specifications defined by this Request for Proposal (RFP). Any proposed departure from the defined system specifications must be explained in detail.

2.0 TERMS AND CONDITIONS OF PROPOSAL SUBMISSION

RFP recipients are requested to notify TRACKS in writing of their intent to submit a bid in response to this RFP. Notification of intent-to-bid may be submitted in writing or via e-mail to the attention of George Haines, General Manager, Southern California Off-Track Wagering Inc. at the address set forth below. Such notification, if to be effective, must be received on or before **June 25, 2014**.

Bidders are to propose their newest, state-of-the-art computerized pari-mutuel wagering system, currently in operation at one or more locations. Bidder must be prepared to demonstrate such a system in operation to representatives of TRACKS.

Bidder shall deliver fifteen (15) printed copies of the Proposal no later than 4 p.m. Pacific Time on no later than **August 4, 2014** to:

Mr. George Haines,
General Manager
Southern California Off Track Wagering,
Inc. C/O Santa Anita Racetrack
285 West Huntington Drive
Arcadia, CA 91007

Phone: 626-574-6428

E-mail: ghaines@chrim.com

Bidders shall submit Proposals in two parts, one part to be the Bidder's **Technical Proposal** and the second part to be the Bidder's **Cost Proposal**.

The **Technical Proposal** must be submitted in a sealed envelope or package accompanied by a cover letter, signed by an authorized Officer, Director or Managing Agent of the Bidder, acknowledging that the Bidder agrees to be bound by the terms of its Proposal. The **Technical Proposal** will contain all elements specified in **ATTACHMENT J: TECHNICAL DESCRIPTION AND SPECIFICATIONS**.

The **Cost Proposal** will contain all pricing and cost information and shall be submitted in a separate sealed envelope or package. Both the **Technical Proposal** and the **Cost Proposal** must have the company name on the outside. No Proposals will be considered which are not received by the date set forth and at the address listed above. All materials submitted in response to this RFP will become the property of TRACKS. Each copy of the Proposal will include read-capable CD-ROM containing electronic files in Adobe .pdf format of the proposal as submitted.

Bidders will have the opportunity to make an oral presentation during the week of **August 18, 2014**.

2.1 Contact for Information or Clarification

All contacts, written or oral, relating to this RFP must be made through:

Mr. George Haines, General Manager
Southern California Off Track Wagering, Inc.
C/O Santa Anita Racetrack
285 West Huntington Drive
Arcadia, CA 91007

Phone: 626-574-6428
E-mail: ghaines@chrim.com

Oral communications are not encouraged and will not be binding. Bidders requiring clarification of the intent or content of this RFP may submit written questions to the individual listed above. To ensure response, questions must be received by **July 7, 2014**. Question and answer sets will be provided on or before **July 21, 2014** to Bidders who have stated their intent to submit a Proposal. TRACKS, in the exercise of their sole and exclusive discretion may elect to distribute selected questions and the responses to Bidders.

Questions and answers distributed will not identify the Bidder requesting clarification. TRACKS reserve the right to seek clarification of any or all items in a proposal from any Bidder at any time between date of submission and the date of Contract award or the date of the rejection of any or all proposals.

Such information will be limited to clarification of points in the original Proposal or suggested by supplemental information, if any, filed with the Proposal.

Site inspections may be arranged in advance by appointment through:

Mr. George Haines, General Manager
Southern California Off Track Wagering, Inc.
C/O Santa Anita Racetrack
285 West Huntington Drive
Arcadia, CA 91007

Phone: 626-574-6428
E-mail: ghaines@chrim.com

2.2 Bidding Confidentiality

Bidder and TRACKS separately agree that Confidentiality of the Bidding Process herein is of paramount interest and concern to each. Accordingly, Bidder and TRACKS represent and warrant one to the other that they shall not disclose to any person, firm or entity which is not an officer, director, agent or employee of Bidder or of TRACKS, any of the contents of Bidder's Bid or the operations and techniques involved in providing the services bid upon without first obtaining the written consent of the other. This representation and warranty shall survive the closing of the bidding process herein.

2.3 Confidentiality

Any Contract awarded shall include the following provisions relative to Confidentiality. As used herein "Contractor" shall refer to Bidder, if any, to whom a Contract ("Agreement") to provide the services bid upon, is awarded.

- A. During the term of the Agreement, Contractor may acquire confidential information about TRACKS and their operation.
- B. Contractor agrees that it will not, at any time, in any fashion, form, or manner, either directly or indirectly, without the prior written consent of TRACKS, disclose to any person, firm or entity or make any other use of any confidential information supplied or obtained in connection with the performance of the Agreement. Contractor also agrees that it will not prepare, collaborate on or assist with any book, article, screenplay or other work, or grant any interviews or answer any questions of third parties, concerning, in whole or in part, TRACKS operations or any aspect thereof. This obligation shall survive the termination of the Agreement.
- C. "Confidential information" is defined for purposes of the Agreement as all information made available to or obtained by you about TRACKS (or any of them) and their officers, directors, employees, shareholders and patrons, obtained as a result of the performance of the Agreement. It includes, but is not limited to, information about business dealings including, without limitation, information about businesses and enterprises in which TRACKS have a financial interest and about the financing and any aspect of the financial condition or economic condition of TRACKS. It also includes the provisions of the Agreement and the costs charged to TRACKS for each and all of the services provided by Contractor.
- D. TRACKS shall be entitled, in addition to any other right or remedy which it may have, to an injunction, including without limitation a temporary restraining order, preliminary injunction and permanent injunction, enjoining or restraining you from any violation or threatened violation of the Agreement. Contractor acknowledges that any breach of these confidentiality provisions will result in irreparable harm, with no adequate money damages or dollar remedies available to TRACKS, and therefore TRACKS shall be entitled to injunctive relief as well as compensatory damages in the event of the breach or threatened breach of these provisions.

The use of the name of any TRACK listed in Section **1.0 INTRODUCTION** as a prospective customer is prohibited without prior written consent of TRACKS.

2.4 Dates for Completion of Work

Any Contract awarded will require that installation will be completed, tested and operational as early as **September 10, 2015** and no later than **November 9, 2015**. Specific dates will be provided no later than **February 1, 2015**.

2.5 Cost of Preparing Proposals

Costs for developing Proposals are entirely the responsibility of the Bidder and shall not be chargeable in any manner or form to TRACKS.

2.6 Right to reject any or all Proposals

It is the policy of TRACKS not to solicit proposals unless there is a bona fide intention to award a Contract. However, without limitation TRACKS reserve the right in their sole and exclusive discretion to reject any or all Proposals submitted in response to this RFP. It is understood and acknowledged by all Bidders in submitting their Proposals that TRACKS are under no obligation to award a Contract on the basis of this RFP. All proposal materials submitted become the property of TRACKS. TRACKS reserve the right to award a contract on any basis considered by TRACKS to be to in their best interest.

2.7 Grounds for Mandatory Rejection

A Proposal will be rejected if:

- A. It is received at or after the time and date set for receipt of Proposals;
- B. It is not prepared in the format described in Section **3.0: INSTRUCTIONS FOR PROPOSAL FORMAT**;
- C. It does not contain a full and complete response to **Section 2.8 Administrative Requirements**;
- D. The Proposal is determined to contain false or misleading statements or references, which do not support an attribute or condition or other representation made by the Bidder. The Proposal shall be rejected if, in the opinion of TRACKS, such information was intended to erroneously and fallaciously mislead TRACKS in evaluation of the Proposal;
- E. It is not signed by an authorized officer, director, or managing agent of Bidder.

2.8 Administrative Requirements

A full and complete response to each item of the following Administrative Requirements is required for consideration of the Proposal.

- A. Company name, address, phone number, fax number (if available) and contact person.
- B. Properly executed **STATEMENT OF COMPLIANCE** in the form attached. By signing the Statement of Compliance, Bidder certifies under penalty of perjury under the laws of the State of California that the non-discrimination program requirements of Government Code Section 12990 and California Administrative Code Title II have been complied with.
- C. Key personnel must be identified, their qualifications listed and their duties on this project described. This will include account representatives, regional manager(s), supervisor(s) and hub operator(s). Submit a resume on each person describing his/her qualifications and experience. Note that all key personnel and line technicians must be licensed by CHR. **Proposal must identify all key personnel with Administrator-level passwords and describe logging procedures and audit trail for their actions. IMPORTANT NOTE: TRACKS reserve the right to approve or disapprove key personnel. TRACKS reserve the right to require changes in Vendor representatives at TRACKS' sole discretion.** Proposal will include description of Bidder's standards for employee dress and appearance.
- D. A **CONTRACTOR STATUS FORM** in the form attached must be completely filled out and enclosed.
- E. A properly executed **NON-COLLUSIVE BIDDING CERTIFICATE** in the form attached must be completely filled out and enclosed.
- F. Proposal will identify any third-party vendors of products or services that Bidder may use in provision of proposed services. Bidder is entirely responsible for procuring and servicing such products or services. TRACKS reserve the right to approve or disapprove third-party vendors.
- G. A list of contracts or work performed in this field, including persons TRACKS may contact for references, must be enclosed.
- H. A **TRADE AND FINANCIAL REFERENCES** statement in the form attached must be completely filled out and enclosed.
- I. Audited financial statements along with any pertinent information that demonstrates Bidders financial ability to perform services proposed must be enclosed.
- J. SOC I and SOC II audits.
- K. Any guarantees and warranties, which may be appropriate in evaluation of Bidder's proposal, including reimbursement for system failure or system operator error after first sixty (60) days of performance. System guarantees and warranties will be included in any contract for services that may result from these proposals.

2.9 Liquidated Damages and System Guarantees/Warrantees

Any Contract awarded hereunder shall include the following provision.

Contractor represents and warrants the proper operation of system for first sixty (60) days of operation and shall secure this representation and warranty by furnishing TRACKS with a performance bond underwritten by a corporate surety or sureties satisfactory to TRACKS insuring TRACKS for damages for losses incurred by virtue of the error, negligence, or the failure of computerized totalisator system furnished by Contractor. Since the amount of actual damage for a failure of the system would be difficult if not impossible to calculate, it shall be agreed that in the event Contractor does not have a completely operational computerized totalisator system in place by no later than **November 9th, 2015**, then and in that event, Contractor agrees that the amount of such losses shall be an amount not greater than \$1,000,000 per scheduled day of racing and that the performance bond shall be sufficient in scope to reimburse TRACKS such damages should Contractor fail to make such damage payment to TRACKS.

2.10 Non-Exclusive Rights

Nothing in this RFP or in a contract awarded as a result of proposals submitted in response to this RFP shall preclude TRACKS from purchasing other equipment or services for use in transacting pari-mutuel wagers in California or for integrating into the system described in this RFP.

2.11 Ownership of California Pari-mutuel Wagering Pool Information

By responding to this proposal, Bidder acknowledges TRACKS' exclusive ownership of all information relating to pari-mutuel pools and other pari-mutuel information managed by TRACKS. Any use of pari-mutuel pools or other pari-mutuel information managed by TRACKS, including but not limited to handle amounts, WPS pools, exotic pools, probable pay-offs, prices, identification codes and other information regarding the locations or groups of locations wagering on TRACKS, any information on where TRACKS wagering data is being transmitted, or disseminated or revealed in any way without the TRACKS direct written consent is prohibited and may be grounds for termination of any contract or agreement for services.

2.12 Licensure by CHRB Required

Bidders are advised that no person, firm or entity may furnish totalisator services in California unless and until it is properly licensed by the CHRB. Bidder must 1) furnish evidence that the system that they are proposing is currently licensed or 2) furnish written assurance that Bidder's system meets CHRB standards for licensure. Any bid received without such assurance will be rejected.

2.13 Term of Contract

Bidders shall submit proposals for services for a period of not less than five (5) years in duration and potentially up to ten (10) years through exercise of a five (5) year extension option. The option to extend will be at sole election of TRACKS. Bidder will note that the CHRB is the final authority for allocation of California racing dates. No assurance or projection about future racing dates is expressed or implied by the participants to this Request for Proposals (RFP). Since it is difficult to project a California racing calendar five years or ten years in advance, TRACKS will require up to 120 days flexibility in determination of the specific ending date of the first five year term and possible five-year extension.

2.14 Incorporation of RFP and Proposal into Contract for Services

This RFP and the proposal submitted by winning Bidder will be incorporated in the contract for computerized pari-mutuel wagering services. The Contract will be subject to **CONTRACT TERMS AND CONDITIONS** and **INSURANCE STATEMENT** contained in the Attachments.

2.15 Acceptance Period

All proposals submitted in response to this Request shall be binding on Bidder until **December 31, 2014**.

3.0 INSTRUCTIONS FOR PROPOSAL FORMAT

3.1 Format

Technical and Cost Proposals submitted in response to this RFP shall be in accordance with the requirements for format stipulated in this section. Uniformity of format in Proposal submission will assist in an equitable comparison and evaluation of all responses. The documents must be clearly legible and may be supported by diagrams and attachments. Concision, clarity and coherence of presentation are important. Any bidder who does not follow these instructions may be subject to disqualification.

3.2 Technical Proposal

The **Administrative Requirements** outlined in **Section 2.8** will constitute the first section of the **Technical Proposal**. Inclusion of a response to each item is required.

The Summary will include in concise form the salient points of the Proposal and a statement of how the Proposal achieves the Goals and Objectives called for in the RFP. The Summary will constitute the second section of the **Technical Proposal**.

A Description of Proposed Computerized Pari-mutuel Wagering Services will constitute the third section of the Technical Proposal. This Description should follow the format and specifications specified in **ATTACHMENT J: TECHNICAL DESCRIPTION AND SPECIFICATIONS** and must provide sufficient technical detail to permit proper evaluation of Bidder's ability to meet TRACKS' requirements fully, completely and timely. If appropriate, operators' guides or system reference manuals should be furnished to TRACKS for review. If subcontractors are to be used, Bidder must describe tasks that subcontractors will be performing and describe their qualifications for the performance of such services. Under any and all circumstances Bidder accepts responsibility for system performance and acknowledged that penalties or liquidated damages will apply to losses arising from system malfunction or failure.

3.3 Cost Proposal

The Cost Proposals must detail the total cost of performing the proposed installation. The Cost Proposals shall be submitted in sealed envelopes, separate from the Technical Proposal and clearly marked as to the envelope's contents. Cost Proposals shall include the following:

- A. Basic rates for 1) on-track services and 2) off-track services based on percentage of handle (See **ATTACHMENT I: PRICING INFORMATION**);
- B. Any separate cost for provision of specific types or models of terminals over and above equipment specified in **Supplemental Attachment 2A: Terminal Requirements**;
- C. Cost of software modification above basic costs, based on hourly rate, including the cost of developing new wagers above and beyond the 2,080 hours indicated included in Proposal Specifications per **Section 3.27 Special Projects Programming**;
- D. Rate for handle associated with third-party wagering devices (see **ATTACHMENT J: TECHNICAL DESCRIPTION AND SPECIFICATIONS, Section 6.23 Handle Associated with Third Party Wagering Devices**);
- E. Interface Fees. Successful Bidder will agree that no interface fees will apply between signals originating in California. Winning bidder will agree that no out-of-state location taking any California signal will be charged more than .00125 as a percentage of handle in interface fees unless agreed to in writing by TRACKS. Winning bidder will agree that no out-of-state location will be charged any daily or other periodic minimum interface fee for any signal originating in California. TRACKS will not be responsible for interface fees on handle generated from the Nevada Hub that originated outside of the State of Nevada. No interface fees will be paid by TRACKS on imports originating from out-of-state hosts serviced by winning bidder;
- F. Cost of ticket paper to be borne by successful Bidder;
- G. Cost of sales tax on paper and any possessory use tax on equipment to be borne by successful Bidder;
- H. Any and all additional on-going costs not otherwise identified herein;
- I. A projection by Bidder estimating any and all costs to TRACKS associated with the transition to a new totalisator contract, including TRACK employee requirements, TRACK construction, network and wireless requirements, and/or any other costs that Bidder estimates must be borne by TRACKS.
- J. A projection by Bidder estimating the cost of provision, installation and testing of CAT6 or successor wiring, and wireless connectivity or alternate technology where appropriate, for all tracks and SWFs. The projection should include a description of how the cost of such wiring would be amortized by Bidder. Proposal will incorporate the cost of such wiring into the basic rates described in Cost Proposal. At the conclusion of the contract, wiring will become the property of TRACKS.

4.0 SCOPE OF WORK

4.1 Description of Work

Bidder shall be responsible for site surveys and the provision of any specifications for site preparation by TRACKS. Any specifications for site preparation must be completed and submitted to TRACKS with Proposal.

Bidder shall be responsible for delivery, installation, connection, testing and operation of computerized pari-mutuel wagering system (totalisator) at all licensed race tracks and satellite wagering facilities in California, including provision of Processing Centers (Tote Hubs). Bidder will be responsible for all costs of implementation and operation of Processing Centers (Tote Hubs). This system is described in **ATTACHMENT J: TECHNICAL DESCRIPTION AND SPECIFICATIONS**. System will be operational statewide throughout California with installations at all racetracks and satellite wagering facilities licensed in this state.

Successful Bidder shall be responsible for all system operation, maintenance and service on system components, sub-assemblies, and wiring for entire duration of contract for services. Proposal will note procedures for equipment repair and location of California equipment repair depots. Bidder will specify the spare parts inventory to be kept in California, the inventory management system used to manage spare parts inventory and the person responsible for management of spare parts inventory.

4.2 Moves

Describe time required to move and setup complete systems, tote board, wagering terminals, etc. and all equipment needed from one TRACK to another. (Note: the closing Track requires set-up for simulcast operations). Submit all plans and times in writing. Bidder will be responsible for all costs associated with these moves. Race dates are allocated by the CHRB and no assurance or projection about future racing dates is expressed or implied by TRACKS issuing this Request for Proposals (RFP).

4.3 Jurisdiction and Trades

The Bidder shall acquaint itself with the premises and the trade unions so as to ensure that there is not a jurisdictional dispute and/or work stoppage during the transition period or at any other time. TRACKS expect that Bidder shall endeavor to maintain harmonious labor relations with its own employees, subcontractors, and agents. California TRACKS expect that the Bidder will provide TRACKS with at least 15 days advance notice of any actual or potential labor dispute and further require the Bidder to provide personnel to assure uninterrupted operation in the event of a work stoppage.

Bidder Responsibilities and Description of System Requirements will be used as performance criteria under the terms of the Contract for installation. Failure to perform according to these criteria may terminate the Agreement.

5.0 DESCRIPTION OF SYSTEM REQUIREMENTS

Description of System Requirements is contained in **ATTACHMENT J: TECHNICAL DESCRIPTION AND SPECIFICATIONS**. Each Bidder's Proposal must respond to the minimum requirements in accordance with the format stipulated above.

6.0 SCHEDULE

System will be fully operational statewide in California no later than **November 9, 2015**.

7.0 EVALUATION METHOD AND CRITERIA

7.1 Evaluation Overview

Each Proposal will be evaluated to determine responsiveness to Goals and Objectives of this RFP. Oral presentations will be scheduled for the week of **August 18, 2014**. Bidder will be responsible for providing any audio-visual equipment for use in oral presentations. During the evaluation process, TRACKS may wish to interview a Bidder for clarification only. Proposals cannot be changed after the time and date designated for receipt.

Evaluations will focus on an analysis of the capability of the proposed system to meet stated objectives, system requirements, competitive pricing and to meet future growth needs. TRACKS shall not be obligated to evaluate or consider any bid, which in their exclusive opinion is determined to represent a significant departure from the purpose, contents and requirements of this Request for Proposal. The ultimate selection of the winning Bidder shall be within the sole and exclusive discretion of TRACKS. By submitting a bid in response to the Request for Proposal, the bidder agrees that all materials and information contained in such bid may be used by TRACKS for any lawful purpose without any further authorization from the bidder. Such material and information can be used by TRACKS without any liability to the bidder or any third party.

7.2 Evaluation of Proposals

Proposals will be evaluated in two steps.

Step One

The Proposal will be evaluated for Technical merit according to the Criteria indicated in **Section 7.2 Evaluation of Technical Proposal**.

Step Two

Proposals meeting the minimum requirements of the Technical Evaluation will be evaluated on the basis of cost.

7.3 Evaluation of Technical Proposal

The Technical Proposal will be evaluated to determine if the:

- A. Proposed system design and configuration reflect a responsive Bidder who understands the purpose, goals and objectives of the RFP.
- B. Proposal demonstrates financial resources necessary to perform the services required; Bidder to provide audited financial statements. Bidder's financial representatives will meet with TRACKS to review financial records and performance of Bidder if so requested.
- C. Proposal demonstrates a responsible Bidder with the proven technical ability to perform the services required on schedule specified.
- D. Proposal demonstrates that Bidder possesses the capacity, skills and equipment necessary to perform required services and to train TRACKS' management, staff and patrons in efficient use of system.
- E. Proposal demonstrates that Bidder's wagering terminals or other Point of Sale (POS) devices meet or exceed TRACKS' requirements. TRACKS will favor a Proposal which includes 100% new (as opposed to used) terminals.

7.4 Events of Termination

The winning bidder shall provide services for the stated term of any Contract awarded. However, it is understood that the Contract shall contain a provision providing that the Contract shall terminate upon the happening of any or all of the events set forth below.

- A. The appointment of a receiver to take possession of all or substantially all of the assets of Contractor, or a general assignment by Contractor for the benefit of creditors, or any action taken or suffered by Contractor under any insolvency or bankruptcy act shall constitute a breach by Contractor, and TRACKS may, in their sole and exclusive discretion, terminate the Agreement.
- B. Should there be a change in Federal, State or Local law, which makes the operation of a horse race meeting with pari-mutuel wagering thereon unlawful by TRACKS, the Agreement shall terminate upon the effective date of any such law.
- C. In the event that Contractor defaults in the performance of any of the terms of the Agreement and such default is not cured within ten (10) days after written notice specifying such default, then TRACKS may in their sole and exclusive discretion, terminate the Agreement.
- D. Termination under the foregoing subparagraphs A and C above shall be subject to a written notification thereof specifying that the Agreement is terminated but such termination shall not be effective until ten (10) days from the date of such notice.

7.5 Award of Contract

It is intended that an award of Contract hereunder will be made to the Bidder TRACKS in their sole and exclusive discretion have determined will be the most responsive and responsible. TRACKS reserve the right to reject any bid should TRACKS determine in their sole and exclusive discretion that the prospective contractor is not a responsible bidder.

TRACKS will consider the following criteria in determining whether a Bidder is or is not responsible.

- A. The financial resources or the ability to obtain the resources that will be necessary to perform the services required, including financial reports specified by TRACKS;
- B. The Bidder's fitness, capacity and ability to perform on schedule the services required, taking into consideration all existing business commitments;
- C. Whether the Bidder has the necessary organization, skills, experience, equipment and facilities, or ability to obtain them, to perform services required;
- D. Whether the Bidder and demonstrate a satisfactory record of performance on prior contracts.

Proposals shall include a description of how the Bidder meets criteria for responsibility.

Each Bidder will be mailed a copy of the notice of the proposed award. Award of Contract will be announced no later than **November 17, 2014**. No protests will be entertained.

ATTACHMENT A: STATEMENT OF COMPLIANCE

Company Name: _____

(hereinafter referred to as "prospective contractor") hereby certifies, unless specifically exempted, that it is in compliance with Government Code Section 12990 and California Administrative Code, Title II, Division 4, Chapter 5 in matters relating to the development, implementation and maintenance of a nondiscrimination program. Prospective contractor agrees not to unlawfully discriminate against any employee or applicants for employment because of race, religion, color, national origin, ancestry, physical handicap, medical condition, marital status, sex or age (over forty).

I _____ hereby swear that I am duly authorized to legally
(Authorized Representative)

bind the prospective contractor to the above described certification. I am fully aware that this

certification executed on this date of _____ in the County of

_____ in the State of _____ is made under the penalty of perjury under the laws of the State of California.

Signature of Authorized Representative

Title

ATTACHMENT B: CONTRACTOR STATUS FORM

Contractor's Name _____

Address _____ California Contractor's
License Number _____
License Classification _____
Federal Employer ID Number _____ County _____

1. STATUS OF CONTRACTOR PROPOSING TO DO BUSINESS.

___ Individual Ltd. Partnership General Partnership Corporation

A. Individual

If a sole proprietorship, state the true name of sole proprietor:

B. Partnership

If a partnership, list each partner, including limited partners, stating their true name and their interest in the partnership:

C. Corporation

If a corporation, place and date of incorporation:

Date the corporation was authorized to do business in California: _____

President: _____ Vice President: _____

Secretary: _____ Treasurer: _____

Directors: _____

ATTACHMENT C: NON-COLLUSIVE BIDDING CERTIFICATE

By submission of this bid, each Bidder and each person signing on behalf of any Bidder certifies, and in the case of a joint bid each party thereto certifies as to its own organization, under penalty of perjury, that to the best of knowledge and belief:

- (1) The prices in this bid have been arrived at independently without collusion, consultation, communication, or agreement, for the purpose of restricting competition, as to any matter relating to such prices with any other Bidder or with any competitor;
- (2) Unless otherwise required by law, the prices which have been quoted in this bid have not been knowingly disclosed by the Bidder prior to opening, directly or indirectly, to any other Bidder or to any competitor; and
- (3) No attempt has been made or will be made by the Bidder to induce any other person, partnership or corporation to submit or not to submit a bid for the purpose of restricting competition.

Bidder

I hereby affirm the foregoing as true under the penalties of perjury. The undersigned is a duly authorized officer, partner, or owner of the firm identified above.

_____ Date _____
Signature of Bidder

PLEASE NOTE: If the Bidder cannot make the foregoing certification, the Bidder shall so state and shall furnish a signed statement setting forth in detail the reasons therefor.

ATTACHMENT D: TRADE AND FINANCIAL REFERENCES

Bidder's Name _____

Trade References/Suppliers

- | | | |
|----|-----------|------------------|
| 1. | _____ | _____ |
| | (name) | (telephone) |
| | _____ | _____ |
| | (address) | (credit manager) |
| 2. | _____ | _____ |
| | (name) | (telephone) |
| | _____ | _____ |
| | (address) | (credit manager) |
| 3. | _____ | _____ |
| | (name) | (telephone) |
| | _____ | _____ |
| | (address) | (credit manager) |

Bank Reference

- | | | |
|----|------------------------------|----------------|
| 1. | _____ | _____ |
| | (name) | (telephone) |
| | _____ | _____ |
| | (address) | |
| | _____ | _____ |
| | (Type of account and number) | (Loan officer) |

The undersigned is a duly authorized officer, partner, or owner of the firm identified above.

(Signed)

(Date)

ATTACHMENT E: CONTRACT TERMS AND CONDITIONS

1. TRACKS shall prepare a performance evaluation of Contractor on or before **March 1** annually. Such evaluation shall be filed with TRACKS, but in no event shall be public record.
2. Contractor shall maintain all financial records relating to this Contract for a period of three years after final payment of this Contract or until audited, whichever occurs first, and shall be available for inspection or audit at any reasonable time.
3. Contractor, by signing this Contract, does swear under penalty of perjury, that no more than one final unappealable finding of contempt of court by a Federal Court has been issued against Contractor within the immediately preceding two-year period because of the Contractor's failure to comply with an order of a Federal Court which orders the Contractor to comply with an order of the National Labor Relations Board.
4. Contractor hereby warrants that it carries Worker's Compensation Insurance for all of its employees who will be engaged in the performance of this Contract and agrees to furnish to TRACKS evidence thereof at anytime TRACKS may request (Labor Code Section 3700).
5. It is understood and agreed that this Contract shall be governed by the Laws of the State of California both as to interpretation and performance.
6. Contractor agrees to indemnify, defend and hold harmless TRACKS, their agents and employees from any and all claims and losses accruing or resulting to any and all contractors, subcontractors, materialmen, laborers and any other person, firm or corporation furnishing or supplying work, services, intellectual property, marks, logos, materials or supplies in connection with the performance of this Contract, and from any and all claims and losses accruing or resulting to any person, firm or corporation who may be injured or damaged by the Contractor in the performance of this Contract including reasonable attorney fees and costs.
7. Contractor, and the agents and employees of Contractor, in the performance of this agreement, shall act in an independent capacity in the nature of independent contractors and not as officers or employees or agents of TRACKS.
8. TRACKS may terminate this agreement and be relieved of the payment of any consideration to Contractor should Contractor fail to perform the covenants herein contained at the time and in the manner herein provided. In the event of such termination TRACKS may proceed with the work in any manner deemed proper by TRACKS. The cost to TRACKS shall be deducted from any sum due the Contractor under this agreement and the balance, if any, shall be paid the Contractor upon demand.
9. Without the written consent of TRACKS, this agreement is not assignable by Contractor either in whole or in part.
10. Time is of the essence in this agreement.
11. No alteration or variation of the terms of this Contract shall be valid unless made in writing and signed by the parties hereto, and no oral understanding or agreement not incorporated herein, shall be binding on any of the parties herein.
12. The consideration to be paid Contractor, as provided herein, shall be in compensation for all of Contractor's expenses incurred in the performance hereof, including travel and per diem, unless otherwise expressly so provided.

13. Contractor pledges its best faith effort to work with and to resolve any issues that may arise with any other suppliers, system integrators or Bidders in a manner that serves the best interest of TRACKS.
14. There may be specific requirements for individual Tracks that may be covered in separate Agreements or Addenda.

ATTACHMENT F: INSURANCE STATEMENT

The Contractor shall provide evidence of liability insurance for the term of the agreement protecting the legal liability of TRACKS, their officers, agents, servants, and employees, from occurrences as to bodily injury and property damage liability which are the result of any alleged act or omission of the Contractor made or omitted to be made while in the performance of this Contract. This may be certified by:

Bidder at its own cost shall provide and maintain appropriate insurance coverage from an insurance carrier(s) acceptable to TRACKS, naming TRACKS, their directors, officers and employees as additional insureds.

Bidder shall submit insurance policies evidencing the following coverages:

Commercial General Liability & Property Insurance

\$2,000,000 General Aggregate
\$2,000,000 Products Completed Operations
\$1,000,000 Personal Injury
\$1,000,000 Each Occurrence
\$5,000 Medical Payments

Errors & Omissions and Performance Insurance. Proposer will obtain and deliver to TRACKS an insurance policy that evidences coverage for errors and omissions in a total combined amount of at least \$10,000,000.

Commercial Automobile Liability Insurance: (in a combined single limit, covering owned, non-owned, leased, or hired vehicles for each occurrence for bodily injury or death of persons and/or loss of or damage to property):
\$1,000,000 combined single limit.

Umbrella Liability Insurance: covering the excess over the limits specified for all employers' liability, commercial general liability, and business automobile liability required hereunder, with minimum limits of \$10,000,000 per occurrence. There will be no exclusion or limitation that conflicts with any duties of Bidder hereunder contained in any insurance policy procured or maintained hereunder.

Statutory Workers' Compensation/Employers Liability Insurance Coverage.

Statutory Disability Benefits Coverage.

Any other statutorily required insurance coverage appropriate to Bidder's operations.

Bidder must maintain current insurance policies on file with the Risk Management office of Del Mar Thoroughbred Club.

All policies will be endorsed to provide a waiver of subrogation in favor of TRACKS and to provide TRACKS with 30 days advance written notice in the event of cancellation or material changes in coverage

ATTACHMENT G: LIST OF CALIFORNIA RACE TRACKS

Alameda County Fair, 4501 Pleasanton Ave., Pleasanton, CA 94566
Cal Expo Racetrack, 1600 Exposition Blvd., Sacramento, CA 95815
Del Mar Thoroughbred Club, 2260 Jimmy Durante Blvd., Del Mar CA 92014
Fresno Fair, 1121 Chance Ave., Fresno, CA 93702
Golden Gate Fields, 1100 Eastshore Blvd., Albany, CA 94706
Humboldt County Fair, 1250 Fifth St., Ferndale CA 95536
Los Alamitos Race Course, 4961 Katella Blvd., Los Alamitos, CA 90720
Los Angeles County Fair, 1101 W. McKinley Ave., Pomona, CA 91768
Los Angeles Turf Club, 285 Huntington Blvd, Arcadia, CA 91007
San Joaquin County Fair, 1658 S. Airport Way, Stockton, CA 95206
Sonoma County Fair, 1350 Bennett Valley Road, Santa Rosa, CA 95404

ATTACHMENT H: SIMULCAST WAGERING

CALIFORNIA FAIR SATELLITE WAGERING FACILITIES (OFF-TRACK)

Alameda County Fair, 4501 Pleasanton Ave., Pleasanton, CA 94566
Antelope Valley Fair, 2551 West Avenue "H", Lancaster, CA 93536
California State Fair, 1600 Exposition Blvd., Sacramento, CA 95815
Fresno Fair, 1121 Chance Ave., Fresno, CA 93702
Fresno Club One, 1033 Van Ness Avenue, Fresno, CA 93721
Los Angeles County Fair, 1101 W. McKinley Ave., Pomona, CA 91768
Monterey County Fair, 2004 Fairgrounds Road, Monterey, CA 93940
National Date Festival, 46-350 Arabia Street, Indio, CA 92201
National Orange Show, 689 South E. Street, San Bernardino, CA 92408
San Bernardino County Fair, 14800 Seventh Street, Victorville, CA 92392
San Joaquin County Fair, 1658 S. Airport Way, Stockton, CA 95206
San Diego County Fair, 2260 Jimmy Durante Blvd., Del Mar, CA 92014
San Mateo County Fair, 2495 S. Delaware Street, San Mateo, CA 94403
Santa Clara County Fair, 344 Tully Road, San Jose, CA 95111
Shasta District Fair, 1890 Briggs Street, Anderson, CA 96007
Solano County Fair, 900 Fairgrounds Drive, Vallejo, CA 94589
Sonoma County Fair, 1350 Bennett Valley Road, Santa Rosa, CA 95404
Southern California Expo, 18700 Lake Perris Drive, Perris, CA 92571
Stanislaus County Fair, 900 N. Broadway at Canal, Turlock, CA 95380
Ventura County Fair, 10 W. Harbor Blvd., Ventura, CA 93001

CALIFORNIA TRIBAL SATELLITE WAGERING FACILITIES (OFF-TRACK)

Barona Valley Ranch, 1932 Wildcat Canyon Rd., Lakeside, CA 92040
Fantasy Springs Casino, 84-245 Indio Springs Dr., Indio, CA 92201
Sycuan Gaming Center, 5469 Dehesa Rd., El Cajon, CA 92019
Viejas Casino, 5000 Willows Rd., Alpine, CA 91901

CALIFORNIA MINISATELLITE WAGERING FACILITIES (OFF-TRACK)

Banker's Casino, 111 Monterey Street, Salinas, CA 93901
Commerce Casino, 6131 Telegraph Road, Commerce, CA 90040
Ocean's 11 Casino, 121 Brooks Street, Oceanside, CA 92054
OC Tavern, 2369 S. El Camino Real, San Clemente, CA 92672
Sammy's, 23221 Lake Center Drive, Lake Forest, CA 92630
Santa Clarita Lanes, 21615 Soledad Canyon Road, Saugus, CA 91350
Santa Maria Roadhouse Grill, 1423 S. Bradley Road, Santa Maria, CA 93454
The Mermaid Tavern, 1345 Thousand Oaks Blvd, Thousand Oaks, CA 91360

CALIFORNIA MINISATELLITE WAGERING FACILITIES (OFF-TRACK) ANTICIPATED TO BE OPEN BY 2015

Firehouse Sports Bar & Restaurant, 7701 White Lane, Bakersfield, CA 93309
S&S Ventures, 2895 Hammer Avenue, Norco, CA 92860
S&S Ventures, 100 Harbor Drive, San Diego, CA 92101

OUT OF STATE SIMULCAST LOCATIONS THAT WAGER ON CALIFORNIA TRACKS

AmWest Entertainment	Corpus Christi Greyhound	LVDC	Racing & Gaming Services
Amwest Accounts	Delaware	Atlantis Paradise Casino	River Downs
Greenbrier (WV)	Delta Downs	Avatar Ventures	Rockingham Park
Riders Up (SD)	Derby Jackpot	Buffalo Thunder Resort	Rockingham Account Wagering
Time Out Lounge (SD)	Dover Downs	Foxwoods Resort Casino	Ruidoso Downs
Triple Crown (SD)	Elite Turf Club (1 to 10)	Meskwaki Bingo & Casino	Running Aces Harness Park
Arapahoe-Mile High	Ellis Park	Maronas (South America)	Saddle Brook Park
Arima Race Club	Emerald Downs	Maryland Jockey Club	Sam Houston
Arlington I	Evangeline Downs	Maywood	Valley Greyhound Park
Atlantic City Racecourse	Evangeline Downs AWA	Meadowlands	Saratoga Harness Raceway
Balmoral	Fair Grounds	Meadows The	Saratoga Bets (ADW)
Balmoral ADW (BETZOTIC)	Fair Grounds ADW	Meadows The (ADW)	Scarborough
Bangor Raceway	Fair Meadows	Millers OTB	Scioto Downs
Batavia	Finger Lakes	Mobile Greyhound	Seabrook Greyhound
Bettor Racing	Finger Lakes ADW	Monmouth Park	Social Gaming
Beulah Park	Fonner	Montana OTB	Sol Mutuel
Birmingham	Freehold	Monticello	Southland Greyhound
Bluffs Run Greyhound	Gillespie County Fair	Mountaineer Park	Sports Creek Raceway
Buffalo Raceway	Global Wagering Solutions	Mt. Pleasant Meadows	State Fair (Lincoln, NE)
Calder Racecourse	Bwin International Ltd.	Nassau Regional OTB	Suffolk District OTB
Canterbury	Intl Betting Assoc. Ltd	New Jersey Casino Assoc.	Suffolk Downs
Capital District OTB	Magna Bet	Nevada Pari-Mutuel Assoc.	Sunland Park
Catskills OTB	Racebets	Newport Jai Alai	SunRay Park & Casino
Charles Town Race Course	Greenetrack	NJ Mobile	Tampa Bay Downs
Chester Downs & Marina LLC	Greyhound @ Post Falls	Northfield	Taunton Acct Wagering
Churchill Downs	Gulf Greyhound	Cedar Downs OTB	Taunton Dog Track Inc.
Club Hipica InTurf	Gulfstream	Northville	The Downs at Albuquerque
Coeur d' Alene Casino	Harrington Raceway	NYRA	Thistledown
Colonial Downs	HarringtonBets (DE regional)	NYRA Account Wagering	Tioga Downs
Colonial Downs Phone Bet	Hawthorne Race Course	Oaklawn	Tri-State GH (Mardi Gras)
Columbus Raceway	Hawthorne ADW	Ocean Downs	Turf Paradise
Connecticut OTB	Hazel Park	Panama	Turfway Park
Bradley Teletheater, Bristol	Hoosier Park	Penn National	TVG Chester
New Britain, Norwalk, Milford	Horseman's Park	Penn National Telebet	TVG Network
East Haven, Hartford, Putnam	Idabet	Peru	TVG Prairie
Shoreline Star, Sports Haven	Indiana Downs	Philadelphia Park	Twin River Greyhound
Torrington, Waterbury	Clarksville/Evansville OTB	Philly Park Phone Bet	TwinSpires
Manchester, New London	Intermountain Racing	Plainridge Race Course	TwinSpires High Volume
Willimantic, Sanford OTB	Keeneland	Plainridge Telephone Wagering	Velocity Wagering Ltd.
John Martin's Manor Restaurant	Keeneland Select ADW	Player Management Group	Venezuela OTB
Connecticut OTB ADW	Kentucky Downs	Pocono Account Wagering	Vernon Downs
Coushatta Casino	Kentucky OTB	Pocono Downs and OTB	WatchandWager
Paragon Casino	Lebanon	Portland Meadows	Western OTB
Ho-Chunk Casino and Racebook	Les Bois (Treasure Valley)	Potawatomi Casino/ OTB	Wheeling Downs
Mohegan Sun Casino	Lewiston OTB's	Prairie Meadows	Will Rogers Downs
Oneida Bingo and Casino	Lien Games	Premier Gateway International	Wyoming OTB
Pony Bar Simulcast Center	Chips Lounge and Casino	Premier Turf Club	Wyoming Downs
Tote Investment Racing	Howard Johnsons OTB	Presque Isle Downs	XpressBet

Randall James Racetrack	Rumors OTB	Raceway Park	Yonkers Raceway
Millenium Racing	Skydancer Casino OTB	Racing2Day LLC	Yonkers ADW
Royal Beach Casino	Lien Games ADW	Racing2Day Intl. (Stan James)	Youbet Group 1
Divi Carina Bay Casino	BetAmerica and Offtrackbetting	Remington Park	Zia Park
Fair Chance, Winner's Circle	Lone Star	Remington OTB Network	123Gaming
Camouflage Gaming	Louisiana Downs	Retama	

Canadian Locations

Alberta Downs, Assiniboia, Barrie, Charlottetown, Clinton Teletheatre, Dresden, Elmira Raceway, Evergreen Park, Exhibition Park, Flamboro Downs, Fraser Downs, Fort Erie, Frederiction Raceway, Georgian Downs, Grand River, Hanover Raceway, Hastings Park, Hiawatha, Hiprodome de Quebec, Inverness Raceway, Kawartha Downs, Marquis Downs, Mohawk, New Brunswick, Northlands, Northside Downs, Picov Downs, Quinte Raceway, Rideau Carlton, Rocky Mountain Turf Club, Royal Britiana Hub, St. Johns, Sudbury Downs, TBC Sandown, TBC Teletheaters, Truro Raceway, Western Fair, Woodbine, Woodstock/Ontario

ATTACHMENT I: PRICING INFORMATION

TRACKS expect rates for services to be presented in two categories:

- 1. RATE FOR ON-TRACK SERVICES**
- 2. RATE FOR OFF-TRACK LOCATIONS IN CALIFORNIA (SWFs)**

If rates are provided in terms of handle, these rates will apply to money wagered through terminals furnished by successful Bidder.

Bidder may propose new or used equipment or a blend of new and used. However, TRACKS must be made aware of any and all used equipment to be included at the time of the initial bid. Pricing must include the cost of servicing all equipment.

Delivery charges are the responsibility of successful Bidder.

Bidder will furnish, install and terminate all necessary cable and connectors at all California wagering locations. TRACKS will be responsible for the carpentry cost of modifying existing terminal locations, mounting of hanging brackets (supplied by Vendor if needed), and future terminal locations. Once installed, brackets and wiring will become property of TRACKS.

For informational purposes, following is the 2013 racing year California handle:

On-Track (handle on all races at track conducting live racing:	\$ 410,257,620
Off-track Locations in California (SWFs):	726,897,735
In-State from licensed Advanced Deposit Wagering	531,819,779
Out of State Sites on races conducted in California	\$1,439,953,971

ATTACHMENT J: TECHNICAL DESCRIPTION AND SPECIFICATIONS INTRODUCTION

California racing organizations (“TRACKS”) are seeking a full-service computerized pari-mutuel wagering (totalisator) system supplier. The selected totalisator system supplier will also provide TRACKS consultation services as detailed in this Request for Proposal. Over the course of the contract period, TRACKS may wish to expand or enhance their network and may require additional equipment. The full-service supplier's proposal should anticipate this and describe how such changes would be accommodated within the quoted price structure.

This **ATTACHMENT J: TECHNICAL DESCRIPTION AND SPECIFICATIONS**, is organized into six Sections.

1. PLANNING, SUPPORT AND TRAINING FOR SYSTEM DEPLOYMENT

This section contains requirements for planning, support and training related to initial system deployment and to development of new opportunities.

2. WAGERING TERMINALS

This section contains technical descriptions and specifications related to wagering terminals.

3. SYSTEM REQUIREMENTS

This section contains technical descriptions, specifications and functional requirements related to host computer system, security, transaction processing, record keeping and reconciliations.

4. INFORMATION DISPLAYS - TOTALISATOR BOARD, VIDEO, AND OTHERS

This section contains totalisator board & indication requirements, video display capabilities, and functional requirements.

5. SERVICES

This section contains description of one-time duties and on-going operational & support requirements.

6. SYSTEM ARCHITECTURE AND OPERATIONS

This section contains description of requirements for system architecture and operation.

1.1 PLANNING, SUPPORT AND TRAINING FOR SYSTEM DEPLOYMENT

This section contains requirements for planning, support and training related to initial system deployment and to continuing business development. Proposal will describe in detail all elements of planning, support and training that Bidder will offer during system deployment and operation, including confirmation that Bidder has the personnel, resources and experience to complete the tasks enumerated.

1.2 Initial Deployment Planning

The successful Bidder will be required to assist racetrack management in maximizing the use of the new equipment so as to enhance the overall performance of the system for the benefit of TRACKS and to provide a smooth transition into the new contract period, including integration with CHRIMS. Describe how Bidder will help deploy the most effective mix of equipment and systems.

1.3 On-going Consultation with Racetrack Management

If awarded a contract, describe how Bidder will consult with management on an on-going basis to accomplish the following:

- A. develop an operational plan to best utilize system to meet existing needs through analysis of current demands, deployments and use-patterns, including recommendations regarding optimized distribution of teller-operated, self-service and cashless wagering terminals;
- B. develop and expand off-track and on-track wagering opportunities through increased ease-of-use and creation of new games or wagers;
- C. offer recommendations for a marketing and promotional plan to expand the existing market;
- D. develop and assist in the implementation of plans which would result in increased revenue for the racetrack, horse owners, breeders and trainers;
- E. stay current with new industry trends, standards and protocols (e.g., TRA 2020) or other industry meeting resolutions related to new protocols that might affect tote version requirements.

1.4 Installation/Implementation Plan

Provide a detailed plan and a specific time line of how the Bidder's system deployment will take place. Describe in detail what Bidder proposes to insure an orderly transition of the daily operations with minimum impact to TRACKS' staff and patrons. Plan must include tasks to be completed by successful Bidder. Tasks required by TRACKS personnel that affect timelines must be clearly indicated on the plan.

1.5 Training for Management and Front-line Staff (Tellers)

The successful Bidder will be responsible for providing a training program for management and front-line staff on matters related to the installation and use of the equipment and services provided. Describe in detail the training program for management and front-line staff recommended by Bidder, including sufficient number of training terminals no later than 60 days prior to the launch of the System. Provide samples of training materials and describe the suggested process for teller and pari-mutuel staff training.

1.6 Training for Patrons

Ease-of-use and early adoption of a new system by patrons are important elements in the successful deployment of a new totalisator system. Describe the suggested process and programs for training and education of patrons in the use of a new system. Provide a sample of training materials and describe the suggested process for patron training.

2.1 WAGERING TERMINALS

This section contains technical descriptions and specifications related to wagering terminals. See **Supplemental Attachment 2A: Terminal Requirements** for specifications regarding terminal inventory requirements.

IMPORTANT NOTES:

- **Standard Ticket Paper**

Ticket issuing machines should use one standard type of paper for all types of bets. Any limitations with respect to the supplier or type of ticket paper that may be used should be specified. TRACKS expect that the ticket printer must be able to print any specific Logo that TRACKS may choose to print on ticket paper. Bidder will be responsible for all cost of paper and shipping.

- **Types of Terminals**

Bidders must be specific regarding all terminals included in bid as to models, numbers of each model, how many new/used, etc. Terminal software must be compatible throughout California.

- **Third Party Devices**

TRACKS may wish to deploy wagering terminals or devices furnished by third parties, such as i-Pads, wireless notebooks, etc. Note: Section **2 WAGERING TERMINALS, and 2.15 Other Types of Terminals**. Bidder will describe in this section the capacity of proposed system to accommodate this specification. Nothing in this RFP or in a contract awarded as a result of proposals submitted in response to this RFP shall preclude TRACKS from purchasing other equipment or services for use in transacting pari-mutuel wagers in California or for integrating into the system described in this RFP.

- **Wiring Specifications**

TRACKS require installation of CAT-6 cable, along with associated amplifiers, processors and hardware necessary operations. In addition, TRACKS wish to plan for the future implementation of wireless technologies and will favor a Technical Proposal which describes and proposes totalisator services which employ wireless technologies over the term of the agreement where reliable and appropriate.

Describe Bidder's plan for the provision, installation and testing of CAT6 or successor wiring, wireless connectivity, or alternate technologies where appropriate, for all track and SWFs.

2.2 General Description of Terminals and Description of Terminals by Function

A. General Description of Terminals

The functional capacity of the terminal may consist of the following elements. Describe in detail the wagering terminals proposed using these elements as a guideline. Submit architectural drawings that will assist TRACKS in preparing mounting locations, cabinets counters or casework for installation of terminals. Successful Bidder will supply all terminal hanging brackets, if required.

1. control unit (specify software operating system)
2. ticket reader
3. bet slip reader
4. printer
5. keyboard and/or keypad
6. teller display
7. customer display
8. communications
9. other peripheral equipment interface (i.e. magnetic strip reader, USB ports)
10. ticket hopper capacity, including any sensor or detector that alerts operator regarding hopper overload
11. touch-screen capacity
12. special functions
13. terminal customizing

See also **SYSTEM REQUIREMENTS, Section 3.49 Terminal Functions.**

B. Description of Terminals by Function

1. Teller-operated Wagering

Specify dimensions, weight, installation procedure (Example: Hanging bracket if needed), and ticket printing speed, tickets per roll and operating features of the proposed Teller-operated Wagering Terminal. All new-generation terminals shall be equipped with high-resolution color flat screens. Describe whether and how terminal can be used for account wagering transactions. All teller terminals should be capable of performing the ticket selling, canceling and cashing functions. Terminal must be capable of handling One-day Accounts and TRACKS Account wagering. Describe any special features relating to printing of IRS statements.

2. Teller-operated Wagering/Convertible to Patron-operated Self-service Wagering

Specify dimensions, weight, installation procedure (Example: Hanging bracket if needed), and ticket printing speed, tickets per roll and operating features of the proposed Teller-operated Wagering Terminal. Describe how terminals can be converted to self-service mode and the controls in place to track this conversion. Describe numeric keypad on patron-side of terminal. All new-generation terminals shall be equipped with high-resolution color flat screens. Describe whether and how terminal can be used for account wagering transactions. The convertible, teller-operated/patron-operated terminal must be capable of being converted to patron-operated mode without any additional special hardware or software required. All teller terminals should be capable of performing the ticket selling, canceling and cashing functions. Describe terminal audio capacity and list all supported languages. Describe indicator or alarm alerting patron to remove account card, ticket or voucher. Terminal must be capable of handling One-day Accounts and TRACKS Account wagering. Describe any special features relating to printing of IRS statements.

3. Patron-operated/Self-service Terminals with Bill Acceptor

Specify dimensions, weight, installation procedure (Example: Hanging bracket, wall mount, desk-top if needed), ticket printing speed, tickets per roll, ticket hopper capacity and operating features of the proposed Self Service Terminal. Specify the nature of display (color CRT; flat screen) and how the screen can be customized to TRACKS' specifications. Describe terminal audio capacity and list all supported languages. Describe indicator or alarm alerting patron to remove account card, ticket or voucher. Terminal must be capable of handling one-day accounts and also TRACKS Account wagering. Opening a One-day Account requires a cash-only deposit at a teller-operated terminal. Describe Bill Acceptor and currency denominations of Bills allowed. A One-day Account does not require an account card; rather, the teller issues an account voucher. All account vouchers with remaining balances are converted to vouchers and the accounts are closed at the end of that day (unless an IRS cashing is involved). User friendliness and ease of operation will determine screen specifications for the self-service terminal. Customer must be able to cancel a ticket on a race provided TRACKS have the option to select the cancel flag for the amount and the time to disallow before post time.

4. Patron-operated/Self-service Terminals without Bill Acceptor

Specify dimensions, weight, installation procedure (Example: Hanging bracket, wall mount, desk-top if needed), ticket printing speed, tickets per roll, ticket hopper capacity and operating features of the proposed Self Service Terminal. Specify the nature of display (color CRT; flat screen) and how the screen can be customized to TRACKS' specifications. Describe terminal audio capacity and list all supported languages. Describe indicator or alarm alerting patron to remove account card, ticket or voucher. Terminal must be capable of handling one-day accounts and also TRACKS Account wagering. Opening a One-day Account requires a cash-only deposit at a teller-operated terminal. A One-day Account does not require an account card; rather, the teller issues an account voucher.

All account vouchers with remaining balances are converted to vouchers and the accounts are closed at the end of that day (unless an IRS cashing is involved). User friendliness and ease of operation will determine screen specifications for the self-service terminal. Customer must be able to cancel a ticket on a race provided TRACKS have the option to select the cancel flag for the amount and the time to disallow before post time.

5. Ticketless Self-service Account Wagering Terminal

Specify dimensions, weight, installation procedure and operating features of the proposed account wagering Self Service Terminal. Indicate all characteristics and user-friendly features such as high-resolution color, ease of operation, Jockey Names, Horse Names, Post Positions, Weights, Track Info, Prices, and Odds etc. Terminal must be capable of handling TRACKS One-day Account in addition to TRACKS Account wagering.

6. Cash Exchange Bill Acceptor

Specify dimensions, weight, installation procedure and operating features of the proposed Cash Exchange Bill Acceptor Terminal. Provide a detailed visual picture/drawing with function illustration descriptions of this proposed terminal. Specify the nature of display (color CRT; flat screen) and how the screen can be customized to TRACKS' specifications. Describe terminal language capacity, list all supported languages and how patron will select preferred language. Terminal must be capable of allowing patron to print either a voucher or an account betting type card. Either of these options must allow the patron to use the card or voucher at a self-service wagering terminal.

7. Wireless Self-service Account Wagering Terminal (Stationary)

Specify dimensions, weight, installation procedure (Ex. Bracket if needed), weight, and operating features of the proposed Terminal. Indicate all characteristics and user-friendly features such as high-resolution color screen, etc. Terminal must be capable of handling One Day Account and TRACKS Account wagering. Terminal must also be capable of showing race information.

8. Wireless Wagering Devices

TRACKS may wish to deploy wagering terminals or devices furnished by third parties, such as i-Pads, wireless notebooks, smart phones, etc. Bidder will describe in this section the capacity of proposed system to accommodate this specification. Nothing in this RFP or in a contract awarded as a result of proposals submitted in response to this RFP shall preclude TRACKS from purchasing other equipment or services for use in transacting pari-mutuel wagers in California or for integrating into the system described in this RFP.

Provide details of service provider and security procedures to safeguard against hackers using wireless technologies.

Describe how or whether proposed system can assist TRACKS in managing ADW WAGERS made on-track or at SWFs through mobile devices so that the wagers can be recorded by the location at which they were made. TRACKS want to ensure that wagers made within the wagering enclosure can be recorded by location in order to reflect the pari-mutuel distributions applicable to the Brick & Mortar location at which the wager was made should TRACKS have an agreement in place as described in Section 19604(5)(f)(E).

Proposed system must be capable of handling One Day Accounts and TRACKS' Account wagering.

9. Cash In/Cash Out Terminals

10. New Generation Terminals

Indicate any future plans for the development of new generation terminals, including chip acceptance technology.

2.3 Operating Description of Terminal

Because terminals are deployed in different environments (on-track, Satellite Wagering Facilities), the terminal must not require special operating conditions. Describe operating parameters of Bidder's terminals, including physical dimensions, weight, installation hardware and power requirements, etc. using as a guideline the following elements:

- A. MTKBF (Mean Tickets Between Failure). State the actual performance the terminal has reached in the field;
- B. MTBF (Mean Time Between Failures). State the actual performance the terminal has reached in the field;
- C. MTTR (Mean Time To Repair). State the actual performance the terminal has reached in the field;
- D. error-free ticket processing of not more than eight-tenths (.8) seconds under peak load conditions (time from reading in until acknowledgment print-out);
- E. hardware configuration options and installation requirements;
- F. all displays and message information including alerts for tickets, vouchers or cards left in terminals;
- G. audible alarm to reinforce messages to operator requiring attention;
- H. separate status indicators for power, transmit, and receive;
- I. how many and all terminals are uniquely identified electronically.

2.4 Betting Slips

For quicker transactions and patron ease-of-use, computerized bet slips may be used to input wagering selections into a terminal. Describe how proposed terminal and system will accommodate this type of transaction. Specify dimensions of all bet slips. Include examples. All bet slips must be accepted by all applicable terminal types that produce printed tickets provided by Bidder.

2.5 Validation, Security and Payment of Winning Tickets

Describe how Bidder's terminal and system will validate, secure and confirm winning tickets at point of sale. Describe how system ensures payment once and only once on winning ticket.

2.6 Card Readers

Describe terminal card reader capabilities for magnetic stripe, optical readers or embedded chip (also known as "PIN-and-chip" or "EVM") along with expectation for development and deployment. TRACKS will favor a proposal which describes a plan to deploy embedded chip card readers.

2.6 Ticket Reader

The ticket reader is a critical element in the terminal's ability to efficiently perform sales transactions. Very high reliability, reading speed, low reject rates and proper handling of damaged tickets are required to sustain prompt, reliable service for our patrons. Describe how Bidder's terminal ticket reader meets or exceeds the following specifications, noting actual performance:

- A. read variable length documents
- B. transport mechanism is "jam-free"
- C. validation (print-after-read) capability
- D. describe validator, including cartridge life
- E. minimum first-pass read rate reliability. Provide ample documentation.
- F. reading time at peak load capacity conditions
- G. describe ticket markings (OCR script, bar code, etc.)
- H. Proposal will include sample tickets

2.7 Printer

The printer must allow for ease-of-use, large paper supply capacity, low noise level, and high-quality print visibility. Describe how terminal printer meets or exceeds following specifications:

- A. printer controller must be self-contained in terminal assembly
- B. minimum reliability of tickets (average of 200 characters/ticket)
- C. print head description
- D. specify printer speed in lines per second
- E. minimum printing width of 40 characters and character size - supply ticket and voucher samples
- F. variable height & width characters
- G. minimum resolution of 200 dpi
- H. alpha-numeric, bar code and graphical representation (EXAMPLE: Track logo)
- I. low-paper and out-of-paper sensors
- J. high degree of mechanical safety during print, paper transport and cutting cycle
- K. specify life of cutter
- L. specify life of printer in terms of number of tickets
- M. please state decibel rating through complete issuance of a ticket including cutting cycle

2.8 Keyboard

The keyboard layout must have a clear and logical arrangement, with appropriate ergonomic consideration for terminal operator. The keys used most often should be of a different size and/or color. The construction of the keyboard should permit later addition or assignment of keys to accommodate the development of other products or games. Discrete keys are preferred, although membrane keys are acceptable. The keyboard should be resistant to splashed water, dust, humidity, and normal physical stress. Describe terminal keyboard and how it meets or exceeds specifications below.

- A. Describe keyboard, including number of keys and whether software-definable
- B. Describe how keyboard position can be adjusted by teller

2.9 Teller Display

Describe how Bidder's terminal teller display meets or exceeds the following requirements:

- A. Shows all details of bet types and amounts per bet line with a running total for each transaction. The bet line total is displayed as the wager is being entered allowing the operator to advise the customer of the cost prior to selling the bet.
- B. Each transaction (sell, pay or cancel) identifies the debit or credit of such activity on the screen. The accumulative total reflects these debits and credits allowing the operator to continue to sell without any interruption.
- C. Minutes to post is displayed.
- D. Messages such as terminal closed, keyboard prompts, error messages, scratched runners, broadcast messages from the central system, pay/collect values are all displayed clearly to the operator on the display.
- E. The teller display should be easy to read under all conditions; brightness is adjustable.
- F. Touch screen capacity.
- G. The following teller display specifications may apply:
 - 1. clearly read entered wager, view complete wager history for the day, easily edit un-issued wagers and cancel tickets
 - 2. describe screen dimensions, resolution and graphics capability
 - 3. minimum MTBF of 40,000 hours
- H. Describe how screen position can be adjusted by Teller, including how ergonomic standards are met.

2.10 Teller-operated Customer Displays

Describe how Bidder's terminal teller display meets or exceeds the following requirements for teller-operated Customer displays:

- A. The accumulative total cost of ticket(s) is displayed
- B. The amount to collect resulting from a pay, cancel or refund with an accumulative total is displayed
- C. Selective messages such as welcome, Track ID, Race #, advertising and terminal-open or terminal-closed
- D. Show Track ID, Race # and wager information while wager is being entered
- E. Describe screen dimension, resolution and graphics capability

2.11 Self-service (Patron-operated) Terminal

Describe the features of the patron interface on proposed self-service terminals.

2.12 Terminal Controller or Microprocessor and Software

Describe how the software of the Bidder's terminal will perform the following functions:

- A. secure reliable operation and continuous auditing of the transactions in conjunction with the host computer system;
- B. how it records any abnormality in operation or asynchronicity in the transaction recording at either side of the network and alerts the Processing Center (Tote Hub);
- C. confirms compliance to data input requirements and rules associated with that particular bet type; prevents any attempt to transmit the bet to the host and alerts the Operator;
- D. alerts Processing Center (Tote Hub) to large-value voucher purchases or wager cancellations.

Describe how the terminal software, controller or microprocessor meet or exceed the following specifications:

- E. The terminal software should be of a modular design utilizing a high-level language for applications software development. Preference will be given to proven software operating system generally available in the marketplace.
- F. The controller should possess test and diagnostic software to check all the functions of the terminal and to perform adjustments, as necessary.
- G. Complete software documentation should be available, including software logic overviews and data flows wherever possible.
- H. The terminal software functions to be provided are as follows:
 - 1. Terminal sign-on and sign-off
 - 2. Start of the day
 - 3. Self check of all hardware components during log-on
 - 4. Software version check

5. Password check: if, after a configurable number of attempts, the terminal will be "locked" and an appropriate message will be sent to Processing Center (Tote Hub)
 6. Identification to central system
- I. Passwords (4 digit minimum). Describe levels of passwords and operator security.
 - J. Describe other security features, such as biometric sign-on.
 - K. Fault/diagnosis device for error handling and/or diagnosis device. The error message must be displayed in the status line for the operator and stored in an error file
 - L. For all new terminals, remote diagnosis and maintenance must be possible using a remote diagnostic and/or software maintenance function from Processing Center (Tote Hub) via the data network to the terminal.
 - M. Local diagnosis and maintenance
 1. all terminal modules can be tested by the service technician at the terminal location
 2. the function of all hardware modules can be checked independently of one another at the terminal location

2.13 Terminal Communications

The communication interface should be capable of communicating to the host computer system via TCP/IP where applicable and based on terminal deployment. Describe protocols in use for Terminal Communications.

2.14 Description of Terminal Ergonomics

Describe how Bidders proposed terminal designs meet current standards and practices for workplace ergonomics. Describe any disability, workers' compensation or other such claims relating to the design of the terminal proposed by Bidder at racetracks utilizing such equipment.

2.15 Self Service Terminal Options

Describe in detail your self-service terminal options including options for cash acceptance at self-service terminals. Requirements for self-service terminals should include:

- A. the display of the bet value of each selection before a patron prints a ticket
- B. the method for alerting a patron to retrieve any remaining balance before leaving a terminal
- C. the process and time requirements for converting terminals to self service operation
- D. touch screen capacity
- E. ability to display wagering information (prices, probable will-pays, etc.)

2.16 Other Types of Terminals

Describe in detail Bidder's equipment, resources and strategy to provide wagering services or equipment other than standard terminals to areas such as dining areas, box seats, etc. Describe any Customer Relations Management functionality that Bidder's system or that Bidder's terminals may offer. Describe any third-party, subcontractor or partnership arrangements that expand range of services offered by Bidder. Include detailed information on other types of wagering terminals (wireless, etc.) that are available with the system. List other terminal types by two categories: 1) those types that are actually in operation (specify locations) and 2) those that are in development and not yet deployed.

Evaluation of proposals will favor system's ability to accommodate 1) third-party terminals; 2) functioning wireless terminals; and 3) CRM functionality available in Bidder's system.

2.17 Required Terminal Inventory for California

See attached Table in **Supplemental Attachment 2A: Terminal Requirements**. Recommend a mix of terminals based on Bidder's evaluation of its product offerings, its system capacity and its assessment of how to best serve California customers.

2.18 Protection Against Counterfeiting

The proposed system must provide extensive safeguards against the acceptance of counterfeit and/or altered items including, vouchers, account cards, tickets and bills. Please explain the measures the proposed system has to deter of counterfeiting of a ticket and bills. The successful Bidder will assume the cost/liability for all counterfeit tickets cashed and counterfeit bills accepted by a Bill Acceptor.

2.19 Currency

Describe how all bill-accepting devices will accept all United States currency in denominations of \$1 through \$100. Describe how system bill-accepting devices will accommodate future design changes in United States currency and the expected timing of such updates. Bill-accepting devices should accommodate both old and new currency designs.

Supplemental Attachment 2A: Terminal Requirements

****In the event a California Track hosts the Breeders' Cup the tote provider will supply additional equipment and personnel at no extra cost****

For all Terminals Types, indicate models and whether New or used.

Teller-operated Wagering Terminals

- 154 required as part of contract. Include weekly lease price if additional units are provided.

Teller-operated Wagering/Convertible to Patron-operated Self-service Wagering

- Terminal must have capability to flip to Self-service Mode
- 836 required as part of contract. Include weekly lease price if additional units are provided.

Patron-operated/Self-service Terminals with Bill Acceptor

- 285 required as part of contract. Include weekly lease price if additional units are provided.

Patron-operated/Self-service Terminals without Bill Acceptor

- 1,517 required as part of contract. Include weekly lease price if additional units are provided.

Cash Exchange Bill Acceptor (AKA Voucher/Account Card Dispenser)

- 65 required as part of contract. Include weekly lease price if additional units are provided.

Self-service Ticketless Account Wagering Terminal

- 140 required as part of contract. Include weekly lease price if additional units are provided.

Teller-operated Account Wagering Terminal (TAT)

- Include weekly lease price if any units are provided.

Patron-operated Cash In/Cash Out Terminal

- Include weekly lease price if any units are provided.

3.1 SYSTEM REQUIREMENTS

This section contains technical descriptions, specifications and functional requirements related to host computer system, security, transaction processing, reports, record keeping and reconciliations.

Supplemental Attachment 3A: *Specifications for Management Reports*, Supplemental Attachment 3B: *Totalisator System Staffing Levels* follow this Section and provide certain specific information.

IMPORTANT: Proposal will specify the maximum number of wagering terminals and management console terminals by type and model that proposed system will support on any given day of operation. (Please Note: Terminal Configuration must remain static at all times regardless of the presence or absence of live racing.)

By responding to this proposal, Bidder acknowledges TRACKS' ownership of all information relating to pari-mutuel pools managed by TRACKS. Any use of pari-mutuel pools' information, including but not limited to handle amounts, WPS pools, exotic pools, probable pay-offs, prices, identification codes and other information regarding the locations or groups of locations wagering on TRACKS, any information on where TRACKS wagering data is being transmitted, etc. without the TRACKS direct consent is prohibited and may be grounds for termination of agreement for services.

NOTE: Bidder will specify that totalisator system proposed for California TRACKS will be dedicated to California transactions. Proposal will acknowledge that representatives of TRACKS or CHRB may visit/inspect Processing Center (Tote Hub) at any time during hours of operation.

3.2 Description of System Software and Hardware

Proposal will include a description of the proposed operating system software and hardware and schedule of testing.

The system proposed should include at least a triplex on-line computer configuration capable of processing information necessary to conduct pari-mutuel business such as wagering/selling, cashing functions, standard betting pools, betting interests, calculating prices, odds, exacta probables, reporting, etc. and all tote functions pertaining to a wagering card. These three computer systems should be triplex in operation and operate on their own individual, protected (i.e., UPS) power source. In the event any one system should fail, the remaining two should be able to carry out all necessary functions independently and with no delay or down time. The system must be capable of running all tasks in a simplex mode. It is TRACKS' intent that a "Triplex System" resembles a master, slave and clone configuration that records every transaction simultaneously. TRACKS require additional "hot back-up" located off-site.

3.3 Tote System General Requirements

Describe how the proposed system meets the following required capacities:

- A. Minimum of 100 California betting locations and capable of expanding as needed
- B. Minimum of 75 betting cards simultaneously and capable of expanding as needed
- C. Minimum of 16 runners per race-and capable of expanding as needed
- D. Future Wagering pools similar to Kentucky Derby
- E. Minimum of 20 races per betting card and capable of expanding as needed
- F. Generation using current technology for Data Feeds to various types of web feeds and In-House displays for the purpose of displaying race data to electronic LED boards (Trans-Lux, Yesco and Daktronics are the three primary suppliers of such boards). Data to include race information odds, MTP, official order of finish, prices, race card information, entries/runner names, scratches, post position, etc.
- G. PC's for management and MIS department use in accessing a Management Information Console by connecting to a terminal server or a database server via a web browser with a firewall provided by the successful Bidder
- H. Verification of Guest Takeout Rates.
- I. Video Lottery Terminal capacity or other gaming capability, such as Internet Poker, Instant Racing, if legislatively approved
- J. Tote must provide live odds, probables, will-pays and prices, etc.- in HTML or XML for TRACKS' web site using state-of-the-art interfaces.
- K. Wagering Terminal third-party vendor Interface/Protocol to be provided
- L. Generate and maintain all detailed accounting, reports and reconciliation records required by the TRACKS, CHRIMS and the CHRB
- M. Capability for cross-cashing throughout California
- N. A MIS server capable of providing on-line and off-line information. All reconciliation, accounting and recap reports will be available to each MIS/Site Location via an on-line database and/or organized file system for the purpose of retrieving information. The MIS system must conform to CHRIMS specifications.
- O. A number of minimum and maximum bet value tables for specified terminals which can be altered on demand.
- P. System must be capable of all functions such as calculating prices, reporting, standard tote displays, and all reconciliation, accounting and recap reports, etc.
- Q. A minimum of 1,000 out-of-state wagering locations betting on California and capable of expanding as necessary
- R. System shall produce an alert and a report showing which tellers are over a monetary threshold as specified by TRACKS and, furthermore, the system shall display or print a similar report on demand for each Track/Site. The Pari-mutuel Manager's console shall indicate a warning sign to alert the manager of such thresholds and an email or text alert should be sent to management personnel as specified by TRACKS.

3.4 Location Wagering Data

All wagering data, reporting, etc. must be segregated by Location, i.e. TRA Customer ID, Event Code, and Source ID. Betting pools shall be collated for the purpose of transmitting pools via ITSP. Describe how you meet this requirement.

3.5 Administration/Race Pari-mutuel Console Requirement

The number of Admin/Race Pari-mutuel Consoles or PC web browser based systems needed varies with the size and demands of the respective locations. Systems are menu driven including for example teller controls, window controls, track payoff price information, teller adjustments, IRS reporting functions, printing of host reports, reporting, etc. by Track/Site. Also each specific location must have the capability to generate local online reports, end of day reports, and previous day reports to a local laser printer plus whatever additional reports are needed to conduct its pari-mutuel business. Describe your plan for providing administrative information.

(See Supplemental Attachment 3A: *Specifications for Management Reports and Supplemental Attachment 6A: Console Requirements for more details.*)

3.6 Account Executive Wagering Administrative Console

The number of account wagering administration consoles or PC web browser based systems needed varies with the size and demands of the respective locations. Menus include open accounts, modify accounts, adjustments to accounts, withdrawals, deposits, wagering detail history (present and previous day), IRS functions, cash position, etc., including any controls needed to conduct Account Wagering business. Successful Bidder must provide these consoles. Describe how you will deliver this functionality.

3.7 Transaction Rates

Specify the maximum number of individual transactions per second that can be processed by your proposed system using up to 6,000 terminals simultaneously. This rate of processing must be maintained for a period of at least ten minutes before post time without any loss in response time between the computer and the terminals. We expect the peak daily transaction rate is approximately 1,000 sell transactions per second and 500 cash transactions per second. Specify bandwidth requirements on intra-state communications.

3.8 Processing Center (Tote Hub) Facility

The successful Bidder is solely responsible for all costs associated with providing and maintaining the Processing Center (Tote Hub) Facility. Describe your Processing Center (Tote Hub) for California.

3.9 Power & Data Cable Requirements (Tote Hub)

The successful Bidder will be responsible for supplying, installing and maintaining all electric cables, data cables, and components. Describe certain inclusions or exclusions of peripheral equipment.

3.10 Back-up and Auxiliary Power

The successful Bidder will be responsible to provide and maintain its own UPS (Uninterruptible Power Supply) for each system to provide redundancies in case of a power failure and allow for the generator to start. The successful Bidder will be responsible for supplying its own back-up electrical generator that is capable of delivering power to the computer room at the California track conducting racing and the tote systems at the Processing Center (Tote Hub) facility. The successful Bidder must have its own UPS systems to provide power for its computer systems for at least 120 minutes for a smooth transition to electrical generator in case of power failure. The successful Bidder will be responsible for installation, all certified testing, maintenance repair and operation of back-up and auxiliary power systems. Describe your system of back-up and/or auxiliary power, and the frequency of testing.

3.11 Wireless Data Communications

It will be the responsibility of the successful Bidder to complete site surveys to accommodate all future terminal installation employing wireless communication. Describe your ability to install local wireless data communications, if applicable.

3.12 Emergency Calculation

System must have the capability for manual input of track prices if needed. Successful Bidder must provide PC based software to enable the system manager and mutuel manager to calculate prices under extraordinary conditions. Describe this capability.

3.13 Independent Monitoring System

An Independent Monitoring System such as the TRPB's Tote Security System may be requested during the term of the contract. Confirm willingness to comply with this request, if applicable.

3.14 System Monitoring of Terminal Functions: Money Laundering and Fraud Detection

The tote manager at Processing Center (Tote Hub), the on-track Pari-mutuel Manager and the Site manager must all be notified of any unusually large cashing and canceling transactions. Voucher purchases and cashes in excess of an amount specified by TRACKS with or without any betting activity must be reported on a log and a hardcopy report plus notification must be provided to the on-track Pari-mutuel Manager. System must produce a report showing which tellers are over a monetary threshold specified by TRACKS and also display or print a similar report on demand for on-track Pari-mutuel Manager and Site Manager. System must Flag and provide an alert for unusual activity (as defined by TRACKS) for any bill-acceptance device. System must provide the capability to lock any vouchers or tickets when fraud or other illegal activities are suspected. Describe how your system includes these features.

3.15 Ticket Scan/Reader

All tickets should have the capability to be optically scanned and read automatically by inserting/swiping the ticket in the reader. In case of a failure or malfunction of a reader or the insertion of damaged tickets, the system must be able to record all errors and produce a report so corrective action can be taken. The same requirement should apply to self-service terminals. Once the ticket is scanned and read, it must be branded and not returned to the public. If a branded ticket is returned, the successful Bidder will be held responsible for settling any resulting claim. Describe how your system includes these features.

3.16 Ticket Query

Location must be able to query any ticket status as required from Administration/Race Pari-mutuel Console. Tellers must be able to query up to their last twenty (20) transactions without any supervisory flag. No checksum digit will be printed or displayed on terminal or report. Describe how your system includes these features.

3.17 Transaction Logs/Reports

System should be able to produce transaction reports (Window History) on demand to settle customer disputes or monitor betting pattern(s) for any abuse. All options must be available to construct the required report. Describe how your system includes these features.

3.18 Pari-mutuel Vouchers

System must have the capability of storing the outstanding vouchers for a period of time specified by TRACKS or by CHRB before a purge of Vouchers is authorized. Tote system must be capable of identifying and validating the value of outstanding vouchers, the date of cashing transaction, cashing window and serial number of the voucher. The Voucher Ticket Book and associated reports must be sorted by Date, Meeting, Track, Race, Pool, etc. in a downloadable format. Describe how your system includes these features.

3.19 Voucher Tracking Report

Complete listing of voucher reports with selections such as: listing any betting activity, time of issue, issuing window, issuing teller, time of cashing, cashing window, cashing teller, serial number and whether the transaction is keyboard or reader. Describe how your system includes these features.

3.20 Security for Protection of “Outs” Files

Explain in detail how the “Outs” files are secured within the system and who has access to view or print. Describe the procedures for printing or purging of these tickets once the request originates from TRACKS. Describe any additional security features in detail.

3.21 Stop Betting Report

During normal operations ITSP provides stop betting and the cancellation stop time and stop betting times for all races, pools, tracks, etc. In an event of a final stop betting failure this report must be generated for TRACKS and CHRB upon request. Describe how your system includes these features.

3.22 Late Scratches

The system must have the capability to cancel individual tickets or portions of multiple-bet tickets issued on the scratched horse(s) and remove the money from the pool. Refunds on scratches for account bets will be added to the customer’s account. Describe how your system includes these features.

3.23 Account Wagering

The proposed system must have the capability for establishing individual accounts and accepting bets on those accounts with controls for complete security of an account betting function. Capabilities should exist for the customer to determine the balance of their account while either at the Site/Location or through telephone inquiries. Winnings are to be credited to all winning accounts automatically by the System. If implemented, successful Bidder will be responsible for providing the supplier with the bar-code, magnetic stripe and/or embedded chip requirements for compatibility with its readers.

When the account is accessed at the Site/Location, procedures must be in place to protect the customer’s account. System must be capable of printing various account wagering reports required by TRACKS. Executive consoles must be provided to monitor and manage this activity.

Software to Support PC Based Account Wagering

Specify if this is currently in use or if there are plans to develop such software to permit account wagering customers to access their account from their PC at home. Explain if the communication server will employ any encryption scheme and a VPN connection. Also allow customers to view only their account information, via the Internet.

Browser Based Account Wagering

Provide in-depth working of account wagering using browser from a TRACKS user account from user's home or office. Provide details of all connectivity requirements.

Mobile Device

Describe how proposed system will assist TRACKS in managing and tracking wagers made through licensed ADW providers at on-track or at SWFs through mobile devices to enable such wagers to be distributed per Business & Professions Code Section 19604(5)(E)(g) . Description should include details for capturing and tracking both wi-fi and cellular wagering via mobile devices.

3.24 Reliability

The proposed system must be capable of processing the specified workload on a consistent basis (a total system daily reliability factor of 100% is expected). Service and parts must be readily available to support this level of performance, and an adequate inventory of spare parts must be maintained. Describe how your system includes these features.

3.25 System Hardware

- A. CPU. Specify the proposed make/model of the central processing unit, together with its associated technical characteristics (internal structure, speed and throughput, memory type and size, register addressing, upgrade capacity, etc.) Also, specify the number of processors proposed and expansion capabilities. If a virtual system is proposed, specify the method for allocating server resources and the software to be utilized.

- B. Data Storage. Specify the proposed auxiliary storage units, operating characteristics, and expansion capabilities. Please submit and explain schematics of all storage devices attached to each computer and the method of redundancy of each. If RAID drives are employed specify which level is employed. If you are planning to use any storage area network (SAN) appliances for storage at the Processing Center (Tote Hub), please submit written details.

- C. System Redundancy. Describe how the proposed system addresses fault tolerance. Specify the proposed make/model of equipment to be utilized for recovery.

3.26 Ease of Operation

The proposed terminals for selling and cashing should not require a high level of mechanical ability to operate. Describe how your system meets this requirement.

3.27 Special Projects Programming

The proposed system must have software that is written in a programming language that is flexible and can be easily modified in the future, if necessary. The software must have been written and shall be maintained using industry standard development practices, including quality assurance practices; for example thorough regression testing. The successful Bidder must have a programmer(s) based at location(s) approved by TRACKS to accommodate the California racing industry's changing environments and/or software issues. Proposal will require a minimum of 2,080 programming hours per year at no additional cost to TRACKS and successful Bidder will provide monthly reports to TRACKS detailing the number hours charged for each project. Bidder must notify TRACKS, CHRIMS, and the CHRB, and test with CHRIMS, prior to implementing any software changes. These hours are cumulative and any unused hours shall be carried over to following years. TRACKS' designee(s) must approve all programming time in advance. Describe how your system includes these features.

3.28 Data Feeds or Web Services

A race data interface feed to Video PC's, display boards, TV Control Room, Trakus or any future data tracking system, etc. Systems data must include race information, teletimer, current odds, probables, pools, official prices, all race card information, entries/runner names, post position, etc. Successful Bidder must have of a minimum of 20 data ports/feeds or Web Services available to interface with various devices to interface with CCTV for enhanced Video Graphic Imaging and Information Systems Department for live tote information as needed by TRACKS. The specification must be enclosed with the response.

3.29 Relational Database and Database Server

Successful Bidder will provide and support a relational database on a dedicated server or servers, with redundancy, for all data required by various accounting departments, information technology departments, money room, CHRIMS, members of TRACKS, the CHRB, or any subcontractors of TRACKS as TRACKS may specify. TRACKS and CHRIMS will jointly specify the requirements for this system. The user interface must be Internet accessible to avoid conflict with other LAN/WAN applications.

This information system will include online access to handle, payoff, statistical information and other types of information detailed below. Information should be accessible via ad hoc query and in graphical representation as applicable. This information system will augment any type of serial based admin console with attached printer at each Site/Location. TRACKS' MIS departments or subcontractors, and CHRIMS will provide all mandatory file formats to the successful Bidder.

In addition to the relational database functions described above, the proposed tote system locally shall print all daily activities performed by the on-line computer system to meet all of TRACKS, CHRIMS, the CHRB's and Auditors' requirements. All reports and file formats must also meet Racing Industry Standards (TRA 2020) and CHRIMS specifications if applicable.

Provide relational schema of your information system in Proposal. Also speak to the capabilities of the following specialized reporting requirements.

- A. Handle and Settlement. Utilizing the TRA 2020 Committee settlement files, the successful Bidder must provide settlement files to CHRIMS and TRACKS to enable accounting departments to settle with all simulcast import and export facilities. Bidder will specify how long TRA settlement type information will be archived for the use by CHRIMS and TRACKS, a minimum of two (2) years. Bidder will also describe how quickly information is available after any given transaction has been processed through the tote system.
- B. Money Room. Utilizing the information system above, the successful Bidder must provide files to TRACKS and CHRIMS to reconcile the tote system and money room. Specify information and files provided for tellers, teller cash drawer and related transactions.
- C. W2-G System. Successful Bidder must provide an IRS W2-G reporting system. Provide a full description of the reporting system, listing all related reports, special search criteria and capability to convert data into readable sources. The W2-G System must have the capability of segregating all necessary reporting by Location. IRS W-2G data must be electronically provided to TRACKS and CHRIMS.

Describe how your system includes these features.

3.30 Player Tracking System

The successful Bidder's system and all terminals must be able to support Player Tracking, bar code cards and magnetic stripe cards, and be upgradable to support embedded chip cards. The System must also accommodate Account Wagering Accounts. The successful Bidder should have the capacity to add an additional reader compatible with a VLT/Slot terminal in case these terminals are equipped with different reader. Describe the Interface to Interactive Account Wagering Website. The successful Bidder must provide a player tracking feed to CHRIMS and/or a third party at no addition cost, on a race by race basis during the event. Describe how your system includes these features. Describe how your system handles pin and chip cards.

3.31 Employee Assignments System

Describe system capability for employee assignments and how the system interfaces with other accounting or payroll systems. Describe how your system handles assignments for employees who do not sign on to a wagering terminal.

3.32 Handicapping Contest

System must be capable of allowing of a Handicapping Contest by one site only or by all sites. Rules will be provided by Tracks. Proposal will include description of Bidder's current handicapping contest and rules. Describe how your system includes these features, including but not limited to input of contestant data into system, activation of wagering cards, race by race standings, contestant activity reports, IRS reports, and total contest wagering by contestant.

3.33 Instant Winner

System software must be able to print Instant Winner voucher(s) and/or gift ticket(s) at random utilizing Self Service Terminals depending on the criteria and threshold defined by TRACKS. Reporting and accounting must be provided to TRACKS. The system must include auditing capabilities as to the algorithm used to generate random voucher(s) and/or gift tickets, and shall provide such documentation and proof of its quality control prior to implementation. System must be capable to turn on Instant Winner by Association/Location. Describe how your system includes these features.

3.34 Promotional Vouchers

TRACKS from time to time will ask the successful Bidder to print promo vouchers with no value printed on the ticket but that will notify the patron of the redemption date. TRACKS will provide additional special text to be printed on tickets in advance of the printing. The successful Bidder will load the ticket file only on that day(s) to turn cashing on. Any remaining tickets will be purged from the system after the promotion is over and a complete accounting of the cashed and uncashed vouchers must be provided. Describe how your system includes this feature.

Successful Bidder will be responsible for the security of the promotional voucher/ticket file. On the day of the promotion, a report listing all tickets loaded in the system and a recap of cashed vouchers and all associated information is required. System must be capable to turn on Promotional Vouchers by Association/Locations. Describe how your system includes these features.

3.35 Stop Betting from Stewards Console

Describe how system handles the stop-betting signal from Stewards. Also, another option must be provided, that is non-final (e.g., one minute to Post for selected sites) stop betting to importing associations if desired. If your system complies with the TRPB's security system, describe the measures and testing performed to insure compliance.

3.37 Benchmark Demonstration

The successful Bidder may be asked to demonstrate its ability to meet the defined system requirements. Any expenses associated with the benchmark demonstration will be the responsibility of the Bidder.

3.38 Betting Pools

By responding to this proposal, Bidder acknowledges TRACKS' ownership of all information relating to pari-mutuel pools managed by TRACKS. Any use of pari-mutuel pools' information, including but not limited to pool amounts, WPS pools, exotic pools, probable pay-offs, prices, etc. without the TRACKS prior written consent is prohibited and may be grounds for termination of agreement for services.

- A. The proposed system must perform the necessary functions to accumulate and interface (using the latest supported on-track or off-track protocol version) the betting pools described in the rules and regulations of the ARCI (Association of Racing Commissioners International) and CHRB.
- B. For inter-track, interstate, international or off-track betting, each pool is established at the beginning of the day based upon the racing profiles of each track.
- C. Minimally, system must accept wagers on 16 runners per race and be capable of expanding to 32 runners.
- D. Minimally, system must support wagering on 50 racetracks or racing programs simultaneously.
- E. Supplier will meet all standards required by the CHRB.
- F. Tote-to-tote protocol: The highest operational level of ITSP interface software is required. Any future releases will be implemented within a short period of time and TRACKS expect that successful Bidder will be fully involved with its development and have the best interests of TRACKS in mind.
- G. Wagering Pools by Type

List of Industry Standard Wagers:

- 1. Win, Place & Show
- 2. Exacta
- 3. Quinella
- 4. Trifecta
- 5. Daily Double
- 6. Pick 3, Pick 4, Pick 5, Pick 6, Pick 7, Pick 8, Pick 9, & Pick 10
- 7. Superfecta
- 8. Pentafecta
- 9. Unique Ticket Jackpot
- 10. Parlay Betting
- 11. Place Pick All covering up to 11 races on a card
- 12. Alternate Runner

13. All other pools offered by simulcast tracks in the U.S.
14. All International track pools offered for wagering by TRACKS.

Describe how your system includes these features.

3.39 Number of Betting Interests

The system must be capable of transacting wagering for a minimum of 16 separate betting interests including entries and fields in any given race and be capable of expanding any number of betting cards to 32 runners. Full range betting capability is mandatory. In addition, the capability to wheel and partial wheel for Daily Double, Quinella, Exacta, Trifecta, Superfecta and Pentafecta is a must. Also, the capability to accept box bets for Exacta, Quinella, Trifecta, Superfecta, and Pentafecta and accept key horse box bets for the Trifecta, Superfecta, and Pentafecta is required, as well as a repeat bet function. Bets such as the Twin-Trifecta, Double Quinella, Pick 3-12, Tierce, Tri- Super, Twin-Superfecta, Parlay, Place Pick All and other exotic bets currently supported by the Bidder should be specified.

3.40 Betting Denominations

System must be capable of issuing wagers and vouchers in \$.10 (ten-cent) increments. Multiple digits (22, 33, etc.) are disallowed to avoid operator errors. Specify maximum number of bet values that can be disallowed. Describe System's capability to offer fractional wagering.

3.41 Outstanding Tickets

Proposal will describe how 1) proposed system will keep records of outstanding ticket liability by individual racing meeting; 2) how the purge of uncashed tickets (winners, scratches) and vouchers will be performed in accordance with racetrack's requirements; 3) how a database file of purged outstanding tickets can be downloaded to an archival PC; and 4) how Password security will provide restricted access to the outstanding ticket information file and prevent unauthorized personnel from access to such information. Proposal will describe how outstanding tickets will be handled during a contract transition period. Proposal will describe how Bidder's system will accommodate statewide California cross cashing. Describe how Bidder would handle cross cashing from a predecessor totalisator system.

The system must be capable of identifying and validating the price of outstanding winning tickets, type of cashing (keyboard or reader), date of cashing transaction, cashing window and serial number of ticket, with the ability to store this information for a minimum of 2 years or per CHRB's requirements. The system must have the flexibility to cash outstanding tickets and vouchers at all terminals with the ability to restrict cashing to designated terminals. The Outs Ticket Book and Report must be sorted by Meet, Track, Race, and Pool, etc. in a downloadable format. Describe how your system includes these features.

3.42 Cash/Refund of Outstanding Tickets

Describe how Bidder's system handles outstanding tickets presented for payment, including how it handles a mutilated ticket. Furthermore, proposal will include description of how system meets or exceeds following specifications:

- A. All tickets are identified with the amount of the pay/cancel and the ID of the terminal;
- B. All tickets can be presented for payment at any terminal or window;
- C. Paid or canceled tickets are to be identified (branded). A message specified by TRACKS will be displayed to the operator for non-winning tickets.

3.43 Cancellation of Tickets

Describe system procedures for cancellation of tickets that meet or exceed requirements below.

- A. Tickets that are read through the reader are identified (branded);
- B. Cancelled tickets will result in a reduction of the associated pool;
- C. Manually cancelled tickets must be identified and recorded in system;
- D. TRACKS must have capability to set cancel parameters.

The system must provide for the cancellation of any selling transaction before Off-time of the race and the reduction of that transaction amount from the betting pool. Procedures will be established by Track Management to define limitation of the cancellation of any bet placed which may differ for tellered versus self-service terminals.

Cancellations of tickets at self-service terminals or account wagering bets are subject to TRACKS' requirements.

Cancellation Report: Cancelled tickets report or the history report must include complete bet details and the time the ticket was cancelled must be printed on the report to meet Tracks requirements. System should provide an alert to mutuel managers for cancels in excess of a threshold amount specified by Tracks; report to include time of cancel and site where cancellation occurred.

3.44 Advance Betting/Future Betting

A. *Advance Betting*

Describe system procedures for conducting advance betting that meet or exceed the following requirements.

1. Acceptance and storage of bets in each and every betting pool in advance of the time normally established for betting on a given race and for inclusion in the respective pools.
2. The advance-betting feature should be capable of including all races in the daily program or being limited to a portion of the racing program. Further, the capability to accept bets up to five (5) days in advance of a particular racing program should be part of this system feature.

3. The system must be capable of stopping advanced betting at “N” MTP. Operator must be able to change the time to stop advanced betting upon request by Pari-mutuel Management.
4. All races and pools that are available for wagering are available for wagering at any time of the day prior to the close of the pool(s).
5. Advance day(s) betting is able to be placed on any defined pool for a period of up to four (4) future performances.
6. All advance bets are part of the final pool(s).
7. System must have the capability to provide proper reporting, current odds and other displays.

B. *Future Betting*

System must have the capability to bet on a Future Card and provide proper reporting, current odds and other Displays used by media (Example: Future wagering Pools similar to Kentucky Derby). System capacity must include ability to print Race Name and Horse Name on future race tickets. Describe how your system includes these features.

3.45 Methods of Placing a Wager

Proposal must describe how system supports the following methods of placing a wager:

- A. Wagers can be placed via manual keyboard entry, bet slip or via touch screen. Teller can establish a default setting for the most frequently used track, which automatically defaults to that track when the operator totals out the previous customer. All selected tracks display the current race allowing the operator to enter the amount, bet type and runners.
- B. The System should have the ability to allow the terminal to automatically print any ticket that has been entered and not yet printed. Betting slip including parlay must be supported with teller edit capability to resolve errors.
- C. The convertible, teller-operated/patron-operated terminal must be capable of being converted to patron-operated mode without any additional special hardware or software required.

Bidder should also provide information (technical and commercial) regarding other terminal types available that are compatible with the central system.

3.46 Ticket Identification Serial Number Security

Describe the security of ticket identification serial numbers to prevent forgeries or random ticket modifications.

3.47 Information Required for Betting Transactions

- A. Tickets should print the following information: date and time of issuance; race date if different from current date; amounts of each type of bet; total amount of bet; total cost per bet line and horse names.
- B. Name of bet pool must be clearly identified on each ticket bet line.
- C. Race numbers must be printed on each ticket.
- D. Horse number(s) must be printed on each ticket.
- E. Security code in manually readable and machine-readable format - The ticket serial number contains all the security checks to prevent unauthorized payment from an altered ticket. The alphanumeric serial number is both manually readable and contains a machine readable bar code.
- F. Bet types - All bet types listed in this RFP must be supported by proposed system.
- G. The amount of each transaction is to be branded on each cash/refund ticket read through the ticket reader.
- H. The total amounts of the cash/refund transactions are to be accumulated on the customer display and operator display.
- I. Describe how system will track and alert track management and system operator when large value vouchers are requested directly without corresponding wager (money laundering and fraud detection), recognizing that such standards are under development.
- J. Flag unusual activity (as defined by TRACKS) for any bill-acceptance device.

Describe how your system includes these features.

3.48 Pari-mutuel Ticket Format

Tickets must include but are not limited to the following information in addition to the Site Logo:

- A. Track name in bold
- B. Machine-readable code or bar code
- C. Calendar day - when issued
- D. Serial number of ticket - unique for each ticket (bold)
- E. Number of bets
- F. Pool Name - type of bet
- G. Amount of bet
- H. Race number
- I. Number of horse(s)
- J. Terminal or workstation identification number
- K. Total amount bet
- L. Time of issue
- M. Performance number: matinee/evening, etc.
- N. Space for sponsorship information
- O. California TRACKS may use special event logos on the pari-mutuel ticket
- P. Race description by race along with Race #(Example Race #5 Cal Cup 1 Mile Turf)
- Q. Ticket expiration date
- R. One line of TRACK-specified text
- S. Name of ticket-issuing location
- T. Race Date if different than time of issue
- U. Horse Name
- V. Future betting or special event information may include Race Name and Horse Name

Describe how your system includes these features.

3.49 Terminal Functions

All teller terminals should be capable of performing ticket selling, canceling and cashing functions. The terminal should be able to handle all betting interests and denominations as described above with the flexibility to dedicate terminal activity as to function, denomination, type of bet, etc.

- A. Supervisory functions should also be available for designated terminals to allow inquiry into the status of cash on hand and number of tickets sold, cashed and cancelled for each Wagering Terminal. The supervisory function should include the capability to open and close out individual Wagering Terminals and handle all Internal Revenue Service requirements, including the rule stipulated for aggregate wagers. Pari-mutuel and tote staff will accomplish this;
- B. All terminals should present a clear indication to the customer of a zero balance status prior to the transaction commencement. Bet entries by teller should also be shown on customer display for verification;
- C. MTP display on the terminal for selected track;
- D. In the event of a previously paid ticket or previously cancelled ticket condition, an indication to the Wagering Terminal operator to hold ticket and/or inform supervisor is desirable;
- E. All terminals should have account forwarding or betting capabilities, as well as account reporting functions (a teller's balance must carry with the teller if re-assigned);
- F. Site manager or teller can control terminal default settings to specific race card;
- G. All terminals should be equipped with optical bar and magnetic stripe card readers, and be upgradable for use with embedded chip cards, to support Player Tracking and Account Wagering;
- H. Customer display must be clearly visible and bright;
- I. All terminals must have the capability to enter the breakdown of money in all denominations for every transfer of money between money room (cage) and tellers;
- J. The terminal must be capable of producing a customer receipt showing all account wagering transactions (i.e. - cashes, sells, cancels etc.). Furthermore, receipts must also show a recap of debits, credits and account balances;
- K. All self-service terminals must retain locked tickets and a message must be logged and pari-mutuel management notified;
- L. All terminals must have capability to accommodate Account Wagering;
- M. Patron must be able to insert account card and enter his/her PIN number when terminal is in teller mode;
- N. Specific Terminals must be capable of generating larger than normal wagers as defined by several different Min/Max Betting tables (Example: \$5,000/Win #1);
- O. No terminal should be allowed to convert to self-service if a teller is signed on.

Describe how your system includes these features.

3.50 Number of Bets per Ticket

State the maximum number of bets allowed per ticket.

3.51 Management Reports

Proposal will describe how Bidder's system will provide a relational database from which Management Reports will be generated. The system reporting capabilities and Management Reports required may include any of the following (See **Supplemental Attachment 3A: Specifications for Management Reports** for further specifications for Management Reports):

- A. Management reports may be requested in a wide variety of formats. A system should be capable of generating a report which can be printed as a summary of the day's handle segmented by straight wagers, feature wagers, average handle per terminal and average transaction per terminal. Other reports include teller assignment reports generated either off the pari-mutuel manager's terminal or through the system. These assignments can be made by teller name or terminal number and for periods of one day to a week or more in advance.
- B. Supply a complete list of all reports and report options available from the system including the media for reports (laser printer, continuous form printer, disk, magnetic tape, etc.).

Proposal will include printed and electronic sample copies of all reports plus balancing information.

3.52 System Staffing and Support

See **Supplemental Attachment 3B: Totalisator System Staffing Levels** for tote staffing levels at California wagering locations.

****TRACKS reserve the right to approve or disapprove key personnel****

****TRACKS reserve the right to require changes in Bidder representatives, at TRACKS' sole discretion****

3.53 Processing Center (Tote Hub) Operations

Describe in detail your Processing Center (Tote Hub). Include descriptions of the following:

- A. Number of Processing Center(s) (Tote Hub(s)) that Bidder is proposing.
- B. Proposed location(s) of Processing Center(s) (Tote Hub(s)) and reasons for Bidder's proposed locations.

3.54 Physical security provisions proposed for Processing Center(s) (Tote Hub(s)) System Security, Log-in Log-off Protocols and Audit Trails

Describe in detail the system security, administrative-level logging measures and audit trails that will be in place to monitor and prevent totalisator employee fraud and malfeasance. Description will include identification of all key personnel with Administrator-level passwords, identification of operating level personnel with password to transaction logs, logging procedures for password use and description of secure audit trails that track actions by any and all personnel with access to transaction records, system firewalls, physical security for sensitive areas and how system incorporates SOC I and II specifications.

3.55 Daily Data Download to CHRIMS

System must provide an electronic download of current day race cards data, including but not limited to date, event, race numbers, pools, betting interests, coupled entries, breed, and customer ID codes for all locations wagering on races conducted in California and races conducted outside California which are imported for wagering by California residents, and an electronic download of daily wagering data information to CHRIMS via standard Internet FTP, Web Services or other method as approved by CHRIMS. Data provided shall include site, pool, runner pay, breakage, minus breakage, uncashed ticket, refund, voucher, IRS liability and transactions, money room, teller by window, machine sales, player tracking and other wagering data as specified by CHRIMS. Describe how Bidder's system will comply with this requirement.

3.56 Upcoming Protocols

Proposal will describe how Bidder's system operates in compliance with ITSP. Specify which release version will be utilized for the California system you are proposing. How does your system interface with non ITSP compliant totalisator systems? Does your system offer batch betting and if so, provide a description. Describe the steps you are taking to accommodate the growing global marketplace.

Supplemental Attachment 3A: *Specifications for Management Reports*

Supply a complete list of all reports and report options available from the system including the media for reports as described in **Section 3.51 Management Reports**. A number of these reports will need to be generated at the Association, Community, Location and/or Track level and printed at each California site via a Race Management Console and/or by accessing a relational database system. A sample list (non-inclusive) follows. It is understood that some present on-line and off-line reports may be eliminated or replaced, due to duplication or differences in the names given by vendor's proposed system. Reports must be made available upon request via electronic download in flat or xml file formats.

1. Machine Sales
2. Manually cashed or cancelled tickets by teller
3. Cancels exceeding a specified amount selected by Tracks
4. Division Summary – averages and percentages by selling bay, maximum number of terminals, number of transactions and dollars handled
5. Voucher tracking for all voucher activities allowing Site Management to select (with or without betting activity, from and to time, and amount range options)
6. Outstanding Tickets Cashed sorted by Meet, Track Race, Pool, etc.
7. Outs Ticket Book sorted by Meet, Track Race, and Pool, etc.
8. Daily collections and adjustments by teller
9. Tellers with activity less than division and track average
10. Daily Over/Short – Lists previous day balance of tellers, adjustments and new balance
11. Voucher tracking
12. IRS Withholding – Lists outstanding IRS Tickets/Amounts
13. Bill Tracking – Must provide recap of all denominations for Window
14. Carryover database report by Track
15. Daily account adjustment
16. Daily account deposit /withdrawal
17. Daily outs and voucher balance
18. Daily bill acceptor report by Window
19. Outs summary by Track, Meet, Association/Location
20. Unclaimed Voucher sorted by Race Date, Track, Meet, Association/Location, and Groups as specified by CHRIMS
21. Purged tickets and refunds listed by meet, track, etc.
22. Purged voucher listed by meet, track, etc.
23. Purged promo vouchers
24. Ticket statistic – brief or full option
25. Canceled tickets
26. Manual cash ticket
27. Commission and breakage summary
28. Daily IRS hold account

29. Handle by Meet, Track, and Association/Location
30. Keyboard canceled ticket
31. Prices report – brief
32. Public results report
33. Recap of commission
34. Reconciliation report – brief or full option
35. Sales statistics
36. Teller balance
37. Teller details
38. Teller productivity
39. Transaction/log by Window report for current day
40. Transaction/log by Window report from any previous day up to 5 years
41. Future sales report
42. Advance wagering pool
43. Locked ticket attempts
44. Tote cancel report (ticket inquiry and cancel)
45. Ticket Issuing Machine Logs – Printed only on request for individual employees or windows, showing all activity at a single window throughout the day
46. Activity by Time Range – This report should provide activity by window or tellers within a specified time range
47. Cancel transaction log report – window number and sale time, window number and cancel time, ticket detail (indicate if parlay wager) and serial number
48. Voucher Tickets – Lists vouchers used and not used
49. Day End/EOS Teller Report – Lists all tellers who worked, summarizing their activity and reconciling the amount representing the difference between their opening and closing balance based on the business they did
50. Pool Summary and details
51. Prices report
51. Race Pool Totals
52. Summarized Balance Reports– The first report shows close of day outstanding ticket amount for all days, including current day, without liabilities. The second report lists the opening and closing balance with cashed activity indicated. Both reports will have meet totals for all categories, including end-of-report grand totals for all categories.
53. Player tracking reports, both brief and full
54. Cyclic Odds report
55. AW Account Activity and Balance Summary reports
56. Self Service Activity report
57. Cross-association Account-Wagering, cancel, and cash reports
58. Live handle sorted by devise-type and location
59. Net Pool Pricing Report as specified by TRACKS

Supplemental Attachment 3B: Totalisator System Staffing Levels

****TRACKS reserve the right to approve or disapprove key personnel****

****TRACKS reserve the right to require changes in Vendor representatives, at TRACKS' sole discretion****

These Staffing Levels at both Tracks and Satellite Wagering Facilities do not include Staffing at Processing Center(s) (Tote Hubs).

Live Tracks	Techs	Foreman	Manager	Operator
Santa Anita	12	1	1	1
Los Alamitos (day meets)	8	1	1	1
Del Mar	12	1	1	1
Los Alamitos (night)	3	-	-	1
Cal Expo (State Fair)	4	1	1	1
Cal Expo (Harness)	1			1
Golden Gate	4	1	1	1
Stockton	4	1	1	1
Pleasanton	4	1	1	1
Fresno	4	1	1	1
Santa Rosa	4	1	1	1
Ferndale	1			1

Satellite Wagering Locations

Northern California

At certain locations in Northern California, a “shared” employee performs work which includes both tote and customer service duties. The current totalisator vendor and TRACKS share in the cost of these employees. TRACKS would welcome the opportunity to continue this type of employment arrangement in Northern California and to discuss similar arrangements in Southern California

Anderson	No personnel (mgr. covers)/Sacramento person covers once a month
Bankers Casino	No personnel-Monterey tech. covers once a week
Fresno (satellite)	1 tech/shared employee
Fresno Club One	No personnel (mgr. covers)/Fresno tech. covers once a week
Golden Gate (as satellite)	1 tech
Monterey	1 tech/shared employee

Pleasanton (as satellite)	1 tech/shared employee
Sacramento (as satellite)	1 tech/shared employee
San Jose	1 tech/shared employee
San Mateo	1 tech
Santa Rosa (as satellite)	1 tech/shared employee
Stockton (as satellite)	1 tech/shared employee
Turlock	1 tech/shared employee
Vallejo (as satellite)	1 tech/shared employee

Southern California

The Southern California Off-Track network requires one manager, one foreman, and ten (10) techs. Should additional sites open, TRACKS will require an additional tech for each two new sites.

4.1 INFORMATIONAL DISPLAYS - TOTALISATOR BOARD, VIDEO, AND OTHER

This section contains totalisator board and display (“indication/indicator”) requirements, video display capabilities, and functional requirements. Successful Bidder will be responsible for moving and installing Tote Board indicators or video displays (Southern California). Discuss the following display requirements. Describe how system will address latency problems for final pool odds display. Describe how the system will manage the final cycle of Win odds and Pool displays on tote boards and video displays in order to eliminate changes in posted odds once the race is underway.

4.2 Totalisator Board/Auxiliary Odds Board (AOB) Displays

See **Supplemental Attachment 4A: *Totalisator Board and Auxiliary Display Information*** for requirements. Note the type of power usage, lamp or other video displays Bidder will provide. Successful Bidder will be expected to furnish and maintain on-track video camera surveillance of totalisator board for monitoring by Track management. Video will be displayed at location(s) specified by each Track.

4.3 Video Display Systems

The proposed totalisator system must include menu-driven Video Display Systems that allow an operator at each California wagering location in the network to select up to sixteen (16) pages of information to be displayed on Television Monitors, projectors or other video displays. These Video Display Systems will generate full color broadcast-quality displays, a minimum of sixteen (16) channels of base-band video 1v. peak-to-peak output, High Definition NTSC standard.

- A. The systems can be configured from a menu to generate informational displays from a single track for up to sixteen (16) channels of video output at the racetrack and at all satellite wagering facilities
- B. Proposal will include samples of video displays in the form of still images, videotape, CD or DVD
- C. Proposed systems should be capable of displaying the following information, formatted locally on-site from a menu of selections. Data to include Post Positions, Horse Names, Jockey Names, Track Condition, Weights, MTP, Scratches, etc. (By Track). Some examples of possible page-types are as follows:
 1. Names: Track Name, Post Positions, Horse Names, Jockey Names, Weights, ML, etc. (By Track)
 2. Race Changes (Scratches & Weight Changes by Race, by Track)
 3. Pay-off prices for current track by race
 4. WPS Totals & Win Odds
 5. Official Prices
 6. All Pays Prices By Track
 7. Win Odds/ Exacta Probables Side Bar
 8. Daily Double probables

- 9. Exacta probables
- 10. Quinella probables
- 11. Exacta/Quinella Probables
- 12. Pick (N) Will-Pay and Carryover Information
- 13. Conditions

<u>Example:</u>	Track	Weather	Condition	Race	MTP
	Del Mar	Clear	Fast/Firm	2	

- 14. Names & Odds (Current Race)

<u>Example:</u> Del Mar—MTP 5-- Race 4					
	1 ½ Mile Turf		ML	Cur	
	1. Afleet Alex	J.D Lopez	3	9/2	
	2. Exotic Bid	J. Chavez	4	5/2	

- 15. All Names & Odds (Rotate all Races for a Specific Card)

4.4 Animated Graphics Display Board

Successful Bidder must include an animated graphics infield matrix display board, including the ability to display NTSC standard broadcast video graphics as specified by individual Tracks. Refer to **Supplemental Attachment 4A: *Display Requirements***.

4.5 On-demand Replays

Describe whether and how system can accommodate on-demand video replays.

4.6 Timer Displays

Describe proposed system capacity to display fractional timing information on totalisator board.

Supplemental Attachment 4A: *Totalisator Board and Auxiliary Display Information*

Northern California Fair Circuit Display Indicator requirements

- Daktronics/LED display for infield tote boards
- Indicators for pool displays on up to ten (10) runners at all fairs except State Fair (Sacramento), which requires up to twelve (12) runners, and Humboldt County Fair (Ferndale), which requires up to eight (8) runners
- Matrix Board/prices display six (6) lines and up to twenty-five (25) characters
- Electronic timing information showing up to five (5) fractional running times
- System capacity to support Tote Board employing video displays
- See schedule below

Golden Gate Fields Display Indicator requirements

- Daktronics/LED display for infield tote board
- Electronic timing information showing fractional running times
- See schedule below

N-Cal Infield Toteboards & AOBs							
			MTP Race#	TOD			
	Odds	Pools	Time of Race etc.	Prices	Wing Prices	Wing Odds	Message Board
Golden Gate:							
Infield Toteboard	14	14	Y	Y	Y	14	Y
TC AOB	14		Y				
Stockton	10		Y	N		n/a	Y
Pleasanton	10	10	Y	Y		n/a	Y
Santa Rosa	10	10	Y	N		n/a	Y
Ferndale	8		Y	Y		n/a	Y
Sacramento	12	12	Y	Y		n/a	Y
Fresno	10	10	Y	N		n/a	Y
Matrix Board GGF/Mobile Matrix Board for Fairs							

Southern California Thoroughbred Circuit Display Indicator requirements

- Daktronics video displays for Tote Board
- Electronic timing information showing fractional running times
- See schedules for Santa Anita, Los Alamitos & Del Mar below

Santa Anita				MTP, Race #		Tote
				Time of Race		Vendor's Matrix
	Odds	ML Odds	Pools	TOD Etc.	Prices	Message Board
14 Runner BD						
Main Grandstand West Toteboard	Y	Y Separate	Y	Y	Y	Y
Grandstand Roof Bd Facing Inf 15"	Y	N	N	Y	WPS & Feat.	
2nd Grandstand Roof Bd 15"	Y	N	N	Race# & MTP	N	
Mezz East AOB 9"	Y	N	N	Race# & MTP	N	
Mezz West AOB 9'	Y	N	N	Race# & MTP	N	
Paddock Board 9"	Y	N	N	Race# & MTP	N	
Chandelier Board #1 9"	R-H# & Odds	N	N	Race# & MTP	N	
Chandelier Board #2 9"	R-H# & Odds	N	N	Race# & MTP	N	
Chandelier Board #3 9"	R-H# & Odds	N	N	Race# & MTP	N	
Chandelier Board #4 9"	R-H# & Odds	N	N	Race# & MTP	N	
Saddle Barn 9"	N	N	N	Y	N	
Jockey's Room 9"	N	N	N	MTP	N	
Grandstand Entrance 9"	N	N	N	Race# & MTP	N	

Del Mar			MTP, Race #		Wing	Tote
			Time of Race			Vendor's
	Odds	Pools	TOD Etc.	Prices	&	Message
Main Infield Toteboard	Y	Y	Y	Y	N	Y
Roof Board 15"	Y	N	Y	Y & Feat.		
Paddock Board 9"	R-H# & Odds	N	N	N		
Inf. East Back Picnic 9"	R-H# & Odds	N	Race# & MTP	R-WPS Rst & Pr.		
"				R-EX. Rst & Pr.		
Inf. West Back Picnic 9"	R-H# & Odds	N	Race# & MTP	R-WPS Rst & Pr.		
Inf. Clubhouse	Y					

Los Alamitos			MTP, Race #				
			Time of Race		Wing Prices	Message	Total
	Odds	Pools	TOD Etc.	Prices	Wing Odds	Board	Indicators
Main Infield Toteboard	12	12	Y	WPS &	N	N	331 Ind. & 12

SERVICES

This section contains description of 1) initial one-time duties and 2) on-going operational & support requirements. Discuss the following expected services.

5.1 Project and Installation Services

Describe how Bidder will approach the following:

- A. Supplier will provide a project manager, acceptable to TRACKS, who will have complete authority to act on behalf of the supplier regarding all commercial, technical, and logistical issues through the duration of the project. Provide a resume for the project manager to include his or her educational background and prior experience.
- B. By submitting a proposal, Bidder pledges to make its best faith effort to resolve any issues that might arise in working with other suppliers, system integrators or Bidders in a manner that serves the best interest of TRACKS.
- C. Supplier will provide on-site installation supervision to TRACKS during the first six months of operation.
- D. Describe how new equipment is tested prior to installation.
- E. Provide a description of the installation process utilized for other customers similar to TRACKS.

5.2 Spare Parts and Terminal Maintenance

Describe how Bidder will service and maintain system and terminals throughout California, including the following:

- A. A description of 1) inventory of spare terminals, spare equipment and spare parts that will be on hand in California 2) the California location(s) of the depot(s) where spare parts will be located and where service and maintenance will be performed 3) the inventory management system used to track and order spare parts;
- B. Protocols (with turn-around time) for service and repair of terminals;
- C. Identify managers and personnel responsible for service and maintenance, including description of their responsibilities and where they will be stationed.
- D. Describe in detail your maintenance procedures and tech training program.

Note: This section covers a critical need regarding support of uninterrupted track and betting operations. Specificity in all Bidder submissions is required as full operation of all betting terminals under existing contract is expected at ALL times. (Specific language regarding penalties for non-compliance will be included.)

5.3 On-going Operations

Describe the on-going operations support and services that will be provided for the totalisator system hardware, software and wagering terminals. Include support team composition and staffing levels. Successful Bidder will be expected to assist and facilitate in limited troubleshooting and connection of equipment furnished by third parties.

5.4 Moving and Maintenance of Auxiliary Equipment

Proposal will describe Bidder's plan for moving and installing the following auxiliary equipment:

- A. Southern California tote board video display;
- B. Northern California matrix board;
- C. Assist in installation and connection of telecommunications equipment;
- D. Other related equipment.

5.5 Most Favored Customer Agreement

Any system feature or service offered to any other customer of successful Bidder during the period of any contract that results from this RFP will be available to California TRACKS at the same or better terms as the terms offered to other customers of successful Bidder. Successful Bidder will furnish on or before January 1st of each year during the Term of this Agreement a certificate signed by its Chief Financial Officer to the effect that no other comparable racetrack serviced by Bidder receives pricing or services more favorable than those received by TRACKS. Proposal will so state.

6.1 SYSTEM ARCHITECTURE AND OPERATIONS

Describe how the proposed hardware, software, terminals, interfaces and files, etc. would meet TRACKS objectives as stated below.

6.2 Compliance

System must meet all of TRACKS' and CHRIB's requirements including compliance with SSAE 16 (SOC I and II) Audit. TRACKS require the annual performance of such audits, which must include provisions for periodic testing of system and backup systems.

6.3 Change Control

Proposal will specifically describe procedures for implementing Change Control and for reporting changes to hardware or software. No changes will be implemented without prior approval by TRACKS' designee and CHRIMS. TRACKS require a prompt response and follow-through on all software and hardware changes.

6.4 System Location

Describe the location of the proposed Processing Center(s) (Tote System Hubs).

6.5 Proposed System Capacity Will Meet Requirements of Request for Proposal

Describe the capacity of the proposed system to meet the requirements of this RFP, including the number of simulcast tracks being required, number of site locations required, transaction volumes and file sizes necessitated by the requirements defined in the systems specifications. IMPORTANT: Proposal will specify the maximum number of wagering terminals and management consoles by type and model that proposed system will support on any given day. Explain any potential constraints or limitations. Describe and compare the proposed hardware and software to the specified system requirements, including:

1. Capability of software to meet the stated requirements
2. Existing limitations/constraints in meeting the requirements
3. Whether the capability to meet the stated requirements is currently operational in a client server environment.

6.6 System Description

Submit a narrative description of all files, programs, basic processing sequences, and record descriptions. This information may be attached, but must be specifically identified if provided in a brochure or printed description. Full documentation will be required at the time of all system updates, enhancements and conversions. An architectural flow chart of the data transmission and WAN environment is required.

6.7 Input/Output Devices

Specify the proposed input and output units as listed below and their operating characteristics. Currently all tote reports are printed on laser-jet printers utilizing letter size paper. The tote vendor will supply printers, paper and toner cartridges.

- A. Consoles
- B. System Terminals
- C. Printers
- D. Export to PDF or Excel Files
- E. Servers
- F. TCP/IP or Web Based Devices
- G. Disks or Storage Area Networks
- H. Tape Drives
- I. All Communication and Networking Devices
- J. Front End Processors for Wagering Terminals, if any
- K. Wireless Systems and Networks
- L. Other Miscellaneous Devices

6.8 Controls

Description of control features incorporated into the system to protect the financial integrity of betting data and safeguards against system manipulation and the detection of irregular betting patterns. TRACKS require a "System Alert" to bring that type of situation to the attention of the Processing Center (Tote Hub) Manager and TRACKS, CHRIMS, SCOTWInc and NCOTWInc Offices. Protection against unauthorized file access, such as ticket files, outs book and account wagering database must be submitted in written detail. TRACKS require immediate notification of any system breach and/or attempts at hacking activity.

6.9 Programming Language

The proposed system must have software that is written in a programming language that is flexible and can be easily modified in the future, if necessary. Identify programming language(s) used in the system. TRACKS' MIS Departments and CHRIMS use MS-SQL, Informix, Visual Basic, ASP and .NET for most of their applications.

6.10 Documentation

Provide sample copies of system's documentation including operating instructions and user documentation, file formats, database schemas, technical specifications for any data you will provide to TRACKS and CHRIMS.

6.11 Operating System

Specify the proposed operating system including software and supervisor utilities. Any plans for future changes to a different platform must be explained in detail.

6.12 Data Backup

Submit written procedures for backing up of the system software and daily data backups including any data archival off premises. Back-up procedures must be approved by TRACKS. Archived data should be available for a minimum of two years.

6.13 Transaction Recovery Procedures

Submit written restart procedures for possible malfunctions (in part or all) of the betting system. Specify how the daily back up of on-line files work. Specify the maximum time to fully recover the transactions to the point of interruption

6.14 Disaster Recovery

Describe in detail your system strategy for the avoidance of the loss of wagering time and your disaster recovery procedures and processes, including power conditioning and back-up equipment, along with procedures and protocols that will be followed in the event of a power or telecommunications failure. TRACKS require a fully redundant co-located hot backup. Describe testing policy and procedures.

6.15 TRACKS' Special Software

Describe your system in terms of the special software or software features TRACKS require:

- A. Ability to restrict the display to only active cards and races on all wagering devices at each Location;
- B. Teller Cash Position must reflect current day balance only;
- C. Capability to control betting by Location and by betting card, pool and by race;
- D. Alternate Runner Pick Wagering;
- E. Min/Max Bet Tables- TRACKS currently have several Tables;
- F. Assign specific teller terminal functionality;
- G. Automatically convert foreign currency transactions into California merged pools to the current industry standard, at least four (4) decimal places;
- H. Capability to Stop Betting (automatically or manually by tote operator) separately for all or selected import associations based on MTP as set by Pari-mutuel Departments;
- I. Capability to control betting by Association/Location/Community per betting card and per race;

- J. Alert logger for fraud detection;
- K. Import pools at specified time interval per Industry standards, ranging from 5 seconds to 45 seconds and update Win Odds at specified time intervals as desired by TRACKS;
- L. Alert Logger and Pari-mutuel Manager Console to generate reports for tellers under and over pre-set cash drawer level;
- M. Ability to select terminal functions;
- N. Capability of offering different commission rates for a pool offered on different races.
- O. Demand report for Mutuel Manager to determine location of minus pool generation.
- P. Demand report for Mutuel Manager to determine source of cancelled tickets in excess of threshold amounts.
- Q. Web interface for internet and mobile device wagering

6.16 Original Equipment Manufacturer (OEM)

Identify the suppliers of any OEM hardware and/or software components to be utilized. State provisions that have been made to prevent a shortage of spare parts.

6.17 Operating Procedures and Operation Manuals

Successful Bidder will provide written operating procedures. Proposal will identify any changes that may be required in current pari-mutuel procedures. All operating procedures must comply with California Tracks and CHRB rules and regulations. These procedures will be submitted for approval to California TRACKS.

6.18 Operating Hours Requirement

TRACKS anticipate going to 24-hour a day operation. Describe how proposed system will accommodate this requirement. Describe end-of-day process and its requirements.

6.19 Manual Merge

Manual Merge procedures must meet industry standards as well as standards established by TRACKS and by CHRB. A *Manual Merge Procedures Manual* is required.

6.20 Staffing at Processing Center (Tote Hub)

Bidder will provide a detailed list of personnel at Processing Center (Tote Hub); managers, tote operators, supervisors, and other employees required to adequately service TRACKS' needs. A successful Bidder must receive approval from TRACKS before making any changes in the composition or level of staffing.

6.21 Local Area Networks On-track and at Satellite Facilities

Tote Bidder will maintain all LAN and/or WAN tote equipment required to run the tote machines throughout the wagering facilities. The telecommunication WAN, provided by Roberts Communication Network and managed by CHRIMS, throughout California is MPLS IP or VPN. Describe local LAN layouts and configurations and how they are compatible with MPLS IP or VPN and high speed ISDN backup. Bidder is expected to test backup communications at least once per week.

6.22 California Intra-State Telecommunications

TRACKS will furnish intra-state telecommunications for system operation. From time-to-time, at their discretion, TRACKS and CHRIMS will secure competitive bids from qualified telecom service providers. Successful Bidder will work with telecom vendor(s) selected by TRACKS.

6.23 System to Provide Interface for Third-party Wagering Terminal Devices

Describe system capacity to provide interface for third-party wagering terminal devices.

6.24 Handle Associated with Third Party Wagering Devices

Handle derived from 3rd party wagering devices will be charged at an agreed-upon interface daily rate. See specifications for Cost Proposal.

6.25 Third-party Equipment Maintenance and Support

It will be the Bidder's responsibility to maintain any and all equipment connected to the Processing Center (Tote Hub) from the TRACKS, excepting third-party Wagering Devices. Successful Bidder will be expected to assist and facilitate in limited trouble-shooting and connection of equipment and telecommunication systems furnished by CHRIMS and third parties.

Supplemental Attachment 6A: *Administration/Race Pari-mutuel Console Requirements*

A. Main Menu Functions

- | | |
|-------------------------------------|------------------------------------|
| 1. Add a teller | 13. Send message to teller |
| 2. Update teller data | 14. Ticket inquiry |
| 3. Query a teller | 15. Lock/unlock ticket or voucher |
| 4. List tellers by ID | 16. Prices information console |
| 5. List tellers by name | 17. Executive information console |
| 6. List tellers by window | |
| 7. Get teller name from ID | 18. Set TIM defaults |
| 8. Get ID from teller name | 19. Edit track keys |
| 9. Activate/deactivate a teller | 20. Money Room/Banker Control Menu |
| 10. Delete a teller | 21. Window Control Menu |
| 11. Update over/short balance | 22. Supervisory Control Menu |
| 12. Update teller/window assignment | 23. Reports Menu |

B. Money Room/Banker Control Functions

1. EOD Teller Update
2. Update Cash Limits
3. Update Privileges
4. List Tellers Over/Under
5. List Draws>Returns
6. Draw/Return Summary
7. Adjust Teller Final Return
8. Adjust Previous Final Return
9. Payroll Collections
10. Enter Return for window
11. Cancel Return for window

C. Supervisor Control Functions

1. Sign on window
2. Update window privileges
3. Send messages to window
4. Send serial message
5. Windows in service
6. Windows out of service
7. Query a window
8. Query window transactions
9. Clear TIM message line
10. Show windows in service
11. Query window tickets
12. Set window/card defaults

D. Program Control Functions

1. Print race program information
2. Print today's prices
3. Print previous day prices
4. Print today's jockey changes
5. Print today's scratches
6. Print future program
7. List future programs
8. List weight changes
9. Print carryover sheet
10. Print track conditions
11. Print prices for all cards
12. Print all future cards

E. Reports Menu(s)

Reports menu should include all reports available from the system you are proposing (already in use in the field) including but not limited to all reports listed in **Supplemental Attachment 3A: *Specifications for Management Reports***; all teller reports; all end-of-day and end-of-session reports; ticket reports; voucher reports; cash reports and account wagering reports. All queries should allow for a single incident or a detailed history and up to three years of previous activity.