

QUESTIONS & ANSWERS
RFP ABC Warehouse Automation Project w/ Software Integration
RFP 002 2400000001

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1. Average Hourly Rate:

Based on the RFP case volume for 2037, the Alabama ABC Board is projected to ship 5,957,800 cases over a year. Based on 208 shipping days that equates to an average of 28,644 cases per day (47.74 CPM over a 10-hour day)

Answer: This is a 25-year solution in terms of Automation. The projected case volume in 25 years will be between 8 and 9 million cases per year. The new warehouse should be designed to expand another 80,000 (+ -) sq. ft. after 10 years in operation as needed. The goal is to upsize the warehouse for the space needed, but the automation must keep up for the duration of 25 years. Although the annual case growth per year past 12 years has averaged about 5%, (Not including COVID Years) the Alabama ABC Board is using a conservative 3% projection in our forecast numbers. IF the annual growth rate remains at 5% for the next 25 years, the annual case volume shipped would be approximately 13,545,419 cases.

(b) Is this design for 2037 or 2035? Is it a 10-year or 12-year solution?

Answer: It is a design build solution to support business through 2036 regarding the physical space / warehouse building. The automation should support expansion of business, based on 3% annual increase, up to 2051.

2. Peak Hourly Rate:

Utilizing the 100 CPM requirement over the course of 10 hours, we calculate the peak daily rate to be 60,000 cases per day. This leads to a Peak-to-Average ratio of 2.1.

Answer: The anticipated monthly volume average in 25 years is forecasted to be over 700,000 cases, and peak (November and December) to be about 850,000 cases those months, approximately 41,000 cases per day. This is based on 3% growth per year. *If* the growth matches our 12-year average (5%) that number would Peak at 1.35 million cases shipped in December of 2050 and be about 64,000 cases per day.

(b) There's growth of 3% and 5% mentioned. Today you are growing at 5%. It sounds like for the future system, you are looking at a 3% growth projection year over year. Are you looking for us to design for 5% growth to accommodate that?

Answer: If we meet what the spec is calling for, that 5% will be realized.

3. Is the 100 CPM a desired sustained rate or is this reflective of the actual design day case volume requirement when extrapolated to a peak day?

Can you confirm that these are the design rates for the system?

Answer: Yes, desired rate is mentioned in #2 above.

4. Downlines and Dock Doors: With a request of 6 downlines and 1 palletizing line we estimate that the loading rate per dock door to be 875 cases per hour assuming 60,000 cases per day over 10 hours. This is based on a 750 cases per hour palletizing line rate.

Can you confirm this loading rate per dock door? Our experience is 400-500 cases per hour as an industry standard.

Answer – Yes, confirmed. We are averaging between 750 and 800 per hour (per line) floor stacking trailers. Regarding palletizing rates, the following figures are based on integrating the DDS store (Direct Store Delivery) to the new warehouse. In addition, overall palletized customers (daily) is approximately 4,500 cases. The forecasted growth in our operation will place the 10-year volume (2036) at 6,000 cases palletized per day.

(b) It said in the RFP there were 10 loading doors so in the vision, you may start with 7 growing to 10?

Answer: It would depend on your design concept, your layout, and what you think in your proposal is the best solution.

5. For the 6-year payment, are you open to financing independently and paying us according to our standard terms?

Answer: No.

6. Are we to provide the GC as well or have you selected them already?

Answer: The GC is selected.

7. We would like to submit electronically by the due date with a full proposal response. In this way we will be able to take full advantage of the time given. We would like to assemble the bound copies per the directive and have them overnighted, but if allowed, they would arrive later. I see this is called out in the document. It would require us to obtain your approval. Please let us know if you can approve

Answer: All interested parties must follow the requirements of the RFP.

8. What are the hours of operation for the site in each functional area?

Answer: We average 10 hours of operation in each functional area below. We have a staggered shift. One shift operates from 7:00 a.m. to 5:00 p.m. The second or staggered shift begins at 8:00 a.m. and operates until 6:00 p.m. or as needed. A one-hour lunch break and two 15-minute breaks are provided on the clock/paid. We perform receiving, order selecting, loading and replenishment throughout both shifts.

9. What is the design year to size the system to? Are we to size the system to volume in 2047 or 2037?

Answer: The solution outlined in the bid should address how growth is handled through 2050.

10. Is there a Bottle Pick?

Answer: Absolutely not.

- (b) Do we have to account for returns or anything like that coming back to the DC?

Answer: Do you mean product returning back from one of our stores? We do have product return back from some of our stores but not on a regular basis.

- (c) So, we need a dedicated area in the facility roughly to handle returns/breakage?

Answer: Yes, we also transfer thru the stores. The stores will send product back to be transferred to another store. So, we do need dedicated space for that.

- (d) Could you give us a rough estimate of square footage so that we can put it in our design?

Answer: Currently we have the equivalent of 7 pallets so it's not a very big space at all.

(e) Is Bottle Picking possible in the future for the Alabama ABC Board?

Answer: We currently have no plans for Bottle Picking at Alabama ABC Board, but maybe down the road.

11. Are sortation rates to be designed to 135 CPH peak (100 CPH +35%)?

Answer: See RFP Sec. 3.3

12. WMS question. is this ok for our bid, and would you like us to bring in a WMS partner to include in our proposal?

Answer: All necessary and eligible representatives of your company are welcome to attend.

13. How many pallets do you want to store in the ASRS –

Answer: The peak capacity of the ASRS to support growth as specified in the RFP. Currently about 105,000 cases, equaling approximately 1,600 pallets

14. How many pallet picks / hours do you want to plan for from the ASRS?

Answer: Need more specificity, please clarify question.

(b) How many whole pallet picks would come from the ASRS? How many whole pallet picks would we put into the calculation (extract the entire pallet)?

Answer: If your design is to come out of the ASRS and load pick or is it to pick automatically from the ASRS, it will depend on the design.

(c) Will you ever perceive the need to ship and pick a whole pallet?

Answer: Yes.

15. What percentage of case picks do you want to be oddballs (not from a pick mod) vs. pick-to-belt from the case pick modules? It looks like 1000 SKUs are 89.7% of volume and if you wanted a pick face for each of those, you'd have a lot of pick mod lines. We could do some cluster locations and carton flow bays for SKUs 500-1000 if that makes sense to you.

Answer: Yes, that makes sense as we currently break down oddball into OB1 and OB2.

- i. Caseflow = 430 SKUs
- ii. Cluster = 150 SKUs
- iii. OB1 = 470 SKUs⁹ (currently in carton flow rack)
- iv. OB2 = 1070 SKUs (pick to cart and added to the OB1 belt by hand)
- v. Hyper = 140 SKUs
- vi. Wholesale = 410 SKUs – pic to cart and added to the OB1 belt by hand

(a) Are these the current stats?

Answer: Yes.

(b) So, we are looking to more than double that? Or is it just a reference?

Answer: Yes, it's just a reference.

(c) How deep do you want the pallet flow lanes in the mods to be (4 deep?)

Answer: Design should be based on your concept for need and efficiency to support the growth based on the RFP.

(d) Can we have a call with you before the pre-bid meeting to start working out design requirements?

Answer: No, all questions must be submitted per the instructions of the RFP.

17. Are there any additional documents besides the RFQ document?

Answer: Yes, there will be questions and answers so refer to the RFP and any additional notices in reference to the RFP.

18. How many days/week are we operating?

Answer: The Alabama ABC Board operates 5 days a week except for holidays

19. How many productive hours/shifts (day) are we operating?

Answer: Depending on demand and manpower, about 10 hours

20. Can you provide a shift breakdown if multi-shift operation?

Answer: Staggered - one at 7 a.m. and one at 8 a.m.

(a) In terms of lunch and breaks, how many hours do we have to remove from your 10 hours?

Answer: Because they have staggered shifts, productivity is continuous for the full 10 hours.

(b) What is the hours for sorting? You have prep time and clean up time. How many hours a day are you going to be sorting for? That will kind of work your volumes to an hourly rate for the technology. You do not want overtime except for special occasions.

Answer: The answer for that is 9 hours a day.

21. Are we receiving, putting away, replenishing, picking and shipping on the same shift?

Answer: Yes

22. Is there a peak day of the week? Peak hour of that day?

Answer: No, all is wave pick based on the total amount of work for the week

23. Is the requirement for 30 min of accumulation before the merge or after?

Answer: Before

24. What is the mix of full pallets vs mixed SKU pallets that total 8% of outbound volume?

Answer: It varies weekly with demand, sales, promotions, and new product introduction

25. What are typical order structures for the different customer types?

Answer: Unclear – need more detail to the question

(a) 30 minutes is before the sortation. Were you also specific on the amount of accumulation post sortation?

Answer: The answer is no. In the event of the different methods of accumulation with spiral conveyors and other methods and the throughput, being where it is today, we have accumulation before and after. If your solution that you anticipate what those needs are for accumulation before and after, that is something you would need to design in and specify.

(b) In terms of order structure, we have two types of orders: full pallets and fluid load. On the ergo palletizer side, are we trying to create store friendly pallets? For example, are we trying to put all our whiskeys together on a layer?

Answer: No, we would not necessarily need to have it set up so that when it goes through the sorter shoots down the conveyor to the palletizing station.

26. How is product being received in the facility? Palletized with Stretch Wrap? Single SKU pallets only or do we need to sort/separate?

Answer: Palletized – full and mixed pallets

27. Do you have a short description of the case labeling process?

Answer: We label at the time of pick before it is put on the belt

28. Can you please confirm that the average cases/ pallet is 65?

Answer: Yes. But there is a range from the low 30s to over 100 cases per pallet depending on product.

29. When do we have building access for installation?

Answer: Current projections are late spring of 2025.

(b) That would be more in 2026. Go live was stated for December 2025.

Answer: The answer will be addressed later.

30. Where will the facility be located?

Answer: Montgomery, Alabama. Details will be provided upon award.

31. How advanced is the building design at this point? What is the timeline for that stream?

Answer: Office are 90% determined and site work / warehouse building approx. 30% determined. We are currently in the design phase. Refer to the RFP for building comments.

32. How will your ramp up period look like? Over what period of time are you expecting to fill the site and what initial outbound volume are you anticipating?

Answer: That depends on the timeline of the Automation / technology integration.

33. What are your requirements and expectations towards testing durations, especially user testing (ORT)?

Answer: It depends on the solution selected. Depending on the solution selected, a maximum three-month transition between old and new building, including time for training is anticipated.

34. Do you have specific SLA's (Service Level Agreement) for the four (4) customer types or are they the same across the board? If so, what those might be? Are you looking to improve those with a future solution?

Answer:

Our stores – orders are placed 5 days in advance

DDS – 48-hour turnaround – order is placed by 1pm and 2 days later product arrives

Costco – orders are placed 5 days in advance

Military – orders are placed 3 days in advance

35. Is there a benefit to the Alabama ABC Board to improve this?

Answer: Our current system is tied into D365 and based off of an algorithm that tells us how much we need. That algorithm is currently based on 5 days in advance so I am not sure that we can improve it.

36. Integration of D365 - What is the expectation for development of those interfaces (WMS, D365, etc.)? What is your expectation the responsible party to development those integrations? Is that going to be done by the Alabama ABC Board IT group or are you expecting bidders to provide those services?

Answer: A combination of both. The automation is going to be stand alone. D365 will remain.

37. The WMS is in the cloud. Will the servers be provided by the State or does the proposer need to supply these?

Answer: The RFP advises a cloud solution to ramp up as needed. The proposer needs to provide this. (See Sec. 3.2 of RFP)

38. You specify for the fastmoving product, top 100, we are going to have a week on hand and overall, we are looking at 11 turns. That is for the target year. However, you also show the monthly sales forecast, and we see that December is very high. So, if we apply the fast movers at 11 turns to December, we actually are going to turn our product faster. Can it be confirmed that the week of inventory rule is accurate?

Answer: The Alabama ABC Board would want to carry three weeks of inventory of the top 100 items. Our current facility constraints do not allow for the Alabama to have optimum inventory levels. The proposal / design concept should allow for an industry standard of three weeks on hand for the top 100 movers.

39. Will we have an opportunity to present our proposal once e RFPs are submitted?

Answer: As per the RFP, the Alabama ABC Board can request a presentation from a proposer if needed. (See Sec. 7.19 RFP)

40. The timeline for submittal seems very tight regarding the WMS requirements. Is it possible to have an extension of a week or more for us to prepare the best solution to fit your needs?

Answer- The Alabama ABC Board will extend the bid due date to Tuesday, September 5, 2024 at 1700 hours. See RFP section 1.0, last paragraph. "Sealed proposals must be received by no later than 1700 hours central time on September 5, 2024. Proposals received after the deadline will not be considered."

41. I wanted to see if you are open to a PowerPoint format for our proposal submission.

Answer: If your company would like to add a PowerPoint presentation on your USB or on your electronic submission, that would be fine. Thanks!

42. RFP Page 3: What type of contract would the state use for the project? Is there a sample, if so, can you share with us? The RFP says, "... per the terms of the RSA construction agreement." Or use the MHE supplier's standard agreement?

Answer: The construction contract referenced is strictly between RSA and the ABC Board. The contract that results from this RFP will be between the selected supplier and the ABC Board. A sample contract is not available at this time.

43. RFP Page 9: Are Mezzanines and platforms, if needed to support the material handling system, included the MHE supplier's scope?

Answer: Yes.

44. RFP Page 9: The Cubiscan system is typically used to gather product specs about each SKU to update the WMS inventory system? Is a conveyor or labeling model needed? If so, for what functionality?

Answer: Not needed unless your design process requires it. Yes, this is one of the functions of the Cubiscan System, however, we currently hand label. Yes, a conveyor/labeling model is needed. It is needed for sorting and sequencing based on the design requirement.

45. RFP Page 6: states "Minimum of 35' tall clear rackable ceiling height for 4 high cube pallet racking and 5 high ASRS pallet storage". Is there a maximum clear ceiling height? If the ASRS 5 high pallet storage exceeds 35' minimum clear height, shall we maintain the 5 high requirement or stay below 35' clear ceiling height? (Note: ASRS pallet racking levels are typically taller than selective rack openings.)

Answer: The proposed minimum clearance is 35'. Any variances would need to be cleared with the architect during the design phase.

46. RFP Page 10: Spare Parts Wish List. Do you want just a recommended wish list included in the proposal submission, or also an allocated amount of dollars included as a preliminary budgeted for spare parts?

Answer: Yes, as to both.