

**Alaska Department of
Environmental Conservation
Division of Water**

**REQUEST FOR PROPOSAL 170007310
Opacity Monitoring of Cruise Ships and State Ferries
AMENDMENT 1**

Date of Issue: March 24, 2017

Amendment 1 to Opacity Monitoring of Cruise Ships and State Ferries RFP includes the pre-proposal conference transcript, and responses to inquiries received from proposers. The inquiries and responses begin and end on page 2 of this Amendment. This Amendment is hereby made part of the RFP and is a total of 10 pages.

Issued by:

Natalie Wolfe, CPPO
907-269-0291

Item 1: Inquiries from proposers and Responses from DEC

Inquiry 1: Is there any desire or priority in cross referencing EPA Method 9 visual techniques, that are qualitative), with a quantitative direct measurement within a plume? Is there any direct measurement baseline data available comparing obscurity to emissions to review?

Response 1: The scope of work for this RFP is intended to include those observations from vessel stack emissions by using the EPA Reference Method 9. Cross referencing with a quantitative direct measurement is not included or required in the project scope. With regard to the direct measurement baseline, please note that the project requires certified opacity observers using the EPA approved training /certification process.

Inquiry 2: Are there any current security zone exemptions in place to gain access to facilities/immediate vicinity around a vessel of interest (aka, are there airspace restrictions?)

Response 2: There are US Coast Guard Maritime Security (MARSEC) areas which would restrict access around a vessel. There are airspace restrictions around the docks in Juneau due to this area serving as an FAA seaplane area. With careful and efficient planning, opacity readings would not require additional security clearance as they should be able to obtain readings from non-restricted areas (e.g. public roads, pathways, etc.).

Item 2:

Prep-proposal conference transcript beginning on page 3.

In the Matter Of:

RFP NO. 170007310

PRE-PROPOSAL CONFERENCE

March 17, 2017

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1 STATE OF ALASKA
2 DEPARTMENT OF ENVIRONMENTAL CONSERVATION
3 DIVISION OF WATER

4 Request for Proposal #170007310

5 Opacity Monitoring of Cruise
6 Ships and State Ferries

**CERTIFIED
TRANSCRIPT**

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10 PRE-PROPOSAL CONFERENCE

11
12
13
14 Friday, March 17, 2017

15 10:00 a.m.

16 at

17 Department of Environmental Conservation
18 555 Cordova Street, Suite 600
19 Anchorage, Alaska
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<p>Page 2</p> <p>1 A-P-P-E-A-R-A-N-C-E-S</p> <p>2</p> <p>3 For DEC:</p> <p>4 Natalie Wolfe</p> <p>5 Shawn Olsen</p> <p>6 Ben White (via Skype)</p> <p>7 Ed White (via Skype)</p> <p>8 Cera Ratzlaff (via Skype)</p> <p>9 Laurel Shoop (via Skype)</p> <p>10</p> <p>11 Also Present:</p> <p>12</p> <p>13 Shayla Marshall</p> <p>14 Katie Nolan</p> <p>15 Don Habeger (via Skype)</p> <p>16 Jeff Davis (via speaker phone)</p> <p>17 Larry Taylor (via speaker phone)</p> <p>18</p> <p>19</p> <p>20</p> <p>21</p> <p>22</p> <p>23</p> <p>24</p> <p>25</p> <p>Court Reporter:</p> <p>Sonja L. Reeves, RPR</p> <p>PACIFIC RIM REPORTING</p> <p>711 M Street, Suite 4</p> <p>Anchorage, Alaska 99501</p>	<p>Page 4</p> <p>1 MS. WOLFE: So as we're trying to get -- as</p> <p>2 we're trying to get things down in Juneau settled, for</p> <p>3 those on the phone, can you hear us okay?</p> <p>4 UNIDENTIFIED SPEAKER: Yep.</p> <p>5 MS. WOLFE: Good deal. We are going to turn</p> <p>6 you up nice and loud. So we've got Skype on and it's</p> <p>7 connecting the folks in Juneau, so you should be able to</p> <p>8 hear them when they talk. If you cannot, would you</p> <p>9 please interrupt us and let us know, and we'll do our</p> <p>10 best to try to turn the volume up.</p> <p>11 Okay. So let's do some introductions. My</p> <p>12 name is Natalie Wolfe. I'm the procurement manager here</p> <p>13 at DEC and the procurement officer for this</p> <p>14 solicitation.</p> <p>15 MR. OLSEN: I'm Shawn Olsen, procurement</p> <p>16 specialist. I work under Natalie, and I'm assisting and</p> <p>17 learning her methods and techniques.</p> <p>18 MS. WOLFE: Then you guys down in Juneau,</p> <p>19 Ben, let's start with you.</p> <p>20 MR. BEN WHITE: I'm Ben White, cruise ship</p> <p>21 program manager.</p> <p>22 MR. ED WHITE: I'm Ed White, not related to</p> <p>23 Ben. I'm a program specialist for the cruise ship</p> <p>24 program.</p> <p>25 UNIDENTIFIED SPEAKER: (Indiscernible.)</p>
<p>Page 3</p> <p>1 PROCEEDINGS</p> <p>2 MS. WOLFE: So it's 10:00. Welcome to the</p> <p>3 Opacity Monitoring RFP Pre-Proposal Conference. The</p> <p>4 process today -- I'm the procurement officer. We've got</p> <p>5 a location here in Anchorage, and in Juneau.</p> <p>6 If you are here in person, please make sure</p> <p>7 to sign in. For those of you who are on the phone,</p> <p>8 we'll do introductions here in just a minute. If you</p> <p>9 could let us know your full name, the company you're</p> <p>10 representing, your e-mail address and phone number, we</p> <p>11 would appreciate it, because we're going to take that</p> <p>12 down and fill out the sign-in sheet.</p> <p>13 So first of all, I'm going to introduce the</p> <p>14 DEC staff that we have on site here in Anchorage, and</p> <p>15 then the DEC staff in Juneau. Then we'll do the bidders</p> <p>16 that are here in person in both locations, and then</p> <p>17 we'll do those on the phone.</p> <p>18 So for those on the phone, if you wouldn't</p> <p>19 mind muting. Do not put us on hold, but just muting</p> <p>20 your phone, that way there is not music playing. If you</p> <p>21 need to do something else -- go ahead and -- go ahead</p> <p>22 and disconnect, and don't put us on hold, please. There</p> <p>23 you go.</p> <p>24 UNIDENTIFIED SPEAKER: I'm sorry, Natalie.</p> <p>25 It's just technical difficulties.</p>	<p>Page 5</p> <p>1 COURT REPORTER: I couldn't hear that.</p> <p>2 MS. WOLFE: We'll get you the names. And</p> <p>3 then Cera.</p> <p>4 UNIDENTIFIED SPEAKER: (Indiscernible.)</p> <p>5 MS. WOLFE: You guys go ahead and disconnect</p> <p>6 -- no one else is on the phone in Juneau. I think they</p> <p>7 will be able to hear okay, so we should be good.</p> <p>8 So Cera, if you could introduce yourself,</p> <p>9 please.</p> <p>10 MS. RATZLAFF: I'm Cera Ratzlaff. I'm a</p> <p>11 procurement specialist, and I'm here to learn.</p> <p>12 MS. SHOOP: I'm Laurel Shoop. I'm also here</p> <p>13 to learn under Natalie.</p> <p>14 MS. WOLFE: Okay. So those are all of our</p> <p>15 DEC staff. We have got lovely Sonja, our recorder, here</p> <p>16 today.</p> <p>17 So we'll start with the bidders that are in</p> <p>18 person. Do we happen to have any in person in Juneau?</p> <p>19 MR. HABEGER: My name is Don Habeger. I'm</p> <p>20 with River Rock Alaska, LLC.</p> <p>21 MS. WOLFE: Could you give us your e-mail</p> <p>22 address and your phone number, sir?</p> <p>23 MR. HABEGER: Certainly. E-mail address is</p> <p>24 dhabeger@acsalaska.net. Phone number is 907-321-4970.</p> <p>25 MS. WOLFE: Anybody else besides Don? No?</p>

<p style="text-align: right;">Page 6</p> <p>1 Okay.</p> <p>2 And then we have got a few here in</p> <p>3 Anchorage. Go ahead and introduce yourself.</p> <p>4 MS. NOLAN: I'm Katie Nolan with Shannon &</p> <p>5 Wilson. My e-mail is --</p> <p>6 MS. WOLFE: We got you covered on the</p> <p>7 sign-in sheet.</p> <p>8 MS. MARSHALL: I'm Shayla Marshall from</p> <p>9 Environmental Management, Inc., EMI.</p> <p>10 MS. WOLFE: And then for those on the phone,</p> <p>11 if you could state your full name, the company that</p> <p>12 you're representing, your e-mail address and phone</p> <p>13 number, please.</p> <p>14 MR. DAVIS: My name is Jeff Davis. I'm with</p> <p>15 ARRI, A-R-R-I. 907-315-4631. E-mail</p> <p>16 arri@arrialaska.org.</p> <p>17 MR. OLSEN: So Jeff, was that -- what is</p> <p>18 your last name again?</p> <p>19 MR. DAVIS: Davis.</p> <p>20 MR. OLSEN: And your company is A-R-R-I?</p> <p>21 MR. DAVIS: Correct.</p> <p>22 MR. OLSEN: Your e-mail address is</p> <p>23 arri@arri.alaska.org?</p> <p>24 MR. DAVIS: Just "arrialaska," no dot</p> <p>25 between there, "arrialaska."</p>	<p style="text-align: right;">Page 8</p> <p>1 So the first one that I would like to cover</p> <p>2 is Subsection 1.01 on page four. This is the "RFP</p> <p>3 Administration Information." It contains the title, the</p> <p>4 description, my contact information as the procurement</p> <p>5 officer.</p> <p>6 The deadline to receive inquiries is Monday,</p> <p>7 this coming up, at 4:00. If you could just e-mail me</p> <p>8 your questions that we don't answer here today.</p> <p>9 The deadline for receipt of proposals is</p> <p>10 Monday, April 3rd at 4:00 p.m., and we're going to open</p> <p>11 them the next day at 10:00 a.m. The term of this</p> <p>12 contract will be for four years with no renewal option.</p> <p>13 The next item I would like to talk about is</p> <p>14 Subsection 1.08, "Inquiries." Again, just covering all</p> <p>15 questions related to this contract, if you could just</p> <p>16 e-mail me your questions.</p> <p>17 The questions that we get here today and</p> <p>18 that we provide a response for will all be combined into</p> <p>19 one amendment that we'll issue either on Tuesday or</p> <p>20 Wednesday.</p> <p>21 And it's your responsibility to read all</p> <p>22 amendments. Once this amendment is prepared and</p> <p>23 published, we will e-mail it to all of those attending</p> <p>24 the pre-proposal conference, or that have registered,</p> <p>25 completed the vendor registration for the RFP, but we'll</p>
<p style="text-align: right;">Page 7</p> <p>1 MR. OLSEN: 907-315-4631?</p> <p>2 MR. DAVIS: Correct.</p> <p>3 MR. OLSEN: Got you. Thank you.</p> <p>4 MS. WOLFE: Do we have anyone else on the</p> <p>5 phone?</p> <p>6 MR. TAYLOR: Yeah, it's Larry Taylor, Flat</p> <p>7 Lake Engineering, larry@flatlake.engineering. Phone</p> <p>8 number is 907-538-7707.</p> <p>9 MS. WOLFE: Thank you. Anybody else? Okay.</p> <p>10 So hearing just the two, we will get started.</p> <p>11 So the plan for this pre-proposal</p> <p>12 conference, we are going to review the key aspects of</p> <p>13 the RFP and the scope of work. If you would please save</p> <p>14 all your questions until the end, we'll have a Q&A</p> <p>15 session where we'll open it up for all questions.</p> <p>16 Please refrain from sidebar discussions.</p> <p>17 During the solicitation process, all questions and</p> <p>18 information needs to be directly communicated only to me</p> <p>19 as the procurement officer, no other DEC staff, please.</p> <p>20 So let's get started by covering some of the</p> <p>21 key aspects of the RFP. I'm going to cover the terms</p> <p>22 and conditions within the RFP that I would like to</p> <p>23 highlight for you, and then I'm going to have Ed White</p> <p>24 with the cruise ship program cover key aspects of the</p> <p>25 scope of work.</p>	<p style="text-align: right;">Page 9</p> <p>1 also post it to the online notice posting site as part</p> <p>2 of this RFP solicitation, so for those that may not be</p> <p>3 here can have access to it.</p> <p>4 The next subsection I would like to bring</p> <p>5 your attention to is 2.01, "Proposal Submittal." We're</p> <p>6 requesting one original and three complete copies of</p> <p>7 your technical proposal and then one original of your</p> <p>8 cost proposal bundled up and marked "Opacity Monitoring</p> <p>9 of Cruise Ship and State Ferries," sent to me as the</p> <p>10 procurement officer.</p> <p>11 Please make sure your cost proposal is in a</p> <p>12 separate sealed envelope and include a copy of your</p> <p>13 technical proposal on a USB or a CD that's not password</p> <p>14 protected but in Word.</p> <p>15 The next section I would like to talk about</p> <p>16 is 3.01 on page 16. This is a time and materials</p> <p>17 contract, and in 3.05 it sets the order of precedence.</p> <p>18 So the contract that will result from this solicitation</p> <p>19 has a precedence in the contract documents.</p> <p>20 The first document of precedence will be any</p> <p>21 amendment in the future that may be executed as part of</p> <p>22 the contract, then the initial standard agreement form</p> <p>23 and the contract elements themselves. And the contract</p> <p>24 elements will include this amendment, or this RFP, and</p> <p>25 its amendment and then the contractor's proposal.</p>

<p style="text-align: right;">Page 10</p> <p>1 So when you, whoever might be the apparent 2 winning bidder, gets awarded the contract, your contract 3 will be your proposal, the RFP, the contract award 4 document, which is the signed and executed SAF that 5 you'll see in here, and then any future amendments that 6 may be executed.</p> <p>7 The next one is 3.12.01, talks about 8 contract pricing. It's a time and materials contract, 9 so the price that is proposed will be the price for the 10 entire term of the contract. There is no CPI 11 adjustments built in.</p> <p>12 The labor rates are calculated based on 13 three -- the three busiest cruise ship ports in Alaska, 14 which are Juneau, Ketchikan and Skagway, and Ed is going 15 to talk about those when he talks about the scope of 16 work.</p> <p>17 So that's the main labor rates that we're 18 asking for in the cost proposal, but we're also asking 19 for a separate labor rate for conducting opacity 20 readings at any other port which is considered a minor 21 port in Alaska.</p> <p>22 The labor rates are fully burdened rates, so 23 it should include all of your fringe, all of your 24 insurance -- your insurance costs, all of your indirect 25 costs. Everything that you have should be included as</p>	<p style="text-align: right;">Page 12</p> <p>1 able to work with you and address any performance issues 2 that come up.</p> <p>3 Now, let's -- I'm going to turn it over to 4 Ed to talk about the scope of work in section five.</p> <p>5 MR. ED WHITE: And this is Ed White with the 6 State of Alaska Cruise Ship Program. Let me know if you 7 can't hear me at any time down here in Juneau.</p> <p>8 This is a contract that's named the "Opacity 9 Monitoring of Cruise Ships and State Ferries." It's a 10 contract to perform visible emission ratings on 11 commercial passenger vessels and state ferries.</p> <p>12 It's a four-year, 2017 to 2020. That's in 13 the overview and expectations. So our scope of work is 14 broken down into different sections.</p> <p>15 5.02 lists the general requirements and 16 talks about that this is to observe the opacity of 17 visible emissions from commercial passenger vessels and 18 state ferries in Alaska using the requirements set forth 19 in 40 CFR 60, Appendix A, Reference Method 9 to 20 determine compliance with State standards that are in 21 our regulations.</p> <p>22 So part of the contract is the contractor 23 will need to follow the procedures and requirements of 24 EPA Method 9. The contractor shall manage the opacity 25 monitoring for the entire term of the contract.</p>
<p style="text-align: right;">Page 11</p> <p>1 fully burdened, part of your labor rate.</p> <p>2 The only exception to that is for actual and 3 customary expenses related to travel, which would 4 include flight costs, transportation when you're on site 5 doing the opacity reading and lodging costs. So those 6 we will be willing to reimburse, according to this 7 language in here, on a reimbursement basis if you 8 provide us the receipts for it. It's all outlined in 9 here.</p> <p>10 Next one is section 3.15, "Contract 11 Compliance." So if there -- the DEC reserves the right 12 to audit -- audit the contract, audit the readings that 13 are taking place and ensure that performance is on task 14 with the deliverables and the requirements in the 15 solicitation and the resulting contract.</p> <p>16 If we do an audit and we find any instances 17 of partial or noncompliance, then we'll give you a 18 notice within 24 hours, and then it's then your 19 responsibility as the contractor to cure or make 20 substantial progress towards curing or remedying the 21 deficiencies within 30 calendar days.</p> <p>22 And then if those remedies are not made or 23 substantial progress isn't made, then the next 24 subsection talks a little bit about the remedial actions 25 available to the department, but we really want to be</p>	<p style="text-align: right;">Page 13</p> <p>1 And in each of the subsections, again, talks 2 a little bit about the specific requirements. So 3 subsection 5.02.01 is a "Monitoring Schedule." This is 4 to develop and implement a schedule for monitoring those 5 vessels.</p> <p>6 And we anticipate between 200 and 500 7 opacity readings per cruise ship season per year. The 8 three busiest cruise ports that we define in the 9 contract are Juneau, Ketchikan and Skagway. And we 10 provide some numbers in the scope as a breakdown of how 11 many visits they get.</p> <p>12 So the cruise ship season is approximately 13 May 1st to September 30th. We have, as you go through, 14 numbered items, requirements of what would need to be in 15 that monitoring schedule and talking a little bit about 16 some of the ports there.</p> <p>17 The schedule would need to be approved by 18 the DEC project manager, and the contractor will need to 19 perform the readings in the schedule, and we talk about 20 the specifics again.</p> <p>21 So we do -- "Contractor's ability to satisfy 22 the anticipated monitoring may be affected by weather, 23 changes to the cruise ship schedules and other elements 24 outside of the contractor's control," and we explain a 25 little bit about that. Things come up that can prevent</p>

<p style="text-align: right;">Page 14</p> <p>1 the schedule from being followed exactly as different 2 things outside of anyone's control happens. So as part 3 of this, you'll need to describe how to do this 4 subsection.</p> <p>5 Subsection 5.03, "Consultation and 6 Communication." There will be an annual pre-season 7 meeting. The contractor will need to consult with the 8 department monthly in person or by phone. There is a 9 possibility that we describe the specifics in here for 10 being a witness over the life of the contract.</p> <p>11 So Section 5.04 is "Project Management," and 12 has more details on a pre-season meeting that will be 13 held. It identifies what needs to be provided to the 14 department each year, and that information is in that 15 subsection.</p> <p>16 The Subsection 5.05, "Reporting." So "the 17 contractor shall perform the visible emissions readings 18 using a Visible Emissions Form." And we provide a 19 breakdown there of how long the reading will be 20 depending on the percentage of opacity coming from the 21 vessel.</p> <p>22 Those reports will need to be provided to 23 the department, and that information is in that 24 subsection as well.</p> <p>25 There will need to be regular status</p>	<p style="text-align: right;">Page 16</p> <p>1 in that subsection.</p> <p>2 The next subsection would be 6.05, 3 "Overview," and then 6.06, "Experience and 4 Qualifications." So each of those three subsections 5 need to be narrated out in your proposal as far as how 6 you're going to accomplish what we ask you to do in 7 those subsections.</p> <p>8 The contract, you will still be required and 9 your cost proposal should reflect, still doing all of 10 the deliverables, but as far as the technical criteria 11 within the evaluation, we're looking at you responding 12 to just those three subsections.</p> <p>13 If you could also include your table of 14 contents and a cover letter. The cover letter needs to 15 address all eight of the points in Subsection 6.04.</p> <p>16 Ed, is there anything that you would like to 17 say about 6.05, "Overview"?</p> <p>18 MR. ED WHITE: No, I don't think so.</p> <p>19 MS. WOLFE: Section 6.06, "Experience and 20 Qualifications." Before I let Ed talk a little bit 21 about this, I do want to point out that this is an area 22 where we will determine responsivity.</p> <p>23 So in order for a proposal to be deemed 24 responsive, an offer must demonstrate through verifiable 25 documentation that includes with its proposal how its</p>
<p style="text-align: right;">Page 15</p> <p>1 progress updates provided to the department, and at the 2 end of the year, an annual report containing a summary 3 of those observations.</p> <p>4 Subsection 5.06 is "Deliverables." It talks 5 about the digital photographs and/or videos that would 6 need to be provided upon request by the department. And 7 that's the -- that is a short summary of the scope of 8 work.</p> <p>9 MS. WOLFE: Okay. So going into Section 6, 10 6.02, "Evaluation Codes," and 6.03, "Proposal Format." 11 In your bidder proposal, it requires both technical 12 criteria be responded to as well as the cost proposal.</p> <p>13 So in your technical proposal, we ask you to 14 follow the numerical order of the RFP, and for those 15 subsections that are marked with an "ME," a mandatory 16 and evaluated specification, in your proposal, follow 17 the outline numerically.</p> <p>18 So you should should start with Subsection 19 5.02.01, which is the first subsection that's marked 20 with an "ME." If you could put the narrative of the 21 subsection in your proposal and then create in a 22 different font or a different lettering or a different 23 color your response.</p> <p>24 So in your response, we're looking for how 25 are you going to accomplish what we have asked you to do</p>	<p style="text-align: right;">Page 17</p> <p>1 proposed team members meet the following requirements.</p> <p>2 If you do not have one of these positions, 3 like, for example, if you don't have all of your team 4 members who are actually going to be conducting the 5 readings already hired and working for you, you still 6 need to demonstrate how you're going to get us that 7 documentation within contract award.</p> <p>8 If you do not do it and if it becomes a 9 problem, we will terminate the contract and we will go 10 to the next ranked bidder, because we want to make sure 11 that all of the folks that respond to this and are 12 awarded the contract can demonstrate how they meet these 13 requirements.</p> <p>14 So Ed, is there anything that you would like 15 to talk about in "Experience and Qualifications"?</p> <p>16 MR. ED WHITE: Yeah. This is Ed White 17 again. We have the bulleted items there talking in 18 detail about the requirements, so somebody with 19 experience with logistics or travel to Alaska ports, 20 someone with experience, and the details are all in the 21 bullets, with EPA's Reference Method 9.</p> <p>22 And then the last one is the combination of 23 training and experience conducting an EPA Method 9 in 24 Alaska cruise ship ports. And again, Natalie talked 25 about the supporting documentation there. So you can</p>

<p>Page 18</p> <p>1 find all of that, the details in that 6.06 and the 2 bullets is the requirements that the program is looking 3 for.</p> <p>4 MS. WOLFE: So again, just a reminder to 5 make sure that documentation is included as part of your 6 proposal. If you want to include it as an attachment 7 instead of within the body of your proposal, that's 8 fine, not a problem.</p> <p>9 Section 7.01 is our evaluation criteria. 10 The technical proposal is worth 60 points, the cost 11 proposal is worth 40 points, for a total of 100 points. 12 Preference points are in addition to that 13 100 points, they are not part of that 100. So if you're 14 an Alaska proposer, Alaska bidder, please make sure to 15 include this statement in which you're claiming that 16 preference and we will add those points accordingly.</p> <p>17 The three criteria that are evaluated as 18 part of the technical proposal are again the monitoring 19 schedule, the overview and executive summary and the 20 experience and qualifications, and you can see that 21 point breakdown in 7.01.</p> <p>22 And the cost proposal is, again, going to be 23 scored based on the lowest combined labor rate, the 24 total combined labor rate, the lowest receiving -- the 25 40 point maximum and then normalized thereafter.</p>	<p>Page 20</p> <p>1 When you ask your question, if you could 2 identify your name and your company and then ask your 3 question, that would be appreciated.</p> <p>4 UNIDENTIFIED SPEAKER: We have a question 5 here in Juneau.</p> <p>6 MR. HABEGER: Hi. For the record, Don 7 Habeger, River Rock Alaska, LLC. And the question has 8 to do with the cost proposal, Appendix D.</p> <p>9 In the body of the RFP it talks about a 10 four-year contract, and then you talk about 225, another 11 piece of the proposal. I believe it does talk about an 12 annual 225 requirement.</p> <p>13 My question really is: In Appendix D, on 14 the total labor cost, is that a four-year cost proposal, 15 or is this an annualized figure?</p> <p>16 MS. WOLFE: It will be an annualized figure.</p> <p>17 MR. HABEGER: Thank you.</p> <p>18 MS. WOLFE: Uh-huh.</p> <p>19 MR. HABEGER: Second question. I'm sorry.</p> <p>20 MS. WOLFE: Go ahead.</p> <p>21 MR. HABEGER: Okay. Thanks. Second 22 question, if I may. Again, for record, Don Habeger, 23 River Rock Alaska, LLC.</p> <p>24 It has to do with page ten, Section 2.04. I 25 have to ask this, because it became a contention in the</p>
<p>Page 19</p> <p>1 So the final piece that I would like to talk 2 about is the cost proposal on page 44, Appendix D. This 3 is the form that we ask you -- we have provided it in 4 Word so that you can fill it in.</p> <p>5 In your labor rate table under the number of 6 readings, if you could identify the number of readings 7 that you have got to allocate that you would like to 8 allocate or propose to allocate for Juneau, for 9 Ketchikan and for Skagway. And then you will equal a 10 total combined number of 225.</p> <p>11 In the column next to it, the total labor 12 cost, this is the total cost that you plan on proposing 13 for each of those ports. It should be reflective of 14 your cost within the number of readings that you're 15 going to be conducting in that port, but this is a total 16 number.</p> <p>17 And then the sum of A, B, C and D will go in 18 Row E, and that total combined labor rate is going to be 19 the number that we evaluate for the cost proposal.</p> <p>20 Is there anything that you would like to say 21 about the cost proposal, Ed?</p> <p>22 MR. ED WHITE: No, not from our end.</p> <p>23 MS. WOLFE: Okay. So that's all that I have 24 got as far as the key points within the RFP. And we 25 will now open it up for questions and answers.</p>	<p>Page 21</p> <p>1 first round here, and in that point of contention, it 2 talked about some things that I have in my past. I 3 worked for cruise companies in the past, worked for the 4 port agency here in Juneau.</p> <p>5 Obviously, I cannot change my past, but in 6 the contract -- conflict of interest, it specifically 7 says that, let's see here, "appearance of a conflict or 8 cause speculation as to objectivity of the program is an 9 issue or potentially an issue for the department."</p> <p>10 So the question I have to ask, before I 11 spend any more time and cost responding in round two is: 12 Is my past considered a conflict of interest by the 13 department?</p> <p>14 MS. WOLFE: Ed and Ben, I'm going to let you 15 respond to that.</p> <p>16 MR. ED WHITE: I think -- reading through 17 here, I think it's always the commissioner's 18 determination, is that correct, Natalie, for the final 19 determination as to what's a conflict?</p> <p>20 MS. WOLFE: Yes. So any disclosed conflict 21 of interest, we would review it internally and our 22 commissioner would have final say on whether or not it 23 would be a conflict of interest that would exclude 24 someone from participating in the process.</p> <p>25 Or should the contract be awarded and you go</p>

<p style="text-align: right;">Page 22</p> <p>1 to work for one of the cruise ships and do this contract 2 at the same time, that would be a conflict of interest 3 that we would have to have disclosed to us and consider 4 at that point in time as well. 5 So specific to someone's past work history, 6 if you do not have a current relationship that could 7 create the appearance or the actual act of impropriety 8 or a conflict of interest, you're fine. 9 MR. HABEGER: Very good. For the record, I 10 have divested all of my holdings in any cruise companies 11 working with my broker, so anything in my retirement 12 accounts have been purged, so I hope that's satisfactory 13 to the department. 14 MS. WOLFE: It should be at this point in 15 time. 16 MR. HABEGER: Thank you, Natalie. I 17 appreciate that comment. 18 MS. NOLAN: This is Katie with Shannon & 19 Wilson. This is in regards to the cost proposal. As 20 far as a fully burdened rate, it says in the cost 21 proposal, "The labor rate for any other port excludes 22 travel costs." 23 So we weren't sure whether the reference to 24 travel costs should be included in the three busiest 25 ports, or if all of the labor rates take out the travel</p>	<p style="text-align: right;">Page 24</p> <p>1 deliver a sealed envelope to the Juneau office by the 2 3rd, or must it be up in Anchorage? 3 MS. WOLFE: Let me verify the wording. It 4 does -- it does say that you'll need to submit it to me 5 at my address here in Anchorage, so if you could either 6 mail it up -- if it would be easier for folks to deliver 7 it via e-mail, I would accept that. 8 If you could just make sure that your cost 9 proposal is in a separate PDF document from the other 10 aspects of your proposal as far as your technical 11 proposal attachments and so on, I'll accept that as 12 well. My e-mail address is in here. Yes. 13 MR. DAVIS: Jeff Davis. I'll just follow up 14 on that last response. So you'll accept the one 15 original, three copies by e-mail? 16 MS. WOLFE: Yep, I can do that. 17 MR. DAVIS: Okay. 18 UNIDENTIFIED SPEAKER: Natalie, could you 19 repeat that? 20 MS. WOLFE: Jeff Davis asked a follow-up 21 question just to confirm that we would accept the one 22 original and three copies via e-mail. And yes, we will 23 do that. 24 Any other questions? All right. Hearing 25 none, it's 10:37 a.m. Thank you very much. We're going</p>
<p style="text-align: right;">Page 23</p> <p>1 costs for reimbursement later. 2 MS. WOLFE: So the actual -- I'm going to 3 talk about this one. So the actual wording says, "The 4 labor rates proposed for each of Alaska's three busiest 5 cruise ship ports shall be a fully burdened rate for 6 work performed in that specific location. The labor 7 rate for any other port excludes costs for travel, 8 transportation and lodging. These actual costs may be 9 invoiced to DEC for reimbursement." 10 So the rates for the three ports, Juneau, 11 Ketchikan and Skagway, are fully burdened and should 12 include travel. The rates for any other port are not 13 fully burdened in that you can ask for reimbursement for 14 travel, transportation and lodging costs. 15 Does that make sense? 16 MS. NOLAN: Yep. 17 MS. WOLFE: Okay. Do we have any other 18 questions? 19 MR. HABEGER: Natalie, if I may, Don Habeger 20 for River Rock Alaska, LLC. Quick question. This one 21 just popped into my head. 22 In the early section, it identifies you as 23 the procurement officer and your address in Anchorage. 24 MS. WOLFE: Yes. 25 MR. HABEGER: I live in Juneau. May I</p>	<p style="text-align: right;">Page 25</p> <p>1 to adjourn and wish you all a happy St. Patrick's Day. 2 We're going to sign off the phone. Thank 3 you for attending. 4 (Proceedings concluded at 10:37 a.m.) 5 -oOo- 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25</p>