

INVITATION TO BID (ITB) NUMBER 2518S001

RETURN THIS BID TO THE ISSUING OFFICE AT:



Department of Transportation & Public Facilities
Statewide Contracting & Procurement
P.O. Box 112500
(3132 Channel Drive, Suite 350)
Juneau, Alaska 99801-2500

THIS IS NOT AN ORDER

DATE ITB ISSUED: June 2, 2017

ITB TITLE: OILY WATER DISPOSAL IN AUKE BAY, ALASKA


SEALED BIDS MUST BE SUBMITTED TO THE STATEWIDE CONTRACTING & PROCUREMENT OFFICE AT THE ABOVE ADDRESS AND MUST BE TIME AND DATE STAMPED BY THE PURCHASING SECTION PRIOR TO 2:00 PM ON JULY 14, 2017, AT WHICH TIME THEY WILL BE PUBLICLY OPENED.

IMPORTANT NOTICE: If you received this solicitation from the State's "Online Public Notice" web site, you must register with the Procurement Officer listed on this document to receive notification of subsequent amendments. Failure to contact the Procurement Officer may result in the rejection of your offer.

BIDDER'S NOTICE: By signature on this form, the bidder certifies that:

- (1) the bidder has a valid Alaska business license, or will obtain one prior to award of any contract resulting from this ITB. If the bidder possesses a valid Alaska business license, the license number must be written below or one of the following forms of evidence must be submitted with the bid:
 - a canceled check for the business license fee;
 - a copy of the business license application with a receipt date stamp from the State's business license office;
 - a receipt from the State's business license office for the license fee;
 - a copy of the bidder's valid business license;
 - a sworn notarized statement that the bidder has applied and paid for a business license;
- (2) the price(s) submitted was arrived at independently and without collusion and that the bidder is complying with:
 - the laws of the State of Alaska;
 - the applicable portion of the Federal Civil Rights Act of 1964;
 - the Equal Employment Opportunity Act and the regulations issued thereunder by the State and Federal Government; and
 - all terms and conditions set out in this Invitation to Bid (ITB).

If a bidder fails to comply with (1) at the time designated in the ITB for opening the state will disallow the Alaska Bidder Preference. If a bidder fails to comply with (2) of this paragraph, the state may reject the bid, terminate the contract, or consider the contractor in default. Bids must be also submitted under the name as appearing on the bidder's current Alaska business license in order to receive the Alaska Bidder Preference.

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|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------|----------------------------------------------------------------------------------------|
|  Chris Hunt PROCUREMENT OFFICER TELEPHONE NUMBER: 907-465-8448 FAX NUMBER: 907-465-3124 EMAIL: chris.hunt@alaska.gov | 1) _____ COMPANY SUBMITTING BID | 7) _____ ALASKA BUSINESS LICENSE NUMBER (Is name on license the same as Item 1?) |
| | 2) _____ PRINTED NAME | |
| | 3) _____ EMAIL ADDRESS | 8) DOES YOUR BUSINESS QUALIFY FOR THE ALASKA BIDDER'S PREFERENCE? [] YES [] NO |
| | 4) _____ AUTHORIZED SIGNATURE | |
| | 5) _____ TELEPHONE NUMBER | 9) DOES YOUR BUSINESS QUALIFY FOR THE ALASKA VETERAN PREFERENCE? [] YES [] NO |
| | 6) _____ FEDERAL TAX ID NUMBER | SEE ITB FOR EXPLANATION OF CRITERIA TO QUALIFY |
| | 10) _____ DATE | |

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INSTRUCTIONS TO BIDDERS:

1. INVITATION TO BID (ITB) REVIEW: Bidders shall carefully review this ITB for defects and questionable or objectionable material. Bidders' comments concerning defects and questionable or objectionable material in the ITB must be made in writing and received by the purchasing authority at least ten (10) days before the bid opening date. This will allow time for an amendment to be issued if one is required. It will also help prevent the opening of a defective bid, upon which award cannot be made, and the resultant exposure of bidders' prices. Bidders' original comments should be sent to the purchasing authority listed on the front of this ITB.

2. BID FORMS: Bidders shall use this and attached forms in submitting bids. A photocopied bid may be submitted.

3. SUBMITTING BIDS: Envelopes containing bids must be sealed, marked, and addressed as shown in the example below. Do not put the ITB number and opening date on the envelope of a request for bid information. Envelopes with ITB numbers annotated on the outside will not be opened until the scheduled date and time.

Bidder's Return Address

Department of Transportation & Public Facilities
Statewide Contracting & Procurement
P.O. Box 112500
Juneau, AK 99811-2500

Physical Address: 3132 Channel Dr., Suite 350, Juneau, AK 99801

ITB No.: 2518S001

Opening Date: July 14, 2017 at 2:00 PM Alaska Time

4. PRICES: The bidder shall state prices in the units of issue on this ITB. Prices quoted for commodities must be in U.S. funds and include applicable federal duty, brokerage fees, packaging, and transportation cost to the FOB point so that upon transfer of title the commodity can be utilized without further cost. Prices quoted for services must be quoted in U.S. funds and include applicable federal duty, brokerage fee, packaging, and transportation cost so that the services can be provided without further cost. Prices quoted in bids must be exclusive of federal, state, and local taxes. If the bidder believes that certain taxes are payable by the State, the bidder may list such taxes separately, directly below the bid price for the affected item. The State is exempt from Federal Excise Tax except the following:

- Coal - Internal Revenue Code of 1986 (IRC), Section 4121 - on the purchase of coal;
- "Gas Guzzler" - IRC, Section 4064 - on the purchase of low m.p.g. automobiles, except that police and other emergency type vehicles are not subject to the tax;
- Air Cargo - IRC, Section 4271 - on the purchase of property transportation services by air;
- Air Passenger - IRC, Section 4261 - on the purchase of passenger transportation services by air carriers.
- Leaking Underground Storage Tank Trust Fund Tax (LUST) - IRC, Section 4081 - on the purchase of Aviation gasoline, Diesel Fuel, Gasoline, and Kerosene.

5. VENDOR TAX ID NUMBER: If goods or services procured through this ITB are of a type that is required to be included on a Miscellaneous Tax Statement, as described in the Internal Revenue Code, a valid tax identification number must be provided to the State of Alaska before payment will be made.

6. FILING A PROTEST: A bidder may protest the award of a contract or the proposed award of a contract for supplies, services, or professional services. The protest must be filed in writing and include the following information: (1) the name, address, and telephone number of the protester; (2) the signature of the protester or the protester's representative; (3) identification of the contracting agency and the solicitation or contract at issue; (4) a detailed statement of the legal and factual grounds of the protest, including copies of relevant documents; and (5) the form of relief requested. Protests will be treated in accordance with Alaska Statutes (AS) 36.30.560-36.30.610.

CONDITIONS:

1. AUTHORITY: This ITB is written in accordance with AS 36.30 and 2 AAC 12.

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- 2. COMPLIANCE:** In the performance of a contract that results from this ITB, the contractor must comply with all applicable federal, state, and borough regulations, codes, and laws; be liable for all required insurance, licenses, permits and bonds; and pay all applicable federal, state, and borough taxes.
- 3. SUITABLE MATERIALS, ETC.:** Unless otherwise specified, all materials, supplies or equipment offered by a bidder shall be new, unused, and of the latest edition, version, model or crop and of recent manufacture.
- 4. SPECIFICATIONS:** Unless otherwise specified in the ITB, product brand names or model numbers specified in this ITB are examples of the type and quality of product required, and are not statements of preference. If the specifications describing an item conflict with a brand name or model number describing the item, the specifications govern. Reference to brand name or number does not preclude an offer of a comparable or better product, if full specifications and descriptive literature are provided for the product. Failure to provide such specifications and descriptive literature may be cause for rejection of the offer.
- 5. FIRM OFFER:** For the purpose of award, offers made in accordance with this ITB must be good and firm for a period of ninety (90) days from the date of bid opening.
- 6. EXTENSION OF PRICES:** In case of error in the extension of prices in the bid, the unit prices will govern; in a lot bid, the lot prices will govern.
- 7. BID PREPARATION COSTS:** The State is not liable for any costs incurred by the bidder in bid preparation.
- 8. CONSOLIDATION OF AWARDS:** Due to high administrative costs associated with processing of purchase orders, a single low bid of \$50 or less may, at the discretion of the State, be awarded to the next low bidder receiving other awards for consolidation purposes. This paragraph is not subject to the protest terms enumerated in “*INSTRUCTION TO BIDDERS*”, “*FILING A PROTEST*” above.
- 9. CONTRACT FUNDING:** Bidders are advised that funds are available for the initial purchase and/or the first term of the contract. Payment and performance obligations for succeeding purchases and/or additional terms of the contract are subject to the availability and appropriation of funds.
- 10. CONFLICT OF INTEREST:** An officer or employee of the State of Alaska may not seek to acquire, be a party to, or possess a financial interest in, this contract if (1) the officer or employee is an employee of the administrative unit that supervises the award of this contract; or (2) the officer or employee has the power to take or withhold official action so as to affect the award or execution of the contract.
- 11. ASSIGNMENT(S):** Assignment of rights, duties, or payments under a contract resulting from this ITB is not permitted unless authorized in writing by the procurement officer of the contracting agency. Bids that are conditioned upon the State’s approval of an assignment will be rejected as nonresponsive.
- 12. SUBCONTRACTOR(S):** Within five (5) working days of notice from the state, the apparent low bidder must submit a list of the subcontractors that will be used in the performance of the contract. The list must include the name of each subcontractor and the location of the place of business for each subcontractor and evidence of each subcontractor’s valid Alaska business license.
- 13. FORCE MAJEURE (Impossibility to perform):** The parties to a contract resulting from this ITB are not liable for the consequences of any failure to perform, or default in performing, any of its obligations under the contract, if that failure or default is caused by any unforeseeable Force Majeure, beyond the control of, and without the fault or negligence of, the respective party. For the purposes of this ITB, Force Majeure will mean war (whether declared or not); revolution; invasion; insurrection; riot; civil commotion; sabotage; military or usurped power; lightning; explosion; fire; storm; drought; flood; earthquake; epidemic; quarantine; strikes; acts or restraints of governmental authorities affecting the project or directly or indirectly prohibiting or restricting the furnishing or use of materials or labor required; inability to secure materials, machinery, equipment or labor because of priority, allocation or other regulations of any governmental authorities.
- 14. LATE BIDS:** Late bids are bids received after the time and date set for receipt of the bids. Late bids will not be accepted.
- 15. CONTRACT EXTENSION:** Unless otherwise provided in this ITB, the State and the successful bidder/contractor agree: (1) that any holding over of the contract excluding any exercised renewal options, will be considered as a month-to-month extension, and all other terms and conditions shall remain in full force and effect and (2) to provide written notice to the other party of the intent to cancel such month-to-month extension at least thirty (30) days before the desired date of cancellation.

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16. DEFAULT: In case of default by the contractor, for any reason whatsoever, the State of Alaska may procure the goods or services from another source and hold the contractor responsible for any resulting excess cost and may seek other remedies under law or equity.

17. DISPUTES: If a contractor has a claim arising in connection with a contract resulting from this ITB that it cannot resolve with the State by mutual agreement, it shall pursue a claim, if at all, in accordance with the provisions of AS 36.30.620 – 632.

18. CONSUMER ELECTRICAL PRODUCT: AS 45.45.910 requires that "...a person may not sell, offer to sell, or otherwise transfer in the course of the person's business a consumer electrical product that is manufactured after August 14, 1990, unless the product is clearly marked as being listed by an approved third party certification program." Electrical consumer products manufactured before August 14, 1990, must either be clearly marked as being third party certified or be marked with a warning label that complies with AS 45.45.910(e). Even exempted electrical products must be marked with the warning label. By signature on this bid the bidder certifies that the product offered is in compliance with the law. A list of approved third party certifiers, warning labels and additional information is available from: Department of Labor and Workforce Development, Labor Standards & Safety Division, Mechanical Inspection Section, P.O. Box 107020, Anchorage, Alaska 99510-7020, (907)269-4925.

19. SEVERABILITY: If any provision of the contract is declared by a court to be illegal or in conflict with any law, the validity of the remaining terms and provisions will not be affected; and, the rights and obligations of the parties will be construed and enforced as if the contract did not contain the particular provision held to be invalid.

20. GOVERNING LAW; FORUM SELECTION: A contract resulting from this ITB is governed by the laws of the State of Alaska. To the extent not otherwise governed by section 17 of these Standard Terms and Conditions, any claim concerning the contract shall be brought only in the Superior Court of the State of Alaska and not elsewhere.

SPECIAL CONDITIONS:

1. ORDER DOCUMENTS: Except as specifically allowed under this ITB, an ordering agency will not sign any vendor contract. The State is not bound by a vendor contract signed by a person who is not specifically authorized to sign for the State under this ITB. The State of Alaska Purchase Order, Contract Award and Delivery Order are the only order documents that may be used to place orders against the contract(s) resulting from this ITB.

2. BILLING INSTRUCTIONS: Invoices must be billed to the ordering agency's address shown on the individual Purchase Order, Contract Award or Delivery Order, not to the Division of General Services. The ordering agency will make payment after it receives the merchandise or service and the invoice. Questions concerning payment must be addressed to the ordering agency.

3. CONTINUING OBLIGATION OF CONTRACTOR: Notwithstanding the expiration date of a contract resulting from this ITB, the contractor is obligated to fulfill its responsibilities until warranty, guarantee, maintenance and parts availability requirements have completely expired.

PREFERENCES:

1. ALASKA BIDDER PREFERENCE: Award will be made to the lowest responsive and responsible bidder after an Alaska bidder preference of five percent (5%) has been applied. The preference will be given to a person who: (1) holds a current Alaska business license at the time designated in the invitation to bid for bid opening; (2) submits a bid for goods or services under the name on the Alaska business license; (3) has maintained a place of business within the state staffed by the bidder, or an employee of the bidder, for a period of six months immediately preceding the date of the bid; (4) is incorporated or qualified to do business under the laws of the state, is a sole proprietorship and the proprietor is a resident of the state, is a limited liability company organized under AS 10.50 and all members are residents of the state, or is a partnership under AS 32.06 or AS 32.11 and all partners are residents of the state; and, (5) if a joint venture, is composed entirely of ventures that qualify under (1) - (4) of this subsection. AS 36.30.170, AS 36.30.321(a) and AS 36.30.990(2)

2. ALASKA VETERAN PREFERENCE: If a bidder qualifies for the Alaska bidder preference under AS 36.30.321(a) and AS 36.30.990(2) and is a qualifying entity as defined in AS 36.30.321(f), they will be awarded an Alaska veteran preference of five percent (5%). The preference will be given to a (1) sole proprietorship owned by an Alaska veteran; (2) partnership under AS 32.06 or AS 32.11 if a majority of the partners are Alaska veterans; (3) limited liability company organized under AS 10.50 if a majority of the members are Alaska veterans; or (4) corporation that is wholly owned by individuals and a majority of the individuals are Alaska veterans, and may not exceed \$5,000. The bidder must also add value by actually

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performing, controlling, managing, and supervising the services provided, or for supplies, the bidder must have sold supplies of the general nature solicited to other state agencies, other governments, or the general public - AS 36.30.321(i).

3. USE OF LOCAL FOREST PRODUCTS: In a project financed by state money in which the use of timber, lumber and manufactured lumber is required, only timber, lumber and manufactured lumber products originating in this state from Alaska forests shall be used unless the use of those products has been determined to be impractical, in accordance with AS 36.15.010 and AS 36.30.322.

4. LOCAL AGRICULTURAL AND FISHERIES PRODUCTS PREFERENCE: When agricultural, dairy, timber, lumber, or fisheries products are purchased using state money, a seven percent (7%) preference shall be applied to the price of the products harvested in Alaska, or in the case of fisheries products, the products harvested or processed within the jurisdiction of Alaska, in accordance with AS 36.15.050.

5. ALASKA PRODUCT PREFERENCE: A bidder that designates the use of an Alaska Product which meets the requirements of the ITB specification and is designated as a Class I, Class II or Class III Alaska Product by the Department of Community & Economic Development shall receive a preference in the bid evaluation in accordance with AS 36.30.332 and 3 AAC 92.010.

6. EMPLOYMENT PROGRAM PREFERENCE: If a bidder qualifies for the Alaska bidder preference under AS 36.30.321(a) and AS 36.30.990(2), and is offering goods or services through an employment program as defined under 36.30.990(12), they will be awarded an Employment Program Preference of fifteen percent (15%) in accordance with AS 36.30.321(b).

7. ALASKANS WITH DISABILITIES PREFERENCE: If a bidder qualifies for the Alaska bidder preference under AS 36.30.321(a) and AS 36.30.990(2), and is a qualifying entity as defined in AS 36.30.321(d), they will be awarded an Alaskans with Disabilities Preference of ten percent (10%) in accordance with AS 36.30.321(d). A bidder may not receive both an Employment Program Preference and an Alaskans with Disabilities Preference.

8. PREFERENCE QUALIFICATION LETTER: Regarding preferences 6 and 7 above, the Division of Vocational Rehabilitation in the Department of Labor and Workforce Development maintains lists of Alaskan; [1] employment programs that qualify for preference, and [2] individuals who qualify for preference as Alaskan's with disabilities. In accordance with AS 36.30.321(i), in order to qualify for one of these preferences, a bidder must add value by actually performing, controlling, managing, and supervising the services provided, or for supplies, a bidder must have sold supplies of the general nature solicited to other state agencies, governments, or the general public.

As evidence of an individual's or a business' right to a certain preference, the Division of Vocational Rehabilitation will issue a certification letter. To take advantage of the preferences 6 or 7 above, an individual or business must be on the appropriate Division of Vocational Rehabilitation list at the time the bid is opened, and must attach a copy of their certification letter to their bid. The bidder's failure to provide this certification letter with their bid will cause the State to disallow the preference.

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ALASKA BUSINESS LICENSE AND OTHER REQUIRED LICENSES: Prior to the award of a contract, a bidder must hold a valid Alaska business license. However, in order to receive the Alaska Bidder Preference and other related preferences, such as the Alaska Veteran and Alaskans with Disabilities Preference, a bidder must hold a valid Alaska business license at the time designated for bid opening. Bidders should contact the Department of Commerce, Community and Economic Development, Division of Corporations, Business, and Professional Licensing for information on these licenses.

Website: <https://www.commerce.alaska.gov/web/cbpl/ProfessionalLicensing.aspx>

Phone: (907) 465-2550

Email: license@alaska.gov

Acceptable evidence that the bidder possesses a valid Alaska business license may consist of any one of the following:

- (a) copy of an Alaska business license;
- (b) certification on the bid that the bidder has a valid Alaska business license and has included the license number in the bid (see front page);
- (c) a canceled check for the Alaska business license fee;
- (d) a copy of the Alaska business license application with a receipt stamp from the state's occupational licensing office; or
- (e) a sworn and notarized statement that the bidder has applied and paid for the Alaska business license.

You are not required to hold a valid Alaska business license at the time bids are opened if you possess one of the following licenses and are offering services or supplies under that specific line of business:

- fisheries business licenses issued by Alaska Department of Revenue or Alaska Department of Fish and Game,
- liquor licenses issued by Alaska Department of Revenue for alcohol sales only,
- insurance licenses issued by Alaska Department of Commerce, Community and Economic Development, Division of Insurance, or
- Mining licenses issued by Alaska Department of Revenue.

At the time designated for bid opening, all bidders must hold any other necessary applicable professional licenses required by Alaska Statute.

ALASKA BIDDER PREFERENCE: An Alaska Bidder Preference of five percent will be applied prior to evaluation. The preference will be given to a bidder who:

- (1) holds a current Alaska business license at the time designated for bid opening;
- (2) submits a proposal for goods or services under the name appearing on the bidder's current Alaska business license;
- (3) has maintained a place of business within the state staffed by the bidder, or an employee of the bidder, for a period of six months immediately preceding the date of the bid;
- (4) is incorporated or qualified to do business under the laws of the state, is a sole proprietorship and the proprietor is a resident of the state, is a limited liability company (LLC) organized under AS 10.50 and all members are residents of the state, or is a partnership under AS 32.06 or AS 32.11 and all partners are residents of the state; and
- (5) if a joint venture, is composed entirely of ventures that qualify under (1)-(4) of this subsection.

Alaska Bidder Preference Statement

In order to receive the Alaska Bidder Preference, the bid must also include a statement certifying that the bidder is eligible to receive the Alaska Bidder Preference.

If the bidder is a LLC or partnership as identified in (4) of this subsection, the statement must also identify each member or partner and include a statement certifying that all members or partners are residents of the state.

If the bidder is a joint venture which includes a LLC or partnership as identified in (4) of this subsection, the statement must also identify each member or partner of each LLC or partnership that is included in the joint venture and include a statement certifying that all of those members or partners are residents of the state.

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BIDDERS WITH DISABILITIES: The State of Alaska complies with Title II of the Americans with Disabilities Act of 1990. Individuals with disabilities who may need auxiliary aids, services, and/or special modifications to participate in this procurement should contact the Department of Transportation & Public Facilities at one of the following numbers no later than 10 days prior to bid opening to make any necessary arrangements.

Telephone: (907) 465-8448
Fax: (907) 465-3124

Callers with telephone accessibility needs are encouraged to call the Alaska Relay Service. The Alaska Relay Service provides telephone accessibility to people who are deaf, hard-of-hearing or speech disabled. Callers should be prepared to provide the specific phone number at the Department of Transportation & Public Facilities that they wish to call:

Alaska Relay Service Phone Numbers and websites:

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|---------------|-------------------------------------------------------------------------------------------|
| Voice or TTY: | dial 711 (if voice, wait on line for representative to answer) |
| TTY: | 1-800-770-8973 (text only) |
| Voice: | 1-800-770-8255 |
| VCO Direct: | 1-800-770-6108 (Voice Carry Over) |
| ASCI: | 1-800-770-3919 |
| STS: | 1-866-355-6198 (Speech to Speech) |
| Spanish: | 1-866-355-6199 |
| IP Relay: | www.sprintrelayonline.com (Internet Relay) |
| Website: | www.AlaskaRelay.com |

COMPLIANCE WITH ADA: By signature of their bid the bidder certifies that they comply with the Americans with Disabilities Act of 1990 and the regulations issued thereunder by the federal government.

Services or activities furnished to the general public on behalf of the state must be fully accessible. This is intended to ensure that agencies are in accordance with 28 CFR Part 35 Section 35.130 and that services, programs or activities furnished to the public through a contract do not subject qualified individuals with a disability to discrimination based on the disability.

PREFERENCE QUALIFICATION: In order to qualify for an Alaska Veterans Preference, Employment Program Preference, or Alaskans with Disabilities Preference, a bidder must add value by actually performing, controlling, managing, and supervising the services provided, or a bidder must have sold supplies of the general nature solicited to other state agencies, governments, or the general public.

CONTRACT PERFORMANCE LOCATION: By signature on their bid, the bidder certifies that all services provided under this contract by the contractor and all subcontractors shall be performed in the United States.

If the bidder cannot certify that all work will be performed in the United States, the bidder must contact the procurement officer in writing to request a waiver at least 10 days prior to the deadline for receipt of bids.

The request must include a detailed description of the portion of work that will be performed outside the United States, where, by whom, and the reason the waiver is necessary.

Failure to comply with these requirements may cause the state to reject the bid as non-responsive, or cancel the contract.

HUMAN TRAFFICKING: By signature on their bid, the bidder certifies that the bidder is not established and headquartered or incorporated and headquartered in a country recognized as Tier 3 in the most recent United States Department of State's Trafficking in Persons Report.

The most recent United States Department of State's Trafficking in Persons Report can be found at the following website: <http://www.state.gov/g/tip/>

Failure to comply with this requirement will cause the state to reject the bid as non-responsive, or cancel the contract

CONTRACT INTENT: This Invitation to Bid (ITB) is intended to result in a contract to retrieve and dispose of oily water generated by the Alaska Marine Highway System, and off loaded in Auke Bay, Alaska.

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NOTICE OF INTENT TO AWARD: After the responses to this ITB have been opened and evaluated, a tabulation of the bids will be prepared. This tabulation, called a Notice of Intent to Award, serves two purposes. It lists the name of each company or person that offered a bid and the price they bid. It also provides notice of the state's intent to award a contract(s) to the bidder(s) indicated. A copy of the Notice of Intent will be mailed to each company or person who responded to the ITB. Bidders identified as the apparent low responsive bidders are instructed not to proceed until a Purchase Order, Contract Award, Lease, or some other form of written notice is given by the contracting officer. A company or person who proceeds prior to receiving a Purchase Order, Contract Award, Lease, or some other form of written notice from the contracting officer does so without a contract and at their own risk.

PAYMENT FOR STATE PURCHASES: Payment for agreements under \$500,000 for the undisputed purchase of goods or services provided to a state agency, will be made within 30 days of the receipt of a proper billing or the delivery of the goods or services to the location(s) specified in the agreement, whichever is later. A late payment is subject to 1.5% interest per month on the unpaid balance. Interest will not be paid if there is a dispute or if there is an agreement that establishes a lower interest rate or precludes the charging of interest.

FEDERAL EXCISE TAX:

The State of Alaska is exempt from Federal Excise Tax except for the following:

- Coal - Internal Revenue Code of 1986 (IRC), Section 4121 - on the purchase of coal;
- "Gas Guzzler" - IRC, Section 4064 - on the purchase of low m.p.g. automobiles, except that police and other emergency type vehicles are not subject to the tax;
- Air Cargo - IRC, Section 4271 - on the purchase of property transportation services by air;
- Air Passenger - IRC, Section 4261 - on the purchase of passenger transportation services by air charter.
- Leaking Underground Storage Tank Trust Fund Tax (LUST) - IRC, Section 4081 - on the purchase of Aviation gasoline, Diesel Fuel, Gasoline, and Kerosene.

The State of Alaska is also exempt from State Motor Fuel Taxes. The appropriate exemption forms will accompany a contract(s) resulting from this ITB. The state is not exempt from the Federal Superfund Tax.

CONTRACT ADMINISTRATION: The administration of this contract is the responsibility of the Contracting Officer of record within the Department of Transportation & Public Facilities, Statewide Contracting & Procurement.

INDEMNIFICATION: The contractor shall indemnify, hold harmless, and defend the contracting agency from and against any claim of, or liability for error, omission or negligent act of the contractor under this agreement. The contractor shall not be required to indemnify the contracting agency for a claim of, or liability for, the independent negligence of the contracting agency. If there is a claim of, or liability for, the joint negligent error or omission of the contractor and the independent negligence of the Contracting agency, the indemnification and hold harmless obligation shall be apportioned on a comparative fault basis. "Contractor" and "Contracting agency", as used within this and the following article, include the employees, agents and other contractors who are directly responsible, respectively, to each. The term "independent negligence" is negligence other than in the Contracting agency's selection, administration, monitoring, or controlling of the contractor and in approving or accepting the contractor's work.

INSURANCE: Without limiting contractor's indemnification, it is agreed that contractor shall purchase at its own expense and maintain in force at all times during the performance of services under this agreement the following policies of insurance. Where specific limits are shown, it is understood that they shall be the minimum acceptable limits. If the contractor's policy contains higher limits, the state shall be entitled to coverage to the extent of such higher limits. Certificates of Insurance must be furnished to the contracting officer prior to beginning work and must provide for a notice of cancellation, non-renewal, or material change of conditions in accordance with policy provisions. Failure to furnish satisfactory evidence of insurance or lapse of the policy is a material breach of this contract and shall be grounds for termination of the contractor's services. All insurance policies shall comply with, and be issued by insurers licensed to transact the business of insurance under AS 21.

Proof of insurance is required for the following:

Workers' Compensation Insurance: The contractor shall provide and maintain, for all employees engaged in work under this contract, coverage as required by AS 23.30.045, and; where applicable, any other statutory obligations including but not limited to Federal U.S.L. & H. and Jones Act requirements. The policy must waive subrogation against the state.

Commercial General Liability Insurance: covering all business premises and operations used by the contractor in the performance of services under this agreement with minimum coverage limits of \$300,000 combined single limit per occurrence.

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Commercial Automobile Liability Insurance: covering all vehicles used by the contractor in the performance of services under this agreement with minimum coverage limits of \$300,000 combined single limit per occurrence.

Failure to supply satisfactory proof of insurance within the time required will cause the state to declare the bidder non-responsible and to reject the bid.

SUPPORTING INFORMATION: The state strongly desires that bidders submit all required technical, specification, and other supporting information with their bid, so that a detailed analysis and determination can be made by the contracting officer that the product offered meets the ITB specifications and that other requirements of the ITB have been met. However, provided a bid meets the requirements for a definite, firm, unqualified, and unconditional offer, the state reserves the right to request supplemental information from the bidder, after the bids have been opened, to ensure that the products offered completely meet the ITB requirements. The requirement for such supplemental information will be at the reasonable discretion of the state and may include the requirement that a bidder will provide a sample product(s) so that the state can make a first-hand examination and determination.

A bidder's failure to provide this supplemental information or the product sample(s), within the time set by the state, will cause the state to consider the offer non-responsive and reject the bid.

FIRM, UNQUALIFIED AND UNCONDITIONAL OFFER: Bidders must provide enough information with their bid to constitute a definite, firm, unqualified and unconditional offer. To be responsive a bid must constitute a definite, firm, unqualified and unconditional offer to meet all of the material terms of the ITB. Material terms are those that could affect the price, quantity, quality, or delivery. Also included as material terms are those which are clearly identified in the ITB and which, for reasons of policy, must be complied with at risk of bid rejection for non-responsiveness.

Bidders must check the correct preference box beneath each line item. When the bids are evaluated, the preference percentage will be deducted from the bid price. If a bidder fails to check one of the product preference boxes, no preference will be given.

CONTRACT PERIOD: The length of the contract will be from the date of award, approximately August 1, 2017, through June 30, 2018, with the option to renew for three (3) additional one (1) year terms under the same terms and conditions, as the original contract. Renewals are to be exercised solely by the state.

PRICE ADJUSTMENTS: Contract prices for equipment and/or service will remain firm through June 30, 2018.

The contractor may request a Percentage Price Increase adjustment, in writing, 30 days prior to the contract renewal date. If a contractor fails to request a Percentage Price Increase adjustment 30 days prior to the renewal date, the adjustment will be effective 30 days after the state receives their written request.

Price increase may not, under any circumstances, exceed 5% percent of the price of the contract for the preceding 12 months. No retroactive contract price adjustments will be allowed.

The contractor must provide the procurement officer clear and convincing evidence, satisfactory to the state, that all of the following conditions exist:

1. the increase is the result of increased costs at the manufacturer's level and not costs under the contractor's control, and that;
2. the increase will not produce a higher profit margin for the contractor than that on the original contract, and that;
3. the increase affects only certain items that are clearly identified by the contractor.

Some acceptable forms of the evidence referred to above may take the form of a certified invoice from the manufacturer. The price increase evidence provided by the contractor shall be independently verified and approved by the procurement officer or contract administrator prior to the effective date of the price increase.

PRICE DECREASES: During the period of the contract all price decreases experienced by the contractor must be passed on to the state. A contractor's failure to strictly and faithfully adhere to this clause, within the time required, will be considered in breach of contract.

ALTERATIONS: The contractor must obtain the written approval from the contracting officer prior to making any alterations to the specifications contained in this ITB. The state will not pay for alterations that are not approved in advance and in writing by the contracting officer.

STATE OF ALASKA ITB # 2518S001
OILY WATER DISPOSAL IN AUKE BAY, ALASKA

SITE INSPECTION: Bidders are encouraged to visit the work site so that they can see the conditions under which the work described in this ITB will be performed. The bidder's failure to visit the work site will in no way relieve the bidder of the responsibility of performing the work in strict compliance with the true intent and meaning of the terms, conditions and specifications of this ITB. The site may be inspected by contacting visiting the ferry terminal. The contact person is only empowered to allow bidders to view the work site. Any questions the bidders have must be directed to the contracting officer named on the front page of this ITB. The contact person cannot and will not answer bidder questions regarding the work to be performed under this ITB or the terms, conditions and specifications of this ITB.

VOLUME REPORT: Within thirty (60) calendar days prior to the expiration date of each one-year term of the contract, the Contractor must furnish a volume report of the past year's use by F.O.B. destination. The report must identify each item found on the Bid Schedule and accurately state the number of each item purchased by F.O.B. destination. The report must be submitted electronically in MS Excel format and emailed to the Contracting Officer of record. The Contractor's failure to provide this information in a timely manner may cause the State to cancel the contract.

INVOICES: Invoices must be sent directly to the ordering agency's address shown on the individual Purchase Order, Contract Award or Delivery Order. The ordering agency will only make payment after it receives the merchandise or service and the invoice. Question concerning payment must be addressed to the ordering agency.

THIRD-PARTY FINANCING AGREEMENTS NOT ALLOWED: Because of the additional administrative and accounting time required of state agencies when third party financing agreements are permitted, they will not be allowed under this contract.

CONTINUING OBLIGATION OF CONTRACTOR: Regardless of the terms and conditions of any third-party financing agreement, the contractor agrees that none of its responsibilities under this contract are transferable and that the contractor alone will continue to be solely responsible until the expiration date of the contract. Such responsibilities include, but are not limited to, the provision of equipment, training, warranty service, maintenance, parts and the provision of consumable supplies. By signature on the face page of this ITB the bidder acknowledges this requirement and indicates unconditional acceptance of this continuing obligation clause.

ESTIMATED QUANTITIES: The quantities referenced in this ITB are the state's estimated requirements and may vary more or less from the quantities actually purchased. The state does not guarantee any minimum purchase.

SERVICE TECHNICIAN QUALIFICATIONS AND EVIDENCE: Bidders must provide evidence that the person(s) performing the service work is competent and has sufficient training or experience to effectively service the equipment identified in this ITB.

Acceptable evidence of the service technician's competence may take any of several forms but, whatever the form, it must directly relate to the type of equipment identified in this ITB. Some examples are set out below.

- Certification from a manufacturer that the service technician can provide manufacturer's authorized warranty service with at least three years of satisfactory service and repair experience.

If this form is used, the bidder must provide a list of at least five service and repair customers who will substantiate the claim. The list must identify the customer's name, address, telephone number, the month and year of the work, and the brand name and model of the equipment.

Further, the bidder must agree that the contracting officer is free to contact the customers named on the list to obtain repair and service performance information from them. The contracting officer will determine, from the evidence furnished by the bidder and information obtained from the customer, if the service technician possesses sufficient satisfactory experience to service and repair the equipment identified in the ITB.

- A diploma from a trade or technical school which indicates that the service technician has successfully completed appropriate training.
- The bidder may contract with a service technician who is certified by the manufacturer to provide manufacturer's authorized warranty service.

The state reserves the right to make the final determination as to the acceptability of the evidence.

The bidder's failure to provide the evidence mentioned above with their bid, may cause the state to consider the bid non-responsive and reject the bid.

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OILY WATER DISPOSAL IN AUKE BAY, ALASKA

SERVICE CONTRACT DEFICIENCIES: The contractor's failure to provide a service required by this contract will be grounds for the state to issue a Service Deficiency Claim (SDC) to the contractor. The SDC will be provided to the contractor in writing. The contractor will advise the state, in writing, of the corrective action being taken.

If a deficiency is not corrected within 48 hours from the time it is issued, the state may issue another SDC and procure, from another contractor, the services necessary to correct the problem. The contractor will then be obligated to reimburse the state for the amount required to correct the problem.

If a contractor gets more than two substantiated SDCs in a 30-day period or a total of five substantiated SDCs in a 60-day period, it will be grounds for the state to declare the contractor in default.

WORKMANSHIP & MATERIALS: All work must be performed in a thorough and workmanlike manner and in accordance with current industry practices. The contractor will be held responsible for the quality of the finished item. The State will reject any item that does not meet the specifications of the ITB. Rejected items will be returned to the contractor at the contractor's risk and expense.

CONTRACT CANCELLATION: The state reserves the right to cancel the contract at its convenience upon thirty (30) calendar days written notice to the contractor. The state is liable only for payment in accordance with the payment provisions of this contract for services or supplies provided before the effective date of termination.

METHOD OF AWARD: Award shall be made to the lowest responsive and responsible bidder.

ESTIMATED ANNUAL USAGE: It is estimated that approximately 3000 gallons of waste oil will require disposal each year.

Scope of Work

The contractor shall collect and dispose of used oil and oily water within 24 hours of notification. Estimated annual usage will be for approximately 3,000 gallons used oil and oily water mix. No maximum will be guaranteed, but when pick-ups are requested, at least 500 gallons will be collected, tested and disposed of.

There are currently used oil containers for use in transporting used oil and oily water between the vessel and the terminal staging area at the Auke Bay, Alaska. Holding capacity for each container is 1,000 gallons. These wheels-containers cannot be transported over public hard-top highways.

1.1

The contractor must furnish all labor, materials, supplies, tools, and equipment to satisfactorily perform the services required by this solicitation. The contractor must also comply with all applicable Federal, State and local labor, wage & hour, safety and associated laws which may have a bearing on the services provided. 40CFR Part 279 is applicable (3/8~93).

1.2

Collecting means the oil is pumped from the vessel or the tanks that are at the facility. The contractor shall collect and dispose of used oil and oily water within 24 hours of notification.

1.3

Contractor will be responsible for testing for the presence of chlorides on site. Lab test can be sent to an authorized testing facility to check for benzene, PCBs, TCLP (for metals), ph, sulfide, H_2O_2 and flash point (min 139). Straight used oil is tested for PCB, flash point, and halogens.

1.4

If test results show the presence of hazardous material (this has never been the case with any vessels in the AMHS fleet in the past five years) then the contractor will hold the waste, notify the state representative, and arrangements will be made to properly dispose of the waste. The contractor will have to hold the used oil/water in a separate containment vessel, not mixing with other used oil until a suitable means of disposal can be arranged. All costs for this will be the responsibility of the State. Prior to removal of used product from the vessels, samples are taken and kept on the vessel for a minimum of three months.

1.5

Notification of the presence of hazardous materials will be given to the State within three weeks of the contractor pumping the product. No more than 5,000 gallons of used oil will be held in one containment prior to receiving the lab results. Records will be kept by the contractor documenting tank numbers and dates they were emptied. These records will be available to the State for inspection on demand. Samples will be kept at the facility for a period to be not less than 3 months in the event that re-testing is required. Once used oil from the AMHS vessels is mixed with any waste from any other source by the contractor it will no longer be the sole responsibility of the State. The contractor is not to mix any used oil or oily water that is originated by the AMHS until testing has been completed and the lab results have come back and declared the product hazardous free.

A call out by AMHS will be made when there is at least 500 gallons of used oil/water accumulated for pick-up. Contractor is required to pick up all lubricating oils which test non-hazardous. Contractor is responsible for the testing. After collection, disposal must be made away from the Ferry Terminal.

1.5

Ownership of used oil/water will pass to contractor upon pick-up.

If spills of used oil and oily water are made by the contractor around the containers, the contractor has full responsibility for clean-up.

1.6

The contractor is required to either own or have access to a pump truck with a minimum capacity of 1,000 gallons, capable of sucking used oil from the bilge level of the vessels to the car deck of the vessels (approximately 25 feet) at approximately 45° F. This is particularly important during winter months when the product is subject to freezing conditions. The contractor must also be able to furnish 50 feet of suction hose in order to perform this task. The contractor must be able to transfer used oil from the storage tanks on shore to the pump truck for disposal. Inspection of all transfer equipment will be made available at the request of the State at any time. If required, this particular inspection will occur during the transfer of any used oil to or from the vessels or the storage tanks at the terminal.

Scope of Work Continued

The performance of this service will be monitored by the State as often as the State requires it, and all equipment will be subject to inspection at any time during operations. All equipment shall meet all regulatory agency requirements for safety, fire, transportation, and used oil transport. All storage facilities of the contractor will be required to meet all regulatory agency requirements for storage and transfer of used oil product. All permits and licenses will be required pertaining to this operation now and throughout the life of the contract.

It is imperative that used oil be pumped within 24 hours of depositing it at the terminal tanks for easy pumping purposes. Congealing is particularly a problem with this product. Winter is even more of a concern because these contents often freeze. Contractor must make the necessary contingency plans to avoid these problems.

BID REQUIREMENTS

Bidders shall provide the following items with their Bid.

- (1) Contractor's EPA Number;
- (2) Copy of Contractor's insurance certificate; and
- (3) Copy of 24-hour hazardous used oil operations, certificate of recycling, and emergency response certificate.

The three items listed above are required for the State of Alaska to determine whether bidders are capable of responsibly and appropriately disposing of used oil and oily water. The State of Alaska, Department of Transportation & Public Facilities, is committed to the proper disposal of used oil products that may pose a threat to the environment if not handled properly. The contractor's failure to provide the above documentation shall result in their bid being rejected as non-responsive.

STATE OF ALASKA ITB # 2518S001
OILY WATER DISPOSAL IN AUKE BAY, ALASKA

BID SCHEDULE

For evaluation and award purposes only we are calculating a minimum of 500 gallons per pick-up at the location below.

Service to Juneau, Pick up at Auke Bay Ferry Terminal

| | Rate per Gallon | Quantity of Product | Extended Cost |
|----------------------|-----------------|---------------------|---------------|
| Terminal in Auke Bay | \$ _____ | 500 Gallons | \$ _____ |

BIDDER'S INFORMATION:

Business Name: _____

Address: _____

Contact: _____

Phone: _____

Fax: _____

Toll Free: _____

Email: _____

Required Bid Response Deliverables:

1. Completed and Signed (Page 1 of the ITB)
2. Service Technician Qualifications and Evidence (Page 10 of the ITB)
3. Completed Bid Schedule and Bidders Information (Page 14 of the ITB)
4. Service Technician Qualifications (Page 10 if the ITB)
5. Bid Requirements 1-3 (Page 13 of the ITB)
6. All signed and dated applicable Mandatory Return Amendments (if applicable).