



## **STATE OF ALASKA**

Department of Natural Resources

### **Request for Proposal**

RFP 10 190000022 - 1

#### **TITLE:**

Online Bidding and Auction System for Division of Oil & Gas

#### **PURPOSE:**

The State of Alaska, Department of Natural Resources, Division of Oil and Gas is seeking competitive proposals for a qualified contractor to provide an online bidding and auction system as specified in this RFP.

Important Notice: If you receive this solicitation from the State's Online Public Notice website or IRIS Vendor Self Service portal, you must register with the DNR Procurement Section to receive subsequent amendments. Registration must be in writing and may be made via email to [dnr.ssd.procurement@alaska.gov](mailto:dnr.ssd.procurement@alaska.gov) or fax to 907-269-8909. Failure to register with the DNR Procurement Section may result in rejection of your offer.

ADA: 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 submit a bid should contact the DNR Procurement Section via email to [dnr.ssd.procurement@alaska.gov](mailto:dnr.ssd.procurement@alaska.gov), fax to 907-269-8909, telephone at 907-269-8666 or 269-8687, or TDD at 907-269-8411 not later than 10 calendar days prior to the bid closing date to make necessary arrangements.

**Date of Issue: October 03, 2018**

**Deadline for Receipt of Proposals: October 30, 2018 14:00:00**

**Important Notice:** If you received this solicitation from the State of Alaska's "Vendor Self-Service" web site, you must register with the procurement officer to receive subsequent amendments. Failure to contact the procurement officer may result in the rejection of your offer.

PROCUREMENT OFFICER: James Sonnier  
TELEPHONE NUMBER: (907)269-8687  
EMAIL: jim.sonnier@alaska.gov

BID RECEIVING LOCATION:  
Support Services ANC Admin  
Attn: Procurement  
550 West 7th Avenue  
Anchorage, AK 99501-3564

### PREFERENCES

Does your business qualify for the Alaska bidder preference?

☐ Yes ☐ No

Does your business qualify for the Alaska veteran preference?

☐ Yes ☐ No

### PROPOSAL SCHEDULE

| Event Date | Event Description       |
|------------|-------------------------|
| 10/16/18   | Pre-Proposal Conference |
| 10/30/18   | Proposals Due Deadline  |

### LINE ITEMS

| Line No.   | Description   | Quantity      | Unit         | Unit Cost           |
|------------|---|---------------|--------------|---------------------|
| 1          | Online Bidding and Auction System for Division of Oil & Gas |               |              |                     |
| Start Date | End Date  | Delivery Date | F.O.B. Point | Extended Line Total |
| 01/01/19   | 12/31/19  |               |              |                     |

**Extended Description:**

Online bidding and auction system as specified in the attached RFP.

DO NOT ENTER COST IN THIS SECTION. ENTER COST ONLY ON THE COST PROPOSAL ATTACHED TO THE RFP.

### EVALUATION CRITERIA

| <i>The following criteria will be used when determining the award of this solicitation</i> |                      |        |   |
|--|----------------------|--------|---|
| Code   | Criteria Description | Points | Vendor Response<br>(DO NOT LIST PRICES IN THIS SECTION. UNIT PRICES AND TOTAL PRICES MUST BE FILLED IN ADJACENT TO THEIR LINE ITEMS.) |
|  | Under/Methd/Mgt      | 20     |   |
|  | Exp. & Qual.         | 15     |   |
|  | Contractor Rate      | 10     |   |
| 1  | Demonstration        | 15     |   |
| 7  | Cost                 | 30     |   |
|  | AK Offeror Pref      | 10     |   |

### Terms and Conditions

| No. | Name                  | Section |
|-----|-----------------------|---------|
| 004 | Request for Proposals |         |

|  |                                       |   |                     |
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## **RFP NO. 190000022, Online Bidding and Auction System for Oil and Gas**

### **1. INTRODUCTION AND INSTRUCTIONS**

#### **1.01 Purpose of the RFP**

The Department of Natural Resources (DNR), Division of Oil and Gas, is soliciting competitive proposals for a qualified contractor to provide an online oil and gas bidding and auction system. A more detailed description including the Scope of Work can be found in Section 3 of this RFP.

#### **1.02 Budget**

This will be a **NO COST** to the State of Alaska contract. The State of Alaska has **NO** funding available for this project. Proposals requiring the State to pay for any contracted services will be considered non-responsive and will be rejected.

#### **1.03 Deadline for Receipt of Proposals**

Proposals must be received by the DNR Procurement Section no later than the prevailing Alaska Time on the date shown on page one of this RFP as the Deadline for Receipt of Proposals. Faxed or emailed proposals are acceptable but not encouraged. Oral proposals or proposals submitted through the IRIS Vendor Self Service (VSS) system are not acceptable. Refer to paragraph 1.07 of this section for more information on submitting proposals.

#### **1.04 Prior Experience**

In order for offers to be considered responsive offerors must have, and must clearly show within their proposal, a minimum of three consecutive years of experience providing an online bidding and auction system of the type and nature specified within this RFP.

An offeror's failure to meet these minimum prior experience requirements may cause their proposal to be considered non-responsive and their proposal may be rejected.

#### **1.05 Required Review**

Offerors should carefully review this solicitation for defects and questionable or objectionable material. Comments concerning defects and objectionable material must be made in writing and received by the procurement officer at least ten days before the deadline for receipt of proposals. This will allow time for the issuance of any necessary amendments. It will also help prevent the opening of a defective solicitation and exposure of offeror's proposals upon which award could not be made. Protests based on any omission or error, or on the content of the solicitation, will be disallowed if these faults have not been brought to the attention of the procurement officer, in writing, at least ten days before the deadline for receipt of proposals.

#### **1.06 Questions Prior to Deadline for Receipt of Proposals**

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All questions must be in writing and directed to the DNR Procurement Office via email at [dnr.ssd.procurement@alaska.gov](mailto:dnr.ssd.procurement@alaska.gov) or via Fax at 907-269-8909. The interested party must confirm telephone conversations in writing.

Two types of questions generally arise. One may be answered by directing the questioner to a specific section of the RFP. These questions may be answered over the telephone. Other questions may be more complex and may require a written amendment to the RFP. The procurement officer will make that decision.

Procurement Officer: Jim Sonnier; Telephone Number 907-269-8687; Fax Number 907-269-8909; TDD Number 907-269-8411; Email address [dnr.ssd.procurement@alaska.gov](mailto:dnr.ssd.procurement@alaska.gov).

### **1.07 Return Instructions**

If using the U.S. mail, a delivery service, or delivering in person offerors must submit one signed original and three hard copies of their Technical Proposal and one signed hardcopy of their Cost Proposal, in writing, to the procurement officer in a sealed package. The cost proposal included with the package must be sealed separately from the rest of the proposal and must be clearly identified. The sealed proposal package(s) must be addressed as follows:

Department of Natural Resources  
Support Services Division  
Procurement Section  
Attention: Jim Sonnier  
Request for Proposal Number: 190000022  
RFP Title: Online Auction and Bidding System for Division of Oil and Gas  
Deadline for Receipt of Proposals: 2:00 p.m. on (enter date)  
550 W. 7th Avenue, Suite 1330  
Anchorage, Alaska 99501

Offeror are to list their business name on the upper left corner of the package(s).

The sealed proposal package(s) must be received within the DNR Procurement Office prior to the Deadline for Receipt of Responses. Late proposals will be considered non-responsive and will not be accepted or opened by the DNR Procurement Office.

If submitting a faxed proposal it is the offeror's responsibility to contact the DNR Procurement Section at 907-269-8687 to make arrangements prior to faxing the proposal and to confirm that the proposal has been received. The DNR Procurement Section's fax number is 907-269-8909. If submitting a proposal by fax please send only one copy of the technical and cost proposal. Faxed proposals must be received in their entirety by the DNR Procurement Section prior to the Deadline for Receipt of Responses. DNR Procurement is not responsible for incomplete, unreadable, or missing documents, or delays in transmission between the sender's location and DNR Procurement. Late proposals will be considered non-responsive and will be rejected.



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If submitting a proposal via email the technical proposal and cost proposal must be saved as separate PDF documents and emailed to [dnr.ssd.procurement@alaska.gov](mailto:dnr.ssd.procurement@alaska.gov) as separate, clearly labeled attachments, such as "Vendor A – Technical Proposal.pdf" and "Vendor A – Cost Proposal.pdf" (Vendor A is the name of the offeror). The email must contain the RFP number in the subject line. The maximum size of a single email (including all text and attachments) that can be received by the state is **20mb** (megabytes). If the email containing the proposal exceeds this size the proposal must be sent in multiple emails that are each less than 20 megabytes and each email must comply with the requirements described above. Please send only one copy of the technical and cost proposal if submitting a proposal via email. It is the offeror's responsibility to contact the issuing agency at 907-269-8687 to confirm the proposal has been received. The state is not responsible for unreadable, corrupt, or missing attachments, or delays in transmission between the sender's location and DNR Procurement. Also, DNR Procurement will not accept emailed proposals in a modifiable file format, i.e., MS Word, etc. Emailed proposals must be received in their entirety by the DNR Procurement Section prior to the Deadline for Responses. Late proposals will be considered non-responsive and will be rejected.

An offeror's proposal must be received in its entirety by the DNR Procurement Section prior to the Deadline for Receipt of Responses. Late proposals or amendments will not be opened or accepted for evaluation.

## 1.08 Proposal Contents

The following information must be included in all proposals.

### (a) Authorized Signature

All proposals must be signed by an individual authorized to bind the offeror to the provisions of the RFP. Proposals must remain open and valid for at least 90-days from the date set as the deadline for receipt of proposals.

### (b) Offeror's Certification

By signature on the proposal, offerors certify that they comply with the following:

- [a] the laws of the State of Alaska;
- [b] the applicable portion of the Federal Civil Rights Act of 1964;
- [c] the Equal Employment Opportunity Act and the regulations issued thereunder by the federal government;
- [d] the Americans with Disabilities Act of 1990 and the regulations issued thereunder by the federal government;
- [e] all terms and conditions set out in this RFP;
- [f] a condition that the proposal submitted was independently arrived at, without collusion, under penalty of perjury;
- [g] that the offers will remain open and valid for at least 90 days; and

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[h] that programs, services, and activities provided to the general public under the resulting contract conform with the Americans with Disabilities Act of 1990, and the regulations issued thereunder by the federal government.

If any offeror fails to comply with [a] through [h] of this paragraph, the state reserves the right to disregard the proposal, terminate the contract, or consider the contractor in default.

(c) Vendor Tax ID

A valid Vendor Tax ID must be submitted to the issuing office with the proposal or within five days of the state's request.

(d) Conflict of Interest

Each proposal shall include a statement indicating whether or not the firm or any individuals working on the contract has a possible conflict of interest (e.g., currently employed by the State of Alaska or formerly employed by the State of Alaska within the past two years) and, if so, the nature of that conflict. The Commissioner of the Department of Natural Resources reserves the right to consider a proposal non-responsive and reject it or cancel the award if any interest disclosed from any source could either give the appearance of a conflict or cause speculation as to the objectivity of the program to be developed by the offeror. The Commissioner's determination regarding any questions of conflict of interest shall be final.

(e) Federal Requirements

The offeror must identify all known federal requirements that apply to the proposal, the evaluation, or the contract.

**1.09 Assistance to Offerors with a Disability**

Offerors with a disability may receive accommodation regarding the means of communicating this RFP or participating in the procurement process. For more information contact the procurement officer no later than ten days prior to the deadline for receipt of proposals.

**1.10 Amendments to Proposals**

Amendments to or withdrawals of proposals will only be allowed if acceptable requests are received prior to the deadline that is set for receipt of proposals. No amendments or withdrawals will be accepted after the deadline unless they are in response to the state's request in accordance with 2 AAC 12.290.

**1.11 Amendments to the RFP**

If an amendment is issued, it will be provided to all who were provided with a copy of the RFP and to those who have registered with the procurement officer after receiving the RFP from the

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State of Alaska Online Public Notice or IRIS Vendor Self Service web site.

### 1.12 RFP Schedule

The RFP schedule set out herein represents the State of Alaska's best estimate of the schedule that will be followed. If a component of this schedule, such as the deadline for receipt of proposals, is delayed, the rest of the schedule may be shifted by the same number of days.

- a. Issue RFP October 1, 2018,
- b. Pre-proposal conference on October 10, 2018,
- c. Deadline for Receipt of Proposals October 24, 2018,
- d. Proposal Evaluation Committee complete evaluation by October 30, 2018,
- e. State of Alaska issues Notice of Intent to Award a Contract November 1, 2018,
- f. State of Alaska issues contract November 6, 2018,
- g. Contract start January 1, 2019,
- h. Initial Contract period ends December 31, 2019.
- i. If exercised, renewal periods end December 31, 2023.

This RFP does not, by itself, obligate the state. The state's obligation will commence when the contract is approved by the Commissioner of the Department of Natural Resources or the Commissioner's designee. Upon written notice to the contractor the state may set a different starting date for the contract. The state will not be responsible for any work done by the contractor, even work done in good faith, if it occurs prior to the contract start date set by the state.

### 1.13 Pre-proposal Conference

A **NON-MANDATORY** pre-proposal conference will be held at 10:00 a.m., Alaska time, on October 10, 2018 in the Denali Conference Room, Suite 1330, located on the 13th floor of the Robert B. Atwood building, 550 W. 7<sup>th</sup> Avenue, Anchorage, Alaska. Adequate parking is available at the conference location. The purpose of the conference is to discuss the work to be performed with the prospective offerors and allow them to ask questions concerning the RFP. Questions and answers will be transcribed and sent to prospective offerors as soon as possible after the meeting.

The conference will be teleconferenced. The teleconference call in number and access (pass) code will be provided to those who register with the DNR Procurement Officer for this RFP.

Offerors with a disability needing accommodation should contact the procurement officer prior to the date set for the pre-proposal conference so that reasonable accommodation can be made.

### 1.14 Alternate Proposals

Offerors may only submit one proposal for evaluation.

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In accordance with 2 AAC 12.830 alternate proposals (proposals that offer something different than what is asked for) will be rejected.

### **1.15 News Releases**

News releases related to this RFP will not be made without prior approval of the DNR Project Manager.

## **2. BACKGROUND INFORMATION**

### **2.01 Background Information**

The Department of Natural Resources, Division of Oil and Gas (Division), is seeking a qualified contractor to provide an online bidding and auction system for the Division's competitive oil and gas lease sales at **no cost** to the State of Alaska. The initial services required are to conduct online bidding and auction of at least two sales events annually in which the Department of Natural Resources offers oil and gas leases in five (5) sale areas.

Areawide lease sales are the primary method by which State-owned lands are offered for oil and gas exploration, development, and production in Alaska. Two sale events are conducted annually; two Areawides are offered in the spring and the remaining three are offered in the fall. The number of lease sale tracts (LSTs) offered in the Areawide sales varies from 591 LSTs to 3,137 LSTs.

Bids for oil and gas leases are currently made on paper bids handled by Division employees in a system that has remained virtually unchanged since Statehood. The system presents risk associated with handling cash bid deposits, is unwieldy with regards to data entry and management, is outdated in terms of document management, and has not kept pace with technological changes in oil and gas lease marketing.

An online bidding and auction system is needed to satisfy customer expectations for a secure, convenient, and information-rich bidding and auction experience. The cost of developing, implementing, and maintaining a state-supported system is not feasible at this time due to state budgetary constraints, especially when modern comprehensive cost-effective alternative systems are available to the state.

Discussions with past bidders in Areawide lease sales indicate interest in reducing time obtaining certified checks, reducing time and money associated with traveling with bids and checks to submit bids in a secure, timely manner, reducing time filling out paper bid forms, and increased potential for acting quickly on new information prior to submitting a bid.

The contract may be expanded by the State at its sole discretion to include more events offering select site-specific sales with small numbers of tracts, geothermal lease sales, resulting in more than two annual sale events.

|   |                                |   |                      |
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### 3. SCOPE OF WORK AND CONTRACT INFORMATION

#### 3.01 Scope of Work

##### a. General Information

**1) General.** The State of Alaska, Department of Natural Resources (DNR), Division of Oil and Gas (Division), is seeking proposals for a qualified contractor to provide an online bidding and auction system for the Division **at no cost** to the State of Alaska. All costs, which may include bank transfer or credit card transaction fees, are to be charged directly to the consumer. Review paragraph 3.04, Contract Type, for more information.

**2) Background Information.** Background information on DNR's requirement is shown in Section Two of this RFP.

**3) Current System.** The Division does not currently have an online bidding and auction system. Cash bonus bids for oil and gas leases are submitted on paper forms with bid deposits in sealed envelopes. The bids are opened and read in public on a specified day. The bids are evaluated on a specified bid variable, usually a per-acre bid used to calculate the cash bonus dollar amount.

The Division has data products it uses to generate Areawide lease sale documents and reports to administer its auctions. Lease sale tract (LST) spatial data are publicly available for download from the Division for each Areawide lease sale. LST tabular data, including estimated acres and terms and conditions for a specific sale, are kept in a database on an internal Division file server and are used to prepare Areawide lease sale documents. These static documents are made public on the Division website.

The file server manages data after paper bids are submitted, opened, and read in public. The data are used to generate static sales reports made public on the Division website. The file server also manages data on individuals and companies that are qualified to hold oil and gas leases with the Division.

It is not intended for the contractor to interface with this State of Alaska data system and provide dynamic data updates. The system currently accepts imports of tabular bid data and may accept tabular data exported by the contractor.

Sample lease sale tract (LST) data are attached to this RFP and are also available upon written request to the DNR Procurement Officer via fax to 907-269-8909 or email to [dnr.ssd.procurement@alaska.gov](mailto:dnr.ssd.procurement@alaska.gov).

**4) Contract Intent.** The initial intent of the contract is for the selected contractor to provide an online bidding and auction system for two annual Areawide oil and gas lease sale events. The Cook Inlet and Alaska Peninsula Areawides are traditionally offered in the spring and the Beaufort Sea, North Slope, and North Slope Foothills Areawides are offered in the fall. There

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are over 6,900 lease sale tracts (LSTs) that may be offered in the Areawide lease sales; the number of LSTs varies between 591 LSTs and 3,137 LSTs. The Areawide lease sales are contiguous blocks of State-owned land, divided by LSTs. Information on Areawide leasing can be found on the Division website at <http://dog.dnr.alaska.gov/Services/LeaseSale>. DNR envisions contracting with a qualified online bidding and auction service provider to provide a highly-reliable online bidding and auction system whereby the auction fees are charged directly to qualified bidders.

At the State's sole discretion, the contract may be expanded to include select site-specific sales that include smaller numbers of LSTs, more than two annual sales, or geothermal lease sales. The State may also at its discretion expand the contract to take advantage of useful features that may be offered by the selected contractor such as electronic notifications, marketing, invoicing, document preparation, webcast compatibility, etc.

**5) Goal.** The goal of this RFP is to provide an online bidding and auction system that is responsive to qualified bidders' needs, allows for accurate bid data capture, allows for electronic payment of bid deposits, increases exposure of Alaska oil and gas leases during bidding, and quickly and accurately reports all bid data.

#### **b. Requirements.**

The contractor will be required to provide the following:

1) Comprehensive bidding, auction, and reporting solution with the following attributes:

- a) Be an enterprise level Software as a Service (SaaS) solution;
- b) Be hosted and supported by the contractor with no need for the Division to purchase or maintain servers or Information Technology staff;
- c) Both primary and secondary physical infrastructure must be hosted in a facility with at least Tier III certification with preference for Tier IV facilities;
- d) Multiple environments present such that changes can be made and tested prior to deployment into the production environment, to include but not limited to development, quality assurance, user acceptance testing, training, and production environments;
- e) Training and assistance materials, including online self-guided training, to be provided by the contractor to assist Division personnel at no cost to the State;
- f) Solution must be Payment Card Industry Data Security Standard (PCI-DSS) Level 1 compliant, must maintain this certification throughout the life of the agreement, and must undergo an annual audit by a Third Party Quality Security Assessor (QSA). A copy of the audit report to be provided to DNR upon 5 calendar days written request.;

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- g) System must undergo annual independent Statement on Standards for Attestation Engagements 16 (SSAE-16) or equivalent audits throughout the life of the agreement. A copy of the audit report to be provided to DNR upon 5 calendar days written request.;
- h) Transactions must be available through the Web;
- i) Reporting available on a granular and consolidated basis from the individual site level to the entire system based on defined user permissions;
- j) Division policies, bidding rules, and terms and conditions must be fully configurable at any level, i.e. across all Areawide lease sales or at the site-specific sale level;
- k) Applicable system enhancements must be made available for review by the Division prior to deployment into the production environment;
- l) Contractor shall provide 24-hour site monitoring to alert any reliability or hosting issues and 24-hour technical support;
- m) Contractor shall have the ability to transfer all bid and bidder information to the Division within 3 business days on conclusion of an auction; and
- n) Contractor shall have the ability to transfer collected fees due to the State of Alaska account electronically within 5 business days of an auction or lease award.

2) Bidding, Auction, and Marketing Platform with the following features:

- a) Proven experience in providing a highly reliable online bidding and auction system to local, state, or national government agencies;
- b) Prefer an established user base interested in oil and gas leasing in Alaska;
- c) Prefer an established system of registering qualified potential bidders, including capturing bidder information and establishing bidder allowances;
- d) Locations to have individual consumer facing pages providing dynamic content including but not limited to LST description, data elements specific to the LST, interactive maps, and agency-provided spatial data;
- e) Display information to optimize visitation to include but not limited to clear identification of Areawide lease sale terms and conditions, instructions on participating, summary of the number of LSTs available by Areawide, ability to notify potential bidders when LSTs are removed from sale or become available at the last minute, when minimum bid values are not met, or when bidder allowances are exceeded. Outbound communication to potential bidders when desired sites become available must be present at go-live;

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f) Confirmations to be provided to the bidder at conclusion of the bidding process, again at conclusion of the auction process, and again on lease award. Confirmations to be configurable to include Division branding, policies, and relevant information designated by the Division;

g) Programs designed to retain bidders such as ongoing membership and marketing programs; and

h) Bidder and Division support during the on-line bidding process to include call agents and the ability to live chat with agents trained to assist with the registration or bidding process to include changes to documents, tracts offered, etc. Support to be provided Monday through Friday from 8:00 a.m. to 4:30 p.m. Alaska time between public notice when the Division releases its sale policies, bidding rules, and terms and conditions and start of the bid submission period, and on-call support for emergencies outside of those hours. Support from start to end of the bid submission period is to be provided 24 hours a day, 7 days a week. The bid submission period will normally be from 3 to 21 days after the public notice is issued.

3) Provide a comprehensive field management solution with the following:

a) Web-based solution accessible from any location without the need for special configurations or additional software;

b) Multiple avenues to perform transactions based on the bidder's preferred method (Areawide, LST serial number, general location, Public Land Survey System (PLSS) description, etc.) and to include but not limited to interactive maps, lists, and interactive visual displays of LST availability allowing multiple functions in a single transaction;

c) Capability to track all actions against an individual transaction;

d) Tracking of financial transactions must include a comprehensive audit trail for all funds collected; and

e) Ability of designated Division administrators to create new and deactivate existing qualified users, remove LSTs from available inventory for all auction channels simultaneously, with such changes reflected across all auctions immediately to prevent further bids.

4) Provide an in-depth reporting solution with the following capabilities:

a) A comprehensive suite of financial, statistical, and operational reports available at go-live; and

b) Reports must be available in multiple formats including but not limited to MS Excel and Adobe Acrobat PDF and must be available in real-time (online) via email or based upon a pre-defined schedule and recipient list.

5) Technical Support services to be:



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- a) Provided by staff knowledgeable in the operation and configuration of the solution;
- b) Available through a toll-free number accessible by field and office staff;
- c) On-call support must be available during hours the help desk is not staffed;
- d) Provide a case tracking mechanism accessible through the solution; and
- r) Provide for a resolution of technical issues within 1 day during the go-live phase.

**6) Configurability:**

- a) Solution must be configured to reflect the business rules and policies in place for the Division and have the flexibility to modify the configuration based on the changing needs of the agency;
- b) Contractor shall perform the initial set-up including but not limited to configuration of LST descriptions, sale terms and conditions, creation of interactive maps; and
- c) System shall support the creation of unique LST pages including but not limited to description, sale terms and conditions, links to DNR data services, notes, alerts, or bulletins. Information specific to each site should enable consumers to search for and select sites that best meet their desired criteria.

**7) Ownership and Marketing:**

**a) Ownership of Data.** The State will retain exclusive ownership of bid data collected by the offeror from bidders during the bid process. Bid data will be made publicly available by the Division after the offeror submits bid data. The offeror is to specify within their proposal if they desire to post the bid results after bidding ends and the duration the results will be posted. By their signature on their proposal the offeror agrees to this provision if awarded a contract resulting from this RFP.

**b) Marketing.** Offeror is to specify within their proposal if they desire to use State of Alaska or Division logos or data collected for marketing purposes and how it will be used for this purpose. Any use of data collected for marketing purposes by the contractor will be coordinated with the Division Project Manager.

**3.02 Contract Term and Work Schedule**

The length of the contract will be from approximately January 1, 2019 until December 31, 2019.

There will be four, one-year, renewal options for this contract, which are to be exercised at the sole discretion of the State. If renewal options are exercised the contract will expire on December 31, 2023.

Unless otherwise provided in this RFP, the State and the successful offeror/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

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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 30-days before the desired date of cancellation.

### 3.03 Contract Phases and Timelines

DNR envisions four phases for this contract.

**a. Initial Phase.** The Initial Phase includes initial interaction between the contractor and Division staff and incorporation of information from the Division's databases into the contractor's system. DNR desires this phase be completed within 45 days after contract award.

**b. Pre-Production Testing.** The Pre-Production Testing Phase includes testing of the system by DNR or other State of Alaska staff and correction of any issues prior to go-live. DNR desires this phase be completed at least 15 days before issuance of a public notice notifying potential bidders of the offering.

**c. "Go-Live" or Production Phase.** The "Go-Live" or Production phase is the operational implementation of the system. DNR desires this phase to begin upon completion of the Pre-Production Testing Phase. The "Go-Live" phase will end after the Areawide lease sale auction is complete.

**d. Future Sales Phase.** The Division's Areawide lease sales are not continuous auctions. Future sales would start with an initial phase in which DNR provides updated Areawide lease sale and LST information to the contractor.

### 3.04 Contract Type

This contract is a **NO COST** to the State of Alaska contract.

Contracted services are to be provide at **NO COST** to the State. DNR envisions contracting with a qualified online bidding and auction service agency to provide an online system whereby the transaction fees are charged directly to the customer. All costs, which may include bank transfer or credit card transaction fees, are to be charged directly to the consumer.

Offeror is to include in their proposal a sample of LSTs, acreages, past bid data, and documents that may be used to estimate transaction and associated fee dollar amounts generated under a contract resulting from this RFP. Spatial data for LSTs can be found at the following link: <http://dog.dnr.alaska.gov/Information/MapsAndGis> then "Lease Sale Tract Boundaries."

For informational use only, in fiscal year 2018 from July 1, 2017 through June 30, 2018, over 6,900 LSTs were offered for Areawide oil and gas leasing. The Division received 151 bids on 127 LSTs in the North Slope, Beaufort Sea, and Cook Inlet Areawides encompassing 220,870 gross acres. Bidders committed to over \$20.7 million in cash bonuses. There were lease awards on all 119 LSTs for Beaufort Sea and North Slope Areawides. Leases have not been awarded for the 8 LSTs from Cook Inlet as of this RFP. The gross acres and cash bonus figures includes

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estimates for the 2018 Cook Inlet Areawide and is subject to change. The Division of Oil and Gas evaluates what terms and conditions should be for each sale with a team comprising leasing specialists, commercial analysts, and geologists/geophysicists. So the minimum bid can be set at a level that takes into consideration things such as the current fiscal environment, the current oil and gas conditions/activity, available acreage, region, etc. The minimum bid per acre for 2018 Areawides was set at \$25 per acre for Beaufort Sea and North Slope Areawides and \$15 per acre for Cook Inlet Areawides.

For evaluation of cost only, the offeror must complete the Cost Proposal attached to this RFP and submit it with their proposal. The quantities and dollar amounts shown on the Cost Proposal will be used only for evaluation and award of points for cost.

### **3.05 Proposed Payment Procedures**

Not applicable to this RFP.

### **3.06 Prompt Payment for State Purchases**

Not applicable to this RFP.

### **3.07 Contract Payment**

Not applicable to this RFP.

### **3.08 Location of Work**

The location(s) the work is to be performed, completed and managed at the selected contractor's location.

The state **WILL NOT** provide workspace for the contractor. The contractor must provide its own workspace.

**Travel.** DNR desires that, whenever possible, interaction between the contractor and State staff during the performance of this contract be done through teleconferencing, videoconferencing, or a web-based method such as WEBEX. If the offeror feels that travel to Anchorage or other locations within Alaska is necessary or desired to perform contract services, the offeror must state within their proposal the anticipated number of trips, number of contractor staff per trip, the reasons for the travel, and the estimated total cost for the travel. All contractor travel must be pre-approved by the State and any agreed to expenses between the contractor and State will be paid separately from this contract. Per diem and other allowable travel expenses will be as stipulated in AAM 60, Travel. A copy of this AAM can be downloaded at the following link: <http://doa.alaska.gov/dof/manuals/aam/index.html>.

If travel is approved by the State, the State will only pay actual allowable travel expenses without any contractor mark-ups, charges, or fees. Airline travel will be limited to coach class.

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The contractor will not bill the State for personnel time in travel status except for that time during which the individual(s) actually performs verifiable work for the state while in travel status. The contractor shall whenever possible utilize moderately priced hotels comparable to those used by state employees. No reimbursement shall be made for alcoholic beverages, entertainment, or what might otherwise be considered normal living expenses. The contractor must provide all receipts including but not limited to airfare itinerary, lodging, and vehicle rental. Failure to provide these may result in unavoidable reimbursement delays.

By signature on their proposal, the offeror certifies that all services provided under this contract by the contractor and all subcontractors shall be performed in the United States.

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

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 proposal as non-responsive, or cancel the contract.

### **3.09 Third-Party Service Providers**

The contractor must provide, on an annual basis, a Type 2 Statement on Standards for Attestation Engagements (SSAE) SOC 1, SOC 2, or SOC 3 report(s). Failure to provide this reports may be treated as a material breach and may be a basis for a finding of default.

### **3.10 Subcontractors**

Subcontractors will not be allowed.

### **3.11 Joint Ventures**

Joint ventures will not be allowed.

### **3.12 Right to Inspect Place of Business**

At reasonable times, the state may inspect those areas of the contractor's place of business that are related to the performance of a contract. If the state makes such an inspection, the contractor must provide reasonable assistance.

### **3.13 F.O.B. Point**

Not applicable to this RFP.

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### **3.14 Contract Personnel**

Any change of the project team members named in the proposal must be approved, in advance and in writing, by the project manager. Personnel changes that are not approved by the state may be grounds for the state to terminate the contract.

### **3.15 Inspection & Modification - Reimbursement for Unacceptable Deliverables**

The contractor is responsible for the completion of all work set out in the contract. All work is subject to inspection, evaluation, and approval by the project manager. The state may employ all reasonable means to ensure that the work is progressing and being performed in compliance with the contract. The project manager may instruct the contractor to make corrections or modifications if needed to accomplish the contract's intent. The contractor will not unreasonably withhold such changes.

Substantial failure of the contractor to perform the contract may cause the state to terminate the contract. In this event, the state may require the contractor to reimburse monies paid (based on the identified portion of unacceptable work received) and may seek associated damages.

### **3.16 Liquidated Damages**

Not applicable to this RFP.

### **3.17 Contract Changes - Unanticipated Amendments**

During the course of this contract the contractor may be required to perform additional work. That work will be within the general scope of the initial contract. When additional work is required, the project director will provide the contractor a written description of the additional work and request the contractor to submit a firm time schedule for accomplishing the additional work and a firm price for the additional work. Cost and pricing data must be provided to justify the cost of such amendments per AS 36.30.400.

The contractor will not commence additional work until the project manager has secured any required state approvals necessary for the amendment and issued a written contract amendment, approved by the Commissioner of the Department of Natural Resources or the Commissioner's designee.

### **3.18 Nondisclosure and Confidentiality**

Contractor agrees that all confidential information shall be used only for purposes of providing the deliverables and performing the services specified herein and shall not disseminate or allow dissemination of confidential information except as provided for in this section. The contractor shall hold as confidential and will use reasonable care (including both facility physical security and electronic security) to prevent unauthorized access by, storage, disclosure, publication, dissemination to and/or use by third parties of, the confidential information. "Reasonable care"

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means compliance by the contractor with all applicable federal and state law, including the Social Security Act and HIPAA. The contractor must promptly notify the state in writing if it becomes aware of any storage, disclosure, loss, unauthorized access to or use of the confidential information.

Confidential information, as used herein, means any data, files, software, information or materials (whether prepared by the state or its agents or advisors) in oral, electronic, tangible or intangible form and however stored, compiled or memorialized that is classified confidential as defined by State of Alaska classification and categorization guidelines provided by the state to the contractor or a contractor agent or otherwise made available to the contractor or a contractor agent in connection with this contract, or acquired, obtained or learned by the contractor or a contractor agent in the performance of this contract. Examples of confidential information include, but are not limited to: technology infrastructure, architecture, financial data, trade secrets, equipment specifications, user lists, passwords, research data, and technology data (infrastructure, architecture, operating systems, security tools, IP addresses, etc).

If confidential information is requested to be disclosed by the contractor pursuant to a request received by a third party and such disclosure of the confidential information is required under applicable state or federal law, regulation, governmental or regulatory authority, the contractor may disclose the confidential information after providing the state with written notice of the requested disclosure (to the extent such notice to the state is permitted by applicable law) and giving the state opportunity to review the request. If the contractor receives no objection from the state, it may release the confidential information within 30 days. Notice of the requested disclosure of confidential information by the contractor must be provided to the state within a reasonable time after the contractor's receipt of notice of the requested disclosure and, upon request of the state, shall seek to obtain legal protection from the release of the confidential information.

The following information shall not be considered confidential information: information previously known to be public information when received from the other party; information freely available to the general public; information which now is or hereafter becomes publicly known by other than a breach of confidentiality hereof; or information which is disclosed by a party pursuant to subpoena or other legal process and which as a result becomes lawfully obtainable by the general public.

### **3.19 Insurance Requirements**

The successful offeror must provide proof of workers' compensation insurance prior to contract approval.

The successful offeror must secure the insurance coverage required by the state. The coverage must be satisfactory to the Department of Administration Division of Risk Management. An offeror's failure to provide evidence of such insurance coverage is a material breach and grounds for withdrawal of the award or termination of the contract.

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Offerors must review form APPENDIX B1, attached, for details on required coverage. No alteration of these requirements will be permitted without prior written approval from the Department of Administration, Division of Risk Management. Objections to any of the requirements in APPENDIX B1 must be set out in the offeror's proposal.

### **3.20 Termination for Default**

If the project manager determines that the contractor has refused to perform the work or has failed to perform the work with such diligence as to ensure its timely and accurate completion, the state may, by providing written notice to the contractor, terminate the contractor's right to proceed with part or all of the remaining work.

This clause does not restrict the state's termination rights under the contract provisions of Appendix A, attached to this RFP.

### **3.21 Registration with IRIS**

The successful offeror must be entered in the State of Alaska Integrated Resources Information System (IRIS) database prior to award of a contract. Registration may be done by either submitting a Substitute W9 upon written request from the DNR Procurement Office or by enrolling through the IRIS Vendor Self Service (VSS) portal at the following link: <http://doa.alaska.gov/dof/iris/vendor.html>. Although the contract is at no cost to the State, this requirement is necessary for contract management purposes within the State's database.

## **4. PROPOSAL FORMAT AND CONTENT**

### **4.01. Proposal Format and Content**

The state discourages overly lengthy and costly proposals, however, in order for the state to evaluate proposals fairly and completely, offerors must follow the format set out in this RFP and provide all information requested.

### **4.02 Introduction**

Proposals must include the complete name and address of offeror's firm and the name, mailing address, email address, and telephone number of the person the state should contact regarding the proposal.

Proposals must confirm that the offeror will comply with all provisions in this RFP and, if applicable, provide notice that the firm qualifies as an Alaskan bidder.

Proposals must be signed by a company officer empowered to bind the company.

Proposals must include a statement indicating whether or not the firm or any individuals working on the contract has a possible conflict of interest as required by paragraph 1.08 of this RFP.

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An offeror's failure to include these items in the proposals may cause the proposal to be determined to be non-responsive and the proposal may be rejected.

#### **4.03 Understanding, Methodology, and Management**

Offerors must provide comprehensive narrative statements that illustrate their understanding of the requirements of the project and the project timelines. Offeror should note any problems or issues they see that may affect their ability to complete the project within the State's desired timelines and describe how they intend to mitigate or overcome the issue or problem. Offerors may propose an alternate timeline if desired, however, alternate timelines exceeding 90 days between contract start and start of the production or go live phase may be rejected.

Offeror must provide details on the methodology they intend to employ and how their methodology will serve to accomplish the work and meet the project schedule. Methodology must include information regarding the offeror's system and how it meets the requirements shown within Section Five of this RFP. Methodology should also include any proposed travel to Alaska and any other methods by which the contractor will coordinate contract work with DNR staff.

#### **4.04 Experience and Qualifications**

Offerors must have, and must clearly show within their proposal, a minimum of three consecutive years of experience providing an online bidding and auction system of the type and nature specified within this RFP. Documented experience providing an online bidding and auction system for oil and gas leases, preferably for lands owned and managed by local, state, or federal agencies, is desired.

Offerors must provide a brief resume outlining the experience and qualifications of key personnel who will be working on the initial phases of the contract from contract start to go live.

Offerors must provide a minimum of three letters of reference for similar projects the offeror's firm has completed. Information within the letters of reference should verify the offeror's experience in providing services of a nature similar to that required by this RFP.

#### **4.05 Contractor Rates**

Offerors must provide a comprehensive table or chart outlining the fees, charges, and other costs or rates they will pass on to consumers during the performance of this contract. The table or chart must specify the dates for which the rates are valid and describe any seasonal fluctuations within the rates and the reasons for the fluctuation.

The offeror must also provide within their proposal information on if or when the rates are updated, the average increase or decrease in the rates for the past two or more years, and any rates or fees they charge that may not be publicly available.



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Confidentiality of the Contractor Rates will be subject to the provisions of paragraph 7.07, Disclosure of Proposal Contents, shown within this RFP.

#### **4.06 System Demonstration**

The offeror must outline within their proposal information regarding the type of demonstration they will provide; their preferred method for providing the demonstration, i.e., on-site in Anchorage, Alaska, online, etc.; who the State should contact to arrange and coordinate a demonstration; and any other information they feel is necessary regarding the demonstration. If selected to provide a demonstration the offeror should focus on the complete process from the bidder's point of view, including but not limited to registration, parcel selection, bidding, and email confirmation, and on the lessor's point of view including but not limited to results and data and funds transfer.

If selected to provide a demonstration as outlined in paragraph 6.06 of this RFP the offeror must be prepared to provide the demonstration within 3 to 5 business days upon written request from the DNR Procurement Officer. Demonstration will be limited to a maximum of 1 hour (60 minutes) from opening remarks made by the offeror. Selected offerors will be given only one opportunity to demonstrate their system to the Proposal Evaluation Committee.

Cost of the demonstration to include but not limited to any and all travel and lodging expenses for the offeror's employees, site access fees, etc. will be at the offerors sole expense.

Because of state budgetary restraints and travel restrictions state employees will not travel outside of the Municipality of Anchorage, Alaska to view the demonstration.

#### **4.07 Cost Proposal**

For evaluation of cost only, the offeror must complete the Cost Proposal attached to this RFP and submit it with their proposal. The values shown on the Cost Proposal are based upon the number of bids made in State of Alaska fiscal year 2018 rounded down to the nearest 100th. The minimum bid shown on the Cost Proposal is the minimum bid for all LSTs receiving bids in 2018, \$25.00 per acre. The lease acres are the acreage values for the majority of the leases bid on in the North Slope Areawide. The costs offered on the Cost Proposal must equal those shown on the Contractor Rates document required by paragraph 4.05.

The costs and numbers shown on the Cost Proposal will be used only for evaluation and award of points for cost.

#### **4.08 Evaluation Criteria**

All proposals will be reviewed to determine if they are responsive. Proposals determined to be responsive will be evaluated using the criterion that is set out in Section 5. EVALUATION CRITERIA AND CONTRACTOR SELECTION.

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An evaluation may not be based on discrimination due to the race, religion, color, national origin, sex, age, marital status, pregnancy, parenthood, disability, or political affiliation of the offeror.

## **5. EVALUATION CRITERIA AND CONTRACTOR SELECTION**

THE TOTAL NUMBER OF POINTS USED TO SCORE THIS PROPOSAL IS 100

### **5.01 Understanding, Methodology, and Management (20%)**

Proposals will be evaluated against the questions set out below:

- a. How well has the offeror demonstrated a thorough understanding of the project requirements ?
- b. How well has the offeror identified pertinent issues and potential problems related to the project and describe how they intend to mitigate or overcome the issue(s) or problem(s)?
- c. To what degree has the offeror demonstrated an understanding of the state's time schedule and their ability to meet it?
- d. Did the offeror propose an alternate timeline? If so, how feasible is the proposed alternate timeline?
- e. How comprehensive is the methodology and does it depict a logical approach to fulfilling the requirements of the RFP?
- f. To what extent does the offeror's system meet the requirements shown within Section Three of the RFP?
- g. To what extent does the offeror already have the hardware, software, equipment, and licenses necessary to perform the contract?
- h. Does the methodology include any proposed travel to Alaska and how well does this travel interface with the proposed contract timelines?
- i. What other methods does the offeror propose to use to interact with DNR staff during the performance of this contract and how well do these methods interface with the proposed contract timelines?
- j. To what degree is the proposal practical and feasible?
- k. How comprehensive is the offerors disaster recovery plan to ensure continuity of business operations?

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I. Did the offeror provide information on the average uptime of the bidding and auction platform and does it appear to be reasonable when considering the needs of the division with regards to the project timelines?

## **5.02 Experience and Qualifications (15%)**

Proposals will be evaluated against the questions set out below:

- a. To what degree does the offeror's experience exceed the minimum requirement for providing an online bidding and auction system of the type and nature specified within this RFP?
- b. Does the offeror's documented experience include providing an online bidding and auction system for oil and gas leases, preferably for lands owned and managed by local, state, or federal agencies?
- c. Did the offeror provide resumes for key individuals who will be working on the initial phases of the contract from contract start to go live and to what extent do they demonstrate backgrounds that would be desirable for individuals engaged in the work the project requires?
- d. To what degree do the letters of reference provided by the offeror verify the offeror's experience in providing services of a nature similar to that required by this RFP?

## **5.03. Contractor Rates (10%)**

Proposals will be evaluated against the questions set out below:

- a. Did the offeror provide a comprehensive table or chart outlining the fees, charges, and other costs or rates they will pass on to consumers during the performance of this contract?
- b. Does the rate table or chart specify the dates for which the rates are valid, and does it describe any seasonal fluctuations within the rates?
- c. To what degree do the reasons for the seasonal fluctuation rates appear to be feasible for the services provided by the offeror?
- d. Did the offeror provide information on if or when the rates are updated, the average increase or decrease in the rates for the past two or more years, and any rates or fees they charge that may not be publicly available?
- e. To what extent do the offeror's fees, charges, and other costs or rates appear to be fair and equitable to consumers?

## **5.04 System Demonstration (15%)**

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The system demonstration will be evaluated against the following criteria:

- a. To what degree does the system demonstrated appear to meet the Division's needs based on criteria established in this RFP or amendments to this RFP?
- b. To what degree does the system appear to be easy to access and practical to use by potential offerors or bidders specifically with regards to registration, parcel selection, bidding, and email confirmation?
- c. How well did the briefer present the material to the evaluation committee in an easy to understand format that clearly demonstrates the system features and capabilities?
- d. To what degree did the briefer outline how the contractor and Division staff will interact with the system during various phases of the bidding process, from pre-bid issuance preparation through post-bid evaluation and award?
- e. To what degree does the system appear to be easy to access and practical to use by the lessor specifically with regards to results and data and funds transfer?
- f. How well did the briefer present the information within the designated 1 hour (60 minutes) timeframe?

#### **5.05 Contract Cost (30%)**

To avoid the appearance of price influencing scoring Cost will be scored only by the Procurement Officer and made available to evaluators only after evaluation of the above areas by the Proposal Evaluation Committee.

Overall, a minimum of **30%** of the total evaluation points will be assigned to cost. The cost amount used for evaluation may be affected by one or more of the preferences referenced under Section 6.12.

#### **Converting Cost to Points**

The lowest cost proposal will receive the maximum number of points allocated to cost. The point allocations for cost on the other proposals will be determined through the method set out in Section 6.15.

#### **5.06. Alaska Offeror Preference (10%)**

If an offeror qualifies for the Alaska Bidder Preference, the offeror will receive an Alaska Offeror Preference. The preference will be 10% of the total available points. This amount will be added to the overall evaluation score of each Alaskan offeror by the Procurement Officer after evaluation of the criteria shown in paragraphs 5.01 through 5.04 above.

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## **6. GENERAL PROCESS INFORMATION**

### **6.01 Informal Debriefing**

When the contract is completed an informal debriefing may be performed at the discretion of the project manager. If performed, the scope of the debriefing will be limited to the work performed by the contractor.

### **6.02 Alaska Business License and Other Required Licenses**

Prior to the award of a contract, an offeror 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 Alaska Offeror Preference, an offeror must hold a valid Alaska business license prior to the deadline for receipt of proposals. Offerors should contact the Department of Commerce, Community and Economic Development, Division of Corporations, Business, and Professional Licensing, PO Box 110806, Juneau, Alaska 99811-0806, for information on these licenses.

Acceptable evidence that the offeror 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 proposal that the offeror has a valid Alaska business license and has included the license number in the proposal;
- 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 offeror has applied and paid for the Alaska business license.

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

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

Prior the deadline for receipt of proposals, all offerors must hold any other necessary applicable professional licenses required by Alaska Statute.

### **6.03 Site Inspection**

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The state may conduct on-site visits to evaluate the offeror's capacity to perform the contract. An offeror must agree, at risk of being found non-responsive and having its proposal rejected, to provide the state reasonable access to relevant portions of its work sites. Individuals designated by the procurement officer at the state's expense will make site inspection.

#### **6.04 Clarification of Offers**

In order to determine if a proposal is reasonably susceptible for award, communications by the procurement officer or the proposal evaluation committee (PEC) are permitted with an offeror to clarify uncertainties or eliminate confusion concerning the contents of a proposal. Clarifications may not result in a material or substantive change to the proposal. The evaluation by the procurement officer or the PEC may be adjusted as a result of a clarification under this section.

#### **6.05 Discussions with Offerors**

The state may conduct discussions with offerors in accordance with AS 36.30.240 and 2 AAC 12.290. The purpose of these discussions will be to ensure full understanding of the requirements of the RFP and proposal. Discussions will be limited to specific sections of the RFP or proposal identified by the procurement officer. Discussions will only be held with offerors who have submitted a proposal deemed reasonably susceptible for award by the procurement officer. Discussions, if held, will be after initial evaluation of proposals by the procurement officer or the PEC. If modifications are made as a result of these discussions they will be put in writing. Following discussions, the procurement officer may set a time for best and final proposal submissions from those offerors with whom discussions were held. Proposals may be reevaluated after receipt of best and final proposal submissions.

If an offeror does not submit a best and final proposal or a notice of withdrawal, the offeror's immediate previous proposal is considered the offeror's best and final proposal.

Offerors with a disability needing accommodation should contact the procurement officer prior to the date set for discussions so that reasonable accommodation can be made. Any oral modification of a proposal must be reduced to writing by the offeror.

#### **6.06 Evaluation of Proposals**

The procurement officer, or an evaluation committee made up of at least three state employees or public officials, will evaluate proposals. The evaluation will be based solely on the evaluation factors set out in SECTION 5. EVALUATION CRITERIA AND CONTRACTOR SELECTION.

Proposals will be evaluated using a two-step evaluation process.

Proposals will be initially evaluated by the DNR Procurement Officer for responsiveness. Responsive proposals will then be forwarded to the proposal evaluation committee (PEC) for evaluation of criteria in paragraphs 5.01 through 5.03. Offerors will then be rank ordered from

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apparently most to apparently least advantageous without application of Cost or the Alaska Offerors preference.

Offerors who are deemed reasonably susceptible of being accepted for award of a contract without application of Cost or the Alaska Offerors preference will be invited to provide a demonstration of their system to the PEC. Information on the demonstration requirements can be found in paragraph 4.07. The demonstration will be evaluated using the criteria shown in paragraph 5.04.

After evaluation of the demonstration by the PEC the Procurement Officer will evaluate Cost and, if applicable, the Alaska Offerors preference. These totals will be added to the PEC member scores to determine a final rank ordering of the proposals from most to least advantageous to the State. The Procurement Officer will then issue a Notice of Intent to Award as specified in paragraph 6.09.

After receipt of proposals, if there is a need for any substantial clarification or material change in the RFP, an amendment will be issued. The amendment will incorporate the clarification or change, and a new date and time established for new or amended proposals. Evaluations may be adjusted as a result of receiving new or amended proposals.

## **6.07 Contract Negotiation**

After final evaluation, the procurement officer may negotiate with the offeror of the highest-ranked proposal. Negotiations, if held, shall be within the scope of the request for proposals and limited to those items which would not have an effect on the ranking of proposals. If the highest-ranked offeror fails to provide necessary information for negotiations in a timely manner, or fails to negotiate in good faith, the state may terminate negotiations and negotiate with the offeror of the next highest-ranked proposal.

If contract negotiations are commenced, they may be held in the Procurement Officer designated conference room in the Atwood Building located in Anchorage, Alaska.

If the contract negotiations take place in Anchorage, Alaska, the offeror will be responsible for their travel and per diem expenses.

## **6.08 Failure to Negotiate**

If the selected offeror

- a. fails to provide the information required to begin negotiations in a timely manner; or fails to negotiate in good faith; or
- b. indicates they cannot perform the contract within the budgeted funds available for the project; or
- c. if the offeror and the state, after a good faith effort, simply cannot come to terms,

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the state may terminate negotiations with the offeror initially selected and commence negotiations with the next highest ranked offeror.

## **6.09 Offeror Notification of Selection**

After the completion of contract negotiation the procurement officer will issue a written Notice of Intent to Award (NIA) and send copies to all offerors. The NIA will set out the names of all offerors and identify the proposal selected for award.

## **6.10 Protest**

AS 36.30.560 provides that an interested party may protest the content of the RFP. An interested party is defined in 2 AAC 12.990(a) (7) as "an actual or prospective bidder or offeror whose economic interest might be affected substantially and directly by the issuance of a contract solicitation, the award of a contract, or the failure to award a contract." If an interested party wishes to protest the content of a solicitation, the protest must be received, in writing, by the procurement officer at least ten days prior to the deadline for receipt of proposals.

AS 36.30.560 also provides that an interested party may protest the award of a contract or the proposed award of a contract. If an offeror wishes to protest the award of a contract or the proposed award of a contract, the protest must be received, in writing, by the procurement officer within ten days after the date the Notice of Intent to Award the contract is issued.

A protester must have submitted a proposal in order to have sufficient standing to protest the proposed award of a contract. Protests must include the following information:

- a. the name, address, and telephone number of the protester;
- b. the signature of the protester or the protester's representative;
- c. identification of the contracting agency and the solicitation or contract at issue;
- d. a detailed statement of the legal and factual grounds of the protest including copies of relevant documents; and the form of relief requested.

Protests filed by telex or telegram are not acceptable because they do not contain a signature. Fax copies containing a signature are acceptable.

The procurement officer will issue a written response to the protest. The response will set out the procurement officer's decision and contain the basis of the decision within the statutory time limit in AS 36.30.580. A copy of the decision will be furnished to the protester by certified mail, fax or another method that provides evidence of receipt.

All offerors will be notified of any protest. The review of protests, decisions of the procurement officer, appeals, and hearings, will be conducted in accordance with the State Procurement Code (AS 36.30), Article 8 "Legal and Contractual Remedies."

## **6.11 Application of Preferences**



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Certain preferences apply to all contracts for professional services, regardless of their dollar value. The Alaska Bidder, Alaska Veteran, and Alaska Offeror preferences are the most common preferences involved in the RFP process. Additional preferences that may apply to this procurement are listed below. Guides that contain excerpts from the relevant statutes and codes, explain when the preferences apply and provide examples of how to calculate the preferences are available at the Department of Administration, Division of General Service's web site: <http://doa.alaska.gov/dgs/pdf/pref1.pdf>

Employment Program Preference - AS 36.30.321(b)  
Alaskans with Disabilities Preference - AS 36.30.321(d)  
Alaska Veteran's Preference - AS 36.30.321(f)

The Division of Vocational Rehabilitation in the Department of Labor and Workforce Development keeps a list of qualified employment programs and individuals who qualify as persons with a disability. As evidence of a business' or an individual's right to the Employment Program or Alaskans with Disabilities preferences, the Division of Vocational Rehabilitation will issue a certification letter. To take advantage of these preferences, a business or individual must be on the appropriate Division of Vocational Rehabilitation list prior to the time designated for receipt of proposals. Offerors must attach a copy of their certification letter to the proposal. An offeror's failure to provide this certification letter with their proposal will cause the state to disallow the preference.

## **6.12 Alaska Bidder Preference**

An Alaska Bidder Preference of 5% will be applied to the price in the proposal. The preference will be given to an offeror who:

- a. holds a current Alaska business license prior to the deadline for receipt of proposals;
- b. submits a proposal for goods or services under the name appearing on the offeror's current Alaska business license;
- c. has maintained a place of business within the state staffed by the offeror, or an employee of the offeror, for a period of six months immediately preceding the date of the proposal;
- d. 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
- e. 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 proposal must include a statement certifying that the offeror is eligible to receive the Alaska Bidder Preference.

If the offeror 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

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partners are residents of the state.

If the offeror 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.

### **6.13 Alaska Veteran Preference**

An Alaska Veteran Preference of 5%, not to exceed \$5,000, will be applied to the price in the proposal. The preference will be given to an offeror who qualifies under AS 36.30.990(2) as an Alaska bidder and is a:

- a. sole proprietorship owned by an Alaska veteran;
- b. partnership under AS 32.06 or AS 32.11 if a majority of the partners are Alaska veterans; limited liability company organized under AS 10.50 if a majority of the members are Alaska veterans; or
- c. corporation that is wholly owned by individuals, and a majority of the individuals are Alaska veterans.

#### Alaska Veteran Preference Statement

In order to receive the Alaska Veteran Preference, the proposal must include a statement certifying that the offeror is eligible to receive the Alaska Veteran Preference.

### **6.14 Alaska Offeror Preference**

2 AAC 12.260(e) provides Alaska offerors a 10% overall evaluation point preference. Alaska bidders, as defined in AS 36.30.990(2), are eligible for the preference. An Alaska offeror will receive 10 percent of the total available points added to their overall evaluation score as a preference.

### **6.15 Formula Used to Convert Cost to Points**

The distribution of points based on cost will be determined as set out in 2 AAC 12.260(c). The lowest cost proposal will receive the maximum number of points allocated to cost. The point allocations for cost on the other proposals will be determined using the formula:

(Price of Lowest Cost Proposal) x (Maximum Points for Cost) ÷ (Cost of Each Higher Priced Proposal)

#### Examples: Converting Cost to Points & Applying Preferences

Formula Used to Convert Cost to Points

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Step 1: List all proposal prices, adjusted where appropriate by the application of applicable preferences claimed by the offeror.

Offeror #1 \$40,000  
Offeror #2 \$42,750  
Offeror #3 \$47,500

Step 2: In this example, the RFP allotted 40% of the available 100 points to cost. This means that the lowest cost will receive the maximum number of points.

Offeror #1 receives 40 points.

The reason they receive that amount is because the lowest cost proposal, in this case \$40,000, receives the maximum number of points allocated to cost, 40 points.

Offeror #2 receives 37.4 points.

$\$40,000 \text{ lowest cost} \times 40 \text{ maximum points for cost} = 1,600,000 \div \$42,750 \text{ cost of Offeror \#2's proposal} = 37.4$

Offeror #3 receives 33.7 points.

$\$40,000 \text{ lowest cost} \times 40 \text{ maximum points for cost} = 1,600,000 \div \$47,500 \text{ cost of Offeror \#3's proposal} = 33.7$

#### Alaska Offeror Preference

Step 1: Determine the number of points available to qualifying offerors under this preference.

$100 \text{ Total Points Available in RFP} \times 10\% \text{ Alaska offerors preference} = 10 \text{ Points for the Preference}$

Step 2: Determine which offerors qualify as Alaska bidders and thus are eligible for the Alaska offerors preference. For the purpose of this example presume that all of the proposals have been completely evaluated based on the evaluation criteria in the RFP. The scores at this point are:

Offeror #1 83 points No Preference - 0 points  
Offeror #2 74 points Alaska Offerors Preference - 10 points  
Offeror #3 80 points Alaska Offerors Preference – 10 points

Step 3: Add the applicable Alaska offerors preference amounts to the offeror's scores:

Offeror #1 83 points  
Offeror #2 84 points (74 points + 10 points)  
Offeror #3 90 points (80 points + 10 points)

Step 4: Offeror #3 is the highest scoring offeror and would get the award, provided their proposal is responsible and responsive.

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## 7. General Legal Information

### 7.01 Standard Contract Provisions

The contractor will be required to sign and submit the State's Standard Agreement Form generated by the IRIS database or the State's Standard Agreement Form for Professional Services Contracts. Appendix A, General Conditions, is attached to this RFP for your review. The contractor must comply with the contract provisions set out in this attachment. No alteration of these provisions will be permitted without prior written approval from the Department of Law. Objections to any of the provisions in Appendix A must be set out in the offeror's proposal.

### 7.02 Proposal as a Part of the Contract

Part or all of this RFP and the successful proposal may be incorporated into the contract.

### 7.03 Additional Terms and Conditions

The state reserves the right to add terms and conditions during contract negotiations. These terms and conditions will be within the scope of the RFP and will not affect the proposal evaluations.

### 7.04 Human Trafficking

By signature on their proposal, the offeror certifies that the offeror 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/j/tip/>. Failure to comply with this requirement will cause the state to reject the proposal as non-responsive, or cancel the contract.

### 7.05 Right of Rejection

Offerors must comply with all of the terms of the RFP, the State Procurement Code (AS 36.30), and all applicable local, state, and federal laws, codes, and regulations. The procurement officer may reject any proposal that does not comply with all of the material and substantial terms, conditions, and performance requirements of the RFP.

Offerors may not qualify the proposal nor restrict the rights of the state. If an offeror does so, the procurement officer may determine the proposal to be a non-responsive counter-offer and the proposal may be rejected.

Minor informalities that:

- a. do not affect responsiveness;
- b. are merely a matter of form or format;

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- c. do not change the relative standing or otherwise prejudice other offers;
  - d. do not change the meaning or scope of the RFP;
  - e. are trivial, negligible, or immaterial in nature;
  - f. do not reflect a material change in the work; or
  - g. do not constitute a substantial reservation against a requirement or provision;
- may be waived by the procurement officer.

The state reserves the right to refrain from making an award if it determines that to be in its best interest.

A proposal from a debarred or suspended offeror shall be rejected.

#### **7.06 State Not Responsible for Preparation Costs**

The state will not pay any cost associated with the preparation, submittal, presentation, or evaluation of any proposal.

#### **7.07 Disclosure of Proposal Contents**

All proposals and other material submitted become the property of the State of Alaska and may be returned only at the state's option. AS 40.25.110 requires public records to be open to reasonable inspection. All proposal information, including detailed price and cost information, will be held in confidence during the evaluation process and prior to the time a Notice of Intent to Award is issued. Thereafter, proposals will become public information.

Trade secrets and other proprietary data contained in proposals may be held confidential if the offeror requests, in writing, that the procurement officer does so, and if the procurement officer agrees, in writing, to do so. The offeror's request must be included with the proposal, must clearly identify the information they wish to be held confidential, and include a statement that sets out the reasons for confidentiality. Unless the procurement officer agrees in writing to hold the requested information confidential, that information will also become public after the Notice of Intent to Award is issued.

#### **7.08 Assignment**

Per 2 AAC 12.480, the contractor may not transfer or assign any portion of the contract without prior written approval from the procurement officer.

#### **7.09 Disputes**

A contract resulting from this RFP is governed by the laws of the State of Alaska. If the contractor has a claim arising in connection with the agreement that it cannot resolve with the state by mutual agreement, it shall pursue the claim, if at all, in accordance with the provisions of AS 36.30.620 – AS 36.30.632. To the extent not otherwise governed by the preceding, the claim shall be brought only in the Superior Court of the State of Alaska and not elsewhere.

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### **7.10 Severability**

If any provision of the contract or agreement 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.

### **7.11 Supplemental Terms and Conditions**

Proposals must comply with SEC. 1.12 Right of Rejection. However, if the state fails to identify or detect supplemental terms or conditions that conflict with those contained in this RFP or that diminish the state's rights under any contract resulting from the RFP, the term(s) or condition(s) will be considered null and void. After award of contract:

- a. if conflict arises between a supplemental term or condition included in the proposal and a term or condition of the RFP, the term or condition of the RFP will prevail; and
- b. if the state's rights would be diminished as a result of application of a supplemental term or condition included in the proposal, the supplemental term or condition will be considered null and void.

### **7.12 Contract Invalidation**

If any provision of this contract is found to be invalid, such invalidation will not be construed to invalidate the entire contract.

### **7.13 Solicitation Advertising**

Public notice has been provided in accordance with 2 AAC 12.220.

## **8. ATTACHMENTS**

- 8.01 Proposal Evaluation Form
- 8.02 Standard Agreement Form - Appendix A, General Conditions
- 8.03 Appendix B1
- 8.04 Offeror's Checklist
- 8.05 Cost Proposal
- 8.06 Sample Data from North Slope Areawide 2018W Lease Sale

\*\*\*\*\***END OF SECTION**\*\*\*\*\*

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## 8.01 PROPOSAL EVALUATION FORM

Offeror Name: \_\_\_\_\_  
Evaluator  
Name: \_\_\_\_\_  
Date of Review: \_\_\_\_\_  
RFP Number: 190000022, Online Bidding and Auction System for Oil and Gas

## EVALUATION CRITERIA AND SCORING

### THE TOTAL NUMBER OF POINTS USED TO SCORE THIS PROPOSAL IS 100

All proposals will be reviewed for responsiveness and then evaluated using the criteria set out herein.

#### 5.01 Understanding, Methodology, and Management—20 Percent

Maximum Point Value for this Section - 20 Points  
100 Points x 20 Percent = 20 Points

Proposals will be evaluated against the questions set out below.

a. How well has the offeror demonstrated a thorough understanding of the project requirements?

NOTES:

b. How well has the offeror identified pertinent issues and potential problems related to the project and describe how they intend to mitigate or overcome the issue(s) or problem(s)?

NOTES:

c. To what degree has the offeror demonstrated an understanding of the state's time schedule and their ability to meet it?

NOTES:

d. Did the offeror propose an alternate timeline? If so, how feasible is the proposed alternate timeline?

NOTES:

e. How comprehensive is the methodology and does it depict a logical approach to fulfilling the requirements of the RFP?

|  |                                       |   |                      |
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NOTES:

f. To what extent does the offeror's system meet the requirements shown within Section Three of the RFP?

NOTES:

g. To what extent does the offeror already have the hardware, software, equipment, and licenses necessary to perform the contract?

NOTES:

h. Does the methodology include any proposed travel to Alaska and how well does this travel interface with the proposed contract timelines?

NOTES:

i. What other methods does the offeror propose to use to interact with DNR staff during the performance of this contract and how well do these methods interface with the proposed contract timelines?

NOTES:

j. To what degree is the proposal practical and feasible?

NOTES:

k. How comprehensive is the offerors disaster recovery plan to ensure continuity of business operations?

NOTES:

l. Did the offeror provide information on the average uptime of the bidding and auction platform and does it appear to be reasonable when considering the needs of the division with regards to the project timelines?

NOTES:

**EVALUATOR'S POINT TOTAL FOR 5.01:** \_\_\_\_\_

## **5.02 Experience and Qualifications—15 Percent**

Maximum Point Value for this Section - 15 Points  
100 Points x 15 Percent = 15 Points



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Proposals will be evaluated against the questions set out below.

a. To what degree does the offeror's experience exceed the minimum requirement for providing an online bidding and auction system of the type and nature specified within this RFP?

NOTES:

b. Does the offeror's documented experience include providing an online bidding and auction system for oil and gas leases, preferably for lands owned and managed by local, state, or federal agencies?

NOTES:

c. Did the offeror provide resumes for key individuals who will be working on the initial phases of the contract from contract start to go live and to what extent do they demonstrate backgrounds that would be desirable for individuals engaged in the work the project requires?

NOTES:

d. To what degree do the letters of reference provided by the offeror verify the offeror's experience in providing services of a nature similar to that required by this RFP?

NOTES:

**EVALUATOR'S POINT TOTAL FOR 5.02:** \_\_\_\_\_

### **5.03 Contractor Rates—10 Percent**

Maximum Point Value for this Section - 10 Points  
100 Points x 10 Percent = 10 Points

Proposals will be evaluated against the questions set out below.

a. Did the offeror provide a comprehensive table or chart outlining the fees, charges, and other costs or rates they will pass on to consumers during the performance of this contract?

NOTES:

b. Does the rate table or chart specify the dates for which the rates are valid, and does it describe any seasonal fluctuations within the rates?

NOTES:

c. To what degree do the reasons for the seasonal fluctuation rates appear to be feasible for the services provided by the offeror?

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NOTES:

d. Did the offeror provide information on if or when the rates are updated, the average increase or decrease in the rates for the past two or more years, and any rates or fees they charge that may not be publicly available?

NOTES:

e. To what extent do the offeror's fees, charges, and other costs or rates appear to be fair and equitable to consumers?

NOTES:

**EVALUATOR'S POINT TOTAL FOR 5.03:** \_\_\_\_\_

#### **5.04 System Demonstration—15 Percent**

Maximum Point Value for this Section - 15 Points

100 Points x 15 Percent = 15 Points

The system demonstration will be evaluated against the following criteria:

a. To what degree does the system demonstrated appear to meet the Division's needs based on criteria established in this RFP or amendments to this RFP?

NOTES:

b. To what degree does the system appear to be easy to access and practical to use by potential offerors or bidders specifically with regards to registration, parcel selection, bidding, and email confirmation?

NOTES:

c. How well did the briefer present the material to the evaluation committee in an easy to understand format that clearly demonstrates the system features and capabilities?

NOTES:

d. To what degree did the briefer outline how the contractor and Division staff will interact with the system during various phases of the bidding process, from pre-bid issuance preparation through post-bid evaluation and award?

NOTES:

e. To what degree does the system appear to be easy to access and practical to use by the lessor specifically with regards to results and data and funds transfer?

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NOTES:

f. How well did the briefer present the information within the designated 1 hour (60 minutes) timeframe?

NOTES:

**EVALUATOR'S POINT TOTAL FOR 5.04:** \_\_\_\_\_

**EVALUATOR'S COMBINED POINT TOTAL FOR SECTIONS 5.01 THROUGH 5.04:** \_\_\_\_\_

#### **5.05 Contract Cost — 30 Percent**

To avoid the appearance of price influencing scoring Cost will be scored only by the Procurement Officer and made available to evaluators only after evaluation of the above areas by the Proposal Evaluation Committee.

Overall, a minimum of 30% of the total evaluation points will be assigned to cost. The cost amount used for evaluation may be affected by one or more of the preferences referenced under Section 6.12.

Converting Cost to Points

The lowest cost proposal will receive the maximum number of points allocated to cost. The point allocations for cost on the other proposals will be determined through the method set out in Section 6.15.

**PROCUREMENT OFFICER'S POINT TOTAL FOR COST:** \_\_\_\_\_

#### **5.06 Alaska Offeror Preference — 10 Percent**

Point Value for this Section — 10 Points

100 Points x 10 Percent = 10 Points

If an offeror qualifies for the Alaska Bidder Preference, the offeror will receive an Alaska Offeror Preference. The preference will be 10 percent of the total available points. This amount will be added to the overall evaluation score of each Alaskan offeror.

**PROCUREMENT OFFICER'S POINT TOTAL FOR ALASKA OFFEROR'S PREFERENCE (EITHER 0 OR 10):** \_\_\_\_\_

#### **5.07 COMBINED TOTAL**

This section will be completed by the Procurement Officer.

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- a. Evaluator's Combined Total for Sections 5.01 – 5.04: \_\_\_\_\_
- b. Procurement Officer's Evaluation for Section 5.05: \_\_\_\_\_
- c. Procurement Officer's Evaluation for Section 5.06: \_\_\_\_\_
- d. **TOTAL EVALUATED SCORE:** \_\_\_\_\_
- e. Procurement Officer's Initials: \_\_\_\_\_ and Date Completed: \_\_\_\_\_.

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## APPENDIX A GENERAL CONDITIONS

### 1. Inspections and Reports:

The department may inspect, in the manner and at reasonable times it considers appropriate, all of the contractor's facilities and activities under this contract. The contractor shall make progress and other reports in the manner and at the times the department reasonably requires.

### 2. Suitable Materials, Etc.:

Unless otherwise specified, all materials, supplies or equipment offered by the contractor shall be new, unused, and of the latest edition, version, model or crop and of recent manufacture.

### 3. Disputes:

If the contractor has a claim arising in connection with the contract that it cannot resolve with the State by mutual agreement, it shall pursue the claim, if at all, in accordance with the provisions of AS 36.30.620-AS 36.30.632

### 4. 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.

### 5. No Assignment or Delegation:

The contractor may not assign or delegate this contract, or any part of it, or any right to any of the money to be paid under it, except with the written consent of the Procurement Officer.

### 6. No Additional Work or Material:

No claim for additional supplies or services, not specifically provided in this contract, performed or furnished by the contractor, will be allowed, nor may the contractor do any work or furnish any material not covered by the contract unless the work or material is ordered in writing by the Procurement Officer.

### 7. Independent Contractor:

The contractor and any agents and employees of the contractor act in an independent capacity and are not officers or employees or agents of the State in the performance of this contract.

### 8. Payment of Taxes:

As a condition of performance of this contract, the contractor shall pay all federal, State, and local taxes incurred by the contractor and shall require their payment by any subcontractor or any other persons in the performance of this contract. Satisfactory performance of this paragraph is a condition precedent to payment by the State under this contract.

### 9. Compliance:

In the performance of this contract, the contractor must comply with all applicable federal, state, and borough regulations, codes, and laws, and be liable for all required insurance, licenses, permits and bonds.

### 10. Conflicting Provisions:

Unless specifically amended and approved by the Department of Law, the terms of this contract supersede any provisions the contractor may seek to add. The contractor may not add additional or different terms to this contract; AS 45.02.207(b)(1). The contractor specifically acknowledges and agrees that, among other things, provisions in any documents it sees to append hereto that purport to (1) waive the State of Alaska's sovereign immunity, (2) impose indemnification obligations on the State of Alaska, or (3) seek to limit liability of the

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contractor for acts of contractor negligence, are expressly superseded by this contract and are void.

#### **11. Officials Not to Benefit:**

Contractor must comply with all applicable federal or State laws regulating ethical conduct of public officers and employees.

#### **12. Contract Prices:**

Contract prices 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 for services must be 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.

#### **13. Contract Funding:**

Contractors 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.

#### **14. Force Majeure:**

The parties to this contract are not liable for the consequences of any failure to perform, or default in performing, any of their obligations under this Agreement, 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 Agreement, 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.

#### **15. Contract Extension:**

Unless otherwise provided, the State and the 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.

#### **16. 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.

#### **17. Continuing Obligation of Contractor:**

Notwithstanding the expiration date of this contract, the contractor is obligated to fulfill its responsibilities until warranty, guarantee, maintenance and parts availability requirements have completely expired.

#### **18. Governing Law; Forum Selection**

This contract is governed by the laws of the State of Alaska. To the extent not otherwise governed by Article 3 of this Appendix, any claim concerning this contract shall be brought only in the Superior Court of the State of Alaska and not elsewhere.

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## APPENDIX B<sub>1</sub> INDEMNITY AND INSURANCE

### Article 1. 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.

### Article 2. 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.

- 2.1 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.
- 2.2 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 claim.
- 2.3 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 claim.

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## RFP 190000022

### 8.04 OFFEROR'S CHECKLIST

This checklist is provided as a courtesy to prospective offerors. While every effort has been made to ensure this checklist is complete, it is still the offeror's responsibility to make sure they comply with all requirements of this RFP.

The following documents must be received by the DNR Procurement Office prior to the deadline set for receipt of proposals for your proposal to be considered responsive.

\_\_\_\_\_ 1. **Technical Proposal.** Submitted as required by paragraph 1.07 of this RFP.

\_\_\_\_\_ 2. **Cost Proposal.** Submitted separately within the proposal package as required by paragraph 1.07 of this RFP.

\_\_\_\_\_ 3. **MANDATORY RETURN Amendment(s).** Written acknowledgement of MANDATORY RETURN amendment(s) either within the proposal package or submitted separately in an email or fax to DNR Procurement. Must be received prior to the Deadline for Receipt of Proposals.

#### Reminders:

1. It is the offeror's responsibility to make sure they comply with all requirements of this RFP and submit all required documents.

2. Cost proposal and technical proposals are to be submitted in separate packages within the proposal package or email.

3. Proposals must be received in their entirety prior to the Deadline for Receipt of Proposals. Late proposals will be considered non-responsive and will be rejected.



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### RFP 190000022, COST PROPOSAL FORM

Offerors must enter their costs below and submit one copy in accordance with the proposal submission requirements contained in paragraph 1.07 of this RFP.

The quantities shown are for evaluation and award purposes only. The State does not guarantee any minimum or maximum number of transactions under any contract resulting from this RFP.

Costs submitted below must represent what the offeror will charge the customers to provide the online bidding and auction services meeting the requirements described in this RFP. The Unit Cost shown must equal that shown on the Contractor Rates document the offeror submits with their proposal.

The Total Cost shown on line 4 is the cost the State will use to evaluate cost for award of a contract. This cost will be used only for evaluation and award purposes.

By signature on this cost proposal form, the offeror certifies that this price proposal was independently arrived at without collusion and includes all costs required to provide the services as described in this Request for Proposal.

For all values assume a minimum bid of \$25.00 per acre and average lease of 1,440 acres.

| Item | Description  | Quantity   | Unit Cost | Extended Cost<br>(Unit x Qty) |
|------|--|------------|-----------|-------------------------------|
| 1.   | Fee charged to customer for initial registration               | 10 Bidders | \$ _____  | \$ _____                      |
| 2.   | Fee charged to customer to submit a bid                        | 400 Bids   | \$ _____  | \$ _____                      |
| 3.   | Fee charged to customer to modify or cancel a bid              | 10 Bids    | \$ _____  | \$ _____                      |
| 4.   | <b>Total Cost (add the extended cost for items 1, 2 and 3)</b> |            |           | \$ _____                      |
| 1.   | Offeror's Business Name:                                       |            |           |                               |

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|    |                         |              |
|----|-------------------------|--------------|
| 2. | Authorized Signature:   | Date Signed: |
| 3. | Printed Name and Title: |              |

**\*\*END OF DOCUMENT\*\***

|  |                                       |   |                      |
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**Sample Data from North Slope Areawide 2018W Lease Sale**

| Lease Sale Tract (LST) |                      |                   |                   |                   | Estimated Acreage | Minimum Bid \$/Acre | Sale Terms and Conditions for Lease Sale Tract | Date Deferred |
|------------------------|----------------------|-------------------|-------------------|-------------------|-------------------|---------------------|--|---------------|
|                        | Parcel A, B, C, or D |                   |                   |                   |                   |                     |  |               |
| NS0511                 | <a href="#">A</a>    | <a href="#">B</a> | <a href="#">C</a> | <a href="#">D</a> | 1,440.00          | \$25.00             | South Sub-Region Tracts                        |               |
| NS0512                 | <a href="#">A</a>    | <a href="#">B</a> | <a href="#">C</a> | <a href="#">D</a> | 1,440.00          | \$25.00             | South Sub-Region Tracts                        |               |
| NS0513                 | <a href="#">A</a>    | <a href="#">B</a> | <a href="#">C</a> | <a href="#">D</a> | 1,440.00          | \$25.00             | South Sub-Region Tracts                        |               |
| <a href="#">NS0514</a> |                      |                   |                   |                   | 5,760.00          | \$25.00             | South Sub-Region Tracts                        |               |
| NS0515                 | <a href="#">A</a>    | <a href="#">B</a> | <a href="#">C</a> | <a href="#">D</a> | 1,440.00          | \$25.00             | South Sub-Region Tracts                        |               |
| NS0516                 | <a href="#">A</a>    | <a href="#">B</a> | <a href="#">C</a> | <a href="#">D</a> | 1,440.00          | \$25.00             | South Sub-Region Tracts                        |               |
| <a href="#">NS0517</a> |                      |                   |                   |                   | 5,760.00          | \$25.00             | South Sub-Region Tracts                        |               |
| <a href="#">NS0518</a> |                      |                   |                   |                   | 5,280.00          | \$25.00             | South Sub-Region Tracts                        |               |
| <a href="#">NS0519</a> |                      |                   |                   |                   | 2,720.00          | \$25.00             | South Sub-Region Tracts                        |               |
| <a href="#">NS0520</a> |                      |                   |                   |                   | 5,630.00          | \$25.00             | North Sub-Region Tracts                        |               |
| <a href="#">NS0521</a> |                      |                   |                   |                   | 4,250.00          | \$25.00             | North Sub-Region Tracts                        |               |
| NS0522                 | <a href="#">A</a>    | <a href="#">B</a> | <a href="#">C</a> | <a href="#">D</a> | 1,440.00          | \$25.00             | North Sub-Region Tracts                        |               |
| <a href="#">NS0523</a> |                      |                   |                   |                   | 5,760.00          | \$25.00             | North Sub-Region Tracts                        |               |
| <a href="#">NS0524</a> |                      |                   |                   |                   | 5,654.00          | \$25.00             | North Sub-Region Tracts                        |               |
| NS0525                 | <a href="#">A</a>    | <a href="#">B</a> | <a href="#">C</a> | <a href="#">D</a> | 1,440.00          | \$25.00             | North Sub-Region Tracts                        |               |
| NS0526                 | <a href="#">A</a>    | <a href="#">B</a> | <a href="#">C</a> | <a href="#">D</a> | 1,440.00          | \$25.00             | North Sub-Region Tracts                        |               |
| NS0527                 | <a href="#">A</a>    | <a href="#">B</a> | <a href="#">C</a> | <a href="#">D</a> | 1,440.00          | \$25.00             | North Sub-Region Tracts                        |               |
| NS0528                 | <a href="#">A</a>    | <a href="#">B</a> | <a href="#">C</a> | <a href="#">D</a> | 1,440.00          | \$25.00             | North Sub-Region Tracts                        |               |
| NS0529                 | <a href="#">A</a>    | <a href="#">B</a> | <a href="#">C</a> | <a href="#">D</a> | 1,440.00          | \$25.00             | North Sub-Region Tracts                        |               |
| NS0530                 | <a href="#">A</a>    | <a href="#">B</a> | <a href="#">C</a> | <a href="#">D</a> | 1,440.00          | \$25.00             | North Sub-Region Tracts                        |               |
| NS0531                 | <a href="#">A</a>    | <a href="#">B</a> | <a href="#">C</a> | <a href="#">D</a> | 1,440.00          | \$25.00             | North Sub-Region Tracts                        |               |
| NS0532                 | <a href="#">A</a>    | <a href="#">B</a> | <a href="#">C</a> | <a href="#">D</a> | 1,440.00          | \$25.00             | North Sub-Region Tracts                        |               |
| NS0533                 | <a href="#">A</a>    | <a href="#">B</a> | <a href="#">C</a> | <a href="#">D</a> | 1,440.00          | \$25.00             | North Sub-Region Tracts                        |               |
| NS0534                 | <a href="#">A</a>    | <a href="#">B</a> | <a href="#">C</a> | <a href="#">D</a> | 1,440.00          | \$25.00             | North Sub-Region Tracts                        |               |
| NS0535                 | <a href="#">A</a>    | <a href="#">B</a> | <a href="#">C</a> | <a href="#">D</a> | 1,440.00          | \$25.00             | North Sub-Region Tracts                        |               |
| NS0536                 | <a href="#">A</a>    | <a href="#">B</a> | <a href="#">C</a> | <a href="#">D</a> | 1,440.00          | \$25.00             | North Sub-Region Tracts                        |               |
| NS0537                 | <a href="#">A</a>    | <a href="#">B</a> | <a href="#">C</a> | <a href="#">D</a> | 1,440.00          | \$25.00             | North Sub-Region Tracts                        |               |
| NS0538                 | <a href="#">A</a>    | <a href="#">B</a> | <a href="#">C</a> | <a href="#">D</a> | 1,440.00          | \$25.00             | North Sub-Region Tracts                        |               |
| NS0539                 | <a href="#">A</a>    | <a href="#">B</a> | <a href="#">C</a> | <a href="#">D</a> | 1,440.00          | \$25.00             | North Sub-Region Tracts                        |               |
| NS0540                 | <a href="#">A</a>    | <a href="#">B</a> | <a href="#">C</a> | <a href="#">D</a> | 1,440.00          | \$25.00             | North Sub-Region Tracts                        |               |
| NS0541                 | <a href="#">A</a>    | <a href="#">B</a> | <a href="#">C</a> | <a href="#">D</a> | 1,440.00          | \$25.00             | North Sub-Region Tracts                        |               |
| NS0542                 | <a href="#">A</a>    | <a href="#">B</a> | <a href="#">C</a> | <a href="#">D</a> | 1,440.00          | \$25.00             | North Sub-Region Tracts                        |               |
| NS0543                 | <a href="#">A</a>    | <a href="#">B</a> | <a href="#">C</a> | <a href="#">D</a> | 1,440.00          | \$25.00             | North Sub-Region Tracts                        |               |
|                        |                      |                   |                   |                   |                   |                     |  |               |

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|--|---------------------------------------|---|----------------------|
| <b>Solicitation Assemble</b><br><b>190000022</b> | <b>Document Phase</b><br><b>Final</b> | <b>Document Description</b><br>Online Bidding and Auction System for<br>Division of Oil & Gas | <b>Page 52 of 52</b> |
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|        |                   |                   |                   |                   |          |         |                         |
|--------|-------------------|-------------------|-------------------|-------------------|----------|---------|-------------------------|
| NS0544 | <a href="#">A</a> | <a href="#">B</a> | <a href="#">C</a> | <a href="#">D</a> | 1,440.00 | \$25.00 | North Sub-Region Tracts |
| NS0545 | <a href="#">A</a> | <a href="#">B</a> | <a href="#">C</a> | <a href="#">D</a> | 1,440.00 | \$25.00 | North Sub-Region Tracts |
| NS0546 | <a href="#">A</a> | <a href="#">B</a> | <a href="#">C</a> | <a href="#">D</a> | 1,440.00 | \$25.00 | North Sub-Region Tracts |
| NS0547 | <a href="#">A</a> | <a href="#">B</a> | <a href="#">C</a> | <a href="#">D</a> | 1,440.00 | \$25.00 | North Sub-Region Tracts |
| NS0548 | <a href="#">A</a> | <a href="#">B</a> | <a href="#">C</a> | <a href="#">D</a> | 1,440.00 | \$25.00 | North Sub-Region Tracts |