

INVITATION TO BID (ITB) NUMBER 2515S033

RETURN THIS BID TO THE ISSUING OFFICE AT:



STATE OF ALASKA
DEPARTMENT OF TRANSPORTATION & PUBLIC FACILITIES
3132 CHANNEL DRIVE, ROOM 310
JUNEAU, AK 99801

THIS IS NOT AN ORDER

DATE ITB ISSUED: November 20, 2014

ITB TITLE: AMHS Generator Testing, Technical Services, and Operational Support


SEALED BIDS MUST BE SUBMITTED TO THE DIVISION OF TRANSPORTATION AND PUBLIC FACILITIES AT THE ABOVE ADDRESS AND MUST BE TIME AND DATE STAMPED BY THE PURCHASING SECTION PRIOR TO 2:00 PM ON December 4, 2014, AT WHICH TIME THEY WILL BE PUBLICLY OPENED.

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

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

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

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

 NEIL STEININGER PROCUREMENT OFFICER neil.steininger@alaska.gov PH: 907-465-8446 FAX: 907-465-2024	_____ COMPANY SUBMITTING BID	DOES YOUR BUSINESS QUALIFY FOR THE ALASKA BIDDER PREFERENCE? [] YES [] NO
	_____ AUTHORIZED SIGNATURE	DOES YOUR BUSINESS QUALIFY FOR THE ALASKA VETERAN PREFERENCE? [] YES [] NO
	_____ PRINTED NAME	SEE ITB FOR EXPLANATION OF PREFERENCE QUALIFICATION.
	_____ DATE	_____ E-MAIL ADDRESS
	_____ ALASKA BUSINESS LICENSE NUMBER	_____ FEDERAL TAX ID NUMBER

GENERAL INSTRUCTION, TERMS, AND CONDITIONS:

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

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

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

Bidder's Return Address

Department of Transportation and Public Facilities
3132 Channel Drive, Room 310
Juneau, AK 99811

ITB No.: 2515S033

Opening Date: December 4, 2014

ELECTRONIC BID SUBMISSION: Bids may be emailed to neil.steining@alaska.gov, no later than the date and time listed on page one of this ITB as the deadline for receipt of bids, and must contain the ITB number in the subject line of the email. Emailed bids must be submitted as an attachment in PDF format. Please note that 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 bid exceeds this size, the bid must be sent in multiple emails that are each less than 20 megabytes and each email must comply with the requirements described above. The State is not responsible for unreadable, corrupt, or missing attachments. It is the bidder's responsibility to contact the issuing office at (907) 465-8446 to confirm that the bid has been received. Failure to follow the above instructions may result in the bid being found non-responsive and rejected.

FAX BID SUBMISSION: Faxed bid submissions will not be accepted.

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

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

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

6. FILING A PROTEST: A bidder may protest the award of a contract or the proposed award of a contract for supplies, services, or professional services. The protest must be filed in writing and include the following

information: (1) the name, address, and telephone number of the protester; (2) the signature of the protester or the protester's representative; (3) identification of the contracting agency and the solicitation or contract at issue; (4) a detailed Statement of the legal and factual grounds of the protest, including copies of relevant documents; and (5) the form of relief requested. Protests will be treated in accordance with Alaska Statutes (AS) 36.30.560-36.30.610.

CONDITIONS:

- 1. AUTHORITY:** This ITB is written in accordance with AS 36.30 and 2 AAC 12.
- 2. COMPLIANCE:** In the performance of a contract that results from this ITB, the contractor must comply with all applicable federal, State, and borough regulations, codes, and laws; be liable for all required insurance, licenses, permits and bonds; and pay all applicable federal, State, and borough taxes.
- 3. SUITABLE MATERIALS, ETC.:** Unless otherwise specified, all materials, supplies or equipment offered by a bidder shall be new, unused, and of the latest edition, version, model or crop and of recent manufacture.
- 4. SPECIFICATIONS:** Unless otherwise specified in the ITB, product brand names or model numbers specified in this ITB are examples of the type and quality of product required, and are not Statements of preference. If the specifications describing an item conflict with a brand name or model number describing the item, the specifications govern. Reference to brand name or number does not preclude an offer of a comparable or better product, if full specifications and descriptive literature are provided for the product. Failure to provide such specifications and descriptive literature may be cause for rejection of the offer.
- 5. FIRM OFFER:** For the purpose of award, offers made in accordance with this ITB must be good and firm for a period of ninety (90) days from the date of bid opening.
- 6. EXTENSION OF PRICES:** In case of error in the extension of prices in the bid, the unit prices will govern; in a lot bid, the lot prices will govern.
- 7. BID PREPARATION COSTS:** The State is not liable for any costs incurred by the bidder in bid preparation.
- 8. CONSOLIDATION OF AWARDS:** Due to high administrative costs associated with processing of purchase orders, a single low bid of \$50 or less may, at the discretion of the State, be awarded to the next low bidder receiving other awards for consolidation purposes. This paragraph is not subject to the protest terms enumerated in "INSTRUCTION TO BIDDERS", "FILING A PROTEST" above.
- 9. CONTRACT FUNDING:** Bidders are advised that funds are available for the initial purchase and/or the first term of the contract. Payment and performance obligations for succeeding purchases and/or additional terms of the contract are subject to the availability and appropriation of funds.
- 10. CONFLICT OF INTEREST:** An officer or employee of the State of Alaska may not seek to acquire, be a party to, or possess a financial interest in, this contract if (1) the officer or employee is an employee of the administrative unit that supervises the award of this contract; or (2) the officer or employee has the power to take or withhold official action so as to affect the award or execution of the contract.
- 11. ASSIGNMENT(S):** Assignment of rights, duties, or payments under a contract resulting from this ITB is not permitted unless authorized in writing by the procurement officer of the contracting agency. Bids that are conditioned upon the State's approval of an assignment will be rejected as nonresponsive.
- 12. SUBCONTRACTOR(S):** The apparent low bidder must submit a list with their bid of the subcontractors that will be used in the performance of the contract. The list must include the name of each subcontractor and the location of the place of business for each subcontractor and evidence of each subcontractor's valid Alaska business license.
- 13. FORCE MAJEURE (Impossibility to perform):** The parties to a contract resulting from this ITB are not liable for the consequences of any failure to perform, or default in performing, any of its obligations under the contract, if that failure or default is caused by any unforeseeable Force Majeure, beyond the control of, and without the fault or negligence of, the respective party. For the purposes of this ITB, Force Majeure will mean war (whether declared or not); revolution; invasion; insurrection; riot; civil commotion; sabotage; military or usurped power; lightning; explosion; fire; storm; drought; flood; earthquake; epidemic; quarantine; strikes; acts or restraints of governmental authorities affecting the project or directly or indirectly prohibiting or restricting the furnishing or use

of materials or labor required; inability to secure materials, machinery, equipment or labor because of priority, allocation or other regulations of any governmental authorities.

14. LATE BIDS: Late bids are bids received after the time and date set for receipt of the bids. Late bids will not be accepted.

15. CONTRACT EXTENSION: Unless otherwise provided in this ITB, the State and the successful bidder/contractor agree: (1) that any holding over of the contract excluding any exercised renewal options, will be considered as a month-to-month extension, and all other terms and conditions shall remain in full force and effect and (2) to provide written notice to the other party of the intent to cancel such month-to-month extension at least thirty (30) days before the desired date of cancellation.

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

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

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

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

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

SPECIAL CONDITIONS:

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

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

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

PREFERENCES:

1. ALASKA BIDDER PREFERENCE: Award will be made to the lowest responsive and responsible bidder after an Alaska bidder preference of five percent (5%) has been applied. The preference will be given to a person who: (1) holds a current Alaska business license at the time designated in the invitation to bid for bid opening; (2) submits a bid for goods or services under the name on the Alaska business license; (3) has maintained a place of business within the State staffed by the bidder, or an employee of the bidder, for a period of six months immediately preceding the date of the bid; (4) is incorporated or qualified to do business under the laws of the

State, is a sole proprietorship and the proprietor is a resident of the State, is a limited liability company organized under AS 10.50 and all members are residents of the State, or is a partnership under AS 32.06 or AS 32.11 and all partners are residents of the State; and, (5) if a joint venture, is composed entirely of ventures that qualify under (1) - (4) of this subsection. AS 36.30.170, AS 36.30.321(a) and AS 36.30.990(2)

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

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

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

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

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

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

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

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

SPECIFIC TERMS AND CONDITIONS:

1. ALASKA BUSINESS LICENSE AND OTHER REQUIRED LICENSES: Prior to the award of a contract, a bidder must hold a valid Alaska business license. However, in order to receive the Alaska Bidder Preference and other related preferences, such as the Alaska Veteran and Alaskans with Disabilities Preference, a bidder must hold a valid Alaska business license at the time designated for bid opening. Bidders should contact the Department of Commerce, Community and Economic Development, Division of Corporations, Business, and Professional Licensing, P. O. Box 110806, Juneau, Alaska 99811-0806, for information on these licenses.

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

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

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

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

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

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

- (a) holds a current Alaska business license at the time designated for bid opening;
- (b) submits a proposal for goods or services under the name appearing on the bidder's current Alaska business license;
- (c) has maintained a place of business within the State staffed by the bidder, or an employee of the bidder, for a period of six months immediately preceding the date of the bid;
- (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 Affidavit

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

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

If the bidder is a joint venture which includes a LLC or partnership as identified in (4) of this subsection, the affidavit 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.

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

Telephone: (907) 465-8446
Fax: (907) 465-2024

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

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

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

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

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

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

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

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

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

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

8. CONTRACT INTENT: This Invitation to Bid (ITB) is intended to result in a contract to provide as-needed testing, repair, and support services to vessel generators for the Department of Transportation and Public Facilities (DOT&PF) Alaska Marine Highway System (AMHS).

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

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

11. FEDERAL EXCISE TAX: The State of Alaska is exempt from Federal Excise Tax except for the following:

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

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

12. CONTRACT ADMINISTRATION: The administration of this contract is the responsibility of the procurement officer of record.

13. SHIPPING DAMAGE: The State will not accept or pay for damaged goods. The contractor must file all claims against the carrier(s) for damages incurred to items in transit from the point of origin to the ultimate destination. The State will provide the contractor with written notice when damaged goods are received. The State will deduct the cost of the damaged goods from the invoice prior to payment. The contractor must file all claims against the carrier(s) for reimbursement of the loss.

14. 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.

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

Proof of insurance is required for the following:

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

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

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

16. BRAND AND MODEL OFFERED: Unless otherwise specified, when brand names and model numbers are used to specify the type and quality of the goods desired, bidders must clearly indicate the brand names and model numbers they intend to provide. The bidder's failure to identify the brand and model offered may cause the State to consider the offer non-responsive and reject the bid.

17. ANNOTATED LITERATURE: Bidders must annotate their product literature to identify for the State the location of the supporting information regarding each product specification set out in this ITB. A bidder's failure to comply with this clause, within the time set by the State, will cause the State to consider the offer non-responsive and reject the bid.

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

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

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

20. CONTRACT PERIOD: The length of the contract will be from January 1, 2015 through December 31, 2015, with four (4) optional one (1) year renewal terms under the same terms and conditions as the original contract. Renewals are to be exercised at the sole discretion of the State.

21. PRICE ADJUSTMENTS: Contract labor rates will remain firm through December 31, 2015.

Contractors may request price adjustments, in writing, 30 days prior to the renewal date. If a contractor fails to request a CPI price adjustment 30 days prior to the adjustment date, the adjustment will be effective 30 days after the State receives their written request.

Price adjustments will be made in accordance with the percentage change in the U.S. Department of Labor Consumer Price Index (CPI-U) for All Urban Consumers, All Items, Anchorage Area.

The price adjustment rate will be determined by comparing the percentage difference between the CPI in effect for the base year six month average (July through December 2014); and the most recently reported 6 month average on the date of the contractors request. The percentage difference between those two CPI issues will be the price adjustment rate. No retroactive contract price adjustments will be allowed.

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

23. NEW EQUIPMENT: Equipment offered in response to this ITB must be new equipment. New equipment means equipment that is currently in production by the manufacturer and is still the latest model, edition or version

generally offered. The equipment must be warranted as new by the manufacturer and may not have been used for any purpose, other than display (not demonstration), prior to its sale to the State. The State will not accept remanufactured, used, or reconditioned equipment. It is the contractor's responsibility to ensure that each piece of equipment delivered to the State complies with this requirement. A contractor's failure to comply with this requirement will cause the State to seek remedies under breach of contract.

24. ACCESSORIES: When accessories are supplied, they must be certified to be compatible with the rest of the equipment. Certification will be written evidence satisfactory to the State that the accessories are compatible. The bidder's failure to supply this evidence within the time required by the State will cause the State to consider the bid non-responsive and reject the bid.

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

26. DISCONTINUED ITEMS: In the event an item is discontinued by the manufacturer during the life of the contract, another item may be substituted, provided that the contracting officer makes a written determination that it is equal to or better than the discontinued item and provided that it is sold at the same price or less than the discontinued item.

27. ITEM UPGRADES: The State reserves the right to accept upgrades to models on the basic contract when the upgrades improve the way the equipment operates or improve the accuracy of the equipment. Such upgraded items must be at the same price as the items in the basic contract.

28. ADVANCE NOTICE OF DELIVERY: The contractor must notify the freight company that delivers the order that the State facility receiving the order requires 24 hours advance notice of delivery.

29. F.O.B. POINT: Final destination, freight prepaid by the contractor and charged-back to the State as a separate item on the State's invoice.

30. PARTS BOOKS AND MAINTENANCE MANUALS: Parts books and maintenance manuals must be provided at the same time that the equipment is delivered. The cost of the parts books and maintenance manuals is to be included in the bid price of the equipment.

31. REQUIRED MANUALS AND HARDWARE: The items purchased are to be shipped complete with the instructions and hardware required for installation. An operator's manual, maintenance manual, and a maintenance schedule must be included with each item when it is delivered. The cost of the installation hardware and the manuals is to be included in the bid price of the equipment.

32. USAGE REPORT: Each year, 60 calendar days prior to the contract price adjustment date, the contractor must furnish the State a usage report. The usage report must follow the format of the Bid Schedule and must accurately state the actual use of all items on the Bid Schedule. A contractor's failure to provide this information in a timely manner may cause the State to cancel the contract.

33. INVOICES: Each invoice must identify the following:

- Contractor Name
- Contract Number
- Purchase Order Number
- Date when work performed
- Type of work performed
- Vessel name that work was performed on
- A detailed breakdown of the amount invoiced to include:
 - hours worked per labor category
 - actual materials cost
 - materials markup
 - actual travel cost

- description of any other direct costs invoiced
- Signed certification that the amount invoiced for is for the services described in the Deliverables, during the period of performance of this contract.

Invoices that fail to identify each of these requirements will be rejected for payment until a corrected invoice is resubmitted. Invoices for deliveries made under this contract are to be sent to:

State of Alaska
Department of Transportation and Public Facilities
Marine Engineering Manager
Alaska Marine Highway System
7037 N. Tongass Hwy
Ketchikan, Alaska 99901

With a copy sent, via email, to the procurement officer at neil.steininger@alaska.gov

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

35. PACKAGING: The cost of all equipment packaging must be included in the price bid. All packaging must be new and suitable for shipment and short-term warehouse storage.

36. QUANTITIES: The quantities referenced in this ITB are sample representative lots and are only for the purpose of evaluation. The State does not guarantee any minimum purchase. Orders will be issued throughout the contract period on an as-needed basis.

37. PARTS: Only parts designed for the purpose they are being used, and warranted as new, may be used in the repair of State equipment.

38. COMPLETION OF SERVICE: The service will not be complete and the equipment will not be considered serviced, repaired, or acceptable until it performs in compliance with the manufacturer's published performance specifications.

39. SERVICE TECHNICIAN QUALIFICATIONS: Bidders may be required to provide evidence, prior to contract award, that the person(s) performing the service work is competent and has sufficient training or experience to effectively service the equipment identified in this ITB.

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

- Certification from a manufacturer that the service technician can provide manufacturer's authorized warranty service. At least three years of satisfactory service and repair experience. If this form is used, the bidder must provide a list of at least five service and repair customers who will substantiate the claim. The list must identify the customer's name, address, telephone number, the month and year of the work, and the brand name and model of the equipment.

Further, the bidder must agree that the contracting officer is free to contact the customers named on the list to obtain repair and service performance information from them. The contracting officer will determine, from the evidence furnished by the bidder and information obtained from the customer, if the service technician possesses sufficient satisfactory experience to service and repair the equipment identified in the ITB.
- A diploma from a trade or technical school which indicates that the service technician has successfully completed appropriate training.
- The bidder may contract with a service technician who is certified by the manufacturer to provide manufacturer's authorized warranty service.
- Other similar evidence that proves the service technician's competency may be considered.

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

The bidder's failure to provide the evidence mentioned above, within the time required by the State, may cause the State to consider the bid non-responsive and reject the bid.

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

If a deficiency is not corrected within 7.5 working hours from the time it is issued, the State may issue another SDC and procure, from another contractor, the services necessary to correct the problem. The contractor will then be obligated to reimburse the State for the amount required to correct the problem.

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

41. WORKMANSHIP & MATERIALS: All work must be performed in a thorough and workmanlike manner and in accordance with current industry practices. The contractor will be held responsible for the quality of the service, maintenance and inspections. Service, maintenance and inspections that are improperly done will be done over, by the contractor, at the contractor's risk and expense.

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

43. METHOD OF AWARD: Award will be made as one lot to the lowest responsive and responsible bidder. In order to be considered responsive, bidders must bid on all items.

44. SUBCONTRACTORS: The names and addresses of any subcontractors and the work they will perform on this contract must be provided with this bid, if applicable. See Terms and Conditions #12 on page 3 of this ITB.

45. SUPPLEMENTAL TERMS AND CONDITIONS: Bidders may submit additional terms and conditions for the State's consideration. However, the State may or may not accept any of the terms and conditions proposed by the bidder. Bidder's proposed terms and conditions are subject to the State of Alaska, Department of Law review and acceptance or rejection. If the State fails to identify or detect supplemental terms and conditions that conflicts with contained in this ITB or that diminish the State's rights under any contract resulting from this ITB, the term(s) or condition(s) with 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.

46. TRAVEL REIMBURSEMENT: The State will reimburse the Contractor for travel per the following criteria:

- Airfare is limited to coach fare.
- Lodging will be reimbursed at actual cost.
- Reimbursement for meals and incidentals will be made in accordance with the State of Alaska Per Diem Rates for AAM. <http://doa.alaska.gov/dof/travel/resource/rates.pdf>
- Rental vehicles are limited to standard size, make and model as opposed to premium options.
- Receipts must be provided with invoice for all travel expenses.
- Vehicle mileage reimbursement as of January 1, 2013 = \$0.565/mile. Rates based upon State of Alaska, DOA, Finance website: http://doa.alaska.gov/dof/travel/resource/POV_Rate_Table.pdf
- All travel costs must be shown as separate line items on the invoice.

Any travel must comply to the greatest possible extent with the following State of Alaska Travel policies:
<http://doa.alaska.gov/dof/manuals/aam/resource/60t.pdf>

47. RECORDS: The Contractor must maintain current certificates and licenses to perform the work defined in this ITB.

The Contractor shall retain a history of Preventative Maintenance performed on generators. Preventative Maintenance Records shall be maintained by the Contractor for the life existence of the generator units in storage at their facility. Reports are to be provided, upon request, to the AMHS Project Director.

48. REQUIRED EXPERIENCE: Bidders must have experience servicing fixed marine vessel generators. Upon request by the state bidders must submit proof of experience in the following skills with specialized equipment:

- Motor Vibration Analysis
- Laser Alignment
- PdMA Advanced Diagnostics
- Electric Motor Repair Services
- Mechanical Repair Services
- Equipment Storage and Asset Management Programs

SPECIFICATIONS

BACKGROUND INFORMATION:

The Department of Transportation and Public Facilities (DOT&PF), Alaska Marine Highway System (AMHS) maintains a fleet of eleven (11) vessels. The AMHS vessels have a total of 27 fixed generators that require annual operational support during overhauls and periodically may need emergency 24/7 technical services support.

SCOPE OF SERVICES:

The successful bidder will provide their own test equipment and any specialized equipment required to complete the work. It is preferred, but not required that the successful bidder have a Professional Electrical Engineer on staff.

The successful bidder must maintain in effect, insurance to cover the cost of any generator only while they are performing work on or transporting that generator.

The successful bidder will be responsible for maintaining any required licenses or certifications required for work on this contract.

TASK SPECIFICATIONS:

TASK #1

Provide an hourly electricians/technicians rate for on-call 24/7 Technical Services for onsite fixed vessel generator repairs. The cost for all parts and freight cost will be reimbursed at cost. The contractor's administrative overhead costs (markup) for parts ordering is part of that reimbursable cost. Travel costs will be reimbursed as shown in the Travel Cost section above. Upon completion of work, submit a report to AMHS containing an inventory of equipment repaired, test procedures and test equipment used, field data sheets and results.

TASK #2

Provide an hourly electricians/technicians rate for onsite operational support (refurbishment and chemical cleaning of vessel generators) during overhauls for each of the eleven (11) vessels. The cost of and freight cost for all parts will be reimbursed at cost. Travel costs will be reimbursed as shown in the Travel Cost section above.

At a minimum, the following work may be needed to be performed on each generator unit:

- 1) Job walkthrough and lock out tag out,
- 2) Record as found connections and dismantle as necessary,
- 3) Base line testing, including isolation and testing of all fields frame elements using the PdMA test set,
- 4) Dismantle units as required,
- 5) Mask off surrounding areas and non-relevant equipment during the cleaning process using visqueen plastic and absorbent pads,
- 6) Set up ventilation using the compartment exhaust vents,
- 7) Solvent clean generator and motor windings,
- 8) Tent as needed and set up heaters to aid in drying,
- 9) Painting winding with red insulating glyptal,
- 10) Dismantle tenting and remove waste generated during cleaning for proper disposal,
- 11) Re-assemble portions of the unit dismantled,
- 12) Supply and install new bearings on ODE of generator,
- 13) Perform final testing, including isolation and testing of all fields frame elements using PdMA test set,
- 14) Perform vibration diagnostic for each unit, with a report,

- 15) Upon completion, be present for start-up of the generators,
- 16) Wrap generators in visqueen,
- 17) Pack out equipment and materials.
- 18) Submit a comprehensive final report to AMHS containing an inventory of equipment inspected, test procedures and test equipment used, field data sheets and results.

AMHS RESPONSIBILITIES:

AMHS will provide the following, for work on any vessel:

- Air testing,
- Access to onsite bathrooms,
- Access to all equipment to be serviced,
- Fire watch during drying process,
- Hot work or confined space permits,
- Access to the compartment ventilation, in order to exhaust the clean vapors,
- Compressed air to the compartment where work is performed,
- Test set power (120V/10A) within fifty (50) feet of the test site(s).

While on board any AMHS vessel, the Contractor shall be responsible to observe the instructions outlined in the "Instructions to Service Contractors when Onboard AMHS Vessels", which will be provided by AMHS.

If AMHS should change the location of any vessel, covered under this contract, while the contractor is en-route to an authorized request to service that vessel under Tasks #1 and #2, AMHS will reimburse the contractor for any change of travel costs that are the result of AMHS actions.

TASK ORDERS:

No work will be performed without a written purchase order issued by the State of Alaska.

When AMHS requires service under this contract they will notify the contractor of the vessel, service required, and location of service.

The contractor must provide a quote, in writing, for the services requested to both the AMHS Project Director and the Procurement Officer. The Contractor's quote must detail the labor categories, hours, travel, materials, and other direct costs required for the requested task. AMHS will review the provided quote, if approved AMHS will authorize the work through a written purchase order.

The State will not compensate the contractor for work performed without a written purchase order.

INVOICES:

Each invoice must identify the following:

- Contractor Name
- Contract Number
- Purchase Order Number
- Date when work performed
- Type of work performed
- Vessel name that work was performed on
- A detailed breakdown of the amount invoiced to include:

- hours worked per labor category
 - actual materials cost
 - materials markup
 - actual travel cost
 - description of any other direct costs invoiced
- Signed certification that the amount invoiced for is for the services described in the Deliverables, during the period of performance of this contract.

Invoices that fail to identify each of these requirements will be rejected for payment until a corrected invoice is resubmitted. Invoices for deliveries made under this contract are to be sent to:

Marine Engineering Manager
Alaska Marine Highway System
7037 N. Tongass Hwy
Ketchikan, Alaska 99901

With a copy sent, via email, to the procurement officer at neil.steining@alaska.gov

FIELD AND TEST REPORTS:

Final Field and Test Reports will be submitted electronically, followed by a finalized hard copy to the address below. The e-mail address will be provided to the successful contractor.

Marine Engineering Manager
Alaska Marine Highway System
7037 N. Tongass Hwy
Ketchikan, Alaska 99901

BID SCHEDULE

Bidder Name and Contact Information:

 Company Name

 Point of Contact

 Mailing Address

 City

 State

 Zip

 Phone Number

 Email Address
Time and Materials Rates:

Bidders must provide an hourly rate for each labor category listed below. Evaluated hours are for the purpose of evaluation only and do not represent a minimum order, maximum order, or any other commitment by the State. Bidders should extend their proposed hourly rate by the number of evaluated hours to determine the evaluated price.

Labor Category	Hourly Rate	Evaluated Hours	Evaluated Price
Electrical Engineer		8	
Electrical Engineer Overtime Rate		4	
Marine Engineer		8	
Marine Engineer Overtime Rate		4	
Project Manager		8	
Project Manager Overtime Rate		4	
Electrical Technician		8	
Electrical Technician Overtime Rate		4	
General Labor		8	
General Labor Overtime Rate		4	
PdMA Technician		8	
PdMA Technician Overtime Rate		4	
Administrative		4	
Total Evaluated Labor Price:			

Non-Labor Markup Rate:

Bidders must provide a non-labor markup rate to be applied to any materials and other direct costs (ODCs) incurred on this program.

Resource	Markup Rate (%)	Evaluated Quantity	Evaluated Price
Non-Labor		\$20,000.00	
Total Evaluated Non-Labor Price			

Total Evaluated Price:

Item	Evaluated Price
Total Evaluated Labor Price	
Total Evaluated Non-Labor Price	
Grand Total Evaluated Price	

Other Labor Categories Not Listed:

If the bidder intends to offer additional labor categories not listed above they may list them in the space provided below. If additional space is needed please attach an additional page.

Labor Category	Hourly Rate	Overtime Rate

Bidders may not alter this bid schedule without prior authorization from the procurement officer. **Unauthorized modification of this bid schedule will result in a bidders offer being determined non-responsive and rejected.**