

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

INFORMAL REQUEST FOR PROPOSAL

IRFP 180000057

Financial Capacity Assessments

Date of Issue: November 16, 2017

1. Purpose

The State of Alaska, Department of Environmental Conservation (DEC or Department) is soliciting proposals on behalf of its Division of Water for the expert review of the financial capacity of potential borrowers from the Alaska Clean Water and Drinking Water State Revolving Loan Funds. The financial capacity assessments will analyze and evaluate the creditworthiness of potential borrowers consistent with industry standards, Environmental Protection Agency (EPA) guidance, and other defensible financial capacity analysis tools.

2. Background

The State of Alaska Department of Environmental Conservation's Technical Assistance and Financing Program, within the Division of Water, offers low-interest loans for drinking water, wastewater, and water quality capital improvement projects through the State Revolving Loan Program. In accordance with federal funding requirements, the State is required to assess the technical, financial, and managerial capacity of borrowers. Borrowers that are determined by the State to lack sufficient capacity in these areas are not eligible for loans unless the loan is used to remedy the deficiency in capacity. Where appropriate, the Contractor will recommend loan conditions intended to minimize the risk of default by a potential borrower, including a detailed description of the need for such a condition, as well as the potential risks targeted by the loan condition. Such recommendations will be considered by the Department and imposed at the Department's discretion.

3. Scope of Work

The DEC is soliciting proposals from offerors to perform the services, tasks, and deliverables set forth herein. Proposals shall include a description of how each of the subsections designated as **Mandatory Evaluated (ME)** shall be accomplished, to include a description of experience and capability to perform each element, service, or task. If a proposal does not address each **Mandatory Evaluated (ME)** criteria, that proposal may be rejected as non-responsive.

The contractor awarded the contract resulting from this IRFP shall manage and perform all aspects of the scope of work as noted herein and within its proposal. The scope of work shall be performed on time and on budget. Funding for the contract resulting from this IRFP is subject to legislative appropriation.

The initial contract term will be for 1 year from the Service Commencement Date. The contract may be renewed for 1 additional 2 year term as executed through a written amendment to the contract. Renewals will be exercised solely at the discretion of the DEC.

Any requested change to the time, scope, or cost of the contract resulting from this IRFP must be agreed upon and executed through a written amendment to the contract. The DEC reserves the right to request documentation that supports and justifies an increase to the cost of the contract, and reserves the right in good faith to either accept or reject any such request. Any conflicting technical requirements will be resolved between the contractor and DEC in a timely manner throughout the duration of the contract.

3.1 General Requirements

The contractor shall comply with each of the following:

1. Adherence with all applicable federal, state, and local laws and ordinances.
2. Work shall be performed by qualified personnel, experienced with work of the nature described herein.
3. Proposals that exceed the budget are subject to either rejection by DEC or contract negotiation, at DEC's sole discretion. DEC reserves the right to not accept proposals that are not in the best interest of the state.
4. Should the effort of the contract resulting from this IRFP, within this scope of work, develop into more than originally anticipated, DEC reserves the right to increase the time, scope, or cost of the contract as agreed upon and memorialized through a written amendment.
5. To be considered responsive, Offeror shall demonstrate in their cover letter 3 years of experience conducting financial capacity assessments of municipalities or other auditing work in Alaska or other municipalities that is

deemed comparable at DEC's sole discretion.

3.2 Financial Capacity Projects

DEC requires financial capacity assessments of all potential borrowers from the Alaska Drinking Water and Clean Water State Revolving Loan funds. Projects for potential funding in State Fiscal Year 2018 (SFY18) have been identified through the Intended Use Plan Priority Lists for each fund and are included as Attachment 1 and 2.

The purpose of the Financial Capacity Assessment is to evaluate the risk to the Department in entering into a loan agreement with a potential borrower. The Contractor shall perform all activities necessary to conduct and complete a Financial Capacity Assessment of each borrower as set forth herein.

3.2.1 **(ME)** Protocol and Methods Report

The Contractor shall provide DEC a written Protocol and Methods Report that includes and defines the protocols and methods the Contractor will use to conduct and perform Financial Capacity Assessments. This shall include the methods used to gather pertinent information from the bulleted lists in [Section 3.2.2](#). DEC reserves the right to review and request modifications to the methodologies and protocols therein for the duration of the contract resulting from this IRFP. Any request will be communicated to the Contractor in writing by DEC. The Contractor shall incorporate the modifications requested by DEC into the Protocol and Methods Report. Any subsequent changes to the Protocol and Methods Report must be approved by DEC. Any deviation from the Protocol and Methods Report must be reported to DEC as directed by the DEC Project Manager, and include justification for the deviation.

Offerors shall describe how it will accomplish this subsection. Describe the methodology that will be used to assess the financial capacity of a borrower, and any elements or characteristics that will be considered in determining level of risk to DEC including the list described in [Section 3.2.2](#).

3.2.2 **(ME)** Financial Capacity Assessment

As potential borrowers move forward with the loan process, DEC will request, via email, a Financial Capacity Assessment from the Contractor. DEC will provide the Contractor with pertinent project and borrower information gathered during the project proposal and loan application processes. The Contractor shall contact a potential borrower directly to gather additional information necessary to complete a thorough and accurate Assessment. If more than one Assessment is requested at any given time, DEC will provide the Contractor with a prioritized list and deadlines.

The Contractor shall complete and provide to DEC a draft written Financial Capacity Assessment. The Financial Capacity Assessment shall include a case narrative, a statement of the borrower's capacity to take on the proposed debt, and recommendations regarding stipulations or corrective actions that should be included in the loan offer. Additionally, Financial Capacity Assessments shall include calculations performed, including actual data used, to establish the positions provided in the case narrative. The Financial Capacity Assessment shall explain in detail key reporting elements and structure to DEC.

DEC will review the draft and provide the Contractor its feedback and comments. The Contractor shall incorporate DEC feedback into the Financial Capacity Assessment Draft as described in [Section 8.3](#). The Financial Capacity Assessment drafting process shall continue until the DEC Project Manager gives written confirmation that the Financial Capacity Assessment is final as described in [Section 8.4](#) and [Section 8.5](#).

Once finalized, the Financial Capacity Assessments shall be signed by the Contractor certifying the accuracy and validity of all the data reported, describing any changes in protocols, and describing problems encountered during the analysis, along with any corrective actions to document their resolution.

The Financial Capacity Assessments provided by the Contractor shall address and include each of the following without limitation:

Borrower Characteristics:

- Liquidity (working capital and current ratio)
- Ability to collect repayments (receivables to sales)
- Utility rate structure and plan for future rate increases
- Efficiency (operating ratio)
- Leverage (debt to worth)
- Ability to assess and collect revenues necessary to make repayments
- Debt payment history
- Current and overall structure of debt repayment

Financial Capacity Lack Indicators:

- Financial history
- Recent levels of debt retirement, operations, or similar fund balances
- Compliance with State and Federal regulations
- Levels of financial reserves and prospective judgments from litigation
- Adherence to past and current debt resolutions

- Capital improvement plan and proposed debt issuance program
- Demographic and economic trends in the proposed service area

The Financial Capacity Assessment shall describe any deviations from the Protocol and Methods Report and any problems encountered during the assessment, along with any corrective actions to document their resolution.

Offerors shall describe how it will accomplish this subsection. Be sure to identify the approach to gather information, and present the findings to DEC. Be sure to include how the Financial Capacity Assessment will address each of the elements in the bulleted list above.

3.3 **(ME)** Experience and Qualifications

Offerors shall identify each person who shall be assigned to perform work as provided for herein, and the organization of the project team. In this description, the Offeror shall provide the following information about each person proposed:

- A. Position title and Position Description
- B. Resume
- C. Experience evaluating financial capacity of loan recipients
- D. Location(s) where work will be performed
- E. The services performed by each person, as well as percentage of hours each person will work on the contract resulting from this IRFP

If no person is able to be identified at the time proposals are submitted, note the title and minimum hiring qualifications that would be applied to each applicable position. If no person was identified for a particular position and the contract is awarded to that selected Offeror, the Offeror agrees to submit to the DEC Project Manager the identity and resume for each applicable position as soon as the recruitment process is complete.

Any change in the project team members, or subcontractors, named in an Offeror's proposal, or as provided upon completion of recruitment, must be submitted to the DEC Project Manager and approved in advance of beginning in the proposed role. Personnel changes that are not approved by the State may be grounds for the State to terminate the contract.

Proposals shall also include an organizational chart that names the positions assigned to accomplish the requirements herein; to include an illustration of the

lines of authority, and a designation of which position is responsible and accountable to perform each task and deliverable as set forth herein.

Offerors shall describe its proposed staff, how this subsection will be accomplished, and provide a minimum of two references, to include contact names and phone numbers, for similar projects the Offeror's firm has completed.

4. Contract Requirements

The Contractor shall coordinate the successful implementation of the contract and direct all performance activities on a day-to-day basis. The Contractor shall be responsible for all communications regarding the progress of performance of the contract and shall discuss with the DEC Procurement Officer or Project Manager any issues, recommendations, and decisions related to the contract. The Contractor will be the sole point of contact on all matters related to the performance of the contract. The Contractor represents and warrants that it has the necessary skill to perform the work required under this IRFP and that the personnel assigned by the Contractor to perform any such work will be qualified to perform the assigned duties.

Substantial failure of the Contractor to perform the contract may cause the State to terminate the contract. In this event, the State may pursue remedial actions steps set forth in [Subsection 4.2.1](#) Remedial Action.

At reasonable times, the DEC may inspect those areas of the Contractor's place of business that are related to the performance of the contract resulting from this IRFP. If the DEC makes such an inspection, the Contractor must provide reasonable assistance and access to all records related to the performance of the contract.

4.1 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 identified in [Section 7](#) Point of Contact.

4.2 Contract Compliance and Cure Notice

DEC reserves the right, without limitation, to monitor, audit, assess, or conduct oversight of the Contractor's performance of and compliance with the terms and conditions within this IRFP and the resulting contract. Contract compliance and performance audits will be conducted in accordance with DEC practices.

In the event the Contractor is not in compliance with the contract terms and conditions, either in part or in whole, the DEC Procurement Officer will provide written notice to the Contractor to cure all instances of partial or non-compliance or deficiencies. The Contractor shall respond in writing or via email to DEC

Procurement Officer that it has received the written notice of deficiency within 24 hours of the date of the notification by DEC. The Contractor shall cure, or to DEC's satisfaction make substantial progress towards remedy of, all instances of partial or non-compliance or deficiencies within 30 calendar days from the date of written notification of deficiencies by DEC.

If the Contractor fails to cure or make substantial progress towards remedy of, the instances of partial or non-compliance or deficiencies within the time frame above, the DEC may determine the Contractor to be in breach and will pursue remedial action as described in [Subsection 4.2.1](#) Remedial Action.

4.2.1 Remedial Action

In addition to any remedies available to DEC under law or equity, DEC at its sole discretion may require one or more of the following remedial actions if the Contractor fails to cure findings of breach, or as otherwise provided for herein:

1. DEC may take reasonable steps to provide for such cure and may offset the costs of such cure against the contract pricing in effect at the time of occurrence of a breach;
2. Reduce and/or offset payment to reflect the reduced value of services received;
3. Require the Contractor to subcontract all or part of the service at the Contractor's sole cost;
4. Withhold payment or require payment of actual damages caused by a breach; or
5. Terminate the contract pursuant to [Subsection 4.3](#) Termination.

Withholding of payment by DEC for the failure of the Contractor to perform shall not relieve the Contractor from its obligations under the contract and shall not be a basis for termination by the Contractor under [Subsection 4.3](#) Termination.

4.3 Termination

4.3.1 Termination for Cause

The occurrence of any of the following events shall be an Event of Default under the contract resulting from this IRFP and cause for termination:

- A material breach of any term or condition of the contract
- Any representation or warranty by Contractor in its proposal or the contract that proves to be untrue or materially misleading
- Any default or non-compliance as otherwise specified in the contract

Either party may terminate the contract when the other party has been provided written notice of default or material non-compliance, and has failed to cure the default or non-compliance within 30 calendar days. If the State terminates the

contract for default, the State reserves the right to take any action it may deem necessary including, without limitation:

- Exercise any remedy provided by law or equity
- Suspend Contractor from receiving future solicitations
- Withhold payment until the default is remedied
- Offset of damages against payment due

4.3.2 Termination for Convenience

The State may terminate the contract for its convenience in whole or in part, if the State determines it is in the State's best interest to do so.

If the Contractor and the State fail to agree on the amount to be paid because of the termination for convenience, the State will pay the Contractor the following amounts; provided that in no event will total payments exceed the amount payable to the Contractor if the contract had been fully performed:

- The reasonable costs incurred in the performance of the work terminated, including initial costs and preparatory expenses allocable thereto, but excluding any cost attributable to deliverables or services paid or to be paid;
- The reasonable cost of settling and paying termination settlement proposals under terminated subcontracts that are properly chargeable to the terminated portion of the contract; and
- Reasonable storage, transportation, demobilization, unamortized overhead and capital costs, and other costs reasonably incurred by the Contractor in winding down and terminating its work.

The Contractor will use generally accepted accounting principles, or accounting principles otherwise agreed to in writing by the parties, and sound business practices in determining all costs claimed, agreed to, or determined under this clause.

4.3.3 Effect of Termination

Upon termination by the State, the Contractor shall:

- Stop work as directed by the DEC. Place no further orders or requests of subcontractors, if any, for materials, or services.
- Terminate all orders and subcontracts to the extent that they relate to the performance of work terminated by the termination notice.
- With the advance approval of the DEC, settle all outstanding liabilities and all claims arising out of such termination of orders and subcontracts the cost of which would be reimbursable, in whole or in part, in accordance with the provisions of the contract.

- Deliver or otherwise make available to the DEC all data, reports, estimates, summaries and such other information and materials, confidential information, as may have been accumulated by the Contractor in performing the contract, whether completed or in process.

This clause does not restrict the State's termination rights under [Appendix A](#) General Provisions.

4.4 Contract Changes - Unanticipated Amendments

During the course of the contract resulting from this IRFP, 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 Procurement Officer will provide the Contractor a written description of the additional work and request the Contractor to submit a 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 Procurement Officer has secured any required State approvals necessary for the amendment and executed a written, signed contract amendment as approved by the Commissioner of the Department, or the Commissioner's designee. The Department reserves the right to adjust contract prices, terms, time of performance, and/or the scope of work as mutually agreed upon and at the discretion of the Procurement Officer as executed in a written amendment to the contract.

4.5 Contract Invalidation

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

4.6 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 to prevent unauthorized access by, storage, disclosure, publication, dissemination to and/or use by third parties of, the confidential information.

"Reasonable care" 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 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 calendar 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.

4.7 Compensation and Payment

When the DEC Project Manager gives confirmation to the Contractor that a Financial Capacity is final, the Contractor shall submit an invoice for payment no later than 45 days after the work has been completed. Under no conditions will the State be liable for the payment of any interest charges or late fees associated with the cost of the contract. Additionally, the State shall not be responsible for nor pay local, state, or federal taxes. All costs associated with the contract must be stated in U.S. currency. Legislative, budget, or court actions may compel the Department to revise or cancel this contract.

The invoice must include all support documentation necessary to provide a reasonable assurance to the DEC Project Manager that the invoiced work is complete. DEC retains the right to request additional justification and/or documentation as it deems necessary to ensure appropriate payment of the invoice.

The Contractor shall submit an invoice according to the address noted in the Standard Agreement Form. The submitted invoice shall include the following information:

- a. Contract Number and title "ACWF ADWF Loan Capacity Assessment"
- b. Identification of the billing period
- c. A detailed statement of the deliverables completed for the invoiced period, to include support documentation
- d. Total amount billed
- e. Date invoice was submitted for payment
- f. Entity name, contact information, and Alaska vendor number
- g. Name of authorized person originating or submitting the invoice for the entity

5. Alaska Business License and Other Required Licenses Scope of Work

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, P. O. 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:

- Copy of an Alaska business license;
- Certification on its proposal that the Offeror has a valid Alaska business license and has included the license number in the proposal;
- A canceled check for the Alaska business license fee;
- A copy of the Alaska business license application with a receipt stamp from the State's occupational licensing office; or
- A sworn and notarized affidavit that the Offeror has applied and paid for an Alaska business license.

6. Application of Preferences

Minority Business Enterprise (MBE) and Women's Business Enterprise (WBE)

This procurement is funded in part or fully through federal grants or cooperative agreements. This IRFP incorporates a five (5) point preference for all qualified minority and women's business enterprises. Holds a current Alaska business license prior to the Deadline for Receipt of Proposals

Minority Business Enterprises (MBEs) are entities that are at least 51% owned and/or controlled by a socially and economically disadvantaged individual as described by Title X of the Clean Air Act Amendments of 1990 (42 U.S.C. 7601 note), and Public Law 102-389

(42 U.S.C. 4370d), respectively.

Women's' Business Enterprises (WBEs) are entities that are at least 51% owned and/or controlled by woman.

Organizations or subcontractors claiming MBE or WBE certification, must submit evidence of certification with their proposal before the deadline set for submission of proposals.

Following is an example of how the preference points will be calculated for qualifying businesses:

MBE/WBE Offeror's Preference

[STEP 1]

Determine the number of points available to MBE/WBE eligible offerors under this preference.

Total number of points available in this example situation = 100 Points

100	x	5%	=	5
Total Points		MBE/WBE Offeror's Percentage Preference		Number of Points Available to Eligible Offerors

[STEP 2]

Add the preference points to the qualified MBE/WBE offers. In a hypothetical situation, there are 3 offerors. After being evaluated, each received the following points:

Offeror #1	95 Points
Offeror #2	90 Points
Offeror #3	92 Points

Before preference points are calculated, offeror #1 is the apparent winner. However, in this hypothetical situation, offeror #2 and offeror #3 are eligible for the MBE/WBE preference. After adding 5 points to their scores, offeror #3 is the new apparent winner, with 97 points.

MBE/WBE Preference Statement

In order to receive the MBE/WBE Preference, a proposal must include a statement certifying that the Offeror is eligible to receive the MBE/WBE Preference.

7. Point of Contact

Questions or matters pertaining to this IRFP, the resulting contract, amendments, contract negotiations, modifications, or procurement protests are to be directed to the DEC Procurement Officer:

Laurel Shoop
Procurement Services Unit
410 Willoughby Ave. Suite 303

Juneau, AK 99811
Phone: 907-465-5037 Fax: 907-465-5097
Email: laurel.shoop@alaska.gov

All inquiries and questions regarding this IRFP must be received by the Procurement Officer in writing via e-mail no later than 4:00 AKST on November 27, 2017. The Department will provide a timely response to all questions asked in the form of an amendment to this IRFP.

Questions or matters pertaining to invoicing, payments, project completion, deliverables, reports, and technical aspects of the scope of work are to be directed to the DEC Project Manager:

Carrie Bohan
Technical Assistance and Financing
410 Willoughby #303
Juneau, AK 99811
Phone: (907) 465-5143 Fax: (907) 465-5177
Email: Carrie.bohan@alaska.gov

8. Deliverables

The Contractor awarded the contract resulting from this IRFP shall complete and provide the following project deliverables, in accordance with [Section 3 Scope of Work](#). All deliverables shall be provided to the DEC Project Manager as set forth in [Section 6. Point of Contact](#).

8.1 Protocol and Methods Report

Within 14 days of the contract service commencement date the Contractor shall submit the Protocol and Methods Report.

8.2 Financial Capacity Assessment – Request Confirmation

Within 72 hours from when DEC requests a Financial Capacity Assessment via email, Contractor shall respond to DEC via email to confirm receipt of request.

8.3 Financial Capacity Assessment – Draft

The Contractor shall provide a draft of the Financial Capacity Assessment in .doc format via email no later than two weeks from the date of the request for a Financial Capacity Assessment from DEC.

After DEC review, the document will be returned to the Contractor with comments for adjustments. The Contractor shall make adjustments to the document as directed by DEC and return the document with all described adjustments to the

approval of the DEC Project Manager no later than 5 business days from DEC's request for adjustments.

8.4 Financial Capacity Assessment – Final Submission

The Contractor shall deliver a final written Financial Capacity Assessment no later than five business days from DEC's first draft received in unprotected .pdf formatting, via email. A final written Financial Capacity Assessment will be determined as final at the sole discretion of DEC.

8.5 Financial Capacity Assessment – Final Determination

Financial Capacity will be determined as final at the sole discretion of DEC. If it is not satisfactory to DEC, the Contractor shall make corrections to the assessment at no cost to DEC within the deadline assigned by DEC.

9. IRFP and Project Schedule

The IRFP schedule is as follows. In the event the schedule needs an adjustment, the Procurement Officer will issue the adjustments via a written amendment to the IRFP. All times are Alaska Standard Time (AKST).

Event	Date Due	Time Due
Inquiries	November 27, 2017	4:00pm AK Time
Response to Inquiries	November 28, 2017	
Proposal Due Date	December 1, 2017	4:00pm AK Time
Proposal Evaluation complete, NOIA issued	December 5, 2017	
Contract award issued	December 15, 2017	

The estimated project schedule is as follows. In the event the schedule needs adjusted, the DEC Project Manager will communicate the adjustments via written correspondence to the awarded contractor. Upon contract execution, the DEC may work with the Contractor to determine a firm schedule, and that schedule shall supersede the estimated schedule provided herein. All deliverables or tasks are due by the Close of Business (COB) on the due date noted below.

10. Proposal Requirements

Technical Proposals

Offerors shall provide both a technical proposal and a separate cost proposal identified with the title of this IRFP clearly noted on the envelope. Proposals shall be submitted to the DEC Procurement Officer noted in [Section 7](#) Point of Contact via email, mail, or hand delivery. Only written proposals will be accepted. Proposals that are late, over budget,

contain proposed terms that are in conflict with requirements set forth herein, or do not respond to each criteria noted as Mandatory Evaluated (ME) may be rejected as non-responsive.

Technical proposals shall include assumptions made for each task or service within the scope of work. Proposals shall not exceed 6 single-spaced pages (not including attachments) and be Arial 12-point font (or comparable). Cost proposals shall be provided in a separate, sealed envelope within the proposal package. No cost data is allowed to be included in the technical proposal.

Cost Proposals

Cost proposals and pricing shall be provided in accordance with a Fully Burdened Hourly Labor Rate and Fixed Fee. Cost proposals shall be divided into the following 2 cost categories and be submitted using [Appendix C](#) Cost Proposal:

1. Labor costs – fully burdened hourly labor rate
2. Fixed Fee – per assessment completed

All costs shall be stated as a fully burdened rate, and costs for this project will be paid based on actual services rendered and costs incurred for the performance and completion of the requirements herein. Travel that is proposed to occur outside of Alaska (out-of-state travel) must be identified within the cost proposal and is subject to DEC approval.

10.1 Evaluation

All proposals will be evaluated by a DEC Procurement Officer or Procurement Evaluation Committee (PEC). Evaluations will be based on the factors identified below.

Evaluation Categories and Points

The table below indicates the total number of points assigned to each category of the IRFP proposal evaluation:

Technical Proposal	60 points
<u>Cost Proposal</u>	<u>40 points</u>
Total	100 points

The technical proposal will be based upon the following:

IRFP Section	Technical Proposal Evaluation Criteria	Points
Section 5	MBE/WBE Preference	5
Section 3.2.1	Protocol and Methods Report	20
Section 3.2.2	Financial Capacity Assessment	20
Section 3.3	Experience and Qualifications	15

Technical proposals will be scored using the evaluation criteria and point factors noted above. The scores for each proposal will be based upon the assigned scores

identified through the evaluation process. Technical proposal scores will not be normalized.

The scores for the cost proposal portion of the evaluation will be normalized as follows: The proposer's cost proposal with the Lowest Total Cost will receive 40 points, the maximum points available. All other responsive cost proposals will be assigned a portion of the maximum score using the following formula:

$$\frac{\text{Lowest Total Cost} \times 40}{\text{Next lowest Total Cost}}$$

10.2 Award and Selection

After completion of the proposal evaluations and contract negotiation, if any, the Procurement Officer will issue a Notice of Intent to Award (NOIA) to all responding Offerors and allow for protest rights. The protest period shall be no more than 10 calendar days. The Offeror with the best overall combined score will be awarded the contract resulting from this IRFP.

11. Attachments

The following are provided as an attachment to this IRFP.

Attachment 1 SFY18 Drinking Water Intended Use Plan Priority List
Attachment 2 SFY18 Clean Water Intended Use Plan Point Source Priority List

Appendix A GENERAL PROVISIONS

Article 1. Definitions.

- 1.1 In this contract and appendices, "Project Director" or "Agency Head" or "Procurement Officer" means the person who signs this contract on behalf of the Requesting Agency and includes a successor or authorized representative.
- 1.2 "State Contracting Agency" means the department for which this contract is to be performed and for which the Commissioner or Authorized Designee acted in signing this contract.

Article 2. Inspections and Reports.

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

Article 3. Disputes.

- 3.1 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 – 632.

Article 4. Equal Employment Opportunity.

- 4.1 The contractor may not discriminate against any employee or applicant for employment because of race, religion, color, national origin, or because of age, disability, sex, marital status, changes in marital status, pregnancy or parenthood when the reasonable demands of the position(s) do not require distinction on the basis of age, disability, sex, marital status, changes in marital status, pregnancy, or parenthood. The contractor shall take affirmative action to insure that the applicants are considered for employment and that employees are treated during employment without unlawful regard to their race, color, religion, national origin, ancestry, disability, age, sex, marital status, changes in marital status, pregnancy or parenthood. This action must include, but need not be limited to, the following: employment, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training including apprenticeship. The contractor shall post in conspicuous places, available to employees and applicants for employment, notices setting out the provisions of this paragraph.
- 4.2 The contractor shall state, in all solicitations or advertisements for employees to work on State of Alaska contract jobs, that it is an equal opportunity employer and that all qualified applicants will receive consideration for employment without regard to race, religion, color, national origin, age, disability, sex, marital status, changes in marital status, pregnancy or parenthood.
- 4.3 The contractor shall send to each labor union or representative of workers with which the contractor has a collective bargaining agreement or other contract or understanding a notice advising the labor union or workers' compensation representative of the contractor's commitments under this article and post copies of the notice in conspicuous places available to all employees and applicants for employment.
- 4.4 The contractor shall include the provisions of this article in every contract, and shall require the inclusion of these provisions in every contract entered into by any of its subcontractors, so that those provisions will be binding upon each subcontractor. For the purpose of including those provisions in any contract or subcontract, as required by this contract, "contractor" and "subcontractor" may be changed to reflect appropriately the name or designation of the parties of the contract or subcontract.
- 4.5 The contractor shall cooperate fully with State efforts which seek to deal with the problem of unlawful discrimination, and with all other State efforts to guarantee fair employment practices under this contract, and promptly comply with all requests and directions from the State Commission for Human Rights or any of its officers or agents relating to prevention of discriminatory employment practices.
- 4.6 Full cooperation in paragraph 4.5 includes, but is not limited to, being a witness in any proceeding involving questions of unlawful discrimination if that is requested by any official or agency of the State of Alaska; permitting employees of the contractor to be witnesses or complainants in any proceeding involving questions of unlawful discrimination, if that is requested by any official or agency of the State of Alaska; participating in meetings; submitting periodic reports on the equal employment aspects of present and future employment; assisting inspection of the contractor's facilities; and promptly complying with all State directives considered essential by any office or agency of the State of Alaska to insure compliance with all federal and State laws, regulations, and policies pertaining to the prevention of discriminatory employment practices.

4.7 Failure to perform under this article constitutes a material breach of contract.

Article 5. Termination.

The Project Director, by written notice, may terminate this contract, in whole or in part, when it is in the best interest of the State. In the absence of a breach of contract by the contractor, the State is liable only for payment in accordance with the payment provisions of this contract for services rendered before the effective date of termination.

Article 6. 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 Project Director and the Agency Head.

Article 7. No Additional Work or Material.

No claim for additional 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 Project Director and approved by the Agency Head.

Article 8. 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.

Article 9. 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.

Article 10. Ownership of Documents.

All designs, drawings, specifications, notes, artwork, and other work developed in the performance of this agreement are produced for hire and remain the sole property of the State of Alaska and may be used by the State for any other purpose without additional compensation to the contractor. The contractor agrees not to assert any rights and not to establish any claim under the design patent or copyright laws. Nevertheless, if the contractor does mark such documents with a statement suggesting they are trademarked, copyrighted, or otherwise protected against the State's unencumbered use or distribution, the contractor agrees that this paragraph supersedes any such statement and renders it void. The contractor, for a period of three years after final payment under this contract, agrees to furnish and provide access to all retained materials at the request of the Project Director. Unless otherwise directed by the Project Director, the contractor may retain copies of all the materials.

Article 11. 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.

Article 12. 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 seeks 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) limit liability of the contractor for acts of contractor negligence, are expressly superseded by this contract and are void.

Article 13. Officials Not to Benefit.

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

Article 14. Covenant Against Contingent Fees.

The contractor warrants that no person or agency has been employed or retained to solicit or secure this contract upon an agreement or understanding for a commission, percentage, brokerage or contingent fee except employees or agencies maintained by the contractor for the purpose of securing business. For the breach or violation of this warranty, the State may terminate this contract without liability or in its discretion deduct from the contract price or consideration the full amount of the commission, percentage, brokerage or

contingent fee.

Article 15. 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.

Article 16. 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.

Appendix B² 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.

2.4 Professional Liability Insurance: covering all errors, omissions or negligent acts in the performance of professional services under this agreement. Limits required per the following schedule:

Contract Amount	Minimum Required Limits
Under \$100,000	\$300,000 per Claim / Annual Aggregate
\$100,000-\$499,999	\$500,000 per Claim / Annual Aggregate
\$500,000-\$999,999	\$1,000,000 per Claim / Annual Aggregate
\$1,000,000 or over	Refer to Risk Management

Appendix C Cost Proposal

Offeror Name

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Cost Proposed as a Single Fully Burdened Rate per Project Category as noted below:

Project Category	Total Cost (not to exceed amount)
LABOR COST (HOURLY)	
FIXED FEE	
TOTAL EVALUATED COST	

Authorized Representative (Print)	
Signature	
Date	