

Trust

Alaska Mental Health Trust Authority

REQUEST FOR PROPOSALS REAL ESTATE ADVISOR

RFP 20-013M

ISSUED AUGUST 22, 2019

THE TRUST IS SOLICITING PROPOSALS FOR REAL ESTATE INVESTMENT CONSULTING SERVICES THAT INCLUDE EVALUATION OF EXISTING PROPERTY PORTFOLIO AND ADVISING MANAGEMENT ON INVESTMENT STRATEGY.

ISSUED BY:

DEPARTMENT OF REVENUE
ALASKA MENTAL HEALTH TRUST AUTHORITY

PRIMARY CONTACT:

VALETTE KELLER
PROCUREMENT OFFICER
VALETTE.KELLER@ALASKA.GOV
907.269.6039

OFFERORS ARE NOT REQUIRED TO RETURN THIS FORM.

IMPORTANT NOTICE: IF YOU RECEIVED THIS SOLICITATION FROM THE STATE OF ALASKA'S ONLINE PUBLIC NOTICE WEB SITE, YOU MUST REGISTER WITH THE PROCUREMENT OFFICER LISTED IN THIS DOCUMENT TO RECEIVE SUBSEQUENT AMENDMENTS. FAILURE TO CONTACT THE PROCUREMENT OFFICER MAY RESULT IN THE REJECTION OF YOUR OFFER.

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SECTION 1. INTRODUCTION AND INSTRUCTIONS

SEC. 1.01 PURPOSE OF THE RFP

The Alaska Mental Health Trust Authority (the Trust), is soliciting proposals for real estate investing advisory services that include asset evaluation and performance reporting for the existing assets, preparation of an annual report to trustees on portfolio holdings, and advising Trust management on an as needed basis regarding market conditions, property valuations, and other general real estate investment strategy.

SEC. 1.02 BUDGET

The Trust estimates a budget of approximately \$200,000 per contract year. Proposals priced at more than \$400,000 per year will be considered non-responsive.

Payment for the contract is subject to funds already appropriated and identified.

SEC. 1.03 DEADLINE FOR RECEIPT OF PROPOSALS

Proposals must be received no later than 1:30 P.M. prevailing Alaska Time on September 13, 2019. Faxed, emailed or oral proposals are not acceptable.

SEC. 1.04 PRIOR EXPERIENCE

In order for offers to be considered responsive offerors must meet these minimum prior experience requirements:

- Offeror must have at least 5 years' experience advising institutional clients on directly held real estate investments with a portfolio size of \$100 million or more.
- The offeror's lead advisor assigned to the Trust account must have at least 10 years' experience advising trusts, pension plans, charitable foundations, or other not-for-profit entities on the management of directly held real estate investments.

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

SEC. 1.05 REQUIRED REVIEW

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

SEC. 1.06 QUESTIONS PRIOR TO DEADLINE FOR RECEIPT OF PROPOSALS

All questions must be in writing and directed to the procurement officer. The interested party must confirm telephone conversations in writing.

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

PROCUREMENT OFFICER: **Valette Keller** – PHONE **907.269.6039** - FAX **907.269.7966**

SEC. 1.07 RETURN INSTRUCTIONS

Offerors must submit one hard copy of their proposal, in writing, to the procurement officer in a sealed package with a USB drive containing clearly identified PDF versions of the entire proposal. The cost proposal included with the package must be sealed separately from the rest of the proposal and must be clearly identified. The sealed proposal package(s) must be addressed as follows:

Alaska Mental Health Trust Authority
Attention: Valette Keller
Request for Proposal (RFP) Number: 20-013M

RFP Title: Real Estate Advisor

3745 Community Park Loop Suite 200
Anchorage, AK 99508

An offeror's failure to submit its proposal prior to the deadline will cause the proposal to be disqualified. Late proposals or amendments will not be opened or accepted for evaluation.

SEC. 1.08 PROPOSAL CONTENTS

The following information must be included in all proposals.

(a) AUTHORIZED SIGNATURE

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

(b) OFFEROR'S CERTIFICATION

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

- A. the laws of the State of Alaska;
- B. the applicable portion of the Federal Civil Rights Act of 1964;
- C. the Equal Employment Opportunity Act and the regulations issued thereunder by the federal government;
- D. the Americans with Disabilities Act of 1990 and the regulations issued thereunder by the federal government;
- E. all terms and conditions set out in this RFP;
- F. a condition that the proposal submitted was independently arrived at, without collusion, under penalty of perjury;

- G. that the offers will remain open and valid for at least 90 days; and
- H. that programs, services, and activities provided to the general public under the resulting contract conform with the Americans with Disabilities Act of 1990, and the regulations issued thereunder by the federal government.

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

(c) VENDOR TAX ID

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

(d) CONFLICT OF INTEREST

Each proposal shall include a statement indicating whether or not the firm or any individuals working on the contract has a possible conflict of interest, including activities of affiliated or parent companies, and, if so, the nature of that conflict. The Commissioner of the Department of Revenue reserves the right to **consider a proposal non-responsive and reject it or** cancel the award if any interest disclosed from any source could either give the appearance of a conflict or cause speculation as to the objectivity of the program to be developed by the offeror. The Commissioner's determination regarding any questions of conflict of interest shall be final.

(e) FEDERAL REQUIREMENTS

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

SEC. 1.09 ASSISTANCE TO OFFERORS WITH A DISABILITY

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

SEC. 1.10 AMENDMENTS TO PROPOSALS

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

SEC. 1.11 AMENDMENTS TO THE RFP

If an amendment is issued, it will be provided to all who were mailed a copy of the RFP and to those who have registered with the procurement officer after receiving the RFP from the State of Alaska Online Public Notice web site.

SEC. 1.12 RFP SCHEDULE

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

- Issue RFP on August 22, 2019,

- Pre-proposal conference on August 30, 2019,
- Deadline for Receipt of Proposals September 13, 2019,
- Proposal Evaluation Committee complete evaluation by September 19, 2019,
- Trust issues Notice of Intent to Award a Contract on September 20, 2019,
- Trust issues contract October 1, 2019,
- Contract start October 15, 2019.

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

SEC. 1.13 PRE-PROPOSAL CONFERENCE

A pre-proposal conference will be held at 9:00 A.M., Alaska Time, on August 30, 2019 in the Alaska Mental Health Trust Authority conference room on the second floor of the Trust Authority building in Anchorage, Alaska. Use the following number to participate by teleconference: 866-469-3239, Attendee Code 685 35 154 #.

The purpose of the conference is to discuss the work to be performed with the prospective offerors and allow them to ask questions concerning the RFP. Questions and answers will be transcribed and sent to prospective offerors as soon as possible after the meeting.

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

SEC. 1.14 ALTERNATE PROPOSALS

Offerors may only submit one proposal for evaluation.

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

SEC. 1.15 NEWS RELEASES

News releases related to this RFP will not be made without prior approval of the project director.

SECTION 2. BACKGROUND INFORMATION

SEC. 2.01 BACKGROUND INFORMATION

The Trust was created by Congress before statehood. The state breached its trust duty by mismanaging the land. The settlement of the resulting Mental Health Lands Trust lawsuit in 1994 created a Trust Authority consisting of seven Trustees. The Trust was reconstituted with \$200 million and nearly 1,000,000 acres of land. The Trust Authority contracts with the Alaska Permanent Fund Corporation to manage the \$200 million and the Trust Land Office in the Department of Natural Resources to manage the land. The beneficiaries include Alaskans who experience:

- mental illness;
- development disabilities;
- chronic alcoholism;
- Alzheimer's disease or related dementia;
- Brain injury.

The trustees are charged with overseeing the management of Trust assets as well as spending trust income to improve the lives of beneficiaries.

The Trust has acquired seven (7) commercial properties located in Alaska, Washington, Utah, and Texas with a total value of approximately \$100 million. More details on these properties can be found in Attachment A. These investments are held for generating income to support trust programs that serve our beneficiaries. The Trust maintains a contractual relationship with the State of Alaska's Department of Natural Resources which provides staff (the Trust Land Office) that manage the operations and performance of the seven commercial properties on behalf of the Trust.

Because the assets are in multiple markets, the Trust has determined that acquiring additional investment advisory services that reflect additional professional knowledge of current real estate market conditions in each area, overall economic trends impacting real estate investments, and strategies to help the trust achieve the portfolio investment goals will be beneficial to our beneficiaries. The contractor shall provide strategic advice to the board of trustees and augment internal staff capacity to monitor the investments. The advisor will not manage the assets or make discretionary investment decisions on behalf of the trustees.

SECTION 3. SCOPE OF WORK & CONTRACT INFORMATION

SEC. 3.01 SCOPE OF WORK

The successful offeror shall develop a budget and business plan for the seven (7) properties listed in Attachment 2 and provide advice to the Trust and its asset managers on the implementation of the plans as needed. The advisor will not manage the investments.

A. Budget Preparation

In conjunction with the Trust asset managers and external property management and leasing teams, provide strategic direction on the preparation of a comprehensive annual operating budget, and update annually, including but not limited to:

1. Revenue based on in-place leases and new lease-up assumptions including associated capital requirements, concessions and timeframes;
2. Fixed and variable operating expenses detailing the underlying assumptions;
3. Capital expenses; and
4. Property goals and objectives for the year.

B. Business Plan

Develop a business plan for each property, and update annually, which addresses the following:

1. Property description with rent roll, annual lease rollover schedule, stacking plan and floor plans attached
2. Market analysis including but not limited to:
 - a. Regional economy and demand drivers;
 - b. Current state of the market both regionally and in the asset's submarket addressing supply, demand, current lease terms, rental rate trends and the investment sales market including recent sales and pricing; and
 - c. Identify and describe the property's competitive set of buildings and assess property's competitive positioning in the marketplace.
3. Property goals and objectives addressing financial, operations and leasing matters that served as the basis for the budget. Provide recommendations to increase revenues, reduce expenses and to improve the asset's competitive positioning in the marketplace. Identify major action items and timeframes. Describe capital improvements planned for implementation and all future projects in a five-year capital plan under consideration by the property team. Recommend considerations to maximize the value of the property.
4. Budget summary along with a narrative that addresses major differences between the annual budget and prior year's budget.
5. Prepare an internal valuation using a DCF approach. Prepare a hold/sell analysis which addresses the strength and weaknesses of the asset, risks associated with holding versus selling and go forward returns. Recommend considerations to maximize the value of the property under a hold or sell scenario.

C. Portfolio Summary

Develop a portfolio summary that provides a snapshot of the portfolio and shall include at a minimum a consolidated budget for all properties in the portfolio that summarizes revenues, expenses, interest expense, net operating income, capital expenditures and net cash flow; total amount of square footage projected to be leased for each property and combined; projected occupancy by property and total

portfolio at year end; internal valuation for each property and the portfolio; hold or sell recommendation for each property and the major action items per property.

D. Meetings

Hold at least one teleconference meeting per quarter with each property team including Trust asset managers, property management, and leasing staff to review goals and objectives for each of the seven (7) properties and progress achieved toward meeting the goals. Prepare a memo summarizing the status for the Trust.

Visit each property in person twice a year to meet with Trust asset managers, property management, leasing staff and tenants to review property goals and objectives, and survey the property and the market.

Attend one board of trustee meeting per year to present the business plan to the trustees in Anchorage, Alaska.

E. Property Management and Leasing Agreements

In the first year of the assignment only, review the property management and leasing agreements for adequacy including policy and procedures, cash management, pricing and all other scope of services and recommend improvements if applicable.

TRANSACTION CONSULTING SERVICES

Any costs for these requested additional services are subject to a preliminary estimate that the contractor will submit to the Trust, in writing, and approved in advance of the work. There is no guarantee that services under this section will be requested of the contractor, and the Trust reserves the right to engage others to provide such services.

- F. When requested by the Trust, provide ongoing advice in support of specific transactions associated with the investment properties. This may include but not limited to the implementation of the business plans and other services that may be required such as lease negotiations, appraisal review, tenant lease workouts, and tenant requests including providing options to acquire assets.

SEC. 3.02 CONTRACT TERM AND WORK SCHEDULE

The length of the contract will be from the date of award, approximately October 15, 2019, for 1 year, approximately September 30, 2020. This contract will have three (3) 1-year renewal options, which are to be exercised at the sole discretion of the Trust

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

SEC. 3.03 DELIVERABLES

The contractor will be required to provide the following deliverables:

- Consolidated quarterly portfolio reports based on data provided by individual property managers and summarizing the results of quarterly team meetings. Reports shall include historical trending based on existing data provided by property managers and data received over the course of the contract, a comparison of actual results to budgeted expectations, and a highlight of any expected economic changes in the markets where the Trust has investments.
- Annual report and presentation to the Trust's board of trustees.
- Monthly written summary of work performed and associated recommendations for work undertaken inside Section 3.01 Scope of Work item F.

SEC. 3.04 CONTRACT TYPE

This contract is a firm fixed price contract.

SEC. 3.05 PROPOSED PAYMENT PROCEDURES

The Trust will make payments based on a negotiated payment schedule. Each billing must consist of an invoice and progress report. No payment will be made until the progress report and invoice has been approved by the project director.

SEC. 3.06 PROMPT PAYMENT FOR STATE PURCHASES

The Trust is eligible to receive a 5% discount for all invoices paid within 15 business days from the date of receipt of the commodities or services and/or a correct invoice, whichever is later. The discount shall be taken on the full invoice amount. The Trust shall consider payment being made as either the date a printed warrant is issued or the date an electronic funds transfer (EFT) is initiated.

SEC. 3.07 CONTRACT PAYMENT

No payment will be made until the contract is approved by the Trust. Under no conditions will the Trust be liable for the payment of any interest charges associated with the cost of the contract.

The Trust is not responsible for and will not pay local, state, or federal taxes. All costs associated with the contract must be stated in U.S. currency.

SEC. 3.08 LOCATION OF WORK

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

The Trust will not provide workspace for the contractor. The contractor must provide its own workspace.

The contractor should include in their price proposal: transportation, lodging, and per diem costs sufficient to pay for one person to make two 1-day trips to each of the properties, and one 1-day trip to Anchorage, Alaska to present the annual report to the trustees. All travel expenses will be reimbursed at actual costs as described in the State Travel Manual, AAM60 and will require submittal of copies of receipts.

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

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

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

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

SEC. 3.09 SUBCONTRACTORS

Subcontractors will not be allowed.

SEC. 3.10 JOINT VENTURES

Joint ventures will not be allowed.

SEC. 3.11 CONTRACT PERSONNEL

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

SEC. 3.12 INSPECTION & MODIFICATION - REIMBURSEMENT FOR UNACCEPTABLE DELIVERABLES

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

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

SEC. 3.13 CONTRACT CHANGES - UNANTICIPATED AMENDMENTS

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

The contractor will not commence additional work until the project director has secured any required approvals necessary for the amendment and issued a written contract amendment, approved by Trust.

SEC. 3.14 NONDISCLOSURE AND CONFIDENTIALITY

Contractor agrees that all confidential information shall be used only for purposes of providing the deliverables and performing the services specified herein and shall not disseminate or allow dissemination of confidential

information except as provided for in this section. The contractor shall hold as confidential and will use reasonable care (including both facility physical security and electronic security) to prevent unauthorized access by, storage, disclosure, publication, dissemination to and/or use by third parties of, the confidential information. "Reasonable care" 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 Trust 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 Trust or its agents or advisors) in oral, electronic, tangible or intangible form and however stored, compiled or memorialized that is classified confidential as defined by State of Alaska classification and categorization guidelines provided by the Trust 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).

Additional information that the contractor shall hold as confidential during the performance of services under this contract include:

Information regarding marketing strategies, lease pricing, tenant concessions, and other business information that may impact the financial performance of the portfolio

Information regarding the financial condition, payment history, lease performance, or business activities of building tenants, as well as any other third-party information that may be reasonably considered confidential business information.

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 Trust with written notice of the requested disclosure (to the extent such notice to the Trust is permitted by applicable law) and giving the Trust opportunity to review the request. If the contractor receives no objection from the Trust, it may release the confidential information within 30 days. Notice of the requested disclosure of confidential information by the contractor must be provided to the Trust within a reasonable time after the contractor's receipt of notice of the requested disclosure and, upon request of the Trust, 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.

SEC. 3.15 INSURANCE REQUIREMENTS

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

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

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

SEC. 3.16 TERMINATION FOR DEFAULT

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

This clause does not restrict the Trust's termination rights under the contract provisions of Appendix A, attached.

SECTION 4. GENERAL PROCESS INFORMATION

SEC. 4.01 INFORMAL DEBRIEFING

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

SEC. 4.02 ALASKA BUSINESS LICENSE AND OTHER REQUIRED LICENSES

Prior to the award of a contract, an offeror must hold a valid Alaska business license. However, in order to receive the Alaska Bidder Preference and other related preferences, such as the Alaska Veteran and Alaska Offeror Preference, an offeror must hold a valid Alaska business license prior to the deadline for receipt of proposals. Offerors should contact the **Department of Commerce, Community and Economic Development, Division of Corporations, Business, and Professional Licensing, PO Box 110806, Juneau, Alaska 99811-0806**, for information on these licenses. Acceptable evidence that the offeror possesses a valid Alaska business license may consist of any one of the following:

- copy of an Alaska business license;
- certification on the 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 statement that the offeror has applied and paid for the Alaska business license.

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

- 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.

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

SEC. 4.03 SITE INSPECTION

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

SEC. 4.04 CLARIFICATION OF OFFERS

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

SEC. 4.05 DISCUSSIONS WITH OFFERORS

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

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

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

SEC. 4.06 EVALUATION OF PROPOSALS

The procurement officer, or an evaluation committee made up of at least three state employees or public officials, will evaluate proposals. The evaluation will be based solely on the evaluation factors set out in Section SEVEN of this RFP.

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

SEC. 4.07 CONTRACT NEGOTIATION

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

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

SEC. 4.08 FAILURE TO NEGOTIATE

If the selected offeror

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

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

SEC. 4.09 OFFEROR NOTIFICATION OF SELECTION

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

SEC. 4.10 PROTEST

AS 36.30.560 provides that an interested party may protest the content of the RFP.

An interested party is defined in 2 AAC 12.990(a) (7) as "an actual or prospective bidder or offeror whose economic interest might be affected substantially and directly by the issuance of a contract solicitation, the award of a contract, or the failure to award a contract."

If an interested party wishes to protest the content of a solicitation, the protest must be received, in writing, by the procurement officer at least ten days prior to the deadline for receipt of proposals.

AS 36.30.560 also provides that an interested party may protest the award of a contract or the proposed award of a contract.

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

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

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

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

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

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

SEC. 4.11 APPLICATION OF PREFERENCES

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

<http://doa.alaska.gov/dgs/pdf/pref1.pdf>

- Alaska Products Preference - AS 36.30.332
- Recycled Products Preference - AS 36.30.337
- Local Agriculture and Fisheries Products Preference - AS 36.15.050
- Employment Program Preference - AS 36.30.321(b)
- Alaskans with Disabilities Preference - AS 36.30.321(d)
- Alaska Veteran's Preference - AS 36.30.321(f)

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

Sec. 4.12 ALASKA BIDDER PREFERENCE

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

- 1) holds a current Alaska business license prior to the deadline for receipt of proposals;
- 2) submits a proposal for goods or services under the name appearing on the offeror's current Alaska business license;

- 3) has maintained a place of business within the state staffed by the offeror, or an employee of the offeror, for a period of six months immediately preceding the date of the proposal;
- 4) is incorporated or qualified to do business under the laws of the state, is a sole proprietorship and the proprietor is a resident of the state, is a limited liability company (LLC) organized under AS 10.50 and all members are residents of the state, or is a partnership under AS 32.06 or AS 32.11 and all partners are residents of the state; and
- 5) if a joint venture, is composed entirely of ventures that qualify under (1)-(4) of this subsection.

Alaska Bidder Preference Statement

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

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

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

SEC. 4.13 ALASKA VETERAN PREFERENCE

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

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

Alaska Veteran Preference Statement

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

SEC. 4.14 ALASKA OFFEROR PREFERENCE

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

SEC. 4.15 FORMULA USED TO CONVERT COST TO POINTS

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

$$[(\text{Price of Lowest Cost Proposal}) \times (\text{Maximum Points for Cost})] \div (\text{Cost of Each Higher Priced Proposal})$$

SEC. 4.16 EXAMPLES: CONVERTING COST TO POINTS & APPLYING PREFERENCES

(a) FORMULA USED TO CONVERT COST TO POINTS

STEP 1

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

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

STEP 2

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

Offeror #1 receives 40 points.

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

Offeror #2 receives 37.4 points.

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

Offeror #3 receives 33.7 points.

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

(b) ALASKA OFFEROR PREFERENCE

STEP 1

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

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

STEP 2

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

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

STEP 3

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

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

STEP 4

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

SECTION 5. GENERAL LEGAL INFORMATION

SEC. 5.01 STANDARD CONTRACT PROVISIONS

The contractor will be required to sign and submit the attached State's Standard Agreement Form for Professional Services Contracts (form 02-093/Appendix A). The contractor must comply with the contract provisions set out in this attachment. No alteration of these provisions will be permitted without prior written approval from the Department of Law. Objections to any of the provisions in Appendix A must be set out in the offeror's proposal.

SEC. 5.02 PROPOSAL AS A PART OF THE CONTRACT

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

SEC. 5.03 ADDITIONAL TERMS AND CONDITIONS

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

SEC. 5.04 HUMAN TRAFFICKING

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

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

Failure to comply with this requirement will cause the Trust to reject the proposal as non-responsive, or cancel the contract.

SEC. 5.05 RIGHT OF REJECTION

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

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

Minor informalities that:

- do not affect responsiveness;
- are merely a matter of form or format;
- do not change the relative standing or otherwise prejudice other offers;
- do not change the meaning or scope of the RFP;
- are trivial, negligible, or immaterial in nature;

- do not reflect a material change in the work; or
- do not constitute a substantial reservation against a requirement or provision;

may be waived by the procurement officer.

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

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

SEC. 5.06 TRUST NOT RESPONSIBLE FOR PREPARATION COSTS

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

SEC. 5.07 DISCLOSURE OF PROPOSAL CONTENTS

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

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

SEC. 5.08 ASSIGNMENT

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

SEC. 5.09 DISPUTES

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

SEC. 5.10 SEVERABILITY

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

SEC. 5.11 SUPPLEMENTAL TERMS AND CONDITIONS

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

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

if the Trust'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.

SEC. 5.12 CONTRACT INVALIDATION

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

SEC. 5.13 SOLICITATION ADVERTISING

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

SECTION 6. PROPOSAL FORMAT AND CONTENT

SEC. 6.01 PROPOSAL FORMAT AND CONTENT

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

SEC. 6.02 INTRODUCTION

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

Proposals must confirm that the offeror will comply with all provisions in this RFP; and, if applicable, provide notice that the firm qualifies as an Alaskan bidder. Proposals must be signed by a company officer empowered to bind the company. An offeror's failure to include these items in the proposals may cause the proposal to be determined to be non-responsive and the proposal may be rejected.

SEC. 6.03 UNDERSTANDING OF THE PROJECT

Offerors must provide comprehensive narrative statements that illustrate their understanding of the requirements of the project and the project schedule.

SEC. 6.04 METHODOLOGY USED FOR THE PROJECT

Offerors must provide comprehensive narrative statements that set out the methodology they intend to employ and illustrate how the methodology will serve to accomplish the work and meet the Trust's project schedule. Offerors must also provide a work plan that clearly shows the process for assessing the property conditions, engaging with Trust management, gathering external information, and preparing the deliverables.

SEC. 6.05 MANAGEMENT PLAN FOR THE PROJECT

Offerors must provide comprehensive narrative statements that set out the management plan they intend to follow and illustrate how the plan will serve to accomplish the work and meet the Trust's project schedule.

The firm must provide explanation of availability and capacity to perform the scope of work in this RFP.

Offerors must include the best method to maintain communication with the Trust. This will include a designated lead person and clear delineation of staff resources and assignment.

SEC. 6.06 EXPERIENCE AND QUALIFICATIONS

Offerors must provide a narrative description of their knowledge, experience and qualifications, including:

1. Experience developing budgets and business plans. Must provide three (3) examples of similar work performed in the last 10 years that includes client point of contact that will comment on your performance during these engagements.
2. Briefly describe key variables considered in formulating a hold or sell recommendation.
3. Detail any other experience that you believe is relevant to this assignment and to your ability to fulfill the scope of work.
4. Describe the internal review process for budget/business plans and internal valuations before they are delivered to the client.

5. Describe your experience managing office and industrial investments.
6. Describe your experience in the markets that the seven investments are in. If you are currently providing services in the market, use the format below to identify the service and property for which services are being provided.

Property Name	City	Property Type	Estimate Gross Value	Description of services provided

Offerors must provide an organizational chart specific to the personnel assigned to accomplish the work called for in this RFP; illustrate the lines of authority; designate the individual responsible and accountable for the completion of each component and deliverable of the RFP.

Offerors must provide a narrative description of the organization of the project team and a personnel roster that identifies each person who will actually work on the contract and provide the following information about each person listed:

- title,
- resume,
- location(s) where work will be performed,
- number of estimated hours for each individual named above.

The proposal must identify any affiliates with which the offeror could do business with for this assignment, and if so, describe in detail each affiliate business and what work they would do.

Offerors must provide reference names and phone numbers for similar projects the offeror's firm has completed.

SEC. 6.07 REGULATORY, LEGAL AND INSURANCE

Offerors must provide responses to all the following questions:

1. Name all regulatory registered entities affiliated with the firm, date of registration, and the relationship to the management of the fund. Include dates of registration for each entity.
2. Provide a complete form ADV (Parts I and II) and label as such.
3. Are you currently, or have you ever been, out of compliance with the SEC, DOL or any other regulatory agency? If yes, please explain and indicate whether any orders or sanctions have been issued against your firm or affiliate.
4. When was your most recent SEC or other regulatory agency inspection or examination? Please provide copies of the findings from your most recent inspection or examination within the past five years and highlight any identified deficiencies or issues.

5. Have you or has the firm ever answered “yes” to any question in *Item 11 – Disclosure Information - Form ADV - Part I*? If so, please provide an explanation.
6. Has your firm faced litigation or investigation? If yes, provide a detailed explanation and indicate the current status of proceedings.
7. During the last five years, has any officer or principal of your organization been involved in litigation? If yes, provide an explanation and indicate the current status of proceedings.
8. Has your firm been convicted of, or pled guilty to, any felony, misdemeanor or civil enforcement proceedings in the past ten years? If yes, provide a detailed explanation and indicate the current status of proceedings.
9. Describe any “headline” risk about your firm that is relevant to this contract.
10. Describe the levels of coverage for SEC-required (17g-1), or equivalent regulatory agency-required, bonds, errors and omissions coverage and any other fiduciary coverage which your firm carries. List the insurance carriers supplying the coverage, the coverage amount and deductible.
11. Provide a summary of any outstanding or pending insurance claims and the current status.

SEC. 6.08 COST PROPOSAL

Cost proposal must be submitted separately from the technical proposal within the proposal package. The cost proposal must be in two parts; both parts must be included in the cost proposal package submitted by the offeror. Failure to include both parts will result in the proposal being deemed non-responsive.

PART ONE

The offeror must provide an itemized list of position titles, current employee names, and hourly rates for each person who will work on the contract. All direct and indirect costs associated with the hourly rates must include but not be limited to payroll, supplies, overhead assigned to each person working on the contract, and profit. Any direct expenses incurred with prior approval under this contract will be reimbursed at cost with no administrative markup.

The successful offeror may request price adjustments of hourly rates, in writing, 30 days prior to the contract renewal date at a rate of no more than 5%, with a total rate increase of no more than 10% over the life of the contract. Price adjustments must be approved by the contract manager.

The offeror must also provide transportation, lodging, and per diem costs sufficient to pay for one person to make two 1-day trips to each of the properties, and one 1-day trip to Anchorage, Alaska to present the annual report to the trustees, see Section 3.08.

PART TWO

The offeror must provide an evaluated cost proposal using blended personnel hourly rates provided in part one. Part two must use the format provided below. The number of hours in the below table do not represent actual or anticipated amount of time spend on this contract; the evaluated cost proposal will be used only for proposal evaluation and award purposes.

	Blended Hourly rate	Number of Hours	Extended Total
Partner / Senior Executive	\$	20	\$
Manager	\$	30	\$
Associate	\$	30	\$
All other personnel	\$	20	\$
Combined total, for proposal evaluation purposes only			\$

SEC. 6.09 EVALUATION CRITERIA

All proposals will be reviewed to determine if they are responsive. Proposals determined to be responsive will be evaluated using the criterion that is set out in Section SEVEN.

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

SECTION 7. EVALUATION CRITERIA AND CONTRACTOR SELECTION

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

SEC. 7.01 UNDERSTANDING OF THE PROJECT (5%)

Proposals will be evaluated against the questions set out below:

- 1) How well has the offeror demonstrated a thorough understanding of the purpose and scope of the project? Examples of completed budgets and business plan development projects should be recent work and of reasonably similarly sized properties, ideally in the same or adjacent real estate markets.
- 2) How well has the offeror identified pertinent issues and potential problems related to the project? Offeror should be able to describe their resources and process for gathering market data in each location, their capabilities for assessing property condition (using either internal or external resources), and their experience/capability to evaluate real estate transactions.
- 3) To what degree has the offeror demonstrated an understanding of the deliverables the Trust expects it to provide? Offeror should be able to provide a list of reports that they will provide to the Trust as part of this engagement and an example or template of the annual report showing the format of the proposed deliverable.
- 4) Has the offeror demonstrated an understanding of the Trust's time schedule and the ability to meet it? Offeror should make an affirmative statement that they have adequate staffing and capabilities to meet the time schedule. If the offeror relies on outside resources to fulfill the scope of work, such as an external law firm to review lease agreements, they should make an affirmative statement that all outside resources are available and have the capacity to perform the assignments.

SEC. 7.02 METHODOLOGY USED FOR THE PROJECT (10%)

Proposals will be evaluated against the questions set out below:

- 1) How comprehensive is the methodology and does it depict a logical approach to fulfilling the requirements of the RFP? Offeror's work plan should clearly show the process for assessing the property conditions, engaging with Trust management, gathering external information, and preparing the deliverables.
- 2) How well does the methodology match and achieve the objectives set out in the RFP? The work plan should highlight the strategies and communication tools used to incorporate input from Trust management, external property managers, tenants, and other stakeholders.
- 3) Does the methodology interface with the time schedule in the RFP? The work plan should include a sample set of milestones that show the time intervals needed for gathering information, generating reports, and receiving feedback from the Trust.

SEC. 7.03 MANAGEMENT PLAN FOR THE PROJECT (10%)

Proposals will be evaluated against the questions set out below:

- 1) How well does the management plan support all of the project requirements and logically lead to the deliverables required in the RFP? Offeror should state why individuals were selected to work on this engagement and how they will contribute to the timely receipt of the deliverables.
- 2) How well is accountability completely and clearly defined? Offeror should designate a point of contact for the engagement that has appropriate authority to oversee the project and respond to any client concerns on behalf of the offeror's firm. In the event of a performance problem, the offeror should identify their process and key contacts for addressing concerns and achieving satisfactory outcomes.
- 3) Is the organization of the project team clear?
- 4) How well does the management plan illustrate the lines of authority and communication? Offeror should identify project leader as well as their internal process for managing the engagement and communicating to the Trust.
- 5) To what extent does the offeror already have the hardware, software, equipment, and licenses necessary to perform the contract? The offeror should describe the resources they have to perform the engagement and affirmatively state that they have all necessary resources. If the offeror anticipates needing additional resources to fulfill the engagement (i.e. additional software licenses or customized report development) the offeror should provide a timeline for completing those steps and being ready to perform the work.
- 6) Does it appear that the offeror can meet the schedule set out in the RFP? Offeror should clearly show that they have staff capacity to perform the work in a timely manner and, in the event of staff turnover, adequate resources to continue the project without impact to the Trust.
- 7) Has the offeror gone beyond the minimum tasks necessary to meet the objectives of the RFP? If the offeror provides training materials, professional education opportunities, or other resources related to commercial real estate investments that may assist Trust staff in maximizing the value of the investment portfolio, the offeror should provide examples.
- 8) To what degree is the proposal practical and feasible?
- 9) To what extent has the offeror identified potential problems? Offeror should be able to identify potential problems, if any, and their process for addressing and mitigating those problems. The offeror should clearly describe their process for addressing and resolving any problems or concerns that arise during the engagement and their commitment to client satisfaction.

SEC. 7.04 EXPERIENCE AND QUALIFICATIONS (25%)

Proposals will be evaluated against the questions set out below:

1) Questions regarding the personnel:

- a) Do the individuals assigned to the project have experience on similar projects? Offeror should clearly demonstrate how staff are matched to areas of responsibility and their capacity to perform the work. If

there is a subject matter expert or other resource with limited capacity, the offeror should identify that constraint and explain how they will manage it.

- b) Are resumes complete and do they demonstrate backgrounds that would be desirable for individuals engaged in the work the project requires? Proposed project team members should have relevant experience and training to contribute to the success of the engagement. Offeror should clearly describe how team member backgrounds are relevant to the project. Clearly demonstrating team member experience working with properties in the markets where the Trust has investments will receive higher scoring than general statements about investment consulting experience.
- c) How extensive is the applicable education and experience of the personnel designated to work on the project? Team members should demonstrate appropriate education, professional credentialing, and experience to make credible recommendations to the Trust executive management team and board of trustees.

2) Questions regarding the firm:

- a) How well has the firm demonstrated experience in completing similar projects on time and within budget? How well has the firm demonstrated experience in providing recommendations that have added value to other client portfolios? Are these benefits quantifiable?
- b) How successful is the general history of the firm regarding timely and successful completion of projects?
- c) Has the firm provided letters of reference from previous clients?
- d) How satisfactory are the offeror's responses to Section 6.07 Regulatory, Legal and Insurance?

SEC. 7.05 CONTRACT COST (40%)

Overall, a minimum of 40% of the total evaluation points will be assigned to cost. The cost amount used for evaluation may be affected by one or more of the preferences referenced under Section Four.

Converting Cost to Points

The lowest cost proposal will receive the maximum number of points allocated to cost. The point allocations for cost on the other proposals will be determined through the method set out in Section 4.15.

SEC. 7.06 ALASKA OFFEROR PREFERENCE (10%)

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

SECTION 8. ATTACHMENTS

SEC. 8.01 ATTACHMENTS

Attachments:

- 1) Proposal Evaluation Form
- 2) Trust Real Estate Details
- 3) General Provisions - Appendix A
- 4) Indemnity and Insurance - Appendix B1
- 5) Notice of Intent to Award

ATTACHMENT 1: PROPOSAL EVALUATION FORM

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

Person or Firm Name:

Name of Proposal Evaluation (PEC) Member:

Date of Review:

RFP Number: **20-013M Real Estate Advisor**

EVALUATION CRITERIA AND SCORING

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

7.01 Understanding of the Project—5 Percent

Maximum Point Value for this Section - 5 Points

100 Points x 5 Percent = 5 Points

Proposals will be evaluated against the questions set out below.

- 1) How well has the offeror demonstrated a thorough understanding of the purpose and scope of the project? Examples of completed budgets and business plan development projects should be recent work and of reasonably similarly sized properties, ideally in the same or adjacent real estate markets.

NOTES

- 2) How well has the offeror identified pertinent issues and potential problems related to the project? Offeror should be able to describe their resources and process for gathering market data in each location, their capabilities for assessing property condition (using either internal or external resources), and their experience/capability to evaluate real estate transactions.

NOTES:

- 3) To what degree has the offeror demonstrated an understanding of the deliverables the Trust expects it to provide? Offeror should be able to provide a list of reports that they will provide to the Trust as part of this engagement and an example or template of the annual report showing the format of the proposed deliverable.

NOTES:

- 4) Has the offeror demonstrated an understanding of the Trust's time schedule and the ability to meet it? Offeror should make an affirmative statement that they have adequate staffing and capabilities to meet the time schedule. If the offeror relies on outside resources to fulfill the scope of work, such as an external law firm to review lease agreements, they should make an affirmative statement that all outside resources are available and have the capacity to perform the assignments.

NOTES:

EVALUATOR'S POINT TOTAL FOR 7.01: _____

7.02 Methodology Used for the Project—10 Percent

Maximum Point Value for this Section - 10 Points

100 Points x 10 Percent = 10 Points

Proposals will be evaluated against the questions set out below.

- 1) How comprehensive is the methodology and does it depict a logical approach to fulfilling the requirements of the RFP? Offeror's work plan should clearly show the process for assessing the property conditions, engaging with Trust management, gathering external information, and preparing the deliverables.

NOTES:

- 2) How well does the methodology match and achieve the objectives set out in the RFP? The work plan should highlight the strategies and communication tools used to incorporate input from Trust management, external property managers, tenants, and other stakeholders.

NOTES:

- 3) Does the methodology interface with the time schedule in the RFP? The work plan should include a sample set of milestones that show the time intervals needed for gathering information, generating reports, and receiving feedback from the Trust.

NOTES:

EVALUATOR'S POINT TOTAL FOR 7.02: _____

7.03 Management Plan for the Project—10 Percent

Maximum Point Value for this Section - 10 Points

100 Points x 10 Percent = 10 Points

Proposals will be evaluated against the questions set out below.

- 1) How well does the management plan support all of the project requirements and logically lead to the deliverables required in the RFP? Offeror should state why individuals were selected to work on this engagement and how they will contribute to the timely receipt of the deliverables.

NOTES:

- 2) How well is accountability completely and clearly defined? Offeror should designate a point of contact for the engagement that has appropriate authority to oversee the project and respond to any client concerns on behalf of the offeror's firm. In the event of a performance problem, the offeror should identify their process and key contacts for addressing concerns and achieving satisfactory outcomes.

NOTES:

- 3) Is the organization of the project team clear?

NOTES:

- 4) How well does the management plan illustrate the lines of authority and communication? Offeror should identify project leader as well as their internal process for managing the engagement and communicating to the Trust.

NOTES:

- 5) To what extent does the offeror already have the hardware, software, equipment, and licenses necessary to perform the contract? The offeror should describe the resources they have to perform the engagement and affirmatively state that they have all necessary resources. If the offeror anticipates needing additional resources to fulfill the engagement (i.e. additional software licenses or customized report development) the offeror should provide a timeline for completing those steps and being ready to perform the work.

NOTES:

- 6) Does it appear that the offeror can meet the schedule set out in the RFP? Offeror should clearly show that they have staff capacity to perform the work in a timely manner and, in the event of staff turnover, adequate resources to continue the project without impact to the Trust.

NOTES:

- 7) Has the offeror gone beyond the minimum tasks necessary to meet the objectives of the RFP? If the offeror provides training materials, professional education opportunities, or other resources related to commercial real estate investments that may assist Trust staff in maximizing the value of the investment portfolio, the offeror should provide examples.

NOTES:

- 8) To what degree is the proposal practical and feasible?

NOTES:

- 9) To what extent has the offeror identified potential problems? Offeror should be able to identify potential problems, if any, and their process for addressing and mitigating those problems. The offeror should clearly describe their process for addressing and resolving any problems or concerns that arise during the engagement and their commitment to client satisfaction.?

NOTES:

EVALUATOR'S POINT TOTAL FOR 7.03: _____

7.04 Experience and Qualifications—25 Percent

Maximum Point Value for this Section - 25 Points

100 Points x 25 Percent = 25 Points

Proposals will be evaluated against the questions set out below.

1) Questions regarding the personnel.

a) Do the individuals assigned to the project have experience on similar projects? Offeror should clearly demonstrate how staff are matched to areas of responsibility and their capacity to perform the work. If there is a subject matter expert or other resource with limited capacity, the offeror should identify that constraint and explain how they will manage it.

NOTES:

b) Are resumes complete and do they demonstrate backgrounds that would be desirable for individuals engaged in the work the project requires? Proposed project team members should have relevant experience and training to contribute to the success of the engagement. Offeror should clearly describe how team member backgrounds are relevant to the project. Clearly demonstrating team member experience working with properties in the markets where the Trust has investments will receive higher scoring than general statements about investment consulting experience.

NOTES:

c) How extensive is the applicable education and experience of the personnel designated to work on the project? Team members should demonstrate appropriate education, professional credentialing, and experience to make credible recommendations to the Trust executive management team and board of trustees.

NOTES:

2) Questions regarding the firm.

- a) Has the firm demonstrated experience in completing similar projects on time and within budget? How well has the firm demonstrated experience in providing recommendations that have added value to other client portfolios? Are these benefits quantifiable?

NOTES:

- b) How successful is the general history of the firm regarding timely and successful completion of projects?

NOTES:

- c) Has the firm provided letters of reference from previous clients?

NOTES:

- d) If a subcontractor will perform work on the project, how well do they measure up to the evaluation used for the offeror?

NOTES:

EVALUATOR'S POINT TOTAL FOR 7.04: _____

EVALUATOR'S COMBINED POINT TOTAL FOR ALL EVALUATED SECTIONS: _____

7.05 Contract Cost — 40 Percent

Maximum Point Value for this Section — 40 Points

100 Points x 40 PERCENT = 40 Points

Overall, a minimum of 40 percent of the total evaluation points will be assigned to cost. The cost amount used for evaluation may be affected by one or more of the preferences referenced under Section Four.

Converting Cost to Points

The lowest cost proposal will receive the maximum number of points allocated to cost. The point allocations for cost on the other proposals will be determined through the method set out in Section 4.15.

7.06 Alaska Offeror Preference — 10 Percent

Point Value for this Section — 10 Points

100 Points x 10 Percent = 10 Points

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

ATTACHMENT 2: TRUST REAL ESTATE DETAILS

<u>Building Type</u>	<u>Property Class</u>	<u>Building Age</u>	<u>Property Manager</u>	<u>Location</u>	<u>Size (sq. ft)</u>	<u>Users</u>	<u>Occupancy</u>
Office	A	Const. 2001	Equitable Commercial	9601 Amberglenn Blvd. Austin, Texas	106,455	Multi-User	Approx. 98.5%
Office	B	Const. 1985	Colliers	2600 Cordova, Anchorage Alaska	28,052	Volunteers of America	Approx. 80%
Office/Mail Sorting	B	Const. 1996, Remodel 2001	Colliers	1973 N Rulon White, Ogden Utah	103,000	IRS	100%
Industrial	N/A	Const. 1972	Colliers	2618 Commercial Dr., Anchorage Alaska	12,727 warehouse 3,892 office	Cummins NW	100%
Office	B	Const. 2008	Colliers	1111 Israel Road SW, Tumwater Washington	52,510	Washington State	100%
Office	B	Const. 2005	Endura	17319 San Pedro Ave, San Antonio Texas	86,401	Marriott Reservation Systems	100%
Office	B	Const. 1983	Equitable Commercial	2420-2500 Ridgepoint Drive, Austin Texas	93,786	Tangoe Media/Host Gator	98.5%

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. Inspection 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 Any dispute concerning a question of fact arising under this contract which is not disposed of by mutual agreement shall be decided in accordance with 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, physical handicap, 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, physical handicap, 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, physical handicap, 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, physical handicap, 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 contract'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 the 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. The State is liable only for payment in accordance with the payment provision 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, drawing, 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. 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.

This contract is governed by the laws of the State of Alaska. All actions concerning this contract shall be brought in the Superior Court of the State of Alaska.

Article 12. Conflicting Provisions.

Unless specifically amended and approved by the department of Law the General Provisions of this contract supersede any provisions in other appendices.

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, contingent fee, or brokerage 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.

APPENDIX B¹

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 30-day prior notice of cancellation, nonrenewal or material change of conditions. 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. & Jones Act requirements. This 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 occurrence.

2.3 Comprehensive 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.

NOTICE OF INTENT TO AWARD A CONTRACT



STATE OF ALASKA
Department of Revenue
Alaska Mental Health Trust Authority
3745 Community Park Loop, Suite 200
Anchorage, Alaska 99508

THIS IS NOT AN ORDER

DATE ISSUED:

RFP NO.:

RFP DEADLINE:

RFP SUBJECT:

This is notice of the state's intent to award a contract. The figures shown here are a tabulation of the offers received. The responsible and responsive offeror whose proposal was determined in writing to be the most advantageous is indicated. An offeror who wishes to protest this Notice of Intent must file the protest within ten calendar days following the date this notice is issued. If the tenth day falls on a weekend or holiday, the last day of the protest period is the first working day following the tenth day. **The offeror identified here as submitting the most advantageous proposal is instructed not to proceed until a contract, or other form of notice is given by the contracting officer.** A company or person who proceeds prior to receiving a contract, Contract Award, or other form of notice of Award does so without a contract and at their own risk. AS 36.30.365.

Offerors	Responsive	Total Score	Most Advantageous

LEGEND: @ -- MOST ADVANTAGEOUS
Y -- RESPONSIVE PROPOSAL
N -- NON-RESPONSIVE PROPOSAL

Valette Keller, Procurement Officer