

STATE OF ALASKA REQUEST FOR PROPOSALS



6-INCH DRY SONIC DRILLING – ICY CAPE, ALASKA

RFP 2022-1000-4987

ISSUED OCTOBER 4, 2021

ISSUED BY: CHRIS BROOKS

DEPARTMENT OF NATURAL RESOURCES
DIVISION OF SUPPORT SERVICES

PRIMARY CONTACT:

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OFFERORS ARE NOT REQUIRED TO RETURN THIS FORM.

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SECTION 1. INTRODUCTION & INSTRUCTIONS

SEC. 1.01 PURPOSE OF THE RFP

The Department of Natural Resources, Division of Support Services is soliciting proposals for 6-Inch Dry Sonic Drilling in Icy Cape, Southeast Alaska for the 2022 field season, with the option to renew the contract for two additional one-year periods at the sole discretion of the State. A more detailed description of the scope of work can be found in section 3.

SEC. 1.02 BUDGET

Department of Natural Resources, Trust Land Office estimates a budget of between \$900,000.00 to \$950,000.00 for the initial contract term. Proposals priced at more than \$950,000.00 will be considered non-responsive. The not to exceed amount for the life of the contract, including renewal option periods, is \$2,500,000.00. The State does not guarantee any minimum or maximum number of services to be provided or dollar amount to be spent under any contract resulting from this RFP during the renewal option periods. Services during renewal option periods will be on an as-needed basis. There will be two, one-year renewal option periods available under a contract resulting from this RFP. Renewal options shall be exercised at the sole discretion of the State.

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 2:00PM prevailing Alaska Time on October 25, 2021. Late proposals or amendments will be disqualified and not opened or accepted for evaluation.

SEC. 1.04 PRIOR EXPERIENCE

In order for offers to be considered responsive offerors shall identify in their proposal how they meet these minimum prior experience requirements:

- Minimum of two years (two field seasons) experience in dry sonic drilling of dense pressurized abrasive industrial minerals sands, and nearshore marine sediments containing abrasive industrial minerals in the Gulf of Alaska.
- Driller must have a minimum of three years experience with 6-inch sonic core drilling using the dry (waterless) method.
- Drill technicians must have a minimum of one year experience with sonic core dry (waterless) drilling methodology.

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

SEC. 1.05 REQUIRED REVIEW

Offerors should carefully review this solicitation for defects and questionable or objectionable material. Comments concerning defects and questionable or objectionable material should 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 proposal and exposure of offeror's proposals upon which award could not be made.

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: Chris Brooks – PHONE 907-269-8666 – EMAIL christopher.brooks@alaska.gov

The deadline for submission of questions is 2:00PM prevailing Alaska Time on October 14, 2021.

SEC. 1.07 RETURN INSTRUCTIONS

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

Department of Natural Resources
Division of Support Services
Attention: Chris Brooks
Request for Proposal (RFP) Number: 2022-1000-4987
RFP Title: 6-Inch Dry Sonic Drilling – Icy Cape, Alaska
550 W. 7th Ave., Suite 1330
Anchorage, Alaska 99501

If using U.S. mail, please use the following address:

550 W. 7th Ave., Suite 1330
Anchorage, Alaska 99501

If using a delivery service, please use the following address:

550 W. 7th Ave., Suite 1330
Anchorage, Alaska 99501

If submitting a proposal via email, the technical proposal and cost proposal must be saved as separate PDF documents and emailed to christopher.brooks@alaska.gov as separate, clearly labeled attachments, such as “Vendor A – Technical Proposal.pdf” and “Vendor A – Cost Proposal.pdf” (Vendor A is the name of the offeror). The email must contain the RFP number in the subject line.

The maximum size of a single email (including all text and attachments) that can be received by the state is 20mb (megabytes). If the email containing the proposal exceeds this size, the proposal must be sent in multiple emails that are each less than 20 megabytes and each email must comply with the requirements described above.

Please note that email transmission is not instantaneous. Similar to sending a hard copy proposal, if you are emailing your proposal, the state recommends sending it enough ahead of time to ensure the email is delivered by the deadline for receipt of proposals.

It is the offeror's responsibility to contact the issuing agency at christopher.brooks@alaska.gov to confirm that the proposal has been received. The state is not responsible for unreadable, corrupt, or missing attachments.

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; and
- G. that the offers will remain open and valid for at least 90 days.

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

(c) VENDOR TAX ID

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

(d) CONFLICT OF INTEREST

Each proposal shall include a statement indicating whether or not the firm or any individuals working on the contract has a possible conflict of interest (e.g., currently employed by the State of Alaska or formerly employed by the State of Alaska within the past two years) and, if so, the nature of that conflict. The procurement officer 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 contract to be performed by the offeror.

(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 state's 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 notified 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 website.

SEC. 1.12 RFP SCHEDULE

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

- Issue RFP: **October 4, 2021**
- Deadline for Receipt of Proposals: **October 25, 2021 at 2:00PM Alaska Time**
- Proposal Evaluation Committee complete evaluation by: **Week of November 8, 2021**
- State of Alaska issues Notice of Intent to Award a Contract: **Week of November 15, 2021**
- State of Alaska issues contract: **Week of November 29, 2021**
- Contract start: **January 1, 2022**

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

SEC. 1.13 PRE-PROPOSAL CONFERENCE

Not applicable for this RFP.

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 Icy Cape Property (Property) is located in the Gulf of Alaska near Icy Bay about 75 miles (120 km) northwest of Yakutat. Placer gold in garnet-rich sands (“ruby sands”) have been described in this region and explored for/exploited since the early 1900s. Between 1996, when land and minerals ownership were transferred from the State of Alaska to the Alaska Mental Health Trust Authority, and 2015 no mineral-resource-related activity was conducted on the Property.

The Minerals & Energy (M&E) Section of the TLO identified the Property as prospective for placer gold (Au) and associated industrial heavy minerals (HM) deposits and initiated the Icy Cape Gold and Industrial Heavy Minerals Project. TLO has conducted gold and industrial heavy mineral resource assessment at the Property since 2015. In a staged and incremental effort \$5.2 million was spent for preliminary exploration for mineral resources.

In 2016 a low-altitude high-resolution aeromagnetic survey of the Property was conducted. Data show patterns consistent with nearshore marine HM deposit models and were used to generate targets for drill testing. Stratigraphic framework and resource assessment drilling of 119 boreholes was conducted in 2017 and 2018 for a total of about 13,000 feet which resulted in numerous significant mineral discoveries, including the Grinder Prospect.

Very encouraging drilling results prompted the Board of Trustees of the Alaska Mental Health Trust to further fund exploration development over the next five years. TLO’s mandate is to advance the Grinder Prospect to an NI43-101 compliant indicated resource level followed by a pre-feasibility study. To achieve these goals, approximately 12,000ft of 6-inch diameter sonic core will be drilled in 2022. Further drilling is planned for 2023 with approximately 7,000ft 6-inch diameter waterless sonic and 5,000ft 8-inch diameter waterless sonic methods.

Grinder is a large-volume nearshore-marine gold placer minerals prospect with garnet group, epidote group, and other valuable heavy minerals (VHM) as co-products. Garnet and epidote group minerals are prime abrasives and due to their natural hardness and abrasive character provide challenging drilling conditions as outlined in section 3.

Drilling will be conducted on newly constructed drill access trails at the Grinder Prospect that is less than a mile away from camp. No riverbed crossings will have to be undertaken for drilling operations.

There is no permanent community at Icy Bay, no grocery stores or gas stations: there are no amenities. Every item must be transported to the project site by air or by barge including drinking water, gasoline, diesel fuel, food, nails, etc. If the items are not flown or barged the necessary items to complete the project will not be on hand.

SECTION 3. SCOPE OF WORK & CONTRACT INFORMATION

SEC. 3.01 SCOPE OF WORK

a. Requirements

The Trust Land Office (TLO) is soliciting proposals for 6-inch Dry Sonic (waterless) drilling in 2022 for the Project located in Icy Cape, Alaska. The Project requires one, at a minimum, a LS-600 track-mounted drill rig or equivalent capable of drilling 250ft per shift (12 hours) by use of a 6-inch sonic core barrel and 7-inch override casing for continuous samples. The goal is to collect a minimum of 12,000 feet of sonic core samples during the 2022 field season. Besides the drill rig, the Project requires a track-mounted supply carrier (Nodwell or Marooka type), a track-mounted support carrier (Nodwell or Marooka type) to haul fuel to the drill rig and to transport drill core to a staging area, a box truck, and a pickup truck.

The TLO will have staff at the site for the duration of this Project as well as intermittent industry visitors or other contractors providing heavy mineral exploration expertise and assistance. A seasonal personnel camp will be established at the site which will include a kitchen facility, dining hall as well as bathing facilities and restrooms.

b. Tasks

The TLO will set up a teleconference with the successful contractor to be held after contract award but before the start of the field season to define the Project's specific requirements.

Resource definition drilling is planned for June through July, possibly August 2022, starting on or about June 1, 2022.

Drilling is planned for a 60-day plus period with one work-shift (12 hours) per 24-hour period. Two hundred fifty feet (250 ft) of drilling per shift is expected; three hundred feet (300ft) per drilling shift is desired.

The Grinder Prospect is less than a mile away from camp. Access to the drill sites will be on newly constructed access trails. Fuel can be delivered to the main drill access trail by pick-up truck. Drill sites on spur trails (along drill fence) can only be accessed by track-mounted vehicles. The farthest drill sites will be approximately half a mile away from the main drill access trail. As Icy Cape is situated in a north-temperate rain forest heavy rains occur frequently, and the generally wet ground conditions of the area require the use of track-mounted vehicles. It is recommended that the drill rig have 6ft x 6ft rig mats for stabilization.

The spacing between drill-tracts is approximately 560ft and drill holes along tracts are spaced approximately 200ft apart. Drill hole(s) will average 200 feet in depth with maximum depth of 300 feet.

Based on previous drilling in the area, the general stratigraphy of the Grinder area from top to bottom is as follows:

- Approximately 30ft of diamicton (a dense silty material that can be hard to gooey) that contains hard fine-grained abrasive minerals. The diamicton causes drilling challenges as the material has the tendency to clog and trap grab the core barrel. The offeror needs to state in their proposal how they plan to overcome this challenge to guarantee full recovery of drill core.
- Approximately 45ft of coarse-grained cobbly sands with interbedded finer sands. These contain medium grain-sized abrasive minerals, in particular garnet and epidote group minerals that are hard on the drilling equipment.

- 90ft plus of fine sands. These cause significant drilling challenges as they are under hydrostatic pressure and highly abrasive due to high abrasive minerals (garnet and epidote group mineral) content. These sands have a tendency to creep up between the core barrel and the casing and have a tendency to “grind down” the drill bit and drill steel. The offeror needs to state in their proposal how they plan to overcome this challenge to guarantee full recovery of drill core.

Drilling conditions in these special and pressurized sands are challenging, and it takes a lot of experience and skill on the driller’s part not only to master these conditions but also to provide satisfactory sample recovery. TLO requires a minimum sample recovery of 95%. This is a critical project for the TLO and the minimum required recovery by the TLO is necessary to provide sufficient sample material to adequately produce an NI43-101 or JORC compliant resource estimate.

Experience in drilling garnet-epidote rich abrasive sands in the Gulf of Alaska is desired, demonstrated experience in drilling similar glacial and abrasive industrial minerals containing nearshore marine sediments in the Gulf of Alaska is required. While possibly some potential offerors have experience in drilling alluvial placer deposits in Alaska; this is not it, this is drilling in dense, pressurized and highly abrasive nearshore marine mineral sands.

The requirement for experience in drilling similar glacial and abrasive industrial minerals containing nearshore marine sediments in the Gulf of Alaska is to advise potential offerors of the challenging drilling environment to avoid downtime and costs. The project is of critical importance to the TLO’s organizational mandate. While TLO acknowledges that any offeror will take some time to get familiar with the ground and drilling conditions, TLO expects drill crews to have the required, if not desired experience. TLO will not pay for a learning curve.

Offerors must outline their experience in these areas in their Technical Proposal.

Contractor will provide plastic sleeves for each sampled interval of about 36-inches in length and label each with top, bottom, depth interval and borehole number. Contractor will also provide a recording penetrometer for intermittent use.

Contractor will plug all drill holes with material provided by TLO.

Contractor must have drill rig, support vehicles, gear, etc. and all gear in Ketchikan, Alaska no later than May 22, 2022, in order to guarantee transportation on the TLO chartered barge to Icy Cape. Delivery of drill rig, support vehicles, gear, etc. and all gear is expected to occur between May 28, 2022 and May 31, 2022.

Contractor staff to arrive in Yakutat no earlier than May 30, 2022 for transport to Icy Cape on May 31, 2022. Drilling is to begin on June 1, 2022.

Information on departure of contractor staff from Icy Cape to Yakutat will be provided to the contractor when it is known by TLO.

A second chartered barge will pick-up the drill rig, support vehicles, and gear from Icy Cape around August 15, 2022, and transport back to Ketchikan, arriving around August 20, 2022.

The cost of one-round trip barge transport for the contractor’s equipment and supplies from Ketchikan, Alaska to Icy Bay, AK, and for one round-trip air transport of contractor’s staff from Yakutat, AK to Icy Cape will be provided by the TLO.

Room and board will be provided by the TLO at the project site in Icy Cape, Alaska. Contractor will be responsible for round trip travel, meals, and lodging between their home location and Yakutat, Alaska.

Contractor will also be responsible for round trip transportation of their drilling equipment and supplies from their home base to Ketchikan, Alaska.

c. Critical Technical Performance Criteria and Requirements

1. Work shall be completed by July 31, 2022.
2. 6-inch diameter sonic core, dry drilling (waterless) method for 2022 project only. Offers of other drilling methods will be considered non-responsive and will be rejected by the State.
3. Perform one day shift per 24-hour period (day shift only). The offeror must identify within their Technical Proposal the length and reason for any mandatory breaks required during the shift and during the timeframe they will be at Icy Cape.
4. Driller must have a minimum of three years experience with 6-inch sonic core drilling using the dry (waterless) method. Offeror must outline within their Technical Proposal the number of drillers and the experience level for each driller they intend to provide if awarded a contract.

Driller must also have a minimum of three years experience with 8-inch sonic core drilling using the dry (waterless) method. Offeror must outline within their Technical Proposal the number of drillers and the experience level for each driller they intend to provide if awarded a contract.
5. Drill technicians must have a minimum of one-year experience with sonic core dry (waterless) drilling methodology. Offerors must outline within their Technical Proposal the number of drill technicians and the experience level for each drill technician they intend to provide if awarded a contract.
6. Equipment:
 - a. Drill rig: Minimum LS 600 or state-approved equivalent, track-mounted sonic drill rig, track-mounted supply carriers, additional track-mounted carrier, box truck, and pickup truck.
 - b. Offerors must include information on the equipment to be provided within their Technical Proposal.
7. Drill rig cannot be older than three years unless it has been rebuilt and has the appropriate documentation. Offerors must provide information on the age of the equipment and, if rebuilt, appropriate documentation outlining what was rebuilt and when, within their Technical Proposal.
8. Offerors must provide adequate supplies of tools, drill bits, casing, belts, hoses, fluids, etc. required to complete the project. The TLO will provide fuel however the offeror will be responsible for providing all other fluids, equipment, materials, and supplies required for operation of their equipment. Offerors must identify within their Technical Proposal the anticipated requirements needed to complete the project.
9. Offerors must specify with their Technical Proposal their sonic drilling experience in garnet-epidote containing mineral sands or in similar abrasive minerals containing mineral sands in the Gulf of Alaska.
10. Offerors must specify within their Technical Proposal any contractor staff that will be required to escort their equipment from the contractor's location to and from Ketchikan and by barge from Ketchikan to and from Icy Cape.

d. Responsibilities

The TLO will provide:

- One round-trip transport for the drilling contractor's drill rig, support/supply vehicles, and gear from Ketchikan, Alaska to Icy Cape, Alaska.
 - Round-trip transportation to Icy Cape from Yakutat for contractor's staff. Transport dates and other information are given in Section Three, Scope of Work, above.
 - Room and board at the project site (Icy Cape, AK).
 - Fuel at the project site. Technical Proposals must include estimates of all fuel requirements, to include but not limited to, types of fuel required to operate the equipment and fuel consumption for the equipment based on a 12-hour operation for 60 days.
1. Signature of the Chief Geologist on driller's daily log sheets.
 2. Access to drill sites and clearing and preparation of drill pads.

The Contractor will provide:

- Travel, lodging, and meals from their home location to Yakutat, AK and for any layovers enroute to, or in, Yakutat prior to boarding the TLO chartered flight to Icy Cape. Contractor staff are expected to arrive in Yakutat no earlier than May 30, 2022 for departure to Icy Cape on May 31, 2022. Travel costs are to be included in the cost for mobilization and demobilization for contractor personnel to and from Yakutat from their home location shown on the Cost Proposal. Technical Proposals must include information on travel requirements for contractor staff.
- Estimates of Fuel required to operate the contractor's equipment during mobilization to and demobilization from Ketchikan, Alaska must be included in the mobilization and demobilization costs for equipment offered for this project.
- Drillers will maintain and provide written records of drilling in logs, report to the TLO's Chief Geologist, or his designee, after each shift.
- The contractor will use reasonable commercial efforts to provide required drilling services. The contractor will not be responsible for any performance impaired by abnormal or undisclosed adverse geological conditions of which the contractor could not have reasonably been expected to be aware of prior to the contract start date.
- Contractor staff must be prepared to stay at Icy Cape for the entire field season, including any extensions to the drilling period. For 2022 this is expected to be approximately May 31, 2022 through approximately August 30, 2022. Return travel of staff from Icy Cape to the contractor's home base for emergency or medical reasons may be paid by the TLO at the discretion of the TLO's Chief Geologist. Return travel of staff from Icy Cape to the contractor's home base for disciplinary or other reasons will be at the contractor's sole expense.

e. Other Provisions

Contractor Personnel: The State is authorized to restrict the employment under the contract of any contractor employee or prospective contractor employee who is identified as a potential threat to the health, safety, security, general well-being, or operational mission of the State.

This includes being able to immediately have the contractor remove and replace a contractor's employee at the contractor's sole expense who is or appears to be under the influence of drugs or alcohol, has or appears to have a communicable disease, is or appears to be belligerent or insubordinate, or whose continued presence is deemed contrary to the public or State's best interest. Contractor employees removed at the direction of the State may only be allowed back on the premises at the sole discretion of the TLO.

Non-Operating Costs:

The State will pay an hourly rate for any site-specific training. The State will not pay for driller or technician certification training or any other training that may take place during the time the contractor's staff are enroute to, or at the contract site. Contractor's staff are expected to be fully trained in the equipment they will be using for this project prior to arrival at Yakutat.

The State will pay a daily rate for periods the equipment is not operating due to weather or other unforeseen natural events (earthquake, etc.), or for stoppages required to refuel, replenish fluids (oil, hydraulic fluid, etc.), or replace clogged air or other filters or drill bits required for routine operation of the equipment. The State will not pay a daily or other rate for any period the equipment is non-operational due to equipment breakdowns or for other such reasons.

Final determination on whether a non-operating cost will be paid will rest solely with the TLO's Chief Geologist.

SEC. 3.02 CONTRACT TERM AND WORK SCHEDULE

The length of the contract will be from date of award or January 1, 2022, whichever is earlier, through December 31, 2022. There will be two, one-year renewal options for a contract resulting from this RFP, which are to be exercised at the sole discretion of the State.

The 2022 Field Season for drilling services will start upon arrival of the contractor's equipment in Ketchikan by May 22, 2022, and end upon return of the contractor's equipment to Ketchikan on or about August 20, 2022.

Contractor staff not required to escort drilling equipment to Icy Cape from Ketchikan will arrive in Yakutat by May 30, 2022, for a contracted flight to Icy Cape on May 31, 2022. Information on departure of contractor staff not required to escort drilling equipment from Icy Cape to Ketchikan will be provided when it is known by the TLO.

The 60-day drilling period is expected to begin approximately June 1, 2022, and end approximately July 31, 2022.

Information on Contractor's equipment and personnel arrival dates, locations, and drilling periods for the 2023 and 2024 Field Seasons will be provided to the contractor by the TLO no later than 90 days prior to the start of the Field Season. Extensions for these field seasons will be handled as shown in this RFP.

Drilling Period Extensions: The TLO's Chief Geologist may at his sole discretion and with prior coordination with the DNR Procurement Officer extend the 60-day drilling period on a day-to-day basis for a period not to exceed 30 calendar days. Any extensions will be coordinated with the contractor at least 72 hours in advance of the start of the extension period. Extensions will be paid at the agreed-to drilling cost per day in the accepted proposal.

The TLO's Chief Geologist may at his sole discretion and with prior coordination with the DNR Procurement Officer require additional drilling(s) beyond that anticipated by this RFP. Additional drilling (s) will be coordinated with the contractor and will be paid at the agreed to cost per shift shown in the accepted Cost Proposal.

The approximate contract schedule is as follows:

- 1) Contract Start: January 1, 2022;
- 2) 2022 Field Season Start: May 15, 2022;
- 3) 2022 Drilling Period Begin: June 1, 2022;
- 4) 2022 Drilling Period Ends: July 31, 2022;
- 5) 2022 Field Season Ends: August 30, 2022;
- 6) Initial Contract Ends: December 31, 2022;
- 7) If exercised, contract renewal periods will end December 31, 2024.

Unless otherwise provided in this RFP, the State and the successful offeror/contractor agree: (1) that any extension 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) the procurement officer will provide notice to the contractor of the intent to cancel such month-to-month extension at least 30 days before the desired date of cancellation. A month-to-month extension may only be executed by the procurement officer via a written contract amendment.

SEC. 3.03 DELIVERABLES

The contractor will be required to provide the following deliverables:

1. Approximately 12,000 feet of continuous core samples;
2. Each sample will be provided in a 4-mil thick transparent plastic sleeve approximately 36 inches in length (2.5 feet sample interval), labeled with depth and borehole numbers;
3. Each drill hole must be plugged and a count completed; and
4. Complete Daily Log sheets and have them signed by the Chief Geologist.

SEC. 3.04 CONTRACT TYPE

This contract is a fixed price contract.

SEC. 3.05 PROPOSED PAYMENT PROCEDURES

The state 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 state 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 state 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 Commissioner of the Department of Natural Resources or the Commissioner's designee. Under no conditions will the state be liable for the payment of any interest charges associated with the cost of the contract. The state 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.

Any single contract payment of \$1 million or higher must be accepted by the contractor via Electronic Funds Transfer (EFT).

SEC. 3.08 CONTRACT PRICE ADJUSTMENTS

Not applicable for this RFP.

SEC. 3.09 MANDATORY REPORTING

The contractor must provide a quarterly usage report to the procurement officer in an electronic format (Excel). The report must contain at least the following information: purchasing entity, description of items and/or services purchased, date of purchase, contract price, retail price, extended contract and retail price, and savings.

These reports are due 30 days after the end of each quarter. The contractor's failure to provide these reports as required may result in contract default action.

<u>Reporting Period</u>	<u>Due Date</u>
State Fiscal Quarter 1 (Jul 1 - Sept 30):	Oct 31
State Fiscal Quarter 2 (Oct 1 - Dec 31):	Jan 31
State Fiscal Quarter 3 (Jan 1 - Mar 31):	Apr 30
State Fiscal Quarter 4 (Apr 1 - Jun 30):	Jul 31

Any quarter with zero sales must be reported as zero sales. This may be done via email to the procurement officer.

SEC. 3.10 LOCATION OF WORK

The location(s) the work is to be performed, completed and managed is Icy Cape, Alaska.

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

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

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

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

SEC. 3.11 THIRD-PARTY SERVICE PROVIDERS

Not applicable for this RFP.

SEC. 3.12 SUBCONTRACTORS

Subcontractors will not be allowed.

SEC. 3.13 JOINT VENTURES

Joint ventures will not be allowed.

SEC. 3.14 RIGHT TO INSPECT PLACE OF BUSINESS

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

SEC. 3.15 F.O.B. POINT

All goods purchased through this contract will be F.O.B. final destination. Unless specifically stated otherwise, all prices offered must include the delivery costs to any location within the State of Alaska.

SEC. 3.16 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 or procurement officer. Changes that are not approved by the state may be grounds for the state to terminate the contract.

SEC. 3.17 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 state may employ all reasonable means to ensure that the work is progressing and being performed in compliance with the contract. The project director or procurement officer 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 state to terminate the contract. In this event, the state may require the contractor to reimburse monies paid (based on the identified portion of unacceptable work received) and may seek associated damages.

SEC. 3.18 LIQUIDATED DAMAGES

The state will include liquidated damages in this contract to assure its timely completion. The amount of actual damages will be difficult to determine. The rate of liquidated damages will be based upon an estimated 10% of the contract cost for a maximum of seven calendar days. In no event will the total aggregate liquidated damages payable by the contractor exceed 10% of the total contract price. Liquidated damages will only affect delivery of the contractor's equipment from the contractor's location to Ketchikan, Alaska. The contractor will not be charged liquidated damages when the delay in delivery of the equipment to Ketchikan is caused by the state, its employees, agents or other contractors under contract to the state. Furthermore, liquidated damages will not be charged in the event a delay is a result of force majeure as spelled out in Attachment Two - Standard Contract Form for Goods and Non-Professional Services, Appendix A General Conditions.

If the contractor or transportation agency contracted by the contractor fails to meet the deadline for delivering drilling equipment by May 22, 2022 to Ketchikan, Alaska, or by the date specified by the TLO for subsequent contract years, the state will begin to collect liquidated damages on that date and will continue to collect them until the equipment is delivered to Icy Cape or the seven day maximum or total aggregate amount is reached, whichever occurs first.

If the contractor fails to make the deadline for the scheduled charter barge to Icy Cape from Ketchikan it is the contractor's responsibility to make arrangements for mobilizing the equipment to Icy Cape at the contractor's sole expense.

SEC. 3.19 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 procurement officer has secured any required state approvals necessary for the amendment and issued a written contract amendment, approved by the Commissioner of the Department of Natural Resources or the Commissioner's designee.

SEC. 3.20 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 state in writing if it becomes aware of any storage, disclosure, loss, unauthorized access to or use of the confidential information.

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

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

No pictures of camp or operations may be shared on social media.

If confidential information is requested to be disclosed by the contractor pursuant to a request received by a third party and such disclosure of the confidential information is required under applicable state or federal law,

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

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

SEC. 3.21 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.

SEC. 3.22 INSURANCE REQUIREMENTS

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 procurement 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.

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

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

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.

SEC. 3.23 TERMINATION FOR DEFAULT

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

This clause does not restrict the state's termination rights under the contract provisions of Appendix A, attached in section 8.

SECTION 4. PROPOSAL FORMAT AND CONTENT

SEC. 4.01 PROPOSAL FORMAT AND CONTENT

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

SEC. 4.02 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 state should contact regarding the proposal.

Proposals must confirm that the offeror will comply with all provisions in this RFP; and, if applicable, provide notice that the firm qualifies as an Alaskan bidder. Proposals must be signed by a company officer empowered to bind the company. 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. 4.03 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. 4.04 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 state's project schedule.

SEC. 4.05 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 state's project schedule.

SEC. 4.06 EXPERIENCE AND QUALIFICATIONS

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,
- itemize the total cost and the number of estimated hours for each individual named above.

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

SEC. 4.07 COST PROPOSAL

Offerors must complete and submit this Submittal Form. Proposed costs must all direct and indirect costs associated with the performance of the contract, including, but not limited to, total number of hours at various hourly rates, direct expenses, payroll, supplies, overhead assigned to each person working on the project, percentage of each person's time devoted to the project, and profit. The costs identified on the cost proposal are the total amount of costs to be paid by the state. No additional charges shall be allowed.

SEC. 4.08 EVALUATION CRITERIA

All proposals will be reviewed to determine if they are responsive. Proposals determined to be responsive will be evaluated using the criterion that is set out in section 5.

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 5. EVALUATION CRITERIA AND CONTRACTOR SELECTION

THE TOTAL NUMBER OF POINTS USED TO SCORE THIS PROPOSAL IS 1000

SEC. 5.01 UNDERSTANDING OF THE PROJECT (10%)

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?
- 2) How well has the offeror identified pertinent issues and potential problems related to the project?
- 3) To what degree has the offeror demonstrated an understanding of the deliverables the state expects it to provide?
- 4) Has the offeror demonstrated an understanding of the state's time schedule and can meet it?

SEC. 5.02 METHODOLOGY USED FOR THE PROJECT (25%)

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?
- 2) Is the proposed drill-rig the appropriate rig for 6-inch diameter dry core and how does the method meet the requirements of the RFP?
- 3) How extensive is the proposer's practical experience with drilling 6-inch diameter dry core?
- 4) How well does the work plan and technical requirements submitted match and achieve the objectives set out in the RFP?
- 5) How well does the methodology/work plan interface with the time schedule presented in the RFP?
- 6) How well does the proposal address unanticipated changes such as drilling additional footage or having to extend the expected 60-day drilling period?
- 7) How well does the work plan address safety? Does the offeror demonstrate a commitment to job safety?

SEC. 5.03 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?
- 2) How well is accountability completely and clearly defined?
- 3) Is the organization of the project team clear?
- 4) How well does the management plan illustrate the lines of authority and communication?

- 5) To what extent does the offeror already have the hardware, software, equipment, and licenses necessary to perform the contract?
- 6) Does it appear that the offeror can meet the schedule set out in the RFP?
- 7) Has the offeror gone beyond the minimum tasks necessary to meet the objectives of the RFP?
- 8) To what degree is the proposal practical and feasible?
- 9) To what extent has the offeror identified pertinent issues, potential problems and their solutions related to this project?
- 10) To what extent has the offeror provided information about back-up equipment, parts and the ability to perform field repairs in a remote location?
- 11) Does the offeror demonstrate an ability to accommodate change at the work site or additional, but similar work if added to the scope?

SEC. 5.04 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?
- b) Are resumes complete and do they demonstrate backgrounds that would be desirable for individuals engaged in the work the project requires?
- c) How extensive is the applicable education and experience of the personnel designated to work on the project?

2) *Questions regarding the firm and subcontractor (if used):*

- a) How well has the firm demonstrated experience in completing similar projects on time and within budget?
- b) Does the contractor have experience in drilling garnet-epidote abrasive sands?
- c) How successful is the general history of the firm regarding timely and successful completion of projects?
- d) Has the firm provided letters of reference from previous clients?
- e) If a subcontractor will perform work on the contract, how well do they measure up to the evaluation used for the offeror?

SEC. 5.05 CONTRACT COST (20%)

Overall, a minimum of 20% of the total evaluation points will be assigned to cost. The cost amount used for evaluation may be affected by one or more of the preferences referenced under Section 6.11.

Converting Cost to Points

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

SEC. 5.06 ALASKA OFFEROR PREFERENCE (10%)

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

SECTION 6. GENERAL PROCESS INFORMATION

SEC. 6.01 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. 6.02 ALASKA BUSINESS LICENSE AND OTHER REQUIRED LICENSES

Prior to the award of a contract, an offeror must hold a valid Alaska business license. However, in order to receive the Alaska Bidder Preference and other related preferences, such as the Alaska Veteran Preference 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. 6.03 SITE INSPECTION

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

SEC. 6.04 CLARIFICATION OF OFFERS

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

SEC. 6.05 DISCUSSIONS WITH OFFERORS

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

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

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

SEC. 6.06 EVALUATION OF PROPOSALS

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

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. 6.07 CONTRACT NEGOTIATION

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

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

SEC. 6.08 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 state, after a good faith effort, simply cannot come to terms,

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

SEC. 6.09 OFFEROR NOTIFICATION OF SELECTION

After the completion of contract negotiation, the procurement officer will issue a written Notice of Intent to Award and send copies of that notice to all offerors who submitted proposals. The notice will set out the names of all offerors and identify the offeror selected for award.

SEC. 6.10 PROTEST

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

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

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

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

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

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

- 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.

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 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. 6.11 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 Shared 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)

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

Sec. 6.12 ALASKA BIDDER PREFERENCE

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

- 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 former AS 32.05, 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 Certification Form

In order to receive the Alaska Bidder Preference, the proposal must include the Alaska Bidder Preference Certification Form attached to this RFP. An offeror does not need to complete the Alaska Veteran Preference questions on the form if not claiming the Alaska Veteran Preference. An offeror's failure to provide this completed form with their proposal will cause the state to disallow the preference.

SEC. 6.13 ALASKA VETERAN PREFERENCE

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

- A. sole proprietorship owned by an Alaska veteran;
- B. partnership under AS 32.06 or AS 32.11 if a majority of the partners are Alaska veterans;
- 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.

In accordance with AS 36.30.321(i), the bidder must also add value by actually performing, controlling, managing, and supervising the services provided, or for supplies, the bidder must have sold supplies of the general nature solicited to other state agencies, other government, or the general public.

Alaska Veteran Preference Certification

In order to receive the Alaska Veteran Preference, the proposal must include the Alaska Bidder Preference Certification Form attached to this RFP. An offeror's failure to provide this completed form with their proposal will cause the state to disallow the preference.

SEC. 6.14 ALASKA OFFEROR PREFERENCE

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

SEC. 6.15 FORMULA USED TO CONVERT COST TO POINTS

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

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

SEC. 6.16 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 Total Points Available in RFP x 10% Alaska Offeror preference = 10 Points for the preference

STEP 2

Determine which offerors qualify as Alaska bidders and thus, are eligible for the Alaska Offeror 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 Offeror Preference	10 points
Offeror #3	80 points	Alaska Offeror Preference	10 points

STEP 3

Add the applicable Alaska Offeror preference amounts to the offerors' 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 responsive and responsible.

SECTION 7. GENERAL LEGAL INFORMATION

SEC. 7.01 STANDARD CONTRACT PROVISIONS

The contractor will be required to sign and submit the State's Standard Contract Form for Goods and Non-Professional Services (form SCF.DOC/Appendix A). This form is attached in section 8 for your review. The contractor must comply with the contract provisions set out in this attachment. No alteration of these provisions will be permitted without prior written approval from the Department of Law. Objections to any of the provisions in Appendix A must be set out in the offeror's proposal in a separate document. Please include the following information with any change that you are proposing:

1. Identify the provision the offeror takes exception with.
2. Identify why the provision is unjust, unreasonable, etc.
3. Identify exactly what suggested changes should be made.

SEC. 7.02 QUALIFIED OFFERORS

Per 2 AAC 12.875, unless provided for otherwise in the RFP, to qualify as an offeror for award of a contract issued under AS 36.30, the offeror must:

- 1) Add value in the contract by actually performing, controlling, managing, or supervising the services to be provided; or
- 2) Be in the business of selling and have actually sold on a regular basis the supplies that are the subject of the RFP.

If the offeror leases services or supplies or acts as a broker or agency in providing the services or supplies in order to meet these requirements, the procurement officer may not accept the offeror as a qualified offeror under AS 36.30.

SEC. 7.03 PROPOSAL AS PART OF THE CONTRACT

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

SEC. 7.04 ADDITIONAL TERMS AND CONDITIONS

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

SEC. 7.05 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: <https://www.state.gov/trafficking-in-persons-report/>

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

SEC. 7.06 RIGHT OF REJECTION

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

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

Minor informalities that:

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

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

SEC. 7.07 STATE NOT RESPONSIBLE FOR PREPARATION COSTS

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

SEC. 7.08 DISCLOSURE OF PROPOSAL CONTENTS

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

The Office of Procurement and Property Management (OPPM), or their designee recognizes that some information an offeror submits might be confidential under the United States or the State of Alaska Constitution, a federal statute or regulation, or a State of Alaska statute: i.e., might be confidential business information (CBI). *See, e.g.*, article 1, section 1 of the Alaska Constitution; AS 45.50.910 – 45.50.945 (the Alaska Uniform Trade Secrets Act); *DNR v. Arctic Slope Regional Corp.*, 834 P.2d 134, 137-39 (Alaska 1991). For OPPM or their designee to treat information an offeror submits with its proposal as CBI, the offeror must do the following when submitting their proposal: (1) mark the specific information it asserts is CBI; and (2) for each discrete set of such information, identify, in writing, each authority the offeror asserts make the information CBI. If the offeror does not do these things, the information will become public after the Notice of Intent to Award is issued. If the offeror does these things, OPPM or their designee will evaluate the offeror's assertion upon receiving a request for the information.

If OPPM or their designee reject the assertion, they will, to the extent permitted by federal and State of Alaska law, undertake reasonable measures to give the offeror an opportunity to object to the disclosure of the information.

SEC. 7.09 ASSIGNMENTS

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. Proposals that are conditioned upon the state's approval of an assignment will be rejected as non-responsive.

SEC. 7.10 DISPUTES

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

SEC. 7.11 SEVERABILITY

If any provision of the contract is found to be invalid or 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. 7.12 SUPPLEMENTAL TERMS AND CONDITIONS

Proposals must comply with section 7.06. However, if the state fails to identify or detect supplemental terms or conditions that conflict with those contained in this RFP or that diminish the state's rights under any contract resulting from the RFP, the term(s) or condition(s) will be considered null and void. After award of contract:

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 state's rights would be diminished as a result of application of a supplemental term or condition included in the proposal, the supplemental term or condition will be considered null and void.

SEC. 7.13 SOLICITATION ADVERTISING

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

SEC. 7.14 FEDERALLY IMPOSED TARIFFS

Changes in price (increase or decrease) resulting directly from a new or updated federal tariff, excise tax, or duty, imposed after contract award may be adjusted during the contract period or before delivery into the United States via contract amendment.

- **Notification of Changes:** The contractor must promptly notify the procurement officer in writing of any new, increased, or decreased Federal excise tax or duty that may result in either an increase or decrease in the contact price and shall take appropriate action as directed by the procurement officer.

- **After-imposed or Increased Taxes and Duties:** Any federal excise tax or duty for goods or services covered by this contract that was exempted or excluded on the contract award date but later imposed on the contractor during the contract period, as the result of legislative, judicial, or administrative action may result in a price increase provided:
 - a) The tax or duty takes effect after the contract award date and isn't otherwise addressed by the contract;
 - b) The contractor warrants, in writing, that no amount of the newly imposed federal excise tax or duty or rate increase was included in the contract price, as a contingency or otherwise.
- **After-relieved or Decreased Taxes and Duties:** The contract price shall be decreased by the amount of any decrease in federal excise tax or duty for goods or services under the contract, except social security or other employment taxes, that the contractor is required to pay or bear, or does not obtain a refund of, through the contractor's fault, negligence, or failure to follow instructions of the procurement officer.
- **State's Ability to Make Changes:** The state reserves the right to request verification of Federal excise tax or duty amounts on goods or services covered by this contract and increase or decrease the contract price accordingly.
- **Price Change Threshold:** No adjustment shall be made in the contract price under this clause unless the amount of the adjustment exceeds \$250.

SECTION 8. ATTACHMENTS

SEC. 8.01 ATTACHMENTS

Attachments:

- 1) Cost Proposal
- 2) Standard Contract Form for Goods and Non-Professional Services

ATTACHMENT 1 COST PROPOSAL FORM

Offerors shall complete the information below. Failure to complete this Cost Proposal Form shall result in the offerors proposal being deemed non-responsive and not evaluated.

Offerors are to submit their costs using this Cost Proposal Form. The Cost Proposal will be evaluated based on the proposed Total Contract Cost as provided by the offeror. Prices are to remain firm for the duration of the contract and are to include all direct and indirect costs associated with providing required services, to include but not limited to: payroll, materials, supplies, equipment, labor, overhead, and profit. Operating and non-operating costs to provide required services including but not limited to: site-specific training, drill daily equipment rate (based on a production rate of 200 feet per shift), sonic drilling cost per foot, daily staff costs, cost for spare parts, equipment, and accessories and all other direct and indirect expenses required to provide required services.

As stated in this RFP, the quantities of services are as needed. The State will only pay for actual services provided. The amount of services needed may vary based upon the actual needs of the State. The State does not guarantee a minimum or maximum amount of services under any contract resulting from this RFP. The rates listed on the offerors Cost Proposal Form will be used if services are required.

1. COSTS OFFERED:

A. Offered Operating Cost:

1. Cost for mobilization and demobilization of equipment:
 - a. Mobilization to Ketchikan from _____ (home Base): \$_____.
 - b. Demobilization from Ketchikan to _____ (home base): \$_____.
 - c. Total cost for Mobilization and Demobilization of equipment: \$_____.
 2. Cost for mobilization and demobilization of contractor staff:
 - a. Mobilization to Yakutat from _____ (home base): \$_____.
 - b. Demobilization from Yakutat to _____ (home base): \$_____.
 - c. Total cost for Mobilization and Demobilization of contractor staff: \$_____.
 3. Non-operating cost for site-specific training:
 - a. Estimated _____ hours x \$_____ cost per hour = \$_____.
 4. Operating Cost for Drilling:
 - a. Rig #1: \$_____ for one shift per day x 60 days = \$_____.
 - b. Total cost for drilling: \$_____.
 5. **Total Contract Cost (sum of 1c + 2c + 3a + 4b):** \$_____.
-

6. Offered Standby Cost for equipment during period of non-usage:
\$_____ per day for Rig #1.

ATTACHMENT 1
COST PROPOSAL FORM (continued)

Offerors shall complete the information below. Failure to complete this Cost Proposal Form shall result in the offerors proposal being deemed non-responsive and not evaluated.

Company Name:
Authorized Representative's Printed Name:
Authorized Representative's Signature:
Date Cost Proposal Signed:

2. PREFERENCE CERTIFICATION:

ITEM	QUESTION	YES	NO
1.	Does your company qualify for the Alaska Bidder's Preference?		
2.	Does your company qualify for the Alaska Veteran's Preference? If yes, provide a copy of your DD 214 with your service/social security number, date of birth, and other Privacy Act protected information redacted or "inked" out.		
3.	Does your company qualify for the Alaskans with Disabilities preference? If yes, you must provide a copy of your certification letter issued by the Division of Vocational Rehabilitation to receive this preference.		
4.	Does your company qualify for the Employment Program Preference? If yes, you must provide a copy of your certification letter issued by the Division of Vocational Rehabilitation to receive this preference.		

STANDARD CONTRACT FORM

Goods and Non-Professional Services

The parties' contract comprises this Standard Contract Form, as well as its referenced Articles and their associated Appendices

1. Agency Contract Number	2. Contract Title	3. Agency Fund Code See Appendix D	4. Agency Appropriation Code See Appendix D
5. Vendor Number	6. IRIS Document ID #	7. Alaska Business License Number	
This contract is between the State of Alaska,			
8. Department of	Division	hereafter the State, and	
9. Contractor hereafter the Contractor			
Mailing Address	Street or P.O. Box	City	State ZIP+4

10.

ARTICLE 1. Appendices: Appendices referred to in this contract and attached to it are considered part of it.

ARTICLE 2. Performance of Contract:

- 2.1 Appendix A (General Conditions), Items 1 through 18, govern contract performance.
- 2.2 Appendix B sets forth the liability and insurance provisions of this contract.
- 2.3 Appendix C sets forth the scope of work/services to be performed by the contractor.

ARTICLE 3. Period of Performance: The period of performance for this contract begins _____, and ends _____.

ARTICLE 4. Considerations:

- 4.1 In full consideration of the contractor's performance under this contract, the State shall pay the contractor a sum not to exceed \$_____ in accordance with the provisions of Appendix D.
- 4.2 When billing the State, the contractor shall refer to the Agency Contract Number and send the billing to:

11. Department of	Attention: Division of
Mailing Address	Attention:

12. CONTRACTOR	13. CONTRACTING AGENCY
Name of Firm	Department/Division
Signature of Authorized Representative	Signature of Procurement Officer
Typed or Printed Name of Authorized Representative	Typed or Printed Name of Procurement Officer
Date	Date

APPENDIX A

GENERAL CONDITIONS

1. Inspections and Reports:

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

2. Suitable Materials, Etc.:

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

3. Disputes:

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

4. Default:

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

5. No Assignment or Delegation:

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

6. No Additional Work or Material:

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

7. Independent Contractor:

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

8. Payment of Taxes:

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

9. Compliance:

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

10. Conflicting Provisions:

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

11. Officials Not to Benefit:

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

12. Contract Prices:

Contract prices for commodities must be in U.S. funds and include applicable federal duty, brokerage fees, packaging, and transportation cost to the FOB point so that upon transfer of title the commodity can be utilized without further cost. Prices for services must be in U.S. funds and include applicable federal duty, brokerage fee, packaging, and transportation cost so that the services can be provided without further cost.

13. Contract Funding:

Contractors are advised that funds are available for the initial purchase and/or the first term of the contract. Payment and performance obligations for succeeding purchases and/or additional terms of the contract are subject to the availability and appropriation of funds.

14. Force Majeure:

The parties to this contract are not liable for the consequences of any failure to perform, or default in performing, any of their obligations under this Agreement, if that failure or default is caused by any unforeseeable Force Majeure, beyond the control of, and without the fault or negligence of, the respective party. For the purposes of this Agreement, Force Majeure will mean war (whether declared or not); revolution; invasion; insurrection; riot; civil commotion; sabotage; military or usurped power; lightning; explosion; fire; storm; drought; flood; earthquake; epidemic; quarantine; strikes; acts or restraints of governmental authorities affecting the project or directly or indirectly prohibiting or restricting the furnishing or use of materials or labor required; inability to secure materials, machinery, equipment or labor because of priority, allocation or other regulations of any governmental authorities.

15. Contract Extension:

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

16. Severability:

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

17. Continuing Obligation of Contractor:

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

18. Governing Law; Forum Selection

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