



REQUEST FOR QUOTATION

Request for Quotation (RFQ) 10-024-22
Placer Overflight Inspections, Fixed Wing Charter Services
Quotations will be received until 2:00 PM Alaska Standard
Time, February 24, 2022

PURCHASING OFFICE

Department of Natural Resources
Support Services Division,
550 West 7th Ave. Suite 1330
Anchorage, Alaska 99501

Page: 1 of 14 Date: February 15, 2022

VENDOR NOTICE (This is NOT a Purchase Order)

This is an informal quotation that will not be read at public opening. The information may be publicly reviewed after award. The terms and conditions should be reviewed and understood before preparing a quotation. The quotation shall be the best net price, FOB destination, to include all delivery charges, but exclude applicable taxes. Delivery schedule and discount for early payment shall be indicated in the spaces provided below. Return the quotation by the above time and date to the above address. Please reference the Buyer's name and the RFQ number on the outside of the return envelope.

WORKSITE LOCATION:

Department of Natural Resources, Division of Mining, Land and
Water, 550 W. 7th Avenue, Anchorage AK 99501

BUYER:

[Tamra Czerny](#), Procurement Specialist, Phone: 907-269-8665,
Email: tamra.czerny@alaska.gov

VENDOR QUOTATION

Description of Goods or Services

PLACER MINE OVERFLIGHT INSPECTIONS, FIXED WING CHARTER SERVICES

PURPOSE

The Department of Natural Resources (DNR), Division of Mining, Land, and Water (ML&W) is soliciting competitive quotes to provide fixed wing air charter services on an as-needed basis for Placer Mine overflight inspections as specified within this RFQ.

PERIOD OF PERFORMANCE

The contract term shall begin May 01, 2022, through April 30, 2025. There will be no renewal options associated with the resulting contract.

Performance dates will vary but typically are from June 1st thru October 31st.

DNR may enter into a month-to-month holdover extension, prior to the expiration of the current contract term. All exercised month-to-month holdover extensions shall be executed via written amendment to the contract. DNR will provide the Contractor written notice 30 calendar days prior to cancellation of any month-to-month holdover extension. The total cumulative dollar amount of each month-to-month holdover extension shall not exceed the unanticipated amendment limitations stated in Alaska Administrative Manual 81.700. All other terms and conditions specified by the contract shall remain the same during any month-to-month holdover extension period.

METHOD OF AWARD

Award will be based on Total Contract Cost indicated on line three of the quote schedule to the lowest responsive and responsible offeror. Offerors must quote all items within the lot to be considered responsive. Failure to quote on all items within the lot will cause DNR to consider the offer non-responsive and the offer will be rejected by DNR.

CONTRACT PRICES

Contract prices are to remain firm throughout the duration of the contract and any extension or renewal of the contract, unless authorized in writing by DNR.

SCOPE OF WORK

1. Depending on conditions, the contractor shall be required to provide either a STOL Helio Courier or State-approved equivalent and a Cessna 206 or 207 or State-approved equivalent aircraft.
2. Minimum requirements for the contractor and aircraft are:
 - (a) Part 135 operator;
 - (b) Capable of carrying up to a minimum of three passengers;
 - (c) Capable of short takeoff and landing on unimproved strips/gravel bars/ridge tops/sand dunes/or other unimproved surfaces;
 - (d) Have regular or extended tanks for up to approximately six to eight hour total flight time;
 - (e) Capable of being equipped with tundra tires;
 - (f) Provide experienced pilots, preferably who are familiar with mining districts in the State of Alaska;
 - (g) Be equipped with satellite tracking and emergency beacons;
 - (h) Have headsets with intercom capabilities for all passengers;
 - (i) Be equipped with FM radio; and
 - (j) Be equipped with aircraft GPS with map display.
3. The aircraft will be used as transportation to overfly and photograph entire mining districts. Numerous mining districts can be overflown in a single day with one tank of fuel, but the more distant districts will require refueling at airports with commercially available fuel. If refueling is required, cost of the fuel is to be shown separately on the Contractor's invoice and a copy of the receipt for fuel is to be attached to the contractor's invoice. The State will only pay actual cost of the fuel without any Contractor mark-ups, fees, or other charges, and only for actual fuel used in the performance of the mission.
4. Multi-day trips may be required during the performance of the contract. Multi-day trips typically range from a single to four overnights, will usually land at remote locations, and pilots shall be responsible for providing their own lodging, meals, bedding, clothing, ground transportation, and any other supplies, equipment, etc. that may be necessary to support themselves during the stay. Remote camp sites are anywhere a plane can land including but not limited to primitive airstrips, sand bars, dunes, and appropriate ridge tops or divides. When staying in villages, staff typically camp at the airstrip, walk to town, and pay out of pocket for meals if available. Any pilot expenses for overnight trips are to be factored in with the daily rate with overnight cost offered in the RFQ Quote Schedule.
5. Special use flights may be chartered in response to specific complaints, concerns, or emergencies that require an inspection. Special use flights will be paid at either the daily availability or hourly flight rate depending on the State's requirement.

SCOPE OF WORK (cont'd)

6. All flights will originate and end at Fairbanks International Airport (FAI). Billable flight time for flights will be roundtrip from FAI. The Contractor is to factor in the cost of ferrying to and from FAI into their hourly flight rate.
7. Scheduling will be provided to the Contractor by ML&W at the beginning of the contract period. The Contractor must have the ability to reschedule, pending aircraft availability, and if necessary, cancel flights depending on weather conditions, wildland fires, or unforeseen scheduling conflicts. Short notice, special use, or unanticipated flights will be dependent upon the availability of aircraft.
8. The contractor must have and maintain current aircraft, pilot, and mechanic certifications during the contract period. Copies of Certifications are to be provided to the State upon one day written request. Costs to obtain and maintain certifications will be at the Contractor's sole expense.

ESTIMATED QUANTITIES:

The State estimates a total cost not to exceed **\$100,000.00** for all services provided under a contract resulting from this RFQ. This is only an estimate and is based on past costs for similar charters. The State does not guarantee a minimum or maximum number of flights or dollar amount to be spent under any contract resulting from this RFQ.

ENROLLMENT IN IRIS

Offerors will be required to be enrolled in the State of Alaska's Integrated Resource Information System (IRIS) database prior to award of a contract resulting from this RFQ. Enrollment can be done online at the following link: <https://iris-vss.alaska.gov/webapp/PRDVSS1X1/AltSelfService>. Offerors who are not enrolled in IRIS prior to award of a contract will be notified by the Procurement Officer. Failure of an offeror to enroll in the IRIS database will delay award of a contract.

QUOTE SUBMITTAL

Quotes are due no later than **2:00 PM** Alaska Time on **February 24, 2022**, via email to tamra.czerny@alaska.gov, or mailed/hand delivered to DNR/SSD 550 W. 7th Ave. Suite 1330, Anchorage, AK 99501. Responses received after this date and time will be considered non-responsive and will be rejected.

QUOTE SCHEDULE

Offerors are to submit their quotes using this Quote Schedule. Quote prices are to remain firm for the duration of the contract and are to include all costs associated with providing required goods or services, including, but not limited to, direct expenses, payroll, supplies, equipment, overhead, and profit. The Total Contract Cost shown on this form is the cost that will be used for evaluation and award purposes under this RFQ.

1. STOL Aircraft, Helio Courier or State-approved equivalent:

(a) Daily Availability Rate: \$_____ per day.

(b) Daily Availability Rate with Overnight stay:

\$_____ per day x 2 days (2 flight days + 1 overnight) = \$_____ extended cost.

(c) Hourly Flight Rate (**wet only**): \$_____ per hour.

(d) **For Quote Evaluation Purposes Only:**

Cost for a six-hour roundtrip flight from FAI will be \$_____.

This cost is broken down as follows: \$_____ per hour flight time + \$_____ for (list additional costs below)

_____.

(e) **Aircraft Information:**

Make and Model: _____

Number of Seats, including pilot: _____

FAA License Number: _____

Maximum Passenger Capacity: _____

Base Location: _____

Description of Goods or Services

2. Cessna 206 or 207, or State-approved equivalent:

(a) Daily Availability Rate: \$_____ per day.

(b) Daily Availability Rate with Overnight stay:

\$_____ per day x 2 days (2 flight days + 1 overnight) = \$_____ extended cost.

(c) Hourly Flight Rate (**wet only**): \$_____ per hour.

(d) For Quote Evaluation Purposes Only:

Cost for a six-hour roundtrip flight from FAI will be \$_____.

This cost is broken down as follows: \$_____ per hour flight time + \$_____ for (list additional costs below)

_____.

(e) Aircraft Information:

Make and Model: _____

Number of Seats, including pilot: _____

FAA License Number: _____

Maximum Passenger Capacity: _____

Base Location: _____

3. Total Contract Cost (sum of 1(d) and 2 (d) above): \$_____.

THIS SECTION MUST BE COMPLETED BY VENDOR

Delivery shall be made _____ calendar days after receipt of order.

Payment Terms: _____

Company Name	Address	City	State	ZIP Code	Phone Number
Alaska Business License No.	Vendor Customer No.	Do you qualify for the Alaska Bidders' Preference? [] Yes [] No			
<div style="display: flex; justify-content: space-between;"> <div>_____ Signature</div> <div>_____ Date</div> </div>		Do you qualify for the Alaska Veteran Preference? [] Yes [] No			
		<div style="border-top: 1px solid black; width: 100%;"></div> <div style="text-align: center;">Typed Name and Title</div>			

INSTRUCTIONS AND TERMS AND CONDITIONS

1. REQUEST FOR QUOTATION (RFQ) REVIEW

Offerors shall carefully review this RFQ for defects and questionable or objectionable material. Offerors' comments concerning defects and questionable or objectionable material in the RFQ must be made in writing and received by the purchasing authority before the date and time set for receipt of quotes. This will allow time for an amendment to be issued if one is required. It will also help prevent the opening of a defective quote, upon which award cannot be made, and the resultant exposure of offerors' prices. Offerors' original comments should be sent to the purchasing authority listed on the front of this RFQ.

2. QUOTATION FORMS

Offerors shall use this and attached forms in submitting quotes. A photocopied quote may be submitted.

3. SUBMISSION

Quotations shall be signed where applicable and received at the designated Purchasing Office no later than as indicated.

4. QUOTE REJECTION

The State reserves the right to reject any or all quotes, combinations of items, or lot(s), and to waive defects or minor informalities.

5. EXTENSION OF PRICES

In case of error in the extension of prices in the quote, the unit prices will govern; in a lot bid, the lot prices will govern. Negligence by the vendor in preparing the quotation confers no right for the withdrawal of the quotation after it has been opened.

6. ALASKA PROCUREMENT CODE

The Procurement Code (AS.36.30) and its Regulations (2 AAC Ch. 12) are made a part of this document as if fully set forth herein. Note: AS.36.30 and 2 AAC Ch. 12 are available at most public libraries and legislative information offices; and both are available for review at Alaska State Purchasing Offices.

7. PRICES

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

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

8. PAYMENT FOR STATE PURCHASES

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

9. PAYMENT DISCOUNT

Discounts for prompt payment will not be considered in evaluating the price you quote. However, the State shall be entitled to take advantage of any payment discount(s) offered by the vendor provided payment is made within the discount period. Payment discount periods will be computed from the date of receipt of the commodities or services and/or a correct invoice, whichever is later. Unless freight and other charges are itemized, any discount provided will be taken on full amount of invoice.

10. VENDOR TAX ID NUMBER

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

11. 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.

12. SEVERABILITY

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

13. TITLE

Title passes to the State for each item at FOB destination.

14. FILING A PROTEST

An offeror shall attempt to informally resolve a dispute with the procurement officer regarding a small procurement. If the attempt is unsuccessful, the vendor may protest the solicitation or the award of a small procurement contract under AS 36.30.320. The protest must be filed in writing with the commissioner of the purchasing agency or the commissioner's designee and include the following information: (1) the name, address, and telephone number of the protester; (2) the signature of the protester or the protester's representative; (3) identification of the contracting agency and the solicitation or contract at issue; (4) a detailed statement of the legal and factual grounds of the protest, including copies of relevant documents; and (5) the form of relief requested. The protester must file a copy of the protest with the procurement officer for the purchasing agency. Protests will be treated in accordance with AS 36.30.550 and 2 AAC 12.695.

15. COMPLIANCE

In the performance of a contract that results from this RFQ, 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; and pay all applicable federal, state, and borough taxes.

16. SUITABLE MATERIALS, ETC.

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

17. SPECIFICATIONS

Unless otherwise specified in the RFQ, product brand names or model numbers are examples of the type and quality of product required, and are not statements of preference. If the specifications describing an item conflict with a brand name or model number describing the item, the specifications govern. Reference to brand name or number does not preclude an offer of a comparable or better product, if full specifications and descriptive literature are provided for the product. Failure to provide such specifications and descriptive literature may be cause for rejection of the offer.

18. FIRM OFFER

For the purpose of award, offers made in accordance with this RFQ must be good and firm for a period of 90 days from the date of quote opening.

19. QUOTE PREPARATION COSTS

The State is not liable for any costs incurred by the offeror in quote preparation.

20. CONSOLIDATION OF AWARDS

Due to high administrative costs associated with processing of purchase orders, a single low quote of \$50 or less may, at the discretion of the State, be awarded to the next low offeror receiving other awards for consolidation purposes. This paragraph is not subject to the protest terms enumerated in "FILING A PROTEST" above.

21. CONTRACT FUNDING

Offerors 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.

22. CONFLICT OF INTEREST

An officer or employee of the State of Alaska may not seek to acquire, be a party to, or possess a financial interest in, this contract if (1) the officer or employee is an employee of the administrative unit that supervises the award of this contract; or (2) the officer or employee has the power to take or withhold official action so as to affect the award or execution of the contract.

23. ASSIGNMENT(S)

Assignment of rights, duties, or payments under a contract resulting from this RFQ is not permitted unless authorized in writing by the procurement officer of the contracting agency. Quotes that are conditioned upon the State's approval of an assignment will be rejected as nonresponsive.

24. SUBCONTRACTOR(S)

Within five working days of notice from the State, the apparent low bidder must submit a list of the subcontractors that will be used in the performance of the contract. The list must include the name of each subcontractor and the location of the place of business for each subcontractor and evidence of each subcontractor's valid Alaska business license.

25. FORCE MAJEURE (Impossibility to perform)

The parties to a contract resulting from this RFQ are not liable for the consequences of any failure to perform, or default in performing, any of its obligations under the contract, if that failure or default is caused by any unforeseeable Force Majeure, beyond the control of, and without the fault or negligence of, the respective party. For the purposes of this 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.

26. LATE QUOTES

Late quotes are quotes received after the time and date set for receipt of the quotes. Late quotes will not be accepted.

27. CONTRACT EXTENSION

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

28. 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.

29. DISPUTES

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

30. GOVERNING LAW; FORUM SELECTION

A contract resulting from this RFQ is governed by the laws of the State of Alaska. To the extent not otherwise governed by section 29 of these Standard Terms and Conditions, any claim concerning the contract shall be brought only in the Superior Court of the State of Alaska and not elsewhere.

31. CONSUMER ELECTRICAL PRODUCT

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

32. CONTINUING OBLIGATION OF CONTRACTOR

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

33. ORDER DOCUMENTS

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

34. BILLING INSTRUCTIONS

Invoices must be billed to the ordering agency's address shown on the individual Purchase Order, Contract Award or Delivery Order. The ordering agency will make payment after it receives the merchandise or service and the invoice. Questions concerning payment must be addressed to the ordering agency.

35. OFFERORS WITH DISABILITIES

The State of Alaska complies with Title II of the Americans with Disabilities Act of 1990. Individuals with disabilities who may need auxiliary aids, services, and/or special modifications to participate in this procurement should contact the procurement officer named on the cover page of this RFQ as soon as possible, but no later than the date and time quotations are due to make any necessary arrangements.

36. COMPLIANCE WITH ADA

By signature of their quote the bidder certifies that they comply with the Americans with Disabilities Act of 1990 and the regulations issued thereunder by the federal government. Services or activities furnished to the general public on behalf of the State must be fully accessible. This is intended to ensure that agencies are in accordance with 28 CFR Part 35 Section 35.130 and that services, programs or activities furnished to the public through a contract do not subject qualified individuals with a disability to discrimination based on the disability.

37. ALASKA BIDDER PREFERENCE

The award of a contract based on a Request for Quotation (RFQ) will be made to the lowest responsive and responsible bidder after an Alaska bidder preference of 5% has been applied. An "Alaska bidder" is a person who: (1) holds a current Alaska business license; (2) submits a bid for goods, services, or construction under the name as appearing on the person's current Alaska business license; (3) has maintained a place of business within the state staffed by the bidder or an employee of the bidder for a period of six months immediately preceding the date of the bid; (4) is incorporated or qualified to do business under the laws of the state, is a sole proprietorship and the proprietor is a resident of the state, is a limited liability company organized under AS 10.50 and all members are residents of the state, or is a partnership under AS 32.06 or AS 32.11 and all partners are residents of the state; and, (5) if a joint venture, is composed entirely of ventures that qualify under (1) - (4) of this subsection. AS 36.30.170, AS 36.30.321(a) and AS 36.30.990(2).

38. ALASKA VETERAN PREFERENCE

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

39. USE OF LOCAL FOREST PRODUCTS

In a project financed by state money in which the use of timber, lumber and manufactured lumber is required, only timber, lumber and manufactured lumber products originating in this state shall be used unless the use of those products has been determined to be impractical, in accordance with AS 36.15.010 and AS 36.30.322.

40. LOCAL AGRICULTURAL AND FISHERIES PRODUCTS PREFERENCE

When agricultural, dairy, timber, lumber, or fisheries products are purchased using state money, a 7% preference shall be applied to the price of the products harvested in Alaska, or in the case of fisheries products, the products harvested or processed within the jurisdiction of Alaska, in accordance with AS 36.15.050.

41. ALASKA PRODUCT PREFERENCE

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

42. EMPLOYMENT PROGRAM PREFERENCE

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

43. ALASKANS WITH DISABILITIES PREFERENCE

If a bidder qualifies for the Alaskan bidder's preference under AS 36.30.321(a) and AS 36.30.990(2), and is a qualifying entity as defined AS 36.30.321(d), the will be awarded an Alaskans with Disabilities Preference of 10% in accordance with AS 36.30.321(d). A bidder may not receive both an Employment Program Preference and an Alaskans with Disabilities Preference.

44. PREFERENCE QUALIFICATION LETTER

Regarding preferences 42 and 43 above, the Division of Vocational Rehabilitation in the Department of Labor and Workforce Development maintains lists of Alaskan: [1] employment programs that qualify for preference and [2] individuals who qualify for preference as Alaskan's with disabilities. In accordance with AS 36.30.321(i), in order to qualify for one of these preferences, a bidder must add value by actually performing, controlling, managing, and supervising the services provided, or for supplies, a bidder must have sold supplies of the general nature solicited to other state agencies, governments, or the general public.

As evidence of an individual's or a business' qualification for a certain preference, the Division of Vocational Rehabilitation will issue a certification letter. To take advantage of the preferences 42 or 43 above, an individual or business must be on the appropriate Division of Vocational Rehabilitation list at the time the quote is opened, and must attach a copy of their certification letter to their quote. The bidder's failure to provide this certification letter with their quote will cause the State to disallow the preference.

APPENDIX B¹

INDEMNITY AND INSURANCE

WITH FIXED WING PROVISION BASED ON SEATING CAPACITY

Article 1. Indemnification:

The Contractor shall indemnify, hold harmless, and defend the Contracting Agency from and against any claim of, or liability for error, omission or negligent act of the Contractor under this agreement. The Contractor shall not be required to indemnify the Contracting Agency for a claim of, or liability for, the independent negligence of the Contracting Agency. If there is a claim of, or liability for, the joint negligent error or omission of the Contractor and the independent negligence of the Contracting Agency, the indemnification and hold harmless obligation shall be apportioned on a comparative fault basis. "Contractor" and "Contracting Agency," as used within this and the following article, include the employees, agents and other contractors who are directly responsible, respectively, to each. The term "independent negligence" is negligence other than in the Contracting Agency's selection, administration, monitoring, or controlling of the Contractor and in approving or accepting the Contractor's work.

Article 2. Insurance:

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

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

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

2.3 Commercial Automobile Liability Insurance: Covering all vehicles used by the Contractor in the performance of services under this agreement with minimum coverage limits of \$300,000. combined single limit per claim.

2.4 Aircraft Liability Insurance: Covering all aircraft used under this contract, with coverage limits shown below:

2.4.a: 1 to 5 place passenger seating capacity, Contractor must maintain not less than \$150,000 per seat bodily injury or death single and \$1,000,000 per occurrence.

2.4.b: 6 to 10 place passenger seating capacity, Contractor must maintain not less than \$300,000 per seat bodily injury or death single and \$3,000,000 per occurrence.

2.4.c: 11 to 20 place passenger seating capacity, Contractor must maintain not less than \$500,000 per seat bodily injury or death single and \$5,000,000 per occurrence.

2.4.d: 21 and greater passenger seating capacity, Contractor must maintain not less than \$500,000 per seat bodily injury or death single and \$10,000,000 per occurrence.

The State shall be added as Additional Insured. This insurance shall be considered to be primary and non-contributory to any other insurance carried by the State through self-insurance or otherwise. In addition to providing the above insurance coverage Contractor shall, in any contract or agreement with subcontractors performing work, require that all indemnities and waivers of subrogation it obtains, and that any stipulation to be named as an additional insured it obtains, also be extended to waive rights of subrogation against the State of Alaska and to add the State of Alaska as additional named indemnity and as additional insured.