STATE OF ALASKA REQUEST FOR PROPOSALS (RFP)



KOTZEBUE & NOME – BUILD TO SUIT RESIDENTIAL HOUSING UNITS FOR LONG TERM LEASE

RFP 25-12-001-L23

ISSUED OCTOBER 26, 2022

Build to suit 14 Residential Housing Units in Kotzebue and 14 Residential Housing Units in Nome for a total of 28 Residential Housing Units for a long-term lease.

ISSUED BY:

PRIMARY CONTACT:

DEPARTMENT OF PUBLIC SAFETY

DIVISION OF ADMINISTRATIVE SERVICES

Jackie Lea

PROCUREMENT OFFICER jacqueline.lea@alaska.gov

907.269.7661

OFFERORS ARE NOT REQUIRED TO RETURN THIS FORM.

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

1 Rev. 02/20

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SECTION 1. INTRODUCTION & INSTRUCTIONS

SEC. 1.01 PURPOSE OF THE RFP

The Department of Public Safety (DPS), Division of Administrative Services, is soliciting proposals to establish a build to suit long-term lease for fourteen residential units in Kotzebue and fourteen residential units in Nome, for a total of twenty-eight units to be used for Rural Trooper Housing (RTH) and/or state employee housing. Adequate parking for two vehicles is required for each unit with a preferred two car garage. Parking space for recreational vehicles must be provided. Vendors may offer proposals for either the Kotzebue or Nome lease, or both. A more detailed description is provided in **Section 2. LEASE PROVISIONS**.

Offerors are encouraged to file an intent to participate with the Procurement Officer within 30 days of this RFP being issued to receive solicitation updates, amendments, and an invitation to the pre-proposal conference as outlined in Sec. 1.12.

SEC. 1.02 BUDGET

Proposals priced at more than \$4,000.00 per unit per month will be considered non-responsive.

Approval or continuation of a lease resulting from this RFP is contingent upon legislative appropriation.

The state shall not provide initial funding for the construction project. The state agrees to enter into a long-term lease after the structures are built and has provided acceptance of the housing project. For validation of the state's interest in this project and intent to occupy the build-to-suit space, see Attachment Two: Letter of Support signed by the State of Alaska Department of Public Safety Commissioner.

SEC. 1.03 DEADLINE FOR RECEIPT OF PROPOSALS

Proposals must be received no later than 2:00 P.M. prevailing Alaska Time on January 24, 2023. Late proposals or amendments will be disqualified and not opened or accepted for evaluation.

SEC. 1.04 REFERENCES

In order for offers to be considered responsive offerors must provide three references. See Attachment One – Client Reference Form.

An offeror's failure to provide three references may 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: Jackie Lea – PHONE 907.269.7661 – Email jacqueline.lea@alaska.gov

SEC. 1.07 RETURN INSTRUCTIONS

Offerors must submit one electronic copy of their proposal via email to the procurement officer. The <u>technical</u> and <u>cost</u> proposal must be saved as separate PDF documents and emailed to <u>DPS.DAS.Solicitations@alaska.gov</u> 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 907.269.7661 to confirm that the proposal has been received. The state is not responsible for unreadable, corrupt, or missing attachments.

SEC. 1.08 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. 1.09 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. 1.10 AMENDMENTS TO THE RFP

If an amendment is issued before the deadline for receipt of proposals, 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.

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. 1.11 RFP SCHEDULE

RFP schedule set out herein represents the state'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.

ACTIVITY	DATE
Issue Date / RFP Released	October26, 2022
Preproposal Conference via Microsoft Teams	Week of November 28, 2022
Deadline for Receipt of Proposals / Proposal Due Date	January 24, 2023, at 02:00 pm Alaska Time
Proposal Evaluations Complete	Approximately Week of January 30, 2023
Notice of Intent to Award	Approximately Week of January 30, 2023
Lease Issued	Approximately Week of February 13, 2023
Lease Start	September 1, 2024, or ASAP

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 Public Safety, 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. 1.12 PRE-PROPOSAL CONFERENCE

A pre-proposal conference will be held the week of November 28, 2022, via Microsoft Teams. An invite will be sent to all vendors who sign up. The purpose of the conference is to discuss the work to be performed with the prospective offerors and allow them to ask questions concerning the RFP. Questions and answers will be transcribed and sent to prospective offerors as soon as possible after the meeting.

Offerors with a disability needing accommodation should contact the procurement officer prior to the date set for the pre-proposal conference so that reasonable accommodation can be made. Participants who would like to attend the pre-proposal conference must contact the procurement officer to be sent a link for the Microsoft Teams meeting.

SEC. 1.13 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. 1.14 NEWS RELEASES

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

SECTION 2. LEASE PROVISIONS

SEC. 2.01 GENERAL REQUIREMENTS

The Department of Public Safety, Division of Administrative Services, is soliciting proposals to establish a build to suit long-term lease for fourteen residential units in Kotzebue and fourteen residential units in Nome, for a total of twenty-eight units to be used for Rural Trooper Housing (RTH) and/or State employee housing. Additional units are allowed for maximum efficiency in the floorplans as agreed by the Contractor and the state. Vendors may offer proposals for the Kotzebue lease, Nome lease, or both. Proposals shall clearly state which location(s) the vendor is offering. Requirements for each location are the same.

Each unit should have approximately 1,400 square feet of usable living space with three bedrooms and at least 2 bathrooms. Each bedroom shall be a minimum of 120 square feet with a larger master bedroom that is large enough to comfortably accommodate a king size bed and furniture such as two dressers and two nightstands. Up to three units in each location, or up to six units total, will have an alternate floor plan as described in the paragraph below. There will be a common house for each location, one in Kotzebue and one in Nome. Adequate parking for two vehicles is required for each unit with a preferred two car garage. Parking space for recreational vehicles must be provided.

The units in each location that will have an alternate floor plan will be occupied by one or more employees in a "bunk house" configuration. They will have approximately 1,400 square feet of usable living space, with three bedrooms each, and each bedroom with their own private bathroom. Each bedroom shall be a minimum of 120 square feet that is large enough to comfortably accommodate a king size bed and furniture such as two dressers and two nightstands. Each unit will have a shared kitchen, laundry, and family room living space, with independent, lockable, individual bedroom suites.

Each common house will include at minimum a shared event space and shall provide a minimum of 1,000 square feet of usable space with a kitchenette and bathroom facility. The common house is intended to be utilized as a gathering space for the units' occupants.

SEC. 2.02 LEASE LOCATION

Each facility shall be located in a non-disruptive location within/around the community for the well-being of the residents. Location of each facility must be provided in the offeror's proposal.

This lease in its entirety shall be for the sole purpose of leasing to the State of Alaska. The State of Alaska shall sublease the property to State employees and their families.

SEC. 2.03 DATE OF OCCUPANCY

Occupancy for the housing units is required no later than September 1, 2024, or as soon as possible. Any changes to the Date of Occupancy must be agreed upon by both parties. Compliance with all parts of this RFP is required prior to occupancy.

SEC. 2.04 PRE-OCCUPANCY REQUIREMENTS

The spaces shall be delivered ready for occupancy on the date required under the award of this lease. The term "ready for occupancy" requires the space to meet all the requirements of the proposal document and receive a

Certificate of Occupancy (where applicable) from an appropriate building official. If the jurisdiction in which the premises are located does not provide a Certificate of Occupancy, the State may at its own discretion require an occupancy inspection in lieu of the Certificate of Occupancy. The state reserves the right to determine when the space is ready for occupancy. If new construction is offered, incremental completion, inspection and occupancy of units may be considered by the state with a commensurate adjustment to the lease.

SEC. 2.05 PREPARATION FOR OCCUPANCY

In preparing the space for occupancy under the lease resulting from this RFP, the Offeror and its contractors and subcontractors must comply with all applicable federal, state, and local regulations, codes, and laws; and be liable for all required insurance, licenses, permits and bonds; and pay all applicable federal, state and local taxes. Offerors should contact the State of Alaska, Department of Labor, Wage and Hours Administration, 907-269-4900, for information regarding State wage rate requirements. In the absence of local regulations, State codes shall apply. Minimum requirements established in this RFP shall not be construed as lowering the standard established by local regulations, and when local regulations and codes contain more stringent provisions, they shall govern. The successful Offeror shall be responsible for obtaining all permits including costs.

SEC. 2.06 DELIVERY AND CONDITIONS OF PREMISES

The term "ready for occupancy" requires the spaces to meet all the requirements of the RFP. Note: Lessor must comply with Section 2.04 PRE-OCCUPANCY REQUIREMENTS, (including delivery of required documents prior to acceptance and occupancy). The State reserves the right to determine when the space is ready for occupancy.

SEC. 2.07 INITIAL TERM OF LEASE AND RENEWAL OPTIONS

The length of the built to suit lease will be from the lease start date, September 1, 2024, or earlier if completed, for 10 years, with five five-year renewal options. The renewal options shall be exercised at the sole discretion of the State of Alaska, giving the lessor written notice prior to the expiration of the term.

Total length of this build to suit lease contract, if all option periods are exercised, is 35 years.

Unless otherwise provided in this RFP, the state and the successful offeror/lessor agree: (1) that any extension of the lease 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 lessor 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 lease amendment.

SEC. 2.08 LEASE CONTRACT AND PROVISIONS

The lessor shall be required to sign and submit a State of Alaska lease contract upon execution of the lease resulting from this RFP. The lessor shall comply with the lease provisions set out in the State of Alaska lease contract, as amended from time to time. No alteration of these provisions shall be permitted without prior written approval from the Procurement Officer. Objections to any of the provisions in the State of Alaska lease contract must be set out in the offeror's proposal.

SEC. 2.09 LEASE TERMINATION

The state reserves the right to terminate either of the leases or both leases providing a minimum of 6-months written notice. The termination of the lease under this section shall not cause any penalty or termination fee, or liability to be charged to the State and shall not constitute a breach or an event of default by the State.

SEC. 2.10 ORDER OF PRECEDENCE

The terms and conditions in this RFP, appendices, and amendments are made part of any lease contract resulting from this RFP. The order of precedence for the lease contract between the State of Alaska and lessor is established by order of the following documents:

- 1. An amendment to the executed lease contract as provided in this RFP, with the more recent amendment taking precedence over a less recent amendment.
- 2. The State of Alaska lease contract.
- 3. The RFP.
- 4. The lessor's proposal.

The above numbered documents are, collectively, the "contract". In the case of any conflict or inconsistency arising under the contract documents, a document identified with a lower number in this subsection shall supersede a higher numbered document to the extent necessary to resolve any such conflict or inconsistency. No conflict or inconsistency shall be deemed to occur in the event an issue is addressed in one of the above-mentioned contract documents but is not addressed in another of such documents.

Where terms and conditions specified in the lessor's proposal differ from the terms and conditions in lease contract documents 2 and 3, as identified above in Section 2.10 ORDER OF PRECEDENCE, the terms and conditions of documents 2 and 3 shall apply. Where terms and conditions specified in the lessor's proposal supplement the terms and conditions in lease contract documents 2 and 3, as identified above in section 2.10 ORDER OF PRECEDENCE, the supplemental terms and conditions shall apply only if specifically accepted by the Procurement Officer in writing.

SEC. 2.11 RIGHT TO USE

The State shall have the right to use said premises for State employee housing. The State shall not use said premises for any other use without the Lessor's consent, which shall not be unreasonably withheld.

SEC. 2.12 LEASE PAYMENTS

No payment will be made until the contract is approved by the Commissioner of the Department of Public Safety 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).

The lease payments shall be payable on the first day of each and every month of the lease term. Payment for any partial month's occupancy shall be pro-rated, based on a thirty-day month.

The State of Alaska has implemented the State of Alaska Payments Program using the Financial Electronic Data Interchange (EDI) process to enable the electronic transfer of payments directly to a lessor's bank account. The program is designed to transmit payments to lessors more quickly and effectively and eliminates the possibility of lost/stolen warrants. The successful offeror will be sent an EDI Authorization Agreement and information related to the process when this contract is awarded.

SEC. 2.13 CONTRACT PRICE ADJUSTMENTS

Consumer Price Index (CPI): Contract prices will remain firm for through October 1, 2025, or for the first full year after the lease start date.

The contractor may request price adjustments, in writing, 30 days prior to the lease contract renewal date. Requests must be in writing and must be received 30 days prior to the lease contract renewal date. If the contractor fails to request a CPI price adjustment 30 days prior to the lease contract renewal date, the adjustment will be effective 30 days after the state receives their written request.

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

The price adjustment rate will be determined by comparing the percentage difference between the CPI in effect for the base year six-month average (January through June 2024); and each (January through June six-month average) thereafter. The percentage difference between those two CPI issues will be the price adjustment rate. No retroactive contract price adjustments will be allowed.

All price adjustments must be approved by the procurement officer prior to the implementation of the adjusted pricing. Approval shall be in the form of a contract amendment issued by the procurement officer.

SEC. 2.14 LEASE AGREEMENT

The lease contract agreement will be prepared by the state and will include this RFP, including appendices and amendments, and is binding upon the lessor and the state and their respective agents and assigns. Time is of the essence in executing the lease contract agreement.

SEC. 2.15 LEASE IS RECORDABLE

The lessor and state agree to provide such signatures and documentation as will be necessary to record the lease as an encumbrance against the real property on which the lease space is situated.

SEC. 2.16 COSTS TO BE BORNE BY THE LESSOR

Lessor is required to include as part of the lease consideration all repairs and take any action necessary to keep the premises in a fit and habitable condition during the continuance of the lease or any renewal or lease extension thereof. The lessor must furnish city water or potable water to the units. Water must successfully pass testing on an annual basis. The lessor must furnish year around road maintenance from the end of the lessor's owned driveway, easement or access road to a primary or secondary road that is maintained year around by the State of Alaska, Department of Transportation & Public Facilities, or other governmental body. The road maintenance shall include any and all grading, graveling, sanding for ice, snow removal, ditching, and other maintenance required to maintain any access roads in a smooth, safe, passable condition, free of mud, ruts and snow.

SEC. 2.17 COSTS TO BE BORNE BY THE STATE

Pay for all utilities, including heating fuel, electricity, water (if applicable), sewage disposal, and garbage service without additional cost to the lessor.

SEC. 2.18 MOVING COSTS

The lessor shall be responsible for any moving costs associated with moving the occupant or the occupant's household goods during maintenance/repairs or lessor renovations that require household good moves in the performance of the work. If the building becomes untenantable and the occupant must move their household goods, the lessor is responsible for the moving costs to the temporary location and the cost to return to the leased building when the building becomes tenantable again.

SEC. 2.19 RENOVATION

At least every five years of occupancy, at the request of the state, the Lessor shall renovate the space awarded in this RFP by refurbishing, refinishing, or replacing all damaged or worn finishes including: floors, walls, ceilings, window coverings/paint or built-in building furnishings and fixtures.

Specifications for the materials must comply with Section 3 BUILDING REQUIREMENTS.

Lessor is responsible for all costs associated with the renovations, including moving expenses of all fixtures, furniture, and equipment. Lessor shall provide moving boxes, tape and labels if requested by state. Lessor is required to provide the state with a detailed schedule of the planned renovation project for its review and approval.

If the lessor fails to respond to the state's renovation request within 30 days, the state reserves the right to hire competent workers to accomplish such renovation(s) at the lessor's expense.

The state also reserves the right to extend the above time periods if the conditions are in the opinion of the State found to be still in acceptable condition.

SEC. 2.20 FIRE PREVENTION

The lessor shall maintain the building and space occupied in keeping with good fire prevention practices. The state reserves the right at reasonable times to enter and make fire prevention and fire protection inspections of the building and space occupied. If any fire hazard is detected through inspection of the building and space occupied, the detected fire hazard shall be corrected promptly by the lessor, at no expense to the state. The lessor shall furnish two ABC fire extinguishers per unit. A 2 1/2-pound fire extinguisher shall be mounted in each kitchen and a 5-pound fire extinguisher shall be mounted in each boiler room.

SEC. 2.21 ACCIDENT HAZARD

The lessor shall maintain the building free of structural or mechanical hazards. If any accident hazards relative to the structure or building operating equipment are detected through inspections of the space, the hazards shall be corrected by the lessor promptly, at no expense to the state.

SEC. 2.22 INTERRUPTION OF UTILITIES AND SERVICES

In the event, that in the reasonable judgment of the state, the lawful enjoyment of the leased space is threatened by the interruption or severance of utilities and services provided hereunder by the lessor, and when such interruption or severance is due to deliberate, negligent, or tacitly negligent act of the lessor, the state shall have the right to bind such utilities and services as are threatened, in the name of the state. The state shall be free to deduct from the lease payments the costs of such utilities and services, together with all necessary deposits and the State's actual administrative costs necessary to procure the utilities and services.

SEC. 2.23 MAINTENANCE AND REPAIR

The lessor at any time during the continuance of this lease or any renewal or extension thereof shall assume sole responsibility for the maintenance of the demised premises. This responsibility encompasses keeping the premises in fit, habitable, good repair and tenantable condition and maintaining the premises in conformity with this RFP. The term "repair" includes repairs of any type including but not limited to: exterior and interior, structural and nonstructural, routine or periodic, except as in the case of damage arising solely from the negligence of the state's agents or employees. The lessor agrees that after reasonable notice in writing by the state to the effect that the repair, maintenance, or service obligations as specified herein for the demised premises have not been satisfactorily fulfilled; the state can then obtain competent workers to correct the deficiencies. The lessor shall pay all related costs either by direct payment or by the state making the payment to the workers and reducing the rent accordingly.

Lessor must provide the state access to all areas of the building, including, but not limited to: mechanical, electrical, and plumbing systems; the roof; areas above the ceiling; and janitorial closet(s) for the purpose of inspection, and if warranted, testing by the state and its consultants. Lessor will be financially responsible for correcting all of the state's identified deficiencies within ten days of receipt of cure notice. In the event an identified deficiency cannot reasonably be corrected with the ten days, the lessor and state must, within that ten days, mutually agree upon a reasonable timeline for resolution.

Examples of typical property maintenance duties which may fall under these statutory provisions include the lessor's duty to maintain:

- doors, windows, roof, floors, walls and ceilings, ensuring that they do not leak or have holes;
- plumbing that works, does not leak, and provides hot and cold water at reasonable water pressure;
- potable water source;
- a working, safe stove and oven;
- a reliable heating system which provides adequate heat to all rooms;
- a safe electrical wiring system (with no loose or exposed wires, sockets that do not spark and adequate circuit breakers);
- windows or fans that provide fresh air;
- enough garbage cans or dumpsters to provide an adequate and safe trash removal service;
- extermination service if roaches, rats, mice or other pests infest the building, apartment or property;
- proper maintenance of any washing machines, dishwashers, etc., provide by the lessor.
- properly working smoke and carbon monoxide detection devices.
- Lessor must clean all of the HVAC system every five years to include: air ducts, coils, drain pan, registers, grills, air plenum, blower motor and assembly, heat exchanger, air filter, air cleaner, etc.

Lessor must provide written proof of completion of any maintenance requirements to the state upon request.

SEC. 2.24 CASUALTY DAMAGE

The lessor is responsible for the accomplishment and cost of any building alterations that may be required to correct any casualty damage. If said facilities or any part thereof are rendered untenantable, a proportionate part of the rent, according to the extent of such untenantability, will be abated and suspended until said premises are again made tenantable and restored to their former condition. If said premises are made tenantable again within 30 calendar days, the state will return to the facility. In the event the lessor fails to correct casualty damage within 30 calendar days then the state shall have the right to (1) terminate the lease or (2) hire competent workers to correct such damage. The state shall have the right to offset the sum it expends in performing such work against the next installment(s) of rent coming due within the lease.

The Lessor shall hold and save the state, its officers, agents and employees, harmless from liability of any nature or kind, including costs and expenses for or on account of any suits or damages of any character whatsoever resulting from injuries or damages sustained by any person or persons or property by virtue of any act performed by the lessor or the lessor's agents and employees pursuant to this lease. The lessor or his agents shall be liable to the Lessee only for damages to the person, property, guests, and invitees of the Tenant only to the extent that such injuries to those persons or property are caused by the negligence of the Lessor or his agents.

SEC. 2.25 COMPLIANCE WITH LAWS

All building and site improvements shall conform to all applicable federal, state and local laws, ordinances, codes and regulations including occupational health and safety regulations.

The Lessor shall be responsible for the accomplishment and cost of any building alterations which may be required to correct violations of all applicable federal, state and local laws, ordinances, codes, and regulations.

SEC. 2.26 TENANTABILITY

Facilities provided must be tenantable and comply with all laws pertaining to tenantability and the performance of this provision.

- A. All facilities and each unit will be furnished with residential electrical power. The electrical bills for use of electricity after acceptance will be paid by the Lessee and invoiced to: Department of Public Safety, Finance Section, 5700 East Tudor Road, Anchorage, Alaska 99507.
- B. Furnish heating system capable of maintaining an even room temperature of 70 degrees Fahrenheit at a point three feet above the floor in all habitable rooms.
- C. Furnish private bathrooms with flush toilet, bathtub and shower, hot and cold running water with adequate pressure at all lavatories and similar fixtures. Hot water must be provided at a temperature of 120 degrees Fahrenheit.
- D. Keep all common areas of the premises in a clean and safe condition.
- E. Maintain the premises in keeping with good fire prevention practices. The Lessee reserves the right, at reasonable times, to enter and make fire prevention and fire protection inspections of the building and space

occupied. Fire safety items will be immediately corrected by the Lessor. In addition, the Lessee reserves the right to make other inspections such as inspections to determine condition of the housing unit.

- F. Ensure that facilities provided in this lease are tenantable and that they comply with all laws, ordinances, or governmental regulations which includes any building and housing codes concerning fitness for habitation or the construction, maintenance, operation, occupancy, use or appearance of a premise or dwelling unit, except the Americans with Disabilities Act, (ADA) which the Lessor makes no representation concerning. The Lessor agrees to pay the cost of any building alterations which may be needed during the period of the lease for the purpose of correcting any violations of the aforementioned code, regulations, laws, or ordinances as of the date of this lease, except as may be required by the ADA. Lessor shall have no obligation to comply with governmental regulations enacted after the date hereof, unless said regulation specifically applies to all residential leased premises, and except for requirements of the ADA. The Lessor agrees to pay the cost of any building alterations, which may be needed during the period of the lease for the purpose of correcting any violations of the aforementioned code, regulations, laws, or ordinances. If during the term of this lease or any renewal or extension thereof, the premises or any part thereof should be rendered untenantable by public authority, or by fire, flood, or the elements, or any other casualty to the extent that enjoyment of the dwelling unit is substantially impaired, the Lessee shall,
 - 1. abate and suspend a proportionate part of the rent according to the extent of such untenantability until the premises are again made tenantable and restored to their former condition by the Lessor; or,
 - 2. Lessee may hire competent workman to restore the premises with the Lessor bearing all the cost of repairs; or,
 - 3. Immediately vacate the premises and notify the Lessor of the intention to terminate the lease in which case the lease terminates as of the date of vacating.
- G. Maintain the building and premises in good and safe working order and condition. The building and premises will be in compliance with all applicable laws, ordinances, governmental regulations, building and housing codes and The Uniform Housing Code including all mechanical, structural, electrical, plumbing, sanitary, heating, ventilating, and other facilities, equipment and appliances. If the building and premises should become substandard in accordance with Chapter 10 of the Uniform Housing Code, the Lessor will be notified of the substandard condition and the Lessor will within seven days notify the Lessee of the action to be taken to correct the condition and estimated completion date of correcting action. If the premises or a substantial part thereof are thereby rendered substandard and so remain for a period of 30 days, or mutually agreed time, the Lessee may at its option terminate the lease by written notice to the Lessor.

This 30-day period shall not be so restrictedly construed that the Lessee is bound to remain in the lease facility if the facility is unsafe. If warranted due to unsafe condition, Lessee is free to move elsewhere. If the premises are restored to good condition in the 30-day period, Lessee will return to the facility for occupancy.

H. Supply running city water or potable water, hot water, heat, and sanitary facilities. Provide annual water inspection reports. If the Lessor fails to furnish the above, the Lessee may 1) give written notice to the Lessor specifying the breach and may immediately take action to restore reasonable amounts of hot water, running city water or potable water, heat, and sanitary facilities during the period of the Lessor's noncompliance and deduct their actual and reasonable cost from the rent: or 2) procure substitute housing during the period of the Lessor's noncompliance, in which case the Lessee will not pay rent for the period of the Lessor's noncompliance.

- I. Renovate the space by refinishing or replacing all damaged or worn wall, ceiling, floor and window covering at least every five years of occupancy.
- J. The Lessor will give the Lessee 90 days prior to notice to the sale of the property. If the Lessee does not wish to become a competitor in the purchase of the said property, the Lessee will at the time of notice of property sale give written notification as to their desires. If the leased property is sold during the term of the lease, or any extension thereof, the sale will be made subject to all terms of this lease plus the option to purchase provision. This also applies to any sale as a result of an encumbrance on the property that existed prior to the execution of this lease. This lease and all the covenants, provisions and conditions herein contained shall inure to the benefit of and be binding upon the successors and assigns of the parties hereto.
- K. Disclose to the Lessee in writing on or before the commencement of the tenancy the name, address, and telephone number of:
 - 1. The person authorized to manage the premises. There shall always be an authorized manager or designee in-state and available by telephone responsible to manage the premises.
 - 2. The owner of the premises or a person authorized to and on behalf of the owner for the purpose of service of process and the purpose of receiving and receipting of notices and demands. This individual must be located in Alaska.
 - 3. The information required above shall be kept current and this section extends to and is enforceable against any successor landlord, owner, or manager.
- L. Provide and maintain locks and furnish keys reasonably adequate to ensure safety to the tenant's person and property.
- M. Furnish two ABC fire extinguishers for each unit; a 2 1/2 pound mounted in each kitchen and a 5-pound mounted in each boiler room.
- N. Provide annual maintenance and inspection (per N.F.P.A. requirements) of fire extinguisher and smoke detectors. Smoke detectors must be checked annually for proper operation. A licensed fire extinguisher inspector must inspect fire extinguishers.
- O. Schedule routine repairs and maintenance work with the occupant. In all cases the occupant is to receive a minimum of 48 hours' notice prior to any work commencing on the dwelling. This work may be requested by either the Lessor or the Lessee. Emergency repairs will not require the 48-hour notification but will require, when practical, notification of the occupants prior to any work.
- P. Furnish year-round road maintenance from the parking pad to a primary or secondary road that is maintained year around by the State of Alaska Department of Transportation or other governmental body. The road maintenance shall include all grading, graveling, ditching, snow removal and other maintenance required to maintain the driveways and access road in a smooth, passable condition free of mud and ruts.
- Q. Furnish grounds maintenance as needed to grade, ditch, gravel or other grounds care as needed to the grounds, walks and parking pads to prevent erosion, ponding, mud, or improper drainage to occur.

- R. If on-site water and/or sewer system are used, the lot must meet the minimum requirements established by the Department of Environmental Conservation (D.E.C.) for water and sewer systems. Lessor has the option to furnish separate on site D.E.C. approved utilities for each housing unit or furnish water and sewer service from a D.E.C. approved commercial, community, or private utility. If on-site water and/or sewer system are used, the cost of the systems will be included in the price the Lessor agrees to sell the house for under Option to Purchase Provision. If a commercial, community, or private utility is used to serve the units and an election to purchase is exercised, the owner of the utility must agree to continue uninterrupted service at a reasonable cost.
- S. If the premises or any part thereof are rendered untenantable by casualty damage or declared untenantable by a regulatory agency, public official or DPS, a proportionate part of the rent, according to the extent of such untenantability, shall be abated and suspended until the premises are again made tenantable and restored to their former condition.
- T. If the premises or a substantial part thereof are rendered untenantable and remain so for a period of 30 calendar days, the State may, at its option, terminate the lease by written notice to the Lessor. This 30-calendar day period shall not be so restrictively construed that the State is bound to remain in the leased facility if the State's business cannot be safely executed. The State's determination shall be binding regarding tenantability. If untenantable conditions are determined to exist, the State has the right to move elsewhere.
- U. If the premises are made tenantable again within the 30-calendar day period, the State will return to the facility. The State has the right to recover any excess costs, over the abated lease payments, occasioned by relocation due to such untenantable conditions.
- V. In the event the Lessor fails to correct damage or violation(s) within the 30-calendar day period, the State will have the right to terminate the lease, or will have the option of hiring competent workers to correct the damage or violation(s). The Lessor will bear the cost of all such labor and materials. The lessor agrees that damage or violations corrections performed by the State will not be construed to constitute a breach of the terms of this RFP and the subsequent lease.

SEC. 2.27 OTHER MUTUALLY AGREED TERMS AND CONDITIONS

It is mutually agreed by and between the Lessor and Lessee that:

- A. All terms and condition of the preceding covenants of both Lessee and Lessor are agreeable and accepted in their entirety.
 - <u>DISPUTE RESOLUTION</u>: In the event of a dispute between the parties concerning this Agreement, or any events relating thereto, the parties shall first attempt to resolve the dispute through informal negotiations or, if the parties mutually agree, through the use of a third-party mediator or other informal dispute resolution process agreed upon by the parties.
- B. All fixtures and/or equipment of whatsoever nature as shall have been installed in the demised premises by the Lessee, whether permanently affixed thereto or otherwise, shall continue to be the property of the Lessee, and may be removed by it at the expiration or termination of this lease or any renewal and at its own expense repair any injury to the premises resulting from such removal.

- C. If the Lessee shall at any time be in default in the payment of rent herein reserved, or in the performance of any covenants, terms and conditions, or provisions of this lease, and the Lessee shall fail to remedy such default within 60 days after written notice thereof from the Lessor, it shall be lawful for the Lessor to enter upon said premises and again have, repossess, and enjoy the same as if the lease had not been made, and thereupon this lease and everything contained on the part of the Lessor to be done and performed shall cease and determine without prejudice however, it shall be the right of the Lessor to recover from the Lessee all rent due up to the time of such entry. In case of any such default of said term for the highest rent obtainable, and may recover from the Lessee any deficiency between the amount so obtained and the rent herein reserved.
- D. The Lessee shall pay the rent as herein provided, and shall keep, observe, and perform all the covenants of this lease the Lessee shall and may, peaceably and quietly, have, hold, and enjoy the said premises for the term aforesaid.
- E. The Lessee shall notify the lessor of tenant changeover or termination of lease. Upon notification lessee will permit lessor to jointly inspect housing units. The intent of this inspection is to document the condition of the unit and identify maintenance and repair needs.
- F. The lessor will perform inspection of housing units within 15 days from the date of vacating the unit. The lessor will identify and photograph any damages caused by the lessee and notify the State within seven days from inspection. Normal wear and tear and renovations due to the age of the housing unit will not be considered as damages cause by the lessee.
- G. The lessor shall not perform any repair to the damages identified unless; the damages and any costs associated to repair the damages are approved by the State.
- H. The lease and all the terms, provisions and conditions herein contained shall inure to the benefit of and be binding upon the successors and assigns of the parties hereto.

SEC. 2.28 FISCAL NECESSITY – NON-APPROPRIATION OF FUNDS

The fiscal year for the State of Alaska is a twelve-month period beginning July 1 and ending June 30 of the following calendar year. Lease payments from the State are subject to annual appropriation of funds by the Alaska State Legislature. After the initial fiscal term of the lease, the State has the right to terminate this lease in whole, or in part, if (1) the Alaska State Legislature fails to appropriate funds budgeted for continuation of this lease, and/or (2) the Alaska State Legislature fails to appropriate funds to the occupying agency(s) that results in a material alteration or discontinuance, in whole or in part, of the occupying agency(s)' programs. The termination of the lease for fiscal necessity and non-appropriation of funds under this section shall not cause any penalty or liability to be charged to the State, and shall not constitute a breach or an event of default by the State.

SEC. 2.29 LESSOR, LESSOR'S EMPLOYEES AND CONTRACTOR'S SECURITY REQUIREMENT

The State may request fingerprints, Department of Public Safety background clearance or conduct other investigations of the lessor, lessor's employees, or employees of contractors and subcontractors performing work within the space occupied by the State. Should such request be denied or unfulfilled within ten days, the State has the right to terminate the lease or prohibit access of leased space to lessors, employees, contractors, and subcontractors. Should this refusal of access limit routine maintenance or janitorial services to the State, the State

has the right to employ such services independent of the Lessor and to deduct the cost of services from lease payments. The State at its discretion may limit or deny access to individuals in which they deem could be a security risk to the State, its employees, or its mission.

SEC. 2.30 STATE'S RESPONSIBILITIES

The State will:

- 1. use and occupy the premises in a careful and proper manner,
- 2. not use or occupy the premises for any unlawful purposes, Commercial uses of the housing unit are expressly prohibited,
- 3. not assign the lease nor underlet the premises or any part thereof, without the written consent of the lessor provided, however, that such consent shall not be unreasonably withheld,
- 4. not use or occupy the premises or permit the same to be occupied for any purpose or business deemed hazardous or in any way unsafe,
- 5. make no alterations or additions in or to the premises without the written consent of the Lessor, which consent shall not be unreasonably withheld,
- 6. pay monthly rent as stipulated herein,
- 7. leave the premises at the expiration or prior to termination of the lease or any renewal or extension thereof, in as good condition as received, or in which modified by or approved by the lessor, excepting reasonable wear and tear, and/or loss or damage caused by fire, explosions, earthquake, flood, acts of God, other casualty, or as provided for in Section 2.31 INDEMNIFICATION,
- 8. This is a "No-Smoking" unit. If the Lessee's Occupant smokes, Lessee will be assessed for repainting and carpet cleaning at the expiration or termination of the lease or any extension thereof, to the extent needed to restore the premises to "No-Smoking" condition.
- 9. Occupant will be allowed up to two household pets. Any disturbance caused by the pets will be cause for the Lessor to rescind pet privileges. Damage to the premises, including carpet staining and pet odors will require cleaning and/or replacement of the carpeting at the expiration or termination of the lease or any extension thereof, at the Lessee's expense. Damage caused by pets is not considered "normal wear and tear."
- 10. and permit the Lessor to enter the leased premises at reasonable times to examine the conditions of same. All such entry shall be preceded by a minimum of 48 hours' notice to the occupant with the exception of an emergency.

SEC. 2.31 INDEMNIFICATION

The Lessor 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 Lessor under this agreement. The Lessor 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 Lessor and the independent negligence of the contracting agency, the indemnification and hold harmless obligation shall be apportioned on a comparative fault basis. "Lessor" 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 Lessor and in approving or accepting the Lessor's work.

SEC. 2.32 INSURANCE REQUIREMENTS

The successful offeror must secure the insurance coverage required by the state. The coverage must be satisfactory to the Department of Administration Division of Risk Management. An offeror's failure to provide

evidence of such insurance coverage is a material breach and grounds for withdrawal of the award or termination of the contract.

Without limiting Lessor's indemnification, it is agreed that lessor 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 Lessor'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. 2.33 "HANDYMAN" STATUTE REQUIREMENTS

The Lessor shall ensure compliance with Alaska Statute 08.18 governing contractor licensing, insurance, and bonding requirements.

http://www.akleg.gov/basis/statutes.asp#08.18

SEC. 2.34 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.

SEC. 2.35 CONTRACT TYPE

This contract is a firm fixed price contract.

SEC. 2.36 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. 2.37 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. 2.38 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. 2.39 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. 2.40 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 Public Safety or the Commissioner's designee.

SEC. 2.41 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:

Personal cell phone numbers for state employees.

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.

SECTION 3. BUILDING REQUIREMENTS

SEC. 3.01 RESIDENTIAL BUILDING

The residential building shall comply with all state, city, local codes and amendments for the following:

- Electrical
- Mechanical
- Plumbing
- Lighting
- City water or potable water
- Wastewater disposal
- Regulations of the State Fire Marshal
- State and local housing codes
- Alaska Landlord and Tenant Act

SEC. 3.02 TYPE OF BUILDING

The space proposed shall be in a building of sound and substantial construction. The space offered shall be a conventional frame building with each housing unit not less than 1,400 square feet in size; of sound and substantial construction, and shall meet all applicable building codes, life safety codes, regulations and standard building practices of the City, Borough, and State in which located. The building shall be protected against fire and other hazards and shall be provided with ventilation. The building and the area in which it is located shall be clean and free from objectionable odors, vermin, rodents, or other conditions which, in the opinion of the State, will be detrimental to agency operation. The State shall have the right to withhold rent if building is substandard and lessor fails to make corrections after thirty day written notice. The State's opinion shall be binding.

SEC. 3.03 GENERAL REQUIREMENTS

- 1. Modern residential space with ventilation, electrical outlets, heating, lighting, floor coverings, kitchen, three bedrooms, utility room, arctic entrance, closets, and bathroom facilities as more particularly set forth herein, is required. Space is to be in the confines of one building (preferred) or multiple buildings in a contiguous area, and to have furnished all major appliances consisting of kitchen range, refrigerator, dish washer, clothes washer, clothes dryer, and water filtration/purification system. A garbage disposal is preferred, but not required. The exclusive right of the state to the entire building or buildings is mandatory. The building shall be so arranged as to permit exclusive right and entry to the leased area by the occupants. The state shall have full access to and use of all common areas of the building.
- 2. All space shall be available on a 24-hour day, seven days a week basis.
- 3. Each unit must contain at least three bedrooms. Each bedroom shall be a minimum of 120 square feet with a larger master bedroom that is large enough to comfortably accommodate a king size bed and furniture such as two dressers and two night stands.
- 4. Each unit must have adequate hard pack parking for at least two parking spaces with preferred two car garage. Additional parking space for recreational vehicles is required.
- 5. A handrail is required for four or more steps, including landings.
- 6. All outside porches must have railings if they are more than 30 inches from the ground.

- 7. All outside area accessible by the tenant family must be free from debris and hazardous materials (i.e., broken glass, old refrigerators, used car batteries, dilapidated buildings, abandoned vehicles, low-hanging electrical wires, hazardous waste dumps, open sewers, etc.).
- 8. The roof and outside coverings must be weather-tight.
- 9. All windows and doors including hardware must be operational and in good condition.
- 10. All emergency and fire exits must be freely accessible and must be operational. Provide smoke and carbon monoxide (CO) detectors as required under Alaska Statute 18.70.095.
- 11. Maintain in good and safe working order and condition all electrical, plumbing, sanitary, heating, ventilating, air conditioning, kitchen, and other facilities and appliances, including elevators, supplied or required to be supplied by the lessor;
- 12. Supply running water and reasonable amounts of hot water and heat at all times, insofar as energy conditions permit.
- 13. All water heaters must be shielded from the living area.

SEC. 3.04 TYPE AND ARRANGEMENT OF SPACE, COMMON HOUSE UNIT

A common house is defined as a shared event space and shall provide a minimum of 1,000 square feet of usable space with a kitchenette and bathroom facility. The common house is utilized as a gathering space for the units' occupants. The common house must provide meeting space and exercise space, with ventilation, electrical outlets, heating, lighting, windows, and floor coverings. It is preferred to have the meeting space separate from the exercise space by a wall with a door. The exercise space is to provide adequate space for tenants to have exercise equipment set up. All spaces for the common house shall be available on a 24-hour day, seven days a week basis.

SEC. 3.05 KITCHEN REQUIREMENTS

- 1. Each kitchen must be furnished with a stove (electric or gas burner), refrigerator, dishwasher, microwave, and pantry space with shelving. The pantry space must be adequate for a 3-bedroom household.
 - a. All stove burners must work.
 - All stove knobs must be present.
 - c. The fan must be connected to a duct which provides venting to the exterior and the light in the hood must work.
 - d. The seal on the stove must be in good condition.
 - e. The refrigerator must be the proper size relative to the tenant family size.
 - f. The refrigerator must consist of two or more compartments with at least one of the compartments designed for the refrigerated storage of food and designed to be capable of achieving storage temperatures above 32° F (0° C) and below 39° F (3.9° C), and with at least one of the compartments designed for the freezing and storage of food at temperatures below 8° F (-13.3° C) which may be adjusted by the user to a temperature of 0° F (-17.8° C) or below. The source of refrigeration requires single phase, alternating current electric energy input only.
 - g. Refrigerator seals must be in good condition.
 - h. A dishwasher must have a capacity equal to or greater than eight place settings plus six serving pieces. The dishwasher must drain properly, and all seals must be in good condition.

SEC. 3.06 WINDOW COVERING

Interior relites and all outside windows that provide visibility into the lease space from any areas outside of the lease space or outside of the building, including common area corridors or other building occupants' lease space or operating areas, shall be equipped with State approved drapes, blinds, shades or other material ready for use with all necessary hardware. Operation of window coverings and hardware shall be accessible to the tenant. Window coverings shall reduce glare and have an openness factor no greater than 5%. Window covering shall be of good quality and appearance matching the decor of the space and shall adequately reduce incoming heat and light to a comfortable level.

SEC. 3.07 FLOOR COVERING

The entry room, kitchen, laundry room, and bathrooms shall have resilient flooring or ceramic tile. The family rooms and bedrooms have the option to be carpeted or have the resilient flooring or ceramic tile. The state must approve all flooring options.

SEC. 3.08 PAINTING

All exposed surfaces shall be finished to acceptable standards.

Painted surfaces must meet HUD-specified lead-based paint requirements.

Paint for interior walls shall consist of a minimum of one coat of primer with volatile organic compounds (VOC's) less than .9 lbs. per gallon plus two coats of acrylic interior paint with VOC's less than 1.0 lbs. per gallon. Color preferred is off white (other colors may be considered if acceptable by the State).

Paint for interior doors and trim shall consist of a minimum of one coat of acrylic latex primer with VOC's less than .9 lbs. per gallon plus two coats of acrylic semi-gloss interior paint with VOC's less than 1.3 lbs. per gallon.

SEC. 3.09 DOOR HARDWARE

All doors shall be equipped complete with all necessary hardware. All doors that open into public corridors or space shall be furnished with deadbolts that are internally connected to the latch. Doors that are operable with a "one step" process preferred. Except as noted, locks on all entry doors, private office doors and other secure space doors shall be master keyed. Two copies of all exterior and interior keys are required.

The Lessor will allow the State the option of installing and using keypad door locks at the State's expense. At the end of the lease, the State will be responsible for the removal of the keypad door locks.

SEC. 3.10 ELECTRICAL REQUIREMENTS

<u>Power Distribution</u>: The power distribution system serving the leased space shall include distribution equipment to provide 120 volt single phase, and 208 volt or 240 volt single phase power. Receptacle loads, branch circuits, panel boards and feeder loads shall be calculated in accordance with the National Electric Code.

<u>Switching</u>: Individual switching shall be provided for each room or area. Switches shall be located inside the lighted space, adjacent to the entry, accessible with doors open or closed. All light switches must have unbroken cover plates.

<u>Electrical Outlets</u>: Unless otherwise specified, each room should have a minimum of two outlets per room. All electrical outlets must have unbroken cover plates. If the outlet is disconnected, it must be covered.

<u>Documentation</u>: The Lessor shall post an up-to-date floor plan at each circuit breaker panel with labeling to correspond to individual circuit breaker labels.

General Requirements:

- 1. No bare wires, hanging switches, or light fixtures hanging by electrical wires are acceptable in any room accessible by the tenant family including garages, utility rooms, and common areas.
- 2. All permanent light fixtures will be tested.
- 3. All outdoor plug-ins must comply electrically and have functional covers. A minimum of two head bolt heater outlets must be provided for each unit.

Minimum Electrical Requirements for rooms:

Living Room	Two duplex outlets and one permanent light fixture.
Kitchen	Two duplex outlets, two GFCI outlets <u>and</u> one permanent ceiling or wall light fixture that works. One outlet each for refrigerator, dishwasher, stove and microwave.
Bedroom(s)	Two duplex outlets and one permanent light fixture.
Bathroom(s)	One GFCI outlet and One permanent light fixture.
Other Rooms	Two duplex outlets and one permanent light fixture.

SEC. 3.11 MANUFACTURERS' RECOMMENDATION REQUIREMENT

All equipment installed shall be in accordance with Federal, State and local governing authority regulations and in accordance with the intended manufacturer purpose and recommended installation instructions.

SEC. 3.12 ENVIRONMENTAL & LIFE/SAFETY

Lessor agrees to provide a space free from all environmental and life / safety hazards. Lessor agrees that the premises will be in compliance with applicable health and safety standards set forth by OSHA, EPA, and the CDC.

If at any time throughout the tenancy of the lease, and environmental, health, or safety hazard is suspected or identified, the State will provide written notice to the lessor. The lessor agrees to take corrective action to investigate, test and remedy the suspected identified hazard within five business days. If the reported hazard cannot be corrected within five days, the lessor shall within the same five days provide the State with a written plan and timeline for correcting the hazard. If after the sixth working day the lessor has not corrected the hazard or provided a plan and reasonable timeframe for remediation, the State reserves the right to obtain competent workers to remediate the hazard. The lessor shall pay all related costs either by direct payment or by the State making the payment to the workers and reducing the rent accordingly. If work is not completed and corrected to the States satisfaction within thirty days, the State may elect to withhold rent until corrected.

SEC. 3.13 HEATING

A heating system shall be provided to maintain a uniform temperature between 68 degrees and 72 degrees. The temperature shall be maintained throughout all areas with the exception of the garage (if included).

If the temperature is not maintained within the 68 degree to 72 degree range for a period of more than one working day, the lessor shall upon receipt of a written complaint from the State, provide suitable temporary/auxiliary heating or cooling equipment to maintain the temperature in the specified range.

If such temporary/auxiliary equipment is necessary to meet normal weather conditions for more than ten consecutive working days, the lessor will, no later than the eleventh working day, initiate a diligent effort to rectify the deficiency and forward a detailed schedule to the State.

If after thirty consecutive working days the temporary/auxiliary equipment is still necessary to meet normal weather conditions, the State shall be free to hold the lessor in default in accordance with the provisions of this RFP, and seek other space.

"Working days" for the purposes of this section is defined as days normally scheduled by the State as open for the conduct of State business.

The furnace must:

- 1. Be adequate and free from debris and fire hazards.
- 2. Have a manual shut-off.
- 3. Be properly vented.

SEC. 3.14 VENTILATION

The living room, bedrooms and kitchen shall provide windows that open and lock for ventilation. Windows equipped with screens that cover entire opening are preferred. The kitchen shall be equipped with a range hood that is installed in accordance with industry standards and governing regulations.

Minimum Window requirements for rooms:

Living Room	One window – it must open, close, and seal.	
Kitchen	If the window is designed to open, it must open, close and seal.	
Bedrooms	One window – it must open, close, and seal.	
Bathrooms	A means of exhausting air, via window that can open, close, and seal, and/or exhausting fan.	
Other Rooms	All rooms must have a means of natural or artificial illumination.	

SEC. 3.15 PARKING

Parking shall be located within one-hundred feet walking distance of main housing entrance using main pedestrian routes such as sidewalks. Routes using alleyways and/or other private property are not acceptable nor are the routes that could pose a danger to pedestrians.

The location proposed will have adequate hard pack parking for two parking spaces to accommodate a minimum of two full size pickup trucks, and additional parking space for recreational vehicles. Parking spaces for recreational

vehicles must be designated and shall have access to electricity and water for general maintenance. A two-car garage is preferred. On site or street parking will be accepted if authorized by local authorities.

All parking shall be of sufficient size to allow proper parking of the required number of vehicles and shall have a hard and well-drained surface.

A minimum of two head bolt heater electrical outlets sufficient to accommodate engine heaters is required to be provided at each parking space offered.

A preference for a two-car garage; either attached or detached; suitable to accommodate two full-size vehicles.

SEC. 3.16 NOISE

A location having a low level of external noise is desired. The building shall be so located a reasonable distance from commercial enterprises.

SEC. 3.17 BARRIER

There is a need of a visual barrier for the RTH units from any primary road.

SEC. 3.18 STORAGE

A preference for individual bulk, dry storage capability for each housing unit approximately $10' \times 10' \times 8'$. Offeror may offer separate or collocated storage units.

SECTION 4. PROPOSAL FORMAT AND CONTENT

SEC. 4.01 RFP SUBMITTAL FORMS

This RFP contains Submittal Forms, which must be completed by the offeror and submitted with their proposal. An electronic copy of the forms is posted along with this RFP. Offerors shall not re-create these forms, create their own forms, or edit the format structure of the forms unless permitted to do so.

OFFEROR MUST PROVIDE:

- Offeror must submit with the proposal, a detailed floor plan of all areas of the proposed space drawn to 1/8" scale. The plans shall show livable and usable square footage of each room or area; and shall be labeled to show all rooms and areas listed in this RFP.
- Offeror must submit with the proposal a parking layout plan that indicates the total number and location of each parking space the Offeror plans to provide.

Offeror must submit with the proposal a layout showing the proposed exterior and interior of the housing units (i.e. front and rear main entrances, bathroom, living room, dining room, bedrooms, kitchen, utility rooms and common house). The Submittal Forms shall be submitted with the offeror's proposal. Do not include any marketing information in the proposal.

Any proposal that does not follow these requirements may be deemed non-responsive and rejected.

SEC. 4.02 SPECIAL FORMATTING REQUIREMENTS

The offeror must ensure that their proposal meets all special formatting requirements identified in this section.

Documents and Text: All attachment documents must be written in the English language, be single sided, and be single spaced with a minimum font size of 10. Be aware of the size limits for emails per **Section 1.07 RETURN INSTRUCTIONS**.

Submittal Forms and Required Information
Submittal Form A – Offeror Information and Certifications
Submittal Form B – Ownership and Lease Space Information
Submittal Form C – Overall Housing Design and Common House Environment
Submittal Form D – Exterior Environment and Access
Submittal Form E – Interior Environment and Provisions
Submittal Form F – Cost Proposal

Any Submittal Form that is being evaluated and does not follow these instructions may receive a '1' score for the evaluated Submittal Form, or the entire response may be deemed non-responsive and rejected. Failure to submit

any required information or the Submittal Forms will result in the proposal being deemed non-responsive and rejected.

SEC. 4.03 OFFEROR INFORMATION & CERTIFICATIONS (SUBMITTAL FORM A)

The offeror must complete and submit this Submittal Form. The form must be signed by an individual authorized to bind the offeror to the provisions of the RFP.

By signature on the form, the offeror certifies 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) all terms and conditions set out in this RFP;
- e) a condition that the proposal submitted was independently arrived at, without collusion, under penalty of perjury; and
- f) 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.

The Submittal Form also requests the following information:

- a) The complete name and address of offeror's firm along with the offeror's Tax ID.
- b) Information on the person the state should contact regarding the proposal.
- c) Names of critical team members/personnel.
- d) Addenda acknowledgement.
- e) Conflict of interest statement.
- f) Federal requirements.
- g) Alaska preference qualifications.

An offeror's failure to address/respond/include these items may cause the proposal to be determined to be non-responsive and the proposal may be rejected.

SEC. 4.04 OWNERSHIP & LEASE SPACE INFORMAITON (SUBMITTAL FORM B)

Offerors must provide with their proposal the items outlined below. Offers will initially be reviewed to assure compliance with the following minimum responsiveness requirements:

- A. Ownership information
- B. Offered space
- C. Date space may be occupied

- D. Offeror must submit with the proposal a detailed floor plan of all areas of the proposed space drawn to 1/8" scale. The plans shall show livable and usable square footage of each room or area and shall be labeled to show all rooms and areas listed in this RFP.
 - A floor plan must be provided for the alternate floor plan units and the common house in Submittal Form C.
- E. Offeror must submit with the offer a parking layout plan that indicates the total number and location of each parking space the Offeror plans to provide.
- F. Offeror must submit with the proposal a layout showing the proposed exterior and interior of the housing units (i.e. front and rear main entrances, bathroom, living room, dining room, bedrooms, kitchen, utility rooms and common house).

SEC. 4.05 OVERALL HOUSING DESIGN AND COMMMON HOUSE ENVIRONMENT (SUBMITTAL FORM C)

Offeror must provide a housing design describing the health and safety environment of the proposed building. Offeror must provide the common house layout to include the size of kitchenette, bathroom facility, meeting space, and exercise space as defined in SEC. 3.04. The layout must include proposed ventilation, electrical outlets, heating, lighting, and floor coverings.

SEC. 4.06 EXTERIOR ENVIRONMENT AND ACCESS (SUBMITTAL FORM D)

Offeror must provide a description of access by employees, by vehicle (for example, on a major road; ease and safety of access to the proposed building location from a major road or highway, traffic lights, crosswalks and pedestrian access); Bus stop location and convenience, proximity or location in a major traffic pattern, location near other public services such as post office, restaurants and shopping; Evaluation of the proposed exterior layout to include, proposed siding and/or paint, roof, size of yard, size of driveway, condition of yard, ease of parking, availability of storage building(s) if offered, city sewer (most desirable) or septic system, city water (most desirable) or potable well water, neighborhood location (proximity to commercial or business operations less desirable). Attached two car garage with access to interior of offered space is more desirable. Additional parking for recreational vehicles is required.

SEC. 4.07 INTERIOR ENVIRONMENT AND PROVISIONS (SUBMITTAL FORM E)

Offeror must provide a description of the interior layout to include the size of kitchen, living room, bedrooms and bathrooms, type of flooring, walls, ceiling, heating, water heater, and any operating equipment and appliances. Color of finishes must be provided. Each bedroom must have adequate space. Each bedroom shall be a minimum of 120 square feet with a larger master bedroom that is large enough to comfortably accommodate a king size bed and furniture such as two dressers and two nightstands. Dwellings with more than one bathroom will be ranked higher.

SEC. 4.08 REFERENCES – CLIENT REFERENCE FORM (ATTACHMENT ONE)

Offeror shall provide a complete and separate Client Reference Form – Attachment One – for three professional references.

It is the offeror's responsibility to ensure that the completed forms are submitted with the proposal by the submission date, for inclusion in the evaluation process. Any client reference forms that are not received or are not completed may adversely affect the offeror's score in the evaluation process. Client forms exceeding the specified number will not be considered. The state may contact the clients references for validation of the information provided in the client reference forms. If the state finds erroneous information, evaluation point may be deducted, or the proposal may be rejected.

A Client Reference Form is required for each letter of reference. See Attachment Two, Client Reference Form.

SEC. 4.09 COST PROPOSAL (SUBMITTAL FORM F)

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.

SECTION 5. EVALUATION CRITERIA AND CONTRACTOR SELECTION

SEC. 5.01 SUMMARY OF EVALUATION PROCESS

The state will use the following steps to evaluate and prioritize proposals:

- 1) Proposals will be assessed for overall responsiveness. Proposals deemed non-responsive will be eliminated from further consideration.
- 2) A proposal evaluation committee (PEC), made up of at least three state employees or public officials, will evaluate specific parts of the responsive proposals.
- 3) The Submittal Forms, from each responsive proposal, will be sent to the PEC. No cost information will be shared or provided to the PEC.
- 4) The PEC will independently evaluate and score the documents based on the degree to which they meet the stated evaluation criteria.
- 5) After independent scoring, the PEC will have a meeting, chaired by the procurement officer, where the PEC may have a group discussion prior to finalizing their scores.
- 6) The evaluators will submit their final individual scores to the procurement officer, who will then compile the scores and calculate awarded points as set out in Section 5.04.
- 7) The procurement officer will calculate scores for cost proposals as set out in Section 5.09 and add those scores to the awarded points along with factoring in any Alaska preferences.
- 8) The procurement officer may ask for best and final offers from offerors susceptible for award and revise the cost scores accordingly.
- 9) The state will then conduct any necessary negotiations with the highest scoring offeror and award a contract if the negotiations are successful.

SEC. 5.02 EVALUATION CRITERIA

Proposals will be evaluated based on their overall value to state, considering both cost and non-cost factors as described below. Note: 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.

Overall Criteria	Weight
Responsiveness	Pass/Fail

Qualifications Criteria		Weight
Ownership and Lease Space Information	(Submittal Form B)	Pass/Fail
References – Client Reference Form	(Attachment Two)	Pass/Fail
Overall Housing Design and Common House Environment	(Submittal Form C)	10
Exterior Environment and Access	(Submittal Form D)	20
Interior Environment and Provisions	(Submittal Form E)	20

Total 50

Cost Criteria		Weight
Cost Proposal	(Submittal Form F)	40
	Total	40

Preference Criteria		Weight
Alaska Offeror Preference (if applicable)		10
	Total	10

TOTAL EVALUATION POINTS AVAILABLE: 100

SEC. 5.03 EVALUATION OF PROPOSALS

The process of evaluation is based on the factors identified in **Section 5.04 EVALUATION FACTORS**. The Procurement Officer will chair the Evaluation Committee.

Evaluation committee members will exercise independent judgment and base their evaluation on the evaluation criteria set out in this RFP. In exercising independent judgment, evaluation committee members may take into consideration their personal knowledge and experiences.

Offeror's shall not contact any member of the evaluation committee other than the Procurement Officer.

If any scores are tied, the Offeror submitting the lowest TOTAL LEASE COST after application of applicable preferences will prevail. If proposals are tied in scoring and in TOTAL LEASE COST after application of applicable preferences, a random drawing will break the tie.

SEC. 5.04 EVALUATION FACTORS

The process for evaluation of proposals is described below:

<u>Price</u>: Shall consist of the TOTAL LEASE COST. The lowest TOTAL LEASE COST, after applicable preferences have been applied, will receive the maximum number of points allocated to price. Other Offeror's point allocations will be determined using the following formula, applied to each higher priced offer in its turn. [(Lowest TOTAL PRICE OFFER) x (Maximum Points for Price)] Divided By (PRICE of Higher Offer) = Points. **40 points maximum**

Overall Housing Design and Common House Environment: Evaluation of the housing design describing the health and safety environment of the proposed building. Evaluation of the common house layout to include the size of kitchenette, bathroom facility, meeting space, and exercise space as defined in SEC. 3.04. The layout must include proposed ventilation, electrical outlets, heating, lighting, and floor coverings. **10 Points Maximum**

Exterior Environment, Access, and Location: Evaluation of description of access by employees, by vehicle (for example, on a major road; ease and safety of access to the proposed building location from a major road or highway, traffic lights, crosswalks and pedestrian access); Bus stop location and convenience, proximity or location in a major traffic pattern, location near other public services such as post office, restaurants and shopping; Evaluation of the proposed exterior layout to include, proposed siding and/or paint, roof, size of yard, size of driveway, condition of yard, ease of parking, availability of storage building(s) if offered, city sewer (most desirable) or septic system, city water (most desirable) or potable well water, neighborhood location (proximity

to commercial or business operations less desirable). Attached two car garage with access to interior of offered space is more desirable. Additional parking for recreational vehicles is required. **20 points maximum**

Interior Environment and Provisions: Evaluation of description of the interior layout to include the size of kitchen, living room, bedrooms and bathrooms, type of flooring, walls, ceiling, heating, water heater, and any operating equipment and appliances. Color of finishes must be provided. Each bedroom must have adequate space. Each bedroom shall be a minimum of 120 square feet with a larger master bedroom that is large enough to comfortably accommodate a king size bed and furniture such as two dressers and two nightstands. Dwellings with more than one bathroom will be ranked higher. **20 points maximum**

<u>Qualification as an Alaska Bidder</u>: If the Offeror qualifies as an Alaska Bidder, the proposal will be granted 10 points. If the Offeror is not qualified as an Alaska Bidder, the offer shall receive no points for this evaluation factor. **O points or 10 points**

In the event that an Offeror's response is deemed inappropriate or needs clarification, the State reserves the right to request such information from the Offeror. If the information is not provided and/or is not justified, the Offeror may be found to be non-responsive and the proposal may be rejected.

SEC. 5.05 SCORING METHOD AND CALCULATION

The PEC will evaluate responses against the questions set out in Sections 5.06 through 5.08 and assign a single score for each section. Offerors' responses for each section will be rated comparatively against one another with each PEC member assigning a score.

SEC. 5.06 OVERALL HOUSING DESIGN AND COMMMON HOUSE ENVIRONMENT (10 POINTS MAXIMUM)

This portion of the offeror's proposal will be evaluated against the following questions:

- 1) Has the offeror provided the housing design that describes the health and safety environment of the proposed building?
- 2) Has the offeror provided a description of the common house lay out to include the size of kitchenette, bathroom facility, meeting space, and exercise space as defined in Sec 3.04?
- 3) Does the layout include proposed ventilation, electrical outlets, heating, lighting, and floor coverings?

SEC. 5.07 EXTERIOR ENVIRONMENT, ACCESS, AND LOCATION (20 POINTS MAXIMUM)

This portion of the offeror's proposal will be evaluated against the following questions:

- 4) Is/are the proposed build site(s) in a desirable location within or around each community?
- 5) Has the offeror provided a description of the exterior environment and access?
- 6) Does the location have access by vehicle from a major road?
- 7) Is there additional parking proposed for recreational vehicles?
- 8) Is there proposed siding and roofing?

- 9) What is the proposed size of the yard?
- 10) What is the proposed size of the driveway?
- 11) What is the ease of parking area?
- 12) Is a storage building available?
- 13) Is there city sewer (most desirable) or septic system?
- 14) Is there city water (most desirable) or potable well water?
- 15) Is there a two-car garage (preferred)?
- 16) Has the offeror demonstrated an understanding of the state's time schedule and can meet it?

SEC. 5.08 INTERIOR ENVIRONMENT AND PROVISIONS (20 POINTS MAXIMUM)

This portion of the offeror's proposal will be evaluated against the following questions:

- 1) Did the offeror provide an interior layout to include the size of kitchen, living room, bedrooms and bathrooms, type of flooring, walls, ceiling, heating, water heater, and any operating equipment and appliances?
- 2) Are there three bedrooms with a minimum of 120 square feet?
- 3) How many bathrooms? (Dwellings with more than one bathroom will be ranked higher).

SEC. 5.09 CONTRACT COST (COST PROPOSAL – 40 POINTS MAXIMUM)

Overall, a minimum of 40% of the total evaluation points will be assigned to cost. After the procurement officer applies any applicable preferences, the offeror with the lowest total cost will receive the maximum number of points allocated to cost per 2 AAC 12.260(c). The point allocations for cost on the other proposals will be determined using the following formula:

[(Price of Lowest Cost Proposal) x (Maximum Points for Cost)] \div (Cost of Each Higher Priced Proposal)

Example (Max Points for Contract Cost = 40):

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 1,000 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, 400 points.

Offeror #2 receives 37.43 points.

\$40,000 lowest cost x 40 maximum points for cost = 1,600,000 \div \$42,750 cost of Offeror #2's proposal = **37.43**

Offeror #3 receives 33.68 points.

\$40,000 lowest cost x 40 maximum points for cost = 1,600,000 \div \$47,500 cost of Offeror #3's proposal = 33.68

SEC. 5.10 APPLICATION OF PREFERENCES

Certain preferences apply to all state contracts, 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 following website:

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

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

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

SEC. 5.11 ALASKA BIDDER PREFERENCE

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

- 1) holds a current Alaska business license prior to the deadline for receipt of proposals;
- 2) submits a proposal for goods or services under the name appearing on the offeror's current Alaska business license;
- 3) has maintained a place of business within the state staffed by the offeror, or an employee of the offeror, for a period of six months immediately preceding the date of the proposal;

- 4) is incorporated or qualified to do business under the laws of the state, is a sole proprietorship and the proprietor is a resident of the state, is a limited liability company (LLC) organized under AS 10.50 and all members are residents of the state, or is a partnership under AS 32.06 or AS 32.11 and all partners are residents of the state; and
- 5) if a joint venture, is composed entirely of ventures that qualify under (1)-(4) of this subsection.

Alaska Bidder Preference 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. 5.12 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. 5.13 ALASKA OFFEROR PREFERENCE (10 POINTS MAXIMUM)

Per 2 AAC 12.260, 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, which will be added to the offeror's overall evaluation score.

Example:

Step 1

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

1000 Total Points Available in RFP x 10% Alaska Offeror preference = 100 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 proposals have been completely evaluated based on the evaluation criteria in the RFP. The scores at this point are:

Offeror #1	830 points	No Preference	0 points
Offeror #2	740 points	Alaska Offeror Preference	100 points
Offeror #3	800 points	Alaska Offeror Preference	100 points

Step 3

Add the applicable Alaska Offeror preference amounts to the offerors' scores:

Offeror #3	900 points	(800 points + 100 points)
Offeror #2	840 points	(740 points + 100 points)
Offeror #1	830 points	

Offeror #3 is the

SEC. 5.14 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 list the names of all offerors and identify the offeror selected for award.

SECTION 6. GENERAL PROCESS AND LEGAL INFORMATION

SEC. 6.01 INFORMAL DEBRIEFING

When the contract is completed, an informal debriefing may be performed at the discretion of the project director or procurement officer. 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** 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 STANDARD CONTRACT PROVISIONS

The contractor will be required to sign the state's lease agreement. The lessor must comply with the contract provisions set out in the lease. No alteration of these provisions will be permitted without prior written approval

from the Department of Public Safety, and the state reserves the right to reject a proposal that is non-compliant or takes exception with the lease terms and conditions stated in the lease.

SEC. 6.04 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. 6.05 PROPOSAL AS PART OF THE LEASE

Part of all of this RF and the successful proposal may be incorporated into the lease.

SEC. 6.06 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. 6.07 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. 6.08 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. 6.09 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. 6.10 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.

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

SEC. 6.11 ASSIGNMENT

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

SEC. 6.12 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. 6.13 SEVERABILITY

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

SEC. 6.14 SUPPLEMENTAL TERMS AND CONDITIONS

Proposals must comply with Section 6.08 Right of Rejection. 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. 6.15 SOLICITATION ADVERTISING

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

SEC. 6.16 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. 6.17 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. 6.18 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. 6.19 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 may be held at 5700 East Tudor Road, Anchorage, Alaska at the Alaska State Troopers Headquarters or over a virtual platform such as Micro Soft Teams.

Redesign negotiations that do not affect the overall scope and intent of this RFP will be permitted post-award for the most economical, efficient, and livable living space possible. Redesign negotiations must be approved by the state.

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

SEC. 6.20 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. 6.21 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 <u>taxes</u>, 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.

SEC. 6.22 PROTEST

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

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

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

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

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

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

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

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

The procurement officer will issue a written response to the protest. The response will set out the procurement officer's decision and contain the basis of the decision within the statutory time limit in AS 36.30.580. A copy of

the decision will be furnished to the protester by certified mail, fax or another method that provides evidence of receipt.

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

SECTION 7. ATTACHMENTS

SEC. 7.01 ATTACHMENTS

Attachments:

- 1) Submittal Form A Offeror Information and Certifications
- 2) Submittal Form B through E
- 3) Submittal Form F Cost Proposal
- 4) Attachment One Client Reference Form
- 5) Attachment Two Letter of Support