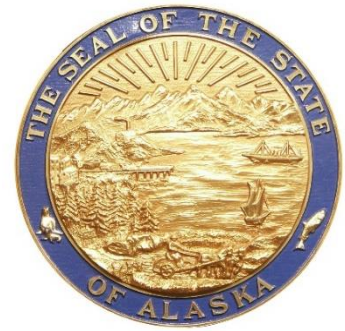


# INVITATION TO BID (ITB)



## RURAL AIR CARRIERS – MEDICAID TRAVEL

2024-0200-0326

ISSUE DATE: MAY 14, 2024

This solicitation is intended to result in mandatory, multiple awards, multiple term contracts to provided non-emergency Rural Air Carrier services for Medicaid recipients and establish compensatory rates for such services.

**IMPORTANT NOTICE:** If you received this document from the State’s “Online Public Notice” web site, you must register with the Procurement Officer listed on this document to receive subsequent amendments. Failure to contact the Procurement Officer may result in the rejection of your response. Participants must submit the completed front page along with all required documents outlined within this solicitation document to address listed above. **This solicitation is exempt from procurement code per AS 36.30.850(b)(43).**

**BIDDER'S NOTICE:** By signature on this form, the bidder certifies that they comply with the following:

- (1) the bidder has a valid Alaska business license or will obtain one prior to award of any contract resulting from this ITB. If the bidder possesses a valid Alaska business license, the license number must be written below or one the following forms of evidence submitted with the bid:
  - a canceled check for the business license fee;
  - a copy of the business license application with a receipt date stamp from the State's business license office;
  - a receipt from the State’s business license office for the license fee;
  - a copy of the bidder’s valid business license;
  - a sworn notarized affidavit that the bidder has applied and paid for a business license;
- (2) the price(s) submitted was arrived at independently and without collusion, under penalty of perjury, and that the bidder is complying with:
  - the laws of the State of Alaska;
  - the applicable portion of the Federal Civil Rights Act of 1964;
  - the Equal Employment Opportunity Act and the regulations issued thereunder by the state and federal government;
  - the Americans with Disabilities Act of 1990 and the regulations issued thereunder by the state and federal government;
  - the bid will remain open and valid for at least 90 days;
  - all terms and conditions set out in this Invitation to Bid (ITB).

If a bidder does not hold an Alaska Business License (1) at the time designated in the ITB for opening the state will disallow the Alaska Bidder Preference. Bids must also be submitted under the name as appearing on the bidder’s current Alaska business license in order to receive the Alaska Bidder Preference. If a bidder fails to comply with (2) of this paragraph, the state may reject the bid, terminate the contract, or consider the contractor in default.

Ian Martin Procurement Officer	_____ COMPANY SUBMITTING BID	_____ AUTHORIZED VENDOR CONTACT (CONTRACT)
Phone: (907) 465-5682	_____ AUTHORIZED SIGNATURE	_____ EMAIL ADDRESS / PHONE NUMBER (CONTRACT)
Email: <a href="mailto:Ian.Martin@alaska.gov">Ian.Martin@alaska.gov</a>	_____ PRINTED NAME	_____ AUTHORIZED VENDOR CONTACT (CHARTERS)
*SEE ITB FOR EXPLANATION OF CRITERIA TO QUALIFY	_____ DATE	_____ EMAIL ADDRESS / PHONE NUMBER (CHARTERS)
	_____ FEDERAL TAX ID NUMBER	_____ ALASKA BUSINESS LICENSE NUMBER

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## SECTION 1. INTRODUCTION & INSTRUCTIONS

### SEC. 1.01 PURPOSE OF THE ITB

The Department of Administration (DOA), Office of Procurement and Property Management (OPPM), is soliciting bids to result in a mandatory, multiple award, multiple term contract to provide non-emergency Rural Air Carrier services for Medicaid recipients and establish compensatory rates for such services.

For the purposes of this contact, “Rural” refers to travel between city pairs within Alaska except between: 1) Anchorage and Juneau, and 2) Anchorage and Fairbanks. These services are to provide point-to-point transportation to rural and/or remote Alaskan cities.

Reservations will be booked by the State of Alaska in accordance with prevailing state travel policies.

### SEC. 1.02 DEADLINE FOR RECEIPT OF BIDS

Bids must be received no later than **Tuesday, June 4, 2024 at 2:00 PM Alaska Time**. Late bids or amendments will be disqualified and not opened or accepted for evaluation. You may send paper responses. However, emailed copies of your responses are preferred. See submission details within this document.

### SEC. 1.03 CONTRACT TERM

Contract term will be from **July 1, 2024 through June 30, 2025**, with the option to renew for four (4) additional one-year terms, through **June 30, 2029**, under the same terms and conditions as the original contract. Renewals are to be exercised at the sole discretion of the State.

### SEC. 1.04 FARES

Contract fares shall be calculated based on the effective Intra Alaska Bush Service Mail Rates issued by the United States Department of Transportation, Office of the Secretary (USDOT) under docket OST-2003-14694. Contract fare rates will be updated upon receipt of fuel adjustments to the Intra Alaska Bush Service Mail Rates by the USDOT. An updated copy of the “Fares” will be emailed to contractors at the email address listed under the single point of contact for contractual issues listed on the cover of this response.

The R-121, P-135, and Seaplane rates shall be used. These rates are provided as a per revenue ton mile (RTM) and are converted for use herein as follows:

- RTM rate is divided by 1 American ton (2,000 pounds) to obtain a per pound, per mile rate;
- The per pound, per mile rate is multiplied by a weight of 200 pounds<sup>1</sup> to obtain a per passenger, per mile rate;
- The per passenger, per mile rate is multiplied by the distance between two cities<sup>2</sup> to obtain a fixed mail rate;
- An R-121, P-135 Flex/Fixed, or Seaplane rate is chosen for a market based on the lowest rate of any of the carriers actually operating in the market and applies to all carriers in the market. The rate chosen for a market may change based on market data provided by the United States Postal Service;
- The current fixed per ton terminal fee, as issued under docket OST-2003-14694, is added after it is divided by 1 American ton and multiplied by 200 pounds;

- The resulting fixed fare is multiplied by a discount percentage, determined as follows, and then rounded to the nearest whole dollar:
  - R-121 and Seaplane market rates shall be multiplied by 80%;
  - The P-135 Fixed rate shall be divided by 1 American ton and multiplied by 200 pounds, then added to the P-135 Flex market rate and multiplied by 90 %.

<sup>1</sup> Based on FAA AC 120-27E, Table 2-1 STANDARD AVERAGE PASSENGER WEIGHTS.

<sup>2</sup> Distance (statute miles) calculated using standard great circle point to point distance formula with spherical (1' = 1 nautical mile) earth model. Decimal latitudes and longitudes used were obtained from AirNav.com using FAA information. The formula is as follows, after converting coordinates to radians:

$$\text{Distance} = ((2 * \text{asin}(\sqrt{(\sin((\text{latitude1} - \text{latitude2}) \div 2))^2 + \cos(\text{latitude1}) * \cos(\text{latitude2}) * (\sin((\text{longitude1} - \text{longitude2}) \div 2))^2})) * 180 * 60 \div \text{PI}) * 1.15077945$$

## SEC. 1.05 CITY PAIRS

The city pairs shown on the attached document titled “2023-7-1 Fares.pdf” are not representative of all possible Alaska city pairs. At the sole discretion of the State, city pairs not represented on this document may be 1) added and associated fares calculated in accordance with the methodology set forth in the FARES section or 2) purchased in another manner. In cases where a city pair shown on the RURAL AIR FARES document is composed of more than one segment, the actual fare for that city pair shall be the sum of the fares for each segment that actually compose the city pair.

## SEC. 1.06 ALASKA STATE LAWS

By signature on their response, the respondent certifies they will comply with all applicable state laws during the term of any contract(s) resulting from this solicitation.

## SEC. 1.07 SUBMITTING BIDS

If you are submitting a response through IRIS Vendor Self-Service (VSS), you may ignore the following return instructions.

**Bidders must submit bids via email to the email address provided below:**

**ELECTRONIC SUBMISSIONS:** The bid must be emailed to [ian.martin@alaska.gov](mailto:ian.martin@alaska.gov) and must contain the ITB number in the subject line of the email. 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 bid exceeds this size, the bid 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. The State recommends emailing the bid ahead of time to ensure the email is delivered by the deadline for receipt of bid.

It is the bidder’s responsibility to contact the issuing agency at (907) 465-5682, or at the email address listed above to confirm that the bid has been received. The state is not responsible for unreadable, corrupt, or missing attachments.

**SEC. 1.08 BID FORMS**

Bidders shall use the front page of this ITB and any other forms identified in this ITB for submitting bids. All bids must be signed by an individual authorized to bind the bidder to the provisions of the ITB.

**BIDDER'S CERTIFICATION**

By signature on the bid, the bidder certifies that they comply with the following:

- A. the laws of the State of Alaska;
- B. the applicable portion of the Federal Civil Rights Act of 1964;
- C. the Equal Employment Opportunity Act and the regulations issued thereunder by the state and federal government;
- D. the Americans with Disabilities Act of 1990 and the regulations issued thereunder by the state and federal government;
- E. all terms and conditions set out in this ITB;
- F. the price(s) submitted was arrived at independently arrived and without collusion, under penalty of perjury; and
- G. that the bid will remain open and valid for at least 90 days.

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

**CONFLICT OF INTEREST**

Each bid shall include a statement indicating whether or not the company or any individuals working on the contract has a possible conflict of interest (e.g., currently employed by the State of Alaska or formerly employed by the State of Alaska within the past two years) and, if so, the nature of that conflict. The procurement officer reserves the right to **consider a bid non-responsive and reject it** or cancel the award if any interest disclosed from any source could either give the appearance of a conflict or cause speculation as to the objectivity of the contract to be performed by the bidder.

**SEC. 1.09 ASSISTANCE TO BIDDERS WITH A DISABILITY**

Bidders with a disability may receive accommodation regarding the means of communicating this ITB 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 bids.

**SEC. 1.10 AMENDMENTS TO BIDS**

Amendments to or withdrawals of bids will only be allowed if acceptable requests are received prior to the deadline that is set for receipt of bids, in accordance with 2 AAC 12.140. No amendments or withdrawals will be accepted after the deadline unless the delay is due to an error of the contracting agency, in accordance with 2 AAC 12.160.

**SEC. 1.11 AMENDMENTS TO THE ITB**

If an amendment is issued, it will be provided to all who were notified of the ITB and to those who have registered with the procurement officer after receiving the ITB from the State of Alaska Online Public Notice website.

**SEC. 1.12 ALTERNATE BIDS**

Bidders may only submit one bid for evaluation. In accordance with 2 AAC 12.830 alternate bids (bids that offer something different than what is asked for) will be rejected.

**SECTION 2. CONTRACT INFORMATION****SEC. 2.01 METHOD OF AWARD**

All respondents to this solicitation will be awarded a contract, provided they meet and agree to the specifications, terms and conditions of this solicitation and indicate such by signature on the front page. A vendor may be added to the contract and receive a contract award at any time during the contract term, provided they meet and agree to the specifications, terms and conditions of this solicitation and indicate such by signature on the front page.

**SEC. 2.02 CONTRACT ADMINISTRATION**

The administration of this contract is the responsibility of the procurement officer or person appointed by the Department of Administration, Office of Procurement and Property Management.

**SEC. 2.03 CONTRACTOR SELECTION PROCESS**

**CONTRACTOR SELECTION PROCESS:** When the State requires Travel Services under this contract, a contractor will be selected from the list of contractors available for the city pair(s). Selection rating is based on the order of listed criteria outlined below:

1. If two or more carriers are available, and the traveler has indicated a preference for a specific carrier, that carrier will be selected.
2. If there is no traveler preference, or the traveler's preferred carrier is not a contractor, the State will attempt to ensure that contractors are selected as equitably as possible.

**SEC. 2.04 TRAVELER APPROVAL**

Travelers receiving services under this contract may refuse to travel with a carrier if valid justification is provided on their travel request. Reasons for refusal may include, but are not limited to, obvious mechanical defects apparent on the aircraft at time of travel, pilot incapacitation, or prior unsafe flying experiences.

**SEC. 2.05 AIR CARRIER/CONTRACTOR APPROVAL**

Air carriers may refuse service to any passenger for valid reasons such as, but not limited to: smuggling alcohol into dry communities, smuggling illegal drugs into a community, tampering with the aircraft, and disorderly or dangerous behavior. If a passenger is banned from a particular air carrier, the payer source must be notified within 15 days of the incident.

**SEC. 2.06 SUBCONTRACTORS**

Subcontractors will not be allowed.

**SEC. 2.07 CONTRACT DEFICIENCY**

The Contractor's failure to provide services, pursuant to a travel arrangement made under the terms of this contract, will be considered a contract deficiency.

For the purposes of this section, substantiated complaints received from travelers regarding safety issues shall be considered a contract deficiency at the discretion of the State.

If a contractor gets more than three substantiated deficiencies in a 30-day period or a total of nine substantiated deficiencies in a 180-day period, it will be grounds for the State to declare the Contractor in default.

**SEC. 2.08 INSPECTION 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. 2.09 CONTINUING OBLIGATION OF CONTRACTOR**

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

**SEC. 2.10 ESTIMATED QUANTITIES**

The quantities referenced in this ITB are the state's estimated requirements and may vary more or less from the quantities actually purchased. The state does not guarantee any minimum or maximum purchase. Orders will be issued throughout the contract period on an as-needed basis.

**SEC. 2.11 NEW SOLICITATION**

The State of Alaska may periodically conduct new, abbreviated solicitations under the same terms and conditions set forth herein. Contract awards made as a result of such new solicitations shall be grouped with all other contract fares.

**SEC. 2.12 CONTRACT COMPLIANCE**

In the performance of a contract that results from this solicitation, the Contractor must comply with all applicable federal, state, and borough regulations, codes, and laws; and be liable for all required insurance, licenses, permits and bonds; and pay all applicable federal, state, and borough taxes and contract minimum requirements. If a contractor is found to be non-compliant with these requirements, they will be removed from the preferred carrier list until requirements are met and they are deemed compliant.

**SEC. 2.13 COMPLIANCE WITH ADA**

By signature on their response the respondent certifies that they comply with the Americans with Disabilities Act of 1990 and the regulations issued thereunder by the federal government.

Services or activities furnished to the general public on behalf of the State must be fully accessible. This is intended to ensure that agencies are in accordance with 28 CFR Part 35 Section 35.130 and that services, programs or activities furnished to the public through a contract do not subject qualified individuals with a disability to discrimination based on the disability.

**SEC. 2.14 DEFAULT**

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

**SEC. 2.15 DISPUTES**

Any dispute arising out of this agreement shall be resolved under the laws of Alaska. Any appeal of an administrative order or any original action to enforce any provision of this agreement or to obtain any relief from or remedy in connection with this agreement may be brought only in the superior court for the State of Alaska.

**SEC. 2.16 ORDER DOCUMENTS**

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

**SEC. 2.17 TRANSPORTATION OF DRUGS OR ALCOHOL**

The State reserves the right to suspend or terminate any contract awarded as a result of this solicitation, in whole or in part, if the Commissioner of the Department of Public Safety makes a written determination to the Commissioner of Administration that the carrier has transported illegal drugs or has transported alcohol in violation of state, federal or municipal law or regulation, or that the carrier or its agents or employees have not provided full cooperation and assistance to the Department of Public Safety in investigating such conduct.

**SEC. 2.18 INCIDENT REPORTS**

An accident involving an aircraft operated under the contract established from this solicitation shall be reported by the Contractor to the Office of Procurement and Property Management (OPPM) Procurement Officer within 15 days of the accident. Failure to report the accident may cause the State to cancel the contract. For the purposes of the contract resulting from this solicitation, "aircraft accident" means death or injury as a result of being on or in contact with the aircraft, the aircraft receives substantial damage as defined by the NTSB, flight control system malfunction or failure, inability of a required flight crewmember to perform duties as a result of injury or illness, engine failures, aircraft collision or aircraft disappearance.



**SEC. 2.19 INSPECTIONS**

The State reserves the right to inspect and approve any aircraft offered and inspect and approve its documentation prior to award of the contract or at any time during the contract period. The respondent's failure to provide the aircraft for inspection or deliver the documentation within the time specified by the State may cause the State to consider the response non-responsive and reject the bid or cancel the contract.

**SEC. 2.20 SAFETY**

If during the course of performance under the terms and conditions of this contract, the Contractor accumulates three or more National Transportation Safety Board (NTSB) accident reports, the State of Alaska may, at its sole discretion, cancel the contract in default.

**SEC. 2.21 CONTRACT CANCELLATION**

1. The State reserves the right to cancel a contract(s) at its convenience upon 15 calendar day's written notice to the Contractor. The State is liable only for payment in accordance with the payment provisions of this contract for services or supplies provided before the effective date of termination.

A contractor's failure to perform as required under this section may cause the State to terminate the contract or consider the Contractor in default.

2. By signature on their bid, the bidder certifies that they will not support or participate in a boycott of the State of Israel. Failure to comply with this requirement may cause the state to reject the bid as non-responsive or cancel the contract.

**SEC. 2.22 FORCE MAJEURE**

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

**SEC. 2.23 SUPPORTING INFORMATION**

The State reserves the right to request supplemental information from the respondent, after the responses have been received, to ensure compliance with the solicitation requirements. The requirement for such supplemental information will be at the discretion of the State.

A respondent's failure to provide this supplemental information within the time set by the State will cause the State to consider the response to be non-responsive and reject the response.

## **SECTION 3. CONTRACT INVOICING AND PAYMENTS**

### **SEC. 3.01 QUANTITIES**

The State does not guarantee any minimum purchases. Orders will be issued through the contract period on an “as-needed” basis.

### **SEC. 3.02 CHANGE/CANCELLATION**

No penalties may be imposed against the state for changes or cancellation of a reservation at any time.

### **SEC. 3.03 NO SHOWS**

The State shall not be liable for any charges or penalties when a ticketed passenger does not board the flight for which they are ticketed.

### **SEC. 3.04 BAGGAGE FEES**

The State is not responsible for any charges arising from a passenger boarding with excess personal baggage. All such charges are the sole responsibility of the passenger. Medical equipment such as CPAP, portable oxygen concentrators, breast pumps, casts, crutches and wheelchairs may not be charged as extra baggage or freight. Carriers may permit each Medicaid paid traveler to check one standard-sized bag at no additional charge. This complimentary piece of luggage must adhere to the carrier's published size and weight restrictions.

### **SEC. 3.05 INVOICING INSTRUCTIONS**

Detailed Invoices must be billed via email to the ordering agency's email address shown on the Individual Purchase Order, Contract Award or Delivery Order, not to the Office of Procurement and Property Management (OPPM). Questions concerning payment matters must be addressed to the specific ordering agency. Detailed Invoices must be submitted to the ordering agency within 30-days of the completed travel.

The Executive Branch ordering agency may make a payment before or after it receives the service and the invoice. The Medicaid Travel ordering agency will make a payment after services are completed by the traveler and upon receipt of a detailed, undisputed invoice. Travel services, that cannot be confirmed as completed in its entirety by the state, will not be paid until confirmation is complete. Any over payments that occur, must be reimbursed to the state within 30 days of event.

### **SEC. 3.06 PAYMENT METHODS**

For purchases of services under this contract, the Contractor must accept as the method of payment any of the following:

- 1) a State of Alaska US Bank charge card account;
- 2) a voucher/direct-billing method for Medicaid recipient travel with the State Travel Office.

No additional fees for use of any payment method shall be billed to the State.

When a state charge card is the form of payment, the Contractor shall:

- 1) process the payment transaction within 48 hours of transportation being provided;
- 2) not require information in addition to the account number and expiration date, such as billing address or CVC code, to hold the reservation or process the payment;

- 3) include traveler name (or description for confidential travel) in point of sale data transmitted with the processed transaction – carriers without this technology may request a waiver from the State to this requirement; and
- 4) maintain the security of names (if applicable), account numbers, and expiration dates on state charge cards at all Contractor locations.

### SEC. 3.07 PAYMENT FOR STATE PURCHASES

Payment for the undisputed invoice of services provided to a state agency pursuant to this solicitation will be made within 30 days of the receipt of a proper billing or the delivery of the services, whichever is later. A late payment is subject to 1.5% interest per month on the unpaid balance. Interest will not be paid if there is a dispute or if there is an agreement that establishes a lower interest rate or precludes the charging of interest.

## SECTION 4. INSURANCE & INDEMNITY REQUIREMENTS

### SEC. 4.01 INSURANCE

Without limiting Contractor's indemnification, it is agreed that Contractor shall purchase at its own expense and maintain in force at all times during the performance of services under this agreement the following policies of insurance. Where specific limits are shown, it is understood that they shall be the minimum acceptable limits. If the Contractor's policy contains higher limits, the State shall be entitled to coverage to the extent of such higher limits. Certificates of Insurance must be furnished to the Procurement Officer prior to beginning work and must provide for a 30-day prior notice of cancellation, non-renewal or material change of conditions. Failure to furnish satisfactory evidence of updated 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.

Proof of insurance is required for the following:

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

Aircraft Liability Insurance: Shall be required in amounts according to the passenger capacity of the aircraft offered in the bid.

- 1 to 5 place passenger seating capacity, contractor must maintain not less than \$150,000 per seat bodily injury or death single and \$1,000,000 per occurrence.
- 6 to 10 place passenger seating capacity, contractor must maintain not less than \$300,000 per seat bodily injury or death single and \$3,000,000 per occurrence.
- 11 to 20 place passenger seating capacity, contractor must maintain not less than \$500,000 per seat bodily injury or death single and \$5,000,000 per occurrence.
- 21 and greater passenger seating capacity, contractor must maintain not less than \$500,000 per seat bodily injury or death single and \$10,000,000 per occurrence.

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 occurrence.

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.

Failure to supply satisfactory proof of insurance within the time required will cause the State to declare the respondent non-responsible and to reject the response

## **SEC. 4.02 INDEMNIFICATION**

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

## **SECTION 5. MINIMUM REQUIREMENTS**

### **SEC. 5.01 STANDARDS/CERTIFICATION REQUIREMENTS**

To be considered, the company, aircraft, or employees (as applicable) must meet the following requirements by the deadline set for receipt of responses and must provide the following documents within five working days if requested by the state.

- All air carriers must be in compliance with all state insurance requirements and be on file as such with the State of Alaska Department of Transportation and Public Facilities, Division of Statewide Aviation;
- All air carriers must be certified to operate in the State of Alaska by the Federal Aviation Administration (FAA);
- All passenger air carrier services must adhere to the FAA Operation Specification FAR part 119 and all other FARs including those portions applicable to civil aircraft and State of Alaska law, unless otherwise authorized by the State of Alaska;
- Individual commercial pilots must meet all FAA regulations for flying aircraft;
- Aircraft used in the performance of services under this contract must have a Standard Airworthiness Certificate;
- Pilots operating aircraft used in the performance of services under this contract must have a current FAA Commercial Pilot Certificate with appropriate rating and at least a current Second-Class Medical Certificate;
- All air carriers must be commuter air carriers or air taxi operators as defined in 14 CFR 298.2. Commuter air carriers must hold a commuter air carrier authorization issued under 49 U.S.C. 41738. Air taxi operators must hold authorization under 14 CFR 298;

- All air carriers must be certified as operating under FAA operating specification FAR Part 121 and/or Part 135. Air carriers responding to this solicitation must have operated under these FAR Part 121 and/or Part 135 since at least January 1, 2018 and must provide documented evidence of such.

Additionally, pilots in command must meet the following list of minimum pilot standards and provide evidence of such upon request:

- 200 hours flying time for each aircraft make and model used in the performance of this contract;
- 200 hour flying time in Alaska; and
- 1,000 total flying hours for VFR Operations
- 1,500 total flying hours for IFR Operations

Responses will be accepted only from operators meeting the above described operational, pilot and equipment certifications and requirements. Contractors shall maintain compliance with these certifications and requirements in performing any service resulting from this solicitation. Failure to maintain compliance shall cause the State to cancel the contract.

**A copy of the respondent's FAA Air Carrier Certificate must be submitted with the response.** Failure to supply the certificate may cause the State to reject the response.

## SEC. 5.02 PERFORMANCE REQUIREMENTS

Throughout the term of any contract awarded as a result of this solicitation, contractors must meet the following performance requirements:

1. The Contractor must offer a single, central point of contact for the State of Alaska to book reservations. This single, central point of contact must accept reservation bookings via telephone, fax, e-mail or online reservation request.
2. Aircraft offered under this contract shall be operated and maintained by the Contractor.
3. The Contractor shall ensure that employees engaged in the performance of this contract are thoroughly familiar with its requirements.
4. Standard equipment for all aircraft shall be as required by FAR regulations and Alaska statute, where applicable; and
5. The Contractor shall operate in accordance with their approved FAA operations specifications.

A contractor's failure to perform as required under this section may cause the State to terminate the contract or consider the Contractor in default.

## SEC. 5.03 RATE REQUIREMENTS

1. In. Vendor must publish two fare class options with a discount:
  - a. Refundable
  - b. Non-Refundable
2. Carriers that have Global Distribution Systems must include all advertised public pricing, refundable and non-refundable, regardless of distribution source.

3. Carriers that do not have Global Distribution Systems must provide to the state, monthly notice of all unused tickets.

#### **SEC. 5.04 SOLICITATION ADVERTISING**

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

### **SECTION 6. INSTRUCTIONS TO RESPONDENTS**

#### **SEC. 6.01 TAX ID NUMBER**

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

#### **SEC. 6.02 RESPONSES FROM VENDORS**

In order to respond to this solicitation, respondents must complete and submit the front page of this solicitation along with all identifiable documentation necessary to demonstrate compliance with all Minimum Requirements listed in Section 5, of this solicitation, including, but not limited to:

1. Proof of Alaska Business License;
2. Proof of Insurance:
  - Commercial General Liability,
  - Aircraft Liability,
  - Automobile Liability, and
  - Worker's Compensation Insurance;
3. Current Air Carrier Certificate of Compliance issued by the State of Alaska, Dept. of Transportation;
4. Proof of operation under part 121/135 since at least January 1, 2018;
5. Proof of Commuter Air Carrier or Air Taxi authorization ("Aircraft Authorization" section of FAA Operations Specification, etc);