

STATE OF ALASKA INFORMAL REQUEST FOR PROPOSALS (IRFP)



VENDING MACHINE SERVICE – KETCHIKAN IRFP 726DVR7533

ISSUED JULY 31, 2026

DEPARTMENT OF LABOR, DIVISION OF VOCATIONAL REHABILITATION (DVR), BUSINESS ENTERPRISE PROGRAM (BEP) IS SEEKING CONTRACTORS TO PROVIDE VENDING MACHINE SERVICE IN BUILDINGS THAT ARE OWNED, LEASED OR OCCUPIED BY THE STATE OR FEDERAL GOVERNMENT OR ON OTHER PROPERTY AS DETERMINED BY BEP.

ISSUED BY:

DEPARTMENT OF LABOR & WORKFORCE
DEVELOPMENT
DIVISION OF VOCATIONAL REHABILITATION

PRIMARY CONTACT:

KATHY O'ROURKE
PROCUREMENT OFFICER
KATHY.OROURKE@ALASKA.GOV
(907) 269-4867

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.

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SECTION 1. INTRODUCTION & INSTRUCTIONS

SEC. 1.01 PURPOSE OF THE IRFP

Department of Labor, Division of Vocational Rehabilitation (DVR), Business Enterprise Program (BEP) is seeking contractors to provide vending machine service in buildings that are owned, leased or occupied by the state or federal government or on other property as determined by BEP. These contracts will be established in a manner consistent with the Randolph-Sheppard Act (PL 74-732, 20 USC section 107) and the Chance Act (AS 23.15.010-.210). These contracts must provide the most beneficial financial return to BEP; while at the same time provide high-quality products at a fair price.

SEC 1.02 DEADLINE FOR RECEIPT OF PROPOSALS

Proposals must be received no later than **2:00** prevailing Alaska Time on **AUGUST 21, 2026**. Late proposals or amendments will be disqualified and not opened or accepted for evaluation.

SEC 1.03 PRIOR EXPERIENCE

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

MINIMUM REQUIREMENT 1. - Three (3) years of experience providing vending machine service within the previous five (5) calendar years.

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

SEC 1.04 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 1.05 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 IRFP. These questions may be answered over the telephone. Other questions may be more complex and may require a written amendment to the IRFP. The procurement officer will make that decision.

PROCUREMENT OFFICER: **KATHY O'ROURKE** – PHONE **907-269-4867**

SEC 1.06 RETURN INSTRUCTIONS

Offerors must submit their proposal via email, the technical proposal and cost proposal must be saved as separate PDF documents and emailed to both DOL.procurement@alaska.gov and kathy.orourke@alaska.gov as separate clearly labeled attachments such as "Vendor A – Technical proposal.pdf" and "Vendor A – Cost Proposal.pdf." 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 kathy.orourke@alaska.gov or call (907) 269-4867 to confirm that the proposal has been received. The state is not responsible for unreadable, corrupt, or missing attachments.

SEC 1.07 PROPOSAL CONTENTS

The following information must be included in all proposals.

(a) AUTHORIZED SIGNATURE

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

(b) OFFEROR'S CERTIFICATION

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

- A. the laws of the State of Alaska;
- B. the applicable portion of the Federal Civil Rights Act of 1964;
- C. the Equal Employment Opportunity Act and the regulations issued thereunder by the federal government;

- D. the Americans with Disabilities Act of 1990 and the regulations issued thereunder by the federal government;
- E. all terms and conditions set out in this IRFP;
- F. a condition that the proposal submitted was independently arrived at, without collusion, under penalty of perjury; and
- G. that the offers will remain open and valid for at least 90 days.

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

(c) VENDOR TAX ID

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

(d) CONFLICT OF INTEREST

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

SEC 1.08 ASSISTANCE TO OFFERORS WITH A DISABILITY

Offerors with a disability may receive accommodation regarding the means of communicating this IRFP 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 IRFP

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

SEC 1.11 IRFP SCHEDULE

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

- Issue IRFP **JULY 31, 2026**
- Deadline for Receipt of Proposals **AUGUST 21, 2026,**

- Proposal Evaluation Committee complete evaluation by **AUGUST 26, 2026**,
- State of Alaska issues Notice of Award **AUGUST 28, 2026**,
- State of Alaska issues contract **SEPTEMBER 11, 2026**,
- Contract start **OCTOBER 1, 2026**.

This IRFP 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 **LABOR & WORKFORCE DEVELOPMENT**, 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 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.

SECTION 2. BACKGROUND INFORMATION

SEC. 2.01 BACKGROUND INFORMATION

The Department of Labor and Workforce Development, Division of Vocational Rehabilitation, oversees the Business Enterprise Program (BEP). This program provides employment opportunities for individuals who are blind and/or severely disabled consistent with the Randolph-Sheppard Act (PI 74-732, 20 USC Section 107) and the Chance Act (AS 23.15.010-.210).

The BEP issues an Informal Request for Proposals (IRFP) seeking contractors to provide vending machine services in buildings that are owned, leased or occupied by the state or federal government or on other property as determined by the BEP if no contract exists with a licensed BEP vendor.

All funds collected from vending machines serviced by independent contractors are directly used to aid the licensed vendors by providing for:

- Benefits plan for each licensed vendor;
- Maintenance of equipment;
- Purchase new or replacement equipment;
- Management and consultative services;
- Fair minimum return to beginning licensees; and
- All or part of the cost of constructing new vending facilities

SECTION 3. SCOPE OF WORK & CONTRACT INFORMATION

SEC. 3.01 SCOPE OF WORK

The Department of Labor and Workforce Development, Division of Vocational Rehabilitation, is soliciting proposals for a Contractor to provide Full-Service Vending services in specified buildings in Alaskan Communities with the locations listed in Appendix I.

The Department wants assistance in the placement and management of full-service food/beverage vending machines in federal and/or state government property or on other property as determined by the BEP.

SEC 3.02 CONTRACT TERM AND WORK SCHEDULE

The length of the contract will be from the date of award, approximately **OCTOBER 1, 2026**, for approximately **365 DAYS** until completion, approximately **SEPTEMBER 30, 2027, WITH FOUR (4) ONE-YEAR RENEWALS**.

Unless otherwise provided in this IRFP, the State and the successful offeror/contractor agree: (1) that any extension of the contract excluding any exercised renewal options, will be considered as a month-to-month extension, and all other terms and conditions shall remain in full force and effect and (2) the procurement officer will provide written notice to the contractor of the intent to cancel such month-to-month extension at least 30 days before the desired date of cancellation. A month-to-month extension may only be executed by the procurement officer via a written contract amendment.

SEC 3.03 DELIVERABLES

The contractor will be required to provide the following deliverables:

Commissions:

1. Agree to pay the BEP commissions based on the proposal contained in Appendix II. Commission payments are based on a percentage of gross sales from the vending machines. It is agreed that the following procedures will apply to collecting commissions, sales, revenues, and payments:

A. The money will be collected and counted regularly and not less than once per week. The proposed schedule should keep all machines operational, i.e., no outages, red lights or machine malfunctions, and ensure a sufficient amount of variety of products are available for sale.

All Offerors will submit their proposed schedule for collection and product stocking in the proposal response in Appendix III.

B. All money collected shall be promptly deposited into the Contractor's bank account. All records of deposit transactions shall be made available within two days after a request during an audit by the BEP.

C. The Contractor shall furnish the BEP with a monthly report of total gross receipts from each machine, along with a commission check. This report, Appendix IV, shall specify the location, type, and the beginning and ending meter reading for each machine for the same period of time.

2. Maintenance of equipment:

Be solely responsible for the installation and maintenance of all vending machines utilized for this contract. The Contractor shall perform, at its sole expense, all maintenance, repairs and cleaning services as necessary to maintain machines are operating in good operating condition and sanitary state. Such services shall include

keeping machines filled with vending products in marketable condition, including but not limited to, conditions such as product freshness and appearance; cleaning glass fronts, key selection pads and drop areas; ensure that electrical components are in good working order; provide level of service to maintain effective levels of inventory; as necessary repair or replacement of machines; and promptly replace machines that cannot be repaired.

3. Refuse Control:

Remove refuse caused by stocking and/or maintaining machines, and if the Contractor fails to do so, the Contractor agrees to pay the BEP and/or facility management all costs, charges, and/or expenses associated with such removal.

4. Building Access:

Access vending machines during reasonable business hours. In the event of an emergency situation involving the machines, the Contractor or assigned representatives of the Contractor, with the permission of the BEP and/or facility management, may be granted access to the designated location during non-working hours.

5. Subcontractors:

Indicate in the proposal if subcontractors are used for installation or any other aspect of service for this contract. The Contractor will be responsible for the subcontractor's quality of work and loss or damage caused by the subcontractor during installation. Subcontractors will be required to obtain the same insurance as the Contractor, including worker's compensation. Subcontractors do not include food or food/vending product suppliers.

6. Refunds:

Refund money to customers who have lost money in the vending machines or have purchased defective merchandise. The Contractor will establish a method for reimbursing money lost in their machines at each vending location. A refund methodology must accompany the Contractor's proposal. Refund forms or materials for persons to complete requesting a refund must be furnished by the Contractor. BEP or facility management will not be responsible or involved regarding refunds.

7. Transition Plan:

Coordinate with the outgoing Contractor and develop a plan to transition vending equipment at each vending location with the least amount of interruption of service to the customers. The transition plan must be included in the proposal and specify:

A. A timeline for removal and installation of equipment at each vending location.

B. A schedule for contacting building managers to inform them of the upcoming change and discuss machine requirements, logistics for equipment removal and installation, delivery of products, additional subjects as necessary.

C. As an example of notification used to inform building occupants of the upcoming change in vending services, the notice must include a timeframe/schedule for change-out of vending machines in each specific facility and a contact number for consumers to provide feedback or request additional service/products. The requirement for posting these notices prior to the removal/installation of equipment is a minimum of one (1) week.

D. Upon completion of equipment change over the new Contractor within 30 days must ensure vending machines are in good working order, clean condition, fully stocked, contact information and prices are displayed, and the vending area is clean and tidy.

8. Expand Vending services/route:

Utilize authority to provide vending machine services through the Alaska BEP that are not currently recognized under the Randolph-Sheppard (federal facilities) Act or Chance Act (State Facilities) in order to expand or enhance services at such locations within Contractor's contracted geographical region. The Contractor will:

- A. Make contact, negotiate and develop additional unassigned vending locations throughout the contract area. An official letter of introduction will be provided to the Contractor in order to facilitate this process upon award of the contract.
- B. Seek approval from the procurement officer for new services prior to the placement of equipment.
- C. Pay the appropriate commissions, per contract, for the additional vending revenues collected.

9. Pay BEP Commissions:

Agree that the specified commission rate and selling prices are established based on the Contractor's cost of items sold as indicated in Appendix II.

10. Taxes:

Assume sole responsibility for all local, state, and general taxes. The Contractor may not deduct sales tax prior to determining commissions.

11. Equipment Specifications:

Agree to install and maintain vending machine(s) to supply food/beverage products in all of the BEP sites as listed in Appendix I or as otherwise proposed and approved by the BEP.

All Vending machines must be able to accept dollar bills, dollar coins and be Digital Exchange (DEX) compatible. Credit card readers are required on a minimum of one of each type of machine per location. If internet access for credit card readers is not accessible the Contractor must inform the procurement officer and request a waiver of this requirement.

While the installation of new vending machines is preferred, used machines to vend products may be used, providing they are in 100% working condition, able to properly display products, and are appropriate for commercial use in a public facility. The BEP, building owner or facility management will not be responsible for providing any hardware, tools, labor, or other incidentals, other than water, access to water, electricity and electrical outlets.

- A. The Contractor agrees that, if maintenance is necessary because of breakdown on a machine (3) three or more times during a six (6) month period of time, a new machine shall be installed within (30) thirty days after the (3rd) third breakdown. The contractor is responsible for reporting all breakdowns to the BEP.

NOTE: Replacing machines does not constitute a reason to raise prices or reduce commissions.

- B. The Contractor agrees to place labels on each machine identifying Contractor name and phone number to call in the event of a machine malfunction or customer request.

- C. The Contractor agrees to place BEP labels on each machine for program identification on all vending machines. BEP labels will be provided at the time of the contract award.

12. Mechanical Breakdown or Changes to Existing Equipment:

Agree that the amount of space, number of machines, and location of such machines shall be negotiated with the BEP and building owner or facility management. It is the Contractor's responsibility to offer suggestions, make recommendations, and request additional and/or alternate locations for vending machine services.

Machines shall be relocated or removed at the Contractor's sole expense. Prior to the removal/replacement of any equipment, the Contractor must notify the BEP and coordinate with building management. Upon removing any machine(s), the Contractor shall leave the premises in the same condition as when the machine(s) was originally installed, excepting reasonable and normal wear and tear. The Contractor is responsible for reporting poor conditions in the vicinity of the vending machine(s) locations to the BEP.

The Contractor shall respond to calls from the building owner or facility management and/or BEP regarding vending machine problems within two (2) hours after the initial call is received during regular workday hours. Mechanical issues that have not been addressed within 24 hours from the initial call will result in a written notification from BEP to the Contractor regarding a lack of response to the issue and kept on file. The Contractor shall maintain ongoing communication with the facility management regarding the maintenance and upkeep of equipment at each location throughout the term of the contract.

13. Electrical Responsibilities:

Have adequate provisions for electrical outlets for all machines; However, the BEP, building owner or facility management shall incur no liability whatsoever for the interruption to electrical service.

14. Products and Inventory:

Guarantee that the products vended shall be fresh, best quality and variety, dates are not expired, and assure that:

A. The prices at which the Contractor shall offer such items for sale shall be fair and competitive with the prices at which similar items are sold in the vicinity of the building site. Item prices and brand name selections shall not differ from those indicated in this proposal response unless agreed to in writing by the BEP.

B. All price changes (both positive and negative) for products must be submitted in writing to the BEP at least thirty (30) days prior to the effective date of price change. The Contractor must provide at least one supporting document which shows why price changes are occurring. This may include, but is not limited to, a certified invoice from the wholesaler where products are purchased, certified invoice or bill of sale from the product manufacturer, or a nationally recognized product publication, which lists when and where price changes will occur, etc.

C. Upon approval of a price change from the BEP, the Contractor must post a notice of the price change on each machine affected, giving two (2) weeks' notice to the customers.

D. The Contractor shall respond to calls from the building owner, facility management, customers and/or BEP regarding complaints or requests for a change of product(s) within twenty-four (24) hours after the initial call.

E. The Contractor must expand vending machine options to include and identify products that support a healthy lifestyle. Contractors can obtain more information about this at these websites:

- Fit Pick TM <http://fitpick.org/>
- NAMA[®] <http://www.vending.org/>
- Balanced for Life TM <http://www.balancedforlife.net/>

F. The BEP shall be paid no later than fifteen (15) calendar days after the end of the preceding month. The Contractor agrees that, if commission payments are not postmarked by the 15th calendar day after the end of the preceding calendar month, a penalty of 1.5% per month will be added to the commission due for that reporting period.

G. A \$25 fine will be imposed for payments returned due to insufficient funds.

H. All transactions and financial records shall be subject to audit and/or an inspection by BEP personnel or their designated representatives, at any time during the contract period, without prior notice, and/or up-to three (3) years after contract termination. Audit and inspection will occur only during normal business hours, 8:00 a.m. to 5:00 p.m.

15. Vending Machine Meter Requirements:

Install only machines that are DEX-capable with a non-resettable cash meter/counter or functional equivalent. All machines must meet the National Automatic Merchandising Association (NAMA) vending machine evaluation program. <http://www.vending.org/vending/machine-evaluation-program>

A. At the onset of the contract and installation of machines, the Contractor must submit the beginning meter reading of each machine to the BEP on form Appendix VII.

B. At the end of each monthly or quarterly reporting period, the Contractor must submit the meter reading of each machine to the BEP on Appendix IV with the commission payment.

C. At the conclusion of the contract, the Contractor must submit the ending meter reading of each machine to the BEP on the last day of the contract on form Appendix VII.

D. Failure to submit the meter reading of each machine may constitute a written notification from the BEP concerning performance, or a penalty charge of 1.5% per month on that month's or quarter's commissions. The BEP will inform the contractor within thirty (30) days following the preceding month concerning what penalty will be imposed.

16. Building Survey Requirements:

Submit a survey of property or space which is owned or leased by applicable state or federal agencies within the designated contracted area within sixty (60) days of onset of contract and annually thereafter. Included in the survey, the Contractor will provide an inventory of all vending machines, owned by the Contractor or any other party, in property or space, which is owned or leased by applicable state or federal agencies.

SEC 3.04 CONTRACT TYPE

Any contract established because of this Informal Request for Proposals (IRFP) will be a Commission-based contract. The commission is based on a percentage of gross sales from merchandise sold in vending machines to supply food service items at State of Alaska Business Enterprise Program (BEP) sites as listed in Appendix I. The successful Offeror Agrees to pay the BEP a commission based on the proposal as indicated in Appendix II.

Special Note – The BEP shall determine whether the vendor's product is of satisfactory quality and whether there is sufficient variety being offered. BEP reserves the right to request specific products to be dispensed in vendor machines on its' contracted premises and shall have final right of approval on all types of products. BEP is currently determining the feasibility of switching from vending machine service to a micro market approach in its' contracted premises. This determination will be based on 1) site tenant count, 2) site vending revenue, 3) secure location availability for micro market, and 4) ability to install security cameras. Determination of facilities that are practical to a switch will be made by BEP, with any change only occurring in January or June of each year.

The contract that results from this Informal Request for Proposals will start approximately October 1, 2026 and run until September 30, 2027. In addition, there will be four (4) one-year renewal options available solely at the State's discretion to exercise.

SEC 3.05 PROPOSED PAYMENT PROCEDURES

The Successful Offeror agrees to pay the BEP commissions based on the proposal response contained in Appendix II. Commission payments are based on a percentage of gross sales from the vending machines. It is agreed that the following procedures will apply to collect commissions, sales, revenues and payments.

1. The money will be collected and counted regularly and not less than once per week. The proposed schedule should keep all machines operational, i.e., no outages, red lights or machine malfunctions, and ensure a sufficient amount of variety of products are available for sale.

All offerors will submit their proposed schedule for collection and product stocking in the proposal response in Appendix III.

2. All money collected shall be promptly deposited into the successful Offeror's bank account. All records of deposit transactions shall be made available within two (2) days after a request during an audit by the BEP.

3. The successful Offeror shall furnish the BEP with a monthly report of total gross receipts from each machine, along with a commission check. Sales tax may not be deducted prior to determining commissions. This report, Appendix IV, shall specify the location, type, and the beginning and ending meter reading for each machine for the same period of time.

4. The BEP shall be paid no later than fifteen (15) calendar days after the end of the preceding month. The successful Offeror agrees that, if commission payments are not postmarked by the 15th calendar day after the end of the preceding calendar month, a penalty of 1.5% per month will be added to the commission due for that reporting period. A \$25 fine will be imposed for payments returned due to insufficient funds.

5. All transactions and financial records shall be subject to audit and/or an inspection by BEP personnel or their designated representatives, at any time during the contract period, without prior notice, and/or up-to three (3) years after contract termination. Audit and inspection will occur only during normal business hours, 8:00 a.m. to 5:00 p.m.

SEC 3.06 LOCATION OF WORK

The location(s) where the work is to be performed are contained in Appendix I. This document includes those locations where vending machines are currently located, as well as potential locations that may be added in the future.

The state will **not** provide workspace for the contractor. The contractor must provide its own workspace. The work for this contract will be performed and/or completed and managed in state and/or federal leased or owned properties outlined in Appendix I. The property management will provide space for vending machine placement for the offeror; individual workspace or storage is not included.

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

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

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

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

SEC 3.07 SUBCONTRACTORS

Subcontractors may be used to perform work under this contract. If an offeror intends to use subcontractors, the offeror must identify in the proposal the names of the subcontractors and the portions of the work the subcontractors will perform.

The offeror will be responsible for the subcontractor's quality of work and loss or damage caused by the subcontractor during installation. Subcontractors will be required to maintain the same insurance as the offeror including workman's compensation.

Subcontractors do not include food or food/vending product suppliers.

Subcontractor experience shall be considered in determining whether the offeror meets the requirements set forth in SEC. 1.03 PRIOR EXPERIENCE.

If a proposal with subcontractors is selected, the offeror must provide the following information concerning each prospective subcontractor within five working days from the date of the state's request:

- complete name of the subcontractor;
- complete address of the subcontractor;
- type of work the subcontractor will be performing;
- percentage of work the subcontractor will be providing;
- evidence that the subcontractor holds a valid Alaska business license; and
- a written statement, signed by each proposed subcontractor that clearly verifies that the subcontractor is committed to render the services required by the contract.

An offeror's failure to provide this information, within the time set, may cause the state to consider their proposal non-responsive and reject it. The substitution of one subcontractor for another may be made only at the discretion and prior written approval of the project director.

Note that if the subcontractor will not be performing work within Alaska, they will not be required to hold an Alaska business license.

SEC 3.08 JOINT VENTURES

Joint ventures will not be allowed.

SEC 3.09 RIGHT TO INSPECT PLACE OF BUSINESS

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

SEC 3.10 F.O.B. POINT

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

SEC 3.11 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 Labor & Workforce Development or the Commissioner's designee.

SEC 3.12 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).

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

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

SEC 3.13 INDEMNIFICATION

The contractor shall indemnify, hold harmless, and defend the state 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 state. If there is a claim of, or liability for, the joint negligent error or omission of the contractor and the independent negligence of the state, the indemnification and hold harmless obligation shall be apportioned on a comparative fault basis. "Contractor" and "state", as used within this and the following article, include the employees, agents and other contractors who are directly responsible, respectively, to each. The term "independent negligence" is negligence other than in the contracting agency's selection, administration, monitoring, or controlling of the contractor and in approving or accepting the contractor's work.

SEC 3.14 INSURANCE REQUIREMENTS

Without limiting contractor's indemnification, it is agreed that contractor shall purchase at its own expense and maintain in force at all times during the performance of services under this agreement the following policies of insurance. Where specific limits are shown, it is understood that they shall be the minimum acceptable limits. If the contractor's policy contains higher limits, the state shall be entitled to coverage to the extent of such higher limits.

Certificates of Insurance must be furnished to the contracting officer prior to beginning work and must provide for a notice of cancellation, non-renewal, or material change of conditions in accordance with policy provisions. Failure to furnish satisfactory evidence of insurance or lapse of the policy is a material breach of this contract and shall be grounds for termination of the contractor's services. All insurance policies shall comply with and be issued by insurers licensed to transact the business of insurance under AS 21.

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

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

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

SEC 3.15 SURETY DEPOSIT

The successful Offeror must post an individual surety to ensure performance over the entire term of this contract. The requirement for a surety bond will be waived for contracts that do not exceed \$500.00 in commissions per quarter. In the event it becomes necessary for the BEP to cancel the contract issued due to non-compliance during the term of the contract, regardless of the circumstances or time remaining on the contract, the individual surety will be declared liquidated damages and become due and payable to the BEP. By signature on this Request for Proposal, the Offeror acknowledges this condition and voluntarily relinquishes any and all claims to the entire individual surety. The individual surety may be in any of the following forms:

[a] Certified or cashier's check: A certified or cashier's check, made payable to the State of Alaska, Business Enterprise Program in the amount to be determined at the time the Notice of Intent to Award is issued.

[b] Special notice account or certificate of deposit: A special notice account book or certificate of deposit, made payable to the State of Alaska, Business Enterprise Program in the amount to be determined at the time the Notice of Intent to Award is issued; or

[c] Irrevocable Letter of Credit: An irrevocable Letter of Credit, made payable to the State of Alaska, Business Enterprise Program in the amount determined at the time the Notice of Intent to Award is issued. The BEP must have full authority to call upon these funds without the Contractor's approval.

Guidelines for how BEP determines the amount of the individual surety are outlined in Appendix V. The cost of the individual surety will be re-evaluated annually and may be adjusted to reflect changes in sales.

Failure to supply this document within the time required will cause the BEP to declare the Offeror non-responsive.

SEC 3.16 TERMINATION FOR DEFAULT

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

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

SECTION 4. PROPOSAL FORMAT AND CONTENT

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

SEC. 4.01 INTRODUCTION

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

Proposals must confirm that the offeror will comply with all provisions in this IRFP; and, if applicable, provide notice that the firm qualifies as an Alaskan bidder. Proposals must be signed by a company officer empowered

to bind the company. An offeror's failure to include these items in the proposals may cause the proposal to be determined to be non-responsive and the proposal may be rejected.

SEC. 4.02 MANAGEMENT PLAN FOR THE PROJECT

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

SEC. 4.03 EXPERIENCE AND QUALIFICATIONS

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

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

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

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

SEC. 4.04 COST PROPOSAL

Cost proposals must list the percentage of profit that will be paid to the Business Enterprise Program for each vending machine type.

SEC. 4.05 EVALUATION CRITERIA

All proposals will be reviewed to determine if they are responsive and responsible. Proposals determined to be responsive and responsible will be evaluated using the criterion that is set out in **SECTION 5. EVALUATION CRITERIA AND CONTRACTOR SELECTION**.

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

SECTION 5. EVALUATION CRITERIA AND CONTRACTOR SELECTION

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

SEC 5.01 MANAGEMENT PLAN FOR THE PROJECT (25%)

Proposals will be evaluated against the questions set out below:

- 1) How well does the management plan support all of the project requirements and logically lead to the deliverables required in the RFP?

- 2) How well is accountability completely and clearly defined?
- 3) Is the organization of the project team clear?
- 4) How well does the management plan illustrate the lines of authority and communication?
- 5) To what extent does the offeror already have the hardware, software, equipment, and licenses necessary to perform the contract?
- 6) Does it appear that the offeror can meet the schedule set out in the RFP?
- 7) Has the offeror gone beyond the minimum tasks necessary to meet the objectives of the RFP?
- 8) To what degree is the proposal practical and feasible?
- 9) To what extent has the offeror identified potential problems?

SEC 5.02 EXPERIENCE AND QUALIFICATIONS (25%)

Proposals will be evaluated against the questions set out below:

1) Questions regarding the personnel:

Do the individuals assigned to the project have experience on similar projects?

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

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

How well has the firm demonstrated experience in completing similar projects on time and within budget?

- a) How successful is the general history of the firm regarding timely and successful completion of projects?
- b) Has the firm provided letters of reference from previous clients?
- c) If a subcontractor will perform work on the contract, how well do they measure up to the evaluation used for the offeror?

SEC 5.02 CONTRACT COST (40%)

Overall, a minimum of **40%** of the total evaluation points will be assigned to cost. The cost amount used for evaluation may be affected by one or more of the preferences referenced under Section 6.11.

Converting Cost to Points

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

SEC 5.03 ALASKA OFFEROR PREFERENCE (10%)

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

SECTION 6. GENERAL PROCESS INFORMATION

SEC. 6.01 ALASKA BUSINESS LICENSE AND OTHER REQUIRED LICENSES

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

- copy of an Alaska business license;
- certification on the proposal that the offeror has a valid Alaska business license and has included the license number in the proposal;
- a canceled check for the Alaska business license fee;
- a copy of the Alaska business license application with a receipt stamp from the state's occupational licensing office; or
- a sworn and notarized statement that the offeror has applied and paid for the Alaska business license.

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

- fisheries business licenses issued by Alaska Department of Revenue or Alaska Department of Fish and Game,
- liquor licenses issued by Alaska Department of Revenue for alcohol sales only,
- insurance licenses issued by Alaska Department of Commerce, Community and Economic Development, Division of Insurance, or
- Mining licenses issued by Alaska Department of Revenue.

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

SEC. 6.02 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. 6.03 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. 6.04 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 IRFP and proposal. Discussions will be limited to specific sections of the IRFP 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. 6.05 EVALUATION OF PROPOSALS

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

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

SEC. 6.06 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 virtually.

SEC. 6.07 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. 6.08 OFFEROR NOTIFICATION OF SELECTION

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

SEC. 6.09 PROTEST

2 AAC 12.695 provides that an interested party may protest the content of the IRFP or the award of a contract.

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 the issuance of a contract solicitation, the award of a contract, or the failure to award a contract.”

Per 2 AAC 12.695, an interested party must first attempt to informally resolve the dispute with the procurement officer. If that attempt is unsuccessful, the interested party may file a written protest to the solicitation or the award of the contract. The protest must be filed with the Commissioner of the purchasing agency or the Commissioner’s designee. The protester must also file a copy of the protest with the procurement officer. The protest 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.

If an interested party wishes to protest the content of a solicitation, the protest must be filed before the date and time that proposals are due.

If an offeror wishes to protest the award of a contract not greater than \$50,000, the protest must be filed within 10 days from the date of the solicitation or award, whichever is later.

If an offeror wishes to protest the award of a contract greater than \$50,000, the protest must be filed within 10 days from the date that notice of award is made.

A protester must have submitted a proposal in order to have sufficient standing to protest the award of a contract.

The procurement officer shall immediately give notice of the protest to the contractor or, if no award has been made, to all offerors who submitted proposals.

If the protestor agrees, the Commissioner of the purchasing department or the Commissioner's designee may assign the protest to the procurement officer or other state official for alternate dispute resolution. In other cases, the Commissioner or the Commissioner's designee may issue a decision denying the protest and stating the reasons for denial, issue a decision sustaining the protest, in whole or in part, and instruct the procurement officer to implement an appropriate remedy, or conduct a hearing using procedures set out in AS 36.30.670(b).

SEC. 6.10 APPLICATION OF PREFERENCES

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

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

- Alaska Products Preference - AS 36.30.332
- Recycled Products Preference - AS 36.30.337
- Local Agriculture and Fisheries Products Preference - AS 36.15.050
- Employment Program Preference - AS 36.30.321(b)
- Alaskans with Disabilities Preference - AS 36.30.321(d)
- Alaska Military Skills Program Preference – AS 36.30.321(l)

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

Sec. 6.11 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 IRFP. An offeror does not need to complete the Alaska Veteran Preference questions on the form if not claiming the Alaska Veteran Preference. An offeror's failure to provide this completed form with their proposal will cause the state to disallow the preference.

SEC. 6.12 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 IRFP. An offeror's failure to provide this completed form with their proposal will cause the state to disallow the preference.

SEC. 6.13 ALASKA MILITARY SKILLS PROGRAM PREFERENCE

An Alaska Military Skills Program Preference of 2%, 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:

- A. Employs at least one person who is currently enrolled in, or within the previous two years graduated from, a United States Department of Defense SkillBridge or United States Army career skills program for service members or spouses of service members that offers civilian work experience through specific industry training, pre-apprenticeships, registered apprenticeships, or internships during the last 180 days before a service member separates or retires from the service; or
- B. has an active partnership with an entity that employs an apprentice through a program described above.

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 Military Skills Program Preference Certification

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

SEC. 6.14 ALASKA OFFEROR PREFERENCE

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

SEC. 6.15 FORMULA USED TO CONVERT COST TO POINTS

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

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

SEC. 6.16 EXAMPLES: CONVERTING COST TO POINTS & APPLYING PREFERENCES

(a) FORMULA USED TO CONVERT COST TO POINTS

STEP 1

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

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

STEP 2

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

Offeror #1 receives 40 points.

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

Offeror #2 receives 37.4 points.

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

Offeror #3 receives 33.7 points.

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

(b) ALASKA OFFEROR PREFERENCE

STEP 1

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

100 Total Points Available in IRFP x 10% Alaska offerors preference = 10 Points for the Preference

STEP 2

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

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

STEP 3

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

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

STEP 4

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

SECTION 7. GENERAL LEGAL INFORMATION

SEC. 7.01 STANDARD CONTRACT PROVISIONS

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

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

SEC. 7.02 QUALIFIED OFFERORS

Per 2 AAC 12.875, unless provided for otherwise in the IRFP, 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 IRFP.

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

SEC. 7.03 PROPOSAL AS PART OF THE CONTRACT

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

SEC. 7.04 ADDITIONAL TERMS AND CONDITIONS

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

SEC. 7.05 HUMAN TRAFFICKING

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

The most recent United States Department of State's Trafficking in Persons Report can be found at the following website: <https://www.state.gov/trafficking-in-persons-report/>

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

SEC. 7.06 RIGHT OF REJECTION

Offerors must comply with all of the terms of the IRFP, 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 IRFP.

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 IRFP;
- are trivial, negligible, or immaterial in nature;
- do not reflect a material change in the work; or

- do not constitute a substantial reservation against a requirement or provision;

may be waived by the procurement officer.

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

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

SEC. 7.07 STATE NOT RESPONSIBLE FOR PREPARATION COSTS

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

SEC. 7.08 DISCLOSURE OF PROPOSAL CONTENTS

1. All Records belong to the State.
2. The State has sole discretion regarding whether to return any Record. In exercising this discretion, the State will comply with all Laws.
3. Unless a notice of intent to award is issued, the State will, to the extent permitted by Law, consider all Records confidential and not subject to the Alaska Public Records Act (APRA).
4. If and when a notice of intent to award is issued, the State will consider nonconfidential any Record unless, at the time of submission, the offeror undertook the following protective measures:
 - a. marked information confidential;
 - b. for any information marked confidential, identified the authority that makes that specific information confidential; and
 - c. committed, in writing, to explain in detail, including with affidavits and briefs, why each authority applies in any court or administrative proceeding in which any nondisclosure is challenged.
5. If the offeror did not undertake each protective measure, the State will not consider any information in a Record confidential: the State will disclose the entire Record without any redaction in response to an APRA or other request or, if it chooses, in the absence of a request and the State will disclose the entire Record without notifying the offeror.
6. If the offeror undertook each protective measure, the State will withhold the information marked confidential to the following extent:
 - a. the State agrees that the Law protects the information; and
 - b. if the nondisclosure is challenged, the offeror fulfills its commitment to explain, including with affidavits and briefs, how each authority applies to the information marked confidential.
7. The State will only notify an offeror of a request for the Record and of a planned release if the offeror undertook each protective measure, but the State disagrees that the marked information is protected. If there is such a disagreement, then before releasing the Record, the State will, to the extent permitted by Law and practicable, notify the offeror that it will disclose the information unless the offeror convinces the State not to or obtains an order prohibiting disclosure.

SEC. 7.09 ASSIGNMENTS

Per 2 AAC 12.480, the contractor may not transfer or assign any portion of the contract without prior written approval from the procurement officer. Proposals that are conditioned upon the state's approval of an assignment will be rejected as non-responsive.

SEC. 7.10 DISPUTES

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

SEC. 7.11 SEVERABILITY

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

SEC. 7.12 SUPPLEMENTAL TERMS AND CONDITIONS

Proposals must comply with **SEC. 7.06 RIGHT OF REJECTION**. However, if the state fails to identify or detect supplemental terms or conditions that conflict with those contained in this IRFP or that diminish the state's rights under any contract resulting from the IRFP, 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 IRFP, the term or condition of the IRFP will prevail; and

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

SEC. 7.13 FEDERALLY IMPOSED TARRIFFS

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 contract price and shall take appropriate action as directed by the Procurement Officer.
- **After-imposed or Increased Taxes and Duties:** Any Federal excise tax or duty for goods or services covered by this contract that was exempted or excluded on the contract award date but later imposed on the contractor during the contract period, as the result of legislative, judicial, or administrative action may result in a price increase provided:
 - a) The tax or duty takes effect after the contract award date and isn't otherwise addressed by the contract;
 - b) The contractor warrants, in writing, that no amount of the newly imposed Federal excise tax or duty or rate increase was included in the contract price, as a contingency or otherwise.

- **After-relieved or Decreased Taxes and Duties:** The contract price shall be decreased by the amount of any decrease in Federal excise tax or duty for goods or services under the contract, except social security or other employment [taxes](#), that the Contractor is required to pay or bear, or does not obtain a refund of, through the Contractor's fault, negligence, or failure to follow instructions of the Procurement Officer.
- **State's Ability to Make Changes:** The State reserves the right to request verification of Federal excise tax or duty amounts on goods or services covered by this contract and increase or decrease the contract price accordingly.
- **Price Change Threshold:** No adjustment shall be made in the contract price under this clause unless the amount of the adjustment exceeds \$250.

SECTION 8. ATTACHMENTS

SEC. 8.01 ATTACHMENTS

Attachments:

- 1) Appendix A - Standard Contract Form for Goods and Non-Professional Services
- 2) Appendix I – List of Vending Machine Locations
- 3) Appendix II – Commission Schedule
- 4) Appendix III – Collect Stock Schedule
- 5) Appendix IV – Monthly Accounting Form
- 6) Appendix IV – Quarterly Accounting Form
- 7) Appendix V – Surety Deposit
- 8) Appendix VI - Inventory of Machines
- 9) Appendix VII – Vendor Mach Beg-End Meter Readings
- 10) Appendix VIII – Cost Proposal
- 11) Submittal Forms A-C