

INVITATION TO BID NUMBER 2513C038

RETURN THIS BID TO THE ISSUING OFFICE AT:

Department of Transportation & Public Facilities
 Division of Supply & Services
 2200 E. 42nd Avenue, Room 110
 Anchorage, Alaska 99508



THIS IS NOT AN ORDER

DATE ITB ISSUED: MAY 31, 2013

ITB TITLE: SCREENED 3/4" MINUS – TRAPPER CREEK STATE OWNED PIT

Pre-Bid walkthrough on June 11, 2013 @ 1:30 PM see page 8 for instructions.

Sealed bids must be submitted to the DOT&PF, Anchorage Procurement Office from which they were issued and must be time and date stamped by the Procurement Office prior to **2:00 PM AST on June 18, 2013** at which time they will be publicly opened.

DELIVERY DATE: SEE BID SCHEDULE
 F.O.B. POINT: FINAL DESTINATION

IMPORTANT NOTICE: If you received this solicitation 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 offer.

BIDDER'S NOTICE: By signature on this form, the bidder certifies that:

- (1) the bidder has a valid Alaska business license, submits a bid under the name as appearing on the person’s current Alaska business license and has written the license number below or has submitted one of the following forms of evidence of an Alaska business license 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 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 there under by the State and Federal Government; and
 - all terms and conditions set out in this Invitation to Bid (ITB).

If a bidder fails to comply with (1) at the time designated in the ITB for opening the State will reject the bid. 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. Bids must be submitted under the name as appearing on the person’s current Alaska business license in order to be considered responsive.

_____ DAN TRUBIANO PROCUREMENT OFFICER	_____ COMPANY SUBMITTING BID	DOES YOUR BUSINESS QUALIFY FOR THE ALASKA BIDDER PREFERENCE? [] YES [] NO
TELEPHONE NUMBER 907-269-0862 Phone 907-269-0872 Fax 907-269-0473 TDD daniel.trubiano@alaska.gov	_____ AUTHORIZED SIGNATURE	SEE ITB FOR EXPLANATION OF CRITERIA TO QUALIFY.
	_____ PRINTED NAME	
	_____ DATE	_____ FEDERAL TAX ID NUMBER
_____ ALASKA BUSINESS LICENSE NUMBER	DOES YOUR BUSINESS QUALIFY FOR THE ALASKA VETERAN PREFERENCE? [] YES [] NO	_____ TELEPHONE NUMBER / FAX NUMBER

INSTRUCTIONS TO BIDDERS:

1. INVITATION TO BID (ITB) REVIEW: Bidders shall carefully review this ITB for defects and questionable or objectionable material. Bidders' comments concerning defects and questionable or objectionable material in the ITB must be made in writing and received by the purchasing authority at least ten (10) days before the bid opening date. This will allow time for an amendment to be issued if one is required. It will also help prevent the opening of a defective bid, upon which award cannot be made, and the resultant exposure of bidders' prices. Bidders' original comments should be sent to the purchasing authority listed on the front of this ITB.

2. BID FORMS: Bidders shall use this and attached forms in submitting bids. A photocopied bid may be submitted.

3. SUBMITTING BIDS: Envelopes containing bids must be sealed, marked, and addressed as shown in the example below. Do not put the ITB number and opening date on the envelope of a request for bid information. Envelopes with ITB numbers annotated on the outside will not be opened until the scheduled date and time. Faxed bids are acceptable; bidders must contact the procurement officer before faxing a bid.

Bidder's Return Address
Department of Transportation & Public Facilities 2200 E. 42 nd Avenue, Room 110 Anchorage, Alaska 99508
ITB No.: <u>2513C038</u>
Opening Date: <u>June 18, 2013 at 2:00PM AST</u>

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

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

5. VENDOR TAX ID NUMBER: If goods or services procured through this ITB 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.

6. FILING A PROTEST: A bidder may protest the award of a contract or the proposed award of a contract for supplies, services, or professional services. The protest must be filed in writing and include the following information: (1) the name, address, and telephone number of the protester; (2) the signature of the protester or the protester's representative; (3) identification of the contracting agency and the solicitation or contract at issue; (4) a detailed statement of the legal and factual grounds of the protest, including copies of relevant documents; and (5) the form of relief requested. Protests will be treated in accordance with Alaska Statutes (AS)36.30.560-36.30.610.

CONDITIONS:

1. AUTHORITY: This ITB is written in accordance with AS 36.30 and 2 AAC 12.

2. COMPLIANCE: In the performance of a contract that results from this ITB, 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.

3. SUITABLE MATERIALS, ETC.: Unless otherwise specified, all materials, supplies or equipment offered by a bidder shall be new, unused, and of the latest edition, version, model or crop and of recent manufacture.

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

5. FIRM OFFER: For the purpose of award, offers made in accordance with this ITB must be good and firm for a period of ninety (90) days from the date of bid opening.

6. EXTENSION OF PRICES: In case of error in the extension of prices in the bid, the unit prices will govern; in a lot bid, the lot prices will govern.

7. BID PREPARATION COSTS: The State is not liable for any costs incurred by the bidder in bid preparation.

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

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

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

11. ASSIGNMENT(S): Assignment of rights, duties, or payments under a contract resulting from this ITB is not permitted unless authorized in writing by the State of Alaska, Department of Administration, Division of General Services. Bids that are conditioned upon the State's approval of an assignment will be rejected as nonresponsive.

12. SUBCONTRACTOR(S): Within five (5) working days of notice from the state, the apparent low bidder must submit a list of the subcontractors that will be used in the performance of the contract. The list must include the name of each subcontractor and the location of the place of business for each subcontractor and evidence of each subcontractor's valid Alaska business license.

13. 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.

14. LATE BIDS: Late bids are bids received after the time and date set for receipt of the bids. Late bids will not be accepted.

15. CONTRACT EXTENSION: Unless otherwise provided in this ITB, the State and the successful bidder/contractor agree: (1) that any holding over of the contract excluding any exercised renewal options, will be considered as a month-to-month extension, and all other terms and conditions shall remain in full force and effect and (2) to provide written notice to the

other party of the intent to cancel such month-to-month extension at least thirty (30) days before the desired date of cancellation.

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

17. 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.

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

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

SPECIAL CONDITIONS:

1. ORDER DOCUMENTS: Except as specifically allowed under this ITB, 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 ITB. 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 ITB.

2. BILLING INSTRUCTIONS: Invoices must be billed to the ordering agency's address shown on the individual Purchase Order, Contract Award or Delivery Order, not to the Division of General Services. The ordering agency will make payment after it receives the merchandise or service and the invoice. Questions concerning payment must be addressed to the ordering agency.

3. 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.

PREFERENCES:

1. ALASKA BIDDER PREFERENCE: Award will be made to the lowest responsive and responsible bidder after an Alaska bidder preference of five percent (5%) has been applied. The preference will be given to a person who: (1) holds a current Alaska business license; (2) submits a bid for goods or services under the name on the Alaska business license; (3) has maintained a place of business within the state staffed by the bidder, or an employee of the bidder, for a period of six months immediately preceding the date of the bid; (4) is incorporated or qualified to do business under the laws of the state, is a sole proprietorship and the proprietor is a resident of the state, is a limited liability company organized under AS 10.50 and all members are residents of the state, or is a partnership under AS 32.06 or AS 32.11 and all partners are residents of the state; and, (5) if a joint venture, is composed entirely of venturers that qualify under (1) - (4) of this subsection. AS 36.30.170(b).

2. ALASKA VETERAN PREFERENCE: If a bidder qualifies for the Alaska bidder preference, under AS 36.30.170(b), and is a qualifying entity as defined in AS 36.30.175, they will be awarded an Alaska veteran preference of five percent (5%). The preference will be given to a (1) sole proprietorship owned by an Alaska veteran; (2) partnership under AS 32.06 or AS 32.11 if a majority of the partners are Alaska veterans; (3) limited liability company organized under AS 10.50 if a majority of the

members are Alaska veterans; or (4) corporation that is wholly owned by individuals and a majority of the individuals are Alaska veterans.

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

4. LOCAL AGRICULTURAL AND FISHERIES PRODUCTS PREFERENCE: When agricultural, dairy, timber, lumber, or fisheries products are purchased using state money, only those products harvested in Alaska, or in the case of fisheries products harvested or processed within the jurisdiction of Alaska, will be purchased, provided they are available, of comparable quality, and priced no more than seven percent (7%) higher than products harvested outside the state, or in the case of fisheries products harvested or processed outside the jurisdiction of the state, in accordance with AS 36.15.050.

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

6. EMPLOYMENT PROGRAM PREFERENCE: If a bidder qualifies for the Alaska bidder preference, under AS 36.30.170(b), and is offering goods or services through an employment program, as defined under 36.30.990(10), and is the lowest responsive and responsible bidder with a bid that is no more than fifteen percent (15%) higher than the lowest bid, the procurement officer will make the award to that bidder, in accordance with AS 36.30.170(c) and 2 AAC 12.050.

7. ALASKANS WITH DISABILITIES PREFERENCE: If a bidder qualifies for the Alaska bidder preference, under AS 36.30.170(b), is a qualifying entity as defined in AS 36.30.170(e) and (j), and is the lowest responsive and responsible bidder with a bid that is no more than ten percent (10%) higher than the lowest bid, the procurement officer will make the award to that bidder, in accordance with AS 36.30.170(e).

8. EMPLOYERS OF PEOPLE WITH DISABILITIES PREFERENCE: If a bidder qualifies for the Alaska bidder preference, under AS 36.30.170(b), and, at the time the bid is submitted, employs a staff that is made up of fifty percent (50%) or more people with disabilities, as defined in AS 36.30.170(j), and submits a responsive and responsible bid that is no more than ten percent (10%) higher than the lowest responsive and responsible bid, the procurement officer will make the award to that bidder, in accordance with AS 36.30.170(f).

9. PREFERENCE QUALIFICATION LETTER: Regarding preferences 5, 6, and 7 above, the Division of Vocational Rehabilitation in the Department of Labor and Workforce Development maintains lists of Alaskan; [1] employment programs that qualify for preference, [2] individuals who qualify for preference as Alaskan's with disabilities, and, [3] employers who qualify for preference as employers of people with disabilities. In accordance with AS 36.30.170(j), in order to qualify for one of these preferences, a bidder must add value by actually performing, controlling, managing, and supervising the services provided, or for supplies, a bidder must have sold supplies of the general nature solicited to other state agencies, governments, or the general public.

As evidence of an individual's or a business' right to a certain preference, the Division of Vocational Rehabilitation will issue a certification letter. To take advantage of the preferences 5, 6, or 7 above, an individual or business must be on the appropriate Division of Vocational Rehabilitation list, at the time the bid is opened, and must provide the procurement officer a copy of their certification letter. Bidders must attach a copy of their certification letter to their bid. The bidder's failure to provide the certification letter mentioned above, with their bid, will cause the State to disallow the preference.

ALASKA BUSINESS LICENSE AND OTHER REQUIRED LICENSES: At the time the bids are opened, all bidders must hold a valid Alaska business license and any necessary applicable professional licenses required by Alaska Statute. Bids must be submitted under the name as appearing on the person's current Alaska business license in order to be considered responsive. Bidders should contact the Department of Commerce, Community and Economic Development, Division of Corporations, Business, and Professional Licensing, P. O. Box 110806, Juneau, Alaska 99811-0806, for information on these licenses.

Bidders must submit evidence of a valid Alaska business license with the bid. A bidder's failure to submit this evidence with the bid will cause their bid to be determined non-responsive. Acceptable evidence that the bidder possesses a valid Alaska business license may consist of any one of the following:

- (a) copy of an Alaska business license;
- (b) certification on the bid that the offeror has a valid Alaska business license and has included the license number in the proposal (see front page);
- (c) a canceled check for the Alaska business license fee;
- (d) a copy of the Alaska business license application with a receipt stamp from the state's occupational licensing office; or
- (e) a sworn and notarized affidavit 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 bids 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.

ALASKA BIDDER PREFERENCE: An Alaska Bidder Preference of five percent will be applied prior to evaluation. The preference will be given to a bidder who:

- (1) holds a current Alaska business license;
- (2) submits a proposal for goods or services under the name on the 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 entities that qualify under (1)-(4) of this subsection.

ALASKA BIDDER PREFERENCE AFFIDAVIT: In order to receive the Alaska Bidder Preference, the bid must include a statement certifying that the bidder is eligible to receive the Alaska Bidder Preference.

If the bidder is a LLC or partnership as identified in (4) of this subsection, the affidavit must also identify each member or partner and include a statement certifying that all members or partners are residents of the state.

If the bidder is a joint venture which includes a LLC or partnership as identified in (4) of this subsection, the affidavit must also identify each member or partner of each LLC or partnership that is included in the joint venture and include a statement certifying that all of those members or partners are residents of the state.

BIDDERS WITH DISABILITIES: The State of Alaska complies with Title II of the Americans with Disabilities Act of 1990. Individuals with disabilities who may need auxiliary aids, services, and/or special modifications to participate in this procurement should contact the Division of Supply & Services at one of the following numbers no later than ten (10) days to make any necessary arrangements.

Telephone: 269-0862
Fax: 269-0872
TDD: 269-0473

COMPLIANCE WITH ADA: By signature of their bid the bidder certifies that they comply with the Americans with Disabilities Act of 1990 and the regulations issued thereunder by the federal government.

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

PREFERENCE QUALIFICATION: In order to qualify for an Employment Program Preference, an Alaskans With Disabilities Preference or an Employers Of People With Disabilities Preference, a bidder must add value by actually performing, controlling, managing, and supervising the services provided, or a bidder must have sold supplies of the general nature solicited to other state agencies, governments, or the general public.

CONTRACT PERFORMANCE LOCATION: By signature on their bid, the bidder certifies that all services provided under this contract by the contractor and all subcontractors shall be performed in the United States.

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

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 bid as non-responsive, or cancel the contract.

HUMAN TRAFFICKING: By signature on their bid, the bidder certifies that the bidder 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: <http://www.state.gov/g/tip/>

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

CONTRACT INTENT: This Invitation to Bid (ITB) is intended to result in a multi-year contract for the purchase of screened 3/4" Minus. Material is to be produced at a State owned Pit, for the Department of Transportation & Public Facilities.

PRE-BID WALK-THROUGH: Interested parties/potential bidders are strongly encouraged to visit the following location during the scheduled walk-through with the state representative.

The State owned Pit is located at:

6.3 Petersville Road located in Trapper Creek, AK 99683

The State Representative has scheduled a site visit on June 11th @ 1:30PM.

SITE INSPECTION: Bidders are encouraged to visit the work site so that they can see the conditions under which the work described in this ITB are to be performed. The bidder's failure to visit the work site will in no way relieve the bidder of the responsibility of performing the work in strict compliance with the true intent and meaning of the terms, conditions and scope of work outlined in this ITB.

NOTICE OF INTENT TO AWARD: After the responses to this ITB have been opened and evaluated, a tabulation of the bids will be prepared. This tabulation, called a Notice of Intent to Award, serves two purposes. It lists the name of each company or person that offered a bid and the price they bid. It also provides notice of the state's intent to award a contract(s) to the bidder(s) indicated. A copy of the Notice of Intent will be mailed to each company or person who responded to the ITB. Bidders identified as the apparent low responsive bidders are instructed not to proceed until a Purchase Order, Contract Award, Lease, or some other form of written notice is given by the contracting officer. A company or person who proceeds prior to receiving a Purchase Order, Contract Award, Lease, or some other form of written notice from the contracting officer does so without a contract and at their own risk.

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

CONTRACT ADMINISTRATION: The administration of this contract is the responsibility of JP Glenka, Central Region, Chulitna Maintenance Station Foreman, Department of Transportation & Public Facilities, or his designee.

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.

INSURANCE: Without limiting contractor's indemnification, it is agreed that contractor shall purchase at its own expense and maintain in force at all times during the performance of services under this agreement the following policies of insurance. Where specific limits are shown, it is understood that they shall be the minimum

acceptable limits. If the contractor's policy contains higher limits, the state shall be entitled to coverage to the extent of such higher limits. Certificates of Insurance must be furnished to the contracting officer prior to beginning work and must provide for a 30-day prior notice of cancellation, non-renewal or material change of conditions. 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.

Proof of insurance is required for the following:

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 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.

Failure to supply satisfactory proof of insurance within the time required will cause the state to declare the bidder non-responsible and to reject the bid.

FIRM, UNQUALIFIED AND UNCONDITIONAL OFFER: Bidders must provide enough information with their bid to constitute a definite, firm, unqualified and unconditional offer. To be responsive a bid must constitute a definite, firm, unqualified and unconditional offer to meet all of the material terms of the ITB. Material terms are those that could affect the price, quantity, quality, or delivery. Also included as material terms are those which are clearly identified in the ITB and which, for reasons of policy, must be complied with at risk of bid rejection for non-responsiveness.

CONTRACT PERIOD: From date of award through September 30, 2013 with the option to renew for one (1) additional one (1) year renewal period. Renewals are to be exercised solely by the State of Alaska.

CONTRACT PRICE ADJUSTMENTS:

The contractor may request a Percentage Price Increase adjustment, in writing, 30 days prior to the contract renewal date. If a contractor fails to request a Percentage Price Increase adjustment 30 days prior to the renewal date, the adjustment will be effective 30 days after the state receives their written request.

Said price increase may not, under any circumstances, exceed two (2) percent of the price of the contract for the preceding 12 months. No retroactive contract price adjustments will be allowed.

The contractor must provide the procurement officer clear and convincing evidence, satisfactory to the state, that all of the following conditions exist:

1. the increase is the result of increased costs at the manufacturer's level and not costs under the contractor's control, and that;
2. the increase will not produce a higher profit margin for the contractor than that on the original contract, and that;
3. the increase affects only certain items that are clearly identified by the contractor.

Some acceptable forms of the evidence referred to above may take the form of a certified invoice from the manufacturer. The price increase evidence provided by the contractor shall be independently verified and approved by the procurement officer or contract administrator prior to the effective date of the price increase.

PRICE DECREASES: During the period of the contract all price decreases experienced by the contractor must be passed on to the state. A contractor's failure to strictly and faithfully adhere to this clause, within the time required, will be considered in breach of contract.

ACCEPTANCE TEST: The certified lab test results have a time frame and must be provided to the Shop foreman for approval prior to delivery as proof that the sampled piles must meet the State specifications. In addition, the state may conduct an acceptance test. If so, the test will use appropriate means to determine if the product offered meets the ITB specifications. The contractor will be allowed to observe the tests. If the product fails to meet the ITB specifications the state will, at its option, reject the bid, cancel the contract, allow the contractor to repair the defective product or allow the contractor to replace the defective product. In no instance will the state pay any cost associated with the remedy for the defective product. The state's acceptance of tested product may not be interpreted as evidence that the product is in perfect working order.

The contractor will allow the State representative to take a material sample of the stockpiles prior to acceptance. The samples will be taken from random location throughout the piles. These tests will be conducted to see if these samples meet specifications, and if the tests do not pass the entire pile will be rejected. These samples will be taken to the Department of Transportation & Public Facilities Statewide Materials Testing Laboratory (or another certified testing lab of the state's choice). These samples will be tested to see if they still meet the specifications set forth.

Samples taken by the contractor shall be taken at the contractor's expense. Any samples taken by the state will be taken at the state's expense. Material shall not be delivered until certified to meet specifications. Material not meeting the specifications will not be accepted.

ALTERATIONS: The contractor must obtain the written approval from the contracting officer prior to making any alterations to the specifications contained in this ITB. The state will not pay for alterations that are not approved in advance and in writing by the Procurement Officer.

METHOD OF MEASUREMENT: The contractor shall grade an area within the pit boundaries to place the 3/4" minus. This area shall be graded flat and a survey base line in this area will be established by a certified, registered land surveyor. Original ground cross-sections will be taken off this base line by the surveyor. The hiring and responsibility of the surveyor will be at the contractor's expense. The material shall be measured by the cubic yard. The cubic yards for this contract shall be determined by a certified, registered land surveyor using the method of calculating the volume of the pile by the cross sectional method. This will be at the contractor's expense.

F.O.B. POINT: Final Destination is the State owned pit located at 6.3 Petersville Road, Trapper Creek, AK 99683. Contractor yard/place of business must fall within a 60 mile radius of this address.

INVOICES: Invoices must be sent directly to the ordering agency's address at 289 Inner Springer Loop Road, Palmer, Alaska 99645 shown on the individual Purchase Order. The ordering agency will only make payment after the Station Foreman accepts the material. Question concerning payment must be addressed to the ordering agency (907) 745-2165.

ESTIMATED ANNUAL USE: The estimated annual use quantities referenced in this ITB are only estimates and may vary more or less from the quantities actually purchased. The state will use the estimated annual use numbers for the evaluation and award but the state does not guarantee any minimum nor maximum purchase.

THIRD-PARTY FINANCING AGREEMENTS NOT ALLOWED: Because of the additional administrative and accounting time required of state agencies when third party financing agreements are permitted, they will not be allowed under this contract.

SERVICE CONTRACT DEFICIENCIES: The contractor's failure to provide services required by this contract will be grounds for the state to issue a Service Deficiency Claim (SDC) to the contractor. The SDC will be provided to the contractor in writing. The contractor will advise the state, in writing, of the corrective action being taken.

If a deficiency is not corrected within 7.5 working hours from the time it is issued, the state may issue another SDC and procure, from another contractor, the services necessary to correct the problem. The contractor will then be obligated to reimburse the state for the amount required to correct the problem.

If a contractor gets more than two substantiated SDCs in a 15-day period or a total of four (4) substantiated SDCs in a 30-day period, it will be grounds for the state to declare the contractor in default.

WORKMANSHIP & MATERIALS: All work must be performed in a thorough and workmanlike manner and in accordance with current industry practices. The contractor will be held responsible for the quality of the finished item. The state will reject any item that does not meet the specifications of the ITB. Rejected items will be returned to the contractor at the contractor's risk and expense.

CONTRACT CANCELLATION: The state reserves the right to cancel the contract at its convenience upon thirty (30) 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.

METHOD OF AWARD: There is one (1) lot. Award will be made by lot to the lowest responsive and responsible bidder. In order to be considered responsive for a lot, bidders must bid on all items within the lot.

SPECIFICATIONS

Lot # 1 F.O.B. 6.3 Petersville Road, Trapper Creek, Alaska 99683 (State Pit)

To establish a project for manufacturing of screened 3/4" minus utilizing a State owned materials source. The State owned source is a gravel/sand pit located at 6.3 Petersville Road, Trapper Creek, AK 99683.

703-2.07 SELECTED MATERIAL. Meet the following requirements for the type specified. Obtain the Engineer’s approval for the intended purpose, prior to use on the project.

- 1. Type A. Aggregate containing no muck, frozen material, roots, sod or other deleterious matter and with a plasticity index not greater than 6 as tested by WAQTC FOPs for AASHTO T 89 and T 90. Meet the following gradation as tested by WAQTC FOP for AASHTO T 27/T 11:

<u>Sieve</u>	<u>Percent Passing by Weight</u>
No. 4	20-55%
No. 200	0-6%, determined on the minus 3-inch portion of the sample

All of the material ordered for the year shall be produced on or before August 15. If the Contractor is unable to produce the required amount of material by the August 15 deadline, the Contractor will be require to purchase the balance of the material for delivery of DOT/PF within the specified time frame from other sources. Purchased material shall meet all contract specifications.

The work shall consist of manufacturing material utilizing a state owned materials source at 6.3 Petersville Road, Trapper Creek, AK 99683. The material to be excavated to produce this material will be in the area designated by the State of Alaska, Chulitna Foreman, JP Glenka.

The contractor shall grade an area within the pit boundaries to place the 3/4" minus. This area shall be graded flat and a survey base line in this area will be established by a certified, registered land surveyor. Original ground cross-sections will be taken off this base line by the surveyor. The hiring and responsibility of the surveyor will be at the contractor’s expense. The material shall be measured by the cubic yard. The cubic yards for this contract shall be determined by a certified, registered land surveyor using the method of calculating the volume of the pile by the cross sectional method. This will be at the contractor’s expense.

A minimum of 357 Cubic Yards produced per day Monday through Thursday, starting two (2) weeks after contract is awarded.

The contractor shall provide grading tests per every 1000 cubic yards produced unless otherwise authorized by the Station Foreman. The test result shall be given to the Station Foreman immediately upon completion.

The State reserves the right to request production samples and have them tested at the State Materials Laboratory prior to the Contractor’s stockpile.

Contractors business must located within 60 mile radius of the State owned pit.

By-Product and other Non-Spec material will be stock piled in an area of the State Pit designated by the Chulitna Foreman.

The contractors screen plant may be stored through the winter months at the State Pit.

Payment to the Contractor will not be made until receipt of invoice and confirmation from the Station Foreman that the material invoiced for has been manufactured, measured and meets spec.

Annual orders for 3/4" minus will be placed no later than July 01 of each year.

The material is required no later than August 15 of that year. The material will be stockpiled at the gravel pit site for pick up by DOT when and as required. The Contractor is required to notify Chulitna M&O Station Foreman JP Glenka at the start and end of production (Ph: 733-2246; Cell 355-2350).

As-needed orders shall be available within fifteen (15) days after receipt of an order.

BID SCHEDULE

LOT # 1: F.O.B. 6.3 PETERSVILLE ROAD, TRAPPER CREEK, ALASKA 99683 STATE OWNED PIT

<u>ESTIMATED</u>				
<u>QTY.</u>	<u>UNIT</u>	<u>DESCRIPTION</u>	<u>UNIT PRICE</u>	<u>EXTENDED PRICE</u>
6,400	Cubic Yard	3/4" Minus	\$ _____/CUYD	\$ _____

LOT 1 TOTAL: \$ _____

Completed Stockpile: _____ (date)

The complete material stockpile at the State owned pit is required no later than August 15 of each year. Bids which specify completed stockpile after August 15 may be considered non-responsive.

BIDDER'S INFORMATION:

Company Name

Contact

Mailing Address

Phone Number

City, State, Zip

Fax Number

Email Address

BIDDERS RESPONSE CHECK LIST:

- Complete and submit Page 1 of the ITB
- Provide Alaska Business License Number
- Complete and submit Bid Schedule (page 13)