



**ADDENDUM ONE**  
**Request for Proposal 18043**

**Bradley Lake Hydropower Project Operator**

March 27, 2018

EMAIL TO: All RFP recipients on record.

The Request for Proposal (RFP) is hereby clarified or changed as follows:

1. The RFP deadline remains unchanged.

**QUESTIONS AND ANSWERS:**

2. **Q:** In the box, it says Other: Sample Contract. Clarify the meaning on this entry. Where is the sample contract if one is being supplied?

**A:** The sample contract starts on page 71 of the pdf.

3. **Q:** Under SCHEDULE & PAYMENT, it states “Anticipated period for performance-Begin/End: August 2018 – December 2024, with the option to renew. (See page 5 Special Considerations, Paragraph 15.2)” Which reads “15.2 the initial term of this Contract will be for five (5) years from the effective date. The Authority reserves the right to renew the agreement for successive five-year terms until terminated as provided herein and subject to the early termination rights of the Authority.” Please confirm that the Contractor has the right to renegotiate the rates and/or turn down the offer to renew if the contractor so desires.

**A:** Rates may be renegotiated per Section III – PRICE of the RFP.

4. **Q:** Under what conditions does the Contractor have the right to early termination?

**A:** Reference Sample Contract – Appendix A - AEA General Conditions - Article 11 – Termination or Suspension

5. **Q:** Is federal funding being received for this project? Does section 9.2 apply?

**A:** There is no federal funding for this project, 9.2 does not apply.

6. **Q:** 15.2 SPECIAL NOTICES, Subpart 15.3(7). What constitutes proof in this regard?
- A:** A list of projects showcasing past experience with operation of a Generation project greater than or equal to 10 MW capacity is now required.
7. **Q:** Assuming the Authority desires to use the Professional Service Agreement (PSA) attached with the RFP, what documents within the RFP constitute the “Statement of Services” listed as Appendix B in Article 4 of the PSA (pdf page 72)?
- A:** The Statement of Services attached to the RFP will become Appendix B of the PSA.
8. **Q:** This entry clearly indicates price is to be a part of the evaluation. Please clarify how this integrates with Item 9. Under PRICE COMPETITION please clarify if notice 9 applies or not? Under PRICE COMPETITION will the majority of evaluators be required to be registered in the State of Alaska? Does section 9.1 apply?
- A:** Price is part of the evaluation. Apply Sections 9 and 9.1 accordingly. Evaluators will not be required to be registered in Alaska to perform architectural, engineering, or land surveying services. This has been changed, please see below.
9. **Q:** Please clarify what billing rates shall be supplied by the proposer in order to propose. Are billing rates for the operators, maintenance worker and superintendent the only rates requested? What other services are to be performed under this contract?
- A:** That is correct, the RFP is only asking for the proposer to provide rates for Maintenance, Operation, and Supervision.
10. **Q:** Is the assumption that Item 9 of Part B, was left blank intentionally for some future purpose and that no item was omitted that a Proposer would be responsible to submit?
- A:** This section is not applicable.
11. **Q:** Does the Authority anticipate that all Subcontractors that will provide services: e.g., Barge Transportation or Personnel Transportation, etc., be identified or just that these services will be negotiated and provided following award of the BLHP Operator?
- A:** Within your Operating Plan, list Subcontractors and how they will be utilized.
12. **Q:** In addition, for those services not specifically listed what is the procedure to obtain and utilize those services? For example, annual dam survey services.
- A:** If the Contractor requires the use of subcontractor services they may request a subcontractor be added to the agreement.
13. **Q:** Direct Costs of Direct Labor (DCDL) as illustrated only identify costs for what appears to be 2 Maintenance Personnel, 2 Operations Personnel, and 1 Supervision Personnel. Is this section only used as a wage comparison and is not indicative of actual proposed staffing levels?

**A:** Used for wage comparison. Actual staffing level must be similar.

14. **Q:** Direct Costs of Direct Labor (DCDL) as illustrated only identify costs for what appears to be 2 Maintenance Personnel, 2 Operations Personnel, and 1 Supervision Personnel under normal expected operating conditions. Please verify that operator and supervisor costs will be billed at their actual cost including any and all overtime or additional time incurred for plant callouts, standby time and additional work or emergencies. With these additional hours incurred include IDC.

**A:** Yes, they will be billed at actual cost and include overtime. Yes, they will include IDC.

15. **Q:** Indirect Costs (IDC) as defined in this section are 1) Fringe Benefits and 2) Non-site Overhead Costs for only off-site accounting and management. Is it implied that all other costs associated with Operation and Maintenance of the project will be reimbursed by the BPMC/Authority at cost as addressed in a future budgetary proposal; e.g. off-site procurement personnel, engineering or technical personnel, communication or information system personnel, warehousing costs, equipment, parts, supplies, contractors, and transportation, etc. Please confirm this understanding is correct.

**A:** That is correct.

16. **Q:** Will a successful Proposer be required to perform all the Duties listed?

**A:** Yes.

17. **Q:** Are the Duties listed considered to be an all-inclusive or comprehensive list?

**A:** Not all inclusive. Duties may be added in accordance with prudent utility practices and annual budget.

18. **Q:** If the list is not inclusive, can a Proposer assume that all additional duties performed will be reimbursed at cost and that no form of Change Order Process will be required?

**A:** Yes.

19. **Q:** Confirm that bullet 16 (2nd bullet on pdf page 17) is indeed a duty of the operator (water and power operations studies).

**A:** This could be a duty if it is included in the annual budget.

20. **Q:** Clarify the method of cost calculation and payment that will be used to reimburse contractor for activities under bullet 17 (subcontracts).

**A:** Operator shall propose total cost for activity including Operator cost for BPMC approval.

21. **Q:** Define what "procure" means in the context of this paragraph. For example, does this mean the Operator will have to develop and fund the engineering/designs, solicit

bids, and administer the Capital Improvement Projects, etc.? If so, how will the Operator be compensated for providing such “procurement” services to the Project?

**A:** The Operator may be required to Contract with consultants/contractors to complete projects requested by the BPMC and AEA. This work will be separate of this agreement. Operator costs shall be included in the project budget.

22. **Q:** Without knowing the method of procurement it is difficult to estimate the effort involved in making these procurements. Is the contractor to assume that when operating under the directed procurement process, including but not limited to the requirement of Little Davis Bacon Wages, that the contractor will be made whole for all his associated costs for making said procurements?

**A:** That is correct, this work would be funded by the BPMC and AEA. This work would be separate of this agreement.

23. **Q:** Please clarify under what conditions a person named in the submission may be replaced during the term of the contract (5 years).

**A: Project Staff** (page 17 of pdf) Replacement of, or addition to, the Project Staff named below shall be accomplished only by prior written approval from the Authority.

24. **Q:** Does approval from the Authority to replace personnel only apply to a change in position or title or does it apply to the specifically named personnel?

**A:** Only to the specifically named person.

25. **Q:** Under what conditions can this person or persons be changed?

**A:** See Question 24.

26. **Q:** Confirm that the General Condition provided as Appendix A to the PSA are identical to the General Conditions referenced in the RFP under Part A – Notices, Item #2, paragraph 2 (pdf page 3 of 4) as part of the “Small Procurement Standard Provisions Booklet”.

**A:** They are identical.

27. **Q:** Confirm whether or not the awarded Contractor must carry, or require to be carried by its maritime transportation subcontractors, watercraft liability insurance and if so, what limits of liability must be provided?

**A:** The entity providing those services must provide the appropriate insurance. Reference INDEMNIFICATION AND INSURANCE (page 88-90 of the pdf).

28. **Q:** Confirm whether or not the awarded Contractor must carry, or require to be carried by its maritime transportation subcontractors, watercraft insurance (not Liability) in order to be in compliance with the Jones Act? If so, what levels of insurance must be provided?

**A:** The entity providing those services must provide the appropriate insurance. Reference INDEMNIFICATION AND INSURANCE (page 88-90 of the pdf).

29. **Q:** Please confirm that the monthly fee block is the ONLY place to provide margin over all activities other than the basic Operator / Supervisor activities. Said in a different way, please confirm that all activities outside of the normal day to day O&M are performed at cost.
- A:** That is correct.
30. **Q:** Please confirm that this contract excludes all transmission maintenance and ROW activities.
- A:** This contract includes transmission within the Federal Energy Regulatory Commission project boundaries (about 20 miles transmission and interconnection).
31. **Q:** Please confirm that this contract excludes all SVC and SVC associated activities.
- A:** Correct.
32. **Q:** When an employee performs services under this contract (procurement, engineering, IT, accounting, consultation...) and that employee is not a part of the Operator / Supervisor group normally doing O&M at Bradley, please confirm that that additional employee's time is charged at the fully loaded rate (Base rate, fringe benefits and managerial overhead).
- A:** Correct.
33. **Q:** Please reconfirm that all activities under this contract (other than Operator and Supervisor activities) are to be done at cost.
- A:** That is correct.
34. **Q:** Please fully define what the word "cost" includes in the above question.
- A:** "Cost" is defined as the allowable "out of pocket" expenses a Contractor will incur in performing contract work. The term "cost" is often used when "price" is really meant. "Fee" is defined as the sum of Profit plus any costs not allocable to a contract.
35. **Q:** Please explain why a professional services form of contract is being used when there is no requirement in this request for a Registered Architect, Engineer or Land Surveyor. Why is this not a simple contract?
- A:** This procurement is being completed using Department of Transportation delegation, their forms are required for this procurement. This contract is not limited to services requiring Registered Architect, Engineer or Land Surveyor services.
36. **Q:** Please explain how expenses will be financed each month? Is the Contractor expected to pay O&M invoices and Capital expenses upfront and carry that debt load until reimbursed by the Authority?
- A:** Yes.

37. **Q:** On part C page 1 EVALUATION CRITERIA - Under section 1 bullet 2. Is this to be the safety record on only the recent or relevant project? The Worker's Compensation Experience Modification Factor for the last three full years is a blended figure and is not separable for the relevant project. OSHA citations from how far back> For the relevant project only or for companywide?
- A:** The safety record for the Contractor, not for the relevant project. OSHA citations for a minimum of three (3) years.
38. **Q:** The evaluation criteria (Part C) has page numbers of 1 of 6, 2 of 6, and 3 of 6. There is no 4 of 6, 5 of 6 or 6 of 6. Are the last three pages missing or are the first three pages the complete Evaluation Criterial.
- A:** That is the complete Evaluation Criteria (Page numbering was an Administrative error).
39. **Q:** A similar RFP has just been issued (RFP Number 16070) which is also associated with Bradley Lake. It is of nearly the same format and verbiage except it is requesting Environmental Services. Just behind the page marked BACKGROUND INFORMATION (also in RFP 18043) is a three page addition not in RFP 18043 titled "Proposed Scope of Services". Why is there no similar "Proposed Scope of Services" for RFP 18043? Is the listing of general duties of the existing Operator to be considered the entire "Proposed Scope of Services" for RFP 18043? Please clarify.
- A:** Proposed Scope of Services starts on page 10 of the pdf.
40. **Q:** If the listing of general duties of the existing Operator is to be considered the entire "Proposed Scope of Services" What will be the arrangement for activities not enumerated in the general duties list? How will the Operator be compensated for activities not listed in this attached list?
- A:** Duties are performed in accordance with the annual budget. The Operator will need to decide if they are approved (budgeted) for a duty that is not specifically numerated in the list. If seen as significant, then there may be a budget amendment.
41. **Q:** Please identify all reports, plans, specifications, estimates and similar work products that must be prepared by or under the direct supervision of A Registered Alaskan Engineer or Land Surveyor in responsible charge for these services. Please identify any work product that shall be signed or stamped by said Registered Alaskan Engineer or Land Surveyor.
- A:** The Operator will not sign or stamp any work product. The Operator shall determine which Project Contractors would need to sign or stamp work products.

**FORMS :**

42. Reference RFP-A, Special Notices, 15.3, (7), add the following after the first sentence:
- Submit, as an attachment, a list of projects showcasing past experience with operation of a Generation project greater than or equal to 10 MW capacity. This will not be counted towards your maximum number of attached pages for Criteria Responses.
43. Reference RFP-A, Special Notices. Add the following:
- 15.6 Termination of Agreement.  
If the agreement is terminated by either the Contractor or the Authority, either Party must be given notice two years in advance of date of termination.
44. Reference RFP-A, 9. PRICE COMPETITION, remove the last sentence and replace with the following:
- “A procurement evaluation committee must consist of at least three state employees or public officials.”
45. Reference RFP-C, EVALUATION CRITERIA, SECTION I – TECHNICAL PROPOSAL, 3. Operating Plan, add the following to the bulleted list:
- Within your Operating Plan, list Subcontractors and how they will be utilized.
46. Reference **RFP-C, EVALUATION CRITERIA, SECTION III - PRICE, 5. Total Price Proposal ((Required Format)**. Remove this section and replace with **ATTACHMENT No. 1.**

All other terms and conditions remain the same.

**END OF ADDENDUM**

We appreciate your participation in this solicitation.

Sincerely,

Rich Wooten, CDT, CPSM, PMP  
Contracting Officer  
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## **EVALUATION CRITERIA**

Criteria with a weight of zero are not applicable and should be disregarded. If a weight is not indicated for any criterion, telephone the Agency Contact person identified at the top of page 1 of Part A - RFP.

### **SECTION I - TECHNICAL PROPOSAL**

#### **1. Experience**

**1. Weight: 20**

A Contractor must show it understands and has the ability to operate a hydroelectric project regulated by the Federal Energy Regulatory Commission.

- Contractor shall submit experience of Contractor and proposed Supervisor on similar sized, regulated and/or remote projects.
- Proposers are to submit Safety Record which will include documentation of proposer's safety record on recent project. Also, include the proposers Worker's Compensation Experience Modification Factor for the last three full years. Any OSHA citations are to be discussed in the proposal.
- Provide documentation that shows past experience related to operating a generation facility.

#### **2. Turnover Plan**

**2. Weight: 10**

Contractor shall submit a turnover plan and schedule to accommodate the following:

- Become familiar with the Project
- Train personnel to take over project (become qualified)
- Prepare and setup logistics

#### **3. Operating Plan**

**3. Weight: 30**

Contractor shall provide an Operating Plan that covers the following details for Project operation:

- Employee shift schedules
- Address coverage to accommodate employee vacation, off site training and turnover
- Storage of goods and equipment prior to transportation to the Project
- Transportation of goods and personnel to Project
- Contingency for employee schedules due to weather or worker illness
- Data and communication transmission and security including SCADA data from Project
- Skills and knowledge of operating personnel
- Training of new and continuing personnel
- How low turnover of operators during contract period will be achieved
- Non-site technical expertise to assist Project personnel.

## SECTION II - PREFERENCES

**4. Alaska Bidder (Offeror) Preference**                      **49 CFR 18.36(c)(2) & 2 AAC 12.260(e)**  
**Weight shall be "0" if any federal funding, otherwise weight shall be at least "10".**

**4. Weight: 10**

To be granted this preference:

**1) Response must certify that Offeror meets the following requirements per AS 36.30.990**

(A) Firm holds a current Alaska Business License;

(B) Proposal is submitted under the name as appearing on the Firm's current Alaska Business License;

(C) Firm has maintained a place of business within Alaska, staffed by the Firm or an employee of the Firm, for a period of six months immediately preceding the date of the offer;

(D) Firm is incorporated or qualified to do business under the laws of the State of Alaska, is a sole proprietorship, and the proprietor is a resident of Alaska, is a limited liability company organized under AS 10.50 and all members are residents of Alaska, or is a partnership under AS 32.05, AS 32.06, or AS 32.11 and all partners are residents of Alaska; and

(E) If the Firm is a Joint Venture, it is composed entirely of entities that qualify under (A) - (D).

**2) Offeror must designate the Alaska Bidder (Offeror) Preference on page one of Part D.**

*Response will be scored: Rating x Number of Evaluators x Weight = Criterion Score. Rating will be as follows:*

*An Alaska Offeror's preference (i.e. a Rating of 5) will be assigned to the proposal of an Offeror who qualifies as an Alaska bidder using the criteria in 1), above.*

*No Alaska Offeror's preference (i.e. a Rating of 0) will be assigned to the proposal of an Offeror who does not certify that it qualifies as an Alaska bidder or who does not qualify as an Alaska bidder using the criteria in 1), above.*

**SECTION III - PRICE**

**5. Total Price Proposal (Required Format)**

**5. Weight: 30**

Each price proposal must be signed and dated by the person who prepares it.

This proposal is for evaluation purposes only. **The items to be fixed for the initial five-year agreement are indicated below.**

**Direct Costs of Direct Labor (DCDL)**

Show the estimated costs for each job classification of employees proposed for the project. Monthly hours are used for evaluation purposes only, it is not reflective of actual required effort. Hourly rates must not include Indirect Costs or Fee. **Hourly rates are capped for the initial five-year term, rates may be renegotiated if the agreement is extended.**

Functions	(A)Monthly Hours	X	Straight Time (B)Rate (\$/hr)	Overtime Rate (\$/hr)	=	Proposed Costs (\$)
Maintenance	160			-----		
Operation	160			-----		
Supervision	80			-----		
Maintenance	160		-----			
Operation	160		-----			
Supervision	80		-----			

**Total DCDL** \$ \_\_\_\_\_

**Indirect Costs (IDC)**

These costs include what are generally referred to as 1) Fringe Benefits (do not include training), and 2) Non-site overhead labor costs of accounting and management. Any expenses of a Contractor are based on actual costs to the Contractor without any profit or other markup. Show the Proposed IDC Rate as a percentage of Direct Costs of Direct Labor and the product. **The IDC rate will be fixed for the length of the initial term (five years) and may be renegotiated if the agreement is extended.**

IDC Rate: \_\_\_\_\_% (DCDL \* IDC) IDC Amount: \$ \_\_\_\_\_

**Monthly Fixed Fee**

The fixed fee is fixed for the length of the initial term (five years) and may be renegotiated if the agreement is extended

\$ \_\_\_\_\_

**Total Proposed Cost (DCDL+IDC+Fee)**

\$ \_\_\_\_\_

*In accordance with the Submittal Checklist ('rfp-b'), item 10.3, Price Proposals must be signed and dated by the person who prepares it (may be a different signature for each subcontractor).*

Response will be scored as follows:  $\frac{(\text{Lowest Total Proposed Price}) \times (\text{MPP}^*)}{(\text{Offeror's Total Proposed Price})} = \text{Criterion Score}$

\*MPP = Maximum Possible Points = (5) x (Number of Evaluators) x (Weight)

*If no federal funding, then per AS 36.30.250(b), total price shall be reduced for the above calculation by the following applicable percentages when the prices are from Offerors designate preferences on page one of Part D.*

- ALASKA BIDDER (OFFEROR) PREFERENCE [2 AAC 12.260(d)]..... 5%
- ALASKA VETERAN-OWNED BUSINESS PREFERENCE [AS 36.30.175] (maximum \$5,000)..... 5%
- and only ONE of the following:
- EMPLOYMENT PROGRAM PREFERENCE [AS 36.30.170(c)] ..... 15%
- DISABLED SOLE PROPRIETOR OR 50% DISABLED EMPLOYEES [AS 36.30.170(e & f)] ..... 10%

*To claim employment or disabled preference, Offeror must be on the appropriate Alaska Division of Vocational Rehabilitation list at the time designated for opening (i.e., receipt) of proposals.*