

**Request for Proposals**

**Bycatch Characterization in the Pacific Halibut  
Fishery**

**ISSUE DATE: January 14, 2008**

**Schedule/Instructions/Provisions/Clauses**

**DEADLINE FOR SUBMISSIONS: February 19, 2008**

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## SECTION 1: PROPOSED SCHEDULE

January 14, 2008	RFP issued and distributed
January 28, 2008	Deadline for written questions on RFP <b>Written questions should be sent via email to the PSMFC Contracting Officer, Michael Arredondo at <u>michael_arredondo@psmfc.org</u>. All questions related to this RFP should have a subject line of “Bycatch Characterization in the Pacific Halibut Fishery</b>
February 5, 2008	PSMFC distribute responses to written questions
February 19, 2008	Deadline for submission of proposals One (1) original to: Pacific States Marine Fisheries Commission ATTN: Michael Arredondo 205 SE Spokane Street, Suite 100 Portland, OR 97202 michael_arredondo@psmfc.org
February 26, 2008	Select contractor
February 27, 2008	Notices sent to bidders announcing the selected contractor
April, 2008	Field Research Activities begin in Gulf of Alaska, AK
July, 2008	Field Research Activities begin in Bering Sea

**All deadlines are 5:00 pm Pacific Standard Time on the date indicated.**

## **SECTION 2: PROJECT DESCRIPTION**

### **Objective**

Pacific States Marine Fisheries Commission (PSMFC), in cooperation with the National Marine Fisheries Service, Alaska Fisheries Science Center and Regional Office (NMFS) and the International Pacific Halibut Commission (IPHC), proposes to contract for the recruitment, selection, employment, supervision and deployment of 4 to 8 NMFS-certified groundfish observers to assist in research being conducted in the Bering Sea and Gulf of Alaska on halibut longline vessels. The project will be conducted in the Gulf of Alaska in April and May 2008 and in the Bering Sea in July and August 2008, with two vessels fishing concurrently in each location. The total observer coverage needed is expected to be approximately 16 observer months, subject to research requirements.

### **Background / Study Description**

The goal of this study is to compare and evaluate the effectiveness of electronic monitoring (EM) and the currently utilized National Marine Fisheries Service (NMFS), North Pacific Groundfish Observer Program (NPGOP) monitoring methods to operate effectively in a commercial longline (hook-and-line) setting. This is a cooperative study with the NMFS, International Pacific Halibut Commission (IPHC), Pacific States Marine Fishery Commission (PSMFC), and the commercial fishing industry. Vessel participation is voluntary, and as a result, the study timelines and logistics will be dependant on the vessel's schedule and fishing operations.

For each trip conducted as part of the study, the vessel will have EM equipment installed and, depending on the size of the vessel, one or two observers providing coverage thereby allowing side-by-side comparisons of EM and observer data. There will be two vessels fishing simultaneously, hence, a total of two to four observers are required simultaneously. It is preferable to have the same observers participating in the study for the entire study period, although not a requirement. Depending on the size and number of vessels participating on the study, fewer observers may be required.

Currently, the larger boats typically participating in the halibut fishery may also target sablefish during the same haul or trip. These vessels are therefore required to carry and pay for a NMFS-certified observer for 30% of their fishing days during each calendar quarter for the sablefish fishery. For this project, that relationship will change and PSMFC will pay the observer contractor directly after confirming observer deployment. Only those observers arranged through NMFS/PSMFC for this study will be paid through this project.

## **SECTION 3: SCOPE OF WORK**

For this project the observers must be available on or about April 1, 2008 for two months in the Gulf of Alaska and again on or about July 1, 2008 for two months in the Bering Sea, or until research activities are terminated in each area, whichever is sooner. Exact time frames will depend on the participating vessels. We expect to know which vessels are participating in the

study by March 1, 2008 for the Gulf of Alaska portion of the research, and June 1, 2008 for the Bering Sea portion of the study.

Because the participating vessels are volunteering for this study, we cannot set the deployment ports at this time. We anticipate that the four vessels participating in the Gulf of Alaska portion of the study will be berthed in Kodiak, however, other potential ports include Seward, Homer, and Sitka. Two vessels will be fishing simultaneously for approximately one month, and then a second pair of vessels will fish in the second month of the research. Until participating vessels are identified, we will not know where the vessels will fish from or their exact fishing schedules. However, we do expect to identify participating vessels 3 to 4 weeks in advance of starting research activities. There is no guarantee that all vessels will fish from the same ports.

For this project to succeed, the contractor must be able to: 1) Provide four to eight observers during the study period, preferably with minimal turnover; 2) work closely with the participating vessels and PSMFC/IPHC/NMFS staff to resolve logistical issues; 3) maintain close communications with PSMFC/IPHC/NMFS staff involved in the project and; 4) ensure that relief or replacement observers are available on short notice. In addition, flexibility in reducing the number of observers needed to accommodate the research needs is necessary.

#### **Observer Requirements:**

Experience: Observers working on this research project must be 2008 North Pacific Groundfish Observer Program (NPGOP) certified observers in good standing with reviews of “meets or exceeds expectations” on all cruises in the past two years. Observers will be required to have monitored 60 or more longline sets and have experience on vessels less than 80 feet LOA. Experience on vessels less than 80 ft is not restricted to longline vessels, or vessels operating in the North Pacific fisheries, and includes vessels participating in research activities as well as commercial fishing vessels. Preference will be given to companies supplying observers with 60 or more monitored longline sets on smaller catcher vessels and / or previous IPHC sea sampling experience.

This experience level is greater than required for most longline observers; however, we feel it is necessary due to the various research aspects of the work. In the 2007 NPGOP database, inclusive of all data debriefed through November 9, 2007, we found there are at least 38 observers who meet these experience requirements on just North Pacific vessels (Table 1). It is expected that more observers will meet these requirements when small vessel and longline deployments in other programs or through other research projects are factored in.

**Table 1: NPGOP Experience Profiles for 2007 Certified Observers who have longline experience and have NPGOP observer experience on any vessel (trawl, pot, or longline) less than 80 ft LOA, not inclusive of experience gained in other observer programs or through research activities.**

	<i>60 or More Sets</i>	<i>80 or More Sets</i>	<i>120 or More Sets</i>
Number of Observers	38	34	27
Average Number Days Sampling Longline Catch (range)	94 (22 – 259)	101 (28 – 259)	118 (39 – 259)
Average Number of Sampled Longline Sets (range)	270 (60 – 750)	293 (80 – 750)	345 (120 – 750)

Note that 60 monitored longline sets is approximately an average of 23 sampled days. Since the database does not contain experience observers may have acquired from other observer programs and other research activities, we expect that these are minimal estimates of the numbers of qualified observers.

**Travel:** Travel costs for observers will be reimbursed to the contractor by PSMFC. Given the funding source for this project (North Pacific Research Board, or NPRB), travel will be reimbursed at the Federal travel rates for lodging and per diem. A mandatory two-day observer training will be held immediately prior to the start of field activities (see below).

**Training:** Observers will be required to attend a research training session conducted by NMFS / PSMFC / IPHC staff before the research project starts. This mandatory training will take approximately 2 days and will be held immediately prior to start of research activities. If possible, this training will be conducted in Alaska, preferably in the same port as the participating vessels will be departing from, or in a nearby location. It is anticipated that the training may be conducted in part on the participating vessels and include some training in operation and maintenance of electronic (video) monitoring equipment. A short one-day briefing will be held prior to the commencement of the July / August 2008 activities in the Bering Sea. This briefing will likely occur in Alaska, but could be at a mutually agreed location. The location and timing of training will be dependent on the fishing schedules of participating vessels.

**Debriefing:** At the end of the first trip, observers will be required to complete a mid-study debriefing. This mid-study debriefing will require approximately one day (or less) and will be conducted between fishing trips. The observer will not need to travel to the mid-study debriefing.

At the completion of the research study in August / September 2008, observers will be debriefed in Seattle, Washington. This final debriefing will take approximately 3 to 5 business days and will be conducted by study staff. If observers have not deployed on non-study vessels during June or other periods, they will not be required to debrief until August /September.

If observers are deployed in June (or other periods when they are not required for study-related duties), they will need to be debriefed (1 to 2 days) from the study project and attend a briefing or obtain a waiver from NMFS prior to non-study deployment. NMFS will delay their final debriefing from non-study deployments so that those observers can be redeployed to the study in July/August.

Observer Equipment: NMFS will provide observers with standard sampling equipment, safety equipment, and any additional required research equipment. Estimated costs for this equipment need not be included in these proposals. Observers or their contractors are expected to provide personal gear such as attire appropriate for sampling duties at sea.

#### **SECTION 4: CONTRACTOR QUALIFICATIONS**

The observer contractor must be a NMFS permitted observer provider as set forth at 50 CFR 679.50(i) by the proposal submission deadline.

The observer contractor must provide evidence of insurance at levels indicated in Section 7, Special Contract Requirements, below. This evidence of insurance must be included with the proposal.

#### **SECTION 5: INSTRUCTIONS, CONDITIONS, AND NOTICES TO OFFERORS**

##### **5.1 Definitions**

As used in this provision--

"Discussions" are negotiations that occur after establishment of the competitive range that may, at the Contracting Officer's discretion, result in the offeror being allowed to revise its proposal.

"In writing" or "written" means any worded or numbered expression which can be read, reproduced, and later communicated, and includes electronically transmitted and stored information.

"Proposal modification" is a change made to a proposal before the solicitation's closing date and time, or made in response to an amendment, or made to correct a mistake at any time before award.

"Time," if stated as a number of days, is calculated using calendar days, unless otherwise specified, and will include Saturdays, Sundays, and legal holidays. However, if the last day falls on a Saturday, Sunday, or legal holiday, then the period shall include the next working day.

##### **5.2 Contracting Officer**

The following Contracting Officer is the designated contact for receipt of proposals, modifications, and questions regarding this solicitation:

Michael Arredondo, Contracts Officer  
Pacific States Marine Fisheries Commission  
205 SE Spokane Street, Suite 100  
Portland, OR 97202  
Telephone: (503) 595-3100  
Facsimile: (503) 595-3444

Michael\_Arredondo@psmfc.org

### **5.3 Principal Investigator**

The following Principal Investigator is the designated contact for technical issues relating to this project:

Jennifer Cahalan, Statistician  
Pacific States Marine Fisheries Commission  
Alaska Fisheries Science Center  
Fisheries Monitoring & Analysis Division  
7600 Sand Point Way, BLDG 4  
Seattle, WA 98115-6349  
(206) 526 4185  
Email: Jennifer\_Cahalan@psmfc.org

### **5.4 Questions**

Questions regarding this solicitation must be submitted in writing to the Contracting Officer by **January 28, 2008**. Responses to all questions containing information that is not covered in this solicitation will be distributed to all known offerors and posted on the PSMFC Internet web site at <http://www.psmfc.org/rfp/> by February 5, 2008.

### **5.5 Amendments to solicitations**

If this solicitation is amended, all terms and conditions that are not amended remain unchanged. Offerors shall acknowledge receipt of any amendment to this solicitation by the date and time specified in the amendment(s).

### **5.6 Extension of solicitation**

PSMFC reserves the right to extend the submission times specified in this solicitation. Potential offerors desiring an extension must submit a written request to the Contracting Officer prior to the time specified in this solicitation for receipt of proposals that includes the amount of additional time requested and an explanation of why such an extension is required. If an extension is granted, PSMFC will notify all known offerors and will post a notice of such extension on its Internet website at <http://www.psmfc.org/rfp/>

### **5.7 Submission, modification, revision, and withdrawal of proposals**

- a. Proposals and modifications to proposals may be submitted in paper media, electronic media, or facsimile.
- b. The proposal must show--
  1. The name of the solicitation;
  2. The name, address, telephone and facsimile numbers of the offeror (and electronic address if available);
  3. A statement specifying the extent of agreement with all terms, conditions, and

provisions included in the solicitation;

4. Names, titles, telephone and facsimile numbers (and electronic addresses if available) of persons authorized to negotiate on the offeror's behalf with the PSMFC in connection with this solicitation; and
5. Name, title, and signature of person authorized to sign the proposal. Proposals signed by an agent shall be accompanied by evidence of that agent's authority, unless that evidence has been previously furnished to the issuing office.
6. References, to include the following information on all similar contracts performed in the last two years, or the last five (5) similar contracts performed:

Name of customer  
Addresses of Customer  
Point of Contact at Customer Organization  
Telephone Number of Point of Contact  
Brief Description of the Project  
Contract Value

The PSMFC reserves the right to consult with and to consider information from its own sources, including information from state and federal agencies regarding the offeror's prior performance or the status of outstanding investigations or warrants involving the offeror.

7. A technical proposal that includes information on how the project is to be organized, staffed, and managed. Programs designed to promote good quality performance and a stable (low turnover) workforce using observer incentives, rewards, or other means, will be given preference. The technical approach should be in as much detail as the offeror considers necessary to fully explain the proposed technical approach or method.
8. A description of the offeror's company and employee experience profile that addresses at least the following:
  - i. The number of observers expected to be under contract by the offeror's company who are qualified to participate in this study: have monitored more than 60 longline sets as a fishery observer, and have deployed experience on vessels less than 80 feet LOA (any professional activities).
  - ii. The length of time, on average and including all prior experience, that those observers have been deployed on longline vessels, and the length of time, on average that those observers had been deployed on vessels less than 80ft LOA.
  - iii. The length of time, on average, that those observers have been certified by NMFS, NPGOP
  - iv. The number of observers who have previously worked for the IPHC as sea

- samplers,
- v. The number of observers who have previous experience working on research projects either as observers or in other data collection capacities, in particular those studies involving EM.

Complete the attached Experience Profiles Table (Exhibit A), and include any additional documentation necessary to fully represent the experience of the offeror's company and observers. In Exhibit A, list only observers who are qualified to participate in the study (have monitored 60 longline sets and experience on vessels less than 80ft). Experience can be detailed to show experience on catcher vessels (CVs) and catcher processors (CP), listing each observer only once, at the most desirable level.

9. Proposers shall submit a cost proposal using the attached Budget Cover Sheet (Exhibit B), followed by a business proposal that includes the following information, as needed, to support the proposed pricing:
    - i. Breakdown of daily cost, including daily rates for at-sea deployment, debriefing and training, and shoredays. Detail which costs, in addition to observer salary and fringe benefits, are included in daily rates.
    - ii. Cost breakdown of other costs, including travel, lodging, materials, equipment, insurance, and direct costs not included in the daily observer rates. In addition, describe any location specific issues that may affect costs.
- c. Submission, modification, revision, and withdrawal of proposals.
1. Offerors are responsible for submitting proposals, and any modifications or revisions, so as to reach the designated PSMFC Contract Officer by 5:00 p.m., Pacific Standard Time, on **February 19, 2008**.
  2. Late proposals:
    - i. Any proposal, modification, or revision received at the PSMFC office designated in the solicitation after the exact time specified for receipt of offers will not be considered.
  3. Acceptable evidence to establish the time of receipt at the PSMFC installation includes the time/date stamp of that installation on the proposal wrapper, other documentary evidence of receipt maintained by the installation, or oral testimony or statements of PSMFC personnel.
  4. If an emergency or unanticipated event interrupts normal PSMFC processes so that proposals cannot be received at the office designated for receipt of proposals by the exact time specified in the solicitation, and urgent PSMFC requirements preclude amendment of the solicitation, the time specified for receipt of proposals will be deemed to be extended to the same time of day specified in the solicitation on the first work day on which normal PSMFC processes resume.

5. Proposals may be withdrawn by written notice received at any time before award. If the solicitation authorizes facsimile proposals, proposals may be withdrawn via facsimile received at any time before award, subject to the conditions specified in provision 52.215-5, Facsimile Proposals, of the Federal Acquisition Regulations (FAR). Proposals may be withdrawn in person by an offeror or an authorized representative, if the identity of the person requesting withdrawal is established and the person signs a receipt for the proposal before award.
- d. Unless otherwise specified in the solicitation, the offeror may propose to provide any item or combination of items.
  - e. Offerors shall submit proposals in response to this solicitation in English and in U.S. dollars.
  - f. Offerors may submit modifications to their proposals at any time before the solicitation closing date and time, and may submit modifications in response to an amendment, or to correct a mistake at any time before award.
  - g. Offerors may submit revised proposals only if requested or allowed by the Contract Officer.
  - h. Proposals may be withdrawn at any time before award. Withdrawals are effective upon receipt of the notice of withdrawal by the Contract Officer.
  - i. Offerors may submit proposals that depart from stated requirements (e.g., to include provision of sampling or communications equipment, alternate compensation or insurance strategies, etc.). Such proposals shall clearly identify why the acceptance of the proposal would be advantageous to the PSMFC. Any deviations from the terms and conditions of the solicitation, as well as the comparative advantage to the PSMFC, shall be clearly identified and explicitly defined.

### **5.8 Offer expiration date**

Proposals in response to this solicitation will be valid for 90 days following the time specified for solicitation of offers (unless a different period is proposed by the offeror).

### **5.9 Restriction on disclosure and use of data**

Offerors that include in their proposals data that they do not want disclosed to the public for any purpose, or used for evaluation purposes, shall—

- a. Mark the title page with the following legend:

“This proposal includes data that shall not be disclosed outside the PSMFC, NMFS, and IPHC and shall not be duplicated, used, or disclosed--in whole or in part--for any purpose other than to evaluate this proposal. If, however, a contract is awarded to this offeror as a result of--or in connection with--the submission of this data, the PSMFC, NMFS and IPHC will have the right to duplicate, use, or disclose the data to the extent provided in the resulting contract. This restriction does not limit the PSMFC's, NMFS', or IPHC's right to

use information contained in this data if it is obtained from another source without restriction. The data subject to this restriction are contained in sheets [insert numbers or other identification of sheets]”; and

- b. Mark each sheet of data it wishes to restrict with the following legend:  
“Use or disclosure of data contained on this sheet is subject to the restriction on the title page of this proposal.”

#### **5.10 Contract Award and Protests**

- a. The PSMFC intends to award a contract or contracts resulting from this solicitation to the responsible offeror(s) whose proposal(s) represents the best value after evaluation in accordance with the factors and subfactors in the solicitation.
- b. The PSMFC may reject any or all proposals if such action is in the PSMFC's interest.
- c. The PSMFC may waive informalities and minor irregularities in proposals received.
- d. The PSMFC intends to evaluate proposals and award a contract without discussions with offerors (except clarifications as described in FAR 15.306(a)). Therefore, the offeror's initial proposal should contain the offeror's best terms from a cost or price and technical standpoint. The PSMFC reserves the right to conduct discussions if the Principal Investigator later determines them to be necessary.
- e. The PSMFC reserves the right to make an award on any item for a quantity less than the quantity offered, at the unit cost or prices offered, unless the offeror specifies otherwise in the proposal.
- f. The PSMFC reserves the right to make multiple awards if, after considering the additional administrative costs, it is in the PSMFC's best interest to do so.
- g. Exchanges with offerors after receipt of a proposal do not constitute a rejection or counteroffer by the PSMFC.
- h. The PSMFC may determine that a proposal is unacceptable if the prices proposed are materially unbalanced between line items or subline items. Unbalanced pricing exists when, despite an acceptable total evaluated price, the price of one or more contract line items is significantly overstated or understated as indicated by the application of cost or price analysis techniques. A proposal may be rejected if the Principal Investigator determines that the lack of balance poses an unacceptable risk to the PSMFC.
- i. If a cost realism analysis is performed, cost realism may be considered by the source selection authority in evaluating performance or schedule risk.
- j. After evaluation of the proposals and selection of a proposed contractor, PSMFC will notify all offerors, via email, of the results within (2) business days.

- k. Any protests of the results of this RFP must be filed with PSMFC within three (3) business days of receipt of the results. Protests may be filed by fax to attn: Michael Arredondo, Contract Officer, at (503) 595-4444 or by email to: michael\_arredondo@psmfc.org. The protesting respondent must cite specific examples to prove that they would have been awarded the contract had PSMFC correctly applied the evaluation standard outlined in the RFP.
- l. Within five (5) business days after filing the initial protest, the protesting respondent shall submit a detailed statement specifying the grounds for the protest with PSMFC. These details must include specific examples to show that the scoring method outlined in the RFP was incorrectly applied. The protest details may be sent to: Michael Arredondo, Contracts Officer, 205 SE Spokane Street, Portland, OR 97202 or by fax to (503) 595-4444. PSMFC will consider the protest and, if valid, will resolve the matter in accordance with federal contracting guidelines. The PSMFC Contract Officer will then notify the protesting respondent of the results of the protest and any corrective action taken.
- m. PSMFC may disclose the following information in postaward debriefings to other offerors, upon request:
  - 1. The overall evaluated cost or price and technical rating of the successful offeror;
  - 2. The overall ranking of all offerors, when any ranking was developed by the agency during source selection; and
  - 3. A summary of the rationale for award.

Requests to review any or all of the above information must be made, in writing, to the PSMFC Contract Officer.

## **SECTION 6: SCORING CRITERIA**

Award of this contract will be on the following scoring criteria:

- 1. Logistics and Observer Retention (20 points): Bidders must submit a proposal detailing how they will ensure that the requisite numbers of observers are available or deployed throughout the project period. The proposal must describe provisions for obtaining backup or relief observers for emergencies, and any other approaches that contractor will use to ensure success. It is expected that specific observers will be dedicated to this project for the study period. Proposals should include how the contractor plans to retain the services of observers throughout the study periods.
- 2. Observer Experience (35 points): Bidders must provide information on the experience of observers they expect to use for this project and any observers who they may provide in the event that the primary observer becomes unavailable. This may include a description of the offeror's employee experience profile that identifies the number of observers expected to be under contract by the offeror's company who are qualified to work on this project and other information supporting the qualifications of the offeror.

Qualified observers will be 2008 certified observers in good standing with reviews of “meets or exceeds expectations” on all cruises in the past 2 years. Observers will be required to have monitored 60 longline sets over the period of their fishery monitoring careers. In addition, they must have experience on vessels less than 80 feet LOA. This experience may include research activities, experience gained while working for other observer programs (other regions, marine mammals), and is not restricted to activities associated with longline fishing. Preference will be given to companies supplying observers with at-sea experience (minimum 60 sets) monitoring longline catcher vessels, observers with previous research experience, and / or previous IPHC sea sampling experience. All observers participating in the study will be required to attend a 2 day training session in Alaska prior to the start of the study. The training is expected to occur immediately prior to the start of research activities in the participating vessel’s port.

3. Contractor Experience (15 points): Qualified observer service providers must hold a NMFS permit to operate in the North Pacific groundfish fisheries. Bidders must detail their experience deploying observers in Alaska. This may include a description of the offeror’s company that identifies the company’s experience contracting with NMFS or PSMFC to provide observers, to conduct research or provide observers for research projects, and other information supporting the qualifications of the offeror.
4. Cost (30 points): For all costs, bidders must use the RFP Budget Template. This template should include all costs associated with providing the necessary observer coverage. Bidders must detail how observers will be housed and supported when not deployed. Additional background information on how costs were determined may be provided as part of the proposal package. If proposed costs to PSMFC exceed the rates that are charged to others during open access fisheries, proposer must provide justification for the difference in costs.

## **SECTION 7: SPECIAL CONTRACT REQUIREMENTS**

### **7.1 Organizational Conflict of Interest**

- a. The contractor warrants that, to the best of the Contractor’s knowledge and belief, there are no relevant facts or circumstances which could give rise to an organizational conflict of interest, as defined in FAR Subpart 9.5, or that the Contractor has disclosed all such relevant information.
- b. The contractor warrants that, to the best of the Contractor’s knowledge and belief, the Contractor does not have a direct financial interest, other than the provision of observer services, in an Alaskan fishery, including, but not limited to, vessels or shoreside facilities involved in the catching or processing of the products of the fishery, concerns selling supplies or services to these vessels or shoreside facilities, or concerns purchasing raw or processed products from these vessels or shoreside facilities.
- c. The Contractor agrees that it will not solicit or accept, directly or indirectly, any gratuity,

gift, favor, entertainment, loan, or anything of monetary value from anyone who conducts activities that are regulated by NMFS, or who has interests that may be substantially affected by the performance or nonperformance of the official duties of observer contractors.

- d. The Contractor agrees that if an actual or potential organizational conflict of interest is discovered after award, the Contractor will make full disclosure in writing to the Principal Investigator. This disclosure shall include a description of actions that the Contractor has taken or proposes to take, after consultation with the Principal Investigator, to avoid, mitigate, or neutralize the actual or potential conflict.
- e. Remedies – The Principal Investigator may terminate this contract for convenience, in whole or in part, if it deems such termination necessary to avoid an organizational conflict of interest. If the Contractor was aware of a potential organizational conflict of interest prior to award or discovered an actual or potential conflict after award and did not disclose or misrepresented relevant information to the Principal Investigator, PSMFC may terminate the contract for default, debar the Contractor from PSMFC contracting, or pursue such other remedies as may be permitted by law or this contract.
- f. The Contractor further agrees to insert provisions that shall conform substantially to the language of this clause, including this paragraph (f), in any subcontract, personnel agreement, or consultant agreement hereunder.

## **7.2 Observer Conflict of Interest**

An observer ----

- a. Must not have a direct financial interest, other than the provision of observer services, in a North Pacific fishery managed pursuant to an FMP for the waters off the coast of Alaska, including, but not limited to, vessels or shoreside facilities involved in the catching or processing of the products of the fishery, concerns selling supplies or services to these vessels or shoreside facilities, or concerns purchasing raw or processed products from these vessels or shoreside facilities.
- b. May not solicit or accept, directly or indirectly, any gratuity, gift, favor, entertainment, loan, or anything of monetary value from anyone who conducts activities that are regulated by NMFS or has interests that may be substantially affected by the performance or nonperformance of the observers' official duties.
- c. May not serve as an observer on any vessel or at any shoreside facility owned or operated by a person who previously employed the observer.
- d. May not solicit or accept employment as a crewmember or an employee of a vessel or shoreside processor in a North Pacific fishery while under contract with an observer provider.

## **7.3 Indemnification/Hold Harmless**

- a. Indemnification – Contractor shall indemnify PSMFC, NMFS and IPHC, their officers, agents, employees, boards and commissions, against all loss, damage, expense and liability

- b. Contractor shall indemnify and hold harmless PSMFC, NMFS, and IPHC and their officers, agents, employees, boards and commissions, against any and all loss, damages, liability, claims, suits, costs and expense whatsoever, including reasonable attorneys fees, regardless of the merits or outcome of any such claim or suit arising from or in any manner connected to Contractor's negligent performance of services provided or work conducted or performed pursuant to this agreement. Contractors shall indemnify and hold harmless PSMFC, NMFS, IPHC and their officers, agents, employees, boards and commissions from and against any and all loss, damages, liability, claims suits, costs and expense whatsoever, including reasonable attorneys fees accruing or resulting to any and all persons, firms or corporations furnishing or supplying work, services, materials, equipment or supplies arising from or in any manner connected to the Contractor's negligent performance of services or work conducted or performed pursuant to this Agreement.

#### **7.4 Insurance Coverage**

- a. Minimum Coverages Required. Pursuant to the clause "Insurance – Work on a Government Installation (FAR 52.228-5)", the Contractor will be required to present evidence to show, at a minimum, the amounts of insurance coverage indicated below. Contractor is also responsible for its Subcontractors maintaining sufficient limits of the same coverage required by Contractor and the Contractor is responsible for collecting Certificates of subcontractors, as per below:
  - 1. Workers' Compensation and Employer's Liability, USL&H and Maritime Employer's Liability – The Contractor is required to comply with any applicable labor codes, acts, laws or statutes, State or Federal or Admiralty, where Contractor performs work. If occupational diseases are not compensable under those statutes, they shall be covered under the employer's liability section of the insurance policy. If in States with exclusive or monopolistic funds that do not permit workers' compensation to be written by private carriers, Contractor is required to comply with any applicable labor, codes, acts, laws or statutes of such States and shall have Workers' Compensation and Employer's Liability Stop-Gap coverage in the amount of \$1,000,000 each accident, and each employee and each accident.
  - 2. Employer's Liability coverage shall be required of at least \$1,000,000 for Bodily Injury or Death, each employee and each accident. If in States with exclusive or monopolistic funds that do not permit workers' compensation to be written by private

carriers, Contractor is required to comply with any applicable labor, codes, acts, laws or statutes of such States and shall have Workers' Compensation and Employer's Liability Stop-Gap coverage in the amount of \$1,000,000 each accident, each employee and each accident.

3. U.S. Long Shore and Harbor Workers Act benefits of at least \$1,000,000 each accident and each Employee with annual aggregate of at least \$1,000,000.
4. Maritime Employer's Liability of at least \$1,000,000 each accident or disease for any or all labor codes, acts, laws or statutes, or alike for the Contractor's liability under the provisions of the Merchant Marine Act of 1920 (Jones Act) and extensions or amendments thereto and the Death on the High Seas Act and any applicable general maritime law. Such coverages shall include Transportation, Wages, Maintenance and Cure, including the Contractor's liability for hospital, medical or other expense necessarily and reasonably incurred in respect to loss of life or bodily injury to or illness of an employee. Such coverages shall also include liability for repatriation expenses, necessarily and reasonably incurred under statutory obligation.

The Maritime Employer's Liability coverage shall have a world wide territory clause and an action "in rem" shall be treated as if it were an action "in personam" against the employer.

5. Comprehensive or Commercial General Liability (Bodily Injury and Property Damage) Insurance including the following supplementary coverage: (A) Contractual Liability to cover liability assumed under this contract; (B) Products hazard coverage for any and all products or completed operations provided or furnished by or on behalf of Contractor for all services rendered; (C) Completed operations hazard coverage, for any claims relating to defects or deficiencies in goods, products, services or materials used or rendered by the Contractor; (D) Broad Form Property Damage Liability Insurance; (E) Policy coverages shall be primary; (E) an action "in rem" shall be treated as if it were an action "in personam"; (F) all coverages subject to coverage territory of the United States of America, including its territories and possessions, and International waters or airspace; (G) Occurrence form (F) Aircraft, Auto or Watercraft exception to exclusion shall be amended from "less than 26 feet long" to "Non-owned watercraft without length limitation" or an equivalent insurance form that affords broad form bodily injury, death, non-owned vessel liability, property damage on an occurrence basis for non-owned vessels operating in Inland or International waters.

Commercial General Liability shall be required in the amount of \$1,000,000 each occurrence, \$2,000,000 General Aggregate, \$1,000,000 Products/Completed Operations, \$1,000,000 Personal and Advertising Injury, \$100,000 Fire Damage Legal Liability, for each claim or occurrence. If equivalent coverage is placed for broad form bodily injury, death, non-owned vessel liability, property damage, coverage shall be required in the amount of \$1,000,000 each claim or occurrence on

an occurrence basis form.

6. Business Automobile Liability shall be required in the amount of \$1,000,000 each occurrence combined single limit for bodily injury and property damage, including \$1,000,000 owned, hired or non-owned liability for such states operating within, as applicable. Coverage shall be at least as broad as the Insurance Service (ISO) Business Auto Coverage comprehensive form covering Automobile Liability for Code "1" any auto.
- b. Additional Insured Provision. Before commencing performance of service, PSMFC, NMFS, IPHC and all affiliated companies of PSMFC, NMFS and IPHC, its officers, agents, employees, boards, commissions and contractors shall be named as an additional insured under the Business Auto Liability, Commercial General Liability and Vessel Liability or equivalent Policy coverage. All the above insurance coverages should be endorsed with the ISO form CG 20 09.
  - c. Subrogation Waiver Provision. Contractor agrees that in the event of loss due to any of the perils for which Contractor is required to provide or perils insured under Business Auto Liability, State Act Workers' Compensation, Employer's Liability, U.S. Long Shore and Harbor Workers, Maritime Employer's Liability, Comprehensive Commercial General Liability and Vessel Liability or equivalent Policy coverage, Contractor shall look solely to its insurance for recovery. Contractor shall hereby grant to PSMFC, NMFS, IPHC, their officers, agents, employees, boards, commissions, on behalf of any insurer providing Business Auto Liability, State Act Workers' Compensation, Employer's Liability, U.S. Long Shore and Harbor Workers, Maritime Employer's Liability, Comprehensive Commercial General Liability and Vessel Liability or equivalent Policy coverage to either Contractor of PSMFC, NMFS and IPHC with respects to the services of Contractor herein, a waiver of any right to subrogate which any such insurer of said contractor may acquire against PSMFC, NMFS, and IPHC, their officers, agents, employees, boards, and commissions by virtue of the payment of any loss under such insurances.
  - d. Evidence of Insurance Provision. Before the final execution of this contract, Contractor and any Subcontractors shall produce a standard Accord form Certificates of Insurance with Insurance Carriers acceptable to the PSMFC, NMFS, and IPHC evidencing all required insurances. The Certificate shall also comply with the Additional Insured Provision, Subrogation Waiver Provision and forward actual endorsements from the Contractor's insurance carriers evidencing required coverage amendments.
  - e. Renewal/Cancellation. The respective Insurance Carriers and the Certificate of Insurance shall allow for a minimum of 30 day written notice of cancellation, non-renewal or reduction of required coverages before the expiration date thereof and the Certificate shall delete the word(s) "endeavor" and the last two lines of a standard Accord Certificate ("But failure to mail such notice shall impose no obligation or liability of any kind upon the company, its agents or representatives"). Renewal Certificates evidencing the same shall be received 10 days prior to the expiration of the coverages so evidenced. The Certificate evidencing all

requirements herein and any reduction of required coverages or cancellation shall be sent to PSMFC Attn: Rick Masters, 205 SE Spokane Suite 100, Portland, OR 97202. Upon request, Contractor shall furnish PSMFC, NMFS, and IPHC or the appointed Broker the same evidence of insurance for its subcontractors as PSMFC, NMFS, and IPHC requires of the Contractor.

- f. Approval of the insurances evidenced or the Accord Certificate by PSMFC, NMFS, and IPHC shall not relieve or decrease the extent to which the Contractor or subcontractor of any tier may be held responsible for payment or any and all damages resulting from its operations. Contractor shall be responsible for all losses not covered by the policy irrespective of no Certificates Filed, expired Certificates, Approved Certificates or for any reason whatsoever.
- g. Sufficiency of Insurance. The insurance limits or coverages required by PSMFC, NMFS, and IPHC are not represented as being sufficient to fully protect the Contractor. Contractor is advised and responsible to determine their own adequate coverage or limits for the Contractor/subcontractor.
- h. Qualifications. Insurance companies shall be legally authorized to engage in the business of furnishing insurance in the State of the exposure. All insurance companies shall have a current A.M. Best Rating not less than "A-" and shall be satisfactory to PSMFC, NMFS and IPHC.
- i. Modify Insurance Requirements. PSMFC, NMFS, and IPHC reserves the option, at any time, to require additional Insurance to be provided by Contractor or subcontractor or to otherwise revise the requirements for provided insurance. Any such action shall be deemed a directed change entitling the Contractor/Subcontractor to an increase for the costs incurred due to such change. Contractor/Subcontractor shall provide all such information or records as may be required or helpful in determining additional costs.
- j. If Contractor can not meet the insurance terms/condition herein, would like to exclude the insurance costs from their bid, and would like to employ the direct brokerage services of a Marine Insurance Specialist, Contractor may request PSMFC to assign an insurance broker that is ready to meet the insurance requirements herein. The appointment of an insurance broker shall not relieve Contractor of any duties or liabilities under this contract.

## EXHIBIT A – EXPERIENCE PROFILE FOR QUALIFIED OBSERVERS

Experience Profiles for Qualified Observers: List Qualified Observers Only.

	<i>With Experience on CV &lt;=80ft</i>	<i>With Experience on CV &gt;80ft</i>	<i>With Experience on CP Vessels Only</i>
<b>Total Number of Qualified Observers</b>			
Average (range) Longline Experience (# Sets)			
Average Deployment on Vessels (# days)			
Average Length of Certification (# years)			
IPHC Experience (# observers)			
Research Experience (not EM, # observers)			
EM Research Experience (# observers)			

Total Number of Qualified Observers: \_\_\_\_\_

Companies that can provide observers with experience on small longline catcher vessels will be given preference.

Please present the experience levels of observers using the above table. In the first column include only observers who have some experience on longline catcher vessels 80ft or less. In the second column, include observers with experience on longline catcher vessels over 80ft. In the last column include only those observers with longline experience on catcher processors, but no experience on longline catcher vessels. You may include the same observer in multiple columns.

For the set of observers presented in the first row of the table, detail the experience those observers have relative to number of observed sets, average deployments (total number of deployed days), and average number of years certified (does not have to be continuous certification). Also, include a count of the number of observers with IPHC and research experience. Observers may be included as both IPHC certified and experienced in research, however, observers should be included in only one research category (EM or not EM only).

**EXHIBIT B - RFP BUDGET COVER SHEET**

Please include and describe any factors that will affect the cost of observer coverage, inclusive of location effects on lodging and travel, other costs which are not included in the observer daily rates, and any other information which will allow us to evaluate a complete cost package.

**Budget Summary Table**

Cost Category	Cost
<b>1. Observer Daily Rate:</b> a. Vessel Deployed Day b. Debriefing or Training Day c. Shore Day	
<b>2. Anticipated Travel Costs</b> a. Kodiak Deployment b. Other SE Alaska / Gulf Deployment c. Dutch Harbor Deployment d. Other Bering Sea / Aleutian Island Deployment	
<b>3. Anticipated Lodging Costs</b> a. Kodiak Deployment b. Other SE Alaska / Gulf Deployment c. Dutch Harbor Deployment d. Other Bering Sea / Aleutian Island Deployment	
<b>4. Other Costs (materials, equipment, insurance, postage, etc.)</b> a. Direct b. Indirect	

How many days lead time do you require to reduce the number of observers without penalty?

\_\_\_\_\_ Days

Note: At this time, the vessels volunteering to participate in this study have not been identified, hence, we do not know which ports we will be operating from, nor do we have exact fishing / research schedules. This information will be available three to 4 weeks prior to the start of research activities.