



State of West Virginia
 Department of Administration
 Purchasing Division
 2019 Washington Street East
 Post Office Box 50130
 Charleston, WV 25305-0130

Request for Quotation

RFQ NUMBER
FAR960055

PAGE
1

ADDRESS CORRESPONDENCE TO ATTENTION OF
KRISTA FERRELL 304-558-2596

RFQ COPY
 TYPE NAME/ADDRESS HERE

VENDOR

SHIP TO

DEPARTMENT OF ADMINISTRATION
 FINANCIAL ACCOUNTING AND
 REPORTING SECTION
 2101 WASHINGTON ST E
 CHARLESTON, WV
 25305-1510 304-558-4083

DATE PRINTED	TERMS OF SALE	SHIP VIA	F.O.B.	FREIGHT TERMS
02/20/2009				

BID OPENING DATE: 02/24/2009 BID OPENING TIME 01:30PM

LINE	QUANTITY	UOP	CAT NO	ITEM NUMBER	UNIT PRICE	AMOUNT
ADDENDUM NO. 2						
THIS ADDENDUM IS ISSUED TO ANSWER ALL TECHNICAL QUESTIONS RECEIVED PRIOR TO THE DEADLINE FOR TECHNICAL QUESTIONS.						
BID OPENING DATE REMAINS: 02/24/2009						
BID OPENING TIME REMAINS: 1:30 PM						
***** END ADDENDUM NO. 2 *****						
0001	1	EA		946-54		
RFQ TO PROVIDE FINANCING FOR EQUIPMENT AND OTHER						
***** THIS IS THE END OF RFQ FAR960055 ***** TOTAL:						

SEE REVERSE SIDE FOR TERMS AND CONDITIONS

SIGNATURE		TELEPHONE		DATE
TITLE	FEIN	ADDRESS CHANGES TO BE NOTED ABOVE		

WHEN RESPONDING TO RFQ, INSERT NAME AND ADDRESS IN SPACE ABOVE LABELED 'VENDOR'

GENERAL TERMS & CONDITIONS
REQUEST FOR QUOTATION (RFQ) AND REQUEST FOR PROPOSAL (RFP)

1. Awards will be made in the best interest of the State of West Virginia.
2. The State may accept or reject in part, or in whole, any bid.
3. All quotations are governed by the *West Virginia Code* and the *Legislative Rules* of the Purchasing Division.
4. Prior to any award, the apparent successful vendor must be properly registered with the Purchasing Division and have paid the required \$125 fee.
5. All services performed or goods delivered under State Purchase Order/Contracts are to be continued for the term of the Purchase Order/Contracts, contingent upon funds being appropriated by the Legislature or otherwise being made available. In the event funds are not appropriated or otherwise available for these services or goods, this Purchase Order/Contract becomes void and of no effect after June 30.
6. Payment may only be made after the delivery and acceptance of goods or services.
7. Interest may be paid for late payment in accordance with the *West Virginia Code*.
8. Vendor preference will be granted upon written request in accordance with the *West Virginia Code*.
9. The State of West Virginia is exempt from federal and state taxes and will not pay or reimburse such taxes.
10. The Director of Purchasing may cancel any Purchase Order/Contract upon 30 days written notice to the seller.
11. The laws of the State of West Virginia and the *Legislative Rules* of the Purchasing Division shall govern all rights and duties under the Contract, including without limitation the validity of this Purchase Order/Contract.
12. Any reference to automatic renewal is hereby deleted. The Contract may be renewed only upon mutual written agreement of the parties.
13. **BANKRUPTCY:** In the event the vendor/contractor files for bankruptcy protection, this Contract may be deemed null and void, and terminated without further order.
14. **HIPAA BUSINESS ASSOCIATE ADDENDUM:** The West Virginia State Government HIPAA Business Associate Addendum (BAA), approved by the Attorney General, and available online at the Purchasing Division's web site (<http://www.state.wv.us/admin/purchase/vrc/hipaa.htm>) is hereby made part of the agreement. Provided that, the Agency meets the definition of a Cover Entity (45 CFR §160.103) and will be disclosing Protected Health Information (45 CFR §160.103) to the vendor.
15. **WEST VIRGINIA ALCOHOL & DRUG-FREE WORKPLACE ACT:** If this Contract constitutes a public improvement construction contract as set forth in Article 1D, Chapter 21 of the West Virginia Code ("The West Virginia Alcohol and Drug-Free Workplace Act"), then the following language shall hereby become part of this Contract: "The contractor and its subcontractors shall implement and maintain a written drug-free workplace policy in compliance with the West Virginia Alcohol and Drug-Free Workplace Act, as set forth in Article 1D, Chapter 21 of the West Virginia Code. The contractor and its subcontractors shall provide a sworn statement in writing, under the penalties of perjury, that they maintain a valid drug-free work place policy in compliance with the West Virginia and Drug-Free Workplace Act. It is understood and agreed that this Contract shall be cancelled by the awarding authority if the Contractor: 1) Fails to implement its drug-free workplace policy; 2) Fails to provide information regarding implementation of the contractor's drug-free workplace policy at the request of the public authority; or 3) Provides to the public authority false information regarding the contractor's drug-free workplace policy."

INSTRUCTIONS TO BIDDERS

1. Use the quotation forms provided by the Purchasing Division.
2. **SPECIFICATIONS:** Items offered must be in compliance with the specifications. Any deviation from the specifications must be clearly indicated by the bidder. Alternates offered by the bidder as **EQUAL** to the specifications must be clearly defined. A bidder offering an alternate should attach complete specifications and literature to the bid. The Purchasing Division may waive minor deviations to specifications.
3. Complete all sections of the quotation form.
4. Unit prices shall prevail in case of discrepancy.
5. All quotations are considered F.O.B. destination unless alternate shipping terms are clearly identified in the quotation.
6. **BID SUBMISSION:** All quotations must be delivered by the bidder to the office listed below prior to the date and time of the bid opening. Failure of the bidder to deliver the quotations on time will result in bid disqualifications: Department of Administration, Purchasing Division, 2019 Washington Street East, P.O. Box 50130, Charleston, WV 25305-0130

RFQ#: FAR960055
Addendum No. 2
Technical Questions and Answers

1. Will the state allow the Master Lease Financing Agreement (MLFA) to be amended to include expanded prepayment language including blackout period and/or payoff premium?

Answer: Yes, the State would consider expanded prepayment language under Section 17 of the MLPFA, in order to obtain a better interest rate.

2. Will we have opportunity to negotiate master lease general terms?

Answer: No. The MLPFA terms and conditions are the requirements for this RFQ, and there will be no modification of those terms after the bids have been submitted. Any material modification to the terms of the MLPFA would require re-bidding the contract.

3. Do all the agencies using the master lease roll-up into the state's consolidated financial statements, or do any provide separate CAFR's distinct from the state?

Answer: All the agencies using the master lease roll-up into the State's Comprehensive Annual Report (CAFR); however, some agencies may also issue their own CAFR or their own financial statements

4. It appears that the MLPFA is with the State of West Virginia; however, the lessee for each transaction will be a State Agency. Will lease payments be made solely by appropriations to each State Agency? If the Agency fails to make payment, is the State responsible for payment (up to the appropriated amount)?

Answer: Lease payments will be made solely from appropriations to each State Agency. If the Agency fails to make payment(s), the State will not be responsible for payment.

5. Please provide a detailed list of all non direct agencies (i.e. quasi state entities such as West Virginia University or other State Colleges) that would be eligible to utilize the line and provide current year financial statements if not readily available online.

Answer: The potential Lessees are any spending units of the State of West Virginia, including State colleges and universities. Please refer to West Virginia Code 5A-1-1 for the definition of "spending unit". Financial

statements for colleges and universities may be found at the following website:

http://wvhepcnew.wvnet.edu/index.php?option=com_content&task=view&id=147&Itemid=1

6. If the Lessee is an indirect State Agency (as outlined above) would the State consider alternative pricing for these types of entities?

Answer: Any alternative pricing methods must be outlined in the bid package submitted. All vendors will be evaluated based on the lowest overall rate offered to main state agencies. See revised pricing sheet attached.

7. Will the State accept an amendment to the MLPFA which places a contractual limit on the dollar amount funded in any 12 month cycle?

Answer: Section 2.2. of the RFQ states: "Total purchases under the Agreement are not expected to exceed \$20,000,000.00 for the initial term of the Agreement." It is the State's intention not to exceed \$20,000,000.00 for any given fiscal year.

8. Will the State accept an amendment to the MLPFA which requires renewal to be mutually acceptable, with each party acting in its sole discretion, with renewal to be on the same terms and conditions of the MLPFA except for modified pricing?

Answer: Section 22 of the MLPFA already provides for mutual written agreement to any renewal. However, any modification of pricing would require a new RFQ being issued.

9. Although the State asserts in Section 3 of the Specifications that the State is exempt from all taxes regarding the scope of work and the contract, it is not clear that a Lessor will be similarly exempt from taxes assessed on the equipment, on the individual leases, on the rent payments or on the acquisition of the equipment. Is the State willing to modify the RFQ or the MLPFA to provide that the State will reimburse the Lessor for any sales taxes, use taxes, property taxes, or other taxes (but expressly excluding any income taxes for franchise taxes assessed on income of the Lessor) assessed by the State or by any local taxing authority on the equipment, on the individual leases, on the rent payments, or on the acquisition of the equipment?

Answer: No. These matters are addressed in Section 3 of the RFQ and Section 13 of the MLPFA.

10. Would the State consider a 2 year lock out on any prepayment?

Answer: Yes, the State would consider a 2-year lockout on prepayment under Section 17 of the MLPFA in order to obtain a better interest rate. Alternative pricing for this option, if requested, must be provided in your bid package. However, this provision would not apply under Section 11 of the MLPFA in the case of loss or destruction of the equipment.

11. Would the State consider indexing to the daily H.15 vs. the weekly average?

Answer: No. the State believes that the H.15 weekly average provides a blended rate that is fairer to both parties, and more accurately reflects the market conditions.

12. Does the State have a preferred escrow agent? Will the State and each Lessee provide a security interest in the escrow funds in account?

Answer: The State does not have a preferred escrow agent. Any Escrow Agent designated by the Lessor must agree to the provisions of Section 21 of the MLPFA, and no other escrow terms will be accepted. Consistent with Section 21, each Lessee may provide a security interest in funds in its Acquisition Fund, payable to the Lessor only in the case of default by the Lessee or termination of the lease.

13. Will the State reasonably negotiate other specific terms to the MLPFA upon award?

Answer: No. The MLPFA terms and conditions are the requirements for this RFQ, and there will be no modification to those terms after the bids have been submitted. Any material modification to the terms of the MLPFA would require re-bidding the contract.

14. Can the vendors be provided with a list of all agencies which utilized the master lease contract for the last contract period?

Answer: See attached list

State Agency

Auditor's Office

Aviation Division

Office of Technology

Natural Resources

Parkways, Economic Dev & Tourism

Purchasing Division – Fleet Management

Tax Department

Glennville State College

Marshall University

Shepherd University

Southern West Virginia Technical College

West Virginia University

RFQ #: FAR960055
Cost Sheet

Bidders are asked to completed the below Costing Table. Vendors failing to complete this section in its entirety may be disqualified as the submitted bid may not be able to be evaluated.

State Agencies:

Financing Period	Discount/Premium from H.15
3 Year Financing Term	_____
4 Year Financing Term	_____
5 Year Financing Term	_____
7 Year Financing Term	_____
Total :	_____

The above Index amounts will remain fixed during the term of the Agreement and any renewal or extension thereof.

Indirect State Agencies:

Financing Period	Discount/Premium from H.15
3 Year Financing Term	_____
4 Year Financing Term	_____
5 Year Financing Term	_____
7 Year Financing Term	_____

The above Index amounts will remain fixed during the term of the Agreement and any renewal or extension thereof.

****Evaluation will be based on Total Discount/Premium from H.15 for State Agencies.**