

NM - 22

MONITORING REPORTS

YEAR(S):

2001

PROPOSAL REQUEST

REQUEST FOR PROPOSALS

STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

NEW MEXICO OIL CONSERVATION DIVISION

INVESTIGATION, CLEANUP AND ENVIRONMENTAL REMEDIATION
OF THE GOODWIN TREATING PLANT

DECEMBER 11, 2000

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I. INTRODUCTION

A. PURPOSE OF THIS REQUEST FOR PROPOSALS

The State of New Mexico's Oil Conservation Division of the Energy, Minerals and Natural Resources Department (EMNRD-OCD) is requesting proposals for investigation, cleanup and environmental remediation of a site known as the Goodwin Treating Plant. Copies of the Phase I Investigation Report, facility map, and photos may be obtained by contacting the Procurement Manager identified in Section I, Paragraph D.

B. SUMMARY SCOPE OF WORK

The contractor shall perform the work necessary to properly remove equipment and surface contamination, investigate the extent of subsurface soil and ground-water contamination, and remediate/restore the facility site in accordance with the rules of the EMNRD-OCD. The Goodwin Treating Plant is located in the SW/4 NW/4 of Section 31, Township 18 South, Range 37 East, Lea County, New Mexico.

C. SCOPE OF PROCUREMENT

The scope of the procurement includes, but is not limited to:

1. the demolition of all buildings and foundations;
2. the removal of all tanks, equipment, material, trash and junk from the location and recycle/disposal in a manner approved by the EMNRD-OCD;
3. the removal of all oilfield products or wastes at the site and recycle/disposal at an EMNRD-OCD-approved facility; and
4. the installation of one ground-water monitoring well.

D. PROCUREMENT MANAGER

EMNRD-OCD has designated a Procurement Manager who is responsible for the conduct of this procurement whose name, address and telephone number are listed below.

This address is valid until January 12, 2001

Martyne J. Kieling
New Mexico Oil Conservation Division
2040 South Pacheco
Santa Fe, New Mexico 87505
Phone: 505-827-7153
Fax: 505-827-8177

New address effective January 12, 2001

Martyne J. Kieling
New Mexico Oil Conservation Division
1220 S. Saint Frances
Santa Fe, New Mexico 87505
Phone: 505-476-3440
Fax: 505-476-3462

All deliveries via express carrier should be addressed as above. Any inquiries or requests regarding this procurement should be submitted to the Procurement Manager in writing.

Offerors may contact ONLY the Procurement Manager regarding the procurement. Other state employees do not have the authority to respond on behalf of the Agency.

E. BACKGROUND INFORMATION

The Goodwin Treating Plant was closed, by order of the EMNRD-OCD, on March 26, 1996. The plant was inactive for a period in excess of six consecutive months prior to that date.

On October 2000, a Phase I Investigation was conducted to determine the presence or absence of asbestos and naturally occurring radioactive material (NORM). Insulation samples were negative for asbestos. However, tank bottoms in tank number 112 contained 47.28 pCi/gm of Ra-226. The investigation also provided an estimate of the volume and type of waste, whether solid or liquid, within each tank. The cleanup and environmental remediation is necessary to protect water and the environment in general.

II. CONDITIONS GOVERNING THE PROCUREMENT

The EMNRD-OCD requires that all offerors agree to be bound by the requirements contained in this RFP. Any offeror concerns must be promptly brought to the attention of the Procurement Manager.

A. GENERAL REQUIREMENTS

1. Prime Contractor Responsibility

Any contract that results from this RFP will specify that the prime contractor is solely responsible for fulfillment of the contract with the EMNRD-OCD. The EMNRD-OCD will make contract payments only to the prime contractor.

2. Subcontractors

Use of subcontractors must be clearly explained in the proposal, and subcontractors must be identified by name. The prime contractor shall be wholly responsible for the entire performance whether or not subcontractors are used.

3. Offerors' Rights to Withdraw Proposal

Offerors will be allowed to withdraw their proposals at any time prior to the deadline for receipt of proposals. The offeror must submit a written withdrawal

request signed by the offeror's duly authorized representative addressed to the Procurement Manager.

4. Proposal Offer Firm

Responses to this RFP, including proposal prices, will be considered firm for ninety (90) days after the due date for receipt of proposals or sixty (60) days after receipt of a best and final offer if one is submitted.

5. Disclosure of Proposal Contents

The proposals will be kept confidential until a contract is awarded. At that time, all proposals and documents pertaining to the proposals will be open to the public, except for the material that is proprietary or confidential. The Procurement Manager will not disclose or make public any pages of a proposal on which the offeror has stamped or imprinted "proprietary" or "confidential" subject to the following requirements.

Proprietary or confidential data shall be readily separable from the proposal to facilitate eventual public inspection of the nonconfidential portion of the proposal. Confidential data is normally restricted to confidential financial information concerning the offeror's organization and data that qualifies as a trade secret in accordance with the Uniform Trade Secrets Act, Sections 57-3A-1 to 57-3A-7 NMSA 1978. The price of products offered or the cost of services proposed shall not be designated as proprietary or confidential information.

If a request is received for disclosure of data for which an offeror has made a written request for confidentiality, the State Purchasing Agent shall examine the offeror's request and make a written determination that specifies which portions of the proposal should be disclosed. Unless the offeror takes legal action to prevent the disclosure, the proposal will be so disclosed. The proposal shall be open to public inspection subject to any continuing prohibition on the disclosure of confidential data.

6. No Obligation

This procurement in no manner obligates the State of New Mexico or any of its agencies to the eventual rental, lease, purchase, etc., of any equipment or services

offered until a valid written contract is awarded and approved by required authorities.

7. Termination

This RFP may be canceled at any time and any and all proposals may be rejected in whole or in part when the EMNRD-OCD determines such action to be in the best interest of the State of New Mexico.

8. Sufficient Appropriation

Any contract awarded as a result of this RFP process may be terminated if sufficient appropriations or authorizations do not exist. Sending written notice to the contractor will effect such termination. The EMNRD-OCD's decision as to whether sufficient appropriations and authorizations are available will be accepted by the contractor as final and binding.

9. Legal Review

The EMNRD-OCD requires that all offerors agree to be bound by the requirements contained in this RFP. Any offeror concerns must be promptly brought to the attention of the Procurement Manager.

10. Governing Law

The laws of the State of New Mexico shall govern this procurement and any agreement with offerors that may result.

11. Basis for Proposal

Only information supplied by the EMNRD-OCD in writing through the Procurement Manager or in this RFP should be used as the basis for the preparation of proposals.

12. Contract Terms and Conditions

The contract between the EMNRD-OCD and a contractor will follow a format specified by the EMNRD-OCD. However, the EMNRD-OCD reserves the right to

negotiate with a successful offeror provisions in addition to those contained in this RFP. The contents of this RFP, as revised or supplemented, and the successful offeror's proposal will be incorporated into and become part of the contract.

Should an offeror object to any of the EMNRD-OCD's terms and conditions, that offeror must propose specific alternative language. The EMNRD-OCD may or may not accept the alternative language. General references to the offeror's terms and conditions or attempts at complete substitutions are not acceptable to the EMNRD-OCD and will result in disqualification of the offeror's proposal.

Offerors must provide a brief discussion of the purpose and impact, if any, of each proposed change followed by the specific proposed alternate wording.

13. Offeror's Terms and Conditions

Offerors must submit with the proposal a complete set of any additional terms and conditions which they suggest be included in a contract negotiated with the EMNRD-OCD.

14. Contract Deviations

Any additional terms and conditions, which may be the subject of negotiation, will be discussed only between the EMNRD-OCD and the selected offeror.

15. Offeror Qualifications

An evaluation committee, designated by the EMNRD-OCD, may make such investigations as necessary to determine the ability of the offeror to adhere to the requirements specified within this RFP. The Evaluation Committee will reject the proposal of any offeror who is not a responsible offeror or fails to submit a responsive offer as defined in Sections 13-1-83 and 13-1-85 NMSA 1978.

16. Right to Waive Minor Irregularities

The Evaluation Committee reserves the right to waive minor irregularities. The Evaluation Committee also reserves the right to waive mandatory requirements provided that all of the otherwise responsive proposals failed to meet the same mandatory requirements and doing so does not otherwise materially affect the procurement. This right is at the sole discretion of the Evaluation Committee.

17. Change in Contractor Representatives

The EMNRD-OCD reserves the right to request a change in contractor representatives if the assigned representatives are not, in the opinion of the EMNRD-OCD, meeting its needs adequately.

B. SEQUENCE OF EVENTS

<u>Action</u>	<u>Responsibility</u>	<u>Date</u>
1. Issue RFP	EMNRD-OCD	December, 2000
2. Site Tour	EMNRD-OCD	January 4, 2001
3. Proposal due date	Offeror	January 31, 2001, 5:00 p.m. MST
4. Proposal evaluations	EMNRD-OCD	February 7, 2001
5. Selection of contractor	EMNRD-OCD	February 9, 2001
6. Contract effective	EMNMD-OCD	On or about February 23, 2001 but not prior to approval by the Department of Finance and Admin.
7. Begin contract work	Contractor	On effective date of contract
8. Project termination	EMNRD-OCD	September 1, 2001

III. RESPONSE FORMAT AND ORGANIZATION

A. NUMBER OF RESPONSES

Offerors shall submit only one proposal.

B. NUMBER OF COPIES

Three copies of the proposals must be received at the EMNRD-OCD office specified in Section I, Paragraph D no later than January 31, 2001, 5:00 p.m. Mountain Standard Time. No offers will be accepted after the deadline. No offers sent to EMNRD-OCD by facsimile transmission will be considered responsive.

C. PROPOSAL ORGANIZATION

The proposal must be organized and indexed in the following format and must contain, as a minimum, all listed items in the sequence indicated.

1. letter of transmittal
2. proposal summary
3. response to technical specifications
4. response to business specifications
5. offer amount including technical specifications by item, total turnkey cost and supplemental rates
6. offeror's additional terms and conditions
7. other supporting material (optional)

Any proposal that does not adhere to these requirements may be deemed non-responsive and rejected on that basis.

The proposal summary may be included by offerors to provide the Evaluation Committee with an overview of the technical and business features of the proposal; however, this material will not be used in the evaluation process unless specifically referenced from other portions of the offeror's proposal.

Offerors may attach other materials that they think may improve the quality of their responses. However, these materials should be included as items in a separate appendix.

D. LETTER OF TRANSMITTAL

Each proposal must be accompanied by a letter of transmittal. The letter of transmittal MUST:

1. identify the submitting organization;
2. identify the name and title of the person authorized by the organization to contractually obligate the organization;
3. identify the name, title and telephone number of the person authorized to negotiate the contract on behalf of the organization;
4. identify the names, titles and telephone numbers of persons to be contacted for clarification;
5. explicitly indicate acceptance of the Conditions Governing the Procurement stated in Section II;
6. be signed by the person authorized to obligate the organization by contract; and
7. acknowledge receipt of any and all amendments to this RFP.

IV FACILITY SITE INFORMATION

A. GENERAL SITE INFORMATION

The former Petro-Thermo Corporation's Goodwin Treating Plant facility is located in SW/4 NW/4 Section 31, Township 18 South, Range 37 East, NMPM Lea County, New Mexico. The State of New Mexico owns the surface. The facility consist of 23 tanks each with a buried drum or wooden box sump, two large insulated treaters, 6 empty drums, burred pipes, an emergency overflow pit, a pile of tank-bottoms and associated equipment and trash including pipe, tires, catwalks, pump and motor. Utilities to be considered include power pole with transformer, junction box and a possible buried gas line. Depth to ground water has been estimated at 45 to 60 feet. The local ground water gradient is estimated to be toward the southeast.

On October 2000, a Phase I Investigation was conducted to determine the presents or absence of asbestos and naturally occurring radioactive material (NORM). Insulation samples were negative for asbestos. However, tank bottoms in tank 112 contained 47.28 pCi/gm of Ra-226. The EMNRD-OCD recognizes that additional NORM waste may be present at the site. The investigation also provided an estimate of the volume and type of waste, within each tank, Section IV, Paragraph B. Liquid from tanks that were accessible were tested on site to determine recyclable potential. Field test results suggest no recyclable hydrocarbons in the liquids. An estimate for the waste type and volume within the north and south treaters has not been determined. A rough estimate of contaminated soils in the on site soil/tank bottom pile and around the tanks is estimated to be 1450 cubic yards.

B. EQUIPMENT ON SITE

TANK #	SIZE / TYPE	LIQUIDS (bbls)	SOLIDS (feet)
1	500 bbl redwood	none	empty
101	500 bbl steel bolted	none	1.6
102	500 bbl steel bolted	none	1.7
103	500 bbl steel bolted	none	0.6
104	500 bbl steel bolted	none	2.2
105	500 bbl steel bolted	40	0.0
106	500 bbl steel bolted	15	1.6
107	500 bbl steel bolted	none	0.5
108	500 bbl steel bolted	70	1.0
109	500 bbl steel bolted	132	0.6
110	500 bbl steel bolted	none	6.6

111	500 bbl redwood	225	9.0
112	500 bbl redwood NORM	none	5.0 NORM
113	500 bbl steel bolted gun barrel	218	6.6
114	500 bbl redwood	210	9.0
115	200 bbl redwood	40	0.0
116	200 bbl redwood	115	1.0
117	200 bbl redwood	176	0.0
118	500 bbl redwood	311	0.6
120	1000 bbl steel bolted	none	empty
121	500 bbl redwood	232	1.0
122	poly (acid)	none	empty
123	10,000 gal welded horizontal	none	empty
South treater	Large non-asbestos insulation	unknown	unknown
North treater	Large non-asbestos insulation	unknown	unknown

<u>ITEM</u>	<u>APPROXIMATE DIMENSIONS</u>
Facility	350 feet x 350 feet
Emergency pit	60 feet x 60 feet
Tank-bottom pile	30 feet x 26 feet x 2 feet

C. ADDITIONAL SITE INFORMATION

Copies of facility photos and the Phase I Investigation Report with analysis and site map are available upon request.

V. SPECIFICATIONS

A. TECHNICAL SPECIFICATIONS

The contractor shall:

1. Investigate extent of total petroleum hydrocarbons (TPH), benzene, toluene, ethylbenzene, xylene (BTEX), and chloride within the emergency overflow pit. Samples will be taken at 3-5 feet below ground surface (bgs) and then at 10 foot intervals. Field photo ionization detector (PID) measurements will be used as a screening tool. A sample from each interval will be sent for laboratory chloride analysis. A minimum of one sample from the 3-5 foot interval, one sample from the highest PID sample location and one bottom hole sample will be sent for laboratory analysis to confirm the concentration and extent of TPH, and BTEX.

Note: Offeror will base the turnkey cost on an air rotary drill rig and one 60 foot well.

2. Complete the borehole as a 2-inch ground water monitor well. The well completion will be as follows:
 - a. At least 15 feet of well screen shall be placed across the water table interface with 5 feet of the well screen above the water table and 10 feet of the well screen below the water table.
 - b. An appropriately sized gravel pack shall be set in the annulus around the well screen from the bottom of the hole to 2-3 feet above the top of the well screen.
 - c. A 2-3 foot bentonite plug shall be placed above the gravel pack.
 - d. The remainder of the hole shall be grouted to the surface with cement containing 3-5% bentonite.
 - e. A concrete pad and locking well cover shall be placed around the well at the surface.
 - f. The well shall be developed after construction using EPA approved procedures.
3. Sample the ground water no less than 24 hours after the well is developed. The ground water from the monitor well must be purged, sampled and analyzed for concentrations of benzene, toluene, ethylbenzene, xylene, polycyclic aromatic hydrocarbons (PAH), total dissolved solids (TDS), major cations/anions and New Mexico Water Quality Control Commission (WQCC) metals using EPA approved methods and quality assurance/quality control (QA/QC) procedures.
4. Follow all requirements set forth in NMOCC Order R-10609 regarding NORM. This is to include but is not limited to licensed NORM survey personnel, use of calibrated equipment, appropriate management of NORM waste, and acquiring the necessary licenses to transport and dispose of NORM waste at out of state disposal facilities.
5. Survey the waste within all tanks and treaters for NORM as the tanks and treaters are opened. If field readings over 50 microroentgens per hour (uR/hr) (0.5 uSv/hr) are obtained a representative sample of sludge or scale will be sent to an EMNRD-OCD-approved laboratory for Radium 226 analysis. If the laboratory analysis exceeds 30 picocuries per gram the waste is no longer considered exempt

(NMOCC Order R-10609) and will be disposed of as Regulated NORM

6. Remove and recycle or dispose of fluids in tanks at an EMNRD-OCD-approved waste management facility.
7. Remove and remediate solids in tanks via landfarming at an EMNRD-OCD-approved waste management facility.
8. Remove and recycle or dispose of all tanks, vessels, treaters, underground pipes, hardware, equipment and debris including pipes, drums, tires, catwalks, pumps and motors at an EMNRD-OCD-approved waste management facility or recycler.
9. Remove surface contaminated soils that are in excess of 100 ppm TPH, 50 ppm BTEX, and 10 ppm benzene. Surface soil removal may not exceed 5 feet of excavated depth. All petroleum contaminated soils will be remediated via landfarming at an EMNRD-OCD-approved waste management facility.

Note: Offeror will base the turnkey cost on 1450 cubic yards of estimated contaminated soil.

Note: If upon investigation, ground water is found to be in excess of 50 feet bgs removal of surface contaminated soils will be limited to those in excess of 1000 ppm TPH, 50 ppm BTEX, and 10 ppm benzene. Surface soil removal may not exceed 5 feet of excavated depth.

10. Investigate the extent of total petroleum hydrocarbons (TPH), benzene, toluene, ethylbenzene, xylene (BTEX), and chloride beneath each tank/sump, treater, and the tank bottom soil pile. Samples will be taken from the bottom of each excavation and/or beneath each tank/sump location. Field photo ionization detector (PID) measurements will be used as a screening tool. A minimum of one sample from the highest PID sample location in the bottom of the excavation or tank/sump location will be sent for laboratory analysis to confirm the concentration and extent of TPH, BTEX and chloride.

Note: Offeror will base the turnkey bid on 35 laboratory TPH, BTEX and chloride analyses.

11. Backfill excavations with clean soil to provide positive runoff. Soil will be back-hauled and stockpiled on location during the soil contamination removal phase of the project. The EMNRD-OCD prefers back-hauling clean soil from the EMNRD-OCD-approved waste management facility.

Note: If further investigation and excavation is required the EMNRD-OCD may determine that back filling will not be required under this contract.

12. Prepare and deliver to EMNRD-OCD a Phase 1 report that documents items in Section V, Paragraph A.1 through 3.
13. Prepare and deliver to EMNRD-OCD a Phase 2 report that documents items in Section V, Paragraph A.4 and 5.
14. Prepare and deliver to EMNRD-OCD a Phase 3 report that documents the items in Section V, Paragraph A.6 through 11.

B. BUSINESS SPECIFICATIONS

1. Offerors will examine all contract documents, noting particularly all stipulations that in any way affect contract work. Failure of an offeror to acquaint itself fully with the amount and nature of the work required to fulfill all terms of the contract documents will not be considered as a basis for extra compensation after a contract has been awarded.
2. If an offeror finds discrepancies, omissions or ambiguities in the contract documents, it will at once notify the EMNRD-OCD, which will send written corrections or explanations to all offerors. EMNRD-OCD will not be responsible for any oral instructions.
3. If an offeror's proposal substantially adds to, subtracts from or otherwise changes the provisions of this request, the proposal will be rejected.
4. Proposals must indicate acceptance of terms required by this RFP in a transmittal letter signed by the individual with authority to bind the entity to these requirements.

C. BUDGET

A turnkey cost, as shown below, will be included in each proposal (refer to Section V):

<u>TECHNICAL SPECIFICATION</u>	<u>ITEM COST</u>
1. Sub-surface contamination investigation based on air rotary	\$
2. Well completion based on 60 foot well	\$
3. Groundwater sampling and analysis	\$
4. NORM requirements	\$
5. NORM survey and lab analysis	\$
6. Tank fluid removal and disposal	\$
7. Tank solids removal and disposal	\$
8. Tank and equipment removal	\$
9. Near-surface contamination investigation based on lab 35 samples	\$
10. Contaminated soil removal based on 1450 cyd	\$
11. Backfilling excavations with back-hauled clean soil	\$
12. Phase 1 report	\$
13. Phase 2 report	\$
14. Phase 3 report	\$
Total	\$
NM Gross Receipts Tax	\$ _____
Total Turnkey Cost	\$

A supplemental cost rates as shown below, will be included in each proposal. Supplemental rates are to be applicable if charges are made in addition to or in lieu of turnkey cost. Switching to hourly rate or other implementation of supplementary rates must be approved by the EMNRD-OCD Procurement Manager. The turnkey cost will not be accepted unless all supplemental rate data is furnished. The supplemental rates listed below will be considered firm bids.

<u>SUPPLEMENTAL RATE</u>		
<u>DESCRIPTOIN OF SERVICE</u>	<u>RATE PER</u>	<u>UNIT</u>
Air rotary rig equipped to perform all work Set out in technical specifications	\$	hour
Bentonite pellets	\$	pound
Blank 2 inch PVC riser	\$	foot

Move-in, move-out charges	\$	hour
Water truck - capacity _____ bbls	\$	hour
Backhoe - minimum hours if applicable _____	\$	hour
Trackhoe - minimum hours if applicable _____	\$	hour
Dozer - minimum hours if applicable _____	\$	hour
Trucking - minimum hours if applicable _____	\$	hour
Front end loader - minimum hours if applicable ____	\$	hour
Senior scientist	\$	hour
Environmental technician	\$	hour
Certified NORM technician/scientist	\$	hour
Labor	\$	hour
Photo Ionization Detector (PID)	\$	day
Chloride laboratory analysis	\$	per analysis
TPH laboratory analysis	\$	per analysis
BTEX laboratory analysis	\$	per analysis
Contaminated soil offsite landfarm remediation	\$	per cubic yard
Back-haul clean soil	\$	per cubic yard
NORM contaminated soil offsite disposal include trucking cost	\$	per cubic yard
Produced water and non-NORM liquids disposal	\$	per barrel

VI. EVALUATION PROCESS

A. EVALUATION POINT SUMMARY

The following is a summary of evaluation factors and the point value assigned to each. These weighted factors will be used in the evaluation of the individual offeror proposals. Points will be awarded on the basis of the following evaluation factors:

<u>Specification</u>	<u>Points</u>
1. Project Approach	75
2. Project Plan.....	150

3.	Experience	
a.	Proposed project staff members relevant experience in oil field cleanup and remediation projects.....	150
b.	Offeror's organizational relevant experience.....	175
4.	References	
a.	Corporate.....	75
b.	Staff.....	75
5.	Cost.....	<u>300</u>
	Total Points.....	1,000

B. EVALUATION FACTORS

1. PROJECT APPROACH - Up to 75 points will be awarded based upon an evaluation of the technical merit to the project approach including the thoroughness and applicability of the approach as measured against the elements of the detailed scope of work and the elements of the information paragraph.
2. PROJECT PLAN - Up to 150 points will be awarded based upon an evaluation of offeror's proposed project plan including completeness, quality, and efficiency of the plan and an evaluation of the following areas: a. Project management methodology and action plan. b. Projected schedules and responsibilities of assigned staff. c. Identification of security, safety, and internal controls and checkpoints.
3. EXPERIENCE - Up to 325 points (150 for project staff and 175 for corporate) will be awarded based upon an evaluation of offeror's corporate and proposed staff experience and based on the offeror's experience on similar projects in oil field cleanup and remediation and the skill level of staff proposal.
4. REFERENCES - Up to 150 points for the offeror's references will be awarded based on the following:
 - a. Up to 75 points for the offeror's corporate references will be awarded upon client satisfaction including quality and timeliness of work performed for previous clients.
 - b. Up to 75 points for staff references will be awarded based upon an evaluation of the quality and timeliness of work performed for previous clients, the staff member's interpersonal skills and the comparability of the staff member's experience to the tasks to be performed in this project.

5. COST - The evaluation of each offeror's cost proposal will be conducted using the following formula: $\text{Lowest responsive offeror's total cost} = 300 \text{ awarded points}.$
 $\text{Lowest responsive offeror's total cost divided by this offeror's total cost times } 300 = \text{this offer's awarded points}.$

C. EVALUATION PROCESS

The following paragraphs describe the process used to evaluate the submitted proposals.

1. All proposals will be reviewed for compliance with the mandatory requirements as stipulated within the RFP. Proposals deemed non-responsive will be eliminated from further consideration.
2. The Procurement Manager may contact the offeror for clarification of the proposal.
3. The Evaluation Committee may use other sources of information to perform the evaluation.
4. Responsive proposals will be evaluated on the factors in Section VI, which have been assigned a point value. The responsible offerors with the highest scores will be selected as finalist offerors based upon the proposals submitted. Finalist offerors who are asked or choose to submit revised proposals for the purpose of obtaining best and final offers will have their points recalculated accordingly. The responsive offeror whose proposal is most advantageous to the EMNRD-OCD, taking into consideration the evaluation factors in Section VI, will be recommended for contract award to the State Purchasing Agent. Please note, however, that a serious deficiency in the response to any one factor may be grounds for rejection regardless of overall score.

(The deadline for submittal of offers is January 31, 2001, 5:00 p.m. MST. No offers will be accepted after the deadline. No offers sent to EMNRD-OCD by facsimile transmission will be considered responsive.)

APPENDIX

ACKNOWLEDGEMENT OF RECEIPT FORM

REQUESTS FOR PROPOSALS

GOODWIN TREATING PLANT

ACKNOWLEDGEMENT OF RECEIPT FORM

In acknowledgement of receipt of this Request for Proposal the undersigned agrees that he/she has received a complete copy, beginning with the title page and table of contents, and ending with appendix.

The acknowledgement of receipt should be signed and returned to the Procurement Manager no later than close of business on January 10, 2001. Only potential offerors who elect to return this form completed with the indicated intention of submitting a proposal will receive copies of all offeror written questions and the Agency's written responses to those questions as well as RFP amendments, if any are issued.

FIRM: _____

REPRESENTED BY: _____

TITLE: _____ PHONE NO.: _____

E-MAIL: _____ FAX NO.: _____

ADDRESS: _____

CITY: _____ STATE: _____ ZIP CODE: _____

SIGNATURE: _____ DATE: _____

This name and address will be used for all correspondence related to the Request for Proposal.

Firm does/does not (circle one) intend to respond to this Request for Proposals.

This address is valid until January 12, 2001

Martyne J. Kieling
New Mexico Oil Conservation Division
2040 South Pacheco
Santa Fe, New Mexico 87505
Phone: 505-827-7153
Fax: 505-827-8177

New address effective January 12, 2001

Martyne J. Kieling
New Mexico Oil Conservation Division
1220 S. Saint Frances
Santa Fe, New Mexico 87505
Phone: 505-476-3440
Fax: 505-476-3462

Revised 6/98

**STATE OF NEW MEXICO
PROFESSIONAL SERVICES AGREEMENT
BETWEEN THE
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
AND
PHILLIPS ENVIRONMENTAL SERVICES CORPORATION**

THIS AGREEMENT is made and entered into by and between New Mexico Energy, Minerals and Natural Resources Department or its successor agency ("EMNRD") and Phillips Environmental Services Corporation, a corporation organized and existing under the laws of the State of Missouri and registered to do business in the State of New Mexico ("the Contractor").

IT IS MUTUALLY AGREED BETWEEN THE PARTIES:

1. Scope of Work.

A. In General. The Contractor shall investigate, clean-up and remediate environmental contamination at the Goodwin Treating Plant site, located in the SW/4 NW/4 of Section 31, Township 18 South, Range 37 East, Lea County, New Mexico, as set forth herein and on Attachment No. 1 (EMNRD's Request for Proposals, dated December 11, 2000, for Investigation, Cleanup and Environmental Remediation of the Goodwin Treating Plant), Attachment No. 2 (the Proposal dated January 31, 2001 of the

Contractor), and Attachment 3 (the Contractor's letter of February 7, 2001 amending its pricing for the services to be provided).

B. Turnkey Work. The Contractor shall perform all the work described in Section V(A) of Attachment No. 1 (paragraphs 1 through 14 inclusive). This work is referred to in the Request for Proposals as the "turnkey" work.

C. Supplemental Work. The Contractor shall, upon specific written request of a person designated by EMNRD as the Procurement Manager for the project, perform supplemental work as detailed in Section V(C) of Attachment 1.

D. Quality of Work. All work shall be performed in a workmanlike manner and shall conform to all applicable statutes, regulations, codes and rules, including those of the EMNRD and the New Mexico Environment Department.

2. Compensation.

A. Upon completion of work previously described as "turnkey work," EMNRD shall pay the Contractor for services rendered to total sum of One Hundred Ninety-nine Thousand, Two-hundred Sixty Dollars (\$ 199,260), which shall include New Mexico Gross receipts taxes, if applicable. Payment of that total amount shall not relieve the Contractor of any unperformed obligations under Paragraph 1(A), 1(B) and 1(D).

B. EMNRD shall pay the Contractor for any supplementary services requested as set forth on Attachment 3 (supplementary services, quote of the Contractor), which shall include New Mexico Gross Receipts taxes, if applicable, but shall not exceed the

total sum of One Hundred Thousand Dollars (\$100,000) (~~in addition to the compensation for "turnkey work" described in paragraph 2(A), above~~) without written amendment to this Agreement.

C. The Contractor may elect to receive a progress payment upon completion of any of the fourteen (14) phases of the "turnkey" portion of the work, as described on Attachment 1, Section V(A), upon completion of the phase for which compensation is requested, but only after certification of the EMNRD Procurement Manager that work has been completed to specifications.

D. The Contractor may elect to receive a progress payment for any supplementary services requested by the EMNRD Procurement Manager, as described in Attachment 1, Section V(C), upon completion of the work requested and after certification of the EMNRD Procurement Manager that work has been completed to specifications.

E. All payments under this Agreement shall be made by EMNRD upon receipt of a detailed and certified statement evidencing to the satisfaction of EMNRD the propriety of any requested payment. The Contractor shall not be entitled to receive any payments hereunder unless supported by appropriate billing statements and documentation.

F. Within fifteen (15) days after the date EMNRD receives written notice from the Contractor that payment is requested for services or items of tangible personal property delivered on site and received, EMNRD shall issue a written certification of

complete or partial acceptance or rejection of the services or items of tangible personal property. If EMNRD finds that the services or items of tangible personal property are not acceptable, it shall, within thirty (30) days after the date of receipt of written notice from the Contractor that payment is requested, provide to the Contractor a letter of exception explaining the defect or objection to the services or delivered tangible personal property along with details of how the Contractor may proceed to provide remedial action. Upon certification by EMNRD that the services or items of tangible personal property have been received and accepted, payment shall be tendered to the Contractor within thirty days after the date of certification. If payment is made by mail, the payment shall be deemed tendered on the date it is postmarked. After the thirtieth day from the date that written certification of acceptance is issued, late payment charges shall be paid on the unpaid balance due on the contract to the Contractor at the rate of 1% per month.

3. Contract Documents. The contract shall consist of the following documents: (1) this Agreement; (2) Attachment No. 1 (EMNRD's Request for Proposals, dated December 11, 2000, for Investigation, Cleanup and Environmental Remediation of the Goodwin Treating Plant); (3) Attachment No. 2 (the proposal of Phillips Environmental Services Corporation, dated January 31, 2001); and (4) Attachment No. 3 (the Contractor's letter of February 7, 2001 amending its pricing for the services). Where ambiguities or conflicts exist between these documents, they shall be interpreted and given effect in the order listed.

4. Term. **THIS AGREEMENT SHALL NOT BECOME EFFECTIVE UNTIL APPROVED BY THE NEW MEXICO DEPARTMENT OF FINANCE AND ADMINISTRATION (DFA).** This Agreement shall expire on September 7, 2001, unless earlier terminated pursuant to Paragraph 5, below.

5. Termination. This Agreement may be terminated by either party upon written notice delivered to the other at least thirty (30) days prior to the intended date of termination. By such termination, neither party may nullify obligations or duties incurred prior to the date of termination. THE PROVISION IS NOT EXCLUSIVE AND DOES NOT WAIVE OTHER LEGAL RIGHTS AND REMEDIES AFFORDED THE STATE IN SUCH CIRCUMSTANCES AS CONTRACTOR'S DEFAULT/BREACH OF CONTRACT.

6. Suspension of Work. Work under this Agreement may be suspended at any time in the discretion of EMNRD if conditions at the site so dictate.

7. Status of the Contractor. The Contractor and its agents and employees are independent contractors performing professional services for EMNRD and are not employees of EMNRD. The Contractor and its agents and employees shall not accrue leave, retirement, insurance, bonding, use of state vehicles, or any other benefit afforded to employees of EMNRD by virtue of this Agreement.

8. Assignment. The Contractor shall not assign or transfer any interest in this Agreement or assign any claims for money due or to become due under this Agreement without prior written approval from EMNRD.

9. Subcontracting. The Contractor shall not subcontract any portion of the services to be performed under this Agreement or obligate itself in any manner to any third party, with respect to any rights or responsibilities under this Agreement, without the prior written approval from EMNRD.

10. Records and Audit. The Contractor shall maintain detailed time records that indicate the date, time and nature of services rendered. These records shall be maintained and available within the State of New Mexico if the Contractor has an office within the State; otherwise, the Contractor shall make such records available to EMNRD within 30 days upon request by EMNRD. The Contractor shall permit any authorized representative of EMNRD, DFA, the New Mexico State Auditor to inspect and audit all data and records of the Contractor relating to performance under this Agreement for three (3) years after final payment has been made. The Contractor further agrees to include in all subcontracts hereunder the same right of inspection and audit against all subcontractors. Payment under this Agreement shall not foreclose the right of EMNRD to recover incorrect, excessive or illegal payments. The periods of inspection and audit may be extended for records that relate to litigation or settlement of claims arising out of performance of this Agreement.

11. Appropriations. The terms of this Agreement are contingent upon sufficient appropriation and authorization being granted by the New Mexico State Legislature. If sufficient appropriation or authorization is not granted, this Agreement shall terminate

upon written notice from EMNRD to the Contractor. EMNRD's decision as to whether sufficient appropriations are available shall be final, binding, and accepted by the Contractor,

12. Release. The Contractor, upon final payment of all amounts due under this Agreement, releases EMNRD and its officers and employees from all liabilities, claims and obligations whatsoever arising from or under this Agreement. The Contractor agrees not to purport to bind the State of New Mexico to any obligation not assumed herein, without express written authority from EMNRD, and then only within the strict limits of that written authority.

13. Confidentiality. Any confidential information provided to or developed by the Contractor in the performance of this Agreement shall be kept confidential and shall not be made available by the Contractor to any individual or organization without prior written.

14. Product of Services; Copyright. All materials developed or acquired by the Contractor under this Agreement shall become the property of the State of New Mexico and shall be delivered to EMNRD not later than the expiration date of this Agreement. Nothing produced, in whole or in part, by the Contractor under this Agreement shall be the subject of an application for copyright by or on behalf of the Contractor.

15. Conflict of Interest. The Contractor warrants that it presently has no interest in and that it shall not acquire any interest, direct or indirect, which would conflict in any manner with performance under this Agreement.

16. Amendment. This Agreement shall not be changed or amended except by written instrument executed by the parties.

17. Waiver. No waiver of any breach of this Agreement or any of the terms or conditions hereof shall be a waiver of any other or subsequent breach; no waiver shall be valid or binding unless the same be in writing and signed by the party alleged to have granted the waiver.

18. Merger. This Agreement incorporates all the covenants and understandings between the parties hereto concerning the subject matter hereof, and all such covenants and understandings have been merged into this written Agreement. No other assurance, verbal or otherwise shall be valid or enforceable except as embodied in this Agreement.

19. Compliance with Funding Source Conditions. The Contractor shall comply with all applicable state and federal statutes, rules and regulations imposed as a consequence of funding pursuant to this Agreement.

20. Equal Opportunity Compliance. The Contractor agrees to abide by all federal and state laws and regulations pertaining to equal employment opportunity. In accordance with those laws and all regulations issued pursuant thereto, the Contractor agrees that no person in the United States shall, on the grounds of race, color, national origin, sex, age or disability, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity performed under this Agreement. If the Contractor is found to be not in compliance with these

requirements during the life of this Agreement, the Contractor agrees to take appropriate steps to correct those deficiencies.

21. Procurement, Utilization and Disposition of Property. If upon termination of this Agreement the Contractor has any property in its possession belonging to EMNRD, the Contractor shall account for the property and dispose of it as directed by EMNRD. Reports of property acquired shall be made to EMNRD within one (1) month following such acquisition.

22. Minimum Wage Rate. If applicable, the Contractor shall comply with minimum wage rates as established by the New Mexico Labor and Industrial Commission, and with all other applicable requirements of that Commission, including posting of the wage rates in a prominent location on the site of hiring for and performance of this Agreement.

23. Hold Harmless Agreement. The Contractor shall defend, indemnify and hold EMNRD, the State of New Mexico, its officers and employees harmless from all actions, proceedings, claims, demands, costs, damages, attorneys' fees and all other liabilities and expenses of any kind from any source which may arise out of this Agreement or any amendment hereto in the proportion that the tortious act or omission of the Contractor, its officers, employees, servants or agents has caused such liability. Nothing in this Agreement shall be deemed to be a waiver by the State of New Mexico of the provisions of the Tort Claims Act, NMSA 1978, Sections 41-4-1, et seq.

24. Duty to Insure.

A. During the term of this Agreement and any amendment hereto, the Contractor shall maintain in force a policy or policies of insurance providing:

1) Comprehensive performance liability protection covering contractual liability which may arise under this Agreement and any amendment hereto. Such insurance policy or policies shall name the State of New Mexico and EMNRD as co-insured or as principal beneficiaries.

2) Worker's Compensation protection which complies with the requirements of the New Mexico Worker's Compensation Act, NMSA 1978, Sections 52-1-1 et seq., if applicable.

3) Comprehensive public liability protection covering property damage and personal injury liability which may arise under this Agreement and any amendment hereto, in amounts equal to or greater than liability limits set forth in NMSA 1978, Section 41-4-19, as may be amended from time to time. Such policy or policies shall name the State of New Mexico and EMNRD as co-insured or as principal beneficiaries.

B. The Contractor shall provide EMNRD with proof of coverage evidencing compliance with this Section within a reasonable time of execution of this agreement. The Contractor shall not commence any work under this agreement until the required insurance coverage is obtained. The Contractor shall notify EMNRD ten (10) days before

cancellation or expiration of any required Workers' Compensation or contractual or public liability insurance coverage.

25. Attorneys' Fees and Costs. The Contractor agrees that if it is found by a court of competent jurisdiction to have breached this Agreement, or any amendments hereto, or to have committed any tortious act relating to the scope of this Agreement, EMNRD may recover from the Contractor reasonable attorneys' fees and costs in connection with litigation brought to obtain such judicial determination.

26. Criminal and Civil Liability. The New Mexico Procurement Code, NMSA 1978, Sections 13-1-28 through 199, imposes criminal and civil penalties for its violation. New Mexico criminal statutes further impose felony penalties for payments of illegal bribes, gratuities or kickbacks.

26. Applicable Law. The laws of the State of New Mexico shall govern this Agreement.

IN WITNESS WHEREOF, the parties hereto have herein below executed this

Agreement.

FOR:

**STATE OF NEW MEXICO
ENERGY, MINERALS and NATURAL
RESOURCES DEPARTMENT**

By: _____

Date: _____

FOR:

**STATE OF NEW MEXICO
DEPARTMENT OF FINANCE AND
ADMINISTRATION**

By: _____
(State Contracts Officer)

Date: _____

FOR:

**PHILLIPS ENVIRONMENTAL
SERVICES CORP.**

By: _____
(Authorized Repr./Title)

FED. I.D. # _____

Date: _____

FOR:

**STATE OF NEW MEXICO
ATTORNEY GENERAL**

By: _____
(Assistant Attorney General)

Date: _____

The records of the Taxation and Revenue Department reflect that the Contractor is registered with the Taxation and Revenue Department of the State of New Mexico to pay gross receipts and compensating taxes.

FOR:

**STATE OF NEW MEXICO
TAXATION AND REVENUE DEPARTMENT**

I.D. No.: _02156848000_

By: _____

Date: _____

Goodwin Treating Plant RFP Analysis

Category	Project		Experience		References		Cost		Total	
	Approach	Plan	Staff	Organization	Corporate	Staff	Turnkey	Supplemental	Score	Score
	max	75	150	150	175	75	75		300	1000
¹⁹ Gandy Corporation		48	70	120	142	58	57	160	300	795
³ ETGI		53	83	100	120	0	0	179	268	625
⁴ Onsite Technologies		65	115	120	130	65	20	192	250	765
Philip Environmental		70	138	123	148	65	57	199	241	843
³ Vision Technology		37	58	67	67	37	20	211	227	512
⁸ Amec		65	103	113	148	65	65	229	210	770
¹ BBC International		67	107	117	150	62	42	241	199	743
⁵ Robles		52	87	58	87	27	13	250	192	515
⁶ Environneering		65	120	118	143	65	42	285	168	722
⁷ Envirotech		67	118	110	140	65	18	346	139	657
⁹ Sustainable Env. Solo.		62	83	60	112	65	58	804	60	500

Goodwin Treating Plant RFP Analysis

Category	Project		Experience			References		Cost			Total	
	Approach	Plan	Staff	Organization	Corporate	Staff	Turnkey	Supplemental	Score	Score		
Company	max	75	150	150	175	75	75		300	1000		
Philip Environmental		70	138	123	148	65	57	206		233	835	
Gandy Corporation		48	70	120	142	58	57	160		300	795	
Amec		65	103	113	148	65	65	229		210	770	
Onsite Technologies		65	115	120	130	65	20	192		250	765	
BBC International		67	107	117	150	62	42	241		199	743	
Environeering		65	120	118	143	65	42	285		168	722	
Envirotech		67	118	110	140	65	18	346		139	657	
ETGI		53	83	100	120	0	0	179		268	625	
Robles		52	87	58	87	27	13	250		192	515	
Vision Technology		37	58	67	67	37	20	211		227	512	
Sustainable Env. Solo.		62	83	60	112	65	58	804		60	500	

Goodwin Treating Plant RFP Analysis

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	BBC International	67	107	117	150	62	42	241		199	743
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	Envirotech	67	118	110	140	65	18	346		139	657
	ETGI	53	83	100	120	0	0	179		268	625
	Robles	52	87	58	87	27	13	250		192	515
	Vision Technology	37	58	67	67	37	20	211		227	512
	Sustainable Env. Solo.	62	83	60	112	65	58	804		60	500