



ALASKA RAILROAD CORPORATION

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August 21, 2025

**Addendum Number 2**

**RFP 25-41-213456 Passenger Car Wifi Installation**

**Closing Date: ~~08.14.2025~~ ~~08.21.2025~~ 08.26.2025**

**This addendum is issued to provide information as follows:**

**Addition to Section A Statement of Work;** Section G Fee Schedule is hereby removed and replaced. This addendum also provides responses to bidder questions and extends the solicitation closing date. The new closing date is Tuesday, August 26, 2025.

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**Bidder's Questions:**

1. Could you please clarify how you would like the cost proposal/fee proposal presented for the Passenger Car Wifi Installation? Based on the documents, we are assuming our total cost will be in the cost proposal, and the fee schedule will just be our fully burdened rates, not including materials and equipment? **For evaluation purposes, Offerors shall provide only fully burdened hourly labor rates in the Fee Schedule. Do not include material costs, connectors, or consumables in the cost proposal. The Alaska Railroad Corporation (ARRC) will supply the major materials required for installation. Contractors will be responsible for furnishing incidental items (such as cabling, connectors, and consumables) as needed for individual task orders. The type and quantity of these items will vary by installation and will be addressed and compensated under each specific task order, outside the scope of the initial fee schedule evaluation. Accordingly, Offerors should not include these incidental material costs in their base proposal.**
2. Will there be any sort of bonding requirements for the successful bidder? **No, bonding is not required.**

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Please acknowledge receipt of this and all addendums in your firm's Service Bid Form (Form 395-0129). Please direct all responses and/or questions concerning this solicitation to Candice Graham, via email

[GrahamC@akrr.com](mailto:GrahamC@akrr.com).

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Respectfully,

Candice Graham

*Contract Administration Specialist*

## SECTION A (cont.)

### PROJECT TASK ORDER PROCESS

#### 1 Task Order Award Process

Firms awarded a Term Service contract under this RFQ shall perform services on an “as needed” basis, to support the needs of ARRC through the issuance of Task Orders. ARRC makes no guarantees on estimated quantities, dollar amounts or the number of Task Orders issued under this contract.

As needed shall be at the discretion of the ARRC and Task Orders will be executed to a term contract deemed most appropriate by ARRC.

If requested, the Contractor shall submit a proposed fee, approach and schedule for the specific scope of work desired by ARRC. If the response is deemed appropriate, reasonable, cost effective and timely, at the discretion of ARRC, ARRC will issue an executed Task Order-notice to proceed.

##### 1.1 Contractor Award

Resulting contract will be set up as a Term Agreement with specific projects being assigned, described, and authorized by individual Task Orders (TO). The Task Orders will incorporate all terms and conditions of the contract.

1.2 A project is considered assigned when ARRC issues the Task Order.

Work will be assigned among multiple Contractors as described below. The projects will be allocated as needed, and there is no guarantee that any specific amount of work or overall dollar amounts will be assigned through the duration of the Agreement term.

1.3 After project assignment and preliminary project/Statement of Services negotiations between Contractor and ARRC have been held, the Contractor shall submit a proposed delivery schedule and Summary of Estimate for Services that identifies:

- a. the assigned staff and hours per task;
- b. a breakdown of staff hours per applicable task for each subcontractor; and
- c. a breakdown with documentation (estimates from vendors shall be provided upon request) to support direct non-labor expenses.

1.4 The hourly rates used for the Contractor's estimate must match the hourly rates listed in the Contract for the Prime.

1.5 Subcontractors may not be utilized to support the Scope of Work.

#### 2. Task Orders

The Contractor shall provide services as identified and authorized by sequentially numbered Task Orders (TO). The Contractor shall not perform services or incur billable expense except as authorized by a TO. A TO may include limits or restrictions on allowable activities. ARRC will, in its sole discretion, refuse to pay for out-of-scope work or work outside an authorized TO. Furthermore; work performed outside the approved timeline of TOs may jeopardize the entire project's eligibility under the terms of funding grants.

2.1 ARRC expects that on occasion a term contractor may need to decline a Task Order assignment because of business commitments, conflict of interest or because personnel may not be available to perform the work. In this case the Contractor shall submit a written justification (e-mail, memo, or letter) to the Contracting Officer explaining why they are unable to accept the assignment.

3. Compensation under this Agreement may include various methods of cost reimbursement payment terms as negotiated by task order. Task orders will use the compensation terms of the Agreement (Appendix C) for establishing cost for each task order. The following will be a part of Appendix C of the Agreement.

### 3.1 Task Order Methods of Payment

a. FIXED PRICE(S) payments will be a single lump sum payment equal to the Fixed Price upon acceptable completion of the Task Order, or progress payments not to exceed the Fixed Price.

b. FIXED PRICE(S) PLUS EXPENSES payments will be as follows:

1 Payments of the FIXED PRICE will be a single lump sum payment equal to the Fixed Price upon acceptable completion of services, or progress payments not to exceed the Fixed Price(s).

2 Payments for Other Direct Costs (EXPENSES) will be made for actual substantiated costs not to exceed the total specified amount for expenses that are directly chargeable to and necessary for performance of the services. "Markup" of Expenses is prohibited.

c. COST PLUS FIXED FEE payments will be made according to the following:

1 Payments for DIRECT COST OF DIRECT LABOR will be equivalent to the number of hours expended by each job classification multiplied by the applicable Direct Labor Rate. Job Classifications, Labor Hours and Direct Hourly Rates are estimated for each task order. Work shall be performed by the lowest paid qualified personnel. Further, when performing work for which they are over qualified, individuals will charge time at rates equivalent to skill levels commensurate with the work they perform. Contract payments will be based on the actual Direct Labor Rates paid to employees in any direct labor job classification who work on the contract.

2 Payments for indirect costs shall be equivalent to the amounts for Direct Cost of Direct Labor multiplied by the applicable Indirect Cost Rates (IDCR).

3 Payments for Other Direct Costs (Expenses) will be made for actual substantiated costs which are directly chargeable to and necessary for performance of services assuming they are not recovered through the Indirect Cost Rate. "Markup" of Other Direct Costs is prohibited.

4 Progress payments for a firm's fixed fee will be equivalent to the ratio of the firm's Direct Cost of Direct Labor to date, divided by the firm's total estimated Direct Cost of Direct Labor, multiplied by the total amount of the firm's Fixed Fee. The Fee amount will be negotiated and determined by TO.

d. TIME AND EXPENSES payments will be made according to the following:

1 Payments for time will be equivalent to the number of hours expended by each job classification multiplied by the applicable Billing Rate. Work will be performed by personnel with the lowest reasonable skill levels and hourly rates. Further, when performing work for which they are over qualified, individuals will charge time at rates equivalent to skill levels commensurate with the work they perform.

2 Billing Rates for persons who work on the task orders shall utilize the negotiated contract rates.

3 Payments for Other Direct Costs (expenses) will be made for actual substantiated costs that are directly chargeable to and necessary for performance of services. "Markup" of Expenses is prohibited.

### 3.2 SPECIAL CONSIDERATIONS

a. Payments for negotiated third-party expenses will be made for actual substantiated costs that are directly chargeable to and necessary for performance of services. "Markup" of Expenses is prohibited.

**Section G  
Fee Schedule**

**Term Service Contract – Wi-Fi Fiber Cable Installation**

A Fee Schedule shall be included in Offeror's response.

<b>PAY SUMMARY</b>			
<b>Labor Classification</b>	<b>Hourly Rate</b>	<b>Standard Evaluation Hours</b>	<b>Total</b>
Project Manager		<b>40</b>	
Cable Installation Foreman		<b>100</b>	
Cable Installation Technician		<b>120</b>	
Electrician		<b>40</b>	
Expeditor		<b>10</b>	
Administrative Support		<b>10</b>	
Total Cost			
<b>Additional Personnel:</b> This information is for informational purposes only and will not be evaluated as part of the cost proposal.			

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

\*MPP = Maximum Possible Points = (25) x (Number of Evaluators) x (Weight)

*Per ARRC Procurement Rule 1500.1, for the purposes of evaluating price, the proposed price of an offeror who qualifies as an Alaska bidder under Rule 1500.1 (and designates preferences on their cover letter) shall be reduced by 5%.*

**Additional Notes:**

- All rates must be fully burdened (inclusive of wages, overhead, G&A, insurance, travel, per diem, and profit).
- All labor classifications must align with personnel proposed in the technical submission.
- Any travel costs should be included in the hourly rates. No separate travel reimbursement will be provided unless otherwise agreed upon in writing.