

# 2019 Production and Delivery of Spat on Shell to Maryland Public Oyster Bars Request for Bids

**Deadline for Bid Submission: April 24, 2019**

## **The Project:**

This bid is open to all commercial Maryland entities who are able to produce and deliver spat on shell to the public fishery areas in Maryland waters and who meet the minimum production and planting qualifications set forth by the Maryland Department of Natural Resources (“MD DNR”).

## **Vendor Qualifications & Selection Process**

- All interested vendors will need to possess the required permits for their particular operation at the time of submitting a bid. Examples of possible necessary permits include: nursery permit from MD DNR, discharge permit, larvae and shell importation permits, vessels have USCG certification, etc. (Vendors will be working under MD DNR’s hatchery seed and planting permit to plant the spat on shell (“SOS”); a separate permit is not required for this part of the project.)
- Typical county projects will be for **10 to 40 million oyster SOS** per county. Qualified vendors must have a minimum annual production capacity of 10 million SOS and be ready to set on or before June 1, 2019

Consideration for selecting vendors will include:

- Overall project cost
- Expected project completion time
- Production capacity
- Distance from the planting site
- Site visits by MD DNR personnel or other authorized representative

It is up to the individual vendors to secure the necessary larvae and aged oyster shell to complete the projects that they elect to bid on. UMCES Horn Point hatchery will make best efforts to produce adequate amounts of larvae to support this project. Larvae distribution will be done on an equitable percentage basis so the county projects receive plantings throughout the season. Once a vendor has been notified by ORP that larvae is available, it is the responsibility of the vendor to contact UMCES directly. Vendors are encouraged to seek alternative sources of larvae given hatcheries cannot guarantee the amount or timing of larvae availability.

MD DNR works within Maryland State procurement law and policy, and therefore reserves the right to disqualify bids based on the following factors:

- Exceedingly high cost relative to annual rates from Chesapeake Bay hatchery and nursery shellfish producers.
- Business is not in “good standing” with the State, meaning there may be some outstanding legal or State compliance issue including taxes or other debts to the State.
- Past contract issues: e.g. a business has a documented history of breach of contract where deliverables were not completed for any justifiable reason.

Potential vendors are required to submit a production plan in addition to the bid paperwork. In your production plan, please be sure to include the following information:

- Description of how a typical planting process will happen, including a description of steps: tank breakdown, vessel loading, transport conditions, unloading technique (e.g., spreader, conveyer, hoses), etc. Please include anything that is pertinent to your company's planting process. If you are bidding for multiple jobs, please take that into consideration when drafting your plan and make the necessary adjustments accordingly for each job. A complete plan is not necessary for each job; provided, however, that if details differ from job to job, please note the changes.
- Expected project timeline and completion date: MD DNR or its designee will conduct periodic 'check-ins' with participating vendors to ensure that all work is on track for timely completion. If it is found that a vendor has failed to start production and/or planting within thirty (30) days of the date the contract was awarded, any uncompleted projects may be modified, terminated or re-assigned to another MD DNR-approved entity for completion.

When choosing a project for bid and completing bid paperwork, please refer to the Production, Planting and Reporting Guidelines (included as an attachment hereto) for the necessary requirements. Please note that vendors may not use state-owned assets (e.g., setting tanks, setting equipment or shell) to produce the SOS.

**Bid Checklist:** Be sure to include the following information when submitting your bid:

- Bid Form – please make sure it is filled out completely and accurately (see attached)
- Proof of Insurance
- Copies of necessary permits
- USCG Vessel certification
- Production plan with timeline

After the date of the deadline for bid submissions, the bids will be reviewed in consultation with the respective County Oyster Committee and the qualified vendor(s) for each project will be identified and notified. Oyster Recovery Partnership, Inc. ("ORP") will award the project to the winning vendor(s) and complete the appropriate procurement contracts. All contracts will only be applicable for the 2019 planting season. Submission of a bid does not guarantee a project will be awarded to the bidder.

All bid forms and supporting documentation should be returned to ORP by April 24<sup>th</sup> to be considered. You may email them to [Kbarnes@oysterrecovery.org](mailto:Kbarnes@oysterrecovery.org), mail them to Kelly Barnes, ORP, 1805A Virginia Street, Annapolis, MD 21401, fax them to 443-782-2275 or hand deliver them during normal business hours of 8:30-4:30.

As the coordinating entity, all correspondence or questions concerning the potential projects or bidding process should be directed to Kelly Barnes with ORP at 410-990-4970.

Maryland Department of Natural Resources

Vendor Information for Spat on Shell Production and Delivery for the Public Fishery

All Fields Are Required

**Vendor Information:**

Company: \_\_\_\_\_

Contact Full Name:  
\_\_\_\_\_

Address:  
\_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ MD \_\_\_\_\_ Zip code: \_\_\_\_\_

Phone: \_\_\_\_\_ Email: \_\_\_\_\_

Social Security No. or Federal TIN: \_\_\_\_\_ (this field required)

**Planting Vessel Information:**

Vessel Name: \_\_\_\_\_ Home Port: \_\_\_\_\_

Size (Length): \_\_\_\_\_ Draft: \_\_\_\_\_ Propulsion: \_\_\_\_\_

Vessel Load Capacity: \_\_\_\_\_ Bushels

**Production Information:**

Please note that only vendors who meet the minimum annual capacity qualifications (10 million SOS per year) will be considered; Vendors must be ready to receive larvae and begin spat on shell production no later than 30 days from contract award.

Number of Tanks \_\_\_\_\_ Size of Tanks \_\_\_\_\_ Max Larvae Capability \_\_\_\_\_  
Average amount of shell per container\* \_\_\_\_\_ Average shell per bushel\* \_\_\_\_\_

**Bid Information:**

Enclosed is your bid sheet and list of project options. Please select the ones that you are interested in bidding on and provide the bid cost. Bids must be all inclusive for an entire project; **partial projects will not be awarded.**

All prices should include the price for shell, larvae, equipment usage, labor, crew and any other costs associated with the production and planting of the spat on shell (SOS). While every effort will be made to not change the planting locations/amounts, unforeseen instances may occur that require modification.

Select which project(s) you are bidding on and provide the necessary bid information.

**Please note that actual amounts and or locations may change and the final requested totals may increase/decrease or projects may be eliminated entirely due to unsuitable planting conditions:**

- Project A; Anne Arundel County: Up to 35M Spat on Shell (SOS) to be placed on Hacketts, Coots and in the South River**
  - Project Cost \$\_\_\_\_\_per million - Coots (15M)
  - Project Cost \$\_\_\_\_\_per million – Hacketts (15M)
  - Project Cost \$\_\_\_\_\_per million – South River (5M)
  
- Project B; Baltimore County: Up to 60M SOS to be planted on Man O’War Shoals**
  - Project Cost \$\_\_\_\_\_per million
  
- Project C; Charles County: Approximately 50M SOS to be planted in the Wicomico River (Lower Western Shore)**
  - Project Cost \$\_\_\_\_\_per million - Lancaster (27M)
  - Project Cost \$\_\_\_\_\_per million – Windmill (8M)
  - Project Cost \$\_\_\_\_\_per million - Joe’s Lumps (8M)
  - Project Cost \$\_\_\_\_\_per million – Mills West (8M)
  - Project Cost \$\_\_\_\_\_per million – Wicomico Lumps or Stoddards (8M)
  
- Project D; Calvert County: Approximately 17M SOS to be planted in the Patuxent River, locations TBD**
  - Project Cost \$\_\_\_\_\_per million – (17M)
  
- Project E; Kent County: Approximately 15M SOS to be planted in the Chester River and 10M on Peach Orchard**
  - Project Cost \$\_\_\_\_\_per million – Chester River (15M)
  - Project Cost \$\_\_\_\_\_per million – Peach Orchard (10M)
  
- Project F; Queen Anne’s County: Approximately 35 M SOS to be planted in the Chester River and Eastern Bay, locations TBD**
  - Project Cost \$\_\_\_\_\_per million (30M)
  
- Project G; Wicomico County: Approximately 20M SOS(Triploid) to be planted in the Wicomico River**
  - Project Cost \$\_\_\_\_\_per million (20M)
  
- Project H; Dorchester County: Approximately 10M SOS to be planted in the Choptank River on Turkleback**
  - Project Cost \$\_\_\_\_\_per million (10M)

- **Project I; Dorchester County: To produce 1M seed oysters to be planted in the Honga River. Oysters must be a minimum of ½ inches in size and bushel counts must be no lower than 600 oysters/bushel\*.**

- Project Cost \$\_\_\_\_\_per bushel (1M)

\*Bids should not exceed current market rate for wild seed oysters per bushel – DNR reserves the right to refuse excessive bids. No payment will be made until receipt of product and minimum counts of 600/bushel have been verified by DNR or an approved entity.

## Production, Planting and Reporting Guidelines

1. Once a vendor has been selected by the DNR, the following guidelines must be followed by the vendor to ensure full payment for product and service. MD DNR or its designee reserves the right to conduct spot checks at any time during the production process. If a vendor fails to follow the guidelines listed below any uncompleted projects may be modified, terminated or re-assigned at any time.
  - a. The vendor shall provide documentation of larvae source for each planting event. Larvae shall be only of the species *Crassostrea virginica* from Chesapeake brood stock unless otherwise authorized by DNR. Diploid larvae is preferred, however, triploid or disease resistant larvae may be used if available.
  - b. An import permit is required from DNR for any out-of-state larvae, brood stock, and aged oyster shell and must be secured well in advance of the project commencing. A minimum of 30 days must be given between submittal of a complete import permit application and permit acquisition date. Failure of the vendor to procure proper permits may inhibit production and cause loss of part or all of the contract(s).
  - c. Larvae will be allocated by DNR and distributed to the vendors on a rotational basis to ensure all counties receive spat on shell on a rolling schedule. Best efforts will be made to ensure larvae distribution is done so on an equitable percentage basis. Once a vendor has been notified by ORP that larvae is available, it is the responsibility of the vendor to contact UMCES directly and accept, purchase and then pickup/set-up delivery of the larvae from UMCES within 48 hours. If the vendor fails to purchase and pick up the larvae within the 48 hour window, the opportunity to purchase the available larvae will fall to the next vendor.
  - d. If the vendor determines a tank had a poor set and very few spat-on-shell were developed, the vendor will notify ORP as to the issue, provide spat counts, and proposed solutions. ORP will then consult with MD DNR and the respective County Oyster Committee and determine the best course of action.
  - e. Once under contract, the vendor must not plant the contents of a setting tank at any location other than the contracted location without written permission from MD DNR. No payment will be made for spat planted in an unauthorized location and any uncompleted projects may be modified, terminated or re-assigned to another MD DNR-approved entity for completion.
  - f. For MD DNR tracking purposes, the vendor shall provide documentation of the number of larvae and the bushels of shell or shell bags added to each tank, including the average number of shells per bushel or bag per tank. The vendor should specify which bushel they are using (crab bushel or MD oyster bushel, or other).
  - g. A verification count data sheet provides the quantity of spat that is set by the vendor and delivered in the planting event. A verification sheet must be provided for each tank which contributes spat on shell to each planting event (see data sheet attached). Verification data sheets are filled out by an MD DNR-authorized entity for each tank of spat at the time of deployment (e.g., UMCES Horn Point or MD DNR Piney Point Hatcheries)
  - h. To ensure full payment for product and service, several important criteria for the verification counts must be met:

1. At the vendor's expense, MD DNR or UMCES personnel shall collect 30 randomly-selected shells from each tank for spat count verification. Tank breakdown shall occur during normal working hours (8am to 5pm) unless pre-arranged. A \$60 per tank charge will be assessed for inspection, mileage, and labor to collect and conduct the spat count verification. If vendors choose to take shells to MD DNR Piney Point or UMCES Horn Point for spat counting verification, the vendor should randomly collect 50 shells of which 30 will be counted. The vendor should provide these shells within 24 hours prior to planting. The vendor should contact MD DNR or UMCES at the numbers provided in advance so staff can meet the vendor. UMCES and MD DNR will conduct the counting of spat on shell within 24 hours prior to planting.
  2. To ensure consistency, spat should be held in setting tanks until visible with the naked eye (e.g. 1 mm in size or greater).
    - i. The number of spat per tank will be calculated based on the following:
      1. The spat count on each of the individual 30 shells counted by MD DNR or UMCES will be capped at 40.
      2. For payment purposes, the payment will be based on spat counts no greater than an average of 20 per shell per tank.
    - j. To ensure accurate reporting, all spat on shell produced in a given tank should be planted on one bar even if the total exceeds the requested planting amount (partial tanks should not be planted for these projects). The vendors will be compensated for the extra spat on shell produced; up to 10% of the total requested planting amount will be permitted (10% of the total project amount for that county, not 10% per bar).
2. Once a vendor has the product and is able to plant the spat on shell, the following guidelines must be followed by the vendor to ensure full payment for product and service. MD DNR or its designee reserves the right to conduct spot checks at any time during the transport process.
  - a. To ensure payment and contract continuation, all plantings shall only occur on sites that have been pre-approved by MD DNR. Selected sites may need to be surveyed by a MD DNR-authorized entity prior to the planting occurring. The vendor should assume that a site will be surveyed unless permission to waive the survey is granted by MD DNR. In either case, approval to plant and/or to waive ground-truthing survey shall be provided in an email by MD DNR to ORP and to the vendor.
  - b. The vendor must notify ORP and the County Oyster Committee representative at least 48 hours before the product is to be delivered. Notification shall be in the form of an email, phone call and/or text message. ORP in turn will notify MD DNR personnel. Upon notification, MD DNR reserves the right to temporarily postpone the planting if conditions on the water are known to be unfavorable (e.g., low oxygen or fresh water event in planned area), for safety reasons due to weather, a change in planting location based on request of the County Oyster Committee or another factor that may negatively impact spat survival.
  - c. ORP will provide a list of approved County Oyster Committee representatives who will be permitted to sign for the plantings.
  - d. The spat on shell should be kept moist and shaded (when practical) and at all times when traveling in excess of 4 hours to plant. Spat should never be

completely dry and should be protected from high temperatures or excessive temperature fluctuations and direct sunlight during transport. Tarps should not be used to cover spat during transport.

- e. County Oyster Committee members will be responsible for placing flags onsite and signing for the delivery of the seed. They shall not assist the vendor with crew related activities (e.g., unloading trucks, loading or unloading boats, planting the seed, operating the vessel during plantings, etc.). The vendor must provide staff for the labor required.
3. The vendor shall create a planting report for each deployment of a planting. For example, if four deployments (trips) are necessary to complete a single planting, then four planting reports are required. It should be noted that MD DNR may delay payment if the planting report is incomplete. A planting report shall contain the following:
    - a. Volume (in bushels) of shell deployed and how measured. Date and time planting begins and ends.
    - b. Track lines recorded by GPS. GPS trackers will be provided by ORP. Trackers shall be engaged the entire time while the vessel is underway. If the planting is occurring by a means other than by boat, a complete description of the transport process must be supplied prior to bid. Vendors must keep the trackers charged and return them to ORP for download (if required) when requested. Payments might not be released until trackers are returned and planting locations are verified. The vendor shall notify ORP immediately if there are any indications that a tracker was not be functioning properly.
    - c. Corner coordinates of the planting area taken on the day of planting based on actual planting location or buoy positions, in degrees decimal minutes format. Vendors are not permitted to alter planting sites without the express approval by MD DNR. Do not simply return the same set of target coordinates provided.
    - d. Receipt acceptance form acknowledging delivery and planting of the product that is signed by an approved County Oyster Committee representative.
    - e. Source tank, numbers of spat planted and volume of shell used in tank (in bushels) so that planting information can be paired with count verification data sheet completed by hatchery or authorized MD DNR representative.
    - f. Start time of initial tank unloading to end time when the shells are planted in the water.
    - g. General weather conditions at the time of planting.
    - h. Verification count data sheet for each tank used in planting must be sent to ORP directly from hatchery at time of counting or payment will be delayed.
  4. The vendor shall provide to ORP an invoice and all supporting documentation and reports within 10 business days of completing a planting. The vendor can expect to receive partial payment within 30 days of invoice submission and full payment within approximately 45 to 60 days if all conditions listed herein are met.