

2021 Production and Delivery of Spat on Shell to Maryland Public Oyster Bars Request for Bids

Deadline for Bid Submission: April 2, 2021

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 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, planting 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 project. Qualified vendors must have a minimum annual production capacity of 10 million SOS and be ready to set on or before May 1, 2021.

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 another 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 counties 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 average 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 2021 planting season. Submission of a bid does not guarantee a project will be awarded to the bidder.

ORP is jointly managing project logistics with Kelly Barnes of Clements Creek Ventures (CCV), LLC. Kelly Barnes of CCV will provide oversight of the bid process. All bid forms and supporting documentation should be returned to Kelly Barnes by April 2nd to be considered. You may email them to kbarnes@clements creek.com, mail them to ORP, 1805A Virginia Street, Annapolis, MD 21401 or fax them to 443-782-2275. All correspondence or questions concerning the potential projects or bidding process should be directed to Kelly Barnes with CCV at 301-752-5122.

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 and Pricing:

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 priced to complete 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.

In addition to providing a single bid per project/location, vendors are asked to provide bid(s) on three size classes of spat. A County Oyster Committee may express a preference for a larger animal or keeping animals in the tanks longer. The size structure is as follows:

- Tier 1: 1-2 mm
- Tier 2: 2-3 mm
- Tier 3: 3+ mm

Select which project(s) you are bidding on and provide the necessary bid information, including prices for each size class listed per million spat on shell produced and planted. **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 50M Spat on Shell (SOS) to be placed in AA waters of the Chesapeake Bay and the South River**

- | | |
|------------------------------|--|
| • Coots (10-15M) | \$_____ 1-2mm; \$_____ 2-3mm; \$_____ 3+mm |
| • Hacketts (10-12M) | \$_____ 1-2mm; \$_____ 2-3mm; \$_____ 3+mm |
| • Tollys (10-12M) | \$_____ 1-2mm; \$_____ 2-3mm; \$_____ 3+mm |
| • Hill Point East (4-5M) | \$_____ 1-2mm; \$_____ 2-3mm; \$_____ 3+mm |
| • Thunder & Lightning (4-5M) | \$_____ 1-2mm; \$_____ 2-3mm; \$_____ 3+mm |
| • Saunders Point (TBD) | \$_____ 1-2mm; \$_____ 2-3mm; \$_____ 3+mm |

☐ **Project B; Baltimore County: Approximately 26M SOS to be planted in Baltimore, Anne Arundel & Calvert Counties**

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|----------------------------|--|
| • Man O'War (6M) | \$_____ 1-2mm; \$_____ 2-3mm; \$_____ 3+mm |
| • Tollys (10M) | \$_____ 1-2mm; \$_____ 2-3mm; \$_____ 3+mm |
| • Patuxent River-TBD (10M) | \$_____ 1-2mm; \$_____ 2-3mm; \$_____ 3+mm |

☐ **Project C; Charles County: Approximately 47M SOS to be planted in the Wicomico River on bars TBD determined/approved by DNR (Lower Western Shore)**

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|---------------------|--|
| • Lancaster (9.5M) | \$_____ 1-2mm; \$_____ 2-3mm; \$_____ 3+mm |
| • Joes Lumps (5.5M) | \$_____ 1-2mm; \$_____ 2-3mm; \$_____ 3+mm |
| • Mills East (6.7M) | \$_____ 1-2mm; \$_____ 2-3mm; \$_____ 3+mm |
| • Mills West (6.7M) | \$_____ 1-2mm; \$_____ 2-3mm; \$_____ 3+mm |
| • Stoddards (6.7M) | \$_____ 1-2mm; \$_____ 2-3mm; \$_____ 3+mm |
| • Keys (5.5M) | \$_____ 1-2mm; \$_____ 2-3mm; \$_____ 3+mm |
| • Cohouck (2.7M) | \$_____ 1-2mm; \$_____ 2-3mm; \$_____ 3+mm |
| • Windmill (4M) | \$_____ 1-2mm; \$_____ 2-3mm; \$_____ 3+mm |

- ☐ **Project D; Calvert County: Approximately 8.5M (total) SOS to be planted in the Patuxent River on either Mears or Petersons - location TBD**
- Mears (8.5M) \$_____1-2mm; \$_____2-3mm; \$_____3+mm
 - Petersons(8.5M) \$_____1-2mm; \$_____2-3mm; \$_____3+mm
- ☐ **Project E; Kent County: Approximately 40M SOS to be planted in the Chester River, Eastern Bay and Upper Bay (Peach Orchard & Swan Point)– specific bars and amounts TBD**
- Chester River \$_____1-2mm; \$_____2-3mm; \$_____3+mm
 - Upper Bay \$_____1-2mm; \$_____2-3mm; \$_____3+mm
 - Eastern Bay \$_____1-2mm; \$_____2-3mm; \$_____3+mm
- ☐ **Project F; Queen Anne’s County: Approximately 55 M SOS to be planted in Eastern Bay, locations TBD**
- Eastern Bay \$_____1-2mm; \$_____2-3mm; \$_____3+mm
- ☐ **Project G; Queen Anne’s County: Approximately 10M SOS to be planted in Anne Arundel County – location TBD**
- Chesapeake Bay/South River \$_____1-2mm; \$_____2-3mm; \$_____3+mm
- ☐ **Project H; Wicomico County: Approximately 35M SOS (Triploid or Lolas) to be planted in the Wicomico/Nanticoke River (s)**
- Nanticoke/Wicomico \$_____1-2mm; \$_____2-3mm; \$_____3+mm
- ☐ **Project I; Dorchester County: Approximately 10M SOS to be planted in the Choptank River**
- Turtleback \$_____1-2mm; \$_____2-3mm; \$_____3+mm
- ☐ **Project J; St. Mary’s County: Approximately 7M in the St. Mary’s River**
- Cedar Point \$_____1-2mm; \$_____2-3mm; \$_____3+mm
- ☐ **Project K; Talbot County: Approximately 15M to be planted in the Choptank River & Chesapeake Bay**
- Howells Point (7.5M) \$_____1-2mm; \$_____2-3mm; \$_____3+mm
 - Stone Rock (7.5M) \$_____1-2mm; \$_____2-3mm; \$_____3+mm

***Bids should not exceed current market rate for wild seed oysters per bushel – DNR reserves the right to refuse excessive bids.**

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 are preferred, however, triploid or disease resistant larvae may be used if available and approved by DNR.
 - 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 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. For early season setting (prior to May 1) vendors must have heaters in use and follow DNR established early season planting protocols regarding flow through and any supplemental feeding if necessary. The recommendations for Vendors wishing to start prior to May 1 are as follows:
 - a. Water temperature: When it is time to turn the ambient water flow on, first turn the heater off **but do not turn on the ambient flow. Instead,** let the tank cool down for 24 hours as air temp decreases the water temp. Then turn on flow through, but only to a trickle to slowly decrease temperature further for another 24 hours. After that time frame, regular flow can be established. Slowly cool the tanks down so the spat can acclimate.
 - b. Food Availability: Spat shall be held several days longer than normal before planting. If possible, supplement feed while they are in the tank for the first few days. Consult Horn Point or Piney Point if supplementing feed. This would most likely be in the form of Instant Algae or something similar due to the unlikely availability of supplemental algae. If unsure, double check with Horn Point or Piney Point before adding anything to the tank.
 - e. 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 propose solutions. ORP will then consult with MD DNR and the respective County Oyster Committee and determine the best course of action.

- f. **No Planting Zones (areas where spat are prohibited):** 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. Planting locations that are in close proximity to No Planting Zones as determined by DNR may require an onboard observer, designated by DNR, to ensure that plantings occur in the approved areas only and stay out of the No Planting Zone. 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.
- g. 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). Vendors will be required to count three bushels of shell, per set, to determine the average shell count per tank for a given set. This is being done to get a more accurate accounting of shell used per set for planting and payment purposes.
- h. 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. 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)
- i. 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 receive 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 to 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 anticipated 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 anticipated 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).
- j. 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.

To ensure accurate reporting, all spat on shell produced in each 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 project amount for that county.

k. Spat must be a minimum of 1mm in length and no less than seven days old (five days post-flow through in tanks) to be planted. Spat from tanks with less than an average length of 1mm as determined during hatchery counting procedures will need to be held in tanks longer and recounted prior to planting. Spat planted from tanks with less than an average length of 1mm prior to approval will not be paid.

2. Once a vendor has the product and can 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 for approval. Notification shall be in the form of an email, phone call and/or text message. ORP in turn will notify MD DNR personnel. All destination sites for spat plantings must be approved by DNR 48 hours in advance of planting and the count sheets for the planting (for spat-on-shell) must be received by DNR prior to planting. This is to ensure proper set rates in the tanks, minimum size requirements are met, that sites were adequately ground-truthed prior to planting, and the proper coordination can occur between DNR, the vendor, and the county observer. 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 freshwater 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. Plantings conducted without prior permission of the Department will not be paid.
 - c. The county oyster committee can appoint observers to perform ground-truthing of sites, place buoys to mark planting locations as determined by DNR, and to meet the planting vessel on the day of planting to ensure plantings are being conducted according to specifications but must be known in advance and meet certain basic requirements. County observers must be available by phone, have GPS, be able to interpret coordinates in degrees decimal minutes format, have access to at least four buoys for marking corners of planting, and have the ability to travel to the site safely by boat. Counties should provide contact information for multiple observers. Only the observers provided in advance by the county representative qualify for compensation. Individuals not known in advance by ORP and DNR cannot be used as observers for these plantings. If a county observer is not

available, the planting will be rescheduled to the next available day a qualified observer is available (weather permitting, etc.). 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/buoys 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. Upon arrival to the planting location, it is the responsibility of the vendor/planting vessel captain to confirm that the buoys placed by the accepting member of the County Oyster Committee have been placed within the DNR approved coordinates provided to them by ORP. If there is a discrepancy upon arrival to the planting location as to where the planting should occur, the vendor/Boat Captain must contact ORP immediately. Should a dispute occur, and the planting is done outside of DNR approved coordinates, the vendor may not be compensated for the planted product. In the event sea conditions prevent completing the delivery paperwork safely, the observer can verbally confirm the receipt with the delivery vessel by cell phone or VHF radio and to notify DNR/ORP as soon as is practical to do so.
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. If spat is transported via truck for any portion of the planting process, the production plan must indicate how the spat will be kept moist and avoid excessive temperatures. 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. Vendors are responsible for confirming corner coordinates prior to any planting activities taking place; vendors may not receive compensation for

- plantings that occur outside of DNR approved coordinates. 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.