GUAM CONSOLIDATED COMMISSION ON UTILITIES
RESOLUTION NO. 09-FY2017

RELATIVE TO AUTHORIZING GWA TO ISSUE AN INVITATION TO BID (ITB) TO PROCURE COMMERCIAL GENERAL LIABILITY INSURANCE

WHEREAS, under 12 G.C.A. § 14105, the Consolidated Commission on Utilities (“CCU”) has plenary authority over financial, contractual and policy matters relative to the Guam Waterworks Authority (“GWA”); and

WHEREAS, the Guam Waterworks Authority (“GWA”) is a Guam Public Corporation established and existing under the laws of Guam; and

WHEREAS, under Section 6.06 (b) Insurance, of the 2005 General Indenture relative to GWA’s Water and Wastewater System Revenue Bonds, GWA is required to maintain such other insurance which it shall deem advisable or necessary to protect its interest and interest of the Bond owners, which insurance shall afford protection in such amounts and against such risks as are usually maintained by prudent operators; and

WHEREAS, GWA currently maintains a three (3) year commercial general liability (CGL) insurance policy (See ATTACHMENT “A”) whose term will expire on 12:01 am, April 12, 2017; and

WHEREAS, under the current CG policy, included is a $30 million indemnification for bodily injury and property damage liability arising in the conduct of business; and

WHEREAS, GWA management desires to procure similar commercial general liability insurance, adjusted for GWA’s current state of condition, upon the expiration of the current policy in force; and

WHEREAS, based on past experience, GWA has found that a three (3) year and or five (5) years term is cost effective and beneficial to GWA; and
WHEREAS, based on GWA’s best estimate, the IFB will exceed the General Manager’s obligating authority of $250,000 which is the purpose for GWA requesting the CCU’s approval to issue the IFB; and

NOW BE IT THEREFORE RESOLVED, the Consolidated Commission on Utilities does hereby approve and authorize the following:

1. The recitals set forth above hereby constitute the findings of the CCU.
2. The CCU finds that the issuance of an ITB for Commercial General Liability insurance to be prudent.
3. The CCU finds and agrees with the plan to solicit new insurance bids for a three (3) and or five (5) years term as cost effective and beneficial to GWA.
4. The General Manager is authorized to execute all documents and undertake all reasonable actions necessary to issue an Invitation to Bid procurement for commercial general liability insurance.

RESOLVED, that the Chairman certified and the Board Secretary attests to the adoption of this Resolution.

DULY AND REGULARLY ADOPTED, this 6th day of December 2016.

Certified by: Attested by:

JOSEPH T. DUENAS J. GEORGE BAMBA
Chairperson Secretary

// //
I, J. George Bamba, Board Secretary of the Consolidated Commission on Utilities as evidenced by my signature above do hereby certify as follows:

The foregoing is a full, true and accurate copy of the resolution duly adopted at a regular meeting by the members of the Guam Consolidated Commission on Utilities, duly and legally held at a place properly noticed and advertised at which meeting a quorum was present and the members who were present voted as follows:

AYES: 4

NAYS: 0

ABSTENTIONS: 0

ABSENT: 1
ATTACHMENT “A”
(General Liability Insurance)
INVITATION TO BID

The GUAM WATERWORKS AUTHORITY will receive sealed bids for General Liability Insurance, in GWA IFB, NO. 2015-07. Bids will be accepted until 10:00 a.m. Chamorro Standard Time, APR 06, 2015 at the GWA Procurement Office at which time and place all bids will be publicly opened and read aloud. All bids must be accompanied by a Bid / Performance Bond in the amount of 15 percent (15%) of the total bid price. Bid security may be bid/performance bond, certified check or cashier check made payable to Guam Waterworks Authority. A non-refundable amount of $15.00 is required for the purchase price of every set of bidding documents which are available at the GWA Procurement Office. Bidders can download a bid package at www.guamwaterworks.org without charge, although vendors are strongly encouraged to contact or visit GWA Procurement Office to register to ensure that updated information, notices or bid amendments are distributed to you.

GWA reserves the right to revise or reject any or all proposals and to waive any minor imperfection in the bid proposal in the interest of the Guam Waterworks Authority.

Mark G. Miller,
Interim General Manager

GWA STAMP ISSUE DATE: 
GUAM WATERWORKS AUTHORITY

"Better Water. Better Lives"
Gloria B. Nelson Public Service Building
688 Route 15, Mangilao, Guam 96913

INVITATION FOR COMPETITIVE SEALED BIDS

IFB 2015-07

FOR

GENERAL LIABILITY INSURANCE

SECTION 1: INTRODUCTION

The Guam Waterworks Authority ("GWA") is seeking competitive sealed fixed price bids for General Liability Insurance as specified above for a one (1) year period based on the lowest responsive and responsible bid commencing not later than 10 days after a Notice to Proceed from GWA is issued (preferably by April 10, 2015, at 12:01 a.m. Guam Time). All bids must be received by GWA on or before April 6, 2015 at 10:00 a.m. at the GWA Procurement Office, late bids will not be considered.

All questions and inquiries must be submitted in writing (either via letter, fax or e-mail) to the address below not later than March 30, 2015. Oral questions and responses shall be given no effect.

Greg Cruz, Chief Financial Officer
Gloria B. Nelson Public Service Building
688 Route 15 Mangilao, Guam 96913
Fax: (671) 646-2594
Phone: (671) 300-6860
E-mail: gcruz@guamwaterworks.org

Copies of all inquire must also be transmitted to:

Vince Guerrero, GWA Procurement Administrator
Gloria B. Nelson Public Service Building
688 Route 15 Mangilao, Guam 96913
Fax: (671) 649-3750
Phone: (671) 300-6026/6027
E-mail: vincentguerrero@guamwaterworks.org

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SECTION II: BID RESPONSE FORM

BID ITEM 1.0. – GENERAL LIABILITY INSURANCE BID
This transmittal is a premium summary for the coverages outlined in the Insurance Specifications.

**Required Coverages – Primary Liability Insurance 1 year term**

<table>
<thead>
<tr>
<th>LIMITS</th>
<th>DEDUCTIBLE</th>
<th>PREMIUM</th>
<th>CARRIER &amp; FINANCIAL RATING</th>
</tr>
</thead>
<tbody>
<tr>
<td>$30,000,000 each occurrence, including Products Liability, $30,000,000 Personal Injury Liability, $30,000,000 Pollution Liability</td>
<td>$300,000</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**ALTERNATE QUOTE**

<table>
<thead>
<tr>
<th>PREMIUM</th>
<th>CARRIER &amp; FINANCIAL RATING</th>
</tr>
</thead>
<tbody>
<tr>
<td>As above, 2 year term</td>
<td></td>
</tr>
</tbody>
</table>

Broker: ____________________________

Date: ____________________________
SECTION III.

BROKER QUESTIONNAIRE
(THESE FORM MUST BE RETURNED WITH THE BID)

Name of Firm: __________________________________________________________
Address: ______________________________________________________________

Telephone: ____________________________________________________________
Fax: __________________________________________________________________
Year Firm Established: __________________________________________________
Principals: ____________________________________________________________

<table>
<thead>
<tr>
<th>Personnel</th>
<th>Annual Premium</th>
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</thead>
<tbody>
<tr>
<td>Administration:</td>
<td>Personal:</td>
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<td>Marketing:</td>
<td>Commercial:</td>
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<tr>
<td>Underwriting:</td>
<td>Total:</td>
</tr>
<tr>
<td>Total Personnel:</td>
<td>Largest Account:</td>
</tr>
</tbody>
</table>

Contacts

Primary: ________________________________________________________________
Email: ________________________________________________________________
Alternate: _____________________________________________________________
Email: ________________________________________________________________
Other: _________________________________________________________________
Signed: _________________________ Date: ________________________________


SECTION IV: BACKGROUND AND SUMMARY OF SOLICITATION

The Guam Waterworks Authority ("GWA"), a Guam Public Corporation, is the civilian supplier of water and wastewater services to the Island of Guam. GWA operates and maintains about 200 fresh water facilities on Guam providing service to a population of over 157,000 people. It also owns 87 wastewater facilities which are operated and maintained by a private contractor. The Authority did not carry prior insurance prior to October 2010 aside from D&O Insurance and limited property insurance on some of its water tanks. The current bond indenture requires purchase of liability insurance.

The Authority did not carry insurance prior to October 2010. GWA’s bond indenture requires the Authority to maintain insurance with responsible insurers in such amounts and against such risks as are usually maintained by prudent operators of similar systems. In April, 2012, GWA accepted multi-year bids for all lines of its insurance; the current General Liability policy expires on April 12, 2015.

SECTION V: INSTRUCTIONS AND PROCEDURES FOR BIDDERS

1. **BID SCHEDULE**

   The deadline for the submission of bids is **April 6, 2015**, at 10:00 a.m. Three (3) copies and one (1) original bid **must be physically received** by GWA at the address below (not postmarked) no later than the above date and hour. It is advisable to use courier services to expedite delivery of your bid, as Guam is served by several such courier services. It is bidder’s responsibility to insure the bid is received as required above. Late bids will not be considered.

2. **PREPARATION AND SUBMISSION OF BIDS**

   Envelopes containing Bids shall be sealed and marked on the face with the name and address of the Bidder, the Bid Number and the time and date of submission. Telegraphic Bids will not be considered, nor will modifications by telegraph of Bids already submitted be considered. Bids **must be received** at the place of opening **on or before the opening date and time**. Bids received through the mail will not be accepted if such mail is received at the address showing after the submission date and time. Facsimile or e-mailed bids will not be accepted. Bids will be opened publicly.

   All submittals must strictly conform to the Invitation for Bid and any addenda, non-responsive and non-responsible bids will not be considered.

Three complete (3) copies and (1) complete original Bid must be submitted to GWA. Any and all sample documentation, including but not limited to, a complete proposed insurance policy, including exclusions, must be submitted. No submittal shall be considered complete unless accompanied by all items required in this bid.

The IFB **must** be received by GWA not later than **10:00 a.m. April 6, 2015** in a sealed envelope with the IFB number clearly marked and delivered to or received by the GWA Procurement Administrator or his/her designee at the following address:
TO: Guam Waterworks Authority  
Attn: Procurement Administrator  
Gloria B. Nelson Public Service Building  
First Floor  
688 Route 15 Mangilao, Guam 96913

Examination of IFB Documents: Bidders shall examine the IFB Documents to inform themselves of all conditions and requirements for the execution of the proposed work. Ignorance on the part of Bidder of any part of the IFB will in no way relieve him/her of the obligation and responsibility assumed under the Contract.

Familiarity with Laws: Bidder is assumed to be familiar with Federal and Local laws, ordinances, rules and regulations that in any manner affect the work. Ignorance on the part of Bidder of any part of the IFB will in no way relieve him/her of the obligation and responsibility assumed under the Contract.

3. EXPLANATION TO BIDDERS

No oral explanation in regard to the meaning of the specification will be made and no oral instructions will be given before the award of the Bid. Questions regarding discrepancies, omissions, or doubts as to the meaning of the specifications must be communicated in writing (either e-mail, fax or mail) to Guam Waterworks Authority for interpretation. Bidders should act promptly and allow sufficient time for a reply to reach them before the submission of their Bids. Interpretation, if required, shall be made in the form of an amendment to the specifications, which will be forwarded to all prospective bidders, and its receipt by the Bidder should be acknowledged on the Bid form.

4. CLARIFICATION ON INVITATION FOR BID

Each Bidder must carefully examine the IFB and all amendments or addenda. If any Bidder (a) finds any discrepancies, omission or ambiguities in the IFB documents, (b) is uncertain as to the intent or meaning of any provision of the IFB, or (c) has any question regarding the IFB, the Bidder must promptly notify GWA in writing no later than five (5) working days prior to the closing date of the IFB thereof in writing at the address specified for submission of Bid. Replies to such notices may be made in the form of addenda, which will be issued simultaneously to all prospective Bidders.

5. FORM

All bids must be in writing and submitted in a sealed envelope, and must be signed by an officer of the bidder having authority to submit such Bids. The bids should respond in an organized fashion to all requirements of this Invitation for Bidding.

6. MODIFICATION OR WITHDRAWAL OF BIDS

Bids may be modified or withdrawn prior to submittal date. Any bid withdrawal, or modification received at GWA after the due date is late and, as such, renders the underlying bid in compliance only as to that which is on hand at the submittal date and hour.
7. **RECORDING BIDS**

Bids and modifications shall be submitted to GWA officials by **April 06, 2015** at the GWA Procurement Office.

Bidders shall be responsible for insuring its bid is **received** on or before the due date. Any late bid will not be considered by GWA. After the due date, a Register of Bids shall be prepared which shall include for all initial bids the name of each bidder, the number of modifications received, if any, and an indication of the coverage proposed, i.e. coverage of all risks or perils (a) as requested by GWA, (b) less than GWA request, and/or (c) alternate coverage as requested.

8. **CONFIDENTIAL DATA**

Bidders should clearly and specifically designate which portion or portions of the bid contains trade secrets or other proprietary data they propose be kept confidential. GWA shall examine the request and make a determination as to each request. Unclear requests or requests that do not specifically identify the exact portion of the bid which the bidder is requesting to be kept confidential shall not be considered. Guam law shall govern the determination of confidentiality of any document or portion thereof.

9. **AWARD**

Award will be made to the lowest responsive and responsible bidder.

The bids submitted will be the primary documents for evaluation. GWA reserves the right to waive any minor information or irregularity in bids received. GWA shall have the prerogative to award, amend or reject bids in whole or in part. GWA is not responsible for any and all costs incurred by any person or party incurred in preparing any bid. GWA reserves the right to retain all bids submitted regardless of whether a firm is selected. Submission of a bid indicates acceptance of all terms and conditions by the bidder.

Please note that in the event a bid is submitted by a bona-fide service disabled veteran where the bidder is at least fifty-one percent (51%) owned by a service-disabled veteran and the price for the supply or service does not exceed one hundred five percent (105%) of the lowest price bidder, GWA is required under 5 G.C.A. § 5011 to award the bid to the service-disabled owned business. A service-disabled veteran business must meet all of the following qualifications under 5 G.C.A. § 5012:

i. the business concern is licensed to do business on Guam;

ii. the business concern maintains its headquarters on Guam;

iii. the business concern is at least fifty-one percent (51%) owned by a service-disabled veteran(s) who served in the active U.S. military service, was discharged or released under honorable conditions and whose disability is service-connected as demonstrated by a DD214, and certified by an award letter from the U.S. Department of Veterans Affairs;
iv. the DD214 and Disability award letter from the U.S. Department of Veterans Affairs are submitted to the procuring entity for every service or supply offered; and;

v. the service-disabled veteran(s) owner of the business concern has filed individual tax returns on Guam for a period of at least three (3) consecutive years.

10. CANCELLATION OF INVITATION; REJECTION AND DELAYS

GWA reserves the right to cancel or to withdraw this Invitation to Bid, to delay determination on this Invitation for Bid, or to reject all bids, in whole or in part, at any time prior to final award. The reasons for the cancellation, delay or rejection shall be made a part of the procurement file and shall be available for public inspection.

11. REQUIRED APPROVALS

A Notice to Proceed (contract) may be conditioned on GWA obtaining the approval of the Guam Consolidated Commission on Utilities and the Public Utilities Commission on Guam depending on cost to GWA. This process may take several weeks.

12. REPRESENTATION REGARDING GRATUITIES AND KICKBACKS

The bidder or contractor represents that it has not violated, is not violating, and promises that it will not violate the prohibition against gratuities and kickbacks as mandated under the Guam Procurement Regulations. All Bidders shall submit an affidavit indicating that no gratuities or kickbacks have been given or made in connection with the submission of this bid.

13. REPRESENTATION REGARDING CONTINGENT FEES

The Contractor will provide a certification to GWA in the form supplied with this bid indicating that it has not retained a person to solicit or secure a territorial contract upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee, except for retention of bona fide employees or bona fide established commercial selling agencies for the purpose of securing business.

14. POLICY BINDER

The provider who is awarded the contract will be required to provide the Authority with written evidence that coverage is in place within 72 hours after notice to proceed has been issued.

15. ADDENDA TO IFB

In the event it becomes necessary to revise any part of this IFB, addenda will be provided to all Bidders who received the basic IFB. Any addenda issued pursuant to this IFB must be acknowledged as being received by the Bidder.

16. AFFIDAVIT OF DISCLOSURE
Affidavit of Disclosure of Major Shareholders must comply with the following requirements and failure to submit an affidavit shall be basis for rejection.

(a) Bidder must use the form issued by Guam Waterworks Authority.
(b) The affidavit must be notarized and dated on the same month as the bid opening.
(c) Date signature of the person authorized to sign the bid and the notary date must be the same.
(d) At least one affidavit must be an original.

17. BID AND PERFORMANCE BOND REQUIREMENT

All bidders are required to submit bid security in the amount of 15% of their total bid amount which must also indicate that the security is not only for a bid bond, but also for performance under this Bid as required by 5 G.C.A. 5312. Failure to submit a proper bid bond will cause the bid to be rejected.

As required by law, the bid security shall not be released upon award of the bid, but instead shall continue in full force and effect until after delivery of the supplies or services required in the Invitation for Bid have been provided.

THE BID/PERFORMANCE GUARANTEE MAY BE IN THE FORM OF:

a. Cashier’s Check or Certified Check
b. Letter of Credit
c. Surety Bond – Valid only if accompanied by:
   i. Current Certificate of Authority;
   ii. Power of Attorney issued by the Surety to the Resident General Agent;
   iii. Power of Attorney issued by two (2) major officers of the Surety to whoever is signing on their behalf

18. CLAIMS BASED ON ACTS OR OMISSIONS BY GWA.

If any action or omission on the part of GWA requiring performance changes within the scope of the contract constitutes the basis for a claim by the Bidder for additional compensation, damages, or an extension of time for completion, the Bidder shall continue with performance of the contract in compliance with the directions or orders of GWA, but by so doing, the Bidder shall not be deemed to have prejudiced any claim for additional compensation, damages, or an extension of time for completion; provided:

(a) the Bidder shall have given written notice to GWA:

   (i) prior to the commencement of the work involved, if at that time the Bidder knows of the occurrence of such action or omission;

   (ii) within 30 days after the Bidder knows of the occurrence of such action or omission, if the Bidder did not have such knowledge prior to the
commencement of the work; or

(iii) within such further time as may be allowed by the Procurement Officer in writing.

This notice shall state that the Bidder regards the act or omission as a reason which may entitle the Bidder to additional compensation, damages, or an extension of time. The Procurement Officer or designee of such officer, upon receipt of such notice, may rescind such action, remedy such omission, or take such other steps as may be deemed advisable in the discretion of the Procurement Officer or designee of such officer.

(b) the notice required by Subparagraph (a) of this Paragraph describes as clearly as practicable at the time the reasons why the Bidder believes that additional compensation, damages, or an extension of time may be remedies to which the Bidder is entitled; and

(c) the Bidder maintains and, upon request, makes available to the Procurement Officer within a reasonable time, detailed records to the extent practicable, of the claimed additional costs or basis for an extension of time in connection with such changes.

Nothing herein contained, however, shall excuse the Bidder from compliance with any rules of law precluding any GWA official or its Bidders from acting in collusion or bad faith in issuing or performing change orders which are clearly not within the scope of the contract.

Any adjustment in the contract price made pursuant to this clause shall be determined in accordance with the Price Adjustment Clause of this contract.

19. PRICE ADJUSTMENT CLAUSE.

Any adjustment in contract price pursuant to clauses in this contract shall be made in one or more of the following ways:

(a) by agreement on a fixed price adjustment before commencement of the pertinent performance or as soon thereafter as practicable;

(b) by unit prices specified in the contract or subsequently agreed upon;

(c) by the costs attributable to the event or situation covered by the clause, plus appropriate profit or fee, all as specified in the contract or subsequently agreed upon;

(d) in such other manner as the parties may mutually agree; or

(e) in the absence of an agreement between the parties, by a unilateral determination by the GWA General Manager of costs attributable to the event or situation covered by the clause, plus appropriate profit or fee, all as computed by the GWA General Manager in accordance with generally accepted accounting principles and applicable sections under Chapter 7 (Cost Principles) of the Guam Procurement Regulations and subject to the provisions under Title 5, Chapter 5 of the Guam Code Annotated (Legal and
Contractual Remedies).

For any request for a price adjustment, the contractor shall submit cost or pricing data for any price adjustments subject to the provisions of 2 G.A.R. § 3118 of the Guam Procurement Regulations.

20. **CONTRACT ISSUED UNDER THIS BID IS BINDING.**

It is agreed that any contract under this bid and all the Covenants hereof shall insure to the benefit of and binding upon GWA and the bidder respectively and his parties, successors, assigns, and legal representative. Neither GWA nor the Bidder shall have the right to assign, transfer or sublet his interests or obligations hereunder without written consent of the other party.

It is hereby mutually agreed by and between the parties hereto that no mechanic, contractor, subcontractor, material man or other person can or will contract for or in any other manner have or acquire any lien upon the binding or works covered by the contract, or the land upon which the same is situated.

21. **BIDDER’S RESPONSIBILITIES.**

The Bidder shall be responsible for the professional and technical accuracy of all work and materials furnished under this contract. The Bidder shall, without additional cost to GWA, correct or revise all errors or deficiencies in his/her work.

GWA’s review, approval, acceptance of, and payment for goods, fee, or for services required under this contract, shall not be construed to operate as a waiver of any rights under this contract or of any cause of action arising out of the Bidder’s failure of performance of this contract and the Bidder shall be and remain liable to the GWA for all costs of any kind which may be incurred by the GWA as a result of the Bidder’s negligent or erroneous performance of any of the services performed under this Bid. GWA shall continue to remain liable for its own negligent acts and those of its employees and its failure to perform as provided under this agreement.

22. **SCOPE OF AGREEMENT.**

Any Agreement issued under this bid, and signed by the GWA General Manager (formal contract or Purchase Order) supersedes any and all other Agreements, either oral or in writing, between the parties hereto with respect to retaining the services of Bidder by the GWA and contains all of the covenants and terms between the parties with respect to such this project. Each party to this Agreement acknowledges that no representation, inducements, promises or agreements, orally or otherwise, have been made by any party, or anyone acting on behalf of any party which are not embodied herein, and that no other agreement, statement, or promise not contained in this Agreement and addenda will be effective only if it is in writing signed by the party to be charged. For the purposes of this paragraph and of the entire agreement, the signature of the General Manager for the Guam Waterworks Authority (or his designee) is the only signature that will bind the GWA.
23. **TERMINATION.**

A. **TERMINATION FOR DEFAULT:**

(1) Default. If the Bidder refuses or fails to perform any of the provisions of this contract with such diligence as will ensure its completion within the time specified in this contract, or any extension thereof, otherwise fails to timely satisfy the contract provisions, or commits any other substantial breach of this contract as determined by GWA, then GWA may notify the Bidder in writing of the delay or non-performance and if not cured in ten days or any longer time specified in writing by GWA. GWA may terminate the Bidder’s right to proceed with the contract or such part of the contract as to which there has been delay or a failure to properly perform. In the event of termination in whole or in part GWA may procure similar services in a manner and upon terms deemed appropriate by GWA. The Bidder shall continue performance of the contract to the extent it is not terminated and shall be liable for excess costs incurred in procuring similar services.

(2) Bidder’s Duties. Notwithstanding termination of the contract and subject to any directions from GWA, the Bidder shall take timely, reasonable, and necessary action to protect and preserve property in the possession of the Bidder in which GWA has an interest.

(3) Compensation. Payment for completed services delivered and accepted by GWA shall be at the contract price. Payment for the protection and preservation of property shall be in an amount agreed upon by the Bidder and GWA; if the parties fail to agree, GWA shall set an amount subject to the Bidder’s rights under Chapter 9 (Legal and Contractual Remedies) of the Guam Procurement Regulations. GWA may withhold from amounts due the Bidder such sums as GWA deems to be necessary to protect GWA against loss because of outstanding liens or claims of former lien holders and to reimburse GWA for the excess costs incurred in procuring similar goods and services.

(4) Excuse for Nonperformance or Delayed Performance. Except with respect to defaults of sub-contractor(s) of Bidder, the Bidder shall not be in default by reason of any failure in performance of this contract in accordance with its terms (including any failure by the Bidder to make progress in the prosecution of the work hereunder which endangers such performance) if the Bidder has notified GWA within 15 days after the cause of the delay and the failure arises out of causes such as: acts of God; acts of the public enemy; acts of the government of Guam and any other governmental entity in its sovereign or contractual capacity; fires; floods; epidemics; quarantine restrictions; strikes or other labor disputes; freight embargoes; or unusually severe weather. If the failure to perform or to make progress due to such causes similar to those set forth above, the Bidder shall not be deemed to be in default, unless the services to be furnished by the sub-contractor were reasonably obtainable from other sources in sufficient time to permit the Bidder to meet the contract requirements. Failure of the sub-contractor to perform for reasons other than cited above shall constitute a default of the Bidder unless cured by Bidder with a reasonable time. Upon request of the Bidder, GWA shall ascertain the facts and extent of such failure; and, if GWA determines that any failure to perform was occasioned by any one or more of the excusable causes, and that, but for the excusable cause, the Bidder’s progress and performance would have met the terms of the contract, the delivery schedule shall be revised accordingly, subject to the rights of GWA and the government of Guam under the laws of Guam.
(5) **Erroneous Termination for Default.** If, after notice of termination of the Bidder’s right to proceed under the provisions of this clause, it is determined for any reason that the Bidder was not in default under the provisions of this clause, or that the delay was excusable under the provisions of Paragraph (4) (Excuse for Nonperformance or Delayed Performance) of this clause, the rights and obligations of the parties shall be the same as if the notice of termination had been issued pursuant to Subsection C, below.

(6) **Additional Rights and Remedies.** The rights and remedies provided in this clause are in addition to any other rights and remedies provided by law or under this contract.

**B. TERMINATION FOR CONVENIENCE:**

(1) **Termination.** GWA may, when the interest of GWA so requires, terminate this contract in whole or in part, for the convenience of GWA. GWA shall give written notice of the termination to the Bidder specifying the part of the contract terminated and when termination becomes effective.

(2) **Bidder’s Obligations.** The Bidder shall incur no further obligations in connection with the terminated work and on the date set in the notice of termination the Bidder will stop work to the extent specified. The Bidder shall also terminate outstanding orders and subcontracts as they relate to the terminated work. The Bidder shall settle the liabilities and claims arising out of the termination of subcontracts and orders connected with the terminated work. GWA may direct the Bidder to assign the Bidder’s right, title, and interest under terminated orders or subcontracts to GWA. The Bidder must still complete the work not terminated by the notice of termination and may incur obligations as are necessary to do so.

(3) **Right to Work Product.** Upon termination of the contract for the convenience of GWA or for any other reason, Bidder shall transfer title and deliver to GWA all documents and reports, plans, drawings, information and other material produced by Bidder or any of its sub-contractors in connection with the performance of this contract. The Bidder shall protect and preserve property in its possession or in the possession of any of its sub-contractors in which GWA has an interest.

(4) **Compensation.**

(a) The Bidder shall submit a termination claim specifying the amount due because of the termination for convenience together with cost or pricing data to the extent required by 2 G.A.R. § 3118 (Cost or Pricing Data) of the Guam Procurement Regulations bearing on such claim. If the Bidder fails to file a termination claim within one year from the effective date of termination, GWA may pay the Bidder, if at all, an amount set in accordance with Subparagraph (c) of this Paragraph.

(b) GWA and the Bidder may agree to a settlement provided the Bidder has filed a termination claim supported by cost or pricing data to the extent required by 2 G.A.R. § 3118 (Cost or Pricing Data) of the Guam Procurement Regulations and that the settlement does not exceed the total contract price plus settlement costs reduced by payments previously made by GWA and the contract price of the work not terminated.
(c) Absent complete agreement under Subparagraph (2) of this Paragraph, GWA shall pay the Bidder the following amounts, provided payments agreed to under Subparagraph (2) shall not duplicate payments under this Subparagraph:

(i) contract prices for services accepted under the contract;
(ii) costs incurred in preparing to perform and performing the terminated portion of the work plus a fair and reasonable profit on such portion of the work (such profit shall not include anticipatory profit or consequential damages) less amounts paid or to be paid for accepted supplies or services; provided, however, that if it appears that the Bidder would have sustained a loss if the entire contract would have been completed, no profit shall be allowed or included and the amount of compensation shall be reduced to reflect the anticipated rate of loss;
(iii) costs of settling and paying claims arising out of the termination of subcontracts or orders pursuant to Subparagraph (b) of this clause;
(iv) the reasonable settlement costs of the Bidder including accounting, clerical, and other expenses reasonably necessary for the preparation of settlement claims and supporting data with respect to the terminated portion of the contract for the termination and settlement of subcontracts hereunder, together with reasonable storage, transportation, and other costs incurred in connection with the protection or disposition of property allocable to the terminated portion of this contract. Attorney’s fees if for any reason it files suit against the government must be paid by the Bidder. The total sum to be paid the Bidder under this Subparagraph shall not exceed the total contract price plus the reasonable settlement costs of the Bidder reduced by the amount of payments otherwise made, the proceeds of any sales of supplies and manufacturing materials under Subparagraph (b) of this Paragraph, and the contract price of work not terminated.

(d) Cost claimed, agreed to, or established under Subparagraph (b) and (c) of this Paragraph shall be in accordance with Chapter 7 (Cost Principles) of the Guam Procurement Regulations.

24. SEVERABLE PROVISIONS.

If any provision of this agreement shall be deemed by a court of competent jurisdiction to be invalid, then such provision shall be deemed stricken from the agreement and the agreement shall be enforced according to its valid and subsisting terms and provisions. The terms of this Contract shall control in the event of any conflict between this Contract and any other document incorporated or referenced herein.

25. GOVERNING LAW AND VENUE.

The validity of any agreement entered into under this bid and any of its terms or provisions, as well as the rights and duties of the parties to this agreement, shall be governed by the laws of Guam. Moreover, any and all actions governing this agreement shall be brought in either the Guam Superior Court or the Guam District Court if applicable.
SECTION VI: GENERAL INSURANCE SPECIFICATIONS

1. These specifications describe the minimum coverages required by the Authority. The Broker is encouraged to offer alternate quotes and/or policy wordings as long as the minimum requirements are met.

2. All Bidders must be licensed to transact insurance on Guam in accordance with Guam law.

3. All insurance carriers must be licensed to conduct business on Guam and have a financial rating of at least A- (Excellent) by A. M. Best, or Aa3 (Excellent) by Moody's, or AA- (Strong) by Standard & Poors.

4. Brokers shall arrange a premium payment plan to enable the Authority to pay premiums on an installment basis.

5. Required Documents:
   a) Copy of Bidders current Guam business license,
   b) Copy of Bidders current insurance license,
   c) Evidence of current Professional Liability insurance with limits of at least $1,000,000,
   d) Completed Brokers Questionnaire,
   e) Completed Bid Response Forms,
   f) Specimen copy of the proposed policies, including all endorsements,
   g) Information on the claims reporting procedures to be used by each insurance carrier,
   h) Details of the deferred premium payment plan (See #4., above).

6. Notice to Proceed will be issued no later than 4:00 PM, Wednesday, April 8, 2015. The successful Bidder(s) shall provide GWA with written confirmation that 100% of the required coverages have been placed no later than 12:00 Noon, Thursday, April 9, 2015. Confirmation shall be in the form of binders or Certificates of Insurance.
SECTION VII: EVALUATION AND AWARD OF BIDS

In evaluating the bids, GWA shall examine all the relevant bid documents in order to determine the capacity of the bidder to perform and for compliance with the bid requirements as well as the price. All costs must be included in the overall bid. GWA will award the bid to the lowest responsive and responsible bidder.

GWA reserves the sole right to determine the acceptability and ranking of bids. In the bid evaluation process, the following factors may be considered:

(a) Extent of hidden costs (if any).
(b) Whether the bidder meets the announced requirements of GWA in all material respects as required under the Guam Procurement Code.
(c) Cost of total package
(d) Whether the terms of proposed insurance policy meet the requirements set forth herein.
(e) Overall clarity and presentation of Bid.
(g) Ability to provide the requisite services required under the Bid.
(h) Does the bidder possess the requisite financial strength?
(i) If the bidder has a satisfactory record of performance.
(j) Whether the bidder possess a satisfactory record of integrity.
(k) Is the bidder is legally qualified to contract with GWA?
(l) Whether or not the bidder supplied all necessary information required under this Bid?
SECTION VIII: SPECIFIC INSURANCE SPECIFICATIONS

A. LIABILITY INSURANCE REQUIREMENTS

Named Insured

The Guam Waterworks Authority, any director, officer, elected or appointed official, contract employee, servant, employee or volunteer worker acting for or on behalf of the Authority.

Term – One Year

April 12, 2015 through 2016, both days at 12:01 AM Local Time

Required Coverages

<table>
<thead>
<tr>
<th>Coverage</th>
<th>Limits</th>
</tr>
</thead>
<tbody>
<tr>
<td>Public Liability, combined single limit, each occurrence, including Products Liability</td>
<td>$30,000,000</td>
</tr>
<tr>
<td>Personal Injury Liability</td>
<td>$30,000,000</td>
</tr>
<tr>
<td>Pollution Liability</td>
<td>$30,000,000</td>
</tr>
<tr>
<td>Self-Insured Retention</td>
<td></td>
</tr>
<tr>
<td>Each and Every loss</td>
<td>$300,000</td>
</tr>
</tbody>
</table>

Alternate Quote – Two Year Term

April 12, 2015 through 2017, both days at 12:01 AM Local Time

NOTE: The above limit may be arranged in any combination of Primary and Excess covers.

Required Conditions

Territory

It is agreed that the following Territorial Limits are applicable: Worldwide in respect of Products, Employees, Officials and Directors of GWA are covered while attending meetings Worldwide subject to the policy terms, conditions and limitations.

Cancellation Clause

If Underwriters desire to cancel this policy other than for non-payment of premium, they shall give not less than ninety (90) days prior written notice by email and Certified Mail to:

Greg P. Cruz, Chief Financial Officer
688 Route 15 Mangilao, Guam 96913
Fax: (671) 646-2594
Phone: (671) 300-6861
E-mail: gpcruz@guamwaterworks.org
**Additional Insureds, Waivers of Subrogation**

Additional Insureds, Waivers of Subrogation, Indemnities and Contractual Agreements, Hold Harmless Agreements and Cross Liability Clauses shall be “held covered” subject to notification to the Insurers as soon as possible.

**Governing Law and Jurisdiction**

This insurance shall be governed by and construed in accordance with the laws of Guam and the exclusive jurisdiction of the USA including Guam courts. The seat of arbitration shall be Guam.

**Service of Suit Clause**

The name of the firm will be advised once the bid selection process is complete.

**Notification of Claims**

The name of the firm will be advised once the bid selection process is complete.

**Special Events**

Coverage includes the Insured’s liability arising out of any events held throughout the year on the Insured’s premises.

**Alcoholic Beverages**

Coverage under Premises Liability is extended to include the liability of the Insured for Bodily Injury and/or Property Damage caused by an occurrence arising out the giving or serving of alcoholic beverages by the Insured at functions incidental to the Insured’s business, subject to a policy limit of $1,000,000 any one occurrence. Such limit is included within and not in addition to the Limit of Liability shown in the policy.

**Waiver of Sovereign Immunity**

In the event of a claim under this Policy, Insurers waive the right to invoke the legal defense of Sovereign Immunity.

**UNDERWRITING INFORMATION**

**PREMISES**

GWA occupies an approximate 15,000 SF Administration Building at 578 North Marine Corps Drive, Tamuning, Guam and approximately 21,000 SF of the Gloria B. Nelson Public Service Building located at 688 Route 15, in Mangilao Guam. They also have the following facilities located throughout Guam:

- **Fresh Water System**
  - 1 treatment plant
  - 21 reservoirs
  - 27 booster pump stations
  - 49 pressure relief valve vaults
  - 120 water well sites
  - 21 owned water storage tanks (13 insured)
• 386 miles of pipe

Wastewater System
• 7 treatment plants
• 151 booster pump stations
• 76 pumping stations
• 6,500 manholes
• 1,420,100 feet of gravity fed sewer pipes
• 240,000 feet of force fed sewer pipes

Approximately 4,100,000 lineal feet of fresh and waste water underground piping.

OPERATIONS
Operations consist principally of administration, routine maintenance and repair work. These operations utilize approximately 300 employees consuming an annual payroll of approximately $21 million.

PRODUCTS

Fresh Water annual revenue: $53 million
Fresh Water Customers: 41,767
Waste Water annual revenue: $28 million

The U.S. Navy also supplies water from its system to GWA for sale to non-military customers.
CLAIMS
Note: GWA has incurred the following Property Damage claims during the past three years, but has not submitted any claims to its underwriters.

<table>
<thead>
<tr>
<th>DATE OF LOSS</th>
<th>NAME OF CLAIMANT</th>
<th>BRIEF DESCRIPTION OF CLAIM</th>
<th>AMOUNT PAID</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY12</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>10/31/11 - 12/31/11</td>
<td>PALMRIDGE INN</td>
<td>AMENDMENT ISSUED TO CHANGE / EXTEND</td>
<td>$5,074.30</td>
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<tr>
<td>10/31/11 - 09/30/12</td>
<td>GTA SERVICES, LLC</td>
<td>CABLE DAMAGE</td>
<td>30,143.75</td>
</tr>
<tr>
<td>01/31/12</td>
<td>SANTOS, ANTHONY G. &amp; CHRISTINA</td>
<td>GOVERNMENT CLAIM</td>
<td>47,377.70</td>
</tr>
<tr>
<td>02/29/12</td>
<td>SANTOS, ANGEL C. &amp; AMANDA L.</td>
<td>GOVERNMENT CLAIM</td>
<td>64,268.00</td>
</tr>
<tr>
<td>04/30/12</td>
<td>PAUL F. ALMA</td>
<td>GOVERNMENT CLAIM</td>
<td>10,667.00</td>
</tr>
<tr>
<td>05/31/12</td>
<td>LUIJAN, PETER E. &amp; MILLIE</td>
<td>GOVERNMENT CLAIM</td>
<td>1,102.86</td>
</tr>
<tr>
<td>07/31/12</td>
<td>TAN, NOEL</td>
<td>GOVERNMENT CLAIM</td>
<td>3,000.00</td>
</tr>
<tr>
<td>07/31/12</td>
<td>PERALTA, ROSALINDA</td>
<td>GOVERNMENT CLAIM</td>
<td>6,743.00</td>
</tr>
<tr>
<td>08/31/12</td>
<td>LIMITACO, PATRICK</td>
<td>GOVERNMENT CLAIM</td>
<td>19,450.00</td>
</tr>
<tr>
<td>08/31/12</td>
<td>QUICHOCHO, RUDY P. &amp; LOVITA S.</td>
<td>GOVERNMENT CLAIM</td>
<td>26,278.00</td>
</tr>
<tr>
<td>TOTAL FOR FY12</td>
<td></td>
<td></td>
<td>$214,104.61</td>
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<tr>
<td>FY13</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>11/30/12</td>
<td>GTA SERVICES, LLC</td>
<td>CABLE DAMAGE</td>
<td>13,336.60</td>
</tr>
<tr>
<td>11/30/12</td>
<td>HUNTRAKUL, KEIKO S.</td>
<td>GOVERNMENT CLAIM</td>
<td>3,290.00</td>
</tr>
<tr>
<td>11/30/12</td>
<td>CARLSON, AMORETTA L.P.</td>
<td>GOVERNMENT CLAIM</td>
<td>740.34</td>
</tr>
<tr>
<td>12/31/12</td>
<td>DUNN, DAVID N.</td>
<td>GOVERNMENT CLAIM</td>
<td>101.59</td>
</tr>
<tr>
<td>03/31/13</td>
<td>LANE, TYLER R.</td>
<td>GOVERNMENT CLAIM</td>
<td>1,000.00</td>
</tr>
<tr>
<td>05/28/13</td>
<td>SUNG BO KIM</td>
<td>GOVERNMENT CLAIM</td>
<td>5,600.00</td>
</tr>
<tr>
<td>07/31/13</td>
<td>BUSTAMANTE, YSMAEL</td>
<td>GOVERNMENT CLAIM</td>
<td>605.24</td>
</tr>
<tr>
<td>09/30/13</td>
<td>CONQUER, ROBERT</td>
<td>GOVERNMENT CLAIM</td>
<td>608.00</td>
</tr>
<tr>
<td>09/30/13</td>
<td>SANTOS, SANDRA F.</td>
<td>GOVERNMENT CLAIM</td>
<td>525.41</td>
</tr>
<tr>
<td>TOTAL FOR FY13</td>
<td></td>
<td></td>
<td>$25,807.18</td>
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<tr>
<td>FY14</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>11/30/13 - 07/31/14</td>
<td>GTA SERVICES, LLC</td>
<td>CABLE DAMAGE</td>
<td>18,191.73</td>
</tr>
<tr>
<td>12/31/13</td>
<td>O'BRIEN, CHARLES E.M.</td>
<td>GOVERNMENT CLAIM</td>
<td>4,054.67</td>
</tr>
<tr>
<td>04/09/14</td>
<td>FLORES, RICKY H.</td>
<td>GOVERNMENT CLAIM</td>
<td>1,600.00</td>
</tr>
<tr>
<td>07/31/14</td>
<td>MAHMOUD F.P. EL SAYEH</td>
<td>GOVERNMENT CLAIM</td>
<td>2,088.67</td>
</tr>
<tr>
<td>09/30/14</td>
<td>AGUON, MICHAEL D.</td>
<td>GOVERNMENT CLAIM</td>
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</tr>
<tr>
<td>TOTAL FOR FY14</td>
<td></td>
<td></td>
<td>$28,590.26</td>
</tr>
</tbody>
</table>
These specifications were written by and/or approved by Mark Miller, GWA Interim General Manager.

***********  END OF INSURANCE BID ***********
NON-COLLUSION AFFIDAVIT

Guam )
)ss:
Tamuning )

I, _______________________________ first being duly sworn, depose and say:
(Name of Declarant)

1. That I am the __________________ of ____________________________.
   (Title) (Name of Company or Person Bidding/RFP)

2. That in making the foregoing proposal or bid, that such proposal or bid is genuine
   and not collusive or sham, that said bidder/offeror has not colluded, conspired, connived
   or agreed, directly or indirectly, with any bidder or person, to put in a sham or to refrain
   from bidding or submitting a proposal and has not in any manner, directly or indirectly,
   sought by agreement or collusion, or communication or conference, with any person, to
   fix the bid price of affiant or any other bidder, or to secure any overhead, project or cost
   element of said bid price, or of that of any bidder, or to secure any advantage against the
   GUAM WATERWORKS AUTHORITY or any person interested in the proposed
   contract; and

3. That all statements in said proposal or bid are true.

4. This affidavit is made in compliance with 2 G.A.R. § 3126(b).

   So sayeth ____________________________
   (Declarant)

   Signed on this _____ day of _____201__, before me a Notary Public in and for Guam,
   personally appeared ________________________, known to me to be the authorized
   representative of ________________________, whose name is subscribed to the foregoing
   instrument and acknowledged to me that he executed the same as his free and voluntary
   act and deed on behalf of ________________________, for the uses and purposes therein set forth.

   IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the
   date last above written.

   ) Seal (__________________________)

   Notary Public
CERTIFICATION OF NON-EMPLOYMENT OF CONVICTED SEXUAL OFFENDERS

Pursuant to Guam Public Law 28-24, as amended by Guam Public Law 28-98, if a contract for services is awarded to the bidder or offeror, then the service provider must warrant that no person in its employment who has been convicted of a sex offense under the provisions of Chapter 25 of Title 9 of the Guam Code Annotated or of an offense defined in Article 2 of Chapter 28 of Title 9 of the Guam Code Annotated, or who has been convicted in any other jurisdiction of an offense with the same elements as heretofore defined, or who is listed on the Sex Offender Registry, shall provide services on behalf of the service provider while on government of Guam property, with the exception of public highways. If any employee of a service provider is providing services on government property and is convicted subsequent to an award of a contract, then the service provider warrants that it will notify the Government of the conviction within twenty-four hours of the conviction, and will immediately remove such convicted person from providing services on government property. If the service provider is found to be in violation of any of the provisions of this paragraph, then the Government will give notice to the service provider to take corrective action. The service provider shall take corrective action within twenty-four hours of notice from the Government, and the service provider shall notify the Government when action has been taken. If the service provider fails to take corrective steps within twenty-four hours of notice from the Government, then the Government in its sole discretion may suspend temporarily any contract for services until corrective action has been taken.

I, ______________________ being a duly authorized representative acknowledge the
directive as describe above and ensure the Bid Proposal as submitted addresses the
directive.

(Company Name)

(Title)

(Signature) (Date)
MAJOR SHAREHOLDER DISCLOSURE AFFIDAVIT

TERRITORY OF GUAM   }
   }
HAGATNA, GUAM   }

I, the undersigned ______________________, being first duly sworn, depose and says:

1. That the persons who have held more than ten percent (10%) of the company's share during the past twelve months preceding the submission of the bid are as follows (If none, so state):

<table>
<thead>
<tr>
<th>NAME</th>
<th>ADDRESS</th>
<th>PERCENTAGE OF SHARES HOLD</th>
</tr>
</thead>
</table>

TOTAL NUMBER OF SHARES

2. Persons who have received or are entitled to receive a commission, gratuity or other compensation for procuring or assisting in obtaining business related to the bid for which this affidavit is submitted are as follows:

<table>
<thead>
<tr>
<th>NAME</th>
<th>ADDRESS</th>
<th>AMOUNT OF COMMISSIONS, GRATUITY OR OTHER COMPENSATION</th>
</tr>
</thead>
</table>

Further, affiant sayeth naught.

Date: ____________________________

Signature of individual if bidder is a sole proprietorship; partner, if the bidders is a partnership; officer, if the bidder is a corporation (or other authorized person).

Subscribed and sworn to before me this _____ day of ________, 201__.

Notary Public
In and for the Territory of Guam
My commission expires

24
BID AND PERFORMANCE BOND FOR GOODS AND SERVICES
AS REQUIRED UNDER 5 G.C.A., § 5212

KNOW ALL MEN BY THESE PRESENTS, that

(Name of Contractor)

as Principal, herein after called the Principal and

(Name of Surety)
as duly admitted insurer under the laws of the Territory of Guam, as Surety, hereafter called the Surety, are held and firmly bound unto the Guam Waterworks Authority for the sum of ___________ Dollars ($__________), for payment of which sum will and truly to be made, the said Principal and the said Surety bind ourselves, our heirs, executors, administrators, successors and assigns, jointly and severally firmly by these presents:

WHEREAS, the Principal has submitted a bid for and is anticipated to enter into a contract in the amount specified below, ________________

NOW, THEREFORE, if the Guam Waterworks Authority shall accept the bid and the Principal shall not withdraw said bid within sixty (120) calendar days after the opening of bids, and shall within twenty one (21) calendar days after the prescribed forms are presented to him for signature, enter into a Contract with the Guam Waterworks Authority in accordance with the terms of such bid. This bond shall also be held by the Guam Waterworks Authority to secure the faithful performance of such Contract and for the prompt payment of labor, goods, services and materials furnished in the prosecution thereof. In the event of the failure of the Principal to enter into such Contract, or if the Principals (Contractor) fails to perform in accordance with the requirements set out under the Bid or any other written instrument requirement performance thereunder, the Surety, on behalf of the Principals shall pay to the Guam Waterworks Authority the differences not to exceed the penalty hereof between the amounts specified in said bid and such larger amount for which the Guam Waterworks Authority may in good faith contract with another party to perform work covered by said bid or an appropriate liquidated amount as specified in the Invitation for Bids then this obligation shall be null and void, otherwise to remain in full force and effect.
NOW, THEREFORE, THE CONDITIONS OF THIS OBLIGATION is such that, if the contractor shall promptly and faithfully perform said Contract, and shall promptly make payment to all claimants as hereinafter defined for all labor and material used or reasonably required for use in the performance of the Contract, then this obligation shall be void; otherwise it shall remain in full force and effect, subject, however, to the following conditions:

A. The Surety hereby waives notice of any alteration or extension of the time made by the Authority provided the same is within the scope of the Contract or any modification thereto.

B. Whenever the contractor shall be and is declared in default by the Authority to be in default under the Contract, the Authority having performed its obligations hereunder, the Surety may promptly remedy the default or shall promptly:

1. Complete the Contract in accordance with its terms and conditions; or

2. Obtain a bid or bids for completing the Contract in accordance with its terms and conditions, and upon determination by the Authority and the Surety of the lowest responsible bidder, arrange for a Contract between such bidder and the Authority, and make available as work progresses (even though there should be a default or a succession of defaults under the Contract or Contracts or completion arranged under this paragraph) sufficient funds to pay the cost of completion, less than balance of the Contract price, but not exceeding, including other costs and damages for which the Surety may be liable hereunder, the amount set forth in the first paragraph hereof. The term "balance of the Contract Price," as used in this paragraph shall mean the total amount payable by the Authority to Contractor under the Contract and any amendments thereto, less the amount properly paid by the Authority to Contractor. No right of action shall accrue on this bond to or for use of any person or corporation other than the Authority or successors of the Authority.

C. A claimant is defined as one having a direct contract with the Contractor or with a subcontractor of the Contractor for labor, material, or both, used or reasonably required for use in the performance of the Contract, labor and material being construed to include that part of water, gas, power, light, heat, oil, gasoline, telephone service or rental of equipment directly applicable to the Contract.

D. The above named Contractor and Surety hereby jointly and severally agree with the Authority that every claimant as herein defined, who has not been paid in full before the expiration of a period of ninety (90) days after the date of which the last of such claimant's work or labor was done or performed, or materials were furnished by such claimant, may sue on this bond for use of such claimant, prosecute the suit to final judgment to final judgment for such sum or sums as may be justly due the claimant, and have execution thereon. The Authority shall not be liable for the payment of any costs or expenses of any such suit.

E. No suit or action shall be commenced hereunder by any claimant:

1. Unless claimant, other than one having a direct contract with the contractor, shall
have given written notice to any two (2) of the following entities named below:

(a) the Contractor; (b) the Guam Waterworks Authority, or (c) the Surety above named, within ninety (90) days after such claimant did or performed the last of the work or labor, or furnished the last of the materials for which said claim is made, stating with substantial accuracy the amount claimed and the name of the party to whom the materials were furnished, or for whom the work or labor was done or performed. Such notice shall be personally served by mailing the same by registered mail or certified mail, postage prepaid, in an envelope addressed to the Contractor at any place the principal maintains an office or conducts its business.

2. After the expiration of one (1) year following the date on which the last of the labor was performed or material was supplied by the party bringing suit.

3. Other than in a court of competent jurisdiction in and for the Territory of Guam.

F. The amount of the bond shall be reduced by and to the extent of any payment or payments made in good faith hereunder.

SIGNED AND SEALED THIS ______ day of ____________, 20____, A.D.
IN THE PRESENCE OF:
(Note: If the Principals are Partners, each must execute the Bond)

__________________________  ____________________________
(WITNESS)                 (CONTRACTOR)                  (SEAL)

__________________________  ____________________________
(TITLE)                    (TITLE)

__________________________  ____________________________
(MAJOR OFFICER OF SURETY)  (MAJOR OFFICER OF SURETY)

__________________________  ____________________________
(TITLE)                    (TITLE)

__________________________
(RESIDENT GENERAL AGENT)
DRAFTFORMAL CONTRACT

Bidders are notified they will be subject to these terms and conditions and as a condition of submitting a bid, agree to the terms contained herein.

THIS AGREEMENT AND FORMAL CONTRACT is made and entered into this day of ______________________, 2015 by and between the GUAM WATERWORKS AUTHORITY ("GWA"), whose business address is 688 Route 15, Mangilao, Guam, 96913, and __________________________ (“Bidder”), whose mailing address is __________________________ licensed to conduct business on Guam and having Guam business license Nos. __________________________.

WITNESSETH, that whereas, GWA intends to purchase __________________________ for the purpose of __________________________ as identified in GWA Bid No. __________________________.

NOW THEREFORE, GWA and the Bidder for the considerations hereinafter set forth herein and in other documents associated with the performance hereunder, agree as follows:

SECTION 1. THE BIDDER AGREES:

To provide all of the goods and services specified in GWA IFB No. __________________________ at the prices specified in the bid. Bidder agrees to maintain all time all licenses, labor, insurance, material, equipment, tools and services necessary to perform and comply with this Contract and the Contract Documents as defined in Section 3 herein. Bidder also understands that it is responsible for all taxes and fees which may be due relative to payment or performance hereunder (including but not limited to, all employee, corporate and gross receipt taxes). GWA reserves the right to amend this Agreement or request a change order, but the right is subject to the mutual agreement of both parties and all amendments or change orders shall be in writing signed by both parties.

(a) CONTRACT TIME: The Bidder agrees to commence work under this contract upon written notice to proceed and to provide the services as specified in the Bid Documents in the time, place and manner provided in the Bid Documents (as amended). Bidder agrees by placing their signature hereto that they have been placed on notice that the provision of the goods and services hereunder is necessary to protect the public health and that time is always of the essence.

(b) SUB-BIDDERS: The Bidder agrees to bind every sub-Bidder to the terms of the Contract Documents. Bidder further agrees that no sub-Bidder Bidder may be allowed to perform in any fashion whatsoever under this contract until such time as the express written approval of GWA is obtained. The Contract Documents shall not be construed as creating any contractual relation between a sub-Bidder and the Guam Waterworks Authority.
SECTION 2. GWA AGREES:

To pay, and the Bidder agrees to accept in full payment for the performance of this Contract, the amount of ___________________ (add other explanation if necessary). GWA agrees to pay approved invoices on a net 30 day basis. In the event GWA does not pay an invoice approved by GWA within sixty (60) days, GWA agrees to pay Bidder six (6) percent interest on such overdue payments.

Any adjustment in contract price pursuant to clauses in this contract shall be made in one or more of the following ways:

(a) by agreement on a fixed price adjustment before commencement of the pertinent performance or as soon thereafter as practicable;

(b) by unit prices specified in the contract or subsequently agreed upon;

(c) by the costs attributable to the event or situation covered by the clause, plus appropriate profit or fee, all as specified in the contract or subsequently agreed upon;

(d) in such other manner as the parties may mutually agree; or

(e) in the absence of an agreement between the parties, by a unilateral determination by the GWA General Manager of costs attributable to the event or situation covered by the clause, plus appropriate profit or fee, all as computed by the GWA General Manager in accordance with generally accepted accounting principles and applicable sections under Chapter 7 (Cost Principles) of the Guam Procurement Regulations and subject to the provisions under Title 5, Chapter 5 of the Guam Code Annotated (Legal and Contractual Remedies).

For any request for a price adjustment, the Bidder shall submit cost or pricing data for any price adjustments subject to the provisions of 2 G.A.R. § 3118 of the Guam Procurement Regulations. Please note, fixed price bids of one year or less shall not be modified by GWA except in extreme circumstances (e.g., factory has burned down, massive increases in shipping costs, etc.)

SECTION 3. CONTRACT DOCUMENTS:

It is hereby mutually agreed that the following list of instruments, plans, specifications and documents which are attached hereto, bound herewith or incorporated herein by reference shall constitute the Contract Documents, all of which are made a part hereof, and collectively evidence and constitute the Contract between the parties, hereto, and they are as fully a part of this Agreement as if they were set out verbatim and in full herein, and are designated as follows:

a. Invitation to Bid
b. Instructions to Bidders
c. Bid
d. Form of Non-Collision Affidavit
SECTION 4. LIQUIDATED DAMAGES:

The Bidder further agrees to pay to GWA the amounts stated in the bid for failing, neglecting or refusing to complete the work within the time herein specified and said sum shall be paid for each consecutive calendar day therefore that the Bidder shall be in default after the time stipulated in the Contract for completing the work, ready for use and/or operations. Sundays and legal holidays will be excluded in determining the number of days in default.

SECTION 5. COVENANT AGAINST CONTINGENT FEES:

The Bidder warrants that he has not employed any person to solicit or secure this contract upon any agreement for a commission, percentage, brokerage, or contingent fee. Breach of this warranty shall give GWA the right to terminate the contract, or at its direction, deduct from the contract price or consideration the amount of such commission, percentage, brokerage or contingent fee. This warranty shall not apply to commissions payable by Bidders upon contracts or sales secured or made through bona fide established commercial or selling agencies maintained by the Bidder for the purpose of securing business.

SECTION 6. OTHER CONTRACTS:

GWA may award other contracts for additional work, and the Bidder shall fully cooperate with such other Bidders and carefully fit his own work to that provided under other contracts as may be directed by the Contracting Officer. The Bidder shall not commit or permit any act which will interfere with the performance of work by any other Bidder.

SECTION 7. DISPUTES:

Except as otherwise specifically provided in this contract, all disputes concerning questions of fact arising under this contract shall be decided by the GWA General Manager whose decision shall be final and conclusive upon the parties thereto. In the meantime, the Bidder shall diligently proceed with the work as directed. However, the final decision of the GWA General Manager is appealable to the Guam Public Auditor as provided under 5 G.C.A. § 5427(e).

SECTION 8. DIFFERING SITE CONDITIONS.
The Bidder accepts the conditions at the work site as they eventually may be found to exist and warrants and represents that the contract can and will be performed under such conditions, and that all materials, equipment, labor and other facilities required because of any unforeseen conditions (physical or otherwise) shall be wholly at the Bidder's own cost and expense, anything in this contract to the contrary notwithstanding.

SECTION 9. CONTRACT BINDING:

It is agreed that this Contract and all the Covenants hereof shall insure to the benefit of and binding upon GWA and the Bidder respectively and his parties, successors, assignees and legal representative. Neither GWA nor the Bidder shall have the right to assign, transfer or sublet his interests or obligations hereunder without written consent of the other party.

It is hereby mutually agreed by and between the parties hereto that no mechanic, Bidder, subBidder, material man or other person can or will contract for or in any other manner have or acquire any lien upon the binding or works covered by this contract, or the land upon which the same is situated.

SECTION 10. GWA NOT LIABLE:

A. GWA, its officers, agents, employees and governing board assumes no liability for any accident or injury that may occur to the Bidder, Bidder's agents, employees, or to Bidder’s property while on the job or otherwise en route to or from the job during any travel required by the terms of this agreement.

2. GWA, its officers, agents, employees and governing board shall not be liable to Bidder for any work performed by the Bidder prior to the written and signed approval of this Contract by the General Manager for GWA and the Bidder hereby expressly waives any and all claims for service performed in expectation of this agreement prior to its signature of the General Manager.

SECTION 11. NOTICES:

All notices between the parties shall be in writing and shall be deemed served when personally delivered or when deposited in the mail, registered or certified, first-class postage prepaid, addressed as follows:

To: GUAM WATERWORKS AUTHORITY
Mark Miller
GWA Interim General Manager
688 Route 15,
Mangilao, Guam, 96913

To: BIDDER

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SECTION 12. TERMINATION:

Section 12.1 – Termination For Default:

(1) **Default.** If the Bidder refuses or fails to perform any of the provisions of this contract with such diligence as will ensure its completion within the time specified in this contract, or any extension thereof, otherwise fails to timely satisfy the contract provisions, or commits any other substantial breach of this contract, GWA may notify the Bidder in writing of the delay or non-performance and if not cured in five (5) working days or any longer time specified in writing by the GWA, GWA may terminate the Bidder’s right to proceed with the contract or such part of the contract as to which there has been delay or a failure to properly perform. In the event of termination in whole or in part the GWA may procure similar services in a manner and upon terms deemed appropriate by the GWA. The Bidder shall continue performance of the contract to the extent it is not terminated and shall be liable for excess costs incurred in procuring similar services.

(2) **Bidder’s Duties.** Notwithstanding termination of the contract and subject to any directions from the GWA, the Bidder shall take timely, reasonable, and necessary action to protect and preserve property in the possession of the Bidder in which GWA has an interest.

(3) **Compensation.** Payment for completed services delivered and accepted by the government and GWA shall be at the contract price. GWA may withhold from amounts due the Bidder such sums as the GWA deems to be necessary to protect GWA against loss because of outstanding liens or claims of former lien holders and to reimburse the GWA for the excess costs incurred in procuring similar goods and services (including the provision of these goods and services by GWA personnel). In addition, in the event of a breach on the part of the Bidder, GWA shall be due liquidated damages in the amount of $4,500 per day to compensate GWA for the costs incurred by attributable to Bidder’s delay, breach or non-performance.

(4) **Excuse for Nonperformance or Delayed Performance.** Except with respect to defaults of sub-Bidder(s) of Bidder, the Bidder shall not be in default by reason of any failure in performance of this contract in accordance with its terms (including any failure by the Bidder to make progress in the prosecution of the work hereunder which endangers such performance) if the Bidder has notified the GWA within fifteen (15) days after the cause of the delay and the failure arises out of causes such as: acts of God; acts of the public enemy; fires; floods; epidemics; quarantine restrictions; strikes or other labor disputes; freight embargoes; or unusually severe weather. If the failure to perform or to make progress due to such causes similar to those set forth above, the Bidder shall not be deemed to be in default, unless the services to be furnished by the Bidder (or sub-Bidder) were reasonably obtainable from other sources in sufficient time to permit the Bidder to meet the contract requirements. Failure of the Bidder (or sub-Bidder) to perform for reasons other than cited above shall constitute a default of the Bidder unless cured by Bidder with a reasonable time. Upon request of the Bidder, GWA shall ascertain the facts and extent of such failure, and, if GWA determines that any failure to perform was occasioned by any one or more of the excusable causes, and that, but for the excusable cause, the Bidder’s progress and performance would have met the terms of the
contract, the delivery schedule shall be revised accordingly, subject to the rights of the GWA and the government of Guam under the laws of Guam.

(5) **Erroneous Termination for Default.** If, after notice of termination of the Bidder’s right to proceed under the provisions of this clause, it is determined for any reason that the Bidder was not in default under the provisions of this clause, or that the delay was excusable under the provisions of Paragraph (4) (Excuse for Nonperformance or Delayed Performance) of this clause, the rights and obligations of the parties shall be the same as if the notice of termination had been issued pursuant to Subsection C, below.

(6) **Additional Rights and Remedies.** The rights and remedies provided in this clause are in addition to any other rights and remedies provided by law or under this contract.

**Section 12.2 – Termination For Convenience:**

(1) **Termination.** GWA may, when the interest of the government so requires, terminate this contract in whole or in part, for the convenience of the government or GWA (including the provision of services by any sub-Bidder of the Bidder). GWA shall give thirty (30) days advance written notice of the termination to the Bidder specifying the part of the contract terminated and when termination becomes effective.

(2) **Bidder’s Obligations.** The Bidder shall incur no further obligations in connection with the terminated work (except in the case of SubBidders where the Bidder is solely liable to GWA for their acts and/or non-performance or breach under this agreement) and on the date set in the notice of termination the Bidder will stop work to the extent specified. The Bidder shall also terminate outstanding orders and subcontracts as they relate to the terminated work. The Bidder shall settle the liabilities and claims arising out of the termination of subcontracts and orders connected with the terminated work. GWA may direct the Bidder to assign the Bidder’s right, title, and interest under terminated orders or subcontracts to GWA. The Bidder must still complete the work not terminated by the notice of termination and may incur obligations as are necessary to do so.

(3) **Right to Work Product.** Upon termination of the contract for the convenience of the government or GWA or for any other reason, Bidder shall transfer title and deliver to GWA all documents and reports, plans, drawings, information and other material produced by Bidder or any of its sub-Bidders in connection with the performance of this contract. The Bidder shall protect and preserve property in its possession or in the possession of any of its sub-Bidders in which the GWA or the Government of Guam has an interest.

(4) **Compensation.**

(a) The Bidder shall submit a termination claim specifying the amount due because of the termination for convenience together with cost or pricing data to the extent required by § 3118 (Cost or Pricing Data) of the Guam Procurement Regulations bearing on such claim. If the Bidder fails to file a termination claim within one year from the effective date of termination, GWA may pay the Bidder, if at all, an amount set in accordance with Subparagraph (c) of this Paragraph.
(b) GWA and the Bidder may agree to a settlement provided the Bidder has filed a termination claim supported by cost or pricing data to the extent required by § 3118 (Cost or Pricing Data) of the Guam Procurement Regulations and that the settlement does not exceed the total contract price plus settlement costs reduced by payments previously made by the GWA and the contract price of the work not terminated.

(c) Absent complete agreement under Subparagraph (2) of this Paragraph, GWA shall pay the Bidder the following amounts, provided payments agreed to under Subparagraph (2) shall not duplicate payments under this Subparagraph:

(v) contract prices for services accepted under the contract;
(vi) costs incurred in preparing to perform and performing the terminated portion of the work plus a fair and reasonable profit on such portion of the work (such profit shall not include anticipatory profit or consequential damages) less amounts paid or to be paid for accepted supplies or services; provided, however, that if it appears that the Bidder would have sustained a loss if the entire contract would have been completed, no profit shall be allowed or included and the amount of compensation shall be reduced to reflect the anticipated rate of loss;
(vii) costs of settling and paying claims arising out of the termination of subcontracts or orders pursuant to Subparagraph (b) of this clause;
(viii) the reasonable settlement costs of the Bidder including accounting, clerical, and other expenses reasonably necessary for the preparation of settlement claims and supporting data with respect to the terminated portion of the contract for the termination and settlement of subcontracts hereunder, together with reasonable storage, transportation, and other costs incurred in connection with the protection or disposition of property allocable to the terminated portion of this contract. The total sum to be paid the Bidder under this Subparagraph shall not exceed the total contract price plus the reasonable settlement costs of the Bidder reduced by the amount of payments otherwise made, the proceeds of any sales of supplies and manufacturing materials under Subparagraph (b) of this Paragraph, and the contract price of work not terminated.

(d) Cost claimed, agreed to, or established under Subparagraph (b) and (c) of this Paragraph shall be in accordance with Chapter 7 (Cost Principles) of the Guam Procurement Regulations.

SECTION 13. SEVERABLE PROVISIONS:

If any provision of this agreement shall be deemed by a court of competent jurisdiction to be invalid, then such provision shall be deemed stricken from the agreement and the agreement shall be enforced according to its valid and subsisting terms and provisions. The terms of this Contract shall control in the event of any conflict between this Contract and any other document incorporated or referenced herein.

SECTION 14. GOVERNING LAW AND VENUE:

The validity of this agreement, as well as the rights and duties of the parties to this agreement, shall be governed by the laws of Guam. Moreover, any and all actions governing this agreement shall be brought in the Superior Court of Guam or the Guam District Court if applicable.
SECTION 15. OWNERSHIP OF DOCUMENTS:

All briefs, memoranda and other incidental Bidder work or materials furnished hereunder shall be and remain the property of GWA including all publication rights and copyright interests, and may be used by GWA without any additional cost to GWA.

SECTION 16. INDEMNITY:

Bidder agrees to save and hold harmless GWA, its board members, officers, agents, representatives, successors and assigns and other governmental agencies from any and all suits or actions of every nature and kind, which may be brought for or on account of any injury, death, or damage arising or growing out of the acts or omissions of the Bidder, Bidder's officers, agents (including sub-bidders), servants or employees under this Agreement.

SECTION 17. GENERAL COMPLIANCE WITH LAWS:

The Bidder agrees that Bidder is to comply with all Federal and territorial laws, rules, regulations and ordinances applicable to the work being performed hereunder. Bidder shall attach a copy of appropriate business license or an affidavit executed under penalty of perjury that indicates that Bidder is exempt under Guam law (must include legal citations proving exemption).

SECTION 18. ACCESS TO RECORDS AND OTHER REVIEW:

The Bidder, including his sub-bidders, if any, shall maintain copies of all books, documents, papers, accounting records and other evidence pertaining to costs incurred and to make such materials available at their respective offices at all reasonable times during the contract period and for three (3) years from the date of the final payment under the contract, for inspection by the Guam Waterworks Authority. All originals of any documents related to this Contract shall be provided to GWA as soon as possible, but not later than one day prior to the conclusion of this Agreement. Each subcontract by Bidder pursuant to this agreement shall include a provision containing the conditions of this Section.

SECTION 19. SCOPE OF AGREEMENT.

This Agreement supersedes any and all other Agreements, either oral or in writing, between the parties hereto with respect to retaining the services of Bidder by the GWA and contains all of the covenants and terms between the parties with respect to such this project. Each party to this Agreement acknowledges that no representation, inducements, promises or agreements, orally or otherwise, have been made by any party, or anyone acting on behalf of any party which are not embodied herein, and that no other agreement, statement, or promise not contained in this Agreement and addenda will be effective only if it is in writing signed by the party to be charged. For the purposes of this paragraph and of the entire agreement, the signature of the General Manager for the Guam Waterworks Authority (or his designee) is the only signature that will bind the GWA.
SECTION 20. RESPONSIBILITY OF BIDDER.

In addition to the other requirements set forth in the bid and this Contract, the Bidder shall be responsible for the professional and technical accuracy of all work and materials furnished under this contract. The Bidder shall, without additional cost to GWA, correct or revise all errors or deficiencies in his/her work.

GWA's review, approval, acceptance of, and payment for goods, fee, or for services required under this contract, shall not be construed to operate as a waiver of any rights under this contract or of any cause of action arising out of the Bidder's failure of performance of this contract and the Bidder shall be and remain liable to the GWA for all costs of any kind which may be incurred by the GWA as a result of the Bidder's negligent or erroneous performance of any of the services performed under this contract. GWA shall continue to remain liable for its own negligent acts and those of its employees and its failure to perform as provided under this agreement.

SECTION 21. CHANGE ORDERS.

By written order, at any time, and without notice to Bidder's surety, GWA may, subject to all appropriate adjustments, make changes within the general scope of work of this Contract in any one or more of the following:

1. Drawings, designs or specifications, if the supplies, goods or services to be furnished are to be specifically manufactured for GWA in accordance therewith;
2. Method of shipping or packing; or
3. Place of delivery.

If any such change order increases or decreases the Bidder's cost of, or the time required for performance of any part of the work under this contract, whether or not changed by the order, an adjustment shall be made and the contract modified in writing accordingly. Any adjustment in contract price made pursuant to this clause shall be determined in accordance with the Price Adjustment Clause of this Contract.

Failure of the parties to agree to an adjustment shall not excuse the Bidder from proceeding with the Contract as changed, provided that GWA promptly and duly make such provisional adjustments in payment or time for performance as may be reasonable. By proceeding with the work, the Bidder shall not be deemed to have prejudiced any claim for additional compensation, or an extension of time for completion.

Within 30 days after receipt of a written change order, unless such period is extended by GWA in writing, the Bidder shall file notice of intent to assert a claim for an adjustment. Later notification shall not bar the Bidder's claim unless GWA is prejudiced by the delay in notification. No claim by the Bidder for an adjustment hereunder shall be allowed if notice is not given prior to final payment under this Contract.
In the absence of such a change order, nothing in this clause shall be deemed to restrict the Bidder’s right to pursue a claim arising under the contract if pursued in accordance with the clause entitled “Claims Based on Acts or Omissions by GWA” of this Contract.

SECTION 22. STOP WORK ORDERS.

GWA may by written order to the Bidder, at any time, and without notice to any surety, require the Bidder to stop all or any part of the work called for in the Contract. This order shall be for a specified period not exceeding ninety (90) days after the order is received by the Bidder, unless the parties agree to any longer period. Upon receipt of the order, the Bidder shall comply with its terms and take all reasonable steps to minimize the occurrence of costs allocable to the work covered by the order during the period of work stoppage. Before the stop work order expires, or within any further period to which the parties have agreed, GWA shall either cancel the work order or terminate the work covered by the order as provided under the Termination for Default or Termination for Convenience Clauses contained in this contract.

If a stop work order issued under this clause is cancelled at any time during the period specified in the order, of the period of the order or any extension thereof expires, the Bidder shall have the right to resume work. An appropriate adjustment shall be made to the delivery schedule or Bidder only if: (a) the stop work order results in an increase in the time required for performance or the Bidder’s cost; and (b) if the Bidder asserts a claim for such an adjustment within thirty (30) days after the end of the period of work stoppage; provided that, if GWA decides that the facts justify such action, any such claim asserted may be received and acted upon at any time prior to final payment under this Contract. If a stop work order is not cancelled and the work covered by the order is terminated for default or convenience, the reasonable costs resulting from the stop work order shall be allowed pursuant to the price adjustment clause of this Contract.

SECTION 23. CLAIMS BASED ON ACTS OR OMISSIONS BY GWA.

If any action or omission on the part of GWA requiring performance changes within the scope of the contract constitutes the basis for a claim by the Bidder for additional compensation, damages, or an extension of time for completion, the Bidder shall continue with performance of the contract in compliance with the directions or orders of GWA, but by so doing, the Bidder shall not be deemed to have prejudiced any claim for additional compensation, damages, or an extension of time for completion; provided:

(a) the Bidder shall have given written notice to GWA:

(i) prior to the commencement of the work involved, if at that time the Bidder knows of the occurrence of such action or omission;

(ii) within 30 days after the Bidder knows of the occurrence of such action or omission, if the Bidder did not have such knowledge prior to the commencement of the work; or

(iii) within such further time as may be allowed by the Procurement Officer in writing.

This notice shall state that the Bidder regards the act or omission as a reason which may entitle the Bidder to additional compensation, damages, or an extension of time. The Procurement

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Officer or designee of such officer, upon receipt of such notice, may rescind such action, remedy such omission, or take such other steps as may be deemed advisable in the discretion of the Procurement Officer or designee of such officer.

(b) the notice required by Subparagraph (a) of this Paragraph describes as clearly as practicable at the time the reasons why the Bidder believes that additional compensation, damages, or an extension of time may be remedies to which the Bidder is entitled; and

(c) the Bidder maintains and, upon request, makes available to the Procurement Officer within a reasonable time, detailed records to the extent practicable, of the claimed additional costs or basis for an extension of time in connection with such changes. Nothing herein contained, however, shall excuse the Bidder from compliance with any rules of law precluding any GWA official or its Bidders from acting in collusion or bad faith in issuing or performing change orders which are clearly not within the scope of the contract.

Any adjustment in the contract price made pursuant to this clause shall be determined in accordance with the Price Adjustment Clause of this contract.

SECTION 24. EFFECTIVE DATE OF THIS CONTRACT.

This agreement shall take effect upon the date it is signed by both the General Manager and the Bidder and the date of this agreement shall be when the General Manager affixes his signature.

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IN WITNESS WHEREOF the parties hereto have executed this contract as of the day and year first written.

GUAM WATERWORKS AUTHORITY:  BIDDER:

Mark Miller  Bidder's Authorized Representative
GWA General Manager (interim)  Date:  _____________________________

Certified Funds Available:  Approved as to Form:  _____________________________
Certifying Officer  
Guam Waterworks Authority  

Date: ____________________________

Samuel J. Taylor  
Staff Attorney, GWA  

Date: ____________________________

Guam Business License or Certificate of Authorization No.: ____________________________

Contract No.: ____________________________

Vendor No.: ____________________________

Contract Amount: ____________________________

Certifying Officer: ____________________________

Amount Certified: ____________________________

Date: ____________________________

Source of funding: ____________________________
CORPORATE OR PARTNERSHIP CERTIFICATION
AS TO AUTHORIZATION TO BIND

I, _________________________________ certify that I am the Secretary of the corporation or managing partner named as Bidder herein; that _________________________________ who signed this contract on behalf of the Bidder, was then _________________________________ of said corporation/partnership by authority of said corporation of its governing body, and is within the scope of its corporate/partnership powers to bind said corporation/partnership to the terms and conditions of this Contract.

Signed: _______________________________
       Corporate Secretary

Date: ________________________________

(CORPORATE/PARTNERSHIP SEAL)

***** END OF CONTRACT *****
(RESIDENT GENER