

GUAM CONSOLIDATED COMMISSION ON UTILITIES RESOLUTION NO. 40-FY2016

RELATIVE TO APPROVING THE AWARD OF CONTRACT TO AMERICAN INTERNATIONAL SUPPLY INC. FOR WET BARREL FIRE HYDRANTS, GWA IFB. NO 2016-02

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, GWA advertised by an Invitation for Bid (IFB) 2016-02, soliciting bid proposals from responsive bidders to provide GWA with Wet Barrel Fire Hydrants to be utilized for the defective hydrant replacement project. [Exhibit A]; and.

WHEREAS, GWA received three (3) responsive offerors meeting the requirements of IFB 2016-02; and

WHEREAS, the IFB 2016-02 offers were evaluated by GWA's review committee; and

WHEREAS, GWA's review committee determined that the lowest offer to supply GWA with Wet Barrel Fire Hydrants, as specified in IFB 2016-02 was made by American International Supply Inc.; and

WHEREAS, GWA management seeks CCU approval of American International Supply, Inc's. bid proposal (See Exhibit B) to supply a quantity of 300 Wet Barrel Fire Hydrants in the amount of \$1,529.52 each at a total cost of Four Hundred Fifty Eight Thousand Eight Hundred Fifty Six Dollars (\$458,856.00).; and

WHERAS, GWA management further seeks authorization to proceed with the award of the contract to American International Supply, Inc. for the Wet Barrel Fire Hydrants; and

WHEREAS, the funding source for this Contract will be from O&M funds; 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 terms of the fee proposal submitted by American International Supply, Inc. are fair and reasonable (Exhibit B).
- 3. The CCU hereby authorizes the management of GWA to enter into a contract with American International Supply, Inc. in the amount of Four Hundred Fifty Eight Thousand Eight Hundred Fifty Six Dollars (\$458,856.00).

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

DULY AND REGULARLY ADOPTED AND APPROVED this 7th day of June, 2016.

Certified by:

JOSEPH T. DUENAS

Chairperson

Attested by:

J. GEORGE BAMBA

Secretary

///

ABSENT:

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	
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Exhibit A.

INVITATION TO BID

The GUAM WATERWORKS AUTHORITY, will receive sealed bids for Fire Hydrant "Wet Barrel", in GWA IFB. NO. 2016-02. Bids in duplicate copy will be accepted until 10:00 a.m. Chamorro Standard Time, APR 26, 2016 at the GWA Procurement Office, first floor located at the Gloria B. Nelson Public Services Building in Mangilao 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's 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.

Miguel C. Bardallo, P.E. General Manager

GWA STAMP ISSUE DATE:

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Gloria B. Nelson Public Service Building 688 Route 15, Mangilao GU 96913

Guam Waterworks Authority Invitation for Bid Number: GWA 2016-02 For: Fire Hydrant "Wet Barrel"

I. BID ITEM(s)

<u>Item No</u>	Description	<u>Otv</u>	Unit Cost	Total Cost
1.1	6 Hole Fire Hydrant "Wet Barrel" With Nuts & Bolts And Gasket	300 each		
Option wareh	n to purchase 40-foot shi ouse.	pping container de	livered with the hydrants	at GWA Tamuning
Contai	iner Cost \$	_		

TECHNICAL SPECIFICATIONS ON ITEM 1.1:

A. GENERAL

- 1. Fire hydrants shall meet or exceed ANSI/AWWA C503; latest revision.
- 2. Hydrant supplier shall furnish an affidavit of compliance to ANSI/AWWA C503; latest revision.
- 3. Hydrants shall be manufactured and tested in an ISO 9001 certified facility located within the United States.
- 4. Fire hydrants shall meet all test requirements and be listed by Underwriters Laboratories, Inc. (UL).
- 5. Ductile iron fire hydrants shall meet all test requirements and have full approval of Factory Mutual (FM).
- 6. Fire hydrants shall be rated for a water working pressure (WWP) of 200 psig.
- 7. Hydrostatically tested at 400 psig.

B. MATERIAL

1. Hydrants shall be ductile iron cast.

C. SERVICE

1. Firewater (AWWA hydrants designed for fire water applications)

D. PRESSURE-TEMPERATURE RATING (0.000" Corrosion Allowance)

1. Temp. F

32 to 150

Temp. C

0 to 66

E. NOZZLES (THREE WAY HYDRANTS)

- 1. 2 ½" nozzle (2 ea.) for fire hose connection.
- 2. 4 1/2" nozzle (1 ea.) for pumper connection.
- 3. Each nozzle to operate independently. Outlet connections individually valved within the hydrant body no hose gate valves required.
- 4. Hydrant outlet valves shall have a 1 1/2" operating nut.
- 5. Hydrant shall have outlet nozzles of quantity and size specified with National Standard Hose Thread.
- 6. Nozzle caps shall be constructed of cast iron.

F. FLANGE AND COUPLINGS

- 1. Flange drillings shall have 6 holes
- 2. All fire hydrants shall be provided with a <u>break-off feature</u> should the hydrant be of the traffic breakaway type.

G. PROTECTIVE COATINGS

- 1. Hydrants shall be painted per ANSI/AWWA C550 (latest edition). All ferrous parts, except those parts made of stainless steel shall be fusion-bonded epoxy coated and lined.
- 2. Exterior color shall be fire hydrant yellow.

H. REFERENCE STANDARDS

- 1. ANSI/AWWA C503
- 2. ANSI/AWWA C550
- 3. NSF-61

Or approved Equal.

II. GENERAL TERMS AND CONDITIONS

A. <u>AUTHORITY</u>.

This Invitation for Bids is issued subject to all of the provisions of the Guam Procurement Act and the Guam Procurement Regulations. The bid requires all parties involved in the preparation, negotiation, performance, or administration of contracts to act in good faith. Failure on the part of any bidder to act in good faith shall serve as a basis for voiding a bid or shall constitute a material breach of any contract entered into between GWA and any bidder which shall allow GWA to immediately terminate the contract.

B. EXPLANATION TO BIDDERS.

Except as otherwise provided herein, no oral explanation in regard to the meaning of any provision of this Bid will be made and no oral instructions will be given before the award of the bid. Discrepancies, omissions, or doubts as to the meaning of any provision of this Bid shall be communicated in writing to the named individual of GWA.

C. **QUESTIONS**.

All questions regarding the bid must be submitted in writing and be delivered personally, via US mail, via express delivery or via fax and directed to the following parties:

Miguel Bordallo General Manager Guam Waterworks Authority Gloria B. Nelson Public Service Building 688 Route 15 Mangilao, GU 96913

Vince Guerrero
Supply Management Administrator
Guam Waterworks Authority
Gloria B. Nelson Public Service Building
688 Route 15
Mangilao, GU 96913
Fax. No.: (671) 649-3750

D. METHOD OF AWARD.

GWA intends to review the bids immediately upon the opening of the bids as provided herein. 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 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;
- 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.

E. REJECTION.

GWA has the right to reject all bids or offers which have been submitted in response to this Bid, at any time, including after delivery if goods are determined to be non-conforming, if GWA determines such to be in the best interest of GWA. All bids and contractual obligations are subject to the availability of funding.

F. <u>TAXES.</u>

Bidders are cautioned that they may be subject to Guam Business Privilege Taxes, including Gross Receipt Tax and Guam Income Taxes on Guam transactions. GWA shall not be responsible for paying any taxes owed by any vendor. Specific information of taxes may be obtained from the Director of the Guam Department of Revenue and Taxation.

G. <u>LICENSING</u>.

Bidders are cautioned that GWA will not consider for award any bid offer submitted by a bidder who has not complied with Guam Licensing Laws. Specific information on licenses may be obtained from the Director of Revenue and Taxation.

H. <u>COVENANT AGAINST CONTINGENT FEES.</u>

The bidder warrants that it has not employed any person to solicit or secure any resultant contract upon agreement for a commission, percentage, brokerage or contingent fee. Breach of this warranty shall give GWA the right to terminate the contract, or in its discretion, deduct from the

contract price or consideration the amount of such commission, percentage, brokerage, or contingent fees. This warranty shall not apply to commissions payable by the bidder upon contracts or sales secure or made through bona fide established commercial or selling agencies maintained by the bidder for the purpose of securing business.

I. JUSTIFICATION OF DELAY.

The bidder who is awarded the bid guarantees that performance will be completed within the agreed upon completion date. If, however, the selected bidder cannot comply with the completion requirement, it is the selected bidder's responsibility to advise GWA in writing explaining the cause and reasons of the delay.

J. <u>DISCLOSURE OF MAJOR SHAREHOLDERS.</u>

As a condition of bidder, any partnership, sole proprietorship or corporation doing business with GWA shall submit an affidavit executed under oath that list the name address of any person who has held more than ten percent (10%) of the outstanding interest or shares in said partnership, sole proprietorship or corporation at any time during the twelve (12) month period immediately preceding submission of a bid. The affidavit shall contain the number of shares or the percentage of all assets of such partnership, sole proprietorship or corporation, which have held by each such person during the twelve (12) month period. In addition, the affidavit shall contain the name and address of any person who has received or is entitle to receive a commission, gratuity or other compensation for procuring or assisting in obtaining business related to the bid for the bidder and shall also contain the amounts of any such commission, gratuity or other compensation. A bid from any firm that has person on the list 10% or more affidavit that is a member of the CCU or a GWA or Guam Power Authority officer that reports directly to the Board will not be evaluated and will be rejected. The affidavit shall be open and available to the public inspection and copying.

K. EQUAL EMPLOYMENT OPPORTUNITY.

Section 3.01(1) of Presidential Executive Order No. 10935 dated March 7, 1965, that was adopted on Guam, requires that the bidder not discriminate against any employee or applicant for employment because of race, creed, color or national origin. The bidder will take whatever steps are necessary to ensure that its employees are treated equally during employment without regard to their race, creed, color or national origin.

L. <u>DETERMINATION OF RESPONSIBILITY OF OFFERORS.</u>

GWA reserves the right to secure information necessary to assess the competency and qualifications of the bidder, in accordance with the "Standard for Determination of the most Qualified bidder" section of the General Terms and Conditions. The competency of bidders, includes, but is not limited to testing of goods and/or services provided by the bidder.

M. STANDARD FOR DETERMING WHETHER BIDDER IS QUALIFIED.

In determining whether a bidder is qualified, GWA shall be guided by the following:

- 1. the ability, capacity, and skill of the bidder to perform (i.e., is bidder qualified);
- 2. whether GWA believes that the bidder can perform promptly or within the specified time;
- 3. the character, integrity, reputation, judgment experience, and efficiency of the bidder;
- 4. the sufficiency of the financial resources and ability of the bidder to perform;
- 5. whether the bidder has submitted all documents required under this Bid; and
- 6. whether the bidder can meet the terms and conditions of the Bid.

N. PRE-BID CONFERENCES.

Pre-bid conferences may be held at any time prior to the date established herein for submission of bids to explain the procurement requirements for this Bid. GWA will notify all bidders of any substantive clarification provided in response to any inquiry. GWA may extend the due date if such information significantly amends the solicitation or makes compliance with the original proposed due date impractical.

O. BIDS.

The Bidder is required to read each and every page of the bid and by the act of submitting a bid shall be deemed to have accepted all conditions contained therein except as noted elsewhere in the bid. In no case will failure to inspect constitute grounds for a claim or for the withdrawal of a bid after opening. Bids shall be filled out in ink or typewritten and signed in ink. Erasures or other changes in a bid must be explained or noted over the signature of the bidder. Bids containing any conditions, omissions, unexplained erasures or alterations or items not called for in the bid or irregularities of any kind may be rejected by GWA in whole or in part.

P. COMPETENCY OF BIDDERS.

Bids will be considered only from such bidders who, in the sole opinion of GWA, can show evidence of their ability, experience, equipment, and facilities to render satisfactory performance of the terms and conditions herein (see item "N" above for standards). GWA reserves the right to take all reasonable steps to determine the competency of bidders, including asking questions, testing or any other act deemed prudent by GWA based on the circumstances.

Q. REQUEST FOR BID FORMS.

Each bidder shall be provided with one (1) set of the Bid packet at a cost of \$15.00. If the bidder wishes to download a bid packet on GWA website, the fee will not be charged. All payments shall be by cash, certified check, credit card or money order and shall be made payable to GWA. Prospective bidders are encouraged to notify GWA's Procurement & Supply section @ 300-6027/6028/6030 to be register as a prospective bidder. Failure to register as a bidder could result in not obtaining answers to questions or bid amendments since GWA will send these types of documents to only those vendors we are aware of. GWA shall not be liable for any reason for the failure of any vendor to register with GWA and provide accurate and complete contact information.

R. BID ENVELOPE.

Bid envelopes shall be sealed and marked with the bidder's name and GWA's Invitation for Bid Number.

S. FORM OF BID.

One (1) original, two (2) complete hard copies and one (1) electronic copy of the bid <u>must</u> be submitted. The original bid must be signed in ink by a person authorized to submit bids on behalf of the bidder. All bids should include a listing of current and former business clients and a description of the type of goods or services being provided. At a minimum, the bid should include a complete resume of the bidding firm, including a resume of the entity's principal(s) that will be preparing or presenting the completed work, sample documentation or other materials that will assist GWA in determining whether the bidder is capable of providing the goods and/or services called for in the bid and all materials required to be submitted along with the Bid as specified herein. All bids shall be submitted entirely in English (including brochures). No bid shall exceed 100 pages in total without the express written consent of GWA.

The electronic copy of the bid shall be submitted on a compact disk ("CD"). All documents shall be in ".pdf" format. Electronic bids shall constitute an exact replica of the original hard copy of the bid that is being submitted.

Bidders may declare portions of their bid as being confidential. Material so designated shall accompany the bid and shall be readily separable from the bid in order to facilitate public inspection of the non-confidential portion of the bid. However, prices and makes and models or catalogue numbers of the items offered, deliveries, and terms of payment shall be publicly available at the time of bid opening regardless of any designation to the contrary.

GWA may review the material declared to be confidential to determine the validity of any requests for nondisclosure of trade secrets and other proprietary data identified in writing. If the parties do not agree as to the disclosure of data, GWA shall inform the bidders in writing what portions of the bids will be disclosed. All bids shall be opened to public inspections subject to any continuing prohibition on the confidential data.

T. MODIFICATION / ALTERATION.

After the opening of bids, GWA or its designee(s) may conduct discussions with bidders that have submitted valid bids for the purpose of clarification to provide GWA with a full understanding as to the responsiveness and capabilities of the proposed bidder in meeting the requirements of the bid. In conducting discussions there shall be complete confidentiality of any information derived from bids submitted by competing bidders.

U. MODIFICATION OR WITHDRAWAL OF BIDS.

Bids may be modified or withdrawn at any time prior to submission, as otherwise provided herein or by the Guam Procurement Code.

V. CONTACT FOR CONTRACT NEGOTIATION.

All vendors are required to designat	e a person whom GWA may contact for	or prompt negotiation
NAME:	TITLE:	
ADDRESS:	TELEPHONE:	
	0.700.000	

W. AWARD OF CONTRACT AND NEGOTIATION (IF APPLICABLE).

The lowest responsible bidder may be required to enter into a contract with GWA on terms and conditions acceptable to GWA (see contract terms in the bid). If the services are to be secured via Purchase Order, the bidder must still comply with all applicable laws, bid requirements and directives from GWA regardless of whether or formal "contract" has been issued.

The bidder who submits the lowest responsible bid for the required services or supplies may be required to enter into a contract within twenty (20) days following Bidder's receipt of the Notice of Award of Bid. Contract negotiations will be directed toward: (1) making certain that the bidder has a clear understanding of the scope of work, specifically, the essential requirements involved in providing the required services; and (2) determining that the bidder will make available the necessary personnel and facilities to perform the services within the required time. Bidders will be required to follow all laws applicable to this bid at all times and the Bidder is responsible for ascertaining what laws are applicable to this bid.

X. NOTICE OF AWARD.

Written notice of award will be public information and made a part of the procurement file.

Y. <u>CERTIFICATION AGAINST THE EMPLOYMENT OF CONVICTED SEX</u> <u>OFFENDERS</u>.

All vendors must complete and fill out a Certification Against the Employment of Convicted Sex Offenders (part of bid packet – if not present, make sure you ask for one).

Z. TERMINATION OF BID.

After opening, but prior to award, GWA may terminate the bid in whole, or in part if:

- 1. It is in the best interest of GWA to do so.
- 2. The goods or services being sought are no longer required.
- 3. Bid amounts exceed available funding.
- 4. No bidder is qualified.

III. SPECIAL TERMS AND CONDITIONS

Note, these special terms and conditions apply in the event that GWA uses a purchase order. However, in the event a formal contract is entered into, the terms of the Contract shall control in the event of a conflict between these terms and conditions and the contract.

A. GENERAL COMPLIANCE WITH LAWS.

The Bidder agrees that they shall 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). Bidder agrees that they have and will continue to familiarize themselves with the requirements of all laws and rules applicable to this procurement. Failure on the part of the bidder to familiarize themselves with the law and rules shall not excuse Bidder in any way.

B. ACCESS TO RECORDS AND OTHER REVIEW.

The bidder, including his subcontractors, 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 entered into by Bidder pursuant to this agreement shall include a provision containing the conditions of this Section.

C. 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.

D. INDEMNITY.

Bidder agrees to save and hold harmless the CCU, GWA, its 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 to the extent arising or growing out of the negligent acts or omissions of the Bidder, Bidder's officers, agents (including subcontractors), servants or employees under this agreement.

E. CHANGES.

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 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 given under this bid.

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.

F. TERMINATION.

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.
- 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

TERMINATION FOR CONVENIENCE:

- (1) <u>Termination</u>. 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) <u>Bidder's Obligations</u>. The Bidder shall incur no further obligations in connection with the terminated work and on the dated 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 subcontractors 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;
- 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.

G. 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.

H. 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.

I. <u>EFFECTIVE DATE OF AGREEMENT.</u>

Any agreement under this Bid shall take effect upon the date said agreement is signed by the GWA General Manger (who shall sign last). Agreements under this provision includes Purchase Orders in the absence of a formal written contract.

J. GOVERNMENT NOT LIABLE.

- 1. 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 by submitting a bid, the bidder expressly waives any and all claims for service performed in expectation of this agreement prior to its signature of the General Manager.

K. <u>ASSIGNMENT</u>.

An assignment of any portion of the performance required under this Bid is not valid unless written approval is first obtained from GWA. Requests for approval of the right to assign any portion of the contract or obligation, if awarded, must be made in writing and submitted with the bid. No other requests for assignment will be accepted.

L. LIQUIDATED DAMAGES.

By submitting a bid, the Bidder agrees to commence work on the date to be specified in a written "Notice to Proceed" from GWA and to fully complete the project within the allotted time thereafter. In the event that the Bidder fails to complete the work called for in the bid, fails to provide the goods or services in the allotted time, then Bidder shall pay to GWA ¼ of 1% of the total bid price per day as liquidated damages for the non-performance as specified by the Guam Code Annotated. The liquidated damages herein are not a penalty, but rather a reasonable estimate by GWA of the loss it would suffer as a result of non-performance.

M. 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 any Agreement resulting from this bid as if they were set out verbatim and in full therein, and are designated as follows:

- a. Invitation to Bid
- b. Instructions to Bidders
- c. Bid
- d. Form of Non-Collision Affidavit
- e. Bid Bond
- f. Formal Contract (which shall control in the event of conflict between this and

any other contract document)

- g. Performance Bond
- h. Payment Bond (if applicable)
- i. General Provisions
- j. Special Provisions
- k. Technical Specifications
- l. Plans (if any)
- m. Addenda/Amendments
- n. Answers to Questions (if GWA determines they are applicable).

N. DISPUTES.

Except as otherwise specifically provided in this contract, all disputes concerning questions of fact arising under this bid 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).

O. 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, 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, 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.

P. <u>BIDDER'S RESPONSIBILITIES.</u>

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.

Q. 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.

R. 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 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.

S. 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.

T. 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.

U. 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.

IV. SPECIAL PROVISIONS

1. Bid and Performance Bond Requirements:

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 by the contract awarded to the Bidder under the associated Invitation for Bid is completed to secure the faithful performance under this Bid (e.g., until warranty period has ended as any warranty is a service provided in conjunction with the delivery of goods).

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
- 2. Performance Bond: see Section 1 above.

3. Failure To Submit Required Documentation.

Failure by Bidder to submit the required information or data will be cause to declare the bidder as non-compliant with the bid. Any declaration of non-compliance shall be at the sole discretion of the General Manager of the Guam Waterworks Authority.

4. <u>Cost:</u>

Total cost must include CIF and delivery *(see No. 5 below).

5. <u>Delivery:</u>

The vendor will be responsible for all cost and all risks associated with the provision of
these goods until delivery is made and the items are formally accepted by GWA. All
goods shall be delivered to Guam Waterworks Authority at GWA's warehouse at
Tamuning, Guam. Delivery time is 45 days from the date on the Notice to Proceed.

6. Warranty:

The successful bidder shall warrant that all goods and services to be provided hereunder are fit for the intended purposes stated in this Bid, are manufactured in the **United States** and meet the standards set forth in this Bid. The bidder shall also warrant all goods and services provided under this Bid to be free from manufacturer's defects for a period of not less than 1 year after GWA receipt of goods unless the manufacturer provides for a longer standard warranty, in which case,

the longer term shall apply. All vendors shall provide a copy to GWA of the manufacturer's warranty with their bid. The warranty shall require the vendor to bear all costs to provide replacement goods within a reasonable period.

In addition, the successful bidder will handle all warranty issues arising out of this agreement and shall act as the warranty administrator for the duration of any warranty provided under this Bid. Thus, if the vendor is not the manufacturer of the products provided under this Bid, GWA will not be required by the bidder to contact any manufacturer directly unless the bidder is the manufacturer of all goods provided hereunder and the bidder shall be responsible for picking up warranted goods from GWA's Tamuning warehouse. The vendor shall be responsible for paying all costs, including freight and insurance for all goods to be returned and to replace all warranted items.

In the event of any dispute as to whether a failure was related to a warranted defect, GWA may, elect to have the goods inspected by an third party of its choice experienced with evaluating said goods. If the third party determines that such goods should be covered by a warranty, the vendor shall pay for the services of the third party examination, if however, the examiner determines that the goods are not covered by a warranty, GWA shall pay for the third party evaluation. GWA and the vendor agree to act in good faith and engage in fair dealing when administering this provision.

These specifications have been written to describe minimum performance requirements to be supplied by the manufacturers bidding.

A Reasonable test being furnished under this bid may be conducted upon delivery before acceptance.

The successful bidder shall furnish all necessary information and instructions for the proper operation / completion of all requirements in bid specifications.

GWA reserves the right to accept and/or reject any and all bids, to waive any defects, irregularities, or specification discrepancies and to award the bid in the best interest of Guam Waterworks Authority.

These specifications were approved and/or prepared by Miguel C. Bordallo. GWA General Manager and hereby constitute the findings and determinations of the General Manager.

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NON-COLLUSION AFFIDAVIT

Guam)	
)ss: Tamuning)	
	(Name of Declarar	first being duly sworn, depose and say:
		of (Name of Company or Person Bidding/RFP al or bid, that such proposal or bid is genuine and no
directly or indirectly, submitting a proposa collusion, or communother bidder, or to se	hat said bidder/offer, with any bidder or and has not in any hication or conference oure any overhead, are any advantage ag	ror has not colluded, conspired, connived or agreed person, to put in a sham or to refrain from bidding or manner, directly or indirectly, sought by agreement or e, with any person, to fix the bid price of affiant or any project or cost element of said bid price, or of that or gainst the GUAM WATERWORKS AUTHORITY or
3. That all statements i4. This affidavit is made		
So sayeth(Decla	rant)	
ACTUAL WARRANGE TO THE THE	it he everafed the 291	, before me a Notary Public in and for Guam,, known to me to be the authorized representative name is subscribed to the foregoing instrument and me as his free and voluntary act and deed on behalf of and purposes therein set forth.
IN WITNESS WHER above written.	EOF, I have hereunte	o set my hand and affixed my official seal the date last
) 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,(print name)	being a duly authorized representative acknowledge the			
directive as describe above and ensure the Bid Proposal as submitted addresses the directive.				
(0	Company Name)			
(Title)				
(Signature)	(Date)			

MAJOR SHAREHOLDER DISCLOSURE AFFIDAVIT

TERR	ITORY OF GU	JAM }			
HAGA	TNA, GUAM	}			
I, the usays:	indersigned			, being first duly swo	n, depose and
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	TOTAL NUM	MBER OF SHA			
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Date:					
			partner, if th	individual if bidder is a sole e bidders is a partnership; off orporation (or other authorize	icer, if the
Subscribe	ed and sworn to	before me this	sday of	, 201	
				Notary Public	

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

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

KNOW ALL MEN BY THESE PRESENTS, that (bidder name)
(name of surety) as Principal, herein after called the Principal and
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
(\$), 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 one hundred twenty (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 (Bidder) 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 Bidder 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 Bidder 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 Bidder under the Contract and any amendments thereto, less the amount properly paid by the Authority to Bidder. 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 Bidder or with a sub-bidder of the Bidder 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 Bidder 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 Bidder, shall have given written notice to any two (2) of the following entities named below:
 - (a) the Bidder; (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 Bidder 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 arc Partners, each	must execute the Bond)	
(WITNESS)	(BIDDER)	(SEAL)
(TITLE)		(TITLE)
(MAJOR OFFICER OF SURETY)	(MAJOR OFFI	CER OF SURETY)
TITLE)	(TITLE	Ε)
	(RESIDENT GI	ENERAL AGENT)

DRAFTFORMAL CONTRACT

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

THIS AGREEMENT AND FORMAL CONTRACT :

		LOMM	CONTRACT	is made a	na entere	a into this
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#### **SECTION 1. THE BIDDER AGREES:**

1

- (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.

30

### SECTION 2. GWA AGREES:

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
- e. Bid Bond

- f. Certification of Bidders Regarding Equal Employment Opportunity
- g. Formal Contract (which shall control in the event of conflict between this and any other contract document)
- h. Performance Bond
- i. Payment Bond
- j. General Provisions
- k. Special Provisions
- I. Technical Specifications
- m. Plans
- n. Addenda/Amendments
- o. Answers to Questions (if GWA determines they are applicable).

## SECTION 4. <u>LIQUIDATED DAMAGES</u>:

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 warrant 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

Miguel Bordallo GWA General Manager 688 Route 15, Mangilao, Guam, 96913

To:	<b>BIDDER</b>	
		-

#### **SECTION 12. <u>TERMINATION</u>**:

# Section 12.1 - Termination For Default:

- (1) <u>Default</u>. 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) <u>Bidder's Duties</u>. 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) <u>Termination</u>. 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) <u>Bidder's Obligations</u>. 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:

(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;

- 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. <u>INDEMNITY:</u>

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 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 Manger and the Bidder and the date of this agreement shall be when the General Manager affixes his signature.

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

GUAM WATERWORKS AUTHORITY	: BIDDER:
Miguel Bordallo	
GWA General Manager	Bidder's Authorized Representative
Date:	Date:
Certified Funds Available:	Approved as to Form:
Certifying Officer Guam Waterworks Authority	Samuel J. Taylor Staff Attorney, GWA
Date:	Date:
Contract Amount:	Certifying Officer:
Amount Certified:	Date:
Source of funding:	
<u>,</u>	

# CORPORATE OR PARTNERSHIP CERTIFICATION AS TO AUTHORIZATION TO BIND

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Secretary	of	the	corporation		o signed thi	is contrac	t on beh	alf o	Bidder f the Bid	herein; lder, was	that then
corporation bind said o	n of	its go	verning body /partnership t	and to the	_ of said of s	e scope o	f its corp	orate	e/partners	ority of ship powe	said ers to
Signed: Cor	rpora	te Sec	cretary	-							
Date:				-							
					(CORPO	RATE/P/	ARTNER	SHI	P SEAL)		

# Exhibit B

# **GUAM WATERWORKS AUTHORITY**

#### "Better Water. Better Lives."

Gloria B. Nelson Public Services Building 688 Route 15, Mangilao, Guam 96913

#### **MEMORANDUM**

'ANN 0 2 2016

TO:

General Manager

VIA:

Supply Management Administrator

FROM:

**Evaluation Committee Members** 

SUBJECT:

Invitation to Bid No. GWA 2016-02

Ref: Fire Hydrant "Wet Barrel"

Invitation for Bid No: GWA 2016-02 was officially announced and advertised in the Pacific Daily News, Marianas Variety and Guam Waterworks Authority Website on April 07, 2016 and open as scheduled on May 10, 2016 @ 10:00 am. Eighteen (18) prospective bidders expressed their interests by acknowledging receipt of the bid package thru GWA's website.

#### Bidders Register:

1. Mid Pac Far East

2. AMJ Builders

3. Guam Pacific Enterprise

4. CRW Trading Inc.

5. A&E Fire & Safety

6. SDFSD

7. AWWI

8. ASG CO. LTD

9. Cassidy's Associate

10. Benson's Guam Enterprise

11. Damon Harper

12. Polyphase Systems Inc.

13. Utilities Services Specialties

14. Pacific Waste Systems

15. Pacific Rim Contractors

16. JMI-Edison

17. Canton Construction Corp

18. American International Supply Inc.

Of the Eighteen (18), three (3) submitted their bid package, namely:

- American International Supply Inc.
- JMI-Edison
- Benson's Guam Enterprise

An evaluation committee was formally assembled and met on May 16, 2016 @ 2:00 pm in Procurement's office to review/discuss and evaluate the bid.

#### Committee members consist of:

Thomas Cruz

- Vincent Pangelinan
- Antonio Camacho
- Nicolas Cabo
- Mary Torres

The committee members reviewed all three bid proposals and have concluded the lowest responsive offeror is **American International Supply Inc.**, the cost per Wet Barrel Fire Hydrant is \$1,529.52 each for a quantity of 300 each at a total cost of \$458,856.00, as specified in IFB 2016-02.

In addition, IFB 2016-02 specified the option to purchase the shipping container upon delivery of hydrants to the GWA Tamuning Warehouse, option to purchase shipping containers will be determined based on the availability of storage space at GWA warehouse/yard. Delivery of hydrants is 14 weeks after receipt of order.

#### **Container Cost:**

1 each 45-foot container \$3,250.00

1 each 20- foot container \$2,100.00

Concurred and accepted by the committee members:

Thomas F. Cruz P.E, Chief Engineer

Vincent EC Pangelinan, Wastewater Maintenance Superintendent

Mary D. Torres, Buyer II

your approval is greatly appreciated.

Intonio C. Camacho

In consideration of the foregoing, please indicate your approval of this recommendation by your signature below.

[ CONCURRED

[ ] UNCONCURRED

VINCENT ED. GUERRERO, SMA

[ APPROVED

[ ] DISAPPROVED

Miguel C. Bordallo, P.E. General Manager



# GUAM WATERWORKS AUTHORITY

Gloria B. Nelson Public Service Building 688 Route 15, Mangilao GU 96913

Guam Waterworks Authority Invitation for Bid Number: GWA 2016-02 For: Fire Hydrant "Wet Barrel"

# I. BID ITEM(s)

<u>Item No</u>	<b>Description</b>	<u>Otv</u>	<b>Unit Cost</b>	Total Cost	
1.1	6 Hole Fire Hydrant "Wet Barrel"	300 each	\$1,529.52	\$458,856.00	
	With Nuts & Bolts And Gasket		(For detailed quotation, please see following pages)		

Option to purchase 40-foot shipping container delivered with the hydrants at GWA Tamuning warehouse.

1 ea 45-foot container \$3,250.00

Container Cost \$ 1 ea 20-foot container \$2,100.00

Total price for purchasing of containers - \$5,350.00

# **TECHNICAL SPECIFICATIONS ON ITEM 1.1:**

#### A. GENERAL

- 1. Fire hydrants shall meet or exceed ANSI/AWWA C503; latest revision.
- 2. Hydrant supplier shall furnish an affidavit of compliance to ANSI/AWWA C503; latest revision.
- 3. Hydrants shall be manufactured and tested in an ISO 9001 certified facility located within the United States.
- 4. Fire hydrants shall meet all test requirements and be listed by Underwriters Laboratories, Inc. (UL).
- 5. Ductile iron fire hydrants shall meet all test requirements and have full approval of Factory Mutual (FM).
- 6. Fire hydrants shall be rated for a water working pressure (WWP) of 200 psig.
- 7. Hydrostatically tested at 400 psig.



# GWA IFB. NO. 2016-02 Fire Hydrant "Wet Barrel"



American International Supply Inc. 165 Skyline Drive, Suite 1000 Tamuning, Guam 96913 Tel: (671) 647 5061; Fax: (671) 647 5064

Prepared by: Willie Nicolas Email: willie@aisiguam.com