



GUAM WATERWORKS AUTHORITY

“Better Water. Better Lives.”

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GWA IFB No. 2016-13 relative to Plumbing Materials GWA Response to Inquiries No. 1

This Addendum and Response to Request for Information (RFI) is issued to modify the previously issued bid documents and/or given for informational purposes and to the extent the responses below modify the bid documents, please treat them as an amendment to the Bid. The following responses are in response to RFIs received from potential bidders on July 15, 23, and 27, 2016.

REFERENCE:	QUESTION/INQUIRY AS SUBMITTED:	GWA RESPONSE:
Questions from July 15, 2016		
1.	<p>Paragraph 9 on Page 37 of the bid documents reads as follows:</p> <p><u>“The initial term of the contract is for three (3) years with an option to renew for 2 additional years in one year terms. All prices shall be fixed for the initial three-year term”.</u></p> <p>Standard waterworks materials such as required in this IFB increase in price anywhere from 3% to 7% per year depending on world market conditions for raw materials. Many annual bids (such as this one) only require price validity for one year and then escalation clauses for subsequent years. In requiring three (3) year price validity on this tender, GWA will force</p>	<p>Any price escalation during the term of the contract must be accompanied by Cost or Pricing data as authorized, 2 Gar§3118.</p>

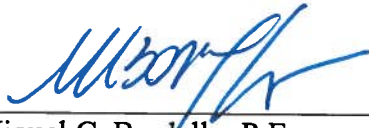
		<p>bidders to err on the conservative side such as a result GWA will be paying considerably more than it should for materials in years 1 and 2.</p> <p>We politely suggest that you change the price validity requirement to be for ONE YEAR with escalation clauses clearly stated for subsequent years.</p>	
2.		<p>Paragraph 5 on Page 36 reads <u>“Material Stock – Contractor shall be expected to stock locally 50% of the quantity as stated on the bid to ensure sufficient quantities are available as made necessary to fulfill GWA’s requirements”</u>. <u>This is fairly clear.</u></p> <p>Then Paragraph 6 (Delivery) states: <u>Delivery time is 45 days from the Date on the notice to Proceed”</u>.</p> <p>Paragraph 6 contradicts Paragraph 5. If a supplier is allowed 45 days to deliver products to GWA after receiving an order, there is no reason to keep any stock in Guam at all. The same products could be imported from the mainland and delivered to Guam in 45 days. This will enable mainland companies to bid this tender which is contrary to your statement in the introduction, <u>“The purpose of this bid is to allow GWA to</u></p>	<p>Stock request requirement of 50% has been changed to 25%, refer to amendment number 1.</p> <p>A total of 50% of the quantity total of each item stated in the bid shall be in stock and ready for immediate delivery within 45 days of bidder receiving the Notice to Proceed from GWA.</p>

		<p><u>purchase commonly used goods specified herein that will be available to GWA....”</u></p> <p>Please clarify this apparent contradiction and consider changing the delivery terms.</p>	
	3.	<p>Page 35 under special provisions deals with Bid and Performance bond requirements.</p> <p>Since this is an indefinite supply multi-year bid, we do not understand how the performance bonding requirements are applicable. GWA is not making any commitment to purchase any specific quantities of product. This bid is in essence an ‘option’ for GWA to purchase materials in any quantity at fixed prices. We can understand that a bid bond can be submitted based upon the quantities of the tender but do not feel it is feasible to submit separate performance bonds for every small purchase GWA might make from local stock.</p> <p>Kindly clarify this matter.</p>	<p>As specified on section V. SPECIAL PROVISIONS, subsection 1. Bid and Performance Bond Requirements:</p> <p>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, <u>but also for performance under this bid</u> as required by 5 G.C.A 5212.</p>
Questions from July 23, 2016			
	4.	<p>Item 2.0 Items F-H list CC thread, but A-E don’t choose the thread. Are we to bid on CC thread for all items or standard IPS thread on A-E</p>	<p>Please refer to Bid Amendment No. 1</p>
Questions from July 27, 2016			
	5.	<p>Does the 100-page limit include the submittal pages? We are putting this together and I am</p>	

		worried that with the # of items, we will exceed the 100-page limit describe on page 29.	Please refer to Bid Amendment No. 1
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Bidders are also notified to visit GWA website: www.guamwaterworks.org to ensure that addenda to the bid, answers to questions, and reminders are communicated to all bidders throughout the solicitation process.

8.5.16
Date


Miguel C. Bordallo, P.E.
General Manager