



GUAM WATERWORKS AUTHORITY

"Better Water. Better Lives."

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RESPONSE TO QUESTIONS AND BID AMENDMENT# 5

The Guam Waterworks Authority ("GWA") received the following questions from a potential bidder on February 22, 27 2017 relative to **GWA IFB No. 2017-12**. GWA's Answers ("A's") to the Questions ("Q's") as set forth below the perspective question. To the extent that GWA's answers amend the Bid, please deem as such.

Q#1:

Is it possible that GWA can use Google Earth with some pin drops indicating all their "above ground properties" on island?

A# This type display is not feasible at this time. See the Property schedule for the location of the tanks.

Q#2:

- Regarding Attachment, A – Water Storage Tanks Schedule – Please provide some further explanation as to the inclusion of deactivated tanks on the schedule

- Item No. 4 - Nissan (Tumon #2) Deactivated due to deterioration.

A# Delete item number 4, refer to Exhibit C, updated schedule

- Item No. 9 – Inarajan (Gura) Not in use, will not be placed back on line

A# Delete item number 9, refer to Exhibit C, updated schedule

- Please clarify Response to Question #4, Automobile Insurance Deductible:

- Please confirm, the only deductible amount is \$1,000.00 each Collision Loss.

A# Confirmed.

- Please confirm – No deductible amount for Third Party Liability Losses

A# Confirmed.

Q#3:

Regarding Bid Amendment, No 3:

- Response to Question #1 refers to an SOP for precautionary measures taken in the event of an oncoming Typhoon. Please provide a copy of the SOP's with regards to the Water Storage Tanks.

A# Refer to Exhibit A

Q#4:

With respects to Bid Amendment No. 2:

- Regarding Attachment, A – Water Storage Tanks Schedule:
Please provide an Island map of where tanks are located.

A# Refer to Exhibit D

Q#5:

With respects to Bid Amendment No 3:

- Regarding Response to Question #2:
Please provide an Island map of underground pipes

A# Refer to Exhibit B.

Q#6:

Bid/Performance Bond- Since this is a delivery of service, will GWA consider to waive the Performance Bond requirement? We have seen instance of this in other Gov't procurements.

A# Amendment for the following:

SECTION V: INTRODUCTION

Line number 18, **BID AND PERFORMANCE BOND REQUIREMENT**

Reads the following:

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.

Now to Read:

All bidders are required to submit a bid bond in the fix amount **\$1,000.00**, as required by 5 G.C.A. 5312. Failure to submit a proper bid bond will cause the bid to be rejected.

THE BID BOND 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

Q#7:

Request for Extension of deadline to Submit Proposals to 3/13/17- In order to engage competitive insurance markets and deliver the best pricing and terms to GWA, we respectfully request a 1 week extension of the deadline to submit proposals (to 3/13/17).

A# refer to amendment # 4

Q#8:

AM Best Rating Requirement (Sec VIII #4)- As has been allowed in other Government Procurements, will GWA allow for policy placement (fronting) by a locally admitted carrier with B++ rating by AM Best, provided 100% of their reinsurance is placed with carriers rated "A or better"?

A# Commensurate with Section VIII, Specific Insurance Specifications (4), “GWA will only purchase insurance from insurers licensed to transact business on Guam with financial strength ratings of at least A-1X (Excellent) by A.M> Best, AA- (Strong) by Standard and Poors, or Aa3 (Excellent) by Moody’s

Q#9:

Broker- Who is the current Broker? Will a broker be engaged to manage the insurance program? If there is no Broker, is there any intent to hire one in the future?

A# GWA is not engaging a broker to manage the program.

Q#10:

Risk Manager- Who is the current Risk Manager? Will GWA engage a Risk Manager to manage the insurance program/Broker?

A# GWA has not engaged a risk manager at this time.

Q#11:

Please detail GWA’s evaluation/selection criteria?

A# The IFB is regarded in its entirety as the evaluation and selection criteria

Q#12:

Auto Insurance- The Auto Insurance specs reflect Collision Coverage, but not Comprehensive. Is this a correct? It seems odd that they are separated from each other.

A# Yes, this is correct

Q#13:

Auto Insurance- If Physical Damage Cover is required for your vehicles, please provide estimated values for each vehicle.

A# The Vehicle Schedule (Equipment Master List) is the best available information GWA can provide for its vehicles

Q#14:

Property (Business Interruption) – Please advise if there is any wait-period (deductible) for the Business Interruption Coverage.

A# GWA does not desire to include a deductible.

Terrorism- Please advise if terrorism is required.

A# No

Q#15:

Property Surveys- Please provide latest property surveys/appraisals, that might include valuation and discussion about the current condition of the GWA assets. (Basically, what property is there and what condition is it in?)

A# The values presented in the Property schedules are the replacement values derived from historical and recent costs of constructing or replacing assets. Any comments concerning condition have been included in the data.

Q#16:

Loss Experience- Please provide the loss experience, specifically for the Property and General Liability policies

A# Please see the statements regarding claims experience in the Specifications; i.e. "No claims five years".

Q#17:

Construction/System Improvements- The news media constantly talk about GWA system upgrades & construction. This IFB does not appear to include any discussion about construction risks. How will this be accounted for in the future? Does GWA have the in-house insurance capabilities to navigate this properly?

A# Insurance for construction activities is typically carried by the contractor(s) involved, GWA intends to continue this process.

Q#18:

New Tanks & Locations- Do the values presented include upgrades recently made to the Agana Sewer facility and the new water tanks in Latte Heights?

A# Yes

Q#19:

Cyber Insurance- Considering the "Pay online" and "Pay over the phone" services, A breach to your servers and/or GPA's may open GWA to liabilities not covered by your General Liability Policy. How does GWA manage its Cyber Risk exposure?

A# Refer to Amendment below.

Q#20:

I understand that GWA's requirement for Insurer's rating is Aa3 (by Moody's), would it be possible if GWA can consider to accept a bid from an Insurance Carrier with an A3 (by Moody's) rating?

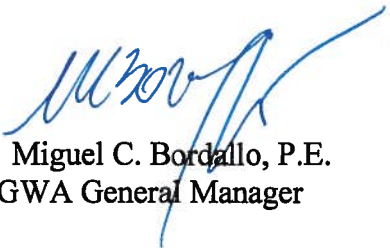
A# Refer to answer #8

Amendment to include the following on Section VIII:

To Include CYBER INSURANCE (Optional)

Refer to the attached Bid Response Form & Coverage/Limits/Deductible.

End of Questions and Bid Amendment:



Miguel C. Bordallo, P.E.
GWA General Manager

CYBER INSURANCE (Optional)

COVERAGE	LIMIT	DEDUCTIBLE / WAITING PERIOD
Security and Privacy Liability	\$5,000,000 in the aggregate, incl. claims expenses	\$50,000 each and every loss incl. claims expenses
Multimedia & Intellectual Property Liability	\$5,000,000 in the aggregate, incl. claims expenses	\$50,000 each and every loss incl. claims expenses
Network Interruption & Recovery	\$5,000,000 each claim & in the aggregate	Network Expenditure \$50,000 each claim Loss of Business Income Coverage: 8 hours waiting period
Event Support Expenses	\$5,000,000 each claim & in the aggregate	\$50,000 each and every claim
Privacy Regulation Defense & Penalties	\$5,000,000 each claim & in the aggregate incl. claims expenses	\$50,000 each and every claim incl. claims expenses
Network Extortion	\$5,000,000 each claim & in the aggregate	\$50,000 each and every claim
Electronic Theft, Computer Fraud and Telecommunications Fraud	\$100,000 each claim & in the aggregate	\$50,000 each and every claim
Social Engineering Fraud	\$25,000 each claim & in the aggregate	\$50,000 each and every claim
Reputational Damage	\$5,000,000 each claim & in the aggregate	\$50,000 each and every claim
Payment Card Industry Fines or Penalties	\$1,000,000 each claim & in the aggregate incl. claims expenses	\$50,000 each and every claim incl. claims expenses

BID RESPONSE FORM – CYBER INSURANCE (OPTIONAL)

Limit	Deductible	3 Year Premium	5 Year Premium
\$5,000,000	\$50,000		

Carrier	Carrier's Financial Rating

Bidder: _____

By: _____

Date: _____

Exhibit A.**CRISIS MANAGEMENT PLAN****Water Distribution****OPERATIONAL STAFF CHECKLIST**

The status of the crisis (pre-storm preparation, stand down and post storm restoration) will be advised through the chain of command: Head of CMT – Operations, Distribution Manager – Superintendents – Supervisors via I-connect.

PRE- STORM COR 3

1. Setting up all the systems and laying out resources.
2. Provide listing of available tools and equipment to Crisis Management Team
3. Conduct operational test on POWER TOOLS & EQUIPMENT for Pressure Line Unit:
4. SECURE GAS CANS FILL UP AND MIX GAS ON HAND.
5. PREVENTIVE MAINTENANCE ON EQUIPMENTS:
6. GENERATORS, TRASH PUMPS, PORTABLE CUTTERS, CHAIN SAWS ETC.
7. Checking and securing the base station offices, perform generator and ATS test with load, install shutters etc...
8. Checking and securing all other sites, perform generator and ATS test with load, install shutters etc...
9. Verify fuel level for all generators, add fuel as required
10. Verify with GPA to top off all generators; diesel fuel; Top off all necessary generator fluids (e.g. water, coolant, engine oil) at all sites.
11. List all deficiencies with generators and ATS, notify supervisor ASAP to report to CMT
12. Verify levels for reservoirs and report to CMT
13. Ensure availability for fuel delivery from vendors with FMES and Procurement
14. Ensure availability heavy equipment with vendors
15. Secure Meter Testing Facility
16. Top off fuel for all vehicles
17. Pressure Line Unit – Assist FMES with securing GWA Main Compound
18. Stock food supplies & Coolers. (e.g. MRE, Water, Soda, etc.)
19. Secure misc. equipment for each duty station (Northern District, Central, Southern-Ugum TP)
20. Gas Powered Chain Saws (3)
21. Emergency Flashlights and Battery powered Lamps for each Duty Station (3)
22. Car Chargers for I Connect phones (12)
23. Rain Gear and PPE for Stand Down Crew.
24. Digital Camera's at each duty station

25. Spare D & AA batteries
26. I Connect Phones & Portable Radios (as are available)
27. First Aid Kits (each duty station)
28. Two Emergency Response Vehicles (each duty station)
29. Ice
30. Cots, Pillows, Blankets for Stand Down Crew
31. Spare Gas Cans (25 gallons), Satellite locations
32. Two Cycle Oil (2 quarts) each Satellite locations
33. Checking and testing communication equipment (Motorola Radios, I-connects, etc...)
34. Park official vehicles at designated areas assigned by Water Distribution Manager
35. Report readiness of Duty Station to Water Distribution Manager

PRE- STORM COR 2

1. Activate Shift Schedule for Typhoon Duty and Post Typhoon Recovery (**see Appendix J**)
2. Checking key sites and switch these to operate on generator power (**see Appendix O for key sites list**), also secure these key sites i.e. install shutters etc....
3. Park remaining official vehicles at designated areas assigned by Water Distribution Manager
4. Secure/ Dismiss Operators on Typhoon Recovery Schedule
5. Report readiness of Duty Station to Water Distribution Manager

DURING STORM – STAND DOWN CONDITION IMPOSED

Personnel assigned to a Duty Station will remain on duty during the duration of the storm. All other personnel will remain at home (**see Appendix J**). No shift changes occur during storm conditions.

POST STORM

1. Conduct Level checks at all water reservoirs and report to CMT
2. All operational sites to be checked in turn starting with key sites (**see Appendix O**).
3. If a site is not operating, check site is safe for further inspection. Once this is established, check most likely causes i.e. damage to assets, power on or power generation on, ATS switch, pump trips. Report all findings through appropriate chain of command.

NOTE

Unless directed otherwise, facilities found to be without power will be evaluated and then passed over until power (Island or emergency) can be restored. The initial phase of inspection requires all facilities to be inspected and reported on. Don't stay at any one location longer than is required to make a complete status report to the appropriate chain of command.

CAUTION

Where personnel find access to a facility obstructed by debris, evaluate the risk of removal and contact management if serious risks of injury exist from trying to clear out obstructions. Where serious blow down of trees has occurred it may be necessary to by-pass inspection until access is cleared. Contact your chain of command for instructions.



EXHIBIT B

GUAM WATERWORKS AUTHORITY
Water Pipes

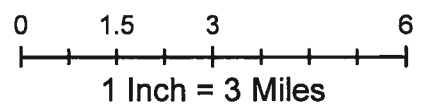
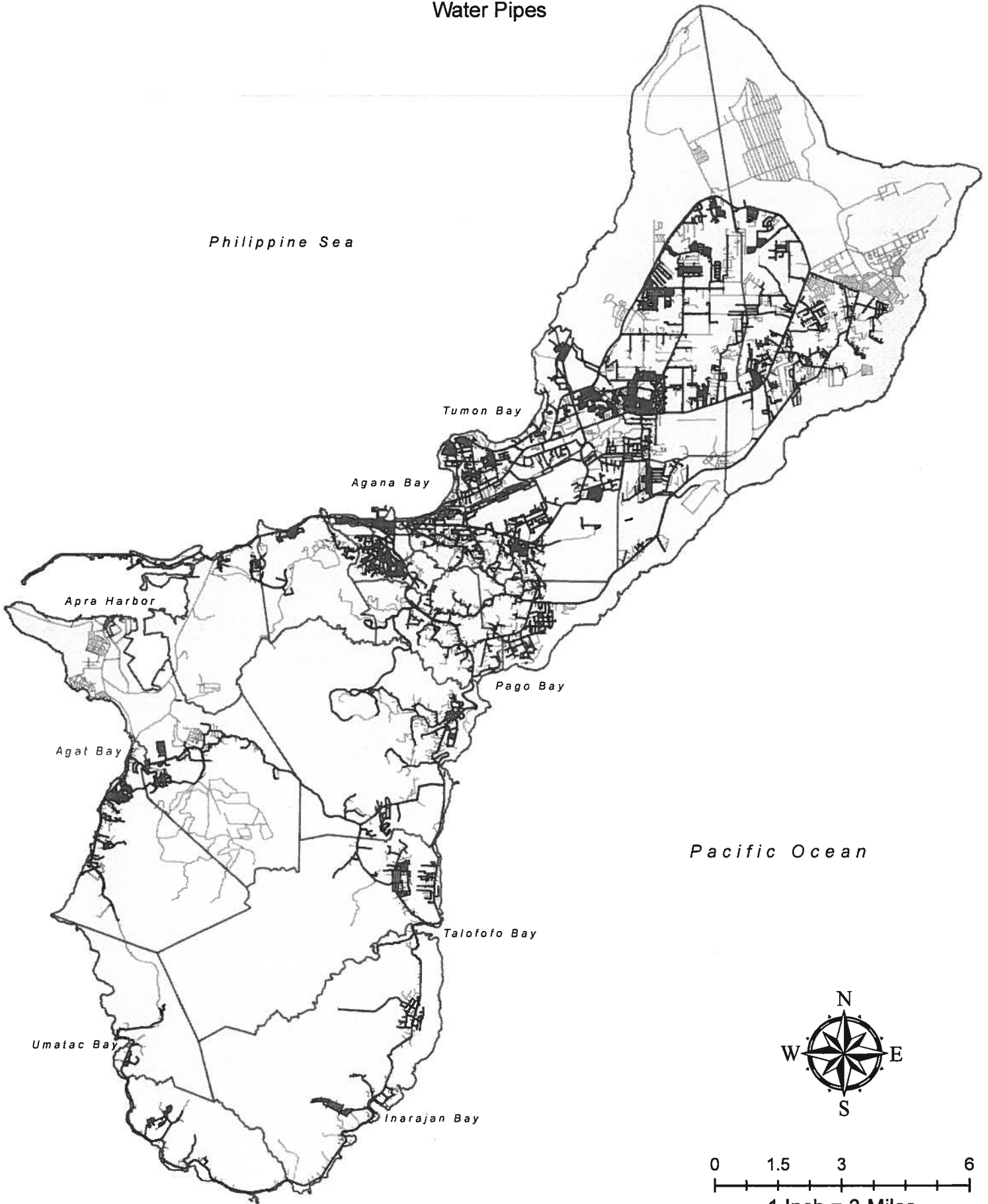


EXHIBIT C

Water Storage Tanks Schedule - January 2017

	Reservoir	Capacity (mg)	Height (ft)	Current Constr.	Yr. Built / Rebuilt	Current Repl. Cost
1	Kaiser Dededo	2.5	40	Steel	1992	\$ 1,950,000
2	Mangilao #1	1	40	Steel	2009	\$ 1,400,000
3	Mangilao #2	2	40	Steel	2015	\$ 1,800,000
4	Yigo #1	0.5	40	Steel	Unk.	\$ 900,000
5	Yigo #2	2.5	40	Steel	1995	\$ 1,950,000
6	Manenggon	2	40	Steel	1992	\$ 2,000,000
7	Nimitz Hill (Upper)	0.01	0	Steel	1998	\$ 45,000
8	Santa Ana Lower (Agat #1)	1	40	Steel	1981	\$ 1,400,000
9	Santa Ana Upper (Agat #2)	0.5	40	Steel	1995	\$ 900,000
10	Ugum	2	40	Steel	2009	\$ 2,000,000
11	Barrigada #1	2	40	concrete	2015	\$ 4,500,000
12	Barrigada #2	2	40	concrete	2016	\$ 4,500,000
13	Chaot#1	0.5	40	concrete	2016	\$ 2,500,000
14	Santa Rosa	1	40	Steel	N/A	\$ 1,400,000
15	Airport (Tumon #1)	1	40	Steel	1969	\$ 1,400,000
16	Hyundai	1	40	Steel	1973	\$ 1,400,000
17	Ysengsong (Astumbo #1)	1	40	Steel	N/A	\$ 1,400,000
18	Ysengsong (Astumbo #2)	2	40	Steel	1993	\$ 2,000,000
19	Agana Heights	0.5	40	concrete	2016	\$ 2,500,000
20	Windward Hills	1	40	Steel	N/A	\$ 1,400,000
21	Sinifa	1	40	Steel	N/A	\$ 1,400,000
22	Santa Rita	1	40	Steel	N/A	\$ 1,400,000
23	Maloloj	1	40	Steel	N/A	\$ 1,400,000
24	Merizo	0.5	40	Steel	N/A	\$ 900,000
25	Umatac Subdivision	0.5	40	Steel	N/A	\$ 900,000

26	Agat Umatac	0.2	35	Steel	N/A	\$	700,000
27	Santa Rita Springs P.S.	0.104	15	concrete	N/A	\$	300,000
				Total		\$	44,345,000

EXHIBIT D

GUAM WATERWORKS AUTHORITY
Water Reservoirs

