



JOSEPH T. DUENAS  
Chairman



JOHN M. BENAVENTE, P.E.  
General Manager

Telephone Nos. (671) 648-3054/55 or Facsimile (671) 648-3165

Accountability · Impartiality · Competence · Openness · Value

INVITATION FOR MULTI-STEP BID (IFB) NO.: GPA-077-18

DESCRIPTION: Property Insurance

**SPECIAL REMINDERS TO PROSPECTIVE BIDDERS**

Bidders are reminded to read the Sealed Bid Solicitation and Instructions, and General Terms and Conditions attached to the IFB to ascertain that all of the following requirements checked below are submitted in the bid envelope, **one (1) original and five (5) bound copies** of the Technical Proposal, Commercial Sections, Addendas (if any), including one (1) electronic PDF format copy of the Technical Proposal in CD, DVD, and/or USB Flash Drive and Price Proposal (Marked - Separate Sealed) envelope shall be at the closing date and time.

(XX) BID GUARANTEE (\$10,000.00) May be in the form of; Reference #11 on the General Terms and Conditions

- a. Cash, Cashier's Check or Certified Check (**NOTE: Cashier's Check or Certified Check Refunds will be ONLY be made out to the name of the Bidder.**)
- b. Letter of Credit
- c. Wire Transfer or
- d. Surety Bond – Valid only if accompanied by:
  1. Current Certificate of Authority issued by the Insurance Commissioner;
  2. Power of Attorney issued by the Surety to the Resident General Agent;
  3. Power of Attorney issued by two (2) major officers of the Surety to whomever is signing on their behalf.

(XX) STATEMENT OF QUALIFICATION;

( ) SAMPLES;

( ) BROCHURES/DESCRIPTIVE LITERATURE; (Shall provide detailed literature on items offered)

(XX) AFFIDAVIT OF DISCLOSURE OF MAJOR SHAREHOLDERS;

(XX) NON-COLLUSION AFFIDAVIT;

(XX) NO GRATUITIES OR KICKBACKS AFFIDAVIT;

(XX) ETHICAL STANDARDS AFFIDAVIT;

(XX) WAGE DETERMINATION AFFIDAVIT;

(XX) RESTRICTIONS AGAINST SEX OFFENDERS AFFIDAVIT;

**Note:** The above Affidavits must comply with the following requirements:

- a. The affidavit must be signed within 60 days of the date the bid is due;
- b. Date of signature of the person authorized to sign the bid and the notary date must be the same.
- c. First time affidavit **must** be an **original** – If copy, indicate Bid Number/Agency where original can be obtained.

( ) OTHER REQUIREMENTS:

Restrictions against Sex Offenders Affidavit, Wage Determination Affidavit, No Gratuities or Kickbacks Affidavit, Ethical Standards Affidavit, together with additional requirements set forth under required forms as specified in Section 3. A Guam Business License with proof of Employer Identification Number (EIN) is not required in order to provide a proposal for this engagement, but is a pre-condition for entering into a contract with the Authority. Bidders MUST comply with PL 26-111 dated June 18, 2002, PL 28-165 dated January 04, 2007 and Wage Determination under the Service Contract Act ([www.wdol.gov](http://www.wdol.gov)). Additionally, upon award the successful bidder must provide to GPA the most recently issued Wage Determination by the US Dept. of Labor.

The reminder must be signed and returned in the bid envelope together with the bid. Failure to comply with the above requirements will mean a disqualification and rejection of the bid.

On this \_\_\_\_\_ day of \_\_\_\_\_, 2018, I, \_\_\_\_\_, authorized representative of \_\_\_\_\_ acknowledge receipt of this special reminder to prospective bidders with the above referenced IFB.

\_\_\_\_\_  
Bidder Representative's Signature

**INVITATION FOR BID**

**ISSUING OFFICE:**

Guam Power Authority  
 Procurement Management Materials Supply  
 Gloria B. Nelson Public Service Building  
 688 Route 15, Mangilao, Guam 96913

 5/17/18  
**JOHN M. BENAVENTE, P.E.** DATE  
 General Manager

DATE ISSUED: 05/17/2018 MULTI-STEP  
 05/24/2018 BID INVITATION NO.: GPA-077-18

BID FOR: Property Insurance

SPECIFICATION: See Attached

DESTINATION: See Attached

REQUIRED DELIVERY DATE: November 01, 2018

PRE-BID / SITE VISIT CONFERENCE (NON-MANDATORY): 9:00 A.M., Tuesday, June 05, 2018

**\*\*\*Site visit shall follow thereafter, if necessary.**

CUT OFF DATE FOR RECEIPT OF QUESTIONS: 4:00 P.M., Friday, June 22, 2018

**INSTRUCTIONS TO BIDDERS:**

INDICATE WHETHER:  INDIVIDUAL  PARTNERSHIP  CORPORATION

INCORPORATED IN: \_\_\_\_\_

Technical and Price Proposals (separate sealed envelope) shall be submitted to the issuing office above no later than **2:30 P.M., July 25, 2018**. Technical Proposals and Price Proposals submitted after the time and date specified above shall be rejected. See attached General Terms and Conditions and Sealed Bid Solicitation for details.

The undersigned offers and agrees to furnish within the time specified, the articles and services at the price stated opposite the respective items listed on the schedule provided, unless otherwise specified by the bidder. In consideration to the expense of the Government in opening, tabulating, and evaluating this and other bids, and other considerations, the undersigned agrees that this bid remain firm and irrevocable within one hundred twenty (120) calendar days from the date opening to supply any or all of the items which prices are quoted.

NAME AND ADDRESS OF BIDDER: \_\_\_\_\_ SIGNATURE AND TITLE OF PERSON  
 AUTHORIZED TO SIGN THIS BID:  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

AWARD: CONTRACT NO.: \_\_\_\_\_ AMOUNT: \_\_\_\_\_ DATE: \_\_\_\_\_

ITEM NO(S). AWARDED: \_\_\_\_\_

CONTRACTING OFFICER:

\_\_\_\_\_  
 JOHN M. BENAVENTE, P.E. DATE  
 General Manager

NAME AND ADDRESS OF CONTRACTOR: \_\_\_\_\_ SIGNATURE AND TITLE OF PERSON  
 \_\_\_\_\_  
 \_\_\_\_\_

# GUAM POWER AUTHORITY



MULTI-STEP INVITATION FOR BID NO.: GPA-077-18

FOR

PROPERTY INSURANCE

  
\_\_\_\_\_  
JOHN J. KIM  
Chief Financial Officer

  
\_\_\_\_\_  
Beatrice P. Lirntiaco  
General Manager (A)

BASIC INVITATION FOR BID	2
RECAP OF PROPOSAL PREMIUM PAGE	3
SECTION I: INTRODUCTION	4
SECTION II: INSTRUCTIONS AND PROCEDURES FOR BIDDERS	7
SECTION III: INSURANCE COVERAGE SPECIFICATIONS	10
SECTION IV: CONTRACT TERMS	12
SECTION V: EVALUATION OF BIDS	12
INSURANCE SPECIFICATIONS	14
CURRENT INSURANCE COVERAGE	
Appendix A	
INSURANCE RATING DATA	
Appendix B	
GPA LOSS HISTROY	
Appendix C	



# GUAM POWER AUTHORITY

ATURIDÁT ILEKTRESEDÁT GUAHAN  
P.O. BOX 2977 AGANA, GUAM U.S.A. 96932-2977

## PROPERTY INSURANCE BID

Ladies and Gentlemen:

The Guam Power Authority (“GPA”) invites qualified insurance, reinsurance intermediaries and underwriters to submit their credentials for the placement and servicing of the GPA’s property insurance program for the term November 1, 2018 to November 1, 2021. The current contract term of the incumbent insurance, reinsurance intermediaries and underwriters will expire on October 31, 2018. This tender is open to qualified incumbent and non-incumbent insurance and reinsurance entities.

Insurance services will be for a three-year term with two one-year option and insurance policies may be written for a three-year term with annual renewals or the standard one-year policy with annual renewals.

GPA is looking for Property, Boiler & Machinery, Catastrophe, Terrorism, Business Interruption and Cyber liability coverage.

The deadline to submit proposals is **2:30 p.m. July 25, 2018** to give GPA enough time for discussion and negotiations to meet GPA target selection deadline of August 20, 2018. GPA is undertaking this procurement through the multi-step bidding process.

Please convey your questions and inquiries in writing to GPA no later than **June 22, 2018** so that you may have proper responses in time for the **2:30 p.m. July 25, 2018** submittal deadline.

Please submit your bid according to the detailed instructions and requirements herein; types of insurance underwriting information as set forth in the Appendices thereto.

Thank you for your interest.

Sincerely,

A handwritten signature in blue ink, appearing to read "John Benavente".

John Benavente  
General Manager

DUE: **July 25, 2018 (2:30 p.m.)**

**\*\*\* PRICE PROPOSAL MUST BE SUBMITTED IN A SEPARATE  
SEALED ENVELOPE MARKED "PRICE PROPOSAL."**

TO: GENERAL MANAGER, GUAM POWER AUTHORITY

RE: PROPOSAL PREMIUMS AND COVERAGE

This transmittal sheet serves only as index of proposals more fully described in the attached documents. Please complete with your bid price.

<b>Coverages</b>	<b>Annual Premiums</b>
Property (Policy limit \$200 Million)	\$ _____
-Terrorism (\$200 million limit)	
-Business Interruption (\$5 million sublimit)	
Cyber Liability	\$ _____
<b>Total</b>	<b>\$ _____</b>

**Optional:**  
 Optional coverage: \_\_\_\_\_  
 \$ \_\_\_\_\_  
 Optional coverage: \_\_\_\_\_  
 \$ \_\_\_\_\_

Bidder:

Signed by: \_\_\_\_\_  
 (Print Name/Title)

\_\_\_\_\_ Date: \_\_\_\_\_  
 Authorized Signatory of Bidder

Telephone No.: \_\_\_\_\_ E-mail: \_\_\_\_\_

## OVERVIEW: THE GUAM POWER AUTHORITY

The Guam Power Authority (The Authority) was created in 1968 as a public corporation and autonomous instrumentality of the Government of Guam. Since that time the Authority has maintained and expanded the island wide power system on Guam. The Authority now has 420 megawatts of generation capacity, 663 miles of transmission and distribution lines, 29 substations, \$1 billion in assets, and \$333 million in annual revenues. GPA currently serves approximately 51,000 customers with the U.S. Navy being the largest representing about 17% of the revenues.

The Guam Power Authority was changed into a public corporation of the Government of Guam in 2002 and is governed by a five-member publicly elected Commission – the Consolidated Commission on Utilities (CCU). The CCU retains contracting authority, establishes policies and has control over the selection of top management of the Authority.

The Authority is regulated by the Guam Public Utilities Commission – a rate setting body made up of Commissioners appointed by the Governor of Guam. The PUC has established rules of operation that are similar to those of other jurisdictions within the United States. The PUC has broad regulatory authority over GPA including approval of any contracts that might have an impact on GPA's rates.

### SECTION I: INTRODUCTION:

The Guam Power Authority (GPA), hereinafter referred to as GPA, invites qualified insurance, reinsurance intermediaries, carriers and underwriters, hereinafter referred to as Bidder(s), to participate in a Multi-Step Bid (MSB) for Property Insurance Coverage. Minimum Property Insurance coverage specifications are described later in this MSB.

The bidder shall be responsible, at a minimum, for the following services:

- Respond to e-mails and voice mails within 24 hours.
- Provide certificates of insurance within 3 business days.
- Provide notice of claims to underwriters (carriers) and facilitate claims communication in coordination with GPA and underwriters (carriers).
- All other services deemed necessary by GPA.

GPA is hereby inviting bids for Property insurance contracts (policies) on a long-term basis (e.g., three years) with a term to commence November 1, 2018 to November 1, 2021. GPA understands that most insurance policies have 12-month terms, so GPA is not requiring three-year policies. GPA fully expects to stay with the selected insurance program for at least three years renewing on an annual basis.

The Technical and Price Proposals are due on or before the Cut-off Date of Receipt of Proposals which is **2:30 p.m., July 25, 2018.**

The bid evaluation shall be a two-step process. Step one will involve a Technical Proposal that consists of bidder qualifications and insurance coverage offered. This will allow GPA to establish a Qualified Bidders List (QBL). Step two will involve the evaluation of the Price Proposal (Priced Offers) from the Bidders identified on the QBL.



**STEP ONE: TECHNICAL OR QUALITATIVE PROPOSALS**

Interested bidders at minimum should provide the following information:

Bidder's Firm information including:

- Years in business
- Total property and total liability insurance premiums placed annually
- Ownership legal structure and ownership details
- Office location that would serve GPA
- Claims, loss control/engineering and other core services performed
- List of Power Generation accounts serviced by the account team
- Key personnel who would be placing and servicing the GPA's program
- Biography, certificates, designations, and licenses of account team and key personnel
- Other information that the respective firm believes GPA should consider
- Any key alignments with other insurance entity or intermediary (retail, wholesale, reinsurance, Lloyds, etc.)
- Bidder's experience with electric utilities or Energy Companies, especially those with hurricane or earthquake exposure and boiler & machinery exposure.
- Copies of currently active Licenses of all intermediaries
- Primary (Fronting) Carriers' or underwriters' Certificate of Authority to Transact business on Guam
- Most recent AM Best rating for Primary (Fronting) Carrier

Insurance coverage terms including but not limited to:

- Full policy forms and applicable endorsements
- If multi-year agreements, endorsements, continuity credits, or similar pricing mechanisms are used to offer reduced pricing; a detailed explanation of situations that may lead to any applicable penalties or increases of premium during the policy term must be attached.
- Explanation of any and all exceptions to the minimum coverage specifications
- Explanation of any and all enhancements exceeding minimum specifications
- Explanation of any and all coverage deficiencies not meeting minimum coverage specifications
- Specifically noting which requested coverage enhancements have been achieved, which cannot be achieved and, if applicable, detail any additional enhancements that were obtained.
- Fronting carrier or Primary insurers must be rated A- or better by AM Best with minimum financial size of IX or greater.

- Identification of Lead markets utilized to achieve the 70% commitment or market support.
- This insurance shall be governed by and construed in accordance with the laws of The Territory of Guam and the exclusive jurisdiction of the Territory of Guam courts. Should the policy require an arbitration clause then the seat of arbitration shall be Guam.
- Premium pricing should not be included in the Technical and Qualitative proposal, and should be separately packaged and submitted with the “Price Proposal”.

## **STEP TWO: PRICE PROPOSALS**

- All Premiums and optional coverage pricing must be submitted on the format outlined in this MSB. and must be submitted in a separate sealed envelope marked “Price Proposal”
- Price Proposal format as outlined in this bid must be used, and Price Proposal must be signed by person authorized to bind contracts on behalf of bidder.
- If multi-year agreements, endorsements, continuity credits, or similar pricing mechanisms is used to offer reduced pricing; a detailed explanation of situations that may lead to any applicable penalties or increases of premium during the policy term must be attached.

Price proposals from unqualified Bidders shall be returned, unopened, after the Technical Proposal evaluation. GPA will perform a comprehensive evaluation of each price proposal submitted from the QBL and select the BIDDER with the best proposal. If the selected bidder cannot bind the terms as proposed within GPA’s timeframe, at any time and its sole discretion GPA reserves the right to:

- Go to the next BIDDER or
- Cancel the bid

**Table 1:** Bid Milestones indicate the projected start and end dates for milestones in the Bid Process. GPA reserves the right to change the Bid Milestones at any time and at its sole discretion. All changes to the Bid Milestones shall be communicated to all bidders via an Amendment or Official Correspondence from GPA. It is the sole responsibility of the bidder to promptly register for the MSB at GPA and provide accurate correspondence addresses and email addresses and to check promptly for any updates to the bid or the Bid Milestones.

**Table 1: Bid Milestones**

<b>Bid Process Milestones</b>		<b>From Date</b>	<b>To Date</b>
<b>Announcement:</b>	Bid Announcement	5/17/2018	7/25/2018
	Bid Documents Available	5/17/2018	7/25/2018
<b>Pre-Bid Conference (Non-Mandatory)</b>		6/05/2018, 9:00 A.M.	
<b>Site Visit/Walkthrough for Safety and Engineering personnel. Details in MSB</b>		<b>6/5/2018 and 6/6/2018 @9:00 A.M. both days</b>	
Submit Questions		5/17/2018	6/22/2018
<b>Cut Off Date for Receipt of Questions</b>		<b>6/22/2018, 4:00 P.M.</b>	
GPA Review and Answer Questions		5/17/2018	6/29/2018
<b>Cut Off Date for Receipt of Proposals (BOTH Technical and Price Proposals)</b>		<b>7/25/2018 2:30 P.M.</b>	
<b>EVALUATION Step One:</b>	Technical Proposal (Bid) Evaluation	7/30/2018	8/03/2018
	Determine & Notify Qualified Bidders	8/08/2018	8/15/2018
<b>EVALUATION Step Two:</b>	Opening of Price Proposals	<b>8/30/2018</b>	
	Evaluation of Price Proposal	8/29/2018	8/31/2018
	Evaluation Approval	9/04/2018	9/07/2018
	Notification of Qualified Bidder	9/12/2018	9/19/2018
Contract Finalization		TBD	TBD
Contract Approval & Award		TBD	TBD
Contract Signing		TBD	
Contract Mobilization		TBD	TBD
<b>Insurance Policy Inception Date</b>		<b>11/01/2018</b>	

**SECTION II: INSTRUCTIONS AND PROCEDURES FOR BIDDERS:****1. INTRODUCTION**

This is a multi-step bid procurement. The Technical and Price Proposals should both be submitted on or before the Cut-off Date of Receipt of Proposals, **2:30 p.m., July 25, 2018**. In Step

One, only the submitted Technical Proposals will be evaluated. Bidders whose qualifications and technical proposal have been satisfied will be qualified for Step Two. In Step Two, the Bidder with the best proposal will be considered for award.

## 2. TIME AND SCHEDULE

The deadline for the submission of bids is **July 25, 2018 at 2:30 p.m.** One (1) Original and five (5) copies of all responsive materials must be received by GPA (not postmarked) no later than that date and hour. It is advisable to hand deliver or use courier services to expedite delivery of your bid, as Guam is served by several such courier services. It is bidder's responsibility to ensure the bid is received as required above. Late bids will not be considered.

## 3. PREPARATION AND SUBMISSION OF PROPOSALS

Envelopes containing proposals shall be sealed and marked on the face with the name and address of the Bidder, the Proposal Number and the time and date of submission. Prices should be in a separately sealed envelope. Telegraphic proposals will not be considered, nor will modifications by telegraph of proposals already submitted be considered. Proposals shall be delivered and received at the place of opening on or before the opening date and time. Proposals received through the mail will not be accepted if such mail is received at the address showing after the submission date and time. Proposals will not be opened publicly.

All submittals must strictly conform to the Multi Step Bid rules and any addenda.

One (1) Original and five (5) copies of each proposal must be submitted including all addenda, if any. Any and all documentation (proposed insurance policy forms and endorsements) will assist towards Bidder's evaluation and must be furnished with each proposal.

The proposal must be submitted before **July 25, 2018 at 2:30 p.m.** in a sealed envelope indicating the MSB number and addressed as follows:

TO: Guam Power Authority  
GPWA Procurement Office  
Gloria B. Nelson Public Service Building  
688 Route 15  
1<sup>st</sup> Floor, Room 101  
Fadian, Guam 96913

Attn: Jamie L.C. Pangelinan  
Supply Management Administration

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

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

### 3. EXPLANATION TO BIDDERS

No oral explanation regarding the meaning of the specifications will be made and no oral instructions will be given before the award of the proposal. Discrepancies, omissions, or doubts as to the meaning of the specifications must be communicated in writing to the named procurement contact individual of the Guam Power Authority for interpretation. Bidder should act promptly and allow sufficient time for a reply to reach them before the submission of their proposals. Interpretation, if required, shall be made in the form of an amendment to the specifications, which will be forwarded to all prospective Bidders, and its receipt by the Bidder should be acknowledged on the proposal form. All questions, questions, queries should be received by GPA no later than the cut-off date for the receipt of questions **June 22, 2018 at 4:00 p.m.** Submit written queries, questions, and requests for clarification to:

TO: Guam Power Authority  
GPWA Procurement Office  
Gloria B. Nelson Public Service Building  
688 Route 15  
1<sup>st</sup> Floor, Room 101  
Fadian, Guam 96913

Attn: Jamie L.C. Pangelinan  
Supply Management Administration

Email: [jpangelinan@gpagwa.com](mailto:jpangelinan@gpagwa.com)

### 4. CLARIFICATION ON MULTI STEP BID

Each Bidder must carefully examine the MSB and all addenda. If any Bidder (a) finds any discrepancies, omission or ambiguities in the MSB documents, (b) is uncertain as to the intent or meaning of any provision of the MSB, or (c) has any question regarding the MSB, the Bidder must promptly notify GPA in writing no later than **Friday, June 22, 2018 at 4:00 p.m.** at the address specified for submission of proposal. Replies to such notices may be made in the form of addenda, which will be issued simultaneously to all prospective Bidders.

5. FORM

All bids must be in writing and submitted in a sealed envelope and must be signed by an officer of the bidder having authority to bind the bidder's insurance contracts as proposed. The bids should respond in an organized fashion to all requirements of this Invitation for Bid.

6. MODIFICATION OR WITHDRAWAL OF BIDS

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

7. RECORDING BIDS.

Bids and modifications shall be submitted to GPA officials on or before **July 25, 2018 at 2:30 p.m.** in a sealed envelope indicating the MSB number and addressed as follows:

To: Guam Power Authority  
GPWA Procurement Office  
Gloria B. Nelson Public Service Building  
688 Route 15,  
1<sup>st</sup> floor, Room 101  
Fadian, Guam 96913

Attn: Jamie L.C. Pangelinan  
Supply Management Administration

Bidders shall be responsible for ensuring the written bid (and all required documents) is received by the due date and hour. Any bid received after the due date and hour is late and will not be considered by GPA. After the due date and hour, a Register of Bids shall be prepared which shall include for all initial bids the name of each bidder, the number of modifications received, if any, and an indication of the coverage proposed, i.e. coverage of all risks of loss (a) as requested by GPA, (b) less than GPA request, and/or (c) alternate coverage as requested.

8. CONFIDENTIAL DATA

Bidders should designate trade secrets or other proprietary data to be confidential. The Guam procurement laws and regulations shall govern confidentiality.

9. AWARD

Determination of the winning bidder shall be made on or about August 31 - September 1, 2018. GPA intends to have all discussions and negotiations completed no later than August 31, 2018, after which date the Bid Evaluation Committee and the General Manager shall prepare their final report and recommendations. Appropriate notification of award shall be issued promptly after the CCU and PUC approval.

10. CANCELLATION OF INVITATION; DELAYS

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

11. INSPECTION OF GPA PROPERTIES

Prospective bidders may inspect GPA properties on **June 5 - 6, 2018**. These dates will be the only times available for on-site inspections. Please note that proposals are due on or before **July 25, 2018 at 2:30 p.m.** so plan accordingly if you plan to attend these inspections. GPA will provide a representative to conduct the inspections and answer questions on-site. Please advise the Supply Management Administrator, Ms. Jamie Pangelinan, if you plan to inspect the properties. Each person that plans to inspect GPA properties must be cleared by Homeland Security through GPA. Therefore, each person must submit a copy of their Passport to GPA a minimum of 5 business days prior to the inspection date to get security clearance to be allowed on GPA property.

12. SUMMARY OF SERVICES

All bidders should include a summary of how they envision servicing GPA account. Policy servicing should be identified specifically with a list and delivery timeline of services offered. Bidders should also identify the "Account Executive" that will be assigned to GPA and their support team along with frequency of visits, etc.

13. CCU and PUC APPROVAL

Contracts will be subject to the written approval of the Consolidated Commission on Utilities and the Public Utilities Commission on Guam.

14. REPRESENTATION REGARDING GRATUITIES AND KICKBACKS.

The bidder or contractor represents that it has not violated, is not violating, and promises that it will not violate the prohibition against gratuities and kickbacks set forth in Section 11-206 (Gratuities and Kickbacks) of the Guam Procurement Regulations.

15. REPRESENTATION REGARDING CONTINGENT FEES.

Contractor represents that it has not retained a person to solicit or secure a territorial contract upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee, except for retention of bona fide employees or bona fide established commercial selling agencies for the purpose of securing business.

16. BID BOND

Along with the Bid Proposals on or before July 25, 2018 at 2:30 p.m., all bidders shall submit to GPA a bid bond in the amount of TEN THOUSAND U.S. DOLLARS (U.S. \$10,000) made payable to the Guam Power Authority. In lieu of a bid bond, bidders may submit US currency valued at TEN THOUSAND U.S. DOLLARS (USD 10,000) in the form of cash in USD, bank draft, certified check, or by wire transfer to Guam Power Authority, Routing/Transit #121405115, Account No. 0601-026246, Bank of Guam, Hagatna, Guam. Bidders with unselected bids will have bid bonds returned with written notices of rejection. Bid bonds submitted in cash or certified check will be returned by wire transfer. Bidders shall advise GPA of bank, location and account number to facilitate delivery. In the absence of a telegraphic address, bid bonds will be returned by mail in check form payable to bidder. The bidder with the acceptable bid will have bid bond returned within ten business days of delivery of Insurance Binders for selected insurance policies by GPA. For the purposes of this solicitation, the bid bond is being required as an indication of “good faith” by the bidder and is in the best interest of GPA in accordance with the procurement laws, rules and regulations of the Government of Guam and GPA.

SECTION III: INSURANCE COVERAGE SPECIFICATIONS

1. INSURANCE COVERAGE

GPA seeks coverage for “all risks of loss” basis coverage to include but not limited to the following lines of business:

- a. Property
- b. Boiler and Machinery breakdown
- c. Catastrophe Coverage including earthquake, flood, typhoon, and tsunami
- d. Business Income/Extra Expense
- e. Terrorism, both certified and non-certified acts



f. Cyber liability

The property, boiler & machinery, catastrophe, business income/extra expense, and terrorism is placed under one cover. GPA is seeking comparable or superior coverage to include all of the above coverage.

GPA will award based on the lowest overall price for the term.

Primary Insurance Carriers or Fronting Carriers must have at least an A.M. Best Rating of A-IX or greater to be considered.

Reinsurance companies or underwriters must be of demonstrated size and capacity to underwrite a Property program of the size of GPA.

## 2. BID FORMAT

Bidders are free to submit their bids in a convenient format, however, at a minimum; the bids should provide:

Bidder's Firm information including:

- Years in business
- Total property and total liability insurance premiums placed annually
- Ownership legal structure and ownership details
- Office location that would serve GPA
- Claims, loss control/engineering and other core services performed
- List of Power Generation accounts serviced by the account team
- Key personnel who would be placing and servicing the GPA's program
- Biography, certificates, designations, and licenses of account team and key personnel
- Other information that the respective firm believes GPA should consider
- Any key alignments with other insurance entity or intermediary (retail, wholesale, reinsurance, Lloyds, etc.)
- Bidder's experience with electric utilities or Energy Company, especially those with hurricane or earthquake exposure and boiler & machinery exposure.
- Copies of currently active Licenses of all intermediaries
- Primary (Fronting) Carriers' or underwriters' Certificate of Authority to Transact business on Guam
- Primary (Fronting) Carriers' or underwriters' Most recent AM Best rating

Insurance coverage terms including but not limited to:

- Explanation of any exceptions to the minimum coverage specifications

- Explanation of any coverage enhancements exceeding minimum specifications
- Explanation of any coverage deficiencies not meeting minimum coverage specifications
- Specifically noting which requested coverage enhancements have been achieved, which cannot be achieved and, if applicable, detail any additional enhancements that were obtained.
- Identification of Lead markets utilized to achieve the 70% commitment or market support. Lead markets and/or carriers must be rated A- or better by AM Best with minimum financial size of IX or greater.
- This insurance shall be governed by and construed in accordance with the laws of The Territory of Guam and the exclusive jurisdiction of the Territory of Guam courts. Should the policy require an arbitration clause then the seat of arbitration shall be Guam.
- Proposed policy forms and applicable endorsements in their entirety must be attached to proposals.
- Firm quotes or written confirmation of at least 70% support from insurers, underwriters, or reinsurers.

In order to show bidder's reliability and responsibility, bidder should substantiate its insurer financial capacity and industry reputation to honor and service the size and type of insurance proposed. Bidder should identify its service team, lead market, underwriters, and or insurers represented in as much detail as practical. All proposals must have, at a minimum, 70% of total lines substantiated by firm quotes from proposing underwriters, insurers, or reinsurers. Bidder should include proof of firm quotes either by signed/stamped slips or letters from underwriters, insurers, or reinsurers.

If bidder fails to supply information requested by GPA concerning the bidder's insurer's financial capacity and rating, which GPA may request any time prior to award, GPA shall base determination of responsibility on any available information, or GPA may find bidder non-responsive.

- RATING DATA

Information about GPA and its experience in peril exposure and risk retention and/or transfer is contained in the Rating Data attachment. Prospective bidders requiring additional rating data should address their inquiry to the Procurement Officer identified in this bid. Replies with significant data will be furnished to all persons who, on record, have registered for this multi-step bid (MSB) and have agreed in writing by signing the Non-Disclosure Agreement.

#### SECTION IV: CONTRACT TERMS

GPA is hereby inviting bids for insurance contracts (policies) on a multi-year or long-term basis (e.g., three years) with term to commence November 1, 2018 to November 1, 2021. GPA

understands that most insurance policies have 12-month terms, so GPA is not requiring three-year policies. GPA fully expects to stay with selected insurance program for at least three years renewing on an annual basis.

Insurance policies proposed are acceptable for 12-month terms or 36-month terms billed annually.

Bidders will need to furnish the proposed contract which shall include at a minimum the following:

- Detailed description of the coverage terms proposed including but not limited to:
  - Any exceptions to the minimum coverage specifications outlined in this MSB
  - Specifically noting which requested coverage enhancements have been achieved, which cannot be achieved and, if applicable, detail any additional enhancements that were obtained.
- Premiums for proposed coverage comparable to the expiring coverage as set out in Appendix A, and, any incremental premiums resulting from coverage enhancements. Also, detail any premium increases or decreases for optional limits and deductibles requested in the coverage specifications.
- Lead markets that are utilized to achieve the 70% commitment. Fronting carriers or Primary insurers must be rated A-, IX or better by AM Best.

#### SECTION V: EVALUATION OF BIDS

In evaluating bids, GPA will consider which proposal offers the most robust and comprehensive insurance coverage available in the market by reputable and highly rated underwriters and carriers with the financial capacity to honor insurance terms for a program the size and quality as the Guam Power Authority with its assets of \$1 Billion. GPA reserves the sole right to determine the acceptability and ranking of bids in any respect to meet GPA's needs. In the evaluation process, the following factors will be considered:

<u>CRITERIA</u>	<u>POINTS</u>
• Ability to service GPA/past and current performance of similar contracts	5
• Utility, Municipality, and other large program insurance experience	5
• Intermediary, Underwriter, Insurance Carrier personnel and qualifications	10
• Industry reputation, Client References	10
• Financial capacity and current AM Best rating of carriers and re-insurers	20
• Breadth of Policy coverage and extent of restrictions or exclusions	40
• Additional coverages	<u>10</u>
TOTAL POINTS	100

GUAM POWER AUTHORITY  
PROPERTY INSURANCE SPECIFICATIONS  
MINIMUM COVERAGE REQUIREMENTS

POLICY INFORMATION:

Named Insured:

Guam Power Authority  
and/or its Subsidiary, affiliates,  
and/or Associated Agencies as now or hereafter constituted  
P.O. Box 2977  
Hagatna, Guam 96932-2977

Additional Named Insured as their interest may appear:

1. Bank of Guam

Notification of claims: Bidder's Guam Office

Policy Period:

From the 1<sup>st</sup> of November 2018 to the 1<sup>st</sup> of November 2019 both days at 00:01 hours Local Standard Time at the locations of the Property Insured.

- GPA expects to go through renewals each year.

Property and Interest Insured

Material Damage

Real and personal property including, but not limited to Buildings, Furniture, Fixtures and Equipment, Law and Ordinance Coverage for all property, Contents, Plant, Fuel oil tanks and pipelines, Fuel Stocks including fuel stocks whilst in fuel tanks and pipelines irrespective of whether above or below ground, and above ground Transmission and Distribution lines on Generating Premise and within 1,000 feet of premises, Underground Transmission and Distribution lines, Machinery and Boilers of every kind, nature and description (including improvements and betterments) owned, leased, acquired, used or intended for use by the insured, or hereafter Erected, Installed or Acquired including whilst in the Incidental Course of

Construction, Erection, Installation and Assembly and Real and Personal Property of Others in the Insured's Care, Custody, and Control and including Property in the Care, Custody, and

Control of Third Parties and the Insured's liability imposed by law or assumed by contract (by an officer of the Insured) for such Property and/or at the option of the Insured Personal Property of the Insured's Officials and Employees while on the Premises of the Insured and/or Contractors' and Vendors' interests in property covered to the extent of the Insured liability imposed by law or assumed by contract, (by an officer of the Insured) and/or Property in Transit and/or Storage including Raw Materials, Expediting Expenses, Valuable Paper, Bullion, Manuscripts, Drawings, Blueprints and/or Specifications, Leasehold Interest and Records, Accounts Receivable, Electronic Data Processing Equipment, Computer Equipment, Computer Data and Media including Business Interruption and Extra Expense. Petroleum Products which are liquid form at normal atmospheric pressures and temperatures while such products are in underground storage, and foundations, piers or other supports of brick, stone or concrete, and shafts, tunnels, and dams, and all structural parts and all appurtenant structures and equipment at the side of underground power houses, and cables, wires and underground conduit and underground Transmission and Distribution lines.

#### Territorial Limits

Various locations in Guam and whilst in inland transit

#### Sum Insured

1. USD \$200,000,000 each and every occurrence in respects Property Damage/Business Interruption/Extra Expense combined for 100% subject to sub-limits stated below.
2. USD \$200,000,000 (separate limit) Certified and Non-Certified Acts of Terrorism including SRCC each and every occurrence of Property Damage/ Business Interruption/Extra Expense combined for 100% subject to sub-limits below.

#### Sub-limits

Business Interruption – USD \$5,000,000 each and every occurrence

Extra Expense – USD \$15,000,000 each and every occurrence

Earthquake, Flood, Windstorm, Cyclone, Typhoon, and Tsunami – USD \$100,000,000 each and every occurrence

Debris Removal – USD \$10,000,000 or 10% of loss whichever the greater

Seepage and pollution – USD \$5,000,000

Ingress/Egress – 30 days and limited to loss occurring within five (5) statute miles of the insured's premises

Military/Civil Authorities Clause – 30 days and limited to loss occurring within five (5) statute miles of the insured's premises

Protection and Preservation of Property – USD \$2,000,000 each and every occurrence

Property in the Incidental Course of Construction – USD \$25,000,000

Basis of Valuation:

Replacement Cost value for all property regardless of age or condition. See attached property schedule for values.

Retentions:

- Property damage
  - USD \$2,500,000 each and every occurrence in respect of all perils other than Earthquake, Flood, Typhoon, and Tsunami (for 100%) for locations with a declared estimated Replacement Cost value equal to or greater than USD \$10,000,000
  - USD \$1,000,000 each and every occurrence in respect all perils other than Earthquake, Flood, Typhoon, and Tsunami (for 100%) for locations with a declared estimated Replacement Cost value less than USD \$10,000,000
  - USD \$10,000,000 each and every occurrence in respect of Earthquake, Flood, Typhoon, and Tsunami (for 100%);
  - Business Interruption: 60 days each and every occurrence
  - Extra expense: 60 days each and every occurrence

Terrorism Retention: \$100,000 each and every occurrence

Co-insurance

None

Additional Coverages:

- Cyber Liability Coverage
  - Limits: USD 5,000,000 each claim and in the aggregate (including claims expenses)
  - Deductible: USD 50,000 each and every claim including claims expenses
- Full prior acts

Including at a minimum:

Security and Privacy Liability

Multimedia and Intellectual Property Liability

Network Interruption and Recovery (Including any unintentional or unplanned outage, excess of 8 hours)

Event Support Expenses

Privacy Regulatory Defense and Penalties

Network Extortion

Electronic Theft, Computer Fraud and Telecommunications Fraud (Sub-limit \$100,000)

Social Engineering Fraud (Sub-limit \$25,000)

Reputational Damage

Underwriting Information

Please find attached a list of underwriting information

Property Schedule is replacement cost

Policy Form

All risk property form

Appendix AGPA Current Insurance Program

COVERAGE	LIMITS	RETENTIONS
Property, \$2,500,000/\$1,000,000 Boiler & Machinery, and Underground T&D lines	\$300,000,000 Blanket	
Terrorism, All Risk	\$200,000,000	\$2,500,000
Business Interruption	\$5,000,000	60 days
Extra Expense	\$15,000,000	60 days
Cyber Liability Coverage	\$5,000,000 each claim/aggregate	\$25,000
	SUBLIMITS:	
Earthquake, Flood, Typhoon and Tsunami	\$100,000,000 Blanket	\$10,000,000



## Appendix B

### GPA INSURANCE RATING DATA

GPA INSURANCE PROPOSAL RATING DATA REPAIR AND REPLACEMENT COST ESTIMA		
Description of Plant in Service	As of 09.30.17 Book Cost	Replacement Costs
<b>Steam Production:</b>		
Cabras Units 1 & 2 <sup>(1)</sup>	\$ 111,691,904	\$ 252,540,000
<b>Diesel &amp; Combustion Turbine:</b>		
Dededo Combustion Turbine #1 <sup>(1)</sup>	\$ 25,209,942	\$ 52,164,000
Dededo Combustion Turbine #2 <sup>(1)</sup>	\$ 24,566,963	\$ 52,164,000
Tenjo Diesel Plant <sup>(1)</sup>	\$ 25,878,813	\$ 60,444,000
Talofoto Diesel Plant <sup>(1)</sup>	\$ 7,115,387	\$ 20,148,000
Macheche Combustion Turbine <sup>(1)</sup>	\$ 11,628,944	\$ 53,544,000
Yigo Combustion Turbine <sup>(1)</sup>	\$ 8,436,655	\$ 53,544,000
PUAG Emergency Generators <sup>(2)</sup>	\$ 13,164,329	\$ 34,212,252
MDI (Wartsila) Diesel Plant <sup>(1)</sup>	\$ 8,301,598	\$ 22,356,000
Marbo Combustion Turbine <sup>(2)</sup>	\$ 440,529	\$ 1,162,996
Aqana Power Plant Building <sup>(2)</sup>	\$ 161,918	\$ 2,623,072
Piti Unit #7 <sup>(1)</sup>	\$ 24,763,412	\$ 71,346,000
Wind Turbine <sup>(2)</sup>	\$ 2,205,498	\$ 2,399,388
Cabras PSCC and Central Maintenance Shop <sup>(2)</sup>	\$ 597,567	\$ 1,048,095
Additional Navy Properties-General <sup>(2)</sup>	\$ 2,244,284	\$ 11,947,598
Underground T&D <sup>(4)</sup>	\$ 77,001,921	\$ 77,001,921
Transmission - On Premise <sup>(1)</sup>	\$ 101,249,833	\$ 186,808,000
Distribution - On Premise <sup>(2)</sup>	\$ 9,804,024	\$ 24,754,530
General Plant <sup>(2)</sup>	\$ 98,195,203	\$ 168,500,474
Fuel Stock <sup>(5)</sup>	\$ 42,276,226	\$ 42,276,226
<b>Total</b>	<b>\$ 594,934,949</b>	<b>\$ 1,190,984,552</b>

NOTES

- Replacement values are Reproduction Cost New (RCN) based on LEIDOS engineering report dated March 11, 2016, all costs are in 2015 Dollars
- The Authority has estimated the replacement cost using the Handy Whitman Index West Coast Pacific Region indicator January 1, 2018
- Fuel Stock is based on the inventory balance of Hi and Low fuel as of 09.30.17
- The following are the book costs for T&D underground:

FERC	<u>09.30.17</u>
101366- Underground Conduit Dist	\$ 19,468,020.11
101367-Underground Conductors Dist	\$ 22,631,046.01
	<u>\$ 42,099,066.12</u>

  

FERC	<u>09.30.17</u>
101357-Underground Conduit Trans	\$ 23,203,985.98
101358-Underground Conductor Trans	\$ 11,698,869.00
	<u>\$ 34,902,854.98</u>
	<u>\$ 77,001,921.10</u>

Appendix CGPA LOSS HISTORY

GPA Property Loss History						
2012 - 2017						
Description	2012	2013	2014	2015	2016	2017
<b>Property Damage:</b>						
Cabras Slow Speed Diesel Plant - Unit #3 & #4 Both Diesel Units, Building & Ancillary Equipment	\$ -	\$ -	\$ 105,000,000.00	\$ -	\$ -	\$ -
<b>Business Interruption/Extra Expense:</b>						
Cabras Slow Speed Diesel Plant - Unit #3 & #4 Both Diesel Units, Building & Ancillary Equipment	\$ -	\$ -	\$ 20,000,000.00	\$ -	\$ -	\$ -



# GUAM POWER AUTHORITY

ATURIDÁT ILEKTRESEDÁT GUAHAN  
P.O. BOX 2977 · AGANA, GUAM U.S.A. 96932-2977

Edward J.B. Calvo  
Governor

Telephone Nos. (671) 648-3054/55 Fax: 648-3165

Raymond S. Tenorio  
Lieutenant Governor

## BID BOND

NO.: \_\_\_\_\_

KNOW ALL MEN BY THESE PRESENTS that \_\_\_\_\_, as

Principal Hereinafter called the Principal, and (Bonding Company), \_\_\_\_\_  
A duly admitted insurer under the laws of the Territory of Guam, as Surety, hereinafter called the Surety are  
Held firmly bound unto the Territory of Guam for the sum of \_\_\_\_\_ Dollars  
(\$ \_\_\_\_\_), for Payment of which sum will and truly to be made, the said Principal and the said  
Surety bind ourselves, our heirs, executors, administrators, successors and assigns, jointly and severally, firmly  
by these presents.

WHEREAS, the Principal has submitted a bid for (identify project by number and brief description)

\_\_\_\_\_  
\_\_\_\_\_

NOW, THEREFORE, if the Territory of Guam shall accept the bid of the Principal and the Principal shall  
enter into a Contract with the Territory of Guam in accordance with the terms of such bid, and give such bond or  
bonds as my be specified in bidding or Contract documents with good and sufficient surety for the faithful  
performance of such Contract Documents with good and sufficient surety for the faithful performance of such  
Contract and for the prompt payment of labor and material furnished in the prosecution thereof, or in the event  
of the failure of the Principal to enter such Contract and give such bond or bonds, if the Principal shall pay to the  
Territory of Guam the difference not to exceed the penalty hereof between the amounts specified in said bid  
and such larger amount for which the Territory of Guam 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 full force and effect.

Signed and sealed this \_\_\_\_\_ day of \_\_\_\_\_ 2018.

\_\_\_\_\_  
(PRINCIPAL) (SEAL)

\_\_\_\_\_  
(WITNESS)

\_\_\_\_\_  
(TITLE)

\_\_\_\_\_  
(MAJOR OFFICER OF SURETY)

\_\_\_\_\_  
(TITLE)

\_\_\_\_\_  
(TITLE)

\_\_\_\_\_  
(RESIDENT GENERAL AGENT)

SEE INSTRUCTIONS FOR SUPPORTING DOCUMENTS REQUIRED.

**INSTRUCTION TO PROVIDERS:**

NOTICE to all Insurance and Bonding Institutions:

The Bond requires the signatures of the Vendor, two (2) major Officers of the Surety and Resident General Agent, if the Surety is a foreign or alien surety.

When the form is submitted to the Guam Power Authority, it should be accompanied with copies of the following:

1. Current Certificate of Authority to do business on Guam issued by the Department of Revenue and Taxation.
2. Power of Attorney issued by the Surety to the Resident General Agent.
3. Power of Attorney issued by two (2) major officers of the Surety to whoever is signing on their behalf.

Bonds, submitted as Bid Guarantee, without signatures and supporting documents are invalid and Bids will be rejected.



# GUAM POWER AUTHORITY

ATURIDAT ILEKTRESEDAT GUAHAN  
P O BOX 2977, AGANA, GUAM 96932-2977

## SPECIAL PROVISION FOR MAJOR SHAREHOLDERS DISCLOSURE AFFIDAVIT

All Bidders/Offerors are required to submit a current affidavit as required below. Failure to do so will mean disqualification and rejection of the bid/rfp.

5 GCA §5233 (Title 5, Section 5233) states:

"Section 5233 Disclosure of Major Shareholders. As a condition of submitting a bid or offer, any partnership, sole proprietorship or corporation doing business with the government of Guam shall submit an affidavit executed under oath that lists the name and 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, or, that it is a not for profit organization that qualifies for tax exemption under the Internal Revenue Code of the United States or the Business Privilege Tax law of Guam, Title 12, Guam Code Annotated, Section 26203<sup>©</sup>. With the exception of not for profit organizations, 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 entitled to receive a commission, gratuity or other compensation for procuring or assisting in obtaining business related to the bid or offer and shall also contain the amounts of any such commission, gratuity or other compensation. The affidavit shall be open and available to the public for inspection and copying."

1. If the affidavit is a copy, indicate the BID/RFP number and where it is filed.
2. Affidavits must be signed within 60 days of the date the bids or proposals are due.

MAJOR SHAREHOLDERS OF DISCLOSURE AFFIDAVIT

TERRITORY OF GUAM)  
HAGATNA, GUAM )

I, undersign, \_\_\_\_\_,  
(partner or officer of the company of, etc.)  
being first duly sworn, deposes and says:

- 1. That the person who have held more than ten percent (10%) of the company's shares during the past twelve (12) months are as follows:

<u>Name</u>	<u>Address</u>	<u>Percentage of Shares Held</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
Total number of shares		_____

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

<u>Name</u>	<u>Address</u>	<u>Amount of Commission Gratuity or other Compensation</u>
_____	_____	_____
_____	_____	_____

Further, affiant sayeth naught.

Date: \_\_\_\_\_

\_\_\_\_\_  
Signature of individual if bidder/offeror is a sole Proprietorship; Partner, if the bidder/offeror is a Partnership Officer, if the bidder/offeror is a corporation.

Subscribe and sworn to before me this \_\_\_\_\_ day of \_\_\_\_\_,  
20\_\_\_\_\_.

Notary Public \_\_\_\_\_

In and for the Territory of Guam

My Commission expires \_\_\_\_\_.

NON-COLLUSION AFFIDAVIT

Guam )  
 )ss:  
Hagatna )

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

1. That I am the \_\_\_\_\_ of \_\_\_\_\_.  
(Title) (Name of Bidding/RFP Company)
2. That in making the foregoing proposal or bid, that such proposal or bid is Genuine and not collusive or sham, that said bidder/offeror has not colluded, Conspired, connived or agreed, directly or indirectly, with any bidder or person, to put in a sham or to refrain from bidding or submitting a proposal and has not in any manner, directly or indirectly, sought by agreement or collusion, or communication or conference, with any person, to fix the bid of affiant or any other bidder, or to secure any overhead, project or cost element of said bid price, or of that of any bidder, or to secure any advantage against the GUAM POWER AUTHORITY or any person interested in the proposed contract; and
3. That all statements in said proposal or bid are true.
4. This affidavit is made in compliance with Guam Administrative Rules and Regulations §§3126(b).

\_\_\_\_\_  
(Declarant)

SUBSCRIBED AND SWORN to me before this \_\_\_\_\_ day of \_\_\_\_\_, 2018.

)Seal(

\_\_\_\_\_  
Notary Public

### NO GRATUITIES OR KICKBACKS AFFIDAVIT

AFFIDAVIT  
(Offeror)

TERRITORY OF GUAM )  
  )                 SS:  
HAGATNA, GUAM                           )

\_\_\_\_\_ , being first duly sworn, deposes and says:  
As the duly authorized representative of the Offeror, that neither I nor of the Offeror's officers, representatives, agents, subcontractors, or employees has or have offered, given or agreed to give any government of Guam employee or former employee, any payment, gift, kickback, gratuity or offer of employment in connection with Offeror's proposal.

\_\_\_\_\_  
Signature of Individual if Proposer is a Sole Proprietorship;  
Partner, if the Proposer is a Partnership;  
Officer, if the Proposer is a Corporation

SUBSCRIBED AND SWORN to before me this \_\_\_\_ day of \_\_\_\_\_, 2018.

\_\_\_\_\_  
Notary Public  
In and for the Territory of Guam  
My Commission Expires:



## ETHICAL STANDARDS AFFIDAVIT

AFFIDAVIT  
(Proposer)

TERRITORY OF GUAM )

HAGATNA, GUAM )

)  
)

SS:

\_\_\_\_\_, being first duly sworn, deposes and says:

That I am ( the Sole Proprietor, a Partner or Officer of the Offeror)

That Offeror making the foregoing Proposal, that neither he or nor of the Offeror's officers, representatives, agents, subcontractors, or employees of the Offeror have knowingly influenced any government of Guam employee to breach any of the ethical standards set forth in 5 GCA Chapter 5 Article 11, and promises that neither he nor any officer, representative, agent, subcontractor, or employee of Offeror will knowingly influence any government of Guam employee to breach any ethical standard set for in 5 GCA Chapter 5 Article 11.

\_\_\_\_\_  
Signature of Individual if Proposer is a Sole Proprietorship;  
Partner, if the Proposer is a Partnership;  
Officer, if the Proposer is a Corporation

SUBSCRIBED AND SWORN to before me this \_\_\_\_day of \_\_\_\_\_, 2018.

\_\_\_\_\_  
Notary Public  
In and for the Territory of Guam  
My Commission Expires:

DECLARATION RE-COMPLIANCE WITH U.S. DOL WAGE DETERMINATION

Procurement No.: \_\_\_\_\_

Name of Offeror Company: \_\_\_\_\_

\_\_\_\_\_ hereby certifies under penalty of perjury:

- (1) That I am \_\_\_\_\_ (the offeror, a partner of the offeror, an officer of the offeror) making the bid or proposal in the foregoing identified procurement;
- (2) That I have read and understand the provisions of 5 GCA § 5801 and § 5802 which read:

**§ 5801. Wage Determination Established.**

In such cases where the government of Guam enters into contractual arrangements with a sole proprietorship, a partnership or a corporation (‘contractor’) for the provision of a service to the government of Guam, and in such cases where the contractor employs a person(s) whose purpose, in whole or in part, is the direct delivery of service contracted by the government of Guam, then the contractor shall pay such employee(s) in accordance with the Wage Determination for Guam and the Northern Mariana Islands issued and promulgated by the U.S. Department of Labor for such labor as is employed in the direct delivery of contract deliverables to the government of Guam.

The Wage Determination most recently issued by the U.S. Department of Labor at the time a contract is awarded to a contractor by the government of Guam shall be used to determine wages, which shall be paid to employees pursuant to this Article. Should any contract contain a renewal clause, then at the time of renewal adjustments, there shall be made stipulations contained in that contract for applying the Wage Determination, as required by this Article, so that the Wage Determination promulgated by the U.S. Department of Labor on a date most recent to the renewal date shall apply.

**§ 5802. Benefits.**

In addition to the Wage Determination detailed in this Article, any contract to which this Article applies shall also contain provisions mandating health and similar benefits for employees covered by this Article, such benefits having a minimum value as detailed in the Wage Determination issued and promulgated by the U.S. Department of Labor, and shall contain provisions guaranteeing a minimum of ten (10) paid holidays per annum per employee.

- (3) That the offeror is in full compliance with 5 GCA § 5801 and § 5802, as may be applicable to the procurement referenced herein;

\_\_\_\_\_  
 Signature of Individual if Proposer is a Sole Proprietorship;  
 Partner, if the Proposer is a Partnership;  
 Officer, if the Proposer is a Corporation

SUBSCRIBED AND SWORN to before me this \_\_\_\_ day of \_\_\_\_\_, 2018.

\_\_\_\_\_  
 Notary Public  
 In and for the Territory of Guam  
 My Commission Expires:

**SPECIAL PROVISIONS**

**Restriction Against Sex Offenders Employed by Service Providers to Government of Guam from Working on Government of Guam Property**

GCA 5 §5253 Restriction Against Contractors Employing Convicted Sex Offenders from Working at Government of Guam Venues:

- (a) No person convicted of a sex offense under the provisions of Chapter 25 of Title 9 Guam Code Annotated, or an offense as defined in Article 2 of Chapter 28, Title 9 GCA in Guam, or an offense in any jurisdiction which includes, at a minimum, all of the elements of said offenses, or who is listed on the Sex Offender Registry, and who is employed by a business contracted to perform services for an agency or instrumentality of the government of Guam, shall work for his employer on the property of the Government of Guam other than public highway.
- (b) All contracts for services to agencies listed herein shall include the following provisions: (1) warranties that no person providing services on behalf of the contractor has been convicted of a sex offense under the provisions of Chapter 25 of Title 9 GCA or an offense as defined in Article 2 of Chapter 28, Title 9 GCA, or an offense in another jurisdiction with, at a minimum, the same elements as such offenses, or who is listed on the Sex Offender Registry; and (2) that if any person providing services on behalf of the contractor is convicted of a sex offense under the provisions of Chapter 25 of Title 9 GCA or an offense as defined in Article 2 of Chapter 28, Title 9 GCA or an offense in another jurisdiction with, at a minimum, the same elements as such offenses, or who is listed on the Sex Offender Registry, that such person will be immediately removed from working at said agency and that the administrator of said agency be informed of such within twenty-four (24) hours of such conviction.
- (c) Duties of the General Services Agency or Procurement Administrators. All contracts, bids, or Requests for Proposals shall state all the conditions in § 5253(b).
- (d) Any contractor found in violation of § 5253(b), after notice from the contracting authority of such violation, shall, within twenty-four (24) hours, take corrective action and shall report such action to the contracting authority. Failure to take corrective action within the stipulated period may result in the temporary suspension of the contract at the discretion of the contracting authority.

SOURCE: *Added by P.L. 28-024:2 (Apr. 21, 2005). Amended by P.L. 28-098:2 (Feb. 7, 2006).*

\_\_\_\_\_  
Signature of Bidder      Date

Proposer, if an individual;  
Partner, if a partnership;  
Officer, if a corporation.

Subscribed and sworn before me this \_\_\_\_\_ day of \_\_\_\_\_, 2018.

\_\_\_\_\_  
Notary Public



# GUAM POWER AUTHORITY

ATURIDÁT ILEKTRESEDÁT GUAHAN  
 P.O. BOX 2977 · AGANA, GUAM U.S.A. 96932-2977

Edward J.B. Calvo  
 Governor

Telephone Nos. (671) 648-3054/55 Fax: 648-3165

Raymond S. Tenorio  
 Lieutenant Governor

---

Accountability · Impartiality · Competence · Openness · Value

---

## LOCAL PROCUREMENT PREFERENCE APPLICATION

Based on the law stipulated below, please place a checkmark or an "X" on the block indicating the item that applies to your business:

5GCA, Chapter 5, Section 5008, "Policy in Favor of Local Procurement" of the Guam Procurement Law states:

All procurement of supplies and services shall be made from among businesses licensed to do business on Guam and that maintains an office or other facility on Guam, whenever a business that is willing to be a contractor is:

- ( ) (a) A licensed bonafide manufacturing business that adds at least twenty-five percent (25%) of the value of an item, not to include administrative overhead, suing workers who are U.S. Citizens or lawfully admitted permanent residents or nationals of the United States, or persons who are lawfully admitted to the United States to work, based on their former citizenship in the Trust Territory for the Pacific Islands; or
- m( ) (b) A business that regularly carries an inventory for regular immediate sale of at least fifty percent (50%) of the items of supplies to be procured; or
- ( ) (c) A business that has a bonafide retail or wholesale business location that regularly carries an inventory on Guam of a value of at least one half of the value of the bid or One Hundred Fifty Thousand Dollars (\$150,000.0) whichever is less, of supplies and items of a similar nature to those being sought; or
- ( ) \*(d) A service actually in business, doing a substantial business on Guam, and hiring at least 95% U.S. Citizens, lawfully admitted permanent residents or national of the United States, or persons who lawfully admitted to the United States to work, based on their citizenship in any of the nations previously comprising the Trust Territory of the Pacific Islands.

- Bidders indicating qualification under (d) may be considered QUALIFIED for the Local Procurement Preference **only if** the Government's requirement is for service. Service is defined Pursuant to 5 GCA Government Operations Subparagraph 5030 entitled DEFINITIONS under Chapter 5 of the Guam Procurement Law.

1. I \_\_\_\_\_, representative for \_\_\_\_\_, have read the requirements of the law cited above and do hereby qualify and elect to be given the LOCAL PROCUREMENT PREFERENCE for Bid No.: GPA \_\_\_\_\_. By filling in this information and placing my signature below, I understand that the Guam Power Authority will review this application and provide me with a determination whether or not the 15% preference will be applied to this bid.

2. I \_\_\_\_\_, representative for \_\_\_\_\_, have read the requirements of the law cited above, and do not wish to apply for the Local Procurement Preference for Bid No.: GPA \_\_\_\_\_.

\_\_\_\_\_  
 Bidder Representative Signature

\_\_\_\_\_  
 Date

**NOTE:**  
 Prospective Bidders not completing this form will automatically be not considered for Local Procurement Preference. Non-completion of this form is not a basis for rejection of the bid or proposal.

**GOVERNMENT OF GUAM**

**GENERAL TERMS AND CONDITIONS**

**SEALED BID SOLICITATION AND AWARD**

**Only those Boxes checked below are applicable to this bid.**

1. **AUTHORITY:** This solicitation is issued subject to all the provision of the Guam Procurement Act (5GCA, Chapter 5) And the Guam Procurement Regulations (copies of both are available at the Office of the Complier of laws, Department of Law, copies available for inspection at the Guam Power Authority). It requires all parties involved in the Preparation, negotiation, performance, or administration of contracts to act in good faith.
2. **GENERAL INTENTION:** Unless otherwise specified, it is the declared and acknowledged intention and meaning of these General Terms and conditions for the bidder to provide the Government of Guam (Government) with specified services or with materials, supplies or equipment completely assembled and ready for use.
3. **TAXES:** Bidders are cautioned that they are subject to Guam Income Taxes as well as all other taxes on Guam Transactions. Specific information on taxes may be obtained from the Director of Revenue and Taxation.
4. **LICENSING:** Bidders are cautioned that the Government will not consider for award any offer submitted by a bidder who has not complied with the Guam Licensing Law. Specific information on licenses may be obtained from the Director of Revenue and Taxation.
5. **LOCAL PROCUREMENT PREFERENCE:** All procurement of supplies and services where possible, will be made from among businesses licensed to do business on Guam in accordance with section 5008 of the Guam Procurement Act (5GCA, Chapter 5) and Section 1-104 of the Guam Procurement Regulations.
6. **COMPLIANCE WITH SPECIFICATIONS AND OTHER SOLICITATION REQUIREMENTS:** Bidders shall comply with all specifications and other requirements of the Solicitation.
7. **“ALL OR NONE” BIDS:** Unless otherwise allowed under this Solicitation. “all or none” bids may be deemed to be non-responsive. If the bid is so limited, the Government may reject part of such proposal and award on the remainder.

**NOTE:** By checking this item, the Government is requesting all of the bid items to be bided or none at all. **The Government will not award on an itemized basis.** Reference: Section 3-101.06 of the Guam Procurement Regulations.

8. **INDEPENDENT PRICE DETERMINATION:** The bidder, upon signing the Invitation for Bid, certifies that the prices in his bid were derived at without collusion, and acknowledge that collusion and anti-competitive practices are prohibited by law. Violations will be subject to the provision of Section 5651 of that of the Guam Procurement Act. Other existing civil, criminal or administrative remedies are not impaired and may be in addition to the remedies in Section 5651 of the Government code.
9. **BIDDER'S PRICE:** The Government will consider not more than two (2) (Basic and Alternate) item prices and the bidder shall explain fully each price if supplies, materials, equipment, and/or specified services offered comply with specifications and the products origin. Where basic or alternate bid meets the minimum required specification, cost and other factors will be considered. Failure to explain this requirement will result in rejection of the bid.
10. **BID ENVELOPE:** Envelope shall be sealed and marked with the bidder's name, Bid number, time, date and place of Bid Opening.
11. **BID GUARANTEE REQUIREMENT:** Bidder is required to submit a Bid Guarantee Bond or standby irrevocable Letter of Credit or Certified Check or Cashier's Check in the same bid envelope to be held by the Government pending award. The Bid Guarantee Bond, Letter of Credit, Certified Check or Cashier's Check must be issued by any local surety or banking institution licensed to do business on Guam and made payable to the Guam Power Authority in the amount of ten thousand dollars (US\$10,000.00). The Bid Bond must be submitted on Government Standard Form BB-1 (copy enclosed). Personal Checks will not be accepted as Bid Guarantee. If a successful Bidder (contractor) withdraws from the bid or fails to enter into contract within the prescribed time, such Bid guarantee will be forfeited to the Government of Guam. Bids will be disqualified if not accompanied by Bid Bond, Letter of Credit, Certified Check or Cashier's check. Bidder must include in his/her bid, valid copies of a Power of Attorney from the Surety and a Certificate of Authority from the Government of Guam to show proof that the surety company named on the bond instrument is authorized by the Government of Guam and qualified to do business on Guam. For detailed information on bonding matters, contact the Department of Revenue and Taxation. Failure to submit a valid Power of Attorney and Certificate of Authority on the surety is cause for rejection of bid. (GPR Section 3-202.03.3) **Pursuant to Public Law 27-127, all competitive sealed bidding for the procurement of supplies or services exceeding \$25,000.00 a 15% Bid Security of the total bid price must accompany the bid package.**
12. **PERFORMANCE BOND REQUIREMENT:** The Bidder may be required to furnish a Performance Bond on Government Standard Form BB-1 or standby irrevocable Letter of Credit or Certified Check or Cashier's Check payable to the Guam Power Authority issued by any of the local Banks or Bonding Institution in the amount of \_\_\_\_\_ percent (%) of the contract prices as security for the faithful performance and proper fulfillment of the contract. In the event that any of the provisions of this contract are violated by the contractor, the Chief Procurement Officer shall serve written notice upon both the contractor and the Surety of its intention to terminate the contract. Unless satisfactory arrangement or correction is made within ten (10) days of such notice the contract shall cease and terminate upon the expiration of the ten (10) days. In the event of any such termination, the Chief Procurement Officer shall immediately serve notice thereof upon the Surety. The Surety shall have the right to take over and perform the contract, provided, however, that if the Surety does not commence performance thereof within 10 days from the date of the mailing of notice of termination, the Government may take over and prosecute the same to complete the contract or force account for the account and at the expense of the contractor, and the contractor and his Surety shall be liable to the Government for any excess cost occasioned the Government thereby (GPR Section 3-202.03.4).

- [X] 13. **PERFORMANCE GUARANTEE:** Bidders who are awarded a contract under this solicitation, guarantee that goods will be delivered or required services performed within the time specified. Failure to perform the contract in a satisfactory manner may be cause for suspension or debarment from doing business with the Government and to enforce Section 23 of these General Terms and Conditions. In addition, the Government will hold the Vendor liable and will enforce the requirements as set forth in Section 41 of these General Terms and Conditions.
- [X] 14. **SURETY BONDS:** Bid and Performance Bonds coverage must be signed or countersigned in Guam by a foreign or alien surety's resident general agent. The surety must be an Insurance Company, authorized by the government of Guam and qualified to do business in Guam. Bids will be disqualified if the Surety Company does not have a valid Certificate of Authority from the Government of Guam to conduct business in Guam.
- [X] 15. **COMPETENCY OF BIDDERS:** Bids will be considered only from the such bidders who, in the opinion of the Government, can show evidence of their ability, experience, equipment, and facilities to render satisfactory service.
- [X] 16. **DETERMINATION OF RESPONSIBILITY OF BIDDERS:** The Chief Procurement Officer reserves the right for securing from bidders information to determine whether or not they are responsible and to inspect plant site, place of business; and supplies and services as necessary to determine their responsibility in accordance with Section 15 of these General Terms and Conditions (GPR Section 3-401).
- [X] 17. **STANDARD FOR DETERMINATION OF LOWEST RESPONSIBLE BIDDER:** In determining the lowest responsible offer, the Chief Procurement Officer shall be guided by the following:
- a) Price of items offered.
  - b) The ability, capacity, and skill of the Bidder to perform.
  - c) Whether the Bidder can perform promptly or within the specified time.
  - d) The quality of performance of the Bidder with regards to awards previously made to him.
  - e) The previous and existing compliance by the Bidder with laws and regulations relative to procurement.
  - f) The sufficiency of the financial resources and ability of the Bidder to perform.
  - g) The ability of the bidder to provide future maintenance and services for the subject of the award.
  - h) The compliance with all of the conditions to the Solicitation.
- [X] 18. **TIE BIDS:** If the bids are for the same unit price or total amount in the whole or in part, the Chief Procurement Officer will determine award based on Section 3.202.15.2, or to reject all such bids (GPR Section 3-202.15.2).
- [ ] 19. **BRAND NAMES:** Any reference in the Solicitation to manufacturer's Brand Names and number is due to lack of a satisfactory specification of commodity description. Such preference is intended to be descriptive, but nor restrictive and for the sole purpose of indicating prospective bidders a description of the article or services that will be satisfactory. Bids on comparable items will be considered provided the bidder clearly states in his bid the exact articles he is offering and how it differs from the original specification.
- [ ] 20. **DESCRIPTIVE LITERATURE:** Descriptive literature(s) as specified in this solicitation must be furnished as a part of the bid and must be received at the date and time set for opening Bids. The literature furnished must clearly identify the item(s) in the Bid. The descriptive literature is required to establish, for the purpose of evaluation and award, details of the product(s) the bidder proposes to furnish including design, materials, components, performance characteristics, methods of manufacture, construction, assembly or other characteristics which are considered appropriate. Rejection of the Bid will be required if the descriptive literature(s) do not show that the product(s) offered conform(s) to the specifications and other requirements of this solicitation. Failure to furnish the descriptive literature(s) by the time specified in the Solicitation will require rejection of the bid.
- [ ] 21. **SAMPLES:** Sample(s) of item(s) as specified in this solicitation must be furnished as a part of the bid and must be received at the date and time set for opening Bids. The sample(s) should represent exactly what the bidder proposes to furnish and will be used to determine if the item(s) offered complies with the specifications. Rejection of the Bid will be required if the sample(s) do not show that the product(s) offered conform(s) to the specifications and other requirements of this solicitation. Failure to furnish the sample(s) by the time specified in the Solicitation will require rejection of the Bid.
- [ ] 22. **LABORATORY TEST:** Successful bidder is required to accompany delivery of his goods with a Laboratory Test Report indicating that the product he is furnishing the Government meets with the specifications. This report is on the bidder's account and must be from a certified Testing Association.
- [X] 23. **AWARD, CANCELLATION, & REJECTION:** Award shall be made to the lowest responsible and responsive bidder, whose bid is determined to be the most advantageous to the Government, taking into consideration the evaluation factors set forth in this solicitation. No other factors or criteria shall be used in the evaluation. The right is reserved as the interest of the Government may require to waive any minor irregularity in bid received. The Chief Procurement Officer shall have the authority to award, cancel, or reject bids, in whole or in part for any one or more items if he determines it is in the public interest. Award issued to the lowest responsible bidder within the specified time for acceptance as indicated in the solicitation, results in a bidding contract without further action by either party. In case of an error in the extension of prices, unit price will govern. It is the policy of the Government to award contracts to qualified local bidders. The government reserves the right to increase or decrease the quantity of the items for award and make additional awards for the same type items and the vendor agrees to such modifications and additional awards based on the bid prices for a period of thirty (30) days after original award. No award shall be made under this solicitation which shall require advance payment or irrevocable letter of credit from the government (GPR Section 3-202.14.1).
- [ ] 24. **MARKING:** Each outside container shall be marked with the Purchase Order number, item number, brief item description and quantity. Letter marking shall not be less than 3/4" in height.
- [ ] 25. **SCHEDULE FOR DELIVERY:** Successful bidder shall notify the Guam Power Authority, Dededo Warehouse at (671) 653-2073 and/or Guam Power Authority Cabras Warehouse at (671) 475-3319, at least twenty-four (24) hours before delivery of any item under this solicitation.
- [ ] 26. **BILL OF SALE:** Successful supplier shall render Bills of Sale for each item delivered under this contract. Failure to comply with this requirement will result in rejection of delivery. The Bill of Sale must accompany the items delivered but will not be considered as an invoice for payment. Supplier shall bill the Government in accordance with billing instructions as indicated on the Purchase Order.

27. **MANUFACTURER'S CERTIFICATE:** Successful bidder is required, upon delivery of any item under this contract, to furnish a certificate from the manufacturer indicating that the goods meet the specifications. Failure to comply with this request will result in rejection of delivery payment. Supplier shall bill the Government in accordance with billing instructions as indicated on the Purchase Order.
28. **INSPECTION:** All supplies, materials, equipment, or services delivered under this contract shall be subject to the inspection and/or test conducted by the Government at destination. If in any case the supplies, materials, equipment, or services are found to be defective in material, workmanship, performance, or otherwise do not conform with the specifications, the Government shall have the right to reject the items or require that they be corrected. The number of days required for correction will be determined by the Government.
29. **MOTOR VEHICLE SAFETY REQUIREMENTS:** The Government will only consider Bids on motor vehicles which comply with the requirements of the National Traffic and Motor Vehicle safety Act of 1966 (Public Law 89-563) and Clean Air Act as amended (Public Law 88-206), that are applicable to Guam. Bidders shall state if the equipment offered comply with these aforementioned Federal Laws.
30. **SAFETY INSPECTION:** All motor vehicles delivered under this contract must pass the Government of Guam Vehicle Inspection before delivery at destination.
31. **GUARANTEE:**
- a) **Guarantee of Vehicle Type of Equipment:**  
The successful bidder shall guarantee vehicular type of equipment offered against defective parts, workmanship, and performance, for a period of not less than one (1) year after date of receipt of equipment. Bidder shall also provide service to the equipment for at least one (1) year. Service to be provided shall include, but will not be limited to tune ups (change of spark plugs, contact points and condensers) and lubrication (change of engine and transmission oil). All parts and labor shall be at the expense of the bidder. All parts found defective and not caused by misuse, negligence or accident within the guarantee period shall be repaired, replaced, or adjusted within six (6) working days after notice from the Government and without cost to the Government. Vehicular type of equipment as used in this context shall include equipment used for transportation as differentiated from tractors, backhoes, etc.
- b) **Guarantee of Other Type of Equipment:**  
The successful bidder shall guarantee all other types of equipment offered, except those mentioned in 31a, above, against defective parts, workmanship, and performance for a period of not less than three (3) months after date of receipt of equipment. Bidder shall also provide service to the equipment for at least three (3) months. All parts found defective within that period shall be repaired or replaced by the Contractor without cost to the Government. Repairs, adjustments or replacements of defective parts shall be completed by the contractor within six (6) working days after notice from the Government.
- c) **Compliance with this Section is a condition of this Bid.**
32. **REPRESENTATION REGARDING ETHICS IN PUBLIC PROCUREMENT:** The bidder or contractor represents that it has not knowingly influenced and promises that it will not knowingly influence a Government employee to breach any of the ethical standards and represents that it has not violated, is not violating, and promises that it will not violate the prohibition against gratuities and kickbacks set forth on Chapter 11 (Ethics in Public Contracting) of the Guam Procurement Act and in Chapter 11 of the Guam Procurement Regulations.
33. **REPRESENTATION REGARDING CONTINGENT FEES:** The contractor represents that it has not retained a person to solicit or secure a Government contract upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee, except for retention of bona fide employees or bona fide established commercial selling agencies for the purpose of securing business (GPR Section 11-207).
34. **EQUAL EMPLOYMENT OPPORTUNITY:** Contractors shall not discriminate against any employee or applicant of employment because of race, color, religion, sex, or national origin. The contractor will take affirmative action to ensure that employees are treated equally during employment without regards to their race, color, religion, sex, or national origin.
35. **COMPLIANCE WITH LAWS:** Bidders awarded a contract under this Solicitation shall comply with the applicable standard, provisions, and stipulations of all pertinent Federal and/or local laws, rules, and regulations relative to the performance of this contract and the furnishing of goods.
36. **CHANGE ORDER:** Any order issued relative to awards made under this solicitation will be subject to and in accordance with the provisions of Section 6-101-03.1 of the Guam Procurement Regulations.
37. **STOP WORK ORDER:** Any stop work order issued relative to awards made under this solicitation will be subject to and in accordance with the provisions of Section 6-101-04.1 of the Guam Procurement Regulations.
38. **TERMINATION FOR CONVENIENCE:** Any termination order for the convenience of the Government issued relative towards made under this solicitation will be subject to and in accordance with the provisions of Section 6-101.10 of the Government Procurement Regulations.
39. **TIME FOR COMPLETION:** It is hereby understood and mutually agreed by and between the contractor and the Government that the time for delivery to final destination or the timely performance of certain services is an essential condition of this contract. If the contractor refuses or fails to perform any of the provisions of this contract within the time specified in the Purchase Order (from the date Purchase Order is acknowledged by vendor), then the contractor is in default. Defaults will be treated subject to and in accordance with the provisions of Section 6-101-08 of the Guam Procurement Regulations.
40. **JUSTIFICATION OF DELAY:** Bidders who are awarded contracts under this Solicitation, guarantee that the goods will be delivered to their destination or required services rendered within the time specified. If the bidder is not able to meet the specified delivery date, he is required to notify the Chief Procurement Officer of such delay. Notification shall be in writing and shall be received by the Chief Procurement Officer at least twenty-four (24) hours before the specified delivery date. Notification of delay shall include an explanation of the causes and reasons for the delay including statement(s) from supplier or shipping company causing the delay. The Government reserves the right to reject delay justification if, in the opinion of the Chief Procurement Officer, such justification is not adequate.



[X] 41. **LIQUIDATED DAMAGES:** When the contractor is given notice of delay or nonperformance as specified in Paragraph 1 (Default) of the Termination for Default Clause of this contract and fails to cure in the time specified, the contractor shall be liable for damages for delay in the amount of one-fourth of one percent (1%) of outstanding order per calendar day from date set for cure until either the territory reasonable obtains similar supplies or services if the contractor is terminated for default, or until the contractor provides the supplies or services if the contractor is not terminated for default. To the extent that the contractor's delay or nonperformance is excused under Paragraph 40 (Excuse for Nonperformance or Delayed Performance) of the Termination for Default Clause of this contract, liquidated damages shall not due the territory. The contractor remains liable for damages caused other than by delay (GPR Section 6-101-09.1).

[X] 42. **PHYSICAL LIABILITY:** If it becomes necessary for the Vendor, either as principal, agent or employee, to enter upon the premises or property of the Government of Guam in order to construct, erect, inspect, make delivery or remove property hereunder, the Vendor hereby covenants and agrees to take, use, provide and make all proper, necessary and sufficient precautions, safeguards and protections against the occurrence of any accidents, injuries or damages to any person or property during the progress of the work herein covered, and to be responsible for, and to indemnify and save harmless the Government of Guam from the payment of all sums of money by reason of all or any such accidents, injuries or damages that may occur upon or about such work, and fines, penalties and loss incurred for or by reasons of the violations of any territorial ordinance, regulations, or the laws of Guam or the United States, while the work is in progress. Contractor will carry insurance to indemnify the Government of Guam against any claim for loss, damage or injury to property or persons arising out of the performance of the Contractor or his employees and agents of the services covered by the contract and the use, misuse or failure of any equipment used by the contractor or his employees or agents, and shall provide certificates of such insurance to the Government of Guam when required.

[X] 43. **CONTACT FOR CONTRACT ADMINISTRATION:** If your firm receives a contract as a result of this Solicitation, please designate a person whom we may contact for prompt administration.

Name: \_\_\_\_\_ Title: \_\_\_\_\_

Address: \_\_\_\_\_ Telephone: \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_



## GOVERNMENT OF GUAM

**SEALED BID SOLICITATION INSTRUCTIONS**

1. **BID FORMS:** Each bidder shall be provided with two (2) sets of Solicitation forms. Additional copies may be provided upon request. Bidders requesting additional copies of said forms will be charged per page in accordance with Section 6114 of the Government Code of Guam. All payments for this purpose shall be by cash, certified check or money order and shall be made payable to the Guam Power Authority.
2. **PREPARATIONS OF BIDS:**
  - a) Bidders are required to examine the drawings, specifications, schedule, and all instructions. Failure to do so will be at bidder's risk.
  - b) Each bidder shall furnish the information required by the Solicitation. The bidder shall sign the solicitation and print or type his name on the Schedule. Erasures or other changes must be initialed by the person signing the bid. Bids signed by an agent are to be accompanied by evidence of this authority unless such evidence has been previously furnished to the issuing office.
  - c) Unit price for each unit offered shall be shown and such price shall include packing unless otherwise specified. A total shall be entered in the amount column of the Schedule for each item offered. In case of discrepancies between a unit price and extended price, the unit price will be presumed to be correct.
  - d) Bids for supplies or services other than those specified will not be considered. Time, if stated as a number of days, means calendar days and will include Saturdays, Sundays, and holidays beginning the day after the issuance of a Notice to Proceed. Time stated ending on a Saturday, Sunday or Government of Guam legal holiday will end at the close of the next business day.
3. **EXPLANATION TO BIDDERS:** Any explanation desired by a bidder regarding the meaning or interpretation of the Solicitation, drawings, specifications, etc., must be submitted in writing and with sufficient time allowed for a written reply to reach all bidders before the submission of their bids. Oral explanations or instructions given before the award of the contract will not be binding. Any information given to a prospective bidder concerning a Solicitation will be furnished to all prospective bidders in writing as an amendment to the Solicitation if such information would be prejudicial to uninformed bidders.
4. **ACKNOWLEDGEMENT OF AMENDMENTS TO SOLICITATIONS:** Receipt of an amendment to a Solicitation by a bidder must be acknowledged by signing an acknowledgement of receipt of the amendment. Such acknowledgement must be received prior to the hour and date specified for receipt of bids.
5. **SUBMISSION OF BIDS:**
  - a) Bids and modifications thereof shall be enclosed in sealed envelopes and addressed to the office specified in the Solicitation. The bidder shall show the hour and date specified in the Solicitation for receipt, the Solicitation number, and the name and address of the bidder on the face of the envelope.
  - b) Telegraphic bids will not be considered unless authorized by the Solicitation. However, bids may be modified or withdrawn by written or telegraphic notice, provided such notice is received prior to the hour and date specified for receipt (see paragraph 6 of these instructions).
  - c) Samples of items, when required, must be submitted within the time specified, unless otherwise specified by the Government, at no expense to the Government. If not destroyed by testing, samples will be returned at bidder's request and expense, unless otherwise specified by the Solicitation.
  - d) Samples or descriptive literature should not be submitted unless it is required on this solicitation. Regardless of any attempt by a bidder to condition the bid, unsolicited samples or descriptive literature will not be examined or tested at the bidder's risk, and will not be deemed to vary any of the provisions of this Solicitation.
6. **FAILURE TO SUBMIT BID:** If no bid is to be submitted, do not return the solicitation unless otherwise specified. A letter or postcard shall be sent to the issuing office advising whether future Solicitations for the type of supplies or services covered by this Solicitation are desired.
7. **LATE BID, LATE WITHDRAWALS, AND LATE MODIFICATIONS:**
  - a) Definition: Any bid received after the time and date set for receipt of bids is late. Any withdrawal or modification of a bid received after the time and date set for opening of bids at the place designated for opening is late (Guam Procurement Regulations Section 3-202)
  - b) Treatment: No late bid, late modification, or late withdrawal will be considered unless received before contract award, and the bid, modification, or withdrawal would have been timely but for the action or inaction of territorial personnel directly serving the procurement activity.
8. **DISCOUNTS:**
  - a) Notwithstanding the fact that prompt payment discounts may be offered, such offer will not be considered in evaluating bids for award unless otherwise specified in the Solicitation. However, offered discounts will be taken if payment is made within the discount period, even though not considered in the evaluation of bids.
  - b) In connection with any discount offered, time will be computed from date of delivery and acceptance of the supplies to the destination as indicated in the purchase order or contract. Payment is deemed to be made for the purpose of earning the discount on the date of mailing of the Government check.

9. **GOVERNMENT FURNISHED PROPERTY:** No material, labor or facilities will be furnished by the Government unless otherwise provided for in the Solicitation.
10. **SELLERS' INVOICES:** Invoices shall be prepared and submitted in quadruplicate (one copy shall be marked "original") unless otherwise specified. Invoices shall be "certified true and correct" and shall contain the following information: Contract and order number (if any), item numbers, description of supplies or services, sizes, quantities, unit prices, and extended total. Bill of lading number and weight of shipment will be shown for shipments made on Government bills of lading.
11. **RECEIPT, OPENING AND RECORDING OF BIDS:** Bids and modifications shall be publicly opened in the presence of one or more witnesses, at the time, date, and place designated in the Invitation for Bids. The name of each bidder, the bid price, and such other information as is deemed appropriate by the Procurement Officer, shall be read aloud and recorded, or otherwise made available. The names and addresses of required witnesses shall be recorded at the opening. The opened bids shall be available for public inspection except to the extent the bidder designates trade secrets or other proprietary data to be confidential as set forth in accordance with Section 12 below. 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. Prices, 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 (Guam Procurement Regulations Section 3-202.12.2).
12. **CONFIDENTIAL DATA:** The Procurement Officer shall examine the bids 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, the Procurement Officer shall inform the bidders in writing what portions of the bid will be disclosed and that, unless the bidders protest under Chapter 9 of the Guam Procurement Act (P.L. 16-124), the bids will be so disclosed. The bids shall be opened to public inspection subject to any continuing prohibition on the disclosure of confidential data (Guam Procurement Regulations Section 3-202.12.3).
13. **MULTI-STEP SEALED BIDDING:**
- a. It is defined as two-phase process consisting of a technical first-phase composed of one or more steps in which bidders submit unpriced technical offers to be evaluated by the territory, and a second-phase in which those bidders whose technical offers are determined to be acceptable during the first-step have their priced bids considered. It is designed to obtain the benefits of competitive sealed bidding by award of a contract to the lowest responsive, responsible bidder, and at the same time obtained the benefits of the competitive sealed proposals procedure through the solicitation of technical offers and the conduct of discussions to evaluate and determine the acceptability of technical offers.
  - b. In addition to the requirements set forth in the General Terms and Conditions and the Special provisions, the following applies:
    - 1). only unpriced technical offers are requested in the first phase;
    - 2). priced bids will be considered only in the second phase and only from bidders whose unpriced technical offers are found acceptable in the first phase;
    - 3). the criteria to be used in the evaluation at those specified in the Special Provisions and the General Terms and Conditions;
    - 4). the territory, to the extent the Procurement Officer finds necessary, may conduct oral or written discussion of the unpriced technical offers;
    - 5). the bidders, may designate those portions of the unpriced technical offers which contain trade secrets or other proprietary data which are to remain confidential; and,
    - 6). the service being procured shall be furnished generally in accordance with bidder's technical offer as found to be finally acceptable and shall meet the requirements of the Invitation for Bids.
  - c. **RECEIPT AND HANDLING OF UNPRICED TECHNICAL OFFERS.**  
Unpriced technical offers shall not be opened publicly, but shall be opened in front of two or more procurement officials. Such offers shall not be disclosed to unauthorized persons. Bidders may request nondisclosure of trade secrets and other proprietary data identified in writing.
  - d. **EVALUATION OF UNPRICED TECHNICAL OFFERS.**  
The unpriced technical offers submitted by bidders shall be evaluated solely in accordance with the criteria set forth in the Invitation for Bids. The unpriced technical offers shall be categorized as:
    - 1). acceptable;
    - 2). potentially acceptable, that is, reasonably susceptible of being made acceptable; or
    - 3). unacceptable. The Procurement Officer shall record in writing the basis for finding an offer unacceptable and make it part of the procurement file.

The Procurement Officer may initiate Phase Two of the procedure if, in the Procurement Officer's opinion, there are sufficient acceptable unpriced technical offers to assure effective price competition in the second phase without technical discussions. If the Procurement Officer finds such is not the case, the Procurement Officer shall issue an amendment to the Invitation for Bids or engage in technical discussions as set forth in Subsection 3-202.20.5 of this Section.
- d. Upon the completion of Phase One, the Procurement Officer shall invite each acceptable bidder to submit a price bid. Upon submission of prices, the Procurement Officer shall prepare the final evaluation and reconsideration for the Chief Procurement Officer's approval.