



# GUAM POWER AUTHORITY

ATURIDÁT ILEKTRESEDÁT GUÅHAN  
P.O.BOX 2977 • HAGÁTÑA, GUAM U.S.A. 96932-2977

May 23, 2024

AMENDMENT NO.: III

TO

INVITATION FOR MULTI-STEP BID NO.: GPA-050-24

FOR

SUPPLY OF DIESEL FUEL OIL NO. 2 TO VARIOUS GPA PLANT SITE LOCATIONS

Prospective Bidders are hereby notified of the following change and response to inquiries received from Bidder No.: 1 dated May 02, 2024 and May 17, 2024:

CHANGE:

*REMOVE* Page 58 of 141 and *REPLACE with* Page 58a of 141 (see attached):

Under VOLUME II - CONTRACT, SECTION 23. CONTRACTOR'S INSURANCE, ITEM E. EXCESS LIABILITY delete entire verbiage and replace with:

Excess Liability with limits of \$5,000,000 over the General Liability, Auto Liability, and worker's compensation policies. GPA shall be named as an additional insured. CONTRACTOR shall grant waiver of Subrogation in favor of GPA. This coverage shall be on a primary and non-contributory basis and Policy must have MCS 90 endorsement.

Cancellation Clause:

All policies above shall contain the following Cancellation clause:  
The Insurance company shall notify in writing the Guam Power Authority (insured) a minimum of 60 days prior to any material changes or cancellation of coverage.

GPA will waive the Excess Liability requirement provided:

1. The CONTRACTOR complies with the requirement for the Commercial General Liability under Paragraph B above (including the extensions of coverage required under Paragraph B), and the Property Damage Limits in Subparagraph 1 is increased to \$6,000,000 for each occurrence.
2. The policy for the Commercial General Liability and the Automobile Liability under Paragraphs B and C above, carries the MCS90 endorsement.

**RESPONSES:**

**Bidder No.: 1 inquiry received 05/02/2024:**

**QUESTION:**

1. The Commercial Terms and Conditions of GPA Bid No. MS GPA-050-24 (specifically Clause 2.13 found on page 22 of 141) requires a successful bidder to provide a performance bond within 14 days of the GPA Notice of Intent. This appears to be in conflict with Guam Procurement law (5 G.C.A. § 5212) that states no separate performance bond shall be required in a bid and instead a bid bond submitted, that is held until complete delivery by a successful bidder, should be satisfactory to adequately protect a government agency from default. Therefore, can GPA provide reasons as to why a bidder is required to issue both a bid bond and a performance bond in IFB No .MS GPA-050-24? Further, considering the reasons provided are in accordance with Guam Procurement law, would GPA accept a performance bond limited to US\$5M?

**ANSWER:**

Under the Guam Procurement Law, bidders must submit a bid bond in the amount of 15% of the total bid. 5 GCA §5212(b). The bid security then becomes the performance bond of the successful bidder. 5 GCA §5212(g).

In this case, GPA's IFB is allowing bidders to submit a bid bond in the amount of \$500,000 due to the belief that no vendors will bid on the procurement if the required bid bond is 15% of this high value contract.

A bidder wants to know why GPA is asking for a performance bond. The reason is because the law so requires. See 5 GCA §5212(b) & (g). The bidder is also asking if GPA can limit the performance bond to \$5 million. Because the Procurement Law requires a performance bond of 15% of the total bid, GPA can accept \$5 million as the performance bond if that is equal to 15% of the bid amount.

**Bidder No.: 1 inquiry received 05/17/2024:**

**QUESTION:**

1. This is in reference to Section to Section 23. E. Excess Liability on page 58 of 141, IFB No. MS GPA-050-24. Please confirm if Contractor is required to provide Excess Liability Insurance, should the Commercial General Liability Insurance exceed the \$5M requirement over the General Liability, Auto Liability, and Workers compensation policy requirement.

**ANSWER:**

The Excess Liability Insurance is an additional and separate requirement that must be provided by the Contractor. This is an additional coverage that activates in the event that any of the other required insurance policy(ies) enumerated above exceeds its limits.

However, GPA will waive the Excess Liability requirement if the following are provided:

- a. For the Commercial General Liability in Paragraph B: Property Damage Limit in Subparagraph 1 is increased to \$6,000,000 for each occurrence; and
- b. For the Commercial General Liability and Auto Liability in Paragraphs B and C, respectively: Policy carries the MCS90 endorsement.

Refer to *CHANGE* above.

**QUESTION:**

2. As seen in Section 11.A. Delivery by Tanker Truck on page 48 of 141, IFB No. MS GPA-050-24, the provision states that "CONTRACTOR at it sole expense, shall provide a pump and unload the product from the tank truck into GPA fuel receiving facility". Please confirm if Contractor would be able to utilize any GPA owned transfer pumps located at various GPA locations in IFB No. MS GPA-050-24. If yes, please advise of all GPA locations where Contractor may utilize GPA owned transfer pumps to unload the product from tanker truck to GPA fuel receiving facility.




**ANSWER:**

Amendment 1 issued on May 7, 2024 re-scheduled another site visit for May 09, 2024 to provide prospective bidders an opportunity to assess the various plant locations to include the condition of the fuel receiving facility and the transfer pumps.

GPA pumps are installed at some plant locations and may be utilized by the Contractor (if available and if in working condition). In all other cases that the pumps are not available or becomes unavailable, pump(s) for fuel unloading from the tanker trucks into the GPA receiving facility shall be provided by the Contractor at its sole expense as required under the contract.

Refer to Amendment No. 2 response to item 2 of Bidder No. 2 inquiry dated May 03, 2024.

All other Terms and Conditions in the bid package shall remain unchanged and in full force.

  
BEATRICE "TRICEE" P. LIMTIACO  
General Manager (A)   


Policy must have MCS 90 endorsement.

This coverage shall be on a primary and non-contributory basis.

**D. POLLUTION LIABILITY INSURANCE:**

The **CONTRACTOR** shall take out and maintain during the life of the Contract, Pollution Liability Insurance with minimum limits of \$5,000,000 that provides coverage for third party bodily injury, third party property damage, and clean-up cost whether ordered by a government entity or not ordered by a government entity. Grant waiver of subrogation in favor of **GPA**. **GPA** is to be an additional insured.

This coverage shall be on a primary and non-contributory basis.

\* **E. EXCESS LIABILITY**

Excess Liability with limits of \$5,000,000 over the General Liability, Auto Liability, and workers compensation policies. **GPA** shall be named as an additional insured. **CONTRACTOR** shall grant Waiver of Subrogation in favor of **GPA**. This coverage shall be on a primary and non-contributory basis and Policy must have MCS 90 endorsement.

Cancellation Clause:

All policies above shall contain the following Cancellation clause:

The insurance company shall notify in writing the Guam Power Authority (insured) a minimum of 60 days prior to any material changes or cancellation of coverage.

GPA will waive the Excess Liability requirement provided:

1. The **CONTRACTOR** complies with the requirement for the Commercial General Liability under Paragraph B above (including the extensions of coverage required under Paragraph B), and the Property Damage Limits in Subparagraph 1 is increased to \$6,00,000 for each occurrence.
2. The policy for the Commercial General Liability and the Automobile Liability under Paragraphs B and C above, carries the MCS90 endorsement.

**F. CERTIFICATE OF INSURANCE:**

The **CONTRACTOR** shall furnish **GPA** with two (2) copies of a Certificate of Insurance evidencing policies required in Paragraphs A, B, C, D, and E above. Such certificates shall specifically indicate that the Commercial General Liability Insurance includes all extensions of coverage required in Paragraph B., Subparagraph 2. above. Such certificate shall specifically state that the insurance company or companies issuing such insurance policies shall give **GPA** at least sixty (60) days written notice in the event of cancellation of or material change in any of the policies. If coverage on said certificate(s) is shown to expire prior to completion of all terms of this Contract, the **CONTRACTOR** shall furnish a Certificates of Insurance evidencing renewal of such coverage to **GPA**. The Certificates of Insurance shall clearly show this Contract number.