

SAN ANTONIO WATER SYSTEM PURCHASING DEPARTMENT

Issued By: D. Anthony Rubin
BID NO.: 19-19003

Date Issued: January 14, 2019

FORMAL INVITATION FOR BIDS
ANNUAL CONTRACT FOR BEDDING STONE
ADDENDUM NO. 1

Sealed bids addressed to the Purchasing Director, San Antonio Water System, 2800 US Hwy 281 North, Administration Bldg., 5th Floor, San Antonio, TX 78212 will be received until **3:00 p.m., January 18, 2019** and then publicly opened and read aloud for furnishing materials or services as described herein below,

The San Antonio Water System Purchasing Department is willing to assist any bidder(s) in the interpretation of bid provisions or explanation of how bid forms are to be completed. Assistance may be received by visiting the Purchasing Office in the SAWS Main Office, 2800 US Hwy 281 North, San Antonio, TX 78212, or by calling (210) 233-3819.

(Contractor's Insurance Requirements Attached)

This invitation includes the following:

Invitation for Bids
Terms and Conditions of Invitation for Bids

Specifications and General Requirements
Price Schedule

The undersigned, by his/her signature, represents that he/she is authorized to bind the Bidder to fully comply with the Specifications and General Requirements for the amount(s) shown on the accompanying bid sheet(s). By signing below, Bidder has read the entire document and agreed to the terms therein.

Signer's Name: _____ Firm Name: _____
(Please Print or Type)

Address: _____

Signature of Person Authorized to Sign Bid _____ City, State, Zip Code: _____

Email Address: _____ Telephone No.: _____

Fax No.: _____

Please complete the following:

Prompt Payment Discount: _____% _____days. (If no discount is offered, Net 30 will apply.)

Please check the following blanks which apply to your company:

Ownership of firm (51% or more):

Non-minority Hispanic African-American Other Minority (specify) _____

Female Owned Handicapped Owned Small Business (less than \$1 million annual receipts or 100 employees)

Indicate Status: Partnership Corporation Sole Proprietorship Other (specify) _____

Tax Identification Number: _____

To report suspected ethics violations impacting the San Antonio Water System, please call 1-800-687-1918.

This **Addendum no. 1** is being issued to respond to question submitted and to add the contractor's insurance requirement.

Question on Bedding Stone bid no. 19-19003

1. Pertaining to the Bedding Stone Bid #19-19003 - when bidding this item, does it involve delivery to SAWS Centers only or to SAWS Centers and any of its jobsites? If the bid is for SAWS centers as well as jobsites, then wouldn't there be more than one line item due to different locations? **Answer: This would be delivered only to SAWS jobsites. We do not plan on keeping this on hand, just ordering/using as needed.**

IT IS NECESSARY TO RETURN THIS ADDENDUM TOGETHER WITH YOUR BID

SAWS STANDARD INSURANCE SPECIFICATIONS & CERTIFICATE OF LIABILITY INSURANCE REQUIREMENTS

1. Commercial Insurance Specifications:

a. Commencing on the date of this Contract, the CONTRACTOR shall, at his own expense, purchase, maintain and keep in force such lines of insurance coverage as will protect him and the San Antonio Water System (“SAWS”) and the City of San Antonio (“the City”) and their employees and agents from claims, which may arise out of or result from his operations under this Contract, whether such operations are by himself, by any Sub-contractor, supplier or by anyone directly or indirectly employed by any of them or by anyone for whose acts any of them may be liable, including, without limitation, the following lines of insurance coverage:

1) **Workers' Compensation (WC)** insurance that will protect the CONTRACTOR, SAWS and the City from claims under statutory Workers' Compensation laws, disability laws or such other employee benefit laws and that will fulfill the requirements of the jurisdiction in which the work is to be performed.

The minimum policy limits of liability for this line of insurance coverage shall be statutory limits.

This line of insurance coverage shall be endorsed to provide a **Waiver of Subrogation** in favor of SAWS and the City with respect to both this line of insurance coverage and the **Employers' Liability (EL)** insurance (as specified immediately below in section 1.a.2)).

2) **Employers' Liability (EL)** insurance (**Part 2** under a standard Workers' Compensation policy) that will protect the CONTRACTOR, SAWS and the City for damages because of bodily injury, sickness, disease of vendor's employees apart from that imposed by Workers' Compensation laws.

This line of insurance coverage shall have minimum policy limits of liability of not less than:

\$ 1,000,000.00	Bodily Injury by Accident
1,000,000.00	Bodily Injury by Disease - Each Employee
1,000,000.00	Bodily Injury by Disease - Policy Limit

3) **Commercial General Liability (CGL)** insurance that will protect the CONTRACTOR, SAWS and the City from claims for damages because of bodily injury, personal injury, sickness, disease or death and insurance that will protect the CONTRACTOR, SAWS and the City from claims for damages to or destruction of tangible property of others, including loss of use thereof.

This line of insurance coverage shall:

- Cover independent contractors;
- Not include any exclusions relating to blasting, explosion, collapse of buildings or damage to underground property (*if applicable*);
- Afford coverage for Products Liability and/or Completed Operations and, Contractual Liability.

The minimum policy limits of liability for this line of insurance coverage shall be:

\$ 1,000,000.00	Occurrence Limit
2,000,000.00	General Aggregate
2,000,000.00	Products/Completed Operations Aggregate
1,000,000.00	Personal and Advertising Injury
1,000,000.00	Contractual Liability

This line of insurance coverage shall be endorsed:

- Naming SAWS and the City as an **Additional Insured**; and
- To provide a **Waiver of Subrogation** in favor of SAWS and the City.

- 4) **Commercial/Business Automobile Liability (AL)** insurance that will protect the CONTRACTOR, SAWS and the City from claims for damages arising out of the maintenance, operation, or use of any owned, non-owned or hired vehicles.

Minimum policy limits of liability for this line of insurance coverage for bodily injury and property damage **combined** shall be not less than \$1,000,000.00 per each occurrence.

This line of insurance coverage shall be endorsed:

- Naming SAWS and the City as an **Additional Insured**; and
- To provide a **Waiver of Subrogation** in favor of SAWS and the City.

- b. CONTRACTOR shall require all Sub-contractors to carry lines of insurance coverage appropriate to their scope of Work.
- c. CONTRACTOR agrees that with respect to the above required lines of insurance, all insurance policies are to contain or be endorsed to the extent, not inconsistent with the requirements of the issuing insurance carrier, to provide for an endorsement that the "other insurance" clause shall not apply where SAWS and the CITY are an Additional Insured shown on the policy if such endorsement is permitted by law and regulations.
- d. CONTRACTOR shall, upon request of SAWS, provide copies of all insurance policies and endorsements required under Contract.
- e. CONTRACTOR is responsible for the deductibles under all lines of insurance coverage required by these Specifications.
- f. The stated policy limits of each line of insurance coverage required by these Specifications are MINIMUM ONLY and it shall be the CONTRACTOR's responsibility to determine what policy limits are adequate and the length of time each line of insurance coverage shall be maintained; insurance policy limits are not a limit of the CONTRACTOR's liability.
- g. These minimum limits of insurance coverage may be either basic policy limits of the WC/ EL, CGL and AL or any combination of basic limits or umbrella limits.
- h. SAWS acceptance of Certificate(s) of Liability Insurance that in any respect, do not comply with these Specifications does not release the CONTRACTOR from compliance herewith.
- i. Each line of insurance coverage that is required under these Specifications shall be so written so as to provide SAWS and the City thirty (30) calendar days advance written notice directly of any cancellation or non-renewal of coverage, and not less than ten (10) calendar days advance written notice for nonpayment of premium.
- j. Within five (5) calendar days of cancellation or non-renewal of coverage, the CONTRACTOR shall provide a replacement Certificate of Liability Insurance and applicable endorsements to SAWS. SAWS shall have the option to suspend the CONTRACTOR's performance should there be a lapse in coverage at any time during this Contract.
- k. Failure to provide and to maintain continuous coverage by each of the required lines of insurance shall constitute a material breach of this contract.

- l. In addition to any other remedies SAWS may have upon the CONTRACTOR's failure to provide and maintain any insurance or policy endorsements to the extent and within the time herein required, SAWS shall have the right to order the CONTRACTOR to stop performing services hereunder and/or withhold any payment(s) which become due to the CONTRACTOR hereunder until the CONTRACTOR demonstrates compliance with the specifications hereof.
- m. Nothing herein contained shall be construed as limiting in any way the extent to which the CONTRACTOR may be held responsible for payments of damages to persons or property resulting from the CONTRACTOR 's or its Sub-contractor's performance of the services covered under this Contract.
- n. It is agreed that the CONTRACTOR's insurance shall be deemed primary and non-contributory with respect to any insurance or self-insurance carried by SAWS, the City and their employees and agents for liability arising out of operations under this Contract.
- o. CONTRACTOR agrees that all lines of insurance coverage required by these Specifications shall be with insurance companies, firms or entities that have an **A.M. Best** rating of "A- ("A"- minus)" and a **Financial Size Category** of a "VII" or better. All lines of insurance coverage shall be of an "Occurrence" type except for the Contractor's Pollution Liability line of insurance coverage.

SAWS will accept worker's compensation coverage written by the Texas Workers Compensation Insurance Fund.

- p. SAWS reserves the right to review the above stated insurance specifications during the effective period of this Contract and any extension or renewal hereof and to request modification of lines of insurance coverage and their respective liability limits when deemed necessary and prudent by SAWS' Risk Manager and Legal Department based upon changes in statutory law, court decisions, or circumstances surrounding this Contract.

In no instance will SAWS and the City allow modification whereupon SAWS and the City may incur increased risk exposure.

2. Certificate(s) of Liability Insurance ("Certificate") Requirements

Prior to the commencement of any work under this Contract and once notified by SAWS Purchasing Division that your Company has been selected as the apparent, lowest responsive Bidder, pending Board final approval, and you will be requested to submit your Company's Certificate(s) of Liability Insurance, that Certificate(s) must meet all of the following requirements:

- a. The CONTRACTOR shall have completed by its insurance agent(s), a Certificate(s) providing evidence of the lines of insurance coverage pursuant to Section 1.a.1) through 1.a.4) listed above.
- b. The original Certificate(s) or form must include the agent's original signature, including the signer's company affiliation, mailing address, Office and FAX phone numbers, email address, and contact person's name; and, be mailed, with copies of all applicable endorsements, directly from the insurer's authorized representative in strictly compliance with sections 2.g. (**Certificate Holder**) and 2.h. (**Distribution of Completed Certificates**) below.
- c. The Texas Legislature passed and Governor Perry signed Senate Bill 425 to become effective January 1, 2012. This law will require all certificates of insurance forms to be filed with and approved by the Texas Department of Insurance before they can be used after the effective date of the law. In addition, the law codifies current Texas Department of Insurance rules that a certificate of insurance must not obscure or misrepresent the coverage provided by the insurance policies.
- d. SAWS will not accept Memorandum of Insurance or Binders as proof of insurance.
- e. SAWS shall have no duty to pay or perform under this Agreement until such certificate(s) and endorsements have been received, reviewed and deemed 100% compliant with SAWS Purchasing Bid document Insurance

Specifications by SAWS' Risk Management/Purchasing Division. No one other than SAWS Risk Manager shall have authority to waive any part of this requirement.

f. **Additional Insured:**

SAWS requires that the Automobile Liability ("AL") and the Commercial General Liability ("CGL") policies must be endorsed naming Certificate Holder (as per item 2. i. below) as an **Additional Insured** and, so noted in the **DESCRIPTION OF OPERATIONS** section of the Certificate:

Suggested wording to be placed on the Certificate is as follows:

EITHER use,

The AL and CGL policies include a blanket automatic **Additional Insured** endorsement that provides additional insured status to the Certificate Holder only when there is a written contract between the named Insured and the Certificate Holder that requires such status.

OR use,

The AL and CGL policies are endorsed naming the Certificate Holder as an **Additional Insured**.

NOTE: If the above wording cannot be placed in the **DESCRIPTION OF OPERATIONS** section of the Certificate, please provide SAWS with the completed Certificate, a copy of the specific AL and CGL Additional Insured endorsement documents or the policy wording from both the AL and CGL policies.

g. **Waiver of Subrogation:**

SAWS requires that the AL, CGL and Workers' Compensation/Employer's Liability ("WC/EL") policies must be endorsed with the **Waiver of Subrogation** in favor of Certificate Holder (as per item 2. i. below) and, so noted in the **DESCRIPTION OF OPERATIONS** section of the Certificate:

Suggested wording to be placed on the Certificate is as follows:

EITHER use,

The AL, CGL and WC/EL policies include a blanket, automatic **Waiver of Subrogation** endorsement that provides this feature only when there is a written contract between the named Insured, the Certificate Holder that requires such status.

OR use,

The AL, CGL and WC/EL policies are endorsed with the **Waiver of Subrogation** in favor of the Certificate Holder.

NOTE: If the above wording cannot be placed in the **DESCRIPTION OF OPERATIONS** section of the Certificate, please provide SAWS with the completed Certificate, a copy of the specific AL, CGL and WC/EL Waiver of Subrogation endorsements documents or the policy wording from each of the AL, CGL and WC/EL policies.

h. The SAWS Bid number(s) and the Bid name **shall be included** in the Description of Operations section located in the bottom half of the standard ACORD Certificate of Liability Insurance forms.

i. **Certificate Holder** - SAWS shall be shown as the Certificate Holder in the Certificate Holder section located in the bottom half of the standard ACORD Certificate of Liability Insurance forms and formatted as follows:

San Antonio Water System/City of San Antonio

c/o Ebix BPO
P.O. Box 100085-ZD
Duluth, GA 30096

**NOTE: SAWS Purchasing Division will provide the above address, to include a correct, complete Reference Number, in the written confirmation of being selected as the lowest responsive Bidder pending final Board approval.*

DO NOT BEGIN THE DISTRIBUTION OF ANY CERTIFICATE(S) BEFORE RECEIVING AND INSERTING THE COMPLETE REFERENCE NUMBER INTO THE CERIFICATE HOLDER ADDRESS SHOWN ABOVE.

- j. **Distribution of Completed Certificates** - Completed **Certificates of Liability Insurance** shall be distributed by the CONTRACTOR within 5 days after receipt of written confirmation of being notified as the lowest, responsive Bidder pending final Board approval, as follows:

1) Send Original:

a) **By Mail:**

Ebix BPO
P.O. Box 100085-ZD
Duluth, GA 30096

b) **By Fax:** (770) 325-6502

c) **By E-Mail:** saws@ebix.com

2) Send Copy by mail to:

San Antonio Water System
Attention: Purchasing Division
P.O. Box 2449
San Antonio, TX 78298-2449

- k. CONTRACTOR shall be responsible for obtaining Certificates of Liability Insurance from the first tier Sub-contractor, and upon request furnish copies to SAWS.

3. SURVIVAL

Any and all representations, conditions and warranties made by CONTRACTOR under this Contract including, without limitation, the provisions of Section 1.a.2), 1.a.3) and 1.a.4) of these **Insurance Specifications** are of the essence of this Contract and shall survive the execution and delivery of it, and all statements contained in any document required by SAWS whether delivered at the time of the execution, or at a later date, shall constitute representations and warranties hereunder.