



17 North Second Street
12th Floor
Harrisburg, PA 17101-1601
717-731-1970 Main
717-731-1985 Main Fax
www.postschell.com

Michael W. Hassell

mhassell@postschell.com
717-612-6029 Direct
717-731-1985 Direct Fax
File #: 170546

December 1, 2017

VIA ELECTRONIC FILING

Rosemary Chiavetta, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street, 2nd Floor North
P.O. Box 3265
Harrisburg, PA 17105-3265

Re: Petition of Aqua Pennsylvania Wastewater, Inc. for Approval of its Second Long-Term Infrastructure Improvement Plan - Docket No. P-2017-2622818

Dear Secretary Chiavetta:

Enclosed please find the responses of Aqua Pennsylvania Wastewater, Inc. to Data Requests TUS-Set I, Nos. 1 through 3, in the above-referenced proceeding.

Respectfully submitted,

Michael W. Hassell

MWH/skr
Enclosures

cc: John Van Zant, TUS (*via e-mail*)

AQUA PENNSYLVANIA WASTEWATER, INC.

BUREAU OF TECHNICAL UTILITY SERVICES

DATA REQUEST TUS-1

DOCKET NO. P-2017-2622818

-
- 1) Reference the Second LTIP, Exhibit A, page 2, Aqua Annual Collection System Investments per Calendar Year and Asset Type Table.
- a. The table shows the amount of investment made by year for each of the Aqua operating areas. Provide a similar table that includes the quantities of materials replaced or repaired for each of the calendar years 2013 through 2017.
- b. Provide a table that details the quantity of main that was replaced as compared to main that was lined in each of the operating areas for each of the calendar years 2013 through 2017.

RESPONSE

- a. Please see the below table.

Division	Pump Stations	Manholes	Mains (LF)
GPA 2013	22	1	30
SEPA 2013	14	-	-
Subtotal	36	1	30
GPA 2014	17*	94	2,189
SEPA 2014	16	-	7,038
Subtotal	33	94	9,227
GPA 2015	30	174	8,756
SEPA 2015	6	-	5,311
Subtotal	36	174	14,067
GPA 2016	25	150	1,977
SEPA 2016	4	-	6,080
Subtotal	29	150	8,057
GPA 2017	6	72	2,769
SEPA 2017	33	-	2,400
Subtotal**	39	72	5,169
Total	173	490	36,550

* GPA 2014 Pump Station totals have been revised to remove refurbishments to Aqua owned residential grinder pumps which were incorrectly included in the tabulation previously submitted to Commission.

** 2017 Data is based on amounts projected through the end of 2017.

- b. During the course of the first LTIIP, quantities of direct main replacement versus quantities of main restored by lining methods were not differentially tracked and Aqua is therefore unable to provide a tabulation of this data. Aqua generally performed direct replacement of sanitary mains in most instances since most of the refurbishment projects were to eliminate defects discovered in short segments of pipe. Aqua however did engage in certain projects that involved both slip lining of sewer mains and inversion lining of sewer mains. Aqua is currently working on the development of a data acquisition and documentation system for this program that will be used by all Aqua Pennsylvania Wastewater Divisions to ensure the capture of all pertinent project information for work performed under this program. Aqua has engaged an outside engineering firm to assist Aqua and work with the sewer divisions on data collection and GIS documentation of all work performed under this program.

AQUA PENNSYLVANIA WASTEWATER, INC.
BUREAU OF TECHNICAL UTILITY SERVICES
DATA REQUEST TUS-1
DOCKET NO. P-2017-2622818

-
- 2) Reference the Aqua Second LTIP, Exhibit A, pages 33 and 34.
- a. Reference Tables 5.1 and 5.2. Provide similar tables that detail the quantities of eligible property planned to be repaired or replaced by operating area for each of the calendar years 2018 through 2022.
 - b. Clarify the eligible property category/categories that are addressed by the CCTV Main Inspections and Clean and Televiser projects. Reference 66 Pa. C.S. § 1351.
 - c. Describe the process that will be employed when selecting LTIP projects to be competitively bid, including how contractors are pre-qualified, how bids are solicited, and how bids are evaluated.
 - d. Provide a sample of an RFP and contractor agreement.
 - e. Provide a summary and copy of the procedure(s) controlling the bidding process.

RESPONSE

- a. Please see the below tables.

GPA Collection System Capital Improvement Schedule

Description	2018	2019	2020	2021	2022	Total
Sewer Mains (LF)	24,500	17,500	14,000	12,000	9,000	77,000
Manholes (each)	335	120	15	15	15	500
Pump Stations (each)	44	5	8	8	8	73
Clean and TV (LF)	154,000	20,000	40,000	40,000	40,000	294,000

SEPA Collection System Capital Improvement Schedule

Description	2018	2019	2020	2021	2022	Total
Sewer Mains (LF)	7,000	2,000	1,400	3,800	3,800	18,000
Manholes (each)	0	0	0	0	0	0
Pump Stations (each)	16	8	8	0	0	32
Clean and TV (LF)	0	0	0	0	0	0

- b. CCTV Main Inspects and Clean and Televising are eligible property under 66 Pa. C.S. § 1351(4)(iv) – “[c]ollection main rehabilitation including inflow and infiltration projects.” These projects are expected to be recorded in Account 360 and 361.
- c. Typically, the Engineering Consultant and the Division Office Engineer review the project Scope of Work and identify several prospective bidders that are known to have the experience and good track record to complete the needed services with a competitive price. For example, on the APW North East Wastewater Systems Cleaning and Televising Project, Entech Engineering, Inc. and Aqua’s Northeast Division Office Engineer reviewed the scope of work and identified six (6) prospective bidders. An invitation to bid was sent to all six (6) of these prospective bidders. A non-mandatory pre-bid conference was then held to provide the prospective bidders with the contract documents, further explain the scope of work, and answer contractor questions. An addendum was issued to capture changes to the scope of work and to clarify prospective bidder questions. The completed Bid Form and Appendix E from the prospective bidders were then received via email by two separate Aqua Pennsylvania Wastewater, Inc. personnel, the Division Office Engineer and the Division Area Manager, and hard copies of the complete proposal from the prospective bidders were then mailed to the Division Office. The lowest responsible bidder is then selected based upon price and compliance with the project specifications.
- d. Refer to attached Invitation to Bid (TUS-1-2 Attachment 1) and EJCDC C-520 Form of Agreement Between Owner and Contractor for Construction Contract (Stipulated Price) (TUS-1-2 Attachment 2).
- e. The bidding process is controlled through the attached EJCDC C-200 Instructions to Bidders for Construction Contracts (TUS-1-2 Attachment 3). As noted above, additional controls implemented by Aqua Pennsylvania Wastewater, Inc. include sending portions of the bids electronically to two separate Aqua Pennsylvania Wastewater, Inc. employees followed by mailed hard copies of the bids.

Attachment 1

INVITATION TO BID

APW North East Wastewater Systems Cleaning and Televising Project

Entech No. 4121.25

Aqua Pennsylvania Wastewater, Inc.
Adams, Carbon, Luzerne, Monroe, Pike, Schuylkill, Wayne, and Wyoming Counties, PA

Proposals for the APW North East Wastewater Systems – Cleaning and Televising Project will be received by Josh Shoff at Aqua Pennsylvania Wastewater, Inc., 1 Aqua Way, White Haven, Pennsylvania 18661 until 2:00 p.m. prevailing time, Thursday, September 28, 2017. Bidders shall email a complete copy of the supplied Bid Form spreadsheet excel file and a PDF copy of Appendix E to Aqua Pennsylvania, Inc. (Attn: Josh Shoff – jpshoff@aquaaamerica.com) and (Attn: Steve Clark – seclark@aquaaamerica.com). The proposals will be privately reviewed at that time. Complete hard copies of the bid packages shall also be sent to Aqua Pennsylvania Wastewater, Inc. (White Haven office) via mail following the submission of electronic copies and can be received after the Bid due date.

Please note there will be a pre-bid conference at Aqua Pennsylvania Wastewater, Inc. office at 10:30 a.m. on Thursday, September 14, 2017. Attendance at the pre-bid conference is highly encouraged but is not mandatory.

This project consists of, but is not limited to, cleaning and televising of each of the thirteen (13) wastewater collection systems. These systems are located within either Adams, Carbon, Luzerne, Monroe, Pike, Schuylkill, Wayne, and Wyoming Counties, Pennsylvania. The approximate footages are as follows: 5,000 lf of 6-inch, 300,000 lf of 8-inch, 17,000 lf of 10-inch, 13,000 lf of 12-inch, and 1,000 lf of 15-inch. The extent of the Work is described in the Contract Documents, Drawings, and Specifications.

A Performance Bond and Payment Bond, each in an amount equal to 100% of the amount of the contract, will be required.

Aqua Pennsylvania Wastewater, Inc. hereby reserves the right, which is understood and agreed to by all bidders, to refuse and reject any or all bids submitted, and also reserves the right to waive any informality in bids received.

Except as otherwise provided by law, no bidder may withdraw his bid for sixty (60) days after the Bid Due Date, unless the contract award is delayed by a required approval of another government agency, the sale of bonds, or the award of a grant or grants, in which case the Bids shall remain open to acceptance and shall be irrevocable for a period of one hundred twenty (120) days after the Bid Due Date.

Attachment 2

**FORM OF AGREEMENT
BETWEEN OWNER AND CONTRACTOR
FOR CONSTRUCTION CONTRACT (STIPULATED PRICE)**

THIS AGREEMENT is by and between Aqua Pennsylvania Wastewater, Inc. ("Owner") and
_____ ("Contractor").

Owner and Contractor hereby agree as follows:

ARTICLE 1 – WORK

1.01 Contractor shall complete all Work as specified or indicated in the Contract Documents. The Work is generally described as follows:

This project consists of, but is not limited to, cleaning and televising of each of the thirteen (13) wastewater collection systems. These systems are located within either Adams, Carbon, Luzerne, Monroe, Pike, Schuylkill, Wayne, and Wyoming Counties, Pennsylvania. The approximate footages are as follows: 5,000 lf of 6-inch, 300,000 lf of 8-inch, 17,000 lf of 10-inch, 13,000 lf of 12-inch, and 1,000 lf of 15-inch. The extent of the Work is described in the Contract Documents, Drawings, and Specifications.

ARTICLE 2 – THE PROJECT

2.01 The Project for which the Work under the Contract Documents may be the whole or only a part is generally described as follows:

APW North East Wastewater Systems – Cleaning and Televising Project

ARTICLE 3 – ENGINEER

3.01 The Project has been designed by Entech Engineering, Inc. (Engineer), which is to act as Owner's representative, assume all duties and responsibilities, and have the rights and authority assigned to Engineer in the Contract Documents in connection with the completion of the Work in accordance with the Contract Documents.

ARTICLE 4 – CONTRACT TIMES

4.01 *Time of the Essence*

A. All time limits for Milestones, if any, Substantial Completion, and completion and readiness for final payment as stated in the Contract Documents are of the essence of the Contract.

4.02 *Days to Achieve Substantial Completion and Final Payment*

A. The Work will be substantially completed within 210 days after the date when the Contract Times commence to run as provided in Paragraph 2.03 of the General Conditions, and completed and ready for final payment in accordance with Paragraph 14.07 of the General Conditions within 240 days after the date when the Contract Times commence to run.

4.03 *Liquidated Damages*

- A. Contractor and Owner recognize that time is of the essence as stated in Paragraph 4.01 above and that Owner will suffer financial loss if the Work is not completed within the times specified in Paragraph 4.02 above, plus any extensions thereof allowed in accordance with Article 12 of the General Conditions. The parties also recognize the delays, expense, and difficulties involved in proving in a legal or arbitration proceeding the actual loss suffered by Owner if the Work is not completed on time. Accordingly, instead of requiring any such proof, Owner and Contractor agree that as liquidated damages for delay (but not as a penalty), Contractor shall pay Owner \$500.00 for each day that expires after the time specified in Paragraph 4.02 above for Substantial Completion until the Work is substantially complete. After Substantial Completion, if Contractor shall neglect, refuse, or fail to complete the remaining Work within the Contract Time or any proper extension thereof granted by Owner, Contractor shall pay Owner \$500.00 for each day that expires after the time specified in Paragraph 4.02 above for completion and readiness for final payment until the Work is completed and ready for final payment.

ARTICLE 5 – CONTRACT PRICE

- 5.01 Owner shall pay Contractor for completion of the Work in accordance with the Contract Documents an amount in current funds equal to the sum of the amounts determined pursuant to Paragraphs 5.01.A and 5.01.B below:
- A. For all Unit Price Work, an amount equal to the sum of the established unit price for each separately identified item of Unit Price Work times the actual quantity of that item:

<u>Item No.</u>	<u>Description</u>	<u>UNIT PRICE WORK</u>			<u>Bid Price</u>
		<u>Unit</u>	<u>Estimated Quantity</u>	<u>Bid Unit Price</u>	

Total of all Bid Prices (Unit Price Work) \$ _____

The Bid prices for Unit Price Work set forth as of the Effective Date of the Agreement are based on estimated quantities. As provided in Paragraph 11.03 of the General Conditions, estimated quantities are not guaranteed, and determinations of actual quantities and classifications are to be made by Engineer as provided in Paragraph 9.07 of the General Conditions.

- B. For all Work, at the prices stated in Contractor's Bid, attached hereto as an exhibit.

ARTICLE 6 – PAYMENT PROCEDURES

6.01 *Submittal and Processing of Payments*

- A. Contractor shall submit Applications for Payment in accordance with Article 14 of the General Conditions. Applications for Payment will be processed by Engineer as provided in the General Conditions.

6.02 *Progress Payments; Retainage*

- A. Owner shall make progress payments on account of the Contract Price on the basis of Contractor's Applications for Payment as recommended by Engineer as provided in Paragraphs 6.02.A.1 and 6.02.A.2 below. All such payments will be measured by the schedule of values established as provided in Paragraph 2.07.A of the General Conditions (and in the case of Unit Price Work based on the number of units completed) or, in the event there is no schedule of values, as provided in the General Requirements.
 - 1. Prior to Substantial Completion, progress payments will be made in an amount equal to the percentage indicated below but, in each case, less the aggregate of payments previously made and less such amounts as Engineer may determine or Owner may withhold, including but not limited to liquidated damages, in accordance with Paragraph 14.02 of the General Conditions.
 - a. As determined by Engineer and recommended to Owner, payment by Owner will be in amount equal to 90% of Work completed and 90% of materials and equipment not incorporated in the Work but delivered, suitably stored, and accompanied by documentation satisfactory to Owner as provided in paragraph 14.02 of the General Conditions.
 - 2. When the Contractor considers that the Work has been Substantially Completed, he shall submit a request for final inspection and an application for final payment. The Engineer shall make final inspection within thirty (30) days of receipt of the Contractor's request for final inspection and an application for final payment. If the Engineer determines that the Work is substantially completed, the Engineer shall issue a certificate of completion and a final certificate for payment and Owner shall make payment in full within forty-five (45) days except as provided below, less 5% of the total work completed and stored to date. The certificate given by the Engineer shall list in detail each uncompleted item. Final payment of amount withheld for the completion of the minor items shall be paid upon completion of the items in the certificate of the Engineer. In the event a dispute arises between Owner and any prime Contractor on the project to which the Agreement relates, which dispute is based upon increased costs claimed by one prime Contractor occasioned by delays or other actions by another prime Contractor, additional retainage in the sum of one and one-half times the amount of any possible liability may be withheld from the Contractor until such time as a final resolution is agreed to by all parties directly or indirectly involved, unless the Contractor causing the additional claim furnishes a bond satisfactory to the Owner to indemnify the Owner against the claim.
 - 3. Payment to Subcontractors. In the absence of sufficient reasons, within twenty (20) days of the receipt of payment by the Contractor, the Contractor shall pay all subcontractors with which it has contracted their earned share of the payment the Contractor has received.

6.03 *Final Payment*

- A. Upon final completion and acceptance of the Work in accordance with Paragraph 14.07 of the General Conditions, Owner shall pay the remainder of the Contract Price as recommended by Engineer as provided in said Paragraph 14.07.

ARTICLE 7 – INTEREST

- 7.01 All moneys not paid when due as provided in Article 14 of the General Conditions shall bear interest at the rate of 0 percent per annum.

ARTICLE 8 – CONTRACTOR'S REPRESENTATIONS

- 8.01 In order to induce Owner to enter into this Agreement, Contractor makes the following representations:
 - A. Contractor has examined and carefully studied the Contract Documents and the other related data identified in the Bidding Documents.
 - B. Contractor has visited the Site and become familiar with and is satisfied as to the general, local, and Site conditions that may affect cost, progress, and performance of the Work.
 - C. Contractor is familiar with and is satisfied as to all federal, state, and local Laws and Regulations that may affect cost, progress, and performance of the Work.
 - D. Contractor has carefully studied all: (1) reports of explorations and tests of subsurface conditions at or contiguous to the Site and all drawings of physical conditions relating to existing surface or subsurface structures at the Site (except Underground Facilities), if any, that have been identified in Paragraph SC-4.02 of the Supplementary Conditions as containing reliable "technical data," and (2) reports and drawings of Hazardous Environmental Conditions, if any, at the Site that have been identified in Paragraph SC-4.06 of the Supplementary Conditions as containing reliable "technical data."
 - E. Contractor has considered the information known to Contractor; information commonly known to contractors doing business in the locality of the Site; information and observations obtained from visits to the Site; the Contract Documents; and the Site-related reports and drawings identified in the Contract Documents, with respect to the effect of such information, observations, and documents on (1) the cost, progress, and performance of the Work; (2) the means, methods, techniques, sequences, and procedures of construction to be employed by Contractor, including any specific means, methods, techniques, sequences, and procedures of construction expressly required by the Contract Documents; and (3) Contractor's safety precautions and programs.
 - F. Based on the information and observations referred to in Paragraph 8.01.E above, Contractor does not consider that further examinations, investigations, explorations, tests, studies, or data are necessary for the performance of the Work at the Contract Price, within the Contract Times, and in accordance with the other terms and conditions of the Contract Documents.
 - G. Contractor is aware of the general nature of work to be performed by Owner and others at the Site that relates to the Work as indicated in the Contract Documents.

- H. Contractor has given Engineer written notice of all conflicts, errors, ambiguities, or discrepancies that Contractor has discovered in the Contract Documents, and the written resolution thereof by Engineer is acceptable to Contractor.
- I. The Contract Documents are generally sufficient to indicate and convey understanding of all terms and conditions for performance and furnishing of the Work.

ARTICLE 9 – CONTRACT DOCUMENTS

9.01 Contents

- A. The Contract Documents consist of the following:
 - 1. This Agreement (pages 1 to __, inclusive).
 - 2. Performance bond (pages ____ to ____, inclusive).
 - 3. Payment bond (pages ____ to ____, inclusive).
 - 4. Hold Harmless Agreement Document 00618.
 - 5. Notice of Award.
 - 6. General Conditions (pages ____ to ____, inclusive).
 - 7. Supplementary Conditions (pages ____ to ____, inclusive).
 - 8. Project Manual bearing the title "Aqua Pennsylvania Wastewater, Inc. – APW North East Wastewater Systems – Cleaning and Televising Project" consisting of the following:
 - a. All items defined in the Project Manual Index
 - b. All Reference Documents which are part of the Project Manual
 - c. All Technical Specifications and Drawings as defined in the Project Manual Index
 - d. All Attachments as defined in the Project Manual Index
 - e. All Addenda
 - f. Exhibits to this Agreement (enumerated as follows):
 - 1. Contractor's Bid (pages ____ to ____, inclusive)
 - 2. Documentation submitted by Contractor prior to Notice of Award (pages _____ to _____, inclusive)
 - g. Contractor's Bid
 - h. Documentation submitted by Contractor (if any) prior to Notice of Award, as listed below:

- i. The following which may be delivered or issued on or after the Effective Date of the Agreement and are not attached hereto:
 1. Notice to Proceed (pages _____ to _____, inclusive)
 2. Change Orders
- B. The documents listed in Paragraph 9.01.A are attached to this Agreement (except as expressly noted otherwise above).
- C. There are no Contract Documents other than those listed above in this Article 9.
- D. The Contract Documents may only be amended, modified, or supplemented as provided in Paragraph 3.04 of the General Conditions.

ARTICLE 10 – MISCELLANEOUS

10.01 Terms

- A. Terms used in this Agreement will have the meanings stated in the General Conditions and the Supplementary Conditions.

10.02 Assignment of Contract

- A. No assignment by a party hereto of any rights under or interests in the Contract will be binding on another party hereto without the written consent of the party sought to be bound; and, specifically but without limitation, moneys that may become due and moneys that are due may not be assigned without such consent (except to the extent that the effect of this restriction may be limited by law), and unless specifically stated to the contrary in any written consent to an assignment, no assignment will release or discharge the assignor from any duty or responsibility under the Contract Documents.

10.03 Successors and Assigns

- A. Owner and Contractor each binds itself, its partners, successors, assigns, and legal representatives to the other party hereto, its partners, successors, assigns, and legal representatives in respect to all covenants, agreements, and obligations contained in the Contract Documents.

10.04 Severability

- A. Any provision or part of the Contract Documents held to be void or unenforceable under any Law or Regulation shall be deemed stricken, and all remaining provisions shall continue to be valid and binding upon Owner and Contractor, who agree that the Contract Documents shall be reformed to replace such stricken provision or part thereof with a valid and enforceable provision that comes as close as possible to expressing the intention of the stricken provision.

10.05 *Contractor's Certifications*

- A. Contractor certifies that it has not engaged in corrupt, fraudulent, collusive, or coercive practices in competing for or in executing the Contract. For the purposes of this Paragraph 10.05:
1. "corrupt practice" means the offering, giving, receiving, or soliciting of any thing of value likely to influence the action of a public official in the bidding process or in the Contract execution;
 2. "fraudulent practice" means an intentional misrepresentation of facts made (a) to influence the bidding process or the execution of the Contract to the detriment of Owner, (b) to establish Bid or Contract prices at artificial non-competitive levels, or (c) to deprive Owner of the benefits of free and open competition;
 3. "collusive practice" means a scheme or arrangement between two or more Bidders, with or without the knowledge of Owner, a purpose of which is to establish Bid prices at artificial, non-competitive levels; and
 4. "coercive practice" means harming or threatening to harm, directly or indirectly, persons or their property to influence their participation in the bidding process or affect the execution of the Contract.

10.06 *Other Provisions*

IN WITNESS WHEREOF, Owner and Contractor have signed this Agreement. Counterparts have been delivered to Owner and Contractor. All portions of the Contract Documents have been signed or have been identified by Owner and Contractor or on their behalf.

This Agreement will be effective on _____ (which is the Effective Date of the Agreement).

OWNER:

CONTRACTOR:

Aqua Pennsylvania Wastewater, Inc.

By: _____

By: _____

Title: _____

Title: _____

[CORPORATE SEAL]

[CORPORATE SEAL]

Attest: _____

Attest: _____

Title: _____

Title: _____

Address for giving notices:

Address for giving notices:

762 West Lancaster Avenue

Bryn Mawr, PA 19010

License No.: _____
(Where applicable)

(If Owner is a corporation, attach evidence of authority to sign. If Owner is a public body, attach evidence of authority to sign and resolution or other documents authorizing execution of this Agreement.)

Agent for service of process:

(If Contractor is a corporation, a partnership, or a joint venture, attach evidence of authority to sign.)

Attachment 3

INSTRUCTIONS TO BIDDERS

TABLE OF CONTENTS

	Page
Article 1 – Defined Terms	1
Article 2 – Copies of Bidding Documents	1
Article 3 – Qualifications of Bidders	1
Article 4 – Examination of Bidding Documents, Other Related Data, and Site	1
Article 5 – Pre-Bid Conference	4
Article 6 – Site and Other Areas	4
Article 7 – Interpretations and Addenda	4
Article 8 – Bid Security	4
Article 9 – Contract Times	4
Article 10 – Liquidated Damages	5
Article 11 – Substitute and "Or-Equal" Items	5
Article 12 – Subcontractors, Suppliers and Others	5
Article 13 – Preparation of Bid	5
Article 14 – Basis of Bid; Comparison of Bids	6
Article 15 – Submittal of Bid	7
Article 16 – Modification and Withdrawal of Bid	7
Article 17 – Opening of Bids	7
Article 18 – Bids to Remain Subject to Acceptance	8
Article 19 – Evaluation of Bids and Award of Contract	8
Article 20 – Contract Security and Insurance	8
Article 21 – Signing of Agreement	9
Article 22 – Sales and Use Taxes	9
Article 23 – Retainage	9
Article 24 – Steel Products Procurement Act	9
Article 25 – Labor Requirements	9
Article 26 – Emergency Work	9

ARTICLE 1 – DEFINED TERMS

1.01 Terms used in these Instructions to Bidders have the meanings indicated in the General Conditions and Supplementary Conditions. Additional terms used in these Instructions to Bidders have the meanings indicated below:

- A. *Issuing Office* – The office from which the Bidding Documents are to be issued and where the bidding procedures are to be administered.

ARTICLE 2 – COPIES OF BIDDING DOCUMENTS

- 2.01 Complete sets of the Bidding Documents in the number and for the deposit sum, if any, stated in the advertisement or invitation to bid may be obtained from the Issuing Office.
- 2.02 Complete sets of Bidding Documents shall be used in preparing Bids; neither Owner nor Engineer assumes any responsibility for errors or misinterpretations resulting from the use of incomplete sets of Bidding Documents.
- 2.03 Owner and Engineer, in making copies of Bidding Documents available on the above terms, do so only for the purpose of obtaining Bids for the Work and do not authorize or confer a license for any other use.

ARTICLE 3 – QUALIFICATIONS OF BIDDERS

- 3.01 Not applicable.

ARTICLE 4 – EXAMINATION OF BIDDING DOCUMENTS, OTHER RELATED DATA, AND SITE

4.01 *Subsurface and Physical Conditions*

- A. The Supplementary Conditions identify:
1. Those reports known to Owner of explorations and tests of subsurface conditions at or contiguous to the Site.
 2. Those drawings known to Owner of physical conditions relating to existing surface or subsurface structures at the Site (except Underground Facilities).
- B. Copies of reports and drawings referenced in Paragraph 4.01.A will be made available by Owner to any Bidder on request. Those reports and drawings are not part of the Contract Documents, but the "technical data" contained therein upon which Bidder is entitled to rely as provided in Paragraph 4.02 of the General Conditions has been identified and established in Paragraph 4.02 of the Supplementary Conditions. Bidder is responsible for any interpretation or conclusion Bidder draws from any "technical data" or any other data, interpretations, opinions, or information contained in such reports or shown or indicated in such drawings.

4.02 *Underground Facilities*

- A. Information and data shown or indicated in the Bidding Documents with respect to existing Underground Facilities at or contiguous to the Site is based upon information and data furnished to Owner and Engineer by owners of such Underground Facilities, including Owner, or others.

4.03 *Hazardous Environmental Condition*

- A. The Supplementary Conditions identify any reports and drawings known to Owner relating to a Hazardous Environmental Condition identified at the Site.
- B. Copies of reports and drawings referenced in Paragraph 4.03.A will be made available by Owner to any Bidder on request. Those reports and drawings are not part of the Contract Documents, but the "technical data" contained therein upon which Bidder is entitled to rely as provided in Paragraph 4.06 of the General Conditions has been identified and established in Paragraph 4.06 of the Supplementary Conditions. Bidder is responsible for any interpretation or conclusion Bidder draws from any "technical data" or any other data, interpretations, opinions, or information contained in such reports or shown or indicated in such drawings.

4.04 Provisions concerning responsibilities for the adequacy of data furnished to prospective Bidders with respect to subsurface conditions, other physical conditions, and Underground Facilities, and possible changes in the Bidding Documents due to differing or unanticipated subsurface or physical conditions appear in Paragraphs 4.02, 4.03, and 4.04 of the General Conditions. Provisions concerning responsibilities for the adequacy of data furnished to prospective Bidders with respect to a Hazardous Environmental Condition at the Site, if any, and possible changes in the Contract Documents due to any Hazardous Environmental Condition uncovered or revealed at the Site which was not shown or indicated in the Drawings or Specifications or identified in the Contract Documents to be within the scope of the Work, appear in Paragraph 4.06 of the General Conditions.

4.05 *Site Investigations by the Bidder*

- A. On request, Owner will provide Bidder access to the Site to conduct such examinations, investigations, explorations, tests, and studies as Bidder deems necessary for submission of a Bid. Bidder shall fill all holes and clean up and restore the Site to its former condition upon completion of such explorations, investigations, tests, and studies. Bidder shall comply with all applicable Laws and Regulations relative to excavation and utility locates.
- B. Before performing any subsurface investigation, Bidder shall first obtain written authorization from the appropriate entity having jurisdiction (not necessarily the Owner) and submitting a copy of such written authorization to Engineer. Bidder shall be responsible for complying with all requirements established by such entity including but not necessarily limited to the following established procedures: providing bonds and insurances, paying cost of inspection services, and repairing any and all damages resulting from the Bidder's activities.

4.06 Reference is made to Article 7 of the Supplementary Conditions for the identification of the general nature of other work that is to be performed at the Site by Owner or others (such as utilities and other prime contractors) that relates to the Work contemplated by these Bidding Documents. On request, Owner will provide to each Bidder for examination access to or copies of contract documents (other than portions thereof related to price) for such other work.

- 4.07 It is the responsibility of each Bidder before submitting a Bid to:
- A. examine and carefully study the Bidding Documents, and the other related data identified in the Bidding Documents, and any Addenda;
 - B. visit the Site and become familiar with and satisfy Bidder as to the general, local, and Site conditions that may affect cost, progress, and performance of the Work;
 - C. become familiar with and satisfy Bidder as to all federal, state, and local Laws and Regulations that may affect cost, progress, and performance of the Work;
 - D. carefully study all: (1) reports of explorations and tests of subsurface conditions at or contiguous to the Site and all drawings of physical conditions relating to existing surface or subsurface structures at the Site (except Underground Facilities) that have been identified in Paragraph 4.02 of the Supplementary Conditions as containing reliable "technical data," and (2) reports and drawings of Hazardous Environmental Conditions, if any, at the Site that have been identified in the Paragraph 4.06 of the Supplementary Conditions as containing reliable "technical data";
 - E. consider the information known to Bidder; information commonly known to contractors doing business in the locality of the Site; information and observations obtained from visits to the Site; the Bidding Documents; and the Site-related reports and drawings identified in the Bidding Documents, with respect to the effect of such information, observations, and documents on (1) the cost, progress, and performance of the Work; (2) the means, methods, techniques, sequences, and procedures of construction to be employed by Bidder, including applying any specific means, methods, techniques, sequences, and procedures of construction expressly required by the Bidding Documents; and (3) Bidder's safety precautions and programs;
 - F. agree at the time of submitting its Bid that no further examinations, investigations, explorations, tests, studies, or data are necessary for the determination of its Bid for performance of the Work at the price(s) bid and within the times required, and in accordance with the other terms and conditions of the Bidding Documents;
 - G. become aware of the general nature of the work to be performed by Owner and others at the Site that relates to the Work as indicated in the Bidding Documents;
 - H. promptly give Engineer written notice of all conflicts, errors, ambiguities, or discrepancies that Bidder discovers in the Bidding Documents and confirm that the written resolution thereof by Engineer is acceptable to Bidder; and
 - I. determine that the Bidding Documents are generally sufficient to indicate and convey understanding of all terms and conditions for the performance of the Work.

- 4.08 The submission of a Bid will constitute an incontrovertible representation by Bidder that Bidder has complied with every requirement of this Article 4, that without exception the Bid is premised upon performing and furnishing the Work required by the Bidding Documents and applying any specific means, methods, techniques, sequences, and procedures of construction that may be shown or indicated or expressly required by the Bidding Documents, that Bidder has given Engineer written notice of all conflicts, errors, ambiguities, and discrepancies that Bidder has discovered in the Bidding Documents and the written resolutions thereof by Engineer are acceptable to Bidder, and that the Bidding Documents are generally sufficient to indicate and convey understanding of all terms and conditions for performing and furnishing the Work.

ARTICLE 5 – PRE-BID CONFERENCE

- 5.01 A non-mandatory pre-Bid conference will be held at 10:30 a.m. local time on Thursday September 14, 2017 at the Aqua Pennsylvania Wastewater, Inc. office. Representatives of Owner and Engineer will be present to discuss the Project. Bidders are encouraged to attend and participate in the conference. Engineer will transmit to all prospective Bidders of record such Addenda as Engineer considers necessary in response to questions arising at the conference. Oral statements may not be relied upon and will not be binding or legally effective.

ARTICLE 6 – SITE AND OTHER AREAS

- 6.01 The Site is Identified in the Bidding Documents. Easements for permanent structures or permanent changes in existing facilities are to be obtained and paid for by Owner unless otherwise provided in the Bidding Documents. All additional lands and access thereto required for temporary construction facilities, construction equipment, or storage of materials and equipment to be incorporated in the Work are to be obtained and paid for by Contractor.

ARTICLE 7 – INTERPRETATIONS AND ADDENDA

- 7.01 All questions about the meaning or intent of the Bidding Documents are to be submitted to Engineer in writing. Interpretations or clarifications considered necessary by Engineer in response to such questions will be issued by Addenda mailed or delivered to all parties recorded by Engineer as having received the Bidding Documents. Questions received less than ten days prior to the date for opening of Bids may not be answered. Only questions answered by Addenda will be binding. Oral and other interpretations or clarifications will be without legal effect.
- 7.02 Addenda may be issued to clarify, correct, or change the Bidding Documents as deemed advisable by Owner or Engineer.

ARTICLE 8 – BID SECURITY

- 8.01 Not applicable.

ARTICLE 9 – CONTRACT TIMES

- 9.01 The number of days within which, or the dates by which, the Work is to be substantially completed and ready for final payment are set forth in the Agreement.

ARTICLE 10 – LIQUIDATED DAMAGES

10.01 Provisions for liquidated damages, if any, are set forth in the Agreement.

ARTICLE 11 – SUBSTITUTE AND “OR-EQUAL” ITEMS

11.01 The Contract, if awarded, will be on the basis of materials and equipment specified or described in the Bidding Documents, or those substitute or “or-equal” materials and equipment approved by Engineer and Identified by Addendum. The materials and equipment described in the Bidding Documents establish a standard of required type, function and quality to be met by any proposed substitute or “or-equal” item. No item of material or equipment will be considered by Engineer as a substitute or “or-equal” unless written request for approval has been submitted by Bidder and has been received by Engineer at least 15 days prior to the date for receipt of Bids. Each such request shall conform to the requirements of Paragraph 6.05 of the General Conditions. The burden of proof of the merit of the proposed item is upon Bidder. Engineer’s decision of approval or disapproval of a proposed item will be final. If Engineer approves any proposed item, such approval will be set forth in an Addendum issued to all prospective Bidders. Bidders shall not rely upon approvals made in any other manner.

ARTICLE 12 – SUBCONTRACTORS, SUPPLIERS AND OTHERS

12.01 The Bidder shall provide a list of all such Subcontractors, Suppliers, individuals, or entities proposed for those portions of the Work with the Bid submittal on the Bid Forms provided. Such list shall be accompanied by an experience statement with pertinent information regarding similar projects and other evidence of qualification for each such Subcontractor, Supplier, individual, or entity if requested by Owner. If Owner or Engineer, after due investigation, has reasonable objection to any proposed Subcontractor, Supplier, individual, or entity, Owner may, before the Notice of Award is given, request apparent Successful Bidder to submit a substitute, without an increase in the Bid.

12.02 If apparent Successful Bidder declines to make any such substitution, Owner may award the Contract to the next lowest Bidder that proposes to use acceptable Subcontractors, Suppliers, individuals, or entities. Declining to make requested substitutions will not constitute grounds for forfeiture of the Bid security of any Bidder. Any Subcontractor, Supplier, individual, or entity so listed and against which Owner or Engineer makes no written objection prior to the giving of the Notice of Award will be deemed acceptable to Owner and Engineer subject to revocation of such acceptance after the Effective Date of the Agreement as provided in Paragraph 6.06 of the General Conditions.

12.03 Contractor shall not be required to employ any Subcontractor, Supplier, individual, or entity against whom Contractor has reasonable objection.

ARTICLE 13 – PREPARATION OF BID

13.01 The Bid Form is included with the Bidding Documents.

13.02 All blanks on the Bid Form shall be completed in ink and the Bid Form signed in ink. Erasures or alterations shall be initialed in ink by the person signing the Bid Form. A Bid price shall be indicated for each unit price item listed therein. In the case of optional alternatives the words “No Bid,” “No Change,” or “Not Applicable” may be entered.

- 13.03 A Bid by a corporation shall be executed in the corporate name by the president or a vice-president or other corporate officer accompanied by evidence of authority to sign. The corporate seal shall be affixed and attested by the secretary or an assistant secretary. The corporate address and state of incorporation shall be shown.
- 13.04 A Bid by a partnership shall be executed in the partnership name and signed by a partner (whose title must appear under the signature), accompanied by evidence of authority to sign. The official address of the partnership shall be shown.
- 13.05 A Bid by a limited liability company shall be executed in the name of the firm by a member and accompanied by evidence of authority to sign. The state of formation of the firm and the official address of the firm shall be shown.
- 13.06 A Bid by an individual shall show the Bidder's name and official address.
- 13.07 A Bid by a joint venture shall be executed by each joint venturer in the manner indicated on the Bid Form. The official address of the joint venture shall be shown.
- 13.08 All names shall be printed in ink below the signatures.
- 13.09 The Bid shall contain an acknowledgment of receipt of all Addenda, the numbers of which shall be filled in on the Bid Form.
- 13.10 Postal and e-mail addresses and telephone number for communications regarding the Bid shall be shown.
- 13.11 The Bid shall contain evidence of Bidder's authority and qualification to do business in the state where the Project is located, or Bidder shall covenant in writing to obtain such authority and qualification prior to award of the Contract and attach such covenant to the Bid. Bidder's state contractor license number, if any, shall also be shown on the Bid Form.

ARTICLE 14 – BASIS OF BID; COMPARISON OF BIDS

14.01 *Unit Price*

- A. Bidders shall submit a Bid on a unit price basis for each item of Work listed in the Bid schedule.
- B. The total of all estimated prices will be the sum of the products of the estimated quantity of each item and the corresponding unit price. The final quantities and Contract Price will be determined in accordance with Paragraph 11.03 of the General Conditions.
- C. Discrepancies between the multiplication of units of Work and unit prices will be resolved in favor of the unit prices. Discrepancies between the indicated sum of any column of figures and the correct sum thereof will be resolved in favor of the correct sum. Discrepancies between words and figures will be resolved in favor of the words.

ARTICLE 15 – SUBMITTAL OF BID

15.01 Bidders shall submit one (1) original and one (1) copy of the signed and executed Bid. The unbound copy of the Bid Form is to be completed and submitted with the following data:

- Appendix A – List of Subcontractors
- Appendix B – List of Equipment and Materials
- Appendix C – Non-Collusion Affidavit
- Appendix D – Contractor Disclosure
- Appendix E – Schedule of Labor and Equipment Prices for Out of Scope Work

15.02 A Bid shall be submitted no later than the date and time prescribed and at the place indicated in the Invitation to Bid. When electronic submission is requested, complete bids, including the items listed in 15.01, shall be provided to the email addresses listed in the Invitation to Bid and shall be enclosed in a plainly marked package with the Project title (and, if applicable, the designated portion of the Project for which the Bid is submitted), the name and address of Bidder, and shall be accompanied by other required documents. If a Bid is sent by mail or other delivery system, the sealed envelope containing the Bid shall be enclosed in a separate package plainly marked on the outside with the notation "BID ENCLOSED."

15.03 Bids submitted and/or received after the bid due date will not be considered.

15.04 Bid proposals incorrectly prepared will not be considered.

15.05 The Owner assumes no responsibility for Bids mailed but not serviced by the prescribed time for Bid receipt.

ARTICLE 16 – MODIFICATION AND WITHDRAWAL OF BID

16.01 A Bid may be modified or withdrawn by an appropriate document duly executed in the same manner that a Bid must be executed and delivered to the place where Bids are to be submitted prior to the date and time for the opening of Bids.

16.02 If within 24 hours after Bids are opened, any Bidder files a duly signed written notice with Owner and promptly thereafter demonstrates to the reasonable satisfaction of Owner that there was a material and substantial mistake in the preparation of its Bid, that Bidder may withdraw its Bid in accordance with all Commonwealth of Pennsylvania laws and statutes (including but not limited to Pennsylvania Act of January 23, 1974 as may be amended). Thereafter, if the Work is rebid, that Bidder will be disqualified from further bidding on the Work.

ARTICLE 17 – OPENING OF BIDS

17.01 Bids will be opened privately.

ARTICLE 18 – BIDS TO REMAIN SUBJECT TO ACCEPTANCE

- 18.01 Bids shall remain open to acceptance and shall be irrevocable for a period of sixty (60) days after the Bid Due Date, unless the contract award is delayed by a required approval of another government agency, the sale of bonds, or the award of a grant or grants, in which case the Bids shall remain open to acceptance and shall be irrevocable for a period of one hundred twenty (120) days after the Bid Due Date.

ARTICLE 19 – EVALUATION OF BIDS AND AWARD OF CONTRACT

- 19.01 Owner reserves the right to reject any or all Bids, including without limitation, nonconforming, nonresponsive, unbalanced, or conditional Bids. Owner further reserves the right to reject the Bid of any Bidder whom it finds, after reasonable inquiry and evaluation, to not be responsible. Owner may also reject the Bid of any Bidder if Owner believes that it would not be in the best interest of the Project to make an award to that Bidder. Owner also reserves the right to waive all informalities not involving price, time, or changes in the Work and to negotiate contract terms with the Successful Bidder.
- 19.02 More than one Bid for the same Work from an individual or entity under the same or different names will not be considered. Reasonable grounds for believing that any Bidder has an interest in more than one Bid for the Work may be cause for disqualification of that Bidder and the rejection of all Bids in which that Bidder has an interest.
- 19.03 In evaluating Bids, Owner will consider whether or not the Bids comply with the prescribed requirements, and such alternates, unit prices and other data, as may be requested in the Bid Form or prior to the Notice of Award.
- 19.04 In evaluating Bidders, Owner will consider the qualifications of Bidders and may consider the qualifications and experience of Subcontractors, Suppliers, and other individuals or entities proposed for those portions of the Work for which the identity of Subcontractors, Suppliers, and other individuals or entities must be submitted with the Bids.
- 19.05 Owner may conduct such investigations as Owner deems necessary to establish the responsibility, qualifications, and financial ability of Bidders, proposed Subcontractors, Suppliers, individuals, or entities proposed for those portions of the Work in accordance with the Contract Documents.
- 19.06 If the Contract is to be awarded, Owner will award the Contract to the Bidder whose Bid is in the best interests of the Project.
- 19.07 The Contract Award will be awarded based upon the Total Bid Price.

ARTICLE 20 – CONTRACT SECURITY AND INSURANCE

- 20.01 Article 5 of the General Conditions, as may be modified by the Supplementary Conditions, sets forth Owner's requirements as to performance and payment bonds and insurance. When the Successful Bidder delivers the executed Agreement to Owner, it shall be accompanied by such bonds and insurance.

ARTICLE 21 – SIGNING OF AGREEMENT

21.01 When Owner issues a Notice of Award to the Successful Bidder, it shall be accompanied by the required number of unsigned counterparts of the Agreement along with the other Contract Documents which are identified in the Agreement as attached thereto. Within 10 days thereafter, Successful Bidder shall sign and deliver the required number of counterparts of the Agreement and attached documents to Owner. Within ten days thereafter, Owner shall deliver one fully signed counterpart to Successful Bidder with a complete set of the Drawings with appropriate identification.

ARTICLE 22 – SALES AND USE TAXES

22.01 Owner is exempt from certain Pennsylvania state sales and use taxes on materials and equipment to be incorporated in the Work. Said taxes shall not be included in the Bid. Refer to Paragraph 6.10 of the General Conditions for additional information.

ARTICLE 23 – RETAINAGE

23.01 Provisions concerning Contractor's rights to deposit securities in lieu of retainage are set forth in the Agreement.

ARTICLE 24 – STEEL PRODUCTS PROCUREMENT ACT

24.01 Not applicable.

ARTICLE 25 – LABOR REQUIREMENTS

25.01 Not applicable.

ARTICLE 26 – EMERGENCY WORK

26.01 The Contractor shall have available at all times, including nights, weekends and holidays, an emergency maintenance crew and a person of authority and responsibility to act in cases of emergency such as equipment failure, flooding, cave-ins, etc., resulting from the construction of the Contract. The Contractor shall submit to the Owner the names and locations of emergency personnel prior to the start of construction. The Contractor will be responsible for the cost of any such emergency work done by anyone other than himself.

AQUA PENNSYLVANIA WASTEWATER, INC.

BUREAU OF TECHNICAL UTILITY SERVICES

DATA REQUEST TUS-1

DOCKET NO. P-2017-2622818

- 3) Reference the Aqua Second LTIP, Exhibit A, page 38, Contractors.
- a. Please state if all the work being performed by contractors is awarded through a competitive bid process.
 - b. Explain in detail how contractors are evaluated to determine on-going acceptable performance, including safety and cost effectiveness.
 - c. Please state if all the Second LTIP work is expected to be performed by contractors. If Aqua personnel are to perform any of the Second LTIP work, provide detail on the number and types of projects Aqua personnel would complete.

RESPONSE


- a. Aqua competitively bids most projects. Aqua also maintains Agreements with certain contractors who perform routine repair projects and emergency work. These contractors have been preselected based upon their demonstrated capabilities and rates which are contractually fixed and which compare favorably to prevailing industry rates.
- b. All work conducted for Aqua is managed and inspected by Aqua managers and employees. Additionally, Aqua contracts consulting engineers who provide project engineering services and additional inspection services including certification of quality and quantity of work. Aqua typically engages contractors with whom Aqua has previously engaged in successful projects with quality work or who come recommended by our engineering consultants based upon their past experience with the contractor and other reference checks. New contractors with whom Aqua has not had previous experience are properly vetted through references checks, review of completed projects, review of credentials, trade references, and review of financial position along with their ability to meet Aqua's insurance requirements. The quality of work of each contractor is evaluated on a daily

basis by Aqua's project team during the course of each project. Experience with each contractor is gained with each project respectively completed and the cost and quality of each contractor's work is evaluated for future reference with regard to that contractor's suitability to bid further work for Aqua. Aqua has had the opportunity to utilize many contractors over the years and has sorted through the available contractors using an experienced based selection process to only retain the very best contractors in each field.

- c. All work under this second LTIP is expected to be performed by contractors.

VERIFICATION

I, Gordon H. Miller, Assistant Manager of Wastewater Operations of Aqua Pennsylvania, Inc., hereby state that the facts set forth in the responses to Data Request TUS-1 are true and correct to the best of my knowledge, information and belief and that I expect to be able to prove the same at a hearing held in this matter. I understand that the statements herein are made subject to the penalties of 18 Pa. C.S. § 4904 (relating to unsworn falsification to authorities).


Gordon H. Miller
Assistant Manager of Wastewater Operations
Aqua Pennsylvania, Inc.

Dated: December 1, 2017