

**Addendum No (1)
Questions and Answers.**

**Performance Based Service Contract for Management of Water and Wastewater Customer Management Processes, GIS and ICT
Unites, Implementation of GIS based Tools Redesigned CIS and Sewerage Data Base in Water Administration (WAK) No.
(2009/10)**

Questions	Answers
Please confirm if the Employer staff have offices in the Work Space that will be provided for the Off – taker staff in Karak.	The Off-taker staff will work hand in hand with WAK seconded staff to fulfill the contract objectives. As such, the offices shall be allocated as mandated by the needs and demands of the task
Please specify the Quantity and types of the required computers and Software Programs.	Except for the ACCPAC software required to be procured in the ToR, the Off-taker shall bear in mind the needs of the central and decentralize business needs of the subscriber, IT & GIS functions.
It will be appreciated to provide the bidders with the data of the Base Year (2009). (from subscriber).	As per the ToR, the base year shall be Jan – Dec 2009. Thus the full picture will be clear in the WAK P & L statement which will be issued by the third week of April. Nevertheless, the first 9 months of 2009 are shown in the Billing Balance Sheets which will be in the Data Room.
It was mentioned in Clause 2.5.3 (Controlling mechanism) page 49 of 82 of the RfP that " The off – taker shall install a PC System for monitoring the PSP millstones progress. Please confirm that purchasing the above mentioned PC system is not of the off-taker's responsibility but its installation is expected to be provided by the off – taker?	It goes without saying that if the Off-taker will monitor the contract milestones, deliverables and key data in a professional way, a computer system is needed to put all data together. On one side the business key data and performance indicators and on another the contract milestones. Thus, the Off-taker must procure and install this PC system

Please provide us with details about the WAJ Staff going to be seconded to the off-taker.	See Attachment No.1
The time which was allocated to prepare the Proposals is very tight. It will be highly appreciated to make an extension for the Submission date for 2 weeks	The submission for bid period extended till 8 th March, 2010.
For a proper analyses and Bid preparation could we have four weeks time extension?	The submission for bid period extended till 8 th March, 2010.
Can you provide us with actual recovery & expenses amounts for WAK in 2009. Please provide categorized expenses amounts for electricity, employees salaries & benefits, other (can others be defined more) and network maintenance	Check P & L statements 2006, 2007, 2008 in the Data Room For 2009 data is not yet available
What is the yearly percentage increase of electrical power price we need to consider	For comparison see profit and loss statement 2006, 2008
Bidder price score (PS) is not clear enough and doesn't work. Please give an example	Refer to the TOR page 22
What is the yearly percentage increase of government employees we need to consider? Bid Document, Section III Bid Data Sheet item 6 "Evaluation Matrix" clause B) " FN: Financial Offer Score) page 22/82.	The Contract gives the Off-taker the power to select and keep the competent WAK staff he deems appropriate for the task.
Who will responsible for the salaries & benefits of additional/new employees needed?	The Off-taker shall be totally responsible for the salaries, wages and all benefits of new staff employed under the contract.
Will the Off-taker has the freedom to accept or reject any WAK seconded staff. If yes, is he obliged to replace from WAK/WAK employees or can he propose from outside	Refer to Chapter 2.10 Personnel page 57/82
It is stated that Additional Revenue potential is calculated as 2,737,557 JOD for the whole contract period of three years. What is WAJ additional revenue potential for the base period (phase I).	The additional revenue potential figure is calculated based on a set of assumptions as shown in one of the Orientation Workshop presentation. These assumptions shall be re-evaluated by the Off-taker at the end of Phase I and will be subject to the adjustment formula.

<p>Section IV, General Conditions, Clause 35 "Bonus Payment", Sub-clause 35.2 page 32/82. Will Bidder Fixed Fee be deducted from the Additional Revenue Collected (J) to determine the Adjustable additional revenue at the end of Phase I (Z).</p>	<p>No</p>
<p>What are the actual amounts that will be deducted to determine (Z). Can you give us an example how to calculate BP if actual revenue in between 15 & 30%. We are not able to solve the formula right.</p>	<p>The formula should be read as follows: If $0.15 < q < 0.30$, then $BP = (PP \times J) \times q/0.3$</p> <p>With J = the actual additional revenue collected in the respective contract year (which equals the total collected revenue in the respective year – base year revenue collected) $q = J / \text{base year collected revenue}$ BP = the Bonus Payment for the respective year (JOD) PP = Performance bonus Percentage which is submitted by the Bidder in his Bid (%)</p> <p>Example: PP = 50% Base year collected revenue = 1,000,000 Total collected revenue = 1,200,000 → $J = 200'000$; $q = 0.2$ → $BP = (200'000 \times 50\%) \times 0.2/0.3 = 66'667 \text{ JOD}$</p>

<p>The final cycle calculations will not be defined until 3 months after the contract end date therefore will the off taker receive payment for his performance during this final cycle?</p>	<p>Performance bonus will cover the full performance period</p>
<p>The hand held units are referred to briefly in the document, who will pay for the purchase of these units?</p>	<p>It is assumed to enhance the performance related to reading and billing. And it is up to the off-taker to procure and utilize the hand held unit</p>
<p>Can WAJ confirm that this contract, effective with WAJ, will also be effective with any party who might succeed them as a result of any PSP action such as a management contract or establishment of a company or other form?</p>	<p>Any later PSP action shall consider this contract.</p>
<p>As there is no bonus payments due for services carried out under Phase 1 (Preparatory Phase) of this contract, this phase should also not be subject to any penalty clauses. With the issuance of question answers set as 25th February 2010 are WAJ willing to extend the submission date for the RFP as there is a limited timeframe (3 calendar days) available at this point? We therefore request an extension of time, as discussed at the workshop held on 16th February 2010, for the completion of this bid document of 3 weeks.</p>	<p>The submission for bid period extended till 8th March, 2010.</p>
<p>Clause 13.2, P10 Taxes and Levies: Is it possible for the Off Taker to receive tax exemptions under this contract? Will sales tax be applicable to bonus payments?</p>	<p>Refer to the TOR</p>
<p>Clause 13.2, P10 & Clause 36.1 P17: The advance payment of 10%, is this for 1 year revenue or 3 years revenue?</p>	<p>Expected to be reimbursed during the contract period</p>
<p>Clause 28.2 p31: Is the arbitration as mentioned in the General Conditions to be in accordance with Jordan Arbitration Law? Or as stated in the Special Conditions will any issues go direct to court?</p>	<p>Refer to the TOR pag31</p>

<p>Clause 8, p 34: The third party insurance for the staff and acquired resources. Can WAJ please clarify what is meant by acquired resources?</p>	<p>Refer to the TOR clause 8, pg 34</p>
<p>Clause 12, P34 & 35: The goods received from WAJ are to be returned in good condition? Should there be a line in this clause to take into consideration for normal tear and wear?</p>	<p>Refer to the TOR</p>
<p>Clause 16, P36: States that a 5% penalty will be incurred if the revenue collected in any period is less than the revenue collected within the base period. Can WAJ confirm that this penalty will only be effective for Phase 2 (Performance Phase)?</p> <ul style="list-style-type: none"> a. What is the base period? b. What if the revenue collections are much higher in previous or later period (quarter)? c. If the drop in collections is justified due to Governmental budget constraints, shall this be taken in consideration? d. Can the period be replaced by YEAR? 	<ul style="list-style-type: none"> a. The base period is the collection cycle (quarter) b. Refer to the TOR c. Refer to the TOR d. No
<p>Clause 41, P17: When will WAJ provide the information relating to the 2009 base year?</p>	<p>WAK P & L statement which will be issued by the third week of April. Nevertheless, the first 9 months of 2009 are shown in the Billing Balance Sheets which will be in the Data Room.</p>
<p>ITB11, P20: Can the Joint Venture agreement be in draft format only as the Joint Venture will only become into effect if the bidder is successful? Is this acceptable under this contract?</p>	<p>Refer to EOI</p>

ITB13.2, P20: Can WAJ confirm the operating and running costs that will become the responsibility of the Off Taker?	Refer to the TOR
Clause 35, P32: Is the PP used in the bonus payment calculation the PP as submitted in the bid document or the PP Adjusted?	If there is an adjustment as specified in the TOR then the PP used in the bonus payment calculation will be the adjusted.
Clause 17, P36: referring to Clause24.1(d): Will WAJ justify and clarify their costs for their services?	WAJ cost of the services will be clarified an justified in case of termination according to clause 17 page 36
<p>Item 2.4, P48</p> <p>e. What is meant by Semi Annual? Performance bonus is calculated Annually (P35) therefore there is a discrepancy.</p> <p>f. P48 – does the exclusion within this item of “<i>New Customers exceeding 5%</i>”, does this exclude all customers or just those above 5%?.</p> <p>g. P48 – in the RFP it is stated that the tariff increases of greater than 4% is to be excluded. P65 of the document states a tariff increase of 10% is to be excluded. What percentage rate is applicable within this contract?</p> <p>h. Will the tariff increase outlined within the RFP cover will this cover all customers including domestic and commercial?</p> <p>i. P48 – relating to Q13c – does the exclusion of tariff increases above the percentage increase exclude all increases or just those above the define percentage?</p> <p>j. Who pays the sub contractors of new customers, WAJ or off taker?</p>	<p>e. Per annum</p> <p>f. Just above 5% percent</p> <p>g. The applicable percentage rate for this contract is 4%</p> <p>h. All customers</p> <p>i. Just those above the 5%.</p> <p>J. WAJ</p>

Item 2.5.1.2, P48 – Where do WAJ procure their base maps from and what is the current charges for these maps? Do WAJ get preferential rates being a government body and would the Off Taker be given this privilege of under this contract?	They can get it from the ICTU, where we have prefer service provider that official gave preferred price
Item 2.5.1.4, P49 – what are TSDS and RDBMS?	TSDS: Temporary Sewerage Data Base System RDBMS: Relational Data Base Management System
Item 2.5.1.4 p 49: Who is responsible for the installation and commissioning COBOSS II?	WAJ is responsible.
Item 2.5.5.8, P51 – What are current levels of equipment and full specifications of this equipment?	Will be published as addendum No .2 on our official website
Item 2.5.6, P52 – Reference to running cost for all items under the ICT what do WAJ currently pay for: a. GIS Licences b. Internet c. Firewall d. Anti-Virus software e. Anti-Spam software f. Lotus Notes additional clients g. AccPacc Software – stated at purchase price of 23,000JD	Yes WAJ is paying the running cost of all listed items except for the ACCPACC which will be part of the TOR
Item 2.6.2, P55 – Is collected revenue to be given to Karak Cashier or paid direct to bank? Is the Karak Cashier a WAJ employee or an Off Taker employee?	The collected revenue shall be given to KARAK Cashier who is non seconded WAJ employee,
Item 2.7, P57 – Please clarify to the extent of NRW calculations as elements of NRW activities are not part of this project to enable the full IWA calculation to be undertaken.	Only apparent losses of NRW are part of the project
Item 2.10, P57 – It is understood that for the staff working under the Off Taker (both direct and seconded staff) the incentive payments will be the responsibility of the Off Taker. For non-seconded staff will WAJ be responsible for the incentive payments from WAJ funds?	According to 2.10 item the off taker is responsible for the bonus payments for the non seconded staff which he has to proposed to WAJ /PMU in conjunction with KARAK water administration

Item 2.5.6.2: Who will bear the cost of leased lines or any other mean for connecting offices?	Currently WAJ is paying all the WAN costs, but if any more connections required then ICTU can work with the off-taker
Item 2.5.6.7: Financial system - The estimated cost of purchasing AccPac is JD23000, but that does not include customization by the software supplier, which is expected to be similar amount, who will be responsible for this cost? Will the contract with the software supplier be with WAJ or the Off Taker?	The cost of the system should include the customization so the number mentioned has to be covering that with out extra cost
Item 2.10.e P58: h. Replacement of up to 25% of seconded staff: Who will recruit the new staff? Who will pay for the replaced staff? i. Merit program: Is the 10% salary increase to the seconded staff considered as merit payment? Or is this something else?	h. if seconded staff needs to be replace WAJ will provide proposals for new staff , the replaced staff will go back to WAJ and will be paid by WAJ
Item 2.11.3 P59: Shall WAJ ensure that there will be sufficient materials in stock for supply of all meters and fittings required for new customer connection and any replacement works? This is very important item and a strong commitment from WAJ is required.	Item 2.11.3 is prevailed as stated in the terms
If the contract start date is delayed, is there any flexibility in the conclusion of the Preparatory Phase as detailed in Clause 28, P38 of the RFP? If as stated the Performance Phase II (9 cycles – 27 months) commences on 1 st January 2011, then the contract will not be for 3 years as stated in Clause 2.2.1 P41.	The conclusion of the preparatory phase as detailed in clause 28 page 38 ,and the performance phase 2 will be 9 cycles (27 month)
Clause 11.1(b), P10: Should this relate to Clause 15 not Clause 14?	Yes it should be related to clause 15
Under this RFP what is the Bidder to be referred to: <ul style="list-style-type: none"> • Bidder • Tenderer • Off Taker 	Off- taker

<ul style="list-style-type: none"> • Supplier • Consultant • Contractor • Constructor • Operator 	
<p>Clause 19, P12: Indicates that 3 copies of the bid are to be submitted, P21 indicates 1 Original and 3 Copies – Can WAJ confirm there exact requirements?</p>	<p>One original and 2 copies</p>
<p>Clause 39, P17 (ITB39, P24): Should this read “Social” not “Special”?</p>	<p>Social Security</p>
<p>There are several contradictory items within the RFP relating to staffing and the understanding from the workshop is that WAJ staff will be seconded to the Off Taker and any additional requirements will be the responsibility of the Off Taker. Can WAJ confirm that this is the requirement of this contract?</p>	<p>Refer to the TOR.</p>
<p>Clause 12, P35: Should this read Supplier and not Purchaser referring to goods delivered to WAJ?</p>	<p>Refer to the TOR.</p>
<p>Clause 13, P35:</p> <ul style="list-style-type: none"> • Clause 13(a), P35: Clarification of the wording within this Clause? Who will supply the advance payment bank guarantee? • Clause 13(b), P35: States 90% will be recovered as indicated in Clause 13(h), however this clause indicates 100%? • Clause 13(c), P35: How will advance payment be recovered and over what period? There is no mention in 13(h). 	<ul style="list-style-type: none"> ▪ The off-taker ▪ The payment schedule clarify the sequence of the payments through the contract period (3 years) and each payment in this schedule will be deducted in certain percent to recover the advanced payment. ▪ Same as above

<ul style="list-style-type: none"> • Clause 13(e), P35: Can WAJ stipulate how long the approval process for invoices/claims will be? And what conditions may cause a delay in approval? • Clause 13(h), P35: This relates to 100% of the contract value. • Clause 13(h), P35: Should read “Bonus Payment as Calculated within Clause 35, P32” • Clause 13(h), P35: Bonus payment indicated against Cycle 9, should be against Cycle 8. • Clause 13(h), P35: Payments based on the contract being 3 years, but as stated in Clause 2.2.1, P41 it will be less than 3 years. 	<ul style="list-style-type: none"> ▪ The duration of the approval process cant be stipulated , however WAJ will strive to apply Speedy approval process ▪ YES ▪ YES ▪ YES ▪ The conclusion of the preparatory phase as detailed in clause 28 page 38 ,and the performance phase 2 will be 9 cycles (27 month)
<p>Clause 16, P36: Conversion of “all” readings to billing, and Distribution of “all” bills should replace “all” by a reasonable %age.</p>	<p>Refer to the TOR</p>
<p>Clause 17, P36: There is no clause 24.1(c). Clause 24.1(d) should read 24.1 (c), similarly for 24.1(e).</p>	<p>In clause 24.1 the sentence started with " if the supplier , in either of the aboveetc" should be read at 24.1 c</p>
<p>Could all the explanation of the performance bonus on Page 43 be written simpler by “if $x < 85\%$ of AR in tender documents the %age will be modified, if not then no change”</p>	<p>Refer to the TOR</p>
<p>Clause 17, P36: Referring to Clause 24.2.1 are WAJ clear that this is the wording they require under this point?</p>	<ul style="list-style-type: none"> ▪ YES
<p>Clause 20, P37: The first paragraph of this clause should end after “of the Contract Price”</p>	<p>Refer to the TOR</p>

<p>Clause 18, P37: This clause should include reference to Arbitration and not just direct to Courts. This contradicts Clause 28 in general conditions.</p>	<p>Clause 18, P37 prevailing</p>
<p>Clause 21, P37: Is the advance payment 10% on fixed fees or fixed fees plus bonus and over what periods will the advance payment recovery be made?</p>	<p>It is referred to the fixed fee plus bonus and over the contract period.</p>
<p>Item 2.1, P41: Where is Clause 2.4.1 which this relates to and please provide more clarification of the requirements of this item.</p>	<p>Refer to item 2.3 page 44</p>
<p>Item 2.2.1, P41: This contradicts many other clauses relating to the contract duration if the contract commences on 16th May 2010 the contract duration will only be 34.5 months.</p>	<p>The conclusion of the preparatory phase as detailed in clause 28 page 38 ,and the performance phase 2 will be 9 cycles (27 month)</p>
<p>Item 2.3, P44: Tables 3 to 9 require editing and rewording to ensure clarity of the documentation. Examples below outline the concerns with these tables.</p> <ul style="list-style-type: none"> • Table 3, P44, Item 6 - Should this read just “<i>new sewerage customer</i>” Can this be part of performance criteria as the sewerage contractor will be chosen by the Customer not by the off taker therefore not under our control. • Table 5, P45, Item 2 – what is meant by unsealed connection? • Table 5, P45, Item 4 – what is meant by unavailable meter? • Table 5, P45, Item 5 - Illegal Use – is this for all types of illegal 	<ul style="list-style-type: none"> ▪ Typing error should read new sewerage customer ▪ The water connection is comprised of the water meter and two connectors, one on each side. These connectors and the water meter must be sealed. ▪ The meter reader attempts to take a reading but the meter is not installed in the house connection. It could be disconnected, stolen or any other reason ▪ Yes

use

- Table 5, P45 Item 9 & 10 – How will this information be obtained?
 - Table 5, P45, Item 13 – what if it is disconnected in different ways?
 - Table 6, P45, Item 1 – what is meant by standard cases?
 - Table 6, P45, Item 3 – should this include comment about less than 21m³
 - What is the criterion for assessing abnormal high and low consumption?
- By asking the neighbor. These are reading observations and not absolute truth.
 - The Off-taker is at liberty to propose to WAJ and install any innovative mean of service disconnection
 - A standard water consumption case is the one which is assessed by the billing system and falls within WAJ acceptable consumption range
If the average consumption is 100m³ and the reading results in a consumption which falls above
Any other case is a standard case. However, the Off-taker is at liberty to shrink those tolerances.
 - It does include the comment because if the consumption and the average are falling within the minimum 20m³ tolerance then there are other priorities to follow-up
The risk to WAJ is in the abnormal low cases with consumptions greater than 20m³ and less than 50% of the average.
 - check the answer Table 6 P45, Item 1

- | | |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <ul style="list-style-type: none"> • Table 6, P45, Item 6 – what is meant by this comment “other cycles”
 • Table 7, P45, Item 2 – not all bills are signed for – does this relate to the %age performance criteria of 95, 97 and 99%?
 • Table 9, P45 – should this not be included within Table 7 as it is the criteria that supports table 7 item 2.
 • Table 9, P45, Items 8-13 – what are the benefits of gathering and reporting this information for both parties?
 • Table 10, P45, All items – what are the benefits of gathering and reporting this information for both parties? | <ul style="list-style-type: none"> ▪ During the introduction all the inefficiencies of the past will be visible thus producing abnormal consumptions. The role of the Assessment Centre is to distribute the consumption and estimate for past cycles where the meter may have either been never read or estimated reading by the good will of the meter reader. It is expected that this criterion will quickly diminish as the Off-taker adopts the Real Reading Strategy
 ▪ No. Table 8 does.
 ▪ Theoretically Yes. But as the customer payment morale is low and the customer may combine paying two bills at one time, it may show a distorted picture
 ▪ Ultimately a standard WAJ customer case is where there was a field meter reading, a bill printed and a payment within the same cycle.
Only the Introduction Cycle will show and "prove" to the Off-taker the dimension of the in-inefficiencies he is about to embark on. This is another reason for the adjustment formula.
 ▪ The Off-taker must never forget the local conditions where his activities will intersect. To enforce a service disconnection may require, in some cases, a robust history of customer payment delinquency. In other cases it may require a bullet proof vest. |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

Item 2.5.2, P49: states 9 cycles and 3 years.	Should be omitted								
Item 2.6.3 p 55: Why should the Off Taker implement COBOSS II and then plan for the implementation of X7 within such short time frame as this will create many logistical issues. WAJ will need to decide on which system they wish to implement.	P55 Item 2.6.3 bullets no. 8 prevailed as is								
Item 2.6.4, P56: Item 2.4.1 does not exist.	Should read 2.3								
Item 2.11.2 & 2.11.4, P59: Annex 3 contains no data and is incomplete	<table> <tr> <td>Communication line / server</td> <td>No. 1</td> </tr> <tr> <td>Personal computers pentum IV</td> <td>No.9</td> </tr> <tr> <td>Laser printer</td> <td>No.7</td> </tr> <tr> <td>Bill printer</td> <td>No.2</td> </tr> </table>	Communication line / server	No. 1	Personal computers pentum IV	No.9	Laser printer	No.7	Bill printer	No.2
Communication line / server	No. 1								
Personal computers pentum IV	No.9								
Laser printer	No.7								
Bill printer	No.2								
Item 2.10, P58: Refers to Annex 5 but this Annex 5 is empty.	Omitted sentence " Example JobAnnex 5								
Item 2.11, P58: There is no form included within the document – can WAJ please provide this form?	Misunderstanding the sentence dose not refer to a form sheet but to WAJ contribution in the form of : a- staff , b- equipment and Vehicles, C- Materials , fittings and water meter , d- computer hardware and software								
Page 68: Bid Form indicates 120 days for validity of contract, within Contract document (ITB 18.1) and on Bid Security Form it states 150 days – which is correct?	150 days page 68 should be read also "150" days								
Item 3, P71: Contract Form, point 3(a) states Price Schedule – but this is not mentioned anywhere else in the document.	Price schedule means BOQ as given in page 67								
P71 clarification of <i>“their respective laws”</i> . Should this read <i>“the respective laws”</i>	Should read the respective laws								
Pager 66 and 67 Fixed Fee: Is the payment of the fixed fee subject to any	To the contract condition								

conditions?	
Running Costs: Who will pay the running costs of WAK offices (heating, electricity and communication) that are going to be used by the Off-taker?	Communication costs will be paid by the off-taker while heating and electricity by WAJ
Office Space: Will the Client provide office space for use by the Off-taker management?	If there is a space in the existing offices for operation staff the manager can use it
Customer Service Managers: It is recommended to include the customer service managers in Karak, Al Qaser, Mazar and Ghor Al Safi in the seconded staff list.	Customer service manager is the off-taker responsibilities
<p>Regarding Lotus Notes Software used by WAK, we have the following inquiries:</p> <ul style="list-style-type: none"> ▪ What are the annual maintenance fees that are currently paid by WAJ? ▪ Are there any outstanding dues? ▪ What is the estimated cost of one additional license should it be needed? 	<ul style="list-style-type: none"> ▪ WAJ procured the licenses in the year 2007. the annual fees are covered by WAJ until the end of the year 2010. • No outstanding dues. • No need for additional server licenses but the end user licenses cost about 25 JODs, the server license is about 2300 JOD

<p>Communication Leased Lines:</p> <ul style="list-style-type: none"> ▪ Please confirm if the lease line between MWI (Amman) and Karak is active or not. If it is active, what are the annual fees currently paid by WAJ with the relevant departments? ▪ Please confirm whether the lease lines between Karak office and Mazar, Al Qaser and Ghor Al Safi office are active or not. Furthermore, what are the annual fees as per the present WAJ contract with the relevant departments? 	<ul style="list-style-type: none"> ▪ 1 Mbps frame relay line is fully operational between WAK and WAJ annual fees is about 3000 JOD ▪ Detailed WAN information will be submitted by fax later
<p>Hardware Equipment:</p> <ul style="list-style-type: none"> ▪ Please confirm if WAJ has a maintenance for the Alpha server, operating system and the two line printers. If such a contract exists, when will it end and what is the annual value of this contract? ▪ Please confirm if WAJ has a maintenance contract for the fire wall security and anti-virus (Juniper). If such a contract exists, when will it end and what is the annual value of this 	<ul style="list-style-type: none"> ▪ Yes WAJ has a maintenance contract with CCS for a full year until the end of 2010 cost is expected for WAK to be around 4000 JOD ▪ WAJ has a three years subscribing with the firewall company form 2007 to end of 2010 estimated cost is 2500/year

<p>Clause 28 on page 38 states the following: "Improve WAK collected revenues by 15% annually":</p> <p>This item needs to be clarified. We understand and accept that the Off-taker should improve WAK collection by more the 15% of the base year. However, the item in question implies that the Off-taker has to improve 15% every year compared with the previous one. This may not be in the best interest of the Client or the Off-taker. Proper implementation of the project may lead to a peak performance in the first year of operation. Such a condition will create incentives for the Off-taker to delay the collection of certain items for the following year in order to achieve the set targets.</p> <p>1. Clause 2.4 on page 48 states that "Collected revenue in this contract shall exclude... new water & wastewater customer revenue". We object to this condition and strongly recommend that it be deleted due to the following reasons:</p> <p>a) From WAK perspective, this will make calculating the revenue (i.e. collection) of new customers difficult.</p> <p>b) There are cases in which several customers reside in the same building and are using only one meter. If, during the performance period, each household is connected with a separate meter, then the households will be considered as new customers and their bills will be deducted from the collected revenue, leading to an unjustified decrease in the revenue achieved by the Off-taker.</p>	<p>Change annually to per annum</p> <p>Refer to the TOR</p>
<p>Clause 2.4 on page 48 states that the collected revenue shall exclude an</p>	<p>4% IS CORRECT</p>

<p>increase in water and wastewater tariff in case it exceeds 4%. In the preamble to Bill of Quantities on page 65, the same rate is indicated as 10%. Please indicate which is the correct percentage.</p>	
<p>Clauses 2.5.5.5 and 2.5.5.6 on page 50 regarding the GIS Unit Management: The Off-taker will not be able to carry out Field Inspection for the water network in his implementation for the service contract. This work requires specialized teams and excavation activities for locating the pipes. The terms of this contract do not accommodate such requirements.</p>	<p>Field inspections refers only to inspections at open Trenches during construction , repair and maintenance work of WAJ or WAJ contractor</p>
<p>We refer to Page 41 stating "Provision of additional needed financial management staff" and also page 42 stating "the management & controlling of these staff shall be the responsibility of WAK". Kindly provide us with a list of posts and their qualifications.</p> <p>Clause 2.6.6 on page 56 states that the operator shall "Supervise and follow up the new house connection works by the contractors". We would like to point out that the contractors are selected by WAJ and the material is supplied from WAJ stores. It is therefore recommended that these activities be supervised by the Technical Directorate in WAK as is conducted in Madaba. The Off-taker will be responsible for inspecting and designing the house connections, calculating the corresponding fees to be paid by the customer and collecting them. The Off-taker will then send the file to the Technical Directorate for implementation.After implementation, the Off-taker will seal the meter and the connection.</p>	<p>This will be provided to the successful bidder</p>
<p>The TOR contains no BOQ. This issue needs to be discussed in detail during the workshop. We appreciate the client's intent to allow the Off-taker the flexibility of deciding on the manpower required and the flexibility in the investments made. However, items such as a new collection office</p>	<p>It is performance Based contract</p>

<p>in Karak can create a large divergence in prices between the competitors (as some will include this investment and others will not). This will make the comparison of prices difficult and perhaps unfair to bidders willing to make large investments. We propose that a minimum list of procurement items to be added as an item in the BOQ item.</p>	
<p>Regarding the duration of the projects and since Phase II (Performance Period) is due to begin at the start of a calendar year (i.e. January 2011) and the Off-taker's investment will be weighed against his performance-based bonus, we believe it would in the be in the best interest of both WAK and the Off-taker if the project duration is extended to allow for three full years for Phase II. This will encourage the Off-taker to make larger investments.</p>	<p>The conclusion of the preparatory phase as detailed in clause 28 page 38 ,and the performance phase 2 will be 9 cycles (27 month)</p>