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Cc: Rennae Meno <rennae@guamlegislature.org>

Hafa adai Clerks: Attachments of meetings for the Consolidated Utilities Commission will be provided on flash drive for M&C GL34-17-806 to GL34-17-816

| | | | | |
|---|---|---|---|---|
| 8/2/2017 | 8/2/2017 | Consolidated Commission on Uitlities | CCU Meeting 7/16/17* | 34-17-806 |
| 8/2/2017 | 8/2/2017 | Consolidated Commission on Uitlities | CCU Meeting 5/23/17* | 34-17-807 |
| 8/2/2017 | 8/2/2017 | Consolidated Commission on Uitlities | CCU Meeting 4/18/17* | 34-17-808 |
| 8/2/2017 | 8/2/2017 | Consolidated Commission on Uitlities | CCU Meeting 6/6/17* | 34-17-809 |
| 8/2/2017 | 8/2/2017 | Consolidated Commission on Uitlities | CCU Meeting 3/21/17* | 34-17-810 |
| 8/2/2017 | 8/2/2017 | Consolidated Commission on Uitlities | CCU Meeting 2/21/17* | 34-17-811 |
| 8/2/2017 | 8/2/2017 | Consolidated Commission on Uitlities | CCU Meeting 1/24/17* | 34-17-812 |
| 8/2/2017 | 8/2/2017 | Consolidated Commission on Uitlities | CCU Meeting 1/12/17* | 34-17-813 |
| 8/2/2017 | 8/2/2017 | Consolidated Commission on Uitlities | CCU Meeting 12/6/16* | 34-17-814 |
| 8/2/2017 | 8/2/2017 | Consolidated Commission on Uitlities | CCU Meeitng11/22/16* | 34-17-815 |
| 8/2/2017 | 8/2/2017 | Consolidated Commission on Uitlities | CCU Meeting 10/25/16* | 34-17-816 |

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OFFICE OF SPEAKER BENJAMIN J.F. CRUZ

Committee on Appropriations and Adjudication

*I Mina'trentai Kuattro na Liheslaturan Guahan*

Guam Congress Building | 163 Chalan Santo Papa | Hagatna, GU 96910

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Speaker Benjamin J.F. Cruz

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Resolution 11-FY2017 Amendment of AGMO and AGMA Positions.pdf

Resolution 14-FY2017 Reallocation of 2010 2013 2016 Bond Funds for Various WW...

Resolution 15-FY2017 Approval of PM_CM Contract for Office of Economic Adjust...

Resolution 16-FY2017 Relative to Contract Amendment ConstrMgmt Services Chaot...

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CONSOLIDATED COMMISSION ON UTILITIES
Guam Power Authority • Guam Waterworks Authority
P.O.BOX 2977 • Agana,Guam 96932

**Regular Board Meeting**
***CCU Conference Room, Gloria B. Nelson Public Service Building***
**5:30 p.m., January 24, 2017**

# AGENDA (AMENDED)

1. CALL TO ORDER

2. APPROVAL OF MINUTES

3. COMMUNICATIONS
   - 3.1 Public Comments (2 min. per person)

4. NEW BUSINESS
   - 4.1 GPA
   - 4.1.1 GM Report Update
   - 4.1.2 Financials
   - 4.1.3 Resolution 2017-01 Approval of EPCM for New Generation
   - 4.1.4 Resolution 2017-02 Approval of Fuel Oil Hedging Program
   - 4.1.5 Resolution 2017-03 Establishment of Internal Audit Positions
   - 4.1.6 GPA Resolution 2017-04 / GWA Resolution 17-FY2017 Legislation for Health Insurance
   - 4.1.7 Resolution 2017-05 Authorization for Diesel Supply for Base Loads and Peaking Units
   - 4.1.8 Resolution 2017-06 Relative to Contract Award Energy Storage System Phase I

   -

   - 4.2 GWA
   - 4.2.1 GM Report Update
   - 4.2.2 Financials
   - 4.2.3 Resolution No. 11-FY2017Ratification of Poll Vote Amending Positions for the Assistant GM of Operations (AGMO) and the Assistant GM of Administration (AGMA)
   - 4.2.4 Resolution No. 12-FY2017 Ratification of Poll Vote of Bid Award for Diesel Fuel Oil No. 2 and Regular Unleaded Automotive Gasoline for Transportation Fleet / Heavy Equipment
   - 4.2.5 Resolution No. 13-FY2017 Ratification of Poll Vote Relative to Baza Gardens WW Conveyance and Pumping Phase II Project
   - 4.2.6 Resolution No. 14-FY2017 Relative to GWA's Bond Reallocation and CIP Update
   - 4.2.7 Resolution No. 15-FY2017 Relative to Program Management/Construction Management Contract for the Office of Economic Adjustment "Guam Water and Wastewater Infrastructure Improvements" Project
   - 4.2.8 Resolution No. 16-FY2017 Relative to Amending the Construction Management Services for the PW 12-04 Chaot and Agana Heights Design/Build Reservoir Replacement Project

5. OLD BUSINESS

6. ANNOUNCEMENTS
   - 6.1 Next CCU Meetings: GWA WS – February 15; GPA WS – February 16; CCU Meeting – February 21, 2017

7. EXECUTIVE SESSION
   - 7.1 Personnel Matter

8. ADJOURNMENT

# CONSOLIDATED COMMISSION ON UTILITIES

Guam Power Authority • Guam Waterworks Authority
P.O.BOX 2977 • Agana,Guam 96932

**Regular Board Meeting**
***CCU Conference Room, Gloria B. Nelson Public Service Building***
**5:30 p.m., December 6, 2016**

## AGENDA

**1. CALL TO ORDER**

Chairman Duenas called the Regular CCU Meeting of December 6, 2016 to order at 5:35 p.m. He announced that four (4) Commissioners and Comm. Elect Judi Guthertz were present. He also welcomed Capt. Stephanie Jones and her entourage to the meeting saying that they are here tonight for the formal signing of the One Guam Memorandum of Understanding (MOU) and thanked them and commended all parties for their work to get this MOU put together. This MOU further clarifies the roles that GWA and the military plays as we continue to work together for the common good of the community.

That said the Chairman said that we will move the meeting down to the OLD BUSINESS section 5.1 relative to GWA Resolution 04-FY2017 the MOU GWA Resolution No. 04-FY2017 Relative to Supporting the 2016 MOU Between GWA/ DoD & DoN and asked for a motion (a description of the Resolution is detailed in said section).

Comm. Sanchez motioned to approve Resolution 04-FY2017; Comm. Bamba seconded.

Comm. Sanchez gave a brief overview of this MOU that began with the first military buildup discussion in 2008 and the significance to all stakeholders. He said the significance of this signing is that we agree that water is a precious commodity and that we have a responsibility safeguard it and our oceans. This is a wonderful continuation and there's lots of work to do. Comm. Bamba also commented that he was happy to see the evolvement of this One Guam initiative and to see it come to fruition. He said he feels thankful and blessed. The Chairman also commended other players like Capt. Lynch who also played a key role in discussions during the early days of discussions related to the military buildup. Comm. Gutherz also commented that the people of Guam first heard about the build-up from the newspapers which was quite a surprise for many. She said that the Legislature created a Committee called on the Committee on the Guam Military Buildup which she was asked to Chair and her first interaction with General Bice. At the time there were lots of questions going around relative to land use and others and a little at a time things started to fall in place. It took an immense commitment from the community to refine the buildup plan and is glad to see that the CCU and GWA were able to continue the discussion which has brought us to this time and place. It is an important day for each of us

On the motion, there was no further discussion or objection and the motion passed.

GM Benavente of GPA asked the Chairman if he could also ask that the One Guam MOU between Department of the Navy and GPA can also be signed tonight. He thanked Capt. Jones for all the work that was put into the GPA MOU. He proceeded to say cite the many factors that also are key concerns for the military such as renewables and cyber security, to name a few.

The Chairman called for a 5-minute recess for the signing of the GWA and GPA One Guam Initiative Memorandum of Understanding

**Others present at the meeting include:**

**Commissioners:**

| | |
|---|---|
| Joseph T. Duenas | CCU Chairman |
| Francis Santos | CCU Vice Chairman |
| George Bamba | CCU Secretary |
| Simon Sanchez | Member |
| Judith Guthertz | Comm-elect |

**Executive Mgmt.:**

| | |
|---|---|
| John Benavente | GM / GPA |
| Miguel Bordallo | GM / GWA |
| Melinda Mafnas | AGM Operations / GPA |
| John Kim | CFO / GPA |
| Greg Cruz | CFO / GWA |
| Kelly Clark | Staff Attorney / GWA |

**Management & Staff:**

| | |
|---|---|
| Paul Kemp | AGM Compliance & Safety / GWA |
| Vangie Lujan | Compliance & Safety / GWA |
| Cora Montellano | Asst. CFO / GPA Finance |
| Tom Cruz | Chief Engineer / GWA |
| Geigy Salahgon | Revenue Protection / GWA |
| Ron Topasna | GWA |
| John Cruz | SPORD Manager / GPA |
| Heidi Ballendorf | PIO / GWA |
| Art Perez | PIO / GPA |
| Melvyn Kwek | Manager, IT / GPA |
| Karen Grape | IT / GWA |
| Joyce Sayama | Mgmt. Analyst / GPA Ex. Office |
| Ann Borja | Mgmt. Analyst / GWA Ex. Office |
| Lou Sablan | Board Secretary / CCU |

**Guest:**

| | |
|---|---|
| Angelica Perez | AM Insurance |
| Annmarie Muna | AM Insurance |
| Andy Nivens | PUC |
| Nestor Licanto | KUAM |
| Bill Chang | B&C |
| Fred Horecky | PUC |
| John O'Connor | Post Guam |
| Capt. Stephanie Jones | US Navy |

## 2. APPROVAL OF MINUTES

The Minutes of November 22, 2016 was presented for approval.

Comm. Bamba motioned to approve the Minutes subject to verification and written correction; Comm. Sanchez seconded. There was no further discussion or objection and the motion passed.

## 3. COMMUNICATIONS

**3.1 Public Comments - None**

**4. NEW BUSINESS**

**4.1 GWA**

**4.1.1 GM Report Update**

**GM Bordallo gave his usual monthly report update:**

**TMW License Agreement:**

a. GWA continues operations and maintenance at TMW.

b. Inspection was completed on October 26 at 2:00 pm. Navy Public Works Department and GWA conducted the inspection. Minor corrections are being addressed by GWA.

c. Now that *Lucity,* GWA's Asset Management Program, is up and running, status reports will be submitted to DoD NAVFAC more often.

d. GWA is still waiting on DoD to respond to the final drawings for the Potts Junction intertie.

e. Production:

i. Fairly consistent between 1.0 and 1.2 million gallons per day (MGD), with the exception of several events tripped equipment events - see chart below.

ii. Total production in October is **31,846,800 gallons.**



2. **2010 MOU Update**
    a. GWA and NAVFAC completed their work on an updated MOU.
    b. Joint Region has not yet reviewed the MOU.
3. **Easement Request for Agat WWTP Project**
    a. NBG Installation Commanding Officer approved the easement grant at no cost.
    b. Still waiting on Commander Navy Installation Command on the term and type of request approval.
    c. GWA is willing to do 50% of the maintenance of the easement as part of the contribution.
    d. GWA will pay for appraisal and survey for legal meets and bounds if needed for the agreement.
4. **Interoperability Options – future projects**
    a. Santa Rosa.
    b. Route 15 line connection.
    c. Agana Heights tanks (GWA and Naval Hospital).
    d. Urunao and the Wildlife Refuge.

**OEA Grants – Guam Water-Wastewater Infrastructure Projects**

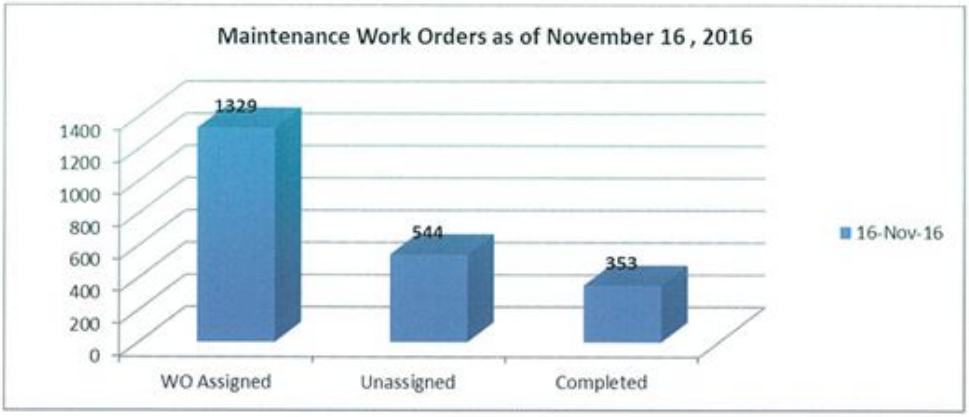
- PM/CM scope was finalized with GWWIST review/input; RFP issued on October 21; submissions due November 21.
- GWA is providing assistance to USEPA for NEPA process associated with initial project; formal NEPA activities pending contract (USEPA).
- NGLA Monitoring Wells – slight delay in finalizing sites located on DoD property due to MEC training issues.
- GWWIST meeting was held on November 8 in Hawaii. Schedule for implementation was updated (see below), and a briefing on current procurement and land acquisition efforts was provided.

| Action Item | Date (Target) | Date (Actual) | Status |
|---|---|---|---|
| Project Funds Available | ~~Oct-15~~ / July-16 | AUG-30-16 | Completed |
| Land Acquisition | ~~Sep-16 (?)~~ Jan-17 | | On-target |
| Procure PM/CM Firm | ~~Apr-16~~ / Jan-17 | | On-target |
| Procure Design Firm | ~~Oct-16 (?)~~ Jul-17 | | On-target |
| Design -- 30/60/90/Final -- Review | ~~Nov-17~~ Jun-18 | | On-target |
| NEPA Analysis and Determination | ~~Aug-17~~ Feb-17 | | ?? |
| Procure Construction Firm | ~~Jun~~ Dec-18 | | On-target |
| Construction Complete/Commence Operations | Nov-21 | | On-target |
| Sewer line connection from MCB to GWA infrastructure | ~~TBD (?)~~ Jul-19 | | On-target |
| MCB Initial Operating Capability | Jul-22 | | On-target |

**Asset Management**

- CMMS system went live on October 3, 2016.

- Functionality testing completed September 2016; 13 mobile routers expected to arrive in November to improve real-time mobile management.
- AM & Operations meet weekly on:
  - Compliance with process and work flow
  - Inventory management and monitoring
  - Critical asset redundancy
  - Training needs
  - Development of policy for records management
  - QA/QC Performance on PM and CM
- AM Steering Committee meets monthly on:
  - Discussion of weekly maintenance meetings
  - Resources needed to sustain AM program
- Over 1,000 Work Orders issued so far.
- Over 300 Work Orders completed.
- PM/CM ratio is less than 0.5 (roughly 16% / 84%).
- WO Report Summary

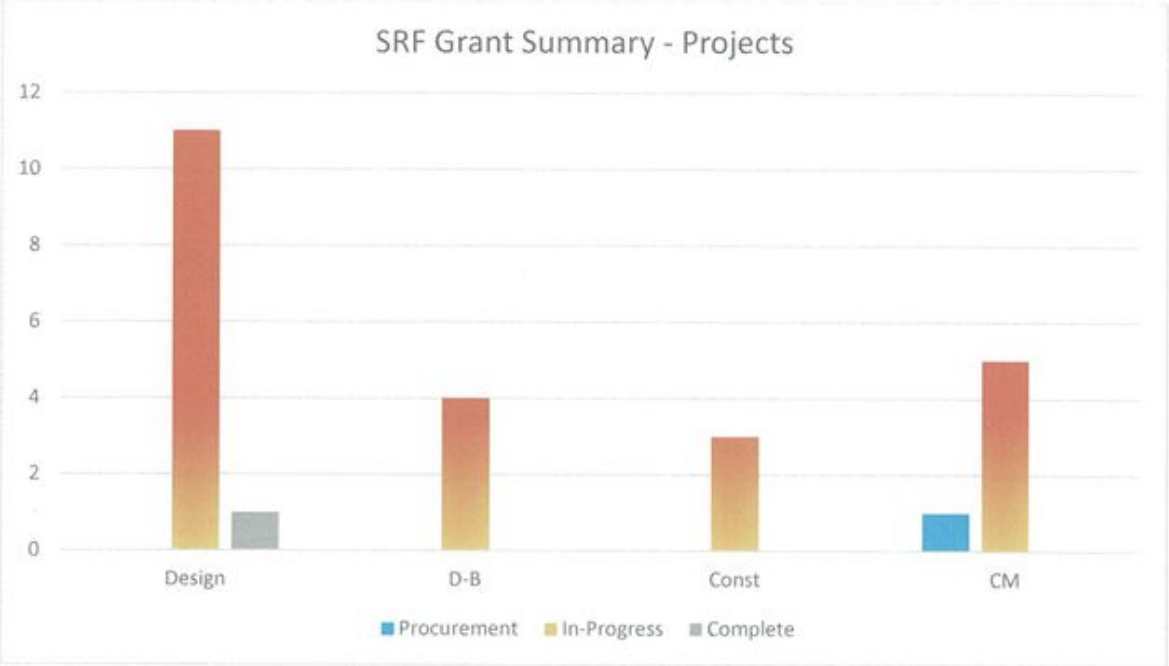



**USEPA SRF Projects**

- Summary of all SRF grant funded projects are shown below.

**SRF Grant Summary - Projects**

| | Procurement | In-Progress | Complete | Totals | % |
|---|---|---|---|---|---|
| Design | 0 | 11 | 1 | 12 | 48% |
| D-B | 0 | 4 | | 4 | 16% |
| Const | 0 | 3 | | 3 | 12% |
| CM | 1 | 5 | | 6 | 24% |
| Totals | 1 | 23 | 1 | 25 | |
| % | 4% | 92% | 4% | | |

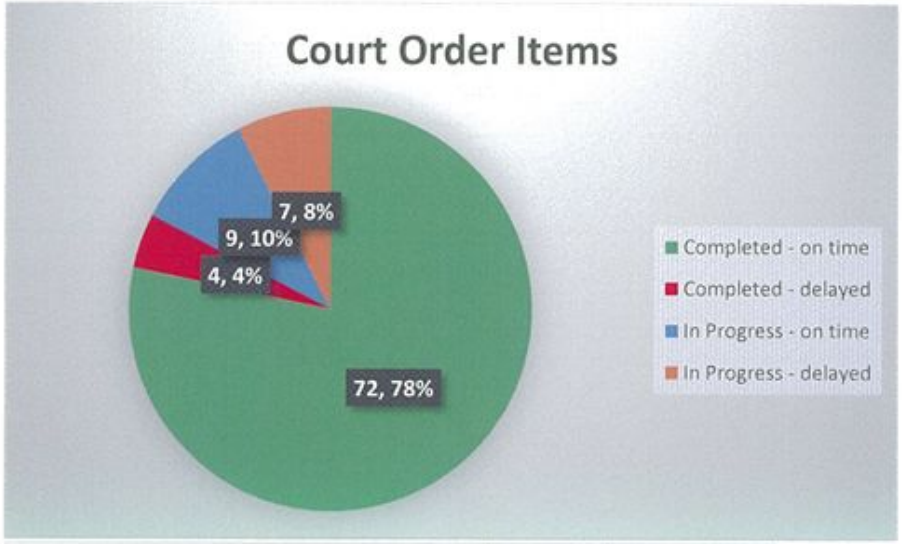



**SRF Grant Summary - Contract Amounts**

| | Procurement | In-Progress | Complete | Totals | % |
|---|---|---|---|---|---|
| **Design** | $ - | $ 10,812,544 | $ 792,980 | $ 11,605,524 | 46% |
| **D-B** | $ - | $ 3,898,896 | | $ 3,898,896 | 15% |
| **Const** | $ - | $ 7,883,710 | | $ 7,883,710 | 31% |
| **CM** | $ 145,186 | $ 1,824,690 | | $ 1,969,876 | 8% |
| **Totals** | $ 145,186 | $ 24,419,840 | $ 792,980 | $ 25,358,006 | |
| **%** | 1% | 96% | 3% | | |


SRF Grant Summary - Contract Amounts
$14,000,000
$12,000,000
$10,000,000
$8,000,000
$6,000,000
$4,000,000
$2,000,000
$-
Design
D-B
Const
CM
Procurement
In-Progress
Complete

**Court Order**




## Court Order Summary

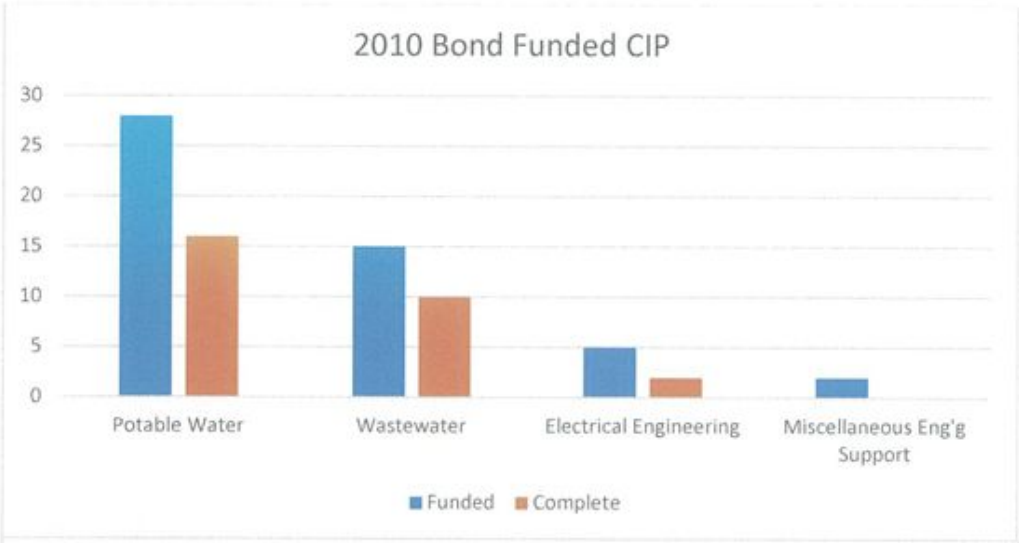
| | Court Order Items | % | Performance (on-time or completed) |
|---|---|---|---|
| Completed - on time | 72 | 78% | |
| Completed - delayed | 4 | 4% | |
| In Progress - on time | 9 | 10% | |
| In Progress - delayed | 7 | 8% | 92.4% |
| Totals | 92 | 100% | |

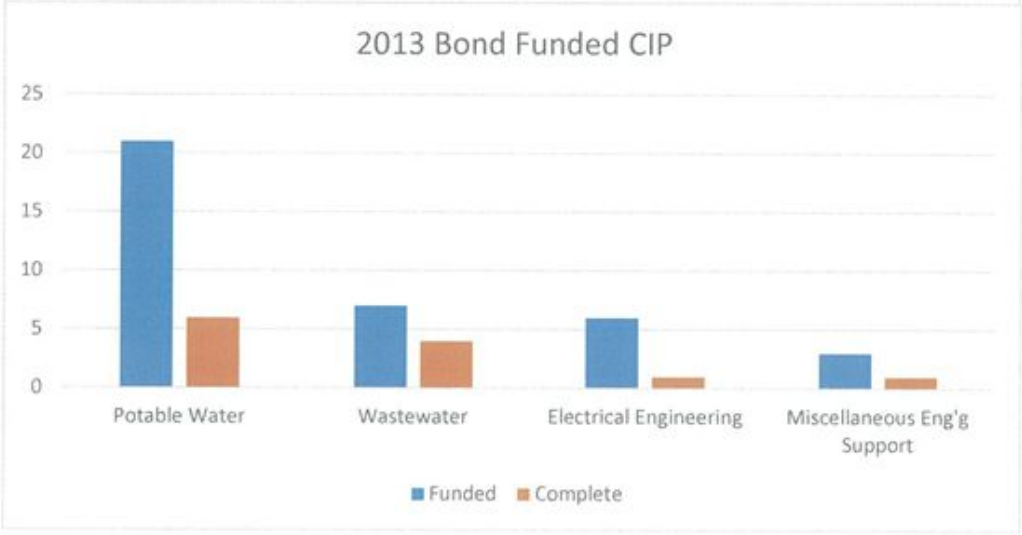
- 7 items delayed
  - SSES (2 items)
  - Agat/SR System Upgrades (to send delay letter)
  - Sewer Cleaning
  - CCTV
  - Cl Residual Monitors
  - Meters
- Final Date to complete all Court Order items is December 21, 2020.
- Overflow or Bypass events reported to USEPA – 6 events reported in October and November
  - 1 – Partial bypass at Umatac (Lagoon overflow)
  - 1 – Compressor failure
  - 1 – Main break
  - 1 – FOG
  - 2 – Power glitches

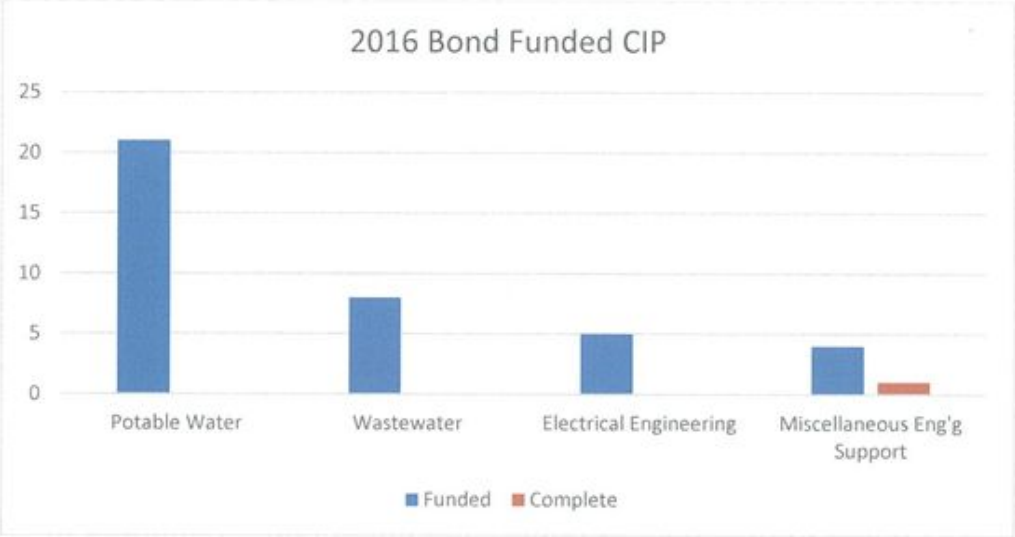
**CIP Summary**

**CIP Summary - Project Encumbrance**

| | 2010 Bond | | 2013 Bond | | 2016 Bond | | | |
|---|---|---|---|---|---|---|---|---|
| | Funded | Complete | Funded | Complete | Funded | Complete | Total CIP Projects | % |
| Potable Water | 28 | 16 | 21 | 6 | 21 | 0 | 31 | 53% |
| Wastewater | 15 | 10 | 7 | 4 | 8 | 0 | 16 | 27% |
| Electrical Engineering | 5 | 2 | 6 | 1 | 5 | 0 | 9 | 15% |
| Miscellaneous Eng'g Support | 2 | 0 | 3 | 1 | 4 | 1 | 3 | 5% |
| Totals | 50 | 28 | 37 | 12 | 38 | 1 | 59 | 100% |
| % of Total CIP by Fund Source | 85% | | 63% | | 64% | | | |
| % of CIP Funding Completed | | 56% | | 32% | | 3% | | |

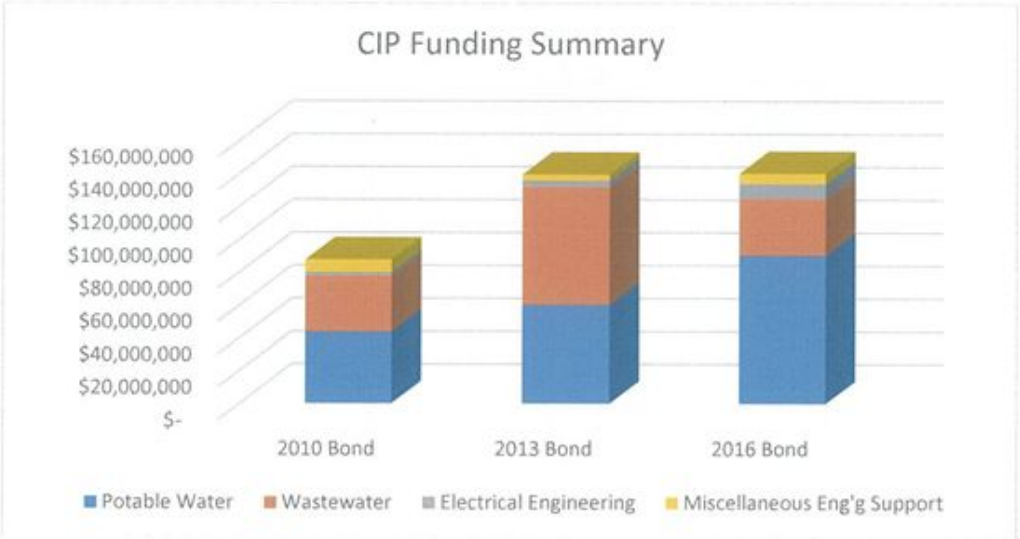





**CIP Summary - Project Amounts**

| | 2010 Bond | | 2013 Bond | | 2016 Bond | | | |
|---|---|---|---|---|---|---|---|---|
| | Funded | % | Funded | % | Funded | % | Total CIP Projects | % |
| Potable Water | $ 43,671,000 | 50% | $ 60,082,000 | 43% | $ 90,148,000 | 65% | $ 193,901,000 | 53% |
| Wastewater | $ 34,070,000 | 39% | $ 71,823,000 | 52% | $ 34,727,000 | 25% | $ 140,620,000 | 38% |
| Electrical Engineering | $ 1,920,000 | 2% | $ 3,645,000 | 3% | $ 8,750,000 | 6% | $ 14,315,000 | 4% |
| Miscellaneous Eng'g Support | $ 7,741,000 | 9% | $ 3,775,000 | 3% | $ 6,394,460 | 5% | $ 17,910,460 | 5% |
| Totals | $ 87,402,000 | 100% | $ 139,325,000 | 100% | $ 140,019,460 | 100% | $ 366,746,460 | 100% |
| % | 23.8% | | 38.0% | | 38.2% | | | |

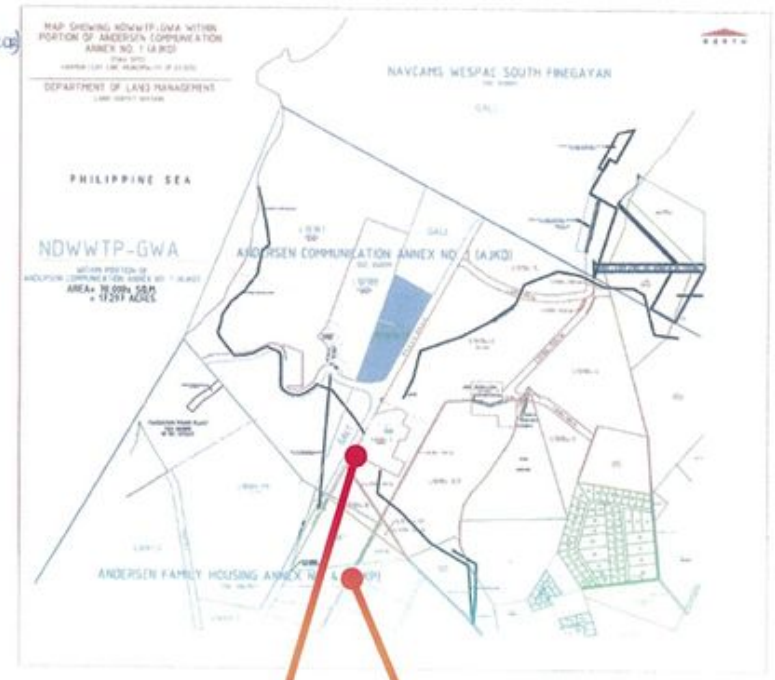


**Land Acquisition Status**

- ALC property for NDWWTP:
  - Legislation authorizing acquisition submitted;
  - public hearing was held with supporting resolutions and testimony from ALC, CCU and GWA;
  - bill to be heard at next legislative session.
- CLTC properties: Appraisals completed; surveys ongoing.
- Private properties needed for Court-order improvement projects: completed or pending survey. See Land Acquisition chart below.

| GWA Facility | Location | Gov. or Private Property | Land Acquisition Status |
|---|---|---|---|
| Tanks | Inarajan | Private | Property acquisition complete, deed of property with GWA. |
| | Ugum | Private | Still under legal review. |
| | Manenggon | Private | Survey map ongoing. Contract of sale transmitted to property owner. |
| | Santa Rita | Gov't. – CLTC | Survey map and appraisal documents sent to DLM. GWA and DLM agree in concept to purchase property based on fair market value. |
| | Astumbo | Gov't. - CLTC | Survey map of property still ongoing. GWA and DLM agree in concept to purchase property based on fair market value. |
| | Upper Tumon | Gov't. - CLTC | Survey map of property still ongoing. GWA and DLM agree in concept to outright purchase property based on fair market value. |
| | Piti | Private | Engineering currently reviewing options for relocating the Piti tank from current location to area east of the Nimitz Estate Subdivision. |
| Deep Well | Y-8 | Gov't. - CLTC | GWA engineering working to obtain appraisal and survey serves. |
| | AG-12 | Dept. of Agriculture/ Manhita Farms | GWA engineering working to obtain appraisal and survey serves. |
| Booster Pump Station | Brigade | Private | GWA received Right of Entry agreement from landlord. Survey work for property severance has begun. |

Bill No. 273-2017
Exhibit A




ALC Lot Proposed for Use

Existing NDWWTP Site

**PFOS Issue**

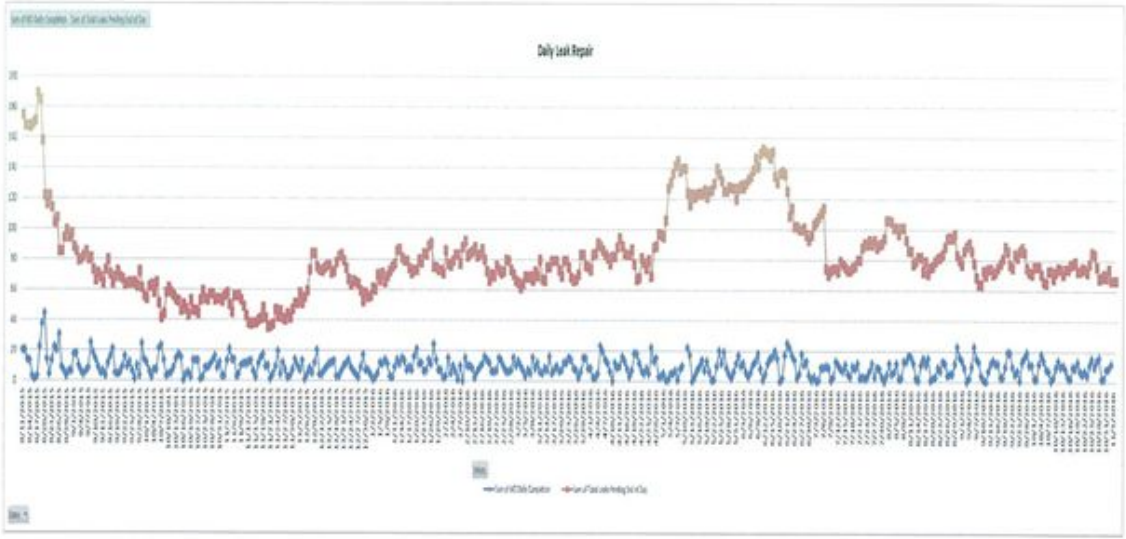
**Status Update:**

- A-Series wells (A-23 and A-25) remain off-line.
- NAS-1 well remains off-line.
- NAS-1 GAC- removal completed by GIAA contractor
- GIAA GAC replacement completed; the system has been reconfigured and now the lead has Become the lag and vice versa.
- Coordinating with GEPA on potential sources and responsibility; discussions with DoD ongoing.

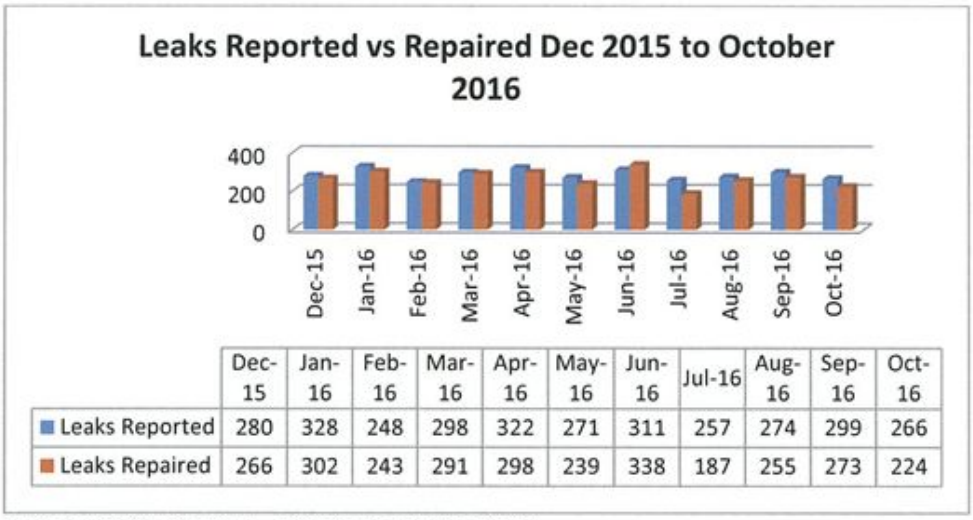
**Actions pending:**
**Mobile treatment until – technical specifications under revision; IFB pending**

**Key Operational Issues**

Leak Repair: WOs Completed & Pending (Daily)
(up to November 3, 2016)

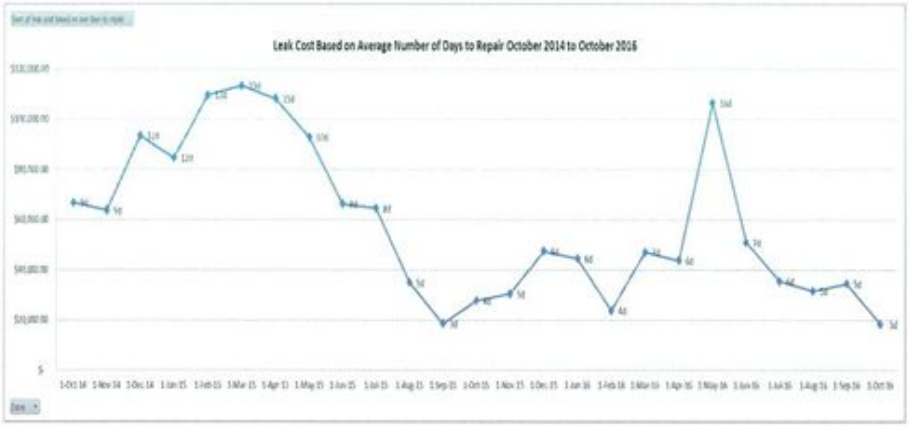



Leak Repair: Leaks Reported and Repaired (Monthly)




| | Dec-15 | Jan-16 | Feb-16 | Mar-16 | Apr-16 | May-16 | Jun-16 | Jul-16 | Aug-16 | Sep-16 | Oct-16 |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Leaks Reported | 280 | 328 | 248 | 298 | 322 | 271 | 311 | 257 | 274 | 299 | 266 |
| Leaks Repaired | 266 | 302 | 243 | 291 | 298 | 239 | 338 | 187 | 255 | 273 | 224 |

Leak Repair: Cost Savings – Days to Repair (Monthly)




Assumptions:

1. Leak rate = 4 gpm
2. Cost per kgal = $4.00

a. Leak Repair: Reported by Village



**4.1.2 Financials - None**

**4.1.3 Resolution No. 08-FY2017 Relative to Authorizing GWA to Issue an Invitation to Bid to Procure Property Insurance and Authorizing GWA to Petition the Guam Public Utilities Commissions for Approval Under the Contract Review Protocol**

The present policy expires April 2017. The objective is to procure a new policy to comply with GWA's General Bond Indenture dated December 2005 and to protect GWA against the risk of financial loss from certain perils. Based on actual experience, the policy will cost approximately $1 million per year and will be funded by revenue funds. The policy must be in place on or before April 11, 2017.

Comm. Bamba motioned to approve Resolution 08-FY2017; Comm. Sanchez seconded. On the motion there was no further discussion or objection and the motion passed.

**4.1.4 Resolution No. 09-FY2017 Relative to Authorizing GWA to Issue an Invitation to Bid Relative to Procure Commercial General Liability Insurance**

Similar to above, GWA's present Commercial General Liability policy expires in April 2017 and the objective is to procure a new policy to comply with GWA's 2005 Water and Wastewater System Revenue Bonds and to protect GWA against the risk of financial loss from certain liability arising in the conduct of its business. Based on actual experience, the cost is approximately $95,000 per year and will be procured no later than April 11, 2017. The funding source is revenue bonds.

Comm. Bamba motioned to approve Resolution 09-0FY2017; Comm. Santos seconded.

In discussion, Comm. Santos voiced his concern that GWA has no risk manager and the impact this will have relative to the value of GWA's assets.

**4.1.5 Resolution No. 10-FY2017 Relative to the Authorization for GPA and GWA for Additional Support to the Customer Care and Billing (CC&B) System**

In June 1, 2016, GPA and GWA procured the services of Prithibi LLC to provide training for CC&B, a GAP analysis review and onsite support since the previous vendor's contract (WiPro) was set to expire on Sept. 4, 2016. Training on CC&B Functionality and Technical training was completed by August. Impacted departments included Customer Service, Finance, Metering/Operations and the IT Operations.

GAP Analysis was completed on November 2016 on GPA and GWA's CC&B implementation. However it was noted that there were deficiencies in the initial implementation of the CC&B system which has both a short and long term impact for both GPA and GWA. To address these issues in the GAP Analysis, Prithibi LLC will assist GPA and GWA in addressing specific concerns from both agencies for the functionality of CC&B and provide the needed resources and personal to correct the deficiencies. Breakdown of additional support needed are as follows:

- Issue resolution and support from November 2016 to April 30 2017 @ $81,719 per month for both agencies.
- UC4 Scheduling program to include software, implementation and training @ $157,167 for both agencies.
- APEX reporting tool to include report template setup, configuration and training @ $15,675 for both agencies.
- Extended off site support from May 2017 to June 2018 @ $19,452 for both agencies.
- All cost will be split by both GPA and GWA.

Management confirmed that the additional training will be funded by revenue funds and will include:

| Description | Term | GPA Share | GWA Share | Total | Notes |
|---|---|---|---|---|---|
| Initial Contract | May to Nov. 15 2016 | 125,000 | 124,000 | 249,000 | Training/GAP Analysis/Support - *Already Completed* |
| Issue and Support Contract | Nov. 15,2016 to April 2017 | 224,723 | 224,723 | 449,445 | To address GAP Analysis Issues. $81,719 per month. |

| | | | | | |
|---|---|---|---|---|---|
| UC4 Scheduling Tool | 4 week | 78,584 | 78,584 | 157,167 | Job scheduling application to Include both software, implementation and training (One time charge) |
| Apex Setup and Training | Ongoing | 7,838 | 7,838 | 15,675 | Reporting software setup and training. (One time charge) |
| Extended Support | May '17 to June'18 | 116,709 | 116,709 | 233,418 | Extended off site support of $19,452 per month till June 2018 |
| | Total | 552,853 | 551,853 | 1,104,705 | |

Comm. Bamba motioned to approve Resolution 10-FY2017; Comm. Santos seconded. On the motion there was no further discussion or objection and the motion passed.

**4.2 GPA**

**4.2.1 GM Report Update**

GM Benavente gave his usual monthly update:

1. **Generation Capacity Recovery Plan:**
   - The PUC approved the additional funding of $2.6M from revenue funds for the Dededo CT Plant rehabilitation. The plan for commissioning 40MW of capacity by March 31st, 2017 proceeds as scheduled.
   - MEC 8 was taken off line for its 1,000 hours minor overhaul this past week. Unit is back on line and expected to be cleared to its full capacity of 44MW by tomorrow.
   - Cabras 1 will be taken off line this Friday for seven days for repair of its air pre-heater and other preventive maintenance needs.

2. **Net Metering Update:**

**Net Metering Summary Ending November 2016:**

| Description: | Count | Kw |
|---|---|---|
| **Active** | **1,260** | **13,117** |
| Pending | 173 | 2,122 |
| Totals: | 1,433 | 15,239 |

| Service: | Count | KW | Kw/Customer |
|---|---|---|---|
| **Residential** | **1,190** | **10,726** | **9.0** |
| Others | 70 | 2,391 | 34.2 |
| Total: | 1,260 | 13,117 | 10.4 |
| **% Residential** | **94.4%** | **81.8%** | |
| **Estimated 12 Months Revenue Impact:** | **$2,448,899.96** | | |

**Estimated Cumulative Revenue Impact by Fiscal Year:**

| Fiscal Year | Amount |
|---|---|
| FY 2009 | $1,657 |
| FY 2010 | $8,483 |
| FY 2011 | $18,177 |
| FY 2012 | $58,546 |
| FY 2013 | $278,025 |

| | |
|---|---|
| FY 2014 | $352,157 |
| FY 2015 | $856,921 |
| FY 2016 | $1,700,000 |
| **Total:** | **$3,273,966** |

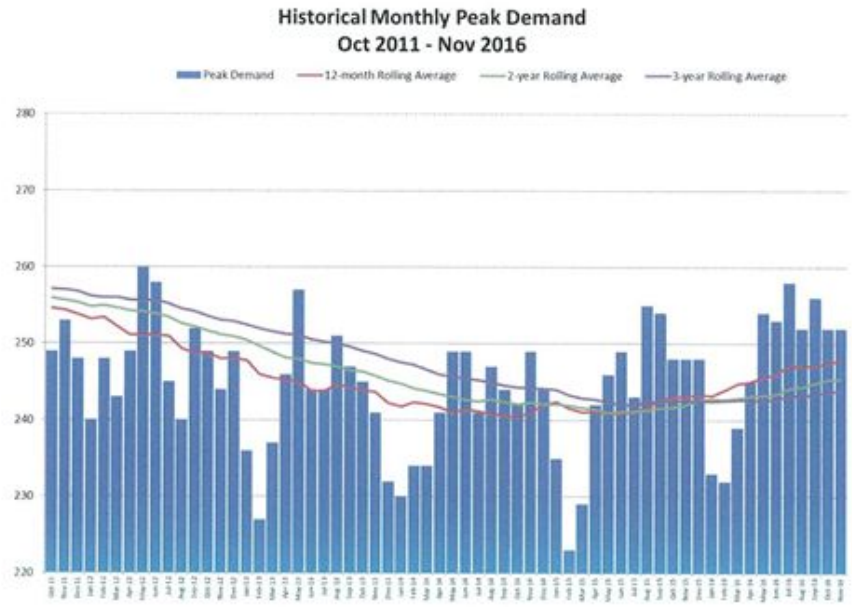
3. **Demand Side Management Program:**

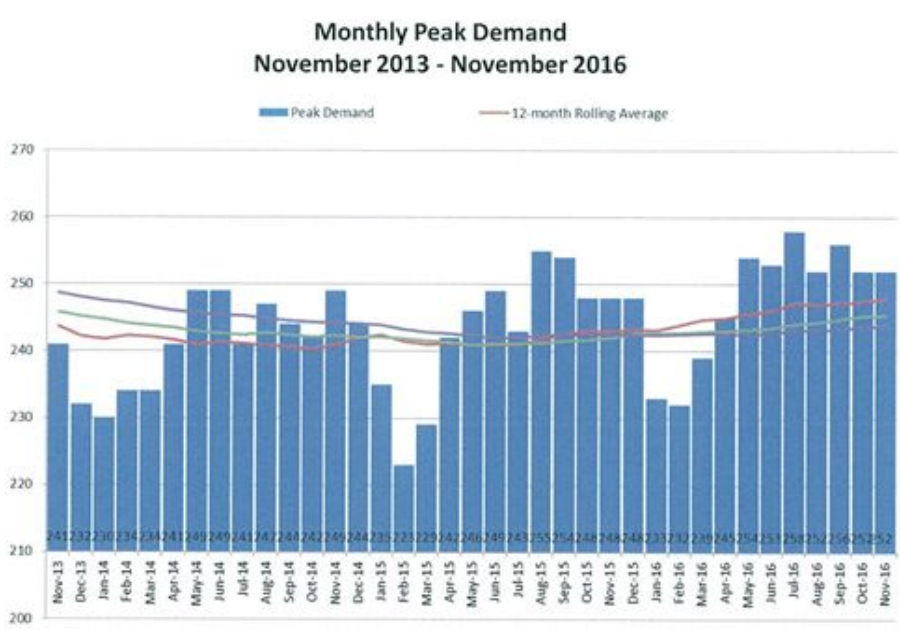


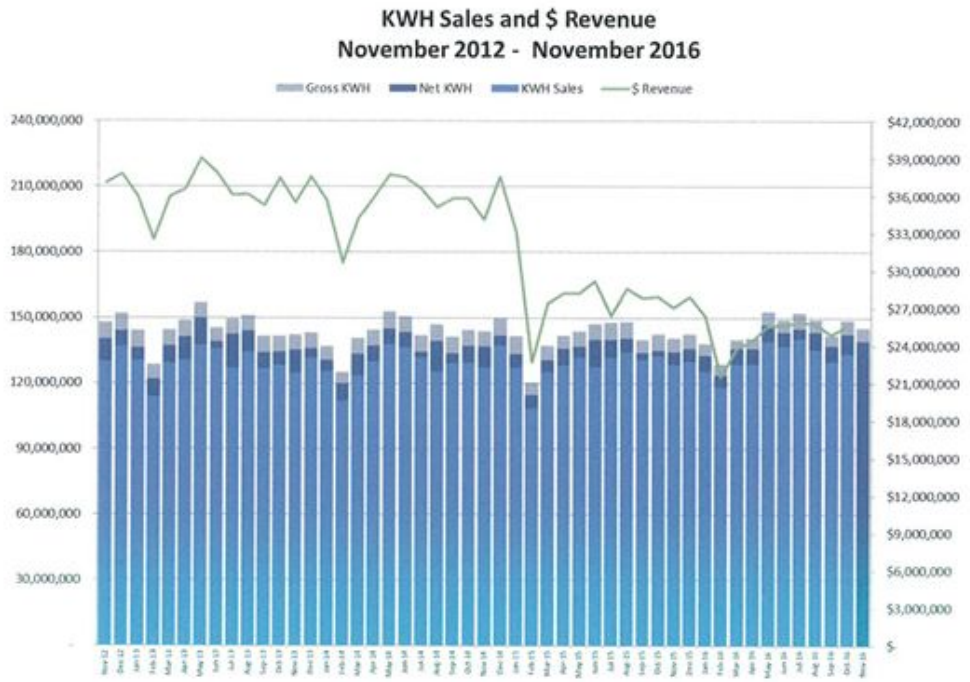

4. **Employee Health Insurance:** Our attorney has determined that GPA will need legislative authority to implement a separate health insurance plan for GPA and GWA employees. With the CCU permission, we can pursue the legislation needed.

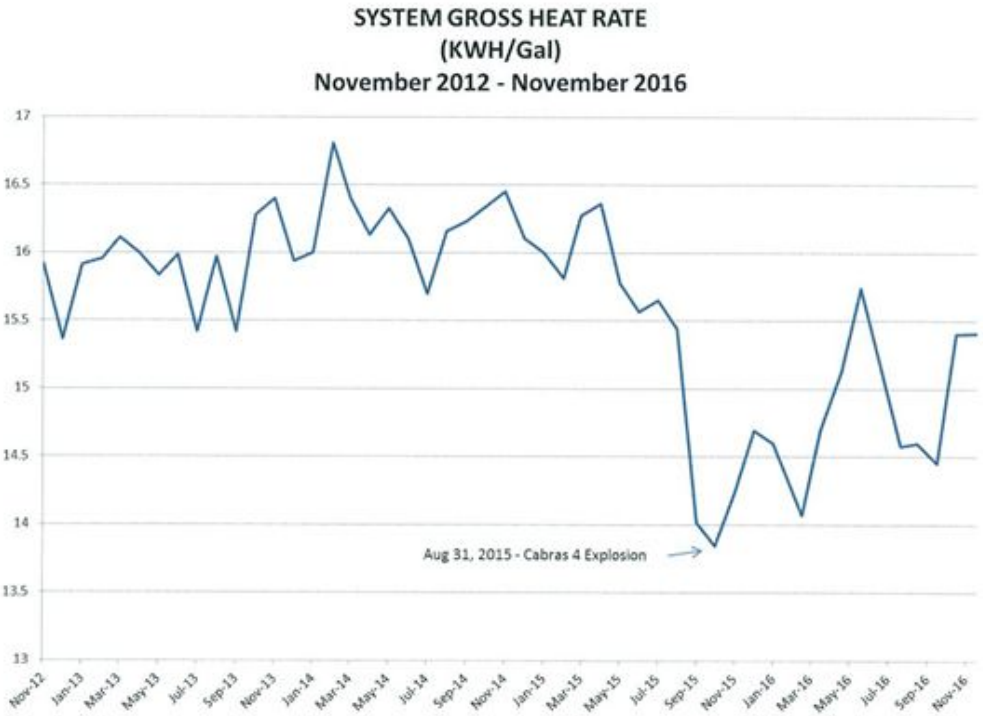
5. **Public Commission on Utilities Dockets:** The following dockets were approved at the November 28th PUC meeting:
   - GPA Docket: Aggreko Lease Extension for four years
   - GPA Docket: Cabras 1&2 PMC extension to September 30, 2020
   - GPA Docket: Cabras 3&4 Engine Room Cleanup
   - GPA Docket: Cabras 4 Engine Removal
   - GPA Docket: Dededo CT FY 2017 $2.607M Revenue Fund Expenditure

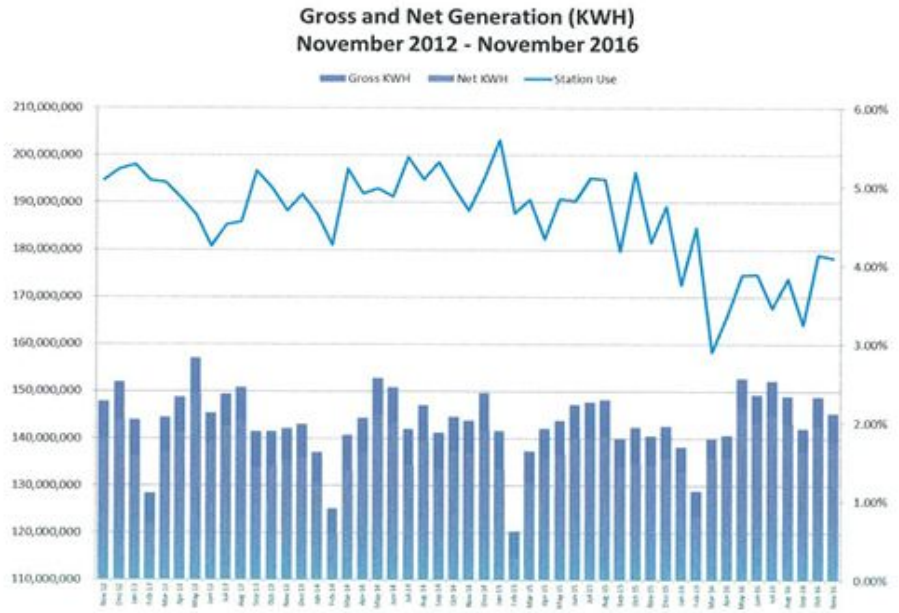
6. **Key Performance Indicators:** The following provides updates thru November 2016.

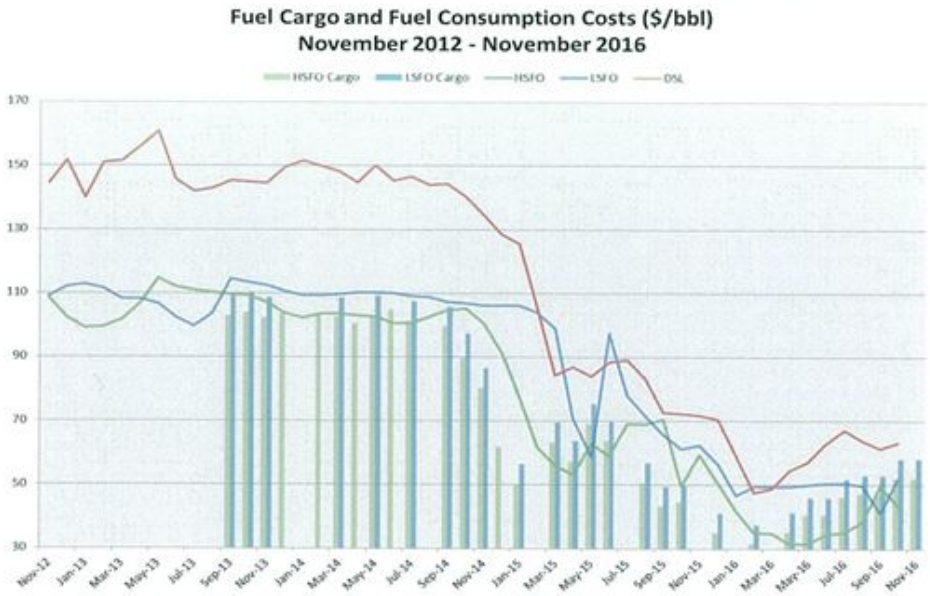

Historical Monthly Peak Demand
Oct 2011 - Nov 2016
Peak Demand
12-month Rolling Average
2-year Rolling Average
3-year Rolling Average
280
270
260
250
240
230
220

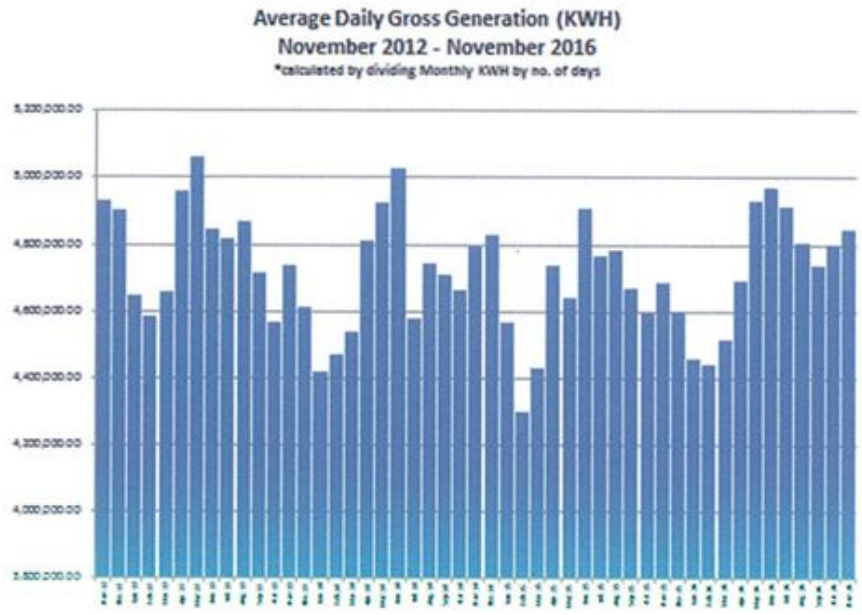

Monthly Peak Demand
November 2013 - November 2016
Peak Demand
12-month Rolling Average
270
260
250
240
230
220
210
200
Nov-13
Dec-13
Jan-14
Feb-14
Mar-14
Apr-14
May-14
Jun-14
Jul-14
Aug-14
Sep-14
Oct-14
Nov-14
Dec-14
Jan-15
Feb-15
Mar-15
Apr-15
May-15
Jun-15
Jul-15
Aug-15
Sep-15
Oct-15
Nov-15
Dec-15
Jan-16
Feb-16
Mar-16
Apr-16
May-16
Jun-16
Jul-16
Aug-16
Sep-16
Oct-16
Nov-16


KWH Sales and $ Revenue
November 2012 - November 2016
Gross KWH
Net KWH
KWH Sales
$ Revenue
240,000,000
210,000,000
180,000,000
150,000,000
120,000,000
90,000,000
60,000,000
30,000,000
$42,000,000
$39,000,000
$36,000,000
$33,000,000
$30,000,000
$27,000,000
$24,000,000
$21,000,000
$18,000,000
$15,000,000
$12,000,000
$9,000,000
$6,000,000
$3,000,000
$-


SYSTEM GROSS HEAT RATE
(KWH/Gal)
November 2012 - November 2016
17
16.5
16
15.5
15
14.5
14
13.5
13
Aug 31, 2015 - Cabras 4 Explosion
Nov-12
Jan-13
Mar-13
May-13
Jul-13
Sep-13
Nov-13
Jan-14
Mar-14
May-14
Jul-14
Sep-14
Nov-14
Jan-15
Mar-15
May-15
Jul-15
Sep-15
Nov-15
Jan-16
Mar-16
May-16
Jul-16
Sep-16
Nov-16


Gross and Net Generation (KWH)
November 2012 - November 2016
Gross KWH
Net KWH
Station Use
210,000,000
200,000,000
190,000,000
180,000,000
170,000,000
160,000,000
150,000,000
140,000,000
130,000,000
120,000,000
110,000,000
6.00%
5.00%
4.00%
3.00%
2.00%
1.00%
0.00%


Fuel Cargo and Fuel Consumption Costs ($/bbl)
November 2012 - November 2016
HSFO Cargo
LSFO Cargo
HSFO
LSFO
DSL
170
150
130
110
90
70
50
30
Nov-12
Jan-13
Mar-13
May-13
Jul-13
Sep-13
Nov-13
Jan-14
Mar-14
May-14
Jul-14
Sep-14
Nov-14
Jan-15
Mar-15
May-15
Jul-15
Sep-15
Nov-15
Jan-16
Mar-16
May-16
Jul-16
Sep-16
Nov-16




**Relative to** Group Health Insurance – Commissioner Sanches wants flexibility to go back into the GovGuam plan in event it ends up being too expensive to be out on our own. Comm-elect Guthertz wants to know impact on overall GovGuam should GPA pull out.

**4.2.2 Financials - None**

**4.2.3 Resolution No. 2016-72 LEAC**

The Guam Public Utilities Commission (GPUC) has established a Tariff under which the Guam Power Authority (GPA) is allowed to recover its fuel costs and fuel related costs under a factor which is reset and trued up every (6) six months through the Levelized Energy Adjustment Clause (LEAC). The deadline for GPA to petition the PUC the next LEAC cycle period of February 1 – July 31, 2017 is December 15, 2016.

The world wide cost of fuel had declined during the last quarter of 2015 and through the first quarter of 2016 - nearly a 31% decline in the average monthly settlement, but has increased by nearly 50% since the low point in January 2016. The market price of fuel in the initial filing for the current period was projected to be $42.27/bbl. for the (6) six-month period ending January 31, 2017, the current projection for the same period is now $48.08/bbl. and the latest projected price of fuel for the period ending July 31, 2017 would be about $54.59/bbl. If the projected average price ending July 31, 2017 is $54.59/bbl, GPA has determined that the LEAC factor for secondary voltage service customers as well as alternative voltage customers will need to be increased from $0.08816/kWh to $0.116136/kWh for the period of February 1, 2017 to July 31, 2017. If the fuel oil does track to $54.59/bbl., the effect of the change in the LEAC rate will result in an increase in the total bill by 16.3% or about a $29.52 increase on a 1000 kWh power bill, in order to recover the total projected under-recovery of about $17.7M anticipated by the end of the LEAC period on July 31, 2017

Fuel oil prices are currently very volatile and price projections continue to fluctuate due to the recent decision by OPEC to cut production, making it very difficult to determine with reasonable certainty where the price of fuel oil will be over the next LEAC period. GPA desires to minimize the rate impact resulting from the recent oil market changes and uncertainties and prefers to gradually true up fuel oil cost by phasing in increases over two (2) LEAC periods and recommends the next LEAC rate to be about half of what the market is projecting.
In the phase in approach the effect of the change in the LEAC rate will result in an increase in the total bill by 8.1% or about a $14.76 increase on a 1000 kWh power bill, in order to recover the total projected under-recovery. An under-recovery of about $8.8M is anticipated by the end of the LEAC period on July 31, 2017 which will not significantly impact working capital and other financial ratios; and

Comm. Sanchez motioned to approve Resolution 2016-72; Comm. Santos seconded.

In discussion the GM highlighted that PUC requires a true-up every 6 months. Due to increasing cost of fuel, management is recommending a LEAC rate increase in 2 phases – the 1st to be about half of what the market is projection and the 2nd half in August 2017. He is asking the Commission to increase LEAC from .0866 to .1013 for period February 1 – July 31, 2017.

The Chairman said he is comfortable with managements recommendation and said they came up with a good approach.

On the motion there was no further discussion or objection and the motion passed.

**4.2.4 Resolution No. 2016-73 Relative to the Authorization for GPA and GWA for Additional Support to the Customer Care and Billing (CC&B) System**

Resolution 2016-73 is identical to GWA Resolution 10-FY2017; please refer to section 4.1.5 for related details to this matter.

GM Benavente commented that this will correct the gap that both agencies are experiencing. Chairman asked GM Miguel if he concurs with GM Benavente and he responded yes. It was mentioned that GPA's PUC obligatory cap is $1.5M and GWA's cap is $1M. Legal counsel Clark confirm that both agencies are ok.

Comm. Bamba motioned to approve Resolution 2016-73; Comm. Sanchez seconded. There was no further discussion or objection and the motion passed.

## 5. OLD BUSINESS

**5.1 GWA Resolution No. 04-FY2017 Relative to Supporting the 2016 MOU Between GWA/ DoD & DoN**

The Guam Waterworks Authority (GWA) has been working with the Department of the Defense, Department of the Navy to update the 2010 MOU between the GWA and the Department of the Navy Relative to the 2010 Military Build-up. The purpose of this updated MOU is to define the relationship between Joint Region Marianas (JRM), Naval Facilities Engineering Command Marianas (NAVFAC Marianas), Guam Waterworks Authority (GWA), and the Consolidated Commission on Utilities (CCU), while developing the "One-Guam" vision for water and wastewater needs expected to increase as a result of military and civilian population growth. The updated MOU establishes objectives relating to the implementation of water and wastewater utility service solutions devised to address the projected additional requirements and/or re-capitalization efforts needed and covers issues not identified in the original 2010 MOU. The MOU will cover the water and wastewater facilities for both systems island-wide. The cost depends on individual projects and will be funded by both GWA and DoD funds. It was also mentioned that the MOU will be executed upon approval of the CCU and will be reviewed every three (3) years.

For the record, this matter was discussed and relative voting details can be found at the top of page 1 of these Minutes.

**5.2 GWA Resolution No. 11-FY2017 Relative to the Amendment of the Positions for the Assistant General Manager of Operations (AGMO) and the Assistant General Manager of Administration (AGMA)**

GM Bordallo said that he is not asking the Commission for approval now at this time. This is information purposes only and since the next meeting is not until January, he will send via poll vote when ready and present to the Commission for ratification at that meeting.

Resolution 11-FY2017 requests the Commission to amend the Assistant General Manager of Operations job position description and specifications, and salary range to support the Agency's daily operations within its Water and Wastewater Divisions; providing effective and efficient delivery of safe drinking water and services to the community. The Agency currently employs just one Assistant General Manager for Compliance & Safety, while the other divisions of as much importance function without an Assistant General Manager at its helm, thus limiting effective communications direct to the General Manager while at the same time, affecting operations to provide

statuses by Superintendents or Managers, who would otherwise be addressing the water | wastewater needs of our community.

If approved, the AGM of Operations will be under the direct supervision and management of the General Manager while overseeing and ensuring optimal performance of our Water and Wastewater Divisions. The AGM of Administration will be under the direct supervision and management of the General Manager while overseeing the following divisions: Human Resources, Procurement, Supply & Warehouse, Fleet & Equipment, Information Technology and Engineering.

It was mentioned that GWA has met the posting requirements as mandated by P.L. 28-112. To include such posting to each newspaper of general circulation and broadcasting station, which airs regular news programs within Guam. GWA will certify funding for the position available for the filling and retention of its certified, technical and professional newly created position. The funding of this position does not have an impact on the General Fund.

In discussion Comm. Sanchez said that the position description on page 163 notes minimum experience / training and that the degrees that qualify is limiting - wondering if management would consider change to Masters Degree in Major course work in utility. Comm-elect Guthertz added or other relevant degree. GM Bordallo said he will revise with proposed recommendations and distribute to CCU, then post in media and then poll vote the matter and present for ratification at the January meeting.

**5.3 GWA Resolution No. 12-FY2017 Relative to Approving the Ratification of Bid award, Relative to IFB 2016-09 for Diesel Fuel Oil No. 2 and Regular Unleaded Automotive Gasoline for GWA's Transportation Fleet and Heavy Equipment**

This bid is under procurement process with the OPA. GM Bordallo said he is presenting this matter now but is not asking for a vote tonight. The appeal period to the OPA falls after tonight's meeting. He said he wanted to give the Commission notice in advance and he will send the poll package to the Commission for poll vote when ready and present it for ratification at the January meeting. For the record, Resolution 12-FY2017 requests the Commission to ratify the Bid award, for IFB 2016-09 to supply GWA Diesel Fuel Oil No. 2 and Regular Unleaded Automotive Gasoline for GWA's Transportation Fleet and Heavy Equipment. Without the fuel, GWA cannot meet its daily operational needs and activities. The estimated fuel cost for Unleaded gasoline with Mobil Oil Guam is $1.523 per gallon at 115,000 gallons of unleaded gasoline per year at a cost of $175,145.00. The estimated fuel cost for Diesel Fuel with IP&E is $1.3200 per gallon at 50,000 gallons of diesel per year at a cost of $66,000. The grant Total $241,145.00 estimated cost annually. It was also mentioned that the fuel services for GWA's vehicle and equipment fleet will be on-going for the duration of the initial 3-year contract with the option to renew for an additional 2 years, 1-year term and will be funded with O&M funds.

## 6. ANNOUNCEMENTS

**6.1 Oath of Office**

The chairman announced that on January 12, 2017 he, Comm. Joseph Duenas and Comm. Elect Judi Guthertz will take their Oath of Office signifying the official installation of the 8th elected CCU body.

**6.2 Next CCU Meetings: GWA WS – January 18; GPA WS – January 19; CCU Meeting – January 24**

The Chairman said the next CCU meeting would be a work session for GWA on January 18 followed by GPA's on January 24. The regular monthly CCU meeting would be on January 24.

## 7. ADJOURNMENT

There was no further business to bring before the Commission and the meeting adjourned at 7:03 p.m.

\\s\\
bls

Attested:

JOSEPH T. DUENAS, Chairman

J. GEORGE BAMBA, Secretary

GUAM POWER AUTHORITY
ATURIDÅT ILEKTRESEDÅT GUAHAN
P.O.BOX 2977 • AGANA, GUAM U.S.A. 96932-2977

**TO:** **Consolidated Commission on Utilities**

**FROM:** **General Manager**

**DATE:** **January 24, 2017**

**SUBJECT:** **General Manager's Report**

1. **System Capacity Recovery Plan Update:**
   - The Dededo Combustion Turbine Plant is on schedule to be commissioned by March 31st, 2017. The plant would add 40 MW of reserve capacity into the system. The plant commissioning will complete our capacity recovery plan effort.
   - The following updates our generation capacity recovery schedule:

| Date | Description ( IWPS Capacity) | MW Added | System MW | 2017 Proj. Peak MW | Reserve MW |
|---|---|---|---|---|---|
| 19-Jan-17 | GPA Total Capacity*** | | 386 | 262 | 124 |
| | | | | | |
| 28-Feb-17 | Dededo CT 2 Commissioning | 20 | 406 | 262 | 144 |
| 31-Mar-17 | Dededo CT 1 Commissioning | 20 | 426 | 262 | 164 |

*** Capacity does not include interruptible load, standby generators and Navy capacity.

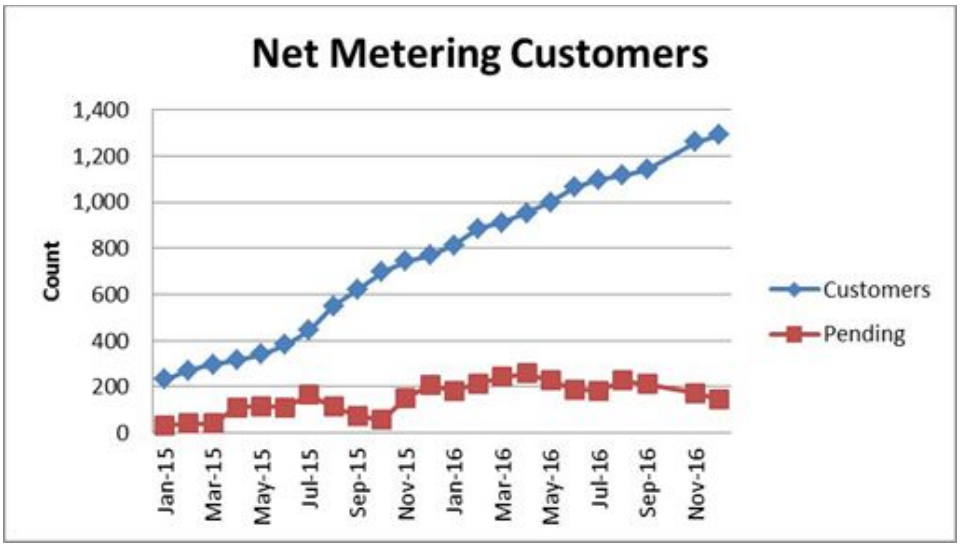
| Current Outage/Deration: | | Capacity | Available | Unavalable | Return Date |
|---|---|---|---|---|---|
| | Cabras 1 | 66 | 58 | 8 | 15-Sep-17 |
| | Medium Speed Diesels Hard Down (3ea.) | 13 | 0 | 13 | 30-Sep-17 |
| | Total: | | | 21 | |
| | | | | | |
| | MW Capacity Available Jan 19th 2017 | | | 365 | |
| | Projected January Peak MW Demand | | | 232 | |
| | Available MW Reserve | | | 133 | |

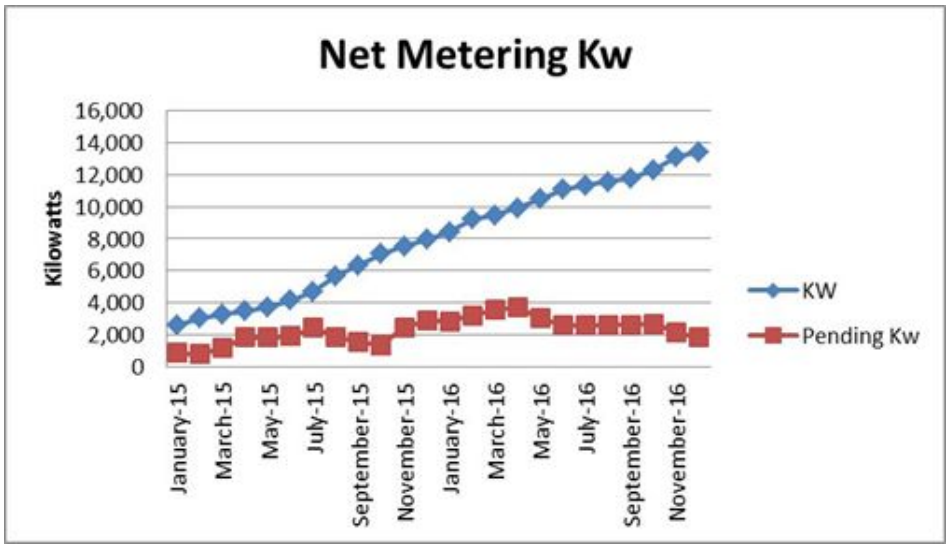
2. **Net Metering: Net Metering Summary Ending December 2016:**

| Description: | Count | Kw |
|---|---|---|
| **Active** | **1,290** | **13,409** |
| Pending | 143 | 1,840 |
| Totals: | 1,433 | 15,249 |

| Service: | Count | KW | Kw/Customer |
|---|---|---|---|
| **Residential** | **1,219** | **10,975** | **9.0** |
| Others | 71 | 2,434 | 34.3 |
| Total: | 1,290 | 13,409 | 10.4 |
| **% Residential** | **94.5%** | **81.8%** | |

| Estimated 12 Months Revenue Impact: | $2,502,271 |
|---|---|




## Net Metering Pay out and Carry Over Credits

### Pay Out Credits:

| Calender Year | Meter Count | Kwh | Amount | Average $/Kwh |
|---|---|---|---|---|
| CY 2015 | 74 | 152,793 | $27,480 | $0.180 |
| CY 2016 **Estimated** | 58 | 171,649 | $32,000 | $0.186 |

### Carry Over Credits:

| Calender Year | Meter Count | Kwh | Estimated Amount | Average $/Kwh |
|---|---|---|---|---|
| CY 2015 | 410 | 462,997 | $83,270.55 | $0.180 |
| CY 2016 Estimated | 237 | 393,433 | $73,346.52 | $0.186 |

3. **Combined Cycle Plant Land Bid**: The bid for about 40 acres of land near the GWA Northern Wastewater Treatment Plant will be issued next week.

4. **Bond Ratings:** Standard & Poor and Fitch have both recently affirmed GPA's investment grade rating with stable outlook. The loss of Cabras 3&4 was of concern to the rating agencies, but the continued efforts to update them on a regular basis on our recovery efforts and the minimal impact the explosion had on financials and service made us successful in maintaining our ratings.

5. **DSM Program Update:** The following summarizes rebates thru January 1st 2017. The paid out rebate to date totals $281,000.



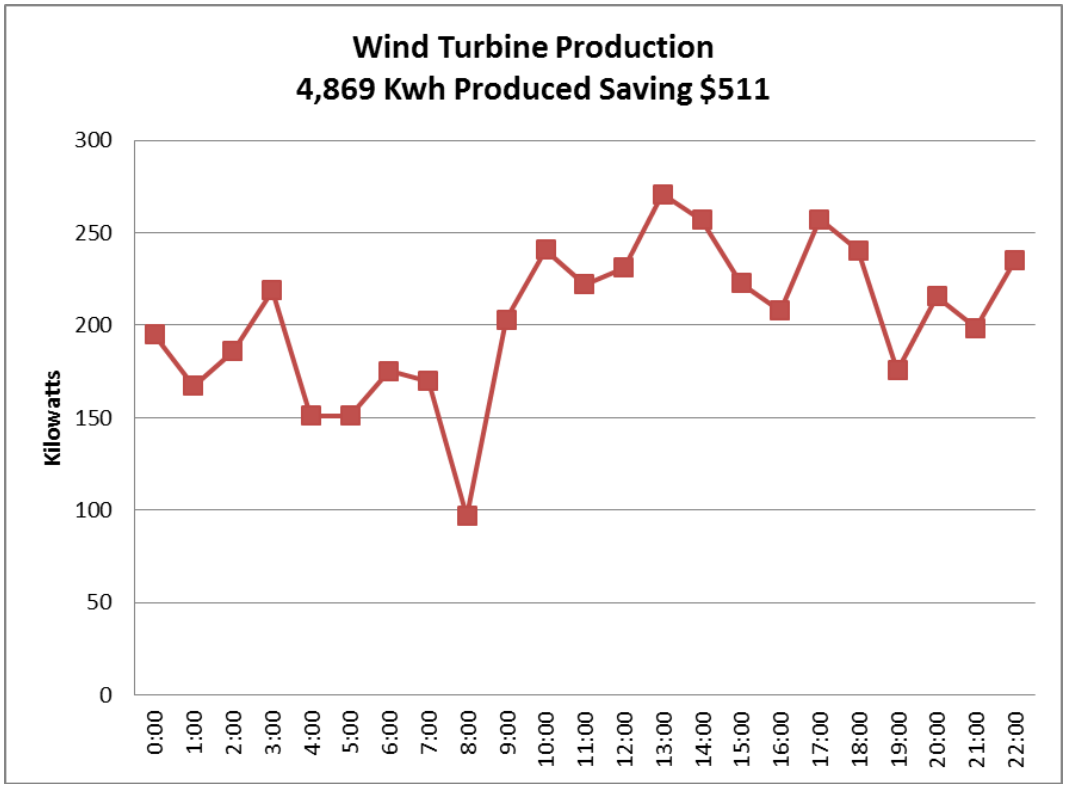

6. **Phase II Renewables Bid:**
   - Priced proposals were opened on January 13, 2017. GPA is in the process of reviewing submittals to determine the lowest bidder(s).
   - Bids for Solar PV system ranged from $0.062 to $0.210/ Kwh. Sole bid for Geo-thermal energy was $0.240/Kwh.
   - The notification of successful bidder(s) is targeted for late January.
   - A system stability analysis will need to be conducted for the successful bidder(s) proposal to determine the total cost impact for the project.
   - I am targeting to provide a recommendation at the February CCU meeting. The contract will require PUC approval.

7. **Energy Storage System Bid:**
    - Technical Proposals were received from four companies.
    - Two companies were deemed acceptable and their price proposal were opened on January 18th.
    - Recommendation for award was added to tonight's agenda.

8. **Phase III Renewables Bid:**
    - We expect to announce this bid in February.
    - This is for Solar PV on land leased from the Navy.
    - Project capacity is about 35 MW.

9. **Other Key Bid Invitations Updates:**
    - The bids for the major engine overhaul of Diesel units have been received and are being evaluated. A recommendation will be brought to the CCU at the February meeting.
    - LED Luminaires is being re-bid. This delays our change out work by about six months.

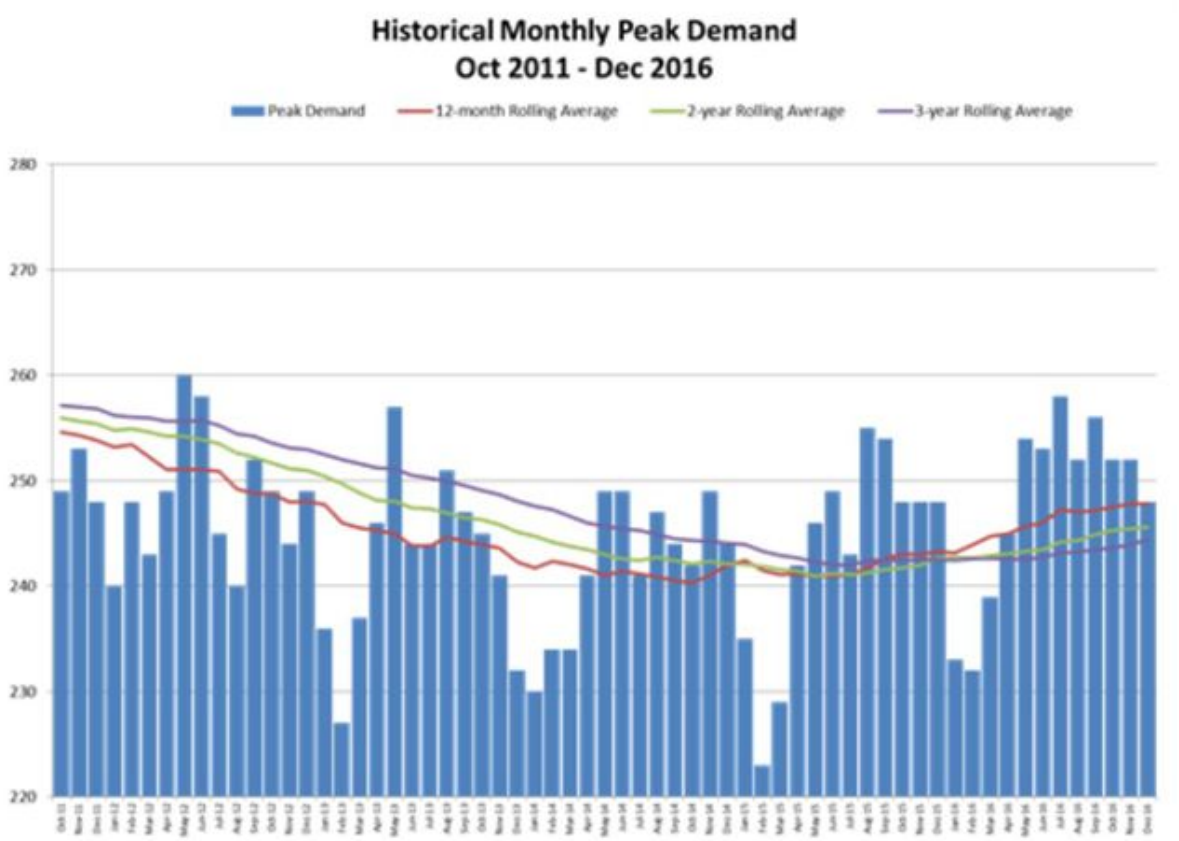
10. **GPA Wind Turbine Production:** The following is the production graph for Sunday, January 23rd

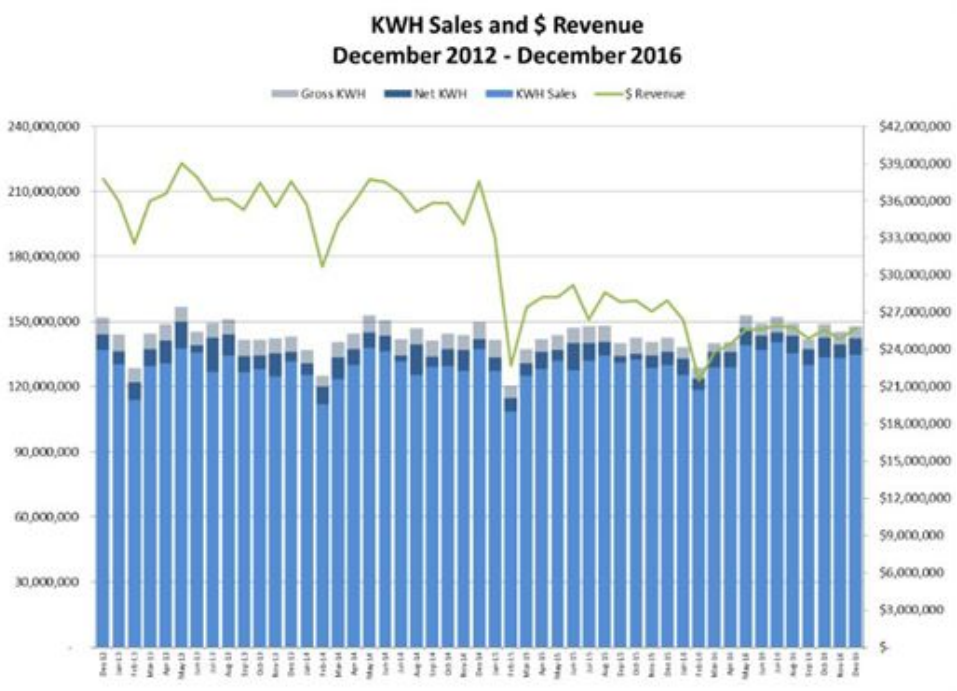


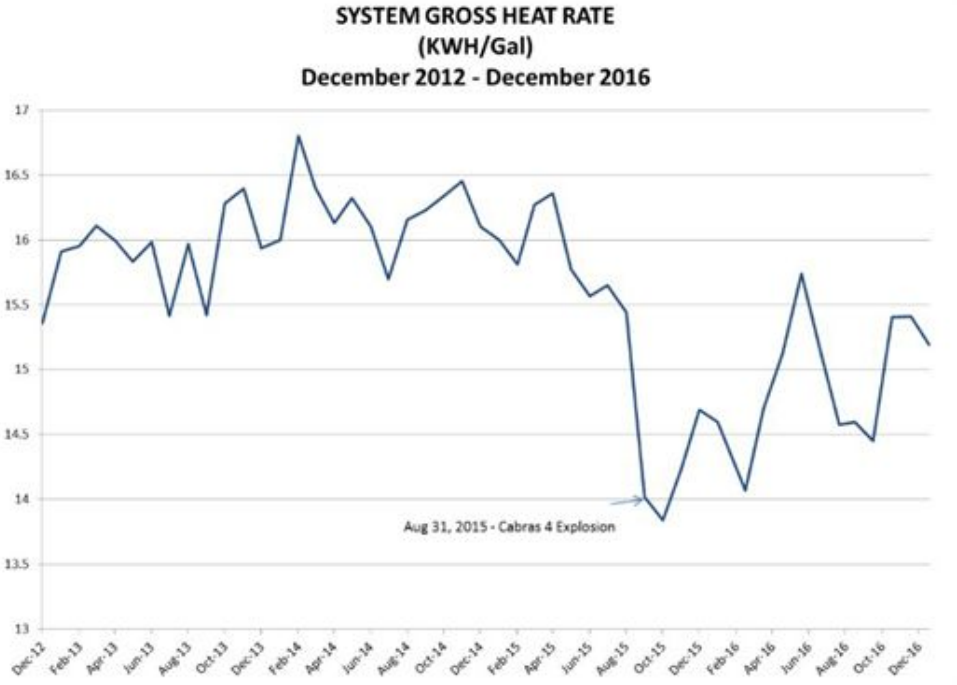
**11. Public Commission on Utilities Dockets:**

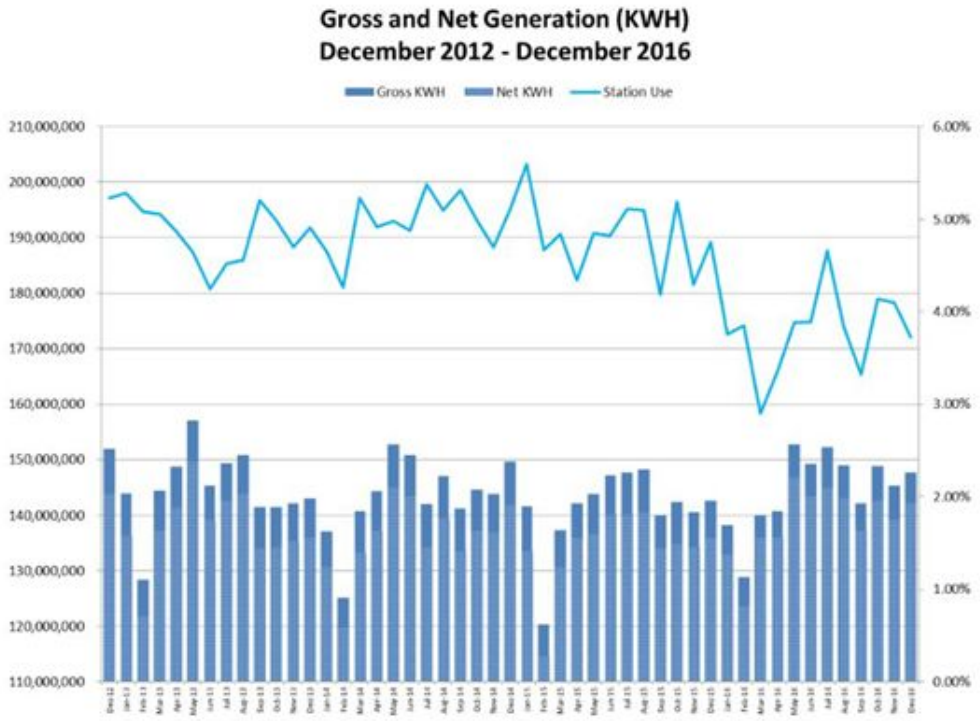
- A decision on LEAC rate for the period February thru July is expected at their next week regular meeting.
- GPA Docket 16-01; Contract extension of the Cabras 3&4 EWP was approved for two months.

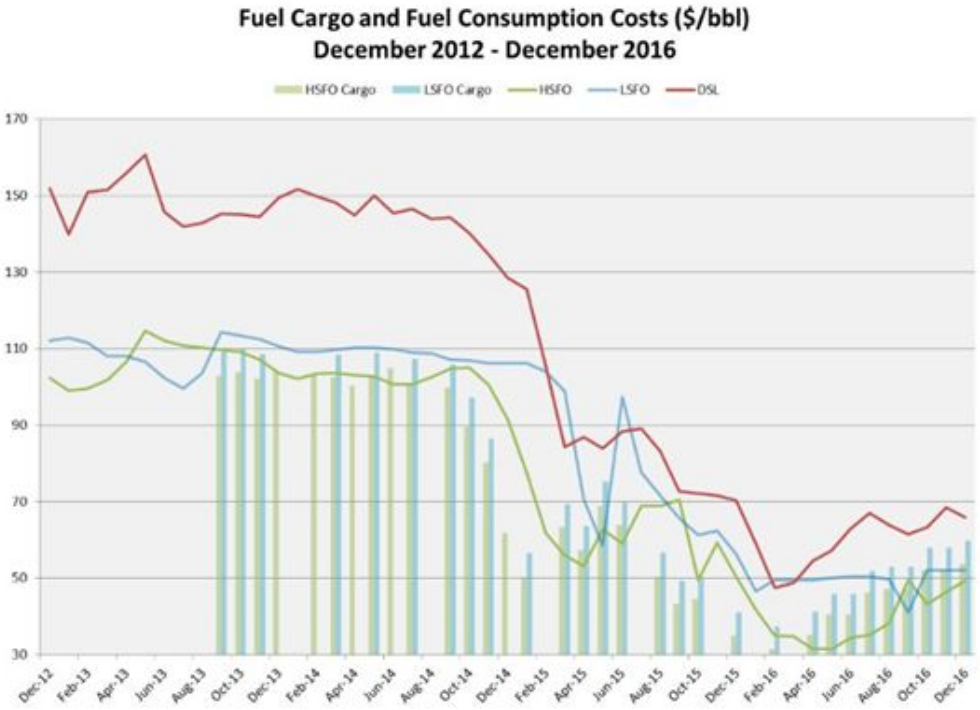
**12. Key Performance Indicators:** The following pages update information thru December 2016.




KWH Sales and $ Revenue
December 2012 - December 2016
Gross KWH
Net KWH
KWH Sales
$ Revenue
240,000,000
210,000,000
180,000,000
150,000,000
120,000,000
90,000,000
60,000,000
30,000,000
$42,000,000
$39,000,000
$36,000,000
$33,000,000
$30,000,000
$27,000,000
$24,000,000
$21,000,000
$18,000,000
$15,000,000
$12,000,000
$9,000,000
$6,000,000
$3,000,000
$-


SYSTEM GROSS HEAT RATE
(KWH/Gal)
December 2012 - December 2016
17
16.5
16
15.5
15
14.5
14
13.5
13
Aug 31, 2015 - Cabras 4 Explosion
Dec-12
Feb-13
Apr-13
Jun-13
Aug-13
Oct-13
Dec-13
Feb-14
Apr-14
Jun-14
Aug-14
Oct-14
Dec-14
Feb-15
Apr-15
Jun-15
Aug-15
Oct-15
Dec-15
Feb-16
Apr-16
Jun-16
Aug-16
Oct-16
Dec-16


Gross and Net Generation (KWH)
December 2012 - December 2016
Gross KWH
Net KWH
Station Use
210,000,000
200,000,000
190,000,000
180,000,000
170,000,000
160,000,000
150,000,000
140,000,000
130,000,000
120,000,000
110,000,000
6.00%
5.00%
4.00%
3.00%
2.00%
1.00%
0.00%


Fuel Cargo and Fuel Consumption Costs ($/bbl)
December 2012 - December 2016
HSFO Cargo
LSFO Cargo
HSFO
LSFO
DSL
170
150
130
110
90
70
50
30
Dec-12
Feb-13
Apr-13
Jun-13
Aug-13
Oct-13
Dec-13
Feb-14
Apr-14
Jun-14
Aug-14
Oct-14
Dec-14
Feb-15
Apr-15
Jun-15
Aug-15
Oct-15
Dec-15
Feb-16
Apr-16
Jun-16
Aug-16
Oct-16
Dec-16

# December 2016
# Monthly Financial Highlight

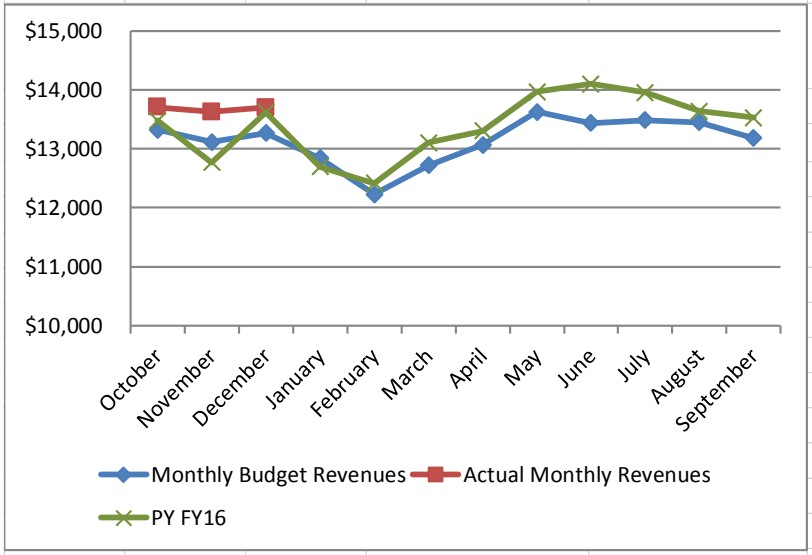
January 24, 2017

## Consolidated Commission on Utilities

# December 2016 Monthly Financial Highlight



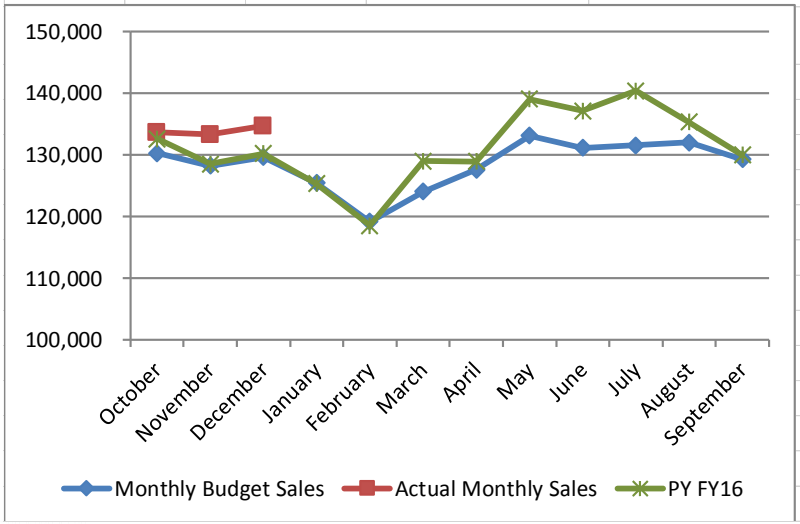
## Base Rate Revenue $000




Through November 30, 2016

| $000 | Monthly Budget Revenues | Actual Monthly Revenues | Variance | | PY FY16 | CY vs PY Variance | |
|---|---|---|---|---|---|---|---|
| October | $ 13,320 | $ 13,702 | $ 383 | ↑ | $ 13,481 | $ 221 | ↑ |
| November | 13,114 | 13,622 | $ 509 | ↑ | 12,769 | $ 853 | ↑ |
| December | 13,265 | 13,695 | $ 430 | ↑ | 13,617 | $ 78 | ↑ |
| January | 12,838 | | | | 12,694 | | |
| February | 12,226 | | | | 12,415 | | |
| March | 12,720 | | | | 13,103 | | |
| April | 13,066 | | | | 13,300 | | |
| May | 13,624 | | | | 13,963 | | |
| June | 13,438 | | | | 14,098 | | |
| July | 13,483 | | | | 13,953 | | |
| August | 13,447 | | | | 13,639 | | |
| September | 13,179 | | | | 13,525 | | |
| **Total** | **$ 157,720** | **$ 41,019** | **$ 1,321** | | **$ 160,557** | **$ 1,152** | |

## GWh Sales



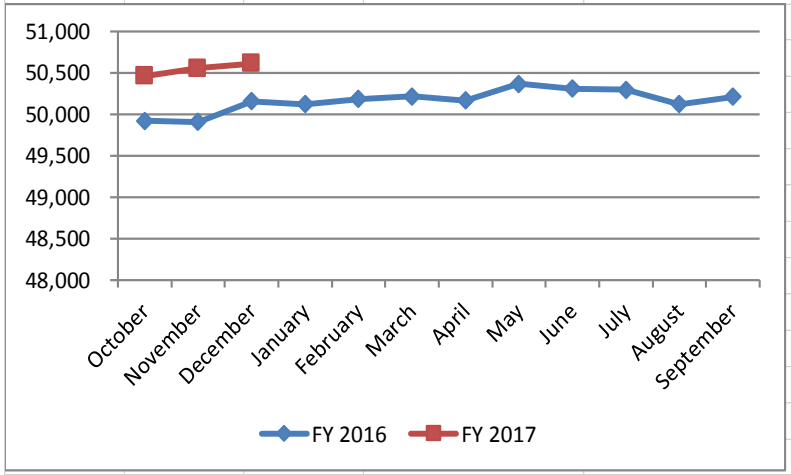

Through November 30, 2016

| gwh | Monthly Budget Sales | Actual Monthly Sales | Variance | | PY FY16 | CY vs PY Variance | |
|---|---|---|---|---|---|---|---|
| October | 130,212 | 133,620 | 3,408 | ↑ | 132,517 | 1,103 | ↑ |
| November | 128,213 | 133,235 | 5,022 | ↑ | 128,470 | 4,765 | ↑ |
| December | 129,585 | 134,634 | 5,049 | ↑ | 130,157 | 4,477 | ↑ |
| January | 125,428 | | | | 125,264 | | |
| February | 119,112 | | | | 118,483 | | |
| March | 123,983 | | | | 128,934 | | |
| April | 127,578 | | | | 128,910 | | |
| May | 133,054 | | | | 138,989 | | |
| June | 131,073 | | | | 137,074 | | |
| July | 131,526 | | | | 140,334 | | |
| August | 131,966 | | | | 135,275 | | |
| September | 129,238 | | | | 129,932 | | |
| **Total** | **1,540,970** | **401,490** | **13,478** | | **1,574,340** | **10,345** | |

# December 2016 Monthly Financial Highlight (Continued)



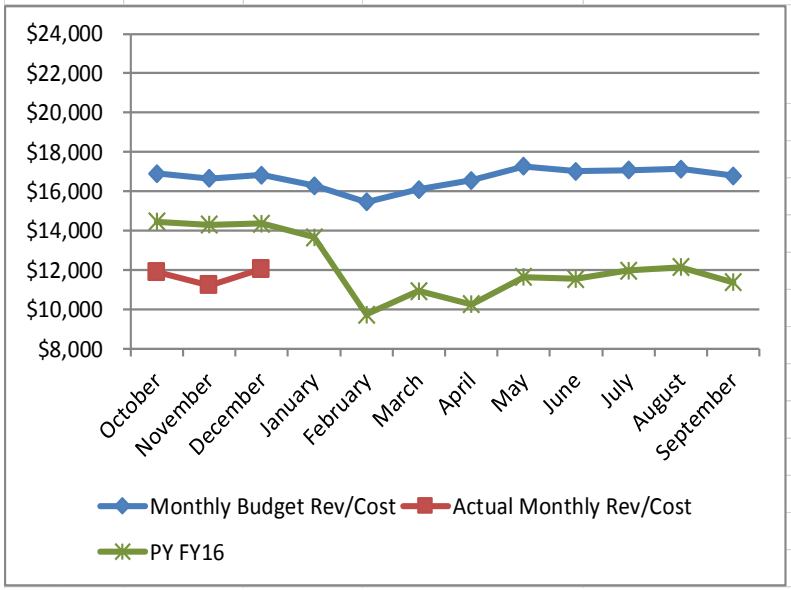
## Number of Customers




Through November 30, 2016

| | FY 2016 | FY 2017 | Variance | |
|---|---|---|---|---|
| October | 49,919 | 50,460 | 541 | ↑ |
| November | 49,905 | 50,552 | 647 | ↑ |
| December | 50,155 | 50,611 | 456 | ↑ |
| January | 50,119 | | | |
| February | 50,180 | | | |
| March | 50,212 | | | |
| April | 50,162 | | | |
| May | 50,366 | | | |
| June | 50,306 | | | |
| July | 50,293 | | | |
| August | 50,119 | | | |
| September | 50,207 | | | |

## Fuel Revenue/ Cost $000



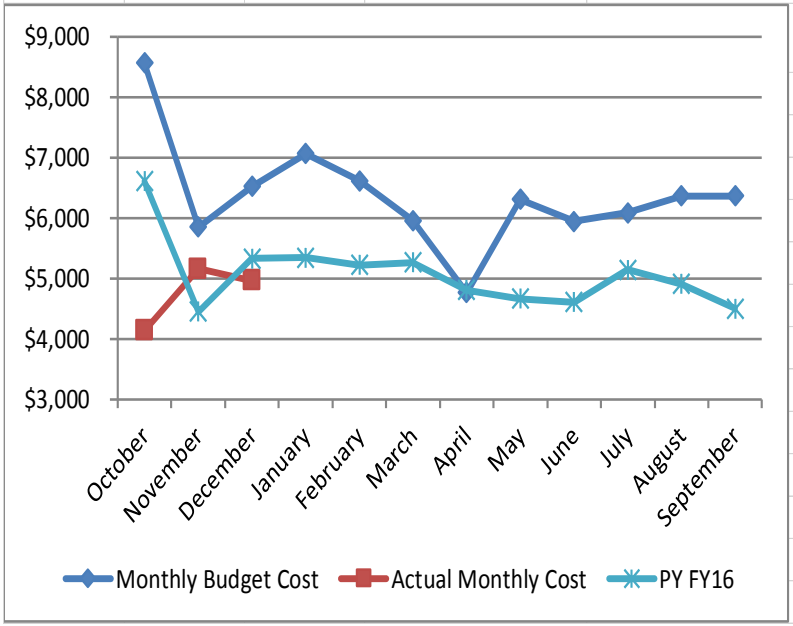

Through November 30, 2016

| $000 | Monthly Budget Rev/Cost | Actual Monthly Rev/Cost | Variance | | PY FY16 | CY vs PY Variance | |
|---|---|---|---|---|---|---|---|
| October | $ 16,901 | $ 11,894 | $ (5,008) | ↓ | $ 14,443 | $ (2,549) | ↓ |
| November | 16,642 | 11,215 | $ (5,427) | ↓ | 14,306 | $ (3,091) | ↓ |
| December | 16,820 | 12,036 | $ (4,784) | ↓ | 14,349 | $ (2,313) | ↓ |
| January | 16,280 | | | | 13,663 | | |
| February | 15,460 | | | | 9,739 | | |
| March | 16,093 | | | | 10,924 | | |
| April | 16,559 | | | | 10,256 | | |
| May | 17,270 | | | | 11,637 | | |
| June | 17,013 | | | | 11,536 | | |
| July | 17,072 | | | | 11,966 | | |
| August | 17,129 | | | | 12,146 | | |
| September | 16,775 | | | | 11,375 | | |
| **Total** | **$ 200,015** | **$ 35,145** | **$ (15,218)** | | **$ 146,340** | **$ (7,953)** | |

# December 2016 Monthly Financial Highlight (Continued)



O&M Cost $000




Through November 30, 2016

| $000 | Monthly Budget Cost | Actual Monthly Cost | Variance | | PY FY16 | CY vs PY Variance | |
|---|---|---|---|---|---|---|---|
| October | $ 8,564 | 4,135 | 4,429 | ↑ | 6,605 | 2,470 | ↑ |
| November | 5,846 | 5,158 | 688 | ↑ | 4,452 | (707) | ↓ |
| December | 6,520 | 4,967 | 1,553 | ↑ | 5,330 | 363 | ↑ |
| January | 7,063 | | 7,063 | | 5,346 | 5,346 | |
| February | 6,616 | | 6,616 | | 5,220 | 5,220 | |
| March | 5,958 | | 5,958 | | 5,267 | 5,267 | |
| April | 4,763 | | 4,763 | | 4,806 | 4,806 | |
| May | 6,304 | | 6,304 | | 4,662 | 4,662 | |
| June | 5,943 | | 5,943 | | 4,608 | 4,608 | |
| July | 6,083 | | 6,083 | | 5,143 | 5,143 | |
| August | 6,366 | | 6,366 | | 4,906 | 4,906 | |
| September | 6,366 | | 6,366 | | 4,501 | 4,501 | |
| **Total** | **$ 76,394** | **$ 14,261** | **$ 62,133** | | **$ 60,847** | **$ 46,587** | |

| Debt service coverage (DSC) calculation-indenture | 2012 | 2013 | 2014 | 2015 | 2016 | YTD Dec 2016 |
|---|---|---|---|---|---|---|
| Senior lien coverage | 2.13 | 3.36 | 3.16 | 3.62 | 3.35 | 3.06 |
| Aggregate debt service coverage | 1.35 | 1.88 | 1.98 | 2.62 | 3.35 | 3.06 |
| | | | | | | |
| Debt service coverage (DSC) calculation-IPP as O&M | | | | | | |
| Senior lien coverage | 1.29 | 2.16 | 2.25 | 2.56 | 2.52 | 2.38 |
| Aggregate debt service coverage | 0.82 | 1.21 | 1.41 | 1.85 | 2.52 | 2.38 |

GUAM POWER AUTHORITY
ATURIDÅT ILEKTRESEDÅT GUAHAN
P.O.BOX 2977 • AGANA, GUAM U.S.A. 96932-2977

# Issues for Decision
## Justification Summary

**Resolution No. 2017-01:**

**RESOLUTION RELATIVE TO THE APPROVAL OF ENGINEERING, PROCUREMENT AND CONSTRUCTION MANAGEMENT (EPCM) CONTRACT**

**What is the project's objective? Is it necessary and urgent?**

GPA issued RFP-17-001 for an EPCM Contract to provide Engineering and Technical support in the development of procurement of up to 180MW of new generation capacity through an IPP Contract model. The new power plant is required under GPA's USEPA Compliance Plan for the compliance of the Cabras 1&2 and MEC Power Plants under the EGU MATS and RICE MACT regulations.

**How much will it cost?**
GPA has estimated $750,000 for the procurement development task. For additional other tasks and scopes of work, GPA will obtain CCU and PUC approval at the appropriate time. These other tasks and scopes are best decided upon as more information is available.

**When will it be completed?**
For the initial procurement development task GPA has estimated 3-6 months to develop and obtain CCU and PUC approval. GPA's compliance plan has new plants commissioned by December 2020.

**What is its funding source?**
GPA has obtained approval for use of $750,000 from 2014 Bond Funds LNG Initial Startup Project through CCU Resolution 2015-21 and PUC Order Docket 15-05 issued on October 29, 2016.

**The RFP/BID responses:**
GPA evaluated Stanley Consultants, Inc as the most qualified and responsive proposal from the submitted proposals. GPA recommends to award and to assign the initial task of the procurement development for the IPP contract. GPA intends to use the EPCM as Owner's Engineer during design and construction of the power plant which will be negotiated later.

CONSOLIDATED
COMMISSION ON UTILITIES
Guam Power Authority • Guam Waterworks Authority
P.O.BOX 2977 • Agana,Guam 96932

**RESOLUTION NO. 2017–01**

**RESOLUTION RELATIVE TO THE APPROVAL OF ENGINEERING, PROCUREMENT AND CONSTRUCTION MANAGEMENT (EPCM) CONTRACT**

**WHEREAS,** in March 2015 the CCU authorized GPA to petition the PUC for approval of Consulting Services for implementing USEPA Compliance Plan and use of $750,000 of the 2014 Bond Funds LNG Initial Startup Project [1]; and

**WHEREAS,** in May 2015 the PUC deferred its approval of the consulting services petition pending its approval of GPA's proposal for 180MW of new Combined Cycle Power Plant[2]; and

**WHEREAS,** on August 31, 2015 GPA experienced catastrophic failure at the Cabras 3&4 Power Plant and caused generation capacity reserve shortfalls to support scheduled maintenance outages for the Cabras 1&2 and MEC baseload power plants. This required GPA to acquire 40 MW of temporary power, establish an Interruptible Load Program, and initiate the repowering of the Dededo CT power plant; and

**WHEREAS,** in October 2015 the PUC considered the impact of the loss of the Cabras 3&4 Power Plant and need for additional generation reserve and, to further support GPA's request for 180MW of new generation capacity, required GPA to provide additional information such as a third party condition assessment of the Cabras 1&2 Power Plant and customer rate impact of new capacity. In addition, the PUC set conditions required GPA to initiate the Demand Side Management Program and to evaluate additional renewables into the GPA generation plan[3]; and

**WHEREAS,** in July 2016 GPA completed its response to the October 2015 PUC Order which included a Life Assessment study of the Cabras 1&2, an expanded Demand Side Management program, a Time of Use Study, Customer Rate Impact summary, updated IRP

[1] CCU Resolution No 2015-21 for approval of Consulting Services for implementing USEPA Compliance Plan was approved on March 24, 2015. GPA submitted its petition to PUC on April 9, 2015 under Docket 15-05.
[2] PUC ordered deferral of approving consulting services on the May 28, 2015 PUC Hearing under Docket 15-05.
[3] PUC ordered GPA to respond to PUC consultant report on IRP and to address several conditions as ordered on the October 29, 2015 PUC Hearing under Docket 15-05.

results reflecting updated fuel and load forecasts, Life Assessment Report of the MEC Power Plant, as well as an update to renewable integration with regards to Phase II, the lease of Navy properties for solar photovoltaic (PV) development and the evaluation of energy storage for increased PV penetration; and

**WHEREAS,** in October 2016, the PUC approved GPA's petition for up to 180MW of new generation capacity subject to the PUC procurement protocol and other conditions set forth in the order. In addition, the PUC also approved the consulting services and funding to support the procurement development for a IPP contract for new generation capacity; and

**WHEREAS,** on November 10, 2016 GPA issued RFP-17-001 for Engineering, Procurement and Construction Management Contract (EPCM) for the procurement development of an IPP contract for new generation capacity and to represent GPA as Owner's engineer support in the construction of the new power plant; and

**WHEREAS,** proposals were received on December 19, 2016 and Stanley Consultants, Inc. was determined to be the most qualified firm; and

**WHEREAS,** GPA has proposed a compliance plan to USEPA for the Cabras 1&2 and MEC Power Plants presently non-compliant with USEPA emissions regulations, specifically the EGU MATS and the RICE MACT. The plan commits GPA to complying by 2021 which would include the fuel conversion to ultra-low sulfur diesel for MEC and retirement of Cabras 1&2 units after the commissioning of new units; and

**WHEREAS,** GPA will task Stanley Consultants, Inc. for the procurement development to meet our compliance plan commitment; and

**WHEREAS,** GPA has acquired initial funding of $750,000 as approved by the PUC in October 2016 to support procurement development which exceeds the General Manager authority; and

**WHEREAS,** GPA will update and obtain additional approvals for additional tasks under the EPCM contract as required.

**NOW, THEREFORE, BE IT RESOLVED, by the CONSOLIDATED COMMISSION ON UTILITIES, the GOVERNING BODY of the GUAM POWER AUTHORITY HEREBY APPROVE AND AUTHORIZE AS FOLLOWS:**

1. The CCU authorizes the GPA General Manager to contract with Stanley Consultants, Inc. up to $750,000 for the procurement development of the new generation IPP contract.

**RESOLVED,** the Chairman certifies and the Board Secretary attests to the adoption of this Resolution.

**DULY AND REGULARLY ADOPTED AND APPROVED THIS 24th DAY OF JANUARY 2017.**

Certified by: Attested by:

_____ ___ _____

**JOSEPH "JOEY" T. DUENAS** **J. GEORGE BAMBA**
**Chairperson** **CCU Board Secretary**

## SECRETARY'S CERTIFICATE

I, J. GEORGE BAMBA, Secretary for the Consolidated Commission on Utilities do hereby certify that the foregoing is a full, true, and correct copy of a resolution duly adopted at a regular meeting by the members of Guam Consolidated Commission on Utilities, duly and legally held at a place properly noticed and advertised at which meeting a quorum was present and the members who were present voted as follows:

At said meeting said resolution was adopted by the following vote:

Ayes: _____

Nays: _____

Absent: _____

Abstain: _____

Said original resolution has not been amended, modified, or rescinded since the date of its adoption, and the same is now in full force and effect.

SO CERTIFIED this 24th day of January 2017.

_____
J. GEORGE BAMBA
Secretary
Consolidated Commission on Utilities

**New Generation Project Development**
**Tasks Description**

a. Project Execution Plan and Work Breakdown Structure Development – Provided detail tasks and schedule
b. Procurement Model Development (Procurement Plan) – Evaluate GPA procurement process to determine best process for bid selection.
c. Procurement Document Development – Assist GPA in development of the Procurement document to include the following:
    i. Volume I - Procurement Scope
    ii. Volume II - Procurement Process Instructions
    iii. Volume III - Technical Specifications
    iv. Volume IV - Commercial Terms and Conditions
    v. Volume V - Draft Contract
    vi. Appendices
d. Procurement Process Support – Provide support for vendor communications during procurement (i.e. question and clarifications), bid evaluation and contract negotiations.
e. Performance Criteria and Guarantees Development – Provide minimum technical and performance requirements that will be included in the procurement documents, including evaluation worksheets.
f. Cooling Tower Conceptual Design Development using Grey Water Source – Provide description of use of GWA grey water and concept design.
g. Fuel Pipeline – Provide functional specifications for ULSD pipeline from Cabras to Harmon to include provisions for future alternate fuel (i.e. natural gas).
h. Environmental and Construction Permits Survey – Identify all required permitting for construction of new power plant in green field.
i. Regulatory and Stakeholder Outreach Support – As needed support

**other tasks may include: Industry Outreach*

GUAM POWER AUTHORITY
ATURIDÅT ILEKTRESEDÅT GUAHAN
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# Issues for Decision

**Resolution No. 2017-02:**

**Relative to the Authorization for the Guam Power Authority to enter into ISDA (International Swaps and Derivatives Association) Master Agreements and to reactivate the Hedging Program**

**What is the project's objective and is it necessary and urgent?**

The objective is to have established agreements with potential hedging counterparties that outline the terms applied to the derivatives transactions between GPA and these counterparties. Henceforth to allow GPA to systematically hedge as the needs arise.

**How much will it cost?**

There will be associated premium for the volume to be traded depending on the kind of hedging instrument GPA will utilize. The premium cost of the hedging will be around $1.13 Million.

**When will it be completed?**

Once GPA receives authorization to petition the PUC for their authorization and approval, the authorization documents will be presented to the various hedging counterparties with the signed agreements for their records. The hedging trade term will be 3-month to 6-month period.

**What is its funding source?** LEAC

**The RFP/BID responses:** N/A

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**GUAM CONSOLIDATED COMMISSION ON UTILITIES**

**GPA RESOLUTION NO.: 2017-02**

**RELATIVE TO THE UPDATE OF THE AUTHORIZATION FOR THE GUAM POWER AUTHORITY TO ENTER INTO ISDA (INTERNATIONAL SWAPS AND DERIVATIVES ASSOCIATION) MASTER AGREEMENTS**

**WHEREAS,** the Guam Power Authority (GPA) was authorized by the Consolidated Commission on Utilities in July 2015 "to petition the PUC for authorization and approval to enter into ISDA Master Agreements with, but not limited to, J. Aron & Company, Australia and New Zealand Banking Group Limited and other potential hedge providers according to the terms listed" in the previous resolution; and

**WHEREAS,** since the original petition in 2015, other events have transpired; namely, Chief Financial Officer was hired and the name of the Assistant General Manager of Operations has changed; and

**WHEREAS,** for documentation purposes, the terms listed in the ISDA Master Agreement will be reiterated in this resolution as follows:

1. The following document had been circulated, or was produced, prior to the meeting: The ISDA Master Agreement, accompanying Schedule (the "Agreement") proposed to be entered into by GPA and potential hedging counterparties.
2. That it is in the best interests of GPA to approve the transactions contemplated, to enter into the Agreement with potential hedging counterparties, such transactions being entered into in accordance with the GPA's hedging objectives.
3. That the terms of, and the entering into by GPA of, the Agreement in the respective forms produced or circulated is hereby approved, confirmed and ratified.

4. That the General Manager and Chief Financial Officer be and are hereby authorized to execute on behalf of the GPA the Agreement and any other documents required to be given by the GPA to potential hedging counterparties, from time to time pursuant to the Agreement.
5. That the General Manager and Chief Financial Officer be and are hereby authorized in their absolute discretion to approve any amendment, alteration or modification to the Agreement and any other documents required to be given by the GPA to hedging counterparties from time to time and that the execution thereof be conclusive evidence of such approval.
6. That an account or accounts be established with hedging counterparties for the purpose of purchasing, investing in, or otherwise acquiring, selling (including short sales), possessing, transferring, borrowing, lending, exchanging, pledging, or otherwise disposing of, or realizing upon, and generally dealing in and with any and all securities, assets, instruments and transactions contemplated under the Agreement (including entering into margin transactions and short sales, if a margin account for GPA has been applied for and approved by hedging counterparties, and secured lending transactions) all of which are for the benefit of the GPA, and/or entered into for the genuine commercial purpose of investment or hedging against risk in the ordinary course of business.
7. That all officers and directors, and all employees and agents of the GPA having actual or apparent authority to act, including without limitation the following persons, be and they hereby are and each of them hereby is, authorized and empowered for and on behalf of the GPA to establish and operate such account(s):

| | |
|---|---|
| John M. Benavente | General Manager, Consolidated Utilities Services |
| Melinda C. Mafnas | Assistant General Manager, Operations |
| John J.E. Kim | Chief Financial Officer |
| Corazon R. Montellano | Assistant Chief Financial Officer |
| Lenora M. Sanz | Controller |

8. That the fullest authority at all times with respect to the operations of the said account(s) and with respect to any such commitment or transactions deemed by any of the said persons or any other person with ostensible authority to be proper is hereby conferred including authority (but without limiting the generality of the foregoing) to execute agreements, confirmations, statements, pledges, charges, assignments, release, power of attorney and other documents required by hedging counterparties; to agree to any terms and conditions governing such account(s) and to give written or oral instructions to hedging counterparties with respect to the account(s); to borrow money, securities or commodities from or through hedging counterparties; to pledge, charge, grant, deliver and deposit security, funds or other property in whatsoever form required by hedging counterparties and further to withdraw such security funds or other property deposited; to pay hedging counterparties such sums as

may be necessary in connection with the account; to bind and obligate the GPA to and for the carrying out of any contract, arrangement or transaction which shall be entered into by such signatories for the account(s); to transfer or deliver or order or accept the delivery or transfer of any funds, securities, contracts, derivatives, or property to hedging counterparties or to any other person whatsoever; to endorse any securities, contracts or titles in order to pass the title thereto; and to appoint any other person from time to time to do all or any of the foregoing; generally to do and take all action in connection with the account which is deemed necessary or desirable by the said officer or agent with respect thereto. Hedging counterparties will deal with any or all of the said persons as though they were dealing with the GPA directly.

9. That the GPA shall furnish to hedging counterparties the names and specimen signatures of the authorized signatories (as included in the Attachment), whose authority shall continue until hedging counterparties receives written notice of any changes therein.
10. That hedging counterparties be furnished with a certified copy of the GPA's Memorandum and Articles of Association and with copies of any amending special resolutions that may from time to time be passed, as well as certification that the GPA is duly organized and existing and that these resolutions are in conformity with the provisions of the Memorandum and Articles of Association or other applicable charter and by-laws of the GPA and within its corporate and lawful powers.

**NOW, THEREFORE BE IT RESOLVED,** by the Consolidated Commission on Utilities, as follows;

1. The General Manager of the Guam Power Authority is authorized to petition the PUC for authorization and approval to enter into an ISDA Master Agreement with, but not limited to, J.Aron & Company, Australia and New Zealand Banking Group Limited and other potential hedge providers according to the terms listed above.

**RESOLVED,** that the Chairman certifies and the Board Secretary attests to the adoption of this Resolution.

**DULY AND REGULARLY ADOPTED AND APPROVED THIS 24th DAY OF JANUARY 2017.**

Certified by: Attested by:

| | |
|---|---|
| _____ | _____ |
| **JOSEPH "JOEY" T. DUENAS** | **J. GEORGE BAMBA** |
| **Chairperson** | **CCU Board Secretary** |

**SECRETARY'S CERTIFICATE**

**I, J. George Bamba**, Secretary for the CCU do hereby certify that the foregoing is a full, true, and correct copy of the resolution duly adopted at a regular meeting of the members of Guam's CCU, duly and legally held at the meeting place thereof on January 24, 2017 at which meeting of all said members had due notice and at which at least a majority thereof were present, and

At said meeting said resolution was adopted by the following vote:

Ayes: _____

Nays: _____

Absent: _____

Abstain: _____

As of the date of this certification, said original resolution has not been amended, modified, or rescinded since the date of its adoption, and the same is now in full force and effect.

**SO CERTIFIED** this 24th day of January 2017

_____

**J. GEORGE BAMBA**
Secretary
Consolidated Commission on Utilities

## SAMPLE PRICING:

| **SFO180 Call Option (USD/MT)** | |
|---|---|
| Underlying Swap @ | $325.75 |
| GPA Buys Call Option @ | $325.75 |
| GPA Pays Premium @ | $10.5 |
| **SFO180 Call Option (USD/Barrel)** | |
| Underlying Swap @ | $49.36 |
| GPA Buys Call Option @ | $49.36 |
| GPA Pays Premium @ | $1.59 |
| **Per Barrel** | |
| Hedge | $49.36 |
| Premium | 1.59 |
| Total Cost | $50.95 |
| **Volume** | |
| Per Month | 40,000 MT<br>264,000 Barrel |
| At 45% | 18,000 MT<br>118,800 Barrel |
| At 45% for 6 Months | 108,000 MT<br>712,800 Barrel |
| **Premium** | |
| Per Month | $189,000 |
| 6 Months | $1,134,000 |

GUAM POWER AUTHORITY
ATURIDÅT ILEKTRESEDÅT GUAHAN
P.O.BOX 2977 • AGANA, GUAM U.S.A. 96932-2977

# Issues for Decision

**Resolution No. 2017-03:**

**Relative to the Creation of the Utility Auditor I, II, III, Revenue Protection Utility Investigator and Revenue Protection Utility Analyst Positions**

**What is the project's objective? Is it necessary and urgent?**

The General Manager, Guam Power Authority petition's the Consolidated Commission on Utilities (CCU) to create a Utility Auditor I, II, III, Revenue Protection Utility Investigator, and Revenue Protection Utility Analyst positions in the classified service.

Public Law 28-112 and 4 GCA §6303 (d) authorizes the creation of positions in Autonomous Agencies and Public Corporations. GPA Personnel Rules and Regulations Section 7.03 (c), authorizes the General Manager to petition the CCU to amend, to include, but not limited to, deleting, adding, or modifying such positions, the approved list of the Authority's Certified, Technical, and Professional positions. The Guam Power Authority is a public corporation established and existing under the laws of Guam.

The creation of the Utility Auditor I, II, and III positions are essential to assist GPA management and the CCU in the effective discharge of their responsibilities and governance by furnishing independent analysis, appraisals, recommendations, counsel and information concerning activities under audit to the utility. The creation of the Revenue Protection Utility Investigator and Revenue Protection Utility Analyst positions are essential to institute an effective revenue protection program to minimize the loss of revenue due to meter tampering and unauthorized electrical connections.

**Where is the location?**

Positions will be located at the GBN Public Service Building.

**How much will it cost?**

Minimum salary range based on the market data for 2007 for CTP is as follows: Auditor I - $34,318 per annum; Auditor II - $43,648 per annum; Auditor III - $52,820 per annum; Revenue protection investigator - $45,420 per annum and Revenue Protection Analyst - $52,820 per annum.

**When will it be completed?**

Once approved by the CCU it will be filed with the Guam Legislature with a waiting period of 30 days.

**What is its funding source?**
Revenue funded

**CONSOLIDATED COMMISSION ON UTILITIES**

**RESOLUTION NO. 2017 - 03**

***RESOLUTION RELATIVE TO THE CREATION OF THE UTILITY AUDITOR I, II, III, REVENUE PROTECTION UTILITY INVESTIGATOR, AND REVENUE PROTECTION UTILITY ANALYST POSITIONS***

**WHEREAS,** the General Manager, Guam Power Authority petition's the Consolidated Commission on Utilities (CCU) to create a Utility Auditor I, II, III, Revenue Protection Utility Investigator, and Revenue Protection Utility Analyst positions in the classified service; and

**WHEREAS,** Public Law 28-112 and 4 GCA §6303 (d) authorizes the creation of positions in Autonomous Agencies and Public Corporations; and

**WHEREAS,** GPA Personnel Rules and Regulations Section 7.03 (c), authorizes the General Manager to petition the CCU to amend, to include, but not limited to, deleting, adding, or modifying such positions, the approved list of the Authority's Certified, Technical, and Professional positions; and

**WHEREAS,** the Guam Power Authority is a public corporation established and existing under the laws of Guam; and

**WHEREAS,** the creation of the Utility Auditor I, II, and III positions are essential to assist GPA management and the CCU in the effective discharge of their responsibilities and governance by furnishing independent analysis, appraisals, recommendations, counsel and information concerning activities under audit to the utility; and

**WHEREAS,** the creation of the Revenue Protection Utility Investigator and Revenue Protection Utility Analyst positions are essential to institute an effective revenue protection program to minimize the loss of revenue due to meter tampering and unauthorized electrical connections; and

**WHEREAS,** the Guam Power Authority (GPA) management has provided the CCU with a petition (see Exhibit-Staff Report attached hereto) in compliance with the petition requirements

mandated by Guam law which are conditions precedent for the CCU to create any new positions; and

**WHEREAS,** the CCU has the lawful authority under Guam Public Law 28-113 and 28-159, as well as the accompanying rules which were approved by the Guam Legislature, to create a list of certified, technical and professional positions on behalf of the Guam Power Authority;

**WHEREAS,** after further consideration, the CCU does hereby wish to amend the certified, technical and professional job listing which incorporates these new positions approved via this resolution.

**NOW THEREFORE, BE IT RESOLVED,** by the Consolidated Commission on Utilities does hereby approve and authorize as follows:

1. The Utility Auditor I, II and III positions are hereby created in the classified service pursuant to the petition presented to the CCU that is certified by as complying in all pertinent ways with the requirements set forth under Guam law for such petition.
2. The Revenue Protection Utility Investigator and Revenue Protection Utility Analyst positions are hereby created in the classified service pursuant to the petition presented to the CCU that is certified by as complying in all pertinent ways with the requirements set forth under Guam law for such petition.
3. The amendment of the certified, technical and professional job listing which incorporates these new positions approved via this resolution is hereby approved pursuant to the petition presented to the CCU that is certified by as complying in all pertinent ways with the requirements set forth under Guam law for such petition.

**RESOLVED,** that the Chairman certified and the Secretary attests to the adoption of this Resolution.

DULY AND REGULARLY ADOPTED AND APPROVED this 24th day of January, 2017.

| Certified by: | Attested by: |
| --- | --- |
| _____ | _____ |
| JOSEPH T. DUENAS | J. GEORGE BAMBA |
| Chairperson | Secretary |
| Consolidated Commission on Utilities | Consolidated Commission on Utilities |

# SECRETARY'S CERTIFICATE

**I, J. GEORGE BAMBA**, Secretary for the Consolidated Commission on Utilities do hereby certify that the foregoing is a full, true, and correct copy of a resolution duly adopted at a regular meeting by the members of Guam Consolidated Commission on Utilities, duly and legally held at a place thereof on January 24, 2017, at which meeting of said members had due notice and at which at least a majority thereof were present, and

At said meeting said resolution was adopted by the following vote:

Ayes: _____

Nays: _____

Absent: _____

Abstain: _____

Said original resolution has not been amended, modified, or rescinded since the date of its adoption, and the same is now in full force and effect.

SO CERTIFIED this 24th day of January 2017.

_____
J. GEORGE BAMBA
Secretary
Consolidated Commission on Utilities

## STAFF REPORT

**REQUEST:**

The General Manager of the Guam Power Authority petitions the Consolidated Commission on Utilities (CCU) to create the following positions in the classified service pursuant to Public Law 28-112:

- Utility Auditor I
- Utility Auditor II
- Utility Auditor III
- Revenue Protection Field Investigator
- Revenue Protection Analyst

**AUTHORITY:**

*4 GCA §6303 (d) states:*

*"Creation of positions in the Autonomous Agencies and Public Corporations.*

*(1) The petition of the head of an agency, department or public corporation listed in the first paragraph of 4 GCA §4105(a) of this Title to create a position shall include:*

*A. the justification for the new position;*

*Creation of these positions is to assist the GPA management and the CCU in the effective discharge of their responsibilities and governance by furnishing independent analysis, appraisals, recommendations, counsel and information concerning activities under audit to the utility.*

*B. the essential details concerning the creation of the position; (see classification review below)*

*C. an analysis of the similarities and differences between the position to be created and positions listed pursuant to Title 4 GCA §4101.1.(d);*

*The duties and responsibilities of the utility auditor positions will perform audits on both utilities activity funds of various programs, costs, and projects. The depth and breadth of the work the audits will determine accuracy and propriety of transactions, accounts, and reports presented for compliance with established*

*laws, policies, regulations and principles of sound financial management and governance.*

*The duties and responsibilities of the Revenue Protection positions are to minimize the loss of revenue due to meter tampering and unauthorized electrical connections. These positions are much needed towards the strategic goals of the Authority and fulfillment of its missions.*

*D. the position description; (see attached)*

*E. the proposed pay ranges and demonstration of compliance with §6301 of this Title; (see below) The GPA's compensation plan was authorized by P.L. 28-159 and approved by the CCU in October 2007. The proposed compensation is in accordance with the Strategic Pay Plan Methodology.*

*F. a fiscal note as that term in described in 2 GCA §9101 et seq.; and any other pertinent information.*

*The Guam Power Authority is responsible for the funding availability for these positions and is in compliance with all applicable laws, rules and regulations regarding the creation, filling and retention of positions in certified, technical and professional positions. The funding of these positions has no financial impact to the General Fund.*

*(2) The petition shall be posted on the agency, department or public corporation's website for ten (10) days (Saturdays, Sundays and government of Guam holidays excepted). After the posting, the head shall forward the petition along with evidence of his compliance with 4 GCA §6303.1(a), to the governing board or commission who, if they approve the same, shall approve the petition by resolution and file the petition and resolution for records with the Director of Administration and the Legislative Secretary.*

*(3) No new position may be filled until after compliance with the provision of this section and thirty (30) days has elapsed from the date of filing with the Legislative Secretary."*

**METHODOLOGY:**

Information was gathered from various public utilities associated with APPA and other utilities. The information collected were used to analyze and develop the proposed job standards as they apply to the work performed at GPA. The staff reviewed the duties associated with the proposed creations as indicated in the position description forms. In evaluating these positions, the Strategic Pay Job Evaluation Methodology was utilized to determine the job evaluation points based on a total of twelve (12) measurement factors; Education, Experience, Complexity, Scope of Work, Problem Solving, Freedom to Act/Supervision Received, Work Environment, Physical Demands, Impact of Discretionary Decisions, Human Relations Skills/Contact, Authority Exercised, and Supervisory/Managerial Responsibility.

**CLASSIFICATION REVIEW:**

The Internal Audit Office is headed by the Internal Auditor and is comprised of the Internal Audit Section (IA) and Revenue Protection Section (RPS). The proposed Utility Auditor positions will be assigned to the Internal Audit section and will be responsible for conducting audits, analyses and evaluations to determine the following:

1. Reliability of controls and accuracy of the financial and operating information and the methods used to identify, measure, classify and report such information.
2. Ensure effectiveness of control systems and compliance with Authority policies, plans, procedures, laws and regulations.
3. Determine the means used to safeguard asses and as appropriate, verification of these assets.
4. Ensure operations and programs are consistent with established goals and objectives.
5. Ensure existence and adequate levels of controls, risk management, or if controls are included in projected program designs for new systems.
6. Determine potential frauds, conflicts of interest, irregularities or potential savings (cost reductions).

Based on the proposed job standards for the Utility Auditor positions, the nature of work and minimum experience and training consists of:

**Utility Auditor I:** (Exhibit A)

Routine professional utility auditing work that involves financial, operational, and compliance examinations and evaluations of varied programs and projects with varied funding sources under the Internal Audit division. The proposed position requires:
Graduation from a recognized or accredited college or university with a Bachelor's degree in Public or Business Administration, Management, Accounting, Finance or closely related field, including or supplemented by twenty-four (24) semester hours of accounting/auditing courses.

Necessary Special Qualification: possession of a valid driver's license may be required.

**Utility Auditor II:** (Exhibit B)

This is moderately complex utility auditing work that involves financial, operational, and compliance examinations and evaluations of varied programs and projects with varied funding sources under the Internal Audit division. The proposed position requires:

A. Three (3) years of experience as a Utility Auditor I or equivalent work, and graduation from a recognized or accredited college or university with a Bachelor's degree in Public or Business Administration, Management, Accounting, Finance or closely related field, including or supplemented by twenty-four (24) semester hours of accounting/auditing courses; or

B. Any equivalent combination of experience and training beyond the Bachelor's degree which provides the minimum knowledge, abilities and skills.

Necessary special qualification: Possession of a valid driver's license may be required.

**Utility Auditor III:** (Exhibit C)

This is complex utility auditing work that involves financial, operational, and compliance examinations and evaluations of varied programs and projects with varied funding sources under the Internal Audit division. The proposed position requires:

A. Four (4) years of experience as a Utility Auditor II or equivalent work, and graduation from a recognized or accredited college or university with a Bachelor's degree in Public or Business Administration, Management, Accounting, Finance or closely related field, including or supplemented by twenty-four (24) semester hours of accounting/auditing courses; or

B. Any equivalent combination of experience and training beyond the Bachelor's degree which provides the minimum knowledge, abilities and skills.

Necessary Special Qualification: Applicants under consideration must possess a professional designation related to the profession, to include but not limited to, Certified Internal Control Auditor (CICA); Certified Government Accounting Professional (GCAP); Certified Internal Auditor (CIA); Certified Public Accountant (CPA) from a state or U.S. Territory; Certified Government Financial Manager (GCFM); Certification in Risk Management Assurance (CRMA); Certified Professional Environmental Auditor (CPEA); Certified Process Safety Auditor (CPSA); or other related professional designations.

Possession of a valid driver's license may be required.

The function of the Revenue Protection Section is to institute an effective revenue protection program to minimize the loss of revenue due to meter tampering and unauthorized electrical connections. In 2003, a Revenue Protection Section was established within the Internal Audit Office at the Guam Power Authority. The unit investigated more than 3,500 reported cases of alleged or potential theft of utilities and meter tampering.

The Revenue Protection section will consist of the proposed Revenue Protection Utility Investigator and the Revenue Protection Utility Analyst. These positions shall report to the Internal Auditor at the Guam Power Authority.

Based on the proposed job standards for the Revenue Protection Utility Investigator and Revenue Protection Utility Analyst positions, the nature of work and minimum experience and training consists of:

**Revenue Protection Utility Investigator**: (Exhibit D)

This position is responsible for conducting regulatory compliance inspections and investigating potential unauthorized electrical connections and related customer complaints. The incumbent

investigates reports of damage to, theft of utility service, or theft of property owned by the utility. Majority of the work entails the field validations and investigations to independently identify types of theft, tampering, wiring errors, and potential equipment malfunction. Employees in this class perform journey level work. The proposed position requires:

A. Five (5) years of experience in utility meter services, of which three (3) years involved in investigating theft of utility services and/or meter tampering; or

B. Any equivalent combination of experience and training which provides the minimum knowledge, abilities and skills.

Necessary Special Qualification: Possession of a valid chauffeur's license is required.

**Revenue Protection Utility Analyst**: (Exhibit E)

This position provides leadership for the Guam Power Authority's Revenue Protection Service (RPS) program. Incumbent analyzes various system reports to help maximize revenue and offer insight and recommendations to enhance revenue collections. The work involves the research and analysis of program and policy development projects. The position collaborates with other divisions and outside legal entities in the investigation of unauthorized electrical connections.

Employees in this class perform the full range of complex review and analysis, including independent work in the evaluation of revenue control and system procedures. The proposed position requires:

A. Seven (7) years of experience in utility meter services, of which four (4) years involved in revenue protection and/or investigating unauthorized electrical connections and/or meter tampering, and graduation from a recognized or accredited college or university with a Bachelor's degree in Public or Business Administration, Management, Accounting, Finance or closely related field; or

B. Any equivalent combination of experience and training beyond the Bachelor's degree which provides the minimum knowledge, abilities and skills.

Necessary Special Qualification: Applicants under consideration must possess a professional designation related to the profession, to include but not limited to, Certified Internal Control Auditor (CICA); Certified Government Accounting Professional (GCAP); Certified Internal Auditor (CIA); Certified Public Accountant (CPA) from a state or U.S. Territory; Certified Government Financial Manager (GCFM); Certification in Risk Management Assurance (CRMA); Certified Professional Environmental Auditor (CPEA); Certified Process Safety Auditor (CPSA) or other related professional designations.

Possession of a valid chauffeur's license is required.

**RECOMMENDATION:**

1) To approve the creation of the following positions in the classified service and add these positions to list B of the certified, technical and professionals (CTP) category of positions:

   - Utility Auditor I, II and III
   - Revenue Protection Utility Investigator
   - Revenue Protection Utility Analyst

2) The proposed minimum and maximum range of compensation will be in accordance with the Strategic Pay Methodology, as follows:

| 2007 MARKET DATA (15th Market Percentile) | JE Points | Structural Adjustment - MIN | | | | Structural Adjustment - MAX | | | |
|---|---|---|---|---|---|---|---|---|---|
| | | Base Salary | Grade | Step | Sub Step | Base Salary | Grade | Step | Sub Step |
| Utility Auditor I | 670 | 34,318 | I | 3 | B | 38,671 | I | 6 | B |
| Utility Auditor II | 796 | 43,648 | J | 6 | A | 49,184 | J | 9 | A |
| Utility Auditor III | 913 | 52,820 | K | 7 | C | 59,519 | K | 10 | C |
| Revenue Protection Utility Investigator | 794 | 45,420 | J | 7 | A | 51,181 | J | 10 | A |
| Revenue Protection Utility Analyst | 913 | 52,820 | K | 7 | C | 59,519 | K | 10 | C |

**SANDRA D. PEREZ**
**Personnel Specialist IV**

**JULIE L. QUINATA**
**Personnel Services Administrator**

**JOHN M. BENAVENTE, P.E.**
**General Manager, Guam Power Authority**

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**UTILITY AUDITOR I**
**(Proposed)**

**NATURE OF WORK IN THIS CLASS:**

This is routine professional utility auditing work that involves financial, operational, and compliance examinations and evaluations of various programs and projects with various funding sources under the Internal Audit Division of the Authority.

Employees in this class perform routine professional auditing duties independently after initial training, and work under closer supervision on a variety of more complex developmental assignments.

**ILLUSTRATIVE EXAMPLES OF WORK:** *(Any one position may not include all the duties listed, nor do the examples cover all the duties which may be performed.)*

Audit's the utility's financial, operational, and compliance of programs; reviews cash receipts and disbursement ledgers and other supporting documents; prepares bank reconciliation statements; determines accuracy and propriety of transactions and compliance with established laws and regulations and principles of financial management.

Assists higher level utility auditors in the performance of more complex financial and compliance audits of varied utility programs and transactions.

Analyze data and events from various program/software reports to identify patterns and potential areas for utility cost and process improvements.

Assists in the identification of organizational strategy and development of uniform policies, procedures, practices, and standards for process improvement and efficiency.

Conducts exit conferences with department officials to discuss audit findings and recommendations.

Assists in the preparation of audit reports on findings and recommendations.

Performs other related duties as required.

**MINIMUM KNOWLEDGE, ABILITIES AND SKILLS:**

Knowledge of computer systems, applications and programs, and administrative and office processes/functions.

Knowledge of the principles, practices and techniques of auditing, accounting and organizational management.

Knowledge of the basic principles and practices of management.

Ability to learn and apply auditing techniques and practices.

Ability to interpret and apply pertinent laws, rules, regulations and other program guidelines.

Exhibit A

Ability to lean and apply computer system application utilized by the utility, to include but not limited to Landis+Gyr Command Center; MeterSense MDMS; Customer Care & Billing (CC&B); and JD Edwards.

Ability to examine and evaluate financial documents, statements and other operating reports.

Ability to make work decisions in accordance with the utility's program guidelines.

Ability to work effectively with employees and the public.

Ability to communicate effectively, orally and in writing.

Ability to effectively handle issues and challenging situations.

Ability to maintain records and prepare audit reports.

Skill in the safe operation of a motor vehicle may be required.

**MINIMUM EXPERIENCE AND TRAINING:**

Graduation from a recognized or accredited college or university with a Bachelor's degree in Public or Business Administration, Management, Accounting, Finance or closely related field, including or supplemented by twenty-four (24) semester hours of accounting/auditing courses.

**NECESSARY SPECIAL QUALIFICATION:**

Possession of a valid driver's license may be required.

Established: December 2016

**JOSEPH T. DUENAS, Chairman**
**Consolidated Commission on Utilities**

Exhibit A

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**UTILITY AUDITOR II**
**(Proposed)**

**NATURE OF WORK IN THIS CLASS:**

This is moderately complex utility auditing work that involves financial, operational, and compliance examinations and evaluations of varied programs and projects with varied funding sources under the Internal Audit Division of the Authority.

Employees in this class perform moderately complex professional auditing work independently on an ongoing basis and participate in the full range of complex professional duties under supervision.

**ILLUSTRATIVE EXAMPLES OF WORK:** *(Any one position may not include all the duties listed, nor do the examples cover all the duties which may be performed.)*

Conducts moderately complex financial and compliance utility audits of varied programs; reviews grant application/contracts, transactions, financial reports, and other documents.

Examines and determines the accuracy and propriety of transactions, accounts, and reports presented; and determines the degree of compliance with laws, regulations and other guidelines, and of operating control in terms of reasonableness, consistency, and adherence to accepted accounting principles and management practices.

Analyze more complex data and events from various program/software reports to identify patterns and potential areas for utility cost and process improvements.

Assist higher level auditors in more complex financial and compliance audits of the utility's varied programs and transactions.

Assist in the testing of accounting records and evaluation of the adequacy and application of accounting financial and operational control.
Prepares detailed audit reports on findings, identifying discrepancies and irregularities noted.

Provides recommendations containing organizational strategy and the development of uniform policies, procedures, practices, and standards for process improvement and efficiency.

Conducts exit conferences with department officials to discuss audit findings and recommendations.

Performs other related duties as required.

**MINIMUM KNOWLEDGE, ABILITIES AND SKILLS:**

Knowledge of computer systems, applications and programs, and administrative and office processes/functions.

Knowledge of the principles, practices and techniques of auditing, accounting and organizational management.

Exhibit B

Knowledge of the basic principles and practices of management and of the basic trends and current development in general operational and organizational management.

Knowledge of utility program objectives, policies, standards, procedures and activities.

Ability to lean and apply computer system application utilized by the utility, to include but not limited to Landis+Gyr Command Center; MeterSense MDMS; Customer Care & Billing (CC&B); and JD Edwards.

Ability to interpret and apply pertinent laws, rules, regulations and other program guidelines.

Ability to examine and evaluate financial documents, statements and other operating reports.

Ability to make work decisions in accordance with the utility's program guidelines.

Ability to work effectively with employees and the public.

Ability to communicate effectively, orally and in writing.

Ability to effectively handle issues and challenging situations.

Ability to maintain records and prepare audit reports.

Skill in the safe operation of a motor vehicle may be required.

**MINIMUM EXPERIENCE AND TRAINING:**

A. Three (3) years of experience as a Utility Auditor I or equivalent work, and graduation from a recognized or accredited college or university with a Bachelor's degree in Public or Business Administration, Management, Accounting, Finance or closely related field; including or supplemented by twenty-four (24) semester hours of accounting/auditing courses; or

B. Any equivalent combination of experience and training beyond the Bachelor's degree which provides the minimum knowledge, abilities and skills.

**NECESSARY SPECIAL QUALIFICATION:**

Possession of a valid driver's license may be required.

Established: December 2016

**JOSEPH T. DUENAS, Chairman**
**Consolidated Commission on Utilities**

Exhibit B

Knowledge of the basic principles and practices of management and of the basic trends and current development in general operational and organizational management.

Knowledge of utility program objectives, policies, standards, procedures and activities.

Ability to lean and apply computer system application utilized by the utility, to include but not limited to Landis+Gyr Command Center; MeterSense MDMS; Customer Care & Billing (CC&B); and JD Edwards.

Ability to interpret and apply pertinent laws, rules, regulations and other program guidelines.

Ability to examine and evaluate financial documents, statements and other operating reports.

Ability to make work decisions in accordance with the utility's program guidelines.

Ability to work effectively with employees and the public.

Ability to communicate effectively, orally and in writing.

Ability to effectively handle issues and challenging situations.

Ability to maintain records and prepare audit reports.

Skill in the safe operation of a motor vehicle may be required.

**MINIMUM EXPERIENCE AND TRAINING:**

A. Three (3) years of experience as a Utility Auditor I or equivalent work, and graduation from a recognized or accredited college or university with a Bachelor's degree in Public or Business Administration, Management, Accounting, Finance or closely related field; including or supplemented by twenty-four (24) semester hours of accounting/auditing courses; or

B. Any equivalent combination of experience and training beyond the Bachelor's degree which provides the minimum knowledge, abilities and skills.

**NECESSARY SPECIAL QUALIFICATION:**

Possession of a valid driver's license may be required.

Established: December 2016

**JOSEPH T. DUENAS, Chairman**
**Consolidated Commission on Utilities**

Exhibit B

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**UTILITY AUDITOR III**
**(Proposed)**

**NATURE OF WORK IN THIS CLASS:**

This is complex utility auditing work that involves financial, operational, and compliance examinations and evaluations of varied programs and projects with varied funding sources under the Internal Audit Division of the Authority.

Employees in this class perform the full range of complex professional auditing duties, including independent work in specialized areas of the profession and serve as auditor-in-charge in large and complex auditing assignments.

**ILLUSTRATIVE EXAMPLES OF WORK:** *(Any one position may not include all the duties listed, nor do the examples cover all the duties which may be performed.)*

Leads and conducts complex financial, operational and compliance examinations and evaluations of various utility programs and activities.

Develops and writes audit programs for utility audit engagements.

Tests accounting records and evaluates adequacy and application of accounting financial and operational control.

Evaluates the degree of compliance with established laws, regulations, policies and procedures; and of operating control in terms of reasonableness, consistency and adherence to accepted accounting principles and management practices.

Evaluates reliability of utility reports, records and other supporting data.

Evaluates the quality of the utility's performance in carrying out assigned responsibilities and the extent to which desired results or benefits are being achieved.

Determine the accuracy and propriety of transactions, accounts, and reports presented for compliance with established laws, policies, regulations and principles of sound financial management and governance.

Confer and discuss with utility division officials regarding audit findings and problems.

Writes and review reports of audit findings, conclusions, and recommendations for improvement in internal controls, accounting system and management practices.

Advise and provide recommendations containing organizational strategy and the development of uniform policies, procedures, practices and standards for process improvement and efficiency.

Performs other related duties as required.

Exhibit C

**MINIMUM KNOWLEDGE, ABILITIES AND SKILLS:**

Knowledge of computer systems, applications and programs, and administrative and office processes/functions.

Knowledge of the principles, practices and techniques of auditing, accounting and organizational management.

Knowledge of utility program objectives, policies, standards, procedures and activities.

Knowledge of the principles, practices and techniques of modern management and statistical analysis.

Ability to lean and apply computer system application utilized by the utility, to include but not limited to Landis+Gyr Command Center; MeterSense MDMS; Customer Care & Billing (CC&B); and JD Edwards.

Ability to interpret and apply pertinent laws, rules, regulations and other program guidelines.

Ability to examine and evaluate financial documents, statements and other operating reports.

Ability to make work decisions in accordance with the utility's program guidelines.

Ability to lead and review the work of others.

Ability to work effectively with employees and the public.

Ability to communicate effectively, orally and in writing.

Ability to effectively handle issues and challenging situations.

Ability to maintain records and prepare audit reports.

Skill in the safe operation of a motor vehicle may be required.

**MINIMUM EXPERIENCE AND TRAINING:**

A. Four (4) years of experience as a Utility Auditor II or equivalent work, and graduation from a recognized or accredited college or university with a Bachelor's degree in Public or Business Administration, Management, Accounting, Finance or closely related field, including or supplemented by twenty-four (24) semester hours of accounting/auditing courses; or

B. Any equivalent combination of experience and training beyond the Bachelor's degree which provides the minimum knowledge, abilities and skills.

Exhibit C

**NECESSARY SPECIAL QUALIFICATION:**

Applicants under consideration must possess a professional designation related to the profession, to include but not limited to, Certified Internal Control Auditor (CICA); Certified Government Accounting Professional (GCAP); Certified Internal Auditor (CIA); Certified Public Accountant (CPA) from a state or U.S. Territory; Certified Government Financial Manager (GCFM); Certification in Risk Management Assurance (CRMA); Certified Professional Environmental Auditor (CPEA); Certified Process Safety Auditor (CPSA); or other related professional designations.

Possession of a valid driver's license may be required.

Established: December 2016

**JOSEPH T. DUENAS, Chairman**
**Consolidated Commission on Utilities**

Exhibit C

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**REVENUE PROTECTION UTILITY INVESTIGATOR**
**(Proposed)**

**NATURE OF WORK IN THIS CLASS:**

This position is responsible for conducting regulatory compliance inspections and investigating potential unauthorized electrical connections and related customer complaints. The incumbent investigates reports of damage to, theft of utility service, or theft of property owned by the utility. Majority of the work entails the field validations and investigations to independently identify types of theft, tampering, wiring errors, and potential equipment malfunction. Employees in this class perform journey level work.

**ILLUSTRATIVE EXAMPLES OF WORK:** *(Any one position may not include all the duties listed, nor do the examples cover all the duties which may be performed.)*

Investigates reports of damage to, theft of utility service, or theft of property.

Researches location of suspected/reported tamper or theft by utilizing the utility's customer information systems and obtaining historical data on the meter.

Travels to site and remote locations to inspect potential utility service diversions.

Performs journey level work investigating unauthorized electrical connections and meter tampering.

Independently identifies type of theft, tampering, wiring errors, and malfunction equipment and conduct necessary steps to safely secure situation.

Gathers and preserves physical evidence of tampered condition from site, to include taking photographs and conducting interviews.

Disconnects electric service from weather heads, hand holes, meter sockets and gutter boxes to discontinue the flow of electric service to the site.

Coordinates assistance through the utility's Power System Control Center for the operations (or customer services) field crews to isolate or remove service lines to further deter tamper or theft at the site.

Reports and communicates confirmed diversion, theft or property damage to pertinent law enforcement authority.

Provides specifics of findings, corrective action taken and meter/seal information to pertinent utility divisions.

Prepares and compiles investigation field reports for each event (positive or negative findings) for case file formulation and documentation.

Exhibit D

Catalogs and maintains custody and integrity of physical evidence gathered from tampered sites.

Collaborates with law enforcement agencies and others outside the organization for the purpose of furnishing or obtaining information concerning the damage or utility theft.

Represent and testify on behalf of the Authority in litigations.

Performs other related duties as required.

**MINIMUM KNOWLEDGE, ABILITIES AND SKILLS:**

Knowledge of electrical theory, electronic components, and circuits as they relate to electric meters and related devices and its applications.

Knowledge of the standard principles, methods, practices, techniques, tools and test equipment used in the removal of electrical power services, electrical meters, service drops, and secondary lines.

Knowledge of streets and highways covered by the utility.

Knowledge of basic computer systems, applications, and program guidelines.

Knowledge of departmental/agency program objectives, policies, standards, procedures and activities.

Knowledge of laws and legal procedures applicable to unauthorized meter connection or theft of utilities.

Working knowledge of the Landis+Gyr Command Center, MeterSense MDMS, and other pertinent software to be able to access the applications and interpret recorded events.

Working knowledge of GPA Customer Information Systems, i.e., Customer Care & Billing System (CC&B) and Utiligy.

Ability to identify unauthorized electrical connections or illegal hook-up schemes.

Ability to present detailed investigative reports.

Ability to apply and enforce safe work practices on the job.

Ability to work in varying conditions.

Ability to effectively handle issues and challenging situations.

Ability to maintain records and prepare reports.

Skill in the safe operation of a motor vehicle may be required.

Exhibit D

**MINIMUM EXPERIENCE AND TRAINING:**

A. Five (5) years of experience in utility meter services, of which three (3) years involved in investigating theft of utility services and/or meter tampering; or

B. Any equivalent combination of experience and training which provides the minimum knowledge, abilities and skills.

**NECESSARY SPECIAL QUALIFICATION:**

Possession of a valid chauffeur's license is required.

Established: December 2016

**JOSEPH T. DUENAS, Chairman**
**Consolidated Commission on Utilities**

Exhibit D

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**REVENUE PROTECTION UTILITY ANALYST**
**(Proposed)**

**NATURE OF WORK IN THIS CLASS:**

This position provides leadership for the Guam Power Authority's Revenue Protection Service (RPS) program. Incumbent analyzes various system reports to help maximize revenue and offer insight and recommendations to enhance revenue collections. The work involves the research and analysis of program and policy development projects. The position collaborates with other divisions and outside legal entities in the investigation of unauthorized electrical connections.

Employees in this class perform the full range of complex review and analysis, including independent work in the evaluation of revenue control and system procedures.

**ILLUSTRATIVE EXAMPLES OF WORK**: (Any one position may not include all the duties listed, nor do the examples cover all the duties which may be performed.)

Manages and leads the daily activities of the utility's RPS program.

Plans, coordinates, schedules and closes investigations with RPS investigator(s).

Analyzes data and events from the utility's program and software to identify suspicious usage patterns in the detection of energy diversion and/or theft activity.

Performs Conducts management studies related to revenue protection and analyze problems and present recommendations based upon study findings.

Identifies emergent diversions, theft trends, and loss patterns to aid utility management in the creation of counter measures to mitigate future losses.

Evaluates the utility and RPS's overall effectiveness to seek opportunities to improve processes and procedures to ensure the optimization of the RPS program.

Identifies organizational strategy and develop uniform policies, procedures, practices, and standards to address theft of energy and/or revenue loss situations.

Develops and writes reports with recommendations containing organizational strategy and standards for revenue maximization and process improvement.

Responsible for the maintenance of the complete documentation of all investigated alleged theft of utilities. This includes the completion and compilation of theft of utilities report, police report, account histories, interview memos, service orders, field crew reports, photographs, depositions, affidavits, etc.

Represents the Authority in legal proceedings relative to theft of utilities cases.

Investigates reports of damage to, theft of utility service, or theft of property.

Performs other related duties as required.

Exhibit E

**MINIMUM KNOWLEDGE, ABILITIES AND SKILLS:**

Knowledge of computer systems, applications and programs and administrative and office processes/functions.

Knowledge of the basic principles of management and of the basic trends and current development in general operational management.

Knowledge of department/agency program objectives, policies, standards, procedures and activities.

Working knowledge in GPA Customer Information Systems, i.e. Customer Care & Billing (CC&B) and Utiligy.

Working knowledge of the Landis+Gyr Command Center, MeterSense MDMS, and other pertinent software to be able to access the applications and interpret recorded events.

High attention to detail and excellent analytical skills.

Experience in supervising personnel and managing a program.

Ability to lead the work of others and work independently based on management's directive.

Ability to interpret and apply pertinent laws, rules and regulations, and other program guidelines.

Ability to identify standard unauthorized electrical connections or illegal hook-up schemes.

Ability to work effectively with employees and the public.

Ability to communicate effectively, orally and in writing.

Ability to effectively handle issues and challenging situations.

Ability to maintain records and prepare reports.

Skill in the safe operation of a motor vehicle may be required.

**MINIMUM EXPERIENCE AND TRAINING:**

A. Seven (7) years of experience in utility meter services, of which four (4) years involved in revenue protection and/or investigating unauthorized electrical connections and/or meter tampering, and graduation from a recognized or accredited college or university with a Bachelor's degree in Public or Business Administration, Management, Accounting, Finance or closely related field; or

B. Any equivalent combination of experience and training beyond the Bachelor's degree which provides the minimum knowledge, abilities and skills.

Exhibit E

**NECESSARY SPECIAL QUALIFICATION**:

Applicants under consideration must possess a professional designation related to the profession, to include but not limited to, Certified Internal Control Auditor (CICA); Certified Government Accounting Professional (GCAP); Certified Internal Auditor (CIA); Certified Public Accountant (CPA) from a state or U.S. Territory; Certified Government Financial Manager (GCFM); Certification in Risk Management Assurance (CRMA); Certified Professional Environmental Auditor (CPEA); Certified Process Safety Auditor (CPSA) or other related professional designations.

Possession of a valid chauffeur's license is required.

Established: December 2016

**JOSEPH T. DUENAS, Chairman**
**Consolidated Commission on Utilities**

Exhibit E

## INTERNAL AUDIT OFFICE

Oversees and directs the operation of the audit, investigation, special programs, management compliance, and Revenue Protection Service Section. Internal Audit Office supports both administration and the Consolidated Commission on Utilities (CCU) in the effective discharge of their responsibilities. Ths office will provide independent appraisal of the financial, operational, control activities, the adequacy of internal controls, and the level of compliance with institutional policies and government laws and regulations. Additionally, the office provides analyses, recommendations, counsel, and information concerning the activities reviewed.

Reports funtionally to the Consolidated Commission on Utilities Audit Committee and reprots administratively to the General Manager.

### AUDIT / INVESTIGATIONS SECTION

Conducts independent evaluation of the Authority's internal control systems, Procedures, processes, and operations to add value and improve efficiency and effectiveness; facilitate completion of ongoing projects by providing professional advisory necessary to establish, install and periodically test internal management controls; provides assurance that obligations and costs are in compliance with financial/accounting/procurement laws; and monitors that property and other assets are safeguarded against waste, loss, unauthorized use, or misappropriation. In addition, researches and drafts a variety of correspondence, directives and reports on behalf of the Audit Committee delineating specific process improvement actions or establishing new procedures.

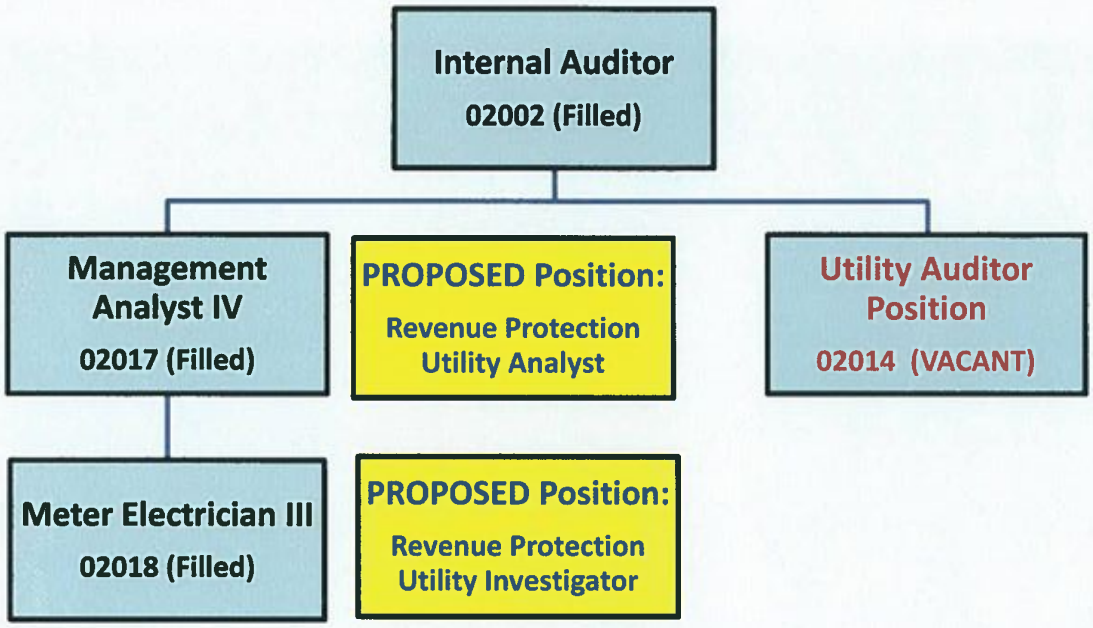
### REVENUE PROTECTION SERVICE SECTION

Administers and maintains a viable and aggressive Revenue Protection program; ensures that Authority's assets are safeguarded from utility theft activities; investigates all reports of meter tampering or utility theft incidents; prepares investigation report, confirms suspected tampering and identify corrective repairs of electrical systems; pursues assessment of penalties and back billing amounts charged to perpetrators for all illegal connections; occasionally works with the Guam Police Department and Office of the Attorney General on theft of utility cases for prosecutorial action.

**Internal Audit Office Functional Statement - as of June 24, 2016**

# INTERNAL AUDIT OFFICE

**FILLED POSITIONS: 3**
**VACANT POSITION: 1**
**GRAND TOTAL: 4**




***Submitted to HR - June 23, 2016 Ref Memorandum HR/SDP/2016-266***

| Authority | Benchmark Position | JOB EVALUATION | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | TOTAL |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | 1. Education | | 2. Experience | | 3. Complexity | | | | 4. Scope of Work | | | | 5. Problem Solving | | 6. Sup. Received | | 7. Work Environment | | 8. Physical Demands | | 9. Dis. Decisions | | 10. HR Skills / Contact | | 11. Auth. Exercised | | 12. S & M Resp. | | | | | | | | |
| GPA | Revenue Protection Analyst | J | 132 | I | 132 | D | 45 | 264 | 118.8 | C | 15 | 264 | 39.6 | D | 87 | E | 87 | D2 | 66 | D3 | 87 | B2 | 43 | E2 | 50 | F0 | 57 | A2 | 14 | | | | | | | 913 |
| GPA | Revenue Protection Field Investigator | I | 100 | I | 115 | C | 35 | 215 | 75.3 | C | 15 | 215 | 32.3 | D | 76 | D | 76 | E3 | 115 | E3 | 115 | B1 | 29 | D2 | 50 | A0 | 0 | A1 | 10 | | | | | | | 794 |
| GPA | Utility Auditor III | J | 132 | I | 132 | D | 50 | 264 | 132.0 | C | 15 | 264 | 39.6 | E | 115 | E | 100 | A1 | 12 | A1 | 22 | C1 | 43 | E3 | 66 | F1 | 100 | B1 | 19 | | | | | | | 913 |
| GPA | Utility Auditor II | J | 132 | I | 115 | D | 45 | 247 | 111.2 | C | 15 | 247 | 37.1 | E | 100 | E | 87 | A1 | 12 | A1 | 22 | B1 | 33 | D3 | 57 | F0 | 76 | A1 | 14 | | | | | | | 796 |
| GPA | Utility Auditor I | J | 132 | H | 100 | C | 40 | 232 | 92.8 | C | 15 | 232 | 34.8 | D | 76 | D | 66 | A1 | 12 | A1 | 22 | B1 | 29 | C2 | 38 | F0 | 57 | A1 | 10 | | | | | | | 670 |

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**REVENUE PROTECTION UTILITY ANALYST**

**NATURE OF WORK IN THIS CLASS:**

This position provides leadership for the Guam Power Authority's Revenue Protection Service (RPS) program. Incumbent analyzes various system reports to help maximize revenue and offer insight and recommendations to enhance revenue collections. The work involves the research and analysis of program and policy development projects. The position collaborates with other divisions and outside legal entities in the investigation of unauthorized electrical connections.

Employees in this class perform the full range of complex review and analysis, including independent work in the evaluation of revenue control and system procedures.

**ILLUSTRATIVE EXAMPLES OF WORK**: (Any one position may not include all the duties listed, nor do the examples cover all the duties which may be performed.)

Manages and leads the daily activities of the utility's RPS program.

Plans, coordinates, schedules and closes investigations with RPS investigator(s).

Analyzes data and events from the utility's program and software to identify suspicious usage patterns in the detection of energy diversion and/or theft activity.

Performs Conducts management studies related to revenue protection and analyze problems and present recommendations based upon study findings.

Identifies emergent diversions, theft trends, and loss patterns to aid utility management in the creation of counter measures to mitigate future losses.

Evaluates the utility and RPS's overall effectiveness to seek opportunities to improve processes and procedures to ensure the optimization of the RPS program.

Identifies organizational strategy and develop uniform policies, procedures, practices, and standards to address theft of energy and/or revenue loss situations.

Develops and writes reports with recommendations containing organizational strategy and standards for revenue maximization and process improvement.

Responsible for the maintenance of the complete documentation of all investigated alleged theft of utilities. This includes the completion and compilation of theft of utilities report, police report, account histories, interview memos, service orders, field crew reports, photographs, depositions, affidavits, etc.

Represents the Authority in legal proceedings relative to theft of utilities cases.

Investigates reports of damage to, theft of utility service, or theft of property.

Performs other related duties as required.

**MINIMUM KNOWLEDGE, ABILITIES AND SKILLS:**

Knowledge of computer systems, applications and programs and administrative and office processes/functions.

Knowledge of the basic principles of management and of the basic trends and current development in general operational management.

Knowledge of department/agency program objectives, policies, standards, procedures and activities.

Working knowledge in GPA Customer Information Systems, i.e. Customer Care & Billing (CC&B) and Utiligy.

Working knowledge of the Landis+Gyr Command Center, MeterSense MDMS, and other pertinent software to be able to access the applications and interpret recorded events.

High attention to detail and excellent analytical skills.

Experience in supervising personnel and managing a program.

Ability to lead the work of others and work independently based on management's directive.

Ability to interpret and apply pertinent laws, rules and regulations, and other program guidelines.

Ability to identify standard unauthorized electrical connections or illegal hook-up schemes.

Ability to work effectively with employees and the public.

Ability to communicate effectively, orally and in writing.

Ability to effectively handle issues and challenging situations.

Ability to maintain records and prepare reports.

Skill in the safe operation of a motor vehicle may be required.

**MINIMUM EXPERIENCE AND TRAINING:**

A. Seven (7) years of experience in utility meter services, of which four (4) years involved in revenue protection and/or investigating unauthorized electrical connections and/or meter tampering, and graduation from a recognized or accredited college or university with a Bachelor's degree in Public or Business Administration, Management, Accounting, Finance or closely related field; or

B. Any equivalent combination of experience and training beyond the Bachelor's degree which provides the minimum knowledge, abilities and skills.

**NECESSARY SPECIAL QUALIFICATION**:

Applicants under consideration must possess a professional designation related to the profession, to include but not limited to, Certified Internal Control Auditor (CICA); Certified Government Accounting Professional (GCAP); Certified Internal Auditor (CIA); Certified Public Accountant (CPA) from a state or U.S. Territory; Certified Government Financial Manager (GCFM); Certification in Risk Management Assurance (CRMA); Certified Professional Environmental Auditor (CPEA); Certified Process Safety Auditor (CPSA) or other related professional designations.

Possession of a valid chauffeur's license is required.

Established: December 2016

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**JOSEPH T. DUENAS, Chairman**
**Consolidated Commission on Utilities**

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## REVENUE PROTECTION UTILITY INVESTIGATOR

**NATURE OF WORK IN THIS CLASS:**

This position is responsible for conducting regulatory compliance inspections and investigating potential unauthorized electrical connections and related customer complaints. The incumbent investigates reports of damage to, theft of utility service, or theft of property owned by the utility. Majority of the work entails the field validations and investigations to independently identify types of theft, tampering, wiring errors, and potential equipment malfunction. Employees in this class perform journey level work.

**ILLUSTRATIVE EXAMPLES OF WORK:** *(Any one position may not include all the duties listed, nor do the examples cover all the duties which may be performed.)*

Investigates reports of damage to, theft of utility service, or theft of property.

Researches location of suspected/reported tamper or theft by utilizing the utility's customer information systems and obtaining historical data on the meter.

Travels to site and remote locations to inspect potential utility service diversions.

Performs journey level work investigating unauthorized electrical connections and meter tampering.

Independently identifies type of theft, tampering, wiring errors, and malfunction equipment and conduct necessary steps to safely secure situation.

Gathers and preserves physical evidence of tampered condition from site, to include taking photographs and conducting interviews.

Disconnects electric service from weather heads, hand holes, meter sockets and gutter boxes to discontinue the flow of electric service to the site.

Coordinates assistance through the utility's Power System Control Center for the operations (or customer services) field crews to isolate or remove service lines to further deter tamper or theft at the site.

Reports and communicates confirmed diversion, theft or property damage to pertinent law enforcement authority.

Provides specifics of findings, corrective action taken and meter/seal information to pertinent utility divisions.

Prepares and compiles investigation field reports for each event (positive or negative findings) for case file formulation and documentation.

Catalogs and maintains custody and integrity of physical evidence gathered from tampered sites.

Collaborates with law enforcement agencies and others outside the organization for the purpose of furnishing or obtaining information concerning the damage or utility theft.

Represent and testify on behalf of the Authority in litigations.

Performs other related duties as required.

**MINIMUM KNOWLEDGE, ABILITIES AND SKILLS:**

Knowledge of electrical theory, electronic components, and circuits as they relate to electric meters and related devices and its applications.

Knowledge of the standard principles, methods, practices, techniques, tools and test equipment used in the removal of electrical power services, electrical meters, service drops, and secondary lines.

Knowledge of streets and highways covered by the utility.

Knowledge of basic computer systems, applications, and program guidelines.

Knowledge of departmental/agency program objectives, policies, standards, procedures and activities.

Knowledge of laws and legal procedures applicable to unauthorized meter connection or theft of utilities.

Working knowledge of the Landis+Gyr Command Center, MeterSense MDMS, and other pertinent software to be able to access the applications and interpret recorded events.

Working knowledge of GPA Customer Information Systems, i.e., Customer Care & Billing System (CC&B) and Utiligy.

Ability to identify unauthorized electrical connections or illegal hook-up schemes.

Ability to present detailed investigative reports.

Ability to apply and enforce safe work practices on the job.

Ability to work in varying conditions.

Ability to effectively handle issues and challenging situations.

Ability to maintain records and prepare reports.

Skill in the safe operation of a motor vehicle may be required.

**MINIMUM EXPERIENCE AND TRAINING:**

A. Five (5) years of experience in utility meter services, of which three (3) years involved in investigating theft of utility services and/or meter tampering; or

B. Any equivalent combination of experience and training which provides the minimum knowledge, abilities and skills.

**NECESSARY SPECIAL QUALIFICATION:**

Possession of a valid chauffeur's license is required.

Established: December 2016

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**JOSEPH T. DUENAS, Chairman**
**Consolidated Commission on Utilities**

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# UTILITY AUDITOR I

## NATURE OF WORK IN THIS CLASS:

This is routine professional utility auditing work that involves financial, operational, and compliance examinations and evaluations of various programs and projects with various funding sources under the Internal Audit Division of the Authority.

Employees in this class perform routine professional auditing duties independently after initial training, and work under closer supervision on a variety of more complex developmental assignments.

## ILLUSTRATIVE EXAMPLES OF WORK: *(Any one position may not include all the duties listed, nor do the examples cover all the duties which may be performed.)*

Audit's the utility's financial, operational, and compliance of programs; reviews cash receipts and disbursement ledgers and other supporting documents; prepares bank reconciliation statements; determines accuracy and propriety of transactions and compliance with established laws and regulations and principles of financial management.

Assists higher level utility auditors in the performance of more complex financial and compliance audits of varied utility programs and transactions.

Analyze data and events from various program/software reports to identify patterns and potential areas for utility cost and process improvements.

Assists in the identification of organizational strategy and development of uniform policies, procedures, practices, and standards for process improvement and efficiency.

Conducts exit conferences with department officials to discuss audit findings and recommendations.

Assists in the preparation of audit reports on findings and recommendations.

Performs other related duties as required.

## MINIMUM KNOWLEDGE, ABILITIES AND SKILLS:

Knowledge of computer systems, applications and programs, and administrative and office processes/functions.

Knowledge of the principles, practices and techniques of auditing, accounting and organizational management.

Knowledge of the basic principles and practices of management.

Ability to learn and apply auditing techniques and practices.

Ability to interpret and apply pertinent laws, rules, regulations and other program guidelines.

Ability to lean and apply computer system application utilized by the utility, to include but not limited to Landis+Gyr Command Center; MeterSense MDMS; Customer Care & Billing (CC&B); and JD Edwards.

Ability to examine and evaluate financial documents, statements and other operating reports.

Ability to make work decisions in accordance with the utility's program guidelines.

Ability to work effectively with employees and the public.

Ability to communicate effectively, orally and in writing.

Ability to effectively handle issues and challenging situations.

Ability to maintain records and prepare audit reports.

Skill in the safe operation of a motor vehicle may be required.

**MINIMUM EXPERIENCE AND TRAINING:**

Graduation from a recognized or accredited college or university with a Bachelor's degree in Public or Business Administration, Management, Accounting, Finance or closely related field, including or supplemented by twenty-four (24) semester hours of accounting/auditing courses.

**NECESSARY SPECIAL QUALIFICATION:**

Possession of a valid driver's license may be required.

Established: December 2016

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**JOSEPH T. DUENAS, Chairman**
**Consolidated Commission on Utilities**

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**UTILITY AUDITOR II**

**NATURE OF WORK IN THIS CLASS:**

This is moderately complex utility auditing work that involves financial, operational, and compliance examinations and evaluations of varied programs and projects with varied funding sources under the Internal Audit Division of the Authority.

Employees in this class perform moderately complex professional auditing work independently on an ongoing basis and participate in the full range of complex professional duties under supervision.

**ILLUSTRATIVE EXAMPLES OF WORK:** *(Any one position may not include all the duties listed, nor do the examples cover all the duties which may be performed.)*

Conducts moderately complex financial and compliance utility audits of varied programs; reviews grant application/contracts, transactions, financial reports, and other documents.

Examines and determines the accuracy and propriety of transactions, accounts, and reports presented; and determines the degree of compliance with laws, regulations and other guidelines, and of operating control in terms of reasonableness, consistency, and adherence to accepted accounting principles and management practices.

Analyze more complex data and events from various program/software reports to identify patterns and potential areas for utility cost and process improvements.

Assist higher level auditors in more complex financial and compliance audits of the utility's varied programs and transactions.

Assist in the testing of accounting records and evaluation of the adequacy and application of accounting financial and operational control.
Prepares detailed audit reports on findings, identifying discrepancies and irregularities noted.

Provides recommendations containing organizational strategy and the development of uniform policies, procedures, practices, and standards for process improvement and efficiency.

Conducts exit conferences with department officials to discuss audit findings and recommendations.

Performs other related duties as required.

**MINIMUM KNOWLEDGE, ABILITIES AND SKILLS:**

Knowledge of computer systems, applications and programs, and administrative and office processes/functions.

Knowledge of the principles, practices and techniques of auditing, accounting and organizational management.

Knowledge of the basic principles and practices of management and of the basic trends and current development in general operational and organizational management.

Knowledge of utility program objectives, policies, standards, procedures and activities.

Ability to lean and apply computer system application utilized by the utility, to include but not limited to Landis+Gyr Command Center; MeterSense MDMS; Customer Care & Billing (CC&B); and JD Edwards.

Ability to interpret and apply pertinent laws, rules, regulations and other program guidelines.

Ability to examine and evaluate financial documents, statements and other operating reports.

Ability to make work decisions in accordance with the utility's program guidelines.

Ability to work effectively with employees and the public.

Ability to communicate effectively, orally and in writing.

Ability to effectively handle issues and challenging situations.

Ability to maintain records and prepare audit reports.

Skill in the safe operation of a motor vehicle may be required.

**MINIMUM EXPERIENCE AND TRAINING:**

A. Three (3) years of experience as a Utility Auditor I or equivalent work, and graduation from a recognized or accredited college or university with a Bachelor's degree in Public or Business Administration, Management, Accounting, Finance or closely related field; including or supplemented by twenty-four (24) semester hours of accounting/auditing courses; or

B. Any equivalent combination of experience and training beyond the Bachelor's degree which provides the minimum knowledge, abilities and skills.

**NECESSARY SPECIAL QUALIFICATION:**

Possession of a valid driver's license may be required.

Established: December 2016

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**JOSEPH T. DUENAS, Chairman**
**Consolidated Commission on Utilities**

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**UTILITY AUDITOR III**

**NATURE OF WORK IN THIS CLASS:**

This is complex utility auditing work that involves financial, operational, and compliance examinations and evaluations of varied programs and projects with varied funding sources under the Internal Audit Division of the Authority.

Employees in this class perform the full range of complex professional auditing duties, including independent work in specialized areas of the profession and serve as auditor-in-charge in large and complex auditing assignments.

**ILLUSTRATIVE EXAMPLES OF WORK:** *(Any one position may not include all the duties listed, nor do the examples cover all the duties which may be performed.)*

Leads and conducts complex financial, operational and compliance examinations and evaluations of various utility programs and activities.

Develops and writes audit programs for utility audit engagements.

Tests accounting records and evaluates adequacy and application of accounting financial and operational control.

Evaluates the degree of compliance with established laws, regulations, policies and procedures; and of operating control in terms of reasonableness, consistency and adherence to accepted accounting principles and management practices.

Evaluates reliability of utility reports, records and other supporting data.

Evaluates the quality of the utility's performance in carrying out assigned responsibilities and the extent to which desired results or benefits are being achieved.

Determine the accuracy and propriety of transactions, accounts, and reports presented for compliance with established laws, policies, regulations and principles of sound financial management and governance.

Confer and discuss with utility division officials regarding audit findings and problems.

Writes and review reports of audit findings, conclusions, and recommendations for improvement in internal controls, accounting system and management practices.

Advise and provide recommendations containing organizational strategy and the development of uniform policies, procedures, practices and standards for process improvement and efficiency.

Performs other related duties as required.

**MINIMUM KNOWLEDGE, ABILITIES AND SKILLS:**

Knowledge of computer systems, applications and programs, and administrative and office processes/functions.

Knowledge of the principles, practices and techniques of auditing, accounting and organizational management.

Knowledge of utility program objectives, policies, standards, procedures and activities.

Knowledge of the principles, practices and techniques of modern management and statistical analysis.

Ability to lean and apply computer system application utilized by the utility, to include but not limited to Landis+Gyr Command Center; MeterSense MDMS; Customer Care & Billing (CC&B); and JD Edwards.

Ability to interpret and apply pertinent laws, rules, regulations and other program guidelines.

Ability to examine and evaluate financial documents, statements and other operating reports.

Ability to make work decisions in accordance with the utility's program guidelines.

Ability to lead and review the work of others.

Ability to work effectively with employees and the public.

Ability to communicate effectively, orally and in writing.

Ability to effectively handle issues and challenging situations.

Ability to maintain records and prepare audit reports.

Skill in the safe operation of a motor vehicle may be required.

**MINIMUM EXPERIENCE AND TRAINING:**

A. Four (4) years of experience as a Utility Auditor II or equivalent work, and graduation from a recognized or accredited college or university with a Bachelor's degree in Public or Business Administration, Management, Accounting, Finance or closely related field, including or supplemented by twenty-four (24) semester hours of accounting/auditing courses; or

B. Any equivalent combination of experience and training beyond the Bachelor's degree which provides the minimum knowledge, abilities and skills.

**NECESSARY SPECIAL QUALIFICATION:**

Applicants under consideration must possess a professional designation related to the profession, to include but not limited to, Certified Internal Control Auditor (CICA); Certified Government Accounting Professional (GCAP); Certified Internal Auditor (CIA); Certified Public Accountant (CPA) from a state or U.S. Territory; Certified Government Financial Manager (GCFM); Certification in Risk Management Assurance (CRMA); Certified Professional Environmental Auditor (CPEA); Certified Process Safety Auditor (CPSA); or other related professional designations.

Possession of a valid driver's license may be required.

Established: December 2016

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**JOSEPH T. DUENAS, Chairman**
**Consolidated Commission on Utilities**

GUAM POWER AUTHORITY
ATURIDÅT ILEKTRESEDÅT GUAHAN
P.O.BOX 2977 • AGANA, GUAM U.S.A. 96932-2977

# Issues for Decision

**GPA Resolution No. 2017-04/GWA Resolution 17-FY2017:**

**Relative to the Authorizing GPA and GWA to Seek Legislative Approval to Contract for Health Group Insurance for their Employees**

**What is the project's objective? Is it necessary and urgent?**

GPA and GWA have recognized that an opportunity for savings exists if GPA and GWA are authorized to procure separate health group insurance for their employees, based on the experience of the Judiciary, which has procured its own health group insurance. The CCU has reviewed the proposed draft legislation which would authorize GPA and GWA to procure separate group health insurance, and the CCU recognizes there is an opportunity for savings.

The General Manager of the Guam Power Authority and the General Manager of the Guam Waterworks Authority are authorized to submit the draft legislation to the legislature for consideration, which if enacted would authorize GPA and GWA to procure separate health group insurance for its employees.

**How much will it cost?**

Once approved by the CCU and PUC an RFP will be prepared which will determine the costs and benefit package for our employees.

**What is its funding source?**
Revenue funded

*I MINA' TRENTAI KUÅTRO NA LIHESLÅTURAN GUÅHAN*
**2017 (FIRST) Regular Session**

**Bill No. _____**

Introduced by:

**AN ACT TO AMEND §4301(c), GROUP INSURANCE, ARTICLE 3, CHAPTER 4, TITLE 4, GUAM CODE ANNOTATED, TO AUTHORIZE THE GUAM POWER AUTHORITY AND THE GUAM WATERWORKS AUTHORITY TO CONTRACT FOR HEALTH GROUP INSURANCE FOR THEIR EMPLOYEES, SUBJECT TO THE APPROVAL OF THE CONSOLIDATED COMMISSION ON UTILITIES AND THE GUAM PUBLIC UTILITIES COMMISSION.**

**BE IT ENACTED BY THE PEOPLE OF GUAM:**

**Section 1.** Subsection 4301(c) of Article 3, Chapter 4, Title 4, Guam Code Annotated, is hereby *amended* to read:

"(c) Contract of insurance procured under the foregoing may provide for participation by employees of the Legislative Branch, and the Judicial Branch through the Chief Justice of the Supreme Court of Guam, at the sole election and discretion of those respective Branches, or such Branches may enter separate contracts for their employees, subject to the limitation set forth in this Section. The Guam Power Authority and Guam Waterworks Authority, may procure separate insurance contracts for their employees, subject to the approval of the Consolidated Commission on Utilities and the Guam Public Utilities Commission, and further subject to the limitations set forth in this Section. The Legislative Branch, ~~and~~ the Judicial Branch through the Chief Justice of the Supreme Court of Guam, and the Guam Power Authority and Guam Waterworks Authority, shall

have the right to bring suit in the Superior Court of Guam in order to protect its and its employees' interests as provided under this Article for both equitable and legal relief. The government Claims Act shall not apply to such suits. The right to bring suit shall be retroactively effective for actions arising from Fiscal Year 1997 forward. The government shall not prohibit the sale of insurance products on its premises during working hours, including during the Open Enrollment periods."

**Section 2. Effective Date.** This Act *shall* become effective upon enactment.

**Section 3. Severability.** *If* any provision of this Act or its application to any person or circumstance is held invalid, the invalidity *shall not* affect other provisions or applications of this Act that can be given effect without the invalid provision or application and to this end the provisions of this Act are severable.

CONSOLIDATED
COMMISSION ON UTILITIES
Guam Power Authority • Guam Waterworks Authority
P.O.BOX 2977 • Agana,Guam 96932

**GUAM CONSOLIDATED COMMISSION ON UTILITIES**

**GPA RESOLUTION 2017-04**

**GWA RESOLUTION 17-FY2017**

**RELATIVE TO THE AUTHORIZATION FOR GUAM POWER AUTHORITY AND GUAM WATERWORKS AUTHORITY FOR AUTHORIZATION TO SEEK LEGISLATIVE APPROVAL TO CONTRACT FOR HEALTH GROUP INSURANCE FOR THEIR EMPLOYEES.**

**WHEREAS,** the Consolidated Commission on Utilities has undertaken initiatives to identify opportunities for savings for the ratepayers of Guam; and

**WHEREAS,** GPA and GWA have recognized that an opportunity for savings exists if GPA and GWA are authorized to procure separate health group insurance for their employees, based on the experience of the Judiciary, which has procured its own health group insurance; and

**WHEREAS**, the CCU has reviewed the proposed draft legislation which would authorize GPA and GWA to procure separate group health insurance, and the CCU recognizes there is an opportunity for savings; and

**NOW, THEREFORE BE IT RESOLVED,** the following policy is adopted by the Consolidated Commission on Utilities;

1. The General Manager of the Guam Power Authority and the General Manager of the Guam Waterworks Authority are authorized to submit the draft legislation to the legislature for consideration, which if enacted would authorize GPA and GWA to procure separate health group insurance for its employees.

**RESOLVED,** that the Chairman certifies and the Board Secretary attests to the adoption of this Resolution.

**DULY AND REGULARLY ADOPTED AND APPROVED THIS 24th DAY OF JANUARY 2017.**

| Certified by: | Attested by: |
|---|---|
| _____ | _____ |
| **JOSEPH T. DUENAS**<br>Chairperson<br>Consolidated Commission on Utilities | **J. GEORGE BAMBA**<br>Secretary<br>Consolidated Commission on Utilities |

SECRETARY'S CERTIFICATE

**I, J. George Bamba**, Secretary for the CCU do hereby certify that the foregoing is a full, true, and correct copy of the resolution duly adopted at a regular meeting of the members of Guam's CCU, duly and legally held at the meeting place thereof on January 24, 2017, at which meeting of all said members had due notice and at which at least a majority thereof were present, and

At said meeting said resolution was adopted by the following vote:

Ayes: _____

Nays: _____

Absent: _____

Abstain: _____

As of the date of this certification, said original resolution has not been amended, modified, or rescinded since the date of its adoption, and the same is now in full force and effect.

**SO CERTIFIED** this 24th day of January, 2017.

_____
**J. GEORGE BAMBA**
Secretary, Consolidated Commission on Utilities

GUAM POWER AUTHORITY
ATURIDÅT ILEKTRESEDÅT GUAHAN
P.O.BOX 2977 • AGANA, GUAM U.S.A. 96932-2977

# Issues for Decision

**Resolution No. 2017-05:**

**Relative to:** Authorizing the Management of Guam Power Authority to Solicit Bids (IFB) for the Supply of Diesel Fuel Oil No. 2 for the Baseload Plants and Peaking Units.

**What is the project's objective? Is it necessary and urgent?**

The Guam Power Authority's current contract for Supply of Diesel Fuel Oil No. 2 for the Baseload Plants and Peaking Units is expiring in December 2017. The fuel supply contract with an increase in the estimated supply quantity is necessary to provide uninterrupted supply of fuel for the Baseloads and Peaking units.

**Where is the location?**

Diesel Fuel Oil No.2 will be supplied to the following plant locations:

1. Baseloads (Cabras 1&2 and MEC 8&9)
2. Tenjo Vista
3. Fast Tracks (Manenggon and Talofofo)
4. TEMES CT
5. Northern Plants (Dededo CT, Macheche CT and Yigo CT, Aggreko)

**How much will it cost?**

The 2-year contract is estimated to exceed $1.5M requiring prior approval from the PUC.

**When will it be completed?**

The contract is planned for an initial period of two years to commence on or about January 01, 2018 and to expire on December 31, 2019, with the option to extend for three (3) additional one-year terms.

**What is its funding source?**

Fuel revenue funds

**The RFP/BID responses:**

The IFB solicitation will commence after CCU approval.

CONSOLIDATED
COMMISSION ON UTILITIES
Guam Power Authority • Guam Waterworks Authority
P.O.BOX 2977 • Agana,Guam 96932

**RESOLUTION NO. 2017–05**

**AUTHORIZING THE MANAGEMENT OF THE GUAM POWER AUTHORITY TO PROCEED WITH THE SOLICITATION TO PROCURE A CONTRACTOR FOR THE SUPPLY OF DIESEL FUEL OIL NO.2 FOR THE BASELOADS AND PEAKING UNITS**

**WHEREAS,** the three (3) year base period for the current contract (GPA-029-14) for the Supply of Diesel Fuel Oil No.2 for the **Baseloads** (Cabras 1&2 and MEC 8&9), and the **Peaking Units** (Tenjo Vista, Fast Tracks: Manenggon and Talofofo, TEMES CT and the Northern Diesel Plants: Dededo CT, Macheche CT, and Yigo CT) will expire on December 31, 2017; and

**WHEREAS,** the aftermath of the Cabras 3&4 incident in August 2015 drastically increased GPA's diesel consumption, overly exceeding the estimated quantities provided in Schedule B of the current contract (Exhibit A); and

**WHEREAS,** GPA has determined that a new solicitation is needed to reflect the necessary changes and update GPA's supply requirement (Exhibit B); and

**WHEREAS,** GPA intends to issue a new Invitation For Bid for the procurement of diesel fuel oil for the Baseload and Peaking Units for a base period of two (2) years, to commence on January 01, 2018 through December 31, 2019, with three (3) additional one-year extension options; and

**WHEREAS,** the draft bid solicitation documents for the procurement of a new diesel fuel oil supply contract is hereby attached as Exhibit C; and

**WHEREAS,** the total cost for the new contract is anticipated to exceed $1.5M requiring GPA to seek authorization for this procurement from the PUC; and

**WHEREAS**, GPA is requesting the approval of the CCU to petition the PUC for the issuance of an Invitation for Bid for a new diesel fuel oil supply contract.

**NOW THEREFORE, BE IT RESOLVED**, by the Consolidated Commission on Utilities, subject to the review and approval of the Public Utilities Commission, as follows:

1. GPA's request to solicit competitive bids for a new Diesel fuel supply contract through a Multi-Step Bid process is reasonable, prudent and beneficial to its customers.

2. GPA is authorized to petition the Public Utilities Commission for approval to issue bids to procure a Contractor for the supply of Diesel Fuel Oil No.2 for the Baseloads and Peaking Units.

**RESOLVED**, that the Chairman of the Commission certifies and the Secretary of the Commission attests the adoption of this Resolution.

**DULY and REGULARLY ADOPTED this 24th day of January 2017.**

**Certified by:** **Attested by:**

**JOSEPH T. DUENAS**
**CHAIRMAN**

**J. GEORGE BAMBA**
**SECRETARY**

**SECRETARY'S CERTIFICATE**

**I, J. GEORGE BAMBA,** Secretary for the Consolidated Commission on Utilities do hereby certify that the foregoing is a full, true, and correct copy of the resolution duly adopted at a regular meeting of the members of Guam's Consolidated Commission on Utilities, duly and legally held at the meeting place thereof on January 24, 2017, at which meeting of all said members had due notice and at which at least s majority thereof were present, and

At said meeting said resolution was adopted by the following vote:

Ayes: _____

Nays: _____

Absent: _____

Abstain: _____

As of the date of this certification, said original resolution has not been amended, modified, or rescinded since the date of its adoption, and the same is now in full force and effect.

**SO CERTIFIED** this 24th day of December, 2017.

**J. GEORGE BAMBA**
Secretary
Consolidated Commission on Utilities

**EXHIBIT 1: DIESEL EXPENSES FOR THE CURRENT CONTRACT**

| **GPA-029-14 EXPENDITURES** | 1st year (01/01/15 to 12/31/15) | 2nd Year (01/01/16 to 12/31/16) | 3rd year (01/01/17 to 12/31/17) | **3-Year Contract Period (01/01/15 to 12/31/17)** |
|---|---|---|---|---|
| Jan-Sep | 6,253,698 | 28,041,799 | 15,376,040 | |
| Oct-Dec | 9,133,263 | 5,125,347 | 5,125,347 | |
| **Total Qty (Gallons)** | 15,386,962 | 33,167,145 | 20,501,386 | **69,055,494** |
| Jan-Sep | $12,068,804 | $38,755,957 | $32,232,328 | |
| Oct-Dec | $15,464,740 | $10,744,109 | $10,744,109 | |
| **Total Cost ($)** | $27,533,544 | $49,500,066 | $42,976,437 | **$120,010,047** |
| REMARKS | Actual (Cabras 3&4 Explosion on 08/31/15) | Actual (Cabras 3&4 Offline & forced outages in remaining plants) | Estimated (Cabras 3&4 Offline & anticipated overhauls/outages in remaining plants) | Estimated Diesel Expenses |

## EXHIBIT D

## STATISTICAL SUMMARY - RFO vs. DFO

| FISCAL YEAR | PLANT CONSUMPTION (Gallons) | | | | |
|---|---|---|---|---|---|
| | RFO | | DFO | | TOTAL FUELS |
| | (gals) | % | (gals) | % | (gals) |
| FY - 2006 | 117,989,004 | 98% | 2,568,468 | 2% | 120,557,472 |
| FY - 2007 | 114,056,250 | 95% | 5,855,892 | 5% | 119,912,142 |
| FY - 2008 | 115,338,132 | 96% | 5,159,784 | 4% | 120,497,916 |
| FY - 2009 | 114,710,778 | 98% | 2,473,842 | 2% | 117,184,620 |
| FY - 2010 | 117,999,672 | 98% | 2,416,142 | 2% | 120,415,814 |
| FY - 2011 | 113,920,926 | 98% | 2,632,098 | 2% | 116,553,024 |
| FY - 2012 | 111,806,436 | 98% | 2,198,028 | 2% | 114,004,464 |
| FY - 2013 | 107,540,538 | 97% | 3,689,100 | 3% | 111,229,638 |
| FY - 2014 | 102,255,552 | 97% | 3,227,112 | 3% | 105,482,664 |
| FY - 2015 * | 96,951,288 | 91% | 9,400,524 | 9% | 106,351,812 |
| FY - 2016 * | 77,803,656 | 67% | 37,639,350 | 33% | 115,443,006 |

**Remarks:** * Cabras 3&4 Explosion on 8/31/15 and forced outages on remaining power plants.

Exhibit A:

Diesel Expenses for Current Contract

| GPA-029-14 EXPENDITURES | 1st year (01/01/15 to 12/31/15) | 2nd Year (01/01/16 to 12/31/16) | 3rd year (01/01/17 to 12/31/17) | 3-Year Contract Period (01/01/15 to 12/31/17) |
|---|---|---|---|---|
| Jan-Sep (Gallons) | 6,253,698 | 28,041,799 | 15,376,040 | |
| Oct-Dec (Gallons) | 9,133,263 | 5,125,347 | 5,125,347 | |
| Total Qty (Gallons) | 15,386,962 | 33,167,145 | 20,501,386 | **69,055,494** |
| Contract Estimate (Gallons) | 4,800,000 | 4,800,000 | 4,800,000 | **14,400,000** |
| Variance | 10,586,962 | 28,367,145 | 15,701,386 | **54,655,494** |
| Remarks | 221% increase | 591% Increase | 327% Increase | **380% Increase** |
| REMARKS | **Actual** (Cabras 3&4 Explosion on 08/31/15) | **Actual** (Cabras 3&4 Offline & forced outages in remaining plants) | **Estimated** (Cabras 3&4 Offline & anticipated overhauls/outages in remaining plants) | Estimated Diesel Expenses |

**EXHIBIT B: CHANGES TO THE CONTRACT REQUIREMENTS**

**SCHEDULE B: ESTIMATED ANNUAL FUEL OIL REQUIREMENTS (Gallons/yr)**

| Plant Location | Name of Plant | Existing Contract (GPA-029-14) | New Contract |
|---|---|---|---|
| **1. Baseloads** | Cabras 1&2, MEC 8&9 | **200,000** | **100,000 – 200,000** |
| **2. Tenjo Vista** | Tenjo Vista | **1,500,000** | **5,000,000 - 7,000,000** |
| **3. Fast Tracks** | Talofofo | **1,000,000** | **3,000,000 - 4,000,000** |
| | Manengon | | |
| **4. TEMES CT** | TEMES CT | **600,000** | **3,000,000 - 5,000,000** |
| **5. Northern Plants** | Dededo CT | **1,500,000** | **9,000,000 - 12,000,000** |
| | Macheche CT | | |
| | Yigo CT | | |
| | Aggreko | | |
| **TOTAL** | | **4,800,000** | **20,060,000 - 28,100,000** |

**SCHEDULE C: 30-DAYS MINIMUM INVENTORY REQUIREMENTS (Gallons)**

| Plant Location | Name of Plant | Existing Contract (GPA-029-14) | New Contract |
|---|---|---|---|
| **1. Baseloads** | Cabras 1&2, MEC 8&9 | **20,000** | **20,000** |
| **2. Tenjo Vista** | Tenjo Vista | **125,000** | **500,000** |
| **3. Fast Tracks** | Talofofo | **80,000** | **250,000** |
| | Manengon | | |
| **4. TEMES CT** | TEMES CT | **50,000** | **250,000** |
| **5. Northern Plants** | Dededo CT | **125,000** | **750,000** |
| | Macheche CT | | |
| | Yigo CT | | |
| | Aggreko | | |
| **TOTAL** | | **400,000** | **1,770,000** |

**Invitation For Multi-Step Bid**

**No. GPA- -17**

**SUPPLY OF DIESEL FUEL OIL NO.2**

1. **BASELOAD Plants (Cabras 1&2 and MEC 8&9)**
2. **TENJO VISTA**
3. **FAST TRACK Plants (Manenggon and Talofofo)**
4. **TEMES CT Plant**
5. **NORTHERN Plants (Dededo CT, Macheche CT, Yigo CT and Aggreko)**

**Volume II**

**CONTRACT (DRAFT)**

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**CONTRACT**

_____

**(CONTRACTOR)**

**GUAM POWER AUTHORITY**

**2017**

**IFB No. GPA- -17**

**SUPPLY OF DIESEL FUEL OIL NO.2**

**FORMAL CONTRACT**

This Agreement and Formal Contract ("Contract"), is made and entered into on the _____ day of _____, 2017 by and between:

_____, hereinafter referred to as "**CONTRACTOR"**, with its principal address at _____;

\- and –

**GUAM POWER AUTHORITY**, hereinafter referred to as the **"Authority"** or **"GPA"**, a Public Corporation with its office located at the Gloria Nelson Public Service Complex, Fadian Mangilao Guam;

R E C I T A L S

**WHEREAS**, the current contract for the supply of Fuel Oil will expire on December 31, 2017; and

**WHEREAS**, **GPA** sought to procure a new **CONTRACTOR** for the supply of Fuel Oil to the following plants locations: **Baseloads** (Cabras 1&2 and MEC 8&9), **Tenjo Vista**, **Fast Tracks** (Manenggon & Talofofo), **TEMES CT**, and **Northern Plants** (Dededo CT, Macheche CT, Yigo CT, and Aggreko); and

**WHEREAS**, GPA issued an Invitation For a Multi-Step Bid for the Supply of Diesel Fuel Oil No.2 under IFB GPA- -17; and

**WHEREAS**, **CONTRACTOR** submitted a bid in response to the Invitation for Bid for the Supply of Diesel Fuel Oil No.2; and

**WHEREAS**, **GPA**, upon evaluation of the submitted bid proposals, determined that **CONTRACTOR**. is the lowest responsive and responsible bidder for the following GPA plant locations: _____; and

**WHEREAS**, the Guam Consolidated Commission on Utilities (CCU) and the Guam Public Utilities Commission (PUC) has determined that the **CONTRACTOR** is the preferred option for **GPA** to supply the Fuel oil requirements for the Authority for those plant locations.

**NOW, THEREFORE**, in consideration of the above premises and the mutual promises set forth herein and the terms and conditions hereinafter set forth and for other good and valuable consideration, receipt of which is hereby acknowledge; **CONTRACTOR** and **GPA** hereby agree as follows:

**SECTION 1. DEFINITIONS**

**"$"** refers to currency in U.S. dollars.

**"ASTM"** means the American Society for Testing and Materials, a recognized organization providing globally- accepted standard testing and evaluation methods for petroleum.

**"API"** means the American Petroleum Institute, a recognized- organization providing globally accepted petroleum procedures.

**"Barrel"** means a volume equivalent to 42 U.S. Gallons.

**"Contract"** means this written agreement between **GPA** and **CONTRACTOR** covering the Supply of Fuel oil and any other Contract Documents either attached to the Agreement or made a part thereof by reference therein.

**"Contract Documents"** means the Contract, Bonds (where required), these General Conditions, any Supplementary Conditions, the Specifications, and any other documents specifically identified in the Contract, together with all Modifications issued after execution of the Contract.

**"Contracting Officer"** means the General Manager of the **GPA** and shall include his authorized representatives.

**"CONTRACTOR"** means the party which has duly entered into this Contract with **GPA** to perform the work herein contemplated or his or their authorized assignee.

"**Day"** means a calendar day of twenty-four (24) hours measured from midnight to the next midnight.

**"Month"** means a calendar month.

**"Year"** means a calendar year.

**"Delivery Time"** means the total number of hours or days or the dates stated in this Agreement for furnishing the Fuel Oil.

**"General Manager"** means the Chief Executive Officer of **GPA**. The office and title of General Manager shall apply to any person acting in a regular or in an acting capacity as the Chief Executive Officer of **GPA**.

**"Notice"** means and includes all written notice demands, instructions, claims, approvals and disapprovals required to obtain compliance with Contract requirements. Any written notice by either party to the Contract shall be sufficiently given if delivered to or at the last known business address of the person, firm, or corporation constituting the other party to the contract, or to his, their, or its duly authorized agent, representative, or officers, or when enclosed in a postage prepaid envelope addressed to such last known business address and deposited in a United States mail box

and file the same with the Contracting Officer.

**"Procurement Officer"** means the General Manager or the General Manager's designee.

**"PURCHASER"** means **GPA**.

**"Seller"** means the **CONTRACTOR**.

**"Territory"** means the Territory of Guam.

**"OPA'90"** means the Oil Pollution Act of 1990 enacted by the U.S. Congress.

**"Platt's Asia-Pacific/ Arab Gulf Marketscan"** refers to the source document for the `Fuel Oil Contract pricing.

**"Metric Ton"** means unit of mass equal to 1,000 kilograms (2,205 pounds)

**"Fuel Oil"** means a liquid hydrocarbon product satisfying the specifications in Section 8 and Schedule A.

**"Gallon"** means a U.S. standard gallon of 231 cubic inches at sixty degrees Fahrenheit.

**"Receiving facility"** means the **GPA** Fuel Oil receiving facility at each plant location identified in Schedule B.

**"CCU"** means the Guam Consolidated Commission on Utilities.

**"PUC"** means the Guam Public Utilities Commission.

**"COQ"** means Certificate of Quality or Quality Certificate, a formal document recording the CONTRACTOR's laboratory determination of quality of a particular sample which represents a specific delivery, said laboratory determinations having been performed in accordance with the test methods specified in Schedule A.

**"Independent Inspector"** means a qualified third-party petroleum inspection contractor acceptable to both parties providing petroleum sampling, measurement and other services before, during and after a delivery.

**"Receiving Facility"** means any of GPA's generating facilities, storage facilities and/or other facilities used to receive, transport, store, or otherwise handle the Diesel, and/or ULSD located on the island of Guam as designated by GPA.

**"ULSD"** means Ultra-Low Sulfur Diesel produced in conformity with the provisions of the quality in the Specification which are set forth in Schedule A.

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**SECTION 2. FUEL OIL TO BE SUPPLIED**

**CONTRACTOR** agrees to furnish and **GPA** agrees to accept and pay for all of **GPA**'s Fuel Oil requirements for power generating plants in Guam identified in Schedule B for the term of the Contract. The **estimated** total Fuel Oil requirement is listed in Schedule B. This information is provided as reference material only. Although every attempt has been made to ensure its accuracy, GPA makes no guarantees that these quantities will be achieved but they may be exceeded. GPA expressly disclaims any liability whatsoever arising from reliance or non-reliance of the data provided.

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Actual quantities may vary depending on the dispatching of the plants. The estimated Fuel Oil requirement provided herein are only approximate values and is subject to change. **GPA** shall reasonably notify the Contractor for any changes in the estimated fuel oil requirements.

The first delivery of Fuel Oil pursuant to the Contract is anticipated to be on or about **January 01, 2018**.

**SECTION 3. CONTRACT TERM**

The Contract term shall be for two (2) years to commence on January 01, 2018 and shall continue until midnight of December 31, 2019 and with **GPA's** option to extend the contract for three (3) additional one (1) year terms, renewable annually, with mutual agreement of both parties.

**SECTION 4. CONTRACT PRICE**

The **CONTRACT PRICE** in U.S. dollars per Gallon ($/gal) for all Fuel Oil delivered to **GPA** shall be

inclusive of all costs and liabilities required to fulfill the contract. The **CONTRACT PRICE** is the sum of the **FIXED SERVICE FEE** plus the **REFERENCE PRICE**.

The **CONTRACT PRICE** shall increase or decrease on a cent-for-cent basis with the **REFERENCE PRICE**.

The **REFERENCE PRICE** for the Fuel Oil delivered in any month shall be the mean average of the previous month's daily Mid-of-Platts (MOPS) price postings. MOPS is the average of high and low price assessments reported in the Platt's Asia-Pacific/Arab Gulf Marketscan FOB Singapore Price Assessment for Gasoil 10 ppm.

The **FIXED SERVICE FEE** for all Fuel Oil delivered to certain GPA Plants identified on Schedule B hereto shall be as follows:

| **FIXED SERVICE FEE** | **2-year Base Period** | | **3-Year Extension Options** | | |
|---|---|---|---|---|---|
| | **1st year** $/gallon (in 3 decimals) | **2nd year** $/gallon (in 3 decimals) | **1st yr Extn** $/gallon (in 3 decimals) | **1st yr Extn** $/gallon (in 3 decimals) | **3rd yr Extn** $/gallon (in 3 decimals) |
| **1. Baseload Plants** | | | | | |
| **2. Tenjo Vista** | | | | | |
| **3. Fast Track Plants (Manenggon & Talofofo)** | | | | | |
| **4. TEMES CT** | | | | | |
| **5. Northern Plants (Dededo CT, Macheche CT, Yigo CT & Aggreko)** | | | | | |

Sample calculation of **CONTRACT PRICE**:

Delivery Month: November 2016

(1) Sample Calculation of **REFERENCE PRICE**:

**REFERENCE PRICE**= Average of Previous Month's Daily MOPS

Previous Month: October 2016

Average of the Daily MOPS for October 2016: $61.660 per Barrel

Average Price: $1.468 per Gallon (rounded to three decimal places)

**REFERENCE PRICE** for November 2016: $1.468 per Gallon

(2) Sample **FIXED SERVICE FEE**:

**FIXED SERVICE FEE**= $0.192 per Gallon (sample price)

**(3) CONTRACT PRICE**

**CONTRACT PRICE** = Reference Price + Fixed Service Fee

**CONTRACT PRICE** = ($1.468 + $0.192) per gallon

**CONTRACT PRICE** = $1.660 per gallon

This is the **CONTRACT PRICE** for fuel delivered to GPA for the sample month.

**SECTION 5. FUEL OIL DELIVERY**

All Fuel Oil must be delivered to the plant sites covered in this Contract. Title to the Fuel Oil shall pass from the **CONTRACTOR** to **GPA** when the Fuel Oil has passed the **GPA** pipeline flange connecting the tanker truck delivery hose and the **GPA** storage tanks. The **CONTRACTOR** shall be available to deliver the Fuel Oil to the point of delivery as designated by **GPA** within twenty-four (24) hours notice or less of receiving a request. **CONTRACTOR** must be available to receive and accept delivery requests daily, including weekends and holidays. The **CONTRACTOR** shall provide transfer pumps at its delivery trucks and/or whatever else may be necessary to deliver Fuel Oil to **GPA** storage tanks to the height of 45 feet. Fuel Oil deliveries shall be on an "on call" basis.

**CONTRACTOR** must closely coordinate with the plants and shall exercise its best efforts to deliver Fuel Oil to **GPA** to meet operational requirements regardless of the estimates provided by **GPA.**

All risk of loss, cost and liabilities prior to the time of passage of title of the Fuel Oil shall be on the **CONTRACTOR**.

**SECTION 6. TERMS OF PAYMENT**

Invoices for Fuel Oil delivered pursuant to quantity (Fuel Oil receipts) and quality prescribed under the terms of this contract shall be submitted no more frequently than weekly, based on the number of Gallons of Fuel Oil delivered to **GPA** during the preceding period. The invoices must be supported by Fuel Oil receipts or receiving tickets including a receipt acknowledgement from a **GPA** representative. The payment terms are 30 days (net) beginning on the date the invoice is received by the **GPA** accounts payable section. All payments shall be based on the delivered quantity, corrected to volume (net) at 60 $^{o}$F.

**SECTION 7. WARRANTY AND CLAIMS**

**CONTRACTOR** shall represent and warrant as follows:

a. **Ability to Supply.**

**CONTRACTOR** shall commit to supply Product that ~~warrants that the Fuel Oil shall~~ meet the specification prescribed under Section 8 and Schedule A herein and other pertinent sections. If the Fuel Oil fails to meet the specifications herein, **CONTRACTOR** shall be liable for any direct damages resulting therefrom.

b. **Ability to Deliver.**

**CONTRACTOR** shall own, lease or have the right to use tanker trucks, storage tanks, and other facilities sufficient to meet **CONTRACTOR**'s obligations under this Contract.

**CONTRACTOR** shall be solely responsible for any damages caused by the **CONTRACTOR** or its agents during the process of Fuel Oil supply and delivery.

Claims against the **CONTRACTOR** for direct costs incurred on account of its negligent actions shall be given in writing together with all supporting documents, invoices and correspondence by **GPA** within thirty days (30) from date of delivery of Fuel Oil as specified in Section 4.

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**SECTION 8. PRODUCT AND QUALITY**

Test Methods shall be in conformance with the prescribed procedures set forth by the American Society for Testing and Materials (ASTM) Standards for Petroleum Products, Lubricants, and Fossil Fuels, or alternative tests acceptable and subject to prior authorization by **GPA**.

The Fuel Oil delivered to **GPA** shall have the physical and chemical characteristics as described in Schedule A.

Quality determination shall be performed and certified by an independent third party laboratory facility acceptable to **GPA**. Certificate of Quality (COQ) shall be representative of the product in the **CONTRACTOR'S** storage facility in Guam.

**SECTION 9. QUANTITY AND QUALITY ASSURANCE**

**CONTRACTOR'S** 'Terminal Loading Rack' meters shall be utilized to determine the quantity of Fuel Oil delivered by tanker truck to **GPA** and shall be the basis for the Bill of Lading (BOL). **CONTRACTOR** shall have such meters calibrated no less than annually and shall furnish **GPA** a copy of the certificate of newly calibrated meter(s) within 10 days after the calibration date.
In the event of a dispute over the accuracy of the **CONTRACTOR's** meters, an independent third party mutually agreeable to both parties will be brought in to perform a recalibration. In the event of a miscalibration, the costs shall be borne by the **CONTRACTOR**. Any loss incurred by **GPA** as a result of miscalibration of meters shall be negotiated and returned to **GPA**.

Quantity shall be corrected to the volume at sixty degrees Fahrenheit. Conversion shall be made in accordance with the ASTM-IP Petroleum Measurement Tables (IP-200), Table 6B (latest edition).

Appropriate Certificate of Quality (COQ) reports shall also accompany each delivery and must be presented to the **GPA** receiving facility. Quality must conform with the requirements specified under Section 9 and Schedule A as a condition for acceptance of delivery.

In the event of a dispute over the quality of Fuel Oil received by **GPA**, an inspection of Fuel Oil will be conducted by an appointed third party inspector mutually acceptable to **GPA** and the **CONTRACTOR**.

**CONTRACTOR** is required to install security seals on valves and compartments of the delivery tanker

trucks after Fuel Oil loading is completed. Seals shall remain intact upon inspection by the **GPA** receiving facility. Seal numbers shall be recorded in the delivery receipt and initialed by an authorized terminal representative. **GPA** reserves the right to reject deliveries with tampered or missing seals.

**CONTRACTOR** shall provide a comprehensive summary of the Fuel Oil delivery reports. **CONTRACTOR** shall tailor its reports to **GPA's** needs. **CONTRACTOR** shall submit copy(ies) of all Certificates of Quality (COQ) for the delivery month. Reports shall be submitted to the GPA within five (5) working days after each report month. **CONTRACTOR** shall also submit other reports and/or documentations that is relevant to the contract as may be required by the Authority.

**SECTION 10. QUANTITY DETERMINATION**

In the event of the variances between the BOL quantity and the GPA receipts, The **AUTHORITY** shall pay (absorb) a quantity shortfall up to ONE-FOURTH (0.25 %) of the gallons established quantity; shortages beyond the 0.25% tolerance shall be covered by the **CONTRACTOR**.

**GPA** reserves the right to require the intervention of a third party independent inspector for quantity determination. Such inspector shall be mutually acceptable to **GPA** and the **CONTRACTOR.** All quantities shall be corrected to volume at sixty degrees Fahrenheit (60 ºF) in accordance with the ASTM-IP Petroleum Measurement Table, Table 6B, the latest edition published shall be applicable.

Quantity certification prepared by independent inspector shall be final and binding upon both parties.

**SECTION 11. SECURITY OF SUPPLY**

**CONTRACTOR** is required to maintain a minimum of thirty (30) days inventory at the **CONTRACTOR'S** ~~own~~ Guam storage facility. A list of the plant requirements is listed in Schedule C.

For security of supply in the event of unexpected, unplanned or forced baseload outages, severe typhoon or other calamities, **CONTRACTOR** shall prioritize delivery to **GPA** and guarantee uninterrupted supply of Fuel Oil up to the maximum daily consumption for each plant location as

listed in Schedule D, during the recovery period.

**CONTRACTOR** reserves the right to supply Fuel Oil meeting **GPA** quality specifications from any source. In the event that supplies are taken from such other places, then the price to Guam will remain the same as established in Section 4 above.

**CONTRACTOR** must submit a month-end Fuel Oil inventory report to **GPA**.

**GPA** reserves the right to audit the **CONTRACTOR** for safety fuel inventory stock compliance. Such audit shall be in accordance with generally accepted accounting practices.

**SECTION 12. GOVERNMENT LAWS AND REGULATIONS**

(a) If at any time during the term of the Contract the Government of the United States or the Territory of Guam enacts laws or issues regulations which would prevent **GPA** from burning the type of Fuel Oil to be supplied hereunder, **GPA** shall use its best efforts to obtain an exemption. In the event **GPA** cannot obtain an exemption from such laws and regulations, **CONTRACTOR** shall use its best efforts to furnish **GPA** substitute Fuel Oil which complies with such governmental laws and regulations at the same price set out herein, or if unreasonable, at a price to be renegotiated by the parties. If the substitute Fuel Oil causes an increase or decrease in **CONTRACTOR** 's cost of performance of the Contract, an equitable adjustment shall be made and the Contract modified in writing accordingly. Any claim of **CONTRACTOR** for adjustment under this section must be asserted in writing within thirty (30) days from date of receipt by **CONTRACTOR** of the notification of substitute Fuel Oil in compliance with Government laws, rules and regulations. Failure to agree to any adjustment shall be a dispute concerning a question of fact within the meaning of the clause of this Contract entitled "Governing Law and Disputes"(Section 20). However, nothing in this clause shall excuse the **CONTRACTOR** from proceeding with the Contract Fuel Oil specifications as changed in order to comply with Government laws, rules and regulations. Only in the event that the parties cannot mutually agree upon the price at which **CONTRACTOR** is to furnish such substitute Fuel Oil, and **CONTRACTOR** refuses to provide such substitute Fuel Oil at the Contract price set out herein shall **GPA** then have the option of purchasing from other sources Fuel Oil at a lower price than that offered by **CONTRACTOR** in such negotiations which complies with such laws and regulations, but in any event, the **CONTRACTOR** shall have no recourse, other than those specified herein.

(b) **CONTRACTOR** shall at all times comply with all applicable laws and regulations of the Territory of Guam and the Federal Government and their respective agencies.

**SECTION 13. PERMITS AND RESPONSIBILITIES**

The **CONTRACTOR** shall, without additional expense to **GPA**, be responsible for obtaining any necessary licenses and permits, and for complying with any applicable Federal and Territorial laws, codes and regulations necessary for performance of the Contract by **CONTRACTOR**.

**SECTION 14. FORCE MAJEURE**

No failure or omission by either party to carry out or to observe any of the terms, provisions or conditions of the Contract shall, except in relation to obligations to make payments under the Contract, give rise to any claim by one party against the party in question or be deemed to be a breach of the Contract if such failure or omission arises from any cause reasonably beyond the control of the party, including but without prejudice to the generality of the foregoing:

(a) War, etc. War, hostilities, acts of public enemy or belligerents, sabotage, blockade, revolution, insurrection, riot or disorder;

(b) Restraints. Arrest or restraint of princes, rulers or peoples;

(c) Confiscation. Expropriation, requisition, confiscation or nationalization;

(d) Rationing. Embargoes, export or import restrictions or rationing or allocation, whether imposed by law, decree or regulation or by voluntary cooperation of industry at the insistence or request of any governmental authority or person purporting to act therefor;

(e) Regulations. Interference by restriction or onerous regulations imposed by civil or military authorities, whether legal or de facto and whether purporting to act under some constitution, decree, law or otherwise;

(f) Acts of God. Acts of God, fire, frost or ice, earthquake, storm, lightning, tide, tidal wave, or peril of the sea, accident of navigation or breakdown or injury of vessels;

(g) Loss of Tankers. Loss of tanker tonnage due to sinking by belligerents or to governmental taking whether or not by formal requisition;

(h) Accidents. Accidents to or adjuncts of shipping navigation;

(i) Strikes. Epidemics, quarantine, strikes or combination of workmen, lockouts, or other labor disturbances;

(j) Explosions. Explosion, accidents by fire or otherwise to wells, pipes, storage facilities, refineries, installations, machinery;

(k) Taking by Government. Unavailability of Fuel Oil because of the election of the government of the country of its origin to take royalty product in kind;

(l) Other Events. Any event, matter or thing wherever occurring and whether or not of the same class or kind as those set forth, which shall not be reasonably within the control and without the fault or negligence of the party affected thereby.

No failure or omissions to carry out or to observe any of the terms, provisions or conditions of the Contract shall give rise to any claim by one party against the other, or be deemed to be a breach of the Contract from the time of and to the extent occasioned by the Force Majeure, not from the date of notice of the Force Majeure is received.

**SECTION 15. NOTICE TO OTHER PARTY**

Either party whose obligations may be affected by any of the forces or causes set out in Section 14, supra, shall promptly notify the other party in writing, giving full particulars thereof as soon as possible after the occurrence of such force or cause. Such party shall exercise due diligence to remove such cause with all reasonable dispatch and to resume performance at the earliest practicable time.

**SECTION 16. PAYMENT REQUIRED**

Notwithstanding the provisions of Section 14, supra, **GPA** shall not be relieved of any obligation to make payments for any Fuel Oil delivered to Guam dock/**GPA** tanks hereunder; however, during the force majeure condition the obligation shall be suspended, except for Fuel Oil deliveries made prior to the force majeure condition.

**SECTION 17. PRORATION OR EQUITABLE ALLOCATION**

If any of the events enumerated in Section 14, supra, have occurred, **CONTRACTOR** shall prorate or otherwise allocate in a fair and equitable manner among its customers, including **GPA**, the supplies of Fuel Oil **CONTRACTOR** have available for delivery at the time of the occurrence or for the duration of such event taking into account **GPA**'s unique situation as Guam's total dependence on Fuel Oil. **CONTRACTOR** shall also seek an alternative source of Fuel Oil to fulfill its contractual obligations.

**SECTION 18. ALTERNATE SUPPLY**

**CONTRACTOR** reserves the right to supply Fuel Oil meeting **GPA** specifications from any alternate source. In the event that supplies are taken from such other places, then the price to Guam will remain the same as established in Section 4 above.

In the event **CONTRACTOR** is unable to fulfill its obligations under this Contract as a result of Section 14, supra, or if there is a sudden, unexpected increase in fuel demand that CONTRACTOR will be unable to supply at the time needed, **CONTRACTOR** shall seek an alternative source of Fuel Oil so long as such condition shall exist.

In the event **CONTRACTOR** is unable to fulfill its obligations under this Contract as a result of any negligence on the part of the **CONTRACTOR**, **CONTRACTOR** shall seek an alternative source of Fuel Oil so long as such condition shall exist, without additional cost to **GPA**.

**GPA** may at its sole discretion seek an alternative source of Fuel Oil so long as such condition of negligence shall exist. If the cost of Fuel Oil during such period of negligence shall exceed the Contract price as provided in Section 4, the **CONTRACTOR** shall be liable to **GPA** for the difference, which may be taken from the Performance Bond.

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**Commented [ANF1]:** 1.Contractor becomes negligent if they do not comply with last sentence of the 2nd paragraph. 2.Additional verbiage may be needed to be able to implement this clause without violating the Contract or any Procurement Law.

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**SECTION 19. RESUMPTION OF PERFORMANCE**

If **CONTRACTOR** is prevented from delivering or **GPA** is prevented from receiving all or any Fuel Oil to be sold under the Contract for the reasons which fall within the provisions of Section 14, supra, then the party so prevented shall, as to the remainder of the Fuel Oil not affected thereby, promptly resume performance of the Contract. No curtailment or suspension of deliveries or payment under the causes listed in Section 14, supra, shall operate to extend the term of or terminate the Contract unless

the occurrence of force majeure will materially impair, for an indefinite period of time, the parties' ability to perform the Contract.

**SECTION 20. GOVERNING LAW AND DISPUTES**

(a) All controversies between **GPA** and the **CONTRACTOR** which arise under, or are by virtue of, this Contract and which are not resolved by mutual agreement, shall be decided by **GPA** pursuant to Guam Procurement laws and regulations.

(b) **CONTRACTOR** may pursue applicable remedies under the Guam Procurement Law and regulations and the Government Claims Act.

(c) The **CONTRACTOR** shall comply with any decision of **GPA** and proceed diligently with performance of this Contract pending final resolution by the Superior Court of Guam of any controversy arising under, or by virtue of, this Contract; provided, however, that in any event the **CONTRACTOR** shall proceed diligently with the performance of the Contract where the General Manager of **GPA** has made a written determination that continuation of work under the Contract is essential to the welfare of the Territory.

This Contract is made under, and shall be governed and construed in accordance with, the laws, statutes and regulations of the Territory of Guam, to the exclusion of all other legal systems. Wherever a term defined by the Uniform Commercial Code is used in the Contract the definition contained in the Uniform Commercial Code of Guam will control, unless otherwise specified.

The parties expressly submit to the jurisdiction of the Superior Court of the Territory of Guam, for the resolution of any dispute or difference or claims between the parties in connection with the Contract, and to service of process by registered mail. The **CONTRACTOR** agrees to accept the jurisdiction of the Superior Court of the Territory of Guam for the resolution of any claims including but not limited to, claims for consequential, special or punitive damages. Judgment upon any award rendered by the Superior Court of the Territory of Guam may be entered in any court of any country having jurisdiction, and such award shall be binding upon the parties. The **CONTRACTOR** waives all rights against **GPA** to claim consequential, special or punitive damages.

**SECTION 21. CONTRACTOR'S INSURANCE**

**CONTRACTOR** shall not commence work under this Contract until he has obtained all insurance required under this section and such insurance has been approved by **GPA**, nor shall the **CONTRACTOR** allow any Subcontractor to commence work on his subcontract until all similar insurance required of the Subcontractor has been so obtained and approved.

The **CONTRACTOR** shall provide a copy of their Insurance Policy to GPA within the period prescribed by **GPA**. All updates or revisions after contract commencement shall also be forwarded to **GPA**.

Failure on the part of the **CONTRACTOR** to provide the required documents and/or to enter into a contract with **GPA** shall be sufficient grounds for the annulment of the award. **GPA** may determine the bidder to be non-responsive to the bid, and may proceed with sending a Notice of Intent to Award to the next most qualified BIDDER.

**A. WORKMEN'S STATUTORY COMPENSATION INSURANCE AND EMPLOYER'S LIABILITY INSURANCE:** The **CONTRACTOR** shall take out and maintain during the life of this Contract the applicable statutory Workmen's Compensation Insurance with an insurance company authorized to write such insurance and in the applicable State or Territory covering all his employees, and in the case of any work sublet, the **CONTRACTOR** shall require the Subcontractor similarly to provide statutory Workmen's Compensation Insurance for the latter's employees. The **CONTRACTOR** shall secure and maintain, during the life of this Contract, Employer's Liability Insurance with a limit of $500,000 with an insurance company authorized to write such insurance in all states or territories where the Contractor will have employees located in the performance of this Contract. **CONTRACTOR** shall provide a Waiver of Subrogation in favor of **GPA** via endorsement to the Workers Compensation policy.

**B. COMMERCIAL GENERAL LIABILTY:**

1. The **CONTRACTOR** shall maintain, during the life of this Contract, such Commercial General Liability as shall protect him against claims for damages resulting from (a) bodily injury, including wrongful death, and (b) property damage, which may arise from operations under this Contract whether such operations be by himself or by any Subcontractor or anyone

directly or indirectly employed by either of them. The minimum acceptable limits of liability to be provided Liability Insurance shall be as follows:

| | |
|---|---|
| Bodily Injury Limits: | $ 1,000,000 Each Person |
| Property Damage Limits: | $ 1,000,000 Each Occurrence |
| | $ 2,000,000 Aggregate |

2. The Commercial General Liability required by the preceding Subparagraph 1 shall include the following extensions of coverage:

(a) The property damage coverage shall include a Broad Form Property Damage Endorsement.

(b) Contractual Liability coverage shall be included.

(c) Protective Liability coverage shall be included to protect the **CONTRACTOR** against claims arising out of operations performed by his Subcontractors.

(d) Products Liability and/or Completed Operations coverage shall be included.

(e) **GPA** shall be an additional insured on Commercial General Liability policy.

(f) **CONTRACTOR** shall grant Waiver of Subrogation in favor of **GPA**.

**C. AUTOMOBILE LIABILITY INSURANCE:**

The **CONTRACTOR** shall take out and maintain during the life of the Contract, such Automobile Liability insurance as shall protect him against claims for damages resulting from (a) bodily injury, including wrongful death, and (b) property damage, which may arise from the operations of any owned, hired or non-owned automobiles used by or for him in any capacity in connection with the carrying out of this Contract. **GPA** shall be an additional insured on Auto Liability policy. **CONTRACTOR** will grant Waiver of Subrogation in favor of **GPA**. The minimum acceptable limits of liability to be provided by such Automobile Liability Insurance shall be as follows:

| | |
|---|---|
| Bodily Injury Limits: | $ 1,000,000 Each Person |
| | $ 1,000,000 Each Occurrence |
| Property Damage Limits: | $ 1,000,000 Each occurrence |

**D. POLLUTION LIABILITY INSURANCE:**

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

**E. EXCESS LIABILITY**

Excess Liability with limits of $5,000,000. **GPA** shall be an additional insured. **CONTRACTOR** shall grant Waiver of Subrogation in favor of **GPA**.

**F. CERTIFICATE OF INSURANCE:**

The **CONTRACTOR** shall furnish **GPA** with two (2) copies of a Certificate of Insurance evidencing policies required in Paragraphs B, C, D, E, and F above. Such certificates shall specifically indicate that the Commercial General Liability Insurance includes all extensions of coverage required in Paragraph C., Subparagraph 2. above. Such certificate shall specifically state that the insurance company or companies issuing such insurance policies shall give **GPA** at least thirty (30) days written notice in the event of cancellation of or material change in any of the policies. If coverage on said certificate(s) is shown to expire prior to completion of all terms of this Contract, the **CONTRACTOR** shall furnish a Certificates of Insurance evidencing renewal of such coverage to **GPA**. The Certificates of Insurance shall clearly show this Contract number.

The **CONTRACTOR** shall provide a copy of their Insurance Policy to **GPA** as part of the bid requirements. All updates or revisions after contract commencement shall also be forwarded to **GPA**.

**G. SUBCONTRACTOR'S INSURANCE:**

The **CONTRACTOR** shall require each of his Subcontractors to take out and maintain during the life of his Subcontract, the same insurance coverage required of the **CONTRACTOR** under Paragraphs B, C, D, E, and F above, including the extensions of coverage required under Paragraph C., Subparagraph 2, above. Each Subcontractor shall furnish to the **CONTRACTOR** two (2) copies of a Certificate of Insurance and such certificate shall contain

the same information required in Paragraph C. above. The **CONTRACTOR** shall furnish one (1) copy of the certificate to **GPA**.

**H. INSURANCE COMPANY AND AGENT:**

All insurance policies herein required of the **CONTRACTOR** shall be written by a company duly authorized to do business in the Territory where supply under this Contract is being performed and be executed by some agent thereof duly licensed as an agent in said State or Territory.

**SECTION 22. INDEMNITY**

**CONTRACTOR** shall indemnify and hold **GPA** harmless from all damages to persons or property or to receiving facilities and delivery facilities, regardless of ownership, including the cost of enforcement of the indemnity, actually and proximately caused by **CONTRACTOR** or its agents in making deliveries hereunder. **CONTRACTOR** shall be responsible for cleaning up any Fuel Oil spillage caused by it or its agent or **CONTRACTOR**s during the process of Fuel Oil delivery. **CONTRACTOR** shall carry at all times appropriate levels of insurance as determined by **GPA** to cover any such damage. The **CONTRACTOR** shall ensure that any transportation owned or leased by the Contractor for deliveries under this agreement shall meet the requirements of the U.S. Oil Pollution Act of 1990 (OPA 90).

**SECTION 23. TRANSPORTATION**

**CONTRACTOR** shall arrange for the transportation of the Fuel Oil to **GPA**.

All risk of loss, cost and liabilities prior to the time of passage of title of the Fuel Oil to shall be on the **CONTRACTOR**.

**CONTRACTOR** 's and **GPA**'s rights and duties under Section 22 and Section 23 do not supersede or control the provisions of Section 14 Force Majeure.

**SECTION 24. FAILURE TO SUPPLY**

If the **CONTRACTOR** refuses or fails to perform any of the provisions of this Contract with such diligence as will ensure the timely delivery of Fuel Oil supply or commits any other substantial breach of this Contract, **GPA** may notify the **CONTRACTOR** in writing of the delay or non-performance and

if not cured within THIRTY (30) days of the date of notification, **GPA** may terminate the Contract in whole or such part of the Contract as to which there has been a delay or a failure to properly perform. In the event of termination in whole or in part, **GPA** reserves the right to procure Fuel Oil supply from another source immediately upon issuance of such notification or whenever it deems appropriate.

**SECTION 25. FAILUE TO PAY**

Failure to pay an invoice and any late penalties, if any, within a period of THIRTY (30) days from the due date of such invoice, shall be a default and should such a default not be cured within THIRTY (30) days of default, **CONTRACTOR** may, at its option, do either of the following:

(a) Terminate the Contract forthwith or forthwith suspend delivery under the Contract until further notice, on notifying **GPA** orally or by notice in writing; or

(b) Continue to supply Fuel Oil and bring suit in the Superior Court of Guam for amounts past due and as they become due.

**SECTION 26. FAILURE TO COMPLY WITH LAWS**

In the event the **CONTRACTOR** or any person or entity identified as principals in the offer submitted in connection with the bid shall be found by any court or administrative agency having jurisdiction over the subject matter of the violation, to have violated any law, rule or regulation in connection with **CONTRACTOR** 's performance of the obligations under the Contract in any manner whatsoever directly or indirectly which violation shall constitute a breach of the peace, or an act involving moral turpitude or otherwise constitute endangerment of the health, safety and welfare of the citizens of the Territory of Guam, **GPA** may at its sole discretion terminate this Contract upon THRITY (30) days written notice.

**SECTION 27. DEFAULT**

If a PARTY refuses or fails to perform any of its obligations under this Contract, the non-breaching PARTY shall notify the PARTY either by e-mail or in writing within thirty (30) days of the breach. If the PARTY does not remedy the breach within thirty (30) days after the date of notification, non-breaching PARTY may by giving notice to the other PARTY terminate the Contract in whole or suspend taking of delivery under the Contract.

In the event of partial termination or suspension under this provision, **GPA** reserves the right to procure Fuel Oil supply from another source upon notification to **CONTRACTOR** either by e-mail or in writing. Fuel Oil to be procured shall be at the prevailing market price at the time of partial termination or suspension.

In the event of termination because of **GPA's** default, the **CONTRACTOR** shall not be liable for the difference between the Contract price and the prevailing market price at the time of termination.

**SECTION 28. ATTORNEYS FEES**

Should a default by either party result in litigation, the successful party shall be entitled to recover its reasonable attorney's fees from the defaulting party.

**SECTION 29. TERMINATION FOR CONVENIENCE**

(a) **Termination**.

The delivery of Fuel Oil supply under this Contract may be terminated by **GPA** in accordance with this clause in whole, or from time to time in part.

Any such termination shall be effected by delivery to the **CONTRACTOR** of a written Notice of Termination specifying the extent to which supply of Fuel Oil under the Contract is terminated, and the Contract shall be terminated effective ~~THREE HUNDRED SIXTY FIVE (365)~~ NINETY (90) days after receipt of notice by **CONTRACTOR**.

**Commented [ANF3]:** 365 days may be too restrictive for GPA.

In the case of termination of this Contract, **GPA** shall reimburse the **CONTRACTOR** of all the expenses related to the period of the Performance Bond that were not used.

(b) **CONTRACTOR's OBLIGATIONS.**

The **CONTRACTOR** shall incur no further obligations in connection with the terminated Fuel Oil supply and delivery and on the date set in the Notice of Termination the **CONTRACTOR** will stop delivery of Fuel Oil to the extent specified. The **CONTRACTOR** shall also terminate outstanding orders and Contracts, if any, as they relate to the terminated Contract for Fuel Oil supply. The **CONTRACTOR** shall settle the liabilities and claims arising out of the termination of orders and Contracts, if any, connected with the terminated Fuel Oil supply. **GPA** may direct the

**CONTRACTOR** to assign the **CONTRACTOR'S** right, title and interest under the terminated orders or Contracts to **GPA**. The **CONTRACTOR** must still deliver Fuel Oil where supply is not terminated by the Notice of Termination and may incur obligations as are necessary to do so.

(c) **Compensation.**

(1) The **CONTRACTOR** shall submit a termination claim specifying the amounts due because of the termination for convenience. If the **CONTRACTOR** fails to file a termination claim within ONE (1) year from effective date of termination, **GPA** may pay the **CONTRACTOR**, if at all, an amount set in accordance with subparagraph (3) of this paragraph.

(2) **GPA** and the **CONTRACTOR** may agree to a settlement provided the **CONTRACTOR** has filed a termination claim supported by cost or pricing data to the extent required by Section 3-403 (Cost or Pricing Data) of the Guam Procurement Regulations and that the settlement does not exceed the total Contract price plus settlement costs reduced by payments previously made by **GPA**, the proceeds of any sales of supplies and manufacturing materials under the Uniform Commercial Code of Guam, and the Contract price of the Fuel Oil supply not terminated.

(3) Absent complete agreement under subparagraph (2) of this paragraph, **GPA** may pay the **CONTRACTOR** the following amounts, provided payments agreed to under subparagraph (2) shall not duplicate payments under this subparagraph:

(i) Fuel Oil Contract prices for supplies or services accepted under the Contract by **GPA**;

(ii) Costs incurred in preparing to perform and performing the terminated portion of the delivery of Fuel Oil plus a fair and reasonable profit on such portion of the delivery (such profit shall not include anticipatory profit or consequential damages) less amounts paid or to be paid for accepted Fuel Oil supplies or services; provided, however, that if it appears that the **CONTRACTOR** would have sustained a loss if the entire Contract would have been completed, no profit shall be allowed or included and the amount of compensation shall be reduced to reflect the anticipated rate of loss;

(iii) Costs of settling and paying claims arising out of the termination of Contracts or orders pursuant to paragraph (2) of this clause. These costs must not include costs paid in accordance with subparagraph (3)(ii) of this paragraph;

(iv) The reasonable settlement costs of the **CONTRACTOR** including accounting, legal, clerical, and other expenses reasonably necessary for the preparation of settlement claims and supporting data with respect to the terminated portion of the Contract for the termination and settlement of Contracts thereunder, together with reasonable storage, transportation, and other costs incurred in connection with the protection or disposition of property allocable to the terminated portion of this Contract. The total sum to be paid the **CONTRACTOR** under this subparagraph shall not exceed the total Contract price plus the reasonable settlement costs of the **CONTRACTOR** reduced by the amount of payments otherwise made, the proceeds of any sales of supplies and manufacturing materials under the Uniform Commercial Code.

**SECTION 30. REMEDIES CUMMULATIVE**

Each and all remedies available to a party in the event of the other party's failure to comply timely with any or all the terms and conditions of the Contract may be exercised independently or in combination (such rights being nonexclusive one with the other). The remedies set forth in the Contract are in addition to, and not in lieu of, all of the remedies available at law or in equity.

**SECTION 31. COVENANT AGAINST CONTIGENT FEES**

The **CONTRACTOR** warrants no person or selling agency has been employed or retained to solicit or secure the Contract upon agreement or understanding for a commission, percentage, brokerage, or contingent fee, excepting bona fide employees or bona fide established commercial or selling agency maintained by the **CONTRACTOR** for the purpose of securing business. For breach or violation of this warranty, **GPA** shall have the right to annul the Contract without liability or, in its discretion, to deduct from the Contract price or consideration, or otherwise recover, the full amount of such commission, percentage, brokerage, or contingent fee.

**SECTION 32. NOTICE**

Except as otherwise expressly specified herein, any notice to be given hereunder by either party to the other shall be deemed sufficiently given if in writing and enclosed in an envelope properly stamped and addressed to the party at the address set forth in this section, and deposited in the United States mail.

Either party may change its address by giving fifteen (15) days prior written notice to the other party. Such address until further notice shall be:

**GPA**: General Manager
Guam Power Authority
Post Office Box 2977
Hagatna, Guam 96932-2977
TELEFAX: (671) 648-9225

**CONTRACTOR**: _____
_____
_____
_____
_____
_____

**SECTION 33. INTEREST OF OTHER PARTIES**

**CONTRACTOR** warrants that no member of the governing body of **GPA**, and no other officer, employee, or agent of **GPA** who exercises any functions or responsibilities in connection with the work to which the Contract pertains, and no employee, agent or member of the Guam Legislature or other public official of the Government of Guam, has or shall have any personal economic or financial interest, direct or indirect, in the Contract.

**SECTION 34. ASSIGNMENT**

**CONTRACTOR** declares that the only persons or parties interested in the Contract as principals are named herein and that the Contract is made without participation by or benefit to any other person, firm or corporation, except as specified herein.

**CONTRACTOR** agrees that it will not assign to nor permit Contract participation in whole or in part by any other person, firm or corporation not specified as a principal without the prior written consent of **GPA**. If such assignment is permitted, **CONTRACTOR** will guarantee the performance of all terms

and obligations of the Contract, and such assignment shall not alter **CONTRACTOR**'s obligations hereunder. No assignee of **CONTRACTOR** shall have the right to assign the Contract without **GPA**'s consent which may be given or refused at **GPA**'s absolute discretion.

**CONTRACTOR** and **GPA** shall not transfer or assign its rights and obligations under this contract, in whole or in part, without the prior written consent of the other party. Notwithstanding the foregoing, the **CONTRACTOR** may transfer or assign its rights and obligations under this contract, in whole or in part, to a US based affiliate (as defined hereinafter), with ninety (90) days prior notice to and at the consent of **GPA**. For the purpose of this contract, "US based affiliate" means any company or legal entity based in the United States of America which (a) controls either directly or indirectly a party hereto, or (b) is controlled directly or indirectly by such party, or (c) is directly or indirectly controlled by a company or entity which directly or indirectly controls such party. "Control" for purposes of the previous sentence means the ability to direct the management and policies of a company or legal entity, whether through ownership of securities, by contract or otherwise.

**SECTION 35. TIME**

Time is of the essence in the Contract and in every part hereof.

**SECTION 36. SPECIFICATIONS**

Should **GPA** wish to alter any of the specifications set out in Section 8 and Schedule A, method and terms of delivery, for good cause, it shall give written notice to **CONTRACTOR** within thirty (30) days. If such changes cause an increase or decrease in **CONTRACTOR**'s cost of performance of Contract, an equitable adjustment shall be made and the Contract modified in writing accordingly. Any claim by **CONTRACTOR** for adjustment under this section must be asserted in writing within thirty (30) days from the date of receipt by **CONTRACTOR** of the notification of changed specifications. **CONTRACTOR** and **GPA** shall, in good faith, negotiate an equitable adjustment pursuant to the change in specifications. If **CONTRACTOR** and **GPA** fail to agree on the adjustment to be made within thirty (30) days after **CONTRACTOR** receives notice of altered specifications, or if **CONTRACTOR** is unwilling to meet the altered specifications, the parties shall be subject to the provisions under Section 20 (Governing Law and Disputes) clause. However, nothing in this clause shall excuse the **CONTRACTOR** from proceeding with the Contract Fuel Oil specifications as changed.

**SECTION 37. AMENDMENT AND WAIVER**

Neither the Contract nor any provision hereof may be changed, waived, altered, amended, discharged or terminated orally, but only by an instrument in writing signed by the party against whom enforcement of the change, waiver, alteration, amendment, discharge or termination is sought. For purposes of this Contract, the signature of the Chairman or his designee, of the Consolidated Commission on Utilities is required to bind **GPA**.

Failure by either party to object to any failure of performance by the other party of any provision of the Contract shall not constitute a waiver of, or estoppel against, the right of such party to require such performance by the other. Nor shall any such failure to object constitute a waiver or estoppel with respect to any succeeding failure of performance.

**SECTION 38. DESCRIPTIVE HEADINGS**

The descriptive headings of the several sections and subsections in this Contract are inserted for convenience only and shall not be deemed to affect the meaning or construction of any provision hereof.

**SECTION 39. RELATIONSHIP OF PARTIES**

Nothing contained in the Contract shall be deemed or construed by the parties or by any third person to create the relationship of principal and agent or of partnership or of joint venture or of any association between **CONTRACTOR** and **GPA**, and no provisions contained in the Contract nor any acts of the parties shall be deemed to create any relationship between **GPA** and **CONTRACTOR**, other than the relationship of buyer and seller.

**SECTION 40. NUMBER AND GENDER**

In the Contract the masculine gender includes the feminine and neuter, the singular number includes the plural, and the word "person" includes corporation, partnership, firm or association wherever the context so requires.

**SECTION 41. SUCCESSORS IN INTEREST**

Each and all of the covenants, conditions, and restrictions in the Contract shall inure to the benefit of and shall be binding upon the permitted assignees and successors in interest of either party.

**SECTION 42. PARTIAL INVALIDITY**

Should any part of the Contract for any reason be declared to be invalid, such decision shall not affect the validity of any remaining portion thereof, which remaining portion shall remain in force and effect as if the Contract had been executed with the invalid portion thereof eliminated, and it is hereby declared the intention of the parties that they would have executed the remaining portion of the Contract without including any such part, parts, or portions which may, for any reason, be hereafter declared invalid.

**SECTION 43. EQUAL OPPORTUNITY CLAUSE**

During the performance of the Contract the **CONTRACTOR** agrees as follows:

(a) The **CONTRACTOR** will not discriminate against any employee or applicant for employment because of race, color, religion, sex, political opinion or affiliation, or national origin. The **CONTRACTOR** will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, sex, political opinion or affiliation, or national origin. Such action shall include, but not be limited to, the following: employment, upgrading, demoting, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The **CONTRACTOR** agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the **GPA** setting forth the provisions of this equal opportunity clause.

(b) The **CONTRACTOR** will, in all solicitations or advertisements for employees placed by or on behalf of the **CONTRACTOR**, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, political opinion or affiliation, or national origin.

**SECTION 44. PROHIBITION AGAINST GRATUITIES, KICKBACKS, AND FAVORS TO THE TERRIRORY.**

5 GCA §5630(c) prohibits the CONSULTANT against gratuities, kickbacks, and favors to the Territory.

**SECTION 45. RESTRICTIONS AGAINST CONTRACTOR EMPLOYING CONVICTED SEX OFFENDERS FROM WORKING AT GOVERNMENT OF GUAM VENUES**

5 GCA §5253(b) restricts the **CONTRACTOR** against employing convicted sex offenders from working at Government of Guam venues. It states:(b) All contracts for services to agencies listed herein shall include the following provisions: (1) warranties that no person providing services on behalf of the **CONTRACTOR** has been convicted of a sex offense under the provisions of Chapter 25 of Title 9 GCA or an offense as defined in Article 2 of Chapter 28, Title 9 GCA, or an offense in another jurisdiction with, at a minimum, the same elements as such offenses, or who is listed on the Sex Offender Registry; and (2) that if any person providing services on behalf of the **CONTRACTOR** is convicted of a sex offense under the provisions of Chapter 25 of Title 9 GCA or an offense as defined in Article 2 of Chapter 28, Title 9 GCA or an offense in another jurisdiction with, at a minimum, the same elements as such offenses, or who is listed on the Sex Offender Registry, that such person will be immediately removed from working at said agency and that the administrator of said agency be informed of such within twenty-four (24) hours of such conviction.

**SECTION 46. CONTRACT BINDING EFFECT**

All EXHIBITS attached hereto are incorporated herein by reference in its entirety.

This Contract is binding upon the **CONTRACTOR** only if **CONTRACTOR** has been awarded the Contract in response to the **IFB-GPA- -17**. This Contract is subject to the approval of **GPA** and the Public Utilities Commission and it shall not be binding on part of **GPA** until such approval is made as evidenced by the signatories below.

For the **Guam Power Authority** (**GPA**):

_____ _____

**John M. Benavente, P.E.** **DATE**
**General Manager**

For **(CONTRACTOR)**: **_____.**

(Company Seal)

_____ _____
**CONTRACTOR, Duly Authorized** **DATE**
**REPRESENTATIVE OF COMPANY**

**APPROVED AS TO FORM:**

_____ _____
**Graham Botha, Legal Counsel** **DATE**
**GUAM POWER AUTHORITY**

**SCHEDULE A: PRODUCT QUALITY SPECIFICATION**

**DIESEL FUEL Oil No. 2 [A]**

| Property | ASTM Test Method [B] | Alternate Method ASTM | Unit of Measure | Limits | |
|---|---|---|---|---|---|
| Flash Point | D93 | | ºC | 55 | Min |
| Water & Sediment | D2709 | | % vol | 0.05 | Max |
| Distillation Temp, ºC | | | | 282 | Min |
| 90%, recovered | D86 | | % vol | 360 | Max |
| Kinematic Viscosity | D-445 | | $mm^2$ at 40ºC | 1.9 | Min |
| | | | | 4.1 | Max |
| Ash | D482 | | % mass | 0.01 | Max |
| Sulfur | D5453 | D-7039 | ppm (µg/g) | 12 | Max |
| Copper Strip Corrosion Rating (3hrs min at 50ºC) | D130 | | | No.1 | Max |
| Cetane Index | D 613 | D976-80 D 4737 | | 46 | Min |
| Aromaticity | D1319 | | % vol | 15 | Min |
| | | | | 35 | Max |
| Micro Carbon Residue on 10% distillation residue | D524 | D4530 D6371 | % mass | 0.20 | Max |
| Lubricity, HFRR @ 60ºC | D6079 | | Micron | 400 | Max |
| Conductivity | D2624 | D4308 | pS/m | 50 | Min |
| Density @ 15ºC | D1298 | D4052 | $Kg/m^3$ | 820 | Min |
| | | | | 850 | Max |
| Gravity, API @ 60ºF | D1295 | D4052 | | 35 | Min |
| | | | | 41 | Max |
| Color | D1500 | | ASTM | 2.0 | Max |
| Strong Acid No. | D974 | | mg KOH/g | NIL | |
| Total Acid No. | D974 | | mg KOH/g | 0.4 | Max |
| Stability (Oxidation), 16Hrs | D2274 | | mg/L | 25 | Max |
| Appearance @ ambient temp | Visual | | | Report | |
| Guaranteed Heating Value (HHV) | D240 | | MMBTU/bbl | 5.70 | Min |

**Commented [ANF4]:** Limits for adjusted providing allowance to critical parameters to ensure results will still meet ASTM requirements in the event of discrepancies of test results between loadport & discharge port.

**Commented [ANF5]:** Increased from 52

**Commented [ANF6]:** Reduced from 15

**Commented [ANF7]:** Reduced from 460

**Commented [ANF8]:** Increased from 25

**Commented [ANF9]:** Reduced from 0.5

[A] Follows the minimum requirements for **Ultra-Low Diesel Fuel Oils (ULSD)** listed under ASTM 975-10.

[B] These test methods are specified in 40CFR Part 80. Test methods must follow the latest version.

[C] Appearance must be clear at ambient temperature and free from undissolved water and sediment.

The Authority may require the supplier to conduct additional test as may be required for plant's performance/efficiency evaluation.

**SCHEDULE B: ESTIMATED ANNUAL FUEL OIL REQUIREMENTS**

This information is provided as reference material only. Although every attempt has been made to ensure it accuracy, GPA makes no guarantees that these quantities will be achieved but they may be exceeded. GPA expressly disclaims any liability whatsoever arising from reliance or non-reliance of the data provided.

| Plant Location | Name of Plant | Estimated Annual Requirement (Gallons per Year) |
|---|---|---|
| **1. Baseloads** | Cabras 1&2, MEC 8&9 | **100,000 – 200,000** |
| **2. Tenjo Vista** | Tenjo Vista | **5,000,000 - 7,000,000** |
| **3. Fast Tracks** | Talofofo | **3,000,000 - 4,000,000** |
| | Manengon | |
| **4. TEMES CT** | TEMES CT | **3,000,000 - 5,000,000** |
| **5. Northern Plants** | Dededo CT | **9,000,000 - 12,000,000** |
| | Macheche CT | |
| | Yigo CT | |
| | Aggreko | |
| **TOTAL** | | **20,060,000 - 28,100,000** |

Actual quantities may vary depending on the dispatching of the plants. The estimated Fuel Oil requirement provided herein are only approximate values and is subject to change. **GPA** shall reasonably notify the Contractor for any changes in the estimated fuel oil requirements.

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**SCHEDULE C: 30-DAYS MINIMUM INVENTORY REQUIREMENTS**

| Plant Location | Name of Plant | 30-days Minimum Inventory Requirements (Gallons) |
|---|---|---|
| **1. Baseloads** | Cabras 1&2, MEC 8&9 | **20,000** |
| **2. Tenjo Vista** | Tenjo Vista | **500,000** |
| **3. Fast Tracks** | Talofofo | **250,000** |
| | Manengon | |
| **4. TEMES CT** | TEMES CT | **250,000** |
| **5. Northern Plants** | Dededo CT | **750,000** |
| | Macheche CT | |
| | Yigo CT | |
| | Aggreko | |
| **TOTAL** | | **1,770,000** |

The estimated Fuel Oil requirement provided herein is subject to change. **GPA** shall reasonably notify the **CONTRACTOR** for any changes in the Fuel Oil requirements.

**SCHEDULE D: PLANT CONSUMPTION AT MAXIMUM CAPACITIES**

| Plant Location | Name of Plant | Max. Load per Plant (MW) | Plant Efficiency (kwh/gal) | Fuel Consumption per unit (gals/hr) | Fuel Consumption per unit (gals/day) | No. of Units | Total Fuel Consumption at Maximum Capacity (gals/day) | |
|---|---|---|---|---|---|---|---|---|
| **Tenjo Vista** | Tenjo Vista | 4.4 | 13.60 | 324 | 7,765 | 4 | **31,059** | **31,059** |
| **Fast Tracks** | Talofofo | 4.4 | 14.34 | 307 | 7,364 | 2 | **14,728** | **31,999** |
| | Manengon | 5.3 | 14.73 | 360 | 8,635 | 2 | **17,271** | |
| **TEMES CT** | TEMES CT | 40.0 | 9.16 | 4,367 | 104,803 | 1 | **104,803** | **104,803** |
| **Northern CTs** | Dededo CT | 22.0 | 9.56 | 2,301 | 55,230 | 2 | **110,460** | **277,203** |
| | Macheche CT | 22.0 | 10.45 | 2,105 | 50,526 | 1 | **50,526** | |
| | Yigo CT | 22.0 | 11.64 | 1,890 | 45,361 | 1 | **45,361** | |
| | Aggreko | 1.0 | 13.21 | 76 | 1,817 | 39 | **70,855** | |
| **TOTAL** | | | | | | | | **445,064** |

GUAM POWER AUTHORITY
ATURIDÅT ILEKTRESEDÅT GUAHAN
P.O.BOX 2977 • AGANA, GUAM U.S.A. 96932-2977

# Issues for Decision

**Resolution No. 2017-06:**

**Relative to Approval of Contract Award for Energy Storage System Phase I**

**What is the project's objective? Is it necessary and urgent?**
The project will help alleviate system frequency issues and support renewable energy integration. The ESS is required to mitigate issues resulting from the intermittency of the solar generation from the NRG solar farm and net-metering solar PV throughout the island.

**Where is the location?**
Agana Substation: 24 MW
Talofofo Substation: 16 MW

**How much will it cost?**
Design and Construction: $34,999,070
Annual O&M: Starting from $217,040 and increases to $400,997 by year 25

**When will it be completed?**
12 months from Notice to Proceed

**What is its funding source?**
Design/Construction:
$34,632,781 from 2014 Series A Revenue Bond
$366,289 from FY2018 CIP Budget
O&M:
$217,040-$400,997 from O&M Budget

**The RFP/BID responses:**

**Multi-Step Bid No. GPA-082-15**
**Energy Storage System Phase I**
**Step 2 Evaluation of Priced Proposals Results**

| | LG CNS | | LSIS | |
|---|---|---|---|---|
| | 24 MW Agana | 16 MW Talofofo | 24 MW Agana | 16 MW Talofofo |
| | | | | |
| Design & Construction | $ 16,799,554 | $ 18,199,516 | $ 25,096,815 | $ 22,079,750 |
| | | | | |
| Fixed O&M Annual Fee | | | | |

| | | | | |
|---|---|---|---|---|
| Year 1 | $ 108,520 | $ 108,520 | $ 394,662 | $ 394,662 |
| Year 2 | $ 111,259 | $ 111,259 | $ 394,662 | $ 394,662 |
| Year 3 | $ 114,075 | $ 114,075 | $ 394,662 | $ 394,662 |
| Year 4 | $ 116,969 | $ 116,969 | $ 394,662 | $ 394,662 |
| Year 5 | $ 119,943 | $ 119,943 | $ 394,662 | $ 394,662 |
| Year 6 | $ 123,000 | $ 123,000 | $ 394,662 | $ 394,662 |
| Year 7 | $ 126,143 | $ 126,143 | $ 394,662 | $ 394,662 |
| Year 8 | $ 129,373 | $ 129,373 | $ 394,662 | $ 394,662 |
| Year 9 | $ 132,693 | $ 132,693 | $ 394,662 | $ 394,662 |
| Year 10 | $ 136,106 | $ 136,106 | $ 394,662 | $ 394,662 |
| Year 11 | $ 139,615 | $ 139,615 | $ 394,662 | $ 394,662 |
| Year 12 | $ 143,222 | $ 143,222 | $ 394,662 | $ 394,662 |
| Year 13 | $ 146,931 | $ 146,931 | $ 394,662 | $ 394,662 |
| Year 14 | $ 150,744 | $ 150,744 | $ 394,662 | $ 394,662 |
| Year 15 | $ 154,663 | $ 154,663 | $ 394,662 | $ 394,662 |
| Year 16 | $ 158,694 | $ 158,694 | $ 394,662 | $ 394,662 |
| Year 17 | $ 162,837 | $ 162,837 | $ 394,662 | $ 394,662 |
| Year 18 | $ 167,098 | $ 167,098 | $ 394,662 | $ 394,662 |
| Year 19 | $ 171,479 | $ 171,479 | $ 394,662 | $ 394,662 |
| Year 20 | $ 175,984 | $ 175,984 | $ 394,662 | $ 394,662 |
| Year 21 | $ 180,617 | $ 180,617 | $ 394,662 | $ 394,662 |
| Year 22 | $ 185,380 | $ 185,380 | $ 394,662 | $ 394,662 |
| Year 23 | $ 190,279 | $ 190,279 | $ 394,662 | $ 394,662 |
| Year 24 | $ 195,316 | $ 195,316 | $ 394,662 | $ 394,662 |
| Year 25 | $ 200,498 | $ 200,499 | $ 394,662 | $ 394,662 |
| | | | | |
| Site Present Value | $ 17,521,245 | $ 18,841,964 | $ 28,435,773 | $ 25,589,486 |
| Total Cost | $ 36,363,208 | | $ 54,025,259 | |

CONSOLIDATED
COMMISSION ON UTILITIES
Guam Power Authority • Guam Waterworks Authority
P.O.BOX 2977 • Agana,Guam 96932

**RESOLUTION NO. 2017-06**

**AUTHORIZING MANAGEMENT OF GUAM POWER AUTHORITY (GPA) TO AWARD THE ENERGY STORAGE PHASE I CONTRACT TO LG CNS**

**WHEREAS**, Guam Power Authority (GPA) issued its 2014 Series A Revenue Bond on September 18, 2014 and a portion of these bonds are reserved for an Energy Storage System (ESS) in the amount of $35,000,000 to help alleviate system frequency issues and support renewable energy integration; and

**WHEREAS**, the Energy Storage System Phase I project involves the design, procurement, installation and interconnection of a 24 MW ESS at the GPA Agana Substation and 16 MW ESS at the Talofofo Substation; and

**WHEREAS**, GPA hired Andriano E. Balajadia, P.E. and his subcontractor Electric Power Systems to assist with the development of the bid documents and provide technical support during the ESS procurement process for $367,219; and

**WHEREAS**, through Invitation for Multi-Step Bid No. GPA-182-15, GPA solicited the services of an Engineer/Procure/Construct (EPC) contractor to provide a "turn-key" project based on the following:

- The ESS projects will be commissioned within 12 months after the award of the contract
- The technology proposed for the ESS will have at least 1 year of commercial operations history in a utility environment
- The ESS will deliver energy directly to the existing GPA transmission system

- The ESS will have a minimum 20-year warranty
- A 25-year performance-based Operations and Maintenance (O&M) contract will be provided with the ESS

**WHEREAS**, upon evaluation of the submitted bid proposals, the GPA Bid Evaluation Committee determined that LG CNS was the lowest, qualified bidder and recommends awarding the contract to LG CNS for the amount of $34,999,070 for the design/construction and annual O&M amounts ranging from $217,040 to $400,997 as indicated in Exhibit A; and

**WHEREAS**, the total cost of the bid development support contract with Andriano E. Balajadia, P.E. ($367,219) and the design/construction contract with LG CNS ($34,999,070) is $35,366,289 which is over the 2014 Series A Revenue Bond funding by $366,289; and

**WHEREAS**, GPA will fund the excess amount of $366,289 through its FY2018 CIP budget and will fund the annual O&M payments through its O&M budget; and

**WHEREAS**, Exhibit B contains the draft contract between GPA and LG CNS for the Energy Storage System Phase I project; and

**WHEREAS**, through GPUC Docket 15-16 in the matter of GPA's request for review and approval of the bid documents, the GPUC ordered GPA to seek prior approval from the GPUC before entering into a final contract with the selected contractor.

**NOW, THEREFORE BE IT RESOLVED,** by the Consolidated Commission on Utilities as follows:

1. The General Manager of the Guam Power Authority is authorized to petition the Guam Public Utilities Commission for review and approval of the contract between GPA and LG CNS for the Energy Storage System Phase I project.

**RESOLVED**, that the Chairman certifies and the Secretary attests to the adoption of this Resolution.

**DULY AND REGULARLY ADOPTED** this 24th day of January, 2017.

| **Certified by:** | **Attested by:** |
|---|---|
| _____ | _____ |
| **JOSEPH T. DUENAS** | **J. GEORGE BAMBA** |
| Chairperson | Secretary |
| Consolidated Commission on Utilities | Consolidated Commission on Utilities |

**SECRETARY'S CERTIFICATE**

I, **J. George Bamba**, Secretary for the Consolidated Commission on Utilities do hereby certify that the foregoing is a full, true, and correct copy of the resolution duly adopted at a regular meeting of the members of Guam's Consolidated Commission on Utilities, duly and legally held at the meeting place thereof on *January 24, 2017*, at which meeting of all said members had due notice and at which at least a majority thereof were present, and

At said meeting said resolution was adopted by the following vote:

Ayes: _____
Nays: _____
Absent: _____
Abstain: _____

As of the date of this certification, said original resolution has not been amended, modified, or rescinded since the date of its adoption, and the same is now in full force and effect.

**SO CERTIFIED** this 24th day of January 2017.

_____
**J. GEORGE BAMBA**
Secretary
Consolidated Commission on Utilities

"EXHIBIT A"

| LG CNS | | | |
|---|---|---|---|
| | 24 MW Agana | 16 MW Talofofo | Total |
| | | | |
| Design & Construction | $ 16,799,554 | $ 18,199,516 | $ 34,999,070 |
| | | | |
| Fixed O&M Annual Fee | | | |
| Year 1 | $ 108,520 | $ 108,520 | $ 217,040 |
| Year 2 | $ 111,259 | $ 111,259 | $ 222,518 |
| Year 3 | $ 114,075 | $ 114,075 | $ 228,150 |
| Year 4 | $ 116,969 | $ 116,969 | $ 233,938 |
| Year 5 | $ 119,943 | $ 119,943 | $ 239,886 |
| Year 6 | $ 123,000 | $ 123,000 | $ 246,000 |
| Year 7 | $ 126,143 | $ 126,143 | $ 252,286 |
| Year 8 | $ 129,373 | $ 129,373 | $ 258,746 |
| Year 9 | $ 132,693 | $ 132,693 | $ 265,386 |
| Year 10 | $ 136,106 | $ 136,106 | $ 272,212 |
| Year 11 | $ 139,615 | $ 139,615 | $ 279,230 |
| Year 12 | $ 143,222 | $ 143,222 | $ 286,444 |
| Year 13 | $ 146,931 | $ 146,931 | $ 293,862 |
| Year 14 | $ 150,744 | $ 150,744 | $ 301,488 |
| Year 15 | $ 154,663 | $ 154,663 | $ 309,326 |
| Year 16 | $ 158,694 | $ 158,694 | $ 317,388 |
| Year 17 | $ 162,837 | $ 162,837 | $ 325,674 |
| Year 18 | $ 167,098 | $ 167,098 | $ 334,196 |
| Year 19 | $ 171,479 | $ 171,479 | $ 342,958 |
| Year 20 | $ 175,984 | $ 175,984 | $ 351,968 |
| Year 21 | $ 180,617 | $ 180,617 | $ 361,234 |
| Year 22 | $ 185,380 | $ 185,380 | $ 370,760 |
| Year 23 | $ 190,279 | $ 190,279 | $ 380,558 |
| Year 24 | $ 195,316 | $ 195,316 | $ 390,632 |
| Year 25 | $ 200,498 | $ 200,499 | $ 400,997 |

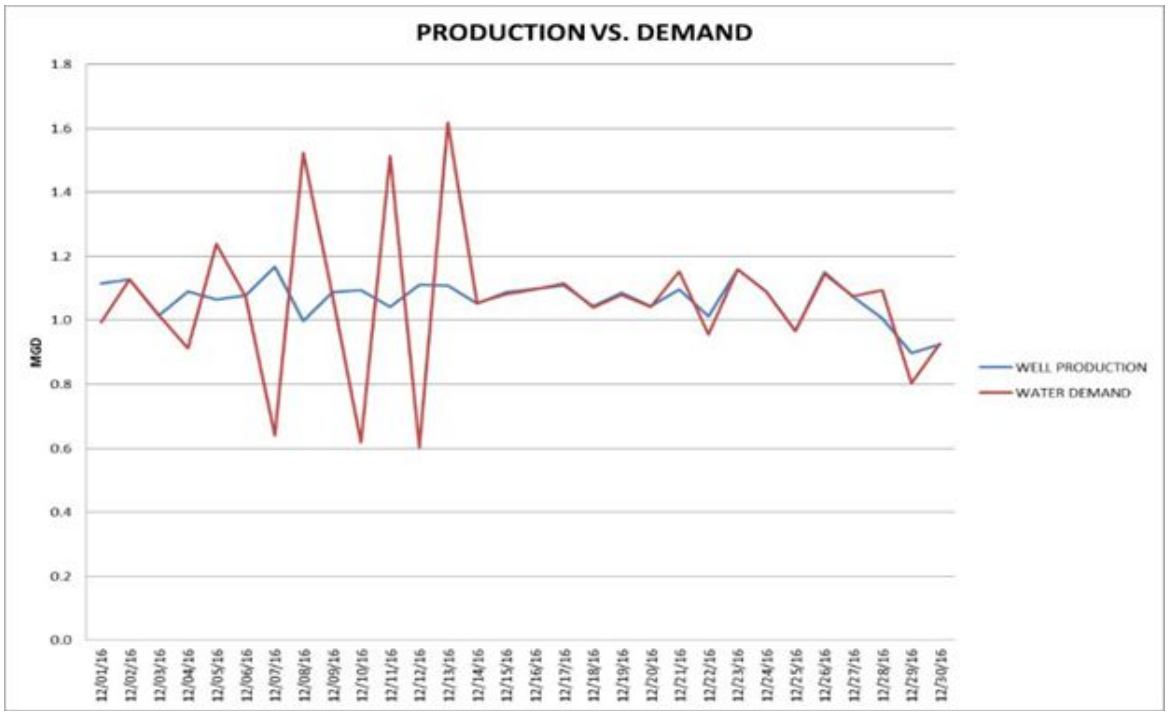
GUAM WATERWORKS AUTHORITY

# General Manager's Report

GPWA CCU Board Meeting, January 24, 2017

## "One Guam" Initiative – GWA and DoD NAVFAC

1. **TMW License Agreement:**
    a. GWA continues operations and maintenance at TMW.
    b. Operation has been affected by multiple equipment issues:
        i. Fan failure: unit being serviced
        ii. Oxygen sensor: failed; replacement being procured
        iii. Level indicator: failed; replacement being procured – affected booster pump operation feeding into system; operating with adjustment to setpoints.
    c. GWA has met with DoD and DPW/PB to finalize GWA's work for the Potts Junction intertie.
    d. Production:
        i. Fairly consistent between 1.0 and 1.2 million gallons per day (MGD), with the exception of several events tripped equipment events - see chart below.
        ii. Total production in November was **27,098,700 gallons.** Total Production in December was **33,124,400.**



2. **Easement Request for Agat WWTP Project**
    a. NBG Installation Commanding Officer approved the easement grant at no cost.
    b. Still waiting on Commander Navy Installation Command on the term and type of request approval.
    c. GWA is willing to do 50% of the maintenance of the easement as part of the contribution.
    d. GWA will pay for appraisal and survey for legal meets and bounds if needed for the agreement.

3. **Interoperability Options – future projects**
    a. Santa Rosa.
    b. Route 15 line connection.
    c. Agana Heights tanks (GWA and Naval Hospital).
    d. Urunao and the Wildlife Refuge.

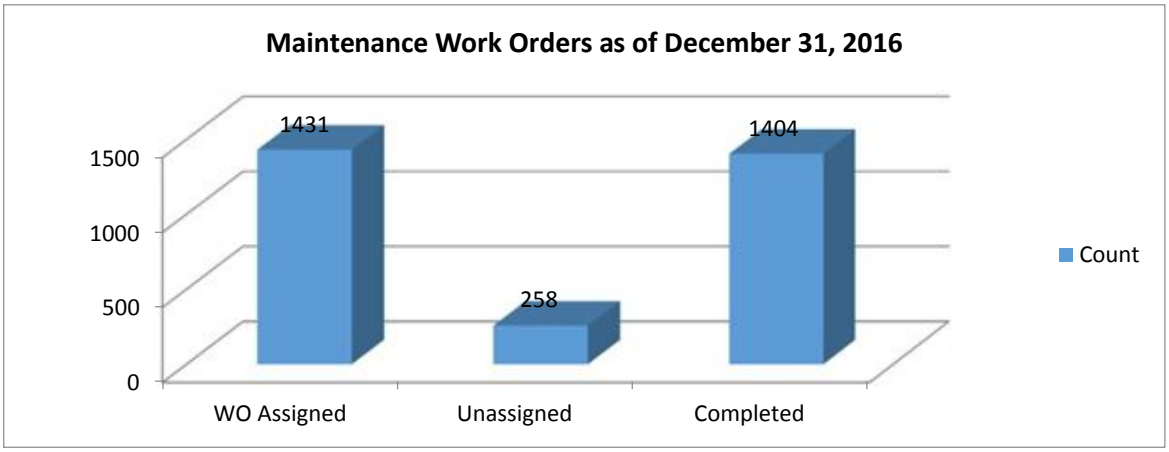
## OEA Grants – Guam Water-Wastewater Infrastructure Projects

- PM/CM award pending; negotiations finalized.
- GWA is providing assistance to USEPA for NEPA process associated with initial project; formal NEPA activities pending contract (USEPA).
- NGLA Monitoring Wells – final siting report issued; prioritization underway to set preference for installation locations and rehabilitation.
- GWWIST meeting scheduled for February in Guam.

| Action Item | Date (Target) | Date (Actual) | Status |
|---|---|---|---|
| Project Funds Available | ~~Oct-15~~ / July-16 | AUG-30-16 | Completed |
| Land Acquisition | ~~Sep-16 (?)~~ Jan-17 | | On-target |
| Procure PM/CM Firm | ~~Apr-16~~ / Jan-17 | | On-target |
| Procure Design Firm | ~~Oct-16 (?)~~ Jul-17 | | On-target |
| Design -- 30/60/90/Final -- Review | ~~Nov-17~~ Jun-18 | | On-target |
| NEPA Analysis and Determination | ~~Aug-17~~ Feb-17 | | ?? |
| Procure Construction Firm | ~~Jun~~Dec-18 | | On-target |
| Construction Complete/Commence Operations | Nov-21 | | On-target |
| Sewer line connection from MCB to GWA infrastructure | ~~TBD (?)~~ Jul-19 | | On-target |
| MCB Initial Operating Capability | Jul-22 | | On-target |

## Asset Management

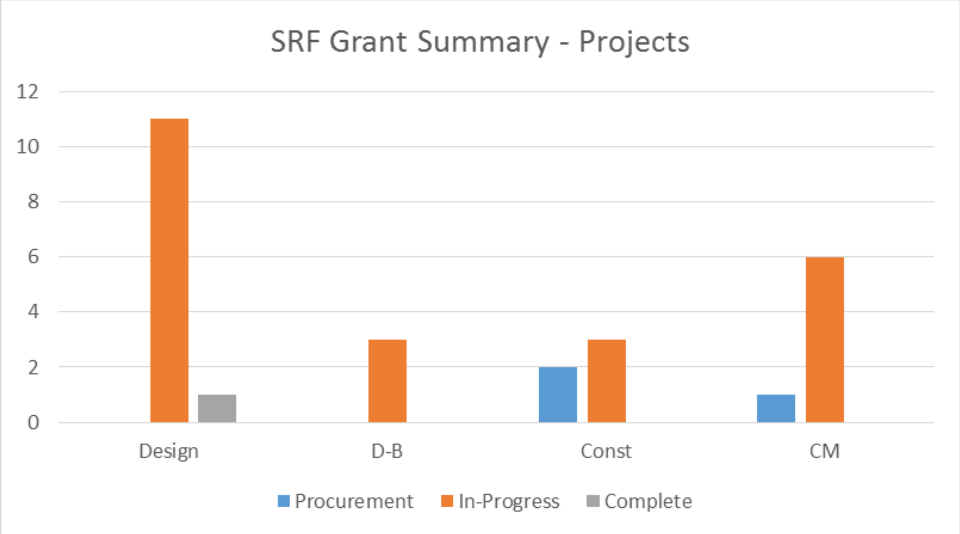
- CMMS system went live on October 3, 2016.
- Weekly and monthly meetings continue
- Over 3,000 Work Orders issued so far.
- Over 1,404 Work Orders completed.



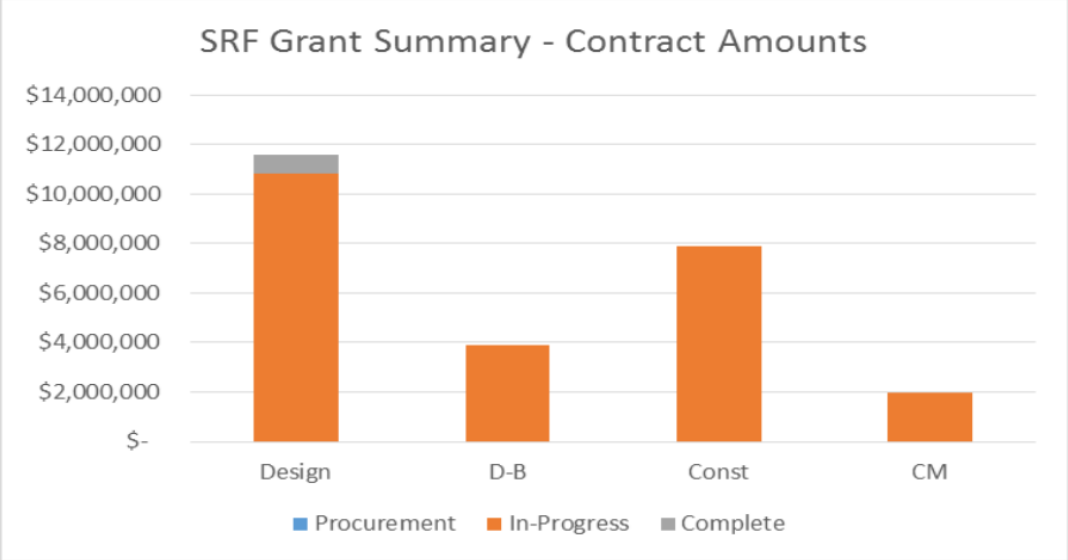
## USEPA SRF Projects

- Summary of all SRF grant funded projects are shown below.

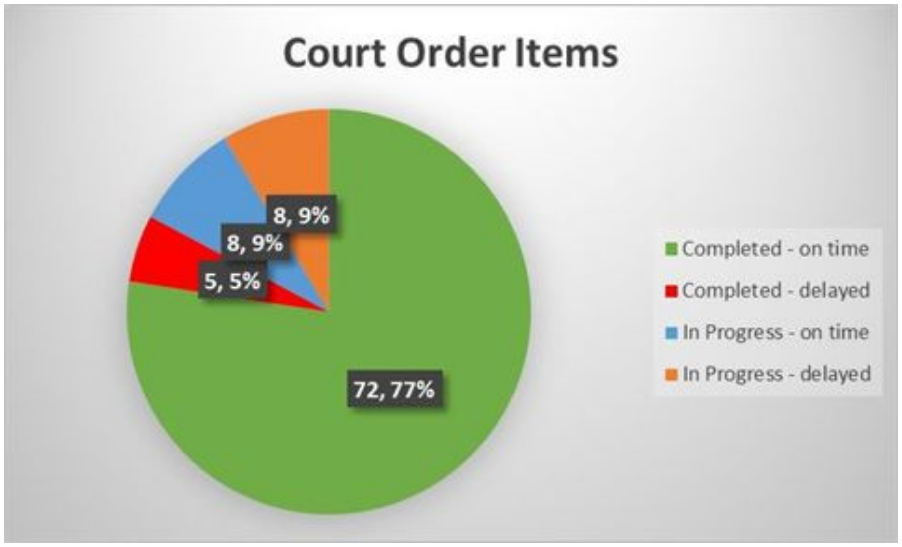
| SRF Grant Summary - Projects | | | | | |
|---|---|---|---|---|---|
| | Procurement | In-Progress | Complete | Totals | % |
| Design | 0 | 11 | 1 | 12 | 44% |
| D-B | 0 | 3 | | 3 | 11% |
| Const | 2 | 3 | | 5 | 19% |
| CM | 1 | 6 | | 7 | 26% |
| Totals | 3 | 23 | 1 | 27 | |
| % | 11% | 85% | 4% | | |



| SRF Grant Summary - Contract Amounts | | | | | |
|---|---|---|---|---|---|
| | Procurement | In-Progress | Complete | Totals | % |
| Design | $ - | $ 10,812,544 | $ 792,980 | $ 11,605,524 | 46% |
| D-B | $ - | $ 3,898,896 | | $ 3,898,896 | 15% |
| Const | $ - | $ 7,883,710 | | $ 7,883,710 | 31% |
| CM | $ - | $ 1,969,876 | | $ 1,969,876 | 8% |
| Totals | $ - | $ 24,565,026 | $ 792,980 | $ 25,358,006 | |
| % | 0% | 97% | 3% | | |



## Court Order




**Court Order Summary**

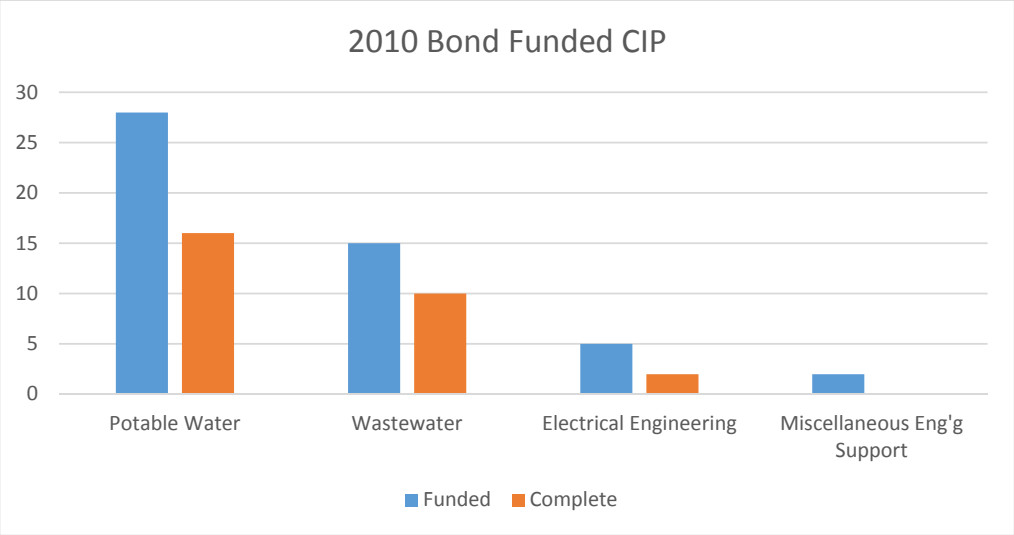
| | Court Order Items | % | Performance (on-time or completed) |
|---|---|---|---|
| Completed - on time | 72 | 77% | |
| Completed - delayed | 5 | 5% | |
| In Progress - on time | 8 | 9% | |
| In Progress - delayed | 8 | 9% | 91.4% |
| Totals | 93 | 100% | |

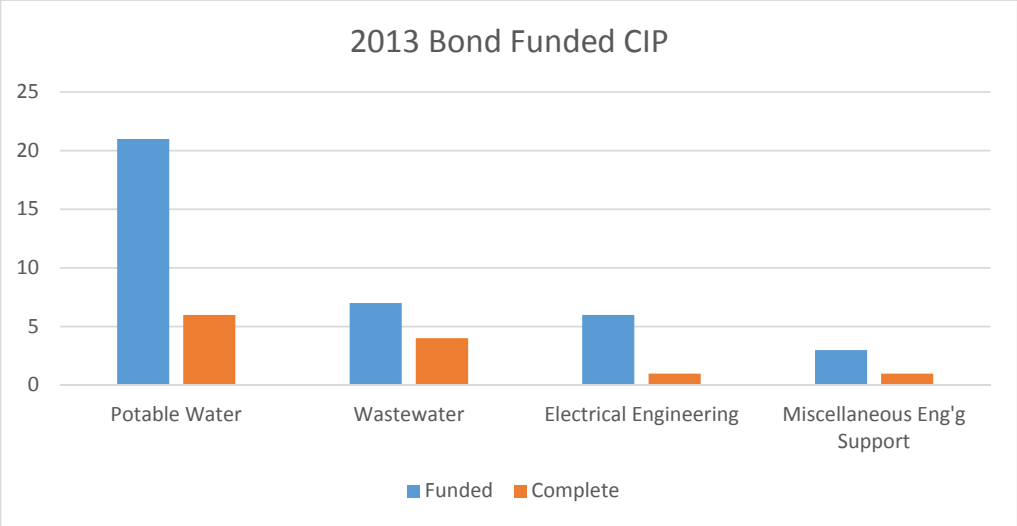
- 8 items delayed
  - SSES (2 items)
  - Agat/SR System Upgrades (2 items)
  - Sewer Cleaning
  - CCTV
  - Cl Residual Monitors
  - Meters
- Final Date to complete all Court Order items is December 21, 2020.
- Overflow or Bypass events reported to USEPA – 6 events reported in December 2016 and January 2017
  - 4 – Manholes due to rain (Rt. 10 by Wendy's, Rt. 4 by McDonald's, 2x by Harmon Lift Station–2016 & 2017)
  - 1 – Sensor failure (Rt. 10 Pump Station)
  - 1 – Manhole & residential backup due to rags & grease (Talofofo)

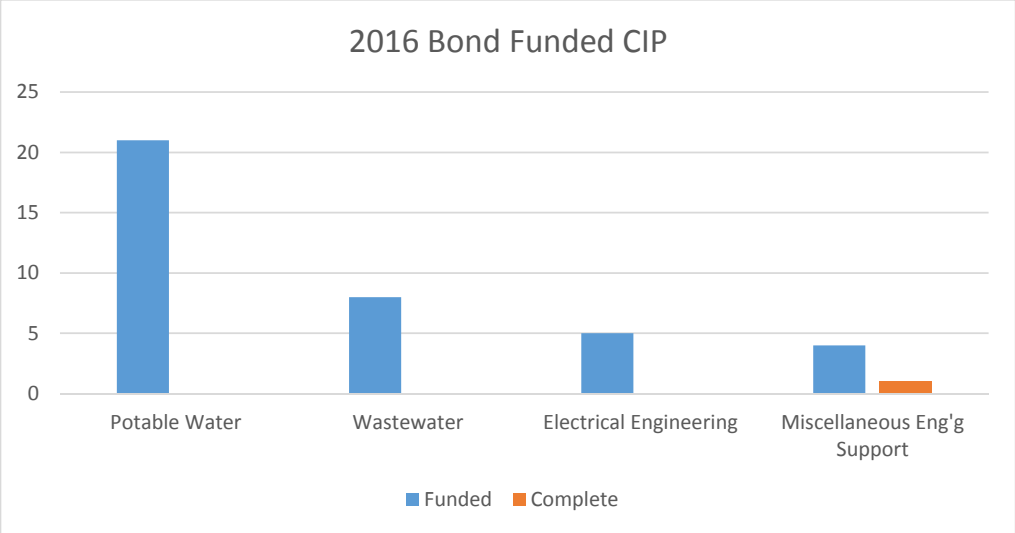
## CIP Summary

### CIP Summary - Project Encumbrance

| | 2010 Bond | | 2013 Bond | | 2016 Bond | | | |
|---|---|---|---|---|---|---|---|---|
| | Funded | Complete | Funded | Complete | Funded | Complete | Total CIP Projects | % |
| **Potable Water** | 28 | 16 | 21 | 6 | 21 | 0 | 31 | 53% |
| **Wastewater** | 15 | 10 | 7 | 4 | 8 | 0 | 16 | 27% |
| **Electrical Engineering** | 5 | 2 | 6 | 1 | 5 | 0 | 9 | 15% |
| **Miscellaneous Eng'g Support** | 2 | 0 | 3 | 1 | 4 | 1 | 3 | 5% |
| **Totals** | 50 | 28 | 37 | 12 | 38 | 1 | 59 | 100% |
| **% of Total CIP by Fund Source** | 85% | | 63% | | 64% | | | |
| **% of CIP Funding Completed** | | 56% | | 32% | | 3% | | |

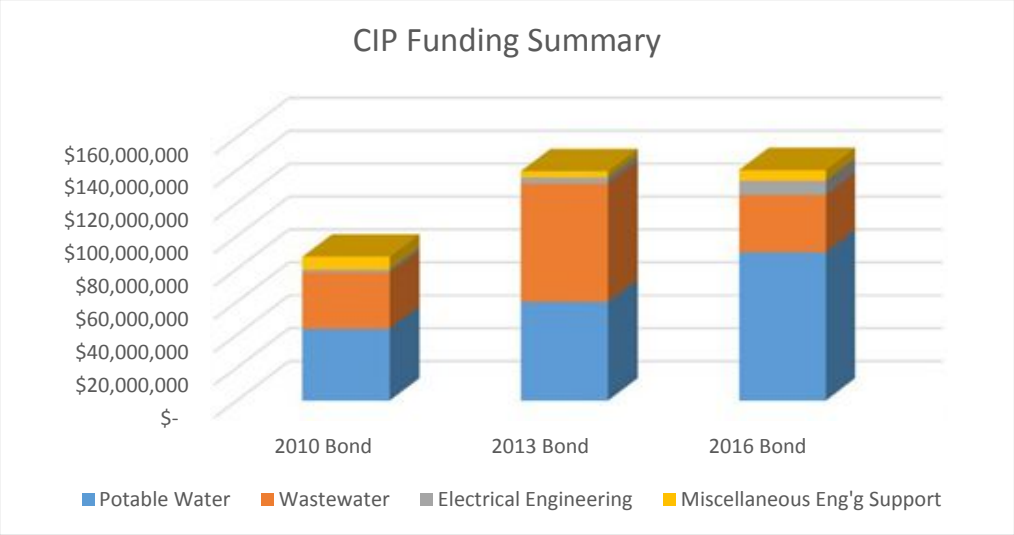



2013 Bond Funded CIP
25
20
15
10
5
0
Potable Water
Wastewater
Electrical Engineering
Miscellaneous Eng'g Support
Funded
Complete


2016 Bond Funded CIP
25
20
15
10
5
0
Potable Water
Wastewater
Electrical Engineering
Miscellaneous Eng'g Support
Funded
Complete

## CIP Summary - Project Amounts

| | 2010 Bond | | 2013 Bond | | 2016 Bond | | | |
|---|---|---|---|---|---|---|---|---|
| | Funded | % | Funded | % | Funded | % | Total CIP Projects | % |
| **Potable Water** | $ 43,671,000 | 50% | $ 60,082,000 | 43% | $ 90,148,000 | 65% | $ 193,901,000 | 53% |
| **Wastewater** | $ 34,070,000 | 39% | $ 71,823,000 | 52% | $ 34,727,000 | 25% | $ 140,620,000 | 38% |
| **Electrical Engineering** | $ 1,920,000 | 2% | $ 3,645,000 | 3% | $ 8,750,000 | 6% | $ 14,315,000 | 4% |
| **Miscellaneous Eng'g Support** | $ 7,741,000 | 9% | $ 3,775,000 | 3% | $ 6,394,460 | 5% | $ 17,910,460 | 5% |
| **Totals** | $ 87,402,000 | 100% | $ 139,325,000 | 100% | $ 140,019,460 | 100% | $ 366,746,460 | 100% |
| **%** | 23.8% | | 38.0% | | 38.2% | | | |

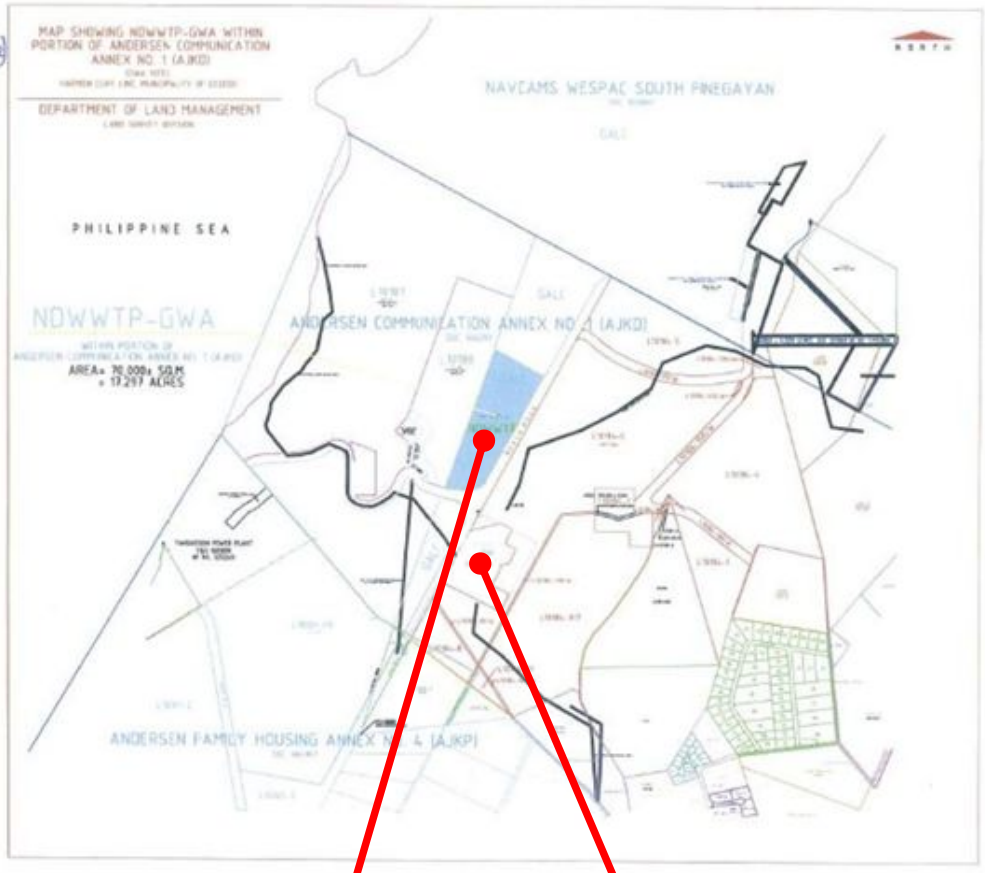


## Land Acquisition Status

- ALC property for NDWWTP:
  - Legislation authorizing acquisition submitted;
  - public hearing was held with supporting resolutions and testimony from ALC, CCU and GWA;
  - bill to be heard at next legislative session.
- CLTC properties: On December 27, 2016, DOLM Director found that the appraisals were in order and approved the fair market value established for the lots transferred by public laws to the Guam Waterworks Authority.
- Private properties needed for Court-order improvement projects: completed or pending survey. See Land Acquisition chart below.

| GWA Facility | Location | Gov. or Private Property | Land Acquisition Status |
|---|---|---|---|
| | Ugum | Private | Relevant documentation sent on 01/05/17 to legal for condemnation process. |
| | Manenggon | Private | Contract of sale transmitted to property owner. Survey map transmitted 01/10/17 to DOLM for final approval. GWA still awaiting action from property owner. |
| | Santa Rita | Gov't. – CLTC | Survey map sent on 01/10/17 to DOE for signature. |
| | Astumbo | Gov't. - CLTC | Survey map on-going |
| | Upper Tumon | Gov't. - CLTC | Survey map transmitted 01/06/17 to DOLM for final approval. |
| | Piti | Private | Engineering currently reviewing options for relocating the Piti tank from current location to area east of the Nimitz Estate Subdivision. Second letter sent 01/10/17 to private property owner for interest in land acquisition. |
| Deep Well | Y-8 | Gov't. - CLTC | GWA engineering working to obtain appraisal and survey services. |
| | AG-12 | Dept. of Agriculture/ Manhita Farms | GWA engineering working to obtain appraisal and survey services. |
| Booster Pump Station | Brigade | Private | Survey severance map transmitted 01/05/17 to surveyor for corrections by DLM. Appraisal report completed. "Offer" letter being drafted for land owner. |

Bill No. 393-2016-03
Exhibit A




ALC Lot Proposed for Use

Existing NDWWTP Site

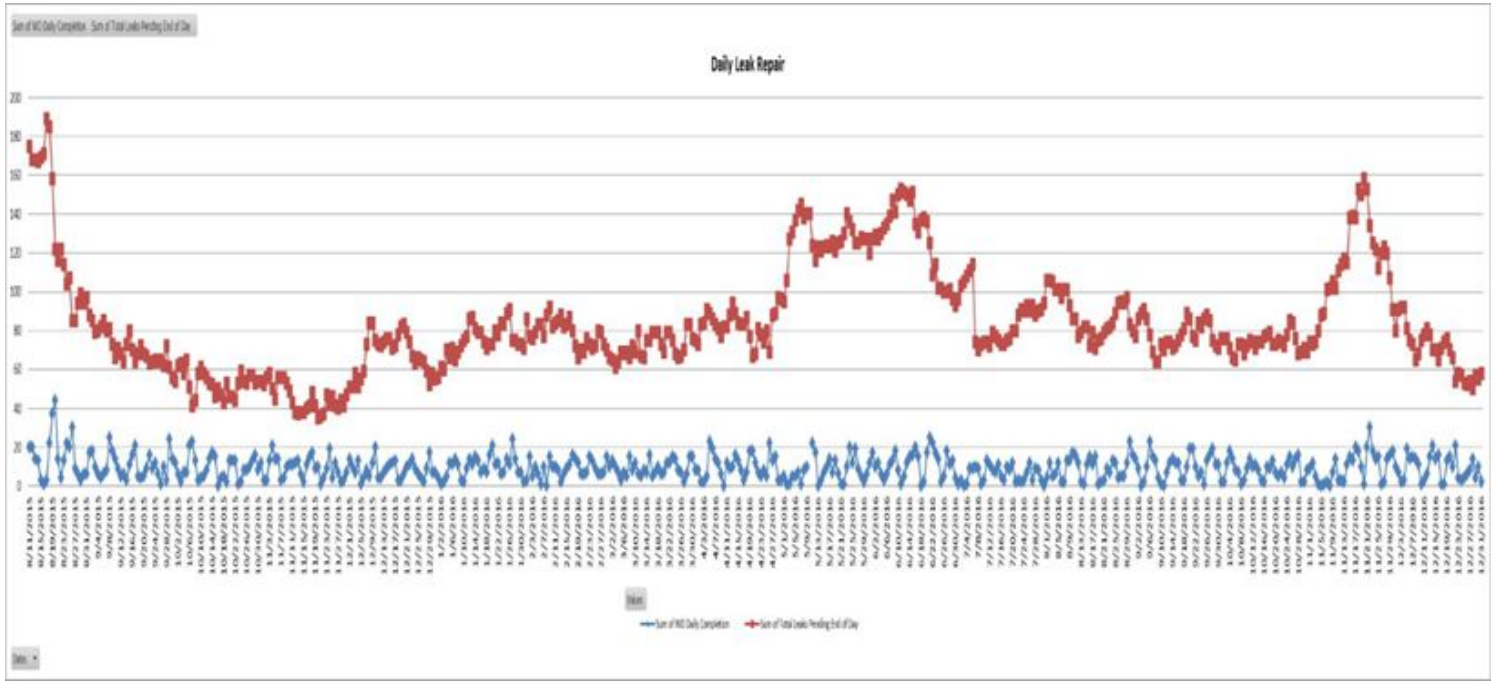
## Guam Office of Public Auditor FY2016 Financial Highlights Report

- On January 17, 2017, the Guam OPA submitted their report on GWA's FY2016 Financial Highlights. Items highlighted in this Report were as follows:
    - GWA Achieves Low-Risk Auditee Status
    - Debt Service and Future Borrowings
    - Military Build-up Funding
    - Increase in Operating Revenues, Operating Expenses, N0n-Operating Expenses
    - Unaccounted Water (values calculated using AWWA M-36 standards is 53%)
    - Water Rate History
    - Governmental Accounting Statement – Pension Liability
    - Reports on Compliance and on Internal Control and Major Federal Programs

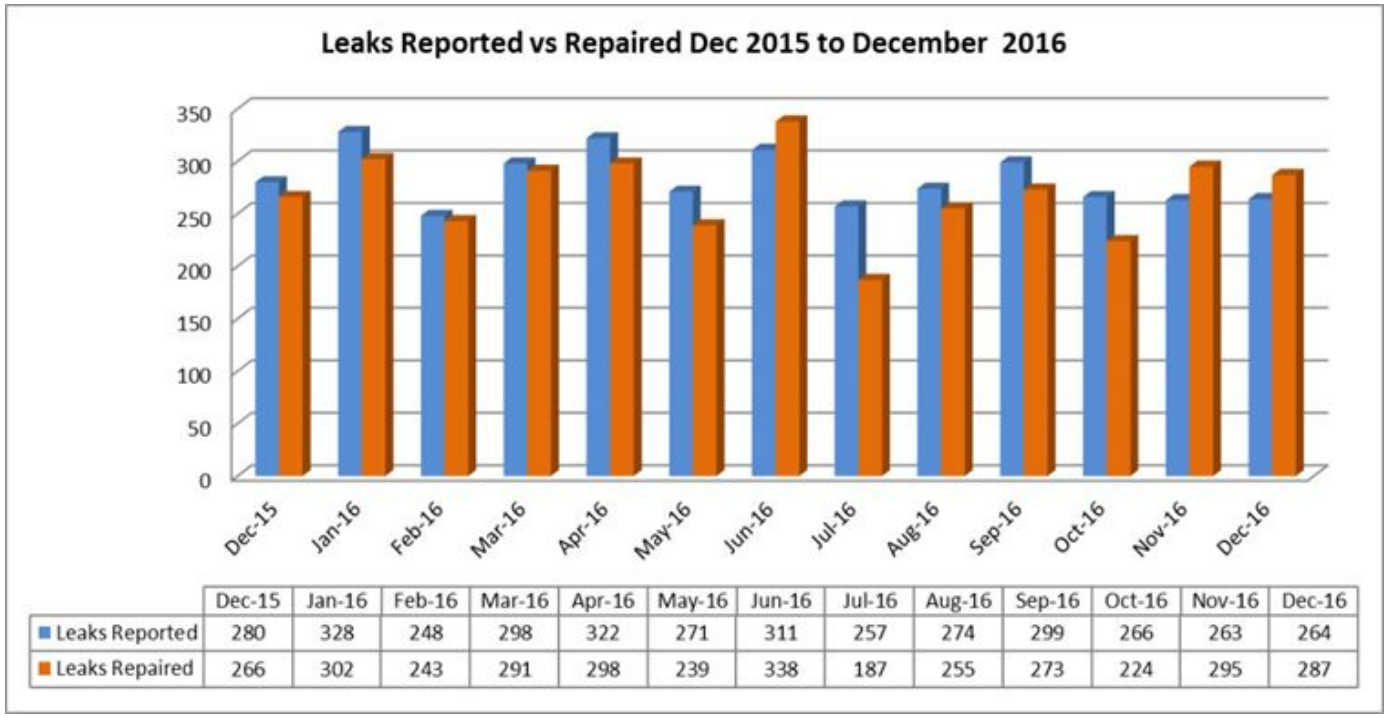
# Key Operational Issues

## Leak Repair: WOs Completed & Pending (Daily)

(up to December 31, 2016)

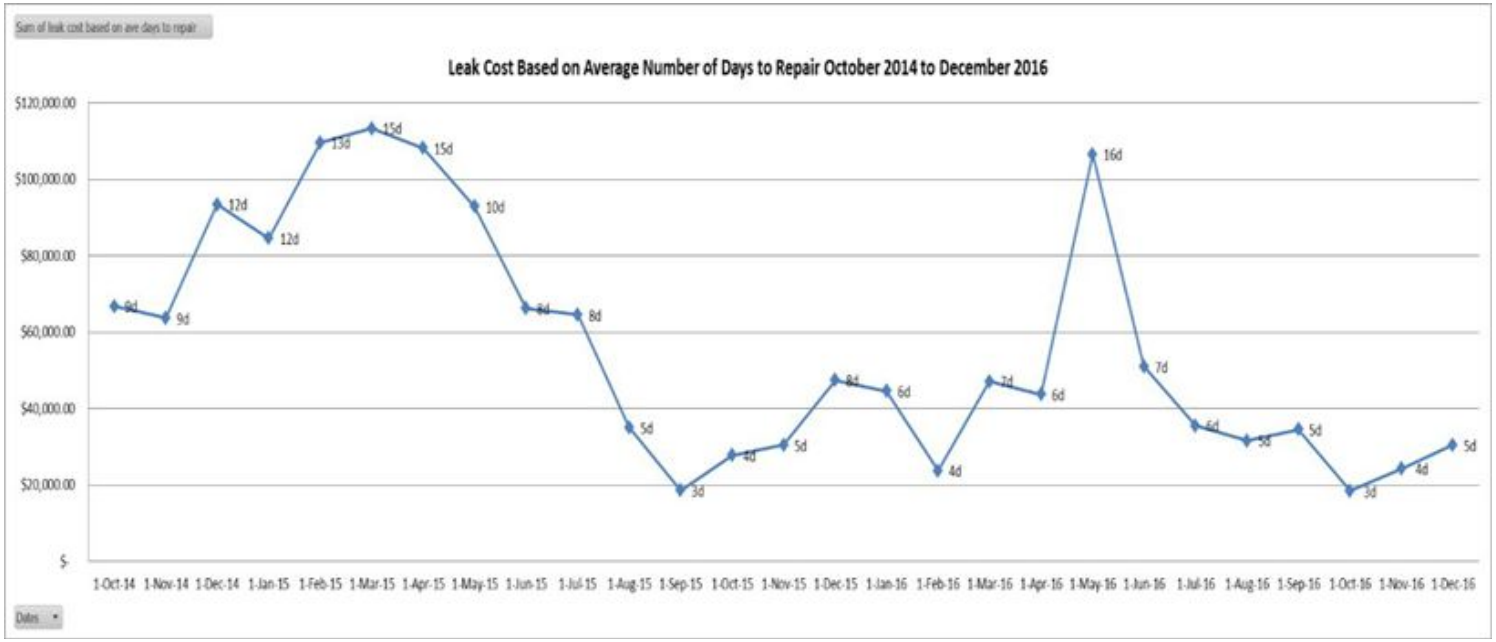


## Leak Repair: Leaks Reported and Repaired (Monthly)




| | Dec-15 | Jan-16 | Feb-16 | Mar-16 | Apr-16 | May-16 | Jun-16 | Jul-16 | Aug-16 | Sep-16 | Oct-16 | Nov-16 | Dec-16 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Leaks Reported | 280 | 328 | 248 | 298 | 322 | 271 | 311 | 257 | 274 | 299 | 266 | 263 | 264 |
| Leaks Repaired | 266 | 302 | 243 | 291 | 298 | 239 | 338 | 187 | 255 | 273 | 224 | 295 | 287 |

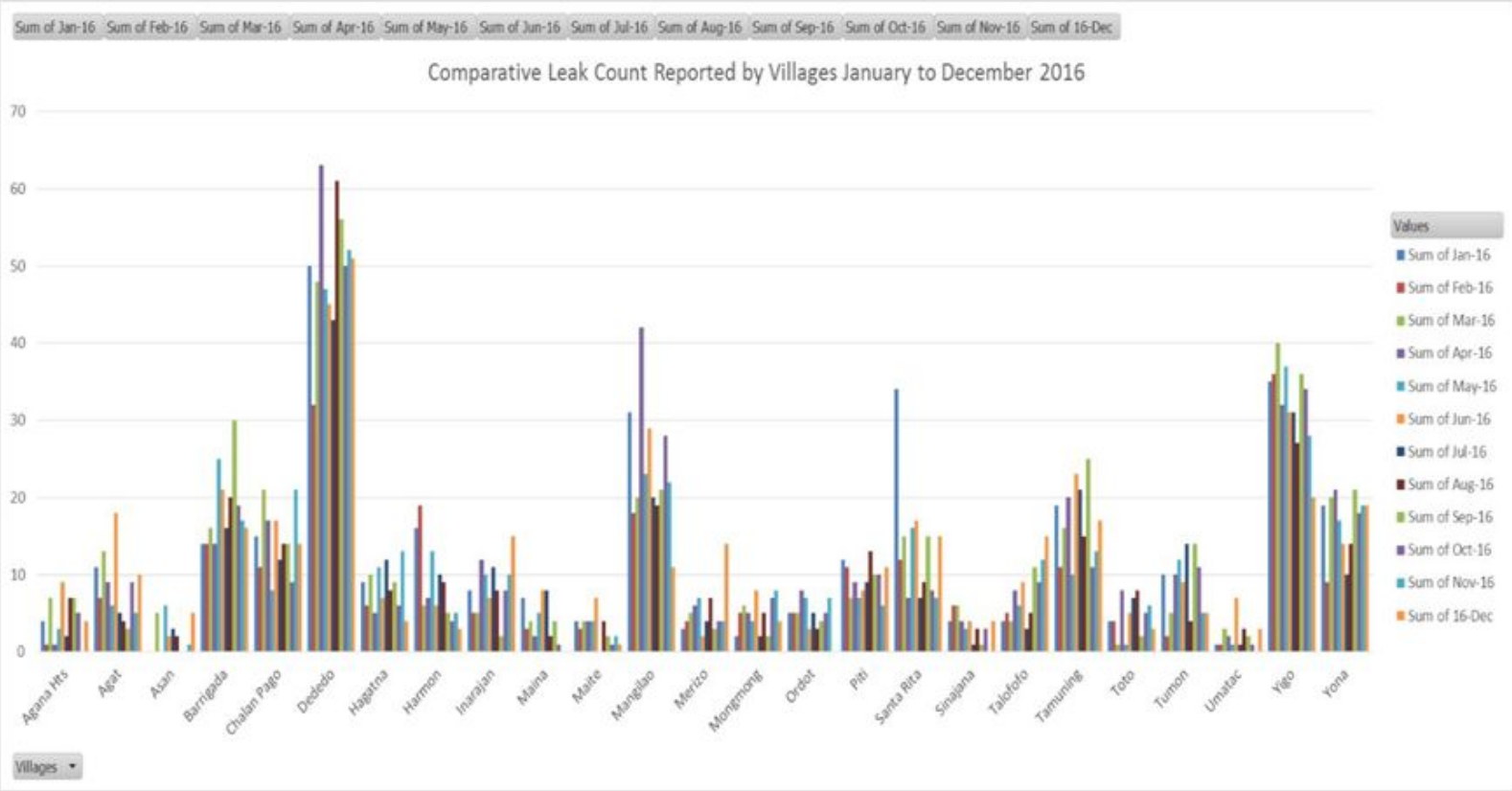
Leak Repair: Cost Savings – Days to Repair (Monthly)




Assumptions:

1. Leak rate = 4 gpm
2. Cost per kgal = $4.00

## Leak Repair: Reported by Village



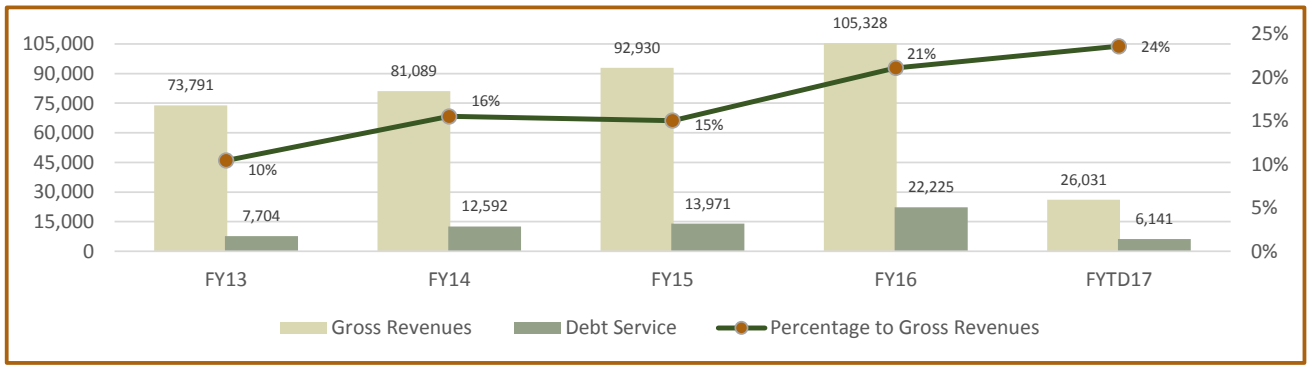
# DASHBOARD

## December 2016 YTD Budget vs Actual ($000)

| Category | Description | Budget FY17 | Actual FY17 | Variance |
|---|---|---|---|---|
| **Rate Based Revenues** | Water | $17,617 | $16,227 | ($1,390) |
| | Wastewater | $10,137 | $9,596 | ($541) |
| | Total | $27,754 | $25,823 | ($1,931) |
| **Operations & Maintenance** | Salaries & Benefits | $5,675 | $4,358 | ($1,317) |
| | Power | $3,185 | $2,798 | ($387) |
| | Water Purchases | $2,029 | $1,839 | ($190) |
| | A&G | $2,806 | $1,992 | ($815) |
| | Contractual | $888 | $721 | ($168) |
| | Total | $20,288 | $16,772 | ($3,516) |

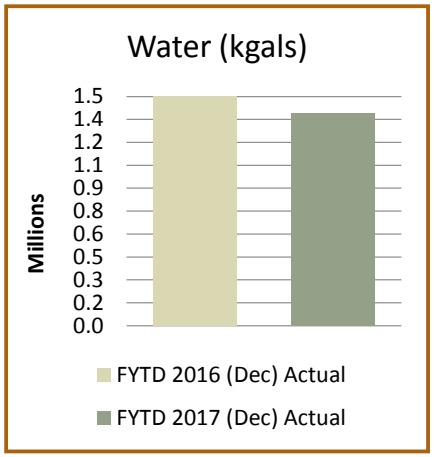
| Category | FY17 | FY16 |
|---|---|---|
| **Accounts Payable $$/Days** | $4,789 / 59 days | $4,909 / 53 days |
| **Accounts Receivable $$/Days** | $18,104 / 52 days | $16,709 / 51 days |
| **Days Cash On Hand** | 157 days | 178 days |
| **Annual Debt Service (Revenue Bonds)** | $24,563 | $22,225 |
| **Debt Service Coverage (Bond/PUC)** | 2.16 / 2.62 | 2.33 / 2.54 |

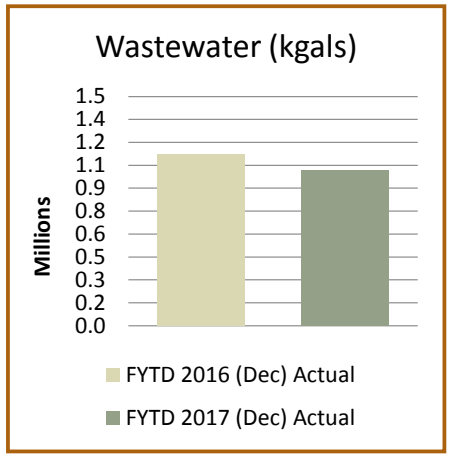
### Debt as a Percent to Gross Revenue

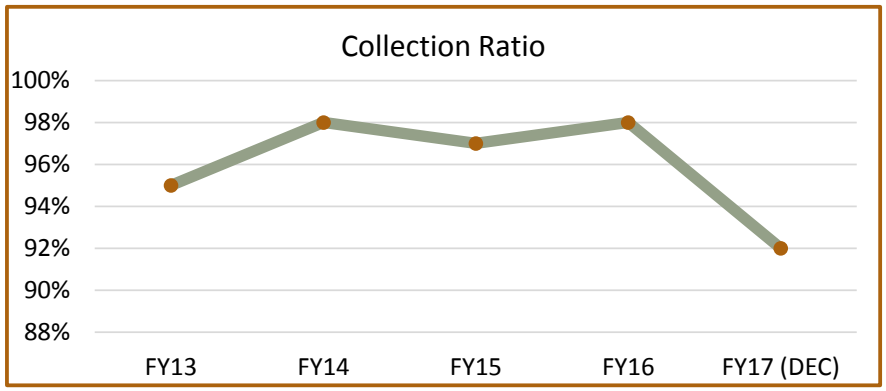



(1) Gross Revenues excludes SDC
(2) Debt Service Excludes Cap I

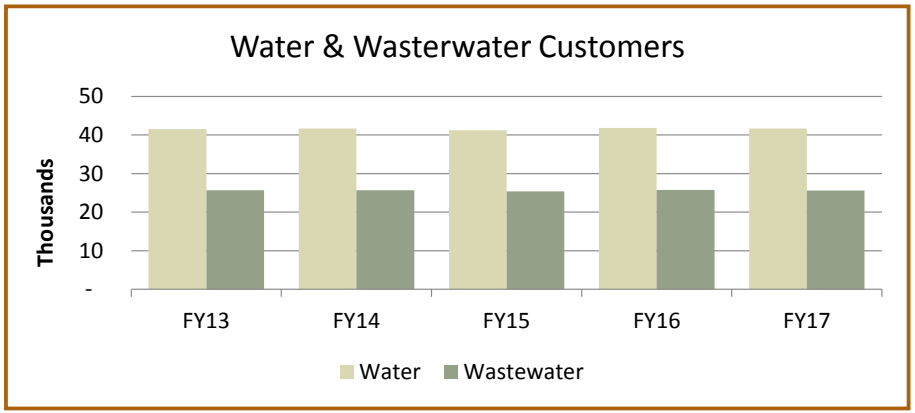
# Water & Wastewater Analytics

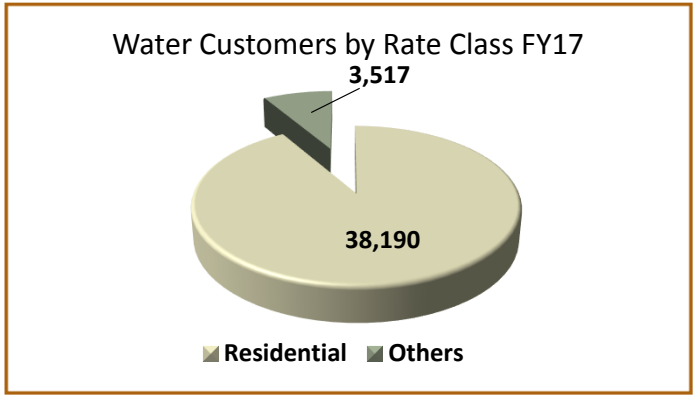


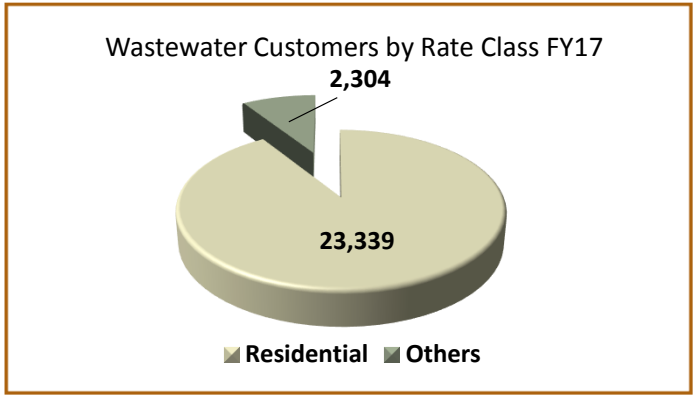



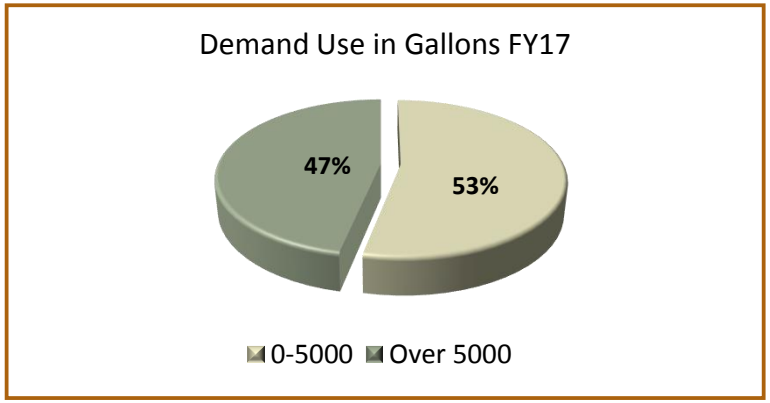



# Water & Wastewater Customers



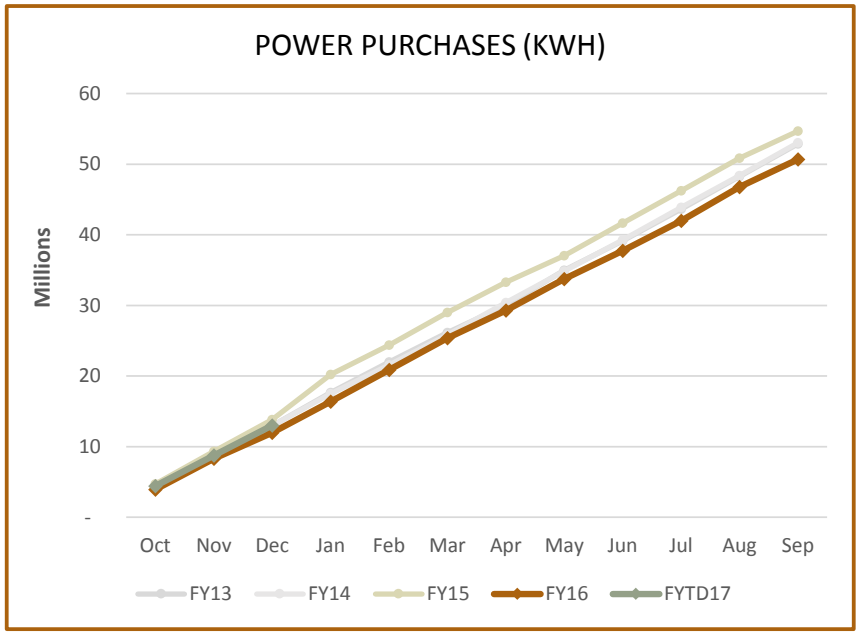



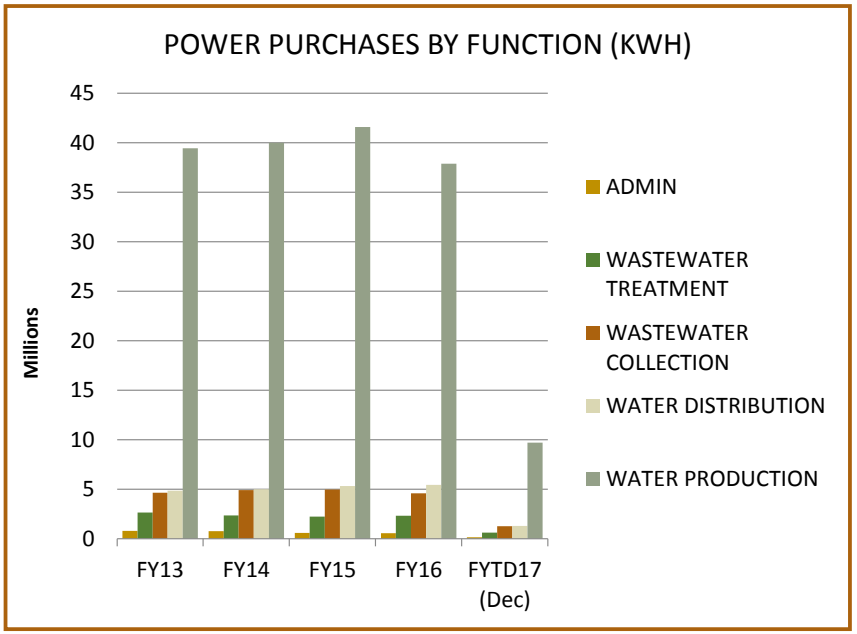



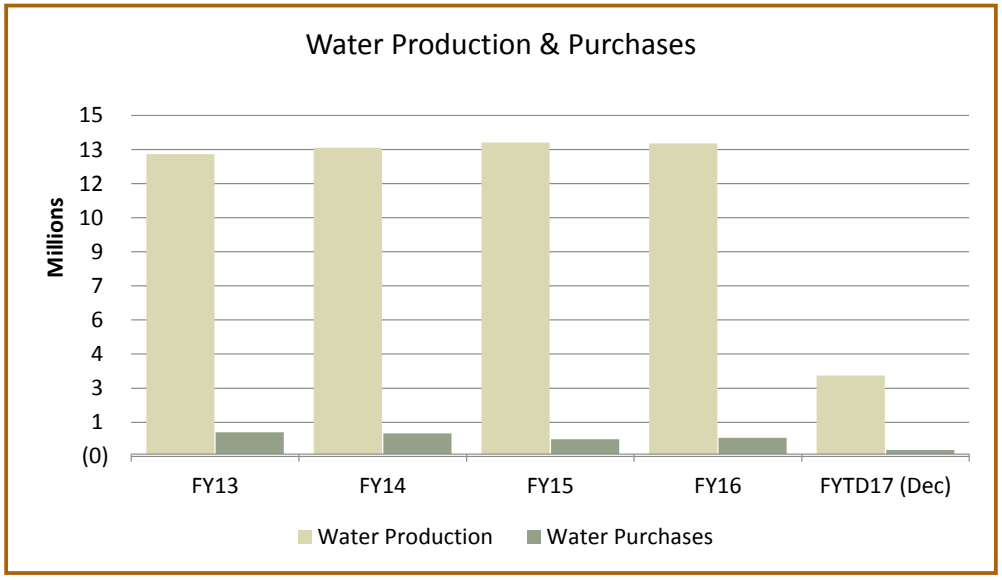
# Top Ten Largest Water and Wastewater Customers – December 2016

| Water | | | Wastewater | | |
|---|---|---|---|---|---|
| Customer Name | FY17 YTD Revenues | % of Total | Customer Name | FY17 YTD Revenues | % of Total |
| 1) MDI GUAM CORPORATION/LEOPALACE | $310,180 | 1.91% | 1) AIR FORCE DOD | $1,072,007 | 11.20% |
| 2) PACIFIC ISLANDS CLUB | 290,123 | 1.79% | 2) NAVY DOD | 456,826 | 4.77% |
| 3) HOTELS OF THE MARIANAS INC | 253,303 | 1.56% | 3) HOTELS OF THE MARIANAS INC | 270,905 | 2.83% |
| 4) SHERATON LAGUNA GUAM RESORT | 228,099 | 1.41% | 4) SHERATON LAGUNA GUAM RESORT | 244,198 | 2.55% |
| 5) HOTEL NIKKO GUAM | 209,066 | 1.29% | 5) HOTEL NIKKO GUAM | 223,393 | 2.33% |
| 6) HYATT | 197,402 | 1.22% | 6) HYATT | 211,229 | 2.21% |
| 7) PACIFIC STAR RESORT & SPA | 169,144 | 1.04% | 7) PACIFIC STAR RESORT & SPA | 180,517 | 1.89% |
| 8) GUAM REEF HOTEL INC | 154,406 | 0.95% | 8) GUAM REEF HOTEL INC | 165,050 | 1.72% |
| 9) MDI GUAM CORPORATION/WESTIN | 151,456 | 0.93% | 9) MDI GUAM CORPORATION/WESTIN | 161,882 | 1.69% |
| 10) DEPT OF EDUCATION/ UPI ELEM SCHOOL | 150,373 | 0.93% | 10) OUTRIGGER GUAM RESORT | 154,426 | 1.61% |
| **Total** | **$2,113,553** | **13.03%** | **Total** | **$3,140,434** | **32.81%** |

# Power, Water Purchases and Water Production

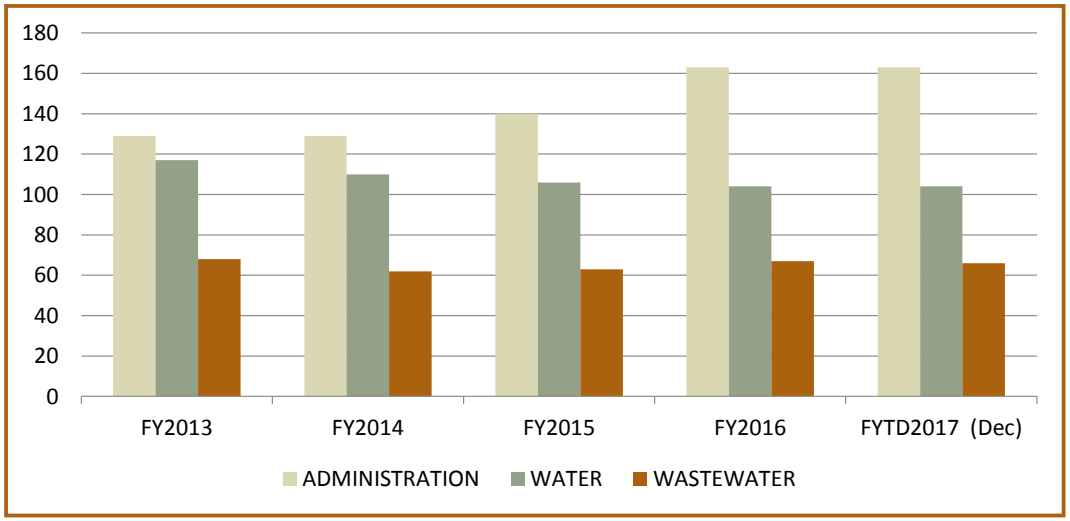


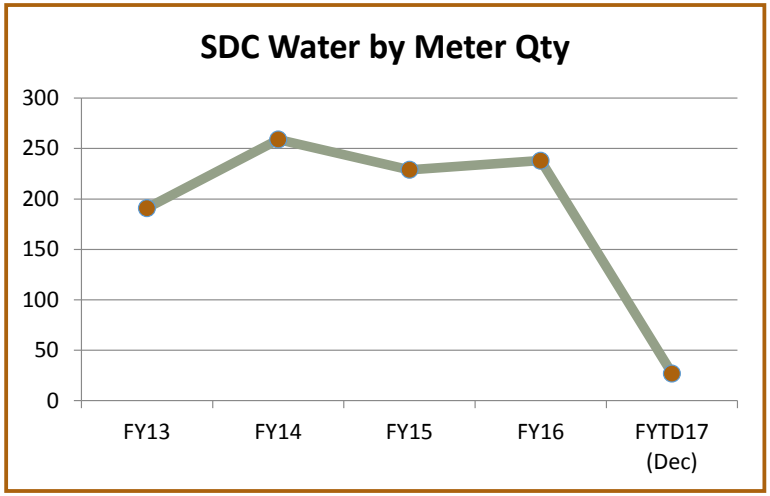
# FTE by Major Division

| DIVISION | FY2013 | FY2014 | FY2015 | FY2016 | FYTD2017 (Dec) |
|---|---|---|---|---|---|
| ADMINISTRATION | 129 | 129 | 140 | 163 | 163 |
| WATER | 117 | 110 | 106 | 104 | 104 |
| WASTEWATER | 68 | 62 | 63 | 67 | 66 |
| TOTAL NUMBER OF STAFF | 314 | 301 | 309 | 334 | 333 |
| Gross Salaries & Wages ($000) | 14,929 | 15,532 | 15,805 | 16,442 | 4,158 |
| Water Customers | 41,582 | 41,702 | 41,274 | 42,259 | 41,707 |
| Staff to Customers Ratio | 0.76% | 0.72% | 0.75% | 0.79% | 0.80% |

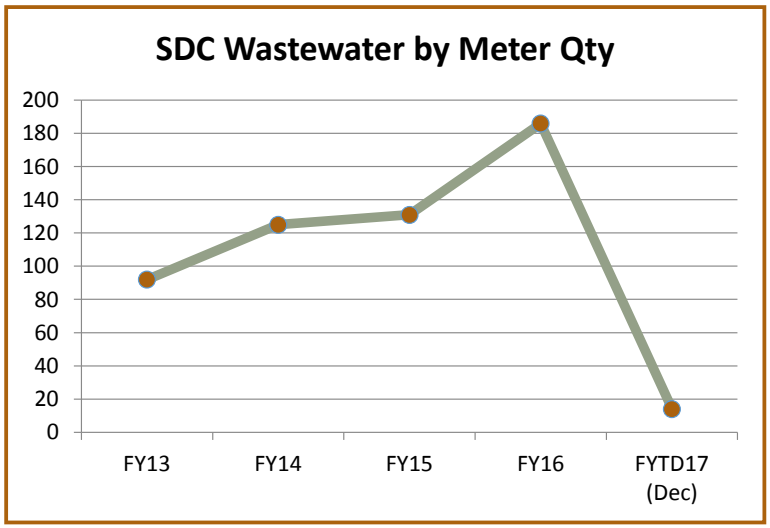



Note: FYTD16 number of employees 333 is as of December 2016

# SDC Water & Wastewater (Meter Quantity)




| Actual Meter Sizes (Inches) | FY 2013 | FY 2014 | FY 2015 | FY 2016 | FYTD 2017 (Dec) |
|---|---|---|---|---|---|
| 5/8 x 3/4 | 179 | 248 | 220 | 239 | 26 |
| 1 | - | 5 | 5 | 7 | - |
| 1 1/2 | 5 | 1 | 1 | 1 | 1 |
| 2 | 4 | 3 | 2 | 4 | - |
| 3 | - | 1 | - | 1 | - |
| 4 | 3 | - | 1 | - | - |
| 6 | - | - | - | - | - |
| 8 | - | 1 | - | - | - |
| 10 | - | - | - | - | - |
| Total SDC by Water | 191 | 259 | 229 | 252 | 27 |




| Actual Meter Sizes (Inches) | FY 2013 | FY 2014 | FY 2015 | FY 2016 | FYTD 2017 (Dec) |
|---|---|---|---|---|---|
| 5/8 x 3/4 | 80 | 115 | 124 | 179 | 16 |
| 1 | - | 4 | 3 | 2 | - |
| 1 1/2 | 5 | 1 | 1 | 1 | 1 |
| 2 | 4 | 3 | 2 | 3 | - |
| 3 | - | 1 | - | 1 | - |
| 4 | 3 | - | 1 | - | - |
| 6 | - | - | - | - | - |
| 8 | - | 1 | - | - | - |
| 10 | - | - | - | - | - |
| Total SDC by Wastewater | 92 | 125 | 131 | 186 | 17 |

# GUAM WATERWORKS AUTHORITY
# DECEMBER 31, 2016
# FINANCIAL AND RELATED REPORTS
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**GUAM WATERWORKS AUTHORITY**
**Balance Sheet**
**December 31, 2016**

**SCHEDULE A**

| ASSETS | Unaudited December 31, 2016 | Audited September 30, 2016 | Increase (Decrease) |
|---|---|---|---|
| Current Assets: | | | |
| Cash: | | | |
| Unrestricted (Schedule G) | 7,284,015 | 7,495,629 | (211,615) |
| Restricted Funds (Schedule G) | 51,131,019 | 49,098,347 | 2,032,671 |
| Accounts Receivable Trade, Net of Allowance for Doubtful Receivables of $11,205,730 at Dec 31, 2016 and $11,018,231 at Sep 30, 2016 | 17,053,470 | 15,644,048 | 1,409,422 |
| Other Receivable | 1,050,191 | 1,065,179 | (14,988) |
| Materials & Supplies Inventory, Net of Allowance for Obsolescence of $457,370 at Sep 30, 2016 and 2015 | 2,580,326 | 2,269,775 | 310,550 |
| Total Current Assets | 79,099,020 | 75,572,979 | 3,526,041 |
| Property, Plant and Equipment | | | |
| Utility plant in service: | | | |
| Water system | 306,338,573 | 306,262,568 | 76,006 |
| Wastewater system | 259,512,407 | 259,512,407 | - |
| Non-utility property | 22,551,026 | 22,474,787 | 76,239 |
| Total property | 588,402,006 | 588,249,761 | 152,245 |
| Less Accumulated Depreciation | (286,824,637) | (282,837,613) | (3,987,024) |
| Land | 394,288 | 254,288 | 140,000 |
| Construction Work in Progress | 94,618,400 | 81,877,561 | 12,740,839 |
| Property, Plant and Equipment, net | 396,590,057 | 387,543,997 | 9,046,060 |
| Other noncurrent assets | | | |
| Restricted cash (Schedule G) | 273,147,781 | 285,277,784 | (12,130,003) |
| Investments (Schedule G) | 50,752,562 | 41,029,262 | 9,723,300 |
| Other Prepaid Expenses | 1,325,457 | 652,000 | 673,457 |
| Total other noncurrent assets | 325,225,800 | 326,959,047 | (1,733,246) |
| **TOTAL ASSETS** | 800,914,877 | 790,076,022 | 10,838,855 |
| Deferred outflows of resources: | | | |
| Debt defeasance loss on refunding | 1,832,947 | 1,878,602 | (45,655) |
| Deferred outflows from pension | 4,354,569 | 4,668,010 | (313,442) |
| **Total Assets and Deferred Outflows from Pension** | **807,102,392** | **796,622,635** | **10,479,758** |
| **LIABILITIES AND NET ASSETS** | | | |
| Current Liabilities: | | | |
| Current maturities of long-term debt | | | |
| -Series 2010 Bond | 1,655,000 | 1,655,000 | - |
| -Series 2014 Refunding | 3,385,000 | 3,385,000 | - |
| -Notes Payable | 2,873,988 | 2,873,988 | - |
| Accounts Payable -Trade | 4,789,486 | 4,909,146 | (119,660) |
| Accrued Expense | 42,126 | 42,126 | 0 |
| Interest Payable | 13,382,702 | 6,748,638 | 6,634,064 |
| Accrued Payroll and Employee Benefits | 1,513,476 | 1,692,622 | (179,146) |
| Accrued Annual Leave | 1,641,497 | 1,641,497 | - |
| Current portion of employee annual leave | 548,845 | 548,845 | - |
| Contractor's Payable | 2,908,278 | 3,436,908 | (528,630) |
| Customer Deposits | 2,253,975 | 2,228,235 | 25,740 |
| Total Current Liabilities | 34,994,373 | 29,162,004 | 5,832,369 |
| Long Term Debt, less current maturities | | | |
| Series 2010 Revenue Bond | 114,525,000 | 114,525,000 | - |
| Series 2013 Revenue Bond | 172,630,000 | 172,630,000 | - |
| Series 2014 Refunding | 75,995,000 | 75,995,000 | - |
| Series 2016 Revenue Bond | 143,310,000 | 143,310,000 | - |
| Unamortized Discount - Bond 2010 | (1,928,035) | (1,948,205) | 20,170 |
| Unamortized Discount - Bond 2013 | (1,377,075) | (1,389,850) | 12,775 |
| Unamortized Premium - Bond 2014 | 5,004,654 | 5,071,307 | (66,653) |
| Unamortized Premium - Bond 2016 | 17,718,596 | 17,870,470 | (151,874) |
| Notes Payable | 7,880,062 | 8,578,203 | (698,141) |
| Unfunded Ret Liability (GASB 67/68) | 37,554,721 | 38,195,938 | (641,217) |
| Employee Annual Leave, Less Current Portion | 887,084 | 887,084 | - |
| **TOTAL LIABILITIES** | 607,194,380 | 602,886,951 | 4,307,429 |
| **Net Assets** | **199,908,012** | **193,735,684** | **6,172,328** |
| **Total Liabilities and Net Assets** | **807,102,392** | **796,622,635** | **10,479,758** |

**GUAM WATERWORKS AUTHORITY**
**Statement of Operations and Retained Earnings (Unaudited)**
**Comparative Budget vs. Actual for the period ending December 31, 2016**

**SCHEDULE B**

| | Month to Date | | | Variance |
|---|---|---|---|---|
| | Budget | Encumbered | Actual (Unaudited) | Increase / |
| | December-16 | December-16 | December-16 | (Decrease) |
| **OPERATING REVENUES** | | | | |
| Water Revenues | 5,678,548 | | 5,146,625 | (531,923) |
| Wastewater Revenues | 3,284,461 | | 3,078,930 | (205,530) |
| Legislative Surcharge | 288,387 | | 248,293 | (40,094) |
| Other Revenues | 43,750 | | 146,973 | 103,223 |
| System Development Charge | 133,333 | | 47,708 | (85,625) |
| **Total Operating Revenues** | 9,428,479 | | 8,668,529 | (759,949) |
| **OPERATING AND MAINTENANCE EXPENSES** | | | | |
| Water Purchases | 676,391 | | 612,967 | (63,424) |
| Power Purchases | 1,061,804 | | 905,231 | (156,573) |
| Total Utility Costs | 1,738,195 | | 1,518,198 | (219,996) |
| Salaries and Wages | 1,586,470 | | 1,413,599 | (172,871) |
| Pension and Benefits | 597,585 | | 272,950 | (324,635) |
| Total Salaries and Benefits | 2,184,055 | | 1,686,549 | (497,506) |
| Capitalized Labor and Benefits | (292,554) | | (200,000) | 92,554 |
| Net Salaries and Benefits | 1,891,501 | | 1,486,549 | (404,952) |
| **Administrative and General Expenses** | | | | |
| Sludge removal | 174,395 | - | 189,053 | 14,658 |
| Chemicals | 205,222 | - | 197,632 | (7,590) |
| Materials & Supplies | 216,071 | - | 111,245 | (104,826) |
| Transportation | 71,419 | 18,170 | 19,096 | (34,153) |
| Communications | 14,152 | - | 8,908 | (5,244) |
| Claims | 3,284 | - | 4,908 | 1,624 |
| Insurance | 135,312 | - | 101,034 | (34,278) |
| Training & Travel | 5,570 | - | 4,786 | (784) |
| Advertising | 7,045 | - | 2,016 | (5,029) |
| Miscellaneous | 102,963 | - | 81,044 | (21,919) |
| Total Administrative and General Expense | 935,431 | 18,170 | 719,721 | (197,540) |
| **Regulatory Expense** | 21,791 | - | 21,603 | (188) |
| **Bad Debts Provision (net of recoveries)** | 62,500 | - | 62,499 | (1) |
| **Depreciation Expense** | 1,529,550 | - | 1,329,008 | (200,542) |
| **Contractual Expense** | | | | |
| Audit & Computer Maint. | 78,630 | - | 98,687 | 20,056 |
| Building rental | 38,368 | - | 36,521 | (1,847) |
| Equipment rental | 42,270 | - | 41,084 | (1,186) |
| Legal | 439 | 397 | - | (42) |
| Laboratory | 10,086 | - | 10,000 | (86) |
| Other | 126,292 | 42,879 | 73,652 | (9,761) |
| Total Contractual Expense | 296,085 | 43,276 | 259,943 | 7,134 |
| Retiree Supp. Annuities and health care costs | 239,312 | | 230,143 | (9,169) |
| Contribution to Government of Guam | 48,285 | | 49,500 | 1,215 |
| Total Retiree Benefits | 287,597 | - | 279,643 | (7,954) |
| **Total Operating Expenses** | 6,762,648 | 61,446 | 5,677,163 | (1,024,039) |
| **Earnings (Loss) from Operations** | 2,665,830 | (61,446) | 2,991,366 | 264,089 |
| Interest Income-2010/13/14/16 Series Bond | 1,029 | | 6,162 | 5,134 |
| Interest Income-Other Funds | 642 | | 4,657 | 4,015 |
| Interest Expense- 2010/13/14/16 Series Bond | (2,223,983) | | (2,223,983) | (0) |
| Interest Expense- ST BOG | (46,124) | | (49,018) | (2,894) |
| Federal Expenditures | - | | (113,421) | (113,421) |
| Loss on Asset Disposal | - | | - | - |
| AFUDC | 625,000 | | 625,000 | - |
| Amortization of Discount, Premium and Issuance Costs | 37,738 | | 61,861 | 24,123 |
| Loss on Defeasance Bond05 Refunding | (19,483) | | (15,218) | 4,265 |
| Deferred outflows from pension | (66,928) | | (298,539) | (231,610) |
| Prior Year Adjustment | - | | (33,271) | (33,271) |
| Total non-operating revenues (expenses) | (1,692,111) | - | (2,035,771) | (343,660) |
| **Net Income (Loss) before capital contributions** | 973,720 | (61,446) | 955,595 | (79,571) |
| **Capital Contributions** | | | | |
| Grants from US Government | 250,000 | | 899,818 | 649,818 |
| Grants from GovGuam & Others | - | | - | - |
| Other Contributions | - | | - | - |
| Total Capital Contributions | 250,000 | - | 899,818 | 649,818 |
| **Change in Net Assets** | 1,223,720 | (61,446) | 1,855,413 | 570,247 |
| **Debt Service Calculation** | | | | |
| Earnings From Operations | 2,665,830 | | 2,991,366 | |
| System Development Charge | (133,333) | | (47,708) | |
| Interest/Investment Income | 642 | | 4,657 | |
| Depreciation | 1,529,550 | | 1,329,008 | |
| **Balance Available for Debt Service per Section 6.12** | 4,062,689 | | 4,277,322 | |
| Working Capital Reserve Available for Debt Service | 632,083 | | 932,149 | |
| Transfer to Working Capital Debt Service Reserve | (304,167) | | - | |
| **Balance Available for Debt Service inclusive of reserves** | 4,390,606 | | 5,209,472 | |
| **Debt Service** | | | | |
| Principal | 420,000 | | 420,000 | |
| Interest | 1,626,858 | | 1,626,858 | |
| **Total** | 2,046,858 | | 2,046,858 | |
| **Debt Service Coverage inclusive of reserves (PUC)** | 2.15 | | 2.55 | |
| **Debt Service Coverage (1.25X)- per Section 6.12 (Indenture)** | 1.98 | | 2.09 | |

**GUAM WATERWORKS AUTHORITY**
**Statement of Operations and Retained Earnings (Unaudited)**
**Comparative for the period ending December 31, 2016 and 2015**

**SCHEDULE C**

| | Month to Date Actual (Unaudited) December-16 | Month to Date Actual (Audited) December-15 | Variance Increase / (Decrease) |
|---|---|---|---|
| **OPERATING REVENUES** | | | |
| Water Revenues | 5,146,625 | 5,361,643 | (215,018) |
| Wastewater Revenues | 3,078,930 | 3,102,398 | (23,468) |
| Legislative Surcharge | 248,293 | 241,527 | 6,766 |
| Other Revenues | 146,973 | 43,325 | 103,648 |
| System Development Charge | 47,708 | 119,028 | (71,320) |
| **Total Operating Revenues** | 8,668,529 | 8,867,921 | (199,392) |
| **OPERATING AND MAINTENANCE EXPENSES** | | | |
| Water Purchases | 612,967 | 531,170 | 81,797 |
| Power Purchases | 905,231 | 935,490 | (30,259) |
| Total Utility Costs | 1,518,198 | 1,466,660 | 51,538 |
| Salaries and Wages | 1,413,599 | 1,333,993 | 79,606 |
| Pension and Benefits | 272,950 | 454,904 | (181,954) |
| Total Salaries and Benefits | 1,686,549 | 1,788,897 | (102,348) |
| Capitalized Labor and Benefits | (200,000) | (248,363) | 48,363 |
| Net Salaries and Benefits | 1,486,549 | 1,540,534 | (53,985) |
| **Administrative and General Expenses** | | | |
| Sludge removal | 189,053 | 130,423 | 58,629 |
| Chemicals | 197,632 | 186,596 | 11,036 |
| Materials & Supplies | 111,245 | 103,711 | 7,534 |
| Transportation | 19,096 | 47,876 | (28,780) |
| Communications | 8,908 | 10,265 | (1,357) |
| Claims | 4,908 | 10,618 | (5,710) |
| Insurance | 101,034 | 101,111 | (77) |
| Training & Travel | 4,786 | 12,457 | (7,671) |
| Advertising | 2,016 | 15,907 | (13,891) |
| Miscellaneous | 81,044 | 68,429 | 12,615 |
| Total Administrative and General Expense | 719,721 | 687,393 | 32,328 |
| **Regulatory Expense** | 21,603 | 27,104 | (5,501) |
| **Bad Debts Provision (net of recoveries)** | 62,499 | 86,193 | (23,693) |
| **Depreciation Expense** | 1,329,008 | 1,279,008 | 50,000 |
| **Contractual Expense** | | | |
| Audit & Computer Maint. | 98,687 | 86,467 | 12,219 |
| Building rental | 36,521 | 33,279 | 3,242 |
| Equipment rental | 41,084 | 58,162 | (17,078) |
| Legal | - | 362 | (362) |
| Laboratory | 10,000 | 10,234 | (234) |
| Other | 73,652 | 154,589 | (80,937) |
| Total Contractual Expense | 259,943 | 343,094 | (83,151) |
| Retiree Supp. Annuities and health care costs | 230,143 | 230,355 | (213) |
| Contribution to Government of Guam | 49,500 | 48,667 | 833 |
| Total Retiree Benefits | 279,643 | 279,022 | 621 |
| **Total Operating Expenses** | 5,677,163 | 5,709,007 | (31,844) |
| **Earnings (Loss) from Operations** | 2,991,366 | 3,158,914 | (167,548) |
| Interest Income-2010/13/14/16 Series Bond | 6,162 | 2,083 | 4,080 |
| Interest Income-Other Funds | 4,657 | 3,177 | 1,480 |
| Interest Expense- 2010/13/14/16 Series Bond | (2,223,983) | (1,994,375) | (229,608) |
| Interest Expense- ST BOG | (49,018) | (59,096) | 10,077 |
| Federal Expenditures | (113,421) | (88,189) | (25,233) |
| Loss on Asset Disposal | - | (4,150) | 4,150 |
| AFUDC | 625,000 | 1,142,370 | (517,370) |
| Amortization of Discount, Premium and Issuance Costs | 61,861 | (160,812) | 222,672 |
| Loss on Defeasance Bond05 Refunding | (15,218) | (19,483) | 4,265 |
| Deferred outflows from pension | (298,539) | (7,452) | (291,087) |
| Prior Year Adjustment | (33,271) | (51,397) | 18,126 |
| Total non-operating revenues (expenses) | (2,035,771) | (1,237,323) | (798,448) |
| **Net Income (Loss) before capital contributions** | 955,595 | 1,921,591 | (965,996) |
| **Capital Contributions** | | | |
| Grants from US Government | 899,818 | 434,254 | 465,565 |
| Grants from GovGuam & Others | - | 23,151 | (23,151) |
| Other Contributions | - | - | - |
| Total Capital Contributions | 899,818 | 457,405 | 442,413 |
| **Change in Net Assets** | 1,855,413 | 2,378,996 | (523,583) |
| **Debt Service Calculation** | | | |
| Earnings From Operations | 2,991,366 | 3,158,914 | |
| System Development Charge | (47,708) | (119,028) | |
| Interest/Investment Income | 4,657 | 3,177 | |
| Depreciation | 1,329,008 | 1,279,008 | |
| **Balance Available for Debt Service per Section 6.12** | 4,277,322 | 4,322,072 | |
| Working Capital Reserve Available for Debt Service | 932,149 | 382,083 | |
| Transfer to Working Capital Debt Service Reserve | - | | |
| **Balance Available for Debt Service inclusive of reserves** | 5,209,472 | 4,704,155 | |
| **Debt Service** | | | |
| Principal | 420,000 | 409,167 | |
| Interest | 1,626,858 | 1,442,950 | |
| **Total** | 2,046,858 | 1,852,116 | |
| **Debt Service Coverage inclusive of reserves (PUC)** | 2.55 | 2.54 | |
| **Debt Service Coverage (1.25X)- per Section 6.12 (Indenture)** | 2.09 | 2.33 | |

**GUAM WATERWORKS AUTHORITY**
**Statement of Operations and Retained Earnings (Unaudited)**
**Comparative Budget vs. Actual for the period ending December 31, 2016**

**SCHEDULE D**

| | Budget December-16 | Year to Date Encumbered December-16 | Year to Date Actual (Unaudited) December-16 | Variance Increase / (Decrease) |
|---|---|---|---|---|
| **OPERATING REVENUES** | | | | |
| Water Revenues | 17,035,643 | | 15,690,869 | (1,344,774) |
| Wastewater Revenues | 9,853,382 | | 9,348,005 | (505,377) |
| Legislative Surcharge | 865,161 | | 784,358 | (80,803) |
| Other Revenues | 131,250 | | 208,018 | 76,768 |
| System Development Charge | 400,000 | | 138,864 | (261,136) |
| **Total Operating Revenues** | 28,285,436 | | 26,170,114 | (2,115,322) |
| **OPERATING AND MAINTENANCE EXPENSES** | | | | |
| Water Purchases | 2,029,172 | | 1,838,901 | (190,271) |
| Power Purchases | 3,185,412 | | 2,798,351 | (387,061) |
| Total Utility Costs | 5,214,584 | | 4,637,251 | (577,332) |
| | | | | |
| Salaries and Wages | 4,759,411 | | 4,158,072 | (601,339) |
| Pension and Benefits | 1,792,754 | | 799,762 | (992,992) |
| Total Salaries and Benefits | 6,552,165 | | 4,957,833 | (1,594,331) |
| Capitalized Labor and Benefits | (877,663) | | (600,000) | 277,663 |
| Net Salaries and Benefits | 5,674,502 | | 4,357,833 | (1,316,669) |
| **Administrative and General Expenses** | | | | |
| Sludge removal | 523,184 | - | 464,800 | (58,384) |
| Chemicals | 615,666 | 52,301 | 530,271 | (33,094) |
| Materials & Supplies | 648,212 | 221,290 | 312,741 | (114,181) |
| Transportation | 214,258 | 111,801 | 97,749 | (4,708) |
| Communications | 42,456 | 17,000 | 25,333 | (122) |
| Claims | 9,852 | - | 2,432 | (7,419) |
| Insurance | 405,935 | - | 303,102 | (102,833) |
| Training & Travel | 16,710 | 14,830 | 1,048 | (831) |
| Advertising | 21,134 | 9,837 | 7,302 | (3,995) |
| Miscellaneous | 308,890 | - | 246,835 | (62,055) |
| Total Administrative and General Expense | 2,806,294 | 427,059 | 1,991,613 | (387,622) |
| **Regulatory Expense** | 65,372 | - | 58,675 | (6,697) |
| **Bad Debts Provision (net of recoveries)** | 187,500 | - | 187,486 | (14) |
| **Depreciation Expense** | 4,588,650 | - | 3,987,024 | (601,626) |
| **Contractual Expense** | | | | |
| Audit & Computer Maint. | 235,891 | - | 196,398 | (39,493) |
| Building rental | 115,103 | - | 109,562 | (5,541) |
| Equipment rental | 126,809 | - | 151,655 | 24,846 |
| Legal | 1,316 | - | 1,191 | (125) |
| Laboratory | 30,259 | - | 27,593 | (2,666) |
| Other | 378,875 | 128,636 | 234,249 | (15,990) |
| Total Contractual Expense | 888,254 | 128,636 | 720,647 | (38,970) |
| Retiree Supp. Annuities and health care costs | 717,935 | | 682,893 | (35,042) |
| Contribution to Government of Guam | 144,855 | | 148,500 | 3,645 |
| Total Retiree Benefits | 862,790 | - | 831,393 | (31,397) |
| **Total Operating Expenses** | 20,287,945 | 555,695 | 16,771,922 | (2,960,327) |
| **Earnings (Loss) from Operations** | 7,997,491 | (555,695) | 9,398,191 | 845,005 |
| Interest Income-2010/13/14/16 Series Bond | 3,086 | | 15,760 | 12,674 |
| Interest Income-Other Funds | 1,926 | | 15,305 | 13,379 |
| Interest Expense- 2010/13/14/16 Series Bond | (6,671,950) | | (6,671,950) | (0) |
| Interest Expense- ST BOG | (138,372) | | (118,974) | 19,399 |
| Federal Expenditures | - | | (254,403) | (254,403) |
| Loss on Asset Disposal | - | | - | - |
| AFUDC | 1,875,000 | | 1,875,000 | - |
| Amortization of Discount, Premium and Issuance Costs | 113,213 | | 185,582 | 72,370 |
| Loss on Defeasance Bond05 Refunding | (58,449) | | (45,655) | 12,794 |
| Deferred outflows from pension | (200,785) | | (313,442) | (112,657) |
| Prior Year Adjustment | - | | (302,146) | (302,146) |
| Total non-operating revenues (expenses) | (5,076,332) | - | (5,614,923) | (538,591) |
| **Net Income (Loss) before capital contributions** | 2,921,159 | (555,695) | 3,783,268 | 306,414 |
| **Capital Contributions** | | | | |
| Grants from US Government | 750,000 | | 2,389,061 | 1,639,061 |
| Grants from GovGuam & Others | - | | - | - |
| Other Contributions | - | | - | - |
| Total Capital Contributions | 750,000 | - | 2,389,061 | 1,639,061 |
| **Change in Net Assets** | 3,671,159 | (555,695) | 6,172,328 | 1,945,475 |
| | | | | |
| **Debt Service Calculation** | | | | |
| Earnings From Operations | 7,997,491 | | 9,398,191 | |
| System Development Charge | (400,000) | | (138,864) | |
| Interest/Investment Income | 1,926 | | 15,305 | |
| Depreciation | 4,588,650 | | 3,987,024 | |
| **Balance Available for Debt Service per Section 6.12** | 12,188,067 | | 13,261,656 | |
| Working Capital Reserve Available for Debt Service | 1,896,250 | | 2,796,448 | |
| Transfer to Working Capital Debt Service Reserve | (912,500) | | - | |
| **Balance Available for Debt Service inclusive of reserves** | 13,171,817 | | 16,058,104 | |
| **Debt Service** | | | | |
| Principal | 1,260,000 | | 1,260,000 | |
| Interest | 4,880,575 | | 4,880,575 | |
| **Total** | 6,140,575 | | 6,140,575 | |
| **Debt Service Coverage inclusive of reserves (PUC)** | 2.15 | | 2.62 | |
| **Debt Service Coverage (1.25X)- per Section 6.12 (Indenture)** | 1.98 | | 2.16 | |

**GUAM WATERWORKS AUTHORITY**
**Statement of Operations and Retained Earnings (Unaudited)**
**Comparative for the period ending December 31, 2016 and 2015**

**SCHEDULE E**

| | Year to Date | | Variance |
|---|---|---|---|
| | ACTUAL (Unaudited) December-16 | ACTUAL (Audited) December-15 | Increase / (Decrease) |
| **OPERATING REVENUES** | | | |
| Water Revenues | 15,690,869 | 16,084,929 | (394,060) |
| Wastewater Revenues | 9,348,005 | 9,307,195 | 40,810 |
| Legislative Surcharge | 784,358 | 724,581 | 59,776 |
| Other Revenues | 208,018 | 129,975 | 78,043 |
| System Development Charge | 138,864 | 357,083 | (218,219) |
| **Total Operating Revenues** | 26,170,114 | 26,603,763 | (433,649) |
| **OPERATING AND MAINTENANCE EXPENSES** | | | |
| Water Purchases | 1,838,901 | 1,593,509 | 245,392 |
| Power Purchases | 2,798,351 | 2,806,471 | (8,120) |
| Total Utility Costs | 4,637,251 | 4,399,980 | 237,272 |
| | | | |
| Salaries and Wages | 4,158,072 | 4,001,979 | 156,093 |
| Pension and Benefits | 799,762 | 1,364,713 | (564,951) |
| Total Salaries and Benefits | 4,957,833 | 5,366,691 | (408,858) |
| Capitalized Labor and Benefits | (600,000) | (745,090) | 145,090 |
| Net Salaries and Benefits | 4,357,833 | 4,621,602 | (263,769) |
| **Administrative and General Expenses** | | | |
| Sludge removal | 464,800 | 391,270 | 73,530 |
| Chemicals | 530,271 | 559,787 | (29,515) |
| Materials & Supplies | 312,741 | 311,134 | 1,607 |
| Transportation | 97,749 | 143,627 | (45,879) |
| Communications | 25,333 | 30,795 | (5,461) |
| Claims | 2,432 | 31,853 | (29,421) |
| Insurance | 303,102 | 303,332 | (230) |
| Training & Travel | 1,048 | 37,370 | (36,322) |
| Advertising | 7,302 | 47,722 | (40,420) |
| Miscellaneous | 246,835 | 205,288 | 41,547 |
| Total Administrative and General Expense | 1,991,613 | 2,062,178 | (70,564) |
| **Regulatory Expense** | 58,675 | 81,313 | (22,638) |
| **Bad Debts Provision (net of recoveries)** | 187,486 | 258,578 | (71,092) |
| **Depreciation Expense** | 3,987,024 | 3,837,025 | 149,999 |
| **Contractual Expense** | | | |
| Audit & Computer Maint. | 196,398 | 259,402 | (63,005) |
| Building rental | 109,562 | 99,836 | 9,726 |
| Equipment rental | 151,655 | 174,486 | (22,830) |
| Legal | 1,191 | 1,087 | 104 |
| Laboratory | 27,593 | 30,702 | (3,109) |
| Other | 234,249 | 463,768 | (229,519) |
| Total Contractual Expense | 720,647 | 1,029,281 | (308,633) |
| Retiree Supp. Annuities and health care costs | 682,893 | 691,066 | (8,173) |
| Contribution to Government of Guam | 148,500 | 146,000 | 2,500 |
| Total Retiree Benefits | 831,393 | 837,066 | (5,673) |
| **Total Operating Expenses** | 16,771,922 | 17,127,021 | (355,099) |
| **Earnings (Loss) from Operations** | 9,398,191 | 9,476,741 | (78,550) |
| Interest Income-2010/13/14/16 Series Bond | 15,760 | 6,248 | 9,512 |
| Interest Income-Other Funds | 15,305 | 9,531 | 5,774 |
| Interest Expense- 2010/13/14/16 Series Bond | (6,671,950) | (5,983,125) | (688,825) |
| Interest Expense- ST BOG | (118,974) | (177,287) | 58,313 |
| Federal Expenditures | (254,403) | (264,566) | 10,163 |
| Loss on Asset Disposal | - | (12,449) | 12,449 |
| AFUDC | 1,875,000 | 3,427,110 | (1,552,110) |
| Amortization of Discount, Premium and Issuance Costs | 185,582 | (482,435) | 668,017 |
| Loss on Defeasance Bond05 Refunding | (45,655) | (58,449) | 12,794 |
| Deferred outflows from pension | (313,442) | (22,355) | (291,087) |
| Prior Year Adjustment | (302,146) | (154,192) | (147,954) |
| Total non-operating revenues (expenses) | (5,614,923) | (3,711,968) | (1,902,955) |
| **Net Income (Loss) before capital contributions** | 3,783,268 | 5,764,773 | (1,981,506) |
| **Capital Contributions** | | | |
| Grants from US Government | 2,389,061 | 1,302,761 | 1,086,300 |
| Grants from GovGuam & Others | - | 69,454 | (69,454) |
| Other Contributions | - | - | - |
| Total Capital Contributions | 2,389,061 | 1,372,216 | 1,016,845 |
| **Change in Net Assets** | 6,172,328 | 7,136,989 | (964,661) |
| | | | |
| **Debt Service Calculation** | | | |
| Earnings From Operations | 9,398,191 | 9,476,741 | |
| System Development Charge | (138,864) | (357,083) | |
| Interest/Investment Income | 15,305 | 9,531 | |
| Depreciation | 3,987,024 | 3,837,025 | |
| **Balance Available for Debt Service per Section 6.12** | 13,261,656 | 12,966,215 | |
| Working Capital Reserve Available for Debt Service | 2,796,448 | 1,146,250 | |
| Transfer to Working Capital Debt Service Reserve | - | - | |
| **Balance Available for Debt Service inclusive of reserves** | 16,058,104 | 14,112,465 | |
| **Debt Service** | | | |
| Principal | 1,260,000 | 1,227,500 | |
| Interest | 4,880,575 | 4,328,849 | |
| **Total** | 6,140,575 | 5,556,349 | |
| **Debt Service Coverage inclusive of reserves (PUC)** | 2.62 | 2.54 | |
| **Debt Service Coverage (1.25X)- per Section 6.12 (Indenture)** | 2.16 | 2.33 | |

**SCHEDULE F**

| ***Bond Compliance*** | | **($$$) Per Indenture** | **As of 12/31/16 ($$$) Bond 2010/2013/2014/2016** |
|---|---|---|---|
| • Revenues Collected sweep from BOG (Daily) and all banks (Thursdays) | Collections | | |
| • Operation and Maintenance Fund-BOG | *Equivalent to 55 days of the annual O&M budget less depreciation* | $10.5M | $10.5M |
| • Debt Service Fund - US Bank | *Principal and Interest payment based on the amortization schedule (1/2 of the annual debt service)* | $14.7M | $12.2M |
| • Bond Reserve Fund - US Bank | *Fully funded- Principal and Interest (Bond Series 2010, 2013, 2014 Refunding and 2016)* | $34.9M | $34.9M |
| • Operation, Maintenance, Renewal and Replacement Reserve Fund-BOG Trust | *Equivalent to 1/4 of the annual O&M budget & CIP budget to be funded in 5 years ($2M/year)* | $17.4M | $17.4M |
| • Capital Improvement Fund & BOG Reserves | *Balance remaining in the Revenue Fund after the foregoing deposits* | $3.9K | $1.6M |
| • Capitalized Interest Fund | | | $5.3M |

**GUAM WATERWORKS AUTHORITY**
**Restricted and Unrestricted Cash Summary**
**FY 2017**

**SCHEDULE G**

| Description | Unaudited December 31, 2016 | Audited September 30, 2016 | Increase (Decrease) |
|---|---|---|---|
| **UNRESTRICTED** | | | |
| Change Fund | 2,000 | 2,000 | 0 |
| Petty Cash | 5,000 | 5,000 | 0 |
| BOG - General Fund | 5,874,390 | 6,076,177 | (201,787) |
| BOG - Credit Card-Sweep | - | - | 0 |
| BOG - On Line Payment | - | - | 0 |
| BOG - PRN Payroll | 1,224,253 | 1,224,253 | 0 |
| BOG - Sweep Account | - | 76 | (76) |
| Bank of Hawaii | 141,560 | 121,322 | 20,238 |
| ANZ Bank | 460 | 229 | 231 |
| First Hawaiian Bank | 18,779 | 47,741 | (28,962) |
| Bank Pacific | 12,394 | 14,194 | (1,800) |
| Community First FCU | 5,179 | 4,638 | 542 |
| **Sub-total Unrestricted** | 7,284,015 | 7,495,629 | (211,615) |
| | | | |
| **RESTRICTED** | | | |
| BOG - Customer Refunds | 2,252,288 | 2,281,631 | (29,343) |
| Bank Pacific - Surcharge | 75,370 | 166,763 | (91,393) |
| Bank Pacific - Escrow Deposit | 849,873 | 845,734 | 4,139 |
| BOG Emergency Reserve Fund | 6,116 | 6,114 | 2 |
| BOG - Revenue Trust | 701,704 | 595,751 | 105,953 |
| BOG Revenue Trust Fund | 8,381,700 | 8,182,472 | 199,228 |
| BOG Capital Improvement Fund | 1,697,125 | 3,933 | 1,693,192 |
| BOG-O & M Reserve | 4,050,610 | 4,050,319 | 290 |
| BOG-Debt Service Reserve | 11,186,329 | 11,185,610 | 719 |
| BOG-CAPEX Reserve | 8,711,071 | 8,710,383 | 688 |
| BOG Sewer Hookup Revolving Fund | 62,546 | 62,132 | 414 |
| BOG Short Term Loan DSF | - | - | 0 |
| BOG Subord. Sec. Fund | 859,233 | 859,233 | 0 |
| BOG Operation and Maintenance Fund | 3,083,482 | 3,083,482 | 0 |
| | 41,917,445 | 40,033,556 | 1,883,889 |
| | | | |
| BOG - SDC Deposit | 1,713,574 | 1,064,792 | 648,782 |
| BOG - SDC CDs | 7,500,000 | 8,000,000 | (500,000) |
| **Total Restricted** | 51,131,019 | 49,098,347 | 2,032,671 |
| | | | |
| **Reserve Funds** | | | |
| BOG Series 05 OMRRRF Fund | 17,423,213 | 17,423,213 | 0 |
| BOG Series 10 Construction Fund | 10,942,381 | 11,725,749 | (783,368) |
| BOG Series 13 Construction Fund | 100,164,013 | 107,622,618 | (7,458,604) |
| BOG Series 13 CAP I Fund | - | - | 0 |
| BOG Series 14 Refunding Construction Fund | 820,588 | 820,529 | 59 |
| BOG Series 16 Construction Fund | 138,442,337 | 138,748,131 | (305,794) |
| BOG Series 16 Cap Int Fund | 5,355,249 | 8,937,545 | (3,582,296) |
| BOG Series 16 COI Fund | - | - | 0 |
| **Total Restricted - Held by Trustee** | 273,147,781 | 285,277,784 | (12,130,003) |
| | | | |
| USB Series 2010 Debt Service Fund | 4,032,814 | 2,016,414 | 2,016,400 |
| USB Series 2010 Debt Service Reserve Fund | 7,566,460 | 7,566,460 | 0 |
| USB Series 2013 Debt Service Fund | 4,666,005 | 2,333,083 | 2,332,922 |
| USB Series 2013 Debt Service Reserve Fund | 12,031,688 | 12,031,688 | 0 |
| USB Series 2014 Refunding Debt Service Fund | 3,582,519 | 1,791,266 | 1,791,253 |
| USB Series 2014 Refunding Debt Service Reserve Fund | 7,707,602 | 7,707,628 | (25) |
| USB Series 2016 Debt Service Fund | 3,582,750 | - | 3,582,750 |
| USB Series 2016 Debt Service Reserve Fund | 7,582,725 | 7,582,725 | 0 |
| **Total Investments** | 50,752,562 | 41,029,262 | 9,723,300 |
| | | | |
| **Total Restricted and Unrestricted Cash** | 382,315,377 | 382,901,023 | (585,646) |

**SCHEDULE H**

**Guam Waterworks Authority**
**Statement of Cash Flows (Unaudited)**
**FY 2017**

| | YTD Dec-16 |
|---|---|
| **Increase (decrease) in cash** | |
| **Cash flows from operating activities:** | |
| Cash received from trade and others | 24,611,075 |
| Cash payments to suppliers/contractors for goods and services | (2,593,904) |
| Cash payments to employees for services | (5,368,372) |
| **Net cash provided by operating activities** | 16,648,799 |
| **Cash flows from capital and related financing activities:** | |
| Contributed capital received (grants) | 2,134,658 |
| Acquisition of utility plant | (11,725,521) |
| Repayment of Long Term Debt | (883,723) |
| Interest expense | (6,790,924) |
| **Net cash provided by (used in) capital and related financing activities** | (17,265,509) |
| **Cash flows from investing activities:** | |
| Transfers from (to) restricted fund | 374,032 |
| Interest income received | 31,064 |
| **Net cash provided by investing activities** | 405,096 |
| Net increase (decrease) in cash | (211,615) |
| Unrestricted cash at beginning of the period | 7,495,629 |
| **Unrestricted cash at end of period** | 7,284,015 |
| Reconciliation of operating loss to net cash provided by operating activities: | |
| **Operating Income (loss)** | 9,388,327 |
| Adjustments to reconcile to net cash provided by operating activities: | |
| Depreciation expense | 3,987,024 |
| Other Expense/income | (237,062) |
| (Increase) decrease in assets: | |
| Accounts receivable | (1,394,434) |
| Materials and supplies inventory | (310,550) |
| Other Assets | (487,875) |
| Increase (decrease) in liabilities: | |
| Accounts payable, Contractors, Retention & Escrow Deposit | 5,955,774 |
| Accrued payroll | (278,146) |
| Customer deposits | 25,740 |
| **Net cash provided by operating activities** | 16,648,799 |

**Guam Waterworks Authority**
**Accounts Receivable - Government**
**As of December 31, 2016**

**SCHEDULE I**

| | | | AGING | | | | |
|---|---|---|---|---|---|---|---|
| **Customer Name** | **No of Accounts** | **Current Balance** | **31-60 days** | **61-90 days** | **91-120 days** | **Over 120 days** | **Outstanding Bal.** |
| GUAM INT'L AIRPORT AUTHORITY | 10 | 27,046 | 23,460 | 47,171 | 42,173 | 106,141 | 245,990 |
| GUAM POWER AUTHORITY | 23 | 105,952 | 95,228 | 352 | 188 | 236 | 201,955 |
| PORT AUTHORITY OF GUAM | 3 | 46,581 | 40,348 | 18,175 | - | - | 105,104 |
| GUAM MEMORIAL HOSPITAL AUTHORITY | 5 | 33,575 | - | - | - | - | 33,575 |
| UNIVERSITY OF GUAM | 43 | 14,002 | 5,689 | - | - | - | 19,690 |
| GUAM HOUSING & URBAN RENEWAL AUTHORITY | 7 | 1,300 | 24 | 22 | 22 | 195 | 1,562 |
| GUAM HOUSING CORPORATION | 1 | 29 | - | - | - | - | 29 |
| | | | | | | | - |
| **AUTONOMOUS AGENCIES** | **92** | **228,484** | **164,748** | **65,720** | **42,382** | **106,571** | **607,905** |
| DEPT OF EDUCATION | 51 | 382,432 | 355,524 | 7,818 | 5,360 | 209,954 | 961,087 |
| DEPT OF PARKS & RECREATION | 14 | 35,746 | 15,090 | 639 | 7,180 | 81,157 | 139,812 |
| DEPT OF CORRECTIONS | 8 | 94,297 | 3,282 | 1,872 | 3,200 | 24,055 | 126,706 |
| DEPT OF PUBLIC HEALTH & SOCIAL SERVICES | 6 | 1,782 | 661 | 1,080 | 814 | 103,763 | 108,101 |
| DEPT OF CHAMORRO AFFAIRS | 8 | 20,346 | 10,707 | 11,433 | 12,395 | 18,585 | 73,466 |
| MAYORS' COUNCIL OF GUAM | 37 | 12,671 | 2,676 | 827 | 109 | 1,410 | 17,694 |
| DEPT OF PUBLIC WORKS | 9 | 3,181 | 756 | 588 | 413 | 3,668 | 8,605 |
| GUAM FIRE DEPARTMENT | 6 | 3,882 | 2,457 | - | - | - | 6,338 |
| DEPT OF AGRICULTURE | 6 | 4,553 | - | - | - | - | 4,553 |
| DIVISION OF SENIOR CITIZENS, DPH&SS | 2 | 2,446 | 253 | 98 | - | - | 2,797 |
| SANCTUARY INC | 1 | 2,528 | - | - | - | - | 2,528 |
| DEPT OF MILITARY AFFAIRS/GUARNG | 1 | 1,577 | - | - | - | - | 1,577 |
| NEW GUAM MENTAL HEALTH | 1 | 1,546 | - | - | - | - | 1,546 |
| DEPT OF YOUTH AFFAIRS | 3 | 1,390 | - | - | - | - | 1,390 |
| GUAM POLICE DEPARTMENT | 2 | 1,178 | - | - | - | - | 1,178 |
| GUAM VETERANS AFFAIRS OFFICE | 2 | 393 | - | - | - | - | 393 |
| MERIZO MAYOR | 1 | 41 | 196 | 66 | 23 | - | 326 |
| DEPT OF MENTAL HEALTH | 2 | 276 | - | - | - | - | 276 |
| GUAM PUBLIC LIBRARY | 2 | 209 | - | - | - | - | 209 |
| DEPT OF ADMINISTRATION | 1 | 185 | - | - | - | - | 185 |
| GHURA-AGAFU GUMAS PARK | 1 | 26 | 31 | 28 | 28 | 65 | 177 |
| DEPT OF AGRICULTURE-FISHERIES | 1 | 92 | - | - | - | - | 92 |
| GUAM SOLID WASTE AUTHORITY | 2 | 75 | - | - | - | - | 75 |
| GUAM LEGISLATURE | 1 | 23 | 6 | - | - | - | 29 |
| DEPT OF MENTAL HEALTH AND SUBTANCE | 1 | 22 | - | - | - | - | 22 |
| **LINE AGENCIES** | **169** | **570,899** | **391,638** | **24,448** | **29,521** | **442,657** | **1,459,163** |
| **TOTAL DECEMBER 31, 2016** | **261** | **799,383** | **556,386** | **90,168** | **71,903** | **549,228** | **2,067,069** |
| **TOTAL September 30, 2016** | **234** | **1,515,063** | **325,242** | **94,308** | **95,259** | **717,692** | **2,747,564** |
| **% Increase/(Decrease)** | **12%** | **-47%** | **71%** | **-4%** | **-25%** | **-23%** | **-25%** |

**GUAM WATERWORKS AUTHORITY**
**2010 Series Bond Project Status**
**As of December 31, 2016**

**SCHEDULE J**

| PROJECT NAME | ORIGINAL APPROVED PROJECT COST | Adjusted Project Cost | EXPENDITURES AS OF 12/31/16 | OUTSTANDING ENCUMBRANCES | TOTAL EXPENDITURES AND ENCUMBRANCES | UNOBLIGATED PROJECT COST | Construction fund balance AS OF 12/31/16 |
|---|---|---|---|---|---|---|---|
| Ground Water Disinfection | $ - | $ 500,000 | $ 438,141 | $ 61,859 | $ 500,000 | $ 0 | $ 61,859 |
| "A" Series Well Transmission Line | $ 600,000 | $ 600,000 | $ 469,130 | $ 49,014 | $ 518,144 | $ 81,856 | $ 130,870 |
| Water Booster Pump Station | $ 500,000 | $ 500,000 | $ 418,844 | $ 81,156 | $ 500,000 | $ (0) | $ 81,156 |
| Meter Replacement Program | $ 2,500,000 | $ 10,300,000 | $ 10,254,198 | $ 19,430 | $ 10,273,628 | $ 26,372 | $ 45,802 |
| Barrigada Tank Repair/Replacement | $ - | $ 5,450,000 | $ 5,442,302 | $ 7,698 | $ 5,450,000 | $ 0 | $ 7,698 |
| Leak Detection | | $ 200,000 | $ - | $ 200,000 | $ 200,000 | $ - | $ 200,000 |
| Potable Water System Planning | $ 200,000 | $ 200,000 | $ 179,606 | $ 20,394 | $ 200,000 | $ - | $ 20,394 |
| Implement Ground Water Rule | | $ 1,700,000 | $ 1,499,464 | $ 200,535 | $ 1,700,000 | $ 1 | $ 200,536 |
| Brigade II (Ugum Lift) BPS Upgrade | $ 1,200,000 | $ 1,700,000 | $ 83,395 | $ 202,199 | $ 285,595 | $ 1,414,405 | $ 1,616,605 |
| Deep Well Rehabilitation | $ 548,000 | $ 548,000 | $ 548,000 | $ - | $ 548,000 | $ - | $ - |
| New Deep Wells at Down Hard | $ 3,773,000 | $ 1,773,000 | $ 451,649 | $ - | $ 451,649 | $ 1,321,351 | $ 1,321,351 |
| Rehabilitation of Asan Springs | $ 900,000 | $ 900,000 | $ 188,771 | $ 152,068 | $ 340,838 | $ 559,162 | $ 711,229 |
| Master Meters | $ 1,600,000 | $ 1,600,000 | $ 1,421,267 | $ 68,690 | $ 1,489,957 | $ 110,043 | $ 178,733 |
| Ugum Water Treatment Plant Intake | $ 3,670,000 | $ 700,000 | $ 543,615 | $ 156,385 | $ 700,000 | $ - | $ 156,385 |
| Water Wells | $ 2,000,000 | $ - | $ - | | $ - | $ - | $ - |
| Water Distribution System | $ 384,000 | $ 3,200,000 | $ 3,174,748 | $ - | $ 3,174,748 | $ 25,252 | $ 25,252 |
| Pressure Zone Realignment / | $ 3,550,000 | $ - | $ - | | $ - | $ - | $ - |
| Northern System Water Distribution | $ 2,725,000 | $ - | $ - | $ - | $ - | $ - | $ - |
| Central Water Distribution System 2005 | $ 1,200,000 | $ 900,000 | $ 578,946 | $ 45,206 | $ 624,152 | $ 275,848 | $ 321,054 |
| Southern Water Distribution System | $ 1,800,000 | $ - | $ - | | $ - | $ - | $ - |
| Mechanical/Electrical Equipment | $ 1,360,000 | $ 1,200,000 | $ 1,079,495 | $ 120,505 | $ 1,200,000 | $ (0) | $ 120,505 |
| Water Reservoir Internal/External | $ 500,000 | $ 2,000,000 | $ 855,242 | $ 584,234 | $ 1,439,476 | $ 560,524 | $ 1,144,758 |
| Water Reservoir Internal/External | $ 2,400,000 | $ - | $ - | | $ - | $ - | $ - |
| Water System Reservoirs 2005 Improvements | $ 11,697,000 | $ 1,050,000 | $ 1,050,000 | $ 0 | $ 1,050,000 | $ - | $ 0 |
| Distribution System Upgrades | $ 3,182,000 | $ 500,000 | $ 451,355 | $ 22,805 | $ 474,160 | $ 25,840 | $ 48,645 |
| Ugum Water Treatment Plant Reservoir | $ 3,672,000 | $ - | $ - | | $ - | $ - | $ - |
| Water Audit Program & Water Loss Control Plan | | $ 100,000 | $ 15,031 | $ 63,428 | $ 78,459 | $ 21,541 | $ 84,970 |
| Production Plan / Reduce Navy Purchases | | $ 100,000 | $ 94,286 | $ 5,714 | $ 100,000 | $ - | $ 5,714 |
| Hydraulic Assessment of Tank | | $ 500,000 | $ 483,514 | $ 16,486 | $ 500,000 | $ - | $ 16,486 |
| Agana Heights & Chaot Tanks | | $ 4,700,000 | $ 3,871,240 | $ 828,760 | $ 4,700,000 | $ - | $ 828,760 |
| Tank Major Repair Yigo#1 Mangilao#2 Agat#2 | | $ 2,400,000 | $ 1,691,840 | $ 156,174 | $ 1,848,013 | $ 551,987 | $ 708,160 |
| Tank Major Repair Yigo#1 Mangilao#2 Agat#2 | | $ - | | | $ - | $ - | $ - |
| Assessment of malojloj Elevetad & Yigo Elevated | | $ 200,000 | $ 180,098 | $ 19,902 | $ 200,000 | $ - | $ 19,902 |
| Public Water System Asser Inventory/Condition Assesment | | $ 100,000 | $ 96,483 | $ 3,517 | $ 100,000 | $ - | $ 3,517 |
| Public Water System GIS & Mapping | | $ 50,000 | $ 27,541 | $ 22,459 | $ 50,000 | $ - | $ 22,459 |
| | | $ - | | | $ - | $ - | $ - |
| Wastewater System Planning | $ 1,500,000 | $ 1,500,000 | $ 1,465,772 | $ 8,228 | $ 1,474,000 | $ 26,000 | $ 34,228 |
| Wastewater Vehicles | $ 235,000 | $ 235,000 | $ 209,795 | $ 25,205 | $ 235,000 | $ 0 | $ 25,205 |
| NDWWTP - Chlorine Tanks | $ 250,000 | $ 250,000 | $ 250,000 | $ - | $ 250,000 | $ - | $ - |
| Tumon Bay Sewer Upgrades | $ 100,000 | $ - | $ - | | $ - | $ - | $ - |
| Wastewater Collection System Repl/Rehab | | $ 1,150,000 | $ 718,022 | $ 283,301 | $ 1,001,323 | $ 148,677 | $ 431,978 |
| Facilities Plan/Design for Baza Gardens WWTP | $ 1,250,000 | $ 1,250,000 | $ 1,138,305 | $ 10,964 | $ 1,149,269 | $ 100,731 | $ 111,695 |
| Facilities Plan/Design for Agat-Santa Rita WWTP | $ 900,000 | $ 900,000 | $ 881,391 | $ 18,239 | $ 899,630 | $ 370 | $ 18,609 |
| Priority 1 Sewer Upgrades – Baza Gardens WWTP | $ 650,000 | $ - | $ - | | $ - | $ - | $ - |
| Baza Gardens STP Replacement | $ 3,567,000 | $ 317,000 | $ 150,663 | $ 166,337 | $ 317,000 | $ - | $ 166,337 |
| Facilities Plan/Design for Umatac Merizo WWTP | | $ 900,000 | $ 208,250 | $ 462,541 | $ 670,791 | $ 229,209 | $ 691,750 |
| Agat/Santa Rita STP Replacement | $ 2,968,000 | $ 2,218,000 | $ 2,215,591 | $ 387 | $ 2,215,978 | $ 2,022 | $ 2,409 |
| Northern District WWTP Primary Treatment Upgrades | $ - | $ 11,750,000 | $ 11,363,364 | $ 211,236 | $ 11,574,600 | $ 175,400 | $ 386,636 |
| Biosolids Management Plan | | $ 200,000 | $ 172,026 | $ 27,974 | $ 200,000 | $ - | $ 27,974 |
| Agana WWTP Interim Measures | $ - | $ 11,500,000 | $ 11,246,235 | $ 53,765 | $ 11,300,000 | $ 200,000 | $ 253,765 |
| I&I SSES Southern | | $ 800,000 | $ 637,948 | $ 162,052 | $ 800,000 | $ (0) | $ 162,052 |
| I&I SSES Central | | $ 850,000 | $ 794,325 | $ 55,675 | $ 850,000 | $ - | $ 55,675 |
| I&I SSES Northern | | $ - | | | $ - | $ - | $ - |
| Umatac Merizo Replacement | | $ 250,000 | $ 247,431 | $ 2,569 | $ 250,000 | $ - | $ 2,569 |
| | | | | | | | |
| Well Electrical Protection | $ 26,000 | $ - | $ - | | $ - | $ - | $ - |
| SCADA Pilot Project | $ 300,000 | $ 70,000 | $ 19,812 | $ 42,138 | $ 61,950 | $ 8,050 | $ 50,188 |
| Electrical Upgrade - Water Wells | $ 3,000,000 | $ 450,000 | $ 335,378 | $ 18,849 | $ 354,227 | $ 95,773 | $ 114,622 |
| Electrical Upgrade - Water Booster | $ 325,000 | $ - | $ - | | $ - | $ - | $ - |
| Electrical Upgrade -Water Booster | $ 350,000 | $ - | $ - | | $ - | $ - | $ - |
| Electrical Upgrade - Other Water | $ 250,000 | $ - | | | $ - | $ - | $ - |
| SCADA Improvements – Phase 1 | $ 250,000 | $ 250,000 | $ 193,968 | $ 56,032 | $ 250,000 | $ - | $ 56,032 |
| SCADA Improvements – Phase 2 | $ 1,100,000 | $ 1,100,000 | $ 1,027,403 | $ 29,583 | $ 1,056,986 | $ 43,014 | $ 72,597 |
| SCADA Improvements – Phase 3 | $ 2,500,000 | $ 50,000 | $ 24,956 | $ - | $ 24,956 | $ 25,044 | $ 25,044 |
| SCADA Improvements – Phase 4 | $ 850,000 | $ - | $ - | | $ - | $ - | $ - |
| | | | | | | | |
| Laboratory Modernization | $ 1,200,000 | $ - | $ - | | $ - | $ - | $ - |
| Land Survey | $ 1,500,000 | $ 500,000 | $ 360,584 | $ 46,073 | $ 406,657 | $ 93,343 | $ 139,416 |
| General Plant Improvements / Water | $ 14,370,000 | $ 7,241,000 | $ 7,241,000 | $ 0 | $ 7,241,000 | $ 0 | $ 0 |
| Interest Earned | | | | | | | $ 30,799 |
| | | | | | | | |
| **Total Construction Fund (2010 Series Revenue Bond)** | **$ 87,402,000** | **$ 87,402,000** | **$ 76,490,418** | **$ 4,789,767** | **$ 81,280,185** | **$ 6,121,816** | **$ 10,942,381** |

1.) PUC's Docket 11-01 $29,000,000.00 dated
09/19/11authorized GWA for reallocation
2) PUC's Docket 11-01 Reallocation of $23,246,000.00 dated 07/30/12
3) PUC's Dockect Reallocation dated February 2013

**GUAM WATERWORKS AUTHORITY**
**2013 Series Bond Project Status**
**As of December 31, 2016**

**SCHEDULE K**

| PROJECT NAME | Adjusted Project Cost | EXPENDITURES AS OF 12/31/16 | OUTSTANDING ENCUMBRANCES | TOTAL EXPENDITURES AND ENCUMBRANCES | UNOBLIGATED PROJECT COST | Construction fund balance AS OF 12/31/16 |
|---|---|---|---|---|---|---|
| Santa Rita Springs Booster Pump Rehab Phase II | $ 100,000 | | | $ - | $ 100,000 | $ 100,000 |
| "A" Series Well Transmission Line | $ 400,000 | 314,479 | 55,367 | $ 369,846 | $ 30,154 | $ 85,521 |
| Water Booster Pump Station | $ 1,861,000 | 1,567,880 | 62,084 | $ 1,629,964 | $ 231,036 | $ 4,432,120 |
| Meter Replacement Program | $ 999,000 | 996,532 | - | $ 996,532 | $ 2,468 | $ 503,468 |
| Barrigada Tank Repair/Replacement | $ 4,987,000 | 4,924,959 | 62,041 | $ 4,987,000 | $ 0 | $ 1,075,041 |
| Leak Detection | $ 20,000 | 16,916 | - | $ 16,916 | $ 3,084 | $ 83,084 |
| Potable Water System Planning | $ 624,000 | 598,453 | 25,547 | $ 624,000 | $ (0) | $ 601,547 |
| Implement Ground Water Rule | $ 1,000,000 | 1,000,000 | - | $ 1,000,000 | $ - | $ - |
| Deep Well Rehabilitation | $ 550,000 | 189,780 | 10,220 | $ 200,000 | $ 350,000 | $ 610,220 |
| New Deep Wells at Down Hard | $ 810,000 | | | $ - | $ 810,000 | $ 2,000,000 |
| Master Meters | $ 884,000 | 481,188 | 230,872 | $ 712,060 | $ 171,940 | $ 3,518,812 |
| Ugum Water Treatment Plant Intake | $ 982,000 | 573,006 | 286,795 | $ 859,801 | $ 122,199 | $ 426,994 |
| Water Wells | $ 4,200,000 | 1,305,709 | 870,912 | $ 2,176,621 | $ 2,023,379 | $ 2,894,291 |
| Water Distribution System | $ 12,451,000 | 2,848,365 | 5,956,995 | $ 8,805,360 | $ 3,645,640 | $ 11,151,635 |
| Pressure Zone Realignment / | $ 431,000 | 321,464 | 1,260 | $ 322,725 | $ 108,275 | $ 678,536 |
| Mechanical/Electrical Equipment | $ 430,000 | 328,686 | 98,112 | $ 426,798 | $ 3,202 | $ 101,314 |
| Water Reservoir Internal/External | $ - | | | $ - | $ - | $ 800,000 |
| Water System Reservoirs 2005 Improvements | $ 13,878,000 | 3,884,942 | 3,821,826 | $ 7,706,768 | $ 6,171,233 | $ 14,115,058 |
| Ugum Water Treatment Plant Reservoir | $ 90,000 | | | $ - | $ 90,000 | $ 7,000,000 |
| Agana Heights & Chaot Tanks | $ 3,280,000 | 232,227 | 47,022 | $ 279,250 | $ 3,000,750 | $ 4,267,773 |
| Tank Major Repair Yigo#1 Mangilao#2 Agat#2 | $ 11,605,000 | 93,867 | 1,467,837 | $ 1,561,703 | $ 10,043,297 | $ 13,406,134 |
| Tank Major Repair Yigo#1 Mangilao#2 Agat#2 | $ - | | | $ - | $ - | $ 8,000,000 |
| Assessment of maloiloi Elevetad & Yigo Elevated | $ 500,000 | 237,654 | 247,463 | $ 485,117 | $ 14,883 | $ 262,346 |
| Fire Hydrant Replacement Program | $ - | | | $ - | $ - | $ 1,000,000 |
| | $ - | | | | | |
| Wastewater System Planning | $ 651,000 | 476,719 | 174,282 | $ 651,000 | $ (0) | $ 323,281 |
| Lift Station Upgrades | $ 946,000 | 596,166 | 6,790 | $ 602,956 | $ 343,044 | $ 1,403,834 |
| Wastewater Collection System Repl/Rehab | $ 880,000 | 160,909 | 280,838 | $ 441,748 | $ 438,252 | $ 3,639,091 |
| Baza Gardens STP Replacement | $ 1,000,000 | 888,179 | 111,821 | $ 1,000,000 | $ - | $ 111,821 |
| Facilities Plan/Design for Umatac-Merizo WWTP | $ 473,000 | 322,552 | 49,147 | $ 371,699 | $ 101,301 | $ 677,448 |
| Agat/Santa Rita STP Replacement | $ 67,200,000 | 12,888,394 | 54,002,207 | $ 66,890,601 | $ 309,399 | $ 6,111,606 |
| Agana WWTP Interim Measures | $ 673,000 | 526,226 | 146,774 | $ 673,000 | $ (0) | $ 973,774 |
| Umatac Merizo Replacement | $ - | | | $ - | $ - | $ 1,000,000 |
| | $ - | | | | | |
| Wastewater Pump Station Electrical Upgrade | $ 620,000 | 91,274 | 8,726 | $ 100,000 | $ 520,000 | $ 528,726 |
| Electrical Upgrade - Water Wells | $ 1,500,000 | 1,480,583 | 19,417 | $ 1,500,000 | $ 0 | $ 19,417 |
| Electrical Upgrade - Water Booster | $ 2,000 | | | $ - | $ 2,000 | $ 325,000 |
| Electrical Upgrade -Water Booster | $ 350,000 | 977 | - | $ 977 | $ 349,023 | $ 349,023 |
| Electrical Upgrade - Other Water | $ 250,000 | 60,700 | - | $ 60,700 | $ 189,300 | $ 189,300 |
| SCADA Improvements – Phase 3 | $ 923,000 | 313,731 | 408,628 | $ 722,359 | $ 200,641 | $ 1,536,269 |
| SCADA Improvements – Phase 4 | $ - | | | $ - | $ - | $ 1,200,000 |
| | $ - | | | | | |
| Laboratory Modernization | $ 1,173,000 | 608,666 | 562,799 | $ 1,171,465 | $ 1,535 | $ 891,334 |
| Land Survey | $ 2,000 | | 2,000 | $ 2,000 | $ (0) | $ 2,000,000 |
| General Plant Improvements / Water | $ 2,600,000 | 1,146,923 | 1,294,815 | $ 2,441,737 | $ 158,263 | $ 1,453,077 |
| Allowance for COI | | | | | | $ 275,005 |
| Interest Earned | | | | | | $ 42,113 |
| **Total Construction Fund (2013 Series Revenue Bond)** | **$ 139,325,000** | **$ 39,478,104** | **$ 70,312,598** | **$ 109,790,703** | **$ 29,534,297** | **$ 100,164,013** |

PUC's Docket 14-04 dated February 25, 2014

**GUAM WATERWORKS AUTHORITY**
**2014 Series Refunded Bond Project Status**
**As of December 31, 2016**

**SCHEDULE L**

| PROJECT NAME | ORIGINAL APPROVED PROJECT | ADJUSTED PROJECT COST | EXPENDITURES AS OF 12/31/16 | OUTSTANDING ENCUMBRANCES | TOTAL EXPENDITURES AND ENCUMBRANCES | UNOBLIGATED PROJECT COST | 20% PUC AS OF 12/31/16 | Construction fund balance AS OF 12/31/16 |
|---|---|---|---|---|---|---|---|---|
| Agana Treatment Plant | $ 10,475,000 | $ 11,065,512 | 11,065,512 | $ - | $ 11,065,512 | $ (0) | $ 2,095,000 | $ (0) |
| Agana Outfall | $ 5,030,000 | $ 10,127,198 | 10,127,198 | $ - | $ 10,127,198 | $ 0 | $ 1,006,000 | $ 0 |
| Northern District (Outfall) | $ 4,700,000 | $ 10,251,423 | 10,251,423 | $ - | $ 10,251,423 | $ 0 | $ 940,000 | $ 0 |
| Northern District WWTP Upgrade | | $ 173,681 | 173,681 | | $ 173,681 | $ - | | $ - |
| Northern Treatment Plant | | $ - | - | | $ - | $ - | | $ - |
| Baza Gardens Wastewater Treatment Plant Upgrade | $ 500,000 | $ 297,177 | 297,177 | $ - | $ 297,177 | $ (0) | $ 100,000 | $ (0) |
| Interim Disinfection Facilities | $ 581,000 | $ 3,437,311 | 3,408,599 | $ 28,712 | $ 3,437,311 | $ (0) | $ 116,200 | $ 28,712 |
| Electrical Protection | $ 1,000,000 | $ 1,512,483 | 1,512,483.3 | $ - | $ 1,512,483 | $ (0) | $ 200,000 | $ (0) |
| *Well Vulnerability Reduction* | $ 600,000 | $ 185,522 | 185,522 | $ - | $ 185,522 | $ 0 | $ 120,000 | $ 0 |
| Old Agat Wastewater Collection (I/I Reduction) | $ 2,155,000 | $ 1,931,659 | 1,931,659 | $ - | $ 1,931,659 | $ (0) | $ 431,000 | $ (0) |
| Chaot WW Pump Station/Collection System | $ 410,000 | $ 399,120 | 399,120 | $ - | $ 399,120 | $ - | $ 82,000 | $ - |
| *Lift Station Upgrades* | $ 230,000 | $ 149,895 | 149,895 | $ - | $ 149,895 | $ 0 | $ 46,000 | $ 0 |
| Collection Line Upgrades | $ 200,000 | $ 62,755 | 62,755 | $ - | $ 62,755 | $ 0 | $ 40,000 | $ 0 |
| *"A" Well Transmission Line* | $ 2,413,000 | $ 3,833,175 | 3,790,888 | $ 42,287 | $ 3,833,175 | $ (0) | $ 482,600 | $ 42,287 |
| Santa Rita Springs - Booster Pump Rehab. | $ 648,000 | $ 306,841 | 306,841 | - | $ 306,841 | $ (0) | $ 129,600 | $ (0) |
| *Fena Bypass Transmission line* | | $ 160,913 | 160,913 | $ - | $ 160,913 | $ (0) | $ - | $ (0) |
| Storage Additions | $ 950,000 | $ - | | | $ - | $ - | $ 190,000 | $ - |
| Booster Station Upgrades | $ 390,000 | $ 66,734 | 66,734 | $ - | $ 66,734 | $ - | $ 78,000 | $ - |
| *Mangilao Tank Repair* | $ 800,000 | $ 398,367 | 397,933 | $ 434 | $ 398,367 | $ (0) | $ 160,000 | $ 434 |
| *Ugum Tank Replacement* | $ 2,500,000 | $ - | | | $ - | $ - | $ 500,000 | $ - |
| *Ugum WTPlant Refurbishment ($1.724,970EPA)* | | $ 6,588,473 | 6,531,525 | $ 56,949 | $ 6,588,473 | $ (0) | | $ 56,948 |
| *Barrigada Tank Repair/Replacement* | $ 3,000,000 | $ 65,019 | 65,019 | $ - | $ 65,019 | $ 0 | $ 600,000 | $ 0 |
| *Water Reservoir Condition Assessment* | | $ 1,250,000 | 1,207,250.62 | $ 42,749 | $ 1,250,000 | $ 0 | $ - | $ 42,749 |
| EarthTech Well Buyout | $ 5,000,000 | $ 5,975,000 | 5,975,000 | $ - | $ 5,975,000 | $ - | $ 1,000,000 | $ - |
| Water Wastewater Master Plan | $ 4,900,000 | $ 4,881,308 | 4,881,308 | $ - | $ 4,881,308 | $ 0 | $ 980,000 | $ 0 |
| Laboratory Modernization | $ 800,000 | $ 135,055 | 135,055 | $ - | $ 135,055 | $ 0 | $ 160,000 | $ 0 |
| Land Survey | $ 800,000 | $ 577,836 | 556,037 | $ 21,799 | $ 577,836 | $ 0 | $ 160,000 | $ 21,799 |
| *Ground Water Disinfection* | | $ - | | | | $ - | | $ - |
| GWUDI Study | | $ 262,234 | 260,430 | 1,804 | $ 262,234 | $ - | | $ 1,804 |
| Contingency | $ 12,276,023 | $ 154 | - | $ - | $ - | $ - | | $ 732 |
| Vehicles | $ 1,100,000 | $ 1,280,000 | 2,130,305 | $ (850,305) | $ 1,280,000 | $ - | $ 220,000 | $ - |
| Generation Equipment | $ 700,000 | $ 880,000 | 2,712 | $ 877,288 | $ 880,000 | $ 0 | | $ 27,033 |
| *Leak Detection/Line Replacement* | $ 8,200,000 | $ 5,988,494 | 5,988,494 | $ - | $ 5,988,494 | $ - | $ 1,640,000 | $ - |
| *Automated Meter Reading* | $ 12,572,063 | $ 17,468,359 | 16,870,522 | $ 537,157 | $ 17,468,359.32 | $ 0 | $ 2,514,413 | $ 597,837 |
| **Total Construction Fund (2014 Series Refunded Revenue Bond)** | $ 82,930,086 | $ 89,711,698 | 88,891,990 | $ 758,873.38 | $ 89,711,543 | $ 1 | $ 13,990,813 | $ 820,336 |
| Interest Earned | $ 6,781,612 | $ (0) | | | | $ (0) | | $ 253 |
| **Total Project Cost Funding** | **$ 89,711,698** | **$ 89,711,698** | **88,891,990** | **$ 758,873.38** | **$ 89,711,543** | **$ 1** | **$ 13,990,813** | **$ 820,589** |

**GUAM WATERWORKS AUTHORITY**
**2016 Series Bond Project Status**
**As of December 31, 2016**

**SCHEDULE M**

| PROJECT NAME | ORIGINAL APPROVED PROJECT COST | EXPENDITURES AS OF 12/31/16 | OUTSTANDING ENCUMBRANCES | TOTAL EXPENDITURES AND ENCUMBRANCES | UNOBLIGATED PROJECT COST | Construction fund balance AS OF 12/31/16 |
|---|---|---|---|---|---|---|
| Water Booster Pump Station | $ 4,139,000 | | | $ - | $ 4,139,000 | $ 4,139,000 |
| Meter Replacement Program | $ 4,501,000 | | | $ - | $ 4,501,000 | $ 4,501,000 |
| Barrigada Tank Repair/Replacement | $ 1,013,000 | | | $ - | $ 1,013,000 | $ 1,013,000 |
| Leak Detection | $ 1,180,000 | | | $ - | $ 1,180,000 | $ 1,180,000 |
| Potable Water System Planning | $ 2,276,000 | | 336,894 | $ 336,894 | $ 1,939,106 | $ 2,276,000 |
| Deep Well Rehabilitation | $ 250,000 | | | $ - | $ 250,000 | $ 250,000 |
| New Deep Wells at Down Hard | $ 1,190,000 | | | $ - | $ 1,190,000 | $ 1,190,000 |
| Master Meters | $ 3,616,000 | | | $ - | $ 3,616,000 | $ 3,616,000 |
| Ugum Water Treatment Plant Intake | $ 18,000 | | | $ - | $ 18,000 | $ 18,000 |
| Water Wells | $ 2,500,000 | | | $ - | $ 2,500,000 | $ 2,500,000 |
| Water Distribution System | $ 2,049,000 | | | $ - | $ 2,049,000 | $ 2,049,000 |
| Pressure Zone Realignment / | $ 1,141,000 | | | $ - | $ 1,141,000 | $ 1,141,000 |
| Mechanical/Electrical Equipment | $ 100,000 | | | $ - | $ 100,000 | $ 100,000 |
| Water Reservoir Internal/External | $ 800,000 | | | $ - | $ 800,000 | $ 800,000 |
| Water System Reservoirs 2005 Improvements | $ 42,350,000 | | 1,893,328 | $ 1,893,328 | $ 40,456,672 | $ 42,350,000 |
| Ugum Water Treatment Plant Reservoir | $ 6,410,000 | | | $ - | $ 6,410,000 | $ 6,410,000 |
| Water Audit Program & Water Loss Control Plan | $ 1,000,000 | | | | $ 1,000,000 | $ 1,000,000 |
| Agana Heights & Chaot Tanks | $ 1,220,000 | | | $ - | $ 1,220,000 | $ 1,220,000 |
| Tank Major Repair Yigo#1 Mangilao#2 Agat#2 | $ 1,895,000 | | | $ - | $ 1,895,000 | $ 1,895,000 |
| Tank Major Repair Yigo#1 Mangilao#2 Agat#2 | $ 10,500,000 | | 1,822,133 | $ 1,822,133 | $ 8,677,867 | $ 10,500,000 |
| Fire Hydrant Replacement Program | $ 2,000,000 | | | $ - | $ 2,000,000 | $ 2,000,000 |
| | | | | | | |
| Wastewater System Planning | $ 349,000 | | 40,647 | $ 40,647 | $ 308,353 | $ 349,000 |
| Lift Station Upgrades | $ 2,404,000 | | | $ - | $ 2,404,000 | $ 2,404,000 |
| Wastewater Collection System Repl/Rehab | $ 2,920,000 | | | $ - | $ 2,920,000 | $ 2,920,000 |
| Baza Gardens STP Replacement | $ 16,700,000 | 1,591,721 | 11,278,028 | $ 12,869,749 | $ 3,830,251 | $ 15,108,279 |
| Facilities Plan/Design for Umatac-Merizo WWTP | $ 527,000 | | 250,000 | $ 250,000 | $ 277,000 | $ 527,000 |
| Agat/Santa Rita STP Replacement | $ 3,000,000 | | 447,250 | $ 447,250 | $ 2,552,750 | $ 3,000,000 |
| Agana WWTP Interim Measures | $ 827,000 | | | $ - | $ 827,000 | $ 827,000 |
| Umatac Merizo Replacement | $ 8,000,000 | | 57,220 | $ 57,220 | $ 7,942,780 | $ 8,000,000 |
| | | | | | | |
| Wastewater Pump Station Electrical Upgrade | $ 100,000 | | | $ - | $ 100,000 | $ 100,000 |
| Electrical Upgrade - Water Wells | $ 650,000 | | | $ - | $ 650,000 | $ 650,000 |
| Electrical Upgrade - Water Booster | $ 323,000 | | | $ - | $ 323,000 | $ 323,000 |
| SCADA Improvements – Phase 3 | $ 1,177,000 | | 432,705 | $ 432,705 | $ 744,295 | $ 1,177,000 |
| SCADA Improvements – Phase 4 | $ 6,500,000 | | | $ - | $ 6,500,000 | $ 6,500,000 |
| | | | | | | |
| Laboratory Modernization | $ 1,127,000 | | 1,127,000 | $ 1,127,000 | $ - | $ 1,127,000 |
| Land Survey | $ 1,998,000 | | 107,000 | $ 107,000 | $ 1,891,000 | $ 1,998,000 |
| General Plant Improvements / Water | $ 2,769,463 | | 474,437 | $ 474,437 | $ 2,295,026 | $ 2,769,463 |
| Information Technology Integration Improvements | $ 500,000 | | | | $ 500,000 | $ 500,000 |
| Interest Earned | | | | | | $ 14,595 |
| | | | | | | |
| **Total Construction Fund (2016 Series Revenue Bond)** | **$ 140,019,463** | **$ 1,591,721** | **$ 18,266,642** | **$ 19,858,363** | **$ 120,161,100** | **$ 138,442,337** |

**GUAM WATERWORKS AUTHORITY**
**Schedule of Series 2010, 2013, 2014 Refunding and 2016 Bond Bank Accounts**
**As of December 31, 2016**

**SCHEDULE N**

| | **12/31/2016** |
|---|---|
| **BANK OF GUAM** | |
| BOG - Revenue Account - Acct. no. 71-00-4000-3-02 | 8,381,700 |
| BOG - Operations and Maintenance Reserve - Acct. no. 71-01-4000-3-02 | 3,083,482 |
| BOG - Operations, Maintenance, Renewal and Replacement Reserve Fund - Acct. no. 71-03-4000-3-02 | 17,423,213 |
| BOG - Capital Improvement Fund - Acct. no. 71-05-4000-3-02 | 1,697,125 |
| BOG - O & M Reserve - Acct. no. 71-05-4001-3-02 | 4,050,610 |
| BOG - Debt Service Reserve - Acct. no. 71-05-4002-3-02 | 11,186,329 |
| BOG - CAPEX Reserve - Acct. no. 71-05-4003-3-02 | 8,711,071 |
| **Total BOG Bank Account Balance** | **54,533,528** |
| | |
| **Series 2010 Bond:** | |
| BOG - Construction Account - Acct. no. 71-09-4000-3-02 | 10,942,381 |
| USB - Debt Service Fund - Acct. no. 144541000 | 4,032,814 |
| USB - Debt Service Reserve Fund - Acct. no. 210860001 | 7,566,460 |
| **Total Series 2010 Bond Bank Balance** | **22,541,654** |
| | |
| **Series 2013 Bond:** | |
| BOG - Construction Fund - Acct. no. 71-13-4000-3-02 | 100,164,013 |
| BOG - Capitalized Interest Fund - Acct. no. 71-12-4000-3-02 | - |
| USB - Debt Service Fund - Acct no. 207339000 | 4,666,005 |
| USB - Debt Service Reserve Fund - Acct no. 210860001 | 12,031,688 |
| **Total Series 2013 Bond Bank Balance** | **116,861,706** |
| | |
| **Series 2014 Refunding Bond:** | |
| BOG - Construction Fund - Acct. no. 71-08-4000-3-02 | 820,588 |
| USB - Debt Service Fund - Acct. no. 210860000 | 3,582,519 |
| USB - Debt Service Reserve Fund - Acct. no. 210860001 | 7,707,602 |
| **Total Series 2014 Refunding Bond Bank Balance** | **12,110,710** |
| | |
| **Series 2016 Bond:** | |
| BOG - Construction Account - Acct. no. 71-15-4000-3-02 | 138,442,337 |
| BOG - Capitalized Interest Fund - Acct. no. 71-15-4001-3-02 | 5,355,249 |
| BOG - Cost of Issuance Fund - Acct. no. 71-15-4002-3-02 | - |
| USB - Debt Service Fund - Acct. no. 264990000 | 3,582,750 |
| USB - Debt Service Reserve Fund - Acct. no. 264990001 | 7,582,725 |
| **Total Series 2016 Bond Bank Balance** | **154,963,060** |

CONSOLIDATED
COMMISSION ON UTILITIES
Guam Power Authority • Guam Waterworks Authority
P.O.BOX 2977 • Agana,Guam 96932

January 17, 2017

**MEMORANDUM**

**TO:** Members, Consolidated Commission on Utilities

**SUBJECT: CCU POLL VOTE MATTER: GWA RESOLUTION 11-FY2017 RELATIVE TO AMENDMENT OF AGMO and AGMAS POSITIONS** ***(see attached email dated 12/22/16 & 1/12/17)***

| Commissioner | Y/N | Initials | Time/Date | Comments |
|---|---|---|---|---|
| Joseph Duenas | Y | | 12/24/16 5:18 p.m. | Via email |
| Francis Santos | Y | | 1/12/17 4:01 p.m. | Via email |
| George Bamba | | | | |
| Judi Guthertz | | | | |
| Simon Sanchez | Y | | 12/22/16 11:53 p.m. | Via Email |

**Concurred by:**

**Miguel Bordallo, GWA GM** — **Date** 1-18-17

**Bernadette Lou Sablan**

**From:** Ann Borja <annborja@guamwaterworks.org>
**Sent:** Friday, January 13, 2017 11:35 AM
**To:** Bernadette Lou Sablan
**Cc:** Miguel Bordallo
**Subject:** FW: FW: CCU POLL VOTE MATTER: GWA RESOLUTION 11-FY2017 RELATIVE TO AMENDMENT OF AGMO and AGMAS POSITIONS

Auntie Lou,

This will make 3 votes. Duenas, Sanchez and Santos. ☺

GUAM WATERWORKS AUTHORITY

Sincerely,

*Ann Dueñas Borja, CPM*
*Management Analyst IV, Assistant to*
*Miguel C. Bordallo, P.E., General Manager*
*Guam Waterworks Authority*
*Gloria B. Nelson Public Service Building*
*688 Route 15*
*Mangilao, Guam 96913*
*Telephone No.: (671) 300-6847 (Direct) or 300-6846*
*E-mail address: annborja@guamwaterworks.org*

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**From:** Francis Santos [mailto:fesantos57@gmail.com]
**Sent:** Thursday, January 12, 2017 4:01 PM
**To:** Ann Borja
**Cc:** Francis Santos; George Bamba; Miguel Bordallo; Bernadette Lou Sablan
**Subject:** Re: FW: CCU POLL VOTE MATTER: GWA RESOLUTION 11-FY2017 RELATIVE TO AMENDMENT OF AGMO and AGMAS POSITIONS

Ms. Borja,

As requested, this email will serve as my approval for resolution 5.2.

Thank you,

On Thu, Jan 12, 2017 at 3:02 PM, Ann Borja <annborja@guamwaterworks.org> wrote:
Dear Commissioners Santos and Bamba:

On Dec. 22, 2016, I sent out a poll vote on behalf of GM Miguel Bordallo and as okayed by Lou Sablan to send on her behalf, and have not received a response from the two of you. Kindly respond how you wish to vote via return email. If you wish to abstain, please indicate "ABSTAIN".

This matter was brought up for discussion at the 12/6 CCU meeting – Agenda item highlighted below:

5. OLD BUSINESS
5.1 GWA Resolution No. 04-FY2017 Relative to Supporting the 2016 MOU Between GWA/ DoD & DoN

**Bernadette Lou Sablan**

**From:** Joseph Duenas <jtduenas@hotmail.com>
**Sent:** Saturday, December 24, 2016 5:18 PM
**To:** Simon Sanchez
**Cc:** Ann Borja - GWA; Joseph T. Duenas; Francis Santos (CCU Member); George Bamba; Pedro SN. Guerrero; Miguel Bordallo; Bernadette Lou Sablan
**Subject:** Re: CCU POLL VOTE MATTER: GWA RESOLUTION 11-FY2017 RELATIVE TO AMENDMENT OF AGMO and AGMAS POSITIONS

Ann,

I thought I already voted yes on this matter. If you did not get my email, then I hereby vote yes one more time for Resolution 5.2, as highlighted.

Joey

Sent from my iPad

On Dec 22, 2016, at 11:53 AM, Simon Sanchez <gdcmgr@guamdrycleaners.com> wrote:

Re 5.2...I vote yes
S

**From:** Ann Borja [mailto:annborja@guamwaterworks.org]
**Sent:** Thursday, December 22, 2016 9:27 AM
**To:** Joseph T. Duenas; jtduenas@hotmail.com; 'Simon Sanchez'; francis.santos@gpagwa.com; George Bamba; Pedro SN. Guerrero
**Cc:** Miguel Bordallo; l.sablan@gpagwa.com
**Subject:** CCU POLL VOTE MATTER: GWA RESOLUTION 11-FY2017 RELATIVE TO AMENDMENT OF AGMO and AGMAS POSITIONS
**Importance:** High

Dear Commissioners,

This matter was brought up for discussion at the 12/6 CCU meeting – Agenda item highlighted below:

5. OLD BUSINESS
5.1 GWA Resolution No. 04-FY2017 Relative to Supporting the 2016 MOU Between GWA/ DoD & DoN
5.2 GWA Resolution No. 11-FY2017 Relative to the Amendment of the Positions for the Assistant General Manager of Operations (AGMO) and the Assistant General Manager of Administration (AGMA)
5.3 GWA Resolution No. 12-FY2017 Relative to Approving the Ratification of Bid award, Relative to IFB 2016-09 for Diesel Fuel Oil No. 2 and Regular Unleaded Automotive Gasoline for GWA's Transportation Fleet and Heavy Equipment

Kindly respond how you wish to vote via return email. If you wish to abstain, please indicate "ABSTAIN". Please note Lou Sablan is aware I am sending this in her absence.

Thank you,

<image001.jpg>

Sincerely,

*Ann Dueñas Borja, CPM*
*Management Analyst IV, Assistant to*
*Miguel C. Bordallo, P.E., General Manager*
*Guam Waterworks Authority*

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# ISSUES FOR DECISION

**Resolution No. 11-FY2017**
Relative to the Amendment of the Assistant General Manager of Operations (AGMO) and Assistant General Manager of Administration (AGMA) position title, job | position description, and salary range.

**What is the project's objective and is it necessary and urgent?**
To amend the Assistant General Manager of Operations job | position description and specifications, and salary range to support the Agency's daily operations within its Water and Wastewater Divisions; providing effective and efficient delivery of safe drinking water and services to the community.

To amend the Assistant General Manager of Administration position title, job | position description, and salary range to support the Agency's daily operations within its Administrative and Support Divisions providing quality customer service to both internal and external customers at the most effective, efficient and cost-effective manner.

The Agency currently employs just one Assistant General Manager for Compliance & Safety, while the other divisions of as much importance function without an Assistant General Manager at its helm, thus limiting effective communications direct to the General Manager while at the same time, affecting operations to provide statuses by Superintendents or Managers, who would otherwise be addressing the water | wastewater needs of our community.

**Where is the location?**
The Assistant General Manager of Operations, if approved, will be under the direct supervision and management of the General Manager while overseeing and ensuring optimal performance of our Water and Wastewater Divisions.

The Assistant General Manager of Administration & Support, if approved, will be under the direct supervision and management of the General Manager while overseeing the following divisions: Human Resources, Procurement, Supply & Warehouse, Fleet & Equipment, Information Technology and Engineering.

**When will it be completed?**
Public Law 28-112, Section 9 (3) requires GPA and GWA to post a petition on their websites for ten (10) days (not including Saturdays, Sundays and government of Guam holidays). After the

10 days posting, the petition can then be forwarded to the CCU for their disposition at any regularly scheduled meeting.
GWA has met the posting requirements.

Additionally, Guam law requires notice of such posting to each newspaper of general circulation and broadcasting station, which airs regular news programs within Guam.

**What is the funding source?**
GWA will certify funding for the position available for the filling and retention of its certified, technical and professional newly created position. The funding of this position does not have an impact on the General Fund.

**CONSOLIDATED COMMISSION ON UTILITIES**

**RESOLUTION NO. 11-FY2017**

**RESOLUTION RELATIVE TO THE AMENDMENT OF THE CLASSIFICATION STANDARD OF THE ASSISTANT GENERAL MANAGER OPERATIONS (AGMO) AND THE ASSISTANT GENERAL MANAGER ADMINISTRATION (AGMA)**

**WHEREAS**, under 12 G.C.A. § 14105, the Consolidated Commission on Utilities ("CCU") has plenary authority over financial, contractual and policy matters relative to the Guam Waterworks Authority ("GWA"); and

**WHEREAS**, the Guam Waterworks Authority ("GWA") is a Guam Public Corporation established and existing under the laws of Guam; and

**WHEREAS**, the initial creation of the Assistant General Manager – Operations (AGM-O) was approved by the Civil Service Commission in February 1997 and the Assistant General Manager – Administration (AGM-A) was initially approved by the Civil Service Commission in February 1997 and then amended and approved on 01 October 2012; and

**WHEREAS**, the General Manager of the Guam Waterworks Authority (GWA) requests the Consolidated Commission on Utilities (CCU) to amend the classification standards of the AGM-O and the AGM – A positions; and

**WHEREAS**, Public Law 28-112 and 4 GCA §6303 (d) authorizes the creation of positions in Autonomous Agencies and Public Corporations; and

**WHEREAS**, the amendment to minimum qualification requirements of the AGMO position will provide specificity in leading, managing, developing and implementing GWA's organizational policies, goals, and objectives; achieving the Vision and Mission of the Agency in both Water and Wastewater Operations; and

**WHEREAS**, the amendment to minimum qualification requirements of the AGMA position will provide specificity in leading, managing, developing and implementing GWA's organizational policies, goals, and objectives; achieving the Vision and Mission of the Agency in the administrative and support services needed to sustain the Authority's operations, and to amend the position title to read AGMA to Assistant General Manager – Administration and Support (AGM – AS) to include other Support Divisions of the Agency; and

**WHEREAS**, Guam Waterworks Authority Personnel Rules and Regulations as amended by Public Law 28-159 Section 3 (C) authorizes the CCU to amend, modify or add a position to the list of certified, technical and professional position; and

**WHEREAS**, the amendment of the minimum qualification requirements for both positions will expand the range of experience and training to attract a pool of applicants with a strong organization and experience background to help strengthen and drive the organization's operations and business processes, objectives and strategies.

**NOW BE IT THEREFORE RESOLVED**, the Consolidated Commission on Utilities does hereby approve the following:

1. The amendment of the Assistant General Manager – Operations position to require a Master's or Bachelor's degree as read on the proposed amended job specification and to include Necessary Special Qualification requirements (Exhibit A).

2. The amendment of the Assistant General Manager – Administration job specification to read Assistant General Manager – Administration & Support (AGM – A&S), to require a Master's or Bachelor's degree and to include Preferred Special Qualification requirements as read on the proposed amended job specification (Exhibit B).
3. The Guam Waterworks Authority is authorized to employ the AGM-O and AGM-A&S positions.

RESOLVED, that the Chairman certifies and the Secretary attests to the adoption of this Resolution.

DULY AND REGULARLY ADOPTED this 6th day of December, 2016.

| Certified by: | Attested by: |
|---|---|
| _____ | _____ |
| JOSEPH T. DUENAS | J. GEORGE BAMBA |
| Chairperson | Secretary |

I, J. George Bamba, Board Secretary of the Consolidated Commission on Utilities as evidenced by my signature above do hereby certify as follows:

The foregoing is a full, true and accurate copy of the resolution duly adopted at a regular meeting by the members of the Guam Consolidated Commission on Utilities, duly and legally held at a place properly noticed and advertised at which meeting a quorum was present and the members who were present voted as follows:

AYES: _____

NAYS: _____

ABSTENTIONS: _____

ABSENT: _____

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///

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# PRESS RELEASE

## Guam Waterworks Authority Amendment of Position

The Guam Waterworks Authority (GWA) petitions the Consolidated Commission on Utilities (CCU) to amend the following position:

AMENDMENT

ASSISTANT GENERAL MANAGER of OPERATIONS (AGMO)
Unclassified

This announcement is in compliance with Public Law 28-112 governing transparency and disclosure. The petitions are required by 4GCA Sections 6205 and 6303 are public documents for the purposes of 5 GCA, CH. 10, Art 1: (The Sunshine Law).

For more information, please visit GWA's website at www.guamwaterworks.org/careers/petition or you may contact the Personnel Services Division at 300-6073-6.

MIGUEL C. BORDALLO, PE
General Manager

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## ISSUES FOR DECISION

**Resolution No.**

Relative to the Amendment of the Assistant General Manager of Operations (AGMO) position title, job | position description, and salary range.

**What is the project's objective and is it necessary and urgent?**
To amend the Assistant General Manager of Operations job | position description and specifications, and salary range to support the Agency's daily operations within its Water and Wastewater Divisions; providing effective and efficient delivery of safe drinking water and services to the community

The Agency currently employs just one Assistant General Manager for Compliance & Safety, while the other divisions of as much importance function without an Assistant General Manager at its helm, thus limiting effective communications direct to the General Manager while at the same time, affecting operations to provide statuses by Superintendents or Managers, who would otherwise be addressing the water | wastewater needs of our community.

**Where is the location?**
The Assistant General Manager of Operations, if approved, will be under the direct supervision and management of the General Manager while overseeing and ensuring optimal performance of our Water and Wastewater Divisions.

**When will it be completed?**
Public Law 28-112, Section 9 (3) requires GPA and GWA to post a petition on their websites for ten (10) days (not including Saturdays, Sundays and government of Guam holidays). After the 10 days posting, the petition can then be forwarded to the CCU for their disposition at any regularly scheduled meeting.
GWA has met the posting requirements.

Additionally, Guam law requires notice of such posting to each newspaper of general circulation and broadcasting station which airs regular news programs within Guam.

**What is the funding source?**
GWA will certify funding for the position available for the filling and retention of its certified, technical and professional newly created position.
The funding of this position does not have an impact on the General Fund.

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## PETITION

The General Manager of Guam Waterworks Authority (GWA) hereby petitions the Consolidated Commission on Utilities (CCU) for the amendment of a created position pursuant to Public Law 28-112, Section 9; 4GCA, Chapter 6, Article 3, §6303; and to add the position onto the Certified, Technical, and Professional (CTP) List, Category B:

***ASSISTANT GENERAL MANAGER of OPERATIONS (AGMO)***
***(Unclassified)***

**Background Information**
The Guam Waterworks Authority, hereinafter referred to as GWA, has determined a need to amend the Job Standards | Position Description; identifying specific duties, responsibilities, and reflecting qualifications, experience, and licensure required and possessed by potential candidates to effectively and efficiently lead and manage the assigned Divisions.

**Justification for the Amendment**
The amendment of the Assistant General Manager of Operations position is necessary as this position will perform a variety of work in leading, managing, developing and implementing GWA's organizational policies, goals and objectives; achieving the Vision and Mission of the Agency.

Additionally, it is the desire of the General Manager to highlight the compensation determination parameter in support of 12GCA: Autonomous Agencies, Chapter 14: Guam Waterworks Authority, §14.114. Employment. Paragraph (c), through identifying the pay grade and minimum amount for which salary shall be determined.

The minimum experience and training requirements for the position of Assistant General Manager of Operations is as follows:

A. Master's Degree in Engineering, Business, Public Administration or other related field; with major course work in utility infrastructure and operations, organization, analysis and evaluation, and financial management, plus 6 years of demonstrated experience and progressive responsibility in the management of operations in utilities, construction or technically related field; **or**
B. Bachelor's Degree in Engineering, Business, Public Administration or other related field; plus 10 years of demonstrated experience and progressive responsibility in the management of operations in utilities, construction or technically related field;

**AND**

- Possess a Professional Engineer (PE) License ***or***
- Guam Environmental Protection Agency Operator Certification Level IV in Water Treatment, Water Distribution, Wastewater Collection, and Wastewater Treatment

**NECESSARY SPECIAL QUALIFICATIONS**
Experience in and knowledgeable of the water production, treatment and distribution facilities life cycles, wastewater collection and treatment facilities life cycles; cost analysis; asset management; regulatory compliance and permitting processes and experienced in the system control and data acquisition (SCADA) systems and hydraulic modeling.

Position Description attached

Proposed pay range and compliance with 4GCA, §6301
When the job description and qualification of factors are taken into consideration and the new position is slotted, the resultant new pay grade under the Alan Searle compensation structure is:

Job Title: Assistant General Manager of Operations

Job Evaluation Points: 1581

Pay Grade & Minimum: R5-C, $122,056.00 per annum (15th Market Percentile)

As indicated above, the minimum salary is shown at the 15th Market Percentile for this UNCLASSIFIED, Certified, Technical, and Professional position and is comparable with other U.S. Jurisdictions and / or the American Waterworks Association (AWWA) salary surveys, with and for consideration of an open range from the minimum slotting within the pay grade identified to its maximum allowed pay grade, step, and sub-step for final salary determination by the Consolidated Commission on Utilities.

Fiscal note as required by 2GCA, §9101 et seq.
Guam Waterworks Authority certifies that this position is budgeted and that funds are available for the creation, recruitment and retention of its Certified, Technical, and Professional amended position.
The funding of this position does not have an impact on the General Fund.

Miguel C. Bordallo, PE
General Manager

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# ASSISTANT GENERAL MANAGER OF OPERATIONS
## (Unclassified)

**MINIMUM EXPERIENCE AND TRAINING:**

A. Master's Degree in Engineering, Business, Public Administration or related field; with major course work in utility infrastructure and operations, organization, analysis and evaluation, and financial management plus 5 years of demonstrated experience and progressive responsibility in the management of operations in utilities, construction or technically related field; **or**

B. Bachelor's Degree in Engineering, Business, Public Administration or related field; with major course work in utility infrastructure and operations, organization, analysis and evaluation, and financial management plus 10 years of demonstrated experience and progressive responsibility in the management of operations in utilities, construction or technically related field;

**AND**

- Professional Engineer (PE) License **or**
- Guam Environmental Protection Agency Operator Certification Level IV in Water Treatment, Water Distribution, Wastewater Collection, and Wastewater Treatment

**NECESSARY SPECIAL QUALIFICATION:**

Experience in and knowledgeable of the water production, treatment and distribution facilities life cycles, wastewater collection and treatment facilities life cycles; cost analysis; asset management; regulatory compliance and permitting processes and experienced in the system control and data acquisition (SCADA) systems and hydraulic modeling.

**NATURE OF WORK IN THIS CLASS:**

This is complex work involving the planning, organizing and coordinating of all the Authority's production, distribution, collection, treatment, and operational control activities for the water and wastewater systems, including the preventive and corrective maintenance and repair of facilities to ensure systems meet high level compliance with water and wastewater standards.

The Assistant General Manager of Operations (AGM-O) is responsible and accountable to the Guam Waterworks Authority's General Manager for the effective conduct of its operations to meet the established levels of service for all customers, in accordance with the Guam Safe Drinking Water Act and the Clean Water Act, associated regulations, and applicable permit requirements. The AGM-O is also responsible and accountable for the managing and organizing efficient business operations in the divisions assigned. The AGM-O shall also be responsible for assisting with the formulation of recommendations on policies, goals and objectives to, and implementation of plans, policies and procedures adopted by the Consolidated Commission on Utilities (CCU).

The AGM-O serves under the direction of the General Manager. The AGM-O directs and manages the development of short-term and long-term goals and objectives of GWA and ensures their effective execution; makes sure all assigned operations and functions are sustainable and effectively serve the needs of GWA's ratepayers, while complying with applicable laws and regulations; and performs related duties as assigned.

**ILLUSTRATIVE EXAMPLES OF WORK:** (These examples do not list all the duties which may be assigned)

- The AGM-O shall report to the General Manager of the Guam Waterworks Authority.

- The AGM-O's primary responsibilities will be to manage, coordinate, and report on the six operational divisions/functions of the water and wastewater systems: Water Production and Treatment; Water Distribution; Wastewater Collection; and Wastewater Treatment; Construction & Maintenance; and the W/WW System Control Center/Asset Management.

- The AGM-O shall be responsible for the proper operation of the W/WW Systems Control Center (WSCC), using the appropriate staff of certified operators, technicians, trade's professionals, along with hydraulic modelling and analytical tools, to effectively manage an integrate W/WW system.

- The AGM-O shall plan, organize, staff, and direct the operation of the Authority's water/wastewater systems, including the setting of operation objectives, standards, training of employees and evaluation of system operational performance.

- The AGM-O shall assure compliance with the minimum Levels of Service (LOS) established by the Authority in the operation of the water and wastewater systems, and shall work with other Assistant General Managers, the Chief Financial Officer, Legal Counsel and under the direction of the General Manager, to achieve utility wide LOS compliance at the lowest possible cost.

- The AGM-O shall analyze systems operation and control performance, costs and effectiveness, and develops strategies and recommendations to increase efficiency, reliability, sustainability, compliance and security of water and wastewater services, while maintaining the lowest cost possible.

- The AGM-O shall work with the General Manager in continuing, and advancing where feasible and desirable, the interoperation of and integration with military water and wastewater utility systems, in accordance with policy guidelines established by the CCU.

- The AGM-O shall be responsible for the preparation of annual budget estimates for the operations divisions under his supervision.

- The AGM-O shall be responsible for the preparation of capital improvement project recommendations for each operational division under his authority; and shall, working with other Assistant General Managers, the Chief Financial Officer, Legal Counsel and under the direction of the General Manager, implement approved CIP's in accordance with the Authority's approved Capital Improvements Program.

- The AGM-O shall be responsible for the development and implementation of the Authority's Asset Management Program, and shall insure that all water and wastewater system assets are properly documented, maintained, repaired and otherwise managed, and that all cost elements are properly captured to provide meaningful cost reporting to support budgets, rate cases and financial decision-making for system operation and maintenance.

- The AGM-O shall provide complete and timely reports on the operations of the water and wastewater systems to the General Manager and the CCU.

- The AGM-O may be appointed to serve as Acting General Manager for the Authority from time to time.

- The AGM-O shall perform such other duties assigned by the General Manager.

**KNOWLEDGE, SKILLS AND ABILITIES:**

- Knowledge of the principles and practices of water treatment and production, and wastewater treatment, as well as the regulations which govern them.

- Knowledge of the designs and operating characteristics of all facilities and equipment used for the processing and distribution of water, and the collection, treatment and disposal of wastewater.

- Knowledge of computer-based hydraulic modelling for water/wastewater systems, as well as principles, practices and procedures for the supervisory control and data acquisition in the monitoring and operation of those systems.

- Knowledge of the principles and practices of asset management, including the use of computerized maintenance management systems.

- Knowledge of the standard methods, materials, practices and equipment used in the construction, operations, repair and maintenance of potable water and wastewater systems, including ancillary infrastructure, such as roadways, drainage and other improvements.

- Knowledge of management techniques, principles and procedures to assign work, schedule, supervise, train, and evaluate the work of assigned staff.

- Ability to analyze and evaluate engineering, statistical and financial data, conduct and direct research and develop alternatives and recommendations.

- Ability to effectively communicate with management and subordinates to convey logic and rationale, ideas, objectives, and consequences.

- Ability to establish and implement effective operational programs and procedures. Establishes priorities for the completion of work in accordance with sound time-management methodology.
- Ability to perform a broad range of managerial responsibilities over others.
- Ability to handle a variety of issues with tact and diplomacy and in a confidential manner.
- Ability to induce effective employee performance to maintain high level of performance, training and safety.
- Ability to manage the water and wastewater systems repair and maintenance programs.
- Ability to understand, interpret and work from engineering drawings and technical specifications.
- Ability to recommend and implement changes in policies, procedures, materials and equipment to enhance program effectiveness.

Position Established: February 1, 1997
Amended: November 2016

Salary: Alan Searle Compensation Plan
15th Market Percentile

**COMMENSURATE WITH EXPERIENCE**
Minimum: R5C, $122,056.00 per annum

*Pursuant to 12GCA: Autonomous Agencies, Chapter 14: Guam Waterworks Authority, §14.114, Employment, paragraph (c): "Notwithstanding any other provisions of law, neither the General Manager, Assistant General Managers, Secretary, Treasurer, Comptroller, nor Attorney of the Authority shall be within the classified service of the government of Guam but shall be hired, compensated and employed under the terms and conditions fixed by, and at the pleasure of the Board."*

Joseph T. Duenas, Chairman
Consolidated Commission on Utilities

Analysis of similarities and differences between the position being amended and the positions listed pursuant to 4GCA, Chapter 4, Article 1, §4101.

| GWA PROPOSED | GWA EXISTING |
|---|---|
| Minimum Experience and Training:<br>A. Master's Degree in Engineering, Business, Public Administration or other related field; with major course work in utility infrastructure and operations, organization, analysis and evaluation, and financial management plus 5 years of demonstrated experience and progressive responsibility in the management of operations in utilities, construction or technically related field; **or**<br>B. Bachelor's Degree in Engineering, Business, Public Administration or other related field; with major course work in utility infrastructure and operations, organization, analysis and evaluation, and financial management plus 10 years of demonstrated experience and progressive responsibility in the management of operations in utilities, construction or technically related field;<br>**AND**<br>• Professional Engineer (PE) License **or**<br>• Guam Environmental Protection Agency Operator Certification Level IV in Water Treatment, Water Distribution, Wastewater Collection, and Wastewater Treatment<br><br>Necessary Special Qualification<br>Experience in and knowledgeable of the water production, treatment and distribution facilities life cycles, wastewater collection and treatment facilities life cycles; cost analysis; asset management; regulatory compliance and permitting processes and experienced in the system control and data acquisition (SCADA) systems and hydraulic modeling. | Minimum Qualifications:<br>A. Four (4) years of experience in a water utility operations; or<br>B. Any desirable combination of experience and training which provides the minimum knowledge, abilities and skills. |
| Minimum Knowledge, Skills and Abilities:<br>• Knowledge of the principles and practices of water treatment and production, and wastewater treatment, as well as the regulations which govern them.<br>• Knowledge of the designs and operating characteristics of all facilities and equipment used for the processing and distribution of water, and the collection, treatment and disposal of wastewater.<br>• Knowledge of computer-based hydraulic modelling for water/wastewater systems, as well as principles, practices and procedures for the | Minimum Knowledge, Skill and Ability:<br>• Knowledge of the designs and operating characteristics and extensive experience and application of all facilities and equipment used for the processing and distribution of water/wastewater. Ability to make significant evaluations from the engineering, statistical and financial data and terms commonly employed. Ability to communicate with management and subordinates with sufficient sensitivity to comprehend the significance of their actions and words with clarity and diplomacy to empress ideas and attitudes effectively, ability to induce effective |

| | |
|---|---|
| supervisory control and data acquisition in the monitoring and operation of those systems.<br>• Knowledge of the principles and practices of asset management, including the use of computerized maintenance management systems.<br>• Knowledge of the standard methods, materials, practices and equipment used in the construction, operations, repair and maintenance of potable water and wastewater systems, including ancillary infrastructure, such as roadways, drainage and other improvements.<br>• Knowledge of management techniques, principles and procedures to assign work, schedule, supervise, train, and evaluate the work of assigned staff.<br>• Ability to analyze and evaluate engineering, statistical and financial data, conduct and direct research and develop alternatives and recommendations.<br>• Ability to effectively communicate with management and subordinates to convey logic and rationale, ideas, objectives, and consequences.<br>• Ability to establish and implement effective operational programs and procedures. Establishes priorities for the completion of work in accordance with sound time-management methodology.<br>• Ability to perform a broad range of managerial responsibilities over others.<br>• Ability to handle a variety of issues with tact and diplomacy and in a confidential manner.<br>• Ability to induce effective employee performance to maintain high level of performance, training and safety.<br>• Ability to manage the water and wastewater systems repair and maintenance programs.<br>• Ability to understand, interpret and work from engineering drawings and technical specifications.<br>• Ability to recommend and implement changes in policies, procedures, materials and equipment to enhance program effectiveness. | employee performance to maintain high level of moral, training and safety. Ability to speak and write effectively. |
| <u>Illustrative Examples of Work:</u> (These examples do not list all the duties which may be assigned)<br>• The AGM-O shall report to the General Manager of the Guam Waterworks Authority.<br>• The AGM-O's primary responsibilities will be to manage, coordinate, and report on the six operational divisions/functions of the water and | <u>Illustrative Examples of Work:</u> (These examples do not list all the duties which may be assigned.)<br>• Plan, organize, staff, direct and coordinate the operation of the Authority's water/wastewater operation, safety, engineering, and procurement functions, including the setting of objectives and |

| | |
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| wastewater systems: Water Production and Treatment; Water Distribution; Wastewater Collection; and Wastewater Treatment; Construction & Maintenance; and the W/WW System Control Center/Asset Management.<br>• The AGM-O shall be responsible for the proper operation of the W/WW Systems Control Center (WSCC), using the appropriate staff of certified operators, technicians, trade's professionals, along with hydraulic modelling and analytical tools, to effectively manage an integrate W/WW system.<br>• The AGM-O shall plan, organize, staff, and direct the operation of the Authority's water/wastewater systems, including the setting of operation objectives, standards, training of employees and evaluation of system operational performance.<br>• The AGM-O shall assure compliance with the minimum Levels of Service (LOS) established by the Authority in the operation of the water and wastewater systems, and shall work with other Assistant General Managers, the Chief Financial Officer, Legal Counsel and under the direction of the General Manager, to achieve utility wide LOS compliance at the lowest possible cost.<br>• The AGM-O shall analyze systems operation and control performance, costs and effectiveness, and develops strategies and recommendations to increase efficiency, reliability, sustainability, compliance and security of water and wastewater services, while maintaining the lowest cost possible.<br>• The AGM-O shall work with the General Manager in continuing, and advancing where feasible and desirable, the interoperation of and integration with military water and wastewater utility systems, in accordance with policy guidelines established by the CCU.<br>• The AGM-O shall be responsible for the preparation of annual budget estimates for the operations divisions under his supervision.<br>• The AGM-O shall be responsible for the preparation of capital improvement project recommendations for each operational division under his authority; and shall, working with other Assistant General Managers, the Chief Financial Officer, Legal Counsel and under the direction of the General Manager, implement approved CIP's in accordance with the Authority's approved Capital Improvements Program. | standards, training of employees, and the evaluation of results.<br>• Coordinate and supervise the construction of new facilities in conformance with approved engineering standards to adapt to market growth and provide continuity of service at reasonable cost.<br>• Analyze performance, operation and maintenance costs of water system facilities; develop and implement efficient and reliable methods for determining need for repairs and improvements.<br>• Prepare budget estimates for the Authority's water operations, distribution, safety, engineering, and procurement functions; approve, direct and supervise new constructions, replacements and major repairs within budget framework approved by the General Manager and Board of Directors.<br>• Plan organize and train operating, maintenance and construction personnel in routine and emergency procedures designed to achieve efficient use of manpower, protect public and employee safety, and assure prompt restoration of service following severe storm conditions and similar situations.<br>• Provide complete and timely reports on system operations, restoration of service and construction programs to the General Manager and other Authority executives.<br>• May be appointed to serve as Acting General Manager for the Authority by the Board of Directors.<br>• Perform other executive duties assigned by the General Manager. |

| | |
|---|---|
| • The AGM-O shall be responsible for the development and implementation of the Authority's Asset Management Program, and shall insure that all water and wastewater system assets are properly documented, maintained, repaired and otherwise managed, and that all cost elements are properly captured to provide meaningful cost reporting to support budgets, rate cases and financial decision-making for system operation and maintenance.<br>• The AGM-O shall provide complete and timely reports on the operations of the water and wastewater systems to the General Manager and the CCU.<br>• The AGM-O may be appointed to serve as Acting General Manager for the Authority from time to time.<br>• The AGM-O shall perform such other duties assigned by the General Manager. | |
| Salary: Alan Searle Compensation Plan<br>**COMMENSURATE WITH EXPERIENCE**<br>Minimum: R5-C, $122,056.00 per annum<br>(15th Market Percentile) | Salary:<br>L3, $67,150.00 per annum (Unclassified) |

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# PRESS RELEASE

Guam Waterworks Authority

## *Amendment of Position*

The Guam Waterworks Authority (GWA) petitions the Consolidated Commission on Utilities (CCU) to amend the following position:

AMENDMENT

**ASSISTANT GENERAL MANAGER of ADMINISTRATION**
Unclassified

This announcement is in compliance with Public Law 28-112 governing transparency and disclosure. The petitions are required by 4GCA Sections 6205 and 6303 are public documents for the purposes of 5 GCA, CH. 10, Art 1: (The Sunshine Law).

For more information, please visit GWA's website at www.guamwaterworks.org/careers/petition or you may contact the Personnel Services Division at 300-6073-6.

MIGUEL C. BORDALLO, PE
General Manager

GUAM WATERWORKS AUTHORITY
"Better Water. Better Lives."
Gloria B. Nelson Public Service Building | Route 15, Mangilao, Guam 96913
P. O. Box 3010 Hagåtña, Guam 96932
Tel: 671.300.6846-48 | Fax: 671.648-3290

## ISSUES FOR DECISION

**Resolution No.**

Relative to the Amendment of the Assistant General Manager of Administration (AGMA) position title, job | position description, and salary range.

**What is the project's objective and is it necessary and urgent?**
To amend the Assistant General Manager of Administration position title, job | position description, and salary range to support the Agency's daily operations within its Administrative and Support Divisions providing quality customer service to both internal and external customers at the most effective, efficient and cost-effective manner.

The Agency currently employs just one Assistant General Manager for Compliance & Safety, while the other divisions of as much importance function without an Assistant General Manager at its helm, thus limiting effective communications direct to the General Manager while at the same time, affecting operations to provide statuses by Superintendents or Managers, who would otherwise be addressing the water | wastewater needs of our community.

**Where is the location?**
The Assistant General Manager of Administration & Support, if approved, will be under the direct supervision and management of the General Manager while overseeing the following divisions: Human Resources, Procurement, Supply & Warehouse, Fleet & Equipment, Information Technology and Engineering.

**When will it be completed?**
Public Law 28-112, Section 9 (3) requires GPA and GWA to post a petition on their websites for ten (10) days (not including Saturdays, Sundays and government of Guam holidays). After the 10 days posting, the petition can then be forwarded to the CCU for their disposition at any regularly scheduled meeting.
GWA has met the posting requirements.

Additionally, Guam law requires notice of such posting to each newspaper of general circulation and broadcasting station which airs regular news programs within Guam.

**What is the funding source?**
GWA will certify funding for the position available for the filling and retention of its certified, technical and professional newly created position.
The funding of this position does not have an impact on the General Fund.

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# PETITION

The General Manager of Guam Waterworks Authority (GWA) hereby petitions the Consolidated Commission on Utilities (CCU) for the amendment of a created position pursuant to Public Law 28-112, Section 9; 4GCA, Chapter 6, Article 3, §6303; and to add the position onto the Certified, Technical, and Professional (CTP) List, Category B:

***ASSISTANT GENERAL MANAGER – ADMINISTRATION (AGMA)***
***(Unclassified)***

**Background Information**
The Guam Waterworks Authority, hereinafter referred to as GWA, has determined a need to amend the Job Standards | Position Description; identifying specific duties, responsibilities, and reflecting qualifications, experience, and licensure required and possessed by potential candidates to effectively and efficiently lead and manage the assigned Divisions.

**Justification for the Amendment**
The amendment of the Assistant General Manager – Administration & Support (AGM-AS) position is necessary as this position will perform a variety of work in leading, managing, developing and implementing GWA's organizational policies, goals and objectives; achieving the Vision and Mission of the Agency.

Additionally, it is the desire of the General Manager to highlight the compensation determination parameter in support of 12GCA: Autonomous Agencies, Chapter 14: Guam Waterworks Authority, §14.114. Employment. Paragraph (c), through identifying the pay grade and minimum amount for which salary shall be determined.

The minimum experience and training requirements for the position of Assistant General Manager of Administration & Support is as follows:

A. Master's Degree in Engineering, Business, Public Administration, or other related field; with major course work in utility infrastructure and operations, organization, analysis and evaluation, and financial management, plus 6 years of demonstrated experience and progressive responsibility in the management of facility support services in utilities, construction or technically related field; **or**
B. Bachelor's Degree in Engineering, Business, Public Administration, or other related field; with a minimum of 10 years of demonstrated experience and progressive responsibility in the management of facility support services in utilities, construction or technically related field;

***Preferred Special Qualification***

Professional Engineer (PE) License

Position Description attached

Proposed pay range and compliance with 4GCA, §6301
When the job description and qualification of factors are taken into consideration and the new position is slotted, the resultant new pay grade under the Alan Searle compensation structure is:

Job Title: Assistant General Manager of Administration & Support

Job Evaluation Points: 1392

Pay Grade & Minimum: Q4B, $101,870.00 per annum (15th Market Percentile)

As indicated above, the minimum salary is shown at the 15th Market Percentile for this UNCLASSIFIED, Certified, Technical, and Professional position and is comparable with other U.S. Jurisdictions and / or the American Waterworks Association (AWWA) salary surveys, with and for consideration of an open range from the minimum slotting within the pay grade identified to its maximum allowed pay grade, step, and sub-step for final salary determination by the Consolidated Commission on Utilities Board.

Fiscal note as required by 2GCA, §9101 et seq.
Guam Waterworks Authority certifies that this position is budgeted and that funds are available for the creation, recruitment and retention of its Certified, Technical, and Professional amended position.
The funding of this position does not have an impact on the General Fund.

Miguel C. Bordallo, PE
General Manager

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# ASSISTANT GENERAL MANAGER OF ADMINISTRATION & SUPPORT
## (Unclassified)

## MINIMUM QUALIFICATIONS

A. Master's Degree in Engineering, Business, Public Administration or other related field; with major course work in utility infrastructure and operations, organization, analysis and evaluation, and financial management, plus 6 years of demonstrated experience and progressive responsibility in the management of facility support services in utilities, construction or technically related field; **OR**

B. Bachelor's Degree in Engineering, Business, Public Administration or other related field; with a minimum of 10 years of demonstrated experience and progressive responsibility in the management of facility support services in utilities, construction or technically related field;

## *PREFERRED SPECIAL QUALIFICATION:*

Professional Engineer (PE) License

## NATURE OF WORK IN THIS CLASS:

- This is complex work involving the planning, organizing, staffing, directing and coordinating of all the Authority's administrative, technical and logistical support services, including engineering, procurement, warehouse and supply, equipment and vehicle fleet, information and data systems, and staffing resources, to ensure the success of utility operations, customer care, compliance/safety, and finance and accounting functions.

- The AGM-AS shall report to and is accountable to the Guam Waterworks Authority's General Manager for the provisions of engineering and technical supply, fleet and staffing support services to the rest of the Authority in an efficient manner, to enable successful operation of the utility.

- The AGM-AS is also responsible and accountable for managing and organizing efficient business operations in the divisions assigned.

- The AGM-AS shall also be responsible for assisting with the formulation of recommendations on policies, goals and objectives to, and implementation of plans, policies and procedures adopted by the Consolidated Commission on Utilities (CCU).

- The AGM-AS directs and manages the development of short-term and long-term goals and objectives of GWA and ensures their effective execution and all assigned administrative and support functions are sustainable and effectively serve the needs of GWA's ratepayers while complying with applicable laws and regulations; and performs related duties as assigned.

## ILLUSTRATIVE EXAMPLES OF WORK: (These examples do not list all the duties which may be assigned)

- To manage, coordinate, and report on designated administrative and support divisions: Human Resources, Procurement, Supply & Warehouse, Fleet & Equipment, Information Technology and Engineering.

- The AGM-AS shall plan, organize, staff, and direct the operation of the Authority's administrative and support divisions, including the settling of objectives, standards, training of employees and evaluation of staff and divisional performance.

- The AGM-AS shall assure compliance with the minimum Levels of Service (LOS) established by the Authority in the operation of the administrative and support divisions, and shall work with other Assistant General Managers, the Chief Financial Officer, Legal Counsel and under the direction of the General Manager, to achieve utility wide LOS compliance at the lowest possible cost.

- The AGM-AS shall analyze the administrative and support functions for performance, costs and effectiveness, and develop strategies and recommendations to increase efficiency, reliability, sustainability, compliance and security of these functions, while maintaining the lowest cost possible.

- The AGM-AS shall work with the General Manager in continuing and advancing where feasible and desirable, the interoperation of an integration with military water and wastewater utility systems, in accordance with policy guidelines established by the CCU.

- The AGM-AS shall be responsible for the preparation of annual budget estimates for the administrative and support divisions under his or her supervision.

- The AGM-AS shall be responsible, along with the Chief Engineer, for the preparation of the Authority's Capital Improvement Program. The AGM-AS shall, working with other Assistant General Managers, the Chief Financial Officer, Legal Counsel and under the direction of the General Manager, support the implementation of approved CIPs in accordance with the Authority's approved Capital Improvements Program.

- The AGM-AS shall also oversee the provision of all engineering and information technology support as required to properly and effectively carry out the operational, administrative and support functions of the Authority.

- The AGM-AS shall be responsible, along with the Procurement Administrator and Warehouse Manager, for the planning, budgeting, procurement, storage and warehousing and proper dissemination | distribution of all materials, equipment, consumables and supplies needed to support all functions and operations of the Authority.

- The AGM-AS shall be responsible for the planning, budgeting, procurement, service, maintenance, assignment and monitoring of all fleet vehicles required to support all operations and functions of the Authority.

- The AGM-AS shall be responsible, along with the Personnel Services Administrator for the hiring, training and administration of all human resources functions and programs in compliance with federal and Guam law.

- The AGM-AS shall provide complete and timely reports on the administrative and support functions to the General Manager and the CCU.

- The AGM-AS may be appointed to serve as Acting General Manager for the Authority from time to time.

- The AGM-AS shall perform such other duties assigned by the General Manager.

**MINIMUM KNOWLEDGE, SKILLS AND ABILITY:**

- Knowledge of engineering, information technology support, procurement and supply, equipment fleet and staffing support functions related to facilities and infrastructure systems; building and development codes and standards, environmental codes and standards, procurement rules and regulations; information technology systems and development, deployment and maintenance; human resource practices and procedures, administration, training and development.

- Knowledge of personnel administration, internal and external customer service, office administration and utility organization.

- Knowledge of engineering, facilities management and facilities operations support systems for water and wastewater utilities.

- Knowledge of information technology, data processing, and financial management and support hardware and software systems.

- Knowledge of the procurement code, principles, practices, warehousing, inventory and supply chain management for utilities operations and support.

- Knowledge of management techniques, principles, and procedures to assign work, schedule, supervise, train, and evaluate the work of assigned staff.

- Knowledge of the utility's organization and operations and to anticipate the consequences of the utility's policies and practices within the economic, social and cultural structure of its service area.

- Ability to analyze and evaluate, engineering, statistical and financial data, conduct and direct research and develop alternatives and recommendations.

- Ability to communicate effectively with management and subordinates, both orally and in writing to convey logic and rationale ideas, objectives, consequences.

- Ability to establish and implement effective operational programs and procedures. Establishes priorities for the completion of work in accordance with sound time-management methodology.
- Ability to perform a broad range of managerial responsibilities over others.
- Ability to handle a variety of issues with tact and diplomacy and in confidential manner.
- Ability to induce effective employee performance to maintain high level of morale, performance, training and safety.
- Ability to understand and support water and wastewater systems repair and maintenance programs.
- Ability to understand, interpret and work from engineering drawings and technical specifications.
- Ability to recommend and implement changes in policies, procedures, materials and equipment to enhance program effectiveness.

Position Established: 1 February 1997
Amended (1st): 1 October 2012
Amended (2nd): November 2016

Salary: Alan Searle Compensation Plan
15th Market Percentile

**TO COMMENSURATE WITH EXPERIENCE**
Minimum: Q4-B, $101,870.00 per annum

*Pursuant to 12GCA: Autonomous Agencies, Chapter 14: Guam Waterworks Authority, §14.114, Employment, paragraph (c): "Notwithstanding any other provisions of law, neither the General Manager, Assistant General Managers, Secretary, Treasurer, Comptroller, nor Attorney of the Authority shall be within the classified service of the government of Guam but shall be hired, compensated and employed under the terms and conditions fixed by, and at the pleasure of the Board."*

Joseph T. Duenas, Chairman
Consolidated Commission on Utilities

Analysis of similarities and differences between the position being amended and the positions listed pursuant to 4GCA, Chapter 4, Article 1, §4101.

| GWA PROPOSED | GWA EXISTING |
|---|---|
| Minimum Experience and Training:<br>A. Master's Degree in Engineering, Business, Public Administration, or other related field; with major course work in utility infrastructure and operations, organization, analysis and evaluation, and financial management, plus 6 years of demonstrated experience and progressive responsibility in the management of facility support services in utilities, construction or technically related field; **or**<br>B. Bachelor's Degree in Engineering, Business, Public Administration, or other related field; with a minimum of 10 years of demonstrated experience and progressive responsibility in the management of facility support services in utilities, construction or technically related field;<br>***Preferred Special Qualification***<br>Professional Engineer (PE) License | Minimum Qualifications:<br>A. Six (6) years of progressively responsible experience at the middle or senior management level working with the administration and management of water / wastewater utility a diverse back ground in utility management is preferred; ***and***<br>B. Possess a Bachelor's Degree in Public Administration, Engineering, or equivalent from a United States accredited college or university. A Masters in Public Administration, Engineering or equivalent from a United States accredited college or university may be substituted for one year of experience. |
| Minimum Knowledge, Skills and Ability:<br>• Knowledge of engineering, information technology support, procurement and supply, equipment fleet and staffing support functions related to facilities and infrastructure systems; building and development codes and standards, environmental codes and standards, procurement rules and regulations; information technology systems and development, deployment and maintenance; human resource practices and procedures, administration, training and development.<br>• Knowledge of personnel administration, internal and external customer service, office administration and utility organization.<br>• Knowledge of engineering, facilities management and facilities operations support systems for water and wastewater utilities.<br>• Knowledge of information technology, data processing, and financial management and support hardware and software systems.<br>• Knowledge of the procurement code, principles, practices, warehousing, inventory and supply chain management for utilities operations and support. | Minimum Knowledge, Skills and Ability:<br>• Knowledge of personnel administration, customer relations, data processing and office administrations.<br>• Knowledge of procurement code, practices, and procedures.<br>• Ability to comprehend the utility's organization and operations as a whole and to anticipate the consequences of the utility's policies and practices within the economy and culture of its service area.<br>• Ability to communicate with management and subordinates with sufficient sensitivity to comprehend the significance of their actions and words with clarity and diplomacy to express ideas and attitudes effectively.<br>• Ability to induce effective employee performance to maintain high level of moral, training and safety practices.<br>• Ability to communicate effectively both orally and in writing.<br>• Skill in planning, directing and coordinating varied administrative governmental functions.<br>• Skill in reasoning logically and presenting ideas clearly and concisely |

| | |
|---|---|
| • Knowledge of management techniques, principles, and procedures to assign work, schedule, supervise, train, and evaluate the work of assigned staff.<br>• Knowledge of the utility's organization and operations as a whole, and to anticipate the consequences of the utility's policies and practices within the economic, social and cultural structure of its service area.<br>• Ability to analyze and evaluate, engineering, statistical and financial data, conduct and direct research and develop alternatives and recommendations.<br>• Ability to communicate effectively with management and subordinates, both orally and in writing to convey logic and rationale ideas, objectives, consequences.<br>• Ability to establish and implement effective operational programs and procedures. Establishes priorities for the completion of work in accordance with sound time-management methodology.<br>• Ability to perform a broad range of managerial responsibilities over others.<br>• Ability to handle a variety of issues with tact and diplomacy and in confidential manner.<br>• Ability to induce effective employee performance to maintain high level of morale, performance, training and safety.<br>• Ability to understand and support water and wastewater systems repair and maintenance programs.<br>• Ability to understand and support water and wastewater systems repair and maintenance programs.<br>• Ability to understand, interpret and work from engineering drawings and technical specifications.<br>• Ability to recommend and implement changes in policies, procedures, materials and equipment to enhance program effectiveness. | |
| <u>Illustrative Examples of Work:</u> (These examples do not list all the duties which may be assigned)<br>• To manage, coordinate, and report on designated administrative and support divisions: Human Resources, Procurement, Supply & Warehouse, Fleet & Equipment, Information Technology and Engineering. | <u>Illustrative Examples of Work:</u> (These examples do not list all the duties which may be assigned.)<br>• Plan, organize, staff, direct and coordinate the Authority's Administration Offices such as Personnel Services, Utility Services, Administrative Services, Information Technology, Procurement, Warehouse and Planning. Including setting of objectives and standards, |

- The AGM-AS shall plan, organize, staff, and direct the operation of the Authority's administrative and support divisions, including the settling of objectives, standards, training of employees and evaluation of staff and divisional performance.
- The AGM-AS shall assure compliance with the minimum Levels of Service (LOS) established by the Authority in the operation of the administrative and support divisions, and shall work with other Assistant General Managers, the Chief Financial Officer, Legal Counsel and under the direction of the General Manager, to achieve utility wide LOS compliance at the lowest possible cost.
- The AGM-AS shall analyze the administrative and support functions for performance, costs and effectiveness, and develop strategies and recommendations to increase efficiency, reliability, sustainability, compliance and security of these functions, while maintaining the lowest cost possible.
- The AGM-AS shall work with the General Manager in continuing and advancing where feasible and desirable, the interoperation of an integration with military water and wastewater utility systems, in accordance with policy guidelines established by the CCU.
- The AGM-AS shall be responsible for the preparation of annual budget estimates for the administrative and support divisions under his or her supervision.
- The AGM-AS shall be responsible, along with the Chief Engineer, for the preparation of the Authority's Capital Improvement Program. The AGM-AS shall, working with other Assistant General Managers, the Chief Financial Officer, Legal Counsel and under the direction of the General Manager, support the implementation of approved CIPs in accordance with the Authority's approved Capital Improvements Program.
- The AGM-AS shall also oversee the provision of all engineering and information technology support as required to properly and effectively carry out the operational, administrative and support functions of the Authority.
- The AGM-AS shall be responsible, along with the Procurement Administrator and Warehouse Manager, for the planning, budgeting, procurement, storage and warehousing and proper dissemination | distribution of all materials, equipment, consumables and supplies needed to training of employees and the evaluation of results.
- Assist the General Manager in the administration of plans, policies and procedures adopted by the Consolidated Commission on Utilities.
- Analyze operation and performance of divisions for a cost effective, efficient and reliable operation.
- Oversee the preparation of budget estimates for the Authority's Administration Offices such as Personnel Services, Utility Services, Administrative Services, Information Technology, Procurement, Warehouse and Planning.
- Analyzes data and makes recommendations for reducing costs and increasing revenues
- Evaluates and provides for the training and development of division staff.
- Provide the General Manager and other authority executives' periodic reports on support programs.
- May be appointed by the Consolidated Commission on Utilities to serve as the Acting General Manager for the Authority.
- Perform other executive duties as assigned by the General Manager.

DESIRED MINIMUM QUALIFICATIONS

Experience with JD Edwards program and Microsoft Suite desired.

| | |
|---|---|
| support all functions and operations of the Authority.<br>• The AGM-AS shall be responsible for the planning, budgeting, procurement, service, maintenance, assignment and monitoring of all fleet vehicles required to support all operations and functions of the Authority.<br>• The AGM-AS shall be responsible, along with the Personnel Services Administrator for the hiring, training and administration of all human resources functions and programs in compliance with federal and Guam law.<br>• The AGM-AS shall provide complete and timely reports on the administrative and support functions to the General Manager and the CCU.<br>• The AGM-AS may be appointed to serve as Acting General Manager for the Authority from time to time.<br>• The AGM-AS shall perform such other duties assigned by the General Manager. | |
| Salary: Alan Searle Compensation Plan<br>**TO COMMENSURATE WITH EXPERIENCE**<br>Minimum: Q4-B, $101,870.00 (15th Market Percentile) | Salary:<br>Minimum: Q4-B, $101,870.00 per annum<br>Maximum: Q7-B, $114,790.00 per annum |

CONSOLIDATED
COMMISSION ON UTILITIES
Guam Power Authority • Guam Waterworks Authority
P.O.BOX 2977 • Agana,Guam 96932

January 17, 2017

**MEMORANDUM**

**TO:** Members, Consolidated Commission on Utilities

SUBJECT: **CCU POLL VOTE MATTER: RESOLUTION 12-FY2017 RELATIVE TO APPROVINGTHE RATIFICATION OF AWARD FOR THE MULTI-YEAR PROCUREMENT OF AUTOMOTIVE GASOLINE, REGULAR UNLEADED AND DIESAL FUEL OIL NO. 2 FOR GWA TRANSPORTATION FLEET, GWA IFB. NO 2016-09** *(see attached email dated 12/22/16)*

| Commissioner | Y/N | Initials | Time/Date | Comments |
|---|---|---|---|---|
| Joseph Duenas | Y | | 12/17/16 510:49 a.m. | Via email |
| Francis Santos | Y | | 12/11/16 11:57 a.m. | Via email |
| George Bamba | Abstained | | | Via email |
| Judi Guthertz | | | | |
| Simon Sanchez | Y | | 12/18/16 4:47 p.m. | Via Email |

**Concurred by:**

**Miguel Bordallo, GWA GM** — **Date** 1.18.17

**Bernadette Lou Sablan**

**From:** Miguel C Bordallo <mcbordallo@guamwaterworks.org>
**Sent:** Friday, December 23, 2016 9:24 AM
**To:** Ann Borja - GWA; Bernadette Lou Sablan
**Cc:** vincentg@guamwaterworks.org; 'Stephen Mondina'; koclark@guamwaterworks.org
**Subject:** FW: FW: CCU POLL VOTE MATTER: GWA RESOLUTION 12-FY2017 RELATIVE TO FUEL BID

Hi Lou,

Please note below approval from Commissioner Santos. I believe this constitutes the third vote of approval required to move the contracts forward for our fuel suppliers. Please confirm.

Vince and Steph – please coordinate with Kelly and proceed with contracts.

MCB

**From:** Francis Santos [mailto:fesantos57@gmail.com]
**Sent:** Friday, December 23, 2016 7:45 AM
**To:** Miguel C Bordallo <mcbordallo@guamwaterworks.org>
**Subject:** Re: FW: CCU POLL VOTE MATTER: GWA RESOLUTION 12-FY2017 RELATIVE TO FUEL BID

On Thu, Dec 22, 2016 at 11:57 AM Miguel C Bordallo <mcbordallo@guamwaterworks.org> wrote:

Miguel
As requested, this email will serve as my approval for this resolution.

regards,

Francis

From: Bernadette Lou Sablan [mailto:l.sablan@gpagwa.com]

Sent: Tuesday, December 20, 2016 10:35 AM

To: Ann Borja - GWA <annborja@guamwaterworks.org>

Cc: mcbordallo@guamwaterworks.org

Subject: FW: CCU POLL VOTE MATTER: GWA RESOLUTION 12-FY2017 RELATIVE TO FUEL

**Bernadette Lou Sablan**

**From:** Simon Sanchez <gdcmgr@guamdrycleaners.com>
**Sent:** Sunday, December 18, 2016 4:47 PM
**To:** Bernadette Lou Sablan; CCU Board Members; mcbordallo@guamwaterworks.org
**Subject:** RE: CCU POLL VOTE MATTER: GWA RESOLUTION 12-FY2017 RELATIVE TO FUEL BID

I vote yes
S

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**From:** Bernadette Lou Sablan [mailto:l.sablan@gpagwa.com]
**Sent:** Friday, December 16, 2016 12:39 PM
**To:** CCU Board Members
**Subject:** CCU POLL VOTE MATTER: GWA RESOLUTION 12-FY2017 RELATIVE TO FUEL BID
**Importance:** High

Dear Commissioners,

This matter was brought up for discussion at the 12/6 CCU meeting – Agenda item highlighted below. Resolution and supporting documents are attached for your review.

5. **OLD BUSINESS**
   - 5.1 **GWA Resolution No. 04-FY2017 Relative to Supporting the 2016 MOU Between GWA/ DoD & DoN**
   - 5.2 **GWA Resolution No. 11-FY2017 Relative to the Amendment of the Positions for the Assistant General Manager of Operations (AGMO) and the Assistant General Manager of Administration (AGMA)**
   - 5.3 **GWA Resolution No. 12-FY2017 Relative to Approving the Ratification of Bid award, Relative to IFB 2016-09 for Diesel Fuel Oil No. 2 and Regular Unleaded Automotive Gasoline for GWA's Transportation Fleet and Heavy Equipment**

Please respond ASAP.

Thank you,
Lou

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**From:** Ann Borja [mailto:annborja@guamwaterworks.org]
**Sent:** Friday, December 16, 2016 10:38 AM
**To:** Bernadette Lou Sablan
**Cc:** Miguel Bordallo; koclark@guamwaterworks.org; vincentg@guamwaterworks.org; Kathy Beleno
**Subject:** Res. No. 12-FY2017 re Fuel Bid
**Importance:** High

Ms. Lou,

Per GM Miguel Bordallo's request and instructions to me. Can you please send this out to the CCU for a poll vote? This is item no. 5.3 of the Dec. 6th Board meeting. Thank you!

GUAM WATERWORKS AUTHORITY

1

## Bernadette Lou Sablan

**From:** Joseph Duenas <jtduenas@hotmail.com>
**Sent:** Saturday, December 17, 2016 10:49 AM
**To:** Bernadette Lou Sablan
**Cc:** CCU Board Members
**Subject:** Re: CCU POLL VOTE MATTER: GWA RESOLUTION 12-FY2017 RELATIVE TO FUEL BID
**Attachments:** image001.jpg

I vote aye. Joey

Sent from my iPad

> On Dec 15, 2016, at 6:39 PM, Bernadette Lou Sablan <l.sablan@gpagwa.com> wrote:
>
> Dear Commissioners,
>
> This matter was brought up for discussion at the 12/6 CCU meeting – Agenda item highlighted below. Resolution and supporting documents are attached for your review.
>
>
> 5. OLD BUSINESS
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>
> Please respond ASAP.
>
> Thank you,
> Lou
>
>
>
> From: Ann Borja [mailto:annborja@guamwaterworks.org]
> Sent: Friday, December 16, 2016 10:38 AM
> To: Bernadette Lou Sablan
> Cc: Miguel Bordallo;
> koclark@guamwaterworks.org<mailto:koclark@guamwaterworks.org>;
> vincentg@guamwaterworks.org<mailto:vincentg@guamwaterworks.org>; Kathy
> Beleno
> Subject: Res. No. 12-FY2017 re Fuel Bid
> Importance: High
>
> Ms. Lou,
>
> Per GM Miguel Bordallo's request and instructions to me. Can you please send this out to the CCU for a poll vote? This is item no. 5.3 of the Dec. 6th Board meeting. Thank you!

**Bernadette Lou Sablan**

**From:** J. George Bamba <georgebamba@hotmail.com>
**Sent:** Friday, December 16, 2016 3:37 PM
**To:** Bernadette Lou Sablan; CCU Board Members
**Subject:** Re: CCU POLL VOTE MATTER: GWA RESOLUTION 12-FY2017 RELATIVE TO FUEL BID

Hi Lou,
To avid any potential conflict's of interest, I will have to abstain from voting. Thanks.
Blessings,
George

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**From:** Bernadette Lou Sablan <l.sablan@gpagwa.com>
**Sent:** Friday, December 16, 2016 12:38 PM
**To:** CCU Board Members
**Subject:** CCU POLL VOTE MATTER: GWA RESOLUTION 12-FY2017 RELATIVE TO FUEL BID

Dear Commissioners,

This matter was brought up for discussion at the 12/6 CCU meeting – Agenda item highlighted below. Resolution and supporting documents are attached for your review.

5. **OLD BUSINESS**
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**GWA Resolution No. 12-FY2017 Relative to Approving the Ratification of Bid award, Relative to IFB 2016-09 for Diesel Fuel Oil No. 2 and Regular Unleaded Automotive Gasoline for GWA's Transportation Fleet and Heavy Equipment**

Please respond ASAP.

Thank you,
Lou

---

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**Sent:** Friday, December 16, 2016 10:38 AM
**To:** Bernadette Lou Sablan
**Cc:** Miguel Bordallo; koclark@guamwaterworks.org; vincentg@guamwaterworks.org; Kathy Beleno
**Subject:** Res. No. 12-FY2017 re Fuel Bid
**Importance:** High

Ms. Lou,

Per GM Miguel Bordallo's request and instructions to me. Can you please send this out to the CCU for a poll vote? This is item no. 5.3 of the Dec. 6th Board meeting. Thank you!

## Bernadette Lou Sablan

**From:** Bernadette Lou Sablan
**Sent:** Tuesday, December 20, 2016 10:35 AM
**To:** Ann Borja - GWA
**Cc:** mcbordallo@guamwaterworks.org
**Subject:** FW: CCU POLL VOTE MATTER: GWA RESOLUTION 12-FY2017 RELATIVE TO FUEL BID
**Attachments:** Res. No. 12-FY2017 Res for Ratification of Award (F).doc; Res. No. 12-FY2017 Ex. A.docx; Res. No. 12-FY2017 Ex. B.pdf; Res. No. 12-FY2017 Ex. C.pdf; Res. No. 12-FY2017 Ex. D.pdf; Res. No. 12-FY2017 Ex. E.pdf; Res. No. 12-FY2017 Ex. F.pdf; Res. No. 12-FY2017 Ex. G.pdf; Res. No. 12-FY2017 Ex. H.pdf; Res. No. 12-FY2017 Ex. I.pdf; Res. No. 12-FY2017 Just Summ Sheet.doc

**Importance:** High

Hi Ann,

Below is POLL VOTE to CCU on fuel bid. To date - Joey and Simon voted yes; George abstained; no word from Francis yet.

Lou

---

**From:** Bernadette Lou Sablan
**Sent:** Friday, December 16, 2016 12:32 PM
**To:** Bernadette Lou Sablan
**Subject:** CCU POLL VOTE MATTER: GWA RESOLUTION 12-FY2017 RELATIVE TO FUEL BID

Dear Commissioners,

This matter was brought up for discussion at the 12/6 CCU meeting – Agenda item highlighted below:

5. **OLD BUSINESS**
   - 5.1 **GWA Resolution No. 04-FY2017 Relative to Supporting the 2016 MOU Between GWA/ DoD & DoN**
   - 5.2 **GWA Resolution No. 11-FY2017 Relative to the Amendment of the Positions for the Assistant General Manager of Operations (AGMO) and the Assistant General Manager of Administration (AGMA)**
   - 5.3 **GWA Resolution No. 12-FY2017 Relative to Approving the Ratification of Bid award, Relative to IFB 2016-09 for Diesel Fuel Oil No. 2 and Regular Unleaded Automotive Gasoline for GWA's Transportation Fleet and Heavy Equipment**

Kindly respond how you wish to vote by clicking on buttons provided. If you wish to abstain, please indicate "ABASTAIN".

Thank you,
Lou

---

**From:** Ann Borja [mailto:annborja@guamwaterworks.org]
**Sent:** Friday, December 16, 2016 10:38 AM
**To:** Bernadette Lou Sablan
**Cc:** Miguel Bordallo; koclark@guamwaterworks.org; vincentg@guamwaterworks.org; Kathy Beleno
**Subject:** Res. No. 12-FY2017 re Fuel Bid
**Importance:** High

GUAM WATERWORKS AUTHORITY
"Better Water, Better Lives."
Gloria B. Nelson Public Service Building| 688 Route 15 | Mangilao, Guam 96913
Tel: (671) 300-6846

## Issues for Decision

**Resolution No. 12-FY2017**
Ratification of Bid award, Relative to IFB 2016-09 for Diesel Fuel Oil No. 2 and Regular Unleaded Automotive Gasoline for GWA's Transportation Fleet and Heavy Equipment.

**What is the project's objective and is it necessary and urgent?**
To supply GWA Diesel Fuel Oil No. 2 and Regular Unleaded Automotive Gasoline for GWA's Transportation Fleet and Heavy Equipment, and Yes, it's necessary and urgent, without the fuel, GWA cannot meet its daily operational needs and activities.

**Where is the location?**
Fuel is required for all GWA's vehicle and equipment fleet.

**How much will it cost?**
Estimated fuel cost for Unleaded gasoline with Mobil Oil Guam is as follows:
$1.523 per gallon at 115,000 gallons of unleaded gasoline per year at a cost of $175,145.00.

Estimated fuel cost for Diesel Fuel with IP&E is as follows:
$1.3200 per gallon at 50,000 gallons of diesel per year at a cost of $66,000.

Grant Total $241,145.00 estimated cost annually.

**When will it be completed?**
Fuel Services for GWA's vehicle and equipment fleet will be on-going for the duration of the initial 3-year contract with the option to renew for an additional 2 years, 1-year term.

**What is the funding source?**
O & M

**The RFP/BID responses (if applicable):**
On-going bid process.

**GUAM CONSOLIDATED COMMISSION ON UTILITIES**

**RESOLUTION NO. 12-FY2017**

**RELATIVE TO APPROVING THE RATIFICATION OF AWARD FOR THE MULTI-YEAR PROCUREMENT OF AUTOMOTIVE GASOLINE, REGULAR UNLEADED AND DIESAL FUEL OIL NO. 2 FOR GWA TRANSPORTATION FLEET, GWA IFB. NO 2016-09**

**WHEREAS**, under 12 G.C.A. § 14105, the Consolidated Commission on Utilities ("CCU") has plenary authority over financial, contractual and policy matters relative to the Guam Waterworks Authority ("GWA"); and

**WHEREAS**, the Guam Waterworks Authority ("GWA") is a Guam Public Corporation established and existing under the laws of Guam; and

**WHEREAS**, GWA has advertised by an Invitation for Bid (IFB) 2016-09 [Exhibit A] soliciting bid proposals from experienced and responsive bidders to provide GWA with Diesel Fuel Oil No. 2 and Automotive Gasoline, Regular Unleaded; and

**WHEREAS**, there were three (3) responsive bidders who offered Diesel Fuel Oil No. 2 and Automotive Gasoline, Regular Unleaded meeting the requirements of IFB 2016-09; and

**WHEREAS,** the IFB 2016-09 offers were evaluated by GWA's review committee; and

**WHEREAS**, GWA's review committee [Exhibit B "Recommendation of Award"] determined that Mobil Oil Guam offered the lowest cost of $1.523 per gallon for Automotive Gasoline, Regular Unleaded and offered the cost of $1.335 per gallon for Diesel Fuel Oil No. 2, which the review committee determined to be fair and reasonable based on actual FY2016 fuel consumption; and

**WHEREAS,** GWA accepted Mobil Oil Guam's bid proposal [Exhibit C "Copy of Bidder's Proposal] of $1.523 per gallon for Automotive Gasoline, Regular Unleaded and $1.335 per gallon for Diesel Fuel Oil No. 2 to be used for GWA's Transportation Fleet; and

**WHEREAS,** GWA issued the Notice of Award [Exhibit D] to Mobil Oil Guam; and

**WHEREAS**, on September 16, 2016, IP&E submitted in writing a formal Protest [Exhibit E] on the award to Mobil Oil Guam; and

**WHEREAS**, on September 16, 2016, GWA issued in writing its decision of denial to IP&E protest [Exhibit F] relative to the award to Mobil Oil Guam; and

**WHEREAS**, on September 27, 2016, IP&E Holding LLC appealed the award to Mobil Oil Guam to the Office of Public Accountability [Exhibit G "OPA PA-13"] relative to the award to Mobil Oil Guam; and

**WHEREAS**, on November 23, 2016, the Office of Public Accountability [Exhibit H] issued its decision relative to the appeal filed by IP&E on the award to Mobil Oil Guam; and

**WHEREAS**, the Office of Public Accountability in its decision on November 23, 2016, determined that:

1. GWA was required to use only the estimated quantities of gallon of diesel and unleaded gasoline provided in the IFB for evaluation and award rather than other factors such as actual usage of gasoline and the cost of having more than one vendor for fuel.
2. IP&E was the lowest responsive bidder as to diesel [Exhibit H] and Mobil Oil Guam was the lowest responsive bidder as to unleaded gasoline.
3. GWA shall award IP&E the contract for diesel and shall award Mobil the contract for unleaded gasoline.

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**NOW BE IT THEREFORE RESOLVED**, the Consolidated Commission on Utilities does hereby approve and authorize the following:

1. The recitals set forth above hereby constitute the findings of the CCU.
2. The CCU hereby authorizes GWA management to proceed based on the findings and decision made by the Office of Public Accountability attached hereto as Exhibit I, and which is incorporated into this Resolution in its entirety.
3. The CCU hereby further authorizes management to enter into a contract with "Mobil Oil Guam", to purchase Automotive Gasoline, Regular Unleaded at a cost to be the sum of the previous month's average daily prices as posted in Platt's Asia-Pacific Market Scan and a Premium Fee of $.45 and IP&E for Diesel Fuel Oil No. 2 at a cost to be the sum of the previous month's average daily prices as posted in Platt's Asia-Pacific Market Scan and a Premium Fee of $.50 per gallon for the duration of the contract term as specified in the IFB 2016-09 under the initial term of three (3) years, with an option to extend for two (2) additional one (1) year renewal terms of twelve (12) months per renewal term upon mutual agreement of both parties.
4. The CCU hereby further approves the funding (revenue funds) for purchases of Automotive Gasoline, Regular Unleaded and Diesel Fuel Oil No. 2. at per the cost formulas set forth in paragraph 3 above, in accordance with the terms of the respective contracts.

**RESOLVED,** that the Chairman certified and the Board Secretary attests to the adoption of this Resolution.

**DULY AND REGULARLY ADOPTED** this 6th day of December, 2016.

Certified by: Attested by:

_____ _____

**JOSEPH T. DUENAS** **J. GEORGE BAMBA**
Chairperson Secretary

I, J. George Bamba, Board Secretary of the Consolidated Commission on Utilities as evidenced by my signature above do hereby certify as follows:

The foregoing is a full, true and accurate copy of the resolution duly adopted at a regular meeting by the members of the Guam Consolidated Commission on Utilities, duly and legally held at a place properly noticed and advertised at which meeting a quorum was present and the members who were present voted as follows:

AYES: _____

NAYS: _____

ABSTENTIONS: _____

ABSENT: _____

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# EXHIBIT A

## IFB

# INVITATION TO BID

The GUAM WATERWORKS AUTHORITY will receive sealed bids for supply of **Diesel Fuel Oil No. 2 and Automotive Gasoline, Regular Unleaded, for the GWA Transportation Fleet.** in **GWA IFB. NO. 2016-09**. Bids in duplicate copy will be accepted until 10:00 a.m. Chamorro Standard Time, _____, 2016 at the GWA Procurement Office, first floor located at the Gloria B. Nelson Public Services Building in Mangilao at which time and place all bids will be publicly opened and read aloud. All bids must be accompanied by a Bid / Performance Bond in the amount of 15 percent (15%) of the total bid price. Bid Bond security may be in a form of a certified check or cashier's check made payable to Guam Waterworks Authority. A non-refundable amount of $15.00 is required for the purchase price of every set of bidding documents which are available at the GWA Procurement Office. Bidders can download a bid package at www.guamwaterworks.org without charge, although vendors must register with GWA Procurement Office to ensure that updated information, notices or bid amendments are distributed to you.

GWA reserves the right to revise or reject any or all proposals and to waive any minor imperfection in the bid proposal in the interest of the Guam Waterworks Authority.

Miguel C. Bordallo, P.E.
General Manager

GWA STAMP ISSUE DATE:

_____

GUAM WATERWORKS AUTHORITY

Gloria B. Nelson Public Service Building
688 Route 15, Mangilao GU 96913

Dear Interested Bidder:

Attached herewith please find the Invitation for Bid by the **Guam Waterworks Authority (**GWA**), IFB-GWA-2016-09** relative to the supply of **Diesel Fuel Oil No. 2 and Automotive Gasoline, Regular Unleaded, for the GWA Transportation Fleet.** The Fuel supply contract shall be for a three (3) year term to commence on or about _____2016, and shall continue until midnight of _____, 2019.

The IFB is divided into two (2) parts:

Part A: The solicitation
Part B: Bid submittal documents
(Contract and Offer)

Part A consists of three (3) sections: Section I, gives the general background and summary of the solicitation. Section II, provides the instruction procedures and requirements for bidders. Section III, Bid Bond requirements.

Part B contains the Bid Submittal Documents consisting of the Proposed Contract and Bid Offer. The Bid Offer must be completed by the bidder and submitted in response to this IFB. In addition to these documents, the bidder is required to submit as part of their bid information pertaining to responsibility and other requirements specified in the solicitation. Failure to do so shall be grounds to declare a bid non-responsive.

All interested bidders are advised to read the instructions carefully and tender their offers in conformance to the material aspects and requirements of the IFB.

Si Yu'os Ma'ase,

Miguel C. Bordallo, P.E.
General Manager

**INVITATION FOR BID NO. GWA-2016-09**

**FOR SUPPLY OF**
**DIESEL FUEL OIL NO. 2**
**and**
**REGULAR UNLEADED AUTOMOTIVE GASOLINE**

**FOR GWA'S**
**TRANSPORTATION FLEET**
**AND**
**HEAVY EQUIPMENT**

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# PART A

## GUAM WATERWORKS AUTHORITY'S INVITATION FOR BIDS TO SUPPLY FUEL TO GWA'S VEHICLE FLEET (DIESEL FUEL OIL NO. 2 AND AUTOMOTIVE GASOLINE, REGULAR UNLEADED)

**Section I: BACKGROUND AND SUMMARY OF SOLICITATION**

The Guam Waterworks Authority ["GWA" or "Authority"] is a Guam public corporation. GWA is the sole non-military supplier of water service on the Island of Guam. The Authority desires to solicit and secure a Fleet Fuels (Diesel Fuel Oil No. 2 and Automotive Gasoline, Regular Unleaded) supply contract.

GWA is hereby soliciting bids for the supply of Diesel Fuel Oil No. 2 and Automotive Gasoline, Regular Unleaded, for an initial three (3) year term, with options to extend for two (2) additional one (1) year renewal terms of twelve (12) months per renewal term upon mutual agreement of both parties.

GWA vehicle and equipment fleet consists of approximately 152 light and medium duty vehicles and 35 pieces of heavy equipment.

**Section II: INSTRUCTIONS, PROCEDURES AND REQUIREMENTS FOR BIDDERS.**

**1. Time, Schedule and location of bid submittal and opening**.

The deadline for the submission of sealed bids is on _____, 2016, not later than 10:00 a.m., Chamorro Standard Time. **One (1) original, five (5) complete hard copies and one (1) electronic copy of the bid must be submitted, as part of the bid submittal.** Information pertaining to bidder financial responsibility, company profile, history of past Gov. Guam supply contracts, and other information relevant to this bid shall be submitted with the bid. It is advisable to use courier services to expedite delivery of your offer. The original bid must be signed in ink by a person authorized to submit bids on behalf of the bidder. Bid must be delivered to GWA Procurement Office, first floor located at Guam Waterworks Authority, Gloria B. Nelson Public Service Building, 688 Route 15, Mangilao, GU 96913.

The sealed submittal envelope shall-be marked on the lower left corner "**SEALED BID, DIESEL FUEL OIL NO. 2 AND AUTOMOTIVE GASOLINE, REGULAR UNLEADED SUPPLY, IFB NO. GWA-2016-_____, BID OPENING, _____, 2016 at 10:00 a.m. Chamorro Standard Time."**

All questions regarding the bid must be submitted in writing and be delivered personally, via US mail, via express delivery or via fax and directed to the following parties:

Miguel C. Bordallo, P.E.
General Manager
Guam Waterworks Authority
Gloria B. Nelson Public Service Building
688 Route 15
Mangilao, GU 96913
E-mail: mcbordallo@guamwaterworks.org

Vince Guerrero
Supply Management Administrator
Guam Waterworks Authority
Gloria B. Nelson Public Service Building
688 Route 15
Mangilao, GU 96913
E-mail: vincentg@guamwaterworks.org
Fax. No.: (671) 649-3750

**2. Form**.

All bids must be in writing and must be signed by a representative of the bidder having authority to submit such bids. Offers submitted in response to this solicitation shall be in terms of United States currency and in the English language. The bids should respond in an organized fashion to all the requirements of this Invitation for Bids. Bidders must submit along with their bid package, a fully completed Offer, Bid Bond, and other information pertaining to the responsibility of Bidder. Failure to submit any of these bid documents shall be grounds to declare a bid non-responsive.

**3. Receipts, Registration of Bids and Confidentiality**.

The sealed bids shall be opened publicly on _____, **2016,** at **10:00 a.m. Chamorro Standard Time.**

For the purposes of this solicitation and bid submission, the laws of Guam governing confidentiality shall govern. If the Bidder submits confidential data with their bid, the bidder must clearly label the information to be protected as "confidential" in each and every place the information is located. GWA reserves the right to determine whether such information is in fact able to be protected from public review under the laws of Guam. Information deemed confidential and approved by GWA for such protection, shall be used only by GWA for bid evaluation purposes; provided however, that if a Contract is awarded to this bidder as a result of, or in connection with the submission of this data, the GWA shall have the right to duplicate, use, or disclose the data to the extent provided in the

Contract. Moreover, this restriction does not limit the GWA's right to use information contained in the data if it is obtained from another source without restriction. The General Manager of GWA or his designee shall examine the bids and determine the validity of any requests for non-disclosure of data as requested. Bids and modifications shall be time-stamped upon receipt and held in a secure place by GWA Procurement Office until the established opening date.

**4. Modification or Withdrawals of Bids**.

Bids may be modified or withdrawn by written notice from a person authorized to sign the bid, received in the office of GWA Procurement at any time prior to the time and date set for the opening scheduled for **_____, 2016** at **10:00 a.m. Chamorro Standard Time.**

Facsimile or email written withdrawals shall also be accepted provided they are in fact received by GWA procurement division personnel and confirmed by such personnel. There shall be no modifications or withdrawals after the bid opening date.

**5. Late Bids, Late Withdrawals and Late Modifications**.

Any bid received after the time and date set for receipt of bids is late and shall not be considered. Any withdrawal or modification of a bid received after the time set for the opening of bids as specified herein is also late and shall not be considered.

**6. Award**.

The award of the Contract will be made by GWA to the lowest responsive and responsible bidder whose bid conforms to the Invitation for Bids and would be most advantageous to GWA, in terms of price and all other factors considered as determined by GWA as provided in the bid. GWA reserves the right to award the Contract to a vendor other than the lowest price offeror and to reject any or all offers if it is determined to be in the best interest of the Territory of Guam. A written Notice of Award (or acceptance of offer) will be mailed or otherwise furnished via facsimile transmittal to the successful bidder within the time for acceptance specified in the offer. GWA reserves the right to waive informalities and minor irregularities in bids received. In the evaluation process, the following factors will be considered:

(a) Price;
(b) Whether the bidder's ultimate offer meets and conforms to the announced requirements of GWA in all material respects (specifications);
(c) Service rendering capability, status as producer, refiner, broker, or agent and his direct financial responsibility;
(d) Overall clarity and presentation of bid;
(e) Whether the bidder has:
    (1) the available appropriate financial, material, equipment, facility, and personnel resources and expertise, or the ability to obtain them, necessary

to indicate its capability to meet all Contractual requirements;
(2) a satisfactory record of performance;
(3) a satisfactory record of integrity;
(4) qualified legally to Contract with the territory and properly licensed to conduct such business on Guam; and
(5) supplied all necessary information in connection with the inquiry concerning responsibility.

Bidder is responsible for providing adequate information on operating and petroleum supply experience and on financial status (i.e. annual report with audited financial statements) and references for use in evaluating its capabilities.

In addition to the evaluation criteria, GWA may require submission of descriptive literature, technical data, or other material. It may also require accomplishing any of the following prior to award:

(a) Inspection or testing of a product sample prior to award for such characteristics, as quality, or workmanship;
(b) Examination of such elements as appearance, grade, texture, or
(c) Other examinations to determine whether it conforms to any other purchase description requirements.

**7. Cancellation of Solicitation; Delays**.

GWA reserves the right to cancel or to withdraw this Invitation for Bids, to delay determination on this Invitation, to reject all bids or any individual bid in whole or in part, at any time prior to the final award or to waive any minor informalities or irregularities of any bid. In case of cancellation or rejection, bid bonds will be concurrently returned. The reasons for the cancellation, delay or rejection shall be made a part of the procurement file and shall be available for public inspection.

(a) **Rejection of all Bids**. Prior to the final award, all bids may be rejected in whole or in part when GWA determines in writing that such action is in the GWA's best interest for reasons including, but not limited to:

(1) The supplies and services being procured are no longer required;
(2) Ambiguous or otherwise inadequate specifications were part of the solicitation;
(3) The solicitation did not provide for consideration of all factors of significance to the territory;
(4) Prices exceed available funds and it would not be appropriate to adjust quantities to come within available funds;
(5) All otherwise acceptable bids received are at clearly unreasonable prices;
(6) There is reason to believe that the bids may not have been

independently arrived at in open competition, may have been collusive, and may have been submitted in bad faith.

When a solicitation is canceled or rejected prior to final award, notice of cancellation or rejection shall be sent to all bidders and all bid bonds shall be returned. The reasons for cancellation or rejection shall be made part of the procurement file and shall be available for public inspection.

(b) **Rejection of Individual Bids**. Any individual bid may be rejected in whole or in part when in the best interest of the Territory of Guam as determined by GWA in its sole discretion. Reasons for rejecting a bid include, but are not limited to:

(1) The bidder is non-responsive pursuant to Guam's procurement laws, rules and regulations;
(2) The bid is not responsive, as it does not conform, in all material respects, to the Invitation for Bids;
(3) The quantity and/or quality supply or service offered in the bid is unacceptable by reason of its failure to meet the requirements of the specifications set forth in the Invitation for Bids or other acceptability criteria set forth in the Invitation for Bids. Upon request, unsuccessful bidders shall be advised of the reasons for rejection;
(4) The bid is not the lowest responsive bidder, which meets the requirements, criteria set forth in the Invitation for Bids;
(5) The bidder has failed to submit to the GWA procurement office, the necessary licenses, permits and authorizations when requested by the Procurement Officer prior to the award.
(6) Any changes as initiated by the bidder to the attached Contract form constitute a basis to declare the bid submittal as non-conforming.

**8. Fuels To Be Supplied**.

Bidder agrees to furnish and GWA agrees to accept and pay for all of Diesel Fuel Oil No. 2 and Automotive Gasoline, Regular Unleaded (both fuels referred to in the solicitation as Fleet Fuels) requirements for the Authority's transportation fleet for the term of the Contract. **Estimated** total quantity for the fleet's fuel shall be:

(a) ***Diesel Fuel Oil No. 2: approximately 50,000 gallons per year (estimated).***
(b) ***Automotive Gasoline, Regular Unleaded: approximately 115,000 gallons per year (estimated).***

The fleet fuels supply shall be provided from Bidder's service stations (or from designated stations if so agreed upon between the Contractor and GWA Procurement/ Supply Administrator). The commencement of the Fleet's fuel procurement shall be as soon as possible following award of bid and signing of Contract.

**9. Contract Term.**

The Contract Term shall be for three (3) years, with an option to extend for two (2) additional one (1) year renewal terms upon mutual agreement of both parties. The contract price for each year shall be at the ***same price as contract price offer and all other terms remain unchanged*** unless other terms are agreed upon between the parties. The contractual obligation of GWA to the successful bidder is subject to the availability of funds. In the event funds are not available for any succeeding months under a valid contract term, the remainder of such Contract shall be cancelled and the Contractor shall be reimbursed for the actual expenses reasonably incurred under the contract, plus a reasonable profit, prior to the termination. The Authority shall notify Contractor in writing within sixty (60) days if funds are unavailable.

**10. Contract Price**.

The total price per U.S. gallon delivered TO GWA site shall be inclusive of all costs, insurance, freight and liabilities incurred prior to delivery to GWA.

**11. Warranty and Claims**.

Contractor shall provide both express and implied warranties of merchantability and warrants that the diesel fuel oil no. 2 and automotive gasoline, regular unleaded, shall meet the specifications as prescribed in the pertinent sections of the Contract. Claims against the Contractor on account of quality, defects in, loss or damage to product shall be given in writing by GWA within thirty (30) days from date of fleet's fuels procurement.

**12. Product and Quality of Fleet's Fuels:**

The Fleet fuels delivered hereunder shall have the physical and chemical characteristics as described in Section 2.01 of this bid.

**13. Contract Principals**.

It is important that Bidder fully identify persons and entities having any interest in the Contract. GWA reserves the right to require Bidder for complete disclosures of owners or stockholders of any entity having an interest in the Contract.

**14. Insurance**.

The responsible bidder shall be required to provide proof of insurance, to include coverage for Public General Liability, Workmen's Statutory Compensation Insurance, and Employer's Liability Insurance.

**15. Contract Controlling.**

The comments contained herein are for the use of the bidders and to the extent there is any conflict between the items set forth in this solicitation instruction and the Contract, the

Contract language, including any amendments thereto, shall govern.

**Section III. BID & PERFORMANCE BOND REQUIREMENTS.**

**A. BID BOND REQUIREMENT:**

All bidders are required to submit a bid security in the amount of **15%** of their total bid amount. Failure to submit a proper bid bond will cause the bid to be rejected. The bid bond amount is to be determined by using the total estimated gallons used by GWA for each fuel type multiplied by the per gallon bid amount then add the individual totals for each fuel type together.

The performance bond form that is attached hereto must be used by the bidder and may not be 3 modified without the written consent of GWA.

**THE BID GUARANTEE MAY BE IN THE FORM OF:**

a. Cashier's Check or Certified Check
b. Surety Bond – Valid only if accompanied by:
    i. Current Certificate of Authority;
    ii. Power of Attorney issued by the Surety to the Resident General Agent;
    iii. Power of Attorney issued by two (2) major officers of the Surety to whoever is signing on their behalf

**B. PERFORMANCE BOND REQUIREMENT**

The successful bidder will be required to submit a performance bond in the amount equal to 100% of the total bid price established under the bid bond process above and it shall be made payable to GWA in the form of a surety issued by a company licensed to conduct business in Guam. The performance bond must be submitted not later than 15 days after the Notice of Award is issued. The performance bond shall continue in full force and effect until after delivery of the supplies or services required by the contract awarded to the Contractor under the associated Invitation for Bid is completed.

The performance bond form that is attached hereto must be used by the bidder and may not be modified without the written consent of GWA.

## PART B

## BID SUBMITTAL DOCUMENTS

**I. PROPOSED GWA FLEET FUELS SUPPLY CONTRACT (DIESEL FUEL OIL No. 2 and AUTOMOTIVE GASOLINE, REGULAR UNLEADED)**

**II. BID OFFER**

**III. BID BOND**

**IV. MAJOR SHAREHOLDERS OF DISCLOSURE AFFIDAVIT AND NON-COLLUSION AFFIDAVIT**

## N O T I C E

Please find the Bid Submittal documents, Proposed Contract and Bid Offer. The following Proposed Sample Contract is intended to provide the bidder with sample terms that GWA intends to use as part of the final contract to be used in conjunction with this bid. Any final contract under this bid shall contain terms and conditions that are acceptable to GWA. The submission of a bid by any vendor is proof of each bidder's acceptance of the terms and conditions contained in the Proposed Sample Contract and that they will not challenge said terms and conditions. Please be advised of the requirement of furnishing the bid bond in the designated amount and other data or information pertaining to responsibility and other requirements specified in the Solicitation that must be submitted together with the aforementioned documents.

**PROPOSED SAMPLE CONTRACT**
**FOR**
**GWA FLEET FUEL SUPPLY DIESEL FUEL OIL No. 2**
**AND**
**REGULAR UNLEADED AUTOMOTIVE GASOLINE**

## P R E A M B L E

This Contract, by and between Guam Waterworks Authority ("GWA"), a Guam public corporation whose business address is Gloria B. Nelson Public Service Building 688 Route 15 Mangilao, GU 96913, and _____ ("Contractor") whose business address is _____ and having Guam Business License No. _____.

**W I T N E S S E T H:**

## R E C I T A L S

WHEREAS, the Authority has publicly issued an Invitation for Bid, for a three (3) year Fleet Fuel Supply Contract, Invitation For Bid, IFB GWA 2016-09, for the supply of the Authority's Diesel Fuel Oil No. 2 and Automotive Gasoline, Regular Unleaded, for the Authority's Transportation Fleet; and

WHEREAS, the Authority will award a Contract to the lowest responsible bidder whose bid conforms to the material aspects of the Invitation; and

WHEREAS, GWA finds that the aforementioned Contractor has submitted the lowest responsible bid for the products and/or services required hereunder.

NOW, THEREFORE, for and in consideration of the mutual covenants contained herein, the parties hereto do hereby agree as follows:

## SECTION 1

**SECTION 1.01: FLEET FUELS TO BE SUPPLIED - DIESEL FUEL OIL NO. 2 AND AUTOMOTIVE GASOLINE, REGULAR UNLEADED:**

Contractor agrees to furnish and deliver all the required Fleet Fuels: Diesel Fuel Oil No. 2 and Automotive Gasoline, Regular Unleaded, for the Authority's Transportation Fleet and GWA agrees to accept and pay for all Fleet Fuels delivered to GWA, meeting the specifications requirements for the term of the Contract.

The estimated requirement of Diesel Fuel Oil No. 2 is approximately Fifty thousand gallons per year (50,000 gal/yr) and Automotive Gasoline, Regular Unleaded is estimated at about One hundred Fifteen thousand gallons per year (115,000 gal/yr) for the Authority's Transportation

Fleet. Notwithstanding any estimated quantity set forth herein, the Contractor shall be responsible in supplying all the Fleet Fuels (diesel and unleaded gasoline), reasonably required by GWA, even if such quantities exceed the estimates provided above.

**Fleet Fuel Cards.** Contractor shall provide gas station fleet cards at no cost to GWA. Only employees carrying valid fleet cards shall be allowed to refuel at the gas stations. Contractor shall be responsible for all costs associated with providing fuel to unauthorized individuals. The Authority shall provide a list of employees and may add or delete names of employees authorized to use the gas station fleet card and GWA shall be responsible for all costs associated with its failure to provide updated employee listings to Contractor. Fleet cards shall be limited and restricted only for use in refueling of GWA official vehicles and Contractor shall be responsible for all costs associated with providing fuel to vehicles that are not official vehicles of GWA. The GWA General Manager may designate other vehicles which are allowed to be fueled in writing and GWA is responsible for all costs associated with its failure to maintain a proper vehicle listing.

1. GWA will require the vendor to issue fleet fuel cards for transacting fuel purchases.
2. Fleet card shall have electronically imprinted on it, name of driver or vehicle id, card no., and company name.
3. Assign cards by individual drivers or vehicles description, or both, as authorized by GWA.
4. Card is restricted to fuel purchases only and fuel grade per bid.
5. The use of the fuel card is restricted to GWA owned or leased vehicles only.

**Point of Sale Controls:**

1. Require drivers to show valid vehicle ID or driver ID numbers at time of purchase.
2. Ability to set variable spending controls by amount of purchase.
3. Ability to restrict transactions for number of uses per day, week, or month
4. Ability to require Driver PIN or Odometer prompt for purchase
5. Provide printed sales invoice or slip with the point of sale data below, with the signature of driver on the invoice/slip transacting the sale.
6. Point of sale data: card number, fuel quantity (gallons purchased), type of fuel, name of driver or vehicle id, date of purchase and location, price per gallon, time of day.
7. Provide point of sale data in electronic form, Microsoft Office Excel 2007 or later version.

**SECTION 1.02: TERM.**

The Contract Term shall be for three (3) years to commence when the contract is signed by the GWA General Manager, and shall continue until midnight of, _____2019, with an option to extend for two (2) additional one (1) year renewal terms upon mutual agreement of both parties. The contractual obligation of GWA and Contractor is subject to the availability of funds. In the event funds are not available for any succeeding months, the remainder of such contract shall be cancelled and the Contractor shall be notified within sixty (60) days if funds are unavailable.

**SECTION 1.03: CONTRACT PRICE.**

The total contract BID PRICE per gallon delivered to GWA Fleet point of delivery is ( in U.S. Dollars, inclusive of all costs and liabilities, please provide three (3) decimal places):

**1. Bid Price Offer:**

**(a) Diesel Fuel Oil No. 2: $ _____ per gallon**

**(b) Automotive Gasoline, Regular Unleaded: $ _____ per gallon**

**The BID PRICE is the sum of the fixed service fee (per gallon) and the bid reference prices as of January 18, 2016 posting in Platt's' Asia-Pacific Market Scan Oil Prices are as shown:**

**Bid Reference prices:**

| Fleet Fuels | Reference Product Code | Reference Price |
|---|---|---|
| **(a) Diesel Fuel Oil No. 2** | **Gasoil 10 ppm** | **$0.820 per gallon** |
| **(b) Automotive Gasoline (Regular Unleaded)** | **Gasoline 92 unleaded** | **$1.073 per gallon** |

**PRICE DETERMINATION:**

The invoice price for the fuel delivered in any month shall be the average of the effective prices reported for Gasoil 10ppm (for Diesel Fuel Oil No. 2) and Gasoline 89 unleaded (for Automotive Gasoline, Regular Unleaded), for all the daily postings of the previous month in the Platt's Asia-Pacific Market scan, for Singapore cargoes, plus the Service Fee as calculated.

The gas stations should be properly labeled to indicate the product grade at its pump. In the event that the gas station pump has not fully converted to Ultra-low Sulfur Diesel (ULSD) as set forth in Section 2.01, then the invoice price for Diesel Fuel Oil No. 2 delivered in any month shall be reduced and shall be based on the average of the effective prices reported for Gasoil Reg 0.5% Sulfur.

**INVOICE PRICE CALCULATION FORMULA:**

INVOICE PRICE = Previous Month daily postings average + Premium Fee

Sample data:

(a) Diesel Fuel Oil No. 2:

Sample Bid Price Offer = $1.020 per gallon
Premium Fee = $1.020- $0.820 = $0.200 per gallon

(b) Automotive Gasoline, Regular Unleaded:
Sample Bid Price Offer = $2.996 per gallon
Premium Fee = $1.273 - $1.073= $0.200 per gallon

**Sample Invoice Price Calculation:**

Delivery Month: January 2016

Diesel Fuel Oil No. 2:

Invoice Price = previous month average price + service fee
Previous Month's (December 2015) daily postings average * = $48.109/barrel = $1.145/gal
Premium Fee (per sample data) = $0.200 per gallon

Invoice Price = ($1.145 + $0.200) per gallon

Invoice Price = $1.345 per gallon

This is the invoice price (in three decimal places) for Diesel Fuel Oil No. 2 purchases by GWA for the sample month of January 2016.

Remarks:
1. The same calculation procedure shall apply for Automotive Gasoline, Regular Unleaded pricing calculations.
2. The Contractor is required to submit to the Authority a monthly invoice price calculation report within the first five days of each report month. Reports must include the detailed pricing data comprising of the price postings.

The invoice price for the fuels (a) and (b), shall be the actual gallons received into GWA's fleet multiplied by the unit price as calculated and determined on a monthly basis in reference to Platts' Asia-Pacific Market Scan Oil Price. All invoices submitted must be accompanied by the product delivery receipts signed by the duly authorized personnel and the service station representative.

**The contract price is effective and shall remain the same for the term of the CONTRACT in effect.**

**SECTION 1.04: FLEET FUELS TO BE PURCHASED-DESIGNATED SERVICE STATIONS:**

All Fleet fuel purchases shall be at any of the Contractor's Service Stations unless otherwise agreed to by GWA. Fuel refilling shall be limited and restricted to GWA official and leased vehicles, and authorized personnel only. GWA agrees to provide and maintain a list of authorized vehicles and authorized personnel and provide Contractor with at least 72 hours written notice of any changes.

**SECTION 1.05: TERMS OF PAYMENT.**

Invoices for Fleet Fuels purchased pursuant to quantity (receipts) and quality prescribed under the terms of this Contract, shall be submitted on a monthly basis, based on the amount of gallons of fuels purchased by GWA. The payment term is thirty days (net) and the Authority shall promptly make payments within a reasonable time not to exceed a period of THIRTY (30) calendar days from the receipt of the invoice. All payments shall be based upon the received (invoiced) quantity.

**SECTION 1.06: WARRANTY AND CLAIMS.**

Contractor shall provide both express and implied warranties of merchantability and warrants that the Fleet Fuels shall meet the specifications prescribed herein under Section 2 of Article I and other pertinent sections. Claims against the Contractor on account of quality and contaminations (defects), loss or damage to product shall be given in writing by GWA within thirty days (30) from date of purchase (delivery) of fuels as specified herein. If the fuel oil fails to meet the required specifications, Contractor shall be liable for any direct damages including, but not limited to, compensation and such damages shall not affect other remedies provided for in the Contract.

**SECTION 2**

**SECTION 2.01: PRODUCT AND QUALITY**

The typical characteristics of the Fleet Fuels to be supplied under this contract shall be as follows:

**A. DIESEL FUEL Oil No.2 [A]**

Typical Characteristics:

| Property | ASTM Test Method [B] | Alternate Method ASTM | Unit of Measure | Limits |
|---|---|---|---|---|
| Flash Point | D93 | | $^{o}$C | 52 Min |
| Water & Sediment | D2709 | | % vol | 0.05 Max |
| Distillation Temp, $^{o}$C<br>90%, recovered | D86 | | % vol | 282 Min<br>360 Max |
| Kinematic Viscosity | D-445 | | $mm^2$ at 40$^{o}$C | 1.9 Min<br>4.1 Max |
| Ash | D482 | | % mass | 0.01 Max |
| Sulfur | D5453 | D7039-13 | ppm (µg/g) | 15 Max |
| Copper Strip Corrosion Rating<br>(3hrs min at 50$^{o}$C) | D130 | | | No.1 Max |

| | | | | |
|---|---|---|---|---|
| Cetane Index | D 613 | D976-80<br>D 4737 | | 46 Min |
| Aromaticity | D1319 | | % vol | 35 Max |
| Carbon Residue<br>on 10% distillation residue | D524 | D4530<br>D6371 | % mass | 0.20 Max |
| Lubricity, HFRR @ 60ºC | D6079 | | Micron | 460 Max |
| Conductivity | D2624 | D4308 | pS/m | 25 Min |
| Density @ 15ºC | D1298 | D4052 | $Kg/m^3$ | 820 Min<br>850 Max |
| Gravity, API @ 60ºF | D1295 | D4052 | | 35 Min<br>41 Max |
| Color | D1500 | | ASTM | 2.0 Max |
| Strong Acid No. | D974 | | mg KOH/g | NIL |
| Total Acid No. | D974 | | mg KOH/g | 0.5 Max |
| Stability (Oxidation), 16Hrs | D2274 | | mg/L | 25 Max |
| Appearance @ ambient temp | Visual | | | Report |
| Guaranteed Heating Value (HHV) | D240 | | MMBTU/bbl | 5.70 Min |

[A] 1. Follows the minimum requirements for **Ultra-Low Sulfur Diesel (ULSD) Fuel Oil** listed under ASTM 975-10.

2. Guam Public Law 30-184 mandates compliance to ULSD standards for Diesel Fuel Oil No.2

**B. AUTOMOTIVE GASOLINE, REGULAR UNLEADED**

Typical characteristics:

| Property | ASTM Test Method | Alternate Method | Unit of Measure | Limits |
|---|---|---|---|---|
| Appearance @ Ambient Temp. | | | VISUAL | Clear & Bright |
| Color | | | ASTM | Report |
| Gravity, API @ 60 deg. F. | | D – 1298 | | Report |
| DISTILLATION IBP, ºC<br>10% Evaporation<br>20% Evaporation<br>50% Evaporation<br>90% Evaporation<br>FBP<br>Residue | | D-86 | | Report<br>70 Max<br>Report<br>115 Max<br>180 Max<br>215 Max<br>2 Max |
| Reid Vapor Pressure @100ºF, | D-5191 | D-6378 | psi | 9 Max |
| SULFUR Content | D-2622 | D-5453 | Wt. ppm | 300 Max. |
| Existent Gum | D-381 | | mg/100 ml | 4 Max |
| Doctor Test | D-4952 | IP30 | | Negative |

| | | | | |
|---|---|---|---|---|
| Induction Period @100ºC | D-525 | | minutes | 480 Min |
| Research Octane No. (RON) | D-2885 | D-2699MOD | | 91 Min |
| Motor Octane No. (MON) | D-2700MOD | | | Report |
| Anti-Knock Index (RON +MON)/2 | | | Calculated | 87 Min |
| Copper Corrosion @3 hrs @ 50ºC | D-130 | | | 1 Max |
| Lead Content | D-3237 | IP-224 | g Pb/ USG | NIL |
| Phosporus | D-3231 | | g/USG | 0.005 Max |
| Benzene | UOP 744MOD | JM63 | Wt% | Report |
| EthlyBenzene | UOP 744 MOD | JM63 | Wt% | Report |
| Toluene | UOP 744 MOD | JM63 | Wt% | Report |
| Total Aromatics | UOP 744 MOD | JM63 | Wt% | Report |
| Xylene | UOP 744 MOD | JM63 | Wt% | Report |

***Note:*** GWA ***may require the supplier to conduct additional tests as may be necessary.***

**SECTION 2.02: QUANTITY AND QUALITY ASSURANCE**

The Contractor shall ensure that any of the designated service stations have metered quantity at the pump, the metering device has to be calibrated or had been calibrated at a frequency of six (6) months minimum and to be effected with the presentation of calibration certificate as performed by the third party certifying company. GWA will require submittals by the successful awardee.

**(a) FLEET FUELS ON-STOCK INVENTORY.**

The Contractor is required to maintain at its own storage facility, a minimum inventory of 20-days' supply requirement, approximately 20,000 gallons for each fuel grade.

**(b) FLEET'S FUELS QUALITY TESTING.**

The Fleet fuel delivered to GWA shall have the physical and chemical characteristics as described in **Section 2.01**.

Test Methods shall be in conformance with the prescribed procedures set forth by the American Society for Testing and Materials (ASTM) Standards for Petroleum Products, Lubricants, and Fossil Fuels, or alternative tests acceptable and subject to prior authorization by GWA.

Quality determination shall be performed and certified by an independent third party laboratory facility acceptable to GWA. Certificate of Quality (COQ) shall be representative of the product in the Contractor's storage facility in Guam.

The Contractor shall provide, at no cost to GWA, laboratory services and quality certification of the Fleet Fuels.

## SECTION 3

**SECTION 3.01: SECURITY**.

For security of supply, Contractor reserves the right to supply the Fleet Fuels meeting GWA specifications from any lawful source. In the event that supplies are taken from such other places, then the price as invoiced to GWA will remain the same as established in Section 1.03.

**SECTION 3.02: GOVERNMENT LAWS AND REGULATIONS**

This Contract as executed shall be governed and construed in accordance with the laws, statutes, and regulations of the Territory of Guam. Wherever a term defined by the Uniform Commercial Code is used in the Contract the definition contained in the Uniform Commercial Code of Guam will control, unless otherwise specified.

The parties expressly submit to the jurisdiction of the Superior Court of the Territory of Guam, for the resolution of any dispute or difference or claims between the parties in connection with the Contract, and to service of process by registered mail. The Contractor agrees to accept the jurisdiction of the Superior Court of the Territory of Guam for the resolution of any claims. The Contractor waives all rights against GWA to claim consequential, special or punitive damages.

**SECTION 3.03: TAXES and OTHER GOVERNMENT CHARGES**

All forms of taxes, fees, charges, duty, or other form of amount equivalent thereto, now or hereafter imposed, levied, or assessed by the United States Government, the Government of Guam, or any instrumentality or agency thereof, in connection with and as a result of the sale of such goods herein provided for, if collectible or payable, shall be the responsibility of the Contractor.

**SECTION 3.04: SPECIFICATIONS**.

Should GWA wish to alter any of the specifications set out under Section 2.01 of Article I, terms of delivery, for good cause, it shall give written notice to Contractor within thirty (30) days. If such changes cause an increase or decrease in Contractor's cost of performance of Contract, an equitable adjustment shall be made and the Contract modified in writing accordingly. Any claim by Contractor for adjustment under this section must be asserted in writing within thirty (30) days from the date of receipt by Contractor of the notification of changed specifications. Contractor and GWA shall, in good faith, negotiate an equitable adjustment pursuant to the change in specifications. If Contractor and GWA fail to agree on the adjustment to be made within thirty (30) days after Contractor receives notice of altered specifications, or if Contractor is unwilling to meet the altered specifications, the

parties agree to subject themselves to the terms of the "Disputes" clause herein. However, nothing in this clause shall excuse the Contractor from proceeding with the Contract specifications as changed.

**SECTION 3.05: PERMITS AND RESPONSIBILITIES**.

The Contractor shall, without additional expense to GWA, be responsible for obtaining any necessary licenses and permits, and for complying with any applicable Federal and Territorial laws, codes and regulations necessary for performance by Contractor.

**SECTION 3.06: FORCE MAJEURE**.

No failure or omission to carry out or to observe any of the terms, provisions or conditions of the Contract shall give rise to any claim by one party against the other, or be deemed to be a breach of the Contract if the same shall be cause by or arise out of:

(a) War, etc. War, hostilities, acts of public enemy or belligerents, sabotage, blockade, revolution, insurrection, riot or disorder;

(b) Restraints. Arrest or restraint of princes, rulers or peoples;

(c) Confiscation. Expropriation, requisition, confiscation or nationalization;

(d) Rationing. Embargoes, export or import restrictions or rationing or allocation, whether imposed by law or regulation or by voluntary cooperation of industry at the insistence or request of any governmental authority or person purporting to act therefore;

(e) Regulations. Interference by restriction or onerous regulations imposed by civil or military authorities, whether legal or de facto and whether purporting to act under some constitution, decree, law or otherwise;

(f) Acts of God. Acts of God, fire, frost or ice, earthquake, storm, lightning, tide, tidal wave, or peril of the sea, accident of navigation or breakdown or injury of vessels;

(g) Loss for Tankers. Loss of tanker tonnage due to sinking by belligerents or to governmental taking whether or not by formal requisition;

(h) Strikes. Epidemics, quarantine, strikes or combination of workmen, lockouts, or other labor disturbances;

(i) Explosions. Explosion, accidents by fire or otherwise to wells, pipes, storage facilities, refineries, installations, machinery;

(j) Taking by Government. Unavailability of fuel because of the election of the

government of the country of its origin to take royalty product in kind;

No failure or omissions to carry out or to observe any of the terms, provisions or conditions of the Contract shall give rise to any claim by one party against the other, or be deemed to be a breach of the Contract from the time of and to the extent occasioned by the Force Majeure.

**SECTION 3.07: NOTICE TO OTHER PARTY**.

Either party whose obligations may be affected by any of the forces or causes set out in Section 3.06, shall promptly notify the other party in writing, giving full particulars thereof as soon as possible after the occurrence of such force or cause. Such party shall exercise due diligence to remove such cause with all reasonable dispatch and to resume performance at the earliest practicable time.

**SECTION 3.08: PAYMENT REQUIRED**.

Notwithstanding the provisions of Section 3.06, GWA shall not be relieved of any obligation to make payments for any Fleet Fuels delivered to/ purchased by GWA, however, during the force majeure condition the obligation shall be suspended, except for all fuels purchased prior to the force majeure condition.

**SECTION 3.09: ALTERNATE SUPPLY**.

In the event Contractor is unable to fulfill its obligations under this Contract as a result of any negligence on part of the Contractor or failure to meet GWA's requirement, GWA may at its sole discretion seek an alternative source for the fleet's fuels from other petroleum suppliers. If the cost of fuels during such period exceeds the Contract price as provided in Section 1.03, the Contractor shall be liable to GWA for the difference in cost and GWA must be reimbursed for said amount proven by GWA to be the difference in cost and based upon proven use by GWA official vehicles during this period.

**SECTION 3.10: RESUMPTION OF PERFORMANCE**.

If Contractor is prevented from delivering or GWA is prevented from receiving all or any of the Fleet Fuels, to be purchased under the Contract for the reasons which fall within the provisions of Section 3.06, then the party so prevented shall, as to the remainder of the Fleet Fuels not affected thereby, promptly resume performance of the Contract. No curtailment or suspension of deliveries or payment under the causes listed in Section 3.06, shall operate to extend the term of or terminate the Contract unless the occurrence of force majeure will materially impair, for an indefinite period of time, the parties' ability to perform the Contract.

**SECTION 3.11: DISPUTES**.

(a) All controversies between GWA and the Contractor which arise under, or are by virtue of, this Contract and which are not resolved by mutual

agreement, shall be decided by GWA pursuant to Guam Procurement laws and regulations.

(b) Contractor may pursue applicable remedies under the Guam Procurement Law and regulations and the Government Claims Act.

(c) Contractor shall comply with any decision of GWA and proceed diligently with performance of this Contract pending final resolution by the Superior Court of Guam of any controversy arising under, or by virtue of, this Contract; provided, however, that in any event the Contractor shall proceed diligently with the performance of the Contract where the General Manager of GWA has made a written determination that continuation of work under the Contract is essential to the welfare of the territory.

**SECTION 3.12: INDEMNITY**.

Contractor agrees to hold the Consolidated Commission on Utilities, its employees, GWA, and GWA's employees from all damages to persons or property or to receiving facilities and delivery facilities, regardless of ownership, including the cost of enforcement of the indemnity, actually and proximately caused by Contractor or its agents in making deliveries hereunder or for other performance required under this Contract.

**SECTION 3.13: INSURANCE.**

**A. INSTRUCTIONS:**

Contractor shall not commence work under this contract until he has obtained all insurance required under this section and such insurance has been approved by GWA, nor shall the Contractor allow any subcontractor to commence work on his subcontract until all similar insurance required of the subcontractor has been so obtained and approved. All policies shall name GWA as an additional insured and contain a waiver of subrogation in favor of GWA.

**B. WORKMEN'S STATUTORY COMPENSATION INSURANCE AND EMPLOYER'S LIABILITY INSURANCE:**

The Contractor shall take out and maintain during the life of this Contract the applicable statutory Workmen's Compensation Insurance with an insurance company authorized to write such insurance and in the applicable State or Territory covering all his employees, and in the case of any work sublet, the Contractor shall require the subcontractor similarly to provide statutory Workmen's Compensation Insurance for the latter's employees. The Contractor shall secure and maintain, during the life of this Contract, Employer's Liability Insurance with a limit of $500,000 with an insurance company authorized to write such insurance in all states or territories where the Contractor will have employees located in the performance of this Contract.

**C. PUBLIC LIABILITY INSURANCE:**

1. The Contractor shall maintain, during the life of this Contract, all necessary insurance as needed to protect Contractor against claims for damages resulting from (a) bodily injury, including wrongful death, and (b) property damage, which may arise from operations under this Contract whether such operations be by himself or by any Subcontractor or anyone directly or indirectly employed by either of them. The minimum acceptable limits of liability to be provided Liability Insurance shall be as follows:

(a) Bodily Injury Limits: $500,000 each person, each occurrence.

(b) Property Damage Limits: $2,000,000 maximum each occurrence.

2. The Public Liability Insurance required by the preceding Subparagraph 1 shall include the following extensions of coverage:

(a) The coverage shall be provided under a Comprehensive General Liability form of policy or similar thereto.

(b) The property damage coverage shall include a Broad Form Property Damage Endorsement.

(c) Contractual Liability coverage shall be included.

(d) Protective Liability coverage shall be included to protect the Contractor against claims arising out of operations performed by his subcontractors.

(e) Products Liability and/or Completed Operations coverage shall be included.

**D. AUTOMOBILE LIABILITY INSURANCE:**

The Contractor shall take out and maintain during the life of the Contract, such Automobile Liability insurance as shall protect him against claims for damages resulting from (a) bodily injury, including wrongful death, and (b) property damage, which may arise from the operations of any owned, hired or non-owned automobiles used by or for him in any capacity in connection with the carrying out of this Contract. The minimum acceptable limits of liability to be provided by such Automobile Liability Insurance shall be as follows:

(a) Bodily Injury Limits: $300,000 Each Person and $500,000 Each Occurrence

(b) Property Damage Limits: $300,000 Each Occurrence

**E. CERTIFICATE OF INSURANCE:**

The Contractor shall furnish GWA with two (2) copies of a Certificate of Insurance evidencing policies required in Paragraphs B., C., and D. above. Such certificates shall specifically indicate that the Public Liability Insurance includes all extensions of coverage

required in Paragraph C., Subparagraph 2 above. Such certificate shall specifically state that the insurance company or companies issuing such insurance policies shall give GWA at least thirty (30) days written notice in the event of cancellation of or material change in any of the policies. If coverage on said certificate(s) is shown to expire prior to completion of all terms of this Contract, the Contractor shall furnish Certificates of Insurance evidencing renewal of such coverage to GWA. The Certificates of Insurance shall clearly show this Contract number.

**F. SUBCONTRACTOR'S INSURANCE:**

The Contractor shall require each of his subcontractors to take out and maintain during the life of his Subcontract, the same insurance coverage required of the Contractor under Paragraphs B., C., and D. above, including the extensions of coverage required under Paragraph C., Subparagraph 2, above. Each subcontractor shall furnish to the Contractor two (2) copies of the Certificates of Insurance and such certificates shall contain the same information required in Paragraph C. above. The Contractor shall furnish one (1) copy of the certificates to GWA.

**G. INSURANCE COMPANY AND AGENT:**

All insurance policies herein required of the Contractor shall be written by a company duly authorized and licensed to sell the policy types required hereunder on Guam where supply under this Contract is being performed and be executed by an agent thereof duly licensed as an agent in said State or Territory.

**H. INDEMNITY:**

The Contractor shall indemnify and hold GWA free and harmless from all injuries and damages to persons or properties as a result of and relative to Fleet Fuel deliveries, including the cost of enforcement of the indemnity, actually and proximately caused by the Contractor or its agents and employees in the performance of the terms of the Contract.

**I. OIL SPILL RESPONSIBILITIES:**

The Contractor shall be responsible for any and all oil spills caused by or as a result of the performance of fuel deliveries. The Contractor shall recover or remove, or cleanup as appropriate, any fuels spilled by the Contractor, its agents or assigns upon the performance of this Contract.

**SECTION 3.14: RESTRICTION AGAINST SEX OFFENDERS.**

The Contractor shall fill out a Certification of Non-Employment of Convicted Sex Offenders that is attached to this Bid.

**SECTION 4**

**SECTION 4.01: FAILURE TO SUPPLY.**

Should Contractor fail to perform any of the terms, provisions or conditions of this Contract, the Contractor shall be in default. In this event, GWA will provide a written notice to the Contractor of such default, and provide the Contractor an opportunity to cure the default within thirty (30) calendar days after the notice of default. During this period, GWA, at its discretion and in accordance with whatever action, reserves the right to secure similar Fleet Fuels from other sources; in such event, the Contractor shall be responsible for any costs, expenses, fees, and monetary amounts of any nature whatsoever, including but not limited to handling fees, administrative, labor, and operations costs, and all other amounts associated with or related to the securing of such Fleet Fuels by the Authority. Should the Contractor fail to cure such default within thirty (30) calendar days after the notice of default thereof, GWA may terminate the Contract in whole or in part. In the event that GWA terminates the Contract by default, then the provisions of the performance bond shall be in effect.

**SECTION 4.02: FAILURE TO PAY**.

Failure to pay an invoice and any late penalties, if any, within a period of thirty (30) days from the due date of such invoice, shall be a default and should such a default not be cured within thirty (30) days after notice of default, Contractor may, at its option, do either of the following:

(a) terminate the Contract effective thirty (30) days after receipt by GWA of written notice if not first cured; or

(b) continue to supply Fleet Fuels and bring suit in the Superior Court of Guam for amounts past due and as they become due for any amount more than sixty (60) days past due.

**SECTION 4.03: FAILURE TO COMPLY WITH LAWS**.

In the event the Contractor or any person or entity identified as principals in the offer submitted in connection with the bid shall be found by any court or administrative agency having jurisdiction over the subject matter of the violation, to have violated any law, rule or regulation in connection with Contractor's performance of the obligations under the Contract in any manner whatsoever directly or indirectly which violation shall constitute a breach of the peace, or an act involving moral turpitude or otherwise constitute endangerment of the health, safety and welfare of the citizens of the Territory of Guam, GWA may at its sole discretion terminate this Contract upon 30 days written notice.

**SECTION 4.04: DEFAULT**.

(a) Default.

In addition to default under the provision of Section 4.01, if the Contractor refuses

or fails to perform any of the provisions of this contract with such diligence as will ensure the timely delivery of Fleet Fuel supply or commits any other substantial breach of this contract, GWA may notify the Contractor in writing of the delay or non-performance and if not cured within thirty (30) days of the date of notification, GWA may terminate the contract in whole or such part or parts of the contract as to which there has been a delay or a failure to properly perform. In the event of termination in whole or in part, GWA may procure the Fleet Fuels supply from another source whenever it deems appropriate.

(b) Compensation.

GWA shall pay for Fleet Fuels delivered to GWA provided such fuel is received at the time of receipt of GWA's notice of termination for default.

(c) Additional Rights and Remedies.

The rights and remedies provided in this clause are in addition to any other rights and remedies provided by law or under this Contract.

**SECTION 4.05: TERMINATION FOR CONVENIENCE**.

(a) Termination.

The delivery of Fleets Fuels supply under this Contract may be terminated by GWA in accordance with this clause in whole, or from time to time in part, whenever GWA shall determine that such termination is in the best interest of GWA, or whenever GWA because of technological developments ceases to use the said Fleet Fuels, as described in the specifications contained in this Contract and the bid.

Any such termination shall be effected by delivery to the Contractor of a written Notice of Termination specifying the extent to which the Contract is terminated, and the Contract shall be terminated effective sixty (60) days after receipt of notice by Contractor.

(b) Contractor's Obligations.

The Contractor shall incur no further obligations in connection with the terminated fuel supply delivery and on the date set in the Notice of Termination the Contractor will stop delivery of fuels to the extent specified. The Contractor shall also terminate outstanding orders and contracts, if any, as they relate to the portion/s or part of the contract of the terminated Contract.

(c) Compensation.

(1) The Contractor shall submit a termination claim specifying the amounts due because of the termination for convenience. If the Contractor fails to

file a termination claim within one (1) year from effective date of termination, GWA may pay the Contractor, if at all, an amount set in accordance with subparagraph (3) of this paragraph.

(2) GWA and the Contractor may agree to a settlement provided the Contractor has filed a termination claim supported by cost or pricing data to the extent required by Section 2 G.A.R. § 3118 (Cost or Pricing Data) of the Guam Procurement Regulations and that the settlement does not exceed the total Contract price plus settlement costs reduced by payments previously made by GWA, the proceeds of any sales of supplies and manufacturing materials under the Guam Uniform Commercial Code, and the Contract price of the Fleet Fuel not terminated.

(3) Absent complete agreement under subparagraph (1) of this paragraph, GWA may pay the Contractor the following amounts, provided payments agreed to under subparagraph (2) shall not duplicate payments under this subparagraph:

(i) Fleet Fuels Contract prices for supplies or services accepted under the contract by GWA;

(ii) Costs incurred in preparing to perform and performing the terminated portion of the delivery of Fleet Fuels plus a fair and reasonable profit on such portion of the delivery (such profit shall not include anticipatory profit or consequential damages) less amounts paid or to be paid for accepted fuels supplies or services; provided, however, that if it appears that the Contractor would have sustained a loss if the entire Contract would have been completed, no profit shall be allowed or included and the amount of compensation shall be reduced to reflect the anticipated rate of loss;

(iii) Costs of settling and paying claims arising out of the termination of Contracts or orders pursuant to paragraph (2) of this clause. These costs must not include costs paid in accordance with subparagraph (3)(ii) of this paragraph;

(iv) The reasonable settlement costs of the Contractor including accounting, legal, clerical, and other expenses reasonably necessary for the preparation of settlement claims and supporting data with respect to the terminated portion of the contract for the termination and settlement of contracts hereunder, together with reasonable storage, transportation, and other costs incurred in connection with the protection or disposition of property allocable to the terminated portion of this Contract. The total sum to be paid to the Contractor under this subparagraph shall not exceed the total contract price plus the reasonable settlement costs of the Contractor reduced by the

amount of payments otherwise made, the proceeds of any sales of supplies and manufacturing materials under the Uniform Commercial clause.

**SECTION 4.06: REMEDIES CUMULATIVE**.

Each and all remedies available to a party in the event of the other party's failure to comply timely with any or all the terms and conditions of the Contract may be exercised independently or in combination (such rights being nonexclusive one with the other). The remedies set forth in the Contract are in addition to, and not in lieu of, all of the remedies available at law or in equity.

## SECTION 5

**SECTION 5.01: COVENANT AGAINST CONTINGENT FEES**.

The Contractor warrants no person or selling agency has been employed or retained to solicit or secure the contract upon agreement or understanding for a commission, percentage, brokerage, or contingent fee, except bona fide employees or bona fide established commercial or selling agency maintained by the Contractor for the purpose of securing business. For breach or violation of this warranty, GWA shall have the right to annul the contract without liability or, in its discretion, to deduct from the contract price or consideration, or otherwise recover, the full amount of such commission, percentage, brokerage, or contingent fee.

**SECTION 5.02: NOTICE**.

Except as otherwise expressly specified herein, any notice to be given hereunder by either party to the other shall be deemed sufficiently given if in writing and enclosed in an envelope properly stamped first class of priority and addressed to the party at the address set forth in this section, and deposited in the United States mail. Either party may change its address by giving fifteen (15) days prior written notice to the other party. Such address until further notice shall be:

GWA**:** General Manager
Guam Waterworks Authority
Post Office Box 3010
Hagatna, Guam 96932
Facsimile: (671) 646-2335

CONTRACTOR: _____
_____
_____
Facsimile: _____

**SECTION 5.03: INTEREST OF OTHER PARTIES**.

Contractor warrants that no member of the Consolidated Commission on Utilities, GWA, and no other officer, employee, or agent of GWA who exercises any functions or responsibilities in connection with the work to which the contract pertains, and no employee, agent or member of the Guam Legislature or other public official of the Government of Guam, has or shall have any personal economic or financial interest, direct or indirect, in the contract.

**SECTION 5.04: ASSIGNMENT**.

Contractor declares that the only persons or parties interested in the Contract as principals are named herein and that the Contract is made without participation by or benefit to any other person, firm or corporation, except as specified herein.

Contractor agrees that it will not assign to nor permit contract participation in whole or in part by any other person, firm or corporation not specified as a principal without the prior written consent of GWA. If such assignment is permitted, Contractor will guarantee the performance of all terms and obligations of the contract, and such assignment shall not alter Contractor's obligations hereunder. No assignee of Contractor shall have the right to assign the contract without GWA's written consent which may be given or refused at GWA's absolute discretion.

**SECTION 5.05: TIME**.

Time is of the essence in the contract and in every part hereof.

**SECTION 5.06: AMENDMENT AND WAIVER**.

Neither the Contract nor any provision hereof may be changed, waived, altered, amended, discharged or terminated orally, but only by an instrument in writing signed by the party against whom enforcement of the change, waiver, alteration, amendment, discharge or termination is sought. For purposes of this contract, the signature of the Chairman of the Consolidated Commission on Utilities is required to bind the Authority**.** Failure by either party to object to any failure of performance by the other party of any provision of the Contract shall not constitute a waiver of, the right of such party to require such performance by the other. Nor shall any such failure to object constitute a waiver or estoppel with respect to any succeeding failure of performance.

GWA reserves the right to add (via Change Order or Contract Amendment) any and all fleet vehicles and heavy equipment from the Guam Power Authority ("GPA") as vehicles that will be eligible to receive fuel under this bid. If such an event occurs, GWA will notify the Contractor of the persons and vehicles that are eligible to receive fuel under this bid on behalf of GPA. Any fuel used by GPA will be billed directly to GPA under the same terms and conditions in this Bid and the Contract. GWA, on behalf of, and in cooperation with

GPA, reserves the right to renegotiate a reduction in price due to volumetric changes in the fuel to be consumed by GWA and GPA jointly.

**SECTION 5.07: DESCRIPTIVE HEADINGS**.

The descriptive headings of the several Sections and Subsections in this contract are inserted for convenience only and shall not be deemed to affect the meaning or construction of any provision hereof.

**SECTION 5.08: GOVERNING LAW**.

This Contract is made under, and shall be governed and construed in accordance with, the laws, statutes and regulations of Guam, to the exclusion of all other legal systems. Wherever a term defined by the Uniform Commercial Code is used in the Contract the definition contained in the Uniform Commercial Code of Guam will control, unless otherwise specified.

Judgment upon any award rendered by the Superior Court of the Territory of Guam may be entered in any court of any country having jurisdiction, and such award shall be binding upon the parties. The Contractor waives all rights against GWA to claim consequential, special or punitive damages.

**SECTION 5.09: DEFINITIONS**.

(a) "Barrel" shall mean 42 U.S. gallons.

(b) "Day" and "Month" shall mean a calendar day and month respectively.

(c) "Fleet Fuels" shall mean Diesel Fuel Oil No. 2 or Automotive Gasoline, Regular Unleaded, consistent with the specifications set forth in the bid and this contract.

(d) "Gallon" or "gallon" shall mean a U.S. standard gallon of 231 cubic inches at sixty degrees Fahrenheit.

(e) "Receiving facility" means GWA or at the vendors stations (depending on use).

(f) "Fleet" or "Transportation fleet" shall mean the vehicles or equipment authorized by GWA.

(g) "GWA" or "Authority" shall mean the Guam Waterworks Authority.

(h) "Ton" shall mean a metric ton of 2204.62 English pounds.

(i) "$" refers to United States Dollars.

**SECTION 5.10: RELATIONSHIP OF PARTIES**.

Nothing contained in the Contract shall be deemed or construed by the parties or by any third person to create the relationship of principal and agent or of partnership or of joint venture or of any association between Contractor and GWA, and no provisions contained in the contract nor any acts of the parties shall be deemed to create any relationship between GWA and Contractor, other than the relationship of buyer and seller.

**SECTION 5.11: NUMBER AND GENDER**.

In the Contract the masculine gender includes the feminine and neuter, the singular number includes the plural, and the word "person" includes corporation, partnership, firm or association wherever the context so requires.

**SECTION 5.12: SUCCESSORS IN INTEREST, SUBCONTRACTING AND ASSIGNMENT**.

Each and all of the covenants, conditions, and restrictions in the Contract shall inure to the benefit of and shall be binding upon the permitted assignees and successors in interest of either party and any approved subcontractor. This agreement, nor any performance thereunder may be assigned nor sublet by Contractor to any other party without the express written consent of GWA.

**SECTION 5.13: PARTIAL INVALIDITY**.

Should any part of the contract for any reason be declared to be invalid, such decision shall not affect the validity of any remaining portion thereof, which remaining portion shall remain in full force and effect as if the contract had been executed with the invalid portion thereof eliminated, and it is hereby declared the intention of the parties that they would have executed the remaining portion of the Contract without including any such parts or portions which may, for any reason, be hereafter declared invalid.

**SECTION 5.14: EQUAL OPPORTUNITY CLAUSE**.

During the performance of the Contract the Contractor agrees as follows:

(a) The Contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex, political opinion or affiliation, or national origin. The Contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, sex, political opinion or affiliation, or national origin. The Contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the GWA setting forth the provisions of this equal opportunity clause.

(b) The Contractor will, in all solicitations or advertisements for employees placed by or on behalf of the Contractor, state that all qualified applicants will receive

consideration for employment without regard to race, color, religion, sex, political opinion or affiliation, or national origin.

## SECTION 6

**SECTION 6.01: BINDING EFFECT**.

This Contract is binding upon the Contractor only if Contractor has been awarded the Contract in response to the IFB GWA-2016-15. This procurement is subject to the approval of the Consolidated Commission on Utilities (CCU), and shall be binding only upon such approval is made as evidenced by the signatories below.

IN WITNESS WHEREOF, the parties have entered into this Contract on the dates indicated by their respective names.

| | |
|---|---|
| Contractor: | Guam Waterworks Authority: |
| By: _____ | By: _____<br>Miguel C. Bordallo, P.E.<br>General Manager |
| Date: _____ | Date: _____ |
| Certified Funds Available: | Approved as to Form: |
| By: _____<br>Certifying Officer<br>Guam Waterworks Authority | By: _____<br>Samuel J. Taylor<br>Staff Attorney, GWA |
| Date: _____ | Date: _____ |

Guam Business License or Certificate of Authorization No.: _____.

Contract No.:_____

Vendor No.: _____

Contract Amount: _____

**CORPORATE CERTIFICATION AS TO AUTHORIZATION TO BIND**

I, _____certify that I am the Secretary of the corporation named as Contractor herein; that _____ who signed this contract on behalf of the Contractor, was then _____ of said corporation by authority of said corporation of its governing body, and is within the scope of its corporate powers to bind said corporation to the terms and conditions of this Contract.

(CORPORATE SEAL)

*** * * * * * * END OF CONTRACT * * * * * * ***

## CERTIFICATION OF NON-EMPLOYMENT OF CONVICTED SEXUAL OFFENDERS

**Pursuant to Guam Public Law 28-24, as amended by Guam Public Law 28-98,** if a contract for services is awarded to the bidder or offeror, then the service provider must warrant that no person in its employment who has been convicted of a sex offense under the provisions of Chapter 25 of Title 9 of the Guam Code Annotated or of an offense defined in Article 2 of Chapter 28 of Title 9 of the Guam Code Annotated, or who has been convicted in any other jurisdiction of an offense with the same elements as heretofore defined, or who is listed on the Sex Offender Registry, shall provide services on behalf of the service provider while on government of Guam property, with the exception of public highways. If any employee of a service provider is providing services on government property and is convicted subsequent to an award of a contract, then the service provider warrants that it will notify the Government of the conviction within twenty-four hours of the conviction, and will immediately remove such convicted person from providing services on government property. If the service provider is found to be in violation of any of the provisions of this paragraph, then the Government will give notice to the service provider to take corrective action. The service provider shall take corrective action within twenty-four hours of notice from the Government, and the service provider shall notify the Government when action has been taken. If the service provider fails to take corrective steps within twenty-four hours of notice from the Government, then the Government in its sole discretion may suspend temporarily any contract for services until corrective action has been taken.

---

I, _____ being a duly authorized representative acknowledge the
(print name)

directive as describe above and ensure the Bid Proposal as submitted addresses the directive.

_____
(Company Name)

_____
(Title)

_____ _____
(Signature) (Date)

**MAJOR SHAREHOLDER DISCLOSURE AFFIDAVIT**

TERRITORY OF GUAM }
}
HAGATNA, GUAM }

I, the undersigned _____, being first duly sworn, depose and says:

1. That the persons who have held more than ten percent (10%) of the company's share during the past twelve months preceding the submission of the bid are as follows:

| **NAME** | **ADDRESS** | **PERCENTAGE OF SHARES HOLD** |
|---|---|---|
| | | |
| | | |
| | | |

TOTAL NUMBER OF SHARES_____

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

| **NAME** | **ADDRESS** | **AMOUNT OF COMMISSIONS, GRATUITY OR OTHER COMPENSATION** |
|---|---|---|
| | | |
| | | |
| | | |

Further, affiant sayeth naught.

Date: _____ _____
Signature of individual if bidder is a sole proprietorship; Partner, if the bidders is a partnership; Officer, if the bidder is a corporation.

Subscribed and sworn to before me this ____day of _____, 201__.

Notary Public
In and for the Territory of Guam
My commission expires

**NON-COLLUSION AFFIDAVIT**

Guam )
)ss:
Tamuning )

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

1. That I am the _____ of _____.
(Title) (Name of Company or Person Bidding/RFP

2. That in making the foregoing proposal or bid, that such proposal or bid is genuine and not collusive or sham, that said bidder/offeror has not colluded, conspired, connived or agreed, directly or indirectly, with any bidder or person, to put in a sham or to refrain from bidding or submitting a proposal and has not in any manner, directly or indirectly, sought by agreement or collusion, or communication or conference, with any person, to fix the bid price of affiant or any other bidder, or to secure any overhead, project or cost element of said bid price, or of that of any bidder, or to secure any advantage against the GUAM WATERWORKS AUTHORITY or any person interested in the proposed contract; and

3. That all statements in said proposal or bid are true.

4. This affidavit is made in compliance with 2 G.A.R. § 3126(b).

So sayeth _____
(Declarant)

Signed on this ____ day of _____ 201___, before me a Notary Public in and for Guam, personally appeared _____, known to me to be the authorized representative of _____, whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same as his free and voluntary act and deed on behalf of _____, for the uses and purposes therein set forth.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the date last above written.

) Seal (

Notary Public

**BID AND PERFORMANCE BOND FOR GOODS AND SERVICES**
**AS REQUIRED UNDER 5 G.C.A. § 5212**

KNOW ALL MEN BY THESE PRESENTS, that

_____
(Name of Contractor)
as Principal, herein after called the Principal and

_____
(Name of Surety)
as duly admitted insurer under the laws of the Territory of Guam, as Surety, hereafter called the Surety, are held and firmly bound unto the Guam Waterworks Authority for the sum of_____Dollars ($_____), for payment of which sum will and truly to be made, the said Principal and the said Surety bind ourselves, our heirs, executors, administrators, successors and assigns, jointly and severally firmly by these presents:

WHEREAS, the Principal has submitted a bid for and is anticipated to enter into a contract in the amount specified below,

_____
_____

NOW, THEREFORE, if the Guam Waterworks Authority shall accept the bid and the Principal shall not withdraw said bid within sixty **(120)** calendar days after the opening of bids, and shall within twenty one (21) calendar days after the prescribed forms are presented to him for signature, enter into a Contract with the Guam Waterworks Authority in accordance with the terms of such bid. This bond shall also be held by the Guam Waterworks Authority to secure the faithful performance of such Contract and for the prompt payment of labor, goods, services and materials furnished in the prosecution thereof. In the event of the failure of the Principal to enter into such Contract, or if the Principals (Contractor) fails to perform in accordance with the requirements set out under the Bid or any other written instrument requirement performance thereunder, the Surety, on behalf of the Principals shall pay to the Guam Waterworks Authority the differences not to exceed the penalty hereof between the amounts specified in said bid and such larger amount for which the Guam Waterworks Authority may in good faith contract with another party to perform work covered by said bid or an appropriate liquidated amount as specified in the Invitation for Bids then this obligation shall be null and void, otherwise to remain in full force and effect.

NOW, THEREFORE, THE CONDITIONS OF THIS OBLIGATION is such that, if the contractor shall promptly and faithfully perform said Contract, and shall promptly make payment to all claimants as hereinafter defined for all labor and material used or reasonably required for use in the performance of the Contract, then this obligation shall be void; otherwise it shall remain in full force and effect, subject, however, to the following conditions:

A. The Surety hereby waives notice of any alteration or extension of the time made by the Authority provided the same is within the scope of the Contract or any modification thereto.

B. Whenever the contractor shall be and is declared in default by the Authority to be in default under the Contract, the Authority having performed its obligations hereunder, the Surety may promptly remedy the default or shall promptly:

1. Complete the Contract in accordance with its terms and conditions; or

2. Obtain a bid or bids for completing the Contract in accordance with its terms and conditions, and upon determination by the Authority and the Surety of the lowest responsible bidder, arrange for a Contract between such bidder and the Authority, and make available as work progresses (even though there should be a default or a succession of defaults under the Contract or Contracts or completion arranged under this paragraph) sufficient funds to pay the cost of completion, less than balance of the Contract price, but not exceeding, including other costs and damages for which the Surety may be liable hereunder, the amount set forth in the first paragraph hereof. The term "balance of the Contract Price," as used in this paragraph shall mean the total amount payable by the Authority to Contractor under the Contract and any amendments thereto, less the amount properly paid by the Authority to Contractor. No right of action shall accrue on this bond to or for use of any person or corporation other than the Authority or successors of the Authority.

C. A claimant is defined as one having a direct contract with the Contractor or with a subcontractor of the Contractor for labor, material, or both, used or reasonably required for use in the performance of the Contract, labor and material being construed to include that part of water, gas, power, light, heat, oil, gasoline, telephone service or rental of equipment directly applicable to the Contract.

D. The above named Contractor and Surety hereby jointly and severally agree with the Authority that every claimant as herein defined, who has not been paid in full before the expiration of a period of ninety (90) days after the date of which the last of such claimant's work or labor was done or performed, or materials were furnished by such claimant, may sue on this bond for use of such claimant, prosecute the suit to final judgment to final judgment for such sum or sums as may be justly due the claimant, and have execution thereon. The Authority shall not be liable for the payment of any costs or expenses of any such suit.

E. No suit or action shall be commenced hereunder by any claimant:

1. Unless claimant, other than one having a direct contract with the contractor, shall have given written notice to any two (2) of the following:

The Contractor, the Authority, or the Surety above named, within ninety (90) days after such claimant did or performed the last of the work or labor, or furnished the last of the materials for which said claim is made, stating with substantial accuracy the amount

claimed and the name of the party to whom the materials were furnished, or for whom the work or labor was done or performed. Such notice shall be personally served by mailing the same by registered mail or certified mail, postage prepaid, in an envelope addressed to the Contractor at any place the principal maintains an office or conducts its business.

2. After the expiration of one (1) year following the date on which the last of the labor was performed or material was supplied by the party bringing suit.

3. Other than in a court of competent jurisdiction in and for the Territory of Guam.

F. The amount of the bond shall be reduced by and to the extent of any payment or payments made in good faith hereunder.

SIGNED AND SEALED THIS _____ day of _____, 20___ , A.D.

IN THE PRESENCE OF:
*(Note: If the Principals are Partners, each must execute the Bond)*

_____ _____
(WITNESS) (CONTRACTOR ) (SEAL)

_____ _____
(TITLE) (TITLE)

_____ _____
(MAJOR OFFICER OF SURETY) (MAJOR OFFICER OF SURETY)

_____ _____
(TITLE) (TITLE)

_____
(RESIDENT GENERAL AGENT)

# EXHIBIT B

**"Recommendation of Award"**

# GUAM WATERWORKS AUTHORITY

**"Better Water. Better Lives."**
Gloria B. Nelson Public Services Building
688 Route 15, Mangilao, Guam 96913

**Date:** SEP 14 2016

## MEMORANDUM

**TO:** General Manager

**VIA:** Supply Management Administrator

**FROM:** Evaluation Committee Members

**SUBJECT:** Invitation to Bid No. GWA 2016-09
Ref: Fuel Bid "Recommendation of Award"

Invitation for Bid No: GWA 2016-09 was officially announced and advertised in the Pacific Daily News, Marianas Variety and Guam Waterworks Authority Website on August 8, 2016 and open as scheduled on September 7, 2016 @ 10:00 am. Three (3) submitted proposal, they are as follows:

Bidders Register:

- Mobil Oil Guam
- South Pacific Petroleum Corp
- IP&E Holding, LLC

An evaluation committee was formally assembled and gathered on September 8, 2016 @ 2:30 pm in the Procurement's office.

Committee members consist of:

- Paul Lujan, FMES Superintendent
- Tony Camacho, Buyer II
- Stephan Mondina, Buyer Supervisor II

Bidders Cost as follows:

| **Mobile Oil Guam cost submission:** | **Cost Per Gallon:** | **Cost Per Gallon:** |
|---|---|---|
| Diesel Fuel Oil No. 2 | $1.335 | |
| Automotive Gasoline, Regular Unleaded | | $1.523 |
| **IP&E Holding, LLC** | | |
| Diesel Fuel Oil No. 2 | $1.3200 | |
| Automotive Gasoline, Regular Unleaded | | $1.5280 |
| **South Pacific Petroleum Corp** | | |
| Diesel Fuel Oil No. 2 | $1.710 | |
| Automotive Gasoline, Regular Unleaded | | $1.923 |

The committee members have determined based on the cost analysis (cost analysis attached) provided, Mobil Oil Guam submitted the lowest cost overall thereby being most advantageous to GWA in terms of fuel usage stated in the cost analysis provided herein. This determination will best serve GWA during the term of the contract and in the best interest of the Territory of Guam. As price and all other factors where considered in overall cost for Automotive Gasoline, Regular Unleaded and Diesel Fuel Oil No. 2, the committee members hereby recommend to proceed issuing the award to **Mobil Oil Guam** for Diesel Fuel Oil No. 2 at a cost per gallon of $1.335 and Automotive Gasoline, Regular Unleaded at a cost of $1.523, the basis of award as a whole, is applicable as mentioned in the bid provision below.

**Section II: INSTRUCTIONS, PROCEDURES AND REQUIREMENTS FOR BIDDERS.**

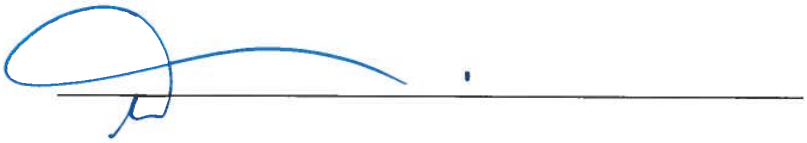
**6. Award.**

The award of the Contract will be made by GWA to the lowest responsive and responsible bidder whose bid conforms to the Invitation for Bids and would be most advantageous to GWA, in terms of price and all other factors considered as determined by GWA as provided in the bid. GWA reserves the right to award the Contract to a vendor other than the lowest price offeror and to reject any or all offers if it is determined to be in the best interest of the Territory of Guam. A written Notice of Award (or acceptance of offer) will be mailed or otherwise furnished via facsimile transmittal to the successful bidder within the time for acceptance specified in the offer. GWA reserves the right to waive informalities and minor irregularities in bids received. In the evaluation process, the following factors will be considered:

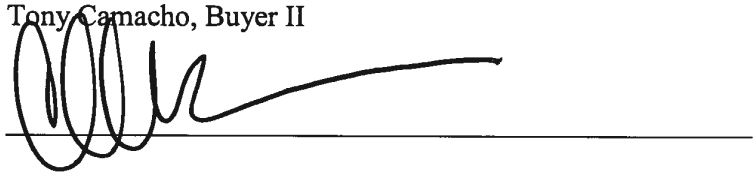
Therefore, the evaluation committee hereby recommends award for Mobile Oil Guam.

Concurred and accepted by the committee members:

Stephan Mondina, Buyer Supervisor II



Tony Camacho, Buyer II



Paul Lujan, FMES Superintendent



Your approval is greatly appreciated.

In consideration of the foregoing, please indicate your approval of this recommendation by your signature below.

[ ] CONCURRED [ ] UNCONCURRED

Vincent Ed. Guerrero, SMA

[ ] APPROVED [ ] DISAPPROVED

Miguel C. Bordallo, P.E. General Manager

Cc: Procurement file

**Transportation**

| FY2014 | Regular Unleaded | Regular Gallons | Price Per Gallon (est.) | Diesel Gallons | Price Per Gallon (est.) | Premium Unleaded | Premium Unleaded Gallons | Price Per Gallon (est.) | TOTAL COST | TOTAL GALLONS | YTD TOTAL COST | YTD TOTAL GALLONS |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Oct-13 | $ 37,188 | 10,222 | $ 3.64 | $ 21,016 | $ 5,471 | $ 3.84 | $ 61 | $ 16 | $ 3.79 | $ 58,265 | 15,710 | $ 58,265 | 15,710 |
| Nov-13 | $ 31,314 | 8,764 | $ 3.57 | $ 7,839 | 2,053 | $ 3.82 | $ - | $ - | $ - | $ 39,152 | 10,817 | $ 97,417 | 26,527 |
| Dec-13 | $ 33,109 | 9,215 | $ 3.59 | $ 8,956 | 2,329 | $ 3.85 | $ 31 | $ 8 | $ 3.70 | $ 42,097 | 11,552 | $ 139,514 | 38,079 |
| Jan-14 | $ 33,970 | 9,228 | $ 3.68 | $ 9,617 | 2,488 | $ 3.87 | $ - | $ - | $ - | $ 43,587 | 11,715 | $ 183,101 | 49,794 |
| Feb-14 | $ 31,754 | 8,719 | $ 3.64 | $ 10,338 | 2,744 | $ 3.77 | $ - | $ - | $ - | $ 42,091 | 11,462 | $ 225,193 | 61,257 |
| Mar-14 | $ 35,159 | 9,510 | $ 3.70 | $ 7,710 | 2,032 | $ 3.79 | $ - | $ - | $ - | $ 42,868 | 11,542 | $ 268,061 | 72,798 |
| Apr-14 | $ 37,385 | 10,131 | $ 3.69 | $ 9,013 | 2,405 | $ 3.75 | $ - | $ - | $ - | $ 46,397 | 12,536 | $ 314,458 | 85,334 |
| May-14 | $ 38,774 | 10,409 | $ 3.72 | $ 7,592 | 1,997 | $ 3.80 | $ - | $ - | $ - | $ 46,366 | 12,406 | $ 360,805 | 97,741 |
| Jun-14 | $ 34,495 | 9,258 | $ 3.73 | $ 8,715 | 2,314 | $ 3.77 | $ - | $ - | $ - | $ 43,210 | 11,572 | $ 404,014 | 109,312 |
| Jul-14 | $ 36,657 | 9,602 | $ 3.82 | $ 24,517 | 6,532 | $ 3.75 | $ - | $ - | $ - | $ 61,175 | 16,133 | $ 465,189 | 125,446 |
| Aug-14 | $ 36,357 | 9,640 | $ 3.77 | $ 10,634 | 2,870 | $ 3.70 | $ - | $ - | $ - | $ 47,261 | 12,590 | $ 512,450 | 138,036 |
| Sep-14 | $ 33,980 | 9,625 | $ 3.53 | $ 19,230 | 5,263 | $ 3.65 | $ 270 | $ 70 | $ 3.85 | $ 53,211 | 14,888 | $ 565,661 | 152,914 |
| | $ 420,122 | 114,322 | $ 3.67 | $ 146,177 | 38,487 | $ 3.78 | $ 362 | $ 96 | $ 3.78 | $ 585,661 | 152,914 | | |

| FY2015 | Regular Unleaded | Regular Gallons | Price Per Gallon (est.) | Diesel Gallons | Price Per Gallon (est.) | Premium Unleaded | Premium Unleaded Gallons | Price Per Gallon (est.) | TOTAL COST | TOTAL GALLONS | YTD TOTAL COST | YTD TOTAL GALLONS |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Oct-14 | $ 32,390 | 9,857 | $ 3.29 | $ 9,440 | 2,079 | $ 4.54 | $ - | $ - | $ - | $ 41,830 | 11,936 | $ 41,830 | 11,936 |
| Nov-14 | $ 23,066 | 7,085 | $ 3.26 | $ 4,811 | 1,479 | $ 3.25 | $ 108 | $ 32 | $ 3.35 | $ 27,986 | 8,597 | $ 69,815 | 20,534 |
| Dec-14 | $ 23,144 | 7,827 | $ 2.96 | $ 6,904 | 2,253 | $ 3.06 | $ - | $ - | $ - | $ 30,047 | 10,080 | $ 99,863 | 30,614 |
| Jan-15 | $ 19,515 | 8,005 | $ 2.44 | $ 6,261 | 2,435 | $ 2.57 | $ 24 | $ 9 | $ 2.54 | $ 25,800 | 10,449 | $ 125,662 | 41,063 |
| Feb-15 | $ 17,510 | 7,758 | $ 2.26 | $ 5,909 | 2,475 | $ 2.39 | $ 33 | $ 14 | $ 2.37 | $ 23,452 | 10,247 | $ 149,114 | 51,309 |
| Mar-15 | $ 21,292 | 8,311 | $ 2.56 | $ 14,941 | 5,744 | $ 2.60 | $ - | $ - | $ - | $ 36,232 | 14,055 | $ 185,347 | 65,364 |
| Apr-15 | $ 20,166 | 7,759 | $ 2.60 | $ 4,704 | 1,837 | $ 2.56 | $ - | $ - | $ - | $ 24,870 | 9,596 | $ 210,217 | 74,960 |
| May-15 | $ 21,655 | 8,148 | $ 2.66 | $ 22,199 | 8,607 | $ 2.58 | $ - | $ - | $ - | $ 43,854 | 16,756 | $ 254,071 | 91,715 |
| Jun-15 | $ 20,647 | 7,262 | $ 2.84 | $ 6,623 | 2,420 | $ 2.74 | $ - | $ - | $ - | $ 27,270 | 9,682 | $ 281,341 | 101,398 |
| Jul-15 | $ 20,462 | 7,243 | $ 2.83 | $ 13,656 | 5,143 | $ 2.65 | $ - | $ - | $ - | $ 34,118 | 12,386 | $ 315,458 | 113,784 |
| Aug-15 | $ 19,690 | 7,427 | $ 2.65 | $ 5,159 | 2,096 | $ 2.46 | $ - | $ - | $ - | $ 24,848 | 9,523 | $ 340,307 | 123,307 |
| Sep-15 | $ 16,693 | 6,979 | $ 2.39 | $ 30,086 | 13,213 | $ 2.28 | $ - | $ - | $ - | $ 46,779 | 20,192 | $ 387,086 | 143,499 |
| | $ 256,229 | 93,661 | $ 2.73 | $ 130,892 | 48,783 | $ 2.81 | $ 165 | $ 56 | $ 2.78 | $ 387,848 | 142,489 | | |

| FY2016 | Regular Unleaded | Regular Gallons | Price Per Gallon (est.) | Diesel Gallons | Price Per Gallon (est.) | Premium Unleaded | Premium Unleaded Gallons | Price Per Gallon (est.) | TOTAL COST | TOTAL GALLONS | YTD TOTAL COST | YTD TOTAL GALLONS |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Oct-15 | $ 16,779 | 7,047 | $ 2.38 | $ 4,035 | 1,755 | $ 2.30 | $ - | $ - | $ - | $ 20,814 | 8,802 | $ 20,814 | 8,802 |
| Nov-15 | $ 14,334 | 6,074 | $ 2.36 | $ 3,138 | 1,368 | $ 2.29 | $ 52 | $ 21 | $ 2.47 | $ 17,523 | 7,463 | $ 38,338 | 16,265 |
| Dec-15 | $ 15,595 | 6,928 | $ 2.25 | $ 4,587 | 2,061 | $ 2.23 | $ - | $ - | $ - | $ 20,182 | 8,988 | $ 58,519 | 25,253 |
| Jan-16 | $ 14,179 | 6,469 | $ 2.19 | $ 4,390 | 2,205 | $ 1.99 | $ - | $ - | $ - | $ 18,569 | 8,674 | $ 77,088 | 33,927 |
| Feb-16 | $ 14,524 | 7,123 | $ 2.04 | $ 3,808 | 2,140 | $ 1.74 | $ - | $ - | $ - | $ 18,332 | 9,263 | $ 95,420 | 43,190 |
| Mar-16 | $ 13,751 | 7,215 | $ 1.91 | $ 4,602 | 2,551 | $ 1.80 | $ - | $ - | $ - | $ 18,354 | 9,766 | $ 113,774 | 52,956 |
| Apr-16 | $ 14,150 | 6,738 | $ 2.10 | $ 3,718 | 1,904 | $ 1.95 | $ 31 | $ 14 | $ 2.21 | $ 17,899 | 8,656 | $ 131,674 | 61,612 |
| May-16 | $ 14,568 | 6,773 | $ 2.15 | $ 3,593 | 1,769 | $ 2.03 | $ - | $ - | $ - | $ 18,161 | 8,542 | $ 149,835 | 70,154 |
| Jun-16 | $ 14,947 | 6,664 | $ 2.24 | $ 4,577 | 2,110 | $ 2.17 | $ 27 | $ 12 | $ 2.37 | $ 19,551 | 8,786 | $ 169,386 | 78,939 |
| Jul-16 | $ 14,143 | 6,247 | $ 2.26 | $ 4,194 | 1,879 | $ 2.23 | $ - | $ - | $ - | $ 18,337 | 8,126 | $ 187,723 | 87,065 |
| Aug-16 | $ - | - | $ - | $ - | - | $ - | $ - | $ - | $ - | $ - | - | | |
| Sep-16 | $ - | - | $ - | $ - | - | $ - | $ - | $ - | $ - | $ - | - | | |
| | $ 140,970 | 67,477 | $ 2.19 | $ 40,642 | 19,741 | $ 2.07 | $ 111 | $ 47 | $ 2.35 | $ 187,723 | 87,065 | | |

**Diesel Based on Projected FY 2016 actuals.**
**Formula breakdown below: For IPAE , base for FY 2018**

**Diesel: 10 months total consumptions $19,741.00 divided by (10) ten months ( monthly average ) = $1,974.00**
**$1,974.00 monthly average x (12) Twelve months = $23,688.00**
**$23,688.00 x $1.32 ( price per gallon ) = $31,270.00**

**Gas Petroleum - 10 months total consumptions $67,066.00 divided by ( 10) ten months ( monthly average ) = $6,709.00**
**$6,709.00 monthly average x (12) Twelve months = $104,477.00**
**$104,477.90 x $1.5026 ( price per gallon ) = $156,842.23**

| Model | | | |
|---|---|---|---|
| | 1,320 | 31,625.00 | diesel based on projected FY2016 actuals |
| | 1,923 | 159,119.84 | unleaded based on projected FY2016 actuals |
| | 1.48563 | 190,745.50 | |

Composite based on proportional weighting of diesel and unleaded price to respective % of total fuel purchases projected to end of FY2016

IPAE

| | | |
|---|---|---|
| | 1,974 | |
| | 23,688.04 | |
| | 0.18 | |
| | 1.32 | 31,270.32 diesel based on projected FY2016 actuals |
| | 1.5026 | 159,842.23 unleaded based on projected FY2016 actuals |
| Composite price | 1.48563 | 190,912.55 |

| | | |
|---|---|---|
| | 6,709 | |
| | 104,477.90 | |
| | 0.82 | |
| | 0.27 | |

LEGEND

# EXHIBIT C

**Mobil Oil Guam Proposal**

# Mobil Oil Guam Inc.

## Proposal

## Diesel Fuel Oil No. 2 and Automotive Gasoline, Regular Unleaded

## GWA IFB No. 2016-09

## Guam Waterworks Authority

GUAM WATERWORKS AUTHORITY

## September 7, 2016

contract shall be cancelled and the Contractor shall be notified within sixty (60) days if funds are unavailable.

**SECTION 1.03: CONTRACT PRICE.**

The total contract BID PRICE per gallon delivered to GWA Fleet point of delivery is (in U.S. Dollars, inclusive of all costs and liabilities, please provide three (3) decimal places):

1. **Bid Price Offer:**

(a) **Diesel Fuel Oil No. 2:** $ 1.335 per gallon

(b) **Automotive Gasoline, Regular Unleaded:** $ 1.523 per gallon

**The BID PRICE is the sum of the fixed service fee (per gallon) and the bid reference prices as of January 18, 2016 posting in Platt's' Asia-Pacific Market Scan Oil Prices are as shown:**

**Bid Reference prices:**

| Fleet Fuels | Reference Product Code | Reference Price |
|---|---|---|
| (a) Diesel Fuel Oil No. 2 | Gasoil 10 ppm | $0.820 per gallon |
| (b) Automotive Gasoline (Regular Unleaded) | Gasoline 92 unleaded | $1.073 per gallon |

**PRICE DETERMINATION:**

The invoice price for the fuel delivered in any month shall be the average of the effective prices reported for Gasoil 10ppm (for Diesel Fuel Oil No. 2) and Gasoline 89 unleaded (for Automotive Gasoline, Regular Unleaded), for all the daily postings of the previous month in the Platt's Asia-Pacific Market scan, for Singapore cargoes, plus the Service Fee as calculated.

The gas stations should be properly labeled to indicate the product grade at its pump. In the event that the gas station pump has not fully converted to Ultra-Low Sulfur Diesel (ULSD) as set forth in Section 2.01, then the invoice price for Diesel Fuel Oil No. 2 delivered in any month shall be reduced and shall be based on the average of the effective prices reported for Gasoil Reg 0.5% Sulfur.

**INVOICE PRICE CALCULATION FORMULA:**

INVOICE PRICE = Previous Month daily postings average + Premium Fee

Sample data:

(a) Diesel Fuel Oil No. 2:

Sample Bid Price Offer = $1.020 per gallon

# EXHIBIT D

**NOTICE OF CONDITIONAL AWARD FOR**
**Mobil Oil Guam Inc.**

# GUAM WATERWORKS AUTHORITY

**Gloria B. Nelson Public Service Building**
**688 Route 15, Mangilao GU, 96913**

## NOTICE OF CONDITIONAL AWARD

Date SEP 14 2016

Mobil Oil Guam Inc.
P.O. Box EU
Hagåtña, Guam 96932

Re: Invitation for Bid Number: GWA 2016-09
Diesel Fuel Oil No. 2 and Automotive Gasoline, Regular Unleaded, for the GWA Transportation Fleet. in GWA IFB. NO. 2016-09.

Hafa Adai

The Guam Waterworks Authority ("GWA") has considered the bid submitted by Mobile Oil Guam LLC. for the above described reference in response to its Advertisement for Bids, you are hereby notified that the bid price of **$1.523** for Automotive Gasoline, Regular Unleaded and **1.335** for Diesel Fuel Oil No. 2 has been accepted by GWA. Please be advised that you must now deliver all other documents required by the bid, including, but not limited to, proof of insurance and the Performance and Payment Bond (which must remain in full force and effect until all performance has ended, which includes all warranty periods).

You are also advised that any obligation incurred by your firm prior to execution of the contract is entirely at your own risk and GWA shall have no obligation to reimburse costs incurred prior to execution of the contract.

Please note this Notice of Award is conditional on obtaining the approval of the Guam Consolidated Commission on Utilities for any award over $250,000 and the approval of the Guam Public Utilities Commission where the total value over the life of the contract could exceed $1M. Also, award is conditional upon providing any documents such as proof of licensure, proof of insurance or other documents required to be submitted to GWA under the Bid or Guam law.

/

/

You are required to return an acknowledged copy of this Conditional Notice of Award to the GWA Procurement Office.

Sincerely,

Miguel Bordallo P.E.
General Manager

**ACCEPTANCE OF CONDITIONAL NOTICE OF AWARD**

Receipt of the above Notice of Conditional Award for GWA IFB No. GWA 2016-09 is hereby acknowledged

By: _____ Title: President
signature (please print)

Dated this 20 day of September, 2016.

******** END OF CONDITIONAL NOTICE OF AWARD *******

# EXHIBIT E

**IP&E Protest Letter**

Miguel Bordallo,P.E.
General Manager
Guam Waterworks Authority
Gloria B. Nelson Public Service Building
688 Route 15
Mangilao, Guam 96913
Email: mcbordallo@guamwaterworks.org
PH: (671) 300-6845

DOCUMENT RECEIVED
RECEIVED BY:
SEP 16 2016
STEPHEN MUNOZ
GWA PROCUREMENT & SUPPLY

RE: Formal Bid Protest

IFB 2016-09 Diesel Fuel Oil No. 2 and Automotive Gasoline, Regular Unleaded

Dear Mr. Bordallo,

IP&E Guam received the above referenced facsimile at 3:25pm September 14, 2016. The document advised IP&E was not successful in the bid due to high price. Please see calculation below based on IFB volumes listed on Part A., Solicitation, **Fuels to Be Supplied,** Items a & b Page 10 and Bid Abstract dated September 7, 2016 10:00 am:

| Company | Product | IFB Quantity | Total Price | Total IFB Annual Cost | Total IFB Term Cost |
|---|---|---|---|---|---|
| SPPC | Diesel | 50,000.00 | $ 1.71 | $ 85,500.000 | $ 256,500.000 |
| SPPC | Mogas | 115,000.00 | $ 1.96 | $ 225,745.000 | $ 677,235.000 |
| | | | | $ 311,245.000 | $ 933,735.000 |
| Mobil Oil Guam | Diesel | 50,000.00 | $ 1.34 | $ 66,750.000 | $ 200,250.000 |
| Mobil Oil Guam | Mogas | 115,000.00 | $ 1.52 | $ 175,145.000 | $ 525,435.000 |
| | | | | $ 241,895.000 | $ 725,685.000 |
| IP&E Guam | Diesel | 50,000.00 | $ 1.32 | $ 66,000.000 | $ 198,000.000 |
| | Mogas | 115,000.00 | $ 1.53 | $ 175,720.000 | $ 527,160.000 |
| | | | | $ 241,720.000 | $ 725,160.000 |
| | | | | $ (175.000) | $ (525.000) |

**IP&E Holdings, LLC.**
**dba: IP&E Guam**
Suite 100, 643 Chalan San Antonio
Tamuning, Guam 96913-3644
Tel: 671-647-0000 | Fax: 671-649-4353
Email: corporate@ipehq.com

Shell Licensee

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Per bid abstract IP&E conformed to all other bid requirements and is the lowest bidder. Therefore, IP&E should be awarded GWA IFB 2016-09. Please retract intent to award immediately.

For IP&E Guam,

David Wisher, Chief Financial Officer

CC: Vince Guerrero, Supply Management Administrator, Kelly Clark, GWA Legal Counsel, Steven Carrara, IP&E Legal Counsel

Attachments

1). IFB 2016-09 Page 10

2). GWA Bid Abstract for IFB 2016-09 dated September 7, 2016 10:00am

3). GWA Facsimile Transmittal dated September 14, 2016

independently arrived at in open competition, may have been collusive, and may have been submitted in bad faith.

When a solicitation is canceled or rejected prior to final award, notice of cancellation or rejection shall be sent to all bidders and all bid bonds shall be returned. The reasons for cancellation or rejection shall be made part of the procurement file and shall be available for public inspection.

(b) **Rejection of Individual Bids**. Any individual bid may be rejected in whole or in part when in the best interest of the Territory of Guam as determined by GWA in its sole discretion. Reasons for rejecting a bid include, but are not limited to:

(1) The bidder is non-responsive pursuant to Guam's procurement laws, rules and regulations;
(2) The bid is not responsive, as it does not conform, in all material respects, to the Invitation for Bids;
(3) The quantity and/or quality supply or service offered in the bid is unacceptable by reason of its failure to meet the requirements of the specifications set forth in the Invitation for Bids or other acceptability criteria set forth in the Invitation for Bids. Upon request, unsuccessful bidders shall be advised of the reasons for rejection;
(4) The bid is not the lowest responsive bidder, which meets the requirements, criteria set forth in the Invitation for Bids;
(5) The bidder has failed to submit to the GWA procurement office, the necessary licenses, permits and authorizations when requested by the Procurement Officer prior to the award.
(6) Any changes as initiated by the bidder to the attached Contract form constitute a basis to declare the bid submittal as non-conforming.

8. **Fuels To Be Supplied**.

Bidder agrees to furnish and GWA agrees to accept and pay for all of Diesel Fuel Oil No. 2 and Automotive Gasoline, Regular Unleaded (both fuels referred to in the solicitation as Fleet Fuels) requirements for the Authority's transportation fleet for the term of the Contract. **Estimated** total quantity for the fleet's fuel shall be:

(a) ***Diesel Fuel Oil No. 2: approximately 50,000 gallons per year (estimated).***
(b) ***Automotive Gasoline, Regular Unleaded: approximately 115,000 gallons per year (estimated).***

The fleet fuels supply shall be provided from Bidder's service stations (or from designated stations if so agreed upon between the Contractor and GWA Procurement/ Supply Administrator). The commencement of the Fleet's fuel procurement shall be as soon as possible following award of bid and signing of Contract.

**GUAM WATERWORKS AUTHORITY**
**BID ABSTRACT**

**BID OPENING FOR:** IFB 2016- 09 / **DATE:** SEPTEMBER 07, 2016 / **TIME:** 10:00 AM

**VENDOR# 1** SPPC

**BID GUARANTEE:**
[✓] CASHIER'S CHECK or CERTIFIED CHECK
[ ] LETTER OF CREDIT $
[✓] BID BOND 15% OF TOTAL BID AMOUNT
[✓] SUERTY BOND: CURRENT CERTIFICATE OF AUTHORITY(POWER OF ATTORNEY)
[ ] NON-COLLUSION AFFIDAVIT
[ ] STATEMENT OF QUALIFICATIONS
[ ] LITERATURES
[✓] AFFIDAVIT OF DISCLOSURE OF MAJOR SHAREHOLDERS
[ ] CERTIFICATION OF NON-EMPLOYMENT OF CONVICTED SEX OFFENDERS
[✓] CD PROVIDED

| 1.0 | BID PRICE PER GALLON | | |
|---|---|---|---|
| ITEM# | DESCRIPTION | PRICE | PER GALLON |
| A. | DIESEL FUEL OIL NO. 2 | $ 1.710 | PER GALLON |
| B. | AUTOMOTIVE GASOLINE, REGULAR UNLEADED | $ 1.983 | PER GALLON |

**********

**BID ABSTRACT**

**BID OPENING FOR:** IFB 2016- 09 / **DATE:** SEPTEMBER 07, 2016 / **TIME:** 10:00 AM

**VENDOR# 2** Mobil oil Guam

**BID GUARANTEE:**
[ ] CASHIER'S CHECK or CERTIFIED CHECK
[ ] LETTER OF CREDIT $
[✓] BID BOND 15% OF TOTAL BID AMOUNT
[ ] SUERTY BOND: CURRENT CERTIFICATE OF AUTHORITY(POWER OF ATTORNEY)
[✓] NON-COLLUSION AFFIDAVIT
[ ] STATEMENT OF QUALIFICATIONS
[ ] LITERATURES
[✓] AFFIDAVIT OF DISCLOSURE OF MAJOR SHAREHOLDERS
[✓] CERTIFICATION OF NON-EMPLOYMENT OF CONVICTED SEX OFFENDERS
[✓] CD PROVIDED Emailed

| 1.0 | BID PRICE PER GALLON | | |
|---|---|---|---|
| ITEM# | DESCRIPTION | PRICE | PER GALLON |
| A. | DIESEL FUEL OIL NO. 2 | $ 1.335 | PER GALLON |
| B. | AUTOMOTIVE GASOLINE, REGULAR UNLEADED | $ 1.523 | PER GALLON |

**********

**GUAM WATERWORKS AUTHORITY**
**BID ABSTRACT**

**BID OPENING FOR:** IFB 2016- 09 / **DATE:** SEPTEMBER 07, 2016 / **TIME:** 10:00 AM
**VENDOR# 3** IP&C
**BID GUARANTEE:**
[ ] CASHIER'S CHECK or CERTIFIED CHECK
[ ] LETTER OF CREDIT $
[/] BID BOND 15% OF TOTAL BID AMOUNT
[/] SUERTY BOND: CURRENT CERTIFICATE OF AUTHORITY(POWER OF ATTORNEY)
[/] NON-COLLUSION AFFIDAVIT
[ ] STATEMENT OF QUALIFICATIONS
[ ] LITERATURES
[/] AFFIDAVIT OF DISCLOSURE OF MAJOR SHAREHOLDERS
[/] CERTIFICATION OF NON-EMPLOYMENT OF CONVICTED SEX OFFENDERS
[/] CD PROVIDED

| 1.0 | BID PRICE PER GALLON | | |
|---|---|---|---|
| ITEM# | DESCRIPTION | PRICE | PER GALLON |
| A. | DIESEL FUEL OIL NO. 2 | $ 1.3200 | PER GALLON |
| B. | AUTOMOTIVE GASOLINE, REGULAR UNLEADED | $ 1.5280 | PER GALLON |

**********

**BID ABSTRACT**

**OPENING FOR:** IFB 2016- 09 / **DATE:** SEPTEMBER 07, 2016 / **TIME:** 10:00 AM
**OR# 4**
**BID ANTEE:**
[ ] CASH CHECK or CERTIFIED CHECK
[ ] LETTER EDIT $
[/] BID BOND TOTAL BID AMOUNT
[/] SUERTY BOND: ENT CERTIFICATE OF AUTHORITY(PO OF ATTORNEY)
[/] NON-COLLUSION A VIT
[ ] STATEMENT OF QUALI ONS
[ ] LITERATURES
[/] AFFIDAVIT OF DISCLOSURE OF M REHOLDERS
[/] CERTIFICATION OF NON-EMPLOY CONVICTED SEX OFFENDERS
[ ] CD PROVIDED

| 1.0 | BID PRICE GALLON | | |
|---|---|---|---|
| ITEM# | DESCRIPTION | PRICE | PER GALLON |
| A. | DIESEL FUEL OIL NO. 2 | 3200 | PER GALLON |
| B. | AUTOMOTIVE GASOLINE, REGULAR UNLEADED | $ 280 | PER GALLON |

**********

Guam
Waterworks
Authority

# facsimile transmittal

**To:** IP&E Holdings, LLC **Fax:** 649-4353

Attn: Tasi Peddicord **PH:** 647-0000

**From:** Stephen Mondina **Date:** September 14, 2016
300-6027 (PH)
649-3750 (FX)

**Re:** BID STATUS **Pages:** 02

**CC:**

☒ Urgent ☐ For Review ☐ Please Comment [X] Please Reply ☐ Please Recycle

**REF: IFB 2016-09**
**Diesel Fuel Oil No.2 and Automotive Gasoline, Regular Unleaded**

**Please sign the bid status form and forward back to me.**

**Thank you,**
**Stephen Mondina**

# GUAM WATERWORKS AUTHORITY

"Better Water. Better Lives."
Gloria B. Nelson Public Services Building
688 Route 15, Mangilao, Guam 96913

## BID STATUS

Date: SEP 14 2016

IP&E Holding, LLC
Suite 100. 643 Chalan San Antonio
Tamuning, Guam 96913-3644
Tel: 671-647-0000
Fax: 671-649-4353

**Bid Invitation No.** **GWA IFB 2016-09**

**Description:** Invitation for Bid No2016-09Diesel Fuel Oil No. 2 and Automotive Gasoline, Regular Unleaded, for GWA Transportation Fleet. in GWA IFB. NO. 2016-09.

The following is the result of the above-mentioned bid. Refer to the items checked below.

[ ] **Cancelled (in its entirety), or partially cancelled due to:**

- [ ] Insufficient funds
- [ ] Change of specifications
- [ ] Insufficient number of bidders

[X] **Not Awarded base on the following:**

- [ ] Late submission of bid
- [ ] No bid security or insufficient bid security amount submitted as required by Section 11 of the General Terms and Conditions
- [ ] Not meeting the delivery requirement as stated in the IFB
- [ ] Non-conformance with the specifications
- [ ] Inability to provide future maintenance and services to the equipment
- [X] High price

[X] **Bid is recommended for award to:**

**Mobil Oil Guam**

For Diesel Fuel Oil No. 2 and Automotive Gasoline, Regular Unleaded.

**Remarks:**
Thank You for your interest!

**Miguel Bordallo, PE**
General Manager

# EXHIBIT F

**GWA Notice of Decision to IP&E**

GUAM WATERWORKS AUTHORITY
"Better Water. Better Lives."
Gloria B. Nelson Public Service Building | 688 Route 15, Mangilao, Guam 96913
P.O. Box 3010, Hagatna, Guam 96932
Tel. No. (671) 300-6846/48 Fax No. (671) 648-3290

September 16, 2016

Mr. David Wisher
Chief Financial Officer
IP&E Guam
643 Chalan San Antonio, Ste 100
Tamuning, Guam 96913

RE: Notice of Decision relative to GWA IFB 2016-09 Diesel Fuel Oil No. 2 and Automotive Gasoline, Regular Unleaded

Dear Mr. Wisher,

The award of contract for this IFB is based on the Authority's procurement committee analysis of actual use calculations as shown in attachment "A". Based on the actual use of diesel and gasoline for FY 2016 and future use trending down or remaining flat, the committee determined that the pricing submitted by Mobil was the most advantageous to GWA and in the best interest of the Territory of Guam.

Your company has the right to administrative and judicial review.

Sincerely,

Miguel C. Bordallo, P.E.
General Manager

MCB/ada

# ATTACHMENT A

**Transportation**

| | Month | Regular Unleaded | Regular Gallons | Price Per Gallon (est.) | Diesel | Diesel Gallons | Price Per Gallon (est.) | Premium Unleaded | Premium Unleaded Gallons | Price Per Gallon (est.) | TOTAL COST | TOTAL GALLONS | YTD TOTAL COST | YTD TOTAL GALLONS |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| FY2014 | Oct-13 | $ 37,188 | 10,222 | $ 3.64 | $ 21,016 | 5,471 | $ 3.84 | $ 61 | 16 | $ 3.79 | $ 58,265 | 15,710 | $ 58,265 | 15,710 |
| | Nov-13 | $ 31,314 | 8,764 | $ 3.57 | $ 7,839 | 2,053 | $ 3.82 | $ - | - | | $ 39,152 | 10,817 | $ 97,417 | 26,527 |
| | Dec-13 | $ 33,109 | 9,215 | $ 3.59 | $ 8,956 | 2,329 | $ 3.85 | $ 31 | 8 | $ 3.70 | $ 42,097 | 11,552 | $ 139,514 | 38,079 |
| | Jan-14 | $ 33,970 | 9,228 | $ 3.68 | $ 9,617 | 2,488 | $ 3.87 | $ - | - | | $ 43,587 | 11,715 | $ 183,101 | 49,794 |
| | Feb-14 | $ 31,754 | 8,719 | $ 3.64 | $ 10,338 | 2,744 | $ 3.77 | $ - | - | | $ 42,091 | 11,462 | $ 225,193 | 61,257 |
| | Mar-14 | $ 35,139 | 9,510 | $ 3.70 | $ 7,710 | 2,032 | $ 3.79 | $ - | - | | $ 42,848 | 11,542 | $ 268,041 | 72,798 |
| | Apr-14 | $ 37,385 | 10,131 | $ 3.69 | $ 9,013 | 2,405 | $ 3.75 | $ - | - | | $ 46,397 | 12,536 | $ 314,438 | 85,334 |
| | May-14 | $ 38,774 | 10,409 | $ 3.72 | $ 7,592 | 1,997 | $ 3.80 | $ - | - | | $ 46,366 | 12,406 | $ 360,805 | 97,741 |
| | Jun-14 | $ 34,495 | 9,258 | $ 3.73 | $ 8,715 | 2,314 | $ 3.77 | $ - | - | | $ 43,210 | 11,572 | $ 404,014 | 109,312 |
| | Jul-14 | $ 36,657 | 9,602 | $ 3.82 | $ 24,517 | 6,532 | $ 3.75 | $ - | - | | $ 61,175 | 16,133 | $ 465,189 | 125,446 |
| | Aug-14 | $ 36,357 | 9,640 | $ 3.77 | $ 10,634 | 2,870 | $ 3.70 | $ 270 | 70 | $ 3.85 | $ 47,261 | 12,580 | $ 512,450 | 138,026 |
| | Sep-14 | $ 33,980 | 9,625 | $ 3.53 | $ 19,230 | 5,263 | $ 3.65 | $ - | - | | $ 53,211 | 14,888 | $ 565,661 | 152,914 |
| | | **$ 420,122** | **114,322** | **$ 3.67** | **$ 145,177** | **38,497** | **$ 3.78** | **$ 362** | **95** | **$ 3.78** | **$ 565,661** | **152,914** | | |

| | Month | Regular Unleaded | Regular Gallons | Price Per Gallon (est.) | Diesel | Diesel Gallons | Price Per Gallon (est.) | Premium Unleaded | Premium Unleaded Gallons | Price Per Gallon (est.) | TOTAL COST | TOTAL GALLONS | YTD TOTAL COST | YTD TOTAL GALLONS |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| FY2015 | Oct-14 | $ 32,390 | 9,857 | $ 3.29 | $ 9,440 | 2,079 | $ 4.54 | $ - | - | | $ 41,830 | 11,936 | $ 41,830 | 11,936 |
| | Nov-14 | $ 23,066 | 7,085 | $ 3.26 | $ 4,811 | 1,479 | $ 3.25 | $ 108 | 32 | $ 3.35 | $ 27,986 | 8,597 | $ 69,815 | 20,534 |
| | Dec-14 | $ 23,144 | 7,827 | $ 2.96 | $ 6,904 | 2,253 | $ 3.06 | $ - | - | | $ 30,047 | 10,080 | $ 99,863 | 30,613 |
| | Jan-15 | $ 19,515 | 8,005 | $ 2.44 | $ 6,261 | 2,435 | $ 2.57 | $ 24 | 9 | $ 2.54 | $ 25,800 | 10,449 | $ 125,662 | 41,062 |
| | Feb-15 | $ 17,510 | 7,758 | $ 2.26 | $ 5,909 | 2,475 | $ 2.39 | $ 33 | 14 | $ 2.37 | $ 23,452 | 10,247 | $ 149,114 | 51,309 |
| | Mar-15 | $ 21,292 | 8,311 | $ 2.56 | $ 14,941 | 5,744 | $ 2.60 | $ - | - | | $ 36,232 | 14,055 | $ 185,347 | 65,364 |
| | Apr-15 | $ 20,166 | 7,759 | $ 2.60 | $ 4,704 | 1,837 | $ 2.56 | $ - | - | | $ 24,870 | 9,596 | $ 210,217 | 74,960 |
| | May-15 | $ 21,655 | 8,148 | $ 2.66 | $ 22,199 | 8,607 | $ 2.58 | $ - | - | | $ 43,854 | 16,756 | $ 254,071 | 91,715 |
| | Jun-15 | $ 20,647 | 7,262 | $ 2.84 | $ 6,623 | 2,420 | $ 2.74 | $ - | - | | $ 27,270 | 9,682 | $ 281,341 | 101,398 |
| | Jul-15 | $ 20,462 | 7,243 | $ 2.83 | $ 13,656 | 5,143 | $ 2.65 | $ - | - | | $ 34,118 | 12,386 | $ 315,458 | 113,784 |
| | Aug-15 | $ 19,690 | 7,427 | $ 2.65 | $ 5,159 | 2,096 | $ 2.46 | $ - | - | | $ 24,848 | 9,523 | $ 340,307 | 123,307 |
| | Sep-15 | $ 16,693 | 6,979 | $ 2.39 | $ 30,086 | 13,213 | $ 2.28 | $ - | - | | $ 46,779 | 20,192 | $ 387,086 | 143,499 |
| | | **$ 256,229** | **93,661** | **$ 2.73** | **$ 130,692** | **49,783** | **$ 2.81** | **$ 165** | **56** | **$ 2.75** | **$ 387,086** | **143,499** | | |

# EXHIBIT G

**Public Auditor (Docket OPA-PA-16-013)**

OFFICE OF PUBLIC ACCOUNTABILITY
Doris Flores Brooks, CPA, CGFM
Public Auditor

**BEFORE THE PUBLIC AUDITOR**
**PROCUREMENT APPEALS**
**TERRITORY OF GUAM**

| | |
|---|---|
| **IN THE MATTER OF**<br><br>**IP&E Holdings LLC,**<br>**Appellant.**<br><br>**And**<br><br>**Guam Waterworks Authority,**<br>**Purchasing Agency.** | **Docket OPA PA-16-013**<br><br>**NOTICE OF APPOINTMENT OF HEARING OFFICER** |

The Public Auditor appoints Delia Lujan Wolff, Esq., Hearing Officer in this matter.

Any objection to the appointment shall be filed within ten days of the date of this notice of appointment.

Date: September 27, 2016

**DORIS FLORES BROOKS, CPA, CGFM**
**Public Auditor of Guam**

Suite 401, DNA Building
238 Archbishop Flores Street, Hagåtña, Guam 96910
Tel (671) 475-0390 • Fax (671) 472-7951
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Suite 401 DNA Building
238 Archbishop Flores St.
Hagåtña, Guam 96910

# FAX

| | | | |
|---|---|---|---|
| **To:** | **Miguel Bordallo, P.E.**<br>**General Manager**<br>Guam Waterworks Authority<br>Gloria B. Nelson Public Service Building<br>688 Route 15<br>Mangilao, Guam 96913 | **From:** | **Doris Flores Brooks**<br>**Guam Public Auditor**<br>Office of Public Accountability |
| **Phone:**<br>**Fax:** | (671) 300-6846<br>(671) 648-3290 | **Pages:** | 2 (including cover page) |
| **CC:** | **Steven Carrara**<br>**(Attorney for Appellant IP&E Holdings LLC)**<br>P.O. Box 2881<br>Barrigada, Guam 96921 | **Date:** | September 27, 2016 |
| **Phone:**<br>**Fax:** | (671) 646-1222<br>(671) 646-4723 | **Phone:**<br>**Fax:** | 475-0390 x. 208<br>472-7951 |

**Re:** OPA-PA-16-013 Notice of Appointment of Hearing Officer

☐ **Urgent** ☐ **For Review** ☐ **Please Comment** ✔ **Please Reply** ☐ **Please Recycle**

**Comments:**

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Thank you,
Jerrick Hernandez
Auditor
jhernandez@guamopa.org

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SEP 27 2016
GENERAL MANAGER'S OFFICE
BETTER WATER BETTER LIVES

# EXHIBIT H

**IP&E Proposal**

IP&E

*Fueling Excellence*

# PROPOSED CONTRACT

**PROPOSED SAMPLE CONTRACT**
**FOR**
**GWA FLEET FUEL SUPPLY DIESEL FUEL OIL No. 2**
**AND**
**REGULAR UNLEADED AUTOMOTIVE GASOLINE**

## PREAMBLE

This Contract, by and between Guam Waterworks Authority ("GWA"), a Guam public corporation whose business address is Gloria B. Nelson Public Service Building 688 Route 15 Mangilao, GU 96913, and IP&E Holdings LLC dba IP&E Guam ("Contractor") whose business address is 643 Chalan San Antonio Suite 100 Tamuning, Guam 96913-3844 and having Guam Business License No. 30-201000279-016.

**WITNESSETH:**

## RECITALS

WHEREAS, the Authority has publicly issued an Invitation for Bid, for a three (3) year Fleet Fuel Supply Contract, Invitation For Bid, IFB GWA 2016-09, for the supply of the Authority's Diesel Fuel Oil No. 2 and Automotive Gasoline, Regular Unleaded, for the Authority's Transportation Fleet; and

WHEREAS, the Authority will award a Contract to the lowest responsible bidder whose bid conforms to the material aspects of the Invitation; and

WHEREAS, GWA finds that the aforementioned Contractor has submitted the lowest responsible bid for the products and/or services required hereunder.

NOW, THEREFORE, for and in consideration of the mutual covenants contained herein, the parties hereto do hereby agree as follows:

## SECTION 1

**SECTION 1.01: FLEET FUELS TO BE SUPPLIED - DIESEL FUEL OIL NO. 2 AND AUTOMOTIVE GASOLINE, REGULAR UNLEADED:**

Contractor agrees to furnish and deliver all the required Fleet Fuels: Diesel Fuel Oil No. 2 and Automotive Gasoline, Regular Unleaded, for the Authority's Transportation Fleet and GWA agrees to accept and pay for all Fleet Fuels delivered to GWA, meeting the specifications requirements for the term of the Contract.

The estimated requirement of Diesel Fuel Oil No. 2 is approximately Fifty thousand gallons per year (50,000 gal/yr) and Automotive Gasoline, Regular Unleaded is estimated at about One hundred Fifteen thousand gallons per year (115,000 gal/yr.) for the Authority's Transportation

Fleet. Notwithstanding any estimated quantity set forth herein, the Contractor shall be responsible in supplying all the Fleet Fuels (diesel and unleaded gasoline), reasonably required by GWA, even if such quantities exceed the estimates provided above.

**Fleet Fuel Cards.** Contractor shall provide gas station fleet cards at no cost to GWA. Only employees carrying valid fleet cards shall be allowed to refuel at the gas stations. Contractor shall be responsible for all costs associated with providing fuel to unauthorized individuals. The Authority shall provide a list of employees and may add or delete names of employees authorized to use the gas station fleet card and GWA shall be responsible for all costs associated with its failure to provide updated employee listings to Contractor. Fleet cards shall be limited and restricted only for use in refueling of GWA official vehicles and Contractor shall be responsible for all costs associated with providing fuel to vehicles that are not official vehicles of GWA. The GWA General Manager may designate other vehicles which are allowed to be fueled in writing and GWA is responsible for all costs associated with its failure to maintain a proper vehicle listing.

1. GWA will require the vendor to issue fleet fuel cards for transacting fuel purchases.
2. Fleet card shall have electronically imprinted on it, name of driver or vehicle id, card no., and company name.
3. Assign cards by individual drivers or vehicles description, or both, as authorized by GWA.
4. Card is restricted to fuel purchases only and fuel grade per bid.
5. The use of the fuel card is restricted to GWA owned or leased vehicles only.

**Point of Sale Controls:**

1. Require drivers to show valid vehicle ID or driver ID numbers at time of purchase.
2. Ability to set variable spending controls by amount of purchase.
3. Ability to restrict transactions for number of uses per day, week, or month
4. Ability to require Driver PIN or Odometer prompt for purchase
5. Provide printed sales invoice or slip with the point of sale data below, with the signature of driver on the invoice/slip transacting the sale.
6. Point of sale data in form of a sales invoice or slip to include information for the following: card number, fuel quantity (gallons purchased), type of fuel, name of driver and GWA employee number, vehicle id, date of purchase and location, price per gallon, time of day.
7. Provide point of sale data in electronic form, Microsoft Office Excel 2007 or later version.

**SECTION 1.02: TERM.**

The Contract Term shall be for three (3) years to commence when the contract is signed by the GWA General Manager, and shall continue until midnight of, SEP 2019, with an option to extend for two (2) additional one (1) year renewal terms upon mutual agreement of both parties. The contractual obligation of GWA and Contractor is subject to the availability of funds. In the event funds are not available for any succeeding months, the remainder of such

contract shall be cancelled and the Contractor shall be notified within sixty (60) days if funds are unavailable.

**SECTION 1.03: CONTRACT PRICE.**

The total contract BID PRICE per gallon delivered to GWA Fleet point of delivery is (in U.S. Dollars, inclusive of all costs and liabilities, please provide three (3) decimal places):

1. **Bid Price Offer:**

(a) **Diesel Fuel Oil No. 2:** $ 1.3200 per gallon

(b) **Automotive Gasoline, Regular Unleaded:** $ 1.5280 per gallon

**The BID PRICE is the sum of the fixed service fee (per gallon) and the bid reference prices as of January 18, 2016 posting in Platt's' Asia-Pacific Market Scan Oil Prices are as shown:**

**Bid Reference prices:**

| Fleet Fuels | Reference Product Code | Reference Price |
|---|---|---|
| (a) Diesel Fuel Oil No. 2 | Gasoil 10 ppm | $0.820 per gallon |
| (b) Automotive Gasoline (Regular Unleaded) | Gasoline 92 unleaded | $1.073 per gallon |

**PRICE DETERMINATION:**

The invoice price for the fuel delivered in any month shall be the average of the effective prices reported for Gasoil 10ppm (for Diesel Fuel Oil No. 2) and Gasoline 89 unleaded (for Automotive Gasoline, Regular Unleaded), for all the daily postings of the previous month in the Platt's Asia-Pacific Market scan, for Singapore cargoes, plus the Service Fee as calculated.

The gas stations should be properly labeled to indicate the product grade at its pump. In the event that the gas station pump has not fully converted to Ultra-Low Sulfur Diesel (ULSD) as set forth in Section 2.01, then the invoice price for Diesel Fuel Oil No. 2 delivered in any month shall be reduced and shall be based on the average of the effective prices reported for Gasoil Reg 0.5% Sulfur.

**INVOICE PRICE CALCULATION FORMULA:**

INVOICE PRICE = Previous Month daily postings average + Premium Fee

Sample data:

(a) Diesel Fuel Oil No. 2:

Sample Bid Price Offer = $1.020 per gallon

Premium Fee = $1.020- $0.820 = $0.200 per gallon

(b) Automotive Gasoline, Regular Unleaded:
Sample Bid Price Offer = $2.996 per gallon
Premium Fee = $1.273 - $1.073= $0.200 per gallon

**Sample Invoice Price Calculation:**

Delivery Month: January 2016

Diesel Fuel Oil No. 2:

Invoice Price = previous month average price + service fee
Previous Month's (December 2015) daily postings average * = $48.109/barrel = $1.145/gal
Premium Fee (per sample data) = $0.200 per gallon

Invoice Price = ($1.145 + $0.200) per gallon

Invoice Price = $1.345 per gallon

This is the invoice price (in three decimal places) for Diesel Fuel Oil No. 2 purchases by GWA for the sample month of January 2016.

Remarks:
1. The same calculation procedure shall apply for Automotive Gasoline, Regular Unleaded pricing calculations.
2. The Contractor is required to submit to the Authority a monthly invoice price calculation report within the first five days of each report month. Reports must include the detailed pricing data comprising of the price postings.

The invoice price for the fuels (a) and (b), shall be the actual gallons received into GWA's fleet multiplied by the unit price as calculated and determined on a monthly basis in reference to Platts' Asia-Pacific Market Scan Oil Price. All invoices submitted must be accompanied by the product delivery receipts signed by the duly authorized personnel and the service station representative.

**The contract price is effective and shall remain the same for the term of the CONTRACT in effect.**

**SECTION 1.04: FLEET FUELS TO BE PURCHASED-DESIGNATED SERVICE STATIONS:**

All Fleet fuel purchases shall be at any of the Contractor's Service Stations unless otherwise agreed to by GWA. Fuel refilling shall be limited and restricted to GWA official and leased vehicles, and authorized personnel only. GWA agrees to provide and maintain a list of

# EXHIBIT I

**Public Auditor Decision(OPA-PA-16-013)**

OFFICE OF PUBLIC ACCOUNTABILITY
Doris Flores Brooks, CPA, CGFM
Public Auditor

**BEFORE THE PUBLIC AUDITOR**
**PROCUREMENT APPEALS**
**TERRITORY OF GUAM**

| | |
|---|---|
| IN THE APPEAL OF<br><br>IP&E HOLDINGS, LLC,<br><br>Appellant. | Docket No. OPA-PA-16-013<br><br>DECISION |

## I. INTRODUCTION

This is the Decision of the Public Auditor for appeal number OPA-PA-16-013 regarding IP&E Holdings, LLC's ("IP&E") Appeal of the Guam Waterworks Authority's ("GWA") denial of procurement protest dated September 16, 2016, concerning Invitation for Bid No. GWA-2016-09 ("the IFB"), which solicits bids for the supply of diesel fuel oil no. 2 and automotive gasoline (regular unleaded) for GWA's Transportation Fleet and Heavy Equipment.

The parties did not request a Hearing and agreed to submit this matter on the record. In reaching this Decision, the Public Auditor has considered and incorporates herein the procurement record and all documents submitted by IP&E, GWA, and Interested Party Mobil Oil Guam Inc. ("Mobil"). Based on the aforementioned record in this matter, the Public Auditor makes the following findings of fact:

## II. FINDINGS OF FACT

1. On or about August 8, 2016, GWA issued the IFB which solicits bids for the supply of diesel fuel oil no. 2 and automotive gasoline (regular unleaded) for GWA's Transportation Fleet and Heavy Equipment. (Procurement Record, Tabs 3 & 13.)

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238 Archbishop Flores Street, Hagåtña, Guam 96910
Tel (671) 475-0390 • Fax (671) 472-7951
www.guamopa.org • Hotline: 47AUDIT (472-8348)

2. On August 15, 2016, GWA issued Amendment No. 1 to the IFB, which rescheduled the bid opening date to September 7, 2016, at 10:00 a.m. (Procurement Record, Tab 6.)

3. The IFB stated, in relevant part:

a. "The award of the Contract will be made by GWA to the lowest responsive and responsible bidder whose bid conforms to the Invitation for Bids and would be most advantageous to GWA, in terms of price and all other factors considered as determined by GWA as provided in the bid. GWA reserves the right to award the Contract to a vendor other than the lowest price offeror and to reject any or all offers if it is determined to be in the best interest of the Territory of Guam. A written Notice of Award (or acceptance of offer) will be mailed or otherwise furnished via facsimile transmittal to the successful bidder within the time for acceptance specified in the offer. GWA reserves the right to waive informalities and minor irregularities in bids received. In the evaluation process, the following factors will be considered: (a) Price;

(b) Whether the bidder's ultimate offer meets and conforms to the announced requirements of GWA in all material respects (specifications);

(c) Service rendering capability, status as producer, refiner, broker, or agent and his direct financial responsibility;

(d) Overall clarity and presentation of bid;

(e) Whether the bidder has:

(1) the available appropriate financial, material, equipment, facility, and personnel resources and expertise, or the ability to obtain them, necessary to indicate its capability to meet all Contractual requirements;

(2) a satisfactory record of performance;

(3) a satisfactory record of integrity;

(4) qualified legally to Contract with the territory and properly licensed to conduct such business on Guam; and

(5) supplied all necessary information in connection with the inquiry concerning responsibility," (Procurement Record, Tab 13 at 8);

b. "Bidder agrees to furnish and GWA agrees to accept and pay for all of Diesel Fuel Oil No. 2 and Automotive Gasoline, Regular Unleaded (both fuels referred to in the solicitation as Fleet Fuels) requirements for the Authority's transportation fleet for the term of the Contract. Estimated total quantity for the fleet's fuel shall be:

(a) ***Diesel Fuel Oil No. 2: approximately 50,000 gallons per year (estimated).***

(b) ***Automotive Gasoline, Regular Unleaded: approximately 115,000 gallons per year (estimated).***" (Procurement Record, Tab 13 at 10 (emphases in original).)

4. IP&E, Mobil, and South Pacific Petroleum Corp. ("SPPC") submitted bids in response to the IFB.

5. On September 7, 2016, GWA conducted a bid opening.

6. IP&E bid a price offer of $1.3200 per gallon for Diesel Fuel Oil No. 2 and $1.5280 per gallon for Automotive Gasoline, Regular Unleaded. (Procurement Record, Tab 14 at 16.)

7. Mobil bid a price offer of $1.335 per gallon for Diesel Fuel Oil No. 2 and $1.523 per gallon for Automotive Gasoline, Regular Unleaded. (Procurement Record, Tab 16 at 16.)

8. SPPC bid a price offer of $1.710 per gallon for Diesel Fuel Oil No. 2 and $1.963 per gallon for Automotive Gasoline, Regular Unleaded. (Procurement Record, Tab 15 at 16.)

9. On September 7, 2016, GWA prepared Bid Abstracts showing the bid prices offered by IP&E, Mobil, and SPPC. (Procurement Record, Tab 18.)

10. In a Memorandum from the Evaluation Committee Members to the General Manager of GWA, the Evaluation Committee stated that it determined based on the cost analysis attached thereto that Mobil submitted the lowest cost overall, thereby being most advantageous to GWA in terms of fuel usage stated in the cost analysis. The Evaluation Committee stated that, "[a]s price and all other factors where [sic] considered in overall cost for Automotive Gasoline, Regular Unleaded and Diesel Fuel Oil No. 2, the committee members hereby recommend to proceed issuing the award to Mobil Oil Guam for Diesel Fuel Oil No. 2 at a cost per gallon of $1.335 and Automotive Gasoline, Regular Unleaded at a cost of $1.523 ...." The cost analysis attached to the Memorandum shows the amount and price of actual gas purchased from October 2013 to July 2016. The cost analysis also shows IP&E's and Mobil's prices of diesel and unleaded gas based on projected FY2016 actuals, and composite prices. The cost analysis shows 23,689.64 gallons of diesel based on projected FY2016 actuals and 104,477.90 gallons of unleaded based on projected FY2016 actuals. (Procurement Record, Tab 24 at 3.)

11. In a Bid Status dated September 14, 2016, GWA informed IP&E and SPPC they were not awarded the contract based on "High price." (Procurement Record, Tab 25.) The Bid Status further informed that the Bid is recommended for award to Mobil for Diesel Fuel Oil No. 2 and Automotive Gasoline, Regular Unleaded. (Id.)

12. On September 14, 2016, GWA issued a Notice of Conditional Award to Mobil, advising that the bid price of $1.523 for Automotive Gasoline, Regular Unleaded and 1.335 for Diesel Fuel Oil No. 2 has been accepted by GWA. The Notice further stated that the Notice of Award is conditional on obtaining the approval of the Guam Consolidated Commission on Utilities for any award over $250,000 and the approval of the Guam Public Utilities Commission where the total value over the life of the contract could exceed $1M. (Procurement Record, Tab 27.)

13. On September 16, 2016, IP&E sent a Formal Bid Protest letter to GWA wherein it requested that GWA retract the intent to award. The Protest letter showed that, based on the IFB quantities of 50,000 diesel and 115,000 Mogas and the offered prices of the bidders, the total IFB annual cost would be $241,720.00 as to IP&E, $241,895.00 as to Mobil, and $311,245.00 as to SPPC, and the total IFB term cost would be $725,160.00 as to IP&E, $725,685.00 as to Mobil, and $933,735.00 as to SPPC. (Procurement Record, Tab 28.)

14. On September 16, 2016, GWA issued a letter to IP&E, wherein GWA stated that "[t]he award of contract for this IFB is based on the Authority's procurement committee analysis of actual use calculations as shown in attachment 'A' Based on the actual use of diesel and gasoline for FY2016 and future use trending down or remaining flat, the committee determined that the pricing submitted by Mobil was the most advantageous to GWA and in the best interest of the Territory of Guam." (Procurement Record, Tab 29.)

15. On September 16, 2016, GWA issued a Protest Notice informing that a protest has been submitted and therefore that all procurement matters pertaining to the IFB will be on hold until further notice (Procurement Record, Tab 30.)

16. On September 21, 2016, IP&E filed an appeal to the OPA, with respect to GWA's September 16, 2016, denial of IP&E's protest. IP&E's position is that GWA was required to use the estimated quantities provided in the IFB for evaluation and award rather than unknown factors which were stated in the agency response. (Procurement Appeal at 2)

## III. ANALYSIS

In this appeal of GWA's September 16, 2016, denial of IP&E's September 16, 2016, protest, IP&E requests that the OPA overrule GWA's denial of IP&E's protest and direct GWA to make

the award to IP&E as the lowest responsive and responsible bidder. Pursuant to 5 GCA § 5703 and 2 GAR 4 § 12103, the Public Auditor shall review and determine GWA's denial of IP&E's protest de novo.

In its procurement appeal, IP&E states that GWA was "required to use the estimated quantities provided in the IFB for evaluation and award rather than unknown factors which were stated in the agency response." (Notice of Procurement Appeal at 2.) IP&E argues that, "[b]y failing to include rational estimates, GWA is making an awarded [sic] based on factors outside of the IFB and in contravention of Guam procurement law and regulations." (Protestor Response to Agency Report & Statement at 3.) The procurement regulation cited by IP&E is 2 GAR 4 § 3109(n)(1), which provides:

> The contract is to be awarded "to the lowest responsible and responsive bidder" whose bid meets the requirements and criteria set forth in the Invitation for Bids. See 5 GCA §5211(g) (Competitive Sealed Bidding, Award) of the Guam Procurement Act. The Invitation for Bids shall set forth the requirements and criteria which will be used to determine the lowest responsive bidder. No bid shall be evaluated for any requirement or criterion that is not disclosed in the Invitation for Bids. 2 GAR 4 § 3109(n)(1).

IP&E argues that the IFB stated an estimated requirement of 50,000 gallons of diesel and 115,000 gallons of MoGas, but that GWA's award evaluation quantities were instead 31,270.32 gallons of diesel and 159,000 gallons of MoGas. "The actual volumes used in determining award were off by almost 50% on diesel and almost 45% on MoGas from the stated requirements." (Protestor Response to Agency Report & Statement at 2.) Using the projected FY2016 actuals, GWA determined that IP&E had a composite price of $1.4896 while Mobil had a lower composite price of $1.4883.[1]

[1] IP&E's reference for 31,270.32 gallons of diesel and 159,000 gallons of MoGas are actually projected costs.

GWA contends that the IFB contains no language indicating that the estimated quantities will be used as part of the evaluation criteria. According to GWA, the IFB instead provides that "'the awarded contract will be made by GWA to the lowest responsive and responsible bidder whose bid conforms to the invitation for bids and *would be most advantageous to GWA*' and that 'GWA reserves the right to award the Contract to a vendor *other than the lowest price offeror.*'" (Agency Statement at 2 (quoting the IFB) (emphases added).)

GWA states that it did not use actual usage as the sole determining factor in its criteria, but that it also used trends and how GWA's infrastructure changes over the next few years would impact gasoline usage over the life of the Contract. Over the past three years, GWA's actual fuel usage shows a trend down in diesel usage. Also, GWA's gasoline consumption decreased over the last couple of years. GWA states that those trends appear to have leveled off, but gasoline usage is expected to climb somewhat over the next several years due to expanded capital improvement projects coming on-line. GWA concluded that "a lower gasoline price from a single provider is more advantageous to GWA over the life of the contract and its potential extensions." "GWA contends that to award the contract on the method it used is not arbitrary but, a reasonable and rational approach entirely within its discretion." (Agency Statement at 2 and 3.)

Mobil has joined in the arguments posed by GWA, that there was no language in the IFB explicitly stating that the estimated quantities would be used as part of the evaluation criteria, that the IFB specifically provides that the awarded contract will be made by GWA to the lowest responsive and responsible bidder whose bid conforms to the invitation for bids and would be most advantageous to GWA, and that IP&E was privy to the actual figures used by GWA in determining the lowest possible bidder and was therefore in a better position than Mobil to fashion its bid and could therefore have not been prejudiced. Also, Mobil believes that the advantage of its fuel

distribution network and the high-flow diesel dispensers present at Mobil's stations place it as the most advantageous choice for GWA even if estimated quantities were used. Mobil requests that IP&E's protest be denied so that GWA may proceed with awarding the contract to Mobil as the lowest responsive and responsible bidder. (Mobil Br. at 1-3.)

The Public Auditor finds that the IFB specifically includes "price" as a factor in the evaluation process, and that the IFB required bidders to submit their prices based on the estimated quantities of diesel and gasoline indicated therein. Nowhere in the IFB is it stated that GWA's actual usage of diesel and gasoline is an evaluation criterion. Likewise, the quantities of 23,000-plus diesel gallons and 104,000-plus gasoline gallons based on projected FY 2016 actuals are not stated anywhere in the IFB. Further, the trends of GWA's usage and the impact that GWA's infrastructure changes over the next few years would have on gasoline usage over the life of the Contract were not included in the IFB as criteria in the evaluation process. Thus, the Public Auditor finds that actual usage of diesel and gasoline, the trends of GWA's usage, and the impact that GWA's infrastructure changes over the next few years would have on gasoline usage over the life of the Contract are criteria not disclosed in the IFB. As the IFB was required to set forth the requirements and criteria which would be used to determine the lowest responsive bidder and no bid could be evaluated for any requirement or criterion not disclosed in the IFB, 2 GAR 4 § 3109(n)(1), the bids, including IP&E's bid, should not have been evaluated by using these undisclosed criteria. Instead, GWA was limited to using only the requirements and criteria disclosed in the IFB, including the price based on estimated quantities of diesel and unleaded gasoline, to determine the lowest responsive bidder.

It is also noteworthy that the projected FY 2016 actuals of 104,000-plus gallons for unleaded gasoline, which are contained in the cost-analysis used by GWA, included diesel and

premium gasoline usage. Accordingly, the cost analysis incorrectly projected the unleaded gasoline usage for FY 2016. The cost analysis projected 104,477.90 gallons for FY 2016 unleaded gasoline when it should have been 80,733 gallons. For this additional reason, the actual use figure was improperly used by GWA to determine lowest responsive bidder.

The Public Auditor finds that it is in the best interests of the Territory that GWA purchase diesel and unleaded gasoline at the lowest prices offered. As IP&E was the lowest responsive bidder as to diesel, bidding $1.3200 per gallon, and Mobil was the lowest responsive bidder as to unleaded gasoline, bidding $1.523 per gallon, GWA should have awarded IP&E the contract for diesel and should have awarded Mobil the contract for unleaded gasoline. GWA admits that awarding two contracts is permissible under the IFB, as it considered splitting the contracts between fuel types and having a supplier for diesel and another for gasoline. (Agency Statement at 2.)

## IV. CONCLUSION

Based on the foregoing, the Public Auditor hereby determines the following:

1. GWA was required to use the estimated quantities of gallons of diesel and unleaded gasoline provided in the IFB for evaluation and award rather than unknown factors such as actual usage of gasoline, trends of actual usage, and the impact that GWA's infrastructure changes over the next few years would have on gasoline usage over the life of the Contract.

2. IP&E was the lowest responsive bidder as to diesel and Mobil was the lowest responsive bidder as to unleaded gasoline.

3. GWA shall award IP&E the contract for diesel and shall award Mobil the contract for unleaded gasoline.

4. Accordingly, IP&E's procurement appeal is hereby GRANTED IN PART and DENIED IN PART.

This is a Final Administrative Decision. The Parties are hereby informed of their right to judicial review in the Superior Court of Guam of a Decision of the Public Auditor under 5 G.C.A. Chapter 5, Article 9 (Legal and Contractual Remedies) of the Guam Procurement Law. In accordance with 5 G.C.A. § 5481(a), such action shall be initiated within fourteen (14) days after receipt of a Final Administrative Decision. A copy of this Decision shall be provided to the Parties and their respective attorneys, in accordance with 5 G.C.A. § 5702, and shall be made available for review on the OPA website at www.opaguam.org.

SO ORDERED this 23rd day of November, 2016.

DORIS FLORES BROOKS, CPA, CGFM
Public Auditor of Guam

CONSOLIDATED
COMMISSION ON UTILITIES
Guam Power Authority • Guam Waterworks Authority
P.O.BOX 2977 • Agana,Guam 96932

January 17, 2017

**MEMORANDUM**

**TO:** Members, Consolidated Commission on Utilities

SUBJECT: **CCU POLL VOTE MATTER: RESOLUTION 13-FY2017 RELATIVE TO APPROVAL OF THE BAZA GARDENS WASTEWATER CROSS-ISLAND PUMPING AND CONVEYANCE PHASE II CONSTRUCTION PROJECT** *(see attached email dated 1/6/17)*

| Commissioner | Y/N | Initials | Time/Date | Comments |
|---|---|---|---|---|
| Joseph Duenas | Y | | 1/9/17 7:49 a.m. | Via email |
| Francis Santos | Y | | 1/9/17 8:27 a.m. | Via email |
| George Bamba | Y | | 1/9/17 7:50 p.m. | Via email |
| Judi Guthertz | | | | |
| Simon Sanchez | Y | | 1/9/17 9:43 a.m. | Via Email |

**Concurred by:**

**Miguel Bordallo, GWA GM** — **Date** 1·18·17

**Bernadette Lou Sablan**

**From:** J. George Bamba <georgebamba@hotmail.com>
**Sent:** Monday, January 09, 2017 7:59 AM
**To:** Joseph Duenas; Miguel C Bordallo
**Cc:** fesantos57; Simon Sanchez; Pedro SN. Guerrero; Judith Guthertz; Bernadette Lou Sablan; Ann Borja - GWA
**Subject:** RE: Draft Resoluiton 13-FY2017 Relative to the Approval of the Baza Gardens Wastewater Pumping and Conveyance Phase II Construction

Hi Miguel,
I vote yes also.
Blessings,
Georg

Sent from Mail for Windows 10

**From:** Joseph Duenas
**Sent:** Monday, January 9, 2017 7:49 AM
**To:** Miguel C Bordallo
**Cc:** fesantos57; J. George Bamba; Simon Sanchez; Pedro SN. Guerrero; Judith Gutherz; Bernadette Lou Sablan; annborja@guamwaterworks.org
**Subject:** Re: Draft Resoluiton 13-FY2017 Relative to the Approval of the Baza Gardens Wastewater Pumping and Conveyance Phase II Construction

Miguel,

I vote yes for Res. 13-FY2017.

Joey

Sent from my iPad

On Jan 6, 2017, at 4:59 PM, Miguel C Bordallo <mcbordallo@guamwaterworks.org> wrote:

> Commissioners,
>
> Please see attached resolution which will be presented at the next work session. I am requesting your review and poll vote for approval of this Contract for Phase II of the Baza Gardens Sewer Conveyance project, which as you know, is a critical court-order project.
>
> Please let me know if you have any questions or concerns.
>
> Regards,
>
> MCB
>
> **From:** Ann Borja [mailto:annborja@guamwaterworks.org]
> **Sent:** Friday, January 6, 2017 11:08 AM
> **To:** 'Miguel C Bordallo' <mcbordallo@guamwaterworks.org>; Thomas Cruz

## Bernadette Lou Sablan

**From:** Joseph Duenas <jtduenas@hotmail.com>
**Sent:** Monday, January 09, 2017 7:49 AM
**To:** Miguel C Bordallo
**Cc:** fesantos57; George Bamba; Simon Sanchez; Pedro SN. Guerrero; Judith Guthertz; Bernadette Lou Sablan; Ann Borja - GWA
**Subject:** Re: Draft Resoluiton 13-FY2017 Relative to the Approval of the Baza Gardens Wastewater Pumping and Conveyance Phase II Construction

Miguel,

I vote yes for Res. 13-FY2017.

Joey

Sent from my iPad

On Jan 6, 2017, at 4:59 PM, Miguel C Bordallo <mcbordallo@guamwaterworks.org> wrote:

> Commissioners,
>
> Please see attached resolution which will be presented at the next work session. I am requesting your review and poll vote for approval of this Contract for Phase II of the Baza Gardens Sewer Conveyance project, which as you know, is a critical court-order project.
>
> Please let me know if you have any questions or concerns.
>
> Regards,
>
> MCB
>
> **From:** Ann Borja [mailto:annborja@guamwaterworks.org]
> **Sent:** Friday, January 6, 2017 11:08 AM
> **To:** 'Miguel C Bordallo' <mcbordallo@guamwaterworks.org>; Thomas Cruz <thomas@guamwaterworks.org>
> **Cc:** kathyb@guamwaterworks.org
> **Subject:** Draft Resoluiton 13-FY2017 Relative to the Approval of the Baza Gardens Wastewater Pumping and Conveyance Phase II Construction
> **Importance:** High
>
> Miguel,
>
> Attached are the revised documents for Tom's request below. I changed the Resolution No.
>
> GUAM WATERWORKS AUTHORITY
>
> Sincerely,

1

**Bernadette Lou Sablan**

**From:** Francis Santos <fesantos57@gmail.com>
**Sent:** Monday, January 09, 2017 8:27 AM
**To:** Miguel C Bordallo
**Cc:** Joseph Duenas; George Bamba; Simon Sanchez; Pedro SN. Guerrero; Judith Guthertz; Bernadette Lou Sablan; Ann Borja - GWA
**Subject:** Re: FW: Draft Resoluiton 13-FY2017 Relative to the Approval of the Baza Gardens Wastewater Pumping and Conveyance Phase II Construction

Miguel,

This email will serve as my approval.

Francis

On Fri, Jan 6, 2017 at 4:59 PM, Miguel C Bordallo <mcbordallo@guamwaterworks.org> wrote:

Commissioners,

Please see attached resolution which will be presented at the next work session. I am requesting your review and poll vote for approval of this Contract for Phase II of the Baza Gardens Sewer Conveyance project, which as you know, is a critical court-order project.

Please let me know if you have any questions or concerns.

Regards,

MCB

**From:** Ann Borja [mailto:annborja@guamwaterworks.org]
**Sent:** Friday, January 6, 2017 11:08 AM
**To:** 'Miguel C Bordallo' <mcbordallo@guamwaterworks.org>; Thomas Cruz <thomas@guamwaterworks.org>
**Cc:** kathyb@guamwaterworks.org
**Subject:** Draft Resoluiton 13-FY2017 Relative to the Approval of the Baza Gardens Wastewater Pumping and Conveyance Phase II Construction
**Importance:** High

**Bernadette Lou Sablan**

**From:** Simon Sanchez <gdcmgr@ite.net>
**Sent:** Monday, January 09, 2017 9:43 AM
**To:** Miguel C Bordallo
**Cc:** Francis Santos; Joseph Duenas; George Bamba; Pedro SN. Guerrero; Judith Guthertz; Bernadette Lou Sablan; Ann Borja - GWA
**Subject:** Re: Draft Resoluiton 13-FY2017 Relative to the Approval of the Baza Gardens Wastewater Pumping and Conveyance Phase II Construction

I approve also

Simon says

On Jan 9, 2017, at 9:08 AM, Miguel C Bordallo <mcbordallo@guamwaterworks.org> wrote:

> Thank you gentlemen. We appreciate your prompt response.
>
> MCB
>
> **From:** Francis Santos [mailto:fesantos57@gmail.com]
> **Sent:** Monday, January 9, 2017 8:27 AM
> **To:** Miguel C Bordallo <mcbordallo@guamwaterworks.org>
> **Cc:** Joey Duenas <jtduenas@hotmail.com>; J. George Bamba <georgebamba@hotmail.com>; Simon Sanchez <gdcmgr@ite.net>; Pedro SN. Guerrero <psnguerrero@gpagwa.com>; Judith Gutherz <judithguthertz@gmail.com>; Bernadette Lou Sablan <l.sablan@gpagwa.com>; Ann Borja <annborja@guamwaterworks.org>
> **Subject:** Re: FW: Draft Resoluiton 13-FY2017 Relative to the Approval of the Baza Gardens Wastewater Pumping and Conveyance Phase II Construction
>
> Miguel,
>
> This email will serve as my approval.
>
> Francis
>
> On Fri, Jan 6, 2017 at 4:59 PM, Miguel C Bordallo <mcbordallo@guamwaterworks.org> wrote:
>
> > Commissioners,
> >
> > Please see attached resolution which will be presented at the next work session. I am requesting your review and poll vote for approval of this Contract for Phase II of the Baza Gardens Sewer Conveyance project, which as you know, is a critical court-order project.
> >
> > Please let me know if you have any questions or concerns.
> >
> > Regards,
> >
> > MCB

GUAM WATERWORKS AUTHORITY
"Better Water, Better Lives."
Gloria B. Nelson Public Service Building | 688 Route 15 | Mangilao, Guam 96913
Tel: (671) 300-6846

## Issues for Decision

**Resolution No. 13-FY2017**
Relative to Approval of the Baza Gardens Wastewater Cross Island Pumping and Conveyance Phase II Construction Project

**What is the project's objective and is it necessary and urgent?**
The objective of the overall intent of the "Baza Gardens Wastewater Cross Island Pumping and Conveyance" project is to convey/pump the wastewater treated at the Baza Gardens WWTP to the new Agat-Santa Rita WWTP along Route 17. This construction procurement is Phase II of multiple three phases. Phase I is current in construction. Phase II involves construction of one sewer pump station located near Windward Hills Country Club with 3-75 hp pump and standby generator, 1767 linear feet of gravity line with sizes 15 inches in diameter and 14,298 linear feet of 12 inches in diameter and force main. The impetus of this project is the 2011 Court Order requirements under Paragraph 13, but which GWA has established deadlines under Paragraph 14. The urgency for this project is that GWA is working to issue an NTP for construction by January 31, 2017 in order to stay within the projected project completion date.

**Where is the project located?**
Phase II project is located along Route 17 closest to Baza Gardens.

**How much will it cost?**
The bid proposal amount for Phase II is Five Million Nine Hundred Nineteen Thousand Forty Five Dollars and Forty Three Cents ($5,919,045.43). GWA management is also seeking a 5% contingency of the bid amount or Two Hundred Ninety Five Thousand Nine Hundred Fifty Two Dollars and Twenty Seven Cents ($295,952.27) which would bring the total authorized funding amount to Six Million Two Hundred Fourteen Thousand Nine Hundred Ninety Seven Dollars and Seventy Cents ($6,214,997.70)

**When will it be completed?**
The construction contract length of this project is 365 calendar days after an NTP is issued to the contractor.

**What is the funding source?**
The funding for this project will be from the 2016 Bond Funds under the line items CIP WW 11-03 "Baza Gardens STP Replacement" and Internally Funded CIP.

**GUAM CONSOLIDATED COMMISSION ON UTILITIES**

**RESOLUTION NO. 13–FY2017**

**RELATIVE TO APPROVAL OF THE BAZA GARDENS WASTEWATER CROSS-ISLAND PUMPING AND CONVEYANCE PHASE II CONSTRUCTION PROJECT**

**WHEREAS**, under 12 G.C.A. § 14105, the Consolidated Commission on Utilities ("CCU") has plenary authority over financial, contractual, and policy matters relative to the Guam Waterworks Authority ("GWA"); and

**WHEREAS**, the Guam Waterworks Authority ("GWA") is a Guam Public Corporation established and existing under the laws of Guam; and

**WHEREAS**, GWA currently has a number of critical Court Order ("CO") projects including a complete evaluation of the Baza Gardens WWTP to determine what improvements are necessary at the plant to achieve compliance with the WWTP's NDPES permit, as stated in Paragraph 13 of the 2011 Court Order as well as the completion of construction activities that were identified in the approved plan resulting from the evaluation noted above as stated in Paragraph 14 of the 2011 Court Order; and

**WHEREAS**, the system evaluation report required under Paragraph 13 and completed in April of 2014 by GWA's Program Management Office (PMO), Brown and Caldwell, resulted in a recommendation to GWA and the USEPA that transferring/conveying the Baza Gardens WWTP effluent flow across the Route 17 (Cross Island Road) to a new Agat-Santa Rita WWTP site was the recommended conceptual alternative to which this recommendation was found to be acceptable by all parties; and

**WHEREAS**, in September of 2015 GWA began the procurement process to find a consulting engineering team to design the wastewater conveyance system and via Resolution 06-FY16, approved by the CCU in October of 2015, GWA management was authorized to enter into a contract with Duenas Camacho and Associates to design the wastewater conveyance and pumping system which would include new Sewer Pump Station (SPS), gravity mains, force mains and all incidentals and appurtenances to these man components; and

**WHEREAS**, GWA has determined that in an effort to comply with the intent of the Court Order deadline of executing "a construction contract and issue a notice to proceed with construction" by October 31, 2016 the most expedient procurement process was to break the construction activities into phases; and

**WHEREAS,** GWA started procurement of Phase I construction (IFB-08-ENG-2016) on September 9, 2016 which allowed GWA to issue a contract and notice to proceed on October 25, 2016 to BME & Sons Inc., meeting the intent of Court Order deadline; and

**WHEREAS**, GWA has further moved on the second phase of construction by advertising on November 14, 2016 the Invitation For Bid (IFB-02-ENG-2017) for Baza Gardens Wastewater Conveyance and Pumping Phase II Construction project wherein GWA solicited bid proposals from experienced and responsive bidders to construct a sewer pump station, sewer gravity and force mains; and

**WHEREAS**, this phase of work consists of furnishing all labor, tools, equipment and materials including coordination with GWA Wastewater Operations and Engineering and the Construction Manager to construct all components described in the 100% design drawings and technical specifications which include but are not limited to a sewer pump station with generator and wet well, 1,767 linear feet of 15" diameter gravity line, 14,298 linear feet of 12" diameter gravity main, pavement restoration in affected areas, SPS perimeter fencing, SPS retaining walls, as well as a communication conduit for future use by GWA and GPA; and

**WHEREAS,** IFB packages were picked up by seven (7) interested parties, from which GWA received bid proposal from four (4) of the seven (7) (SEE EXHIBIT A – Abstract of Bids) before the bid proposals deadline of December 6, 2016; and

**WHEREAS**, GWA's design consultant for the project along with GWA Engineering analyzed the bid proposals received, particularly the lowest bid received and determined that "BME & Son Inc." successfully submitted the lowest bid as a responsive and responsible bidder and met all the bid requirements set forth by GWA (SEE EXHIBIT B – Bid Evaluation); and

**WHEREAS**, GWA management finds BME & Sons bid proposal acceptable and now seeks CCU approval of the bid proposal amount of Five Million Nine Hundred Nineteen Thousand Forty Five Dollars and Forty Three Cents ($5,919,045.43) (SEE EXHIBIT C – Bid Proposal); and

**WHEREAS**, GWA management further seeks CCU approval of a five percent (5%) contingency to the bid proposal amount or Two Hundred Ninety Five Thousand Nine Hundred Fifty Two Dollars and Twenty Seven Cents ($295,952.27) to bring the total authorized funding amount to Six Million Two Hundred Fourteen Thousand Nine Hundred Ninety Seven Dollars and Seventy Cents ($6,214,997.70); and

**WHEREAS**, funding for this project will be from the 2016 Bond Funds under the line items CIP WW 11-03 "Baza Gardens STP Replacement" and Internally Funded CIP; and

**NOW BE IT THEREFORE RESOLVED**, the Consolidated Commission on Utilities does hereby approve the following:

1. The recitals set forth above hereby constitute the findings of the CCU.
2. The CCU finds that the terms of the conditions set by GWA relative to commencement of work activities are fair and reasonable and serve as a measure of Quality Assurance/Quality Control (QA/QC).
3. The CCU hereby authorizes the management of GWA to accept the bid proposal from "BME & Son Inc." attached hereto as Exhibit C and which is incorporated into this Resolution in its entirety.
4. The CCU hereby further authorizes the management of GWA to enter into a contract with "BME & Son Inc." in the amount Five Million Nine Hundred Nineteen Thousand Forty Five Dollars and Forty Three Cents ($5,919,045.43).
5. The CCU hereby further approves the funding total of Five Million Nine Hundred Nineteen Thousand Forty Five Dollars and Forty Three Cents ($5,919,045.43) plus a five percent (5%) contingency of Two Hundred Ninety Five Nine Hundred Fifty Two Dollars and Twenty Seven Cents ($295,952.27)

for a total amount of Six Million Two Hundred Fourteen Nine Hundred Ninety Seven Dollars and Seventy Cents ($ 6,214,997.70).

6. The CCU hereby further approves funding for this project to be from the 2016 Bond Funds under the line items CIP WW 11-03 "Baza Gardens STP Replacement" and Internally Funded CIP.

**RESOLVED,** that the Chairman certified and the Board Secretary attests to the adoption of this Resolution.

**DULY AND REGULARLY ADOPTED**, this 24th day of January 2017.

Certified by: Attested by:

_____ _____

**JOSEPH T. DUENAS** **J. GEORGE BAMBA**
Chairperson Secretary

I, J. George Bamba, Board Secretary of the Consolidated Commission on Utilities as evidenced by my signature above do hereby certify as follows:

The foregoing is a full, true and accurate copy of the resolution duly adopted at a regular meeting by the members of the Guam Consolidated Commission on Utilities, duly and legally held at a place properly noticed and advertised at which meeting a quorum was present and the members who were present voted as follows:

AYES: _____

NAYS: _____

ABSTENTIONS: _____

ABSENT: _____

CCU January 24, 2017 Regular Meeting - NEW BUSINESS

Exhibit A (1 of 1)

324
Doc. No. 34GL-17-0812.*

ORIGINAL

**GUAM WATERWORKS AUTHORITY**
**ABSTRACT OF BIDS**

Project Name: **BAZA GARDENS WASTEWATER CROSS-ISLAND PUMPING AND CONVEYANCE (PHASE II)**
Project Number: **S15-008-BND; IFB-02-ENG-2016**

Bid Opening Date: December 6, 2016
Bid Opening Time: 3:00 pm

| | Bidders Name | Section A-5 Bid Bond | CERTIFICATIONS | | | | | | | | | BID AMOUNT |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | Bidder Qualification Form | Non-Collusion Affidavit | EEO Certification | Non-Segregated Facilities | Sex Offender Certification | Wage & Benefit Determination | Major Shareholders Affidavit | Special Instructions to Bidders | Addendum 1 | |
| 1. | PACIFIC RIM CONSTRUCTORS, INC. | | | | | | | | | | | |
| 2. | SUMITOMO MITSUI CONST. CO., LTD | FIDELITY + DEP Co. of MARYLAND 15% | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | 7,700,000 |
| 3. | PERNIX | FIDELITY + DEP Co of MARYLAND 15% of BID | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | 7,696,980.00 |
| 4. | TALION CONST., LLC | | | | | | | | | | | |
| 5. | OBAYASHI GUAM | | | | | | | | | | | |
| 6. | BME & SONS INC. | FIDELITY + DEP Co of MARYLAND 15% of BID | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | 5,919,045.43 |
| 7. | MAEDA PACIFIC CORP. | FIDELITY + DEP Co of MARYLAND 15% of BID | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | 7,983,000.00 |
| | | | | | | | | | | | | |
| | | | | | | | | | | | | |
| | | | | | | | | | | | | |
| | | | | | | | | | | | | |
| | | | | | | | | | | | | |
| | | | | | | | | | | | | |
| | GWA Estimate | | | | | | | | | | | 6,415,186.00 |

**Bids Opened and Read by:**
GLORIA BENSAN
(Name and Signature)

**Tabulated By:**
JOHN M. DAVIS
(Name and Signature)

**GWA Procurement Representative:**
Nicolas Cabo
(Name and Signature)

**Witnesses:**

Exhibit B (1 of 2)

Website: www.dcaguam.com
Email: dca@dcaguam.com

DUEÑAS · CAMACHO

December 27, 2016

Thomas Cruz, PE
Chief Engineer
Guam Waterworks Authority
thomas@guamwaterworks.org
671-300-6036
Hand delivery

Ref: **Baza Gardens Wastewater Cross-Island Pumping and Conveyance System, Phase II**

Subj: **BME & Sons Bid Proposal Review**

Hafa Adai,

Dueñas, Camacho and Associates, Inc. (DCA) has reviewed the December 6th, 2016 Bid Proposal submitted by BME & Sons (BME) for the referenced project. The BME bid proposal was compared to the engineers estimate, overall the BME bid is 8% below the engineers estimate. A detailed bid item comparison has been attached to this letter for reference. In the matter of BME being greater than 20% lower than the other three bidders, DCA requested that GWA receive acknowledgement of the bids from BME's chosen bonding company. A response from the bonding company was received by GWA acknowledging the BME bid amount and the other three higher bid amounts.

Based on DCA's past experience working as a construction manger with BME, bid review and response from the bond company, the low bid amount is more likely than not attributed to the selected means and methods used by BME for construction rather then an error or omission on the bid. DCA has no exceptions with GWA moving forward with contracting BME & Sons for this referenced project.

Thank you,

Kenneth M. Rekdahl, PE
Vice- President and Project Manager
Duenas, Camacho & Associates
671-477-7991
knrekdahl@dcaguam.com

Att:

Bidder Analysis

Exhibit B (2 of 2)

**BAZA GARDENS WASTEWATER CROSS-ISLAND PUMPING AND CONVEYANCE SYSTEM (PHASE-II) - BID EVALUATION**

| Bid Item # | Description | UOM | QTY | BME | | | | Estimate | | Pernix | | | | Sumitomo | | | | Maeda | | | | Statistical Lowest Price | Delta (Lowest Bid / Lowest Price) | Statistical Highest Price | Delta (Lowest Bid / Highest Price) |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | Unit Rates | Bid Amounts | Bid Limits | Delta (Bid / Estimate) | Unit Rate | Amounts | Unit Rate | Bid Amounts | Bid Limits | Delta (Bid / Estimate) | Unit Rate | Bid Amounts | Bid Limits | Delta (Bid / Estimate) | Unit Rate | Bid Amounts | Bid Limits | Delta (Bid / Estimate) | | | | |
| 1 | Project mobilization (not to exceed 10% of total basic bid) | ls | 1 | 197,090 | 197,090 | 3.33% | 310% | 48,101 | 48,101 | 665,712 | 665,712 | 8.65% | 1284% | 646,944 | 646,944 | 8.40% | 1245% | 740,000 | 740,000 | 9.27% | 1438% | 197,090 | 0% | 740,000 | -73% |
| 2 | Temporary facilities | ls | 1 | 59,774 | 59,774 | | 157% | 23,238 | 23,238 | 80,832 | 80,832 | | 248% | 471,632 | 471,632 | | 1930% | 16,000 | 16,000 | | -31% | 16,000 | 274% | 471,632 | -87% |
| 3 | Pump station and conveyance system layout | ls | 1 | 121,484 | 121,484 | | 597% | 17,427 | 17,427 | 77,947 | 77,947 | | 347% | 86,372 | 86,372 | | 396% | 74,000 | 74,000 | | 325% | 74,000 | 64% | 121,484 | 0% |
| 4 | Equipment extended warranty | ls | 1 | 49,150 | 49,150 | | -7% | 52,633 | 52,633 | 19,020 | 19,020 | | -64% | 30,039 | 30,039 | | -43% | 25,000 | 25,000 | | -53% | 19,020 | 158% | 49,150 | 0% |
| 5 | Temporary environmental protection | lf | 16,024 | 3 | 52,537 | | -7% | 4 | 56,327 | 6 | 94,772 | | 68% | 9 | 148,124 | | 163% | 6 | 100,000 | | 78% | 52,537 | 0% | 148,124 | -65% |
| 6 | Temporary traffic control | lf | 645 | 152 | 97,875 | | 366% | 33 | 20,984 | 319 | 205,977 | | 882% | 507 | 326,918 | | 1458% | 333 | 215,000 | | 925% | 97,875 | 0% | 326,918 | -70% |
| 7 | Pump station site clearing | acre | 0.6 | 80,036 | 48,022 | | 359% | 17,428 | 10,457 | 58,713 | 35,228 | | 237% | 9,027 | 5,416 | | -48% | 16,667 | 10,000 | | -4% | 5,416 | 787% | 48,022 | 0% |
| 8 | Pump station access road and pavement | sy | 767 | 96 | 73,874 | | -22% | 124 | 94,734 | 115 | 87,930 | | -7% | 65 | 49,909 | | -47% | 169 | 130,000 | | 37% | 49,909 | 48% | 130,000 | -43% |
| 9 | Pump station perimeter fence line and gates | lf | 386 | 290 | 111,801 | | -65% | 829 | 319,906 | 567 | 218,893 | | -32% | 442 | 170,424 | | -47% | 596 | 230,000 | | -28% | 111,801 | 0% | 230,000 | -51% |
| 10 | Pump station site grading | sy | 2,836 | 77 | 218,195 | | -5% | 81 | 230,623 | 32 | 91,908 | | -60% | 25 | 70,431 | | -69% | 123 | 350,000 | | 52% | 70,431 | 210% | 350,000 | -38% |
| 11 | Pump station site drainage improvements complete in place | sf | 3,566 | 5 | 19,447 | | -33% | 8 | 29,065 | 4 | 14,172 | | -51% | 5 | 17,240 | | -41% | 6 | 20,000 | | -31% | 14,172 | 37% | 20,000 | -3% |
| 12 | Generator and wet-well structure and finishings | sf | 269 | 2,249 | 604,847 | | -39% | 3,661 | 984,846 | 3,068 | 825,174 | | -16% | 2,900 | 780,233 | | -21% | 2,045 | 550,000 | | -44% | 550,000 | 10% | 825,174 | -27% |
| 13 | Wastewater pumps complete in place | ea | 3 | 47,875 | 143,626 | | -19% | 59,255 | 177,765 | 104,499 | 313,497 | | 76% | 27,379 | 82,138 | | -54% | 73,333 | 220,000 | | 24% | 82,138 | 75% | 313,497 | -54% |
| 14 | Pump station mechanical process piping, fittings and flow-meter installed complete in-place | lf | 42 | 2,204 | 92,555 | | -9% | 2,422 | 101,733 | 1,435 | 60,279 | | -41% | 1,937 | 81,347 | | -20% | 2,143 | 90,000 | | -12% | 60,279 | 54% | 92,555 | 0% |
| 15 | Pump VFDs, controls and level sensor | ea | 3 | 91,056 | 273,167 | | 40% | 64,937 | 194,810 | 112,503 | 337,508 | | 73% | 101,917 | 305,751 | | 57% | 146,667 | 440,000 | | 126% | 273,167 | 0% | 440,000 | -38% |
| 16 | Sewer-line A (1,767ft of 15 inch PVC pipe and MHs) | lf | 1,767 | 295 | 521,801 | | 11% | 265 | 468,582 | 272 | 481,311 | | 3% | 492 | 868,649 | | 85% | 470 | 830,000 | | 77% | 481,311 | 8% | 868,649 | -40% |
| 17 | Sewer-line A road repair | sy | 77 | 341 | 26,231 | | 208% | 110 | 8,507 | 209 | 16,070 | | 89% | 61 | 4,696 | | -45% | 182 | 14,000 | | 65% | 4,696 | 459% | 26,231 | 0% |
| 18 | Force-main 2 (14,399ft of 12 inch PVC pipe) | lf | 14,399 | 137 | 1,977,400 | | 10% | 125 | 1,804,911 | 190 | 2,732,401 | | 51% | 161 | 2,324,462 | | 29% | 162 | 2,336,000 | | 29% | 1,977,400 | 0% | 2,732,401 | -28% |
| 19 | Force-main 2 road repair | sy | 683 | 161 | 110,071 | | 19% | 135 | 92,469 | 128 | 87,316 | | -6% | 72 | 49,335 | | -47% | 161 | 110,000 | | 19% | 49,335 | 123% | 110,071 | 0% |
| 20 | 2-4inch PVC communication conduit and hand-hole complete in place | lf | 16,008 | 33 | 529,990 | | -53% | 71 | 1,128,602 | 40 | 646,710 | | -43% | 53 | 852,049 | | -25% | 47 | 750,000 | | -34% | 529,990 | 0% | 852,049 | -38% |
| 21 | Odor control unit complete in place | ea | 1 | 103,923 | 103,923 | | -64% | 290,467 | 290,467 | 91,609 | 91,609 | | -68% | 86,779 | 86,779 | | -70% | 63,000 | 63,000 | | -78% | 63,000 | 65% | 103,923 | 0% |
| 31 | Pump station site electrical inclusive of transformer, light poles, communication and power lines complete in-place | sf | 25,520 | 5 | 120,852 | | 26% | 4 | 96,172 | 3 | 68,259 | | -29% | 4 | 90,868 | | -6% | 10 | 255,000 | | 165% | 68,259 | 77% | 255,000 | -53% |
| 32 | Standby generator installed complete in-place | ea | 1 | 146,920 | 146,920 | | 45% | 101,133 | 101,133 | 177,085 | 177,085 | | 75% | 77,308 | 77,308 | | -24% | 150,000 | 150,000 | | 48% | 77,308 | 90% | 177,085 | -17% |
| 33 | Wastewater pump station start-up and testing | ea | 3 | 13,610 | 40,829 | | 76% | 7,746 | 23,238 | 11,026 | 33,079 | | 42% | 3,002 | 9,005 | | -61% | 8,333 | 25,000 | | 8% | 9,005 | 353% | 40,829 | 0% |
| 34 | Project closeout (not less than 3% of total basic bid) | ls | 1 | 177,583 | 177,583 | 3.00% | 362% | 38,457 | 38,457 | 234,291 | 234,291 | 3.04% | 509% | 63,931 | 63,931 | 0.83% | 66% | 240,000 | 240,000 | 3.01% | 524% | 63,931 | 178% | 240,000 | -26% |
| | **Totals** | | | | **5,919,045** | | **-8%** | | **6,415,187** | | **7,696,980** | | **20%** | | **7,700,000** | | **20%** | | **7,983,000** | | **24%** | **4,998,070** | **18%** | **9,712,793** | **-39%** |
| | Total low bid items | | | | 3,239,860 | 54.74% | | | | | | | | | | | | | | | | | | | |
| | Total high bid items | | | | 592,264 | 10.01% | | | | | | | | | | | | | | | | | | | |

Notes:

a) The "Quantities" and "Unit Rates" in the above analysis are derived from the cost estimate detail. They do not necessarily represent what the bidders have used for their bids but do provide an insight as to what the various bidders might have included or not have included in each bid line item compared to other line items in each bid. Generally speaking we found the low bid unit rates to be reasonable.

b) The lowest price of each bid item from all bids totaled is $4,998,070.47. The low bid (BME) is approximately 18% higher. Seven of the low bid line items (in green font) are the lowest of all bids, representing approximately 55% of the low bid total. The highest price of each bid item from all bids totaled is $9,712,793.40. The low bid is approximately 39% lower. Eight of the low bid line items (in red font) are the highest of all bids, representing approximately 10% of the low bid total. This puts the low bid in the lower third of, but well within, the statistical lowest and highest price range.

c) Bid line items 1 and 34 imposes price limits on the bidders. All bids except for Sumitomo adhere to this requirement. Sumitomo did not meet the "not less than 3% of total basic bid" requirement for project closeout.

d) The four bids received resulted in an approximately 32% spread between low and high bids which is a bit wider than what we typically hope to see. In highly competitive bidding market cycles this range tends to tighten up. Our opinion of the current Guam market is that it is fairly balanced in regards to the supply and demand of construction work. However, there is a concern about a labor shortages due to the current regulations for H2 workers which adds an element of risk for bidders which might go some ways in explaining the higher end of the bids received. That being said this project is not particularly labor intensive and depending on the bidders' current and immediate future commitments, we don't see this as being a particularly big consideration. It is also possible that some of the bidders are using the same subcontractors which might further explain how some bids are closer to one another, but without seeing the subcontractor lists this is difficult to confirm. Having worked with all of the above bidders on other projects we have confidence that they are all capable of completing this project.

12/27/16

## SECTION A-3

## BID PROPOSAL

To: General Manager
Guam Waterworks Authority
Gloria B. Nelson Public Service Building
688 Route 15, Mangilao, GU 96913

Dear Sir/Madam:

The undersigned ("Bidder"), a CORPORATION (Corporation or Partnership or Individual) organized and/or licensed to do business under the laws of GUAM, hereby proposes and agrees to furnish all the necessary labor, materials, equipment, tools and services necessary for the **BAZA GARDENS WASTEWATER CROSS-ISLAND PUMPING AND CONVEYANCE SYSTEM (PHASE-II).: S15-008-BND** in accordance with the bid documents for the sum of:

$ Five Million Nine Hundred Nineteen Thousand Forty Five Dollars & 43/100 ($5,919,045.43)
*(Total from bid schedule written in English)*

plus any and all sums to be added and/or deducted resulting from all extra and/or omitted work under a change order or contract amendment under the unit and/or lump sum prices stated in the itemized proposal form attached hereto.

The undersigned has examined the location of the proposed work, the drawings, specifications and other Contract Documents and is familiar with the local conditions at the place where the work is to be performed, agrees to perform all work within the time set forth; herein and the price stated in their bid.

The Bid Guaranty attached hereto without endorsement, in the sum of not less than fifteen percent (15%) of the highest amount the total aggregate bid, is furnished to the Guam Waterworks Authority as a guarantee that the Agreement will be executed and a Performance and Payment Bond and proof of insurance and other requirements set forth in the bid, in forms acceptable to GWA, shall be furnished within twenty (20) days after notification that the undersigned is the lowest responsible bidder. In the event that this Bid is accepted, and the undersigned bidder shall fail to: (1) provide any and all documents requested by GWA that are required under the bid; (2) execute the Contract on terms and conditions acceptable to GWA; and (3) furnish a satisfactory performance and Payment Bond under the conditions and within the time specified in this Proposal, the equivalent amount of the Proposed Guaranty shall be forfeited, as liquidated damages for the delay and additional work and costs caused thereby in obtaining another bidder, said amount being beforehand determined as being reasonable and containing no penalties. If written notice that the bidder is the lowest responsible bidder, and such notice is mailed, telegraphed or delivered to the undersigned within sixty (60) days after the

opening thereof, the undersigned agrees to execute the contract on terms and conditions acceptable to GWA, and to furnish a Performance and Payment Bond as a condition precedent to entering into the contract.
The undersigned hereby acknowledges receipt of the following Addenda:

| Addendum No. | Dated: |
|---|---|
| 01 | 12-01-16 |
| | |
| | |
| | |
| | |

If awarded the Contract, the undersigned agrees to complete the work for the "Basic Bid" within three hundred and sixty-five (365) calendar days following the execution of the Contract by all parties thereto and the issuance of the Notice to Proceed from GWA.

Attached hereto are the following: (1) an affidavit in proof that the undersigned has not entered into any collusion with any person in respect to this proposal or any other proposal or the submitting of proposals for the Contract for which this bid is submitted; (2) proof of licensure on Guam to conduct the services specified in the bid; (3) proof of insurance in the types and amounts specified in the bid, including certificates and a copy of the complete policies which indicates coverages and exclusions; (4) Certification of Non-Employment of Convicted Sex Offenders; and (5) any other document requested under the bid.

The undersigned understands that the Guam Waterworks Authority reserves the right to reject any or all Proposals or to waive any informality or technicality in any Proposal in the interest of GWA.

RESPECTFULLY SUBMITTED BY:

BME & SONS INC.
(CONRACTOR)

BERNADETTE MARANAN
(BY)

VICE PRESIDENT
(TITLE)

P.O. BOX 24402 BARRIGADA, GUAM 96921
(BUSINESS ADDRESS)

## BID SCHEDULE

IFB-02-ENG-2017

**BAZA GARDENS WASTEWATER CROSS-ISLAND PUMPING AND CONVEYANCE SYSTEM (PHASE-II)**
**GWA Project No. S15-008-BND**

| Item | Description | Specification Reference | Est. Qty. | Unit | Total |
|---|---|---|---|---|---|
| 1 | Project mobilization (not to exceed 10% of total basic bid) | 010200 | 1 | LS | $197,090.12 |
| 2 | Temporary facilities | 015000 | 1 | LS | $59,773.93 |
| 3 | Pump station and conveyance system layout | 017000 | 1 | LS | $121,484.48 |
| 4 | Equipment extended warranty | 017810 | 1 | LS | $49,149.57 |
| 5 | Temporary environmental protection | 015010 | 1 | LS | $52,536.75 |
| 6 | Temporary traffic control | 010200 | 1 | LS | $97,874.93 |
| 7 | Pump station site clearing | 312230 | 1 | LS | $48,021.84 |
| 8 | Pump station access road and pavement | 321723 | 1 | LS | $73,874.17 |
| 9 | Pump station perimeter fence line and gates | 312831 | 1 | LS | $111,800.96 |
| 10 | Pump station site grading | 312316 | 1 | LS | $218,194.97 |
| 11 | Pump station site drainage improvements complete in place | 312316 | 1 | LS | $19,447.01 |
| 12 | Generator and wet-well structure and finishings | 032000 | 1 | LS | $604,847.00 |
| 13 | Wastewater pumps complete in place | 431311 | 1 | LS | $143,626.46 |
| 14 | Pump station mechanical process piping, fittings and flow-meter installed complete in-place | 400519 | 1 | LS | $92,554.68 |
| 15 | Pump VFDs, controls and level sensor | 262923 | 1 | LS | $273,167.05 |
| 16 | Sewer-line A (1,767ft of 15 | 333113 | 1 | LS | $521,801.00 |

| | | | | | |
|---|---|---|---|---|---|
| | inch PVC pipe and MHs) | | | | |
| 17 | Sewer-line A road repair | Plan Reference | 1 | LS | $26,231.06 |
| 18 | Force-main 2 (14,399ft of 12 inch PVC pipe) | 333400 | 1 | LS | $1,977,400.24 |
| 19 | Force-main 2 road repair | Plan Reference | 1 | LS | $110,070.94 |
| 20 | 2-4inch PVC communication conduit and hand-hole complete in place | Plan Reference | 1 | LS | $529,990.42 |
| 21 | Odor control unit complete in place | 443121 | 1 | LS | $103,922.96 |
| 22 | Pump station site electrical inclusive of transformer, light poles, communication and power lines complete in-place | 260513 | 1 | LS | $120,852.17 |
| 23 | Standby generator installed complete in-place | 263213 | 1 | LS | $146,920.43 |
| 24 | Wastewater pump station start-up and testing | 018200 | 1 | LS | $40,828.87 |
| 25 | Project closeout (not less than 3% of total basic bid) | 017700 | 1 | LS | $177,583.42 |
| | | | | | |
| | **Total Basic Bid** | | | LS | $ 5,919,045.43 |

**NOTES:**

1. LS = Lump Sum.
2. All other work, description or specification reference not qualified or not listed in the Bid Schedule are considered incidental work and are an obligation of the Contractor under the various Bid Items as specified in the Bid at no additional cost to GWA.
3. Total basic bid shall include sales tax and all applicable taxes and permit fees.
4. The price bid for each item represents the total price for furnishing all materials, equipment, labor, tools and incidentals necessary to complete the work in-place.

BASIS OF SELECTION

Award will be based on the lowest Total Basic Bid. All contracts are subject to availability of funding.

GUAM WATERWORKS AUTHORITY
"Better Water, Better Lives."
Gloria B. Nelson Public Service Building| 688 Route 15 | Mangilao, Guam 96913
Tel: (671) 300-6846

## Issues for Decision

**Resolution No. 14-FY2017**
Relative to Reallocation of 2010, 2013 and 2016 Bond Funds to the Northern District, Baza Gardens and Umatac-Merizo Wastewater Treatment Plants CIP Line Item for Construction Purposes and Approval of the Updated Capital Improvements Plan January 2017.

**What is the project's objective and is it necessary and urgent?**
The objective of the resolution is to reallocate 2010, 2013 and 2016 Bond proceeds from CIP line items, which contain a "balance" from which CIP projects can be deferred until a later date so as to move forward with CIP projects that do not have sufficient funding to execute a contract.

In addition this resolution seeks CCU approval of the Updated Capital Improvements Plan "January 2017" given the requested reallocation of bond funds will affect availability of CIP bond funding.

**Where is the location?**
The Bond reallocation will affect the Baza Gardens WWTP (WW 11-03), Umatac-Merizo WWTP (WW 12-07) and Northern District WWTP (WW 17-02).

**How much will it cost?**
Funds from the 2010, 2013 and 2016 Bond fund totaling Twenty-Nine Million Six Hundred Thousand Dollars ($29,600,000.00) will be reallocated to the three WWTPs noted above.

**When will it be completed?**
The bond reallocation process requires CCU and PUC approval, therefore the time frame for this process to be completed can be two to three months.

**What is the funding source?**
2010, 2013 and 2016 Bond.

**The RFP/BID responses (if applicable):**
N/A

**GUAM CONSOLIDATED COMMISSION ON UTILITIES**

**RESOLUTION NO. 14–FY2017**

**RELATIVE TO REALLOCATION OF 2010, 2013 AND 2016 BOND FUNDS TO THE NORTHERN DISTRICT, BAZA GARDENS AND UMATAC-MERIZO WASTEWATER TREATMENT PLANTS CIP LINE ITEMS FOR CONSTRUCTION PURPOSES AND APPROVAL OF THE UPDATED CAPITAL IMPROVEMMENTS PLAN JANUARY 2017**

**WHEREAS**, under 12 G.C.A. § 14105, the Consolidated Commission on Utilities ("CCU") has plenary authority over financial, contractual and policy matters relative to the Guam Waterworks Authority ("GWA"); and

**WHEREAS**, the Guam Waterworks Authority ("GWA") is a Guam Public Corporation established and existing under the laws of Guam; and

**WHEREAS**, GWA currently has a critical Court Order ("CO") project related to Paragraph 14 and Paragraph 16 of the 2011 Court Order which required GWA to complete improvements at the Baza Gardens WWTP and Umatac-Merizo WWTP, respectively, so as to achieve compliance with the WWTP's NDPES permit; and

**WHEREAS**, GWA is currently also engaged with the Office of Economic Adjustment to undertake the Guam Water and Wastewater Infrastructure projects as part of the relocation of Marine Corps forces to Guam, and a critical component of these infrastructure projects is the upgrade of the Northern District WWTP to secondary treatment capacity; and

**WHEREAS**, Pre-procurement activities for Phase III of the Baza Gardens Wastewater Conveyance and Pump project is on-going and GWA has determined that, to fully execute a contract with the winning bidder by April of 2017, additional funding in the amount of Fifteen Million Eight Hundred Thousand Dollars ($15,800,000.00) is required under the CIP line item WW 11-03 "Baza Gardens STP Replacement"; and

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**WHEREAS**, Procurement activities for the Umatac-Merizo WWTP Improvements Design Build project is on-going and GWA has determined that, to fully execute a contract with the winning bidder by June of 2017, additional funding in the amount of Twelve Million Eight Hundred Thousand Dollars ($12,800,000.00) is required under the CIP line item WW 12-07 "Umatac Merizo STP Replacement"; and

**WHEREAS**, Planning activities for the Northern District WWTP Upgrade to secondary treatment capability is on-going and GWA has identified that additional property is required adjacent to the current plant location to be able to upgrade and expand the facility under current plans, and to secure sufficient area for future planned improvements, and as such additional funding in the amount of One Million Dollars ($1,000,000.00) is required under the CIP line item WW 17-02 "Northern District WWTP Secondary Treatment Upgrade"; and

**WHEREAS**, The funding for the above projects will come from reallocating 2010, 2013 and 2016 Bond proceeds from CIP line items which contain a "balance" from either CIP projects already completed under budget, or CIP projects which can be deferred until a later date; and

**WHEREAS**, GWA management submits for CCU approval the Updated Capital Improvements Plan "January 2017" (See Exhibit A) which includes adjustment to the CIP fund allotments from the 2018 Bond Proceeds to the CIP line items that require funds transferred back into certain line items due to the current bond reallocation requests, as well as any adjustment to other CIP line items that are necessary; and

**WHEREAS**, the rationale and justification for the bond reallocation is because GWA is intending to execute the contracts for: 1) Baza Gardens Wastewater Conveyance and Pump Phase III project by April 2017; and 2) Umatac/Merizo WWTP Improvements Design Build project by June 2017 and in order to do so all the funds necessary to enter into a contract at that time need to be available to the winning bidder, thus the reallocation is necessary as the 2018 Bond issues would not be available; and

**WHEREAS**, the CCU has found on occasion, that bond reallocation is necessary to continue to comply with the Stipulated Order for Preliminary Relief (as Amended); and

**WHEREAS,** GWA management seeks CCU approval to petition the PUC to reallocate the current approved 2010, 2013 and 2016 bond funding limits by Twenty-Nine Million Six Hundred Thousand Dollars ($29,600,000.00) using the adjusted CIP project amount specified in Exhibit B; and

**NOW BE IT THEREFORE RESOLVED**, the Consolidated Commission on Utilities does hereby approve and authorize the following:

1. The CCU approves Twenty-Nine Million Six Hundred Thousand Dollars ($29,600,000.00) of available bond funds from the 2010, 2013 and 2016 Series Bonds is hereby allocated to WW 11-03 "Baza Gardens STP Replacement", WW 12-07 "Umatac-Merizo STP Replacement" and WW 17-02 "Northern District WWTP Secondary Treatment Upgrade" for purposes related to construction contract execution, design build contract execution and property acquisition, respectively.
2. The CCU further approves the Updated Capital Improvements Plan January 27 as shown in Exhibit A in its entirety.
3. The CCU further approves GWA management seek PUC approval for the reallocation of 2010, 2013 and 2016 bond funds in the amount of Twenty-Nine Million Six Hundred Thousand Dollars ($29,600,000.00) as summarized in Exhibit B and elaborated in Exhibit A.

**RESOLVED,** that the Chairman certified and the Board Secretary attests to the adoption of this Resolution.

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**DULY AND REGULARLY ADOPTED**, this 24th day of January 2017.

Certified by: Attested by:

_____ _____

**JOSEPH T. DUENAS** **J. GEORGE BAMBA**
Chairperson Secretary

I, J. George Bamba, Board Secretary of the Consolidated Commission on Utilities as evidenced by my signature above do hereby certify as follows:

The foregoing is a full, true and accurate copy of the resolution duly adopted at a regular meeting by the members of the Guam Consolidated Commission on Utilities, duly and legally held at a place properly noticed and advertised at which meeting a quorum was present and the members who were present voted as follows:

AYES: _____

NAYS: _____

ABSTENTIONS: _____

ABSENT: _____

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EXHIBIT A

GUAM WATERWORKS AUTHORITY

*Better Water Better Lives*

# CAPITAL IMPROVEMENT PLAN

# 2016-2020

**January 24, 2017**

# CAPITAL IMPROVEMENT PLAN
# 2016-2020

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# A. Narrative

**Summary of CIP**
The Capital Improvement Plan (CIP) has been updated with the best available data to illustrate the current funding available to complete projects which had been identified from the originally submitted CIP.

The following two tables provide an overview of the current funding status:

**Table 1. Summary of Project Type (x1000):**

| | 2016 | 2017 | 2018 | 2019 | 2020 | TOTAL |
|---|---|---|---|---|---|---|
| **Potable Water** | 44,421 | 36,490 | 55,518 | 28,250 | 10,000 | 174,679 |
| **Wastewater** | 12,335 | 63,179 | 12,246 | - | - | 87,760 |
| **Electrical Engineer** | 3,911 | 3,150 | 2,914 | - | - | 9,975 |
| **Miscellaneous** | 3,200 | 4,045 | 1,200 | 1,200 | - | 9,645 |
| Total | 63,867 | 106,864 | 71,878 | 29,450 | 10,000 | 282,058 |

**Table 2. Summary of Funding Source (x1000):**

| | 2016 | 2017 | 2018 | 2019 | 2020 | TOTAL |
|---|---|---|---|---|---|---|
| **2010 Bond Series** | 5,074 | | | | | 5,074 |
| **2013 Bond Series** | 11,922 | 383 | | | | 12,305 |
| **2016 Bond Series** | 34,149 | 63,986 | 23,378 | | | 121,513 |
| **2018 Bond Series** | - | | 29,000 | 28,250 | 10,000 | 67,250 |
| **State Revolving Fund (SRF) *** | 3,475 | 17,000 | 8,000 | | | 28,475 |
| **System Development Charge (SDC)**** | 3,300 | 5,994 | 500 | | | 9,794 |
| **GRANTS** | 948 | | | | | 948 |
| **Internally Funded CIP** | 5,000 | 19,500 | 11,000 | 1,200 | | 36,700 |
| Total | 63,867 | 106,864 | 71,878 | 29,450 | 10,000 | 282,058 |

Note:
* The State Revolving Fund line item includes the funding allotment for the USEPA engineering consultant.

** 2016 SDC funds earmarked for expenditure on various water and wastewater projects which have been delayed due to unknown project conditions (water wells), or deferred due to availability of other funding sources (NDWWTP); use of SDC funds will be revised to future years in a future CIP update.

**Developing the Capital Improvement Plan (CIP)**
The CIP is GWA's five-year blueprint for creating, maintaining, renewing, and replacing the crucial infrastructure that will support Guam's sustainable and continued growth. This CIP covers a five-year period to account primarily for Court Order projects that have a start time outside of a five-year period from 2015 but which required funding appropriation from the anticipated 2015 and 2018 bond issuances which are reflected in this updated CIP.

This CIP was developed to include a narrative and project description sheets detailing the projects. Other documents, such as the 2007 Water Resource Master Plan (WRMP), GWA's Comprehensive Management Plan, 2006 Stipulated Order, GWA Production Plan, PUC Order, SRF Grant Project list, 2011 Amended Stipulated Order, and the 2012 USEPA NEIC Report "Findings of Significant Deficiencies in the Public Water System" provided valuable information and guidance in the preparation of the CIP. The CIP will continue to be reviewed and updated by the Chief Engineer, General Manager GWA, Consolidated Commission on Utilities (CCU) and the Public Utilities Commission (PUC).

The CIP is an important public communication medium. The CIP gives residents and businesses a view of GWA's direction for capital improvement and a better understanding of the Island's ongoing need for stable revenue sources to fund large or multi-year capital projects.

The CIP is also an important operational document, providing GWA Engineering, Maintenance & Operation (M&O), Finance, and support staff with a blueprint of the overall direction and specific projects GWA plans on implementing to continue improvement for the utility and the Territory of Guam.

**Definition of an Engineering Capital Improvement Project**
For the purposes of the Engineering CIP, a capital expenditure is an expenditure to acquire and/or replace GWA's capital assets. Major projects are projects with a cost of more than $50,000 or are listed in the 2006 Stipulated Order and/or Master Plan. Water production facilities, water distribution systems, wastewater collection systems, wastewater treatment plants, and major one-time equipment acquisitions are examples of capital improvements.

**Carryover Projects/Fund Balance**
Due to the nature of capital projects, the life of a project may span across fiscal years. As funds are received to fund a project, they are accumulated in the appropriate capital fund and expended as projects progress. When the funds are not spent in one year, they remain in the fund balance to be used in the future, often referred to as carryover. As GWA refines the annual CIP, these carryover projects will be redefined into areas of contractual obligation, and ongoing projects may be re-allocated in the following year as financing is re-evaluated to ensure project funding and funding viability. In addition, CIP line items may also be consolidated to another CIP line item; therefore to understand this CIP update, it is important to refer to the previous year's CIP.

**Operating and Capital Budget Relationship**
The CIP also impacts the operating budget. As projects are completed, operating funds are necessary for routine maintenance and operation costs such as utilities, staffing, repairs, and equipment maintenance.

**CIP Organization**
This fiscally constrained CIP includes project summary tables, funding source tables, funding anticipated to be committed by the Department of Defense funding, and project sheets.

**Bond Spending Status**
GWA acquired $316M in capital construction funding from the Series 2005, 2010, 2013 and 2015 Revenue Bonds to plan, design, and construct capital projects needed to comply with U.S.

Environmental Protection Agency (USEPA) stipulations and court orders and to implement the WRMP 2007. This CIP update reports that the Series 2005 Revenue Bonds have been fully allocated at the amount of $89,711,419. Under the direction of the CCU, GWA has completed several financial plans over the last few years that have placed GWA on a successful path. With continued financial plans in place and updates to the plans, GWA should be able to allocate current revenue bonds and obtain additional revenue bonds which can further progress projects required by the 2011 Court Order, other compliance requirements and the WRMP 2007.

This updated CIP will continue to ensure GWA provides excellence in water and wastewater services. The development of this CIP was truly a team effort with the combined effort of the interim General Manager, Engineering staff, Operations staff, Grants Section, and Finance Department.

## B. 2010, 2013 and 2016 Bond Reallocation Request

It is with this CIP document GWA is seeking to execute a 2010, 2013 and 2016 bond reallocation. This section delineates the additional funding needs of active CIP projects as well as identifies the recommended source from which the required additional funds can be obtained. Project deficits and proposed reallocations to meet deficits are summarized below in Table 3.

**Table 3: GWA 2010, 2013 and 2016 Bond Reallocation Request**

| 2010 Bond Reallocation | | | |
|---|---|---|---|
| CIP No. | Name | Addition Funds (x1000) | Reduction Funds (x1000) |
| PW 05-05 | "A" Series Well Transmission Line | | $ 81.856 |
| PW 05-14 | New Deep Wells at Down Hard | | $ 1,134.748 |
| PW 09-03 | Water Distribution System | | $ 25.252 |
| PW 11-01 | Distribution System Upgrades | | $ 25.840 |
| PW 12-05 | Tank Major Repair Yigo#1 Mangilao#2 Agat#2 | | $ 500.000 |
| WW 09-06 | Wastewater Collection System Repl/Rehab | | $ 45.000 |
| WW 09-10 | Facilities Plan/Design for Agat-Santa Rita WWTP | | $ 0.370 |
| WW 11-03 | Baza Gardens STP Replacement | $ 984.947 | |
| WW 17-02 | Northern District WWTP Secondary Treatment Upgrades | $ 1,000.000 | |
| EE 05-02 | SCADA Pilot Project | | $ 8.050 |
| EE 09-02 | Electrical Upgrade - Water Wells | | $ 95.773 |
| EE 09-07 | SCADA Improvements – Phase 2 | | $ 43.014 |
| EE 09-08 | SCADA Improvements – Phase 3 | | $ 25.044 |
| | | $ 1,984.947 | $ 1,984.947 |

| 2013 Bond Reallocation | | | |
|---|---|---|---|
| CIP No. | Name | Addition Funds (x1000) | Reduction Funds (x1000) |
| PW 05-13 | Deep Well Rehabilitation | | $ 350.000 |
| PW 05-16 | Master Meters | | $ 100.000 |
| PW 09-03 | Water Distribution System | | $ 1,300.000 |
| PW 12-07 | Assessment of malojloj Elevetad & Yigo Elevated | | $ 14.883 |
| WW 09-06 | Wastewater Collection System Repl/Rehab | | $ 100.000 |
| WW 11-03 | Baza Gardens STP Replacement | $ 2,114.883 | |
| EE 09-04 | Electrical Upgrade -Water Booster | | $ 150.000 |
| EE 09-05 | Electrical Upgrade - Other Water | | $ 100.000 |
| | | $ 2,114.883 | $ 2,114.883 |

| 2016 Bond Reallocation | | | |
|---|---|---|---|
| CIP No. | Name | Addition Funds (x1000) | Reduction Funds (x1000) |
| PW 09-03 | Water Distribution System Pipe Replacement and Upgrades | | $ 2,000.000 |
| PW 09-11 | Water System Reservoirs 2005 Improvements | | $ 14,000.000 |
| PW 11-02 | Ugum Water Treatment Plant Reservoir | | $ 6,410.000 |
| PW 12-06 | Tank Replacement Piti & Hyundai | | $ 3,090.170 |
| WW 11-03 | Baza Gardens STP Replacement | $ 12,700.170 | |
| WW 12-07 | Umatac Merizo STP Replacement | $ 12,800.000 | |
| | TOTAL | $ 25,500.170 | $ 25,500.170 |
| | | | |
| | Grand Total (2010, 2013 and 2016 Bond) | $ 29,600 | $ 29,600 |

**Project Funding Requirements**

Given the numerous projects noted in the table above requiring additional funding the following are just a summary of the change in scope and why additional funding is required.

- Baza Gardens STP Replacement (WW 11-03) – Fund reallocation required to complete construction work to convey and pump wastewater from the Baza Gardens facility to the new Agat Santa Rita WWTP to meet Court Order requirements related to Baza Gardens.

- Northern District WWTP Secondary Treatment Upgrade (WW 17-02) – Additional funds required to support ancillary capital improvement ahead of the major upgrade to the treatment plant to secondary capacity as part of the Office of Economic Adjustment.

- Umatac-Merizo STP Replacement (WW 12-07) - Fund reallocation required to fully fund the Design Build construction project to improvement the facility operations and functionality to meet Court Order requirements related to Umatac-Merizo STP.

## C. Proposed 2018 Bond Update

This update reflects new information based on a clearer picture of project requirements and an update to Tables 7 to 10 from the previous CIP. GWA is also looking to reallocate 2018 bond to address the

bond reallocation requested on Section B above. This section delineates the active CIP projects that contributed to the reallocation request as well as identifies the recommended source from which the "reimbursement" funds can be obtained. Project deficiencies and proposed reallocations to meet these deficiencies are summarized below in Table 4.

**Table 4: Proposed GWA 2018 Bond Update**

| 2018 Bond Update | | | |
|---|---|---|---|
| CIP No. | Name | Addition Funds (x1000) | Reduction Funds (x1000) |
| PW 08-08 | Barrigada Tank Repair/Replacement | | $ 2,000.000 |
| PW 05-13 | Deep Well Rehabilitation | $ 350.000 | |
| PW 05-14 | New Deep Wells at Down Hard | $ 1,100.000 | |
| PW 09-02 | Water Wells | | $ 3,000.000 |
| PW 09-03 | Water Distribution System Pipe Replacement and Upgrades | $ 2,800.000 | |
| PW 09-11 | Water System Reservoirs 2005 Improvements | $ 9,146.000 | |
| PW 11-02 | Ugum Water Treatment Plant Reservoir | $ 5,000.000 | |
| PW 12-05 | Tank Major Repair Yigo #1, Mangilao #2, Astumbo #1 | $ 500.000 | |
| PW 12-06 | Tank Replacement Piti & Hyundai | $ 2,590.000 | |
| WW 05-04 | Wastewater System Planning | | $ 1,000.000 |
| WW 09-06 | Wastewater Collection System Repl/ Rehabilitation | $ 100.000 | |
| WW 11-03 | Baza Gardens STP Replacement | | $ 7,000.000 |
| WW 12-07 | Umatac Merizo STP Replacement | | $ 9,000.000 |
| EE 09-02 | Electrical Upgrade - Water Wells | $ 96.000 | |
| EE 09-04 | Electrical Upgrade -Water Booster | $ 150.000 | |
| EE 09-05 | Electrical Upgrade -Other Water | $ 100.000 | |
| EE 09-07 | SCADA Improvements – Phase 2 | $ 43.000 | |
| EE 09-08 | SCADA Improvements – Phase 3 | $ 25.000 | |
| | TOTAL | $ 22,000.000 | $ 22,000.000 |

Note:
There is no change in scope to the CIP lines items noted above that will "receive" additional funds. The funds amounts shown were previously allotted but were portion of the bond reallocation request as discussed in Section B.

# D. CIP Summary Tables

## Table 5.Summary Table Potable Water

| | | 2016 | 2017 | 2018 | 2019 | 2020 | Total |
|---|---|---|---|---|---|---|---|
| CIP # | Project Name | (x1000) | (x1000) | (x1000) | (x1000) | (x1000) | (x1000) |
| PW 05-01 | Ground Water Disinfection | $ - | $ - | $ - | $ - | $ - | $ - |
| PW 05-03 | Santa Rita Springs Booster Pump Rehab Phase II | $ - | $ - | $ - | $ - | $ - | $ - |
| PW 05-05 | “A” Series Well Transmission Line | $ - | $ - | $ - | $ - | $ - | $ - |
| PW 05-06 | Water Booster Pump Station | $ 2,536 | $ 3,000 | $ 1,000 | $ - | $ - | $ 6,536 |
| PW 05-07 | Meter Replacement Program | $ 520 | $ 2,000 | $ 2,000 | $ - | $ - | $ 4,520 |
| PW 05-08 | Barrigada Tank Repair/Replacement | $ 1,052 | $ 400 | $ - | $ 4,000 | $ - | $ 5,452 |
| PW 05-09 | Leak Detection | $ 81 | $ 1,100 | $ 100 | $ - | $ - | $ 1,281 |
| PW 05-10 | Potable Water System Planning | $ 439 | $ 2,000 | $ 400 | $ - | $ - | $ 2,839 |
| PW 05-11 | Implement Ground Water Rule | $ - | $ - | $ - | $ - | $ - | $ - |
| PW 05-12 | Brigade II (Ugum Lift) BPS Upgrade | $ 1,445 | $ - | $ - | $ - | $ - | $ 1,445 |
| PW 05-13 | Deep Well Rehabilitation | $ 2,250 | $ 3,000 | $ 350 | $ - | $ - | $ 5,600 |
| PW 05-14 | New Deep Wells at Down Hard | $ 2,186 | $ - | $ 1,100 | $ - | $ - | $ 3,286 |
| PW 05-15 | Rehabilitation of Asan Springs | $ 1,157 | $ - | $ - | $ - | $ - | $ 1,157 |
| PW 05-16 | Master Meters | $ 10 | $ 3,616 | $ - | $ - | $ - | $ 3,626 |
| PW 09-01 | Ugum Water Treatment Plant Intake | $ 522 | $ 500 | $ - | $ - | $ - | $ 1,022 |
| PW 09-02 | Water Wells | $ 6,756 | $ 2,660 | $ 500 | $ 1,000 | $ - | $ 10,916 |
| PW 09-03 | Water Distribution System Pipe Replacement and Upgrades | $ 2,333 | $ 10,260 | $ 3,300 | $ 5,000 | $ - | $ 20,893 |
| PW 09-04 | Pressure Zone Realignment / Development 2005 Improvements | $ 569 | $ 572 | $ - | $ - | $ - | $ 1,141 |
| PW 09-06 | Central Water Distribution System 2005 Improvements | $ 75 | $ - | $ - | $ - | $ - | $ 75 |
| PW 09-08 | Mechanical/Electrical Equipment | $ 102 | $ - | $ - | $ - | $ - | $ 102 |
| PW 09-09 | Water Reservoir Internal/External | $ 646 | $ - | $ - | $ - | $ - | $ 646 |
| PW 09-10 | Water Reservoir Internal/External | $ 800 | $ - | $ - | $ - | $ - | $ 800 |
| PW 09-11 | Water System Reservoirs 2005 Improvements | $ 8,485 | $ 4,472 | $ 38,178 | $ 18,250 | $ 10,000 | $ 79,385 |
| PW 11-01 | Distribution System Upgrade | $ - | $ - | $ - | $ - | $ - | $ - |
| PW 11-02 | Ugum Water Treatment Plant Reservoir | $ 90 | $ - | $ 5,000 | $ - | $ - | $ 5,090 |
| PW 12-01 | Water Audit Program & Water Loss Control Plan | $ 1,022 | $ - | $ - | $ - | $ - | $ 1,022 |
| PW 12-02 | Production Plan / Reduce Navy Purchases | $ - | $ - | $ - | $ - | $ - | $ - |
| PW 12-03 | Hydraulic Assessment of Tanks | $ - | $ - | $ - | $ - | $ - | $ - |

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| PW 12-04 | Agana Heights & Chaot Tanks | $ 4,221 | $ - | $ - | $ - | $ - | $ 4,221 |
| PW 12-05 | Tank Major Repair Yigo #1, Mangilao #2, Astumbo #1 | $ 125 | $ - | $ 500 | $ - | $ - | $ 625 |
| PW 12-06 | Tank Replacement Piti & Hyundai | $ 5,000 | $ 2,410 | $ 2,590 | $ - | $ - | $ 10,000 |
| PW 12-07 | Assessment/Replacement of Malojloj Elevated & Yigo Elevated | $ - | $ - | $ - | $ - | $ - | $ - |
| PW 12-08 | Public Water System Asset Inventory/ Condition Assessment | $ - | $ - | $ - | $ - | $ - | $ - |
| PW 12-09 | Public Water System GIS & Mapping | $ - | $ - | $ - | $ - | $ - | $ - |
| PW 14-01 | Fire Hydrant Replacement Program | $ 2,000 | $ 500 | $ 500 | $ - | $ - | $ 3,000 |
| | Sub-Total | $ 44,421 | $ 36,490 | $ 55,518 | $ 28,250 | $ 10,000 | |
| | Grand Total for PW Funding | $ | | | | 174,679 | |

## Table 6.Summary Table Wastewater

| | | 2016 | 2017 | 2018 | 2019 | 2020 | Total |
|---|---|---|---|---|---|---|---|
| CIP # | Project Name | (x1000) | (x1000) | (x1000) | (x1000) | (x1000) | (x1000) |
| WW 05-04 | Wastewater System Planning | $ 308 | $ - | $ 1,000 | $ - | $ - | $ 1,308 |
| WW 09-01 | Lift station upgrades | $ 1,055 | $ 5,050 | $ 1,500 | $ - | $ - | $ 7,605 |
| WW 09-02 | Moratorium | $ - | $ - | $ - | $ - | $ - | $ - |
| WW 09-06 | Wastewater Collection System Repl/ Rehabilitation | $ 2,950 | $ 13,920 | $ 8,600 | $ - | $ - | $ 25,470 |
| WW 09-08 | Facilities Plan/Design/interim for Baza Gardens STP Impr. | $ - | $ - | $ - | $ - | $ - | $ - |
| WW 09-10 | Facilities Plan/Design/interim for Agat-Santa Rita STP Impr. | $ - | $ - | $ - | $ - | $ - | $ - |
| WW 09-11 | WWTP Priority 1 Upgrades | $ 1,300 | $ - | $ - | $ - | $ - | $ 1,300 |
| WW 11-03 | Baza Gardens STP Replacement | $ 3,101 | $ 18,290 | $ 1,146 | $ - | $ - | $ 22,537 |
| WW 11-04 | Facilities Plan/Design/Interim for Umatac-Merizo STP Impr. | $ 277 | $ - | $ - | $ - | $ - | $ 277 |
| WW 11-08 | Agat/ Santa Rita STP Replacement | $ - | $ 2,936 | $ - | $ - | $ - | $ 2,936 |
| WW 12-01 | Northern District WWTP Primary Treatment Upgrades | $ - | $ - | $ - | $ - | $ - | $ - |
| WW 12-02 | Bio Solids Management Plan | $ - | $ - | $ - | $ - | $ - | $ - |
| WW 12-03 | Agana WWTP Interim Measures | $ 827 | $ - | $ - | $ - | $ - | $ 827 |
| WW 12-04 | I&I SSES Southern | $ - | $ - | $ - | $ - | $ - | $ - |
| WW 12-05 | I&I SSES Central | $ - | $ - | $ - | $ - | $ - | $ - |
| WW 12-06 | I&I SSES Northern | $ 355 | $ - | $ - | $ - | $ - | $ 355 |
| WW 12-07 | Umatac Merizo STP Replacement | $ 943 | $ 21,300 | $ - | $ - | $ - | $ 22,243 |
| WW 12-09 | Wastewater Facility Back Up Power | $ 220 | $ - | $ - | $ - | $ - | $ 220 |
| WW 17-01 | Wastewater Sewer System Expansion | $ - | $ 1,683 | $ - | $ - | $ - | $ 1,683 |
| WW 17-02 | Northern District WWTP Secondary Treatment Upgrades | $ 1,000 | $ - | $ - | $ - | $ - | $ 1,000 |
| | Sub-Total | $ 12,335 | $ 63,179 | $ 12,246 | $ - | $ - | |
| | Grand Total for WW Funding | $ | | | | 87,760 | |

## Table 7.Summary Table Electrical Engineering

| | | 2016 | 2017 | 2018 | 2019 | 2020 | Total |
|---|---|---|---|---|---|---|---|
| CIP # | Project Name | (x1000) | (x1000) | (x1000) | (x1000) | (x1000) | (x1000) |
| EE 05-02 | SCADA Pilot Project | $ - | $ - | $ - | $ - | $ - | $ - |
| EE 09-01 | Wastewater Pumping Station Electrical Upgrade | $ 620 | $ - | $ - | $ - | $ - | $ 620 |
| EE 09-02 | Electrical Upgrade - Water Wells | $ - | $ 150 | $ 96 | $ - | $ - | $ 246 |
| EE 09-03 | Electrical Upgrade - Water Booster | $ 325 | $ - | $ - | $ - | $ - | $ 325 |
| EE 09-04 | Electrical Upgrade -Water Booster | $ 199 | $ - | $ 150 | $ - | $ - | $ 349 |
| EE 09-05 | Electrical Upgrade - Other Water | $ 89 | $ - | $ 100 | $ - | $ - | $ 189 |
| EE 09-07 | SCADA Improvements – Phase 2 | $ - | $ 500 | $ 43 | $ - | $ - | $ 543 |
| EE 09-08 | SCADA Improvements – Phase 3 | $ 1,178 | $ - | $ 25 | $ - | $ - | $ 1,203 |
| EE 09-09 | SCADA Improvements – Phase 4 | $ 1,500 | $ 2,500 | $ 2,500 | $ - | $ - | $ 6,500 |
| | Sub-Total | $ 3,911 | $ 3,150 | $ 2,914 | $ - | $ - | |
| | Grand Total for EE Funding | $ | | | | | 9,975 |

## Table 8.Summary Table Miscellaneous

| | | 2016 | 2017 | 2018 | 2019 | 2020 | Total |
|---|---|---|---|---|---|---|---|
| CIP # | Project Name | (x1000) | (x1000) | (x1000) | (x1000) | (x1000) | (x1000) |
| MC 05-01 | Laboratory Modernization | $ - | $ - | $ - | $ - | $ - | $ - |
| MC 05-02 | Land Survey | $ 1,893 | $ - | $ - | $ - | $ - | $ 1,893 |
| MC 09-01 | General Plant Improvements / Water | $ 1,057 | $ 3,295 | $ 1,000 | $ 1,000 | $ - | $ 6,352 |
| MC 15-01 | Information Technology Integration Improvements | $ 250 | $ 750 | $ 200 | $ 200 | $ - | $ 1,400 |
| | Sub-Total | $ 3,200 | $ 4,045 | $ 1,200 | $ 1,200 | $ - | |
| | Grand Total for PW Funding | $ | | | | | 9,645 |

# E. CIP FUNDING TABLES

Funding Source Key:

- 2010 Bond B2010
- 2013 Bond B2013
- 2015 Bond B2015
- 2018 Bond B2018
- System Development Charge SDC
- Internally Funded CIP IFCIP
- Grants (DOI, EPA ARRA, etc) GRANTS
- State Revolving Fund SRF

Note:
Text shown in red indicate that the 2010 Funding Source for the CIP line item is fully exhausted.

## Table 9. Potable Water Funding Table

FS - Funding Source

| | | 2016 | | 2017 | | 2018 | | 2019 | | 2020 | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | FS | (x1000) | FS | (x1000) | FS | (x1000) | FS | (x1000) | FS | (x1000) |
| PW 05-01 | Ground Water Disinfection | | | | | | | | | | |
| PW 05-03 | Santa Rita Springs Booster Pump Rehab Phase II | | | | | | | | | | |
| PW 05-05 | "A" Series Well Transmission Line | B2010 | 0 | | | | | | | | |
| PW 05-06 | Water Booster Pump Station | IFCIP | 0 | IFCIP | 1,000 | | | | | | |
| | | B2015 | 2,139 | B2015 | 2,000 | B2018 | 1,000 | | | | |
| | | GRANT | 387 | | | | | | | | |
| | | B2013 | 9.5 | | | | | | | | |
| PW 05-07 | Meter Replacement Program | B2015 | 501 | | | | | | | | |
| | | B2010 | 16.8 | | | | | | | | |
| | | B2013 | 2.5 | B2015 | 2,000 | B2015 | 2,000 | | | | |
| PW 05-08 | Barrigada Tank Repair/Replacement | B2010 | 4.6 | IFCIP | 400 | | | | | | |
| | | B2013 | 34 | | | | | | | | |
| | | B2015 | 1013 | | | | | B2018 | 4,000 | | |
| PW 05-09 | Leak Detection | B2015 | 80 | | | | | | | | |
| | | B2013 | 0.75 | B2015 | 1100 | IFCIP | 100 | | | | |
| PW 05-10 | Potable Water System Planning | SRF | 0 | SRF | 500 | | | | | | |
| | | B2015 | 439.1 | | | B2018 | 0 | | | | |
| | | | | B2015 | 1500 | IFCIP | 400 | B2018 | 0 | | |
| PW 05-11 | Implement Ground Water Rule | | | | | | | | | | |

| | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| PW 05-12 | Brigade II (Ugum Lift) BPS Upgrade | B2010 | 1445 | | | | | | | | |
| PW 05-13 | Deep Well Rehabilitation | B2013 | 0 | | | | | | | | |
| | | B2015 | 250 | | | B2018 | 350 | | | | |
| | | SRF | 2000 | SRF | 3000 | | | | | | |
| PW 05-14 | New Deep Wells at Down Hard | B2015 | 1190 | | | | | | | | |
| | | B2010 | 186.252 | | | B2018 | 1100 | | | | |
| | | B2013 | 810 | | | | | | | | |
| PW 05-15 | Rehabilitation of Asan Springs | B2010 | 596.6 | | | | | | | | |
| | | GRANT | 560.5 | | | | | | | | |
| PW 05-16 | Master Meters | B2015 | 0 | | | | | | | | |
| | | B2010 | 8.9 | | | | | | | | |
| | | B2013 | 1 | B2015 | 3616 | | | | | | |
| PW 09-01 | Ugum Water Treatment Plant Intake | IFCIP | 500 | IFCIP | 500 | | | | | | |
| | | B2010 | 3.7 | | | | | | | | |
| | | B2015 | 18 | | | | | | | | |
| PW 09-02 | Water Wells | B2013 | 2,256.0 | | | B2015 | 0 | B2018 | 1,000 | | |
| | | IFCIP | 2,500 | | | | | | | | |
| | | B2015 | 0.0 | B2015 | 2,160 | | | | | | |
| | | SDC | 2,000 | SDC | 500 | SDC | 500 | | | | |
| PW 09-03 | Water Distribution System Pipe Replacement and Upgrades | B2015 | - | IFCIP | 7900 | IFCIP | 500 | | | | |
| | | B2010 | 0 | | | | | | | | |
| | | B2013 | 2,332.5 | B2015 | 49 | B2018 | 2800 | B2018 | 5,000 | | |
| | | | | SDC | 2,311 | | | | | | |
| PW 09-04 | Pressure Zone Realignment / Development 2005 Improvements | B2010 | 0 | | | | | | | | |
| | | B2013 | 0.23 | | | | | | | | |
| | | B2015 | 569 | B2015 | 572 | | | | | | |
| PW 09-06 | Central Water Distribution System 2005 Improvements | B2010 | 75 | | | | | | | | |
| PW 09-08 | Mechanical/Electrical Equipment | B2013 | 1.7 | | | | | | | | |
| | | B2015 | 100 | | | | | | | | |
| PW 09-09 | Water Reservoir Internal/External | B2010 | 646 | | | | | | | | |
| PW 09-10 | Water Reservoir Internal/External | B2015 | 800 | | | | | | | | |
| PW 09-11 | Water System Reservoirs 2005 Improvements | B2013 | 378.5 | B2015 | 972 | B2015 | 17,378 | B2018 | 18,250 | B2018 | 10,000 |

| | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | B2015 | 8,106.6 | | | B2018 | 14,146 | | | | |
| | | | | IFCIP | 3500 | IFCIP | 6,654 | | | | |
| PW 11-01 | Distribution System Upgrade | B2010 | 0 | | | | | | | | |
| PW 11-02 | Ugum Water Treatment Plant Reservoir | B2015 | 0 | | | | | | | | |
| | | B2013 | 90 | | | B2018 | 5000 | | | | |
| PW 12-01 | Water Audit Program & Water Loss Control Plan | B2010 | 22 | | | | | | | | |
| | | B2015 | 1000 | | | B2018 | 0 | B2018 | 0 | | |
| PW 12-02 | Production Plan / Reduce Navy Purchases | | | | | | | | | | |
| PW 12-03 | Hydraulic Assessment of Tanks | | | | | | | | | | |
| PW 12-04 | Agana Heights & Chaot Tanks | B2013 | 3000.9 | | | | | | | | |
| | | B2015 | 1220 | | | | | | | | |
| PW 12-05 | Tank Major Repair Yigo #1, Mangilao #2, Astumbo #1 | B2015 | 72.86 | | | | | | | | |
| | | B2010 | 52 | | | B2018 | 500 | | | | |
| | | B2013 | 0.22 | | | | | | | | |
| PW 12-06 | Tank Replacement Piti & Hyundai | B2015 | 5000 | B2015 | 2,410 | B2018 | 2,590 | | | | |
| PW 12-07 | Assessment/Replacement of Malojloj Elevated & Yigo Elevated | B2013 | 0 | | | | | | | | |
| PW 12-08 | Public Water System Asset Inventory/ Condition Assessment | | | | | | | | | | |
| PW 12-09 | Public Water System GIS & Mapping | | | | | | | | | | |
| PW 14-01 | Fire Hydrant Replacement Program | IFCIP | 1000 | | | | | | | | |
| | | B2015 | 1000 | B2015 | 500 | B2015 | 500 | | | | |
| **TOTAL POTABLE WATER PROJECTS (2010)** | | | 3,057 | | - | | - | | - | | - |
| **TOTAL POTABLE WATER PROJECTS B2013/FY2014** | | | 8,918 | | - | | - | | - | | - |
| **TOTAL POTABLE WATER PROJECTS B2015/FY2016** | | | 23,499 | | 16,879 | | 19,878 | | - | | - |
| **TOTAL POTABLE WATER PROJECTS B2017/FY2018** | | | - | | - | | 27,486 | | 28,250 | | 10,000 |
| **State Revolving Fund (SRF) Grant Funds** | | | 2,000 | | 3,500 | | - | | - | | - |
| **System Development Charge (SDC)** | | | 2,000 | | 2,811 | | 500 | | - | | - |
| **GRANTS** | | | 948 | | - | | - | | - | | - |
| **IFCIP** | | | 4,000 | | 13,300 | | 7,654 | | - | | - |

## Table 10. Wastewater Funding Table

FS - Funding Source

| | | 2016 | | 2017 | | 2018 | | 2019 | | 2020 | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | FS | (x1000) | FS | (x1000) | FS | (x1000) | FS | (x1000) | FS | (x1000) |
| WW 05-04 | Wastewater System Planning | B2015 | 308.3 | | | | | | | | |
| | | B2013 | 0 | | | B2018 | 1000 | B2018 | 0 | | |
| | | SRF | 0 | | | | | | - | | |
| WW 09-01 | Lift station upgrades | B2013 | 0.61 | IFCIP | 1,700 | IFCIP | 500 | | | | |
| | | B2015 | 1,054 | B2015 | 350 | | | | | | |
| | | SRF | 0 | SRF | 3,000 | B2015 | 1,000 | | | | |
| WW 09-02 | Moratorium | | | | | | | | | | |
| WW 09-06 | Wastewater Collection System Repl/ Rehabilitation | B2013 | 48.84 | | | | | | | | |
| | | B2010 | 0.7 | | | B2018 | 100 | | | | |
| | | B2015 | 1,000 | B2015 | 1,920 | | | | | | |
| | | IFCIP | 1,000 | IFCIP | 2,000 | IFCIP | 500 | | | | |
| | | SRF | 900 | SRF | 10000 | SRF | 8000 | | | | |
| WW 09-08 | Facilities Plan/Design/interim for Baza Gardens STP Impr. | | | | | | | | | | |
| WW 09-10 | Facilities Plan/Design/interim for Agat-Santa Rita STP Impr. | B2010 | 0 | | | | | | | | |
| WW 09-11 | WWTP Priority 1 Upgrades | SDC | 1300 | | | | | | | | |
| WW 11-03 | Baza Gardens STP Replacement | B2013 | 2,115 | | | B2018 | 0 | | | | |
| | | B2010 | 985.95 | | | IFCIP | 1146 | | | | |
| | | IFCIP | 0 | B2015 | 18,289.7 | B2015 | 0 | | | | |
| WW 11-04 | Facilities Plan/Design/Interim for Umatac-Merizo STP Impr. | B2015 | 277 | | | | | | | | |
| | | B2013 | 0.0 | | - | | | | | | |
| WW 11-08 | Agat/ Santa Rita STP Replacement | | | B2013 | 383.3 | | | | | | |
| | | B2013 | 0 | B2015 | 2,552.7 | | | | | | |
| WW 12-01 | Northern District WWTP Primary Treatment Upgrades | SDC | 0 | | | | | | | | |
| WW 12-02 | Bio Solids Management Plan | | | | | | | | | | |
| WW 12-03 | Agana WWTP Interim Measures | B2015 | 827 | | | | | | | | |
| | | B2013 | 0.0 | | | | | | | | |

| | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| WW 12-04 | I&I SSES Southern | | | | | | | | |
| WW 12-05 | I&I SSES Central | | | | | | | | |
| WW 12-06 | I&I SSES Northern | SRF | 355 | | | | | | |
| WW 12-07 | Umatac Merizo STP Replacement | B2015 | 942.7 | SDC<br>B2015 | 1500<br>19,800 | B2018<br>B2015 | 0<br>0 | | |
| WW 12-09 | Wastewater Facility Back Up Power | SRF | 220 | | | | | | |
| WW 17-01 | Wastewater Sewer System Expansion | | | SDC | 1683 | | | | |
| WW 17-02 | Northern District WWTP Secondary Treatment Upgrade | B2010 | 1000 | | | | | | |
| **TOTAL WASTEWATER PROJECTS (2010)** | | | 1,987 | | - | | - | - | - |
| **TOTAL WASTEWATER PROJECTS B2013/FY2014** | | | 2,164.3 | | 383 | | - | - | - |
| **TOTAL WASTEWATER PROJECTS B2015/FY2016** | | | 4,409 | | 42,912 | | 1,000 | - | - |
| **TOTAL WASTEWATER PROJECTS B2017/FY2018** | | | - | | - | | 1,100 | - | - |
| **State Revolving Fund (SRF) Grant Funds** | | | 1,475 | | 13,000 | | 8,000 | - | - |
| **System Development Charge (SDC)** | | | 1,300 | | 3,183 | | - | - | - |
| **GRANTS** | | | - | | - | | - | - | - |
| **IFCIP** | | | 1,000 | | 3,700 | | 2,146 | - | - |

## Table 11. Electrical Engineering Funding Table

FS - Funding Source

| | | 2016 | | 2017 | | 2018 | | 2019 | | 2020 | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | FS | (x1000) | FS | (x1000) | FS | (x1000) | FS | (x1000) | FS | (x1000) |
| EE 05-02 | SCADA Pilot Project | B2010 | 0 | | | | | | | | |
| EE 09-01 | Wastewater Pumping Station Electrical Upgrade | B2013 | 520 | | | | | | | | |
| | | B2015 | 100 | | | | | | | | |
| EE 09-02 | Electrical Upgrade - Water Wells | B2010 | 0 | | | | | | | | |
| | | B2015 | 0 | B2015 | 150 | B2018 | 96 | | | | |
| EE 09-03 | Electrical Upgrade - Water Booster | B2015 | 323 | | | | | | | | |
| | | B2013 | 2 | | | | | | | | |
| EE 09-04 | Electrical Upgrade -Water Booster | B2013 | 199 | | | B2018 | 150 | | | | |
| EE 09-05 | Electrical Upgrade - Other Water | B2013 | 89.3 | | | B2018 | 100 | | | | |
| EE 09-07 | SCADA Improvements – Phase 2 | B2010 | 0 | SRF | 500 | B2018 | 43 | | | | |
| EE 09-08 | SCADA Improvements – Phase 3 | B2010 | 0 | | | B2018 | 25 | | | | |
| | | B2013 | 0.64 | | | | | | | | |
| | | B2015 | 1177 | | | | | | | | |
| EE 09-09 | SCADA Improvements – Phase 4 | B2015 | 1,500 | B2015 | 2500 | B2015 | 2,500 | | | | |
| **TOTAL ELECTRICAL PROJECTS (2010)** | | | - | | - | | - | | - | | - |
| **TOTAL ELECTRICAL PROJECTS B2013/FY2014** | | | 811 | | - | | - | | - | | - |
| **TOTAL ELECTRICAL PROJECTS B2015/FY2016** | | | 3,100 | | 2,650 | | 2,500 | | - | | - |
| **TOTAL ELECTRICAL PROJECTS B2017/FY2018** | | | - | | - | | 414 | | - | | - |
| **State Revolving Fund (SRF) Grant Funds** | | | - | | 500 | | - | | - | | - |
| **System Development Charge (SDC)** | | | - | | - | | - | | - | | - |
| **GRANTS** | | | - | | - | | - | | - | | - |
| **IFCIP** | | | - | | - | | - | | - | | - |

## Table 12. Miscellaneous Funding Table

FS - Funding Source

| | | 2016 | | 2017 | | 2018 | | 2019 | | 2020 | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | FS | (x1000) | FS | (x1000) | FS | (x1000) | FS | (x1000) | FS | (x1000) |
| MC 05-01 | Laboratory Modernization | B2015 | 0 | | | | | | | | |
| MC 05-02 | Land Survey | B2015 | 1891 | | | | | | | | |
| | | B2013 | 2 | | | | | | | | |
| MC 09-01 | General Plant Improvements | B2010 | 30.5 | | | | | | | | |
| | | B2013 | 26.57 | | | | | | | | |
| | | IFCIP | 0 | IFCIP | 2,000 | IFCIP | 1000 | IFCIP | 1000 | | |
| | | B2015 | 1000 | B2015 | 1295 | | | | | | |
| MC 15-01 | Information Technology Integration Improvements | | | IFCIP | 500 | IFCIP | 200 | IFCIP | 200 | | |
| | | B2015 | 250 | B2015 | 250 | | | | | | |
| **TOTAL MISCELLANEOUS PROJECTS (2010)** | | | 31 | | - | | - | | - | | - |
| **TOTAL MISCELLANEOUS PROJECTS B2013/FY2014** | | | 29 | | - | | - | | - | | - |
| **TOTAL MISCELLANEOUS PROJECTS B2015/FY2016** | | | 3,141 | | 1,545 | | - | | - | | - |
| **TOTAL MISCELLANEOUS PROJECTS B2017/FY2018** | | | - | | - | | - | | - | | - |
| **State Revolving Fund (SRF) Grant Funds** | | | - | | - | | - | | - | | - |
| **System Development Charge (SDC)** | | | - | | - | | - | | - | | - |
| **GRANTS** | | | - | | - | | - | | - | | - |
| **IFCIP** | | | - | | 2,500 | | 1,200 | | 1,200 | | - |

# F. Department of Defense (DoD) Funding

The following tables illustrate CIP projects related to the military relocation that will have an impact on GWA infrastructure. The projects and funding noted are from the 2015 Record of Decision.

**Table 13. DoD Wastewater Project Description**

| Project Location | Project Details | Related GWA CIP |
|---|---|---|
| Northern District WWTP | Secondary Treatment Upgrade Capacity 12 MGD | WW 12-01 |
| Collection System Improvements | Route 9/Route 3 Sewer Main Upgrade | WW 05-02 |
| Observation Well | Rehabilitation and New NGLA Monitoring wells | |

**Table 14. Estimated DoD Funding(x1,000)**

| CIP | Project Details | 2015 (x1000) | 2016 (x1000) | 2017 (x1000) | 2018 (x1000) | 2019 (x1000) | 2020 (x1000) |
|---|---|---|---|---|---|---|---|
| DoD-01 | Secondary Treatment Upgrade Capacity 12 MGD | | | $20,000 | $114,300 | | |
| DoD-02 | Route 9/Route 3 Sewer Main Upgrade | | | $29,000 | | | |
| DoD-03 | Rehabilitation and New NGLA Monitoring wells | | | $3,000 | | | |
| Total | | | | $52,000 | $114,300 | | |

## G. Project Sheets

# Project Sheet Water

# GWA Capital Improvement Plan
# Project Sheet FY 2016-2020

**Project Number:** **CIP PW 05-03**

**Categorization:** **Project**

**Name of Project:** **Santa Rita Springs Booster Pump Rehabilitation, Phase II**

**Reference Documents:**

a.) Stipulated Order 2006, item 44. Basis of Design Santa Rita Springs Booster Pump Rehabilitation Project, July 2005.

b.) *GWA Engineering Division, Potable Water Production Enhancement Plan*, June 10, 2010.

**Project Description:**

The original construction scope of work for the project intent has been completed. The project now requires completion of incidental work related to the spring impound and facility function controls. It is the intent of this CIP project to be "transitioned" into a project where work is required to address the GEPA pending action related to "Ground Water Under the Direct Influence (GWUDI)".Should GWUDI be designated the project scope will focus on necessary design and improvements to meet GWUDI conditions.

**Project Justification:**

The original project is identified in the Stipulated Order 2006, Item 44.Relative to the GWUDI project scope there are indications from GEPA that water coming from natural springs has a high probability of being designated as GWUDI. This project intends to meet the GWUDI requirements.

**Financing Options & Grants:**

The source of funding for the original scope was under 2005 bond. Additional work will be funded with 2013 bond.

**Project Staffing Implications:**

Contract Administration, Project Management Services, Program Management and Construction Management Services are required.

**Results:**

Project completed. Project continued due to GWUDI pending action by GEPA.

**Project Time Table/Budget:**

| FISCAL YEAR | ACTIVITY | BUDGET (x1000) |
|---|---|---|
| 2016 | | |
| 2017 | | |
| 2018 | | |
| 2019 | | |
| 2020 | | |
| **Project Total** | | **$0** |

# GWA Capital Improvement Plan
# Project Sheet FY 2016-2020

**Project Number:** **CIP PW 05-05**

**Categorization:** **Project**

**Name of Project:** **A-Series Well Transmission Line**

**Reference Documents:**

a) Stipulated Order 2006, Item 38(B), Sinajana Water Transmission Line
b) Amended Stipulated Order 2011, Item 28, Sinajana Water Transmission Line

**Project Description:**

Construction of approximately 24,800-feet of 8, 12, and 24-inch water transmission lines between the Chaot and Agana Heights water storage tanks; the connection of 7 existing A-series wells to the transmission line, and chlorination equipment at each of the two storage tanks has been completed. The new pipeline will be a dedicated transmission line to the storage tanks. This project is broken down to 4 phases. Phase 1, Phase 2a and Phase 2b are completed. Phase 3 entails design services and is completed which resulted in the need for a BPS in Agana Heights. Phase 4 will include construction activities that will provide the water service area with the acceptable pressure once the system as intended is put in service and include SCADA controls.

**Project Justification:**

This project is identified in the Stipulated Order 2006, Item 38(B) and the Amended Stipulated Order 2011, Item 28.

**Financing Options & Grants:**

The source of funding for this project will be the 2010 Bond, and 2013 bond if available and necessary.

**Project Staffing Implications:**

Major Contract Administration, Major Project Management, Program Management, Major Construction Management, Major GIS Support, and Modeling Support are required.

**Results:**

Phase 1, Phase 2a, Phase 2b, and Phase 3 are completed. Phase 4 entails construction of water storage tanks under PW 12-04 and is ongoing.

**Project Time Table/Budget:**

| FISCAL YEAR | ACTIVITY | BUDGET (x1000) |
|---|---|---|
| 2016 | Construction | $0 |
| 2017 | | |
| 2018 | | |
| 2019 | | |
| 2020 | | |
| **Project Total** | | **$0** |

# GWA Capital Improvement Plan
# Project Sheet FY 2016-2020

**Project Number:** **CIP PW 05-06**

**Categorization:** **Project**

**Name of Project:** **Water Booster Pump Station**

**Reference Documents:**

a) MASTER PLAN, VOLUME 2, TABLE 9-13

**Project Description:**

The 2005 hydraulic model for GWA's three water systems identified deficiencies in water booster pump capacity to provide adequate supply to areas in the Northern, Southern and Central water systems. The project will include all improvements necessary to address capacity limitations as well as facility functionality such as motors, controls, valves etc. Additional improvements shall include the use of VFD for better energy efficiency and facility functionality.

**Project Justification:**

This project will provide additional booster pump capacity to ensure adequate supply to affected areas are provided as well as to ensure existing BPS are equipped with efficient pumps, motors, controls, etc. The improvements are to also address the USEPA's "Findings of Significant Deficiencies in the Public Water System"

**Financing Options & Grants:**

The source of funding for this project will be the grant, 2013 bond, 2015 Bond, 2018 Bond and Internally Funded CIP.

**Project Staffing Implications:**

Contract Administration, Project Management Services, Program Management and Construction Management Services are required.

**Project Time Table/Budget:**

| FISCAL YEAR | ACTIVITY | BUDGET (x1000) |
|---|---|---|
| 2016 | Planning/Design/Construction | $2,536 |
| 2017 | Construction | $3,000 |
| 2018 | Construction | $1,000 |
| 2019 | Construction | |
| 2020 | | |
| **Project Total** | | **$6,536** |

# GWA Capital Improvement Plan
# Project Sheet FY 2016-2020

**Project Number:** **CIP PW 05-07**

**Categorization:** **Program / Construction**

**Name of Project:** **Meter Replacement Program**

**Reference Documents:**

a) Stipulated Order 2006, Item 14
b) Amended Stipulated Order 2011, Item 23, Water Meters

**Project Description:**

The project will continue to replace all GWA customer water (mechanical) meters with AMR (automatic meter reading) meters. This project will replace old, underperforming and broken meters, including production meters. The AMR meters will allow data logging and electronic collection of monthly metering data.

This project will develop a water meter improvement program to ensure that each connection to the three public water systems has an accurate and accessible water meter that is GPS and reflected on the GIS, and asset inventory, read monthly and billed more accurately.

**Project Justification:**

Currently, GWA's unaccounted water rate is over 50%. It is believed that a portion of this loss is due to leakage and a portion is attributable to metering problems.

**Financing Options & Grants:**

The source of funding for this project will be the 2010, 2013 and 2015 bonds.

**Project Staffing Implications:**

Major Field Support, Contract Administration, Project Management, Program Management and GIS Support are required.

**Project Time Table/Budget:**

| FISCAL YEAR | ACTIVITY | BUDGET (x1000) |
|---|---|---|
| 2016 | Replacement | $520 |
| 2017 | Replacement | $2,000 |
| 2018 | Replacement | $2,000 |
| 2019 | | |
| 2020 | | |
| **Project Total** | | **$4,520** |

# GWA Capital Improvement Plan
# Project Sheet FY 2016-2020

**Project Number:** **CIP PW 05-08**

**Categorization:** **Project**

**Name of Project:** **Barrigada Tank Repair/Replacement**

**Reference Documents:**

a) Amended Stipulated Order 2011, Item 29 (b) (3) Storage Tank/Reservoir, Repair, Rehabilitation, Replacement and Relocation program

**Project Description:**

This project will replace the 1.0 MG tank that collapsed in 2003 and add new tanks based on modeling studies. The 1.0 MG tank will be located in the same footprint as the previous tank and will include a design analysis for a replacement tank. Additional tanks will be placed as determined by the modeling studies.

**Project Justification:**

The reduction in storage capacity of the Barrigada reservoirs due to the catastrophic failure of the previous 1.0 MG steel tank has negatively impacted the ability of GWA to effectively supply adequate water source to the villages of Barrigada and Maite. Modeling studies may show requirement for constructing additional tanks.

**Financing Options & Grants:**

The source of funding for this project will be the 2010 Bond, 2013 Bond, 2015 Bond, 2018 Bond and Internally Funded CIP.

**Project Staffing Implications:**

Contract Administration, Project Management Services, Program Management and Construction Management Services are required.

**Project Time Table/Budget:**

| FISCAL YEAR | ACTIVITY | BUDGET (x1000) |
|---|---|---|
| 2016 | Design | $1,052 |
| 2017 | Design | $400 |
| 2018 | | |
| 2019 | CM/Construction | $4,000 |
| 2020 | | |
| **Project Total** | | **$5,452** |

# GWA Capital Improvement Plan
# Project Sheet FY 2016-2020

**Project Number:** **CIP PW 05-09**

**Categorization:** **Program / Assessment**

**Name of Project:** **Leak Detection / Line Replacement**

**Reference Documents:**

a) PG Environmental – GWA Master Planning Technical Assessment, January 29, 2010

**Project Description:**

This project will perform system wide leak detection, line location and mapping, leak repair and inspection, leak analysis and control, and training and technology transfer. Line location will be performed where GIS and model data are incomplete. Leak detection will be performed on 450 miles of system pipe, including use of acoustical surveying and water audits. Leaks and repairs will be inspected, standard operating procedures reviewed/revised and material inventories developed. GWA personnel will receive training in leak detection methods and equipment. Pressure, surge and frequency analysis will be conducted, and recommendations developed for pipeline replacement, system reconfiguration, and other adjustments needed to control leakage. Data from leak detection will be used to set line replacement priorities with a goal to design and construct the replacement of approximately 10 miles of distribution mains annually depending on availability of funding.

**Project Justification:**

GWA system consists of hundreds of miles of water distribution mains consisting of numerous different pipe sizes and types. Many of these lines are undersized and/or failing due to improper construction, earthquake damage, and/or material failures. Operating personnel average about 5 distribution main breaks per week. GWA management considers any water loss a priority.

**Financing Options & Grants:**

The source of funding for this project will be the 2015 Bond and Internally Funded CIP.

**Project Staffing Implications:**

Major Contract Administration, Major Project Management Services, Program Management and Major Construction Management Services are required.

**Project Time Table/Budget:**

| FISCAL YEAR | ACTIVITY | BUDGET (x1000) |
|---|---|---|
| 2016 | Planning | $81 |
| 2017 | Planning | $1,100 |
| 2018 | Planning | $100 |
| 2019 | | |
| 2020 | | |
| **Project Total** | | **$1,281** |

# GWA Capital Improvement Plan
# Project Sheet FY 2016-2020

**Project Number:** **CIP PW 05-10**

**Categorization:** **Program / Planning**

**Name of Project:** **Potable Water System Planning**

**Reference Documents:**

a) MASTER PLAN, VOLUME 2, CHAPTER 6
b) GUAM CONSOLIDATED COMMISSION ON UTILITIES RESOLUTION NO. 11
c) Amended Stipulated Order 2011, Item 28 and Item 29

**Project Description:**

This project will include long term planning, system planning, and environmental planning. Specific applications will include potable water hydraulic modeling and the potable water bubble map. This will be used to update a portion of the Master Plan. Hydraulic modeling includes the software, hardware, travel and training. System planning includes but not limited to GIS mapping, asset inventory, asset management, asset management software, GIS software, GIS training, asset management training and asset condition assessment.

**Project Justification:**

Long term planning, system planning, and environmental planning is essential for developing capital improvement programs. Potable Water System Planning ensures that a system approach is used in project development which specifies how specific projects fit into the overall planning goals.

In addition, the 2006 Master Plan requires updating every two years by the Guam Consolidated Commission on Utilities Resolution No. 11 – FY 2007 Relative to Approving the Guam Waterworks Authority Master Plan. The resolution states “The Guam Waterworks Authority is hereby directed to continue refining the Master Plan and every two years from the date of approval of this document to recommend to the Consolidated Commission on Utilities improvements and modifications to the Master Plan and the hydraulic model and to recommend and re-prioritize capital projects resulting from said changes or modifications.”

**Financing Options & Grants:**

The source of funding for this project will be the 2013 Bond, 2015 Bond, 2018 Bond, SRF Grant and Internally Funded CIP.

**Project Staffing Implications:**

Major modeling services and GIS support are required.

**Project Time Table/Budget:**

| FISCAL YEAR | ACTIVITY | BUDGET (x1000) |
|---|---|---|
| 2016 | Design Planning | $439 |
| 2017 | Design Planning | $2,000 |
| 2018 | Design Planning | $400 |
| 2019 | Design Planning | |
| 2020 | | |
| **Project Total** | | **$2,839** |

# GWA Capital Improvement Plan
# Project Sheet FY 2016-2020

**Project Number:** **CIP PW 05-11**

**Categorization:** **Program / Construction**

**Name of Project:** **Implement Ground Water Rule**

**Reference Documents:**

a) Implementation of the Groundwater Rule GEPA

**Project Description:**

This project will provide upgrades to the deep wells for the implementation of the Groundwater Rule. This project will install chlorine residual monitors on all GWA wells. The wells will include SCADA equipment to communicate the well chlorine levels to central location.

**Project Justification:**

The Groundwater Rule requires GWA to install chlorine residual monitors on all GWA wells.

**Financing Options & Grants:**

This project will be funded from 2010 Bond, 2013 bond and SRF Grant.

**Project Staffing Implications:**

Major Contract Administration, Major Project Management Services, Program Management and Major Construction Management Services are required. A control system technician will be required to maintain the monitors and related SCADA equipment.

**Project Time Table/Budget:**

| FISCAL YEAR | ACTIVITY | BUDGET (x1000) |
|---|---|---|
| 2016 | | |
| 2017 | | |
| 2018 | | |
| 2019 | | |
| 2020 | | |
| **Project Total** | | **$0** |

Note: Funds encumbered by construction project.

# GWA Capital Improvement Plan
# Project Sheet FY 2014-2018

**Project Number:** **CIP PW 05-12**

**Categorization:** **Project**

**Name of Project:** **Brigade II (Ugum Lift) BPS Upgrade**

**Reference Documents:**

a) GWA Engineering Division, Potable Water Production Enhancement Plan, June 10, 2010.

**Project Description:**

A new Brigade II booster pump station is required to fully utilize the surface supply from the south or the Ugum Treatment Plant. A new pump station, located at the Brigade II BPS site, will serve both the Windward Hills Reservoir and the Pulantat Reservoir. To provide this operational flexibility, the new pump station is to be located on the downstream side of Ugum Reservoir and should be able to overcome the pipe head loss plus the elevation difference (139 feet) between the Pulantat Reservoir and the Ugum Reservoir. Property acquisition is likely. Approximately 1100 feet of pipe is required in addition to the pump station. Additionally, the Brigade booster pump station and Windward Hills booster pump station will be upgraded to increase reliability and energy savings.

**Project Justification:**

Based on GEPA 2009 Annual Production Well Inspection Report, 13 of GWA's wells were required to decrease production due to the chloride levels; and 16 wells were approaching the chloride limit. One approach to supplementing the water supply due to the decrease in production of these 13 wells is to maximize the use of GWA's surface water and ground water. It is estimated that an increase in production of 2 MGD is needed to offset this loss in production. The source water from Ugum WTP is intended to cover the loss in deep well production.

**Financing Options & Grants:**

The source of funding for this project will be the 2010 Bond.

**Project Staffing Implications:**

Major Contract Administration, Major Project Management Services, Program Management and Major Construction Management Services are required.

**Project Time Table/Budget:**

| FISCAL YEAR | ACTIVITY | BUDGET (x1000) |
|---|---|---|
| 2016 | | $1,445 |
| 2017 | | |
| 2018 | | |
| 2019 | | |
| 2020 | | |
| **Project Total** | | **$1,445** |

# GWA Capital Improvement Plan
# Project Sheet FY 2016-2020

**Project Number:** **CIP PW 05-13**

**Categorization:** **Project**

**Name of Project:** **Deep Well Rehabilitation**

**Reference Documents:**

a) GWA Engineering Division, Potable Water Production Enhancement Plan, June 10, 2010.

**Project Description:**

This project will design and construct up to 3 new wells to increase supply and include the design and rehabilitation of seven “down-hard” wells. This project will require a feasibility study to determine the specific approach and cost estimate for each well.

**Project Justification:**

Based on GEPA 2009 Annual Production Well Inspection Report, 13 of GWA’s wells were required to decrease production due to the chloride levels; and 16 wells were approaching the chloride limit or other contaminants. One approach to supplementing the water supply due to the decrease in production of these 13 wells is to maximize the use of GWA’s surface water and ground water. It is estimated that an increase in production of 2 MGD is needed to offset this loss in production

**Financing Options & Grants:**

The source of funding for this project will be the 2013 Bond, 2015 bond and SRF.

**Project Staffing Implications:**

Major Contract Administration, Major Project Management Services, Program Management and Major Construction Management Services are required.

**Project Time Table/Budget:**

| FISCAL YEAR | ACTIVITY | BUDGET (x1000) |
|---|---|---|
| 2016 | Construction | $2,250 |
| 2017 | | $3,000 |
| 2018 | | $350 |
| 2019 | | |
| 2020 | | |
| **Project Total** | | **$5,600** |

# GWA Capital Improvement Plan
# Project Sheet FY 2016-2020

**Project Number:** **CIP PW 05-14**

**Categorization:** **Project**

**Name of Project:** **New Deep Wells at Down Hard Well Sites**

**Reference Documents:**

a) GWA Engineering Division, Potable Water Production Enhancement Plan, June 10, 2010.

**Project Description:**

This project will provide wells to increase supply and include new source water by drilling new wells adjacent to existing wells. This cost of these new wells will include casing and the transmission line to tie the wells into the system. This project will require a feasibility study to determine the specific approach and cost estimate for each well.

**Project Justification:**

Based on GEPA 2009 Annual Production Well Inspection Report, 13 of GWA's wells were required to decrease production due to the chloride levels; and 16 wells were approaching the chloride limit. One approach to supplementing the water supply due to the decrease in production of these 13 wells is to maximize the use of GWA's surface water and ground water. It is estimated that an increase in production of 2 MGD is needed to offset this loss in production.

**Financing Options & Grants:**

The source of funding for this project will be the 2010 Bond, 2013 bond and 2015 Bond.

**Project Staffing Implications:**

Major Contract Administration, Major Project Management Services, Program Management and Major Construction Management Services are required.

**Project Time Table/Budget:**

| FISCAL YEAR | ACTIVITY | BUDGET (x1000) |
|---|---|---|
| 2016 | Construction | $2,186 |
| 2017 | | |
| 2018 | | $1,100 |
| 2019 | | |
| 2020 | | |
| **Project Total** | | **$3,286** |

# GWA Capital Improvement Plan
# Project Sheet FY 2016-2020

**Project Number:** **CIP PW 05-15**

**Categorization:** **Project**

**Name of Project:** Rehabilitation of Asan Springs Ground Reservoir

**Reference Documents:**

*a) GWA Engineering Division, Potable Water Production Enhancement Plan*, June 10, 2010.

**Project Description:**

This project will include design and construction work to rehabilitate/upgrade the reservoir, treatment/chlorination facility, pump/motors and electrical controls.

**Project Justification:**

Based on GEPA 2009 Annual Production Well Inspection Report, 13 of GWA's wells were required to decrease production due to the chloride levels; and 16 wells were approaching the chloride limit. One approach to supplementing the water supply due to the decrease in production of these 13 wells is to maximize the use of GWA's surface water and ground water. It is estimated that an increase in production of 2 MGD is needed to offset this loss in production.

**Financing Options & Grants:**

The source of funding for this project will be the 2010 Bond and DOI grant.

**Project Staffing Implications:**

Major Contract Administration, Major Project Management Services, Program Management and Major Construction Management Services are required.

**Project Time Table/Budget:**

| FISCAL YEAR | ACTIVITY | BUDGET (x1000) |
|---|---|---|
| 2016 | | $1,157 |
| 2017 | | |
| 2018 | | |
| 2019 | | |
| 2020 | | |
| **Project Total** | | **$1,157** |

# GWA Capital Improvement Plan
# Project Sheet FY 2016-2020

**Project Number:** **CIP PW 05-16**

**Categorization:** **Program / Construction**

**Name of Project:** **Master Metering**

**Reference Documents:**
a) The Bubble Map and Water Service Area Map.

**Project Description:**
This project will provide for the design, installation, and materials for water meters to be installed at major GWA facilities and pressure zones to fully account for water consumption. This project will aid in analyzing and forming a more accurate picture related to leak detection studies and reports. Additionally the hydraulic model will benefit from the data collected.

**Project Justification:**
The project is needed to perform water audits on water service areas (WSA) as required by US EPA. This project will greatly enhance the data from the current leak detection contract.

**Financing Options & Grants:**
The source of funding for this project will be the 2010 Bond, 2013 Bond and 2015 Bond.

**Project Staffing Implications:**
Major Contract Administration, Major Project Management Services, Program Management and Major Construction Management Services are required.

**Project Time Table/Budget:**

| FISCAL YEAR | ACTIVITY | BUDGET (x1000) |
|---|---|---|
| 2016 | Construction | $10 |
| 2017 | Construction | $3,616 |
| 2018 | | |
| 2019 | | |
| 2020 | | |
| **Project Total** | | **$3,626** |

# GWA Capital Improvement Plan
# Project Sheet FY 2016-2020

**Project Number:** **CIP PW 09-01**

**Categorization:** **Project**

**Name of Project:** **Ugum Water Treatment Plant Intake Modifications**

**Reference Documents:**

a) Stipulated Order 2006, item 41, Ugum Surface Water Treatment Plant. Due January 5, 2008.
b) MASTER PLAN, VOLUME 2, TABLE 9-6
c) *GWA Engineering Division, Potable Water Production Enhancement Plan*, June 10, 2010.

**Project Description:**

This project includes an alternative analysis and a design concept report to refine the extent and cost of this critical project. This project will improve the intake structure of the Ugum Water Treatment Plant to minimize siltation and provide more reliable raw water supply during low river flow conditions. This project also includes master planning for future treatment capacity and projects that increase plant capacity. Additionally vehicles, equipment, software, hardware, training for the planning, engineering, operation and maintenance of the treatment plant are part of the scope. This project will cover all related work that fell under PW 05-04.

**Project Justification:**

The existing intake is susceptible to siltation and requires frequent maintenance. The project will allow for GWA to efficiently extract the Ugum water even during high silt periods and operate at low river conditions. More importantly the Ugum WTP is a major source of water for supplying the Southern Water System thus continued water supply is necessary.

**Financing Options & Grants:**

The source of funding for this project will be the 2010 Bond, 2013 Bond, 2015 Bond and IFCIP.

**Project Staffing Implications:**

Contract Administration, Project Management, Program Management and Construction Management Services are required.

**Project Time Table/Budget:**

| FISCAL YEAR | ACTIVITY | BUDGET (x1000) |
|---|---|---|
| 2016 | | $522 |
| 2017 | | $500 |
| 2018 | | |
| 2019 | | |
| 2020 | | |
| **Project Total** | | **$1,022** |

# GWA Capital Improvement Plan
# Project Sheet FY 2016-2020

**Project Number:** **CIP PW 09-02**

**Categorization:** **Program / Construction**

**Name of Project:** **Water Wells**

**Reference Documents:**

a) GWA Needs Assessment for Anticipated Guam Military Buildup 08/2007 and 08/2009 update.
b) *GWA Engineering Division, Potable Water Production Enhancement Plan*, June 10, 2010.

**Project Description:**

GWA projects a need to construct new production wells to produce an estimated 5-7 MGD for natural growth of the island and pending military development. This project will require studying the aquifer with respect to all production wells, water system demand analysis, and development/construction of new well. It is imperative that the site locations of the new wells are executed with a whole-aquifer perspective. This project also includes addressing replacement of pumps, motors, cables, motor controls, meters, and electrical systems at existing wells to meet GWA's production needs.

**Project Justification:**

Water demands for all population residing outside military property will be met by GWA sources. This project will ensure water supply can meet customer demands taking onto account economic, environmental, health and safety factors.

**Financing Options & Grants:**

The source of funding for this project will be the 2013 bond, 2015 Bond, 2018 Bond, System Development Charge, and Internally Funded CIP.

**Project Staffing Implications:**

Major Contract Administration, Major Project Management, Program Management, Major Construction Management, and Modeling Support are required.

**Project Time Table/Budget:**

| FISCAL YEAR | ACTIVITY | BUDGET (x1000) |
|---|---|---|
| 2016 | Planning/Design/Construction | $6,756 |
| 2017 | Construction | $2,660 |
| 2018 | Construction | $500 |
| 2019 | Construction | $1,000 |
| 2020 | | |
| **Project Total** | | **$10,916** |

# GWA Capital Improvement Plan
# Project Sheet FY 2016-2020

**Project Number:** **CIP PW 09-03**

**Categorization:** **Program / Construction**

**Name of Project:** **Water Distribution System Pipe Replacement**

**Reference Documents:**

a) MASTER PLAN, VOLUME 2, TABLE 9-7
b) *GWA Engineering Division, Potable Water Production Enhancement Plan*, June 10, 2010
c) NEIC Finding of Significant Deficiencies in GWA Water System, April 2013

**Project Description:**

In addition to specific pipe replacement projects identified through hydraulic modeling, there is an ongoing need to fund pipe replacement to address leaks, failure and age issues. In addition the 2005 hydraulic model identified deficiencies in pumping capacity and pipe size to provide adequate fire flow and pressure, and reduce high velocities and friction losses throughout the island The basis for this project is to replace 13,500 linear feet of pipe per year through 2015 and 2,000 feet of pipe replacement per year thereafter. Pipe replacement includes but is not limited to replacement of fire hydrants, PRV, valves (isolation valves, air lease valves blow off valves, etc.), vaults, and line segment replacement. In addition these projects include leak detection, leak repair, the mapping and records related to these activities, and valve exercise program.

**Project Justification:**

Under the current leak detection project sites have been identified where substantial leaks are occurring. This pipe replacement project intends to use the information from the leak detection project in prioritizing pipe replacement. The GWA system also has numerous substandard/undersize pipes which would be address through this project. The improvements are to also address the USEPA's "Findings of Significant Deficiencies in the Public Water System"

**Financing Options & Grants:**

The source of funding for this project will be the 2010 Bond, 2013 bond, 2015 Bond, 2018 Bond, Internally Funded CIP, and SDC.

**Project Staffing Implications:**

Major Contract Administration, Major Project Management, Program Management, Major Construction Management, Major GIS Support, and Major Modeling Support are required.

**Project Time Table/Budget:**

| FISCAL YEAR | ACTIVITY | BUDGET (x1000) |
|---|---|---|
| 2016 | Construction | $2,333 |
| 2017 | Construction | $10,260 |
| 2018 | Construction | $3,300 |
| 2019 | Construction | $5,000 |
| 2020 | | |
| **Project Total** | | **$20,893** |

# GWA Capital Improvement Plan
# Project Sheet FY 2016-2020

**Project Number:** **CIP PW 09-04**

**Categorization:** **Program / Construction**

**Name of Project:** **Pressure Zone Realignment/Development 2005 Improvements**

**Reference Documents:**

a) MASTER PLAN, VOLUME 2, TABLE 9-12
b) Water System Hydraulic Analysis Report, May 3, 2013

**Project Description:**

The hydraulic modeling of the water system identified areas with inadequate service pressures and flows. Installation of pressure regulating valve and pressure sustaining valve stations is required at strategic locations to facilitate the development of defined pressure zones, and improve circulation of flow from a higher pressure zone to a lower pressure zone. These projects include repairs of existing PRV and PSV to ensure the water system meets services pressure and flow.

**Project Justification:**

Pressure zone changes needed to improve flow circulation and defined pressure zones.

**Financing Options & Grants:**

The source of funding for this project will be the 2013 bond, and 2015 Bond.

**Project Staffing Implications:**

Major Contract Administration, Major Project Management, Program Management, Major Construction Management, Major GIS Support, and Major Modeling Support are required. The modeling support to achieve this project will be extensive.

**Project Time Table/Budget:**

| FISCAL YEAR | ACTIVITY | BUDGET (x1000) |
|---|---|---|
| 2016 | Design/Construction | $569 |
| 2017 | Construction | $572 |
| 2018 | | |
| 2019 | | |
| 2020 | | |
| **Project Total** | | **$1,141** |

# GWA Capital Improvement Plan
# Project Sheet FY 2016-2020

**Project Number:** **CIP PW 09-06**

**Categorization:** **Program / Construction**

**Name of Project:** **Central Water Distribution System 2005 Improvements**

**Reference Documents:**

a) MASTER PLAN, VOLUME 2, TABLE 9-10

**Project Description:**

There is an ongoing need to fund pipe replacement to address leaks, failure and age issues. In addition the 2005 hydraulic model identified deficiencies pipe size to provide adequate fire flow and pressure, and reduce high velocities and friction losses throughout the island. Pipe replacement includes but is not limited to fire hydrants, PRV, valves, vaults and line segment replacement. These projects include leak detection, leak repair, and the mapping and records related to these activities.

**Project Justification:**

Under the current leak detection project sites have been identified where substantial leaks are occurring. This pipe replacement project intends to use the information from the leak detection project in prioritizing pipe replacement. The GWA system also has numerous substandard/undersize pipes which would be address through this project.

**Financing Options & Grants:**

The source of funding for this project will be the 2010 Bond.

**Project Staffing Implications:**

Contract Administration, Project Management Services, Construction Management Services, GIS Support, and Modeling Support are required.

**Project Time Table/Budget:**

| FISCAL YEAR | ACTIVITY | BUDGET (x1000) |
|---|---|---|
| 2016 | | $75 |
| 2017 | | |
| 2018 | | |
| 2019 | | |
| 2020 | | |
| **Project Total** | | **$75** |

# GWA Capital Improvement Plan
# Project Sheet FY 2016-2020

**Project Number:** **CIP PW 09-08**

**Categorization:** **Program / Construction**

**Name of Project:** **Mechanical/Electrical Equipment Replacement**

**Reference Documents:**

a) MASTER PLAN, VOLUME 2, TABLE 9-8

**Project Description:**

This project will create an equipment reserve for routine mechanical/electrical equipment replacement due to age, capacity, or failure. This reserve includes well pumps, booster pumps, valves, emergency generators and other items associated with the Northern, Central and Southern Water Systems.

**Project Justification:**

Sufficient funds must be reserved to ensure water system mechanical and electrical equipment is replaced in a timely manner.

**Financing Options & Grants:**

The source of funding for this project will be the 2013 Bond and 2015 bond.

**Project Staffing Implications:**

Contract Administration, Project Management Services, and Construction Management Services are required.

**Project Time Table/Budget:**

| FISCAL YEAR | ACTIVITY | BUDGET (x1000) |
|---|---|---|
| 2016 | Procurement/Construction | $102 |
| 2017 | | |
| 2018 | | |
| 2019 | | |
| 2020 | | |
| **Project Total** | | **$102** |

# GWA Capital Improvement Plan
# Project Sheet FY 2016-2020

**Project Number:** **CIP PW 09-09**

**Categorization:** **Program / Assessment**

**Name of Project:** **Water Reservoir Internal/External Corrosion Assessment Program**

**Reference Documents:**

a) MASTER PLAN, VOLUME 2, TABLE 9-2

**Project Description:**

This project will develop and implement a corrosion assessment program for all steel water reservoirs to determine the extent of internal and external reservoir corrosion and necessary course of action to rehabilitate or replace the affected reservoirs.

**Project Justification:**

The failure of the Barrigada Water Reservoir #1 in June 2005 demonstrated the urgent need to internally inspect and carry out a full condition assessment of all steel reservoirs to determine the degree of corrosion damage and establish remedial action or reservoir replacement as appropriate.

**Financing Options & Grants:**

The source of funding for this project will be the 2010 Bond.

**Project Staffing Implications:**

Contract Administration, Project Management, and Construction Inspection are required.

**Project Time Table/Budget:**

| FISCAL YEAR | ACTIVITY | BUDGET (x1000) |
|---|---|---|
| 2016 | | $646 |
| 2017 | | |
| 2018 | | |
| 2019 | | |
| 2020 | | |
| **Project Total** | | **$646** |

Note: Funds encumbered by construction project.

# GWA Capital Improvement Plan
# Project Sheet FY 2016-2020

**Project Number:** **CIP PW 09-10**

**Categorization:** **Program / Construction**

**Name of Project:** **Water Reservoir Internal/External Corrosion Rehabilitation Program**

**Reference Documents:**

a) MASTER PLAN, VOLUME 2, TABLE 9-3

**Project Description:**

This project will program the rehabilitation of designated reservoirs over a four-year period as a phased project based on the results of the corrosion assessment program for all steel water reservoirs.

**Project Justification:**

The failure of the Barrigada Water Reservoir #1 in June 2005 demonstrated the urgent need to internally inspect and carryout a full condition assessment of all steel reservoirs to determine the degree of corrosion damage and establish remedial action or reservoir replacement as appropriate.

**Financing Options & Grants:**

The source of funding for this project will be the 2015 bond.

**Project Staffing Implications:**

Major Contract Administration, Major Project Management, and Major Construction Management are required.

**Project Time Table/Budget:**

| FISCAL YEAR | ACTIVITY | BUDGET (x1000) |
|---|---|---|
| 2016 | Planning/Construction | $800 |
| 2017 | | |
| 2018 | | |
| 2019 | | |
| 2020 | | |
| **Project Total** | | **$800** |

# GWA Capital Improvement Plan
# Project Sheet FY 2016-2020

**Project Number:** **CIP PW 09-11**

**Categorization:** **Program / Construction**

**Name of Project:** **Water System Reservoirs 2005 Improvements**

**Reference Documents:**
a) MASTER PLAN, VOLUME 2, TABLE 9-14 & 15
b) Amended Stipulated Order 2011, Item 29

**Project Description:**
This project will construct additional reservoirs that address deficiencies in water storage capacity.

**Project Justification:**
The 2005 hydraulic model for GWA's three water systems identified deficiencies in reservoir capacity. This project will provide adequate capacity and pressure for fire and customer supply.

**Financing Options & Grants:**
The source of funding for this project will be the 2013 Bond, 2015 Bond, 2018 Bond, and Internally Funded CIP.

**Project Staffing Implications:**
Major Contract Administration, Major Project Management, Program Management and Major Construction Management and Major Modeling are required.

**Project Time Table/Budget:**

| FISCAL YEAR | ACTIVITY | BUDGET (x1000) |
|---|---|---|
| 2016 | Planning/Construction | $8,485 |
| 2017 | Construction | $4,472 |
| 2018 | Construction | $38,178 |
| 2019 | Construction | $18,250 |
| 2020 | Construction | $10,000 |
| **Project Total** | | **$79,385** |

# GWA Capital Improvement Plan
# Project Sheet FY 2016-2020

**Project Number:** **CIP PW 11-01**

**Categorization:** **Program / Construction**

**Name of Project:** **Distribution System Upgrades**

**Reference Documents:**

**Project Description:**
Waterlines from the 2009 Leak Detection Program distribution system upgrades will be identified that are in conformance with the Master Plan but are not scheduled with the current time horizon but need to be repaired sooner.

**Project Justification:**
Water Distribution System Pipe: GWA's system consists of hundreds of miles of water distribution mains consisting of various pipe sizes and types. Many of these lines are undersized and/or failing due to improper construction, earthquake damage, and/or material failures. Additionally, pressure zone changes are needed to improve flow circulation and define pressure zones.

**Financing Options & Grants:**
The source of funding for this project will be the 2010 Bond.

**Project Staffing Implications:**
Major Contract Administration, Major Project Management, Major Construction Management, Major GIS Support, and Modeling Support are required.

**Project Time Table/Budget:**

| FISCAL YEAR | ACTIVITY | BUDGET (x1000) |
|---|---|---|
| 2016 | | $0 |
| 2017 | | |
| 2018 | | |
| 2019 | | |
| 2020 | | |
| **Project Total** | | **$0** |

# GWA Capital Improvement Plan
# Project Sheet FY 2016-2020

**Project Number:** **CIP PW 11-02**

**Categorization:** **Project**

**Name of Project:** **Ugum Water Treatment Plant Reservoir Replacement**

**Reference Documents:**

a) Amended Stipulated Order 2011, Item 29

**Project Description:**

This project will provide a new 2 MG finished water reservoir at the Ugum Water Treatment Plant. The reservoirs will be the sole source of finished water for most of the Southern Water System. Failure of the existing lone reservoir would result in a significant hardship on customers in the system. The new 2 MG reservoir would allow the existing reservoir to be taken off-line and refurbished and ultimately allow for redundancy and maintenance. This may require property acquisition.

**Project Justification:**

To provide redundancy in storage at the treatment plant that will allow for periodic maintenance. The existing reservoir is damaged, but cannot be taken out-of-service for repair because there is no back-up.

**Financing Options & Grants:**

The source of funding for this project will be the 2013 Bond and 2015 Bond.

**Project Staffing Implications:**

Major Contract Administration, Major Project Management, Program Management and Major Construction Management are required.

**Project Time Table/Budget:**

| FISCAL YEAR | ACTIVITY | BUDGET (x1000) |
|---|---|---|
| 2016 | Assessment/Planning/Construction | $90 |
| 2017 | | |
| 2018 | Construction | $5,000 |
| 2019 | | |
| 2020 | | |
| **Project Total** | | **$5,090** |

# GWA Capital Improvement Plan
# Project Sheet FY 2016-2020

**Project Number:** **CIP PW 12-01**

**Categorization:** **Program / Planning**

**Name of Project:** **Water Audit Program & Water Loss Control Plan**

**Reference Documents:**
PUC Docket 09-03

**Project Description:**
This project will perform system wide leak detection, leak repair and inspection, leak analysis and control. Leak detection will be performed on 450 miles of system pipe, including use of acoustical surveying and water audits. The information resulting from the work completed in the project will be used to update the AWWA M-36 Water Audit which will allow GWA to address PUC STIP 4.c.i, apparent losses: a forensic assessment, Customer Service Meter Inaccuracies, PUC STIP 4.c.ii, apparent losses: including potential outsourcing and Unbilled Unmetered, PUC STIP 4.c.iii, apparent losses: unauthorized consumption.

This project will also address the Tiyan properties returned to the original home owner who are not currently meter. This project therefore will include installation of individual residential meters as well as installation of any water distribution system that will improve GWA's ability to serve these customers.

**Project Justification:**
This project will develop a water meter improvement program to ensure that each connection to the three public water systems has an accurate and accessible water meter that is read monthly and billed.

**Financing Options & Grants:**
The source of funding for this project will be the 2010 Bond and 2018 Bond. Line item MC 09-01 within the any bond issuance shall be an alternative source of funding for projects generated through CIP PW 12-01 if GWA engineering can show the project meets MC 09-01 capital project criteria.

**Project Staffing Implications:**
Major Contract Administration, Major Project Management, Program Management and Major Construction Management are required.

**Project Time Table/Budget:**

| FISCAL YEAR | ACTIVITY | BUDGET(x1000) |
|---|---|---|
| 2016 | | $1,022 |
| 2017 | | |
| 2018 | | |
| 2019 | | |
| 2020 | | |
| **Project Total** | | **$1,022** |

# GWA Capital Improvement Plan
# Project Sheet FY 2016-2020

**Project Number:** **CIP PW 12-02**

**Categorization:** **Program / Planning**

**Name of Project:** **Production Plan / Reduce Navy Purchases**

**Reference Documents:**
GWA Production Plan 2010

**Project Description:**
This project will implement the GWA Production plan which includes but not limited to down hard wells that were rehabilitated, development of new well, rehabilitation of springs, and improvements to the Ugum WTP. This project will also include planning and design of transmission mains to move larger volumes of water to areas supplied by Navy water.

**Project Justification:**
Navy water purchase is expensive for GWA for resale. The anticipated growth of the island due to the military buildup will have impacts to GWA if additional Navy purchases were to occur.

**Financing Options & Grants:**
Line item MC 09-01 within the Bond issuance shall be an alternative source of funding for projects generated through CIP PW 12-02 if GWA engineering can show the project meets MC 09-01 capital project criteria.

**Project Staffing Implications:**
Major Contract Administration, Major Project Management, and Major Construction Management are required.

**Project Time Table/Budget:**

| FISCAL YEAR | ACTIVITY | BUDGET (x1000) |
|---|---|---|
| 2016 | | |
| 2017 | | |
| 2018 | | |
| 2019 | | |
| 2020 | | |
| **Project Total** | | **$0** |

# GWA Capital Improvement Plan
# Project Sheet FY 2016-2020

**Project Number:** **CIP PW 12-03**

**Categorization:** **Program / Assessment**

**Name of Project:** **Hydraulic Assessment of Tanks**

**Reference Documents:**

a) Amended Stipulated Order 2011, Item 29 (a)

**Project Description:**

The hydraulic analysis through the use of hydraulic modeling program shall evaluate each service area to identify deficiencies that impact the short and long term water storage and pressure needs of that service area. The analysis will also include at a minimum defining the zones in the Bubble Map, updating Demand (Population).

**Project Justification:**

This is a stipulated order project intended to help GWA understand and manage the water storage capacity throughout the island.

**Financing Options & Grants:**

The source of funding for this project will be the 2010 Bond.

**Project Staffing Implications:**

Major Contract Administration, Major Project Management, and Major Construction Management are required.

**Project Time Table/Budget:**

| FISCAL YEAR | ACTIVITY | BUDGET (x1000) |
|---|---|---|
| 2016 | | |
| 2017 | | |
| 2018 | | |
| 2019 | | |
| 2020 | | |
| **Project Total** | | **$0** |

# GWA Capital Improvement Plan
# Project Sheet FY 2016-2020

**Project Number:** **CIP PW 12-04**

**Categorization:** **Project**

**Name of Project:** **Agana Heights and Chaot Tank Construction**

**Reference Documents:**

a) Amended Stipulated Order 2011, Item 28(c)

**Project Description:**

This project will replace the existing Agana Heights and Chaot steel tanks to concrete tanks. Concrete tank design and construction management will be required.

**Project Justification:**

Results from internal and external corrosion assessment deemed tanks to be replaced. In addition, this is a Court Ordered project. Additionally, this project completes the Sinajana/Agana Heights Water Transmission line project.

**Financing Options & Grants:**

The source of funding for this project will be the 2013 Bond and 2015 Bond.

**Project Staffing Implications:**

Major Contract Administration, Major Project Management, Program Management and Major Construction Management are required.

**Project Time Table/Budget:**

| FISCAL YEAR | ACTIVITY | BUDGET (x1000) |
|---|---|---|
| 2016 | CM/Construction | $4,221 |
| 2017 | | |
| 2018 | | |
| 2019 | | |
| 2020 | | |
| **Project Total** | | **$4,221** |

# GWA Capital Improvement Plan
# Project Sheet FY 2016-2020

**Project Number:** **CIP PW 12-05**

**Categorization:** **Project**

**Name of Project:** **Tank Major Repair Yigo #1, Mangilao #2, Astumbo #1**

**Reference Documents:**

a) Amended Stipulated Order 2011, Item 29
b) Duenas, Camacho & Associates (DCA) "Structural Inspection and Assessment of the Mangilao 2 Tank", April 6 2011
c) DCA "Structural Inspection and Assessment of the Astumbo 1 Tank", April 6, 2011
d) DCA "Structural Inspection and Assessment of the Yigo 1 Tank", April 6, 2011
e) Water System Hydraulic Analysis Report, May 3, 2013

**Project Description:**

This project will replace all deteriorated steel within the existing steel tank for the Mangilao #2 tank. Scope of work includes improvements to the steel floor; steel columns, roof purlins as well as interior and exterior re-coating. This project will also include the replacement of the steel tanks at the Yigo site and Astumbo site with concrete tanks and booster pumps station.

**Project Justification:**

Results from internal and external corrosion assessment deemed the Mangilao tank to require major improvements. As for the Yigo and Astumbo tanks GWA find it is on the best interest of the public to fully replacement the Yigo and Astumbo Tanks as well as build a booster pump station. .

**Financing Options & Grants:**

The source of funding for this project will be the 2010 Bond, 2013 Bond and 2015 Bond.

**Project Staffing Implications:**

Major Contract Administration, Major Project Management, Program Management and Major Construction Management are required.

**Project Time Table/Budget:**

| FISCAL YEAR | ACTIVITY | BUDGET (x1000) |
|---|---|---|
| 2016 | CM/Construction | $125 |
| 2017 | | |
| 2018 | | $500 |
| 2019 | | |
| 2020 | | |
| **Project Total** | | **$625** |

# GWA Capital Improvement Plan
# Project Sheet FY 2016-2020

**Project Number:** **CIP PW 12-06**

**Categorization:** **Project**

**Name of Project:** **Tank Replacement Piti & Hyundai Tanks**

**Reference Documents:**

a) Amended Stipulated Order 2011, Item 29
b) Water System Hydraulic Analysis Report, May 3, 2013

**Project Description:**

This project will include the design and construction of replacement tanks for the Piti and Hyundai steel tanks. The new tanks more than likely will be located in the same footprint as the previous tanks however should the tank assessment project (PW 12-03) indicate otherwise the tanks will be located as recommended. This project will include a design analysis for a replacement tank.

**Project Justification:**

Results from internal and external corrosion assessment deemed tanks to be replaced. In addition, this is a Court Ordered project.

**Financing Options & Grants:**

The source of funding for this project will be the 2015 bond.

**Project Staffing Implications:**

Major Contract Administration, Major Project Management, Program Management and Major Construction Management are required.

**Project Time Table/Budget:**

| FISCAL YEAR | ACTIVITY | BUDGET (x1000) |
|---|---|---|
| 2016 | Planning/Design | $5,000 |
| 2017 | CM/Construction | $2,410 |
| 2018 | | $2,590 |
| 2019 | | |
| 2020 | | |
| **Project Total** | | **$10,000** |

# GWA Capital Improvement Plan
# Project Sheet FY 2016-2020

**Project Number:** **CIP PW 12-07**

**Categorization:** **Project**

**Name of Project:** **Assessment/Replacement of Malojloj Elevated & Yigo Elevated Tanks**

**Reference Documents:**

a) Amended Stipulated Order 2011, Item 29
b) Water System Hydraulic Analysis Report, May 3, 2013

**Project Description:**

This project will include the design and construction of replacement tanks for the Malojloj and Yigo elevated steel tanks. GWA may also assess the abandonment of these thanks and/or replacement with pump stations. The new tanks more than likely will be located in the same footprint as the previous tanks however should the tank assessment project (PW 12-03) indicate otherwise the tanks will be located as recommended. This project will include a design analysis for a replacement tank.

**Project Justification:**

Results from internal and external corrosion assessment deemed tanks to be replaced. In addition, this is a Court Ordered project.

**Financing Options & Grants:**

The source of funding for this project will be the 2010 Bond and 2013 bond.

**Project Staffing Implications:**

Major Contract Administration, Major Project Management, Program Management and Major Construction Management are required.

**Project Time Table/Budget:**

| FISCAL YEAR | ACTIVITY | BUDGET (x1000) |
|---|---|---|
| 2016 | | $0 |
| 2017 | | |
| 2018 | | |
| 2019 | | |
| 2020 | | |
| **Project Total** | | **$0** |

# GWA Capital Im
# provement Plan
# Project Sheet FY 2016-2020

**Project Number:** **CIP PW 12-08**

**Categorization:** **Program / Assessment**

**Name of Project:** **Public Water System Asset Inventory/Condition Assessment**

**Reference Documents:**

a) Work Plan USEPA Region IX – R9 Tracking #11-277 "Water and Wastewater System Improvements

**Project Description:**

This project includes but not limited to water asset inventory development, asset management planning and implementation, asset management software procurement, asset management training and asset condition assessment. The information gathered will also be integrated with the GWA GIS system.

**Project Justification:**

This project is intended to provide GWA with data, information and the ability to understand and manage the water system such as the distribution line, booster pump station, section valves, and treatment facility to ensure planning effort to upgrade the system is done effectively and efficiently.

**Financing Options & Grants:**

The source of funding for this project will be the 2010 Bond.

**Project Staffing Implications:**

Contract Administration and Project Management are required. GWA staff training and management of the asset inventory also required.

**Project Time Table/Budget:**

| FISCAL YEAR | ACTIVITY | BUDGET (x1000) |
|---|---|---|
| 2016 | | |
| 2017 | | |
| 2018 | | |
| 2019 | | |
| 2020 | | |
| **Project Total** | | **$0** |

Note: Funds encumbered by Program Management Office.

# GWA Capital Improvement Plan
# Project Sheet FY 2016-2020

**Project Number:** **CIP PW 12-09**

**Categorization:** **Program / Planning**

**Name of Project:** **Public Water System GIS & Mapping**

**Reference Documents:**

a) Work Plan USEPA Region IX – R9 Tracking #11-277 "Water and Wastewater System Improvements

**Project Description:**

This project intends to improve GWA's GIS data base through improvements with GWA data management system. The improvements will include integration of other data sources into GIS to close the data gaps as well as implement system hardware to ensure use and expansion of GIS is achievable.

**Project Justification:**

Continued update of the GIS system will allow GWA to understand and manage GWA infrastructure more effectively. Accurate GIS information is vital to new development planning as well as system maintenance.

**Financing Options & Grants:**

The source of funding for this project will be the 2010 Bond.

**Project Staffing Implications:**

Major Contract Management for GIS services and GIS support are required

**Project Time Table/Budget:**

| FISCAL YEAR | ACTIVITY | BUDGET (x1000) |
|---|---|---|
| 2016 | | |
| 2017 | | |
| 2018 | | |
| 2019 | | |
| 2020 | | |
| **Project Total** | | **$0** |

# GWA Capital Improvement Plan
# Project Sheet FY 2016-2020

**Project Number:** **CIP PW 14-01**

**Categorization:** **Project**

**Name of Project:** **Fire Hydrant Replacement Program**

**Reference Documents:**

a) Guam Administrative Rules and Regulations, Title 28, Chapter 2, Article 1, 2102 (a)(17)
b) Development Plan for Long-Term Comprehensive Water Distribution System Program, Section 5, Fire Hydrant Exercising, Maintenance, and Replacement Program, April 2013

**Project Description:**

This project intends to replace old, damaged or out-of-commissioned fire hydrants throughout Guam, in accordance with the Guam Administrative Rules and Regulations.

**Project Justification:**

Replacement of damaged or out-of-commission fire hydrants will help GWA remain in compliance with the Guam Administrative Rules and Regulations and increase the emergency response capacity of Guam's water system.

**Financing Options & Grants:**

The source of funding for this project will be the 2015 Bond and Internally Funded CIP.

**Project Staffing Implications:**

Contract Administration, Project Management Services, Program Management and Construction Management Services are required.

**Project Time Table/Budget:**

| FISCAL YEAR | ACTIVITY | BUDGET (x1000) |
|---|---|---|
| 2016 | Planning/Construction | $2,000 |
| 2017 | Construction | $500 |
| 2018 | Construction | $500 |
| 2019 | | |
| 2020 | | |
| **Project Total** | | **$3,000** |

# Project Sheet Wastewater

# GWA Capital Improvement Plan
# Project Sheet FY 2016-2020

**Project Number:** **CIP WW 05-04**

**Categorization:** **Program / Planning**

**Name of Project:** **Wastewater System Planning**

**Reference Documents:**

a) MASTER PLAN, VOLUME 3, CHAPTER 4.7.3
b) GUAM CONSOLIDATED COMMISSION ON UTILITIES RESOLUTION NO. 11-FY2007

**Project Description:**

Wastewater System Planning will include long term planning, system planning, and environmental planning. Specific application would include wastewater hydraulic modeling and the wastewater skeletal basin map. This will be used to update a portion of the Master Plan. Hydraulic modeling includes the software, hardware, travel and training. System planning includes but not limited to GIS mapping, asset inventory, asset management, asset management software, GIS software, GIS training, asset management training and asset condition assessment.

**Project Justification:**

Long term planning, system planning, and environmental planning is essential for developing capital improvement programs. Wastewater System Planning ensures that a system approach is used in project development.

In addition, the 2006 Master Plan requires updating every two years by the Guam Consolidated Commission on Utilities Resolution No. 11 – FY 2007 Relative to Approving the Guam Waterworks Authority Master Plan. The resolution states “The Guam Waterworks Authority is hereby directed to continue refining the Master Plan and every two years from the date of approval of this document to recommend to the Consolidated Commission on Utilities improvements and modifications to the Master Plan and the hydraulic model and to recommend and re-prioritize capital projects resulting from said changes or modifications.”

**Financing Options & Grants:**

The source of funding for this project will be the 2013 Bond, 2015 Bond, 2018 Bond and SRF funding.

**Project Staffing Implications:**

Major modeling services and GIS support are required.

**Project Time Table/Budget:**

| FISCAL YEAR | ACTIVITY | BUDGET (x1000) |
|---|---|---|
| 2016 | Assessment/Planning/Design | $308 |
| 2017 | | |
| 2018 | Assessment/Planning/Design | $1,000 |
| 2019 | Assessment/Planning/Design | $0 |
| 2020 | | |
| **Project Total** | | **$1,308** |

# GWA Capital Improvement Plan
# Project Sheet FY 2016-2020

**Project Number:** **CIP WW 09-01**

**Categorization:** **Project**

**Name of Project:** **Lift Station Upgrades**

**Reference Documents:**

a) Performance Management Contract, CIP / PIP Review June 2007

**Project Description:**

Specific rehabilitation and repair capital projects are needed for the sewage pump stations. These projects include: Health and Safety (e.g. overhead crane repair and fall protection barriers, lock, wet well fencing, fans and basic security), Environmental Protection and Compliance (e.g. high level and overflow alarm systems), Energy Optimization Programs (e.g. upgrading electrical controls and motors, add amp meters, add run time meter), and economically beneficial Asset Replacement (e.g. replacement of a pump for $9,000 rather than repair it for $7,600).

**Project Justification:**

Sewage pump stations require ongoing capital upkeep in order to maintain safety, prevent sewer overflows, maintain environmental compliance and optimize energy usage. Installation of control equipment such as amp meters and alarms help maintenance of the pumps and motors. These improvements are to also address the pending USEPA's "Findings of Significant Deficiencies in the Wastewater System" report.

**Financing Options & Grants:**

The main source of funding for this project is the SRF funding, 2013 Bond, 2015 Bond, and Internally Funded CIP.

**Project Staffing Implications:**

Major Contract Administration, Major Project Management, Program Management and Major Construction Management are required.

**Project Time Table/Budget:**

| FISCAL YEAR | ACTIVITY | BUDGET (x1000) |
|---|---|---|
| 2016 | Planning/Design/Construction | $1,055 |
| 2017 | Construction | $5,050 |
| 2018 | Construction | $1,500 |
| 2019 | Construction | |
| 2020 | | |
| **Project Total** | | **$7,605** |

# GWA Capital Improvement Plan
# Project Sheet FY 2016-2020

**Project Number:** **CIP WW 09-02**

**Categorization:** **Project**

**Name of Project:** **Moratorium**

**Reference Documents:**

a) Central Guam Sewer Improvements Functional Design Report, January 2009
b) MASTER PLAN, VOLUME 3, TABLE 9-7, 8, 9, 10, 28, 29, 43, 44

**Project Description:**

The Moratorium project is a collection of specific wastewater projects within the Tamuning and Agana villages. These projects include upgrades to the Mamajanao, Chaot, and Agana Main Pump Stations.

**Project Justification:**

The sewer system in the Central Guam catchment along Marine Corp. Drive and Route 4 close to Agana Bay is stressed. The primary sewers in these locations experience periodic overflows with 2008 flows and by 2025 the system could be completely overwhelmed. This problem is exacerbated by the Mamajanao Sewage Pump Station, which under certain operating conditions is unable to cope with the influent flows without surcharging and locally flooding the downstream system.

**Financing Options & Grants:**

The source of funding for this project will be Short-Term Loan.

**Project Staffing Implications:**

Major Contract Administration, Major Project Management, GIS Support, and Modeling Support, and Major Construction Management are required.

**Project Time Table/Budget:**

| FISCAL YEAR | ACTIVITY | BUDGET (x1000) |
|---|---|---|
| 2016 | | |
| 2017 | | |
| 2018 | | |
| 2019 | | |
| 2020 | | |
| **Project Total** | | **$0** |

# GWA Capital Improvement Plan
# Project Sheet FY 2016-2020

**Project Number:** **CIP WW 09-06**

**Categorization:** **Program / Construction**

**Name of Project:** **Wastewater Collection System Replacement/Rehabilitation Program**

**Reference Documents:**

a) MASTER PLAN, VOLUME 3, TABLE 9-23
b) Southern SSES Rehabilitation Program, December 2013
c) Agana (Central) Collection System Rehabilitation Plan, June 2014

**Project Description:**

Annual recurring design and construction project to replace/rehabilitate 3/4 of the total collection system (~8,600 feet) per year. This would focus on the worst condition pipes not already scheduled for hydraulic related rehab or replacement. Additional work under this CIP includes manhole repair/replacement, manhole collar replacement, and manhole lid seals.

**Project Justification:**

Replacement/rehabilitation program will upgrade sewer collection system as a proactive activity to mitigate catastrophic system failure. These improvements are to also address the pending USEPA's "Findings of Significant Deficiencies in the Wastewater System" report.

**Financing Options & Grants:**

The main source of funding for this project will be 2010 Bond, 2013 bond, 2015 Bond, SRF funding and Internally Funded CIP.

**Project Staffing Implications:**

Major Contract Administration, Major Project Management, Program Management, Major Construction Management, Major GIS Support, and Modeling Support are required.

**Project Time Table/Budget:**

| FISCAL YEAR | ACTIVITY | BUDGET (x1000) |
|---|---|---|
| 2016 | Construction | $2,950 |
| 2017 | Construction | $13,920 |
| 2018 | Construction | $8,600 |
| 2019 | | |
| 2020 | | |
| **Project Total** | | **$25,470** |

# GWA Capital Improvement Plan
# Project Sheet FY 2016-2020

**Project Number:** **CIP WW 09-08**

**Categorization:** **Project**

**Name of Project:** **Facilities Plan/Design/Interim for Baza Gardens STP Improvements**

**Reference Documents:**

a) MASTER PLAN, VOLUME 3, TABLE 9-26
b) Wastewater Facilities Plan, Baza Gardens WWTP, August 2008
c) CIP WW 11-03 Baza Gardens STP Replacement
d) Guam Environmental Protection Agency Requirements meeting minutes, December 19, 2007 and letter, May 13, 2008.

**Project Description:**

This project includes planning, design and implementation for interim improvements at the wastewater treatment facility to meet permit conditions. Due to strict effluent limits imposed by the stream discharge and difficulty in operating complex treatment systems to reliably meet these limits, an alternative means of disposal should be considered in the Facility Plan. Facility Plan process recommendations will be based on the recommended alternative means of disposal. The new facilities will incorporate provisions for redundancy to improve reliability and facilitate operations and maintenance activities. Design and test the concept of utilization of Underground Injection Wells (UIC) for effluent discharge and design a replacement for the existing wastewater treatment plant with a new Membrane Bioreactor plant at the same location.

**Project Justification:**

Existing facilities lack redundancy and reliability, are difficult to operate, and require significant repair. Existing disposal requirements cannot be achieved, so a different effluent disposal system must be identified. The current secondary treatment plant cannot meet the stringent nutrient limits in the receiving stream, and the facility has outlived its design life and has severe operational challenges. A new plant is required that discharges to an Underground Injection Well (pursuant to Guam Environmental Protection Agency requirements).

**Financing Options & Grants:**

The source of funding for this project will be the 2010 Bond.

**Project Staffing Implications:**

Contract Administration, Project Management Services, Program Management and Construction Management Services are required.

**Project Time Table/Budget:**

| FISCAL YEAR | ACTIVITY | BUDGET(x1000) |
|---|---|---|
| 2016 | | |
| 2017 | | |
| 2018 | | |
| 2019 | | |
| 2020 | | |
| **Project Total** | | **$0** |

# GWA Capital Improvement Plan
# Project Sheet FY 2016-2020

**Project Number:** **CIP WW 09-10**

**Categorization:** **Project**

**Name of Project:** **Facilities Plan/Design/Interim Measures for Agat-Santa Rita STP Replacement**

**Reference Documents:**

a) MASTER PLAN, VOLUME 3, TABLE 9-24

**Project Description:**

This project includes planning and design for interim improvements at the wastewater treatment facilities to meet existing and future flow capacity and reliably achieve regulatory compliance. The facilities will incorporate provisions for redundancy to improve reliability and facilitate operations and maintenance activities.

**Project Justification:**

Existing facilities do not have sufficient capacity for current and future flow projections. Existing facilities lack redundancy and reliability, are difficult to operate, and require significant repair.

**Financing Options & Grants:**

The source of funding for this project will be the 2010 Bond.

**Project Staffing Implications:**

Contract Administration, Project Management Services, Program Management and Construction Management Services are required.

**Project Time Table/Budget:**

| FISCAL YEAR | ACTIVITY | BUDGET (x1000) |
|---|---|---|
| 2016 | | $0 |
| 2017 | | |
| 2018 | | |
| 2019 | | |
| 2020 | | |
| **Project Total** | | **$0** |

# GWA Capital Improvements Plan
# Project Sheet FY 2016-2020

**Project Number:** **CIP WW 09-11**

**Categorization:** **Project**

**Name of Project:** **WWTP Priority 1 Upgrades**

**Reference Documents:**

a) Performance Management Contract, CIP / PIP Review June 2007

**Project Description:**

Specific rehabilitation and repair capital projects are needed for the sewage pump stations. These include projects: Health and Safety (e.g. overhead crane repair and fall protection barriers), Environmental Protection and Compliance (e.g. grit removal), Energy Optimization Programs (e.g. upgrading electrical controls and motors), and economically beneficial Asset Replacement (e.g. replacement of a pump for $9000 rather than repair it for $7600).

**Project Justification:**

Aging infrastructure leads to environmental impacts, non-compliance, inefficiencies, and safety problems that must be addressed on an annualized basis.

**Financing Options & Grants:**

The source of funding for this project will be the System Development Charge.

**Project Staffing Implications:**

Major Contract Administration, Major Project Management, and Major Construction Management are required.

**Project Time Table/Budget:**

| FISCAL YEAR | ACTIVITY | BUDGET (x1000) |
|---|---|---|
| 2016 | | $1,300 |
| 2017 | | |
| 2018 | | |
| 2019 | | |
| 2020 | | |
| **Project Total** | | **$1,300** |

# GWA Capital Improvement Plan
# Project Sheet FY 2016-2020

**Project Number:** **CIP WW 11-03**

**Categorization:** **Project**

**Name of Project:** **Baza Gardens STP Replacement**

**Reference Documents:**

a) MASTER PLAN, VOLUME 3, TABLE 9-26 & 27
b) Baza Gardens Wastewater System Evaluation, April 2014

**Project Description:**

Construction of new wastewater treatment facilities that will meet secondary treatment limits. Due to strict effluent limits imposed by the stream discharge and difficulty in operating complex treatment systems to reliably meet these limits, an alternative means of disposal should be considered in the Facility Plan. Facility Plan process recommendations will be based on the recommended alternative means of disposal. The new facilities will incorporate provisions for redundancy to improve reliability and facilitate operations and maintenance activities at the existing facility.

**Project Justification:**

Existing facilities lack redundancy and reliability, are difficult to operate, and require significant repair. Existing disposal requirements cannot be achieved, so a different effluent disposal system must be identified.

**Financing Options & Grants:**

The source of funding for this project will be the 2010 Bond, 2013 Bond, 2015 Bond, 2018 Bond, and Internally Funded CIP.

**Project Staffing Implications:**

Major Contract Administration, Major Project Management, Program Management and Major Construction Management are required.

**Project Time Table/Budget:**

| FISCAL YEAR | ACTIVITY | BUDGET (x1000) |
|---|---|---|
| 2016 | Design/CM/Construction | $3,101 |
| 2017 | Construction | $18,290 |
| 2018 | Construction | $1,146 |
| 2019 | | |
| 2020 | | |
| **Project Total** | | **$22,537** |

# GWA Capital Improvement Plan
# Project Sheet FY 2016-2020

**Project Number:** **WW CIP 11-04**

**Categorization:** **Project**

**Name of Project:** **Facilities Plan/Design/Interim for the Umatac-Merizo STP Improvements**

**Reference Documents:**

a) MASTER PLAN, VOLUME 3, TABLE 9-36
b) Umatac-Merizo Wastewater System Evaluation Report, December 2013

**Project Description:**

Phase 1 of this project is a facility planning to meet permit conditions; phase 2 is the design of the interim improvements. Planning and design for interim improvements such as new mechanically cleaned bar screen facilities to improve reliability and facilitate operations and maintenance requirements.

**Project Justification:**

All interim improvements, including mechanically cleaned bar screens, is intended to improve process performance and reduce O&M requirements.

**Financing Options & Grants**

The source of funding for this project will be the 2010 Bond, 2013 Bond and 2015 Bond.

**Project Staffing Implications:**

Contract Administration, Project Management, Program Management and Construction Inspection are required.

**Project Time Table/Budget:**

| FISCAL YEAR | ACTIVITY | BUDGET (x1000) |
|---|---|---|
| 2016 | Construction | $277 |
| 2017 | | |
| 2018 | | |
| 2019 | | |
| 2020 | | |
| **Project Total** | | **$277** |

# GWA Capital Improvement Plan
# Project Sheet FY 2016-2020

**Project Number:** **CIP WW 11-08**

**Categorization:** **Project**

**Name of Project:** **Agat/Santa Rita STP Replacement**

**Reference Documents:**

a) Agat-Santa Rita Wastewater Systems Evaluation Report, December 2013

**Project Description:**

Construction of new wastewater treatment facilities that will meet secondary treatment limits. The new facilities will incorporate provisions for redundancy to improve reliability and facilitate operations and maintenance activities at the existing facility.

**Project Justification:**

Existing facilities lack redundancy and reliability, are difficult to operate, and require significant repair.

**Financing Options & Grants:**

The source of funding for this project will be the 2010 Bond and 2013 Bond.

**Project Staffing Implications:**

Major Contract Administration, Major Project Management, Program Management and Major Construction Management are required.

**Project Time Table/Budget:**

| FISCAL YEAR | ACTIVITY | BUDGET (x1000) |
|---|---|---|
| 2016 | Design/Construction | |
| 2017 | Construction | $2,936 |
| 2018 | | |
| 2019 | | |
| 2020 | | |
| **Project Total** | | **$2,936** |

# GWA Capital Improvement Plan
# Project Sheet FY 2016-2020

**Project Number:** **CIP WW 12-01**

**Categorization:** **Project**

**Name of Project:** **Northern District WWTP Primary Treatment Upgrades**

**Reference Documents:**

## Project Description:

The Project is intended to deliver, as closely as possible and subject to the terms and conditions of the Contract, the requirements of the Stipulated Order as set out in 1.2 above including, but not limited to, the design, build and commission of the interim primary treatment improvements works at the NDWWTP that will bring the NDWWTP back into compliance with the current NPDES Permit for the quality parameters of TSS and BOD and also provide additional flow capacity of 7.5 MGD (monthly average daily flow) while still complying with the NPDES Permit concentration limits for TSS and BOD.

## Project Justification:

The assets at the NDWWTP are not in good condition: sludge stream processes are largely inoperable and the treatment process are compromised, as many of the components are in poor condition or are inoperable.

The assets condition significantly impacts the capacity and performance of the NDWWTP and therefore, the NDWWTP cannot consistently meet the treatment standards required by the National Pollutant Discharge Elimination System (NPDES) discharge permit for the Site (the “NPDES Permit”).

## Financing Options & Grants:

The source of funding for this project will be the 2010 Bond and SDC funds.

## Project Staffing Implications:

Major Contract Administration, Major Project Management, Program Management and Major Construction Management are required.

## Project Time Table/Budget:

| FISCAL YEAR | ACTIVITY | BUDGET (x1000) |
|---|---|---|
| 2016 | | $0 |
| 2017 | | |
| 2018 | | |
| 2019 | | |
| 2020 | | |
| **Project Total** | | **$0** |

# GWA Capital Improvement Plan
# Project Sheet FY 2016-2020

**Project Number:** **CIP WW 12-02**

**Categorization:** **Program / Planning**

**Name of Project:** **Bio Solids Management Plan**

**Reference Documents:**

**Project Description:**
This project will allow GWA to plan and management the increased generation of sludge from the wastewater treatment plant throughout the island. The initial focus of the plan would be on the management of GWA's bio-solids (and NDWWTP and Agana WWTP being the primary focus), but in keeping with the spirit of the 'One Guam' utility solution, the plan will develop an island wide bio-solids management plan and include the DoN Apra Harbor Plant bio-solids as well (although it is likely that these bio-solids are likely to contain more constituents of concern than that of GWA bio-solids).

**Project Justification:**
The current cost of bio-solids disposal is becoming a significant financial liability to GWA with the advent of large increase in tipping fees related to GBB management of Ordot and the development of the new landfill. In addition over the coming 5 years there will be a significant increase in bio-solids production volumes.

**Financing Options & Grants:**
The source of funding for this project will be the 2010 Bond.

**Project Staffing Implications:**
Major Contract Administration, Major Project Management, and Major Construction Management are required.

**Project Time Table/Budget:**

| FISCAL YEAR | ACTIVITY | BUDGET (x1000) |
|---|---|---|
| 2016 | | |
| 2017 | | |
| 2018 | | |
| 2019 | | |
| 2020 | | |
| **Project Total** | | **$0** |

# GWA Capital Improvement Plan
# Project Sheet FY 2016-2020

**Project Number:** **CIP WW 12-03**

**Categorization:** **Project**

**Name of Project:** **Agana WWTP Interim Measures**

**Reference Documents:**

a) Amended Stipulated Order 2011, Item 5 and 6
b) Agama WTP Primary Treatment Upgrades, Preliminary Design Report, September 2012

**Project Description:**

This project will include process upgrades to include grit removal; fat, oil and grease (FOG) removal; septage handling facility; prevent back flow from the new outfall; bio-solids treatment; and any additional improvements, rehabilitation or improvements, such as the use of chemically enhanced treatment.

**Project Justification:**

The *Order for Preliminary Relief Re: Deadlines for Outstanding Projects under the Amended Stipulated Order* (ASO), filed on 11th November 2011, contains requirements to upgrade the Agana WWTP achieves consistent compliance with the WWTP's NPDES permit, and comply with the sludge and bio-solids requirements in 40 C.F.R. Part 503 **(Paragraph 5).**

**Financing Options & Grants:**

The source of funding for this project will be the 2010 Bond 2015 Bond.

**Project Staffing Implications:**

Major Contract Administration, Major Project Management, Program Management and Major Construction Management are required.

**Project Time Table/Budget:**

| FISCAL YEAR | ACTIVITY | BUDGET (x1000) |
|---|---|---|
| 2016 | Construction | $827 |
| 2017 | | |
| 2018 | | |
| 2019 | | |
| 2020 | | |
| **Project Total** | | **$827** |

# GWA Capital Improvement Plan
# Project Sheet FY 2016-2020

**Project Number:** **CIP WW 12-04**

**Categorization:** **Program / Planning**

**Name of Project:** **I&I SSES Southern**

**Reference Documents:**

a) Amended Stipulated Order 2011, Item 8 (b) and (d)
b) Southern Sanitary Sewer Evaluation Survey Findings Summary, Technical Memorandum, September 2014
c) Agana, Agat-Santa Rita, Baza Gardens and Umatac-Merizo WWTP Sewer Basins, I&I and SSES Analyses, February 2013

**Project Description:**

This project will include a comprehensive I&I/SSES assessment work to determine the high probable locations where I&I is occurring. The work will include the minor repairs necessary to decrease infiltration and inflow. This will include but is not limited to manhole inspection, manhole mapping, raising manholes, manhole seals, manhole repair to the cover frame, manhole repair to barrel/cone seal, collection line inspection, collection line repair/rehabilitation.

**Project Justification:**

The *Order for Preliminary Relief Re: Deadlines for Outstanding Projects under the Amended Stipulated Order* (ASO), filed on 11th November 2011, contains requirements to conduct I&I/SSES assessment of the southern wastewater system.

**Financing Options & Grants:**

The source of funding for this project will be the 2010 Bond.

**Project Staffing Implications:**

Major Contract Administration, Major Project Management, Program Management and Major Construction Management are required.

**Project Time Table/Budget:**

| FISCAL YEAR | ACTIVITY | BUDGET (x1000) |
|---|---|---|
| 2016 | | |
| 2017 | | |
| 2018 | | |
| 2019 | | |
| 2020 | | |
| **Project Total** | | **$0** |

# GWA Capital Improvement Plan
# Project Sheet FY 2016-2020

**Project Number:** **CIP WW 12-05**

**Categorization:** **Program / Planning**

**Name of Project:** **I&I SSES Central**

**Reference Documents:**

a) Amended Stipulated Order 2011, Item 8 (c) and (e)
b) Agana (Central) Collection System Rehabilitation Plan, June 27, 2014
c) Inflow and Infiltration (I/I) Study for the Agana (Central) Sewer Basin, March 2014

**Project Description:**

This project will include a comprehensive I&I/SSES assessment work to determine the high probable locations where I&I is occurring. The work will include the minor repairs necessary to decrease infiltration and inflow. This will include but is not limited to manhole inspection, manhole mapping, raising manholes, manhole seals, manhole repair to the cover frame, manhole repair to barrel/cone seal, collection line inspection, collection line repair/rehabilitation.

**Project Justification:**

The *Order for Preliminary Relief Re: Deadlines for Outstanding Projects under the Amended Stipulated Order* (ASO), filed on 11th November 2011, contains requirements to conduct I&I/SSES assessment of the central wastewater system.

**Financing Options & Grants:**

The source of funding for this project will be the 2010 Bond and SRF funding.

**Project Staffing Implications:**

Major Contract Administration, Major Project Management, Program Management and Major Construction Management are required.

**Project Time Table/Budget:**

| FISCAL YEAR | ACTIVITY | BUDGET (x1000) |
|---|---|---|
| 2016 | | |
| 2017 | | |
| 2018 | | |
| 2019 | | |
| 2020 | | |
| **Project Total** | | **$0** |

Note: Funds encumbered by design project.

# GWA Capital Improvement Plan
# Project Sheet FY 2016-2020

**Project Number:** **CIP WW 12-06**

**Categorization:** **Program / Planning**

**Name of Project:** **I&I SSES Northern**

**Reference Documents:**

a) Work Plan USEPA Region IX – R9 Tracking #11-277 "Water and Wastewater System Improvements

**Project Description:**

This project will include a comprehensive I&I/SSES assessment work to determine the high probable locations where I&I is occurring. The work will include the minor repairs necessary to decrease infiltration and inflow. This will include but is not limited to manhole inspection, manhole mapping, raising manholes, manhole seals, manhole repair to the cover frame, manhole repair to barrel/cone seal, collection line inspection, collection line repair/rehabilitation.

**Project Justification:**

Continued development in the northern part of the island will contribute to impacts to the existing wastewater collection system. It is the intent of this project is to determine where I&I are occurring and make necessary repairs.

**Financing Options & Grants:**

The source of funding for this project will be the SRF funding.

**Project Staffing Implications:**

Major Contract Administration, Major Project Management, and Major Construction Management are required.

**Project Time Table/Budget:**

| FISCAL YEAR | ACTIVITY | BUDGET (x1000) |
|---|---|---|
| 2016 | | $355 |
| 2017 | | |
| 2018 | | |
| 2019 | | |
| 2020 | | |
| **Project Total** | | **$355** |

# GWA Capital Improvement Plan
# Project Sheet FY 2016-2020

**Project Number:** **CIP WW 12-07**

**Categorization:** **Project**

**Name of Project:** **Umatac-Merizo STP Replacement**

**Reference Documents:**

a) Umatac-Merizo Wastewater System Evaluation Report, December 2013

**Project Description:**

Construction of new wastewater treatment facilities that will meet secondary treatment limits. The new facilities will incorporate provisions for redundancy to improve reliability and facilitate operations and maintenance activities at the existing facility.

**Project Justification:**

Existing facilities lack redundancy and reliability, are difficult to operate, and require significant repair.

**Financing Options & Grants:**

The source of funding for this project will be the 2015 Bond and 2018 Bond.

**Project Staffing Implications:**

Major Contract Administration, Major Project Management, Program Management 23and Major Construction Management are required.

**Project Time Table/Budget:**

| FISCAL YEAR | ACTIVITY | BUDGET (x1000) |
|---|---|---|
| 2016 | Planning | $943 |
| 2017 | | $21,300 |
| 2018 | Design/Construction | |
| 2019 | | |
| 2020 | | |
| **Project Total** | | **$22,243** |

# GWA Capital Improvement Plan
# Project Sheet FY 2016-2020

**Project Number:** **CIP WW 12-09**

**Categorization:** **Program / Equipment**

**Name of Project:** **Wastewater Facility Back Up Power**

**Reference Documents:**

a) Work Plan USEPA Region IX – R9 Tracking #11-277 "Water and Wastewater System Improvements

**Project Description:**

This project will assess back up power needs at critical sewer pump stations and develop criteria for implementation of back-up power installation. This project is also intended to install necessary equipment as called out in the assessment.

**Project Justification:**

Sewer pump station are a critical facility that requires continued operations during power outages to ensure there are no wastewater overflows at sewer manholes or the sewer pump station itself. Compete avoidance of overflows is a high priority of GWA.

**Financing Options & Grants:**

The source of funding for this project will be the SRF funds.

**Project Staffing Implications:**

Major Contract Administration, Major Project Management, and Major Construction Management are required.

**Project Time Table/Budget:**

| FISCAL YEAR | ACTIVITY | BUDGET (x1000) |
|---|---|---|
| 2016 | | $220 |
| 2017 | | |
| 2018 | | |
| 2019 | | |
| 2020 | | |
| **Project Total** | | **$220** |

# GWA Capital Improvement Plan
# Project Sheet FY 2016-2020

**Project Number:** **CIP WW 17-01**

**Categorization:** **Project**

**Name of Project:** **Wastewater Sewer System Expansion**

**Reference Documents:**

**Project Description:**
Construction of sewer system expansions to accommodate new sewer connections and avoid/reduce use of septic tank/leaching field systems.

**Project Justification:**
Sanitary sewer systems are necessary to protect the quality of the island's drinking water resources from septic tank/leaching field systems, particularly over the Northern Guam Lens, which provides most of Guam's drinking water.

**Financing Options & Grants:**
The main source of funding for this project will be SDC funds

**Project Staffing Implications:**
Major Contract Administration, Major Project Management, Program Management, Major Construction Management, Major GIS Support, and Modeling Support are required.

**Project Time Table/Budget:**

| FISCAL YEAR | ACTIVITY | BUDGET (x1000) |
|---|---|---|
| 2016 | | |
| 2017 | | $1,683 |
| 2018 | | |
| 2019 | | |
| 2020 | | |
| **Project Total** | | **$1,683** |

# GWA Capital Improvement Plan
# Project Sheet FY 2016-2020

**Project Number:** **CIP WW 17-02**

**Categorization:** **Project**

**Name of Project:** **Northern District WWTP Secondary Treatment Upgrades**

**Reference Documents:**
Final Guam Water and Wastewater Assessment Report in Support of the Economic Adjustment Committee Implementation Plan

**Project Description:**
Conduct planning, design and construction of any related ancillary capital improvement ahead of the major upgrade to the treatment plant to secondary capacity as part of the Office of Economic Adjustment. The project also includes land acquisition for property to accommodate the expansion of the treatment process foot print.

**Project Justification:**
The WWTP will be required to stay operational during the upgrade work and as such any planning or construction work integral to meeting the functionality of the plant which is necessary but needed ahead of the major construction activities is critical to meet OEA grant timelines.

**Financing Options & Grants:**
The main source of funding for this project will be bond funds

**Project Staffing Implications:**
Major Contract Administration, Major Project Management, Program Management, Major Construction Management, Major GIS Support, and Modeling Support are required.

**Project Time Table/Budget:**

| FISCAL YEAR | ACTIVITY | BUDGET (x1000) |
|---|---|---|
| 2016 | | $1,000 |
| 2017 | | |
| 2018 | | |
| 2019 | | |
| 2020 | | |
| **Project Total** | | **$1,00** |

# Project Sheet Electrical

# GWA Capital Improvement Plan
# Project Sheet FY 2016-2020

**Project Number:** **CIP EE 05-02**

**Name of Project:** **SCADA Pilot Project**

**Reference Documents:**

**Project Description:**
This pilot project will procure communication services and install field instrumentation and a Human-Machine Interface (HMI) to support supervisory control and data acquisition (SCADA) of selected water and wastewater facilities. For this pilot GWA will only make functional real time data acquisition for status monitoring and alarming.

**Project Justification:**
This pilot project is to identify and evaluate proposed solutions and gather information that will be used to develop design standards for the water and wastewater SCADA system.

**Financing Options & Grants:**
The source of funding for this project will be the 2010 Bond.

**Project Staffing Implications:**
Contract Administration, Project Management, Construction Inspection and Technical Support after completion are required.

**Project Time Table/Budget:**

| FISCAL YEAR | ACTIVITY | BUDGET(x1000) |
|---|---|---|
| 2016 | | $0 |
| 2017 | | |
| 2018 | | |
| 2019 | | |
| 2020 | | |
| **Project Total** | | **$0** |

# GWA Capital Improvement Plan
# Project Sheet FY 2016-2020

**Project Number:** **CIP EE 09-01**

**Name of Project:** **Wastewater Pumping Station Electrical Upgrade**

**Reference Documents:**

a) MASTER PLAN, VOLUME 3, TABLE 9-43

**Project Description:**

This project will upgrade and standardize the electrical control system at the wastewater pumping stations as recommended in the GWA Master Plan Report. An initial assessment using a standard checklist will be conducted. Project scope will include the reconnection of the electrical service to a grounded WYE system involve replacement of the electrical meter and service conductors. Transient voltage surge suppression will also be installed at the station main service. The level control system will be standardized with a level transducer to provide level indication and communication with the SCADA unit. The back-up will be a float located out of the wet well. Also included are dry well level sensor alarms that are connected to SCADA, where applicable. The motor starters will be replaced with electronic soft start type to reduce mechanical wear.

**Project Justification:**

It is necessary to improve the electrical reliability at each wastewater pump station and minimize overflows by implementing the recommendations of the GWA Master Plan. Stations that are critical to operations are priority and will be completed first.

**Financing Options & Grants:**

The source of funding for this project will be the 2013 bond and 2015 Bond.

**Project Staffing Implications:**

Major Contract Administration, Major Project Management, Construction Management, and Technical Support after completion are required.

**Project Time Table/Budget:**

| FISCAL YEAR | ACTIVITY | BUDGET (x1000) |
|---|---|---|
| 2016 | | $620 |
| 2017 | | |
| 2018 | | |
| 2019 | | |
| 2020 | | |
| **Project Total** | | **$620** |

# GWA Capital Improvement Plan
# Project Sheet FY 2016-2020

**Project Number:** **CIP EE 09-02**

**Name of Project:** **Electrical Upgrade - Water Wells**

**Reference Documents:**

a) MASTER PLAN, VOLUME 2, TABLE 9-25

**Project Description:**

This project will upgrade the electrical system at each of the water wells as recommended in the Electrical Assessment of the GWA Master Plan. First, a standard electrical checklist and guideline will be developed followed by an assessment of the electrical system at each station. Goals are to change the transformer secondary connection and surge suppression, replace the service conductors, correct the voltage unbalance, prevent water conductor entry, replace the meter socket, install transient voltage surge suppression, install electronic motor protection, install electronic motor starter, install power factor correction equipment, integrate voltage unbalance relays in the auto transfer switch control system, interlock the chlorination controls with the well controls, and interlock with well flush controls.

**Project Justification:**

This project will improve the electrical reliability at each of the water pumping stations by implementing the recommendations of the GWA Master Plan. Stations that are critical to operations and require high maintenance are priority and will be completed first.

**Financing Options & Grants:**

The source of funding for this project will be the 2010 Bond and 2015 Bond.

**Project Staffing Implications:**

Major Contract Administration, Major Project Management, Construction Management, and Technical Support after completion are required.

**Project Time Table/Budget:**

| FISCAL YEAR | ACTIVITY | BUDGET (x1000) |
|---|---|---|
| 2016 | Construction | |
| 2017 | Construction | $150 |
| 2018 | Construction | $96 |
| 2019 | | |
| 2020 | | |
| **Project Total** | | **$246** |

# GWA Capital Improvement Plan
# Project Sheet FY 2016-2020

**Project Number:** **CIP EE 09-03**

**Name of Project:** **Electrical Upgrade - Water Booster Pump Stations**

**Reference Documents:**

a) MASTER PLAN, VOLUME 2, TABLE 9-22

**Project Description:**

This project is primarily for the electrical upgrade at the Pago Bay, Brigade, and Windward Hills water booster stations by replacing the existing motors with premium efficiency motors, improve the system grounding, install transient voltage surge suppression equipment (TVSS), replace the motor control center, replace instrumentation controls, and add power factor correction. This project includes a detailed engineering assessment and preparation of design engineering plans. The improvement work noted above is also applicable to other booster pump stations that operations and engineering determine are in needs of improvements.

**Project Justification:**

The original distribution boards and motor controls have reached their useful lives, have signs of corrosion, and are missing parts. Improvements in motor efficiency and control devices reduce energy consumption costs. The voltage and transient surge suppressions reduce voltage surges within the facility while power factor correction help improve voltage stability.

**Financing Options & Grants:**

The source of funding for this project will be the 2013 bond and 2015 Bond.

**Project Staffing Implications:**

Major Contract Administration, Major Project Management, Construction Management, and Technical Support after completion are required.

**Project Time Table/Budget:**

| FISCAL YEAR | ACTIVITY | BUDGET (x1000) |
|---|---|---|
| 2016 | Construction | $325 |
| 2017 | | |
| 2018 | | |
| 2019 | | |
| 2020 | | |
| **Project Total** | | **$325** |

# GWA Capital Improvement Plan
# Project Sheet FY 2016-2020

**Project Number:** **CIP EE 09-04**

**Name of Project:** **Electrical Upgrade -Water Booster Pump Stations**

**Reference Documents:**

a) MASTER PLAN, VOLUME 2, TABLE 9-23

**Project Description:**

This project is for the electrical upgrade at the water booster stations by replacing the existing motors with premium efficiency motors, improve the system grounding, installation of transient voltage surge suppression equipment (TVSS), replace the motor control center and main distribution board, replace the instrumentation controls, and add power factor correction, where applicable. Included is a detailed engineering assessment and preparation of design engineering plans and specifications.

**Project Justification:**

The original distribution board and motor controls have reached their useful lives, have signs of corrosion, and are missing parts. Improvements in motor efficiency reduce energy costs. The application of transient surge suppressions and power factor capacitors reduce voltage surges and improve stability.

**Financing Options & Grants:**

The source of funding for this project will be the 2013 bond.

**Project Staffing Implications:**

Major Contract Administration, Major Project Management, Construction Management, and Technical Support after completion are required.

**Project Time Table/Budget:**

| FISCAL YEAR | ACTIVITY | BUDGET (x1000) |
|---|---|---|
| 2016 | Planning/Design/Construction | $199 |
| 2017 | | |
| 2018 | Construction | $150 |
| 2019 | | |
| 2020 | | |
| **Project Total** | | **$349** |

# GWA Capital Improvement Plan
# Project Sheet FY 2016-2020

**Project Number:** **CIP EE 09-05**

**Name of Project:** **Electrical Upgrade - Other Water Booster Pump Stations**

**Reference Documents:**

a) MASTER PLAN, VOLUME 2, TABLE 9-24

**Project Description:**

This project is for the electrical upgrade at the other water booster stations such as Yigo Elevated Tank, Pale Kieran, etc. Project scope includes: replacing the existing motors with premium efficiency motors, improve system grounding, install transient voltage surge suppression equipment (TVSS), replace the motor control center and main distribution board, replace instrumentation controls, and add power factor correction, where applicable.

**Project Justification:**

Several stations' original distribution board and motor controls have reached their useful life, have signs of corrosion, and are missing parts. Improvements in motor efficiency reduce energy costs. The voltage and transient surge suppressions and power factor correction also reduce voltage surges and improve voltage stability.

**Financing Options & Grants:**

The source of funding for this project will be the 2013 bond.

**Project Staffing Implications:**

Major Contract Administration, Major Project Management, Construction Management and Technical Support after completion are required.

**Project Time Table/Budget:**

| FISCAL YEAR | ACTIVITY | BUDGET (x1000) |
|---|---|---|
| 2016 | Planning/Design/Construction | $89 |
| 2017 | | |
| 2018 | Construction | $100 |
| 2019 | | |
| 2020 | | |
| **Project Total** | | **$189** |

# GWA Capital Improvement Plan
# Project Sheet FY 2016-2020

**Project Number:** **CIP EE 09-07**

**Name of Project:** **SCADA Improvements – Phase 2**

**Reference Documents:**

a) MASTER PLAN, VOLUME 3, TABLE 9-45

**Project Description:**

In Phase 2 of this project, the critical water and wastewater pumping stations are monitored by activating and updating the existing Motorola SCADA system. In this phase of the project, the balance of the pumping stations and the treatment facilities are updated and incorporated into the GWA SCADA System. The treatment facility alarms would be identified and activated to a digital telephone text messaging unit to call key operations personnel related to that specific area. Phase 2 will also continue any master planning efforts not completed in Phase 1.

**Project Justification:**

This phase is a continuation of this project to improve the efficiency and effective utilization of GWA personnel and performance of the water and wastewater pumping systems.

**Financing Options & Grants:**

The source of funding for this project will be the 2010 Bond.

**Project Staffing Implications:**

Contract Administration, Major Project Management Services, Construction Inspection and Major Technical Support after completion.

**Results**

**Design work is ongoing however related work will be continued under EE 09-08.**

**Project Time Table/Budget:**

| FISCAL YEAR | ACTIVITY | BUDGET (x1000) |
|---|---|---|
| 2016 | | |
| 2017 | | $500 |
| 2018 | | $43 |
| 2019 | | |
| 2020 | | |
| **Project Total** | | **$543** |

# GWA Capital Improvement Plan
# Project Sheet FY 2016-2020

**Project Number:** **CIP EE 09-08**

**Name of Project:** **SCADA Improvements – Phase 3**

**Reference Documents:**

a) MASTER PLAN, VOLUME 3, TABLE 9-46

**Project Description:**

In Phase 3 of this Project, improvements in real time data acquisition for status monitoring and process control is expanded at the treatment facilities through the incorporation of Programmable Logic Controllers (PLCs). The data is conveyed to the GWA Central as well as identified engineering and operations personnel for analysis and process optimization through the use of Virtual Private Networks (VPNs) or other available secured technology. Further improvements and updating of the pumping station SCADA monitoring would be expanded using digital communications (the Gov Guam system is scheduled to be updated during this period) and the radio units would require replacement.

**Project Justification:**

This phase is a continuation of this project to improve the efficiency and effective utilization of GWA personnel and performance of the water and wastewater pumping systems.

**Financing Options & Grants:**

The source of funding for this project will be the 2010 Bond, 2013 Bond and 2015 Bond.

**Project Staffing Implications:**

Contract Administration, Major Project Management Services, Construction Inspection and Major Technical Support after completion.

**Project Time Table/Budget:**

| FISCAL YEAR | ACTIVITY | BUDGET (x1000) |
|---|---|---|
| 2016 | | $1,178 |
| 2017 | | |
| 2018 | | $25 |
| 2019 | | |
| 2020 | | |
| **Project Total** | | **$1,203** |

# GWA Capital Improvement Plan
# Project Sheet FY 2016-2020

**Project Number:** **CIP EE 09-09**

**Name of Project:** **SCADA Improvements – Phase 4**

**Reference Documents:**

a) MASTER PLAN, VOLUME 3, TABLE 9-47

**Project Description:**

In Phase 4 of this project, accounting information such as equipment and parts costs along with the condition data such as equipment operating time and preventive/predictive maintenance programs are to be incorporated into an asset management program. The SCADA system's role will be incorporated into the overall GWA asset management program and the SCADA equipment, hardware, and software will be updated.

**Project Justification:**

This phase is a continuation of this project to improve the efficiency and effective utilization of GWA personnel and performance of the water and wastewater pumping systems.

**Financing Options & Grants:**

The source of funding for this project will be the 2015 Bond.

**Project Staffing Implications:**

Contract Administration, Major Project Management Services, and Major Technical Support after completion.

**Project Time Table/Budget:**

| FISCAL YEAR | ACTIVITY | BUDGET (x1000) |
|---|---|---|
| 2016 | Construction | $1,500 |
| 2017 | Construction | $2,500 |
| 2018 | Construction | $2,500 |
| 2019 | | |
| 2020 | | |
| **Project Total** | | **$6,500** |

# Project Sheet Miscellaneous

# GWA Capital Improvement Plan
# Project Sheet FY 2016-2020

**Project Number:** **CIP MC 05-01**

**Name of Project:** **Laboratory Modernization**

**Reference Documents:**

a) Criteria and specification for Design of the Renovation and Enlargement of the Dededo Laboratory, 4/12/2007.

**Project Description:**

The existing lab is about 2300 square feet and work under this project will enlarge the facility to allow for expanded testing capabilities as well as increased office/storage space. The renovation work to the lab will include increasing testing counter space and modernizing all equipment to maintain Guam EPA certification. The renovation work will also include any improvements to ensure the facilities ability to remain open during typhoon weather conditions.

**Project Justification:**

GWA laboratory tests the quality of the water throughout the water system which is then reported to GEPA and USEPA. The GWA laboratory plays I vital role in ensuring GWA meets the Clean water Act and a modern laboratory is required to do so.

**Financing Options & Grants:**

The source of funding for this project will be the 2013 Bond and 2015 Bond.

**Project Staffing Implications:**

Major Contract Administration, Major Project Management, and Major Construction Management are required.

**Project Time Table/Budget:**

| FISCAL YEAR | ACTIVITY | BUDGET (x1000) |
|---|---|---|
| 2016 | Construction | |
| 2017 | | |
| 2018 | | |
| 2019 | | |
| 2020 | | |
| **Project Total** | | **$0** |

# GWA Capital Improvement Plan
# Project Sheet FY 2016-2020

**Project Number:** **CIP MC 05-02**

**Name of Project:** **Land Survey**

**Reference Documents:**

a) Public Law 22-47, 22-28, 22-18

**Project Description:**

This project will survey GWA property and property to be deeded to GWA and add these properties to GWA assets. A portion of work to be completed with the current contact for professional services as well as subsequent contracts to complete remaining work.

**Project Justification:**

GWA has been granted land from the Government of Guam for the purpose of locating water and wastewater system assets such as water storage tanks and water and wastewater treatment plants. The land was granted under the condition that GWA compete a legal boundary survey of the properties.

**Financing Options & Grants:**

The source of funding for this project will be the 2010 Bond, 2013 bond and 2015 Bond.

**Project Staffing Implications:**

Contract Administration, Project Management, Major GIS Support.

**Project Time Table/Budget:**

| FISCAL YEAR | ACTIVITY | BUDGET (x1000) |
|---|---|---|
| 2016 | Research, Survey | $1,893 |
| 2017 | | |
| 2018 | | |
| 2019 | | |
| 2020 | | |
| **Project Total** | | **$1,893** |

# GWA Capital Improvement Plan
# Project Sheet FY 2016-2020

**Project Number:** **CIP MC 09-01**

**Name of Project:** **General Plant Improvements**

## Reference Documents:

## Project Description:
These capital improvements project will provide GWA with general plant improvements that will enhance operations and maintenance capabilities throughout the utility. The criteria for a project and/or general plant improvement to be considered a capital and eligible for bond funding is the value is greater than $5,000 and has a life span greater than one year. This line item is general in nature to support Operations and Maintenance Program that meet funding criteria noted above. Work items to support O&M includes: replacing failing pipelines, pumps and refurbish PRV to improve the water system pressure zones. Work related to the replacement of failing pipes and pumps includes but is not limited to PRV, valves, vaults, line segment replacement and equipment such as pump rigs to remove, repair and replace pumps. The General Manager will be responsible to generate and update a list of eligible projects for General Plant Improvements. The "General Plant Improvements List" will be approved by the General Manager with concurrence by the Chief Engineer and Chief Financial Officer and submitted to the CCU by the General Manager in the Monthly Report. Additional projects that may be cover under this project sheet includes leak detection, leak repair, and the mapping and records related to these activities as well as contingency funding needs related to CIP projects.

This funding source can be used to complete any 2011 court order project relative to all capital improvements installed in water and wastewater system. Therefore it is also the intent of this CIP to cover two important aspects of planning, 1) hydraulic modeling and 2) system planning. Work under hydraulic modeling includes but not limited to hydraulic modeling training, planning tool software/hardware acquisition, and travel related to hydraulic modeling training. The system planning work will include, but not limited to, GIS mapping, asset inventory, asset management, asset management software, GIS software, GIS training, asset management training and asset condition assessment, updates to CIS and MWMS software and software and equipment GPS in vehicles.

## Project Justification:
Capital improvements project are required to help maintain GWA level of service to its customers, thus the work described above will enhance operations and maintenance capabilities. The water and wastewater system for example consists of hundreds of miles of infrastructure, including facilities that are failing due to improper construction, earthquake damage, and/or material failures. Specifically for the water system GWA needs to change pressure zones to improve flow circulation and define pressure zones.

## Financing Options & Grants:
The source of funding for this CIP line item will be the 2010, 2013 and 2015 bonds as well as Internally Funded CIP.

## Project Staffing Implications:
Contract Administration, Project Management Services, and Construction Management Services are required.

## Project Time Table/Budget:

| FISCAL YEAR | ACTIVITY | BUDGET (x1000) |
|---|---|---|
| 2016 | Planning/Design/Construction | $1,057 |
| 2017 | Planning/Design/Construction | $3,295 |
| 2018 | Planning/Design/Construction | $1,000 |
| 2019 | Planning/Design/Construction | $1,000 |
| 2020 | | |
| **Project Total** | | **$6,352** |

# GWA Capital Improvement Plan
# Project Sheet FY 2016-2020

**Project Number:** **CIP MC 15-01**

**Name of Project:** **Information Technology Integration Improvements**

**Reference Documents:**

## Project Description:
The capital improvement projects describe herein will improve GWA's ability to obtain real time information for customer request, maintain important customer data history more effectively and improve productive of employees through implementation of emerging technology. The projects identified under this CIP include Mobile Work Force Management Solutions, imaging and document management solutions, Desktop computer Replacement Program, Voice Over Internet Protocol (VOIP) solutions, Network Communication and Security System Improvements, Enterprise Information System Upgrades, Customer Information System Implementation, and Virtual Server and Storage Solutions.

## Project Justification:
Information technology integration improvement projects are required to help maintain GWA level of service to customers as well as improve operations functionality. Current technology systems within GWA are becoming obsolete due to the ever changing/improving computer system and programing platform in the industry that for GWA to meet and maintain expectations of the mission of GWA, the CIP initiative

## Financing Options & Grants:
The source of funding for this project will be the 2015 bond and Internally Funded CIP.

## Project Staffing Implications:
Contract Administration and Project Management Services are required.

## Project Time Table/Budget:

| FISCAL YEAR | ACTIVITY | BUDGET (x1000) |
|---|---|---|
| 2016 | Planning and procurement | $250 |
| 2017 | Planning and procurement | $750 |
| 2018 | Procurement | $200 |
| 2019 | Procurement | $200 |
| 2020 | | |
| **Project Total** | | **$1,400** |

# Project Sheet Department of Defense

# GWA Capital Improvement Plan
# Project Sheet FY 2016-2020

**Project Number:** **CIP DoD-01**

**Name of Project:** **NDWWTP Secondary Treatment Capacity 12MGD**

**Reference Documents:**

a. Record of Decision for the Final Supplement Environmental Impact Statement for Guam and Commonwealth of the Northern Marianas Island Military Relocation August 28, 2015.
b. CIP WW 05-03 and CIP WW 11-07
c. Evaluation of Northern District Wastewater Treatment Plant Capacity, December 2009

**Project Description:**

This project will improve/convert the NDWWTP to a facility that treats wastewater to secondary limits with a capacity of 12 MGD for GWA to meet USEPA NPDES discharge requirements. This project will utilize much of the existing plan structures and add major upgrades and modifications.

**Project Justification:**

This project is a requirement of the Record of Decision for the Final Supplement Environmental Impact Statement for Guam and Commonwealth of the Northern Marianas Island Military Relocation.

**Financing Options & Grants:**

The Department of Navy is responsible for funding this project

**Project Staffing Implications:**

A Program management office will be required for the project.

**Project Time Table/Budget:**

| FISCAL YEAR | ACTIVITY | BUDGET (x1000) |
|---|---|---|
| 2016 | | |
| 2017 | Planning/Design/Construction | $20,000 |
| 2018 | | $114,300 |
| 2019 | | |
| 2020 | | |
| **Project Total** | | **$134,300** |

# GWA Capital Improvement Plan
# Project Sheet FY 2016-2020

**Project Number:** **CIP DoD-02**

**Name of Project:** **Northern Systems Wastewater System**

**Reference Documents:**

a. Record of Decision for the Final Supplement Environmental Impact Statement for Guam and Commonwealth of the Northern Marianas Island Military Relocation August 28, 2015.
b. WW 05-02, WW 05-06, WW 09-0, WW 09-02, WW 09-04, WW 09-06, & W 09-09

**Project Description:**

This project will upgrade the sewer collection system in the Northern District Sewer Basin along Route 9 and Route 3.

**Project Justification:**

This project is a requirement of the Record of Decision for the Mariana Island Range Complex Final Environmental Impact Statement.

**Financing Options & Grants:**

The Department of Navy is responsible for funding this project

**Project Staffing Implications:**

A Program management office will be required for this project

**Project Time Table/Budget:**

| FISCAL YEAR | ACTIVITY | BUDGET (x1000) |
|---|---|---|
| 2016 | | |
| 2017 | Planning/Design/Construction | $29,000 |
| 2018 | | |
| 2019 | | |
| 2020 | | |
| **Project Total** | | **$29,000** |

# GWA Capital Improvement Plan
# Project Sheet FY 2016-2020

**Project Number:** **CIP DoD-03**

**Name of Project:** **Rehabilitation and New NGLA Monitoring Wells**

**Reference Documents:**
a. Record of Decision for the Final Supplement Environmental Impact Statement for Guam and Commonwealth of the Northern Marianas Island Military Relocation August 28, 2015.

**Project Description:**
This project will rehabilitate seven existing monitoring wells and construct 11 new monitoring wells about the Northern Guam Lens Aquifer.

**Project Justification:**
This project is a requirement of the Record of Decision for the Mariana Island Range Complex Final Environmental Impact Statement.

**Financing Options & Grants:**
The Department of Navy is responsible for funding this project

**Project Staffing Implications:**
A Program management office will be required for this project

**Project Time Table/Budget:**

| FISCAL YEAR | ACTIVITY | BUDGET (x1000) |
|---|---|---|
| 2016 | | |
| 2017 | Planning/Design/Construction | $3,000 |
| 2018 | | |
| 2019 | | |
| 2020 | | |
| **Project Total** | | **$3,000** |

# Appendix A:
# Operations Project Nomination Listing

The projects identified in this section are a result of planning efforts between engineering and operations. It is important to understand these nominated projects have the potential to fall under any of the CIP line items noted in the body of this document. The list noted below is also expected to have new project nomination over the coming years.

## Water Operations Project Nomination List:

1. Northern Water System Large Valve Replacement
2. Central Water System Large Valve Replacement
3. Southern Water System Large Valve Replacement
4. Back Flow Prevention Program
5. New Water transmission line between Agat and Umatac
6. Ugum WTP Membrane Replacement
7. Ugum WTP Centrifuge/VFD Replacement Project
8. Island Wide Ground Water Monitoring Well Integration with GWA
9. Island Wide Water Distribution System "Looping" Improvements

## Wastewater Operations Project Nomination List:

1. Hagatna WWTP Digester Improvements
2. Sludge Bind Protection Shelter – Hagatna and Northern District WWTP's
3. New Sewer line connection from Sothern HS to the New Agat Santa Rita WWTP
4. Inarajan WWTP Improvements related to Layon Leachete
5. Pago Socia WWTP Conversion to Pump Station
6. Source Control and Pre-treatment Program
7. Bayside SPS Relocation

# Appendix B:
# CCU Resolution

# EXHIBIT B

GUAM WATERWORKS AUTHORITY

## Proposed 2010, 2013 and 2016 Bond Reallocation Request

| 2010 Bond Reallocation | | | |
|---|---|---|---|
| CIP No. | Name | Addition Funds (x1000) | Reduction Funds (x1000) |
| PW 05-05 | "A" Series Well Transmission Line | | $ 81.856 |
| PW 05-14 | New Deep Wells at Down Hard | | $ 1,134.748 |
| PW 09-03 | Water Distribution System | | $ 25.252 |
| PW 11-01 | Distribution System Upgrades | | $ 25.840 |
| PW 12-05 | Tank Major Repair Yigo#1 Mangilao#2 Agat#2 | | $ 500.000 |
| WW 09-06 | Wastewater Collection System Repl/Rehab | | $ 45.000 |
| WW 09-10 | Facilities Plan/Design for Agat-Santa Rita WWTP | | $ 0.370 |
| WW 11-03 | Baza Gardens STP Replacement | $ 984.947 | |
| WW 17-02 | Northern District WWTP Secondary Treatment Upgrades | $ 1,000.000 | |
| EE 05-02 | SCADA Pilot Project | | $ 8.050 |
| EE 09-02 | Electrical Upgrade - Water Wells | | $ 95.773 |
| EE 09-07 | SCADA Improvements – Phase 2 | | $ 43.014 |
| EE 09-08 | SCADA Improvements – Phase 3 | | $ 25.044 |
| | | $ 1,984.947 | $ 1,984.947 |

| 2013 Bond Reallocation | | | |
|---|---|---|---|
| CIP No. | Name | Addition Funds (x1000) | Reduction Funds (x1000) |
| PW 05-13 | Deep Well Rehabilitation | | $ 350.000 |
| PW 05-16 | Master Meters | | $ 100.000 |
| PW 09-03 | Water Distribution System | | $ 1,300.000 |
| PW 12-07 | Assessment of malojloj Elevetad & Yigo Elevated | | $ 14.883 |
| WW 09-06 | Wastewater Collection System Repl/Rehab | | $ 100.000 |
| WW 11-03 | Baza Gardens STP Replacement | $ 2,114.883 | |
| EE 09-04 | Electrical Upgrade -Water Booster | | $ 150.000 |
| EE 09-05 | Electrical Upgrade - Other Water | | $ 100.000 |
| | | $ 2,114.883 | $ 2,114.883 |

| 2016 Bond Reallocation | | | |
|---|---|---|---|
| CIP No. | Name | Addition Funds (x1000) | Reduction Funds (x1000) |
| PW 09-03 | Water Distribution System Pipe Replacement and Upgrades | | $ 2,000.000 |
| PW 09-11 | Water System Reservoirs 2005 Improvements | | $ 14,000.000 |
| PW 11-02 | Ugum Water Treatment Plant Reservoir | | $ 6,410.000 |
| PW 12-06 | Tank Replacement Piti & Hyundai | | $ 3,090.170 |
| WW 11-03 | Baza Gardens STP Replacement | $ 12,700.170 | |
| WW 12-07 | Umatac Merizo STP Replacement | $ 12,800.000 | |
| | TOTAL | $ 25,500.170 | $ 25,500.170 |
| | | | |
| | Grand Total (2010, 2013 and 2016 Bond) | $ 29,600 | $ 29,600 |

GUAM WATERWORKS AUTHORITY
"Better Water, Better Lives."
Gloria B. Nelson Public Service Building| 688 Route 15 | Mangilao, Guam 96913
Tel: (671) 300-6846

## Issues for Decision

**Resolution No. 15- FY2017**
Relative to Approval of the Program Management/Construction Management Contract for the Office of Economic Adjustment "Guam Water and Wastewater Infrastructure Improvements"

**What is the project's objective and is it necessary and urgent?**
Collaborative discussions between GWA, the CCU, the Office of the Governor of Guam, DoD, USEPA and the Office of Economic Adjustment (OEA) resulted in GWA being deemed the proper entity to serve as "owner and operator" of the Guam civilian water and wastewater projects which are necessary given the impacts associated with the Marines Corps relocation to Guam. The objective of the resolution is to seek approval for Brown and Caldwell to be the Program Management/Construction Management (PM/CM) team who will provide support services related to design, construction and operational needs as part of the execution of the Guam Civilian water and wastewater projects which are necessary.

The projects the PM/CM will provide support services for include the NDWWTP Treatment Upgrades, the GWA Interceptor Sewer Refurbishment (AAFB to NDWWTP), and the NGLA Monitoring System Expansion/Rehabilitation.

**Where is the location?**
The project locations are the NDWWTP Treatment Upgrades which will convert the plant from advance primary treatment to secondary treatment, (2) the GWA Interceptor Sewer Refurbishment (AAFB to NDWWTP) to rehabilitate sewer lines ranging in sizes from 18 inches to 42 inches, and (3) the NGLA Monitoring System Expansion/Rehabilitation which is a project that intends to refurbish up to twelve existing monitoring wells and installation of up to seven new monitoring wells at various locations on DoD and GovGuam property over the northern Guam lens.

**How much will it cost?**
The fee for the project management and construction management services to be provided is a fixed fee amount of Fourteen Million Seven Hundred Ninety Thousand Three Hundred Forty-Six Dollars ($14,790,346.00).

GWA Management further seeks CCU approval of a five percent (5%) contingency of Seven Hundred Thirty Nine Thousand Five Hundred Seventeen Dollars and Thirty Cents ($739,517.30) that would bring the total funding amount to Fifteen Million Five Hundred Twenty Nine Thousand Eight Hundred Sixty-Three Dollars and Thirty Cents ($15,529,863.30).

**When will it be completed?**
The program management/construction management services will be for a five-year (5) period.

**What is the funding source?**
Funding for this contract will be from Office of Economic Adjustment grant proceeds and if necessary or applicable the 2010, 2013, and 2016 Bond funds as an alternate funding source.

**The RFP/BID responses (if applicable):**
GWA received five (5) proposal responses for RFP 01-ENG-17 (Exhibit A).

**GUAM CONSOLIDATED COMMISSION ON UTILITIES**

**RESOLUTION NO. 15–FY2017**

**RELATIVE TO APPROVAL OF THE PROGRAM MANAGEMENT / CONSTRUCTION MANAGEMENT CONTRACT FOR THE OFFICE OF ECONOMIC ADJUSTMENT "GUAM WATER AND WASTEWATER INFRASTRUCTURE IMPROVEMENTS"**

**WHEREAS**, under 12 G.C.A. § 14105, the Consolidated Commission on Utilities ("CCU") has plenary authority over financial, contractual, and policy matters relative to the Guam Waterworks Authority ("GWA"); and

**WHEREAS**, the Guam Waterworks Authority ("GWA") is a Guam Public Corporation established and existing under the laws of Guam; and

**WHEREAS**, the U.S. Government determined that the island of Guam was the preferred alternative for the relocation of Marine Corps forces from Japan, and as required under the 2014 National Defense Authorization Act, through the Department of Defense (DoD) Economic Adjustment Committee, an "implementation plan" to address the assistance needed for public infrastructure; and

**WHEREAS**, collaborative discussions between GWA, the CCU, the Office of the Governor of Guam, DoD, USEPA and the Office of Economic Adjustment (OEA) resulted in GWA being deemed the proper entity to serve as "owner and operator" of the Guam civilian water and wastewater projects which are necessary given the impacts associated with the Marines Corps relocation to Guam; and

**WHEREAS,** OEA will grant funding to GWA to manage the implementation of three projects, namely (1) the NDWWTP Treatment Upgrades which will convert the plant from advance primary treatment to secondary treatment, (2) the GWA Interceptor Sewer Refurbishment (AAFB to NDWWTP) to rehabilitate sewer lines ranging in sizes from 18 inches to 42 inches, and (3) the NGLA Monitoring System Expansion/Rehabilitation which is a project that intends to refurbish up to twelve existing monitoring wells and installation of up to seven new monitoring wells; and

**WHEREAS,** an intergovernmental support team consisting of individuals from GWA/CCU, OEA, Department of the Navy, USEPA and the Office of the Governor of Guam will provide support to GWA in their efforts to implement the three above noted projects; and

**WHEREAS**, in addition to the support from the intergovernmental support team, the implementation and execution of the projects through GWA will be managed by a Program Management/Construction Management (PM/CM) team for which funding is allotted from the OEA grant; and

**WHEREAS,** the qualifications for the PM/CM who shall provide support services related to project management, design, construction and operational needs as part of execution of these projects requires the PM/CM to have ten years of experience managing projects delivered under a Design-Bid-Build (D-B-B) and Design-Build (D-B) methodology, and to have successfully completed similar projects at a value of $100 million or higher; and

**WHEREAS,** GWA has advertised the Request for Proposal (RFP-01-ENG-2017) soliciting a statement of qualification from experienced and qualified engineering firms to provide project management/construction management services for the Guam Civilian water and wastewater projects; and

**WHEREAS,** Request for Proposal (RFP) packages were downloaded by over twenty interested parties, from which GWA received proposals from five (5) architecture - engineering (A-E) firms before the RFP submittal deadline; and

**WHEREAS,** the GWA A-E Selection Committee reviewed and evaluated the five (5) proposals (see EXHIBIT A - Evaluation Scores) and generated a short list of the top three (3) firms who were then requested as part of the RFP process to participate in "in-person" interviews to conduct a presentation on their experience and qualifications, as well as answer questions from the GWA A-E Selection Committee; and

**WHEREAS,** the GWA A-E Selection Committee conducted an evaluation of the short listed firms, taking into account their presentation and responses to question, and generated a

ranking list (see EXHIBIT B – Interview Evaluation Scores) for the General Manager, which recommended to award a contract to the firm Brown and Caldwell (see EXHIBIT C – GM Determination); and

**WHEREAS,** GWA and Brown and Caldwell negotiated the scope and fee for the project management / construction management and other related services to be provided in the fixed fee amount of Fourteen Million Seven Hundred Ninety Thousand Three Hundred Forty-Six Dollars and Zero Cents ($14,790,346) (see Exhibit D – Scope and Fee) for the program of improvements contemplated under the OEA grant for all three (3) projects; and

**WHEREAS**, GWA Management seeks CCU approval of the fee proposal amount of Fourteen Million Seven Hundred Ninety Thousand Three Hundred Forty-Six Dollars ($14,790,346.00), plus a five percent (5%) contingency of Seven Hundred Thirty-Nine Thousand Five Hundred Seventeen Dollars and Thirty Cents ($739,517.30) for a total amount of Fifteen Million Five Hundred Twenty-Nine Thousand Eight Hundred Sixty-Three Dollars and Thirty Cents ($15,529,863.30); and

**WHEREAS,** funding for this contract will be from Office of Economic Adjustment grant proceeds and if necessary or applicable the 2010, 2013, and 2016 Bond funds as an alternate funding source; and,

**NOW BE IT THEREFORE RESOLVED**, the Consolidated Commission on Utilities does hereby approve the following:

1. The recitals set forth above hereby constitute the findings of the CCU; and
2. The CCU finds that the terms of the fee proposal submitted by Brown and Caldwell are fair and reasonable (EXHIBIT D).
3. The CCU finds that the terms and conditions set by GWA relative to commencement of work activities are fair and reasonable and serve as a measure of Quality Assurance/Quality Control (QA/QC).
4. The CCU hereby authorizes the management of GWA to enter into a contract with Brown and Caldwell in the amount of Fourteen Million Seven Hundred Ninety Thousand Three Hundred Forty-Six Dollars ($14,790,346.00).

5. The CCU hereby further approves the total funding amount for this project of Fourteen Million Seven Hundred Ninety Thousand Three Hundred Forty-Six Dollars ($14,790,346.00), plus a five percent (5%) contingency of Seven Hundred Thirty-Nine Thousand Five Hundred Seventeen Dollars and Thirty Cents ($739,517.30) for a total amount of Fifteen Million Five Hundred Twenty-Nine Thousand Eight Hundred Sixty-Three Dollars and Thirty Cents ($15,529,863.30).
6. The CCU hereby further approves the funding for this contract will be from Office of Economic Adjustment grant proceeds and if necessary or applicable the 2010, 2013, and 2016 Bond funds as an alternate funding source

**RESOLVED,** that the Chairman certified and the Board Secretary attests to the adoption of this Resolution.

**DULY AND REGULARLY ADOPTED**, this 24th day of January 2017.

| Certified by: | Attested by: |
|---|---|
| _____ | _____ |
| **JOSEPH T. DUENAS** | **J. GEORGE BAMBA** |
| Chairperson | Secretary |

I, J. George Bamba, Board Secretary of the Consolidated Commission on Utilities as evidenced by my signature above do hereby certify as follows:

The foregoing is a full, true and accurate copy of the resolution duly adopted at a regular meeting by the members of the Guam Consolidated Commission on Utilities, duly and legally held at a place properly noticed and advertised at which meeting a quorum was present and the members who were present voted as follows:

AYES: _____

NAYS: _____

ABSTENTIONS: _____

ABSENT: _____

GUAM WATERWORKS AUTHORITY
Gloria b. Nelson Public Service Building • 688 Route 15 • Mangilao, Guam 96913

November 28, 2016

To: Thomas F. Cruz, P.E., Chief Engineer

From: Gloria P. Bensan
Chairperson, Consultant Selection Board

Subject: RFP-01-ENG-2017
Project Management/Construction Management Services for the Guam Water and Wastewater Infrastructure Improvements
GWA Project No. S17-001-OEA

The following information is intended to document the evaluation process undertaken for the referenced solicitation. The top three (3) firms short listed by the committee for interviews are ranked 1-3 below.

| EVALUATION COMMITTEE MEMBERS | |
|---|---|
| **Name** | **Title** |
| John Davis, P.E. | Engineer Supervisor – CIP Wastewater |
| Mauryn McDonald, P.E. | Engineer Supervisor – Permits and Inspection |
| Evangeline Lujan | Senior Regulatory Analyst |
| Prudencio Aguon | Grants Administrator |
| David Fletcher | Operations and Maintenance Manager |

| GROSS SCORE SUMMARY | | | | | | | |
|---|---|---|---|---|---|---|---|
| **Consultant** | | **Evaluation Score** | | | | **Total** | **Rank** |
| 1. SSFM International Inc. | 85 | 87 | 55 | 78 | 88 | 393 | 5 |
| 2. Brown and Caldwell | 90 | 94 | 96 | 100 | 97 | **477** | **1** |
| 3. HDR | 85 | 92 | 82 | 77 | 89 | **425** | **3** |
| 4. CDM Smith | 80 | 85 | 77 | 87 | 93 | 422 | 4 |
| 5. Duenas, Camacho & Associates | 95 | 95 | 94 | 95 | 95 | **474** | **2** |

Scores were evaluated based on sum of the individual scores. The recommendation of the evaluation committee is shown in the ranking above.

Please review and approve at your earliest convenience so that we may proceed with the notification letters.

GUAM WATERWORKS AUTHORITY
Gloria B. Nelson Public Service Building • 688 Route 15 • Mangilao, Guam 96913

December 21, 2016

To: Thomas F. Cruz, P.E. Chief Engineer

From: Gloria P. Bensan
Chairperson, Consultant Selection Board

Subject: RFP-01-ENG-2017
Project Management/Construction Management Services for the Guam Water and Wastewater Infrastructure Improvements
GWA Project No. S17-001-OEA

The following information is intended to document the post evaluation scoring process undertaken for the referenced project.

| EVALUATION COMMITTEE MEMBERS | |
|---|---|
| **Name** | **Title** |
| John Davis, P.E. | Engineer Supervisor – CIP Wastewater |
| Mauryn McDonald, P.E. | Engineer Supervisor – Permits and Inspection |
| Evangeline Lujan | Senior Regulatory Analyst |
| Prudencio Aguon | Grants Administrator |
| David Fletcher | Operations and Maintenance Manager |

| POST PRESENTATION GROSS SCORE SUMMARY(2nd Evaluation) | | | | | | | |
|---|---|---|---|---|---|---|---|
| **Consultant** | **Evaluation Score** | | | | | **Total** | **Rank** |
| 1. Brown and Caldwell | 90 | 97 | 99 | 100 | 99 | 485 | 1 |
| 2. Duenas, Camacho & Associates | 100 | 96 | 94 | 95 | 96 | 481 | 2 |
| 3. HDR | 85 | 92 | 82 | 79 | 89 | 89 | 3 |

GUAM WATERWORKS AUTHORITY
"Better Water. Better Lives."
Gloria B. Nelson Public Service Building
688 Route 15, Mangilao, Guam 96913

# MEMORANDUM

To: Miguel C. Bordallo, P.E., General Manager

From: Thomas F. Cruz, P.E., Chief Engineer

Subject: RFP-01-ENG-2017
Project Management/Construction Management Services for the Guam Water and Wastewater Infrastructure Improvements
GWA Project No. S17-001-OEA

Date: December 21, 2016

The Selection Committee has completed all necessary actions for selecting the most qualified consultant for the referenced solicitation. All proposals were reviewed and scored according to the conditions established in the solicitation and shortlisted firms were interviewed. The evaluation summary sheet is attached for your information.

The committee recommends the following top three (3) firms in order of preference for the project:

1. Brown and Caldwell
2. Duenas, Camacho & Associates
3. HDR

Concurred:

For Vincent E Guerrero 12-21-2016

VINCENT E. GUERRERO
Supply Management Administrator
Date

## GENERAL MANAGER'S DETERMINATION

Consultant Firm Selected:

Brown & Caldwell

Remarks:
Although sufficient reason and justification exists to award to either #1 or #2, and both are highly qualified and acceptable to GWA, I will honor the evaluation and selection committee recommendations. Proposal and fee negotiations will be conducted to give GWA maximum benefit for minimum cost, and there should be no hesitation to press for GWA's termination if no agreement is reached with #1 ranked firm.

MIGUEL C. BORDALLO, P.E.
General Manager

12.21.16
Date

TFC/gb

# Exhibit D (1 of 19)

**PM/CM Scope of Services**
**Guam Waterworks Authority Water and Wastewater Infrastructure Improvements**
**The Brown and Caldwell PM/CM Team**

Develop and implement a comprehensive Project Management and Construction Management (PM/CM) Program, including directions, procedures, coordination, administration, review and expediting required to assist GWA, its consultants and its designers, construction contractors and/or Design/Builders in accomplishing the completion of the design, permitting, construction, testing, commissioning and startup in a timely, economical and acceptable manner to meet the project's cost, schedule, scope, performance, and quality objectives. Collaborate with GWA and in consultation with the Guam Intergovernmental Support Team (GuIST) on:

- Northern District Wastewater Treatment Plant (NDWWTP) - all phases of design, permitting, construction, testing and startup/commissioning of the project to upgrade the NDWWTP to compliant secondary treatment and to complete the installation of a sewer outfall diffuser.
- Interceptor Sewer – all phases of design, permitting, construction, testing and turnover of the project to rehabilitate approximately 45,000 linear feet of the Interceptor Sewer line from AAFB to the NDWWTP.
- Northern Guam Lens Aquifer (NGLA) Monitoring System – all phases of design, permitting, well drilling, completion and repair, construction, testing and turnover of the project to refurbish six (6) existing wells and install four (4) new monitoring wells.

## 010 Program Management

### 010.001 Meetings

Attend, present, prepare for, and take meeting minutes as necessary for:

002. Program Kickoff meeting. Develop a Program Charter, develop Level of Service metrics
003. Bi-Weekly conference calls
004. Quarterly Face-to-Face Workshops with Guam Intergovernmental Support Team (GuIST) held on Guam
005. Component project design and construction kickoff meetings
006. Component project review and progress meetings, and closeout meetings
007. Design review conferences. Present, discuss and resolve design review comments with GWA and designers.

### 010.015 Program Management Plan

Provide a Program Management Plan consisting of sections addressing:

016. Stakeholder Engagement
017. Communication
018. Budget and Cost Monitoring
019. Risk, including an initial Risk Register
020. Quality Management
021. Resource Management Scope
022. Schedule
023. Change Management

# Exhibit D (2 of 19)

## 010.050 Schedule Management

051. Develop, maintain, and update a critical path Master Program Schedule. The Master Schedule will integrate key milestones from the schedules of each individual component project, as prepared and submitted by the selected contractor or Design/Builder.
Record and monitor the progress of all Project designs and regulatory approval activities, construction activities, testing, startup and commissioning, and operational impacts.
Record and monitor the progress of all component projects.
Provide project management and dedicated professional scheduling support, using Primavera P6 software.

## 010.100 Program Management Information System

101. Document Management Plan. Develop and implement a document management plan. Develop a centralized records management procedure to include a system for central receiving of all project documents and the control, storage, distribution, indexing, and tracking of documents with final distribution to GWA. Provide tracking, management and recordkeeping for all project documentation. Monitor and manage receipt, review, comments, and revisions for all project technical and administrative deliverables. Involve GWA, its consultants and the Intergovernmental Support Team as necessary.

102. Reporting. Generate report formats for stakeholder reporting: monthly status report consisting of: critical path schedule, significant deviations and changes, photographic summary, safety status and incidents, total program costs by project, and project completion reports. Below lists required reports:

| Type | Frequency | Context | Recipients |
|---|---|---|---|
| 105. Deviations & Change Orders | Included in Monthly Program Progress Report | Details of issue and resulting deviation; probable impacts to scope, cost and schedule; recommendations. | GWA GM, GWA Engineering |
| 106. Photographic Summary | Included in Monthly Program Progress Report | Photographic documentation of all phases of work on each project, | GWA GM, GWA Engineering, Intergovernmental Support Team, OEA, CCU |
| 107. Schedule updates | Included in Monthly Program Progress Report Monthly | Copies of latest Overall Program Schedule, with notes explaining any deviations from the approved schedule | GWA GM, GWA Engineering, Intergovernmental Support Team, OEA, CCU |
| 108. Safety Incidents | Immediately | Telephonic notification and follow up report with details of injuries, property damage, delays, etc. as soon as info is available | GWA GM, GWA Engineering, Intergovernmental Support Team, OEA, CCU |

Exhibit D (3 of 19)

| | | | |
|---|---|---|---|
| 110. Safety Status Report | Included in Monthly Program Progress Report | Summary of all safety reviews and findings and recommendations | GWA, Contractor or Design/Builder |
| 111. Program Progress Reports | Monthly | Includes information specified by GWA at Program startup | GWA GM, GWA Engineering, Intergovernmental Support Team |
| 112. Project Completion Report | At each Project's Completion | Provides detailed information to allow GWA to issue the certificate of substantial completion | GWA GM, GWA Engineering, GWA Compliance and Safety, Intergovernmental Support Team, OEA |

113. Budget, Cost and Contract Management consisting of: contract management, contractor invoicing, payment records, budget, expenditures, encumbrances, commitments.

### 010.120 Develop Delivery Strategy

Evaluate alternative delivery strategies as appropriate for

121. NDWWTP upgrade,
122. Interceptor Trunk sewer rehab.

### 010.130 Design standards and equipment standards

131. Use existing GWA standards as appropriate.
132. Confirm applicable design criteria, codes and standards.

### 010.140 Quality Management

Verify deliverables are properly reviewed, comments addressed and shown in final design.

141. Provide Quality Assurance reviews of deliverables.

### 010.150 Program Management Execution

General: Act on behalf of GWA in the coordination of the design process, as the Owner's representative. Serve as the designated point of contact for the designer(s) under the appropriate Owner-Design Agreement or for the Design/Builder under the appropriate Owner-Design/Builder Agreement. Coordinate and help resolve administrative issues that arise during the design process between the appropriate parties.

151. Monitor and report on designer and contractor performance with regard to schedule, quality of work, cost, scope compliance and productivity.
152. Coordinate design submittals and review process: Facilitate and coordinate the distribution of design submittals to the appropriate parties for review, comment, and information, including the Intergovernmental Support Team.
153. Collect, consolidate and coordinate all review comments so that they are addressed and resolved to GWA's satisfaction. Alert GWA and the Intergovernmental Support Team of any concerns.

Exhibit D (4 of 19)

154. Provide tracking, management and recordkeeping for project documentation. Monitor and coordinate receipt, review, comments, and revisions for project technical and administrative deliverables. Involve GWA, its consultants and the Intergovernmental Support Team as directed.
155. Coordinate and assist GWA in the administration of designer/contractor pay requests, change requests, Requests for Information (RFIs), or change order directives.
156. Coordinate and monitor permitting and approvals required for project execution with local and federal entities, contractors, and GWA.
157. Provide specialized technical support services to GWA and its consultants on a limited basis during project design and construction.
158. Assist GWA in assessing the maintenance and operating costs associated with the O&M plan developed by the contractors for the NDWWTP, outfall diffuser, trunk sewers and monitoring wells.

## 010.170 Cost Management

171. Review Designer's or Design/Builder's detailed estimate of probable construction cost at the 30 and 90 percent working drawing phase for the NDWWTP and Interceptor Trunk sewer projects. Create estimates for the outfall diffuser and the groundwater monitoring wells and the 30% and 90% working drawing phase.

## 010.190 Safety

Optional services listed in the following scope details are recommended as additional services requiring written approval from GWA.

191. **Optional Service** - Engage an independent safety consultant to observe and report once per month on construction safety for the NDWWTP, outfall diffuser, and interceptor trunk sewer projects and report findings on safety conditions and contractor performance to GWA's Compliance and Safety Office. The performance of such services shall not relieve the Contractor or Design/Builder of its responsibility for the safety of persons and property and compliance with all statutes, rules, regulations, and orders applicable to the conduct of the work. Furnish GWA and Contractor or Design/Builder with a copy of the monthly safety status report.

## 010.200 Permitting

201. Monitor, coordinate, and track the permitting process for each component project with local and federal entities so that the Contractor or GWA can obtain the permits. The PM/CM will endeavor to complete the permitting process but final approval and granting of permits is responsibility of the regulating agency and outside the PM/CM's control.
202. Track permits for each component project. Permit tracking consists of application submittal, application completeness determination, progress status and permit approval.
203. Coordinate with design team to monitor that Specific Conditions of each permit are shown in the design/construction drawings. Coordinate with the Contractor and Construction Manager to monitor whether the Specific Conditions of each permit are being constructed as permitted.

Exhibit D (5 of 19)

### 010.300 Construction Management Plan

301. Develop and implement the Construction Management Plan including guidelines for project organization and coordination in the field, standard daily operations, change order procedures, GWA's safety requirements, quality, schedule, and cost control.

### 010.400 Optional Service

401. PM/CM Team to assist in conducting NEPA and permitting field investigations and surveys (e.g., protected species surveys, wetland delineations, Essential Fish Habitat surveys, water quality surveys and monitoring, etc.) as needed including diving at diffuser. Requires coordination with USEPA and its consultant.

## 110 Project 1 – NDWWTP

### 110.001 Treatment Plant Planning Phase

002. Conduct kickoff meeting, regular periodic, and closeout project management meetings.
003. In collaboration with GWA, develop RFP and Scope of Work in accordance with Guam Procurement Law and applicable grant conditions for selection of Designer to execute the design of the treatment plant upgrade. Coordinate with GuIST to address stakeholder concerns in development of the RFP. Review the BODR, preliminary engineering studies conducted and the AECOM Implementation Plan, evaluate gaps in the engineering, and recommend steps needed to address gaps and deficiencies in the RFP. Review for operability and maintainability and gauge training needs.
004. Assist GWA with soliciting and reviewing proposals to select a highly qualified Designer or Design/Builder. Provide two (2) qualified individuals with appropriate knowledge, experience and expertise during the selection process to review proposals. GWA will make final determination of Designer or Design/Builder.
005. In collaboration with GWA, develop the IFB package meeting Guam procurement laws and regulations. Preferred project delivery method is conventional design-bid-build.
006. Engage with GWA during contractor selection of a highly qualified contractor. Provide qualified individuals with appropriate knowledge, experience and expertise during the selection process to review proposals and bids. GWA will select the Contractor in compliance with GWA procurement standards.
007. Assist GWA and designer with conducting pre-proposal conferences, responding to requests for clarification, requests for information, and issuing amendments in order to obtain complete and responsive proposals.
008. Assist GWA in the negotiation of priced proposals and evaluation of non-priced technical proposals.
009. Assist GWA in reviewing claims and references, using current Engineering Joint Contract Documents published by the Engineers Joint Contract Documents Committee as standard contract forms, and documenting the negotiations.
010. Coordinate with GWA on acquiring boundary and topography from other consultants for acquired property.
011. **Optional Service** - conduct an Environmental Investigation in advance of design activities to include MEC Density and Extent of MEC presence.

Exhibit D (6 of 19)

## 110.100 NDWWTP Design Oversight and Management Phase

101. Coordinate and monitor the design process acting on behalf of GWA as the Owner's representative.
102. Provide technical and constructability reviews of the design at 30, 60, 90 and 100% percent completion.
103. Perform 30%, 60% and 90% operability and maintainability reviews to assess whether designed facility meets GWA requirements. As needed, the review will include recommended steps for keeping current facility operational during construction. Engage key stakeholders in the review process and keep them informed of critical milestone risks and potential risks to project objectives
104. Provide technical guidance and recommendations for the plant upgrade throughout the design process.
105. **Optional Service** - Develop a Value Engineering strategy to be implemented at key points in the design. Assist in development of full life cycle cost development. Make recommendation on possible repurposing of any of the existing facility
106. Conduct design alternatives evaluations – Conduct Business Case Evaluations (BCE's) on
    - 9 mgd versus 12 mgd
    - Conventional activated sludge versus Extended Air Activated Sludge using Oxidation ditches
107. **Optional Service** - Develop construction contract specifications for startup, commissioning, asset data, and preventive maintenance procedures to transfer in a format for inclusion into Lucity software.
108. **Optional Service** - If requested by GWA, prepare bridging documents based on program and facility planning, to be used for procuring a Design/Build Contractor for the development of the improvements. The bridging documents will include preliminary design plans, specifications, calculations, performance criteria and basis of design documents for a procurement package specific to the project acquisition to be conducted.

## 110.150 NDWWTP Construction Management Phase

151. Observe and monitor the construction process, project correspondence and meetings acting on behalf of GWA as the Owner's representative.
152. Attend kickoff, regular periodic and construction closeout meetings.
153. Develop a CM Quality Assurance Plan.
154. Document site conditions prior to beginning construction
155. Review approved submittals from the Contractor prior to fabrication or installation of materials and equipment
156. Observe, monitor, and document daily field work
157. Review and monitor the Contractor's Quality Control Plan and its implementation
158. Provide in-plant fabrication and/or witness testing at place of manufacture (where applicable)
159. Prepare reports and other record keeping
160. Provide non-conforming and deficient work resolution process
161. Provide recommendations for the administration of construction contracts
162. Develop construction inspection training for GWA staff as requested.

Exhibit D (7 of 19)

163. Engage key stakeholders during construction and keep them informed of critical milestone risks and risks to project objectives.
164. Prepare for and conduct the Preconstruction Conference
165. Perform Preconstruction Administrative Activities
166. Coordinate regulatory and building department inspections
167. Record progress of project. Prepare daily construction reports. Prepare a progress photo log
168. Review, process and maintain logs for material and QA testing
169. Review, process and coordinate RFI's, submittals, shop drawings and maintain logs
170. Schedule monitoring and updates, work with contractor on developing schedule recovery plans.
171. Coordinate plant operations with construction activities for uninterrupted plant operation in connection with shutdowns, tie-ins, shared facilities, including storage areas, staging areas, contractor areas, contractor access, haul roads, crane and equipment locations and material delivery sequencing.
172. Document and track Change Requests, review changes of scope, estimated costs (additive and/or deductive), provide recommendations as appropriate to GWA. Assist GWA with Contractor requests for equitable adjustment and claims. Provide documentation of all relevant issues, detailed analyses, review and evaluation of requests/claims
173. Progress payments and funding requests
174. Perform QA testing for earthworks, concrete, and survey controls
175. Monitor Contractor Quality Control testing
176. Monitor and track Acceptance Testing, witness testing, test report documentation,
177. Inspection, full-time
    - Site fire protective means; environmental protection plan; storm water protection plan; coordinate traffic and security operations at the site.
    - Punch lists
    - Record Drawing updates are being maintained by Contractor
178. Perform special inspection, electrical, structural.
179. Prepare Substantial Completion Report and Certificate. Final payment recommendation
180. Document O&M Manuals, record drawings, training and training materials, warranties, and certifications
181. Coordinate project closeout, record drawings, and document turnover to GWA.
182. Prepare a final report narrative of significant design and construction events and issues to become a historical record for the project. The Final Report shall include the Record Drawings, warranty information, operation and maintenance information, and other pertinent project data.
183. Implement & Maintain Project Controls Records & Document Management and Communication
184. Provide Videography & Live Video Feed
185. Review Payroll Reports and Monitor Compliance with Labor Laws
186. General and Permit Compliance Monitoring
187. Manage Processing and Implementation of Design Changes
188. Oversee CM staff Safety Program and Monitor Contractor Safety Program

Exhibit D (8 of 19)

189. Project closeout, Punch List Development, record drawings, final report
190. Coordinate Training and Warranty Period Responses (1 year after construction)
191. **Optional Service** - If requested by GWA, in addition to testing provided by the contractor and/or Design/Builder, material testing during construction of the improvements can be provided, including but not limited to concrete sampling and testing, testing for soil density, paint and weld testing, and others as required by acceptable engineering industry practices.

### 110.200 NDWWTP Testing, Commissioning, Startup and Training Phase

201. Review and comment on Contractor's submittal for a functional, user-friendly operations and maintenance plan. Supplement the plan as needed to address gaps in the contractor's and design consultant's submittals. O&M plans will provide the capability for the plant to sustain compliant secondary treatment for the long-term.
202. Concurrent with construction – Coordinate the development of the WWTP testing, startup and commissioning plans by the contractor. Coordinate scheduling of all travel and testing activities well in advance of construction completion. Include warranty protection measures with maintenance. Execute the plan to meet operational and environmental requirements for the plant.
203. Provide a transition plan that includes training for operational sustainability. This training is in addition to training offered by the contractor and design consultants on specific plant equipment, maintenance and plant function.
204. Concurrent with construction - develop and execute the operations training plan for the plant.
205. Determine training certification and GWA funding necessary for plant staff to sustain compliant secondary treatment through its life cycle. Follow-up training as defined during startup.
206. Concurrent with construction - Develop and execute the maintenance and asset management training plan for the plant. Execute training for other operations and maintenance staff throughout the GWA operations function concurrently with preparation for commissioning.
207. **Optional Service** - If requested by GWA, asset and maintenance data migration into Lucity in preparation of commissioning.

## 210 Project 2 – Outfall Effluent Diffuser

### 210.001 Diffuser Planning Phase

002. Conduct kickoff meeting, regular periodic, and closeout project management meetings.
003. Conduct Materials Integrity Testing of Diffuser
004. Research CCTV, record drawings, and prior design/construction documents to make sure the diffuser is properly installed and anchored and that it will provide the required dilution.
005. Investigate ocean floor and anchoring systems
006. Perform wave force analysis
007. Develop permitting requirements and begin obtaining permits

Exhibit (9 of 19)

## 210.100 Outfall Diffuser Design Phase

101. Perform the design of the diffuser. The intent is to place the existing diffuser equipment in place and determine the service life of the equipment for future management.
102. Determine non-functional equipment and address the gaps.
103. Prepare drawings and technical specifications. Issue design submittals for GWA review at 30%, 60% and 90% levels of effort.
104. Perform 30%, 60% and 90% operability and maintainability reviews to assure that the designed facility meets the needs of GWA. The review will include provisions for how the current facility will continue operations during construction.
105. In collaboration with GWA, develop the IFB package meeting Guam procurement laws and regulations. Intent is to deliver this project as conventional design-bid-build.
106. Engage with GWA during contractor selection to obtain a highly qualified contractor. Provide two (2) qualified individuals with appropriate knowledge, experience and expertise during the selection process. GWA to select the Contractor in compliance with GWA procurement standards.
107. **Optional Service** - Prepare Bridging Documents for Design/Build Alternative. If requested by GWA, prepare bridging documents based on program and facility planning, to be used in the acquisition of a Design/Build Contractor for the development of the improvements. The bridging documents will include preliminary design plans, specifications, calculations, performance criteria and basis of design documents sufficient for a procurement package specific to the project acquisition to be conducted.

## 210.150 Outfall Diffuser Construction Management Phase

151. Coordinate the construction process acting on behalf of GWA as the Owner's representative.
152. Attend kickoff, regular periodic and construction closeout meetings.
153. Develop a CM Quality Assurance Plan.
154. Document site conditions prior to beginning construction
155. Review of approved submittals from the Contractor prior to fabrication or installation of materials and equipment
156. Monitor, observe, and document daily field work
157. Review of and Monitoring of the Contractor's Quality Control Plan and its implementation
158. Reports and record keeping
159. Provide non-conforming and deficient work resolution process
160. Provide recommendations for the administration of construction contracts
161. Develop requested construction inspection training for GWA staff.
162. Engage key stakeholders during construction and keep them informed of critical milestone risks and risks to project objectives.
163. Prepare for and conduct the Preconstruction Conference
164. Perform Preconstruction Administrative Activities
165. Record progress of project. Prepare daily construction reports. Prepare a progress photo log
166. Review, process and maintain logs for material and QA testing
167. Review, process and coordinate RFI's, submittals, shop drawings and maintain logs
168. Schedule monitoring and updates, work with contractor on recovery schedules.

Exhibit D (10 of 19)

169. Coordinate plant operations with construction activities to make sure of uninterrupted plant operation in connection with shutdowns, tie-ins, shared facilities, including storage areas, staging areas, contractor areas, contractor access, haul roads, crane and equipment locations and material delivery sequencing.
170. Document and track Change Requests, review changes of scope, estimated costs (additive and/or deductive), provide recommendations as appropriate to GWA. Assist GWA with Contractor requests for equitable adjustment and claims. Provide documentation of all relevant issues, detailed analysis, review and evaluation of requests/claims
171. Progress payments and funding requests
172. Monitor and track Acceptance Testing, witness testing, test report documentation,
173. Inspection, full-time
    - Punch lists
    - Record Drawing updates are being maintained by Contractor
174. Prepare Substantial Completion Report and Certificate. Final payment recommendation
175. Document O&M Manuals, record drawings, training and training materials, warranties, and certifications
176. Project closeout, record drawings, and document turnover to GWA.
177. Prepare a final report narrative of significant design and construction events and issues to become a historical record for the project. The Final Report shall include the Record Drawings, warranty information, operation and maintenance information, and all other pertinent project data.
178. Review Contractor's Open Waters Safety Plan and monitor adherence to this plan.
179. **Optional Service** - If requested by GWA, in addition to testing provided by the contractor and/or Design/Builder, material testing during construction of the improvements can be provided, including but not limited to concrete sampling and testing, paint and weld testing, and others as required by acceptable engineering practices.

## 310 Project 3 – Interceptor Trunk Sewer

### 310.001 Trunk Sewer Planning Phase

002. Conduct kickoff meeting, regular periodic, and closeout project management meetings.
003. **Optional Service** - Conduct CCTV and Pole Camera investigations, expand on PG Environmental fieldwork
004. **Optional Service** - Conduct Odalog $H_2S$ testing to quantify the significance of $H_2S$. The intent is that if $H_2S$ is a significant contributor to the deterioration of the pipeline, it guides the rehabilitation process.
005. Review existing CCTV, record drawings, and prior design/construction documents.
006. Coordinate with DPW and FHWA on Rt. 3 roadwork
007. **Optional Service** - Conduct field survey, manhole locates (obtain horizontal and vertical survey of manholes)
008. **Optional Service** - Conduct Manhole inspection, assessment and repair recommendations

# Exhibit D (11 of 19)

009. Identify phasing and sequencing requirements. Identify access, temporary construction easements, and staging areas for CIPP rehabilitation
010. In collaboration with GWA, develop RFP, IFB and Scope of Work in accordance with Guam Procurement Law and applicable grant conditions for selection of Design/Build Firm to execute the design and construction of the trunk sewer rehabilitation. Coordinate with GuIST to address stakeholder concerns in development of the solicitation request.
011. Prepare bridging documents based on program and facility planning, to be used in the acquisition of a Design/Build Contractor for the development of the improvements. The bridging documents consist of preliminary design plans, specifications, calculations, performance criteria and basis of design documents. Review preliminary engineering and field studies conducted and the AECOM Implementation Plan, determine gaps in the engineering, and address gaps and deficiencies in the RFP. Assess the PG Environmental-AECOM concepts.
012. Assist GWA in soliciting and reviewing proposals and bids to obtain highly qualified Design/Builder. Provide two (2) qualified individuals with appropriate knowledge, experience and expertise during the selection process to review proposals. GWA to select Design/Build firm.
013. Assist GWA during solicitations for procurement by participation in pre-proposal conferences, addressing RFIs and amendments, evaluating non-priced proposals and priced proposals, verifying claims and references, negotiating final pricing, using Engineering Joint Contract Documents as standard contract forms, and documenting the negotiations.

## 310.100 Phase 1 Upper Trunk Sewer Design Oversight and Management (Rt. 9)

101. Coordinate the design process acting on behalf of GWA as the Owner's representative.
102. Perform 30%, 60% and 90% design reviews. The review will include provisions for how the current pipelines will continue operations during construction. Engage key stakeholders in the review process and keep them informed of critical milestone risks and risks to project objectives
103. Provide technical guidance and direction throughout the rehabilitation design
104. **Optional Service** - Develop construction contract specifications for the appropriate startup, commissioning, asset data, and preventive maintenance procedures transfer in a format for inclusion into Lucity software.
105. Perform review of design submittals, attend design review meetings

## 310.150 Phase 1 Upper Trunk Sewer Construction Management

151. Coordinate the construction process, project correspondence and meetings acting on behalf of GWA as the Owner's representative.
152. Attend kickoff, regular periodic and construction closeout meetings.
153. Develop a CM Quality Assurance Plan.
154. Document site conditions prior to beginning construction
155. Review of approved submittals from the Contractor prior to fabrication or installation of materials and equipment
156. Monitor, observe, and document daily field work

Exhibit D (12 of 19)

157. Review of and Monitoring of the Contractor's Quality Control Plan and its implementation
158. Reports and record keeping
159. Develop non-conforming and deficient work resolution process
160. Provide recommendations for the administration of construction contracts
161. Develop requested construction inspection training for GWA staff.
162. Engage key stakeholders during construction and keep them informed of critical milestone risks and risks to project objectives.
163. Prepare for and conduct the Preconstruction Conference
164. Perform preconstruction administrative activities
165. Coordinate regulatory and building department inspections
166. Record progress of project. Prepare daily construction reports. Prepare a progress photo log
167. Review, process and maintain logs for Material and QA Testing
168. Review and coordinate RFI's, submittals, shop drawings and maintain logs
169. Schedule monitoring and updates, work with contractor on developing recovery schedule plans.
170. Coordinate flow and bypass sewer operations with construction activities to make sure of uninterrupted sewer system flows. Coordinate roadway operations and new road construction with construction activities. Coordinate WWTP plant operations in connection with shutdowns, tie-ins, shared facilities. Coordinate storage areas, staging areas, contractor areas, contractor access, haul roads, crane and equipment locations and material delivery sequencing.
171. Document and track Change Requests, review changes of scope, estimated costs (additive and/or deductive), provide recommendations as appropriate to GWA. Assist GWA with Contractor requests for equitable adjustment and claims. Provide documentation of all relevant issues, detailed analysis, review and evaluation of requests/claims
172. Progress payments and funding requests
173. Monitor and track Acceptance Testing, witness testing, test report documentation,
174. Inspection, full-time
    - Site fire protective means; environmental protection plan; storm water protection plan; coordinate traffic and security operations at the site.
    - Punch lists
    - Record Drawing updates are being maintained by Contractor
175. Prepare Substantial Completion Report and Certificate. Final payment recommendation
176. Document O&M Manuals, record drawings, training and training materials, warranties, and certifications
177. Project closeout, record drawings, and document turnover to GWA.
178. Review Payroll Reports and Monitor Compliance with Labor Laws
179. Project closeout, Punch List Development, record drawings, final report
180. Prepare a final report narrative of significant design and construction events and issues to become a historical record for the project. The Final Report shall include the Record Drawings, warranty information, operation and maintenance information, and all other pertinent project data.

Exhibit D (13 of 19)

181. **Optional Service** - If requested by GWA, in addition to testing provided by the contractor and/or Design/Builder, material testing during construction of the improvements can be provided, including but not limited to concrete sampling and testing, testing for soil density, paint and weld testing, and others as required by acceptable engineering practices.

## 410 Project 4 – Groundwater Monitoring Wells

### 410.001 Monitoring Wells Planning Phase

002. Conduct kickoff meeting, regular periodic, and closeout project management meetings
- Kickoff meeting
- Periodic Meetings
- Closeout meeting

003. Review budget and prioritize actions:
- Staff will review list of equipment from client, prior cost estimates and grant proposal submittal to determine what items can be performed.
- One meeting with USGS/WERI/GWA for priority locations and equipment per site

004. New wells: determine how many new wells are possible. Develop list of preferred locations based on available budget and minimizing MEC/UXO work. Prioritize preferred well locations based on data from Dept. of Defense, WERI and USGS.
- No permitting effort is included in this task
- Task will support meetings and reports from Task 003
- One meeting with USGS/WERI/GWA

005. Well rehabilitations: develop priority list based on value of data, or data needs.
- Task will support meetings and reports from Task 003
- Determine if all well rehabilitation work is possible based on available budget and new well plan.
- One meeting with USGS/WERI/GWA

006. Develop implementation plan with schedule, sequence, decision points.
- Draft and final plan will be submitted

007. Conduct MEC initial investigation at the sites selected for new well placement. The intent is to minimize MEC work by identifying the new well locations closest to existing roadway access.
- 4 New Wells on DoD Property require ESS Compliance
- 3 locations (100ft x 100ft screening)
- 1 location (near MSA 2,500 linear feet, 12 feet wide, 100ft x 100ft pad)
- After Action Report for screening/clearance work
- Travel and per diem for UXO Tech II personnel

008. Conduct down-hole CCTV of existing wells to be rehabilitated.
- Rehab wells - 13 each
- Reporting/editing video

009. Determine non-functional equipment on wells to be rehabilitated and develop prioritized list of work required to address the deficiencies.

Exhibit D (14 of 19)

- Coordinate with WERI/USGS for site visit and equipment check during next quarterly data collection by WERI/USGS
- Review existing analyses
- Report of equipment status
- Performed in conjunction with Task 005

## 410.100 Monitoring Well Design Phase

101. Prepare design drawings for the new monitoring wells. Issue design submittals for GWA review at 30%, 60% and 90% levels of effort.
102. Develop rehabilitation plan for existing wells. Prepare drawings and technical specifications.
103. In collaboration with GWA, develop the IFB package for installation of new wells and rehabilitation of existing wells meeting Guam procurement laws and regulations. Intent is to deliver this project as conventional design-bid-build.
104. Engage with GWA during contractor selection of a highly qualified contractor. Provide two (2) qualified individuals with appropriate knowledge, experience and expertise during the selection process to review proposals and bids. GWA to select the Contractor in compliance with GWA procurement standards.
105. Assist GWA during solicitations for procurement by participation in pre-proposal conferences, addressing RFIs and amendments, evaluating non-priced proposals and priced proposals, verifying claims and references, negotiating final pricing, using Engineering Joint Contract Documents as standard contract forms, and documenting the negotiations.

## 410.150 Monitoring Well Construction Management Phase

151. Coordinate the construction process acting on behalf of GWA as the Owner's representative.
    - Rehab of 6 wells
    - Install 4 new wells
152. Attend kickoff, regular periodic and construction closeout meetings.
    - kickoff meeting
    - Rehab wells periodic meetings
    - New well install periodic meetings
    - closeout meetings
153. Develop a CM Quality Assurance Plan.
    - Assumes development of Draft and Final documents
154. Documentation of site conditions prior to beginning construction
    - Site Survey (6 rehab) -
    - Site Report (technical memo with photos)
    - Site Access coordination (DOD base access)
155. Review of approved submittals from the Contractor prior to fabrication or installation of materials and equipment
    - Rehab wells
    - New wells

Exhibit D (15 of 19)

156. Coordinate, inspection, observe, and document daily field work Monitor, observe, and document daily field work
    - rehab wells
    - New wells
    - Geologist oversight
157. Review of and Monitoring of the Contractor's Quality Control Plan (QCP) and its implementation
    - Two review phases of Contractor QCP
158. Materials testing
    - Well Materials Testing
    - concrete
    - Coatings testing
159. Reports and record keeping
    - weekly reports
160. Provide non-conforming and deficient work resolution process
    - Vendor/subcontractor compliance issues
161. Provide recommendations for the administration of construction contracts
    - Compliance with contract review/subcontractor
162. Develop any desired construction inspection training for GWA staff. Engage key stakeholders during construction and keep them informed of critical milestone risks and risks to project objectives.
    - Review specs/plans, provide insight on drilling methods, counting supplies/materials, units being used, etc.
163. Coordinate regulatory and building department inspections
    - Monitor contractor's permitting process and inspections with government agencies
164. Record progress of project. Prepare daily construction reports. Prepare a progress photo log
    - Construction inspector and Project Manager (PM) will complete daily reports and photos on selected CM software package and place in PMIS (EADOCS)
165. Review and coordinate RFI's, submittals, shop drawings
166. Schedule monitoring and updates, work with contractor on recovery schedules.
    - PM review of compliance with work schedule
167. Coordinate Base access with Andersen Air Force Base. Coordinate storage areas, staging areas, contractor areas, contractor access, haul roads, crane and equipment locations and material delivery sequencing.
    - Base access coordination
168. Document and track Change Requests, review changes of scope, estimated costs (additive and/or deductive), provide recommendations as appropriate to GWA. Assist GWA with Contractor requests for equitable adjustment and claims. Provide documentation of all relevant issues, detailed analysis, review and evaluation of requests/claims
169. Progress payments and funding requests
170. Monitor and track Acceptance Testing, witness testing, test report documentation,
    - Oversight of testing and reporting

Exhibit D (16 of 19)

171. Inspection, full-time; Site environmental protection plan; storm water protection plan; coordinate traffic and security operations at the site, Punch lists, Record Drawing updates are being maintained by Contractor
    - Well Rehab
    - New Well Install
172. Prepare Substantial Completion Report and Certificate. Final payment recommendation
173. Document O&M Manuals, record drawings, training and training materials, warranties, and certifications
    - Training and information will be given to operators of wells
174. Project closeout, record drawings, and document turnover to GWA.
175. Prepare a final report narrative of significant design and construction events and issues to become a historical record for the project. The Final Report shall include the Record Drawings, warranty information, operation and maintenance information, and all other pertinent project data.
    - All as-built information will be submitted to GWA for distribution to stakeholders needing the information
    - Up to 5 copies of all documentation will be produced
    - All electronic copies will be on CD
    - Hard copies will be spiral or 3-ring bound
176. **Optional Service** - If requested by GWA, in addition to testing provided by the contractor and/or Design/Builder, material testing during construction of the improvements can be provided, including but not limited to concrete sampling and testing, testing for soil density, paint and weld testing, and others as required by acceptable engineering practices.
    - Placeholder for any necessary testing to be performed by CM or its consultants during construction phase.

## Assumptions:

### Program Management

1. Program duration 58 months
2. Assume 5 working days per week
3. Assume 8 hours per working day
4. Bi-weekly conference calls, assume 116 total
5. Quarterly meetings, assume 20 total
6. There will be four (4) projects: NDWWTP, Outfall Diffuser, Interceptor Trunk Sewer, and Monitoring Wells
7. Program Management Plan will be done to BC typical standards.
8. Schedule will be prepared using Primavera P6 software. Two (2) licenses plus one training class open to GWA and the PM/CM Team.
9. PMIS will be based on SharePoint and EADOCS for document management and Microsoft Office products for reporting and financial management.
10. A monthly report will be issued consisting of: project and budget status, project progress, schedule updates, change orders and deviations, select photographs, and safety status.
11. Project closeout reports will be issued for the four (4) projects

Exhibit D (17 of 19)

12. Delivery strategy is pre-established at: NDWWTP, Outfall Diffuser, and Monitoring Wells will be design-bid-build, Interceptor Trunk Sewer will be design/build.
13. The PM/CM Team will perform the necessary designs for the Outfall Diffuser and the Monitoring Wells. A designer will be procured for the NDWWTP and Interceptor Trunk Sewer projects.
14. Opinions of probable construction costs by the PM/CM will be based on review of the designer's 30% and 90% design level of effort for the NDWWTP and Interceptor Trunk Sewer.
15. Opinions of probable construction costs by the PM/CM for the Outfall Diffuser and the Monitoring Wells will be prepared at the 30% and 90% design level of effort.
16. The PM/CM will engage the services of an independent safety consultant on a once a month basis through a total of 30 months of construction. Construction period includes the NDWWTP, Outfall Diffuser and the Interceptor Trunk Sewer.
17. All NEPA permitting processes will be done by others (USEPA).
18. Territory and local permitting applications will be prepared and followed-through by the designers. The PM/CM will monitor and track permitting.
19. Environmental impact studies and environmental protection plans for each of the four (4) projects is not required.
20. Negotiations of construction change orders for each of the four (4) projects whose value exceeds $50,000 will be performed as additional services.
21. Construction inspection training for GWA staff is limited to 24 hours of class time per project.
22. Labor compliance and review of certified payroll will be by GWA.

## NDWWTP

23. Land surveying boundary and topography for acquisition property at the NDWWTP will be performed by others. The PM/CM Team will rely on GWA to provide this information prior to designer selection.
24. The NDWWTP construction will be performed in two phases. First phase is Site Preparation, clearing and grading. Duration is 6 months. Second phase is the vertical construction of the plant. Duration is 24 months.
25. Only a single Earthcam - ConstructionCam Lite HD w/shipping and 36 months of service will be provided at the NDWWTP construction site.
26. Selected Designer will use the GWA NDWWTP Facility Plan as the basis for the design.
27. Contractor will conform to the design concept at NDWWTP and no claims elevate to the GWA Attorney regarding possible actions to be taken in the event of non-compliance by the Contractor.

## Outfall Effluent Diffuser

28. Use the existing outfall diffuser piping and appurtenances. The PM/CM team is to design accommodating the existing equipment and materials for Contractor to install.
29. Outfall diffuser will be installed along its original intended alignment with only minor adjustments necessary resulting from preconstruction inspection.
30. Outfall diffuser on-water/in-water construction period is two (2) weeks. Total construction time is seven (7) weeks.

Exhibit D (18 of 19)

## Interceptor Trunk Sewer

31. Interceptor trunk sewer will be issued for design/build
32. Interceptor trunk sewer will be one project done in two phases with one design/builder
33. Interceptor Trunk Sewer construction period is 23 months.
34. Interceptor Trunk Sewer rehabilitation is 45,000 linear feet. All manholes (approximately 155) are identified, located and cleared for vehicle access.
35. Pipeline condition assessment will be performed by the Design/Builder.
36. Inspection on the Interceptor Trunk Sewer may occasionally occur 24-hours per day for limited periods during CIPP liner wet-out and inversion. There is no need for full-time 24-hours per day inspection during curing.
37. There is no need for 24-hours per day inspection for bypass pumping.
38. Contractor for Interceptor Trunk Sewer will run two simultaneous crews.

## Groundwater Monitoring Wells

39. The PM/CM Team will rely on existing reports provided by GWA as to proposed new well priorities, existing condition of the monitoring wells requiring rehabilitation, and priorities of wells for rehabilitation.
40. Access to well sites is obtained from Anderson Air Force Base.
41. GWA is the lead on rehabilitation and installation of monitoring wells. Comments and suggestions by other stakeholders will be acted upon only at the direction of GWA.
42. Rehabilitation of six (6) wells and installation of four (4) new wells.
43. Monitoring wells installation and rehabilitation construction duration is 7 months.

Exhibit D (19 of 19)

**Brown and Caldwell PM/CM Fee Estimate** Rev6, 1/12/17

**Summary of Costs**

| | | |
|---|---|---|
| 010 | Program Management | $5,327,239 |
| 110 | Project 1 - NDWWTP | $5,898,900 |
| 210 | Project 2 - Outfall Effluent Diffuser | $406,356 |
| 310 | Project 3 - Interceptor Trunk Sewer | $1,966,089 |
| 410 | Project 4 - Groundwater Monitoring Wells | $600,103 |

| | |
|---|---|
| Subtotal | $14,198,687 |
| GRT Tax @ 4.167% | $591,659 |
| TOTAL | $14,790,346 |

| Optional Work | |
|---|---|
| Program Management | $471,040 |
| NDWWTP | $433,740 |
| Outfall Effluent Diffuser | $108,000 |
| Trunk Sewer | $849,134 |
| Subtotal | $1,861,914 |
| GRT Tax @ 4.167% | $77,586 |
| TOTAL | $1,939,500 |

GUAM WATERWORKS AUTHORITY
"Better Water, Better Lives."
Gloria B. Nelson Public Service Building| 688 Route 15 | Mangilao, Guam 96913
Tel: (671) 300-6846

## Issues for Decision

**Resolution No. 16-FY2017**
Relative to Approval of Contract Amendment to the Construction Management Services for the PW 12-04 Chaot and Agana Heights Design/Build Reservoir Replacement Project; Court Order Paragraph 28(C)

**What is the project's objective and is it necessary and urgent?**
The objective of the resolution is to amend the current contract with AMOrient Engineering to cover construction management services that occurred between the period December 2015 to December 2016 work which was due to continued delays from the construction contractor.

**Where is the location?**
The project location is at Chaot and Agana Heights reservoir locations.

**How much will it cost?**
The amendment of the contract would increase the contract value an additional Three Hundred Forty Six Thousand Five Hundred Forty-One Dollars ($346,541.00) to bring the total contract amount to One Million Six Hundred Twenty Eight Thousand Five Hundred Twenty-One Dollars and Twenty Eight Cents ($1,628,521.28).

**When will it be completed?**
The construction management services have been stopped December 31, 2016.

**What is the funding source?**
Funds from the liquidated damages received from the contractor due to delays on project completion will be applied to fund the construction management work. GWA management also contemplates using Internal Funded CIP, along with PW 12-04 and PW 05-05 as alternate sources until such time "re-imbursement" from funds held from the contractor as part of liquidated damages is made.

**The RFP/BID responses (if applicable):**
N/A

**GUAM CONSOLIDATED COMMISSION ON UTILITIES**

**RESOLUTION NO. 16–FY2017**

**RELATIVE TO APPROVAL OF CONTRACT AMENDMENT TO THE CONSTRUCTION MANAGEMENT SERVICES FOR THE PW 12-04 CHAOT AND AGANA HEIGHTS DESIGN/BUILD RESERVOIR REPLACEMENT PROJECT; COURT ORDER PARAGRAPH 28(C)**

**WHEREAS**, under 12 G.C.A. § 14105, the Consolidated Commission on Utilities ("CCU") has plenary authority over financial, contractual, and policy matters relative to the Guam Waterworks Authority ("GWA"); and

**WHEREAS**, the Guam Waterworks Authority ("GWA") is a Guam Public Corporation established and existing under the laws of Guam; and

**WHEREAS**, GWA currently has a number of critical Court Order ("CO") projects including the Chaot and Agana Heights Design/Build Reservoir Replacement Project which is Item 28 (c) of the amended stipulated order; and

**WHEREAS**, GWA contracted AMOrient Engineering to provide design review and construction management services for the Chaot and Agana Heights Design/Build Reservoir Replacement project in the amount of $639,316.90; and

**WHEREAS,** Resolution No. 22-FY2013 (Exhibit A) and No. 28-FY2015 (Exhibit B) authorized total funding of $1,281,980.28 for the initial design review and construction management services, and extension of the construction management services due to the contractor's delays; and

**WHEREAS,** GWA issued Change Order No. 1, 2, 3, and 4 to AMOrient Engineering to extend the construction management services to November 2015 due to delays by the construction Contractor; and

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**WHEREAS**, the revised project's construction substantial completion date subsequently moved to December 2016 due to continued delays by the construction Contractor, but which also required continued construction management services from AMOrient Engineering; and

**WHEREAS,** GWA Management has ended on-site construction management services with AMOrient Engineering on December 31, 2016, given that the remaining work to be done by the contractor was minimal and manageable by GWA engineering staff; and

**WHEREAS,** the cost for construction management services for the period of December 2015 to the end of December 2016, was assessed to be Three Hundred Forty-Six Thousand Five Hundred Forty One Dollars ($346,541.00) above approved funding levels (Exhibit C); and

**WHEREAS,** the means of addressing payment for the additional services covered by AMOrient Engineering is intended be through the provisions of the construction contract contained in Section 4: Liquidated Damages, which allows for GWA to assess liquidated damages to the construction Contractor up to the amount of Two Thousand Nine Hundred Dollars ($2,900.00) per day (excluding Sundays and legal holidays) for breach of the Contract; and

**WHEREAS,** GWA has been assessing liquidated damages to the construction Contractor for each unexcused working day starting October 18, 2014 until Final Completion for incurred costs related to construction management services which were due to the construction Contractor delays; and

**WHEREAS,** GWA Management is requesting authorization to modify the construction management contract to cover the period of December 2015 to the end of December 2016 and to increase the funding amount to the contract by Three Hundred Forty-Six Thousand Five Hundred Forty-One Dollars ($346,541.00) to fund the construction management cost; and

**WHEREAS,** the approval of the increase in funding amount would bring the total cost of construction management services from AMOrient Engineering to One Million Six Hundred

Twenty--Eight Thousand Five Hundred Twenty--One Dollars and Twenty Eight Cents ($1,628,521.28); and

**WHEREAS,** the assessed liquidated damages will be applied to fund the additional construction management work upon the closeout of the project and the construction contract; and

**WHEREAS,** in order to minimize any further unnecessary expenses, the finalization and closeout of the construction management contract will occur prior to the completion of the construction contract, and therefore GWA is intending to meet the financial obligation to the CM by funding payment of their remaining invoice through Internally Funded CIP, along with PW 12-04 and PW 05-05 as alternate sources until such time "re-imbursement" from funds held from the contractor as part of liquidated damages is made; and

**NOW BE IT THEREFORE RESOLVED**, the Consolidated Commission on Utilities does hereby approve the following:

1. The recitals set forth above hereby constitute the findings of the CCU; and
2. The CCU hereby authorizes GWA management to amend the construction management contract to cover the period of December 2015 to the end of December 2016 and to increase the amount of Three Hundred Forty--Six Thousand Five Hundred Forty--One Dollars ($346,541.00) to fund the additional construction management cost (Exhibit C); and
3. The CCU hereby approves the funding total for the construction management services to be One Million Six Hundred Twenty Eight Thousand Five Hundred Twenty--One Dollars and Twenty Eight Cents ($1,628,521.28); and
4. The CCU further approves funding the construction management invoice through Internal Funded CIP, along with PW 12-04 and PW 05-05 as alternate source until such time "re-imbursement" from funds held from the contractor as part of liquidated damages is made; and
5. The CCU approves that money received from the construction liquidated damages will be applied to funding sources used for the additional construction management work.

**RESOLVED,** that the Chairman certified and the Board Secretary attests to the adoption of this Resolution.

**DULY AND REGULARLY ADOPTED**, this 24th day of January 2017.

Certified by: Attested by:

_____ _____

**JOSEPH T. DUENAS** **J. GEORGE BAMBA**
Chairperson Secretary

I, J. George Bamba, Board Secretary of the Consolidated Commission on Utilities as evidenced by my signature above do hereby certify as follows:

The foregoing is a full, true and accurate copy of the resolution duly adopted at a regular meeting by the members of the Guam Consolidated Commission on Utilities, duly and legally held at a place properly noticed and advertised at which meeting a quorum was present and the members who were present voted as follows:

AYES: _____

NAYS: _____

ABSTENTIONS: _____

ABSENT: _____

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**GUAM CONSOLIDATED COMMISSION ON UTILITIES**

**RESOLUTION NO. 22–FY2013**

**RELATIVE TO APRROVING THE CONSTRUCTION MANAGEMENT CONSULTANT FOR THE PW 12-04 CHAOT AND AGANA HEIGHTS DESIGN/BUILD RESERVOIR REPLACEMENT PROJECT; COURT ORDER PARAGRAPH 28(C)**

**WHEREAS**, under 12 G.C.A. § 14105, the Consolidated Commission on Utilities ("CCU") has plenary authority over financial, contractual and policy matters relative to the Guam Waterworks Authority ("GWA"); and

**WHEREAS**, the Guam Waterworks Authority ("GWA") is a Guam Public Corporation established and existing under the laws of Guam; and

**WHEREAS**, GWA currently has a number of critical Court Order ("CO") projects including the Chaot and Agana Heights Design/Build Reservoir Replacement Project which is Item 28(c) of the amended stipulated order and which must be completed by January 21, 2014; and

**WHEREAS**, the Chaot and Agana Heights Design/Build Reservoir Replacement Project includes the construction of a booster pump station, 500,000 gallon pre-stressed concrete reservoir in Chaot and 500,000 gallon pre-stressed concrete reservoir in Agana Heights and requires specialized inspection and testing services to ensure the construction of the project is completed on schedule, within budget, constructed properly and meets the project design standards with particular attention being paid to the longevity and quality of the crucial public utility structure; and

**WHEREAS,** GWA has advertised the Request For Proposals (RFP-01-ENG-2013) soliciting statement of qualifications from experienced and qualified engineering firms to assist GWA during the design phase and manage the construction activities for the Chaot and Agana Heights Design Build Reservoirs Replacement Project; and

**WHEREAS,** RFP packages were picked up by sixteen (16) engineering firms, from which GWA received proposal submittals from ten (10) of the sixteen (16) firms before the RFP submittal deadline; and

**WHEREAS**, the GWA A-E Selection Committee reviewed and evaluated all ten proposals (see EXHIBIT A- Evaluation Score) and generated a short list of the top three (3) firms with a recommendation to award a contract to the firm AmOrient Engineering (AmOrient and any successor at interest thereto) (see EXHIBIT B – Evaluation Summary and GM Determination); and

**WHEREAS,** AmOrient and GWA negotiated the price for the services to be provided in the total amount of Six Hundred Thirty Nine Thousand Three Hundred Sixteen Dollars and Ninety Cents ($639,316.90) attached hereto as (EXHIBIT C – Fee Proposal); and

**WHEREAS**, GWA management seeks CCU approval of the fee proposal amount of Six Hundred Thirty Nine Thousand Three Hundred Sixteen Dollars and Ninety Cents ($639,316.90) along with a twenty percent (20%) contingency to bring the total authorized funding amount to a maximum of Seven Hundred Sixty Seven Thousand One Hundred Eighty Dollars and Twenty Eight Cents ($767,180.28); and

**WHEREAS,** the source of funding for the construction management services will be from the 2005 Bond under the line item "A Series Well Transmission Line"; and

**WHEREAS,** GWA management recommends that a contract be entered into with AmOrient in the aforementioned amount.

**NOW BE IT THEREFORE RESOLVED**, the Consolidated Commission on Utilities does hereby approve the following:

1. The recitals set forth above hereby constitute the findings of the CCU.
2. The CCU finds that the terms of the fee proposal submitted by "AmOrient" are fair and reasonable.

3. The CCU finds that the terms of the conditions set by GWA relative to commencement of work activities are fair and reasonable and serve as a measure of Quality Assurance/Quality Control (QA/QC).
4. The CCU hereby authorizes the management of GWA to accept the fee proposal (EXHIBIT C) from "AmOrient" which is also incorporated into this Resolution in its entirety.
5. The CCU hereby further authorizes the management to enter into a contract with "AmOrient", in the amount of Six Hundred Thirty Nine Thousand Three Hundred Sixteen Dollars and Ninety Cents ($639,316.90).
6. The CCU hereby further approves funding the total of Six Hundred Thirty Nine Thousand Three Hundred Sixteen and Ninety Cents ($639,316.90) plus a twenty percent (20%) contingency to bring the total authorized funding amount to a maximum of Seven Hundred Sixty Seven Thousand One Hundred Eighty Dollars and Twenty Eight Cents ($767,180.28).

**RESOLVED,** that the Chairman certified and the Board Secretary attests to the adoption of this Resolution.

**DULY AND REGULARLY ADOPTED**, this 23rd day of April 2013.

Certified by:

**SIMON A. SANCHEZ, II**
Chairperson

Attested by:

**JOSEPH T. DUENAS**
Secretary

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I, Joseph T. Duenas, Board Secretary of the Consolidated Commission on Utilities as evidenced by my signature above do hereby certify as follows:

The foregoing is a full, true and accurate copy of the resolution duly adopted at a regular meeting by the members of the Guam Consolidated Commission on Utilities, duly and legally held at a place properly noticed and advertised at which meeting a quorum was present and the members who were present voted as follows:

AYES: 4

NAYS: 0

ABSTENTIONS: 0

ABSENT: 1



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EXHIBIT A
(1 of 1)

**GUAM WATERWORKS AUTHORITY**
DNA Building, Suite 502 • 238 Archbishop Flores Street • Hagatna, Guam 96910

February 12, 2013

To: Thomas F. Cruz, P.E, Chief Engineer

From: Chairperson, Consultant Selection Board

Subject: PW 12-04 Construction Management Services for Chaot & Agana Heights Design/Build Reservoir Replacement
GWA Project no. W12-005-BND

This following information is intended to document the evaluation process undertaken for the referenced solicitation.

| EVALUATION COMMITTEE MEMBERS | |
|---|---|
| **Name** | **Title** |
| Menglou Wang, P.E. | Assistant Chief Engineer |
| Brett Railey, P.E. | Engineer Supervisor |
| Julio Morais | Engineer Supevisor |
| Clinton Huntington, II | Senior Engineer |
| Garrett Yeoh | Senior Engineer |

| Consultant | Evaluation Score | | | | | Total | Rank |
|---|---|---|---|---|---|---|---|
| 1. SSFM International | 87 | 74 | 78 | 69 | 80 | 388 | 4 |
| 2. EMPSCO Engineering Consultants | 93 | 83 | 70 | 63 | 70 | 379 | 7 |
| 3. E.M. Chen & Associates, Inc. | 84 | 69 | 83.5 | 73 | 75 | 384.5 | 6 |
| 4. N.C. Macario & Associates, Inc. | 83 | 67 | 83 | 75 | 78 | 386 | 5 |
| 5. LYON Associates | 88 | 86 | 73 | 89 | 92 | 428 | 2 |
| 6. Oyo Corporation Pacific | 87 | 82 | 81.5 | 70 | 83 | 403.5 | 3 |
| 7. Masoud & Company | 77 | 74 | 76 | 57 | 69 | 353 | 9 |
| 8. Juan C. Tenorio, P.E. Consulting Engineer | 78 | 60 | 60.5 | 50 | 67 | 315.5 | 10 |
| 9. AmOrient Engineering | 94 | 88 | 84 | 76 | 90 | 432 | 1 |
| 10. GMP International, LLC | 86 | 69 | 82.5 | 47 | 75 | 359.5 | 8 |

Scores were evaluated based on straight average of the individual scores as well as an average of the scores after eliminating the high and low scores. The results were the same for both and therefore the recommendation of the evaluation committee is shown in the ranking above.

GLORIA P. BENSAN

Exhibit B
(1 of 1)

GUAM WATERWORKS AUTHORITY
DNA Building, Suite 502, 238 Archbishop Flores St., Hagatna, Guam 96910 • Tel. (647) 646-7810

**MEMORANDUM**

February 12, 2013

To: Martin L. Roush, P.E.
General Manager

From: Thomas F. Cruz, P.E.
Chief Engineer

Subject: RFP-01-ENG-2013 Evaluation Summary
PW 12-04 Construction Management Services for Chaot & Agana Heights Design/Build Reservoir Replacement

The Evaluation Committee has completed all necessary actions for selecting the most qualified consultant for the referenced solicitation. All proposals were reviewed and scored according to the conditions established in the solicitation.

The committee recommends the following top three (3) firms in order of preference:

1. AmOrient Engineering
2. LYON Associates
3. Oyo Corporation Pacific

The evaluation summary sheet is attached for your information.

**GENERAL MANAGER'S DETERMINATION**

Consultant Firm Selected:

AmOrient Engineering 2/20/13

Remarks:

MARTIN L. ROUSH, P.E.
General Manager

AmOrient ENGINEERING

Exhibit C
(1 of 16)

10 April 2013

**Mr. Thomas F. Cruz, PE**
Chief Engineer
Guam Waterworks Authority
DNA Building, Suite 502
238 Archbishop Flores Street
Hagatna, Guam 96910

Attention: **Ms. Gloria P. Bensan**
Engineer III

Subject: **Construction Management Services for the Chaot and Agana Heights Design/Build Reservoir Replacement**

Dear Mr. Cruz:

We are submitting herewith our revised fee proposal for the provision of Construction Management Services for the Chaot and Agana Heights Design/Build Reservoir Replacement based on the revised scope of work provided on 28 March 2013 and discussions on 5 and 9 April 2013 .

Based on the revised SOW, please find below our assumptions for the construction management services:

1. The CM services shall be provided during the 12 month construction duration, 3 months of which will be for design and permit acquisition and 9 months for construction and closeout
2. The Sr. Inspector will provide engineering services during the pre-construction phase, assumed 3 months and Project Manager shall provide oversight during such period
3. Full time inspection shall be provided at 2 sites for 9 months during construction period.
4. $25,000 allowance will be provided for GWA Testing and $10,000 for Construction Survey Services.
5. Review of submittals/shop drawings.
6. Review of DB Contractor's design documents at 60%, 90% and 100% design stages.
7. The Contractor shall provide for field office complete with furnishings, telephones, copying machine, fax machine and internet connectivity/service at no cost to AmOrient.
8. Detail of the assumptions is provided in the attached.

**The proposed Firm Fixed Fee Amount is** **$639,316.90**
**(Six hundred thirty-nine thousand, Three hundred sixteen and 90/100 dollars)**

Please find attached, as required, excel file of our fee proposal.

We thank you for considering our firm for these services. Should you have any question, please give us a call. We look forward in working with you on this project.

Senseramente

AmOrient Engineering

John M Robertson PE
President & Principal Engineer

Attachment: AmOrient Fee Proposal

J.M. Robertson Inc dba AmOrient Engineering • 414 W. Soledad Ave. GCIC Building Suite 906 Hagåtña, GU 96910
P O Box 6247, Tamuning, Guam 96931-6247 • Tel: (671)472-3301 Fax: (671)472-3303 • Email: gm@amorient.com

# Exhibit C (2 of 16)

**GWA PROJECT NO. 01-ENG-2013**
**AMORIENT FEE PROPOSAL**

**Construction Management Services for the Chaot & Agana Heights Design/Build Reservoir Replacement**
**10-Apr-13**

| Phase Letter Task Number | TASK DESCRIPTION | Principal Engin | Proj Mgr/ Resident Engineer | Specialty Inspector - SE | Scheduler/Sr. Project Engineer | Sr. Inspector | Inspector | Admin | AMOUNT | REMARKS |
|---|---|---|---|---|---|---|---|---|---|---|
| | **HOURLY LABOR RATES** | $ 220.00 | $ 196.00 | $ 164.00 | $ 144.00 | $ 144.00 | $ 100.00 | $ 60.00 | | |
| 1.1 | **PRE-CONSTRUCTION PHASE** | | | | | | | | | |
| 1.1.1 | CM QUALITY ASSURANCE | | 8 | | | 40 | | | $ 7,328.00 | 1/4 time during 3 months for Sr Inspector |
| 1.1.2 | CONSTRUCTION MANAGEMENT PLAN | | 8 | | | 40 | | | $ 7,328.00 | |
| 1.1.3 | REVIEW D-B CONTRACTOR'S DESIGN | | | 56 | | | | | $ 9,184.00 | Review at 60%, 90% and 100% design stages |
| 1.1.4 | DELIVERABLES | | | | | | | 30 | $ 1,800.00 | Revised hours |
| 1.2 | **CONSTRUCTION PHASE TASKS** | | | | | | | | | |
| 1.2.1 | IMPLEMENT & MAINTAIN PROJECT CONTROLS | 48 | 20 | | | | | | $ 14,480.00 | 9 month full time for Inspectors, 1440 hrs each |
| 1.2.2 | PROJECT CORRESPONDENCE | | | | | 180 | | | $ 25,920.00 | from July to March 2014 |
| 1.2.3 | DAILY CONSTRUCTION LOGS | | | | | | 72 | | $ 7,200.00 | |
| 1.2.4 | MATERIAL TESTING FORMS | | | | | | 36 | | $ 3,600.00 | |
| 1.2.5 | PROGRESS PHOTO LOG | | | | | | 9 | | $ 900.00 | |
| 1.2.6 | SUBMITTALS & SHOP DRAWINGS | | 30 | | 300 | | | | $ 49,080.00 | Review of estimated 300 submittals at 3 hrs each |
| 1.2.7 | CONTRACTOR PROJECT SCHEDULES | | | | 72 | | | | $ 10,368.00 | |
| 1.2.8 | PAYMENT REQUESTS | | 20 | | | 48 | | | $ 10,832.00 | |
| 1.2.9 | PAYROLL REPORTS | | | | | | 18 | | $ 1,800.00 | |
| 1.2.10 | PROJECT MEETINGS | | | | | | | | $ - | |
| 1.2.10.1 | PRE-CONSTRUCTION PHASE | | 8 | | | 8 | 8 | | $ 3,520.00 | |
| 1.2.10.2 | PROGRESS MEETINGS | | 72 | | | 80 | 72 | | $ 32,832.00 | |
| 1.2.10.3 | AS-BUILT DRAWINGS REVIEWS | | | | | 72 | | | $ 10,368.00 | |
| 1.2.10.4 | OTHER MEETINGS | | 8 | | | 32 | 36 | | $ 9,776.00 | |
| 1.2.11 | RFI | | 8 | | | 8 | | 80 | $ 7,520.00 | |
| 1.2.12 | GENERAL COMPLIANCE MONITORING | | | | | | | | $ - | |
| 1.2.12.1 | REGULATIONS & LAWS | | | | | 40 | | | $ 5,760.00 | |
| 1.2.12.2 | LABOR LAWS | | 9 | | | | | | $ 1,764.00 | |
| 1.2.12.3 | LICENSURE | | | | | 20 | | | $ 2,880.00 | |
| 1.2.12.4 | INSURANCE | | 9 | | | 10 | | | $ 3,204.00 | |
| 1.2.13 | CLAIMS & DISPUTES | | | | | | | | $ - | |
| 1.2.13.1 | CLAIM RECORDS | | 9 | | | | | | $ 1,764.00 | |
| 1.2.13.2 | CLAIMS REVIEWS & INTERPRETATIONS | | 9 | | | | | | $ 1,764.00 | |
| 1.2.13.3 | CHANGE ORDER REVIEW | | 9 | | | | | | $ 1,764.00 | |
| 1.2.13.4 | DESIGN CHANGES | | 9 | | | | | | $ 1,764.00 | |
| 1.2.13.5 | DESIGN CHANGE/VERIFICATION REQUEST | | 9 | | | | | | $ 1,764.00 | |
| 1.2.13.6 | CHANGE ORDER NEGOTIATION WITH CONTRACTOR | | 9 | | | | | | $ 1,764.00 | |
| 1.2.13.7 | CHANGE ORDER DOCUMENTS | | 9 | | | | | | $ 1,764.00 | |
| 1.2.14 | PROJECT RECORDS & DOCUMENT MANAGEMENT/COMMUNICATION | | | | | | | 304 | $ 18,240.00 | |
| 1.2.15 | CONSTRUCTION OBSERVATION, SPECIAL INSPECTION & QUALITY CONTROL MONITORING | | | | | | | | $ - | |
| 1.2.15.1 | ON-SITE OBSERVATION | | | | | 878 | 1125 | | $ 238,932.00 | |
| 1.2.15.2 | SPECIAL INSPECTIONS | | | 160 | | | | | $ 26,240.00 | |
| 1.2.16 | TESTING | | | | | | | | | |
| 1.2.16.1 | CONTRACTOR TESTING | | | | | | | | $ - | |
| 1.2.16.2 | CM/CQA TESTING | | | | | | | | $ 25,000.00 | Revised allowance provided by GWA |
| 1.2.16.3 | GWA TESTING | | | | | | | | $ - | |
| 1.2.16.4 | ACCEPTANCE | | | | | | | | $ - | |
| 1.2.17 | CONSTRUCTION SURVEY SERVICES | | | | | | | | $ 10,000.00 | Revised allowance provided by GWA |
| 1.2.18 | PROJECT CLOSEOUT | | | | | | | | $ - | |
| 1.2.18.1 | PUNCH LIST DEVELOPMENT | | | | | 16 | 40 | | $ 6,304.00 | |
| 1.2.18.2 | PROJECT CLOSEOUT INSPECTIONS | | 16 | | | 24 | 24 | | $ 8,992.00 | |
| 1.2.19 | TRAINING & WARRANTY PERIODS | | | | | | | | $ - | |
| 1.2.19.1 | TRAINING | | | | | 24 | | | $ 3,456.00 | |
| 1.2.19.2 | WARRANTIES | | 8 | | | | | | $ 1,568.00 | |
| 1.3 | **POST CONSTRUCTION SERVICES** | | | | | | | | | |
| 1.3.1 | FINAL REPORT | | 8 | | | 16 | | | $ 3,872.00 | |
| 1.3.2 | RECORD DRAWINGS | | | | | 40 | | | $ 5,760.00 | |
| 1.3.3 | DELIVERABLES | | | | | | | 20 | $ 1,200.00 | |
| 2 | **PROJECT MANAGEMENT** | | | | | | | | $ - | |
| 2.1 | PROGRESS PAYMENT PREPARATION | | 42 | | | | | | $ 8,232.00 | |
| | Profit | | | | | | | | $ - | |
| | SUB-TOTAL | 48 | 337 | 216 | 372 | 1576 | 1440 | 434 | $ 597,588.00 | |
| | **TOTAL DIRECT COST** | | | | | | | | $ 597,588.00 | |
| 3 | **INDIRECT COSTS** | | | | | | | | | |
| | | | | | | | **Units** | **Rate** | **Amount** | |
| 3.1 | Cell Phones/Office support | | | | | | 18 | $ 56.55 | $1,017.90 | 2 cell phone charges for 9 months |
| 3.2 | Vehicles/Mileage | | | | | | 21600 | $ 0.55 | $ 11,880.00 | at 30 miles for 180 days for 2 staff for 2 ways |
| 3.3 | Paper/Reproduction | | | | | | 12 | $ 38.00 | $ 456.00 | |
| 3.4 | Camera | | | | | | 2 | $ 200.00 | $ 400.00 | Will be turned over to GWA upon project completion |
| 3.5 | Laptop | | | | | | 2 | $ 1,200.00 | $ 2,400.00 | Will be turned over to GWA upon project completion |
| | Profit | | | | | | | | $ - | |
| | **Sub-total** | | | | | | | | $16,153.90 | |
| | **TOTAL INDIRECT COST** | | | | | | | | $16,153.90 | |
| | **TOTAL DIRECT & INDIRECT COST** | | | | | | | | **$613,741.90** | |
| | **GRT** | | | | | | | 4.17% | $25,575.00 | |
| | **TOTAL** | | | | | | | | **$639,316.90** | |

Exhibit C (3 of 16)

# SCOPE OF WORK

## A. CONSTRUCTION MANAGEMENT (CM) DESCRIPTION OF EFFORT:

The proposer will provide CM Agent Services on behalf of GWA for the construction of two 0.5 million gallon water storage tanks at Chaot and Agana Heights, and a booster pump station at Agana Heights.

The existing reservoirs are constructed from welded steel and store approximately 0.5 M gallons each. The new reservoirs will be 0.5 M gallons each and essentially identical in design, constructed from prestressed concrete conforming to ANSI / AWWA D110 for Type 1 Wire- and Strand- Wound, Circular Prestressed Concrete Water Tanks.

## B. TASK 1: PRE-CONSTRUCTION, CONSTRUCTION, AND POST-CONSTRUCTION PHASE SERVICES:

### 1. General CM Scope of Work.

The Construction Manager (CM), will provide services relating to the field observation, testing, supervision, management, coordination, and compliance monitoring for the construction of the Chaot Reservoir & Agana Heights Reservoirs (0.5 Million Gallon capacity each) and the associated booster pump station construction. The project generally consists of geo-technical ground improvements, demolition of existing tank structures, construction of a 0.5 million gallon pre-stressed concrete tank conforming to ANSI / AWWA D110 for Type 1 Wire- and Strand- Wound, Circular Prestressed Concrete Water Tanks (site adapted for each location), electrical and SCADA controls, plus all associated utilities for each site.

The construction management, testing, and field observation services for this dual reservoir replacement project will require general construction management and observation as well as specialized inspection and testing.

### 2. Specialized Scope of Work.

In addition to general construction management duties, the specialized inspection and/or testing identified for this Scope of Work includes the following:

1. Concrete placement
2. Concrete anchors
3. Grading
4. Excavation
5. Compaction grouting
6. Compaction testing
7. Pre-stressing operations
8. Concrete cylinder testing
9. Soil analysis
10. Instrumentation and SCADA
11. Disinfection

Exhibit C (4 of 16)

In general, the proposer will be the CM as an independent contractor Owner's Representative of GWA whose primary functions are to:

- Keep the GWA advised and informed as to progress and cost
- Manage the change process
- Disclose any information relevant to the GWA's interests
- Make proactive recommendations to the Owner for action to maintain progress and achieve the schedule and budget
- Act in the best interests of the GWA

**C. Task 1.1. PRE-CONSTRUCTION PHASE SERVICES**

**Task 1.1.1 CM Quality Assurance.**

The CM will review, record, and comment on submittal of Quality Control Plan submitted by the DB Construction Contractor. Upon receipt of the final construction drawings, the proposer will: develop, implement and maintain a Quality Assurance Plan for civil, structural, electrical and mechanical elements including specialized work related to the construction of concrete water reservoirs conforming to ANSI / AWWA D110 Type 1 Wire- and Strand- Wound, Circular, Prestressed Concrete Water Tank design and construction standard of similar size.

The proposer will file contractor certifications: review, file and submit inspection test results; and assess substantial completion.

Contents of the Quality Assurance Plan should include the following:

- Documentation of site conditions prior to beginning construction
- Review of approved submittals from the Contractor prior to fabrication or installation of materials and equipment
- Inspection, observation, and documentation of daily field work
- Monitoring of the Contractor's Quality Control Plan
- In-plant fabrication and/or witness testing at place of manufacture
- Reports and record keeping
- Non-conforming and deficient work resolution process
- Monitoring the Construction Contractor's implementation of their Quality Control Plan

It is important to note, the CM is responsible for monitoring the Contractor's compliance with the Contract Documents, but is not responsible for the means and methods, techniques, sequences, or procedures the Contractor may use to perform the work.

**Task 1.1.2: Construction Management Plan.**

The proposer will develop and implement the Construction Management Plan including guidelines for project organization and coordination in the field, standard daily operations, change order procedures, safety, quality, and cost control. This Construction

Exhibit C (5 of 16)

Management Plan (CM Plan) sets forth the procedures and approach for the construction of the project. The CM Plan will serve the proposer, the Owner's Representatives, and Contractors by defining the project, project team members and their roles, coordination among team members, procedures, and key milestones and schedule constraints. By establishing these parameters early in the project, the CM Plan will help control resources and costs, and establish communication and coordination between the proposer, the Designers and the Contractor.

**Task 1.1.3: Review of the Design-Build Contractor's Design**

The CM shall perform reviews of the DB Contractor's design documents at the 60% and 90% design stages. The CM will provide redline mark-up of the plans and specifications and annotated comments for the contractors EOR's review and implementation at the 60% and 90% design stages.

**Task 1.1.4: Deliverables.**

Two (2) hardcopies and electronic PDF files of the following:

1) Quality Assurance Plan
2) Construction Management Plan
3) 60% design review comments
4) 90% design review comments

**D. Task 1.2. CONSTRUCTION PHASE TASKS:**

**Task 1.2.1: Implement & Maintain Project Controls (PC).**

These services shall be provided to insure that the project is efficiently managed and constructed according to the terms of the Contract and the Request for Proposal. The PC function is concerned with gathering data regarding project progresses, producing progress reports; and monitoring time, cost, and quality.

The Project Controls system will include the following:

- A Cost Management Process that estimates, monitors, predicts, and reports project cost.
- A Planning and Scheduling Management Process that plans project activities, monitors completion of those activities, predicts timing of future activities, and reports schedule status.
- A Change Management Process that estimates the impact of change, enables and documents the change decision, and integrates the change into the project scope of work.

The proposer will use Primavera P6 software for Project Scheduling and Construction Cost/Resource Tracking, Document Management, and Cost Management.

Exhibit C (6 of 16)

**Task 1.2.2: Project Correspondence (Review & Maintenance).**

The CM shall prepare correspondence, reports, and inspection documentation as required to communicate project activities and issues with GWA and the Contractor. The CM shall develop a format for daily and weekly reports for the approval of GWA. At a minimum, the following reports and inspection documents shall be provided:

- Daily Construction Logs
- Materials Testing Forms
- Progress Photo Log
- Shop Drawing and Submittals Status
- Contractor Progress Schedule
- Request for Information Status
- Change Order Status
- Special Inspection Reports

**Task 1.2.3: Daily Construction Logs.**

The onsite inspector(s) shall maintain a log of material deliveries, daily production, site conditions, field orders, punch lists, progress photos, material testing, documentation of delays, and other material facts and issues regarding prosecution of the work. The Daily Construction Log shall be available to GWA Project Engineer for review at any time.

**Task 1.2.4: Material Testing Forms.**

The CM shall prepare material testing forms for the approval of GWA. The forms shall capture all material testing requirements set forth by the Design Consultant.

**Task 1.2.5: Progress Photo Log.**

The CM shall prepare and retain a construction progress photo log in an organized album with phases of the project clearly labelled. The photo log shall capture all phases of the project pre-construction, during construction, and post-construction.

**Task 1.2.6: Submittals & Shop Drawings.**

The CM shall review and act on (approve or reject) all submittals required by the Contract Documents. The CM shall review and provide recommendations regarding shop drawings, work drawings, traffic control, safety plan, demolition plan, and other submittals for conformance with the Contract. In the event of a Contractor request for a time extension or material or equipment substitution, the CM shall make a recommendation to GWA regarding the substitution. The GWA Chief Engineer will approve substitution. The CM shall monitor and oversee the DB contractor review process.

Exhibit C (7 of 16)

**Task 1.2.7: Contractor Project Schedules.**

The CM shall review the Contractors work schedule for accuracy and for efficient sequencing of the work. The proposer will direct the Contractor to make any changes deemed necessary and coordinate approval of the revised schedule with GWA. Any delays shall be documented and notified to GWA and the Contractor when actual progress is behind schedule.

**Task 1.2.8: Payment Requests.**

The CM shall receive and process payment requests from the Contractor. Payment requests shall be reviewed for compliance with Bid and Contract requirements and with the actual work completed. Upon completion of the review, the CM shall make any necessary adjustments, certify, and forward the request to GWA for processing of the payment. The CM shall submit their review and recommendations within 5 working days of receipt from the Contractor.

**Task 1.2.9: Payroll Reports.**

The CM shall also review any payroll submittals required by the Contract including prevailing wage submissions. At a minimum, the Contractor and its subcontractors should be providing bi-weekly pay records for each of its employees on the project. The proposer will also conduct random employee interviews to verify the pay request information. Upon completion of the review, the CM shall require the Contractor to make any necessary adjustments, certify, and forward the Payroll report along with the pay request to GWA for processing.

**Task 1.2.10: Project Meetings.**

The CM shall schedule, arrange, and conduct conferences and meetings as required for clear communication of contract requirements and adherence to schedules.

The CM shall schedule, arrange, and conduct monthly project schedule meetings as required in the contract requirements. The CM shall prepare meeting minutes for all project schedule meetings with contractors, sub-contractors, and GWA.

**Task 1.2.10.1: Pre-Construction Conference.**

The CM shall prepare for, chair, and provide meeting minutes for the pre-construction conference. The pre-construction conference shall be arranged to discuss mobilization, prosecution of work, safety, environmental protection, historic preservation, processing payments, material submittals, testing procedure, project schedules, inspections, and all other contract issues as necessary.

**Task 1.2.10.2: Progress Meetings.**

Exhibit C (8 of 16)

The CM shall arrange for a weekly progress meeting with the Contractor and GWA to discuss progress of work, contract requirements, and other issues related to the administration and prosecution of the work. The CM shall prepare meeting minutes for all progress meetings with contractors, sub-contractors, and GWA. The meeting minutes shall include action items from week to week until it has been completed.

**Task 1.2.10.3: As-Built Drawing Reviews.**

After each weekly meeting, the CM shall review the Contractor's record drawings to ensure that they are current and capture any deviations from the original plan set.

**Task 1.2.10.4: Other Meetings.**

Arrange meeting between the Contractor and GWA, and other parties such as GEPA and DPW as necessary to address project issues that require decisions that cannot be made by the CM or to resolve regulatory concerns.

**Task 1.2.11: Request for Information.**

Track all Requests for Information (RFI) and maintain an RFI log. Coordinate receipt of answers from other sources. Assist GWA with the development of a response to RFIs regarding any aspect of the contract documents.

**Task 1.2.12: General Compliance Monitoring.**

The CM shall evaluate and ensure Contractor compliance with all local and federal labor laws applicable to the Project. Any violations shall be immediately reported to GWA. Compliance monitoring shall include but not be limited to the following:

**Task 1.2.12.1: Regulations and laws.**

Monitor compliance with Territorial and/or Federal laws, regulations and rules.

**Task 1.2.12.2: Labor Laws.**

Monitor contractor and subcontractor procedures to verify legal status of employees on site. Verify bi-weekly compliance with labor requirements for federally funded projects including posting of wage rate schedules at the job site and safety requirements.

**Task 1.2.12.3: Licensure.**

Confirm that the Contractor and its subcontractor and their workers have all required licenses and ensure that said licenses are valid throughout the term of the Contract.

**Task 1.2.12.4: Permit Compliance.**

Exhibit C (9 of 16)

Monitor and track Contractor's compliance in obtaining required permit and approvals.

**Task 1.2.12.5: Insurance.**

Review Contractor's insurance documents submitted to GWA for compliance with Contract requirements. Track insurance documents, ensure insurance is valid throughout the term of Contract and maintain insurance certificate log.

**Task 1.2.13: Claims and Disputes.**

The CM shall promptly notify the GWA regarding any issues that arise during construction of the project that could result in claims and/or disputes. The CM shall provide the following services to assist GWA with the resolution of claims and disputes:

**Task 1.2.13.1: Claim Records.**

Maintain copies of all verbal and written communications, submittals, testimony, photos, and meetings regarding a potential dispute and promptly submit all originals to the Chief Engineer and Attorney for GWA.

**Task 1.2.13.2: Claims Reviews & Interpretations.**

Review claims submitted by the Contractor, provide GWA with interpretation of contract drawings and specifications and provide written recommendations to GWA regarding the solution of the dispute. At the outset of the Contract, the CM shall work with the Contractor to provide pricing for equipment, material, personnel and other relevant considerations as specified in the bid. Prices agreed upon shall be used in any subsequent Change Order. No amounts shall be paid except for actual losses incurred by the Contractor through no fault of their own or for risks not allocated to the Contractor under the bid.

**Task 1.2.13.3: Change Order Review.**

Track all Change Orders (original to be provided to GWA) and maintain a Change Order Log. Provide change order evaluations, negotiations, and recommendations for approval by GWA. Change orders shall not be made when the Contractor has assumed such risk in the bid. Change Orders may include requests for additional payments for differing site conditions and the CM shall utilize the bid documents to determine if a Change Order is warranted. CM shall submit change order requests and supporting documentation to GWA for approval within 5 working days of receipt from the Contractor wherever practical.

**Task 1.2.13.4: Design Changes.**

# Exhibit C (10 of 16)

As directed by GWA, prepare changes to the Contract technical documents (drawings and specifications) required to address a change order. GWA will direct the CM to make design changes only when changes are deemed by the GWA Chief Engineer to have no material effect on the original intent of the design. All other design changes shall be forwarded to the Engineer of Record for processing.

**Task 1.2.13.5: Design Change/Verification Request (DCVR).**

If the request for a change will materially change the original design, the CM shall coordinate with the design Engineer of Record to accomplish the necessary design changes. The CM shall prepare a DCVR for submission to and for the approval of the design engineer. If the required changes to the design are not covered within the original design scope of service, the CM will prepare a design scope amendment; solicit a fee proposal for the amendment on behalf of GWA, and assist with the negotiations with the Design Consultant.

**Task 1.2.13.6: Change Order Negotiation with Contractor.**

Prepare independent cost estimates and negotiate with Contractor subject to GWA approval (final approval of negotiated change orders can only be made by the GWA General Manager).

**Task 1.2.13.7: Change Order Documents.**

The CM shall maintain copies for all approved change orders (originals to be provided to GWA) and insure that subsequent pay requests accurately represent these change orders. Approved change orders shall be administrated by the CM along with other work elements according to the provisions of this scope of work.

**Task 1.2.14: Project Records & Document Management/Communication.**

The CM shall maintain a project record in a clearly labelled/ tabbed set of 3-ring binders and electronic copies. The project records shall include all project correspondences, photos, daily logs, weekly reports, and other items required to document the construction process. Communicate and coordinate with all stakeholders during the construction phase. Notify GWA of any problems with the work or the Contractors.

**Task 1.2.15: Construction Observation, Special Inspection and Quality Control Monitoring.**

The CM shall provide full time observation and special inspection services as needed of construction to ensure that the work is accomplished in accordance with the Contract documents. A full time Resident Engineer shall be assigned to manage both sites and will be at one of the sites during normal working hours unless attending project related meetings or during holidays, vacation or sick days. [This would apply if both project sites

Exhibit C (11 of 16)

are active at the same time. If the projects are sequential, this requirement may be modified.]

**Task 1.2.15.1: Onsite Observation.**

The CM shall provide competent on-site field staff to observe the construction. The onsite field staff shall have demonstrable experience (satisfactory to GWA) relative to the discipline and type of work being performed. Project field staff shall review project documents, conduct daily observations, special inspections (where applicable), prepare and submit Daily Observation and Special Inspection Reports; communicate deficiency issues and resolve with Contractor; and update Non-Compliance Log. The Resident Engineer will determine which field staff will be onsite, at which times and for how long and will be supported by additional Special Inspectors as described below.

**Task 1.2.15.2: Special Inspections.**

In addition to general compliance inspections, the CM shall provide Special Inspection services in accordance with IBC 2009, Chapter 17 by a person with demonstrable experience (satisfactory to GWA) related to concrete placement, structural welding, concrete anchoring, reinforcing steel placement, pre-stressing operations, grading, excavation, backfilling, foundation probing and injection, and other operations that require special inspections.

**Task 1.2.16: Testing.**

**Task 1.2.16.1: Contractor Testing.**

Schedule, observe, approve or reject, and document testing required to be performed by the Contractor.

**Task 1.2.16.2: CM/CQA Testing.**

The CM shall provide the following CQA testing to monitor the Contractor's or Owner's independent testing firm:

| SPECIAL TESTING | STD. | FREQUENCY |
|---|---|---|
| Concrete Compression Tests<br>It is assumed there will be approximately 20 concrete placement days and 1,200 cubic yards placed for 7 discreet locations: Pipe Encasements, Floor, Walls, Columns Footings, Columns, Roof, and Shotcrete placement | ASTM C-39 | 14 test cylinders, 2 each for 1 day of each of the 7 distinct locations (approx. 10% of Contractor's, assuming contractor will take 1 slump test per 40 cubic yards or 150 test cylinders tests. |
| Compaction grouting | ASTM C-1019 | 10% of Contractor's |
| Compaction testing | ASTM D-698, D-6938 | 10% of Contractor's |
| Soil & Aggregate Analysis | ASTM C-136, C-117, C-40, D-1140, D-1883, D-4318 | 10% of Contractor's |

Exhibit C (12 of 16)

| | | |
|---|---|---|
| All other required testing for contract conformance | | |

**Task 1.2.16.3: GWA Testing.**

Coordinate and monitor testing required to be performed by GWA.

**Task 1.2.16.4: Acceptance.**

The CM shall promptly reject, orally, or in writing, any construction work that does not fully comply with Contract documents. Within 24 hours of notification to the Contractor that work elements have been rejected, the CM shall provide a written description of the deficiency to the GWA Chief Engineer for his/her concurrence. When concurrence has been obtained, the Contractor shall be directed to correct the work.

The CM shall promptly advise the GWA Project Manager or the GWA Chief Engineer if the Contractor fails to correct or remove the defective work.

The CM shall issue written stop work orders to the Contractor and immediately provide GWA with a copy for a portion of or the entire project for Contract non-compliance issues as follows:

(1) If condition of work or Contractor actions threaten the health and safety of Contractor¡¦s personnel, GWA representatives, or the public in such cases, stop work orders may be oral depending on the circumstances (with written stop work order to follow).

(2) With prior notification and approval of the GWA Chief Engineer or Project Manager in all other cases.

**Task 1.2.17. Construction Survey Services.**

The CM shall conduct survey and field measurements as necessary to verify that the work is located according to the plans and specifications. Changes to the horizontal and vertical alignments and elevations shall be made only with the approval of the GWA Chief Engineer.

a. Pipeline Alignments and Location of Structures: Spot check Contractor's construction staking to verify the pipeline alignments and structure locations are as called for on the plan and specifications and in order to insure that the work and is location within lawful and approved Rights-of-Way and easements.

b. Elevations: Spot check with Contractor's elevations for foundations, pads, pipeline inverts, backfill thickness, manholes, and other structures for which vertical elevation is a critical design element.

# Exhibit C (13 of 16)

**Task 1.2.18: Project Closeout.**

**Task 1.2.18.1 Punch List Development.**

Throughout the construction of the project, prepare and maintain a list of defects and deficiencies in the work which must be corrected by the Contractor prior to final acceptance of the work. The list shall be provided to all members of the pre-final and final inspection team. The list shall be revised after inspections to reflect additional items identified during the inspection. Coordinate with the Contractor to ensure that all punch list items have been corrected. When all items have been completed, inform GWA in writing recommending that the work be accepted.

**Task 1.2.18.2: Project Closeout Inspections**
Schedule, arrange, and conduct interim, pre-final, and final inspections of work with Contractor, GWA, GEPA, DPW, and other stakeholders in this project.

(1) Preliminary Inspection: Preliminary inspections shall be arranged as necessary for specific work elements that require the certification and approval of other agencies.

(2) Pre-Final Inspection: A pre-final inspection shall be conducted after substantial completion of the work.

(3) Final Inspection: The final inspection shall be conducted after correction of pre-final inspection punch list items.

**Task 1.2.19: Training and Warranty Periods.**

**Task 1.2.19.1 Training.**

The CM shall coordinate with the Contractor to schedule and conduct startup training required by the Contract.

**Task 1.2.19.2: Warranties.**

The CM shall maintain a copy of warranties and compile associated Manufacturer and Contractor warranty documents. Warranty information shall be included in the final report. All original warranty documents shall be provided to GWA along with Lien Release Information from Contractor.

**Task 1.2.20 Deliverables.**

As described in each task.

Exhibit C (14 of 16)

## E. TASK 1.3. POST CONSTRUCTION SERVICES

### Task 1.3.1: Final Report.

The CM shall prepare a final report after written acceptance of the work by GWA. The final report shall include a narrative documentation of all significant design and construction events and issues and shall become a historical record for the project. The following items shall be included in the appendix to the final report: Project Records: The project record described above shall become a part of and submitted along with the final report.

### Task 1.3.2: Record Drawings.

After the conclusion of the project, the CM shall review and approve the official record drawings prepared by the contractor. It is anticipated that Record drawings shall be generated from the original digital design documents by incorporating all mark-ups on the Contractor's as-built drawings. Record drawings shall be marked and sealed by a professional engineer licensed on Guam in accordance with PEALS Regulations.

### Task 1.3.3 Deliverables.

Two (2) hardcopies and electronic PDF files of the following:

(1) CM Final Report
(2) As-built Record Drawings (1 original and 1 copy for the hard copies);

## F. CLARIFICATIONS.

1. Stop Work Orders: It is understood that the CM may issue written stop work orders to the Contractor in accordance with GWA policies for a portion of or the entire project for Contract non-compliance issues as follows:

    a) If condition of work or Contractor actions threaten the health and safety of Contractor's personnel, GWA representatives, or the public in such cases, stop work orders may be oral depending on the circumstances (with written stop work order to follow).

    b) With prior notification and approval of the GWA Chief Engineer or Project Manager in all other cases.

2. No formal Partnering Program will be provided, but the CM will incorporate partnering to the extent required to ensure a safe jobsite; ensure that environmental commitments are met; complete the project on time by resolving disputes quickly; finish within budget by proactively monitoring costs and facilitating creative

# Exhibit C (15 of 16)

solutions when faced with potential cost increases; ensure that quality is met by adequate oversight by the Contractor.

3. An allowance of $10,000 has been provided for the field survey verification.

4. An allowance of $25,000 has been provided for CQA testing.

5. CQA testing allowance may be used for field survey verification if the field survey verification allowance is expended. Field survey allowance may be used for CQA testing if the CQA testing allowance is expended.

6. No project specific permitting services are included but the CM will assist the GWA, designer, and the Contractor as needed to help facilitate procurement of permits as expeditiously as possible.

7. No Archeological survey, Section 106 Historic Preservation, biological resource monitoring, Section 7 Endangered Species Act or related work is included. Archeological survey and monitoring shall be provided by GWA through a third party. The CM shall assist with coordination of onsite activities.

8. Any and all permit fees are excluded.

9. The proposer will not be required to staff the project during adverse weather delays and can adjust staffing during the course of the project to properly manage the budget.

10. The Construction contract will include requirements that the Construction Contractor pay for overtime inspection outside of the normal 40 hour work week and this requirement will be strictly enforced and supported by GWA with payment coming out of the Contractor's Pay Request and then distributed to the proposer by GWA or by other acceptable terms to the proposer and GWA.

11. The CM services shall be provided for the duration of the project. It is assumed that 3 months will be for the pre-construction phase and 9 months for construction phase.

    a) Design Phase: Work will commence with the Notice to Proceed for DB Contractor and shall correspond with the review periods specified in the contract requirements. It is anticipated that that the pre-construction (design phase) will be 3 months.
    b) Construction Phase: Work will commence on the Notification of Construction Start date and continue throughout the performance period specified in the contract. It is assumed that the project will have a 9 month construction schedule. Full time inspection shall be provided at 2 sites for the duration of the construction period. The intent is for AM Orient to provide the equivalent of 9 months of full time inspection at both sites.

# Exhibit C (16 of 16)

c) Post Construction Phase: The final report and in other post construction activities specified herein shall be completed within thirty (30) calendar after the project has been accepted by GWA in writing.

12. The Sr. Inspector will provide engineering services during the pre-construction phase, assume 3 months and Project Manager shall provide oversight during such period.

13. Resident engineer/project manager shall manage and oversee project equivalent to quarter of time during the construction period.

14. The contractor shall provide for field office complete furnishings, telephone, copying, and fax machine at no cost to the CM.

15. GWA's PMO shall attend and manage the Pre-design Conference, Interim DB review meeting (60%), Pre-final DB review meeting, and Final DB review meeting as well as coordinate between the Design Build Contractor Team, Construction Management Team, and GWA.

16. Laptop (2 each) and camera (2 each) will be turned over to GWA upon project completion. Laptop and camera shall be in good condition.

*These specifications were approved by Martin Roush, P.E., GWA General Manager.*

**GUAM CONSOLIDATED COMMISSION ON UTILITIES**

**RESOLUTION NO. 28 – FY2015**

**RELATIVE TO MODIFICATION OF THE CONSTRUCTION MANAGEMENT SERVICES CONTRACT WITH AMORIENT FOR THE CHAOT AND AGANA HEIGHTS DESIGN/BUILD RESERVOIR REPLACEMENT PROJECT RELATIVE TO PARAGRAPH 28(C) OF THE NOVEMBER 2011 COURT ORDER**

**WHEREAS**, under 12 G.C.A. § 14105, the Consolidated Commission on Utilities ("CCU") has plenary authority over financial, contractual, and policy matters relative to the Guam Waterworks Authority ("GWA"); and

**WHEREAS**, the Guam Waterworks Authority ("GWA") is a Guam Public Corporation established and existing under the laws of Guam; and

**WHEREAS**, GWA currently has a number of critical Court Order ("CO") projects including the Chaot and Agana Heights Design/Build Reservoir Replacement Project which is Item 28 (c) of the amended stipulated order; and

**WHEREAS,** Resolution No. 22 – FY2013 authorized total funding of Six Hundred Thirty Nine Thousand Three Hundred Sixteen Dollars and Ninety Cents ($639,316.90) along with a twenty percent (20%) contingency to bring the total authorized funding amount to a maximum of Seven Hundred Sixty Seven Thousand One Hundred Eighty Dollars and Twenty Eight Cents ($767,180.28) for the design review and construction management services; and

**WHEREAS**, GWA following CCU approval in Resolution 22 – FY2013, GWA contracted with AMOrient Engineering to provide design review and construction management services for the Chaot and Agana Heights Design/Build Reservoir Replacement project in the amount of Six Hundred Thirty Nine Thousand Three Hundred Sixteen Dollars and Ninety Cents ($639,316.90); and

**WHEREAS,** GWA issued Change Order No. 1 to AMOrient Engineering for additional pre-construction management services that were required due to the general construction Contractor delay in starting construction. The total value of the Contract was increased to Seven Hundred Sixty Seven Thousand One Hundred Eighty Dollars and Twenty Eight Cents ($767,180.28) and extended the services to October 17, 2014; and

**WHEREAS,** due to continued delay by the construction Contractor, the revised project construction completion date is projected to be August 31, 2015 (Exhibit A – Contractor's Schedule); and

**WHEREAS,** Section 4: Liquidated Damages of the Contract with the Contractor building the Chaot and Agana Heights water tanks allows for GWA to assess liquidated damages to the Contractor in the amount of Two Thousand Nine Hundred Dollars ($2,900.00) per day (excluding Sundays and legal holidays) for breach of the Contract. GWA intends to assess liquidated damages to the construction Contractor in the amount of One Thousand Eight Hundred Dollars ($1,800.00) for each unexcused working day starting October 18, 2014 until Final Completion to cover the additional cost related to construction management services due to the construction Contractor delays in completing the project on time; and

**WHEREAS,** in order to retain the construction management services to cover October 18, 2014 to August 31, 2015 which involves an additional 260 working days; not including 11 Government of Guam holidays and 46 Sundays that are not included in the Contract, an additional Four Hundred Sixty Eight Thousand Dollars ($468,000.00) is needed to ensure that Construction Management Services are continuously provided for the project; and

**WHEREAS,** GWA Management is requesting authorization to increase the funding amount by Four Hundred Sixty Eight Thousand Dollars ($468,000.00) with an additional ten percent (10%) contingency of Forty Six Thousand Eight Hundred Dollars ($46,800.00) for a total contract amount of Five Hundred Fourteen Thousand Eight Hundred Dollars ($514,800.00) to fund the additional construction management cost; and

**WHEREAS,** the funding source will be Internal Funded CIP with PW 12-04 and PW 05-05 as alternate sources; and

**WHEREAS,** money received from the liquidated damages will be applied to funding sources used for the additional construction management work; and

**NOW BE IT THEREFORE RESOLVED**, the Consolidated Commission on Utilities does hereby approve the following:

1. The recitals set forth above hereby constitute the findings of the CCU; and
2. The CCU hereby authorizes the additional base contract amount of Four Hundred Sixty Eight Thousand Dollars ($468,000.00) with an additional ten percent (10%) contingency of Forty Six Thousand Eight Hundred Dollars ($46,800.00) for a total amount of Five Hundred Fourteen Thousand Eight Hundred Dollars ($514,800.00) to fund the additional construction management cost for the project; and
3. The CCU hereby approves the total funding of One Million Two Hundred Eighty One Thousand Nine Hundred Eighty Dollars and Twenty Eight Cents ($1,281,980.28) for Construction Management Services relative to the Contract between AMOrient and GWA; and
4. Funding source will be Internal Funded CIP with PW 12-04 and PW 05-05 as alternate sources; and
5. Money received from the liquidated damages will be applied to funding sources used for the additional construction management work.

**RESOLVED,** that the Chairman certified and the Board Secretary attests to the adoption of this Resolution.

/

/

/

**DULY AND REGULARLY ADOPTED**, this 26th day of May 2015.

Certified by:

**JOSEPH T. DUENAS**
Chairperson

Attested by:

**J. GEORGE BAMBA**
Secretary

I, J. George Bamba, Board Secretary of the Consolidated Commission on Utilities as evidenced by my signature above do hereby certify as follows:

The foregoing is a full, true and accurate copy of the resolution duly adopted at a regular meeting by the members of the Guam Consolidated Commission on Utilities, duly and legally held at a place properly noticed and advertised at which meeting a quorum was present and the members who were present voted as follows:

AYES: 4

NAYS: 0

ABSTENTIONS: 0

ABSENT: 1

GUAM WATERWORKS AUTHORITY
"Better Water, Better Lives."
Gloria B. Nelson Public Service Building| 688 Route 15 | Mangilao, Guam 96913
Tel: (671) 300-6846

Issues for Decision

**Resolution 28-FY2015**

**Relative to Modification of the Construction Management Services for the PW 12-04 Chaot and Agana Heights Design/Build Reservoir Replacement Project; Court Order Paragraph 28(C)**

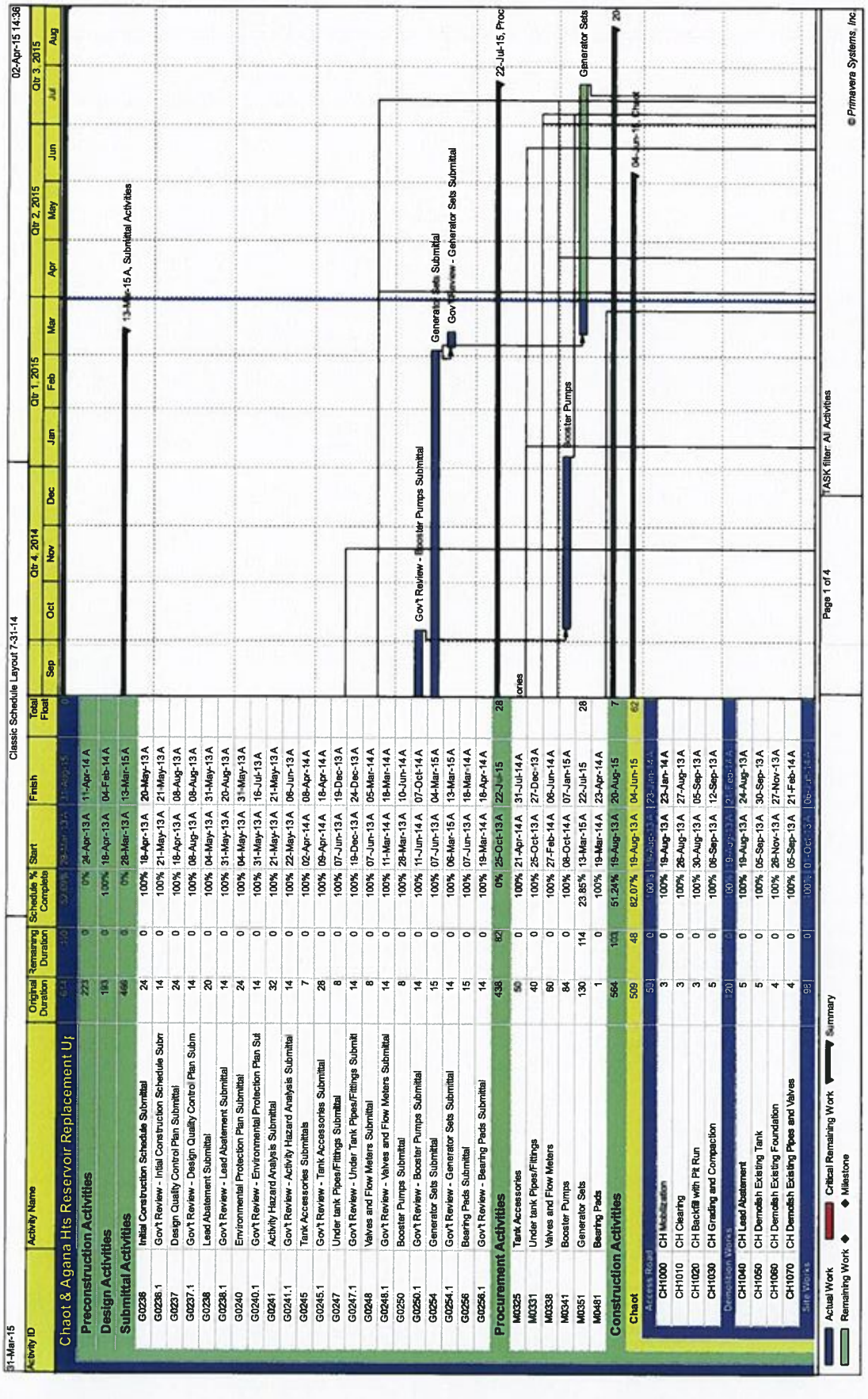
**What is the project's objective? Is it necessary and urgent?**
The objective of this modification is to increase the funding authorization for the project Construction Manager to cover CM services for the period of October 18, 2014 to August 31, 2015 (260 working days; not including 11 Government of Guam holidays and 46 Sundays). CM services are necessary as the CM oversees the construction activities on behalf of GWA thus to continue the concrete tank construction project requires a CM on board. The need for additional services is due to delays by the construction contractor.

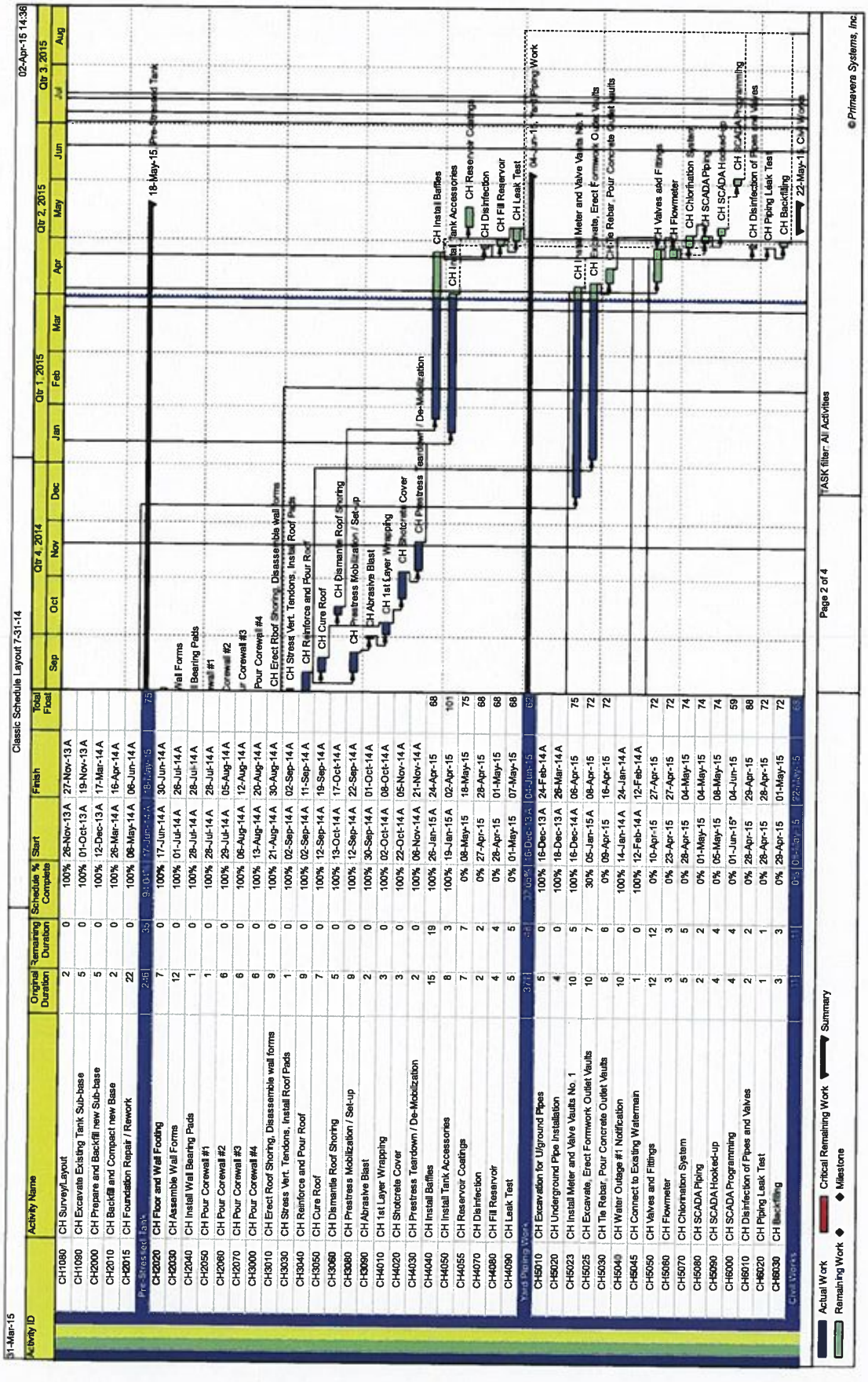
**Where is the location?**
The Construction Management services are for the construction activities related to the Chaot 0.5 MG tank located in the village of Chalan Pago and the Agana Heights 0.5MG tank located in Agana Heights.

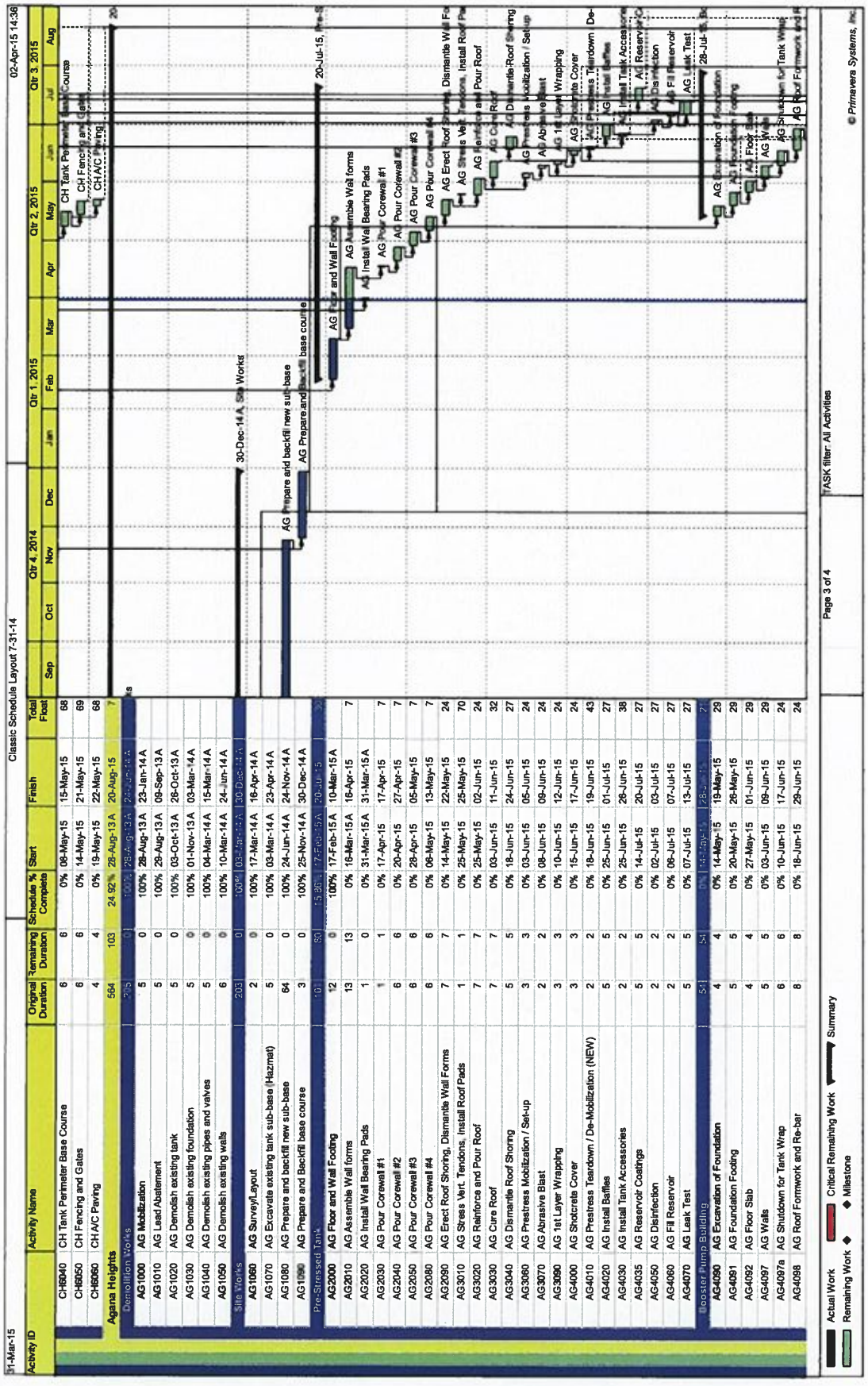
**How much will it cost?**
The modification to the CM services contract will increase the funding amount by Four Hundred Sixty Eight Thousand Dollars ($468,000.00). With an additional ten percent (10%) contingency of Forty Six Thousand Eight Hundred Dollars ($46,800.00), the total funding amount will be Five Hundred Fourteen Thousand Eight Hundred Dollars ($514,800.00).

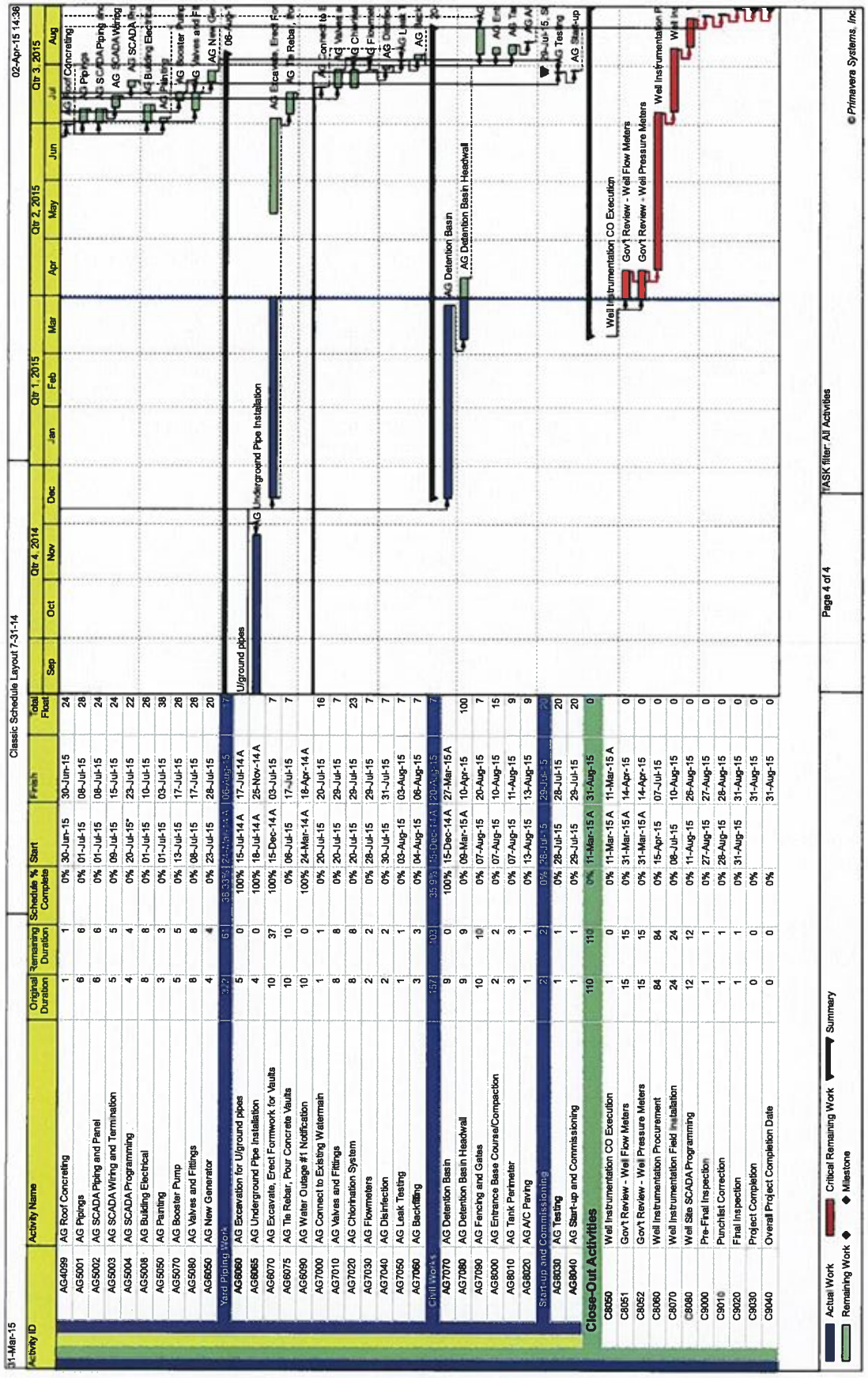
**When will it be completed?**
The CM service is anticipated to be completed at the same time all construction activities are completed or by August 31, 2015. See Exhibit A as part of the resolution.

**What is its funding source?**
The funding source will be Internal Funded CIP with PW 12-04 and PW 05-05 as alternate sources. It should be noted that GWA intends to assess Liquidated Damages to the construction contractor from which funds related to the LD will reimburse the funding source uses.


31-Mar-15
Classic Schedule Layout 7-31-14
02-Apr-15 14:36
Activity ID
Activity Name
Original Duration
Remaining Duration
Schedule % Complete
Start
Finish
Total Float
Qtr 4, 2014
Qtr 1, 2015
Qtr 2, 2015
Qtr 3, 2015
Sep
Oct
Nov
Dec
Jan
Feb
Mar
Apr
May
Jun
Jul
Aug
Chaot & Agana Hts Reservoir Replacement Uf
Preconstruction Activities
Design Activities
Submittal Activities
G0236 Initial Construction Schedule Submittal
G0236.1 Gov't Review - Initial Construction Schedule Subm
G0237 Design Quality Control Plan Submittal
G0237.1 Gov't Review - Design Quality Control Plan Subm
G0238 Lead Abatement Submittal
G0238.1 Gov't Review - Lead Abatement Submittal
G0240 Environmental Protection Plan Submittal
G0240.1 Gov't Review - Environmental Protection Plan Sut
G0241 Activity Hazard Analysis Submittal
G0241.1 Gov't Review - Activity Hazard Analysis Submitta
G0245 Tank Accessories Submittals
G0245.1 Gov't Review - Tank Accessories Submittal
G0247 Under tank Pipes/Fittings Submittal
G0247.1 Gov't Review - Under Tank Pipes/Fittings Submitt
G0248 Valves and Flow Meters Submittal
G0248.1 Gov't Review - Valves and Flow Meters Submittal
G0250 Booster Pumps Submittal
G0250.1 Gov't Review - Booster Pumps Submittal
G0254 Generator Sets Submittal
G0254.1 Gov't Review - Generator Sets Submittal
G0256 Bearing Pads Submittal
G0256.1 Gov't Review - Bearing Pads Submittal
Procurement Activities
M0325 Tank Accessories
M0331 Under tank Pipes/Fittings
M0338 Valves and Flow Meters
M0341 Booster Pumps
M0351 Generator Sets
M0481 Bearing Pads
Construction Activities
Chaot
Access Road
CH1000 CH Mobilization
CH1010 CH Clearing
CH1020 CH Backfill with Pit Run
CH1030 CH Grading and Compaction
Demolition Works
CH1040 CH Lead Abatement
CH1050 CH Demolish Existing Tank
CH1060 CH Demolish Existing Foundation
CH1070 CH Demolish Existing Pipes and Valves
Site Works
13-Mar-15 A, Submittal Activities
Gov't Review - Booster Pumps Submittal
Generator Sets Submittal
Gov't Review - Generator Sets Submittal
Booster Pumps
22-Jul-15, Proc
Generator Sets
04-Jun-15, Chaot
Actual Work
Remaining Work
Critical Remaining Work
Milestone
Summary
Page 1 of 4
TASK filter: All Activities
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31-Mar-15
Classic Schedule Layout 7-31-14
02-Apr-15 14:36
Activity ID
Activity Name
Original Duration
Remaining Duration
Schedule % Complete
Start
Finish
Total Float
Qtr 4, 2014
Qtr 1, 2015
Qtr 2, 2015
Qtr 3, 2015
Sep
Oct
Nov
Dec
Jan
Feb
Mar
Apr
May
Jun
Jul
Aug
CH1080 CH Survey/Layout 2 0 100% 26-Nov-13 A 27-Nov-13 A
CH1090 CH Excavate Existing Tank Sub-base 5 0 100% 01-Oct-13 A 19-Nov-13 A
CH2000 CH Prepare and Backfill new Sub-base 5 0 100% 12-Dec-13 A 17-Mar-14 A
CH2010 CH Backfill and Compact new Base 2 0 100% 26-Mar-14 A 16-Apr-14 A
CH2015 CH Foundation Repair / Rework 22 0 100% 06-May-14 A 06-Jun-14 A
Pre-Stressed Tank 246 35 91.01% 17-Jun-14 A 18-May-15 75
CH2020 CH Floor and Wall Footing 7 0 100% 17-Jun-14 A 30-Jun-14 A
CH2030 CH Assemble Wall Forms 12 0 100% 01-Jul-14 A 26-Jul-14 A
CH2040 CH Install Wall Bearing Pads 1 0 100% 28-Jul-14 A 28-Jul-14 A
CH2050 CH Pour Corewall #1 1 0 100% 29-Jul-14 A 28-Jul-14 A
CH2060 CH Pour Corewall #2 6 0 100% 29-Jul-14 A 05-Aug-14 A
CH2070 CH Pour Corewall #3 6 0 100% 06-Aug-14 A 12-Aug-14 A
CH3000 CH Pour Corewall #4 6 0 100% 13-Aug-14 A 20-Aug-14 A
CH3010 CH Erect Roof Shoring, Disassemble wall forms 9 0 100% 21-Aug-14 A 30-Aug-14 A
CH3030 CH Stress Vert. Tendons, Install Roof Pads 1 0 100% 02-Sep-14 A 02-Sep-14 A
CH3040 CH Reinforce and Pour Roof 9 0 100% 02-Sep-14 A 11-Sep-14 A
CH3050 CH Cure Roof 7 0 100% 12-Sep-14 A 19-Sep-14 A
CH3060 CH Dismantle Roof Shoring 5 0 100% 13-Oct-14 A 17-Oct-14 A
CH3080 CH Prestress Mobilization / Set-up 9 0 100% 12-Sep-14 A 22-Sep-14 A
CH3090 CH Abrasive Blast 2 0 100% 30-Sep-14 A 01-Oct-14 A
CH4010 CH 1st Layer Wrapping 3 0 100% 02-Oct-14 A 08-Oct-14 A
CH4020 CH Shotcrete Cover 3 0 100% 22-Oct-14 A 05-Nov-14 A
CH4030 CH Prestress Teardown / De-Mobilization 2 0 100% 06-Nov-14 A 21-Nov-14 A
CH4040 CH Install Baffles 15 19 100% 26-Jan-15 A 24-Apr-15 68
CH4050 CH Install Tank Accessories 8 3 100% 19-Jan-15 A 02-Apr-15 101
CH4055 CH Reservoir Coatings 7 7 0% 08-May-15 18-May-15 75
CH4070 CH Disinfection 2 2 0% 27-Apr-15 28-Apr-15 68
CH4080 CH Fill Reservoir 4 4 0% 28-Apr-15 01-May-15 68
CH4090 CH Leak Test 5 5 0% 01-May-15 07-May-15 68
Yard Piping Work 381 381 0% 16-Dec-13 A 04-Jun-15 65
CH5010 CH Excavation for U/ground Pipes 5 0 100% 16-Dec-13 A 24-Feb-14 A
CH5020 CH Underground Pipe Installation 4 0 100% 18-Dec-13 A 26-Mar-14 A
CH5023 CH Install Meter and Valve Vaults No. 1 10 5 100% 16-Dec-14 A 08-Apr-15 75
CH5025 CH Excavate, Erect Formwork Outlet Vaults 10 7 30% 05-Jan-15 A 08-Apr-15 72
CH5030 CH Tie Rebar, Pour Concrete Outlet Vaults 8 8 0% 09-Apr-15 16-Apr-15 72
CH5040 CH Water Outage #1 Notification 10 0 100% 14-Jan-14 A 24-Jan-14 A
CH5045 CH Connect to Existing Waterman 1 0 100% 12-Feb-14 A 12-Feb-14 A
CH5050 CH Valves and Fittings 12 12 0% 10-Apr-15 27-Apr-15 72
CH5060 CH Flowmeter 3 3 0% 23-Apr-15 27-Apr-15 72
CH5070 CH Chlorination System 5 5 0% 28-Apr-15 04-May-15 74
CH5080 CH SCADA Piping 2 2 0% 01-May-15 04-May-15 74
CH5090 CH SCADA Hooked-up 4 4 0% 05-May-15 08-May-15 74
CH6000 CH SCADA Programming 4 4 0% 01-Jun-15* 04-Jun-15 59
CH6010 CH Disinfection of Pipes and Valves 2 2 0% 28-Apr-15 29-Apr-15 88
CH6020 CH Piping Leak Test 1 1 0% 28-Apr-15 28-Apr-15 72
CH6030 CH Backfilling 3 3 0% 29-Apr-15 01-May-15 72
Civil Works 311 311 0% 04-May-15 22-May-15 65
Actual Work
Remaining Work
Critical Remaining Work
Milestone
Summary
Page 2 of 4
TASK filter: All Activities
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31-Mar-15
Classic Schedule Layout 7-31-14
02-Apr-15 14:36
Activity ID
Activity Name
Original Duration
Remaining Duration
Schedule % Complete
Start
Finish
Total Float
Qtr 4, 2014
Qtr 1, 2015
Qtr 2, 2015
Qtr 3, 2015
Sep
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May
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Jul
Aug
CH6040 CH Tank Perimeter Base Course 6 6 0% 08-May-15 15-May-15 68
CH6050 CH Fencing and Gates 6 6 0% 14-May-15 21-May-15 69
CH6060 CH A/C Paving 4 4 0% 19-May-15 22-May-15 68
Agana Heights 564 103 24.92% 28-Aug-13 A 20-Aug-15 7
Demolition Works 0 100% 28-Aug-13 A 28-Jan-14 A
AG1000 AG Mobilization 5 0 100% 28-Aug-13 A 23-Jan-14 A
AG1010 AG Lead Abatement 5 0 100% 29-Aug-13 A 09-Sep-13 A
AG1020 AG Demolish existing tank 5 0 100% 03-Oct-13 A 28-Oct-13 A
AG1030 AG Demolish existing foundation 5 0 100% 01-Nov-13 A 03-Mar-14 A
AG1040 AG Demolish existing pipes and valves 5 0 100% 04-Mar-14 A 15-Mar-14 A
AG1050 AG Demolish existing walls 6 0 100% 10-Mar-14 A 24-Jun-14 A
Site Works 203 0 100% 03-Mar-14 A 30-Dec-14 A
AG1060 AG Survey/Layout 2 0 100% 17-Mar-14 A 16-Apr-14 A
AG1070 AG Excavate existing tank sub-base (Hazmat) 5 0 100% 03-Mar-14 A 23-Apr-14 A
AG1080 AG Prepare and backfill new sub-base 64 0 100% 24-Jun-14 A 24-Nov-14 A
AG1090 AG Prepare and Backfill base course 3 0 100% 25-Nov-14 A 30-Dec-14 A
Pre-Stressed Tank 80 15.85 17-Feb-15 A 20-Jul-15
AG2000 AG Floor and Wall Footing 12 0 100% 17-Feb-15 A 10-Mar-15 A
AG2010 AG Assemble Wall forms 13 13 0% 16-Mar-15 A 16-Apr-15 7
AG2020 AG Install Wall Bearing Pads 1 0 0% 31-Mar-15 A 31-Mar-15 A
AG2030 AG Pour Corewall #1 1 1 0% 17-Apr-15 17-Apr-15 7
AG2040 AG Pour Corewall #2 6 6 0% 20-Apr-15 27-Apr-15 7
AG2050 AG Pour Corewall #3 6 6 0% 28-Apr-15 05-May-15 7
AG2060 AG Pour Corewall #4 6 6 0% 06-May-15 13-May-15 7
AG2090 AG Erect Roof Shoring, Dismantle Wall Forms 7 7 0% 14-May-15 22-May-15 24
AG3010 AG Stress Vert. Tendons, Install Roof Pads 1 1 0% 25-May-15 25-May-15 70
AG3020 AG Reinforce and Pour Roof 7 7 0% 25-May-15 02-Jun-15 24
AG3030 AG Cure Roof 7 7 0% 03-Jun-15 11-Jun-15 32
AG3040 AG Dismantle Roof Shoring 5 5 0% 18-Jun-15 24-Jun-15 27
AG3060 AG Prestress Mobilization / Set-up 3 3 0% 03-Jun-15 05-Jun-15 24
AG3070 AG Abrasive Blast 2 2 0% 08-Jun-15 09-Jun-15 24
AG3080 AG 1st Layer Wrapping 3 3 0% 10-Jun-15 12-Jun-15 24
AG4000 AG Shotcrete Cover 3 3 0% 15-Jun-15 17-Jun-15 24
AG4010 AG Prestress Teardown / De-Mobilization (NEW) 2 2 0% 18-Jun-15 19-Jun-15 43
AG4020 AG Install Baffles 5 5 0% 25-Jun-15 01-Jul-15 27
AG4030 AG Install Tank Accessories 2 2 0% 25-Jun-15 26-Jun-15 38
AG4035 AG Reservoir Coatings 5 5 0% 14-Jul-15 20-Jul-15 27
AG4050 AG Disinfection 2 2 0% 02-Jul-15 03-Jul-15 27
AG4060 AG Fill Reservoir 2 2 0% 06-Jul-15 07-Jul-15 27
AG4070 AG Leak Test 5 5 0% 07-Jul-15 13-Jul-15 27
Booster Pump Building 54 0% 14-May-15 28-Jul-15 2
AG4090 AG Excavation of Foundation 4 4 0% 14-May-15 19-May-15 29
AG4091 AG Foundation Footing 5 5 0% 20-May-15 26-May-15 29
AG4092 AG Floor Slab 4 4 0% 27-May-15 01-Jun-15 29
AG4097 AG Walls 5 5 0% 03-Jun-15 09-Jun-15 29
AG4097a AG Shutdown for Tank Wrap 6 6 0% 10-Jun-15 17-Jun-15 24
AG4098 AG Roof Formwork and Re-bar 8 8 0% 18-Jun-15 29-Jun-15 24
CH Tank Perimeter Base Course
CH Fencing and Gates
CH A/C Paving
30-Dec-14 A Site Works
AG Prepare and backfill new sub-base
AG Prepare and Backfill base course
20-Jul-15, Pre-S
AG Floor and Wall Footing
AG Assemble Wall forms
AG Install Wall Bearing Pads
AG Pour Corewall #1
AG Pour Corewall #2
AG Pour Corewall #3
AG Pour Corewall #4
AG Erect Roof Shoring, Dismantle Wall Fo
AG Stress Vert. Tendons, Install Roof Pa
AG Reinforce and Pour Roof
AG Cure Roof
AG Dismantle Roof Shoring
AG Prestress Mobilization / Set-up
AG Abrasive Blast
AG 1st Layer Wrapping
AG Shotcrete Cover
AG Prestress Teardown / De-
AG Install Baffles
AG Install Tank Accessorie
AG Reservoir C
AG Disinfection
AG Fill Reservoir
AG Leak Test
28-Jul-15, Be
AG Excavation of Foundation
AG Foundation Footing
AG Floor Slab
AG Walls
AG Shutdown for Tank Wrap
AG Roof Formwork and R
Actual Work
Remaining Work
Critical Remaining Work
Milestone
Summary
Page 3 of 4
TASK filter: All Activities
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31-Mar-15
Classic Schedule Layout 7-31-14
02-Apr-15 14:36
Activity ID
Activity Name
Original Duration
Remaining Duration
Schedule % Complete
Start
Finish
Total Float
Qtr 4, 2014
Qtr 1, 2015
Qtr 2, 2015
Qtr 3, 2015
Sep
Oct
Nov
Dec
Jan
Feb
Mar
Apr
May
Jun
Jul
Aug
AG4099 AG Roof Concreting 1 1 0% 30-Jun-15 30-Jun-15 24
AG5001 AG Pipings 6 6 0% 01-Jul-15 08-Jul-15 28
AG5002 AG SCADA Piping and Panel 6 6 0% 01-Jul-15 08-Jul-15 24
AG5003 AG SCADA Wiring and Termination 5 5 0% 09-Jul-15 15-Jul-15 24
AG5004 AG SCADA Programming 4 4 0% 20-Jul-15* 23-Jul-15 22
AG5006 AG Building Electrical 8 8 0% 01-Jul-15 10-Jul-15 26
AG5050 AG Painting 3 3 0% 01-Jul-15 03-Jul-15 38
AG5070 AG Booster Pump 5 5 0% 13-Jul-15 17-Jul-15 26
AG5080 AG Valves and Fittings 8 8 0% 08-Jul-15 17-Jul-15 26
AG6050 AG New Generator 4 4 0% 23-Jul-15 28-Jul-15 20
Yard Piping Work 327 61 38.53% 24-Mar-14 A 06-Aug-15 7
AG6060 AG Excavation for U/ground pipes 5 0 100% 15-Jul-14 A 17-Jul-14 A
AG6065 AG Underground Pipe Installation 4 0 100% 18-Jul-14 A 25-Nov-14 A
AG6070 AG Excavate, Erect Formwork for Vaults 10 37 100% 15-Dec-14 A 03-Jul-15 7
AG6075 AG Tie Rebar, Pour Concrete Vaults 10 10 0% 06-Jul-15 17-Jul-15 7
AG6090 AG Water Outage #1 Notification 10 0 100% 24-Mar-14 A 18-Apr-14 A
AG7000 AG Connect to Existing Watermain 1 1 0% 20-Jul-15 20-Jul-15 16
AG7010 AG Valves and Fittings 8 8 0% 20-Jul-15 29-Jul-15 7
AG7020 AG Chlorination System 8 8 0% 20-Jul-15 29-Jul-15 23
AG7030 AG Flowmeters 2 2 0% 28-Jul-15 29-Jul-15 7
AG7040 AG Disinfection 2 2 0% 30-Jul-15 31-Jul-15 7
AG7050 AG Leak Testing 1 1 0% 03-Aug-15 03-Aug-15 7
AG7060 AG Backfilling 3 3 0% 04-Aug-15 06-Aug-15 7
Civil Works 157 103 35.99% 15-Dec-14 A 29-Aug-15 7
AG7070 AG Detention Basin 9 0 100% 15-Dec-14 A 27-Mar-15 A
AG7080 AG Detention Basin Headwall 9 9 0% 09-Mar-15 A 10-Apr-15 100
AG7090 AG Fencing and Gates 10 10 0% 07-Aug-15 20-Aug-15 7
AG8000 AG Entrance Base Course/Compaction 2 2 0% 07-Aug-15 10-Aug-15 15
AG8010 AG Tank Perimeter 3 3 0% 07-Aug-15 11-Aug-15 9
AG8020 AG A/C Paving 1 1 0% 13-Aug-15 13-Aug-15 9
Start-up and Commissioning 2 2 0% 28-Jul-15 29-Jul-15 20
AG8030 AG Testing 1 1 0% 28-Jul-15 28-Jul-15 20
AG8040 AG Start-up and Commissioning 1 1 0% 29-Jul-15 29-Jul-15 20
Close-Out Activities 110 110 0% 11-Mar-15 A 31-Aug-15 0
C8050 Well Instrumentation CO Execution 1 0 0% 11-Mar-15 A 11-Mar-15 A
C8051 Gov't Review - Well Flow Meters 15 15 0% 31-Mar-15 A 14-Apr-15 0
C8052 Gov't Review - Well Pressure Meters 15 15 0% 31-Mar-15 A 14-Apr-15 0
C8060 Well Instrumentation Procurement 84 84 0% 15-Apr-15 07-Jul-15 0
C8070 Well Instrumentation Field Installation 24 24 0% 08-Jul-15 10-Aug-15 0
C8080 Well Site SCADA Programming 12 12 0% 11-Aug-15 26-Aug-15 0
C9000 Pre-Final Inspection 1 1 0% 27-Aug-15 27-Aug-15 0
C9010 Punchlist Correction 1 1 0% 28-Aug-15 28-Aug-15 0
C9020 Final Inspection 1 1 0% 31-Aug-15 31-Aug-15 0
C9030 Project Completion 0 0 0% 31-Aug-15 0
C9040 Overall Project Completion Date 0 0 0% 31-Aug-15 0
Underground pipes
AG Underground Pipe Installation
AG Detention Basin
AG Detention Basin Headwall
Well Instrumentation CO Execution
Gov't Review - Well Flow Meters
Gov't Review - Well Pressure Meters
Well Instrumentation F
AG Roof Concreting
AG Pipings
AG SCADA Piping
AG SCADA Wiring
AG Building Elec
AG Painting
AG Booster Pump
AG Valves and F
AG New Ge
AG Excavate, Erect F
AG Tie Rebar, Po
AG Connect to
AG Valves
AG Chlorina
AG Flowm
AG Disinfec
AG Leak
AG
AG Entrance
AG Tank
AG A/C
AG Testing
AG Start-up
Actual Work
Remaining Work
Critical Remaining Work
Milestone
Summary
Page 4 of 4
TASK filter: All Activities
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# Exhibit C

**From:** Garrett Yeoh
**To:** "Brett Raley"; thomas@guamwaterworks.org
**Subject:** AMO CM Breakdown
**Date:** Wednesday, January 04, 2017 12:58:02 PM
**Attachments:** AMO Breakdown 20170104.xlsx

| Current Contract | | | | |
|---|---|---|---|---|
| | Amount | Execution Date | LD start | LD end |
| Contract | $ 639,316.90 | 05/30/13 | | |
| Change Order No. 1 | $ 127,863.38 | 05/12/14 | | |
| Change Order No. 2 | $ 271,800.00 | 10/07/15 | 10/18/14 | 05/31/15 |
| Change Order No. 3 | $ 149,000.00 | 11/21/15 | 06/01/15 | 09/30/15 |
| Change Order No. 4 | $ 70,200.00 | 02/03/16 | 10/01/15 | 11/30/15 |
| Total | $ 1,258,180.28 | | | |

*Change Order No. 5 will cover 12/1/2016 to 12/31/2017

| CCU Approvals | Amount | Purpose |
|---|---|---|
| Resolution No. 22-FY2013 | $ 767,180.28 | Original contract and contingency approvals |
| Resolution No. 28-FY2015 | $ 514,800.00 | Increased cost covered by liquidated damages |
| Total | $ 1,281,980.28 | |

| Month | AMOrient Billing | |
|---|---|---|
| Oct-14 | $ 18,000.00 | |
| Nov-14 | $ 30,600.00 | |
| Dec-14 | $ 37,800.00 | |
| Jan-15 | $ 36,000.00 | |
| Feb-15 | $ 36,000.00 | |
| Mar-15 | $ 37,800.00 | |
| Apr-15 | $ 39,600.00 | |
| May-15 | $ 36,000.00 | |
| Jun-15 | $ 39,600.00 | |
| Jul-15 | $ 37,800.00 | |
| Aug-15 | $ 33,800.00 | |
| Sep-15 | $ 37,800.00 | |
| Oct-15 | $ 37,800.00 | |
| Nov-15 | $ 32,400.00 | |
| Portion of Dec-15 | $ 23,800.00 | |
| Sub-Total | $ 514,800.00 | Resolution No. 28-FY2015 |
| | | |
| Portion of Dec-15 | $ 15,800.00 | |
| Jan-16 | $ 29,196.00 | |
| Feb-16 | $ 28,377.00 | |
| Mar-16 | $ 27,081.00 | |
| Apr-16 | $ 34,677.00 | |
| May-16 | $ 22,770.00 | |
| Jun-16 | $ 26,100.00 | |
| Jul-16 | $ 33,840.00 | |
| Aug-16 | $ 31,050.00 | |
| Sep-16 | $ 33,750.00 | |
| Oct-16 | $ 30,600.00 | |
| Nov-16 | $ 17,100.00 | |
| Dec-16 | $ 16,200.00 | |
| Sub-Total | $ 346,541.00 | Upcoming Resolution No. -FY2017 |
| | | |
| TOTAL | $ 861,341.00 | |

Regards,
Garrett Yeoh

GUAM POWER AUTHORITY
ATURIDÅT ILEKTRESEDÅT GUAHAN
P.O.BOX 2977 • AGANA, GUAM U.S.A. 96932-2977

January 24, 2017

Commissioners
Consolidated Commission on Utilities

RE: Written Recommendation to Discuss GPA Legal Matters in Executive Session for Guam Power Authority's Regular Board Meeting on January 24, 2017.

Dear Commissioners,

As the general counsel for Guam Power Authority (GPA), I hereby recommend pursuant to 5 G.C.A. § 8111, that the Commissioner discuss the following matters in Executive Session during the January 24, 2017, Regular Board Meeting for GPA:

1. Personnel Matters
2. Any other matter that legal counsel for GPA may verbally recommend that the Commission hear during the above-described meeting.

Pursuant to 5 G.C.A. § 8111, the Commission must make an affirmative vote of a majority of the members of the Commission to discuss these matters in Executive Session. Please contact me if you have any questions.

Sincerely,

D Graham Botha, ESQ.
General Counsel

# CONSOLIDATED COMMISSION ON UTILITIES

Guam Power Authority • Guam Waterworks Authority
P.O.BOX 2977 • Agana,Guam 96932

**Regular Board Meeting**
***CCU Conference Room, Gloria B. Nelson Public Service Building***
**5:30 p.m., December 6, 2016**

## AGENDA

**1. CALL TO ORDER**

Chairman Duenas called the Regular CCU Meeting of December 6, 2016 to order at 5:35 p.m. He announced that four (4) Commissioners and Comm. Elect Judi Guthertz were present. He also welcomed Capt. Stephanie Jones and her entourage to the meeting saying that they are here tonight for the formal signing of the One Guam Memorandum of Understanding (MOU) and thanked them and commended all parties for their work to get this MOU put together. This MOU further clarifies the roles that GWA and the military plays as we continue to work together for the common good of the community.

That said the Chairman said that we will move the meeting down to the OLD BUSINESS section 5.1 relative to GWA Resolution 04-FY2017 the MOU GWA Resolution No. 04-FY2017 Relative to Supporting the 2016 MOU Between GWA/ DoD & DoN and asked for a motion (a description of the Resolution is detailed in said section).

Comm. Sanchez motioned to approve Resolution 04-FY2017; Comm. Bamba seconded.

Comm. Sanchez gave a brief overview of this MOU that began with the first military buildup discussion in 2008 and the significance to all stakeholders. He said the significance of this signing is that we agree that water is a precious commodity and that we have a responsibility safeguard it and our oceans. This is a wonderful continuation and there's lots of work to do. Comm. Bamba also commented that he was happy to see the evolvement of this One Guam initiative and to see it come to fruition. He said he feels thankful and blessed. The Chairman also commended other players like Capt. Lynch who also played a key role in discussions during the early days of discussions related to the military buildup. Comm. Gutherz also commented that the people of Guam first heard about the build-up from the newspapers which was quite a surprise for many. She said that the Legislature created a Committee called on the Committee on the Guam Military Buildup which she was asked to Chair and her first interaction with General Bice. At the time there were lots of questions going around relative to land use and others and a little at a time things started to fall in place. It took an immense commitment from the community to refine the buildup plan and is glad to see that the CCU and GWA were able to continue the discussion which has brought us to this time and place. It is an important day for each of us

On the motion, there was no further discussion or objection and the motion passed.

GM Benavente of GPA asked the Chairman if he could also ask that the One Guam MOU between Department of the Navy and GPA can also be signed tonight. He thanked Capt. Jones for all the work that was put into the GPA MOU. He proceeded to say cite the many factors that also are key concerns for the military such as renewables and cyber security, to name a few.

The Chairman called for a 5-minute recess for the signing of the GWA and GPA One Guam Initiative Memorandum of Understanding

**Others present at the meeting include:**

**Commissioners:**

| | |
|---|---|
| Joseph T. Duenas | CCU Chairman |
| Francis Santos | CCU Vice Chairman |
| George Bamba | CCU Secretary |
| Simon Sanchez | Member |
| Judith Guthertz | Comm-elect |

**Executive Mgmt.:**

| | |
|---|---|
| John Benavente | GM / GPA |
| Miguel Bordallo | GM / GWA |
| Melinda Mafnas | AGM Operations / GPA |
| John Kim | CFO / GPA |
| Greg Cruz | CFO / GWA |
| Kelly Clark | Staff Attorney / GWA |

**Management & Staff:**

| | |
|---|---|
| Paul Kemp | AGM Compliance & Safety / GWA |
| Vangie Lujan | Compliance & Safety / GWA |
| Cora Montellano | Asst. CFO / GPA Finance |
| Tom Cruz | Chief Engineer / GWA |
| Geigy Salahgon | Revenue Protection / GWA |
| Ron Topasna | GWA |
| John Cruz | SPORD Manager / GPA |
| Heidi Ballendorf | PIO / GWA |
| Art Perez | PIO / GPA |
| Melvyn Kwek | Manager, IT / GPA |
| Karen Grape | IT / GWA |
| Joyce Sayama | Mgmt. Analyst / GPA Ex. Office |
| Ann Borja | Mgmt. Analyst / GWA Ex. Office |
| Lou Sablan | Board Secretary / CCU |

**Guest:**

| | |
|---|---|
| Angelica Perez | AM Insurance |
| Annmarie Muna | AM Insurance |
| Andy Nivens | PUC |
| Nestor Licanto | KUAM |
| Bill Chang | B&C |
| Fred Horecky | PUC |
| John O'Connor | Post Guam |
| Capt. Stephanie Jones | US Navy |

## 2. APPROVAL OF MINUTES

The Minutes of November 22, 2016 was presented for approval.

Comm. Bamba motioned to approve the Minutes subject to verification and written correction; Comm. Sanchez seconded. There was no further discussion or objection and the motion passed.

## 3. COMMUNICATIONS

**3.1 Public Comments - None**

4. **NEW BUSINESS**

**4.1 GWA**

**4.1.1 GM Report Update**

**GM Bordallo gave his usual monthly report update:**

**TMW License Agreement:**

a. GWA continues operations and maintenance at TMW.

b. Inspection was completed on October 26 at 2:00 pm. Navy Public Works Department and GWA conducted the inspection. Minor corrections are being addressed by GWA.

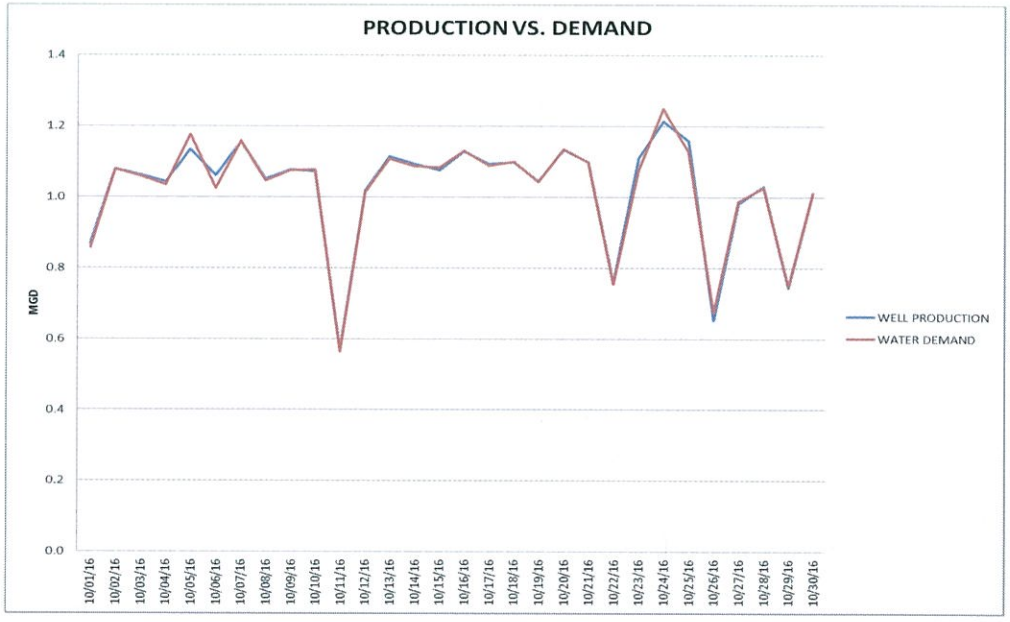
c. Now that *Lucity,* GWA's Asset Management Program, is up and running, status reports will be submitted to DoD NAVFAC more often.

d. GWA is still waiting on DoD to respond to the final drawings for the Potts Junction intertie.

e. Production:

i. Fairly consistent between 1.0 and 1.2 million gallons per day (MGD), with the exception of several events tripped equipment events - see chart below.

ii. Total production in October is **31,846,800 gallons.**



2. **2010 MOU Update**
    a. GWA and NAVFAC completed their work on an updated MOU.
    b. Joint Region has not yet reviewed the MOU.
3. **Easement Request for Agat WWTP Project**
    a. NBG Installation Commanding Officer approved the easement grant at no cost.
    b. Still waiting on Commander Navy Installation Command on the term and type of request approval.
    c. GWA is willing to do 50% of the maintenance of the easement as part of the contribution.
    d. GWA will pay for appraisal and survey for legal meets and bounds if needed for the agreement.
4. **Interoperability Options – future projects**
    a. Santa Rosa.
    b. Route 15 line connection.
    c. Agana Heights tanks (GWA and Naval Hospital).
    d. Urunao and the Wildlife Refuge.

**OEA Grants – Guam Water-Wastewater Infrastructure Projects**

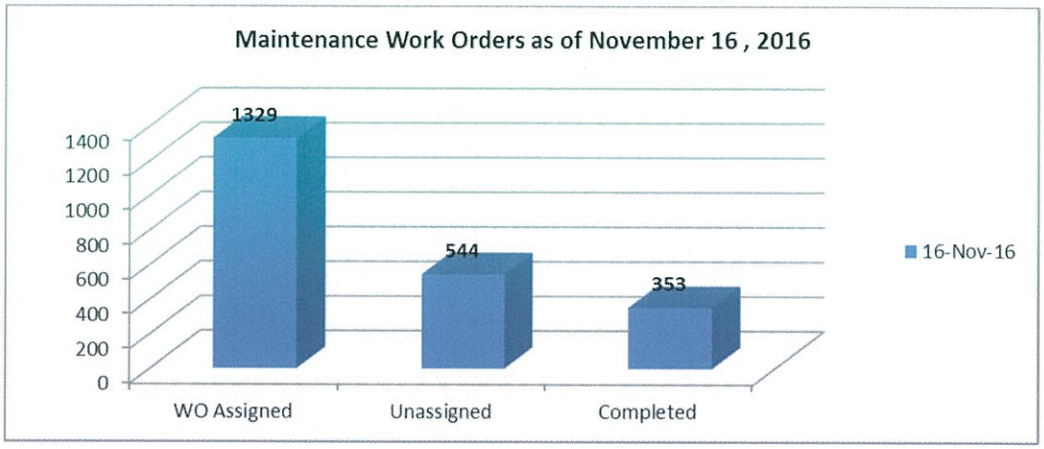
- PM/CM scope was finalized with GWWIST review/input; RFP issued on October 21; submissions due November 21.
- GWA is providing assistance to USEPA for NEPA process associated with initial project; formal NEPA activities pending contract (USEPA).
- NGLA Monitoring Wells – slight delay in finalizing sites located on DoD property due to MEC training issues.
- GWWIST meeting was held on November 8 in Hawaii. Schedule for implementation was updated (see below), and a briefing on current procurement and land acquisition efforts was provided.

| Action Item | Date (Target) | Date (Actual) | Status |
|---|---|---|---|
| Project Funds Available | ~~Oct-15~~ / July-16 | AUG-30-16 | Completed |
| Land Acquisition | ~~Sep-16 (?)~~ Jan-17 | | On-target |
| Procure PM/CM Firm | ~~Apr-16~~ / Jan-17 | | On-target |
| Procure Design Firm | ~~Oct-16 (?)~~ Jul-17 | | On-target |
| Design -- 30/60/90/Final -- Review | ~~Nov-17~~ Jun-18 | | On-target |
| NEPA Analysis and Determination | ~~Aug-17~~ Feb-17 | | ?? |
| Procure Construction Firm | ~~Jun~~Dec-18 | | On-target |
| Construction Complete/Commence Operations | Nov-21 | | On-target |
| Sewer line connection from MCB to GWA infrastructure | ~~TBD (?)~~ Jul-19 | | On-target |
| MCB Initial Operating Capability | Jul-22 | | On-target |

**Asset Management**

- CMMS system went live on October 3, 2016.

- Functionality testing completed September 2016; 13 mobile routers expected to arrive in November to improve real-time mobile management.
- AM & Operations meet weekly on:
    - Compliance with process and work flow
    - Inventory management and monitoring
    - Critical asset redundancy
    - Training needs
    - Development of policy for records management
    - QA/QC Performance on PM and CM
- AM Steering Committee meets monthly on:
    - Discussion of weekly maintenance meetings
    - Resources needed to sustain AM program
- Over 1,000 Work Orders issued so far.
- Over 300 Work Orders completed.
- PM/CM ratio is less than 0.5 (roughly 16% / 84%).
- WO Report Summary

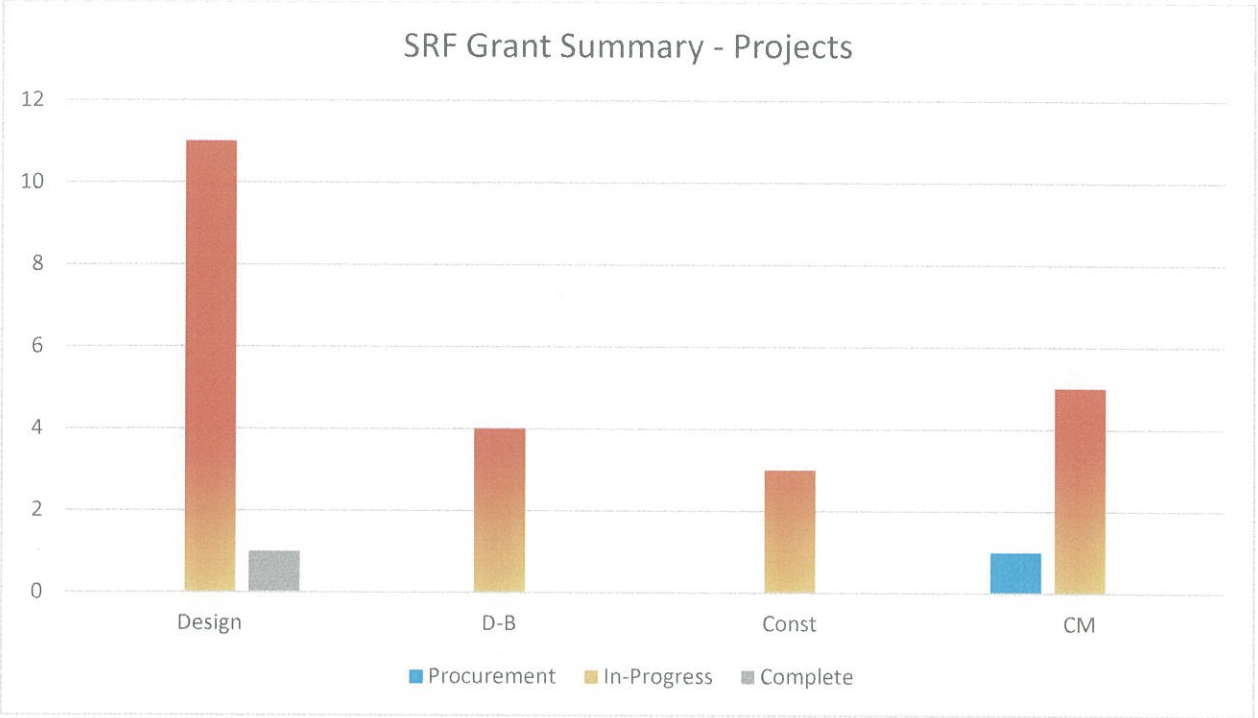



**USEPA SRF Projects**

- Summary of all SRF grant funded projects are shown below.

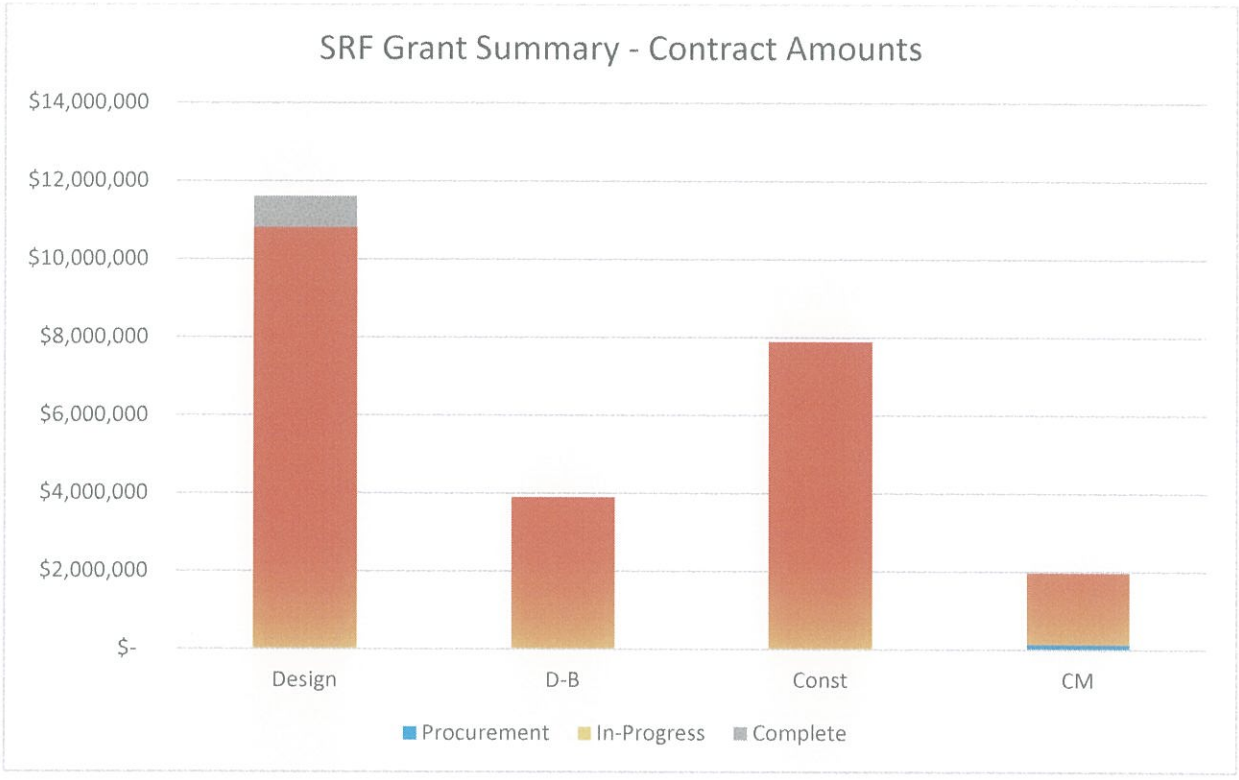
**SRF Grant Summary - Projects**

| | Procurement | In-Progress | Complete | Totals | % |
|---|---|---|---|---|---|
| **Design** | 0 | 11 | 1 | 12 | 48% |
| **D-B** | 0 | 4 | | 4 | 16% |
| **Const** | 0 | 3 | | 3 | 12% |
| **CM** | 1 | 5 | | 6 | 24% |
| **Totals** | 1 | 23 | 1 | 25 | |
| **%** | 4% | 92% | 4% | | |

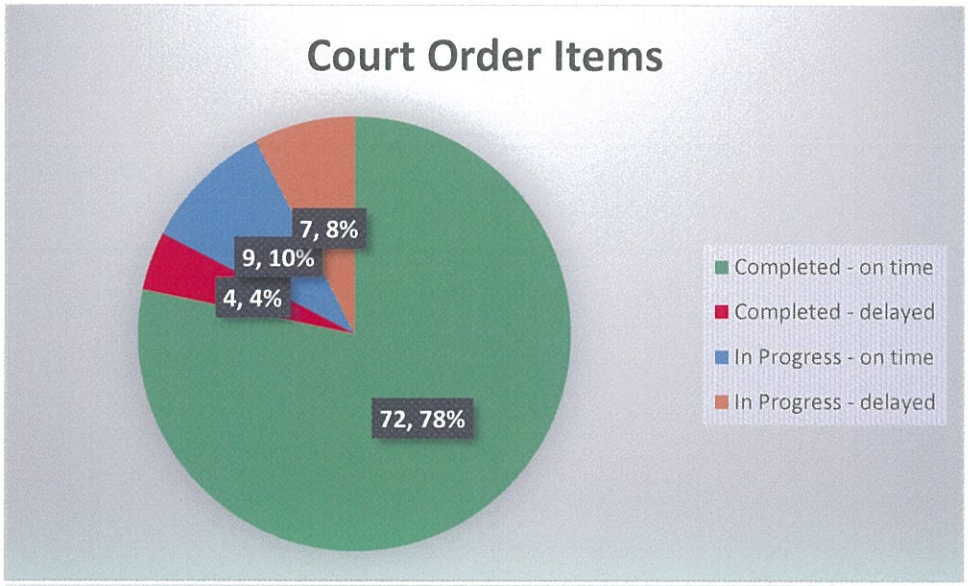



**SRF Grant Summary - Contract Amounts**

| | Procurement | In-Progress | Complete | Totals | % |
|---|---|---|---|---|---|
| **Design** | $ - | $ 10,812,544 | $ 792,980 | $ 11,605,524 | 46% |
| **D-B** | $ - | $ 3,898,896 | | $ 3,898,896 | 15% |
| **Const** | $ - | $ 7,883,710 | | $ 7,883,710 | 31% |
| **CM** | $ 145,186 | $ 1,824,690 | | $ 1,969,876 | 8% |
| **Totals** | $ 145,186 | $ 24,419,840 | $ 792,980 | $ 25,358,006 | |
| **%** | 1% | 96% | 3% | | |


SRF Grant Summary - Contract Amounts
$14,000,000
$12,000,000
$10,000,000
$8,000,000
$6,000,000
$4,000,000
$2,000,000
$-
Design
D-B
Const
CM
Procurement
In-Progress
Complete

**Court Order**




## Court Order Summary

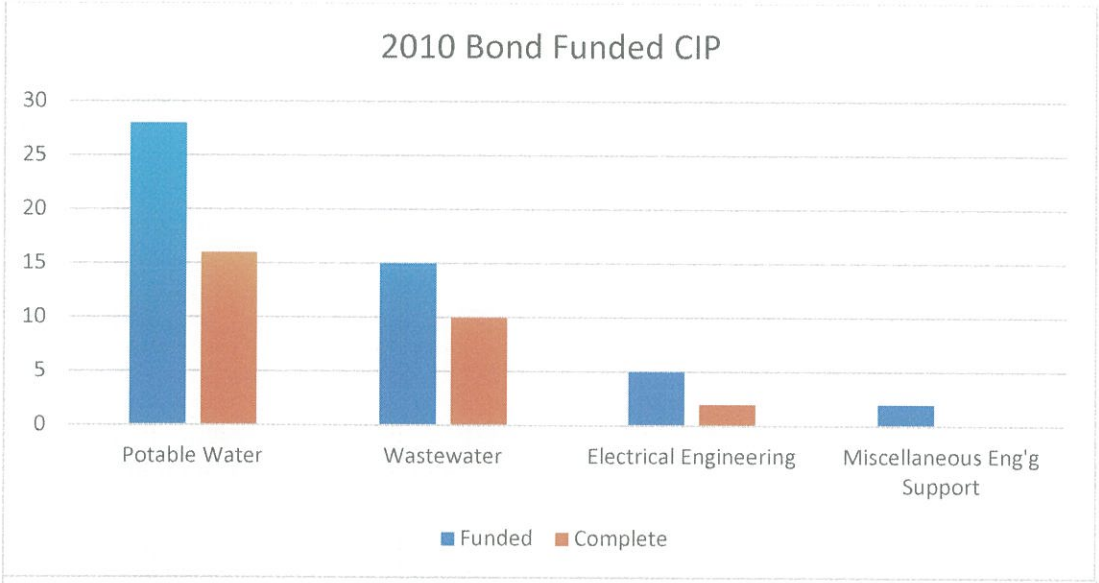
| | Court Order Items | % | Performance (on-time or completed) |
|---|---|---|---|
| **Completed - on time** | 72 | 78% | |
| **Completed - delayed** | 4 | 4% | |
| **In Progress - on time** | 9 | 10% | |
| **In Progress - delayed** | 7 | 8% | 92.4% |
| **Totals** | 92 | 100% | |

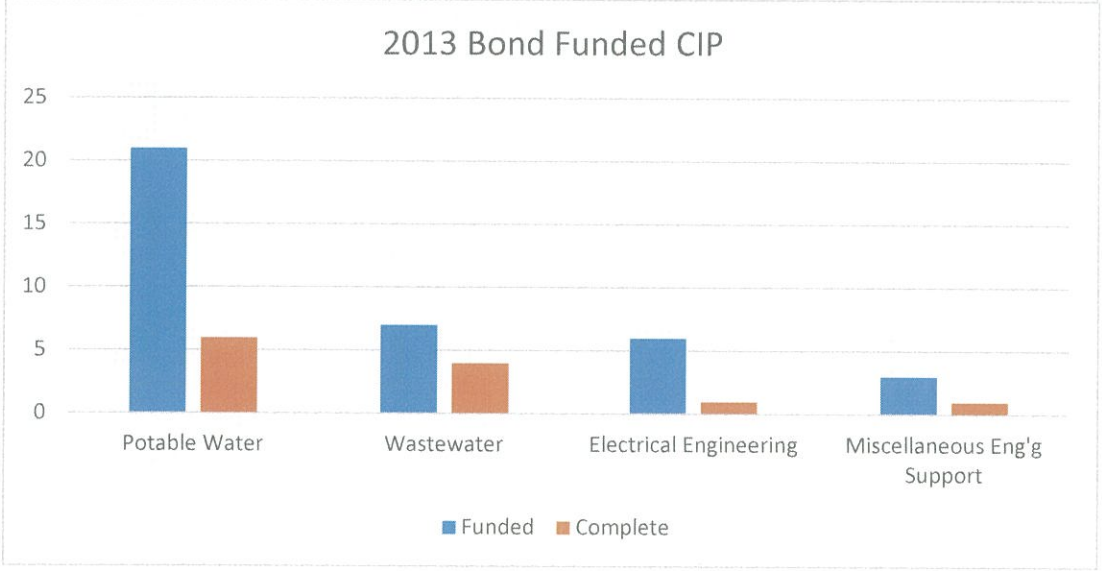
- 7 items delayed
  - SSES (2 items)
  - Agat/SR System Upgrades (to send delay letter)
  - Sewer Cleaning
  - CCTV
  - Cl Residual Monitors
  - Meters
- Final Date to complete all Court Order items is December 21, 2020.
- Overflow or Bypass events reported to USEPA – 6 events reported in October and November
  - 1 – Partial bypass at Umatac (Lagoon overflow)
  - 1 – Compressor failure
  - 1 – Main break
  - 1 – FOG
  - 2 – Power glitches

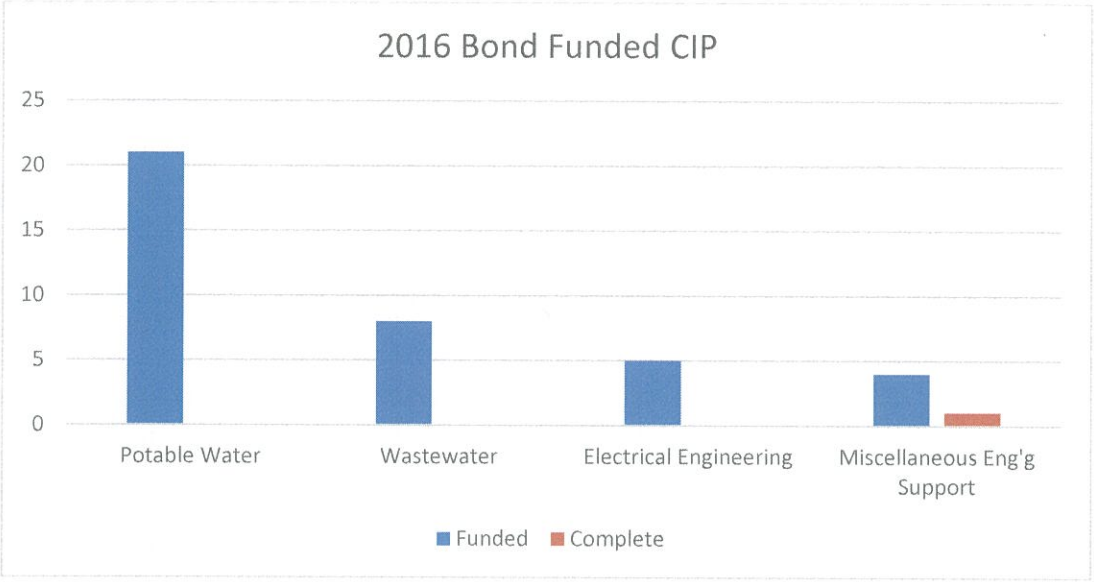
**CIP Summary**

**CIP Summary - Project Encumbrance**

| | 2010 Bond | | 2013 Bond | | 2016 Bond | | | |
|---|---|---|---|---|---|---|---|---|
| | Funded | Complete | Funded | Complete | Funded | Complete | Total CIP Projects | % |
| Potable Water | 28 | 16 | 21 | 6 | 21 | 0 | 31 | 53% |
| Wastewater | 15 | 10 | 7 | 4 | 8 | 0 | 16 | 27% |
| Electrical Engineering | 5 | 2 | 6 | 1 | 5 | 0 | 9 | 15% |
| Miscellaneous Eng'g Support | 2 | 0 | 3 | 1 | 4 | 1 | 3 | 5% |
| Totals | 50 | 28 | 37 | 12 | 38 | 1 | 59 | 100% |
| % of Total CIP by Fund Source | 85% | | 63% | | 64% | | | |
| % of CIP Funding Completed | | 56% | | 32% | | 3% | | |

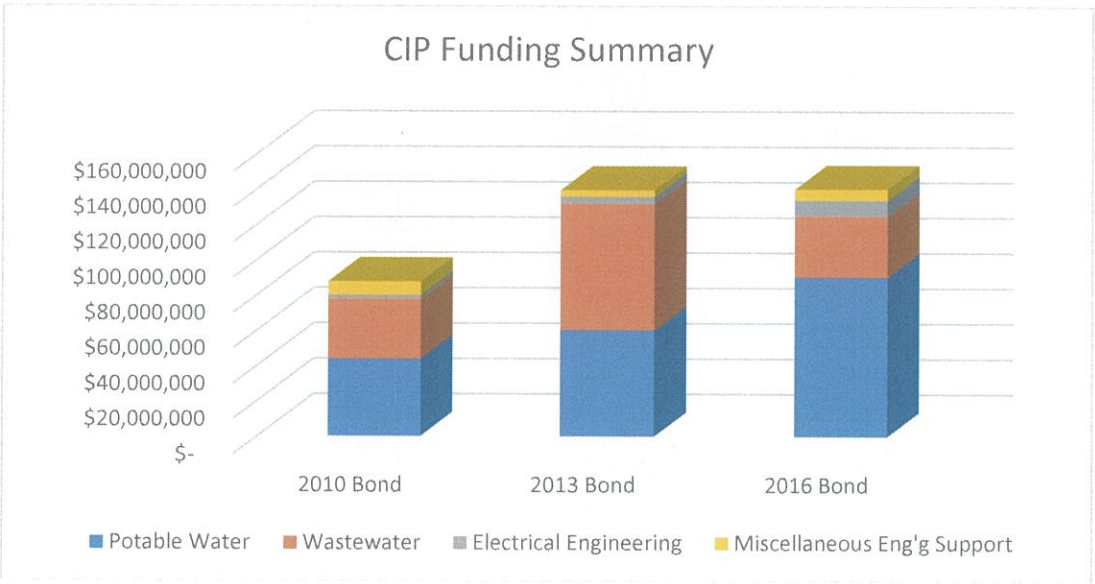





**CIP Summary - Project Amounts**

| | 2010 Bond | | 2013 Bond | | 2016 Bond | | | |
|---|---|---|---|---|---|---|---|---|
| | Funded | % | Funded | % | Funded | % | Total CIP Projects | % |
| Potable Water | $ 43,671,000 | 50% | $ 60,082,000 | 43% | $ 90,148,000 | 65% | $ 193,901,000 | 53% |
| Wastewater | $ 34,070,000 | 39% | $ 71,823,000 | 52% | $ 34,727,000 | 25% | $ 140,620,000 | 38% |
| Electrical Engineering | $ 1,920,000 | 2% | $ 3,645,000 | 3% | $ 8,750,000 | 6% | $ 14,315,000 | 4% |
| Miscellaneous Eng'g Support | $ 7,741,000 | 9% | $ 3,775,000 | 3% | $ 6,394,460 | 5% | $ 17,910,460 | 5% |
| Totals | $ 87,402,000 | 100% | $ 139,325,000 | 100% | $ 140,019,460 | 100% | $ 366,746,460 | 100% |
| % | 23.8% | | 38.0% | | 38.2% | | | |

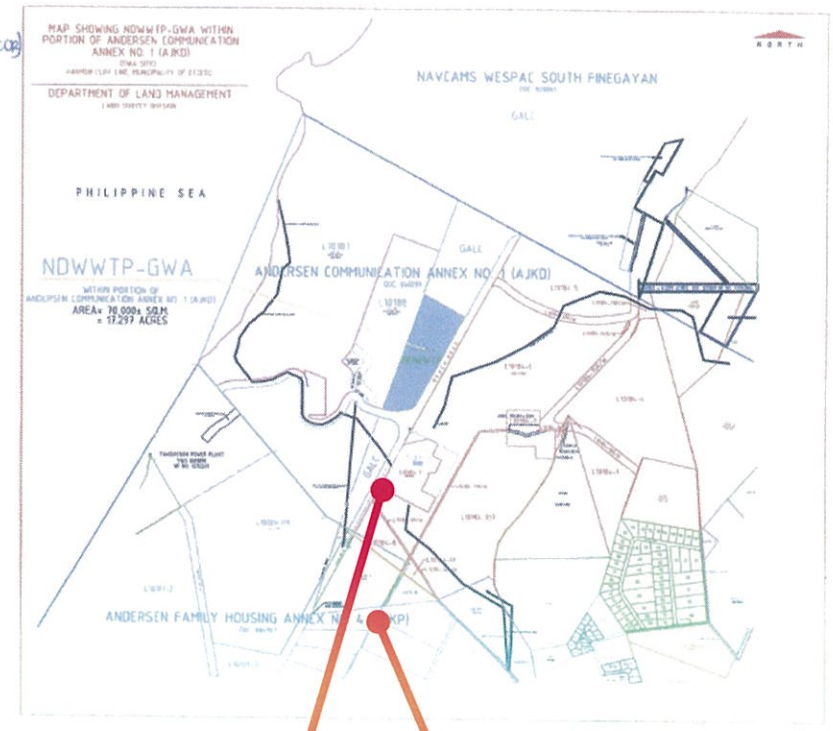


**Land Acquisition Status**

- ALC property for NDWWTP:
  - Legislation authorizing acquisition submitted;
  - public hearing was held with supporting resolutions and testimony from ALC, CCU and GWA;
  - bill to be heard at next legislative session.
- CLTC properties: Appraisals completed; surveys ongoing.
- Private properties needed for Court-order improvement projects: completed or pending survey. See Land Acquisition chart below.

| GWA Facility | Location | Gov. or Private Property | Land Acquisition Status |
|---|---|---|---|
| Tanks | Inarajan | Private | Property acquisition complete, deed of property with GWA. |
| | Ugum | Private | Still under legal review. |
| | Manenggon | Private | Survey map ongoing. Contract of sale transmitted to property owner. |
| | Santa Rita | Gov't. – CLTC | Survey map and appraisal documents sent to DLM. GWA and DLM agree in concept to purchase property based on fair market value. |
| | Astumbo | Gov't. - CLTC | Survey map of property still ongoing. GWA and DLM agree in concept to purchase property based on fair market value. |
| | Upper Tumon | Gov't. - CLTC | Survey map of property still ongoing. GWA and DLM agree in concept to outright purchase property based on fair market value. |
| | Piti | Private | Engineering currently reviewing options for relocating the Piti tank from current location to area east of the Nimitz Estate Subdivision. |
| Deep Well | Y-8 | Gov't. - CLTC | GWA engineering working to obtain appraisal and survey serves. |
| | AG-12 | Dept. of Agriculture/ Manhita Farms | GWA engineering working to obtain appraisal and survey serves. |
| Booster Pump Station | Brigade | Private | GWA received Right of Entry agreement from landlord. Survey work for property severance has begun. |

Bill No. 273-2200
Exhibit A




ALC Lot Proposed for Use

Existing NDWWTP Site

**PFOS Issue**

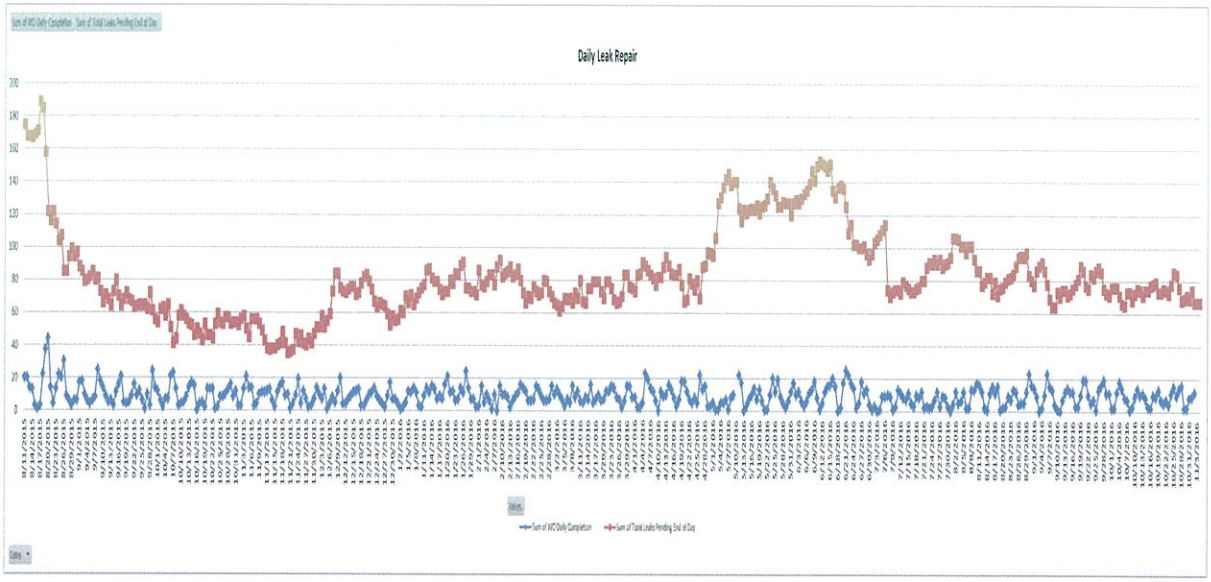
**Status Update:**

- A-Series wells (A-23 and A-25) remain off-line.
- NAS-1 well remains off-line.
- NAS-1 GAC- removal completed by GIAA contractor
- GIAA GAC replacement completed; the system has been reconfigured and now the lead has Become the lag and vice versa.
- Coordinating with GEPA on potential sources and responsibility; discussions with DoD ongoing.

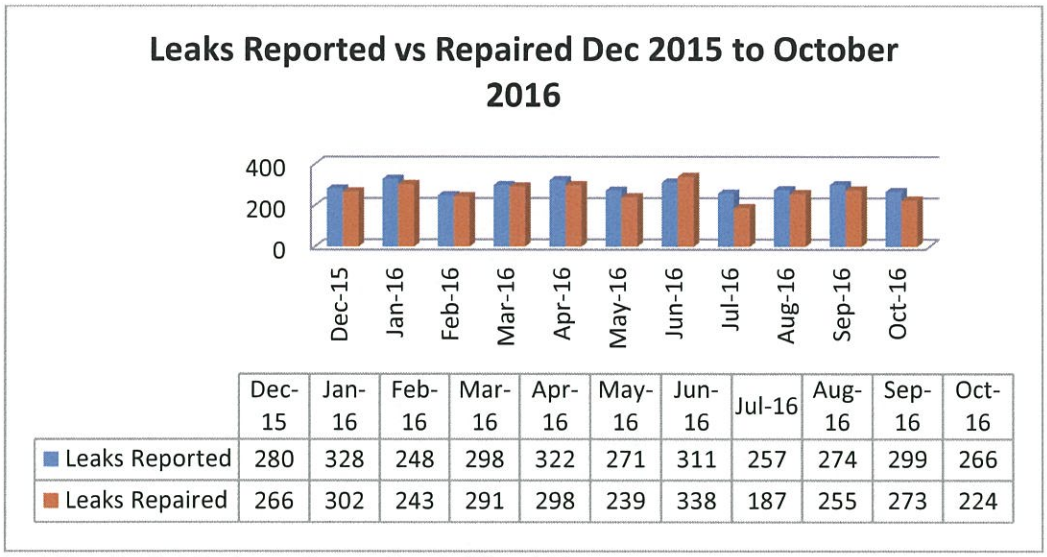
**Actions pending:**
**Mobile treatment until – technical specifications under revision; IFB pending**

**Key Operational Issues**

Leak Repair: WOs Completed & Pending (Daily)
(up to November 3, 2016)

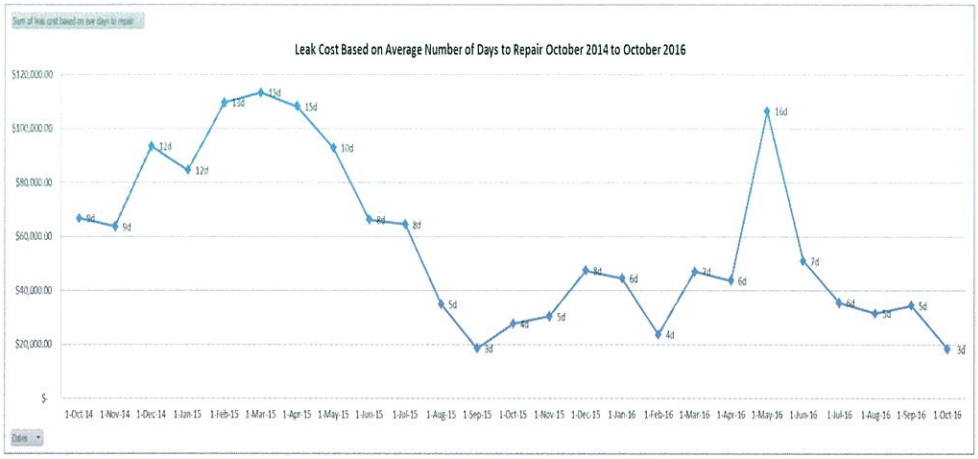



Leak Repair: Leaks Reported and Repaired (Monthly)




| | Dec-15 | Jan-16 | Feb-16 | Mar-16 | Apr-16 | May-16 | Jun-16 | Jul-16 | Aug-16 | Sep-16 | Oct-16 |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Leaks Reported | 280 | 328 | 248 | 298 | 322 | 271 | 311 | 257 | 274 | 299 | 266 |
| Leaks Repaired | 266 | 302 | 243 | 291 | 298 | 239 | 338 | 187 | 255 | 273 | 224 |

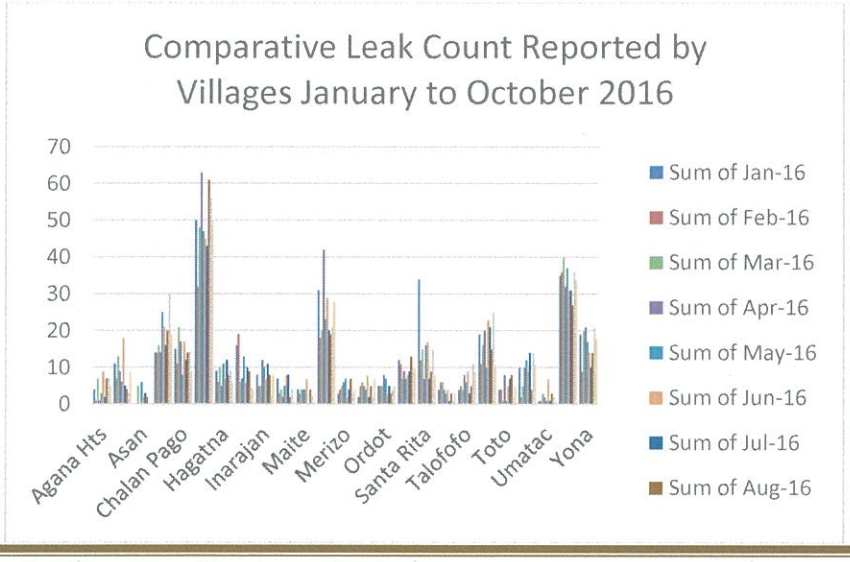
Leak Repair: Cost Savings – Days to Repair (Monthly)




Assumptions:

1. Leak rate = 4 gpm
2. Cost per kgal = $4.00

## a. Leak Repair: Reported by Village



**4.1.2 Financials - None**

**4.1.3 Resolution No. 08-FY2017 Relative to Authorizing GWA to Issue an Invitation to Bid to Procure Property Insurance and Authorizing GWA to Petition the Guam Public Utilities Commissions for Approval Under the Contract Review Protocol**

The present policy expires April 2017. The objective is to procure a new policy to comply with GWA's General Bond Indenture dated December 2005 and to protect GWA against the risk of financial loss from certain perils. Based on actual experience, the policy will cost approximately $1 million per year and will be funded by revenue funds. The policy must be in place on or before April 11, 2017.

Comm. Bamba motioned to approve Resolution 08-FY2017; Comm. Sanchez seconded. On the motion there was no further discussion or objection and the motion passed.

**4.1.4 Resolution No. 09-FY2017 Relative to Authorizing GWA to Issue an Invitation to Bid Relative to Procure Commercial General Liability Insurance**

Similar to above, GWA's present Commercial General Liability policy expires in April 2017 and the objective is to procure a new policy to comply with GWA's 2005 Water and Wastewater System Revenue Bonds and to protect GWA against the risk of financial loss from certain liability arising in the conduct of its business. Based on actual experience, the cost is approximately $95,000 per year and will be procured no later than April 11, 2017. The funding source is revenue bonds.

Comm. Bamba motioned to approve Resolution 09-0FY2017; Comm. Santos seconded.

In discussion, Comm. Santos voiced his concern that GWA has no risk manager and the impact this will have relative to the value of GWA's assets.

**4.1.5 Resolution No. 10-FY2017 Relative to the Authorization for GPA and GWA for Additional Support to the Customer Care and Billing (CC&B) System**

In June 1, 2016, GPA and GWA procured the services of Prithibi LLC to provide training for CC&B, a GAP analysis review and onsite support since the previous vendor's contract (WiPro) was set to expire on Sept. 4, 2016. Training on CC&B Functionality and Technical training was completed by August. Impacted departments included Customer Service, Finance, Metering/Operations and the IT Operations.

GAP Analysis was completed on November 2016 on GPA and GWA's CC&B implementation. However it was noted that there were deficiencies in the initial implementation of the CC&B system which has both a short and long term impact for both GPA and GWA. To address these issues in the GAP Analysis, Prithibi LLC will assist GPA and GWA in addressing specific concerns from both agencies for the functionality of CC&B and provide the needed resources and personal to correct the deficiencies. Breakdown of additional support needed are as follows:

- Issue resolution and support from November 2016 to April 30 2017 @ $81,719 per month for both agencies.
- UC4 Scheduling program to include software, implementation and training @ $157,167 for both agencies.
- APEX reporting tool to include report template setup, configuration and training @ $15,675 for both agencies.
- Extended off site support from May 2017 to June 2018 @ $19,452 for both agencies.
- All cost will be split by both GPA and GWA.

Management confirmed that the additional training will be funded by revenue funds and will include:

| Description | Term | GPA Share | GWA Share | Total | Notes |
|---|---|---|---|---|---|
| Initial Contract | May to Nov. 15 2016 | 125,000 | 124,000 | 249,000 | Training/GAP Analysis/Support - ***Already Completed*** |
| Issue and Support Contract | Nov. 15,2016 to April 2017 | 224,723 | 224,723 | 449,445 | To address GAP Analysis Issues. $81,719 per month. |

| | | | | | |
|---|---|---|---|---|---|
| UC4 Scheduling Tool | 4 week | 78,584 | 78,584 | 157,167 | Job scheduling application to Include both software, implementation and training (One time charge) |
| Apex Setup and Training | Ongoing | 7,838 | 7,838 | 15,675 | Reporting software setup and training. (One time charge) |
| Extended Support | May '17 to June'18 | 116,709 | 116,709 | 233,418 | Extended off site support of $19,452 per month till June 2018 |
| | Total | 552,853 | 551,853 | 1,104,705 | |

Comm. Bamba motioned to approve Resolution 10-FY2017; Comm. Santos seconded. On the motion there was no further discussion or objection and the motion passed.

**4.2 GPA**

**4.2.1 GM Report Update**

GM Benavente gave his usual monthly update:

**1. Generation Capacity Recovery Plan:**

- The PUC approved the additional funding of $2.6M from revenue funds for the Dededo CT Plant rehabilitation. The plan for commissioning 40MW of capacity by March 31st, 2017 proceeds as scheduled.
- MEC 8 was taken off line for its 1,000 hours minor overhaul this past week. Unit is back on line and expected to be cleared to its full capacity of 44MW by tomorrow.
- Cabras 1 will be taken off line this Friday for seven days for repair of its air pre-heater and other preventive maintenance needs.

**2. Net Metering Update:**

**Net Metering Summary Ending November 2016:**

| **Description:** | **Count** | **Kw** |
|---|---|---|
| **Active** | **1,260** | **13,117** |
| Pending | 173 | 2,122 |
| Totals: | 1,433 | 15,239 |

| **Service:** | **Count** | **KW** | **Kw/Customer** |
|---|---|---|---|
| **Residential** | **1,190** | **10,726** | **9.0** |
| Others | 70 | 2,391 | 34.2 |
| Total: | 1,260 | 13,117 | 10.4 |
| **% Residential** | **94.4%** | **81.8%** | |
| **Estimated 12 Months Revenue Impact:** | **$2,448,899.96** | | |

**Estimated Cumulative Revenue Impact by Fiscal Year:**

| **Fiscal Year** | **Amount** |
|---|---|
| FY 2009 | $1,657 |
| FY 2010 | $8,483 |
| FY 2011 | $18,177 |
| FY 2012 | $58,546 |
| FY 2013 | $278,025 |

| | |
|---|---|
| FY 2014 | $352,157 |
| FY 2015 | $856,921 |
| FY 2016 | $1,700,000 |
| **Total:** | **$3,273,966** |

3. **Demand Side Management Program:**

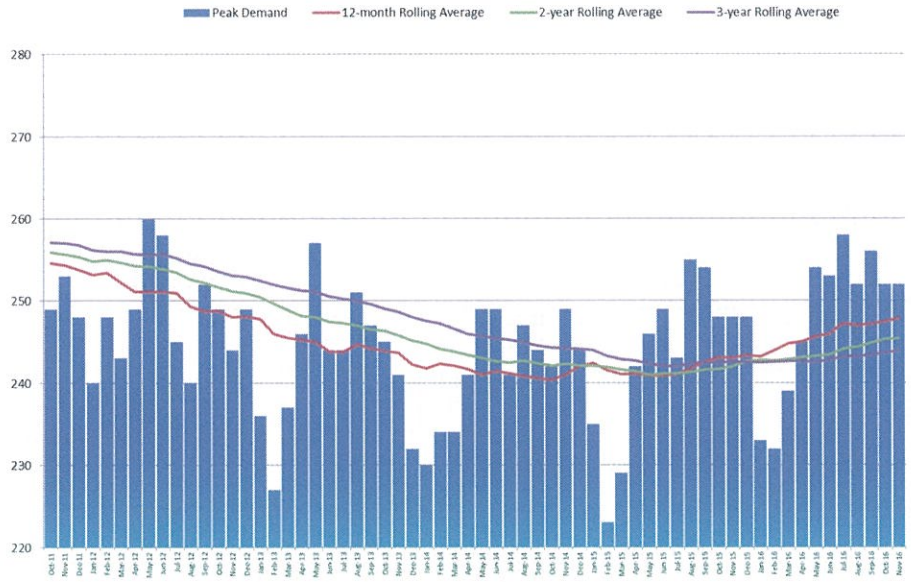



4. **Employee Health Insurance:** Our attorney has determined that GPA will need legislative authority to implement a separate health insurance plan for GPA and GWA employees. With the CCU permission, we can pursue the legislation needed.

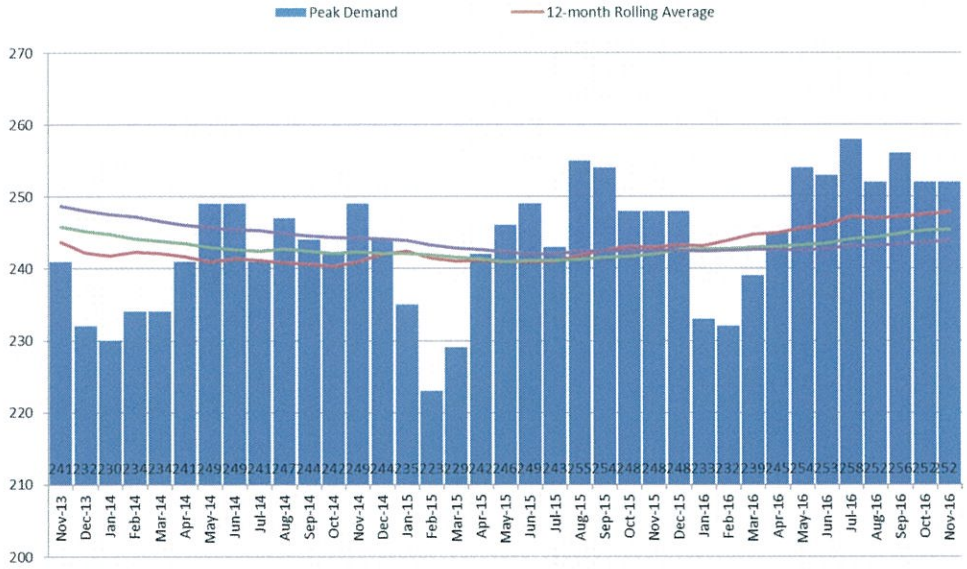
5. **Public Commission on Utilities Dockets:** The following dockets were approved at the November 28th PUC meeting:
   - GPA Docket: Aggreko Lease Extension for four years
   - GPA Docket: Cabras 1&2 PMC extension to September 30, 2020
   - GPA Docket: Cabras 3&4 Engine Room Cleanup
   - GPA Docket: Cabras 4 Engine Removal
   - GPA Docket: Dededo CT FY 2017 $2.607M Revenue Fund Expenditure

6. **Key Performance Indicators:** The following provides updates thru November 2016.

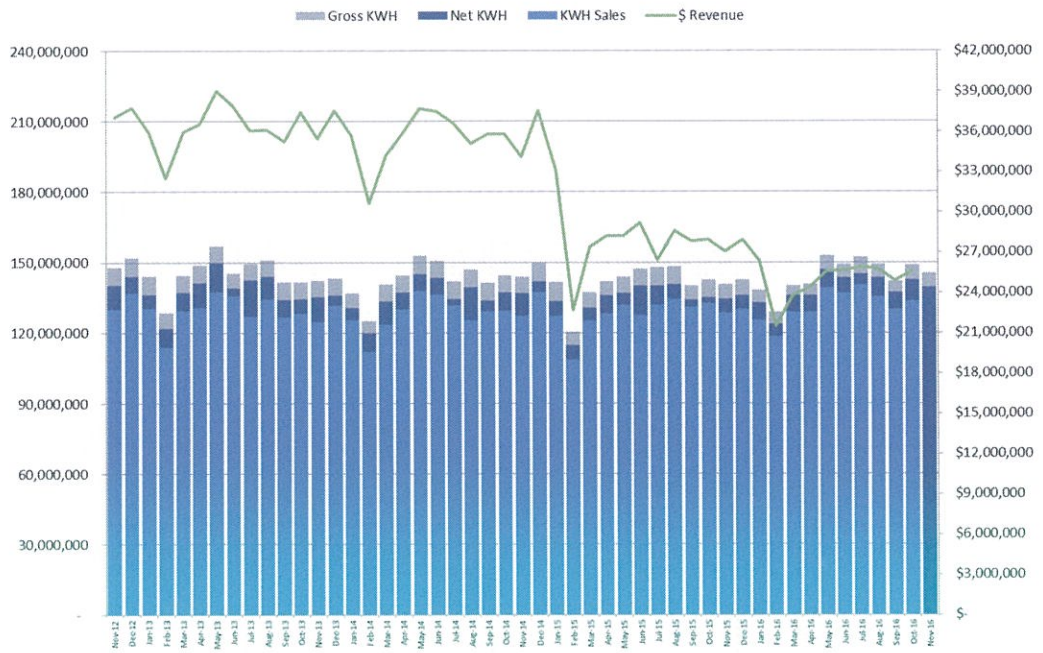
**Historical Monthly Peak Demand**
**Oct 2011 - Nov 2016**



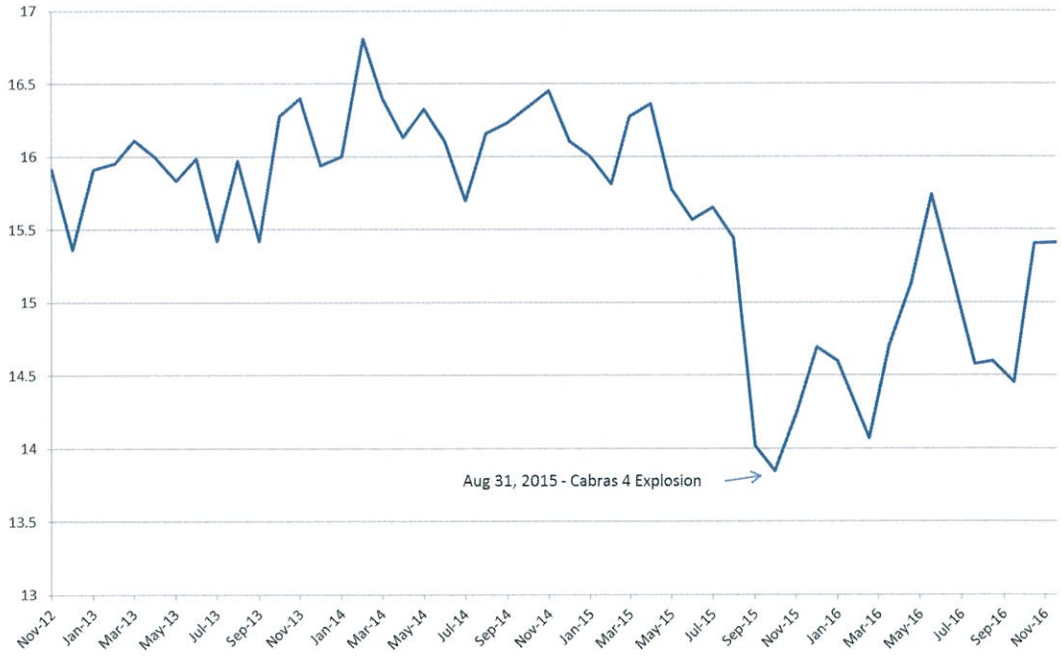

**Monthly Peak Demand**
**November 2013 - November 2016**



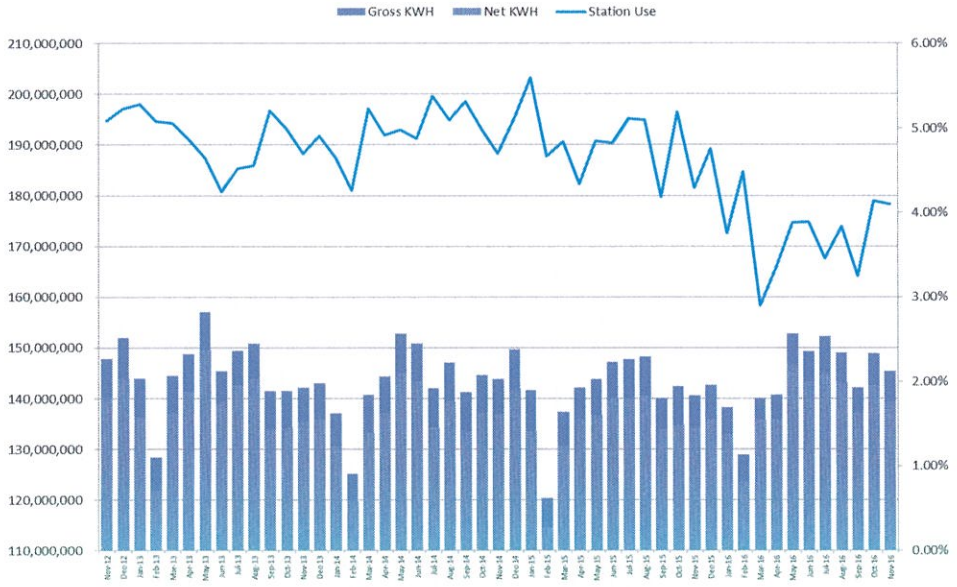
## KWH Sales and $ Revenue
## November 2012 - November 2016




## SYSTEM GROSS HEAT RATE
## (KWH/Gal)
## November 2012 - November 2016

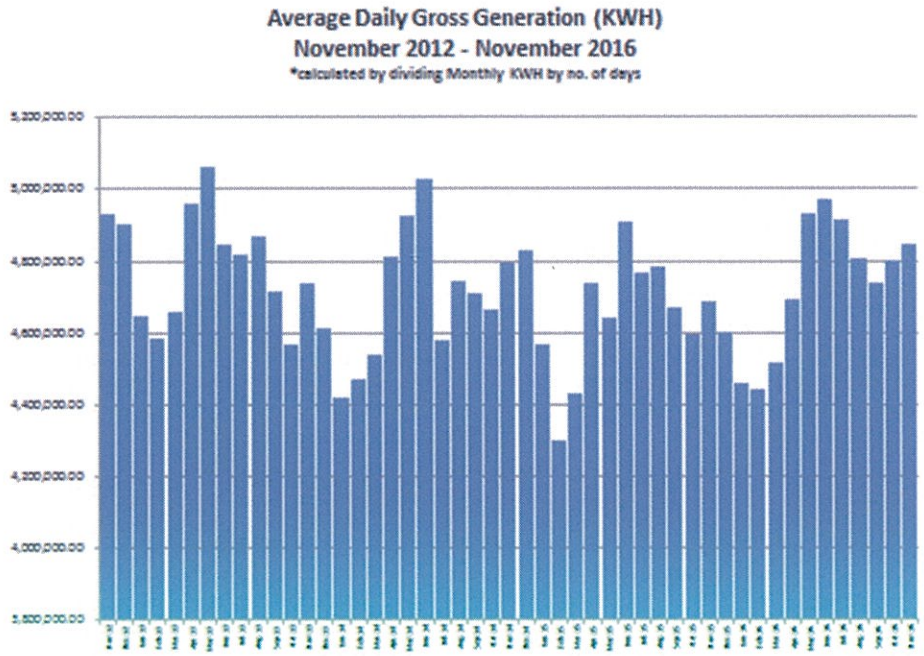


**Gross and Net Generation (KWH)**
**November 2012 - November 2016**




**Fuel Cargo and Fuel Consumption Costs ($/bbl)**
**November 2012 - November 2016**






**Relative to** Group Health Insurance – Commissioner Sanches wants flexibility to go back into the GovGuam plan in event it ends up being too expensive to be out on our own. Comm-elect Guthertz wants to know impact on overall GovGuam should GPA pull out.

**4.2.2 Financials - None**

**4.2.3 Resolution No. 2016-72 LEAC**

The Guam Public Utilities Commission (GPUC) has established a Tariff under which the Guam Power Authority (GPA) is allowed to recover its fuel costs and fuel related costs under a factor which is reset and trued up every (6) six months through the Levelized Energy Adjustment Clause (LEAC). The deadline for GPA to petition the PUC the next LEAC cycle period of February 1 – July 31, 2017 is December 15, 2016.

The world wide cost of fuel had declined during the last quarter of 2015 and through the first quarter of 2016 - nearly a 31% decline in the average monthly settlement, but has increased by nearly 50% since the low point in January 2016. The market price of fuel in the initial filing for the current period was projected to be $42.27/bbl. for the (6) six-month period ending January 31, 2017, the current projection for the same period is now $48.08/bbl. and the latest projected price of fuel for the period ending July 31, 2017 would be about $54.59/bbl. If the projected average price ending July 31, 2017 is $54.59/bbl, GPA has determined that the LEAC factor for secondary voltage service customers as well as alternative voltage customers will need to be increased from $0.08816/kWh to $0.116136/kWh for the period of February 1, 2017 to July 31, 2017. If the fuel oil does track to $54.59/bbl., the effect of the change in the LEAC rate will result in an increase in the total bill by 16.3% or about a $29.52 increase on a 1000 kWh power bill, in order to recover the total projected under-recovery of about $17.7M anticipated by the end of the LEAC period on July 31, 2017

Fuel oil prices are currently very volatile and price projections continue to fluctuate due to the recent decision by OPEC to cut production, making it very difficult to determine with reasonable certainty where the price of fuel oil will be over the next LEAC period. GPA desires to minimize the rate impact resulting from the recent oil market changes and uncertainties and prefers to gradually true up fuel oil cost by phasing in increases over two (2) LEAC periods and recommends the next LEAC rate to be about half of what the market is projecting.
In the phase in approach the effect of the change in the LEAC rate will result in an increase in the total bill by 8.1% or about a $14.76 increase on a 1000 kWh power bill, in order to recover the total projected under-recovery. An under-recovery of about $8.8M is anticipated by the end of the LEAC period on July 31, 2017 which will not significantly impact working capital and other financial ratios; and

Comm. Sanchez motioned to approve Resolution 2016-72; Comm. Santos seconded.

In discussion the GM highlighted that PUC requires a true-up every 6 months. Due to increasing cost of fuel, management is recommending a LEAC rate increase in 2 phases – the 1st to be about half of what the market is projection and the 2nd half in August 2017. He is asking the Commission to increase LEAC from .0866 to .1013 for period February 1 – July 31, 2017.

The Chairman said he is comfortable with managements recommendation and said they came up with a good approach.

On the motion there was no further discussion or objection and the motion passed.

**4.2.4 Resolution No. 2016-73 Relative to the Authorization for GPA and GWA for Additional Support to the Customer Care and Billing (CC&B) System**

Resolution 2016-73 is identical to GWA Resolution 10-FY2017; please refer to section 4.1.5 for related details to this matter.

GM Benavente commented that this will correct the gap that both agencies are experiencing. Chairman asked GM Miguel if he concurs with GM Benavente and he responded yes. It was mentioned that GPA's PUC obligatory cap is $1.5M and GWA's cap is $1M. Legal counsel Clark confirm that both agencies are ok.

Comm. Bamba motioned to approve Resolution 2016-73; Comm. Sanchez seconded. There was no further discussion or objection and the motion passed.

## 5. OLD BUSINESS

**5.1 GWA Resolution No. 04-FY2017 Relative to Supporting the 2016 MOU Between GWA/ DoD & DoN**

The Guam Waterworks Authority (GWA) has been working with the Department of the Defense, Department of the Navy to update the 2010 MOU between the GWA and the Department of the Navy Relative to the 2010 Military Build-up. The purpose of this updated MOU is to define the relationship between Joint Region Marianas (JRM), Naval Facilities Engineering Command Marianas (NAVFAC Marianas), Guam Waterworks Authority (GWA), and the Consolidated Commission on Utilities (CCU), while developing the "One-Guam" vision for water and wastewater needs expected to increase as a result of military and civilian population growth. The updated MOU establishes objectives relating to the implementation of water and wastewater utility service solutions devised to address the projected additional requirements and/or re-capitalization efforts needed and covers issues not identified in the original 2010 MOU. The MOU will cover the water and wastewater facilities for both systems island-wide. The cost depends on individual projects and will be funded by both GWA and DoD funds. It was also mentioned that the MOU will be executed upon approval of the CCU and will be reviewed every three (3) years.

For the record, this matter was discussed and relative voting details can be found at the top of page 1 of these Minutes.

**5.2 GWA Resolution No. 11-FY2017 Relative to the Amendment of the Positions for the Assistant General Manager of Operations (AGMO) and the Assistant General Manager of Administration (AGMA)**

GM Bordallo said that he is not asking the Commission for approval now at this time. This is information purposes only and since the next meeting is not until January, he will send via poll vote when ready and present to the Commission for ratification at that meeting.

Resolution 11-FY2017 requests the Commission to amend the Assistant General Manager of Operations job position description and specifications, and salary range to support the Agency's daily operations within its Water and Wastewater Divisions; providing effective and efficient delivery of safe drinking water and services to the community. The Agency currently employs just one Assistant General Manager for Compliance & Safety, while the other divisions of as much importance function without an Assistant General Manager at its helm, thus limiting effective communications direct to the General Manager while at the same time, affecting operations to provide

statuses by Superintendents or Managers, who would otherwise be addressing the water | wastewater needs of our community.

If approved, the AGM of Operations will be under the direct supervision and management of the General Manager while overseeing and ensuring optimal performance of our Water and Wastewater Divisions. The AGM of Administration will be under the direct supervision and management of the General Manager while overseeing the following divisions: Human Resources, Procurement, Supply & Warehouse, Fleet & Equipment, Information Technology and Engineering.

It was mentioned that GWA has met the posting requirements as mandated by P.L. 28-112. To include such posting to each newspaper of general circulation and broadcasting station, which airs regular news programs within Guam. GWA will certify funding for the position available for the filling and retention of its certified, technical and professional newly created position. The funding of this position does not have an impact on the General Fund.

In discussion Comm. Sanchez said that the position description on page 163 notes minimum experience / training and that the degrees that qualify is limiting - wondering if management would consider change to Masters Degree in Major course work in utility. Comm-elect Guthertz added or other relevant degree. GM Bordallo said he will revise with proposed recommendations and distribute to CCU, then post in media and then poll vote the matter and present for ratification at the January meeting.

**5.3 GWA Resolution No. 12-FY2017 Relative to Approving the Ratification of Bid award, Relative to IFB 2016-09 for Diesel Fuel Oil No. 2 and Regular Unleaded Automotive Gasoline for GWA's Transportation Fleet and Heavy Equipment**

This bid is under procurement process with the OPA. GM Bordallo said he is presenting this matter now but is not asking for a vote tonight. The appeal period to the OPA falls after tonight's meeting. He said he wanted to give the Commission notice in advance and he will send the poll package to the Commission for poll vote when ready and present it for ratification at the January meeting. For the record, Resolution 12-FY2017 requests the Commission to ratify the Bid award, for IFB 2016-09 to supply GWA Diesel Fuel Oil No. 2 and Regular Unleaded Automotive Gasoline for GWA's Transportation Fleet and Heavy Equipment. Without the fuel, GWA cannot meet its daily operational needs and activities. The estimated fuel cost for Unleaded gasoline with Mobil Oil Guam is $1.523 per gallon at 115,000 gallons of unleaded gasoline per year at a cost of $175,145.00. The estimated fuel cost for Diesel Fuel with IP&E is $1.3200 per gallon at 50,000 gallons of diesel per year at a cost of $66,000. The grant Total $241,145.00 estimated cost annually. It was also mentioned that the fuel services for GWA's vehicle and equipment fleet will be on-going for the duration of the initial 3-year contract with the option to renew for an additional 2 years, 1-year term and will be funded with O&M funds.

## 6. ANNOUNCEMENTS

**6.1 Oath of Office**

The chairman announced that on January 12, 2017 Comm. Joseph Duenas and Comm. Elect Judi Guthertz will take their Oath of Office signifying the official installation of the 8th elected CCU body.

**6.2 Next CCU Meetings: GWA WS – January 18; GPA WS – January 19; CCU Meeting – January 24**

The Chairman said the next CCU meeting would be a work session for GWA on January 18 followed by GPA's on January 24. The regular monthly CCU meeting would be on January 24.

## 7. ADJOURNMENT

There was no further business to bring before the Commission and the meeting adjourned at 7:03 p.m.

\\s\\
bls

Attested:

JOSEPH T. DUENAS, Chairman

J. GEORGE BAMBA, Secretary

# CONSOLIDATED COMMISSION ON UTILITIES

Guam Power Authority • Guam Waterworks Authority
P.O.BOX 2977 • Agana,Guam 96932

## Special Board Meeting

***CCU Board Conference Room***
***3rd Floor, Gloria B. Nelson Public Service Bldg.***
**11:30 a.m., January 12, 2017**

## MINUTES

I. **CALL TO ORDER**

Chief Justice Elect Katherine Maraman called the Special Board Meeting of the Consolidated Commission on Utilities to order at 12:01 p.m.. The Chief Justice Elect apologized for being late and announced that she is happy to officiate and will perform the Oath of Office after the Roll Call.

II. **ROLL CALL**

The Chief Justice Elect proceeded to perform the Roll Call of Commission members. The following Commissioners names were called and all responded "present" accordingly:

Joseph T. Duenas
Judith P. Guthertz
J. George Bamba
Francis Santos
Simon Sanchez

III. **PRESENTATION OF GEC CERTIFICATES & ADMINISTRATION OF OATH**

The Chief Justice Elect said she will first examine the Certificates of Election from the Guam Election Commission to confirm its validity and then perform the Oath of Office immediately thereafter. After all the elected Commissioners have been duly sworn she will facilitate the Election of Officers and then at that time relinquish the gavel to whomever is elected Chairman of the CCU.

At this point Chief Justice Elect Maraman called on Judith P. Guthertz to please step forward. She first reviewed the election certificate from the Guam Election Commission (CEC). The Chief Justice Elect said she has reviewed the certificate for Ms. Guthertz and by virtue of Section 1128 of Guam Code Annotated Title 3 and based on tabulation and returns of the general election of November 8, 2016 certify that Judith P. Guthertz has been duly elected in office as a member of the Consolidated Commission on Utilities and is duly signed by all the members of the CEC. Chief Justice then proceeded to administer the Oath of Office to Ms. Guthertz. Immediately afterwards, Ms. Guthertz signed her Oath certificate.

She then asked Joseph T. Duenas to present his certificate from the Guam Election Commission and said she has reviewed the certificate and by virtue of Section 1128 of Guam Code Annotated Title 3 and based on tabulation and returns of the general election of November 8, 2016 certify that Joseph T. Duenas has been duly elected in office as a member of the Consolidated Commission on Utilities and is duly signed by all the members of the CEC. Chief Justice Elect Maraman then proceeded to administer the Oath of Office to Mr. Duenas and then asked him to sign is Oath certificate immediately afterwards.

All present applauded the newly elected Commissioners and there was a brief break for official group photos of the complete (5) member Commission.

IV. **ELECTION OF CCU OFFICERS**

Chief Justice Elect Maraman said that all the elected members have taken their oath of office and there now is a full body of Commission members on the Board, she will now entertain a motion for the election of officers for the Consolidated Commission on Utilities.

Comm. George Bamba motioned that he would like to nominate Joseph Duenas for Chairman, Frances Santos for Vice Chairman and Judith Guthertz for Treasurer: Comm. Sanchez seconded and added that he would like to nominate George Bamba for Secretary.

Chief Justice Elect Maraman asked if there were any other nominations.

Comm. Bamba moved that nominations be closed; the motion was seconded by Comm. Sanchez. Chief Justice Elect Maraman asked if there were any objections and there were none. She said the nominations are now closed and proceeded to ask for the vote by show of hands:

Joseph Duenas as Chairman – for the record the vote was unanimous
Francis Santos as Vice Chairman – for the record the vote was unanimous
George Bamba as Secretary – for the record the vote was unanimous
Judith Guthertz as Treasurer – for the record the vote was unanimous

Chief Justice Elect Maraman then relinquished the gavel to the CCU Chairman – Joseph T. Duenas.

## V. ANNOUNCEMENTS

The Chairman said he had a few announcements. The Commission will be conducting a work session for GWA on Jan. 18 at 11:30 a.m. and Jan. 19 at 11:30 for GPA; the next CCU meeting is on January 24th at 5:30 p.m.

## VI. ADJOURNMENT

The Chair called for a motion to adjourn.

Comm. Sanchez motioned to adjourn and Comm. Bamba seconded.

The Chairman said the meeting is now adjourned; it was 12:30 p.m.

Chairman Duenas then invited Fr. Jeff San Nicolas to say the Grace Before Meals and extended the invitation for a light merienda to everyone in attendance.

\\s\\
bls

Attested:

JOSEPH T. DUENAS, Chairman

J. GEORGE BAMBA, Secretary

**CONSOLIDATED COMMISSION ON UTILITIES**

**RESOLUTION NO. 11-FY2017**

**RESOLUTION RELATIVE TO THE AMENDMENT OF THE CLASSIFICATION STANDARD OF THE ASSISTANT GENERAL MANAGER OPERATIONS (AGMO) AND THE ASSISTANT GENERAL MANAGER ADMINISTRATION (AGMA)**

**WHEREAS**, under 12 G.C.A. § 14105, the Consolidated Commission on Utilities ("CCU") has plenary authority over financial, contractual and policy matters relative to the Guam Waterworks Authority ("GWA"); and

**WHEREAS**, the Guam Waterworks Authority ("GWA") is a Guam Public Corporation established and existing under the laws of Guam; and

**WHEREAS**, the initial creation of the Assistant General Manager – Operations (AGM-O) was approved by the Civil Service Commission in February 1997 and the Assistant General Manager – Administration (AGM-A) was initially approved by the Civil Service Commission in February 1997 and then amended and approved on 01 October 2012; and

**WHEREAS**, the General Manager of the Guam Waterworks Authority (GWA) requests the Consolidated Commission on Utilities (CCU) to amend the classification standards of the AGM-O and the AGM – A positions; and

**WHEREAS**, Public Law 28-112 and 4 GCA §6303 (d) authorizes the creation of positions in Autonomous Agencies and Public Corporations; and

**WHEREAS**, the amendment to minimum qualification requirements of the AGMO position will provide specificity in leading, managing, developing and implementing GWA's organizational policies, goals, and objectives; achieving the Vision and Mission of the Agency in both Water and Wastewater Operations; and

**WHEREAS**, the amendment to minimum qualification requirements of the AGMA position will provide specificity in leading, managing, developing and implementing GWA's organizational policies, goals, and objectives; achieving the Vision and Mission of the Agency in the administrative and support services needed to sustain the Authority's operations, and to amend the position title to read AGMA to Assistant General Manager – Administration and Support (AGM – AS) to include other Support Divisions of the Agency; and

**WHEREAS**, Guam Waterworks Authority Personnel Rules and Regulations as amended by Public Law 28-159 Section 3 (C) authorizes the CCU to amend, modify or add a position to the list of certified, technical and professional position; and

**WHEREAS**, the amendment of the minimum qualification requirements for both positions will expand the range of experience and training to attract a pool of applicants with a strong organization and experience background to help strengthen and drive the organization's operations and business processes, objectives and strategies.

**NOW BE IT THEREFORE RESOLVED**, the Consolidated Commission on Utilities does hereby approve the following:

1. The amendment of the Assistant General Manager – Operations position to require a Master's or Bachelor's degree as read on the proposed amended job specification and to include Necessary Special Qualification requirements (Exhibit A).

2. The amendment of the Assistant General Manager – Administration job specification to read Assistant General Manager – Administration & Support (AGM – A&S), to require a Master's or Bachelor's degree and to include Preferred Special Qualification requirements as read on the proposed amended job specification (Exhibit B).
3. The Guam Waterworks Authority is authorized to employ the AGM-O and AGM-A&S positions.

RESOLVED, that the Chairman certifies and the Secretary attests to the adoption of this Resolution.

DULY AND REGULARLY ADOPTED this 24th day of January 2017.

Certified by:

JOSEPH T. DUENAS
Chairperson

Attested by:

J. GEORGE BAMBA
Secretary

I, J. George Bamba, Board Secretary of the Consolidated Commission on Utilities as evidenced by my signature above do hereby certify as follows:

The foregoing is a full, true and accurate copy of the resolution duly adopted at a regular meeting by the members of the Guam Consolidated Commission on Utilities, duly and legally held at a place properly noticed and advertised at which meeting a quorum was present and the members who were present voted as follows:

AYES: 3

NAYS: 0

ABSTENTIONS: 0

ABSENT: 0

NO RESPONSE TO POLL 2

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CONSOLIDATED
COMMISSION ON UTILITIES
Guam Power Authority • Guam Waterworks Authority
P.O.BOX 2977 • Agana,Guam 96932

January 17, 2017

# MEMORANDUM

**TO:** Members, Consolidated Commission on Utilities

**SUBJECT: CCU POLL VOTE MATTER: GWA RESOLUTION 11-FY2017 RELATIVE TO AMENDMENT OF AGMO and AGMAS POSITIONS** ***(see attached email dated 12/22/16 & 1/12/17)***

| Commissioner | Y/N | Initials | Time/Date | Comments |
|---|---|---|---|---|
| Joseph Duenas | Y | | 12/24/16 5:18 p.m. | Via email |
| Francis Santos | Y | | 1/12/17 4:01 p.m. | Via email |
| George Bamba | | | | |
| Pedro Guerrero<br>Judi Guthertz | | | | Oath taken 1/12/17 |
| Simon Sanchez | Y | | 12/22/16 11:53 p.m. | Via Email |

**Concurred by:**

**Miguel Bordallo, GWA GM**

1·18·17
**Date**

## Bernadette Lou Sablan

**From:** Ann Borja <annborja@guamwaterworks.org>
**Sent:** Friday, January 13, 2017 11:35 AM
**To:** Bernadette Lou Sablan
**Cc:** Miguel Bordallo
**Subject:** FW: FW: CCU POLL VOTE MATTER: GWA RESOLUTION 11-FY2017 RELATIVE TO AMENDMENT OF AGMO and AGMAS POSITIONS

Auntie Lou,

This will make 3 votes. Duenas, Sanchez and Santos. ☺

GUAM WATERWORKS AUTHORITY

Sincerely,

*Ann Dueñas Borja, CPM*
*Management Analyst IV, Assistant to*
*Miguel C. Bordallo, P.E., General Manager*
*Guam Waterworks Authority*
*Gloria B. Nelson Public Service Building*
*688 Route 15*
*Mangilao, Guam 96913*
*Telephone No.: (671) 300-6847 (Direct) or 300-6846*
*E-mail address: annborja@guamwaterworks.org*

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**From:** Francis Santos [mailto:fesantos57@gmail.com]
**Sent:** Thursday, January 12, 2017 4:01 PM
**To:** Ann Borja
**Cc:** Francis Santos; George Bamba; Miguel Bordallo; Bernadette Lou Sablan
**Subject:** Re: FW: CCU POLL VOTE MATTER: GWA RESOLUTION 11-FY2017 RELATIVE TO AMENDMENT OF AGMO and AGMAS POSITIONS

Ms. Borja,

As requested, this email will serve as my approval for resolution 5.2.

Thank you,

On Thu, Jan 12, 2017 at 3:02 PM, Ann Borja <annborja@guamwaterworks.org> wrote:
Dear Commissioners Santos and Bamba:

On Dec. 22, 2016, I sent out a poll vote on behalf of GM Miguel Bordallo and as okayed by Lou Sablan to send on her behalf, and have not received a response from the two of you. Kindly respond how you wish to vote via return email. If you wish to abstain, please indicate "ABSTAIN".

This matter was brought up for discussion at the 12/6 CCU meeting – Agenda item highlighted below:

5. OLD BUSINESS
5.1 GWA Resolution No. 04-FY2017 Relative to Supporting the 2016 MOU Between GWA/ DoD & DoN

## Bernadette Lou Sablan

**From:** Joseph Duenas <jtduenas@hotmail.com>
**Sent:** Saturday, December 24, 2016 5:18 PM
**To:** Simon Sanchez
**Cc:** Ann Borja - GWA; Joseph T. Duenas; Francis Santos (CCU Member); George Bamba; Pedro SN. Guerrero; Miguel Bordallo; Bernadette Lou Sablan
**Subject:** Re: CCU POLL VOTE MATTER: GWA RESOLUTION 11-FY2017 RELATIVE TO AMENDMENT OF AGMO and AGMAS POSITIONS

Ann,

I thought I already voted yes on this matter. If you did not get my email, then I hereby vote yes one more time for Resolution 5.2, as highlighted.

Joey

Sent from my iPad

On Dec 22, 2016, at 11:53 AM, Simon Sanchez <gdcmgr@guamdrycleaners.com> wrote:

Re 5.2...I vote yes
S

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**From:** Ann Borja [mailto:annborja@guamwaterworks.org]
**Sent:** Thursday, December 22, 2016 9:27 AM
**To:** Joseph T. Duenas; jtduenas@hotmail.com; 'Simon Sanchez'; francis.santos@gpagwa.com; George Bamba; Pedro SN. Guerrero
**Cc:** Miguel Bordallo; l.sablan@gpagwa.com
**Subject:** CCU POLL VOTE MATTER: GWA RESOLUTION 11-FY2017 RELATIVE TO AMENDMENT OF AGMO and AGMAS POSITIONS
**Importance:** High

Dear Commissioners,

This matter was brought up for discussion at the 12/6 CCU meeting – Agenda item highlighted below:

5. OLD BUSINESS
5.1 GWA Resolution No. 04-FY2017 Relative to Supporting the 2016 MOU Between GWA/ DoD & DoN
5.2 GWA Resolution No. 11-FY2017 Relative to the Amendment of the Positions for the Assistant General Manager of Operations (AGMO) and the Assistant General Manager of Administration (AGMA)
5.3 GWA Resolution No. 12-FY2017 Relative to Approving the Ratification of Bid award, Relative to IFB 2016-09 for Diesel Fuel Oil No. 2 and Regular Unleaded Automotive Gasoline for GWA's Transportation Fleet and Heavy Equipment

Kindly respond how you wish to vote via return email. If you wish to abstain, please indicate "ABSTAIN". Please note Lou Sablan is aware I am sending this in her absence.

Thank you,

<image001.jpg>

Sincerely,

*Ann Dueñas Borja, CPM*
*Management Analyst IV, Assistant to*
*Miguel C. Bordallo, P.E., General Manager*
*Guam Waterworks Authority*

GUAM WATERWORKS AUTHORITY
"Better Water. Better Lives."
Gloria B. Nelson Public Service Building | 688 Route 15, Mangilao, Guam 96913
P. O. Box 3010 Hagatna, Guam 96932
Tel. No. (671) 300-6846/48 Fax No. (671) 648-3290

# PRESS RELEASE

## Guam Waterworks Authority Amendment of Position

The Guam Waterworks Authority (GWA) petitions the Consolidated Commission on Utilities (CCU) to amend the following position:

AMENDMENT

ASSISTANT GENERAL MANAGER of OPERATIONS (AGMO)
Unclassified

This announcement is in compliance with Public Law 28-112 governing transparency and disclosure. The petitions are required by 4GCA Sections 6205 and 6303 are public documents for the purposes of 5 GCA, CH. 10, Art 1: (The Sunshine Law).

For more information, please visit GWA's website at www.guamwaterworks.org/careers/petition or you may contact the Personnel Services Division at 300-6073-6.

MIGUEL C. BORDALLO, PE
General Manager

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Gloria B. Nelson Public Service Building | Route 15, Mangilao, Guam 96913
P. O. Box 3010 Hagåtña, Guam 96932
Tel: 671.300.6846-48 | Fax: 671.648-3290

## ISSUES FOR DECISION

**Resolution No.**

Relative to the Amendment of the Assistant General Manager of Operations (AGMO) position title, job | position description, and salary range.

**What is the project's objective and is it necessary and urgent?**
To amend the Assistant General Manager of Operations job | position description and specifications, and salary range to support the Agency's daily operations within its Water and Wastewater Divisions; providing effective and efficient delivery of safe drinking water and services to the community

The Agency currently employs just one Assistant General Manager for Compliance & Safety, while the other divisions of as much importance function without an Assistant General Manager at its helm, thus limiting effective communications direct to the General Manager while at the same time, affecting operations to provide statuses by Superintendents or Managers, who would otherwise be addressing the water | wastewater needs of our community.

**Where is the location?**
The Assistant General Manager of Operations, if approved, will be under the direct supervision and management of the General Manager while overseeing and ensuring optimal performance of our Water and Wastewater Divisions.

**When will it be completed?**
Public Law 28-112, Section 9 (3) requires GPA and GWA to post a petition on their websites for ten (10) days (not including Saturdays, Sundays and government of Guam holidays). After the 10 days posting, the petition can then be forwarded to the CCU for their disposition at any regularly scheduled meeting.
GWA has met the posting requirements.

Additionally, Guam law requires notice of such posting to each newspaper of general circulation and broadcasting station which airs regular news programs within Guam.

**What is the funding source?**
GWA will certify funding for the position available for the filling and retention of its certified, technical and professional newly created position.
The funding of this position does not have an impact on the General Fund.

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# PETITION

The General Manager of Guam Waterworks Authority (GWA) hereby petitions the Consolidated Commission on Utilities (CCU) for the amendment of a created position pursuant to Public Law 28-112, Section 9; 4GCA, Chapter 6, Article 3, §6303; and to add the position onto the Certified, Technical, and Professional (CTP) List, Category B:

## *ASSISTANT GENERAL MANAGER of OPERATIONS (AGMO)*
## *(Unclassified)*

**Background Information**

The Guam Waterworks Authority, hereinafter referred to as GWA, has determined a need to amend the Job Standards | Position Description; identifying specific duties, responsibilities, and reflecting qualifications, experience, and licensure required and possessed by potential candidates to effectively and efficiently lead and manage the assigned Divisions.

**Justification for the Amendment**

The amendment of the Assistant General Manager of Operations position is necessary as this position will perform a variety of work in leading, managing, developing and implementing GWA's organizational policies, goals and objectives; achieving the Vision and Mission of the Agency.

Additionally, it is the desire of the General Manager to highlight the compensation determination parameter in support of 12GCA: Autonomous Agencies, Chapter 14: Guam Waterworks Authority, §14.114. Employment. Paragraph (c), through identifying the pay grade and minimum amount for which salary shall be determined.

The minimum experience and training requirements for the position of Assistant General Manager of Operations is as follows:

A. Master's Degree in Engineering, Business, Public Administration or other related field; with major course work in utility infrastructure and operations, organization, analysis and evaluation, and financial management, plus 6 years of demonstrated experience and progressive responsibility in the management of operations in utilities, construction or technically related field; **or**
B. Bachelor's Degree in Engineering, Business, Public Administration or other related field; plus 10 years of demonstrated experience and progressive responsibility in the management of operations in utilities, construction or technically related field;

**AND**

- Possess a Professional Engineer (PE) License ***or***
- Guam Environmental Protection Agency Operator Certification Level IV in Water Treatment, Water Distribution, Wastewater Collection, and Wastewater Treatment

**NECESSARY SPECIAL QUALIFICATIONS**

Experience in and knowledgeable of the water production, treatment and distribution facilities life cycles, wastewater collection and treatment facilities life cycles; cost analysis; asset management; regulatory compliance and permitting processes and experienced in the system control and data acquisition (SCADA) systems and hydraulic modeling.

Position Description attached

Proposed pay range and compliance with 4GCA, §6301
When the job description and qualification of factors are taken into consideration and the new position is slotted, the resultant new pay grade under the Alan Searle compensation structure is:

Job Title: Assistant General Manager of Operations

Job Evaluation Points: 1581

Pay Grade & Minimum: R5-C, $122,056.00 per annum (15th Market Percentile)

As indicated above, the minimum salary is shown at the 15th Market Percentile for this UNCLASSIFIED, Certified, Technical, and Professional position and is comparable with other U.S. Jurisdictions and / or the American Waterworks Association (AWWA) salary surveys, with and for consideration of an open range from the minimum slotting within the pay grade identified to its maximum allowed pay grade, step, and sub-step for final salary determination by the Consolidated Commission on Utilities.

Fiscal note as required by 2GCA, §9101 et seq.
Guam Waterworks Authority certifies that this position is budgeted and that funds are available for the creation, recruitment and retention of its Certified, Technical, and Professional amended position.
The funding of this position does not have an impact on the General Fund.

Miguel C. Bordallo, PE
General Manager

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# ASSISTANT GENERAL MANAGER OF OPERATIONS
## (Unclassified)

**MINIMUM EXPERIENCE AND TRAINING:**

A. Master's Degree in Engineering, Business, Public Administration or related field; with major course work in utility infrastructure and operations, organization, analysis and evaluation, and financial management plus 5 years of demonstrated experience and progressive responsibility in the management of operations in utilities, construction or technically related field; **or**

B. Bachelor's Degree in Engineering, Business, Public Administration or related field; with major course work in utility infrastructure and operations, organization, analysis and evaluation, and financial management plus 10 years of demonstrated experience and progressive responsibility in the management of operations in utilities, construction or technically related field;

**AND**

- Professional Engineer (PE) License **or**
- Guam Environmental Protection Agency Operator Certification Level IV in Water Treatment, Water Distribution, Wastewater Collection, and Wastewater Treatment

**NECESSARY SPECIAL QUALIFICATION:**

Experience in and knowledgeable of the water production, treatment and distribution facilities life cycles, wastewater collection and treatment facilities life cycles; cost analysis; asset management; regulatory compliance and permitting processes and experienced in the system control and data acquisition (SCADA) systems and hydraulic modeling.

**NATURE OF WORK IN THIS CLASS:**

This is complex work involving the planning, organizing and coordinating of all the Authority's production, distribution, collection, treatment, and operational control activities for the water and wastewater systems, including the preventive and corrective maintenance and repair of facilities to ensure systems meet high level compliance with water and wastewater standards.

The Assistant General Manager of Operations (AGM-O) is responsible and accountable to the Guam Waterworks Authority's General Manager for the effective conduct of its operations to meet the established levels of service for all customers, in accordance with the Guam Safe Drinking Water Act and the Clean Water Act, associated regulations, and applicable permit requirements. The AGM-O is also responsible and accountable for the managing and organizing efficient business operations in the divisions assigned. The AGM-O shall also be responsible for assisting with the formulation of recommendations on policies, goals and objectives to, and implementation of plans, policies and procedures adopted by the Consolidated Commission on Utilities (CCU).

The AGM-O serves under the direction of the General Manager. The AGM-O directs and manages the development of short-term and long-term goals and objectives of GWA and ensures their effective execution; makes sure all assigned operations and functions are sustainable and effectively serve the needs of GWA's ratepayers, while complying with applicable laws and regulations; and performs related duties as assigned.

**ILLUSTRATIVE EXAMPLES OF WORK:** (These examples do not list all the duties which may be assigned)

- The AGM-O shall report to the General Manager of the Guam Waterworks Authority.
- The AGM-O's primary responsibilities will be to manage, coordinate, and report on the six operational divisions/functions of the water and wastewater systems: Water Production and Treatment; Water Distribution; Wastewater Collection; and Wastewater Treatment; Construction & Maintenance; and the W/WW System Control Center/Asset Management.
- The AGM-O shall be responsible for the proper operation of the W/WW Systems Control Center (WSCC), using the appropriate staff of certified operators, technicians, trade's professionals, along with hydraulic modelling and analytical tools, to effectively manage an integrate W/WW system.

- The AGM-O shall plan, organize, staff, and direct the operation of the Authority's water/wastewater systems, including the setting of operation objectives, standards, training of employees and evaluation of system operational performance.

- The AGM-O shall assure compliance with the minimum Levels of Service (LOS) established by the Authority in the operation of the water and wastewater systems, and shall work with other Assistant General Managers, the Chief Financial Officer, Legal Counsel and under the direction of the General Manager, to achieve utility wide LOS compliance at the lowest possible cost.

- The AGM-O shall analyze systems operation and control performance, costs and effectiveness, and develops strategies and recommendations to increase efficiency, reliability, sustainability, compliance and security of water and wastewater services, while maintaining the lowest cost possible.

- The AGM-O shall work with the General Manager in continuing, and advancing where feasible and desirable, the interoperation of and integration with military water and wastewater utility systems, in accordance with policy guidelines established by the CCU.

- The AGM-O shall be responsible for the preparation of annual budget estimates for the operations divisions under his supervision.

- The AGM-O shall be responsible for the preparation of capital improvement project recommendations for each operational division under his authority; and shall, working with other Assistant General Managers, the Chief Financial Officer, Legal Counsel and under the direction of the General Manager, implement approved CIP's in accordance with the Authority's approved Capital Improvements Program.

- The AGM-O shall be responsible for the development and implementation of the Authority's Asset Management Program, and shall insure that all water and wastewater system assets are properly documented, maintained, repaired and otherwise managed, and that all cost elements are properly captured to provide meaningful cost reporting to support budgets, rate cases and financial decision-making for system operation and maintenance.

- The AGM-O shall provide complete and timely reports on the operations of the water and wastewater systems to the General Manager and the CCU.

- The AGM-O may be appointed to serve as Acting General Manager for the Authority from time to time.

- The AGM-O shall perform such other duties assigned by the General Manager.

**KNOWLEDGE, SKILLS AND ABILITIES:**

- Knowledge of the principles and practices of water treatment and production, and wastewater treatment, as well as the regulations which govern them.

- Knowledge of the designs and operating characteristics of all facilities and equipment used for the processing and distribution of water, and the collection, treatment and disposal of wastewater.

- Knowledge of computer-based hydraulic modelling for water/wastewater systems, as well as principles, practices and procedures for the supervisory control and data acquisition in the monitoring and operation of those systems.

- Knowledge of the principles and practices of asset management, including the use of computerized maintenance management systems.

- Knowledge of the standard methods, materials, practices and equipment used in the construction, operations, repair and maintenance of potable water and wastewater systems, including ancillary infrastructure, such as roadways, drainage and other improvements.

- Knowledge of management techniques, principles and procedures to assign work, schedule, supervise, train, and evaluate the work of assigned staff.

- Ability to analyze and evaluate engineering, statistical and financial data, conduct and direct research and develop alternatives and recommendations.

- Ability to effectively communicate with management and subordinates to convey logic and rationale, ideas, objectives, and consequences.

- Ability to establish and implement effective operational programs and procedures. Establishes priorities for the completion of work in accordance with sound time-management methodology.
- Ability to perform a broad range of managerial responsibilities over others.
- Ability to handle a variety of issues with tact and diplomacy and in a confidential manner.
- Ability to induce effective employee performance to maintain high level of performance, training and safety.
- Ability to manage the water and wastewater systems repair and maintenance programs.
- Ability to understand, interpret and work from engineering drawings and technical specifications.
- Ability to recommend and implement changes in policies, procedures, materials and equipment to enhance program effectiveness.

Position Established: February 1, 1997
Amended: November 2016

Salary: Alan Searle Compensation Plan
15th Market Percentile

**COMMENSURATE WITH EXPERIENCE**
Minimum: R5C, $122,056.00 per annum

*Pursuant to 12GCA: Autonomous Agencies, Chapter 14: Guam Waterworks Authority, §14.114, Employment, paragraph (c): "Notwithstanding any other provisions of law, neither the General Manager, Assistant General Managers, Secretary, Treasurer, Comptroller, nor Attorney of the Authority shall be within the classified service of the government of Guam but shall be hired, compensated and employed under the terms and conditions fixed by, and at the pleasure of the Board."*

Joseph T. Duenas, Chairman
Consolidated Commission on Utilities

Analysis of similarities and differences between the position being amended and the positions listed pursuant to 4GCA, Chapter 4, Article 1, §4101.

| GWA PROPOSED | GWA EXISTING |
|---|---|
| Minimum Experience and Training:<br>A. Master's Degree in Engineering, Business, Public Administration or other related field; with major course work in utility infrastructure and operations, organization, analysis and evaluation, and financial management plus 5 years of demonstrated experience and progressive responsibility in the management of operations in utilities, construction or technically related field; **or**<br>B. Bachelor's Degree in Engineering, Business, Public Administration or other related field; with major course work in utility infrastructure and operations, organization, analysis and evaluation, and financial management plus 10 years of demonstrated experience and progressive responsibility in the management of operations in utilities, construction or technically related field;<br>**AND**<br>• Professional Engineer (PE) License **or**<br>• Guam Environmental Protection Agency Operator Certification Level IV in Water Treatment, Water Distribution, Wastewater Collection, and Wastewater Treatment<br><br>Necessary Special Qualification<br>Experience in and knowledgeable of the water production, treatment and distribution facilities life cycles, wastewater collection and treatment facilities life cycles; cost analysis; asset management; regulatory compliance and permitting processes and experienced in the system control and data acquisition (SCADA) systems and hydraulic modeling. | Minimum Qualifications:<br>A. Four (4) years of experience in a water utility operations; or<br>B. Any desirable combination of experience and training which provides the minimum knowledge, abilities and skills. |
| Minimum Knowledge, Skills and Abilities:<br>• Knowledge of the principles and practices of water treatment and production, and wastewater treatment, as well as the regulations which govern them.<br>• Knowledge of the designs and operating characteristics of all facilities and equipment used for the processing and distribution of water, and the collection, treatment and disposal of wastewater.<br>• Knowledge of computer-based hydraulic modelling for water/wastewater systems, as well as principles, practices and procedures for the | Minimum Knowledge, Skill and Ability:<br>• Knowledge of the designs and operating characteristics and extensive experience and application of all facilities and equipment used for the processing and distribution of water/wastewater. Ability to make significant evaluations from the engineering, statistical and financial data and terms commonly employed. Ability to communicate with management and subordinates with sufficient sensitivity to comprehend the significance of their actions and words with clarity and diplomacy to empress ideas and attitudes effectively, ability to induce effective |

| | |
|---|---|
| supervisory control and data acquisition in the monitoring and operation of those systems.<br>• Knowledge of the principles and practices of asset management, including the use of computerized maintenance management systems.<br>• Knowledge of the standard methods, materials, practices and equipment used in the construction, operations, repair and maintenance of potable water and wastewater systems, including ancillary infrastructure, such as roadways, drainage and other improvements.<br>• Knowledge of management techniques, principles and procedures to assign work, schedule, supervise, train, and evaluate the work of assigned staff.<br>• Ability to analyze and evaluate engineering, statistical and financial data, conduct and direct research and develop alternatives and recommendations.<br>• Ability to effectively communicate with management and subordinates to convey logic and rationale, ideas, objectives, and consequences.<br>• Ability to establish and implement effective operational programs and procedures. Establishes priorities for the completion of work in accordance with sound time-management methodology.<br>• Ability to perform a broad range of managerial responsibilities over others.<br>• Ability to handle a variety of issues with tact and diplomacy and in a confidential manner.<br>• Ability to induce effective employee performance to maintain high level of performance, training and safety.<br>• Ability to manage the water and wastewater systems repair and maintenance programs.<br>• Ability to understand, interpret and work from engineering drawings and technical specifications.<br>• Ability to recommend and implement changes in policies, procedures, materials and equipment to enhance program effectiveness. | employee performance to maintain high level of moral, training and safety. Ability to speak and write effectively. |
| Illustrative Examples of Work: (These examples do not list all the duties which may be assigned)<br>• The AGM-O shall report to the General Manager of the Guam Waterworks Authority.<br>• The AGM-O's primary responsibilities will be to manage, coordinate, and report on the six operational divisions/functions of the water and | Illustrative Examples of Work: (These examples do not list all the duties which may be assigned.)<br>• Plan, organize, staff, direct and coordinate the operation of the Authority's water/wastewater operation, safety, engineering, and procurement functions, including the setting of objectives and |

wastewater systems: Water Production and Treatment; Water Distribution; Wastewater Collection; and Wastewater Treatment; Construction & Maintenance; and the W/WW System Control Center/Asset Management.

- The AGM-O shall be responsible for the proper operation of the W/WW Systems Control Center (WSCC), using the appropriate staff of certified operators, technicians, trade's professionals, along with hydraulic modelling and analytical tools, to effectively manage an integrate W/WW system.
- The AGM-O shall plan, organize, staff, and direct the operation of the Authority's water/wastewater systems, including the setting of operation objectives, standards, training of employees and evaluation of system operational performance.
- The AGM-O shall assure compliance with the minimum Levels of Service (LOS) established by the Authority in the operation of the water and wastewater systems, and shall work with other Assistant General Managers, the Chief Financial Officer, Legal Counsel and under the direction of the General Manager, to achieve utility wide LOS compliance at the lowest possible cost.
- The AGM-O shall analyze systems operation and control performance, costs and effectiveness, and develops strategies and recommendations to increase efficiency, reliability, sustainability, compliance and security of water and wastewater services, while maintaining the lowest cost possible.
- The AGM-O shall work with the General Manager in continuing, and advancing where feasible and desirable, the interoperation of and integration with military water and wastewater utility systems, in accordance with policy guidelines established by the CCU.
- The AGM-O shall be responsible for the preparation of annual budget estimates for the operations divisions under his supervision.
- The AGM-O shall be responsible for the preparation of capital improvement project recommendations for each operational division under his authority; and shall, working with other Assistant General Managers, the Chief Financial Officer, Legal Counsel and under the direction of the General Manager, implement approved CIP's in accordance with the Authority's approved Capital Improvements Program.

standards, training of employees, and the evaluation of results.

- Coordinate and supervise the construction of new facilities in conformance with approved engineering standards to adapt to market growth and provide continuity of service at reasonable cost.
- Analyze performance, operation and maintenance costs of water system facilities; develop and implement efficient and reliable methods for determining need for repairs and improvements.
- Prepare budget estimates for the Authority's water operations, distribution, safety, engineering, and procurement functions; approve, direct and supervise new constructions, replacements and major repairs within budget framework approved by the General Manager and Board of Directors.
- Plan organize and train operating, maintenance and construction personnel in routine and emergency procedures designed to achieve efficient use of manpower, protect public and employee safety, and assure prompt restoration of service following severe storm conditions and similar situations.
- Provide complete and timely reports on system operations, restoration of service and construction programs to the General Manager and other Authority executives.
- May be appointed to serve as Acting General Manager for the Authority by the Board of Directors.
- Perform other executive duties assigned by the General Manager.

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| • The AGM-O shall be responsible for the development and implementation of the Authority's Asset Management Program, and shall insure that all water and wastewater system assets are properly documented, maintained, repaired and otherwise managed, and that all cost elements are properly captured to provide meaningful cost reporting to support budgets, rate cases and financial decision-making for system operation and maintenance.<br>• The AGM-O shall provide complete and timely reports on the operations of the water and wastewater systems to the General Manager and the CCU.<br>• The AGM-O may be appointed to serve as Acting General Manager for the Authority from time to time.<br>• The AGM-O shall perform such other duties assigned by the General Manager. | |
| Salary: Alan Searle Compensation Plan<br>**COMMENSURATE WITH EXPERIENCE**<br>Minimum: R5-C, $122,056.00 per annum<br>(15th Market Percentile) | Salary:<br>L3, $67,150.00 per annum (Unclassified) |

GUAM WATERWORKS AUTHORITY
"Better Water. Better Lives."
Gloria B. Nelson Public Service Building | 688 Route 15, Mangilao, Guam 96913
P. O. Box 3010 Hagatna, Guam 96932
Tel. No. (671) 300-6846/48 Fax No. (671) 648-3290

# PRESS RELEASE

Guam Waterworks Authority

## *Amendment of Position*

The Guam Waterworks Authority (GWA) petitions the Consolidated Commission on Utilities (CCU) to amend the following position:

AMENDMENT

**ASSISTANT GENERAL MANAGER of ADMINISTRATION**
Unclassified

This announcement is in compliance with Public Law 28-112 governing transparency and disclosure. The petitions are required by 4GCA Sections 6205 and 6303 are public documents for the purposes of 5 GCA, CH. 10, Art 1: (The Sunshine Law).

For more information, please visit GWA's website at www.guamwaterworks.org/careers/petition or you may contact the Personnel Services Division at 300-6073-6.

MIGUEL C. BORDALLO, PE
General Manager

GUAM WATERWORKS AUTHORITY
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P. O. Box 3010 Hagåtña, Guam 96932
Tel: 671.300.6846-48 | Fax: 671.648-3290

## ISSUES FOR DECISION

**Resolution No.**

Relative to the Amendment of the Assistant General Manager of Administration (AGMA) position title, job | position description, and salary range.

**What is the project's objective and is it necessary and urgent?**
To amend the Assistant General Manager of Administration position title, job | position description, and salary range to support the Agency's daily operations within its Administrative and Support Divisions providing quality customer service to both internal and external customers at the most effective, efficient and cost-effective manner.

The Agency currently employs just one Assistant General Manager for Compliance & Safety, while the other divisions of as much importance function without an Assistant General Manager at its helm, thus limiting effective communications direct to the General Manager while at the same time, affecting operations to provide statuses by Superintendents or Managers, who would otherwise be addressing the water | wastewater needs of our community.

**Where is the location?**
The Assistant General Manager of Administration & Support, if approved, will be under the direct supervision and management of the General Manager while overseeing the following divisions: Human Resources, Procurement, Supply & Warehouse, Fleet & Equipment, Information Technology and Engineering.

**When will it be completed?**
Public Law 28-112, Section 9 (3) requires GPA and GWA to post a petition on their websites for ten (10) days (not including Saturdays, Sundays and government of Guam holidays). After the 10 days posting, the petition can then be forwarded to the CCU for their disposition at any regularly scheduled meeting.
GWA has met the posting requirements.

Additionally, Guam law requires notice of such posting to each newspaper of general circulation and broadcasting station which airs regular news programs within Guam.

**What is the funding source?**
GWA will certify funding for the position available for the filling and retention of its certified, technical and professional newly created position.
The funding of this position does not have an impact on the General Fund.

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# PETITION

The General Manager of Guam Waterworks Authority (GWA) hereby petitions the Consolidated Commission on Utilities (CCU) for the amendment of a created position pursuant to Public Law 28-112, Section 9; 4GCA, Chapter 6, Article 3, §6303; and to add the position onto the Certified, Technical, and Professional (CTP) List, Category B:

***ASSISTANT GENERAL MANAGER – ADMINISTRATION (AGMA)***
***(Unclassified)***

**Background Information**
The Guam Waterworks Authority, hereinafter referred to as GWA, has determined a need to amend the Job Standards | Position Description; identifying specific duties, responsibilities, and reflecting qualifications, experience, and licensure required and possessed by potential candidates to effectively and efficiently lead and manage the assigned Divisions.

**Justification for the Amendment**
The amendment of the Assistant General Manager – Administration & Support (AGM-AS) position is necessary as this position will perform a variety of work in leading, managing, developing and implementing GWA's organizational policies, goals and objectives; achieving the Vision and Mission of the Agency.

Additionally, it is the desire of the General Manager to highlight the compensation determination parameter in support of 12GCA: Autonomous Agencies, Chapter 14: Guam Waterworks Authority, §14.114. Employment. Paragraph (c), through identifying the pay grade and minimum amount for which salary shall be determined.

The minimum experience and training requirements for the position of Assistant General Manager of Administration & Support is as follows:

A. Master's Degree in Engineering, Business, Public Administration, or other related field; with major course work in utility infrastructure and operations, organization, analysis and evaluation, and financial management, plus 6 years of demonstrated experience and progressive responsibility in the management of facility support services in utilities, construction or technically related field; **or**
B. Bachelor's Degree in Engineering, Business, Public Administration, or other related field; with a minimum of 10 years of demonstrated experience and progressive responsibility in the management of facility support services in utilities, construction or technically related field;

***Preferred Special Qualification***

Professional Engineer (PE) License

Position Description attached

Proposed pay range and compliance with 4GCA, §6301
When the job description and qualification of factors are taken into consideration and the new position is slotted, the resultant new pay grade under the Alan Searle compensation structure is:

Job Title: Assistant General Manager of Administration & Support

Job Evaluation Points: 1392

Pay Grade & Minimum: Q4B, $101,870.00 per annum (15th Market Percentile)

As indicated above, the minimum salary is shown at the 15th Market Percentile for this UNCLASSIFIED, Certified, Technical, and Professional position and is comparable with other U.S. Jurisdictions and / or the American Waterworks Association (AWWA) salary surveys, with and for consideration of an open range from the minimum slotting within the pay grade identified to its maximum allowed pay grade, step, and sub-step for final salary determination by the Consolidated Commission on Utilities Board.

Fiscal note as required by 2GCA, §9101 et seq.
Guam Waterworks Authority certifies that this position is budgeted and that funds are available for the creation, recruitment and retention of its Certified, Technical, and Professional amended position.
The funding of this position does not have an impact on the General Fund.

Miguel C. Bordallo, PE
General Manager

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# ASSISTANT GENERAL MANAGER OF ADMINISTRATION & SUPPORT
## (Unclassified)

## MINIMUM QUALIFICATIONS

A. Master's Degree in Engineering, Business, Public Administration or other related field; with major course work in utility infrastructure and operations, organization, analysis and evaluation, and financial management, plus 6 years of demonstrated experience and progressive responsibility in the management of facility support services in utilities, construction or technically related field; **OR**

B. Bachelor's Degree in Engineering, Business, Public Administration or other related field; with a minimum of 10 years of demonstrated experience and progressive responsibility in the management of facility support services in utilities, construction or technically related field;

## *PREFERRED SPECIAL QUALIFICATION:*

Professional Engineer (PE) License

## NATURE OF WORK IN THIS CLASS:

- This is complex work involving the planning, organizing, staffing, directing and coordinating of all the Authority's administrative, technical and logistical support services, including engineering, procurement, warehouse and supply, equipment and vehicle fleet, information and data systems, and staffing resources, to ensure the success of utility operations, customer care, compliance/safety, and finance and accounting functions.

- The AGM-AS shall report to and is accountable to the Guam Waterworks Authority's General Manager for the provisions of engineering and technical supply, fleet and staffing support services to the rest of the Authority in an efficient manner, to enable successful operation of the utility.

- The AGM-AS is also responsible and accountable for managing and organizing efficient business operations in the divisions assigned.

- The AGM-AS shall also be responsible for assisting with the formulation of recommendations on policies, goals and objectives to, and implementation of plans, policies and procedures adopted by the Consolidated Commission on Utilities (CCU).

- The AGM-AS directs and manages the development of short-term and long-term goals and objectives of GWA and ensures their effective execution and all assigned administrative and support functions are sustainable and effectively serve the needs of GWA's ratepayers while complying with applicable laws and regulations; and performs related duties as assigned.

## ILLUSTRATIVE EXAMPLES OF WORK: (These examples do not list all the duties which may be assigned)

- To manage, coordinate, and report on designated administrative and support divisions: Human Resources, Procurement, Supply & Warehouse, Fleet & Equipment, Information Technology and Engineering.

- The AGM-AS shall plan, organize, staff, and direct the operation of the Authority's administrative and support divisions, including the settling of objectives, standards, training of employees and evaluation of staff and divisional performance.

- The AGM-AS shall assure compliance with the minimum Levels of Service (LOS) established by the Authority in the operation of the administrative and support divisions, and shall work with other Assistant General Managers, the Chief Financial Officer, Legal Counsel and under the direction of the General Manager, to achieve utility wide LOS compliance at the lowest possible cost.

- The AGM-AS shall analyze the administrative and support functions for performance, costs and effectiveness, and develop strategies and recommendations to increase efficiency, reliability, sustainability, compliance and security of these functions, while maintaining the lowest cost possible.

- The AGM-AS shall work with the General Manager in continuing and advancing where feasible and desirable, the interoperation of an integration with military water and wastewater utility systems, in accordance with policy guidelines established by the CCU.

- The AGM-AS shall be responsible for the preparation of annual budget estimates for the administrative and support divisions under his or her supervision.

- The AGM-AS shall be responsible, along with the Chief Engineer, for the preparation of the Authority's Capital Improvement Program. The AGM-AS shall, working with other Assistant General Managers, the Chief Financial Officer, Legal Counsel and under the direction of the General Manager, support the implementation of approved CIPs in accordance with the Authority's approved Capital Improvements Program.

- The AGM-AS shall also oversee the provision of all engineering and information technology support as required to properly and effectively carry out the operational, administrative and support functions of the Authority.

- The AGM-AS shall be responsible, along with the Procurement Administrator and Warehouse Manager, for the planning, budgeting, procurement, storage and warehousing and proper dissemination | distribution of all materials, equipment, consumables and supplies needed to support all functions and operations of the Authority.

- The AGM-AS shall be responsible for the planning, budgeting, procurement, service, maintenance, assignment and monitoring of all fleet vehicles required to support all operations and functions of the Authority.

- The AGM-AS shall be responsible, along with the Personnel Services Administrator for the hiring, training and administration of all human resources functions and programs in compliance with federal and Guam law.

- The AGM-AS shall provide complete and timely reports on the administrative and support functions to the General Manager and the CCU.

- The AGM-AS may be appointed to serve as Acting General Manager for the Authority from time to time.

- The AGM-AS shall perform such other duties assigned by the General Manager.

**MINIMUM KNOWLEDGE, SKILLS AND ABILITY:**

- Knowledge of engineering, information technology support, procurement and supply, equipment fleet and staffing support functions related to facilities and infrastructure systems; building and development codes and standards, environmental codes and standards, procurement rules and regulations; information technology systems and development, deployment and maintenance; human resource practices and procedures, administration, training and development.

- Knowledge of personnel administration, internal and external customer service, office administration and utility organization.

- Knowledge of engineering, facilities management and facilities operations support systems for water and wastewater utilities.

- Knowledge of information technology, data processing, and financial management and support hardware and software systems.

- Knowledge of the procurement code, principles, practices, warehousing, inventory and supply chain management for utilities operations and support.

- Knowledge of management techniques, principles, and procedures to assign work, schedule, supervise, train, and evaluate the work of assigned staff.

- Knowledge of the utility's organization and operations and to anticipate the consequences of the utility's policies and practices within the economic, social and cultural structure of its service area.

- Ability to analyze and evaluate, engineering, statistical and financial data, conduct and direct research and develop alternatives and recommendations.

- Ability to communicate effectively with management and subordinates, both orally and in writing to convey logic and rationale ideas, objectives, consequences.

- Ability to establish and implement effective operational programs and procedures. Establishes priorities for the completion of work in accordance with sound time-management methodology.
- Ability to perform a broad range of managerial responsibilities over others.
- Ability to handle a variety of issues with tact and diplomacy and in confidential manner.
- Ability to induce effective employee performance to maintain high level of morale, performance, training and safety.
- Ability to understand and support water and wastewater systems repair and maintenance programs.
- Ability to understand, interpret and work from engineering drawings and technical specifications.
- Ability to recommend and implement changes in policies, procedures, materials and equipment to enhance program effectiveness.

Position Established: 1 February 1997
Amended (1st): 1 October 2012
Amended (2nd): November 2016

Salary: Alan Searle Compensation Plan
15th Market Percentile

**TO COMMENSURATE WITH EXPERIENCE**
Minimum: Q4-B, $101,870.00 per annum

*Pursuant to 12GCA: Autonomous Agencies, Chapter 14: Guam Waterworks Authority, §14.114, Employment, paragraph (c): "Notwithstanding any other provisions of law, neither the General Manager, Assistant General Managers, Secretary, Treasurer, Comptroller, nor Attorney of the Authority shall be within the classified service of the government of Guam but shall be hired, compensated and employed under the terms and conditions fixed by, and at the pleasure of the Board."*

Joseph T. Duenas, Chairman
Consolidated Commission on Utilities

Analysis of similarities and differences between the position being amended and the positions listed pursuant to 4GCA, Chapter 4, Article 1, §4101.

| GWA PROPOSED | GWA EXISTING |
|---|---|
| Minimum Experience and Training:<br>A. Master's Degree in Engineering, Business, Public Administration, or other related field; with major course work in utility infrastructure and operations, organization, analysis and evaluation, and financial management, plus 6 years of demonstrated experience and progressive responsibility in the management of facility support services in utilities, construction or technically related field; **or**<br>B. Bachelor's Degree in Engineering, Business, Public Administration, or other related field; with a minimum of 10 years of demonstrated experience and progressive responsibility in the management of facility support services in utilities, construction or technically related field;<br>***Preferred Special Qualification***<br>Professional Engineer (PE) License | Minimum Qualifications:<br>A. Six (6) years of progressively responsible experience at the middle or senior management level working with the administration and management of water / wastewater utility a diverse back ground in utility management is preferred; ***and***<br>B. Possess a Bachelor's Degree in Public Administration, Engineering, or equivalent from a United States accredited college or university. A Masters in Public Administration, Engineering or equivalent from a United States accredited college or university may be substituted for one year of experience. |
| Minimum Knowledge, Skills and Ability:<br>• Knowledge of engineering, information technology support, procurement and supply, equipment fleet and staffing support functions related to facilities and infrastructure systems; building and development codes and standards, environmental codes and standards, procurement rules and regulations; information technology systems and development, deployment and maintenance; human resource practices and procedures, administration, training and development.<br>• Knowledge of personnel administration, internal and external customer service, office administration and utility organization.<br>• Knowledge of engineering, facilities management and facilities operations support systems for water and wastewater utilities.<br>• Knowledge of information technology, data processing, and financial management and support hardware and software systems.<br>• Knowledge of the procurement code, principles, practices, warehousing, inventory and supply chain management for utilities operations and support. | Minimum Knowledge, Skills and Ability:<br>• Knowledge of personnel administration, customer relations, data processing and office administrations.<br>• Knowledge of procurement code, practices, and procedures.<br>• Ability to comprehend the utility's organization and operations as a whole and to anticipate the consequences of the utility's policies and practices within the economy and culture of its service area.<br>• Ability to communicate with management and subordinates with sufficient sensitivity to comprehend the significance of their actions and words with clarity and diplomacy to express ideas and attitudes effectively.<br>• Ability to induce effective employee performance to maintain high level of moral, training and safety practices.<br>• Ability to communicate effectively both orally and in writing.<br>• Skill in planning, directing and coordinating varied administrative governmental functions.<br>• Skill in reasoning logically and presenting ideas clearly and concisely |

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|---|---|
| • Knowledge of management techniques, principles, and procedures to assign work, schedule, supervise, train, and evaluate the work of assigned staff.<br>• Knowledge of the utility's organization and operations as a whole, and to anticipate the consequences of the utility's policies and practices within the economic, social and cultural structure of its service area.<br>• Ability to analyze and evaluate, engineering, statistical and financial data, conduct and direct research and develop alternatives and recommendations.<br>• Ability to communicate effectively with management and subordinates, both orally and in writing to convey logic and rationale ideas, objectives, consequences.<br>• Ability to establish and implement effective operational programs and procedures. Establishes priorities for the completion of work in accordance with sound time-management methodology.<br>• Ability to perform a broad range of managerial responsibilities over others.<br>• Ability to handle a variety of issues with tact and diplomacy and in confidential manner.<br>• Ability to induce effective employee performance to maintain high level of morale, performance, training and safety.<br>• Ability to understand and support water and wastewater systems repair and maintenance programs.<br>• Ability to understand and support water and wastewater systems repair and maintenance programs.<br>• Ability to understand, interpret and work from engineering drawings and technical specifications.<br>• Ability to recommend and implement changes in policies, procedures, materials and equipment to enhance program effectiveness. | |
| <u>Illustrative Examples of Work:</u> (These examples do not list all the duties which may be assigned)<br>• To manage, coordinate, and report on designated administrative and support divisions: Human Resources, Procurement, Supply & Warehouse, Fleet & Equipment, Information Technology and Engineering. | <u>Illustrative Examples of Work:</u> (These examples do not list all the duties which may be assigned.)<br>• Plan, organize, staff, direct and coordinate the Authority's Administration Offices such as Personnel Services, Utility Services, Administrative Services, Information Technology, Procurement, Warehouse and Planning. Including setting of objectives and standards, |

- The AGM-AS shall plan, organize, staff, and direct the operation of the Authority's administrative and support divisions, including the settling of objectives, standards, training of employees and evaluation of staff and divisional performance.
- The AGM-AS shall assure compliance with the minimum Levels of Service (LOS) established by the Authority in the operation of the administrative and support divisions, and shall work with other Assistant General Managers, the Chief Financial Officer, Legal Counsel and under the direction of the General Manager, to achieve utility wide LOS compliance at the lowest possible cost.
- The AGM-AS shall analyze the administrative and support functions for performance, costs and effectiveness, and develop strategies and recommendations to increase efficiency, reliability, sustainability, compliance and security of these functions, while maintaining the lowest cost possible.
- The AGM-AS shall work with the General Manager in continuing and advancing where feasible and desirable, the interoperation of an integration with military water and wastewater utility systems, in accordance with policy guidelines established by the CCU.
- The AGM-AS shall be responsible for the preparation of annual budget estimates for the administrative and support divisions under his or her supervision.
- The AGM-AS shall be responsible, along with the Chief Engineer, for the preparation of the Authority's Capital Improvement Program. The AGM-AS shall, working with other Assistant General Managers, the Chief Financial Officer, Legal Counsel and under the direction of the General Manager, support the implementation of approved CIPs in accordance with the Authority's approved Capital Improvements Program.
- The AGM-AS shall also oversee the provision of all engineering and information technology support as required to properly and effectively carry out the operational, administrative and support functions of the Authority.
- The AGM-AS shall be responsible, along with the Procurement Administrator and Warehouse Manager, for the planning, budgeting, procurement, storage and warehousing and proper dissemination | distribution of all materials, equipment, consumables and supplies needed to

training of employees and the evaluation of results.

- Assist the General Manager in the administration of plans, policies and procedures adopted by the Consolidated Commission on Utilities.
- Analyze operation and performance of divisions for a cost effective, efficient and reliable operation.
- Oversee the preparation of budget estimates for the Authority's Administration Offices such as Personnel Services, Utility Services, Administrative Services, Information Technology, Procurement, Warehouse and Planning.
- Analyzes data and makes recommendations for reducing costs and increasing revenues
- Evaluates and provides for the training and development of division staff.
- Provide the General Manager and other authority executives' periodic reports on support programs.
- May be appointed by the Consolidated Commission on Utilities to serve as the Acting General Manager for the Authority.
- Perform other executive duties as assigned by the General Manager.

DESIRED MINIMUM QUALIFICATIONS

Experience with JD Edwards program and Microsoft Suite desired.

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|---|---|
| support all functions and operations of the Authority.<br>• The AGM-AS shall be responsible for the planning, budgeting, procurement, service, maintenance, assignment and monitoring of all fleet vehicles required to support all operations and functions of the Authority.<br>• The AGM-AS shall be responsible, along with the Personnel Services Administrator for the hiring, training and administration of all human resources functions and programs in compliance with federal and Guam law.<br>• The AGM-AS shall provide complete and timely reports on the administrative and support functions to the General Manager and the CCU.<br>• The AGM-AS may be appointed to serve as Acting General Manager for the Authority from time to time.<br>• The AGM-AS shall perform such other duties assigned by the General Manager. | |
| <u>Salary: Alan Searle Compensation Plan</u><br>**TO COMMENSURATE WITH EXPERIENCE**<br>Minimum: Q4-B, $101,870.00 (15th Market Percentile) | <u>Salary:</u><br>Minimum: Q4-B, $101,870.00 per annum<br>Maximum: Q7-B, $114,790.00 per annum |

**GUAM CONSOLIDATED COMMISSION ON UTILITIES**

**RESOLUTION NO. 12-FY2017**

**RELATIVE TO APPROVING THE RATIFICATION OF AWARD FOR THE MULTI-YEAR PROCUREMENT OF AUTOMOTIVE GASOLINE, REGULAR UNLEADED AND DIESAL FUEL OIL NO. 2 FOR GWA TRANSPORTATION FLEET, GWA IFB. NO 2016-09**

**WHEREAS**, under 12 G.C.A. § 14105, the Consolidated Commission on Utilities ("CCU") has plenary authority over financial, contractual and policy matters relative to the Guam Waterworks Authority ("GWA"); and

**WHEREAS**, the Guam Waterworks Authority ("GWA") is a Guam Public Corporation established and existing under the laws of Guam; and

**WHEREAS**, GWA has advertised by an Invitation for Bid (IFB) 2016-09 [Exhibit A] soliciting bid proposals from experienced and responsive bidders to provide GWA with Diesel Fuel Oil No. 2 and Automotive Gasoline, Regular Unleaded; and

**WHEREAS**, there were three (3) responsive bidders who offered Diesel Fuel Oil No. 2 and Automotive Gasoline, Regular Unleaded meeting the requirements of IFB 2016-09; and

**WHEREAS,** the IFB 2016-09 offers were evaluated by GWA's review committee; and

**WHEREAS**, GWA's review committee [Exhibit B "Recommendation of Award"] determined that Mobil Oil Guam offered the lowest cost of $1.523 per gallon for Automotive Gasoline, Regular Unleaded and offered the cost of $1.335 per gallon for Diesel Fuel Oil No. 2, which the review committee determined to be fair and reasonable based on actual FY2016 fuel consumption; and

**WHEREAS,** GWA accepted Mobil Oil Guam's bid proposal [Exhibit C "Copy of Bidder's Proposal] of $1.523 per gallon for Automotive Gasoline, Regular Unleaded and $1.335 per gallon for Diesel Fuel Oil No. 2 to be used for GWA's Transportation Fleet; and

**WHEREAS,** GWA issued the Notice of Award [Exhibit D] to Mobil Oil Guam; and

**WHEREAS**, on September 16, 2016, IP&E submitted in writing a formal Protest [Exhibit E] on the award to Mobil Oil Guam; and

**WHEREAS**, on September 16, 2016, GWA issued in writing its decision of denial to IP&E protest [Exhibit F] relative to the award to Mobil Oil Guam; and

**WHEREAS**, on September 27, 2016, IP&E Holding LLC appealed the award to Mobil Oil Guam to the Office of Public Accountability [Exhibit G "OPA PA-13"] relative to the award to Mobil Oil Guam; and

**WHEREAS**, on November 23, 2016, the Office of Public Accountability [Exhibit H] issued its decision relative to the appeal filed by IP&E on the award to Mobil Oil Guam; and

**WHEREAS**, the Office of Public Accountability in its decision on November 23, 2016, determined that:

1. GWA was required to use only the estimated quantities of gallon of diesel and unleaded gasoline provided in the IFB for evaluation and award rather than other factors such as actual usage of gasoline and the cost of having more than one vendor for fuel.
2. IP&E was the lowest responsive bidder as to diesel [Exhibit H] and Mobil Oil Guam was the lowest responsive bidder as to unleaded gasoline.
3. GWA shall award IP&E the contract for diesel and shall award Mobil the contract for unleaded gasoline.

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**NOW BE IT THEREFORE RESOLVED**, the Consolidated Commission on Utilities does hereby approve and authorize the following:

1. The recitals set forth above hereby constitute the findings of the CCU.
2. The CCU hereby authorizes GWA management to proceed based on the findings and decision made by the Office of Public Accountability attached hereto as Exhibit I, and which is incorporated into this Resolution in its entirety.
3. The CCU hereby further authorizes management to enter into a contract with "Mobil Oil Guam", to purchase Automotive Gasoline, Regular Unleaded at a cost to be the sum of the previous month's average daily prices as posted in Platt's Asia-Pacific Market Scan and a Premium Fee of $.45 and IP&E for Diesel Fuel Oil No. 2 at a cost to be the sum of the previous month's average daily prices as posted in Platt's Asia-Pacific Market Scan and a Premium Fee of $.50 per gallon for the duration of the contract term as specified in the IFB 2016-09 under the initial term of three (3) years, with an option to extend for two (2) additional one (1) year renewal terms of twelve (12) months per renewal term upon mutual agreement of both parties.
4. The CCU hereby further approves the funding (revenue funds) for purchases of Automotive Gasoline, Regular Unleaded and Diesel Fuel Oil No. 2. at per the cost formulas set forth in paragraph 3 above, in accordance with the terms of the respective contracts.

**RESOLVED,** that the Chairman certified and the Board Secretary attests to the adoption of this Resolution.

**DULY AND REGULARLY ADOPTED** this 6th day of December, 2016.

Certified by:

**JOSEPH T. DUENAS**
Chairperson

Attested by:

**J. GEORGE BAMBA**
Secretary

I, J. George Bamba, Board Secretary of the Consolidated Commission on Utilities as evidenced by my signature above do hereby certify as follows:

The foregoing is a full, true and accurate copy of the resolution duly adopted at a regular meeting by the members of the Guam Consolidated Commission on Utilities, duly and legally held at a place properly noticed and advertised at which meeting a quorum was present and the members who were present voted as follows:

AYES: 3

NAYS: 0

ABSTENTIONS: 1

ABSENT: 0

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CONSOLIDATED
COMMISSION ON UTILITIES
Guam Power Authority • Guam Waterworks Authority
P.O.BOX 2977 • Agana,Guam 96932

January 17, 2017

# MEMORANDUM

**TO:** Members, Consolidated Commission on Utilities

SUBJECT: **CCU POLL VOTE MATTER: RESOLUTION 12-FY2017 RELATIVE TO APPROVINGTHE RATIFICATION OF AWARD FOR THE MULTI-YEAR PROCUREMENT OF AUTOMOTIVE GASOLINE, REGULAR UNLEADED AND DIESAL FUEL OIL NO. 2 FOR GWA TRANSPORTATION FLEET, GWA IFB. NO 2016-09** *(see attached email dated 12/22/16)*

| Commissioner | Y/N | Initials | Time/Date | Comments |
|---|---|---|---|---|
| Joseph Duenas | Y | | 12/17/16 510:49 a.m. | Via email |
| Francis Santos | Y | | 12/11/16 11:57 a.m. | Via email |
| George Bamba | Abstained | | | Via email |
| Pedro Guerrero<br>Judi Guthertz | | | | Oath taken 1/12/17 |
| Simon Sanchez | Y | | 12/18/16 4:47 p.m. | Via Email |

**Concurred by:**

**Miguel Bordallo, GWA GM**

1.18.17
**Date**

# EXHIBIT A

**IFB**

# INVITATION TO BID

The GUAM WATERWORKS AUTHORITY will receive sealed bids for supply of **Diesel Fuel Oil No. 2 and Automotive Gasoline, Regular Unleaded, for the GWA Transportation Fleet.** in **GWA IFB. NO. 2016-09**. Bids in duplicate copy will be accepted until 10:00 a.m. Chamorro Standard Time, _____, 2016 at the GWA Procurement Office, first floor located at the Gloria B. Nelson Public Services Building in Mangilao at which time and place all bids will be publicly opened and read aloud. All bids must be accompanied by a Bid / Performance Bond in the amount of 15 percent (15%) of the total bid price. Bid Bond security may be in a form of a certified check or cashier's check made payable to Guam Waterworks Authority. A non-refundable amount of $15.00 is required for the purchase price of every set of bidding documents which are available at the GWA Procurement Office. Bidders can download a bid package at www.guamwaterworks.org without charge, although vendors must register with GWA Procurement Office to ensure that updated information, notices or bid amendments are distributed to you.

GWA reserves the right to revise or reject any or all proposals and to waive any minor imperfection in the bid proposal in the interest of the Guam Waterworks Authority.

Miguel C. Bordallo, P.E.
General Manager

GWA STAMP ISSUE DATE:

_____

GUAM WATERWORKS AUTHORITY
Gloria B. Nelson Public Service Building
688 Route 15, Mangilao GU 96913

Dear Interested Bidder:

Attached herewith please find the Invitation for Bid by the **Guam Waterworks Authority** (GWA), **IFB-GWA-2016-09** relative to the supply of **Diesel Fuel Oil No. 2 and Automotive Gasoline, Regular Unleaded, for the GWA Transportation Fleet.** The Fuel supply contract shall be for a three (3) year term to commence on or about _____2016, and shall continue until midnight of _____, 2019.

The IFB is divided into two (2) parts:

Part A: The solicitation
Part B: Bid submittal documents
(Contract and Offer)

Part A consists of three (3) sections: Section I, gives the general background and summary of the solicitation. Section II, provides the instruction procedures and requirements for bidders. Section III, Bid Bond requirements.

Part B contains the Bid Submittal Documents consisting of the Proposed Contract and Bid Offer. The Bid Offer must be completed by the bidder and submitted in response to this IFB. In addition to these documents, the bidder is required to submit as part of their bid information pertaining to responsibility and other requirements specified in the solicitation. Failure to do so shall be grounds to declare a bid non-responsive.

All interested bidders are advised to read the instructions carefully and tender their offers in conformance to the material aspects and requirements of the IFB.

Si Yu'os Ma'ase,

Miguel C. Bordallo, P.E.
General Manager

**INVITATION FOR BID NO. GWA-2016-09**

**FOR SUPPLY OF**
**DIESEL FUEL OIL NO. 2**
**and**
**REGULAR UNLEADED AUTOMOTIVE GASOLINE**

**FOR GWA'S**
**TRANSPORTATION FLEET**
**AND**
**HEAVY EQUIPMENT**

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## PART A

## GUAM WATERWORKS AUTHORITY'S INVITATION FOR BIDS TO SUPPLY FUEL TO GWA'S VEHICLE FLEET (DIESEL FUEL OIL NO. 2 AND AUTOMOTIVE GASOLINE, REGULAR UNLEADED)

### Section I: BACKGROUND AND SUMMARY OF SOLICITATION

The Guam Waterworks Authority ["GWA" or "Authority"] is a Guam public corporation. GWA is the sole non-military supplier of water service on the Island of Guam. The Authority desires to solicit and secure a Fleet Fuels (Diesel Fuel Oil No. 2 and Automotive Gasoline, Regular Unleaded) supply contract.

GWA is hereby soliciting bids for the supply of Diesel Fuel Oil No. 2 and Automotive Gasoline, Regular Unleaded, for an initial three (3) year term, with options to extend for two (2) additional one (1) year renewal terms of twelve (12) months per renewal term upon mutual agreement of both parties.

GWA vehicle and equipment fleet consists of approximately 152 light and medium duty vehicles and 35 pieces of heavy equipment.

### Section II: INSTRUCTIONS, PROCEDURES AND REQUIREMENTS FOR BIDDERS.

1. **Time, Schedule and location of bid submittal and opening**.

The deadline for the submission of sealed bids is on _____, 2016, not later than 10:00 a.m., Chamorro Standard Time. **One (1) original, five (5) complete hard copies and one (1) electronic copy of the bid must be submitted, as part of the bid submittal.** Information pertaining to bidder financial responsibility, company profile, history of past Gov. Guam supply contracts, and other information relevant to this bid shall be submitted with the bid. It is advisable to use courier services to expedite delivery of your offer. The original bid must be signed in ink by a person authorized to submit bids on behalf of the bidder. Bid must be delivered to GWA Procurement Office, first floor located at Guam Waterworks Authority, Gloria B. Nelson Public Service Building, 688 Route 15, Mangilao, GU 96913.

The sealed submittal envelope shall-be marked on the lower left corner "**SEALED BID, DIESEL FUEL OIL NO. 2 AND AUTOMOTIVE GASOLINE, REGULAR UNLEADED SUPPLY, IFB NO. GWA-2016-____, BID OPENING, _____, 2016 at 10:00 a.m. Chamorro Standard Time.**"

All questions regarding the bid must be submitted in writing and be delivered personally, via US mail, via express delivery or via fax and directed to the following parties:

Miguel C. Bordallo, P.E.
General Manager
Guam Waterworks Authority
Gloria B. Nelson Public Service Building
688 Route 15
Mangilao, GU 96913
E-mail: mcbordallo@guamwaterworks.org

Vince Guerrero
Supply Management Administrator
Guam Waterworks Authority
Gloria B. Nelson Public Service Building
688 Route 15
Mangilao, GU 96913
E-mail: vincentg@guamwaterworks.org
Fax. No.: (671) 649-3750

**2. Form.**

All bids must be in writing and must be signed by a representative of the bidder having authority to submit such bids. Offers submitted in response to this solicitation shall be in terms of United States currency and in the English language. The bids should respond in an organized fashion to all the requirements of this Invitation for Bids. Bidders must submit along with their bid package, a fully completed Offer, Bid Bond, and other information pertaining to the responsibility of Bidder. Failure to submit any of these bid documents shall be grounds to declare a bid non-responsive.

**3. Receipts, Registration of Bids and Confidentiality.**

The sealed bids shall be opened publicly on _____, **2016,** at **10:00 a.m. Chamorro Standard Time.**

For the purposes of this solicitation and bid submission, the laws of Guam governing confidentiality shall govern. If the Bidder submits confidential data with their bid, the bidder must clearly label the information to be protected as "confidential" in each and every place the information is located. GWA reserves the right to determine whether such information is in fact able to be protected from public review under the laws of Guam. Information deemed confidential and approved by GWA for such protection, shall be used only by GWA for bid evaluation purposes; provided however, that if a Contract is awarded to this bidder as a result of, or in connection with the submission of

this data, the GWA shall have the right to duplicate, use, or disclose the data to the extent provided in the Contract. Moreover, this restriction does not limit the GWA's right to use information contained in the data if it is obtained from another source without restriction. The General Manager of GWA or his designee shall examine the bids and determine the validity of any requests for non-disclosure of data as requested. Bids and modifications shall be time-stamped upon receipt and held in a secure place by GWA Procurement Office until the established opening date.

**4. Modification or Withdrawals of Bids.**

Bids may be modified or withdrawn by written notice from a person authorized to sign the bid, received in the office of GWA Procurement at any time prior to the time and date set for the opening scheduled for _____, **2016** at **10:00 a.m. Chamorro Standard Time.**

Facsimile or email written withdrawals shall also be accepted provided they are in fact received by GWA procurement division personnel and confirmed by such personnel. There shall be no modifications or withdrawals after the bid opening date.

**5. Late Bids, Late Withdrawals and Late Modifications.**

Any bid received after the time and date set for receipt of bids is late and shall not be considered. Any withdrawal or modification of a bid received after the time set for the opening of bids as specified herein is also late and shall not be considered.

**6. Award.**

The award of the Contract will be made by GWA to the lowest responsive and responsible bidder whose bid conforms to the Invitation for Bids and would be most advantageous to GWA, in terms of price and all other factors considered as determined by GWA as provided in the bid. GWA reserves the right to award the Contract to a vendor other than the lowest price offeror and to reject any or all offers if it is determined to be in the best interest of the Territory of Guam. A written Notice of Award (or acceptance of offer) will be mailed or otherwise furnished via facsimile transmittal to the successful bidder within the time for acceptance specified in the offer. GWA reserves the right to waive informalities and minor irregularities in bids received. In the evaluation process, the following factors will be considered:

(a) Price;
(b) Whether the bidder's ultimate offer meets and conforms to the announced requirements of GWA in all material respects (specifications);
(c) Service rendering capability, status as producer, refiner, broker, or agent and his direct financial responsibility;
(d) Overall clarity and presentation of bid;
(e) Whether the bidder has:

(1) the available appropriate financial, material, equipment, facility, and personnel resources and expertise, or the ability to obtain them, necessary to indicate its capability to meet all Contractual requirements;
(2) a satisfactory record of performance;
(3) a satisfactory record of integrity;
(4) qualified legally to Contract with the territory and properly licensed to conduct such business on Guam; and
(5) supplied all necessary information in connection with the inquiry concerning responsibility.

Bidder is responsible for providing adequate information on operating and petroleum supply experience and on financial status (i.e. annual report with audited financial statements) and references for use in evaluating its capabilities.

In addition to the evaluation criteria, GWA may require submission of descriptive literature, technical data, or other material. It may also require accomplishing any of the following prior to award:

(a) Inspection or testing of a product sample prior to award for such characteristics, as quality, or workmanship;
(b) Examination of such elements as appearance, grade, texture, or
(c) Other examinations to determine whether it conforms to any other purchase description requirements.

**7. Cancellation of Solicitation; Delays.**

GWA reserves the right to cancel or to withdraw this Invitation for Bids, to delay determination on this Invitation, to reject all bids or any individual bid in whole or in part, at any time prior to the final award or to waive any minor informalities or irregularities of any bid. In case of cancellation or rejection, bid bonds will be concurrently returned. The reasons for the cancellation, delay or rejection shall be made a part of the procurement file and shall be available for public inspection.

(a) **Rejection of all Bids**. Prior to the final award, all bids may be rejected in whole or in part when GWA determines in writing that such action is in the GWA's best interest for reasons including, but not limited to:

(1) The supplies and services being procured are no longer required;
(2) Ambiguous or otherwise inadequate specifications were part of the solicitation;
(3) The solicitation did not provide for consideration of all factors of significance to the territory;
(4) Prices exceed available funds and it would not be appropriate to adjust quantities to come within available funds;
(5) All otherwise acceptable bids received are at clearly

unreasonable prices;

(6) There is reason to believe that the bids may not have been independently arrived at in open competition, may have been collusive, and may have been submitted in bad faith.

When a solicitation is canceled or rejected prior to final award, notice of cancellation or rejection shall be sent to all bidders and all bid bonds shall be returned. The reasons for cancellation or rejection shall be made part of the procurement file and shall be available for public inspection.

(b) **Rejection of Individual Bids**. Any individual bid may be rejected in whole or in part when in the best interest of the Territory of Guam as determined by GWA in its sole discretion. Reasons for rejecting a bid include, but are not limited to:

(1) The bidder is non-responsive pursuant to Guam's procurement laws, rules and regulations;
(2) The bid is not responsive, as it does not conform, in all material respects, to the Invitation for Bids;
(3) The quantity and/or quality supply or service offered in the bid is unacceptable by reason of its failure to meet the requirements of the specifications set forth in the Invitation for Bids or other acceptability criteria set forth in the Invitation for Bids. Upon request, unsuccessful bidders shall be advised of the reasons for rejection;
(4) The bid is not the lowest responsive bidder, which meets the requirements, criteria set forth in the Invitation for Bids;
(5) The bidder has failed to submit to the GWA procurement office, the necessary licenses, permits and authorizations when requested by the Procurement Officer prior to the award.
(6) Any changes as initiated by the bidder to the attached Contract form constitute a basis to declare the bid submittal as non-conforming.

**8. Fuels To Be Supplied**.

Bidder agrees to furnish and GWA agrees to accept and pay for all of Diesel Fuel Oil No. 2 and Automotive Gasoline, Regular Unleaded (both fuels referred to in the solicitation as Fleet Fuels) requirements for the Authority's transportation fleet for the term of the Contract. **Estimated** total quantity for the fleet's fuel shall be:

(a) ***Diesel Fuel Oil No. 2: approximately 50,000 gallons per year (estimated).***
(b) ***Automotive Gasoline, Regular Unleaded: approximately 115,000 gallons per year (estimated).***

The fleet fuels supply shall be provided from Bidder's service stations (or from designated stations if so agreed upon between the Contractor and GWA Procurement/ Supply Administrator). The commencement of the Fleet's fuel procurement shall be as soon as possible following award of bid and signing of Contract.

**9. Contract Term.**

The Contract Term shall be for three (3) years, with an option to extend for two (2) additional one (1) year renewal terms upon mutual agreement of both parties. The contract price for each year shall be at the ***same price as contract price offer and all other terms remain unchanged*** unless other terms are agreed upon between the parties. The contractual obligation of GWA to the successful bidder is subject to the availability of funds. In the event funds are not available for any succeeding months under a valid contract term, the remainder of such Contract shall be cancelled and the Contractor shall be reimbursed for the actual expenses reasonably incurred under the contract, plus a reasonable profit, prior to the termination. The Authority shall notify Contractor in writing within sixty (60) days if funds are unavailable.

**10. Contract Price.**

The total price per U.S. gallon delivered TO GWA site shall be inclusive of all costs, insurance, freight and liabilities incurred prior to delivery to GWA.

**11. Warranty and Claims.**

Contractor shall provide both express and implied warranties of merchantability and warrants that the diesel fuel oil no. 2 and automotive gasoline, regular unleaded, shall meet the specifications as prescribed in the pertinent sections of the Contract. Claims against the Contractor on account of quality, defects in, loss or damage to product shall be given in writing by GWA within thirty (30) days from date of fleet's fuels procurement.

**12. Product and Quality of Fleet's Fuels:**

The Fleet fuels delivered hereunder shall have the physical and chemical characteristics as described in Section 2.01 of this bid.

**13. Contract Principals.**

It is important that Bidder fully identify persons and entities having any interest in the Contract. GWA reserves the right to require Bidder for complete disclosures of owners or stockholders of any entity having an interest in the Contract.

**14. Insurance.**

The responsible bidder shall be required to provide proof of insurance, to include coverage for Public General Liability, Workmen's Statutory Compensation Insurance, and Employer's Liability Insurance.

**15. Contract Controlling.**

The comments contained herein are for the use of the bidders and to the extent there is any conflict between the items set forth in this solicitation instruction and the Contract, the Contract language, including any amendments thereto, shall govern.

## Section III. BID & PERFORMANCE BOND REQUIREMENTS.

### A. BID BOND REQUIREMENT:

All bidders are required to submit a bid security in the amount of **15%** of their total bid amount. Failure to submit a proper bid bond will cause the bid to be rejected. The bid bond amount is to be determined by using the total estimated gallons used by GWA for each fuel type multiplied by the per gallon bid amount then add the individual totals for each fuel type together.

The performance bond form that is attached hereto must be used by the bidder and may not be 3 modified without the written consent of GWA.

**THE BID GUARANTEE MAY BE IN THE FORM OF:**

a. Cashier's Check or Certified Check
b. Surety Bond – Valid only if accompanied by:
    i. Current Certificate of Authority;
    ii. Power of Attorney issued by the Surety to the Resident General Agent;
    iii. Power of Attorney issued by two (2) major officers of the Surety to whoever is signing on their behalf

### B. PERFORMANCE BOND REQUIREMENT

The successful bidder will be required to submit a performance bond in the amount equal to 100% of the total bid price established under the bid bond process above and it shall be made payable to GWA in the form of a surety issued by a company licensed to conduct business in Guam. The performance bond must be submitted not later than 15 days after the Notice of Award is issued. The performance bond shall continue in full force and effect until after delivery of the supplies or services required by the contract awarded to the Contractor under the associated Invitation for Bid is completed.

The performance bond form that is attached hereto must be used by the bidder and may not be modified without the written consent of GWA.

## PART B

## BID SUBMITTAL DOCUMENTS

I. **PROPOSED GWA FLEET FUELS SUPPLY CONTRACT (DIESEL FUEL OIL No. 2 and AUTOMOTIVE GASOLINE, REGULAR UNLEADED)**

II. **BID OFFER**

III. **BID BOND**

IV. **MAJOR SHAREHOLDERS OF DISCLOSURE AFFIDAVIT AND NON-COLLUSION AFFIDAVIT**

## NOTICE

Please find the Bid Submittal documents, Proposed Contract and Bid Offer. The following Proposed Sample Contract is intended to provide the bidder with sample terms that GWA intends to use as part of the final contract to be used in conjunction with this bid. Any final contract under this bid shall contain terms and conditions that are acceptable to GWA. The submission of a bid by any vendor is proof of each bidder's acceptance of the terms and conditions contained in the Proposed Sample Contract and that they will not challenge said terms and conditions. Please be advised of the requirement of furnishing the bid bond in the designated amount and other data or information pertaining to responsibility and other requirements specified in the Solicitation that must be submitted together with the aforementioned documents.

**PROPOSED SAMPLE CONTRACT**
**FOR**
**GWA FLEET FUEL SUPPLY DIESEL FUEL OIL No. 2**
**AND**
**REGULAR UNLEADED AUTOMOTIVE GASOLINE**

## PREAMBLE

This Contract, by and between Guam Waterworks Authority ("GWA"), a Guam public corporation whose business address is Gloria B. Nelson Public Service Building 688 Route 15 Mangilao, GU 96913, and _____ ("Contractor") whose business address is _____ and having Guam Business License No. _____.

**WITNESSETH:**

## RECITALS

WHEREAS, the Authority has publicly issued an Invitation for Bid, for a three (3) year Fleet Fuel Supply Contract, Invitation For Bid, IFB GWA 2016-09, for the supply of the Authority's Diesel Fuel Oil No. 2 and Automotive Gasoline, Regular Unleaded, for the Authority's Transportation Fleet; and

WHEREAS, the Authority will award a Contract to the lowest responsible bidder whose bid conforms to the material aspects of the Invitation; and

WHEREAS, GWA finds that the aforementioned Contractor has submitted the lowest responsible bid for the products and/or services required hereunder.

NOW, THEREFORE, for and in consideration of the mutual covenants contained herein, the parties hereto do hereby agree as follows:

## SECTION 1

### SECTION 1.01: FLEET FUELS TO BE SUPPLIED - DIESEL FUEL OIL NO. 2 AND AUTOMOTIVE GASOLINE, REGULAR UNLEADED:

Contractor agrees to furnish and deliver all the required Fleet Fuels: Diesel Fuel Oil No. 2 and Automotive Gasoline, Regular Unleaded, for the Authority's Transportation Fleet and GWA agrees to accept and pay for all Fleet Fuels delivered to GWA, meeting the specifications requirements for the term of the Contract.

The estimated requirement of Diesel Fuel Oil No. 2 is approximately Fifty thousand gallons per year (50,000 gal/yr) and Automotive Gasoline, Regular Unleaded is estimated at about One hundred Fifteen thousand gallons per year (115,000 gal/yr) for the Authority's

Transportation Fleet. Notwithstanding any estimated quantity set forth herein, the Contractor shall be responsible in supplying all the Fleet Fuels (diesel and unleaded gasoline), reasonably required by GWA, even if such quantities exceed the estimates provided above.

**Fleet Fuel Cards.** Contractor shall provide gas station fleet cards at no cost to GWA. Only employees carrying valid fleet cards shall be allowed to refuel at the gas stations. Contractor shall be responsible for all costs associated with providing fuel to unauthorized individuals. The Authority shall provide a list of employees and may add or delete names of employees authorized to use the gas station fleet card and GWA shall be responsible for all costs associated with its failure to provide updated employee listings to Contractor. Fleet cards shall be limited and restricted only for use in refueling of GWA official vehicles and Contractor shall be responsible for all costs associated with providing fuel to vehicles that are not official vehicles of GWA. The GWA General Manager may designate other vehicles which are allowed to be fueled in writing and GWA is responsible for all costs associated with its failure to maintain a proper vehicle listing.

1. GWA will require the vendor to issue fleet fuel cards for transacting fuel purchases.
2. Fleet card shall have electronically imprinted on it, name of driver or vehicle id, card no., and company name.
3. Assign cards by individual drivers or vehicles description, or both, as authorized by GWA.
4. Card is restricted to fuel purchases only and fuel grade per bid.
5. The use of the fuel card is restricted to GWA owned or leased vehicles only.

**Point of Sale Controls:**

1. Require drivers to show valid vehicle ID or driver ID numbers at time of purchase.
2. Ability to set variable spending controls by amount of purchase.
3. Ability to restrict transactions for number of uses per day, week, or month
4. Ability to require Driver PIN or Odometer prompt for purchase
5. Provide printed sales invoice or slip with the point of sale data below, with the signature of driver on the invoice/slip transacting the sale.
6. Point of sale data: card number, fuel quantity (gallons purchased), type of fuel, name of driver or vehicle id, date of purchase and location, price per gallon, time of day.
7. Provide point of sale data in electronic form, Microsoft Office Excel 2007 or later version.

**SECTION 1.02: TERM.**

The Contract Term shall be for three (3) years to commence when the contract is signed by the GWA General Manager, and shall continue until midnight of, _____2019, with an option to extend for two (2) additional one (1) year renewal terms upon mutual agreement of both parties. The contractual obligation of GWA and Contractor is subject to the availability of funds. In the event funds are not available for any succeeding months, the remainder of such contract shall be cancelled and the Contractor shall be notified within sixty (60) days if funds are unavailable.

**SECTION 1.03: CONTRACT PRICE.**

The total contract BID PRICE per gallon delivered to GWA Fleet point of delivery is ( in U.S. Dollars, inclusive of all costs and liabilities, please provide three (3) decimal places):

**1. Bid Price Offer:**

**(a) Diesel Fuel Oil No. 2: $ _____ per gallon**

**(b) Automotive Gasoline, Regular Unleaded: $ _____ per gallon**

**The BID PRICE is the sum of the fixed service fee (per gallon) and the bid reference prices as of January 18, 2016 posting in Platt's' Asia-Pacific Market Scan Oil Prices are as shown:**

**Bid Reference prices:**

| Fleet Fuels | Reference Product Code | Reference Price |
|---|---|---|
| **(a) Diesel Fuel Oil No. 2** | **Gasoil 10 ppm** | **$0.820 per gallon** |
| **(b) Automotive Gasoline (Regular Unleaded)** | **Gasoline 92 unleaded** | **$1.073 per gallon** |

**PRICE DETERMINATION:**

The invoice price for the fuel delivered in any month shall be the average of the effective prices reported for Gasoil 10ppm (for Diesel Fuel Oil No. 2) and Gasoline 89 unleaded (for Automotive Gasoline, Regular Unleaded), for all the daily postings of the previous month in the Platt's Asia-Pacific Market scan, for Singapore cargoes, plus the Service Fee as calculated.

The gas stations should be properly labeled to indicate the product grade at its pump. In the event that the gas station pump has not fully converted to Ultra-low Sulfur Diesel (ULSD) as set forth in Section 2.01, then the invoice price for Diesel Fuel Oil No. 2 delivered in any month shall be reduced and shall be based on the average of the effective prices reported for Gasoil Reg 0.5% Sulfur.

**INVOICE PRICE CALCULATION FORMULA:**

INVOICE PRICE = Previous Month daily postings average + Premium Fee

Sample data:

(a) Diesel Fuel Oil No. 2:

Sample Bid Price Offer = $1.020 per gallon
Premium Fee = $1.020- $0.820 = $0.200 per gallon

(b) Automotive Gasoline, Regular Unleaded:
Sample Bid Price Offer = $2.996 per gallon
Premium Fee = $1.273 - $1.073= $0.200 per gallon

**Sample Invoice Price Calculation:**

Delivery Month: January 2016

Diesel Fuel Oil No. 2:

Invoice Price = previous month average price + service fee
Previous Month's (December 2015) daily postings average * = $48.109/barrel = $1.145/gal
Premium Fee (per sample data) = $0.200 per gallon

Invoice Price = ($1.145 + $0.200) per gallon

Invoice Price = $1.345 per gallon

This is the invoice price (in three decimal places) for Diesel Fuel Oil No. 2 purchases by GWA for the sample month of January 2016.

Remarks:
1. The same calculation procedure shall apply for Automotive Gasoline, Regular Unleaded pricing calculations.
2. The Contractor is required to submit to the Authority a monthly invoice price calculation report within the first five days of each report month. Reports must include the detailed pricing data comprising of the price postings.

The invoice price for the fuels (a) and (b), shall be the actual gallons received into GWA's fleet multiplied by the unit price as calculated and determined on a monthly basis in reference to Platts' Asia-Pacific Market Scan Oil Price. All invoices submitted must be accompanied by the product delivery receipts signed by the duly authorized personnel and the service station representative.

**The contract price is effective and shall remain the same for the term of the CONTRACT in effect.**

## SECTION 1.04: FLEET FUELS TO BE PURCHASED-DESIGNATED SERVICE STATIONS:

All Fleet fuel purchases shall be at any of the Contractor's Service Stations unless otherwise agreed to by GWA. Fuel refilling shall be limited and restricted to GWA official and leased

vehicles, and authorized personnel only. GWA agrees to provide and maintain a list of authorized vehicles and authorized personnel and provide Contractor with at least 72 hours written notice of any changes.

## SECTION 1.05: TERMS OF PAYMENT.

Invoices for Fleet Fuels purchased pursuant to quantity (receipts) and quality prescribed under the terms of this Contract, shall be submitted on a monthly basis, based on the amount of gallons of fuels purchased by GWA. The payment term is thirty days (net) and the Authority shall promptly make payments within a reasonable time not to exceed a period of THIRTY (30) calendar days from the receipt of the invoice. All payments shall be based upon the received (invoiced) quantity.

## SECTION 1.06: WARRANTY AND CLAIMS.

Contractor shall provide both express and implied warranties of merchantability and warrants that the Fleet Fuels shall meet the specifications prescribed herein under Section 2 of Article I and other pertinent sections. Claims against the Contractor on account of quality and contaminations (defects), loss or damage to product shall be given in writing by GWA within thirty days (30) from date of purchase (delivery) of fuels as specified herein. If the fuel oil fails to meet the required specifications, Contractor shall be liable for any direct damages including, but not limited to, compensation and such damages shall not affect other remedies provided for in the Contract.

# SECTION 2

## SECTION 2.01: PRODUCT AND QUALITY

The typical characteristics of the Fleet Fuels to be supplied under this contract shall be as follows:

### A. DIESEL FUEL Oil No.2 [A]

Typical Characteristics:

| Property | ASTM Test Method [B] | Alternate Method ASTM | Unit of Measure | Limits |
|---|---|---|---|---|
| Flash Point | D93 | | °C | 52 Min |
| Water & Sediment | D2709 | | % vol | 0.05 Max |
| Distillation Temp, °C<br>90%, recovered | D86 | | % vol | 282 Min<br>360 Max |
| Kinematic Viscosity | D-445 | | $mm^2$ at 40°C | 1.9 Min<br>4.1 Max |
| Ash | D482 | | % mass | 0.01 Max |

| | | | | |
|---|---|---|---|---|
| Sulfur | D5453 | D7039-13 | ppm (µg/g) | 15 Max |
| Copper Strip Corrosion Rating (3hrs min at 50°C) | D130 | | | No.1 Max |
| Cetane Index | D 613 | D976-80<br>D 4737 | | 46 Min |
| Aromaticity | D1319 | | % vol | 35 Max |
| Carbon Residue on 10% distillation residue | D524 | D4530<br>D6371 | % mass | 0.20 Max |
| Lubricity, HFRR @ 60°C | D6079 | | Micron | 460 Max |
| Conductivity | D2624 | D4308 | pS/m | 25 Min |
| Density @ 15°C | D1298 | D4052 | $Kg/m^3$ | 820 Min<br>850 Max |
| Gravity, API @ 60°F | D1295 | D4052 | | 35 Min<br>41 Max |
| Color | D1500 | | ASTM | 2.0 Max |
| Strong Acid No. | D974 | | mg KOH/g | NIL |
| Total Acid No. | D974 | | mg KOH/g | 0.5 Max |
| Stability (Oxidation), 16Hrs | D2274 | | mg/L | 25 Max |
| Appearance @ ambient temp | Visual | | | Report |
| Guaranteed Heating Value (HHV) | D240 | | MMBTU/bbl | 5.70 Min |

[A] 1. Follows the minimum requirements for **Ultra-Low Sulfur Diesel (ULSD) Fuel Oil** listed under ASTM 975-10.

2. Guam Public Law 30-184 mandates compliance to ULSD standards for Diesel Fuel Oil No.2

## B. AUTOMOTIVE GASOLINE, REGULAR UNLEADED

Typical characteristics:

| Property | ASTM Test Method | Alternate Method | Unit of Measure | Limits |
|---|---|---|---|---|
| Appearance @ Ambient Temp. | | | VISUAL | Clear & Bright |
| Color | | | ASTM | Report |
| Gravity, API @ 60 deg. F. | | D – 1298 | | Report |
| DISTILLATION IBP, °C<br>10% Evaporation<br>20% Evaporation<br>50% Evaporation<br>90% Evaporation<br>FBP<br>Residue | | D-86 | | Report<br>70 Max<br>Report<br>115 Max<br>180 Max<br>215 Max<br>2 Max |
| Reid Vapor Pressure @100°F, | D-5191 | D-6378 | psi | 9 Max |
| SULFUR Content | D-2622 | D-5453 | Wt. ppm | 300 Max. |

| | | | | |
|---|---|---|---|---|
| Existent Gum | D-381 | | mg/100 ml | 4 Max |
| Doctor Test | D-4952 | IP30 | | Negative |
| Induction Period @100°C | D-525 | | minutes | 480 Min |
| Research Octane No. (RON) | D-2885 | D-2699MOD | | 91 Min |
| Motor Octane No. (MON) | D-2700MOD | | | Report |
| Anti-Knock Index (RON +MON)/2 | | | Calculated | 87 Min |
| Copper Corrosion @3 hrs @ 50°C | D-130 | | | 1 Max |
| Lead Content | D-3237 | IP-224 | g Pb/ USG | NIL |
| Phosporus | D-3231 | | g/USG | 0.005 Max |
| Benzene | UOP 744MOD | JM63 | Wt% | Report |
| EthlyBenzene | UOP 744 MOD | JM63 | Wt% | Report |
| Toluene | UOP 744 MOD | JM63 | Wt% | Report |
| Total Aromatics | UOP 744 MOD | JM63 | Wt% | Report |
| Xylene | UOP 744 MOD | JM63 | Wt% | Report |

*Note:* GWA ***may require the supplier to conduct additional tests as may be necessary.***

## SECTION 2.02: QUANTITY AND QUALITY ASSURANCE

The Contractor shall ensure that any of the designated service stations have metered quantity at the pump, the metering device has to be calibrated or had been calibrated at a frequency of six (6) months minimum and to be effected with the presentation of calibration certificate as performed by the third party certifying company. GWA will require submittals by the successful awardee.

**(a) FLEET FUELS ON-STOCK INVENTORY.**

The Contractor is required to maintain at its own storage facility, a minimum inventory of 20-days' supply requirement, approximately 20,000 gallons for each fuel grade.

**(b) FLEET'S FUELS QUALITY TESTING.**

The Fleet fuel delivered to GWA shall have the physical and chemical characteristics as described in **Section 2.01**.

Test Methods shall be in conformance with the prescribed procedures set forth by the American Society for Testing and Materials (ASTM) Standards for Petroleum Products, Lubricants, and Fossil Fuels, or alternative tests acceptable and subject to prior authorization by GWA.

Quality determination shall be performed and certified by an independent third party laboratory facility acceptable to GWA. Certificate of Quality (COQ) shall be representative of the product in the Contractor's storage facility in Guam.

The Contractor shall provide, at no cost to GWA, laboratory services and quality certification of the Fleet Fuels.

## SECTION 3

### SECTION 3.01: SECURITY.

For security of supply, Contractor reserves the right to supply the Fleet Fuels meeting GWA specifications from any lawful source. In the event that supplies are taken from such other places, then the price as invoiced to GWA will remain the same as established in Section 1.03.

### SECTION 3.02: GOVERNMENT LAWS AND REGULATIONS

This Contract as executed shall be governed and construed in accordance with the laws, statutes, and regulations of the Territory of Guam. Wherever a term defined by the Uniform Commercial Code is used in the Contract the definition contained in the Uniform Commercial Code of Guam will control, unless otherwise specified.

The parties expressly submit to the jurisdiction of the Superior Court of the Territory of Guam, for the resolution of any dispute or difference or claims between the parties in connection with the Contract, and to service of process by registered mail. The Contractor agrees to accept the jurisdiction of the Superior Court of the Territory of Guam for the resolution of any claims. The Contractor waives all rights against GWA to claim consequential, special or punitive damages.

### SECTION 3.03: TAXES and OTHER GOVERNMENT CHARGES

All forms of taxes, fees, charges, duty, or other form of amount equivalent thereto, now or hereafter imposed, levied, or assessed by the United States Government, the Government of Guam, or any instrumentality or agency thereof, in connection with and as a result of the sale of such goods herein provided for, if collectible or payable, shall be the responsibility of the Contractor.

### SECTION 3.04: SPECIFICATIONS.

Should GWA wish to alter any of the specifications set out under Section 2.01 of Article I,

terms of delivery, for good cause, it shall give written notice to Contractor within thirty (30) days. If such changes cause an increase or decrease in Contractor's cost of performance of Contract, an equitable adjustment shall be made and the Contract modified in writing accordingly. Any claim by Contractor for adjustment under this section must be asserted in writing within thirty (30) days from the date of receipt by Contractor of the notification of changed specifications. Contractor and GWA shall, in good faith, negotiate an equitable adjustment pursuant to the change in specifications. If Contractor and GWA fail to agree on the adjustment to be made within thirty (30) days after Contractor receives notice of altered specifications, or if Contractor is unwilling to meet the altered specifications, the parties agree to subject themselves to the terms of the "Disputes" clause herein. However, nothing in this clause shall excuse the Contractor from proceeding with the Contract specifications as changed.

**SECTION 3.05: PERMITS AND RESPONSIBILITIES.**

The Contractor shall, without additional expense to GWA, be responsible for obtaining any necessary licenses and permits, and for complying with any applicable Federal and Territorial laws, codes and regulations necessary for performance by Contractor.

**SECTION 3.06: FORCE MAJEURE.**

No failure or omission to carry out or to observe any of the terms, provisions or conditions of the Contract shall give rise to any claim by one party against the other, or be deemed to be a breach of the Contract if the same shall be cause by or arise out of:

(a) War, etc. War, hostilities, acts of public enemy or belligerents, sabotage, blockade, revolution, insurrection, riot or disorder;

(b) Restraints. Arrest or restraint of princes, rulers or peoples;

(c) Confiscation. Expropriation, requisition, confiscation or nationalization;

(d) Rationing. Embargoes, export or import restrictions or rationing or allocation, whether imposed by law or regulation or by voluntary cooperation of industry at the insistence or request of any governmental authority or person purporting to act therefore;

(e) Regulations. Interference by restriction or onerous regulations imposed by civil or military authorities, whether legal or de facto and whether purporting to act under some constitution, decree, law or otherwise;

(f) Acts of God. Acts of God, fire, frost or ice, earthquake, storm, lightning, tide, tidal wave, or peril of the sea, accident of navigation or breakdown or injury of vessels;

(g) Loss for Tankers. Loss of tanker tonnage due to sinking by belligerents or

to governmental taking whether or not by formal requisition;

(h) Strikes. Epidemics, quarantine, strikes or combination of workmen, lockouts, or other labor disturbances;

(i) Explosions. Explosion, accidents by fire or otherwise to wells, pipes, storage facilities, refineries, installations, machinery;

(j) Taking by Government. Unavailability of fuel because of the election of the government of the country of its origin to take royalty product in kind;

No failure or omissions to carry out or to observe any of the terms, provisions or conditions of the Contract shall give rise to any claim by one party against the other, or be deemed to be a breach of the Contract from the time of and to the extent occasioned by the Force Majeure.

**SECTION 3.07: NOTICE TO OTHER PARTY.**

Either party whose obligations may be affected by any of the forces or causes set out in Section 3.06, shall promptly notify the other party in writing, giving full particulars thereof as soon as possible after the occurrence of such force or cause. Such party shall exercise due diligence to remove such cause with all reasonable dispatch and to resume performance at the earliest practicable time.

**SECTION 3.08: PAYMENT REQUIRED.**

Notwithstanding the provisions of Section 3.06, GWA shall not be relieved of any obligation to make payments for any Fleet Fuels delivered to/ purchased by GWA, however, during the force majeure condition the obligation shall be suspended, except for all fuels purchased prior to the force majeure condition.

**SECTION 3.09: ALTERNATE SUPPLY.**

In the event Contractor is unable to fulfill its obligations under this Contract as a result of any negligence on part of the Contractor or failure to meet GWA's requirement, GWA may at its sole discretion seek an alternative source for the fleet's fuels from other petroleum suppliers. If the cost of fuels during such period exceeds the Contract price as provided in Section 1.03, the Contractor shall be liable to GWA for the difference in cost and GWA must be reimbursed for said amount proven by GWA to be the difference in cost and based upon proven use by GWA official vehicles during this period.

**SECTION 3.10: RESUMPTION OF PERFORMANCE.**

If Contractor is prevented from delivering or GWA is prevented from receiving all or any of the Fleet Fuels, to be purchased under the Contract for the reasons which fall within the provisions of Section 3.06, then the party so prevented shall, as to the remainder of the

Fleet Fuels not affected thereby, promptly resume performance of the Contract. No curtailment or suspension of deliveries or payment under the causes listed in Section 3.06, shall operate to extend the term of or terminate the Contract unless the occurrence of force majeure will materially impair, for an indefinite period of time, the parties' ability to perform the Contract.

**SECTION 3.11: DISPUTES.**

(a) All controversies between GWA and the Contractor which arise under, or are by virtue of, this Contract and which are not resolved by mutual agreement, shall be decided by GWA pursuant to Guam Procurement laws and regulations.

(b) Contractor may pursue applicable remedies under the Guam Procurement Law and regulations and the Government Claims Act.

(c) Contractor shall comply with any decision of GWA and proceed diligently with performance of this Contract pending final resolution by the Superior Court of Guam of any controversy arising under, or by virtue of, this Contract; provided, however, that in any event the Contractor shall proceed diligently with the performance of the Contract where the General Manager of GWA has made a written determination that continuation of work under the Contract is essential to the welfare of the territory.

**SECTION 3.12: INDEMNITY.**

Contractor agrees to hold the Consolidated Commission on Utilities, its employees, GWA, and GWA's employees from all damages to persons or property or to receiving facilities and delivery facilities, regardless of ownership, including the cost of enforcement of the indemnity, actually and proximately caused by Contractor or its agents in making deliveries hereunder or for other performance required under this Contract.

**SECTION 3.13: INSURANCE.**

**A. INSTRUCTIONS:**

Contractor shall not commence work under this contract until he has obtained all insurance required under this section and such insurance has been approved by GWA, nor shall the Contractor allow any subcontractor to commence work on his subcontract until all similar insurance required of the subcontractor has been so obtained and approved. All policies shall name GWA as an additional insured and contain a waiver of subrogation in favor of GWA.

**B. WORKMEN'S STATUTORY COMPENSATION INSURANCE AND EMPLOYER'S LIABILITY INSURANCE:**

The Contractor shall take out and maintain during the life of this Contract the applicable

statutory Workmen's Compensation Insurance with an insurance company authorized to write such insurance and in the applicable State or Territory covering all his employees, and in the case of any work sublet, the Contractor shall require the subcontractor similarly to provide statutory Workmen's Compensation Insurance for the latter's employees. The Contractor shall secure and maintain, during the life of this Contract, Employer's Liability Insurance with a limit of $500,000 with an insurance company authorized to write such insurance in all states or territories where the Contractor will have employees located in the performance of this Contract.

## C. PUBLIC LIABILITY INSURANCE:

1. The Contractor shall maintain, during the life of this Contract, all necessary insurance as needed to protect Contractor against claims for damages resulting from (a) bodily injury, including wrongful death, and (b) property damage, which may arise from operations under this Contract whether such operations be by himself or by any Subcontractor or anyone directly or indirectly employed by either of them. The minimum acceptable limits of liability to be provided Liability Insurance shall be as follows:

(a) Bodily Injury Limits: $500,000 each person, each occurrence.

(b) Property Damage Limits: $2,000,000 maximum each occurrence.

2. The Public Liability Insurance required by the preceding Subparagraph 1 shall include the following extensions of coverage:

(a) The coverage shall be provided under a Comprehensive General Liability form of policy or similar thereto.

(b) The property damage coverage shall include a Broad Form Property Damage Endorsement.

(c) Contractual Liability coverage shall be included.

(d) Protective Liability coverage shall be included to protect the Contractor against claims arising out of operations performed by his subcontractors.

(e) Products Liability and/or Completed Operations coverage shall be included.

## D. AUTOMOBILE LIABILITY INSURANCE:

The Contractor shall take out and maintain during the life of the Contract, such Automobile Liability insurance as shall protect him against claims for damages resulting from (a) bodily injury, including wrongful death, and (b) property damage, which may arise from the operations of any owned, hired or non-owned automobiles used by or for him in any capacity in connection with the carrying out of this Contract. The minimum acceptable limits of liability to be provided by such Automobile Liability Insurance shall

be as follows:

(a) Bodily Injury Limits: $300,000 Each Person and $500,000 Each Occurrence

(b) Property Damage Limits: $300,000 Each Occurrence

**E. CERTIFICATE OF INSURANCE:**

The Contractor shall furnish GWA with two (2) copies of a Certificate of Insurance evidencing policies required in Paragraphs B., C., and D. above. Such certificates shall specifically indicate that the Public Liability Insurance includes all extensions of coverage required in Paragraph C., Subparagraph 2 above. Such certificate shall specifically state that the insurance company or companies issuing such insurance policies shall give GWA at least thirty (30) days written notice in the event of cancellation of or material change in any of the policies. If coverage on said certificate(s) is shown to expire prior to completion of all terms of this Contract, the Contractor shall furnish Certificates of Insurance evidencing renewal of such coverage to GWA. The Certificates of Insurance shall clearly show this Contract number.

**F. SUBCONTRACTOR'S INSURANCE:**

The Contractor shall require each of his subcontractors to take out and maintain during the life of his Subcontract, the same insurance coverage required of the Contractor under Paragraphs B., C., and D. above, including the extensions of coverage required under Paragraph C., Subparagraph 2, above. Each subcontractor shall furnish to the Contractor two (2) copies of the Certificates of Insurance and such certificates shall contain the same information required in Paragraph C. above. The Contractor shall furnish one (1) copy of the certificates to GWA.

**G. INSURANCE COMPANY AND AGENT:**

All insurance policies herein required of the Contractor shall be written by a company duly authorized and licensed to sell the policy types required hereunder on Guam where supply under this Contract is being performed and be executed by an agent thereof duly licensed as an agent in said State or Territory.

**H. INDEMNITY:**

The Contractor shall indemnify and hold GWA free and harmless from all injuries and damages to persons or properties as a result of and relative to Fleet Fuel deliveries, including the cost of enforcement of the indemnity, actually and proximately caused by the Contractor or its agents and employees in the performance of the terms of the Contract.

**I. OIL SPILL RESPONSIBILITIES:**

The Contractor shall be responsible for any and all oil spills caused by or as a result of the performance of fuel deliveries. The Contractor shall recover or remove, or cleanup as appropriate, any fuels spilled by the Contractor, its agents or assigns upon the performance of this Contract.

**SECTION 3.14: RESTRICTION AGAINST SEX OFFENDERS.**

The Contractor shall fill out a Certification of Non-Employment of Convicted Sex Offenders that is attached to this Bid.

## SECTION 4

**SECTION 4.01: FAILURE TO SUPPLY.**

Should Contractor fail to perform any of the terms, provisions or conditions of this Contract, the Contractor shall be in default. In this event, GWA will provide a written notice to the Contractor of such default, and provide the Contractor an opportunity to cure the default within thirty (30) calendar days after the notice of default. During this period, GWA, at its discretion and in accordance with whatever action, reserves the right to secure similar Fleet Fuels from other sources; in such event, the Contractor shall be responsible for any costs, expenses, fees, and monetary amounts of any nature whatsoever, including but not limited to handling fees, administrative, labor, and operations costs, and all other amounts associated with or related to the securing of such Fleet Fuels by the Authority. Should the Contractor fail to cure such default within thirty (30) calendar days after the notice of default thereof, GWA may terminate the Contract in whole or in part. In the event that GWA terminates the Contract by default, then the provisions of the performance bond shall be in effect.

**SECTION 4.02: FAILURE TO PAY.**

Failure to pay an invoice and any late penalties, if any, within a period of thirty (30) days from the due date of such invoice, shall be a default and should such a default not be cured within thirty (30) days after notice of default, Contractor may, at its option, do either of the following:

(a) terminate the Contract effective thirty (30) days after receipt by GWA of written notice if not first cured; or

(b) continue to supply Fleet Fuels and bring suit in the Superior Court of Guam for amounts past due and as they become due for any amount more than sixty (60) days past due.

**SECTION 4.03: FAILURE TO COMPLY WITH LAWS.**

In the event the Contractor or any person or entity identified as principals in the offer submitted in connection with the bid shall be found by any court or administrative

agency having jurisdiction over the subject matter of the violation, to have violated any law, rule or regulation in connection with Contractor's performance of the obligations under the Contract in any manner whatsoever directly or indirectly which violation shall constitute a breach of the peace, or an act involving moral turpitude or otherwise constitute endangerment of the health, safety and welfare of the citizens of the Territory of Guam, GWA may at its sole discretion terminate this Contract upon 30 days written notice.

**SECTION 4.04: DEFAULT.**

(a) Default.

In addition to default under the provision of Section 4.01, if the Contractor refuses or fails to perform any of the provisions of this contract with such diligence as will ensure the timely delivery of Fleet Fuel supply or commits any other substantial breach of this contract, GWA may notify the Contractor in writing of the delay or non-performance and if not cured within thirty (30) days of the date of notification, GWA may terminate the contract in whole or such part or parts of the contract as to which there has been a delay or a failure to properly perform. In the event of termination in whole or in part, GWA may procure the Fleet Fuels supply from another source whenever it deems appropriate.

(b) Compensation.

GWA shall pay for Fleet Fuels delivered to GWA provided such fuel is received at the time of receipt of GWA's notice of termination for default.

(c) Additional Rights and Remedies.

The rights and remedies provided in this clause are in addition to any other rights and remedies provided by law or under this Contract.

**SECTION 4.05: TERMINATION FOR CONVENIENCE.**

(a) Termination.

The delivery of Fleets Fuels supply under this Contract may be terminated by GWA in accordance with this clause in whole, or from time to time in part, whenever GWA shall determine that such termination is in the best interest of GWA, or whenever GWA because of technological developments ceases to use the said Fleet Fuels, as described in the specifications contained in this Contract and the bid.

Any such termination shall be effected by delivery to the Contractor of a written Notice of Termination specifying the extent to which the Contract is terminated, and the Contract shall be terminated effective sixty (60) days after receipt of notice

by Contractor.

(b) Contractor's Obligations.

The Contractor shall incur no further obligations in connection with the terminated fuel supply delivery and on the date set in the Notice of Termination the Contractor will stop delivery of fuels to the extent specified. The Contractor shall also terminate outstanding orders and contracts, if any, as they relate to the portion/s or part of the contract of the terminated Contract.

(c) Compensation.

(1) The Contractor shall submit a termination claim specifying the amounts due because of the termination for convenience. If the Contractor fails to file a termination claim within one (1) year from effective date of termination, GWA may pay the Contractor, if at all, an amount set in accordance with subparagraph (3) of this paragraph.

(2) GWA and the Contractor may agree to a settlement provided the Contractor has filed a termination claim supported by cost or pricing data to the extent required by Section 2 G.A.R. § 3118 (Cost or Pricing Data) of the Guam Procurement Regulations and that the settlement does not exceed the total Contract price plus settlement costs reduced by payments previously made by GWA, the proceeds of any sales of supplies and manufacturing materials under the Guam Uniform Commercial Code, and the Contract price of the Fleet Fuel not terminated.

(3) Absent complete agreement under subparagraph (1) of this paragraph, GWA may pay the Contractor the following amounts, provided payments agreed to under subparagraph (2) shall not duplicate payments under this subparagraph:

(i) Fleet Fuels Contract prices for supplies or services accepted under the contract by GWA;

(ii) Costs incurred in preparing to perform and performing the terminated portion of the delivery of Fleet Fuels plus a fair and reasonable profit on such portion of the delivery (such profit shall not include anticipatory profit or consequential damages) less amounts paid or to be paid for accepted fuels supplies or services; provided, however, that if it appears that the Contractor would have sustained a loss if the entire Contract would have been completed, no profit shall be allowed or included and the amount of compensation shall be reduced to reflect the anticipated rate of loss;

(iii) Costs of settling and paying claims arising out of the termination of

Contracts or orders pursuant to paragraph (2) of this clause. These costs must not include costs paid in accordance with subparagraph (3)(ii) of this paragraph;

(iv) The reasonable settlement costs of the Contractor including accounting, legal, clerical, and other expenses reasonably necessary for the preparation of settlement claims and supporting data with respect to the terminated portion of the contract for the termination and settlement of contracts hereunder, together with reasonable storage, transportation, and other costs incurred in connection with the protection or disposition of property allocable to the terminated portion of this Contract. The total sum to be paid to the Contractor under this subparagraph shall not exceed the total contract price plus the reasonable settlement costs of the Contractor reduced by the amount of payments otherwise made, the proceeds of any sales of supplies and manufacturing materials under the Uniform Commercial clause.

**SECTION 4.06: REMEDIES CUMULATIVE.**

Each and all remedies available to a party in the event of the other party's failure to comply timely with any or all the terms and conditions of the Contract may be exercised independently or in combination (such rights being nonexclusive one with the other). The remedies set forth in the Contract are in addition to, and not in lieu of, all of the remedies available at law or in equity.

## SECTION 5

**SECTION 5.01: COVENANT AGAINST CONTINGENT FEES.**

The Contractor warrants no person or selling agency has been employed or retained to solicit or secure the contract upon agreement or understanding for a commission, percentage, brokerage, or contingent fee, except bona fide employees or bona fide established commercial or selling agency maintained by the Contractor for the purpose of securing business. For breach or violation of this warranty, GWA shall have the right to annul the contract without liability or, in its discretion, to deduct from the contract price or consideration, or otherwise recover, the full amount of such commission, percentage, brokerage, or contingent fee.

**SECTION 5.02: NOTICE.**

Except as otherwise expressly specified herein, any notice to be given hereunder by either party to the other shall be deemed sufficiently given if in writing and enclosed in an envelope properly stamped first class of priority and addressed to the party at the address set forth in this section, and deposited in the United States mail. Either party may change

its address by giving fifteen (15) days prior written notice to the other party. Such address until further notice shall be:

GWA: General Manager
Guam Waterworks Authority
Post Office Box 3010
Hagatna, Guam 96932
Facsimile: (671) 646-2335

CONTRACTOR: _____
_____
_____
Facsimile: _____

**SECTION 5.03: INTEREST OF OTHER PARTIES.**

Contractor warrants that no member of the Consolidated Commission on Utilities, GWA, and no other officer, employee, or agent of GWA who exercises any functions or responsibilities in connection with the work to which the contract pertains, and no employee, agent or member of the Guam Legislature or other public official of the Government of Guam, has or shall have any personal economic or financial interest, direct or indirect, in the contract.

**SECTION 5.04: ASSIGNMENT.**

Contractor declares that the only persons or parties interested in the Contract as principals are named herein and that the Contract is made without participation by or benefit to any other person, firm or corporation, except as specified herein.

Contractor agrees that it will not assign to nor permit contract participation in whole or in part by any other person, firm or corporation not specified as a principal without the prior written consent of GWA. If such assignment is permitted, Contractor will guarantee the performance of all terms and obligations of the contract, and such assignment shall not alter Contractor's obligations hereunder. No assignee of Contractor shall have the right to assign the contract without GWA's written consent which may be given or refused at GWA's absolute discretion.

**SECTION 5.05: TIME.**

Time is of the essence in the contract and in every part hereof.

**SECTION 5.06: AMENDMENT AND WAIVER.**

Neither the Contract nor any provision hereof may be changed, waived, altered, amended, discharged or terminated orally, but only by an instrument in writing signed by the party

against whom enforcement of the change, waiver, alteration, amendment, discharge or termination is sought. For purposes of this contract, the signature of the Chairman of the Consolidated Commission on Utilities is required to bind the Authority. Failure by either party to object to any failure of performance by the other party of any provision of the Contract shall not constitute a waiver of, the right of such party to require such performance by the other. Nor shall any such failure to object constitute a waiver or estoppel with respect to any succeeding failure of performance.

GWA reserves the right to add (via Change Order or Contract Amendment) any and all fleet vehicles and heavy equipment from the Guam Power Authority ("GPA") as vehicles that will be eligible to receive fuel under this bid. If such an event occurs, GWA will notify the Contractor of the persons and vehicles that are eligible to receive fuel under this bid on behalf of GPA. Any fuel used by GPA will be billed directly to GPA under the same terms and conditions in this Bid and the Contract. GWA, on behalf of, and in cooperation with GPA, reserves the right to renegotiate a reduction in price due to volumetric changes in the fuel to be consumed by GWA and GPA jointly.

**SECTION 5.07: DESCRIPTIVE HEADINGS.**

The descriptive headings of the several Sections and Subsections in this contract are inserted for convenience only and shall not be deemed to affect the meaning or construction of any provision hereof.

**SECTION 5.08: GOVERNING LAW.**

This Contract is made under, and shall be governed and construed in accordance with, the laws, statutes and regulations of Guam, to the exclusion of all other legal systems. Wherever a term defined by the Uniform Commercial Code is used in the Contract the definition contained in the Uniform Commercial Code of Guam will control, unless otherwise specified.

Judgment upon any award rendered by the Superior Court of the Territory of Guam may be entered in any court of any country having jurisdiction, and such award shall be binding upon the parties. The Contractor waives all rights against GWA to claim consequential, special or punitive damages.

**SECTION 5.09: DEFINITIONS.**

(a) "Barrel" shall mean 42 U.S. gallons.

(b) "Day" and "Month" shall mean a calendar day and month respectively.

(c) "Fleet Fuels" shall mean Diesel Fuel Oil No. 2 or Automotive Gasoline, Regular Unleaded, consistent with the specifications set forth in the bid and this contract.

(d) "Gallon" or "gallon" shall mean a U.S. standard gallon of 231 cubic inches at sixty degrees Fahrenheit.

(e) "Receiving facility" means GWA or at the vendors stations (depending on use).

(f) "Fleet" or "Transportation fleet" shall mean the vehicles or equipment authorized by GWA.

(g) "GWA" or "Authority" shall mean the Guam Waterworks Authority.

(h) "Ton" shall mean a metric ton of 2204.62 English pounds.

(i) "$" refers to United States Dollars.

**SECTION 5.10: RELATIONSHIP OF PARTIES.**

Nothing contained in the Contract shall be deemed or construed by the parties or by any third person to create the relationship of principal and agent or of partnership or of joint venture or of any association between Contractor and GWA, and no provisions contained in the contract nor any acts of the parties shall be deemed to create any relationship between GWA and Contractor, other than the relationship of buyer and seller.

**SECTION 5.11: NUMBER AND GENDER.**

In the Contract the masculine gender includes the feminine and neuter, the singular number includes the plural, and the word "person" includes corporation, partnership, firm or association wherever the context so requires.

**SECTION 5.12: SUCCESSORS IN INTEREST, SUBCONTRACTING AND ASSIGNMENT.**

Each and all of the covenants, conditions, and restrictions in the Contract shall inure to the benefit of and shall be binding upon the permitted assignees and successors in interest of either party and any approved subcontractor. This agreement, nor any performance thereunder may be assigned nor sublet by Contractor to any other party without the express written consent of GWA.

**SECTION 5.13: PARTIAL INVALIDITY.**

Should any part of the contract for any reason be declared to be invalid, such decision shall not affect the validity of any remaining portion thereof, which remaining portion shall remain in full force and effect as if the contract had been executed with the invalid portion thereof eliminated, and it is hereby declared the intention of the parties that they would have executed the remaining portion of the Contract without including any such parts or portions which may, for any reason, be hereafter declared invalid.

**SECTION 5.14: EQUAL OPPORTUNITY CLAUSE.**

During the performance of the Contract the Contractor agrees as follows:

(a) The Contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex, political opinion or affiliation, or national origin. The Contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, sex, political opinion or affiliation, or national origin. The Contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the GWA setting forth the provisions of this equal opportunity clause.

(b) The Contractor will, in all solicitations or advertisements for employees placed by or on behalf of the Contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, political opinion or affiliation, or national origin.

## SECTION 6

**SECTION 6.01: BINDING EFFECT.**

This Contract is binding upon the Contractor only if Contractor has been awarded the Contract in response to the IFB GWA-2016-15. This procurement is subject to the approval of the Consolidated Commission on Utilities (CCU), and shall be binding only upon such approval is made as evidenced by the signatories below.

IN WITNESS WHEREOF, the parties have entered into this Contract on the dates indicated by their respective names.

Contractor:

By: _____

Date: _____

Guam Waterworks Authority:

By: _____
Miguel C. Bordallo, P.E.
General Manager

Date: _____

Certified Funds Available:

Approved as to Form:

By: _____
Certifying Officer
Guam Waterworks Authority

By: _____
Samuel J. Taylor
Staff Attorney, GWA

Date: _____

Date: _____

Guam Business License or Certificate of Authorization No.: _____.

Contract No.:_____

Vendor No.: _____

Contract Amount: _____

## CORPORATE CERTIFICATION AS TO AUTHORIZATION TO BIND

I, _____certify that I am the Secretary of the corporation named as Contractor herein; that _____ who signed this contract on behalf of the Contractor, was then _____ of said corporation by authority of said corporation of its governing body, and is within the scope of its corporate powers to bind said corporation to the terms and conditions of this Contract.

(CORPORATE SEAL)

* * * * * * * **END OF CONTRACT** * * * * * * *

## CERTIFICATION OF NON-EMPLOYMENT OF CONVICTED SEXUAL OFFENDERS

**Pursuant to Guam Public Law 28-24, as amended by Guam Public Law 28-98,** if a contract for services is awarded to the bidder or offeror, then the service provider must warrant that no person in its employment who has been convicted of a sex offense under the provisions of Chapter 25 of Title 9 of the Guam Code Annotated or of an offense defined in Article 2 of Chapter 28 of Title 9 of the Guam Code Annotated, or who has been convicted in any other jurisdiction of an offense with the same elements as heretofore defined, or who is listed on the Sex Offender Registry, shall provide services on behalf of the service provider while on government of Guam property, with the exception of public highways. If any employee of a service provider is providing services on government property and is convicted subsequent to an award of a contract, then the service provider warrants that it will notify the Government of the conviction within twenty-four hours of the conviction, and will immediately remove such convicted person from providing services on government property. If the service provider is found to be in violation of any of the provisions of this paragraph, then the Government will give notice to the service provider to take corrective action. The service provider shall take corrective action within twenty-four hours of notice from the Government, and the service provider shall notify the Government when action has been taken. If the service provider fails to take corrective steps within twenty-four hours of notice from the Government, then the Government in its sole discretion may suspend temporarily any contract for services until corrective action has been taken.

---

I, _____ being a duly authorized representative acknowledge the
(print name)

directive as describe above and ensure the Bid Proposal as submitted addresses the directive.

_____
(Company Name)

_____
(Title)

_____ _____
(Signature) (Date)

## MAJOR SHAREHOLDER DISCLOSURE AFFIDAVIT

TERRITORY OF GUAM }
}
HAGATNA, GUAM }

I, the undersigned _____, being first duly sworn, depose and says:

1. That the persons who have held more than ten percent (10%) of the company's share during the past twelve months preceding the submission of the bid are as follows:

| NAME | ADDRESS | PERCENTAGE OF SHARES HOLD |
|---|---|---|
| | | |
| | | |
| | | |

TOTAL NUMBER OF SHARES_____

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

| NAME | ADDRESS | AMOUNT OF COMMISSIONS, GRATUITY OR OTHER COMPENSATION |
|---|---|---|
| | | |
| | | |
| | | |

Further, affiant sayeth naught.

Date: _____ _____

Signature of individual if bidder is a sole proprietorship; Partner, if the bidders is a partnership; Officer, if the bidder is a corporation.

Subscribed and sworn to before me this ____day of _____, 201__.

Notary Public
In and for the Territory of Guam
My commission expires

## NON-COLLUSION AFFIDAVIT

Guam )
)ss:
Tamuning )

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

1. That I am the _____ of _____.
(Title) (Name of Company or Person Bidding/RFP

2. That in making the foregoing proposal or bid, that such proposal or bid is genuine and not collusive or sham, that said bidder/offeror has not colluded, conspired, connived or agreed, directly or indirectly, with any bidder or person, to put in a sham or to refrain from bidding or submitting a proposal and has not in any manner, directly or indirectly, sought by agreement or collusion, or communication or conference, with any person, to fix the bid price of affiant or any other bidder, or to secure any overhead, project or cost element of said bid price, or of that of any bidder, or to secure any advantage against the GUAM WATERWORKS AUTHORITY or any person interested in the proposed contract; and

3. That all statements in said proposal or bid are true.

4. This affidavit is made in compliance with 2 G.A.R. § 3126(b).

So sayeth _____
(Declarant)

Signed on this ____ day of _____ 201___, before me a Notary Public in and for Guam, personally appeared _____, known to me to be the authorized representative of _____, whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same as his free and voluntary act and deed on behalf of _____, for the uses and purposes therein set forth.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the date last above written.

) Seal (

Notary Public

**BID AND PERFORMANCE BOND FOR GOODS AND SERVICES AS REQUIRED UNDER 5 G.C.A. § 5212**

KNOW ALL MEN BY THESE PRESENTS, that

_____
(Name of Contractor)
as Principal, herein after called the Principal and

_____
(Name of Surety)
as duly admitted insurer under the laws of the Territory of Guam, as Surety, hereafter called the Surety, are held and firmly bound unto the Guam Waterworks Authority for the sum of_____Dollars ($_____), for payment of which sum will and truly to be made, the said Principal and the said Surety bind ourselves, our heirs, executors, administrators, successors and assigns, jointly and severally firmly by these presents:

WHEREAS, the Principal has submitted a bid for and is anticipated to enter into a contract in the amount specified below,

_____

_____

NOW, THEREFORE, if the Guam Waterworks Authority shall accept the bid and the Principal shall not withdraw said bid within sixty **(120)** calendar days after the opening of bids, and shall within twenty one (21) calendar days after the prescribed forms are presented to him for signature, enter into a Contract with the Guam Waterworks Authority in accordance with the terms of such bid. This bond shall also be held by the Guam Waterworks Authority to secure the faithful performance of such Contract and for the prompt payment of labor, goods, services and materials furnished in the prosecution thereof. In the event of the failure of the Principal to enter into such Contract, or if the Principals (Contractor) fails to perform in accordance with the requirements set out under the Bid or any other written instrument requirement performance thereunder, the Surety, on behalf of the Principals shall pay to the Guam Waterworks Authority the differences not to exceed the penalty hereof between the amounts specified in said bid and such larger amount for which the Guam Waterworks Authority may in good faith contract with another party to perform work covered by said bid or an appropriate liquidated amount as specified in the Invitation for Bids then this obligation shall be null and void, otherwise to remain in full force and effect.

NOW, THEREFORE,THE CONDITIONS OF THIS OBLIGATION is such that, if the contractor shall promptly and faithfully perform said Contract, and shall promptly make payment to all claimants as hereinafter defined for all labor and material used or reasonably required for use in the performance of the Contract, then this obligation shall be void;

otherwise it shall remain in full force and effect, subject, however, to the following conditions:

A. The Surety hereby waives notice of any alteration or extension of the time made by the Authority provided the same is within the scope of the Contract or any modification thereto.

B. Whenever the contractor shall be and is declared in default by the Authority to be in default under the Contract, the Authority having performed its obligations hereunder, the Surety may promptly remedy the default or shall promptly:

1. Complete the Contract in accordance with its terms and conditions; or

2. Obtain a bid or bids for completing the Contract in accordance with its terms and conditions, and upon determination by the Authority and the Surety of the lowest responsible bidder, arrange for a Contract between such bidder and the Authority, and make available as work progresses (even though there should be a default or a succession of defaults under the Contract or Contracts or completion arranged under this paragraph) sufficient funds to pay the cost of completion, less than balance of the Contract price, but not exceeding, including other costs and damages for which the Surety may be liable hereunder, the amount set forth in the first paragraph hereof. The term "balance of the Contract Price," as used in this paragraph shall mean the total amount payable by the Authority to Contractor under the Contract and any amendments thereto, less the amount properly paid by the Authority to Contractor. No right of action shall accrue on this bond to or for use of any person or corporation other than the Authority or successors of the Authority.

C. A claimant is defined as one having a direct contract with the Contractor or with a subcontractor of the Contractor for labor, material, or both, used or reasonably required for use in the performance of the Contract, labor and material being construed to include that part of water, gas, power, light, heat, oil, gasoline, telephone service or rental of equipment directly applicable to the Contract.

D. The above named Contractor and Surety hereby jointly and severally agree with the Authority that every claimant as herein defined, who has not been paid in full before the expiration of a period of ninety (90) days after the date of which the last of such claimant's work or labor was done or performed, or materials were furnished by such claimant, may sue on this bond for use of such claimant, prosecute the suit to final judgment to final judgment for such sum or sums as may be justly due the claimant, and have execution thereon. The Authority shall not be liable for the payment of any costs or expenses of any such suit.

E. No suit or action shall be commenced hereunder by any claimant:

1. Unless claimant, other than one having a direct contract with the contractor, shall have given written notice to any two (2) of the following:

The Contractor, the Authority, or the Surety above named, within ninety (90) days after such claimant did or performed the last of the work or labor, or furnished the last of the materials for which said claim is made, stating with substantial accuracy the amount claimed and the name of the party to whom the materials were furnished, or for whom the work or labor was done or performed. Such notice shall be personally served by mailing the same by registered mail or certified mail, postage prepaid, in an envelope addressed to the Contractor at any place the principal maintains an office or conducts its business.

2. After the expiration of one (1) year following the date on which the last of the labor was performed or material was supplied by the party bringing suit.

3. Other than in a court of competent jurisdiction in and for the Territory of Guam.

F. The amount of the bond shall be reduced by and to the extent of any payment or payments made in good faith hereunder.

SIGNED AND SEALED THIS _____ day of _____, 20___ , A.D.

IN THE PRESENCE OF:
*(Note: If the Principals are Partners, each must execute the Bond)*

| | |
|---|---|
| _____ | _____ |
| (WITNESS) | (CONTRACTOR ) (SEAL) |
| _____ | _____ |
| (TITLE) | (TITLE) |
| _____ | _____ |
| (MAJOR OFFICER OF SURETY) | (MAJOR OFFICER OF SURETY) |
| _____ | _____ |
| (TITLE) | (TITLE) |

_____

(RESIDENT GENERAL AGENT)

# EXHIBIT B

**"Recommendation of Award"**

# GUAM WATERWORKS AUTHORITY

**"Better Water. Better Lives."**
Gloria B. Nelson Public Services Building
688 Route 15, Mangilao, Guam 96913

**Date:** SEP 14 2016

## MEMORANDUM

**TO:** General Manager

**VIA:** Supply Management Administrator

**FROM:** Evaluation Committee Members

**SUBJECT:** Invitation to Bid No. GWA 2016-09
Ref: Fuel Bid "Recommendation of Award"

Invitation for Bid No: GWA 2016-09 was officially announced and advertised in the Pacific Daily News, Marianas Variety and Guam Waterworks Authority Website on August 8, 2016 and open as scheduled on September 7, 2016 @ 10:00 am. Three (3) submitted proposal, they are as follows:

Bidders Register:

- Mobil Oil Guam
- South Pacific Petroleum Corp
- IP&E Holding, LLC

An evaluation committee was formally assembled and gathered on September 8, 2016 @ 2:30 pm in the Procurement's office.

Committee members consist of:

- Paul Lujan, FMES Superintendent
- Tony Camacho, Buyer II
- Stephan Mondina, Buyer Supervisor II

Bidders Cost as follows:

| **Mobile Oil Guam cost submission:** | **Cost Per Gallon:** | **Cost Per Gallon:** |
|---|---|---|
| Diesel Fuel Oil No. 2 | $1.335 | |
| Automotive Gasoline, Regular Unleaded | | $1.523 |
| **IP&E Holding, LLC** | | |
| Diesel Fuel Oil No. 2 | $1.3200 | |
| Automotive Gasoline, Regular Unleaded | | $1.5280 |
| **South Pacific Petroleum Corp** | | |
| Diesel Fuel Oil No. 2 | $1.710 | |
| Automotive Gasoline, Regular Unleaded | | $1.923 |

The committee members have determined based on the cost analysis (cost analysis attached) provided, Mobil Oil Guam submitted the lowest cost overall thereby being most advantageous to GWA in terms of fuel usage stated in the cost analysis provided herein. This determination will best serve GWA during the term of the contract and in the best interest of the Territory of Guam. As price and all other factors where considered in overall cost for Automotive Gasoline, Regular Unleaded and Diesel Fuel Oil No. 2, the committee members hereby recommend to proceed issuing the award to **Mobil Oil Guam** for Diesel Fuel Oil No. 2 at a cost per gallon of $1.335 and Automotive Gasoline, Regular Unleaded at a cost of $1.523, the basis of award as a whole, is applicable as mentioned in the bid provision below.

## Section II: INSTRUCTIONS, PROCEDURES AND REQUIREMENTS FOR BIDDERS.

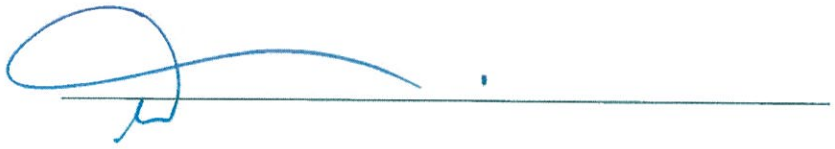
### 6. Award.

The award of the Contract will be made by GWA to the lowest responsive and responsible bidder whose bid conforms to the Invitation for Bids and would be most advantageous to GWA, in terms of price and all other factors considered as determined by GWA as provided in the bid. GWA reserves the right to award the Contract to a vendor other than the lowest price offeror and to reject any or all offers if it is determined to be in the best interest of the Territory of Guam. A written Notice of Award (or acceptance of offer) will be mailed or otherwise furnished via facsimile transmittal to the successful bidder within the time for acceptance specified in the offer. GWA reserves the right to waive informalities and minor irregularities in bids received. In the evaluation process, the following factors will be considered:

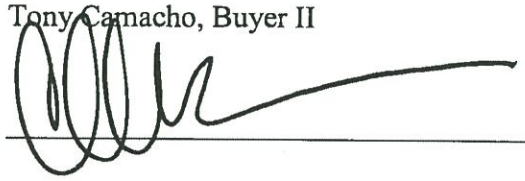
Therefore, the evaluation committee hereby recommends award for Mobile Oil Guam.

Concurred and accepted by the committee members:

Stephan Mondina, Buyer Supervisor II



Tony Camacho, Buyer II



Paul Lujan, FMES Superintendent



Your approval is greatly appreciated.

In consideration of the foregoing, please indicate your approval of this recommendation by your signature below.

[ ✓ ] CONCURRED [ ] UNCONCURRED

Vincent Ed. Guerrero, SMA

[ ✓ ] APPROVED [ ] DISAPPROVED

Miguel C. Bordallo, P.E. General Manager

Cc: Procurement file

Transportation

| | | | | | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Oct-13 | $ | 37,188 | 10,222 | $ | 3.64 | $ | 21,016 | 5,471 | $ | 3.84 | $ | 61 | 16 | $ | 3.79 | $ | 58,765 | 15,710 | $ | 58,265 | 15,710 |
| Nov-13 | $ | 31,314 | 8,764 | $ | 3.57 | $ | 7,839 | 2,052 | $ | 3.82 | $ | - | - | | | $ | 39,152 | 10,817 | $ | 97,417 | 26,527 |
| Dec-13 | $ | 33,109 | 9,215 | $ | 3.59 | $ | 8,956 | 2,329 | $ | 3.85 | $ | 31 | 8 | $ | 3.70 | $ | 42,097 | 11,552 | $ | 139,514 | 38,079 |
| Jan-14 | $ | 33,970 | 9,228 | $ | 3.68 | $ | 9,617 | 2,488 | $ | 3.87 | $ | - | - | | | $ | 43,587 | 11,715 | $ | 183,101 | 49,794 |
| Feb-14 | $ | 31,754 | 8,719 | $ | 3.64 | $ | 10,338 | 2,744 | $ | 3.77 | $ | - | - | | | $ | 42,091 | 11,462 | $ | 225,193 | 61,257 |
| Mar-14 | $ | 35,139 | 9,510 | $ | 3.70 | $ | 7,710 | 2,032 | $ | 3.79 | $ | - | - | | | $ | 42,848 | 11,542 | $ | 268,041 | 72,798 |
| Apr-14 | $ | 37,385 | 10,131 | $ | 3.69 | $ | 9,013 | 2,405 | $ | 3.75 | $ | - | - | | | $ | 46,397 | 12,536 | $ | 314,438 | 85,334 |
| May-14 | $ | 38,774 | 10,409 | $ | 3.72 | $ | 7,592 | 1,997 | $ | 3.80 | $ | - | - | | | $ | 46,366 | 12,406 | $ | 360,805 | 97,741 |
| Jun-14 | $ | 34,495 | 9,258 | $ | 3.73 | $ | 8,715 | 2,314 | $ | 3.77 | $ | - | - | | | $ | 43,210 | 11,572 | $ | 404,014 | 109,312 |
| Jul-14 | $ | 36,657 | 9,602 | $ | 3.82 | $ | 24,517 | 6,532 | $ | 3.75 | $ | - | - | | | $ | 61,175 | 16,133 | $ | 465,189 | 125,446 |
| Aug-14 | $ | 36,357 | 9,640 | $ | 3.77 | $ | 10,634 | 2,870 | $ | 3.70 | $ | 270 | 70 | $ | 3.85 | $ | 47,261 | 12,580 | $ | 512,450 | 138,026 |
| Sep-14 | $ | 33,980 | 9,625 | $ | 3.53 | $ | 19,230 | 5,263 | $ | 3.65 | $ | - | - | | | $ | 53,211 | 14,888 | $ | 565,661 | 152,914 |
| | $ | 426,122 | 114,322 | $ | 3.87 | $ | 148,177 | 38,487 | $ | 3.78 | $ | 362 | 94 | $ | 3.78 | $ | 586,961 | 152,914 | | | |

| | | | | | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Oct-14 | $ | 32,390 | 9,857 | $ | 3.29 | $ | 9,440 | 2,079 | $ | 4.54 | $ | - | - | | | $ | 41,830 | 11,936 | $ | 41,830 | 11,936 |
| Nov-14 | $ | 22,066 | 7,045 | $ | 3.26 | $ | 4,811 | 1,479 | $ | 3.25 | $ | 108 | 32 | $ | 3.35 | $ | 27,986 | 8,597 | $ | 69,815 | 20,534 |
| Dec-14 | $ | 23,144 | 7,827 | $ | 2.96 | $ | 6,904 | 2,253 | $ | 3.06 | $ | - | - | | | $ | 30,047 | 10,080 | $ | 99,863 | 30,613 |
| Jan-15 | $ | 19,515 | 8,005 | $ | 2.44 | $ | 6,261 | 2,435 | $ | 2.57 | $ | 24 | 9 | $ | 2.54 | $ | 25,800 | 10,449 | $ | 125,662 | 41,062 |
| Feb-15 | $ | 17,510 | 7,736 | $ | 2.26 | $ | 5,909 | 2,475 | $ | 2.39 | $ | 33 | 14 | $ | 2.37 | $ | 23,452 | 10,247 | $ | 149,114 | 51,309 |
| Mar-15 | $ | 21,292 | 8,311 | $ | 2.56 | $ | 14,941 | 5,744 | $ | 2.60 | $ | - | - | | | $ | 36,232 | 14,055 | $ | 185,347 | 65,364 |
| Apr-15 | $ | 20,166 | 7,759 | $ | 2.60 | $ | 4,704 | 1,837 | $ | 2.56 | $ | | | | | $ | 24,870 | 9,596 | $ | 210,217 | 74,960 |
| May-15 | $ | 21,655 | 8,148 | $ | 2.66 | $ | 22,199 | 8,607 | $ | 2.58 | $ | - | - | | | $ | 43,854 | 16,756 | $ | 254,071 | 91,715 |
| Jun-15 | $ | 20,647 | 7,262 | $ | 2.84 | $ | 6,623 | 2,420 | $ | 2.74 | $ | - | - | | | $ | 27,270 | 9,682 | $ | 281,341 | 101,398 |
| Jul-15 | $ | 20,462 | 7,243 | $ | 2.83 | $ | 11,656 | 5,143 | $ | 2.65 | $ | - | - | | | $ | 34,118 | 12,386 | $ | 315,458 | 113,784 |
| Aug-15 | $ | 19,690 | 7,427 | $ | 2.65 | $ | 5,159 | 2,096 | $ | 2.46 | $ | - | - | | | $ | 24,848 | 9,523 | $ | 340,307 | 123,307 |
| Sep-15 | $ | 16,693 | 6,979 | $ | 2.39 | $ | 30,086 | 13,213 | $ | 2.28 | $ | - | - | | | $ | 46,779 | 20,192 | $ | 387,086 | 143,499 |
| | $ | 258,229 | 83,961 | $ | 2.73 | $ | 128,882 | 48,733 | $ | 2.81 | $ | 165 | 60 | $ | 2.73 | $ | 387,086 | 143,499 | | | |

| | | | | | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Oct-15 | $ | 16,779 | 7,047 | $ | 2.38 | $ | 4,035 | 1,755 | $ | 2.30 | $ | - | - | | | $ | 20,814 | 8,802 | $ | 20,814 | 8,802 |
| Nov-15 | $ | 14,334 | 6,074 | $ | 2.36 | $ | 3,138 | 1,368 | $ | 2.29 | $ | 52 | 21 | $ | 2.47 | $ | 17,523 | 7,463 | $ | 38,338 | 16,265 |
| Dec-15 | $ | 15,595 | 6,928 | $ | 2.25 | $ | 4,587 | 2,061 | $ | 2.23 | $ | - | - | | | $ | 20,182 | 8,989 | $ | 58,519 | 25,253 |
| Jan-16 | $ | 14,179 | 6,469 | $ | 2.19 | $ | 4,390 | 2,205 | $ | 1.99 | $ | - | - | | | $ | 18,569 | 8,674 | $ | 77,088 | 33,927 |
| Feb-16 | $ | 14,524 | 7,123 | $ | 2.04 | $ | 3,808 | 2,140 | $ | 1.78 | $ | - | - | | | $ | 18,332 | 9,263 | $ | 95,420 | 43,190 |
| Mar-16 | $ | 13,751 | 7,215 | $ | 1.91 | $ | 4,602 | 2,551 | $ | 1.80 | $ | - | - | | | $ | 18,354 | 9,766 | $ | 113,774 | 52,956 |
| Apr-16 | $ | 14,150 | 6,738 | $ | 2.10 | $ | 3,718 | 1,904 | $ | 1.95 | $ | 31 | 14 | $ | 2.21 | $ | 17,899 | 8,656 | $ | 131,674 | 61,612 |
| May-16 | $ | 14,568 | 6,773 | $ | 2.15 | $ | 3,593 | 1,768 | $ | 2.03 | $ | - | - | | | $ | 18,161 | 8,542 | $ | 149,835 | 70,154 |
| Jun-16 | $ | 14,947 | 6,664 | $ | 2.24 | $ | 4,577 | 2,110 | $ | 2.17 | $ | 27 | 12 | $ | 2.37 | $ | 19,551 | 8,786 | $ | 169,386 | 78,939 |
| Jul-16 | $ | 14,141 | 6,247 | $ | 2.26 | $ | 4,194 | 1,873 | $ | 2.23 | $ | - | - | | | $ | 18,337 | 8,126 | $ | 187,723 | 87,065 |
| Aug-16 | $ | - | - | | | $ | - | - | | | $ | - | - | | | $ | - | - | | | |
| Sep-16 | $ | - | - | | | $ | - | - | | | $ | - | - | | | $ | - | - | | | |
| | $ | 148,978 | 67,277 | $ | 2.19 | $ | 40,642 | 19,741 | $ | 2.07 | $ | 111 | 47 | $ | 2.35 | $ | 187,723 | 87,065 | | | |
| | | | | | | | | 1,874 | | | | | | | | | | 8,708 | | | |
| | | | | | | | | 23,686.64 | | | | | | | | | | 104,477.90 | | 0.27 | |
| | | | | | | | | 0.16 | | | | | | | | | | 0.62 | | | |
| | | | | IP&E | | | | 1.32 | 31,270.32 | diesel based on projected FY2016 actuals | | | | | | | | | | | |
| | | | | | | | | 1.526 | 159,642.23 | unleaded based on projected FY2016 actuals | | | | | | | | | | | |
| | | | | | | | | 1.4895 | 190,912.56 | | | | | | | | | | | | |
| | | | | | | | | Composite price | | | | | | | | | | | | | |

Diesel Based on Projected FY 2016 actuals.
Formula breakdown below. For IP&E, base for FY 2016

LEGEND

Diesel- 10 months total consumptions $18,741.00 divided by (10) ten months ( monthly average ) = $1,874.00
$1,874.00 monthly average x (12) Twelve months = $23,686.00
$23,686.00 x $1.32 ( price per gallon ) = $31,270.00

Gas Petroleum -10 months total consumptions $87,065.00 divided by (10) ten months ( monthly average ) = $8,706.00
$8,706.00 monthly average x (12) Twelve months = $104,477.00
$104,477.90 x $1.526 ( price per gallon ) = $159,642.23

| | | | |
|---|---|---|---|
| Mobil | 1.326 | 31,825.69 | diesel based on projected FY2016 actuals |
| | 1.527 | 159,119.84 | unleaded based on projected FY2016 actuals |
| | 1.4883 | 190,745.60 | |

Composite based on proportional weighting of diesel and unleaded price to respective % of total fuel purchases projected to end of FY2016

[redacted]

Doc. No. 34GL-17-0812.*

# EXHIBIT C

**Mobil Oil Guam Proposal**

# Mobil Oil Guam Inc.

## Proposal

## Diesel Fuel Oil No. 2 and Automotive Gasoline, Regular Unleaded

## GWA IFB No. 2016-09

# Guam Waterworks Authority

GUAM WATERWORKS AUTHORITY

## September 7, 2016

contract shall be cancelled and the Contractor shall be notified within sixty (60) days if funds are unavailable.

**SECTION 1.03: CONTRACT PRICE.**

The total contract BID PRICE per gallon delivered to GWA Fleet point of delivery is (in U.S. Dollars, inclusive of all costs and liabilities, please provide three (3) decimal places):

**1. Bid Price Offer:**

**(a) Diesel Fuel Oil No. 2:** **$ 1.335 per gallon**

**(b) Automotive Gasoline, Regular Unleaded:** **$ 1.523 per gallon**

**The BID PRICE is the sum of the fixed service fee (per gallon) and the bid reference prices as of January 18, 2016 posting in Platt's' Asia-Pacific Market Scan Oil Prices are as shown:**

**Bid Reference prices:**

| Fleet Fuels | Reference Product Code | Reference Price |
|---|---|---|
| (a) Diesel Fuel Oil No. 2 | Gasoil 10 ppm | $0.820 per gallon |
| (b) Automotive Gasoline (Regular Unleaded) | Gasoline 92 unleaded | $1.073 per gallon |

**PRICE DETERMINATION:**

The invoice price for the fuel delivered in any month shall be the average of the effective prices reported for Gasoil 10ppm (for Diesel Fuel Oil No. 2) and Gasoline 89 unleaded (for Automotive Gasoline, Regular Unleaded), for all the daily postings of the previous month in the Platt's Asia-Pacific Market scan, for Singapore cargoes, plus the Service Fee as calculated.

The gas stations should be properly labeled to indicate the product grade at its pump. In the event that the gas station pump has not fully converted to Ultra-Low Sulfur Diesel (ULSD) as set forth in Section 2.01, then the invoice price for Diesel Fuel Oil No. 2 delivered in any month shall be reduced and shall be based on the average of the effective prices reported for Gasoil Reg 0.5% Sulfur.

**INVOICE PRICE CALCULATION FORMULA:**

INVOICE PRICE = Previous Month daily postings average + Premium Fee

Sample data:

(a) Diesel Fuel Oil No. 2:

Sample Bid Price Offer = $1.020 per gallon

# EXHIBIT D

**NOTICE OF CONDITIONAL AWARD FOR**
**Mobil Oil Guam Inc.**

# GUAM WATERWORKS AUTHORITY

Gloria B. Nelson Public Service Building
688 Route 15, Mangilao GU, 96913

## NOTICE OF CONDITIONAL AWARD

Date SEP 14 2018

Mobil Oil Guam Inc.
P.O. Box EU
Hagåtña, Guam 96932

Re: Invitation for Bid Number: GWA 2016-09
Diesel Fuel Oil No. 2 and Automotive Gasoline, Regular Unleaded, for the GWA Transportation Fleet. in GWA IFB. NO. 2016-09.

Hafa Adai

The Guam Waterworks Authority ("GWA") has considered the bid submitted by Mobile Oil Guam LLC. for the above described reference in response to its Advertisement for Bids, you are hereby notified that the bid price of **$1.523** for Automotive Gasoline, Regular Unleaded and **1.335** for Diesel Fuel Oil No. 2 has been accepted by GWA. Please be advised that you must now deliver all other documents required by the bid, including, but not limited to, proof of insurance and the Performance and Payment Bond (which must remain in full force and effect until all performance has ended, which includes all warranty periods).

You are also advised that any obligation incurred by your firm prior to execution of the contract is entirely at your own risk and GWA shall have no obligation to reimburse costs incurred prior to execution of the contract.

Please note this Notice of Award is conditional on obtaining the approval of the Guam Consolidated Commission on Utilities for any award over $250,000 and the approval of the Guam Public Utilities Commission where the total value over the life of the contract could exceed $1M. Also, award is conditional upon providing any documents such as proof of licensure, proof of insurance or other documents required to be submitted to GWA under the Bid or Guam law.

/

/

You are required to return an acknowledged copy of this Conditional Notice of Award to the GWA Procurement Office.

Sincerely,

Miguel Bordallo P.E.
General Manager

**ACCEPTANCE OF CONDITIONAL NOTICE OF AWARD**

Receipt of the above Notice of Conditional Award for GWA IFB No. GWA 2016-09 is hereby acknowledged

By: _____ Title: President
signature (please print)

Dated this 20 day of September, 2016.

******** END OF CONDITIONAL NOTICE OF AWARD *******

# EXHIBIT E

**IP&E Protest Letter**

Miguel Bordallo,P.E.
General Manager
Guam Waterworks Authority
Gloria B. Nelson Public Service Building
688 Route 15
Mangilao, Guam 96913
Email: mcbordallo@guamwaterworks.org
PH: (671) 300-6845




RE: Formal Bid Protest

IFB 2016-09 Diesel Fuel Oil No. 2 and Automotive Gasoline, Regular Unleaded

Dear Mr. Bordallo,

IP&E Guam received the above referenced facsimile at 3:25pm September 14, 2016. The document advised IP&E was not successful in the bid due to high price. Please see calculation below based on IFB volumes listed on Part A., Solicitation, **Fuels to Be Supplied,** Items a & b Page 10 and Bid Abstract dated September 7, 2016 10:00 am:

| Company | Product | IFB Quantity | Total Price | Total IFB Annual Cost | Total IFB Term Cost |
|---|---|---|---|---|---|
| SPPC | Diesel | 50,000.00 | $ 1.71 | $ 85,500.000 | $ 256,500.000 |
| SPPC | Mogas | 115,000.00 | $ 1.96 | $ 225,745.000 | $ 677,235.000 |
| | | | | $ 311,245.000 | $ 933,735.000 |
| Mobil Oil Guam | Diesel | 50,000.00 | $ 1.34 | $ 66,750.000 | $ 200,250.000 |
| Mobil Oil Guam | Mogas | 115,000.00 | $ 1.52 | $ 175,145.000 | $ 525,435.000 |
| | | | | $ 241,895.000 | $ 725,685.000 |
| IP&E Guam | Diesel | 50,000.00 | $ 1.32 | $ 66,000.000 | $ 198,000.000 |
| | Mogas | 115,000.00 | $ 1.53 | $ 175,720.000 | $ 527,160.000 |
| | | | | $ 241,720.000 | $ 725,160.000 |
| | | | | $ (175.000) | $ (525.000) |

Shell trademarks used under license.

**IP&E Holdings, LLC.**
**dba: IP&E Guam**
Suite 100, 643 Chalan San Antonio
Tamuning, Guam 96913-3644
Tel: 671-647-0000 | Fax: 671-649-4353
Email: corporate@ipehq.com

Shell Licensee

Per bid abstract IP&E conformed to all other bid requirements and is the lowest bidder. Therefore, IP&E should be awarded GWA IFB 2016-09. Please retract intent to award immediately.

For IP&E Guam,

David Wisher, Chief Financial Officer

CC: Vince Guerrero, Supply Management Administrator, Kelly Clark, GWA Legal Counsel, Steven Carrara, IP&E Legal Counsel

Attachments

1). IFB 2016-09 Page 10

2). GWA Bid Abstract for IFB 2016-09 dated September 7, 2016 10:00am

3). GWA Facsimile Transmittal dated September 14, 2016

independently arrived at in open competition, may have been collusive, and may have been submitted in bad faith.

When a solicitation is canceled or rejected prior to final award, notice of cancellation or rejection shall be sent to all bidders and all bid bonds shall be returned. The reasons for cancellation or rejection shall be made part of the procurement file and shall be available for public inspection.

(b) **Rejection of Individual Bids**. Any individual bid may be rejected in whole or in part when in the best interest of the Territory of Guam as determined by GWA in its sole discretion. Reasons for rejecting a bid include, but are not limited to:

(1) The bidder is non-responsive pursuant to Guam's procurement laws, rules and regulations;
(2) The bid is not responsive, as it does not conform, in all material respects, to the Invitation for Bids;
(3) The quantity and/or quality supply or service offered in the bid is unacceptable by reason of its failure to meet the requirements of the specifications set forth in the Invitation for Bids or other acceptability criteria set forth in the Invitation for Bids. Upon request, unsuccessful bidders shall be advised of the reasons for rejection;
(4) The bid is not the lowest responsive bidder, which meets the requirements, criteria set forth in the Invitation for Bids;
(5) The bidder has failed to submit to the GWA procurement office, the necessary licenses, permits and authorizations when requested by the Procurement Officer prior to the award.
(6) Any changes as initiated by the bidder to the attached Contract form constitute a basis to declare the bid submittal as non-conforming.

8. **Fuels To Be Supplied**.

Bidder agrees to furnish and GWA agrees to accept and pay for all of Diesel Fuel Oil No. 2 and Automotive Gasoline, Regular Unleaded (both fuels referred to in the solicitation as Fleet Fuels) requirements for the Authority's transportation fleet for the term of the Contract. **Estimated** total quantity for the fleet's fuel shall be:

(a) ***Diesel Fuel Oil No. 2: approximately 50,000 gallons per year (estimated).***
(b) ***Automotive Gasoline, Regular Unleaded: approximately 115,000 gallons per year (estimated).***

The fleet fuels supply shall be provided from Bidder's service stations (or from designated stations if so agreed upon between the Contractor and GWA Procurement/ Supply Administrator). The commencement of the Fleet's fuel procurement shall be as soon as possible following award of bid and signing of Contract.

**GUAM WATERWORKS AUTHORITY**
**BID ABSTRACT**

**BID OPENING FOR:** IFB 2016- 09 / **DATE:** SEPTEMBER 07, 2016 / **TIME:** 10:00 AM

**VENDOR# 1** SPPC

**BID GUARANTEE:**
[✓] CASHIER'S CHECK or CERTIFIED CHECK
[ ] LETTER OF CREDIT $
[✓] BID BOND 15% OF TOTAL BID AMOUNT
[✓] SUERTY BOND: CURRENT CERTIFICATE OF AUTHORITY(POWER OF ATTORNEY)
[ ] NON-COLLUSION AFFIDAVIT
[ ] STATEMENT OF QUALIFICATIONS
[ ] LITERATURES
[✓] AFFIDAVIT OF DISCLOSURE OF MAJOR SHAREHOLDERS
[ ] CERTIFICATION OF NON-EMPLOYMENT OF CONVICTED SEX OFFENDERS
[✓] CD PROVIDED

| 1.0 | BID PRICE PER GALLON | | |
|---|---|---|---|
| ITEM# | DESCRIPTION | PRICE | PER GALLON |
| A. | DIESEL FUEL OIL NO. 2 | $ 1.710 | PER GALLON |
| B. | AUTOMOTIVE GASOLINE, REGULAR UNLEADED | $ 1.983 | PER GALLON |

**********

**BID ABSTRACT**

**BID OPENING FOR:** IFB 2016- 09 / **DATE:** SEPTEMBER 07, 2016 / **TIME:** 10:00 AM

**VENDOR# 2** Mobil oil Guam

**BID GUARANTEE:**
[ ] CASHIER'S CHECK or CERTIFIED CHECK
[ ] LETTER OF CREDIT $
[✓] BID BOND 15% OF TOTAL BID AMOUNT
[ ] SUERTY BOND: CURRENT CERTIFICATE OF AUTHORITY(POWER OF ATTORNEY)
[✓] NON-COLLUSION AFFIDAVIT
[ ] STATEMENT OF QUALIFICATIONS
[ ] LITERATURES
[✓] AFFIDAVIT OF DISCLOSURE OF MAJOR SHAREHOLDERS
[✓] CERTIFICATION OF NON-EMPLOYMENT OF CONVICTED SEX OFFENDERS
[✓] CD PROVIDED Emailed

| 1.0 | BID PRICE PER GALLON | | |
|---|---|---|---|
| ITEM# | DESCRIPTION | PRICE | PER GALLON |
| A. | DIESEL FUEL OIL NO. 2 | $ 1.335 | PER GALLON |
| B. | AUTOMOTIVE GASOLINE, REGULAR UNLEADED | $ 1.523 | PER GALLON |

**********

**GUAM WATERWORKS AUTHORITY**
**BID ABSTRACT**

**BID OPENING FOR:** IFB 2016- 09 / **DATE:** SEPTEMBER 07, 2016 / **TIME:** 10:00 AM
**VENDOR# 3** IPGC
**BID GUARANTEE:**
[ ] CASHIER'S CHECK or CERTIFIED CHECK
[ ] LETTER OF CREDIT $
[/] BID BOND 15% OF TOTAL BID AMOUNT
[/] SUERTY BOND: CURRENT CERTIFICATE OF AUTHORITY(POWER OF ATTORNEY)
[/] NON-COLLUSION AFFIDAVIT
[ ] STATEMENT OF QUALIFICATIONS
[ ] LITERATURES
[/] AFFIDAVIT OF DISCLOSURE OF MAJOR SHAREHOLDERS
[/] CERTIFICATION OF NON-EMPLOYMENT OF CONVICTED SEX OFFENDERS
[/] CD PROVIDED

| 1.0 | BID PRICE PER GALLON | | |
|---|---|---|---|
| ITEM# | DESCRIPTION | PRICE | PER GALLON |
| A. | DIESEL FUEL OIL NO. 2 | $ 1.3200 | PER GALLON |
| B. | AUTOMOTIVE GASOLINE, REGULAR UNLEADED | $ 1.5280 | PER GALLON |

**********

**BID ABSTRACT**

**OPENING FOR:** IFB 2016- 09 / **DATE:** SEPTEMBER 07, 2016 / **TIME:** 10:00 AM
**OR# 4**
**BID ANTEE:**
[ ] CASH CHECK or CERTIFIED CHECK
[ ] LETTER EDIT $
[/] BID BOND TOTAL BID AMOUNT
[/] SUERTY BOND: ENT CERTIFICATE OF AUTHORITY(P F ATTORNEY)
[/] NON-COLLUSION A VIT
[ ] STATEMENT OF QUALI ONS
[ ] LITERATURES
[/] AFFIDAVIT OF DISCLOSURE OF M EHOLDERS
[/] CERTIFICATION OF NON-EMPLO CONVICTED SEX OFFENDERS
[ ] CD PROVIDED

| 1.0 | BID PRICE GALLON | | |
|---|---|---|---|
| ITEM# | DESCRIPTION | PRICE | PER GALLON |
| A. | DIESEL FUEL OIL NO. 2 | 3200 | PER GALLON |
| B | AUTOMOTIVE GASOLINE, REGULAR UNLEADED | $ 280 | PER GALLON |

**********

Guam
Waterworks
Authority

# facsimile transmittal

To: IP&E Holdings, LLC Fax: 649-4353

Attn: Tasi Peddicord PH: 647-0000

From: Stephen Mondina Date: September 14, 2016
300-6027 (PH)
649-3750 (FX)

Re: BID STATUS Pages: 02

CC:

☒ Urgent ☐ For Review ☐ Please Comment [X] Please Reply ☐ Please Recycle

**REF: IFB 2016-09**
**Diesel Fuel Oil No.2 and Automotive Gasoline, Regular Unleaded**

**Please sign the bid status form and forward back to me.**

**Thank you,**
**Stephen Mondina**

# GUAM WATERWORKS AUTHORITY

"Better Water. Better Lives."
Gloria B. Nelson Public Services Building
688 Route 15, Mangilao, Guam 96913

## BID STATUS

Date: SEP 14 2016

IP&E Holding, LLC
Suite 100. 643 Chalan San Antonio
Tamuning, Guam 96913-3644
Tel: 671-647-0000
Fax: 671-649-4353

**Bid Invitation No.** **GWA IFB 2016-09**

**Description:** Invitation for Bid No2016-09Diesel Fuel Oil No. 2 and Automotive Gasoline, Regular Unleaded, for GWA Transportation Fleet. in GWA IFB. NO. 2016-09.

The following is the result of the above-mentioned bid. Refer to the items checked below.

[ ] **Cancelled (in its entirety), or partially cancelled due to:**

- [ ] Insufficient funds
- [ ] Change of specifications
- [ ] Insufficient number of bidders

[X] **Not Awarded base on the following:**

- [ ] Late submission of bid
- [ ] No bid security or insufficient bid security amount submitted as required by Section 11 of the General Terms and Conditions
- [ ] Not meeting the delivery requirement as stated in the IFB
- [ ] Non-conformance with the specifications
- [ ] Inability to provide future maintenance and services to the equipment
- [X] High price

[X] **Bid is recommended for award to:**

**Mobil Oil Guam**

For Diesel Fuel Oil No. 2 and Automotive Gasoline, Regular Unleaded.

**Remarks:**
Thank You for your interest!

**Miguel Bordallo, PE**
**General Manager**

# EXHIBIT F

**GWA Notice of Decision to IP&E**

GUAM WATERWORKS AUTHORITY
"Better Water. Better Lives."
Gloria B. Nelson Public Service Building | 688 Route 15, Mangilao, Guam 96913
P.O. Box 3010, Hagatna, Guam 96932
Tel. No. (671) 300-6846/48 Fax No. (671) 648-3290

September 16, 2016

Mr. David Wisher
Chief Financial Officer
IP&E Guam
643 Chalan San Antonio, Ste 100
Tamuning, Guam 96913

RE: Notice of Decision relative to GWA IFB 2016-09 Diesel Fuel Oil No. 2 and Automotive Gasoline, Regular Unleaded

Dear Mr. Wisher,

The award of contract for this IFB is based on the Authority's procurement committee analysis of actual use calculations as shown in attachment "A". Based on the actual use of diesel and gasoline for FY 2016 and future use trending down or remaining flat, the committee determined that the pricing submitted by Mobil was the most advantageous to GWA and in the best interest of the Territory of Guam.

Your company has the right to administrative and judicial review.

Sincerely,

Miguel C. Bordallo, P.E.
General Manager

MCB/ada

# ATTACHMENT A

**Transportation**

| | Month | Regular Unleaded | Regular Gallons | Price Per Gallon cost | Diesel | Diesel Gallons | Price Per Gallon cost | Premium Unleaded | Premium Unleaded Gallons | Price Per Gallon cost | TOTAL COST | TOTAL GALLONS | YTD TOTAL COST | YTD TOTAL GALLONS |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| FY 2014 | Oct-13 | $ 37,188 | 10,222 | $ 3.64 | $ 21,016 | 5,471 | $ 3.84 | $ 61 | 16 | $ 3.79 | $ 58,265 | 15,710 | $ 58,265 | 15,710 |
| | Nov-13 | $ 31,314 | 8,764 | $ 3.57 | $ 7,839 | 2,053 | $ 3.82 | $ - | - | | $ 39,152 | 10,817 | $ 97,417 | 26,527 |
| | Dec-13 | $ 33,109 | 9,215 | $ 3.59 | $ 8,956 | 2,329 | $ 3.85 | $ 31 | 8 | $ 3.70 | $ 42,097 | 11,552 | $ 139,514 | 38,079 |
| | Jan-14 | $ 33,970 | 9,228 | $ 3.68 | $ 9,617 | 2,488 | $ 3.87 | $ - | - | | $ 43,587 | 11,715 | $ 183,101 | 49,794 |
| | Feb-14 | $ 31,754 | 8,719 | $ 3.64 | $ 10,338 | 2,744 | $ 3.77 | $ - | - | | $ 42,091 | 11,462 | $ 225,193 | 61,257 |
| | Mar-14 | $ 35,139 | 9,510 | $ 3.70 | $ 7,710 | 2,032 | $ 3.79 | $ - | - | | $ 42,848 | 11,542 | $ 268,041 | 72,798 |
| | Apr-14 | $ 37,385 | 10,131 | $ 3.69 | $ 9,013 | 2,405 | $ 3.75 | $ - | - | | $ 46,397 | 12,536 | $ 314,438 | 85,334 |
| | May-14 | $ 38,774 | 10,409 | $ 3.72 | $ 7,592 | 1,997 | $ 3.80 | $ - | - | | $ 46,366 | 12,406 | $ 360,805 | 97,741 |
| | Jun-14 | $ 34,495 | 9,258 | $ 3.73 | $ 8,715 | 2,314 | $ 3.77 | $ - | - | | $ 43,210 | 11,572 | $ 404,014 | 109,312 |
| | Jul-14 | $ 36,657 | 9,602 | $ 3.82 | $ 24,517 | 6,532 | $ 3.75 | $ - | - | | $ 61,175 | 16,133 | $ 465,189 | 125,446 |
| | Aug-14 | $ 36,357 | 9,640 | $ 3.77 | $ 10,634 | 2,870 | $ 3.70 | $ 270 | 70 | $ 3.85 | $ 47,261 | 12,580 | $ 512,450 | 138,026 |
| | Sep-14 | $ 33,980 | 9,625 | $ 3.53 | $ 19,230 | 5,263 | $ 3.65 | $ - | - | | $ 53,211 | 14,888 | $ 565,661 | 152,914 |
| | | **$ 420,122** | **114,322** | **$ 3.67** | **$ 145,177** | **38,497** | **$ 3.78** | **$ 362** | **95** | **$ 3.78** | **$ 565,661** | **152,914** | | |

| | Month | Regular Unleaded | Regular Gallons | Price Per Gallon cost | Diesel | Diesel Gallons | Price Per Gallon cost | Premium Unleaded | Premium Unleaded Gallons | Price Per Gallon cost | TOTAL COST | TOTAL GALLONS | YTD TOTAL COST | YTD TOTAL GALLONS |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| FY 2015 | Oct-14 | $ 32,390 | 9,857 | $ 3.29 | $ 9,440 | 2,079 | $ 4.54 | $ - | - | | $ 41,830 | 11,936 | $ 41,830 | 11,936 |
| | Nov-14 | $ 23,066 | 7,085 | $ 3.26 | $ 4,811 | 1,479 | $ 3.25 | $ 108 | 32 | $ 3.35 | $ 27,986 | 8,597 | $ 69,815 | 20,534 |
| | Dec-14 | $ 23,144 | 7,827 | $ 2.96 | $ 6,904 | 2,253 | $ 3.06 | $ - | - | | $ 30,047 | 10,080 | $ 99,863 | 30,613 |
| | Jan-15 | $ 19,515 | 8,005 | $ 2.44 | $ 6,261 | 2,435 | $ 2.57 | $ 24 | 9 | $ 2.54 | $ 25,800 | 10,449 | $ 125,662 | 41,062 |
| | Feb-15 | $ 17,510 | 7,758 | $ 2.26 | $ 5,909 | 2,475 | $ 2.39 | $ 33 | 14 | $ 2.37 | $ 23,452 | 10,247 | $ 149,114 | 51,309 |
| | Mar-15 | $ 21,292 | 8,311 | $ 2.56 | $ 14,941 | 5,744 | $ 2.60 | $ - | - | | $ 36,232 | 14,055 | $ 185,347 | 65,364 |
| | Apr-15 | $ 20,166 | 7,759 | $ 2.60 | $ 4,704 | 1,837 | $ 2.56 | $ - | - | | $ 24,870 | 9,596 | $ 210,217 | 74,960 |
| | May-15 | $ 21,655 | 8,148 | $ 2.66 | $ 22,199 | 8,607 | $ 2.58 | $ - | - | | $ 43,854 | 16,756 | $ 254,071 | 91,715 |
| | Jun-15 | $ 20,647 | 7,262 | $ 2.84 | $ 6,623 | 2,420 | $ 2.74 | $ - | - | | $ 27,270 | 9,682 | $ 281,341 | 101,398 |
| | Jul-15 | $ 20,462 | 7,243 | $ 2.83 | $ 13,656 | 5,143 | $ 2.65 | $ - | - | | $ 34,118 | 12,386 | $ 315,458 | 113,784 |
| | Aug-15 | $ 19,690 | 7,427 | $ 2.65 | $ 5,159 | 2,096 | $ 2.46 | $ - | - | | $ 24,848 | 9,523 | $ 340,307 | 123,307 |
| | Sep-15 | $ 16,693 | 6,979 | $ 2.39 | $ 30,086 | 13,213 | $ 2.28 | $ - | - | | $ 46,779 | 20,192 | $ 387,086 | 143,499 |
| | | **$ 256,229** | **93,661** | **$ 2.73** | **$ 130,692** | **49,783** | **$ 2.81** | **$ 165** | **56** | **$ 2.75** | **$ 387,086** | **143,499** | | |

Doc. No. 34GL-17-0812.*

# EXHIBIT G

**Public Auditor (Docket OPA-PA-16-013)**

OFFICE OF PUBLIC ACCOUNTABILITY

Doris Flores Brooks, CPA, CGFM
Public Auditor

**BEFORE THE PUBLIC AUDITOR**
**PROCUREMENT APPEALS**
**TERRITORY OF GUAM**

| | |
|---|---|
| **IN THE MATTER OF** | **Docket OPA PA-16-013** |
| **IP&E Holdings LLC,** **Appellant.** | **NOTICE OF APPOINTMENT OF HEARING OFFICER** |
| **And** | |
| **Guam Waterworks Authority,** **Purchasing Agency.** | |

The Public Auditor appoints Delia Lujan Wolff, Esq., Hearing Officer in this matter.

Any objection to the appointment shall be filed within ten days of the date of this notice of appointment.

Date: September 27, 2016

**DORIS FLORES BROOKS, CPA, CGFM**
**Public Auditor of Guam**

Suite 401, DNA Building
238 Archbishop Flores Street, Hagåtña, Guam 96910
Tel (671) 475-0390 • Fax (671) 472-7951

Suite 401 DNA Building
238 Archbishop Flores St.
Hagåtña, Guam 96910

# FAX

| | | | |
|---|---|---|---|
| **To:** | **Miguel Bordallo, P.E.**<br>**General Manager**<br>Guam Waterworks Authority<br>Gloria B. Nelson Public Service Building<br>688 Route 15<br>Mangilao, Guam 96913 | **From:** | **Doris Flores Brooks**<br>**Guam Public Auditor**<br>Office of Public Accountability |
| **Phone:**<br>**Fax:** | (671) 300-6846<br>(671) 648-3290 | **Pages:** | 2 (including cover page) |
| **CC:** | **Steven Carrara**<br>**(Attorney for Appellant IP&E Holdings LLC)**<br>P.O. Box 2881<br>Barrigada, Guam 96921 | **Date:** | September 27, 2016 |
| **Phone:**<br>**Fax:** | (671) 646-1222<br>(671) 646-4723 | **Phone:**<br>**Fax:** | 475-0390 x. 208<br>472-7951 |

**Re:** OPA-PA-16-013 Notice of Appointment of Hearing Officer

☐ **Urgent** ☐ **For Review** ☐ **Please Comment** ✔ **Please Reply** ☐ **Please Recycle**

**Comments:**

Please acknowledge receipt of this transmittal by re-sending this cover page along with your firm or agency's receipt stamp, date, and initials of receiver.

Thank you,

Jerrick Hernandez

Auditor

jhernandez@guamopa.org

This facsimile transmission and accompanying documents may contain confidential or privileged information. If you are not the intended recipient of this fax transmission, please call our office and notify us immediately. Do not distribute or disclose the contents to anyone. Thank you.

GUAM WATERWORKS AUTHORITY
RECEIVED
BY: [illegible] TIME: 1:43
SEP 27 2016
GENERAL MANAGER'S OFFICE
BETTER WATER BETTER LIVES

# EXHIBIT H

**IP&E Proposal**




*Fueling Excellence*

# PROPOSED CONTRACT

**PROPOSED SAMPLE CONTRACT**
**FOR**
**GWA FLEET FUEL SUPPLY DIESEL FUEL OIL No. 2**
**AND**
**REGULAR UNLEADED AUTOMOTIVE GASOLINE**

## PREAMBLE

This Contract, by and between Guam Waterworks Authority ("GWA"), a Guam public corporation whose business address is Gloria B. Nelson Public Service Building 688 Route 15 Mangilao, GU 96913, and IP&E Holdings LLC dba IP&E Guam ("Contractor") whose business address is 643 Chalan San Antonio Suite 100 Tamuning, Guam 96913-3644 and having Guam Business License No. 30-201000279-016.

**WITNESSETH:**

## RECITALS

WHEREAS, the Authority has publicly issued an Invitation for Bid, for a three (3) year Fleet Fuel Supply Contract, Invitation For Bid, IFB GWA 2016-09, for the supply of the Authority's Diesel Fuel Oil No. 2 and Automotive Gasoline, Regular Unleaded, for the Authority's Transportation Fleet; and

WHEREAS, the Authority will award a Contract to the lowest responsible bidder whose bid conforms to the material aspects of the Invitation; and

WHEREAS, GWA finds that the aforementioned Contractor has submitted the lowest responsible bid for the products and/or services required hereunder.

NOW, THEREFORE, for and in consideration of the mutual covenants contained herein, the parties hereto do hereby agree as follows:

## SECTION 1

**SECTION 1.01: FLEET FUELS TO BE SUPPLIED - DIESEL FUEL OIL NO. 2 AND AUTOMOTIVE GASOLINE, REGULAR UNLEADED:**

Contractor agrees to furnish and deliver all the required Fleet Fuels: Diesel Fuel Oil No. 2 and Automotive Gasoline, Regular Unleaded, for the Authority's Transportation Fleet and GWA agrees to accept and pay for all Fleet Fuels delivered to GWA, meeting the specifications requirements for the term of the Contract.

The estimated requirement of Diesel Fuel Oil No. 2 is approximately Fifty thousand gallons per year (50,000 gal/yr) and Automotive Gasoline, Regular Unleaded is estimated at about One hundred Fifteen thousand gallons per year (115,000 gal/yr.) for the Authority's Transportation

Fleet. Notwithstanding any estimated quantity set forth herein, the Contractor shall be responsible in supplying all the Fleet Fuels (diesel and unleaded gasoline), reasonably required by GWA, even if such quantities exceed the estimates provided above.

**Fleet Fuel Cards.** Contractor shall provide gas station fleet cards at no cost to GWA. Only employees carrying valid fleet cards shall be allowed to refuel at the gas stations. Contractor shall be responsible for all costs associated with providing fuel to unauthorized individuals. The Authority shall provide a list of employees and may add or delete names of employees authorized to use the gas station fleet card and GWA shall be responsible for all costs associated with its failure to provide updated employee listings to Contractor. Fleet cards shall be limited and restricted only for use in refueling of GWA official vehicles and Contractor shall be responsible for all costs associated with providing fuel to vehicles that are not official vehicles of GWA. The GWA General Manager may designate other vehicles which are allowed to be fueled in writing and GWA is responsible for all costs associated with its failure to maintain a proper vehicle listing.

1. GWA will require the vendor to issue fleet fuel cards for transacting fuel purchases.
2. Fleet card shall have electronically imprinted on it, name of driver or vehicle id, card no., and company name.
3. Assign cards by individual drivers or vehicles description, or both, as authorized by GWA.
4. Card is restricted to fuel purchases only and fuel grade per bid.
5. The use of the fuel card is restricted to GWA owned or leased vehicles only.

**Point of Sale Controls:**

1. Require drivers to show valid vehicle ID or driver ID numbers at time of purchase.
2. Ability to set variable spending controls by amount of purchase.
3. Ability to restrict transactions for number of uses per day, week, or month
4. Ability to require Driver PIN or Odometer prompt for purchase
5. Provide printed sales invoice or slip with the point of sale data below, with the signature of driver on the invoice/slip transacting the sale.
6. Point of sale data in form of a sales invoice or slip to include information for the following: card number, fuel quantity (gallons purchased), type of fuel, name of driver and GWA employee number, vehicle id, date of purchase and location, price per gallon, time of day.
7. Provide point of sale data in electronic form, Microsoft Office Excel 2007 or later version.

**SECTION 1.02: TERM.**

The Contract Term shall be for three (3) years to commence when the contract is signed by the GWA General Manager, and shall continue until midnight of, _____SEP____2019, with an option to extend for two (2) additional one (1) year renewal terms upon mutual agreement of both parties. The contractual obligation of GWA and Contractor is subject to the availability of funds. In the event funds are not available for any succeeding months, the remainder of such

contract shall be cancelled and the Contractor shall be notified within sixty (60) days if funds are unavailable.

**SECTION 1.03: CONTRACT PRICE.**

The total contract BID PRICE per gallon delivered to GWA Fleet point of delivery is (in U.S. Dollars, inclusive of all costs and liabilities, please provide three (3) decimal places):

**1. Bid Price Offer:**

**(a) Diesel Fuel Oil No. 2:** **$ 1.3200 per gallon**

**(b) Automotive Gasoline, Regular Unleaded:** **$ 1.5280 per gallon**

**The BID PRICE is the sum of the fixed service fee (per gallon) and the bid reference prices as of January 18, 2016 posting in Platt's' Asia-Pacific Market Scan Oil Prices are as shown:**

**Bid Reference prices:**

| Fleet Fuels | Reference Product Code | Reference Price |
|---|---|---|
| (a) Diesel Fuel Oil No. 2 | Gasoil 10 ppm | $0.820 per gallon |
| (b) Automotive Gasoline (Regular Unleaded) | Gasoline 92 unleaded | $1.073 per gallon |

**PRICE DETERMINATION:**

The invoice price for the fuel delivered in any month shall be the average of the effective prices reported for Gasoil 10ppm (for Diesel Fuel Oil No. 2) and Gasoline 89 unleaded (for Automotive Gasoline, Regular Unleaded), for all the daily postings of the previous month in the Platt's Asia-Pacific Market scan, for Singapore cargoes, plus the Service Fee as calculated.

The gas stations should be properly labeled to indicate the product grade at its pump. In the event that the gas station pump has not fully converted to Ultra-Low Sulfur Diesel (ULSD) as set forth in Section 2.01, then the invoice price for Diesel Fuel Oil No. 2 delivered in any month shall be reduced and shall be based on the average of the effective prices reported for Gasoil Reg 0.5% Sulfur.

**INVOICE PRICE CALCULATION FORMULA:**

INVOICE PRICE = Previous Month daily postings average + Premium Fee

Sample data:

(a) Diesel Fuel Oil No. 2:

Sample Bid Price Offer = $1.020 per gallon

Premium Fee = $1.020- $0.820 = $0.200 per gallon

(b) Automotive Gasoline, Regular Unleaded:
Sample Bid Price Offer = $2.996 per gallon
Premium Fee = $1.273 - $1.073= $0.200 per gallon

**Sample Invoice Price Calculation:**

Delivery Month: January 2016

Diesel Fuel Oil No. 2:

Invoice Price = previous month average price + service fee
Previous Month's (December 2015) daily postings average * = $48.109/barrel
= $1.145/gal
Premium Fee (per sample data) = $0.200 per gallon

Invoice Price = ($1.145 + $0.200) per gallon

Invoice Price = $1.345 per gallon

This is the invoice price (in three decimal places) for Diesel Fuel Oil No. 2 purchases by GWA for the sample month of January 2016.

Remarks:
1. The same calculation procedure shall apply for Automotive Gasoline, Regular Unleaded pricing calculations.
2. The Contractor is required to submit to the Authority a monthly invoice price calculation report within the first five days of each report month. Reports must include the detailed pricing data comprising of the price postings.

The invoice price for the fuels (a) and (b), shall be the actual gallons received into GWA's fleet multiplied by the unit price as calculated and determined on a monthly basis in reference to Platts' Asia-Pacific Market Scan Oil Price. All invoices submitted must be accompanied by the product delivery receipts signed by the duly authorized personnel and the service station representative.

**The contract price is effective and shall remain the same for the term of the CONTRACT in effect.**

**SECTION 1.04: FLEET FUELS TO BE PURCHASED-DESIGNATED SERVICE STATIONS:**

All Fleet fuel purchases shall be at any of the Contractor's Service Stations unless otherwise agreed to by GWA. Fuel refilling shall be limited and restricted to GWA official and leased vehicles, and authorized personnel only. GWA agrees to provide and maintain a list of

# EXHIBIT I

**Public Auditor Decision(OPA-PA-16-013)**

OFFICE OF PUBLIC ACCOUNTABILITY
Doris Flores Brooks, CPA, CGFM
Public Auditor

**BEFORE THE PUBLIC AUDITOR**
**PROCUREMENT APPEALS**
**TERRITORY OF GUAM**

| | |
|---|---|
| IN THE APPEAL OF | Docket No. OPA-PA-16-013 |
| IP&E HOLDINGS, LLC, Appellant. | **DECISION** |

## I. INTRODUCTION

This is the Decision of the Public Auditor for appeal number OPA-PA-16-013 regarding IP&E Holdings, LLC's ("IP&E") Appeal of the Guam Waterworks Authority's ("GWA") denial of procurement protest dated September 16, 2016, concerning Invitation for Bid No. GWA-2016-09 ("the IFB"), which solicits bids for the supply of diesel fuel oil no. 2 and automotive gasoline (regular unleaded) for GWA's Transportation Fleet and Heavy Equipment.

The parties did not request a Hearing and agreed to submit this matter on the record. In reaching this Decision, the Public Auditor has considered and incorporates herein the procurement record and all documents submitted by IP&E, GWA, and Interested Party Mobil Oil Guam Inc. ("Mobil"). Based on the aforementioned record in this matter, the Public Auditor makes the following findings of fact:

## II. FINDINGS OF FACT

1. On or about August 8, 2016, GWA issued the IFB which solicits bids for the supply of diesel fuel oil no. 2 and automotive gasoline (regular unleaded) for GWA's Transportation Fleet and Heavy Equipment. (Procurement Record, Tabs 3 & 13.)

Suite 401, DNA Building
238 Archbishop Flores Street, Hagåtña, Guam 96910
Tel (671) 475-0390 • Fax (671) 472-7951
www.guamopa.org • Hotline: 47AUDIT (472-8348)

2. On August 15, 2016, GWA issued Amendment No. 1 to the IFB, which rescheduled the bid opening date to September 7, 2016, at 10:00 a.m. (Procurement Record, Tab 6.)

3. The IFB stated, in relevant part:

a. "The award of the Contract will be made by GWA to the lowest responsive and responsible bidder whose bid conforms to the Invitation for Bids and would be most advantageous to GWA, in terms of price and all other factors considered as determined by GWA as provided in the bid. GWA reserves the right to award the Contract to a vendor other than the lowest price offeror and to reject any or all offers if it is determined to be in the best interest of the Territory of Guam. A written Notice of Award (or acceptance of offer) will be mailed or otherwise furnished via facsimile transmittal to the successful bidder within the time for acceptance specified in the offer. GWA reserves the right to waive informalities and minor irregularities in bids received. In the evaluation process, the following factors will be considered: (a) Price;

(b) Whether the bidder's ultimate offer meets and conforms to the announced requirements of GWA in all material respects (specifications);

(c) Service rendering capability, status as producer, refiner, broker, or agent and his direct financial responsibility;

(d) Overall clarity and presentation of bid;

(e) Whether the bidder has:

(1) the available appropriate financial, material, equipment, facility, and personnel resources and expertise, or the ability to obtain them, necessary to indicate its capability to meet all Contractual requirements;

(2) a satisfactory record of performance;

(3) a satisfactory record of integrity;



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(4) qualified legally to Contract with the territory and properly licensed to conduct such business on Guam; and

(5) supplied all necessary information in connection with the inquiry concerning responsibility," (Procurement Record, Tab 13 at 8);

b. "Bidder agrees to furnish and GWA agrees to accept and pay for all of Diesel Fuel Oil No. 2 and Automotive Gasoline, Regular Unleaded (both fuels referred to in the solicitation as Fleet Fuels) requirements for the Authority's transportation fleet for the term of the Contract. Estimated total quantity for the fleet's fuel shall be:

(a) ***Diesel Fuel Oil No. 2: approximately 50,000 gallons per year (estimated).***

(b) ***Automotive Gasoline, Regular Unleaded: approximately 115,000 gallons per year (estimated).***" (Procurement Record, Tab 13 at 10 (emphases in original).)

4. IP&E, Mobil, and South Pacific Petroleum Corp. ("SPPC") submitted bids in response to the IFB.

5. On September 7, 2016, GWA conducted a bid opening.

6. IP&E bid a price offer of $1.3200 per gallon for Diesel Fuel Oil No. 2 and $1.5280 per gallon for Automotive Gasoline, Regular Unleaded. (Procurement Record, Tab 14 at 16.)

7. Mobil bid a price offer of $1.335 per gallon for Diesel Fuel Oil No. 2 and $1.523 per gallon for Automotive Gasoline, Regular Unleaded. (Procurement Record, Tab 16 at 16.)

8. SPPC bid a price offer of $1.710 per gallon for Diesel Fuel Oil No. 2 and $1.963 per gallon for Automotive Gasoline, Regular Unleaded. (Procurement Record, Tab 15 at 16.)

9. On September 7, 2016, GWA prepared Bid Abstracts showing the bid prices offered by IP&E, Mobil, and SPPC. (Procurement Record, Tab 18.)

10. In a Memorandum from the Evaluation Committee Members to the General Manager of GWA, the Evaluation Committee stated that it determined based on the cost analysis attached thereto that Mobil submitted the lowest cost overall, thereby being most advantageous to GWA in terms of fuel usage stated in the cost analysis. The Evaluation Committee stated that, "[a]s price and all other factors where [sic] considered in overall cost for Automotive Gasoline, Regular Unleaded and Diesel Fuel Oil No. 2, the committee members hereby recommend to proceed issuing the award to Mobil Oil Guam for Diesel Fuel Oil No. 2 at a cost per gallon of $1.335 and Automotive Gasoline, Regular Unleaded at a cost of $1.523 ...." The cost analysis attached to the Memorandum shows the amount and price of actual gas purchased from October 2013 to July 2016. The cost analysis also shows IP&E's and Mobil's prices of diesel and unleaded gas based on projected FY2016 actuals, and composite prices. The cost analysis shows 23,689.64 gallons of diesel based on projected FY2016 actuals and 104,477.90 gallons of unleaded based on projected FY2016 actuals. (Procurement Record, Tab 24 at 3.)

11. In a Bid Status dated September 14, 2016, GWA informed IP&E and SPPC they were not awarded the contract based on "High price." (Procurement Record, Tab 25.) The Bid Status further informed that the Bid is recommended for award to Mobil for Diesel Fuel Oil No. 2 and Automotive Gasoline, Regular Unleaded. (Id.)

12. On September 14, 2016, GWA issued a Notice of Conditional Award to Mobil, advising that the bid price of $1.523 for Automotive Gasoline, Regular Unleaded and 1.335 for Diesel Fuel Oil No. 2 has been accepted by GWA. The Notice further stated that the Notice of Award is conditional on obtaining the approval of the Guam Consolidated Commission on Utilities for any award over $250,000 and the approval of the Guam Public Utilities Commission where the total value over the life of the contract could exceed $1M. (Procurement Record, Tab 27.)



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13. On September 16, 2016, IP&E sent a Formal Bid Protest letter to GWA wherein it requested that GWA retract the intent to award. The Protest letter showed that, based on the IFB quantities of 50,000 diesel and 115,000 Mogas and the offered prices of the bidders, the total IFB annual cost would be $241,720.00 as to IP&E, $241,895.00 as to Mobil, and $311,245.00 as to SPPC, and the total IFB term cost would be $725,160.00 as to IP&E, $725,685.00 as to Mobil, and $933,735.00 as to SPPC. (Procurement Record, Tab 28.)

14. On September 16, 2016, GWA issued a letter to IP&E, wherein GWA stated that "[t]he award of contract for this IFB is based on the Authority's procurement committee analysis of actual use calculations as shown in attachment 'A' Based on the actual use of diesel and gasoline for FY2016 and future use trending down or remaining flat, the committee determined that the pricing submitted by Mobil was the most advantageous to GWA and in the best interest of the Territory of Guam." (Procurement Record, Tab 29.)

15. On September 16, 2016, GWA issued a Protest Notice informing that a protest has been submitted and therefore that all procurement matters pertaining to the IFB will be on hold until further notice (Procurement Record, Tab 30.)

16. On September 21, 2016, IP&E filed an appeal to the OPA, with respect to GWA's September 16, 2016, denial of IP&E's protest. IP&E's position is that GWA was required to use the estimated quantities provided in the IFB for evaluation and award rather than unknown factors which were stated in the agency response. (Procurement Appeal at 2)

## III. ANALYSIS

In this appeal of GWA's September 16, 2016, denial of IP&E's September 16, 2016, protest, IP&E requests that the OPA overrule GWA's denial of IP&E's protest and direct GWA to make



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the award to IP&E as the lowest responsive and responsible bidder. Pursuant to 5 GCA § 5703 and 2 GAR 4 § 12103, the Public Auditor shall review and determine GWA's denial of IP&E's protest de novo.

In its procurement appeal, IP&E states that GWA was "required to use the estimated quantities provided in the IFB for evaluation and award rather than unknown factors which were stated in the agency response." (Notice of Procurement Appeal at 2.) IP&E argues that, "[b]y failing to include rational estimates, GWA is making an awarded [sic] based on factors outside of the IFB and in contravention of Guam procurement law and regulations." (Protestor Response to Agency Report & Statement at 3.) The procurement regulation cited by IP&E is 2 GAR 4 § 3109(n)(1), which provides:

> The contract is to be awarded "to the lowest responsible and responsive bidder" whose bid meets the requirements and criteria set forth in the Invitation for Bids. See 5 GCA §5211(g) (Competitive Sealed Bidding, Award) of the Guam Procurement Act. The Invitation for Bids shall set forth the requirements and criteria which will be used to determine the lowest responsive bidder. No bid shall be evaluated for any requirement or criterion that is not disclosed in the Invitation for Bids. 2 GAR 4 § 3109(n)(1).

IP&E argues that the IFB stated an estimated requirement of 50,000 gallons of diesel and 115,000 gallons of MoGas, but that GWA's award evaluation quantities were instead 31,270.32 gallons of diesel and 159,000 gallons of MoGas. "The actual volumes used in determining award were off by almost 50% on diesel and almost 45% on MoGas from the stated requirements." (Protestor Response to Agency Report & Statement at 2.) Using the projected FY2016 actuals, GWA determined that IP&E had a composite price of $1.4896 while Mobil had a lower composite price of $1.4883.[1]

[1] IP&E's reference for 31,270.32 gallons of diesel and 159,000 gallons of MoGas are actually projected costs.



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GWA contends that the IFB contains no language indicating that the estimated quantities will be used as part of the evaluation criteria. According to GWA, the IFB instead provides that "'the awarded contract will be made by GWA to the lowest responsive and responsible bidder whose bid conforms to the invitation for bids and *would be most advantageous to GWA*' and that 'GWA reserves the right to award the Contract to a vendor *other than the lowest price offeror.*'" (Agency Statement at 2 (quoting the IFB) (emphases added).)

GWA states that it did not use actual usage as the sole determining factor in its criteria, but that it also used trends and how GWA's infrastructure changes over the next few years would impact gasoline usage over the life of the Contract. Over the past three years, GWA's actual fuel usage shows a trend down in diesel usage. Also, GWA's gasoline consumption decreased over the last couple of years. GWA states that those trends appear to have leveled off, but gasoline usage is expected to climb somewhat over the next several years due to expanded capital improvement projects coming on-line. GWA concluded that "a lower gasoline price from a single provider is more advantageous to GWA over the life of the contract and its potential extensions." "GWA contends that to award the contract on the method it used is not arbitrary but, a reasonable and rational approach entirely within its discretion." (Agency Statement at 2 and 3.)

Mobil has joined in the arguments posed by GWA, that there was no language in the IFB explicitly stating that the estimated quantities would be used as part of the evaluation criteria, that the IFB specifically provides that the awarded contract will be made by GWA to the lowest responsive and responsible bidder whose bid conforms to the invitation for bids and would be most advantageous to GWA, and that IP&E was privy to the actual figures used by GWA in determining the lowest possible bidder and was therefore in a better position than Mobil to fashion its bid and could therefore have not been prejudiced. Also, Mobil believes that the advantage of its fuel



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distribution network and the high-flow diesel dispensers present at Mobil's stations place it as the most advantageous choice for GWA even if estimated quantities were used. Mobil requests that IP&E's protest be denied so that GWA may proceed with awarding the contract to Mobil as the lowest responsive and responsible bidder. (Mobil Br. at 1-3.)

The Public Auditor finds that the IFB specifically includes "price" as a factor in the evaluation process, and that the IFB required bidders to submit their prices based on the estimated quantities of diesel and gasoline indicated therein. Nowhere in the IFB is it stated that GWA's actual usage of diesel and gasoline is an evaluation criterion. Likewise, the quantities of 23,000-plus diesel gallons and 104,000-plus gasoline gallons based on projected FY 2016 actuals are not stated anywhere in the IFB. Further, the trends of GWA's usage and the impact that GWA's infrastructure changes over the next few years would have on gasoline usage over the life of the Contract were not included in the IFB as criteria in the evaluation process. Thus, the Public Auditor finds that actual usage of diesel and gasoline, the trends of GWA's usage, and the impact that GWA's infrastructure changes over the next few years would have on gasoline usage over the life of the Contract are criteria not disclosed in the IFB. As the IFB was required to set forth the requirements and criteria which would be used to determine the lowest responsive bidder and no bid could be evaluated for any requirement or criterion not disclosed in the IFB, 2 GAR 4 § 3109(n)(1), the bids, including IP&E's bid, should not have been evaluated by using these undisclosed criteria. Instead, GWA was limited to using only the requirements and criteria disclosed in the IFB, including the price based on estimated quantities of diesel and unleaded gasoline, to determine the lowest responsive bidder.

It is also noteworthy that the projected FY 2016 actuals of 104,000-plus gallons for unleaded gasoline, which are contained in the cost-analysis used by GWA, included diesel and



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premium gasoline usage. Accordingly, the cost analysis incorrectly projected the unleaded gasoline usage for FY 2016. The cost analysis projected 104,477.90 gallons for FY 2016 unleaded gasoline when it should have been 80,733 gallons. For this additional reason, the actual use figure was improperly used by GWA to determine lowest responsive bidder.

The Public Auditor finds that it is in the best interests of the Territory that GWA purchase diesel and unleaded gasoline at the lowest prices offered. As IP&E was the lowest responsive bidder as to diesel, bidding $1.3200 per gallon, and Mobil was the lowest responsive bidder as to unleaded gasoline, bidding $1.523 per gallon, GWA should have awarded IP&E the contract for diesel and should have awarded Mobil the contract for unleaded gasoline. GWA admits that awarding two contracts is permissible under the IFB, as it considered splitting the contracts between fuel types and having a supplier for diesel and another for gasoline. (Agency Statement at 2.)

## IV. CONCLUSION

Based on the foregoing, the Public Auditor hereby determines the following:

1. GWA was required to use the estimated quantities of gallons of diesel and unleaded gasoline provided in the IFB for evaluation and award rather than unknown factors such as actual usage of gasoline, trends of actual usage, and the impact that GWA's infrastructure changes over the next few years would have on gasoline usage over the life of the Contract.

2. IP&E was the lowest responsive bidder as to diesel and Mobil was the lowest responsive bidder as to unleaded gasoline.

3. GWA shall award IP&E the contract for diesel and shall award Mobil the contract for unleaded gasoline.

4. Accordingly, IP&E's procurement appeal is hereby GRANTED IN PART and DENIED IN PART.

This is a Final Administrative Decision. The Parties are hereby informed of their right to judicial review in the Superior Court of Guam of a Decision of the Public Auditor under 5 G.C.A. Chapter 5, Article 9 (Legal and Contractual Remedies) of the Guam Procurement Law. In accordance with 5 G.C.A. § 5481(a), such action shall be initiated within fourteen (14) days after receipt of a Final Administrative Decision. A copy of this Decision shall be provided to the Parties and their respective attorneys, in accordance with 5 G.C.A. § 5702, and shall be made available for review on the OPA website at www.opaguam.org.

SO ORDERED this 23rd day of November, 2016.

DORIS FLORES BROOKS, CPA, CGFM
Public Auditor of Guam

**GUAM CONSOLIDATED COMMISSION ON UTILITIES**

**RESOLUTION NO. 13–FY2017**

**RELATIVE TO APPROVAL OF THE BAZA GARDENS WASTEWATER CROSS-ISLAND PUMPING AND CONVEYANCE PHASE II CONSTRUCTION PROJECT**

**WHEREAS**, under 12 G.C.A. § 14105, the Consolidated Commission on Utilities ("CCU") has plenary authority over financial, contractual, and policy matters relative to the Guam Waterworks Authority ("GWA"); and

**WHEREAS**, the Guam Waterworks Authority ("GWA") is a Guam Public Corporation established and existing under the laws of Guam; and

**WHEREAS**, GWA currently has a number of critical Court Order ("CO") projects including a complete evaluation of the Baza Gardens WWTP to determine what improvements are necessary at the plant to achieve compliance with the WWTP's NDPES permit, as stated in Paragraph 13 of the 2011 Court Order as well as the completion of construction activities that were identified in the approved plan resulting from the evaluation noted above as stated in Paragraph 14 of the 2011 Court Order; and

**WHEREAS**, the system evaluation report required under Paragraph 13 and completed in April of 2014 by GWA's Program Management Office (PMO), Brown and Caldwell, resulted in a recommendation to GWA and the USEPA that transferring/conveying the Baza Gardens WWTP effluent flow across the Route 17 (Cross Island Road) to a new Agat-Santa Rita WWTP site was the recommended conceptual alternative to which this recommendation was found to be acceptable by all parties; and

**WHEREAS**, in September of 2015 GWA began the procurement process to find a consulting engineering team to design the wastewater conveyance system and via Resolution 06-FY16, approved by the CCU in October of 2015, GWA management was authorized to enter into a contract with Duenas Camacho and Associates to design the wastewater conveyance and pumping system which would include new Sewer Pump Station (SPS), gravity mains, force mains and all incidentals and appurtenances to these man components; and

**WHEREAS**, GWA has determined that in an effort to comply with the intent of the Court Order deadline of executing "a construction contract and issue a notice to proceed with construction" by October 31, 2016 the most expedient procurement process was to break the construction activities into phases; and

**WHEREAS,** GWA started procurement of Phase I construction (IFB-08-ENG-2016) on September 9, 2016 which allowed GWA to issue a contract and notice to proceed on October 25, 2016 to BME & Sons Inc., meeting the intent of Court Order deadline; and

**WHEREAS**, GWA has further moved on the second phase of construction by advertising on November 14, 2016 the Invitation For Bid (IFB-02-ENG-2017) for Baza Gardens Wastewater Conveyance and Pumping Phase II Construction project wherein GWA solicited bid proposals from experienced and responsive bidders to construct a sewer pump station, sewer gravity and force mains; and

**WHEREAS**, this phase of work consists of furnishing all labor, tools, equipment and materials including coordination with GWA Wastewater Operations and Engineering and the Construction Manager to construct all components described in the 100% design drawings and technical specifications which include but are not limited to a sewer pump station with generator and wet well, 1,767 linear feet of 15" diameter gravity line, 14,298 linear feet of 12" diameter gravity main, pavement restoration in affected areas, SPS perimeter fencing, SPS retaining walls, as well as a communication conduit for future use by GWA and GPA; and

**WHEREAS,** IFB packages were picked up by seven (7) interested parties, from which GWA received bid proposal from four (4) of the seven (7) (SEE EXHIBIT A – Abstract of Bids) before the bid proposals deadline of December 6, 2016; and

**WHEREAS**, GWA's design consultant for the project along with GWA Engineering analyzed the bid proposals received, particularly the lowest bid received and determined that "BME & Son Inc." successfully submitted the lowest bid as a responsive and responsible bidder and met all the bid requirements set forth by GWA (SEE EXHIBIT B – Bid Evaluation); and

**WHEREAS**, GWA management finds BME & Sons bid proposal acceptable and now seeks CCU approval of the bid proposal amount of Five Million Nine Hundred Nineteen Thousand Forty Five Dollars and Forty Three Cents ($5,919,045.43) (SEE EXHIBIT C – Bid Proposal); and

**WHEREAS**, GWA management further seeks CCU approval of a five percent (5%) contingency to the bid proposal amount or Two Hundred Ninety Five Thousand Nine Hundred Fifty Two Dollars and Twenty Seven Cents ($295,952.27) to bring the total authorized funding amount to Six Million Two Hundred Fourteen Thousand Nine Hundred Ninety Seven Dollars and Seventy Cents ($6,214,997.70); and

**WHEREAS**, funding for this project will be from the 2016 Bond Funds under the line items CIP WW 11-03 "Baza Gardens STP Replacement" and Internally Funded CIP; and

**NOW BE IT THEREFORE RESOLVED**, the Consolidated Commission on Utilities does hereby approve the following:

1. The recitals set forth above hereby constitute the findings of the CCU.
2. The CCU finds that the terms of the conditions set by GWA relative to commencement of work activities are fair and reasonable and serve as a measure of Quality Assurance/Quality Control (QA/QC).
3. The CCU hereby authorizes the management of GWA to accept the bid proposal from "BME & Son Inc." attached hereto as Exhibit C and which is incorporated into this Resolution in its entirety.
4. The CCU hereby further authorizes the management of GWA to enter into a contract with "BME & Son Inc." in the amount Five Million Nine Hundred Nineteen Thousand Forty Five Dollars and Forty Three Cents ($5,919,045.43).
5. The CCU hereby further approves the funding total of Five Million Nine Hundred Nineteen Thousand Forty Five Dollars and Forty Three Cents ($5,919,045.43) plus a five percent (5%) contingency of Two Hundred Ninety Five Nine Hundred Fifty Two Dollars and Twenty Seven Cents ($295,952.27)

for a total amount of Six Million Two Hundred Fourteen Nine Hundred Ninety Seven Dollars and Seventy Cents ($ 6,214,997.70).

6. The CCU hereby further approves funding for this project to be from the 2016 Bond Funds under the line items CIP WW 11-03 "Baza Gardens STP Replacement" and Internally Funded CIP.

**RESOLVED,** that the Chairman certified and the Board Secretary attests to the adoption of this Resolution.

**DULY AND REGULARLY ADOPTED**, this 24th day of January 2017.

Certified by:

**JOSEPH T. DUENAS**
Chairperson

Attested by:

**J. GEORGE BAMBA**
Secretary

I, J. George Bamba, Board Secretary of the Consolidated Commission on Utilities as evidenced by my signature above do hereby certify as follows:

The foregoing is a full, true and accurate copy of the resolution duly adopted at a regular meeting by the members of the Guam Consolidated Commission on Utilities, duly and legally held at a place properly noticed and advertised at which meeting a quorum was present and the members who were present voted as follows:

AYES: 4

NAYS: 0

ABSTENTIONS: 0

ABSENT: 0

NO RESPONSE TO POLL 1

CONSOLIDATED
COMMISSION ON UTILITIES
Guam Power Authority • Guam Waterworks Authority
P.O.BOX 2977 • Agana,Guam 96932

January 17, 2017

# MEMORANDUM

**TO:** Members, Consolidated Commission on Utilities

SUBJECT: **CCU POLL VOTE MATTER: RESOLUTION 13-FY2017 RELATIVE TO APPROVAL OF THE BAZA GARDENS WASTEWATER CROSS-ISLAND PUMPING AND CONVEYANCE PHASE II CONSTRUCTION PROJECT** *(see attached email dated 1/6/17)*

| Commissioner | Y/N | Initials | Time/Date | Comments |
|---|---|---|---|---|
| Joseph Duenas | Y | | 1/9/17 7:49 a.m. | Via email |
| Francis Santos | Y | | 1/9/17 8:27 a.m. | Via email |
| George Bamba | Y | | 1/9/17 7:50 p.m. | Via email |
| Pedro Guerrero<br>Judi Guthertz | | | | Oath taken 1/12/17 |
| Simon Sanchez | Y | | 1/9/17 9:43 a.m. | Via Email |

**Concurred by:**

**Miguel Bordallo, GWA GM** — **Date** 1·18·17

## Bernadette Lou Sablan

**From:** J. George Bamba <georgebamba@hotmail.com>
**Sent:** Monday, January 09, 2017 7:59 AM
**To:** Joseph Duenas; Miguel C Bordallo
**Cc:** fesantos57; Simon Sanchez; Pedro SN. Guerrero; Judith Guthertz; Bernadette Lou Sablan; Ann Borja - GWA
**Subject:** RE: Draft Resoluiton 13-FY2017 Relative to the Approval of the Baza Gardens Wastewater Pumping and Conveyance Phase II Construction

Hi Miguel,
I vote yes also.
Blessings,
Georg

Sent from Mail for Windows 10

**From:** Joseph Duenas
**Sent:** Monday, January 9, 2017 7:49 AM
**To:** Miguel C Bordallo
**Cc:** fesantos57; J. George Bamba; Simon Sanchez; Pedro SN. Guerrero; Judith Gutherz; Bernadette Lou Sablan; annborja@guamwaterworks.org
**Subject:** Re: Draft Resoluiton 13-FY2017 Relative to the Approval of the Baza Gardens Wastewater Pumping and Conveyance Phase II Construction

Miguel,

I vote yes for Res. 13-FY2017.

Joey

Sent from my iPad

On Jan 6, 2017, at 4:59 PM, Miguel C Bordallo <mcbordallo@guamwaterworks.org> wrote:

> Commissioners,
>
> Please see attached resolution which will be presented at the next work session. I am requesting your review and poll vote for approval of this Contract for Phase II of the Baza Gardens Sewer Conveyance project, which as you know, is a critical court-order project.
>
> Please let me know if you have any questions or concerns.
>
> Regards,
>
> MCB
>
> **From:** Ann Borja [mailto:annborja@guamwaterworks.org]
> **Sent:** Friday, January 6, 2017 11:08 AM
> **To:** 'Miguel C Bordallo' <mcbordallo@guamwaterworks.org>; Thomas Cruz

## Bernadette Lou Sablan

**From:** Joseph Duenas <jtduenas@hotmail.com>
**Sent:** Monday, January 09, 2017 7:49 AM
**To:** Miguel C Bordallo
**Cc:** fesantos57; George Bamba; Simon Sanchez; Pedro SN. Guerrero; Judith Guthertz; Bernadette Lou Sablan; Ann Borja - GWA
**Subject:** Re: Draft Resoluiton 13-FY2017 Relative to the Approval of the Baza Gardens Wastewater Pumping and Conveyance Phase II Construction

Miguel,

I vote yes for Res. 13-FY2017.

Joey

Sent from my iPad

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>
> Please let me know if you have any questions or concerns.
>
> Regards,
>
> MCB
>
> ---
>
> **From:** Ann Borja [mailto:annborja@guamwaterworks.org]
> **Sent:** Friday, January 6, 2017 11:08 AM
> **To:** 'Miguel C Bordallo' <mcbordallo@guamwaterworks.org>; Thomas Cruz <thomas@guamwaterworks.org>
> **Cc:** kathyb@guamwaterworks.org
> **Subject:** Draft Resoluiton 13-FY2017 Relative to the Approval of the Baza Gardens Wastewater Pumping and Conveyance Phase II Construction
> **Importance:** High
>
> Miguel,
>
> Attached are the revised documents for Tom's request below. I changed the Resolution No.
>
> GUAM WATERWORKS AUTHORITY
>
> Sincerely,

**Bernadette Lou Sablan**

**From:** Francis Santos <fesantos57@gmail.com>
**Sent:** Monday, January 09, 2017 8:27 AM
**To:** Miguel C Bordallo
**Cc:** Joseph Duenas; George Bamba; Simon Sanchez; Pedro SN. Guerrero; Judith Guthertz; Bernadette Lou Sablan; Ann Borja - GWA
**Subject:** Re: FW: Draft Resoluiton 13-FY2017 Relative to the Approval of the Baza Gardens Wastewater Pumping and Conveyance Phase II Construction

Miguel,

This email will serve as my approval.

Francis

On Fri, Jan 6, 2017 at 4:59 PM, Miguel C Bordallo <mcbordallo@guamwaterworks.org> wrote:

Commissioners,

Please see attached resolution which will be presented at the next work session. I am requesting your review and poll vote for approval of this Contract for Phase II of the Baza Gardens Sewer Conveyance project, which as you know, is a critical court-order project.

Please let me know if you have any questions or concerns.

Regards,

MCB

**From:** Ann Borja [mailto:annborja@guamwaterworks.org]
**Sent:** Friday, January 6, 2017 11:08 AM
**To:** 'Miguel C Bordallo' <mcbordallo@guamwaterworks.org>; Thomas Cruz <thomas@guamwaterworks.org>
**Cc:** kathyb@guamwaterworks.org
**Subject:** Draft Resoluiton 13-FY2017 Relative to the Approval of the Baza Gardens Wastewater Pumping and Conveyance Phase II Construction
**Importance:** High

## Bernadette Lou Sablan

**From:** Simon Sanchez <gdcmgr@ite.net>
**Sent:** Monday, January 09, 2017 9:43 AM
**To:** Miguel C Bordallo
**Cc:** Francis Santos; Joseph Duenas; George Bamba; Pedro SN. Guerrero; Judith Guthertz; Bernadette Lou Sablan; Ann Borja - GWA
**Subject:** Re: Draft Resoluiton 13-FY2017 Relative to the Approval of the Baza Gardens Wastewater Pumping and Conveyance Phase II Construction

I approve also

Simon says

On Jan 9, 2017, at 9:08 AM, Miguel C Bordallo <mcbordallo@guamwaterworks.org> wrote:

> Thank you gentlemen. We appreciate your prompt response.
>
> MCB
>
> **From:** Francis Santos [mailto:fesantos57@gmail.com]
> **Sent:** Monday, January 9, 2017 8:27 AM
> **To:** Miguel C Bordallo <mcbordallo@guamwaterworks.org>
> **Cc:** Joey Duenas <jtduenas@hotmail.com>; J. George Bamba <georgebamba@hotmail.com>; Simon Sanchez <gdcmgr@ite.net>; Pedro SN. Guerrero <psnguerrero@gpagwa.com>; Judith Gutherz <judithguthertz@gmail.com>; Bernadette Lou Sablan <l.sablan@gpagwa.com>; Ann Borja <annborja@guamwaterworks.org>
> **Subject:** Re: FW: Draft Resoluiton 13-FY2017 Relative to the Approval of the Baza Gardens Wastewater Pumping and Conveyance Phase II Construction
>
> Miguel,
>
> This email will serve as my approval.
>
> Francis
>
> On Fri, Jan 6, 2017 at 4:59 PM, Miguel C Bordallo <mcbordallo@guamwaterworks.org> wrote:
>
> > Commissioners,
> >
> > Please see attached resolution which will be presented at the next work session. I am requesting your review and poll vote for approval of this Contract for Phase II of the Baza Gardens Sewer Conveyance project, which as you know, is a critical court-order project.
> >
> > Please let me know if you have any questions or concerns.
> >
> > Regards,
> >
> > MCB

ORIGINAL

Exhibit A (1 of 1)

Doc. No. 34GL-17-0812.*

**GUAM WATERWORKS AUTHORITY**
**ABSTRACT OF BIDS**

Project Name: **BAZA GARDENS WASTEWATER CROSS-ISLAND PUMPING AND CONVEYANCE (PHASE II)**
Project Number: **S15-008-BND; IFB-02-ENG-2016**

Bid Opening Date: December 6, 2016
Bid Opening Time: 3:00 pm

| | Bidders Name | Section A-5 Bid Bond | CERTIFICATIONS | | | | | | | | | BID AMOUNT |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | Bidder Qualification Form | Non-Collusion Affidavit | EEO Certification | Non-Segregated Facilities | Sex Offender Certification | Wage & Benefit Determination | Major Shareholders Affidavit | Special Instructions to Bidders | Addendum 1 | |
| 1. | PACIFIC RIM CONSTRUCTORS, INC. | | | | | | | | | | | |
| 2. | SUMITOMO MITSUI CONST. CO., LTD | FIDELITY & DEP Co. of MARYLAND 15% | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | 7,700,000 |
| 3. | PERNIX | FIDELITY & DEP Co of MARYLAND 15% of BID | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | 7,696,980.00 |
| 4. | TALION CONST., LLC | | | | | | | | | | | |
| 5. | OBAYASHI GUAM | | | | | | | | | | | |
| 6. | BME & SONS INC. | FIDELITY & DEP Co of MARYLAND 15% of BID | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | 5,919,045.43 |
| 7. | MAEDA PACIFIC CORP. | FIDELITY & DEP Co of MARYLAND 15% of BID | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | 7,983,000.00 |
| | | | | | | | | | | | | |
| | | | | | | | | | | | | |
| | | | | | | | | | | | | |
| | | | | | | | | | | | | |
| | | | | | | | | | | | | |
| | | | | | | | | | | | | |
| | GWA Estimate | | | | | | | | | | | 6,415,186.00 |

**Bids Opened and Read by:**
GLORIA BENSAN
(Name and Signature)

**Tabulated By:**
JOHN M. DAVIS
(Name and Signature)

**GWA Procurement Representative:**
Nicolas Cabo
(Name and Signature)

**Witnesses:**

# Exhibit B (1 of 2)

Website: www.dcaguam.com
Email: dca@dcaguam.com

DUEÑAS · CAMACHO

December 27, 2016

Thomas Cruz, PE
Chief Engineer
Guam Waterworks Authority
thomas@guamwaterworks.org
671-300-6036
Hand delivery

Ref: **Baza Gardens Wastewater Cross-Island Pumping and Conveyance System, Phase II**

Subj: **BME & Sons Bid Proposal Review**

Hafa Adai,

Dueñas, Camacho and Associates, Inc. (DCA) has reviewed the December 6th, 2016 Bid Proposal submitted by BME & Sons (BME) for the referenced project. The BME bid proposal was compared to the engineers estimate, overall the BME bid is 8% below the engineers estimate. A detailed bid item comparison has been attached to this letter for reference. In the matter of BME being greater than 20% lower than the other three bidders, DCA requested that GWA receive acknowledgement of the bids from BME's chosen bonding company. A response from the bonding company was received by GWA acknowledging the BME bid amount and the other three higher bid amounts.

Based on DCA's past experience working as a construction manger with BME, bid review and response from the bond company, the low bid amount is more likely than not attributed to the selected means and methods used by BME for construction rather then an error or omission on the bid. DCA has no exceptions with GWA moving forward with contracting BME & Sons for this referenced project.

Thank you,

Kenneth M. Rekdahl, PE
Vice- President and Project Manager
Duenas, Camacho & Associates
671-477-7991
knrekdahl@dcaguam.com

Att:

Bidder Analysis

**BAZA GARDENS WASTEWATER CROSS-ISLAND PUMPING AND CONVEYANCE SYSTEM (PHASE-II) - BID EVALUATION**

# Exhibit B (2 of 2)

| Bid Item # | Description | UOM | QTY | BME | | | | Estimate | | Pernix | | | | Sumitomo | | | | Maeda | | | | Statistical Lowest Price | Delta (Lowest Bid / Lowest Price) | Statistical Highest Price | Delta (Lowest Bid / Highest Price) |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | Unit Rates | Bid Amounts | Bid Limits | Delta (Bid / Estimate) | Unit Rate | Amounts | Unit Rate | Bid Amounts | Bid Limits | Delta (Bid / Estimate) | Unit Rate | Bid Amounts | Bid Limits | Delta (Bid / Estimate) | Unit Rate | Bid Amounts | Bid Limits | Delta (Bid / Estimate) | | | | |
| 1 | Project mobilization (not to exceed 10% of total basic bid) | ls | 1 | 197,090 | 197,090 | 3.33% | 310% | 48,101 | 48,101 | 665,712 | 665,712 | 8.65% | 1284% | 646,944 | 646,944 | 8.40% | 1245% | 740,000 | 740,000 | 9.27% | 1438% | 197,090 | 0% | 740,000 | -73% |
| 2 | Temporary facilities | ls | 1 | 59,774 | 59,774 | | 157% | 23,238 | 23,238 | 80,832 | 80,832 | | 248% | 471,632 | 471,632 | | 1930% | 16,000 | 16,000 | | -31% | 16,000 | 274% | 471,632 | -87% |
| 3 | Pump station and conveyance system layout | ls | 1 | 121,484 | 121,484 | | 597% | 17,427 | 17,427 | 77,947 | 77,947 | | 347% | 86,372 | 86,372 | | 396% | 74,000 | 74,000 | | 325% | 74,000 | 64% | 121,484 | 0% |
| 4 | Equipment extended warranty | ls | 1 | 49,150 | 49,150 | | -7% | 52,633 | 52,633 | 19,020 | 19,020 | | -64% | 30,039 | 30,039 | | -43% | 25,000 | 25,000 | | -53% | 19,020 | 158% | 49,150 | 0% |
| 5 | Temporary environmental protection | lf | 16,024 | 3 | 52,537 | | -7% | 4 | 56,327 | 6 | 94,772 | | 68% | 9 | 148,124 | | 163% | 6 | 100,000 | | 78% | 52,537 | 0% | 148,124 | -65% |
| 6 | Temporary traffic control | lf | 645 | 152 | 97,875 | | 366% | 33 | 20,984 | 319 | 205,977 | | 882% | 507 | 326,918 | | 1458% | 333 | 215,000 | | 925% | 97,875 | 0% | 326,918 | -70% |
| 7 | Pump station site clearing | acre | 0.6 | 80,036 | 48,022 | | 359% | 17,428 | 10,457 | 58,713 | 35,228 | | 237% | 9,027 | 5,416 | | -48% | 16,667 | 10,000 | | -4% | 5,416 | 787% | 48,022 | 0% |
| 8 | Pump station access road and pavement | sy | 767 | 96 | 73,874 | | -22% | 124 | 94,734 | 115 | 87,930 | | -7% | 65 | 49,909 | | -47% | 169 | 130,000 | | 37% | 49,909 | 48% | 130,000 | -43% |
| 9 | Pump station perimeter fence line and gates | lf | 386 | 290 | 111,801 | | -65% | 829 | 319,906 | 567 | 218,893 | | -32% | 442 | 170,424 | | -47% | 596 | 230,000 | | -28% | 111,801 | 0% | 230,000 | -51% |
| 10 | Pump station site grading | sy | 2,836 | 77 | 218,195 | | -5% | 81 | 230,623 | 32 | 91,908 | | -60% | 25 | 70,431 | | -69% | 123 | 350,000 | | 52% | 70,431 | 210% | 350,000 | -38% |
| 11 | Pump station site drainage improvements complete in place | sf | 3,566 | 5 | 19,447 | | -33% | 8 | 29,065 | 4 | 14,172 | | -51% | 5 | 17,240 | | -41% | 6 | 20,000 | | -31% | 14,172 | 37% | 20,000 | -3% |
| 12 | Generator and wet-well structure and finishings | sf | 269 | 2,249 | 604,847 | | -39% | 3,661 | 984,846 | 3,068 | 825,174 | | -16% | 2,900 | 780,233 | | -21% | 2,045 | 550,000 | | -44% | 550,000 | 10% | 825,174 | -27% |
| 13 | Wastewater pumps complete in place | ea | 3 | 47,875 | 143,626 | | -19% | 59,255 | 177,765 | 104,499 | 313,497 | | 76% | 27,379 | 82,138 | | -54% | 73,333 | 220,000 | | 24% | 82,138 | 75% | 313,497 | -54% |
| 14 | Pump station mechanical process piping, fittings and flow-meter installed complete in-place | lf | 42 | 2,204 | 92,555 | | -9% | 2,422 | 101,733 | 1,435 | 60,279 | | -41% | 1,937 | 81,347 | | -20% | 2,143 | 90,000 | | -12% | 60,279 | 54% | 92,555 | 0% |
| 15 | Pump VFDs, controls and level sensor | ea | 3 | 91,056 | 273,167 | | 40% | 64,937 | 194,810 | 112,503 | 337,508 | | 73% | 101,917 | 305,751 | | 57% | 146,667 | 440,000 | | 126% | 273,167 | 0% | 440,000 | -38% |
| 16 | Sewer-line A (1,767ft of 15 inch PVC pipe and MHs) | lf | 1,767 | 295 | 521,801 | | 11% | 265 | 468,582 | 272 | 481,311 | | 3% | 492 | 868,649 | | 85% | 470 | 830,000 | | 77% | 481,311 | 8% | 868,649 | -40% |
| 17 | Sewer-line A road repair | sy | 77 | 341 | 26,231 | | 208% | 110 | 8,507 | 209 | 16,070 | | 89% | 61 | 4,696 | | -45% | 182 | 14,000 | | 65% | 4,696 | 459% | 26,231 | 0% |
| 18 | Force-main 2 (14,399ft of 12 inch PVC pipe) | lf | 14,399 | 137 | 1,977,400 | | 10% | 125 | 1,804,911 | 190 | 2,732,401 | | 51% | 161 | 2,324,462 | | 29% | 162 | 2,336,000 | | 29% | 1,977,400 | 0% | 2,732,401 | -28% |
| 19 | Force-main 2 road repair | sy | 683 | 161 | 110,071 | | 19% | 135 | 92,469 | 128 | 87,316 | | -6% | 72 | 49,335 | | -47% | 161 | 110,000 | | 19% | 49,335 | 123% | 110,071 | 0% |
| 20 | 2-4inch PVC communication conduit and hand-hole complete in place | lf | 16,008 | 33 | 529,990 | | -53% | 71 | 1,128,602 | 40 | 646,710 | | -43% | 53 | 852,049 | | -25% | 47 | 750,000 | | -34% | 529,990 | 0% | 852,049 | -38% |
| 21 | Odor control unit complete in place | ea | 1 | 103,923 | 103,923 | | -64% | 290,467 | 290,467 | 91,609 | 91,609 | | -68% | 86,779 | 86,779 | | -70% | 63,000 | 63,000 | | -78% | 63,000 | 65% | 103,923 | 0% |
| 31 | Pump station site electrical inclusive of transformer, light poles, communication and power lines complete in-place | sf | 25,520 | 5 | 120,852 | | 26% | 4 | 96,172 | 3 | 68,259 | | -29% | 4 | 90,868 | | -6% | 10 | 255,000 | | 165% | 68,259 | 77% | 255,000 | -53% |
| 32 | Standby generator installed complete in-place | ea | 1 | 146,920 | 146,920 | | 45% | 101,133 | 101,133 | 177,085 | 177,085 | | 75% | 77,308 | 77,308 | | -24% | 150,000 | 150,000 | | 48% | 77,308 | 90% | 177,085 | -17% |
| 33 | Wastewater pump station start-up and testing | ea | 3 | 13,610 | 40,829 | | 76% | 7,746 | 23,238 | 11,026 | 33,079 | | 42% | 3,002 | 9,005 | | -61% | 8,333 | 25,000 | | 8% | 9,005 | 353% | 40,829 | 0% |
| 34 | Project closeout (not less than 3% of total basic bid) | ls | 1 | 177,583 | 177,583 | 3.00% | 362% | 38,457 | 38,457 | 234,291 | 234,291 | 3.04% | 509% | 63,931 | 63,931 | 0.83% | 66% | 240,000 | 240,000 | 3.01% | 524% | 63,931 | 178% | 240,000 | -26% |
| | **Totals** | | | | **5,919,045** | | **-8%** | | **6,415,187** | | **7,696,980** | | **20%** | | **7,700,000** | | **20%** | | **7,983,000** | | **24%** | **4,998,070** | **18%** | **9,712,793** | **-39%** |
| | Total low bid items | | | | 3,239,860 | 54.74% | | | | | | | | | | | | | | | | | | | |
| | Total high bid items | | | | 592,264 | 10.01% | | | | | | | | | | | | | | | | | | | |

Notes:

a) The "Quantities" and "Unit Rates" in the above analysis are derived from the cost estimate detail. They do not necessarily represent what the bidders have used for their bids but do provide an insight as to what the various bidders might have included or not have included in each bid line item compared to other line items in each bid. Generally speaking we found the low bid unit rates to be reasonable.

b) The lowest price of each bid item from all bids totaled is $4,998,070.47. The low bid (BME) is approximately 18% higher. Seven of the low bid line items (in green font) are the lowest of all bids, representing approximately 55% of the low bid total. The highest price of each bid item from all bids totaled is $9,712,793.40. The low bid is approximately 39% lower. Eight of the low bid line items (in red font) are the highest of all bids, representing approximately 10% of the low bid total. This puts the low bid in the lower third of, but well within, the statistical lowest and highest price range.

c) Bid line items 1 and 34 imposes price limits on the bidders. All bids except for Sumitomo adhere to this requirement. Sumitomo did not meet the "not less than 3% of total basic bid" requirement for project closeout.

d) The four bids received resulted in an approximately 32% spread between low and high bids which is a bit wider than what we typically hope to see. In highly competitive bidding market cycles this range tends to tighten up. Our opinion of the current Guam market is that it is fairly balanced in regards to the supply and demand of construction work. However, there is a concern about a labor shortages due to the current regulations for H2 workers which adds an element of risk for bidders which might go some ways in explaining the higher end of the bids received. That being said this project is not particularly labor intensive and depending on the bidders' current and immediate future commitments, we don't see this as being a particularly big consideration. It is also possible that some of the bidders are using the same subcontractors which might further explain how some bids are closer to one another, but without seeing the subcontractor lists this is difficult to confirm. Having worked with all of the above bidders on other projects we have confidence that they are all capable of completing this project.

Doc. No. 34GL-17-0812.*

Exhibit C (1 of 4)



**SECTION A-3**

**BID PROPOSAL**

To: General Manager
Guam Waterworks Authority
Gloria B. Nelson Public Service Building
688 Route 15, Mangilao, GU 96913

Dear Sir/Madam:

The undersigned ("Bidder"), a CORPORATION (Corporation or Partnership or Individual) organized and/or licensed to do business under the laws of GUAM, hereby proposes and agrees to furnish all the necessary labor, materials, equipment, tools and services necessary for the **BAZA GARDENS WASTEWATER CROSS-ISLAND PUMPING AND CONVEYANCE SYSTEM (PHASE-II).: S15-008-BND** in accordance with the bid documents for the sum of:

$ Five Million Nine Hundred Nineteen Thousand Forty Five Dollars & 43/100 ($5,919,045.43)
*(Total from bid schedule written in English)*

plus any and all sums to be added and/or deducted resulting from all extra and/or omitted work under a change order or contract amendment under the unit and/or lump sum prices stated in the itemized proposal form attached hereto.

The undersigned has examined the location of the proposed work, the drawings, specifications and other Contract Documents and is familiar with the local conditions at the place where the work is to be performed, agrees to perform all work within the time set forth; herein and the price stated in their bid.

The Bid Guaranty attached hereto without endorsement, in the sum of not less than fifteen percent (15%) of the highest amount the total aggregate bid, is furnished to the Guam Waterworks Authority as a guarantee that the Agreement will be executed and a Performance and Payment Bond and proof of insurance and other requirements set forth in the bid, in forms acceptable to GWA, shall be furnished within twenty (20) days after notification that the undersigned is the lowest responsible bidder. In the event that this Bid is accepted, and the undersigned bidder shall fail to: (1) provide any and all documents requested by GWA that are required under the bid; (2) execute the Contract on terms and conditions acceptable to GWA; and (3) furnish a satisfactory performance and Payment Bond under the conditions and within the time specified in this Proposal, the equivalent amount of the Proposed Guaranty shall be forfeited, as liquidated damages for the delay and additional work and costs caused thereby in obtaining another bidder, said amount being beforehand determined as being reasonable and containing no penalties. If written notice that the bidder is the lowest responsible bidder, and such notice is mailed, telegraphed or delivered to the undersigned within sixty (60) days after the

# Exhibit C (2 of 4)



opening thereof, the undersigned agrees to execute the contract on terms and conditions acceptable to GWA, and to furnish a Performance and Payment Bond as a condition precedent to entering into the contract.
The undersigned hereby acknowledges receipt of the following Addenda:

| Addendum No. | Dated: |
|---|---|
| 01 | 12-01-16 |
| | |
| | |
| | |
| | |

If awarded the Contract, the undersigned agrees to complete the work for the "Basic Bid" within three hundred and sixty-five (365) calendar days following the execution of the Contract by all parties thereto and the issuance of the Notice to Proceed from GWA.

Attached hereto are the following: (1) an affidavit in proof that the undersigned has not entered into any collusion with any person in respect to this proposal or any other proposal or the submitting of proposals for the Contract for which this bid is submitted; (2) proof of licensure on Guam to conduct the services specified in the bid; (3) proof of insurance in the types and amounts specified in the bid, including certificates and a copy of the complete policies which indicates coverages and exclusions; (4) Certification of Non-Employment of Convicted Sex Offenders; and (5) any other document requested under the bid.

The undersigned understands that the Guam Waterworks Authority reserves the right to reject any or all Proposals or to waive any informality or technicality in any Proposal in the interest of GWA.

RESPECTFULLY SUBMITTED BY:

BME & SONS INC.
(CONRACTOR)

BERNADETTE MARANAN
(BY)

VICE PRESIDENT
(TITLE)

P.O. BOX 24402 BARRIGADA, GUAM 96921
(BUSINESS ADDRESS)

# Exhibit C (3 of 4)



## BID SCHEDULE

IFB-02-ENG-2017

**BAZA GARDENS WASTEWATER CROSS-ISLAND PUMPING AND CONVEYANCE SYSTEM (PHASE-II)**
**GWA Project No. S15-008-BND**

| Item | Description | Specification Reference | Est. Qty. | Unit | Total |
|---|---|---|---|---|---|
| 1 | Project mobilization (not to exceed 10% of total basic bid) | 010200 | 1 | LS | $197,090.12 |
| 2 | Temporary facilities | 015000 | 1 | LS | $59,773.93 |
| 3 | Pump station and conveyance system layout | 017000 | 1 | LS | $121,484.48 |
| 4 | Equipment extended warranty | 017810 | 1 | LS | $49,149.57 |
| 5 | Temporary environmental protection | 015010 | 1 | LS | $52,536.75 |
| 6 | Temporary traffic control | 010200 | 1 | LS | $97,874.93 |
| 7 | Pump station site clearing | 312230 | 1 | LS | $48,021.84 |
| 8 | Pump station access road and pavement | 321723 | 1 | LS | $73,874.17 |
| 9 | Pump station perimeter fence line and gates | 312831 | 1 | LS | $111,800.96 |
| 10 | Pump station site grading | 312316 | 1 | LS | $218,194.97 |
| 11 | Pump station site drainage improvements complete in place | 312316 | 1 | LS | $19,447.01 |
| 12 | Generator and wet-well structure and finishings | 032000 | 1 | LS | $604,847.00 |
| 13 | Wastewater pumps complete in place | 431311 | 1 | LS | $143,626.46 |
| 14 | Pump station mechanical process piping, fittings and flow-meter installed complete in-place | 400519 | 1 | LS | $92,554.68 |
| 15 | Pump VFDs, controls and level sensor | 262923 | 1 | LS | $273,167.05 |
| 16 | Sewer-line A (1,767ft of 15 | 333113 | 1 | LS | $521,801.00 |

# Exhibit C (4 of 4)



| | | | | | |
|---|---|---|---|---|---|
| | inch PVC pipe and MHs) | | | | |
| 17 | Sewer-line A road repair | Plan Reference | 1 | LS | $26,231.06 |
| 18 | Force-main 2 (14,399ft of 12 inch PVC pipe) | 333400 | 1 | LS | $1,977,400.24 |
| 19 | Force-main 2 road repair | Plan Reference | 1 | LS | $110,070.94 |
| 20 | 2-4inch PVC communication conduit and hand-hole complete in place | Plan Reference | 1 | LS | $529,990.42 |
| 21 | Odor control unit complete in place | 443121 | 1 | LS | $103,922.96 |
| 22 | Pump station site electrical inclusive of transformer, light poles, communication and power lines complete in-place | 260513 | 1 | LS | $120,852.17 |
| 23 | Standby generator installed complete in-place | 263213 | 1 | LS | $146,920.43 |
| 24 | Wastewater pump station start-up and testing | 018200 | 1 | LS | $40,828.87 |
| 25 | Project closeout (not less than 3% of total basic bid) | 017700 | 1 | LS | $177,583.42 |
| | | | | | |
| | **Total Basic Bid** | | | LS | $ 5,919,045.43 |

**NOTES:**

1. LS = Lump Sum.
2. All other work, description or specification reference not qualified or not listed in the Bid Schedule are considered incidental work and are an obligation of the Contractor under the various Bid Items as specified in the Bid at no additional cost to GWA.
3. Total basic bid shall include sales tax and all applicable taxes and permit fees.
4. The price bid for each item represents the total price for furnishing all materials, equipment, labor, tools and incidentals necessary to complete the work in-place.

BASIS OF SELECTION

Award will be based on the lowest Total Basic Bid. All contracts are subject to availability of funding.

**GUAM CONSOLIDATED COMMISSION ON UTILITIES**

**RESOLUTION NO. 14–FY2017**

**RELATIVE TO REALLOCATION OF 2010, 2013 AND 2016 BOND FUNDS TO THE NORTHERN DISTRICT, BAZA GARDENS AND UMATAC-MERIZO WASTEWATER TREATMENT PLANTS CIP LINE ITEMS FOR CONSTRUCTION PURPOSES AND APPROVAL OF THE UPDATED CAPITAL IMPROVEMMENTS PLAN JANUARY 2017**

**WHEREAS**, under 12 G.C.A. § 14105, the Consolidated Commission on Utilities ("CCU") has plenary authority over financial, contractual and policy matters relative to the Guam Waterworks Authority ("GWA"); and

**WHEREAS**, the Guam Waterworks Authority ("GWA") is a Guam Public Corporation established and existing under the laws of Guam; and

**WHEREAS**, GWA currently has a critical Court Order ("CO") project related to Paragraph 14 and Paragraph 16 of the 2011 Court Order which required GWA to complete improvements at the Baza Gardens WWTP and Umatac-Merizo WWTP, respectively, so as to achieve compliance with the WWTP's NDPES permit; and

**WHEREAS**, GWA is currently also engaged with the Office of Economic Adjustment to undertake the Guam Water and Wastewater Infrastructure projects as part of the relocation of Marine Corps forces to Guam, and a critical component of these infrastructure projects is the upgrade of the Northern District WWTP to secondary treatment capacity; and

**WHEREAS**, Pre-procurement activities for Phase III of the Baza Gardens Wastewater Conveyance and Pump project is on-going and GWA has determined that, to fully execute a contract with the winning bidder by April of 2017, additional funding in the amount of Fifteen Million Eight Hundred Thousand Dollars ($15,800,000.00) is required under the CIP line item WW 11-03 "Baza Gardens STP Replacement"; and

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**WHEREAS**, Procurement activities for the Umatac-Merizo WWTP Improvements Design Build project is on-going and GWA has determined that, to fully execute a contract with the winning bidder by June of 2017, additional funding in the amount of Twelve Million Eight Hundred Thousand Dollars ($12,800,000.00) is required under the CIP line item WW 12-07 "Umatac Merizo STP Replacement"; and

**WHEREAS**, Planning activities for the Northern District WWTP Upgrade to secondary treatment capability is on-going and GWA has identified that additional property is required adjacent to the current plant location to be able to upgrade and expand the facility under current plans, and to secure sufficient area for future planned improvements, and as such additional funding in the amount of One Million Dollars ($1,000,000.00) is required under the CIP line item WW 17-02 "Northern District WWTP Secondary Treatment Upgrade"; and

**WHEREAS**, The funding for the above projects will come from reallocating 2010, 2013 and 2016 Bond proceeds from CIP line items which contain a "balance" from either CIP projects already completed under budget, or CIP projects which can be deferred until a later date; and

**WHEREAS**, GWA management submits for CCU approval the Updated Capital Improvements Plan "January 2017" (See Exhibit A) which includes adjustment to the CIP fund allotments from the 2018 Bond Proceeds to the CIP line items that require funds transferred back into certain line items due to the current bond reallocation requests, as well as any adjustment to other CIP line items that are necessary; and

**WHEREAS**, the rationale and justification for the bond reallocation is because GWA is intending to execute the contracts for: 1) Baza Gardens Wastewater Conveyance and Pump Phase III project by April 2017; and 2) Umatac/Merizo WWTP Improvements Design Build project by June 2017 and in order to do so all the funds necessary to enter into a contract at that time need to be available to the winning bidder, thus the reallocation is necessary as the 2018 Bond issues would not be available; and

**WHEREAS**, the CCU has found on occasion, that bond reallocation is necessary to continue to comply with the Stipulated Order for Preliminary Relief (as Amended); and

**WHEREAS,** GWA management seeks CCU approval to petition the PUC to reallocate the current approved 2010, 2013 and 2016 bond funding limits by Twenty-Nine Million Six Hundred Thousand Dollars ($29,600,000.00) using the adjusted CIP project amount specified in Exhibit B; and

**NOW BE IT THEREFORE RESOLVED**, the Consolidated Commission on Utilities does hereby approve and authorize the following:

1. The CCU approves Twenty-Nine Million Six Hundred Thousand Dollars ($29,600,000.00) of available bond funds from the 2010, 2013 and 2016 Series Bonds is hereby allocated to WW 11-03 "Baza Gardens STP Replacement", WW 12-07 "Umatac-Merizo STP Replacement" and WW 17-02 "Northern District WWTP Secondary Treatment Upgrade" for purposes related to construction contract execution, design build contract execution and property acquisition, respectively.
2. The CCU further approves the Updated Capital Improvements Plan January 27 as shown in Exhibit A in its entirety.
3. The CCU further approves GWA management seek PUC approval for the reallocation of 2010, 2013 and 2016 bond funds in the amount of Twenty-Nine Million Six Hundred Thousand Dollars ($29,600,000.00) as summarized in Exhibit B and elaborated in Exhibit A.

**RESOLVED,** that the Chairman certified and the Board Secretary attests to the adoption of this Resolution.

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**DULY AND REGULARLY ADOPTED**, this 24th day of January 2017.

Certified by:

**JOSEPH T. DUENAS**
Chairperson

Attested by:

**J. GEORGE BAMBA**
Secretary

I, J. George Bamba, Board Secretary of the Consolidated Commission on Utilities as evidenced by my signature above do hereby certify as follows:

The foregoing is a full, true and accurate copy of the resolution duly adopted at a regular meeting by the members of the Guam Consolidated Commission on Utilities, duly and legally held at a place properly noticed and advertised at which meeting a quorum was present and the members who were present voted as follows:

AYES: 5

NAYS: 0

ABSTENTIONS: 0

ABSENT: 0

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EXHIBIT A

GUAM WATERWORKS AUTHORITY

*Better Water Better Lives*

# CAPITAL IMPROVEMENT PLAN

# 2016-2020

**January 24, 2017**

# CAPITAL IMPROVEMENT PLAN
# 2016-2020

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# A. Narrative

### Summary of CIP

The Capital Improvement Plan (CIP) has been updated with the best available data to illustrate the current funding available to complete projects which had been identified from the originally submitted CIP.

The following two tables provide an overview of the current funding status:

**Table 1. Summary of Project Type (x1000):**

| | 2016 | 2017 | 2018 | 2019 | 2020 | TOTAL |
|---|---|---|---|---|---|---|
| **Potable Water** | 44,421 | 36,490 | 55,518 | 28,250 | 10,000 | 174,679 |
| **Wastewater** | 12,335 | 63,179 | 12,246 | - | - | 87,760 |
| **Electrical Engineer** | 3,911 | 3,150 | 2,914 | - | - | 9,975 |
| **Miscellaneous** | 3,200 | 4,045 | 1,200 | 1,200 | - | 9,645 |
| Total | 63,867 | 106,864 | 71,878 | 29,450 | 10,000 | 282,058 |

**Table 2. Summary of Funding Source (x1000):**

| | 2016 | 2017 | 2018 | 2019 | 2020 | TOTAL |
|---|---|---|---|---|---|---|
| **2010 Bond Series** | 5,074 | | | | | 5,074 |
| **2013 Bond Series** | 11,922 | 383 | | | | 12,305 |
| **2016 Bond Series** | 34,149 | 63,986 | 23,378 | | | 121,513 |
| **2018 Bond Series** | - | | 29,000 | 28,250 | 10,000 | 67,250 |
| **State Revolving Fund (SRF) *** | 3,475 | 17,000 | 8,000 | | | 28,475 |
| **System Development Charge (SDC)**** | 3,300 | 5,994 | 500 | | | 9,794 |
| **GRANTS** | 948 | | | | | 948 |
| **Internally Funded CIP** | 5,000 | 19,500 | 11,000 | 1,200 | | 36,700 |
| Total | 63,867 | 106,864 | 71,878 | 29,450 | 10,000 | 282,058 |

Note:

* The State Revolving Fund line item includes the funding allotment for the USEPA engineering consultant.

** 2016 SDC funds earmarked for expenditure on various water and wastewater projects which have been delayed due to unknown project conditions (water wells), or deferred due to availability of other funding sources (NDWWTP); use of SDC funds will be revised to future years in a future CIP update.

### Developing the Capital Improvement Plan (CIP)

The CIP is GWA's five-year blueprint for creating, maintaining, renewing, and replacing the crucial infrastructure that will support Guam's sustainable and continued growth. This CIP covers a five-year period to account primarily for Court Order projects that have a start time outside of a five-year period from 2015 but which required funding appropriation from the anticipated 2015 and 2018 bond issuances which are reflected in this updated CIP.

This CIP was developed to include a narrative and project description sheets detailing the projects. Other documents, such as the 2007 Water Resource Master Plan (WRMP), GWA's Comprehensive Management Plan, 2006 Stipulated Order, GWA Production Plan, PUC Order, SRF Grant Project list, 2011 Amended Stipulated Order, and the 2012 USEPA NEIC Report "Findings of Significant Deficiencies in the Public Water System" provided valuable information and guidance in the preparation of the CIP. The CIP will continue to be reviewed and updated by the Chief Engineer, General Manager GWA, Consolidated Commission on Utilities (CCU) and the Public Utilities Commission (PUC).

The CIP is an important public communication medium. The CIP gives residents and businesses a view of GWA's direction for capital improvement and a better understanding of the Island's ongoing need for stable revenue sources to fund large or multi-year capital projects.

The CIP is also an important operational document, providing GWA Engineering, Maintenance & Operation (M&O), Finance, and support staff with a blueprint of the overall direction and specific projects GWA plans on implementing to continue improvement for the utility and the Territory of Guam.

**Definition of an Engineering Capital Improvement Project**
For the purposes of the Engineering CIP, a capital expenditure is an expenditure to acquire and/or replace GWA's capital assets. Major projects are projects with a cost of more than $50,000 or are listed in the 2006 Stipulated Order and/or Master Plan. Water production facilities, water distribution systems, wastewater collection systems, wastewater treatment plants, and major one-time equipment acquisitions are examples of capital improvements.

**Carryover Projects/Fund Balance**
Due to the nature of capital projects, the life of a project may span across fiscal years. As funds are received to fund a project, they are accumulated in the appropriate capital fund and expended as projects progress. When the funds are not spent in one year, they remain in the fund balance to be used in the future, often referred to as carryover. As GWA refines the annual CIP, these carryover projects will be redefined into areas of contractual obligation, and ongoing projects may be re-allocated in the following year as financing is re-evaluated to ensure project funding and funding viability. In addition, CIP line items may also be consolidated to another CIP line item; therefore to understand this CIP update, it is important to refer to the previous year's CIP.

**Operating and Capital Budget Relationship**
The CIP also impacts the operating budget. As projects are completed, operating funds are necessary for routine maintenance and operation costs such as utilities, staffing, repairs, and equipment maintenance.

**CIP Organization**
This fiscally constrained CIP includes project summary tables, funding source tables, funding anticipated to be committed by the Department of Defense funding, and project sheets.

**Bond Spending Status**
GWA acquired $316M in capital construction funding from the Series 2005, 2010, 2013 and 2015 Revenue Bonds to plan, design, and construct capital projects needed to comply with U.S.

Environmental Protection Agency (USEPA) stipulations and court orders and to implement the WRMP 2007. This CIP update reports that the Series 2005 Revenue Bonds have been fully allocated at the amount of $89,711,419. Under the direction of the CCU, GWA has completed several financial plans over the last few years that have placed GWA on a successful path. With continued financial plans in place and updates to the plans, GWA should be able to allocate current revenue bonds and obtain additional revenue bonds which can further progress projects required by the 2011 Court Order, other compliance requirements and the WRMP 2007.

This updated CIP will continue to ensure GWA provides excellence in water and wastewater services. The development of this CIP was truly a team effort with the combined effort of the interim General Manager, Engineering staff, Operations staff, Grants Section, and Finance Department.

## B. 2010, 2013 and 2016 Bond Reallocation Request

It is with this CIP document GWA is seeking to execute a 2010, 2013 and 2016 bond reallocation. This section delineates the additional funding needs of active CIP projects as well as identifies the recommended source from which the required additional funds can be obtained. Project deficits and proposed reallocations to meet deficits are summarized below in Table 3.

### Table 3: GWA 2010, 2013 and 2016 Bond Reallocation Request

| 2010 Bond Reallocation | | | |
|---|---|---|---|
| CIP No. | Name | Addition Funds (x1000) | Reduction Funds (x1000) |
| PW 05-05 | "A" Series Well Transmission Line | | $ 81.856 |
| PW 05-14 | New Deep Wells at Down Hard | | $ 1,134.748 |
| PW 09-03 | Water Distribution System | | $ 25.252 |
| PW 11-01 | Distribution System Upgrades | | $ 25.840 |
| PW 12-05 | Tank Major Repair Yigo#1 Mangilao#2 Agat#2 | | $ 500.000 |
| WW 09-06 | Wastewater Collection System Repl/Rehab | | $ 45.000 |
| WW 09-10 | Facilities Plan/Design for Agat-Santa Rita WWTP | | $ 0.370 |
| WW 11-03 | Baza Gardens STP Replacement | $ 984.947 | |
| WW 17-02 | Northern District WWTP Secondary Treatment Upgrades | $ 1,000.000 | |
| EE 05-02 | SCADA Pilot Project | | $ 8.050 |
| EE 09-02 | Electrical Upgrade - Water Wells | | $ 95.773 |
| EE 09-07 | SCADA Improvements – Phase 2 | | $ 43.014 |
| EE 09-08 | SCADA Improvements – Phase 3 | | $ 25.044 |
| | | $ 1,984.947 | $ 1,984.947 |

| 2013 Bond Reallocation | | | |
|---|---|---|---|
| CIP No. | Name | Addition Funds (x1000) | Reduction Funds (x1000) |
| PW 05-13 | Deep Well Rehabilitation | | $ 350.000 |
| PW 05-16 | Master Meters | | $ 100.000 |
| PW 09-03 | Water Distribution System | | $ 1,300.000 |
| PW 12-07 | Assessment of malojloj Elevetad & Yigo Elevated | | $ 14.883 |
| WW 09-06 | Wastewater Collection System Repl/Rehab | | $ 100.000 |
| WW 11-03 | Baza Gardens STP Replacement | $ 2,114.883 | |
| EE 09-04 | Electrical Upgrade -Water Booster | | $ 150.000 |
| EE 09-05 | Electrical Upgrade - Other Water | | $ 100.000 |
| | | $ 2,114.883 | $ 2,114.883 |

| 2016 Bond Reallocation | | | |
|---|---|---|---|
| CIP No. | Name | Addition Funds (x1000) | Reduction Funds (x1000) |
| PW 09-03 | Water Distribution System Pipe Replacement and Upgrades | | $ 2,000.000 |
| PW 09-11 | Water System Reservoirs 2005 Improvements | | $ 14,000.000 |
| PW 11-02 | Ugum Water Treatment Plant Reservoir | | $ 6,410.000 |
| PW 12-06 | Tank Replacement Piti & Hyundai | | $ 3,090.170 |
| WW 11-03 | Baza Gardens STP Replacement | $ 12,700.170 | |
| WW 12-07 | Umatac Merizo STP Replacement | $ 12,800.000 | |
| | TOTAL | $ 25,500.170 | $ 25,500.170 |
| | | | |
| | Grand Total (2010, 2013 and 2016 Bond) | $ 29,600 | $ 29,600 |

**Project Funding Requirements**

Given the numerous projects noted in the table above requiring additional funding the following are just a summary of the change in scope and why additional funding is required.

- Baza Gardens STP Replacement (WW 11-03) – Fund reallocation required to complete construction work to convey and pump wastewater from the Baza Gardens facility to the new Agat Santa Rita WWTP to meet Court Order requirements related to Baza Gardens.

- Northern District WWTP Secondary Treatment Upgrade (WW 17-02) – Additional funds required to support ancillary capital improvement ahead of the major upgrade to the treatment plant to secondary capacity as part of the Office of Economic Adjustment.

- Umatac-Merizo STP Replacement (WW 12-07) - Fund reallocation required to fully fund the Design Build construction project to improvement the facility operations and functionality to meet Court Order requirements related to Umatac-Merizo STP.

## C. Proposed 2018 Bond Update

This update reflects new information based on a clearer picture of project requirements and an update to Tables 7 to 10 from the previous CIP. GWA is also looking to reallocate 2018 bond to address the

bond reallocation requested on Section B above. This section delineates the active CIP projects that contributed to the reallocation request as well as identifies the recommended source from which the "reimbursement" funds can be obtained. Project deficiencies and proposed reallocations to meet these deficiencies are summarized below in Table 4.

**Table 4: Proposed GWA 2018 Bond Update**

| 2018 Bond Update | | | |
|---|---|---|---|
| CIP No. | Name | Addition Funds (x1000) | Reduction Funds (x1000) |
| PW 08-08 | Barrigada Tank Repair/Replacement | | $ 2,000.000 |
| PW 05-13 | Deep Well Rehabilitation | $ 350.000 | |
| PW 05-14 | New Deep Wells at Down Hard | $ 1,100.000 | |
| PW 09-02 | Water Wells | | $ 3,000.000 |
| PW 09-03 | Water Distribution System Pipe Replacement and Upgrades | $ 2,800.000 | |
| PW 09-11 | Water System Reservoirs 2005 Improvements | $ 9,146.000 | |
| PW 11-02 | Ugum Water Treatment Plant Reservoir | $ 5,000.000 | |
| PW 12-05 | Tank Major Repair Yigo #1, Mangilao #2, Astumbo #1 | $ 500.000 | |
| PW 12-06 | Tank Replacement Piti & Hyundai | $ 2,590.000 | |
| WW 05-04 | Wastewater System Planning | | $ 1,000.000 |
| WW 09-06 | Wastewater Collection System Repl/ Rehabilitation | $ 100.000 | |
| WW 11-03 | Baza Gardens STP Replacement | | $ 7,000.000 |
| WW 12-07 | Umatac Merizo STP Replacement | | $ 9,000.000 |
| EE 09-02 | Electrical Upgrade - Water Wells | $ 96.000 | |
| EE 09-04 | Electrical Upgrade -Water Booster | $ 150.000 | |
| EE 09-05 | Electrical Upgrade -Other Water | $ 100.000 | |
| EE 09-07 | SCADA Improvements – Phase 2 | $ 43.000 | |
| EE 09-08 | SCADA Improvements – Phase 3 | $ 25.000 | |
| | TOTAL | $ 22,000.000 | $ 22,000.000 |

Note:
There is no change in scope to the CIP lines items noted above that will "receive" additional funds. The funds amounts shown were previously allotted but were portion of the bond reallocation request as discussed in Section B.

## D. CIP Summary Tables

### Table 5.Summary Table Potable Water

| CIP # | Project Name | 2016 (x1000) | 2017 (x1000) | 2018 (x1000) | 2019 (x1000) | 2020 (x1000) | Total (x1000) |
|---|---|---|---|---|---|---|---|
| PW 05-01 | Ground Water Disinfection | $ - | $ - | $ - | $ - | $ - | $ - |
| PW 05-03 | Santa Rita Springs Booster Pump Rehab Phase II | $ - | $ - | $ - | $ - | $ - | $ - |
| PW 05-05 | "A" Series Well Transmission Line | $ - | $ - | $ - | $ - | $ - | $ - |
| PW 05-06 | Water Booster Pump Station | $ 2,536 | $ 3,000 | $ 1,000 | $ - | $ - | $ 6,536 |
| PW 05-07 | Meter Replacement Program | $ 520 | $ 2,000 | $ 2,000 | $ - | $ - | $ 4,520 |
| PW 05-08 | Barrigada Tank Repair/Replacement | $ 1,052 | $ 400 | $ - | $ 4,000 | $ - | $ 5,452 |
| PW 05-09 | Leak Detection | $ 81 | $ 1,100 | $ 100 | $ - | $ - | $ 1,281 |
| PW 05-10 | Potable Water System Planning | $ 439 | $ 2,000 | $ 400 | $ - | $ - | $ 2,839 |
| PW 05-11 | Implement Ground Water Rule | $ - | $ - | $ - | $ - | $ - | $ - |
| PW 05-12 | Brigade II (Ugum Lift) BPS Upgrade | $ 1,445 | $ - | $ - | $ - | $ - | $ 1,445 |
| PW 05-13 | Deep Well Rehabilitation | $ 2,250 | $ 3,000 | $ 350 | $ - | $ - | $ 5,600 |
| PW 05-14 | New Deep Wells at Down Hard | $ 2,186 | $ - | $ 1,100 | $ - | $ - | $ 3,286 |
| PW 05-15 | Rehabilitation of Asan Springs | $ 1,157 | $ - | $ - | $ - | $ - | $ 1,157 |
| PW 05-16 | Master Meters | $ 10 | $ 3,616 | $ - | $ - | $ - | $ 3,626 |
| PW 09-01 | Ugum Water Treatment Plant Intake | $ 522 | $ 500 | $ - | $ - | $ - | $ 1,022 |
| PW 09-02 | Water Wells | $ 6,756 | $ 2,660 | $ 500 | $ 1,000 | $ - | $ 10,916 |
| PW 09-03 | Water Distribution System Pipe Replacement and Upgrades | $ 2,333 | $ 10,260 | $ 3,300 | $ 5,000 | $ - | $ 20,893 |
| PW 09-04 | Pressure Zone Realignment / Development 2005 Improvements | $ 569 | $ 572 | $ - | $ - | $ - | $ 1,141 |
| PW 09-06 | Central Water Distribution System 2005 Improvements | $ 75 | $ - | $ - | $ - | $ - | $ 75 |
| PW 09-08 | Mechanical/Electrical Equipment | $ 102 | $ - | $ - | $ - | $ - | $ 102 |
| PW 09-09 | Water Reservoir Internal/External | $ 646 | $ - | $ - | $ - | $ - | $ 646 |
| PW 09-10 | Water Reservoir Internal/External | $ 800 | $ - | $ - | $ - | $ - | $ 800 |
| PW 09-11 | Water System Reservoirs 2005 Improvements | $ 8,485 | $ 4,472 | $ 38,178 | $ 18,250 | $ 10,000 | $ 79,385 |
| PW 11-01 | Distribution System Upgrade | $ - | $ - | $ - | $ - | $ - | $ - |
| PW 11-02 | Ugum Water Treatment Plant Reservoir | $ 90 | $ - | $ 5,000 | $ - | $ - | $ 5,090 |
| PW 12-01 | Water Audit Program & Water Loss Control Plan | $ 1,022 | $ - | $ - | $ - | $ - | $ 1,022 |
| PW 12-02 | Production Plan / Reduce Navy Purchases | $ - | $ - | $ - | $ - | $ - | $ - |
| PW 12-03 | Hydraulic Assessment of Tanks | $ - | $ - | $ - | $ - | $ - | $ - |

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| | | | | | | | |
|---|---|---|---|---|---|---|---|
| PW 12-04 | Agana Heights & Chaot Tanks | $ 4,221 | $ - | $ - | $ - | $ - | $ 4,221 |
| PW 12-05 | Tank Major Repair Yigo #1, Mangilao #2, Astumbo #1 | $ 125 | $ - | $ 500 | $ - | $ - | $ 625 |
| PW 12-06 | Tank Replacement Piti & Hyundai | $ 5,000 | $ 2,410 | $ 2,590 | $ - | $ - | $ 10,000 |
| PW 12-07 | Assessment/Replacement of Malojloj Elevated & Yigo Elevated | $ - | $ - | $ - | $ - | $ - | $ - |
| PW 12-08 | Public Water System Asset Inventory/ Condition Assessment | $ - | $ - | $ - | $ - | $ - | $ - |
| PW 12-09 | Public Water System GIS & Mapping | $ - | $ - | $ - | $ - | $ - | $ - |
| PW 14-01 | Fire Hydrant Replacement Program | $ 2,000 | $ 500 | $ 500 | $ - | $ - | $ 3,000 |
| | Sub-Total | $ 44,421 | $ 36,490 | $ 55,518 | $ 28,250 | $ 10,000 | |
| | Grand Total for PW Funding | $ | | | | 174,679 | |

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## Table 6.Summary Table Wastewater

| CIP # | Project Name | 2016 (x1000) | 2017 (x1000) | 2018 (x1000) | 2019 (x1000) | 2020 (x1000) | Total (x1000) |
|---|---|---|---|---|---|---|---|
| WW 05-04 | Wastewater System Planning | $ 308 | $ - | $ 1,000 | $ - | $ - | $ 1,308 |
| WW 09-01 | Lift station upgrades | $ 1,055 | $ 5,050 | $ 1,500 | $ - | $ - | $ 7,605 |
| WW 09-02 | Moratorium | $ - | $ - | $ - | $ - | $ - | $ - |
| WW 09-06 | Wastewater Collection System Repl/ Rehabilitation | $ 2,950 | $ 13,920 | $ 8,600 | $ - | $ - | $ 25,470 |
| WW 09-08 | Facilities Plan/Design/interim for Baza Gardens STP Impr. | $ - | $ - | $ - | $ - | $ - | $ - |
| WW 09-10 | Facilities Plan/Design/interim for Agat-Santa Rita STP Impr. | $ - | $ - | $ - | $ - | $ - | $ - |
| WW 09-11 | WWTP Priority 1 Upgrades | $ 1,300 | $ - | $ - | $ - | $ - | $ 1,300 |
| WW 11-03 | Baza Gardens STP Replacement | $ 3,101 | $ 18,290 | $ 1,146 | $ - | $ - | $ 22,537 |
| WW 11-04 | Facilities Plan/Design/Interim for Umatac-Merizo STP Impr. | $ 277 | $ - | $ - | $ - | $ - | $ 277 |
| WW 11-08 | Agat/ Santa Rita STP Replacement | $ - | $ 2,936 | $ - | $ - | $ - | $ 2,936 |
| WW 12-01 | Northern District WWTP Primary Treatment Upgrades | $ - | $ - | $ - | $ - | $ - | $ - |
| WW 12-02 | Bio Solids Management Plan | $ - | $ - | $ - | $ - | $ - | $ - |
| WW 12-03 | Agana WWTP Interim Measures | $ 827 | $ - | $ - | $ - | $ - | $ 827 |
| WW 12-04 | I&I SSES Southern | $ - | $ - | $ - | $ - | $ - | $ - |
| WW 12-05 | I&I SSES Central | $ - | $ - | $ - | $ - | $ - | $ - |
| WW 12-06 | I&I SSES Northern | $ 355 | $ - | $ - | $ - | $ - | $ 355 |
| WW 12-07 | Umatac Merizo STP Replacement | $ 943 | $ 21,300 | $ - | $ - | $ - | $ 22,243 |
| WW 12-09 | Wastewater Facility Back Up Power | $ 220 | $ - | $ - | $ - | $ - | $ 220 |
| WW 17-01 | Wastewater Sewer System Expansion | $ - | $ 1,683 | $ - | $ - | $ - | $ 1,683 |
| WW 17-02 | Northern District WWTP Secondary Treatment Upgrades | $ 1,000 | $ - | $ - | $ - | $ - | $ 1,000 |
| | Sub-Total | $ 12,335 | $ 63,179 | $ 12,246 | $ - | $ - | |
| | Grand Total for WW Funding | $ | | | | 87,760 | |

Doc. No. 34GL-17-0812.*

## Table 7.Summary Table Electrical Engineering

| CIP # | Project Name | 2016 (x1000) | 2017 (x1000) | 2018 (x1000) | 2019 (x1000) | 2020 (x1000) | Total (x1000) |
|---|---|---|---|---|---|---|---|
| EE 05-02 | SCADA Pilot Project | $ - | $ - | $ - | $ - | $ - | $ - |
| EE 09-01 | Wastewater Pumping Station Electrical Upgrade | $ 620 | $ - | $ - | $ - | $ - | $ 620 |
| EE 09-02 | Electrical Upgrade - Water Wells | $ - | $ 150 | $ 96 | $ - | $ - | $ 246 |
| EE 09-03 | Electrical Upgrade - Water Booster | $ 325 | $ - | $ - | $ - | $ - | $ 325 |
| EE 09-04 | Electrical Upgrade -Water Booster | $ 199 | $ - | $ 150 | $ - | $ - | $ 349 |
| EE 09-05 | Electrical Upgrade - Other Water | $ 89 | $ - | $ 100 | $ - | $ - | $ 189 |
| EE 09-07 | SCADA Improvements – Phase 2 | $ - | $ 500 | $ 43 | $ - | $ - | $ 543 |
| EE 09-08 | SCADA Improvements – Phase 3 | $ 1,178 | $ - | $ 25 | $ - | $ - | $ 1,203 |
| EE 09-09 | SCADA Improvements – Phase 4 | $ 1,500 | $ 2,500 | $ 2,500 | $ - | $ - | $ 6,500 |
| | Sub-Total | $ 3,911 | $ 3,150 | $ 2,914 | $ - | $ - | |
| | Grand Total for EE Funding | $ 9,975 | | | | | |

## Table 8.Summary Table Miscellaneous

| CIP # | Project Name | 2016 (x1000) | 2017 (x1000) | 2018 (x1000) | 2019 (x1000) | 2020 (x1000) | Total (x1000) |
|---|---|---|---|---|---|---|---|
| MC 05-01 | Laboratory Modernization | $ - | $ - | $ - | $ - | $ - | $ - |
| MC 05-02 | Land Survey | $ 1,893 | $ - | $ - | $ - | $ - | $ 1,893 |
| MC 09-01 | General Plant Improvements / Water | $ 1,057 | $ 3,295 | $ 1,000 | $ 1,000 | $ - | $ 6,352 |
| MC 15-01 | Information Technology Integration Improvements | $ 250 | $ 750 | $ 200 | $ 200 | $ - | $ 1,400 |
| | Sub-Total | $ 3,200 | $ 4,045 | $ 1,200 | $ 1,200 | $ - | |
| | Grand Total for PW Funding | $ 9,645 | | | | | |

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# E. CIP FUNDING TABLES

Funding Source Key:

- 2010 Bond — B2010
- 2013 Bond — B2013
- 2015 Bond — B2015
- 2018 Bond — B2018
- System Development Charge — SDC
- Internally Funded CIP — IFCIP
- Grants (DOI, EPA ARRA, etc) — GRANTS
- State Revolving Fund — SRF

Note:
Text shown in red indicate that the 2010 Funding Source for the CIP line item is fully exhausted.

## Table 9. Potable Water Funding Table

FS - Funding Source

| | | 2016 | | 2017 | | 2018 | | 2019 | | 2020 | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | FS | (x1000) | FS | (x1000) | FS | (x1000) | FS | (x1000) | FS | (x1000) |
| PW 05-01 | Ground Water Disinfection | | | | | | | | | | |
| PW 05-03 | Santa Rita Springs Booster Pump Rehab Phase II | | | | | | | | | | |
| PW 05-05 | "A" Series Well Transmission Line | B2010 | 0 | | | | | | | | |
| PW 05-06 | Water Booster Pump Station | IFCIP | 0 | IFCIP | 1,000 | | | | | | |
| | | B2015 | 2,139 | B2015 | 2,000 | B2018 | 1,000 | | | | |
| | | GRANT | 387 | | | | | | | | |
| | | B2013 | 9.5 | | | | | | | | |
| PW 05-07 | Meter Replacement Program | B2015 | 501 | | | | | | | | |
| | | B2010 | 16.8 | | | | | | | | |
| | | B2013 | 2.5 | B2015 | 2,000 | B2015 | 2,000 | | | | |
| PW 05-08 | Barrigada Tank Repair/Replacement | B2010 | 4.6 | IFCIP | 400 | | | | | | |
| | | B2013 | 34 | | | | | | | | |
| | | B2015 | 1013 | | | | | B2018 | 4,000 | | |
| PW 05-09 | Leak Detection | B2015 | 80 | | | | | | | | |
| | | B2013 | 0.75 | B2015 | 1100 | IFCIP | 100 | | | | |
| PW 05-10 | Potable Water System Planning | SRF | 0 | SRF | 500 | | | | | | |
| | | B2015 | 439.1 | | | B2018 | 0 | | | | |
| | | | | B2015 | 1500 | IFCIP | 400 | B2018 | 0 | | |
| PW 05-11 | Implement Ground Water Rule | | | | | | | | | | |

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| | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| PW 05-12 | Brigade II (Ugum Lift) BPS Upgrade | B2010 | 1445 | | | | | | | | |
| PW 05-13 | Deep Well Rehabilitation | B2013 | 0 | | | | | | | | |
| | | B2015 | 250 | | | B2018 | 350 | | | | |
| | | SRF | 2000 | SRF | 3000 | | | | | | |
| PW 05-14 | New Deep Wells at Down Hard | B2015 | 1190 | | | | | | | | |
| | | B2010 | 186.252 | | | B2018 | 1100 | | | | |
| | | B2013 | 810 | | | | | | | | |
| PW 05-15 | Rehabilitation of Asan Springs | B2010 | 596.6 | | | | | | | | |
| | | GRANT | 560.5 | | | | | | | | |
| PW 05-16 | Master Meters | B2015 | 0 | | | | | | | | |
| | | B2010 | 8.9 | | | | | | | | |
| | | B2013 | 1 | B2015 | 3616 | | | | | | |
| PW 09-01 | Ugum Water Treatment Plant Intake | IFCIP | 500 | IFCIP | 500 | | | | | | |
| | | B2010 | 3.7 | | | | | | | | |
| | | B2015 | 18 | | | | | | | | |
| PW 09-02 | Water Wells | B2013 | 2,256.0 | | | B2015 | 0 | B2018 | 1,000 | | |
| | | IFCIP | 2,500 | | | | | | | | |
| | | B2015 | 0.0 | B2015 | 2,160 | | | | | | |
| | | SDC | 2,000 | SDC | 500 | SDC | 500 | | | | |
| PW 09-03 | Water Distribution System Pipe Replacement and Upgrades | B2015 | - | IFCIP | 7900 | IFCIP | 500 | | | | |
| | | B2010 | 0 | | | | | | | | |
| | | B2013 | 2,332.5 | B2015 | 49 | B2018 | 2800 | B2018 | 5,000 | | |
| | | | | SDC | 2,311 | | | | | | |
| PW 09-04 | Pressure Zone Realignment / Development 2005 Improvements | B2010 | 0 | | | | | | | | |
| | | B2013 | 0.23 | | | | | | | | |
| | | B2015 | 569 | B2015 | 572 | | | | | | |
| PW 09-06 | Central Water Distribution System 2005 Improvements | B2010 | 75 | | | | | | | | |
| PW 09-08 | Mechanical/Electrical Equipment | B2013 | 1.7 | | | | | | | | |
| | | B2015 | 100 | | | | | | | | |
| PW 09-09 | Water Reservoir Internal/External | B2010 | 646 | | | | | | | | |
| PW 09-10 | Water Reservoir Internal/External | B2015 | 800 | | | | | | | | |
| PW 09-11 | Water System Reservoirs 2005 Improvements | B2013 | 378.5 | B2015 | 972 | B2015 | 17,378 | B2018 | 18,250 | B2018 | 10,000 |

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| | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | | B2015 | 8,106.6 | | | B2018 | 14,146 | | |
| | | | | IFCIP | 3500 | IFCIP | 6,654 | | |
| PW 11-01 | Distribution System Upgrade | B2010 | 0 | | | | | | |
| PW 11-02 | Ugum Water Treatment Plant Reservoir | B2015 | 0 | | | | | | |
| | | B2013 | 90 | | | B2018 | 5000 | | |
| PW 12-01 | Water Audit Program & Water Loss Control Plan | B2010 | 22 | | | | | | |
| | | B2015 | 1000 | | | B2018 | 0 | B2018 | 0 |
| PW 12-02 | Production Plan / Reduce Navy Purchases | | | | | | | | |
| PW 12-03 | Hydraulic Assessment of Tanks | | | | | | | | |
| PW 12-04 | Agana Heights & Chaot Tanks | B2013 | 3000.9 | | | | | | |
| | | B2015 | 1220 | | | | | | |
| PW 12-05 | Tank Major Repair Yigo #1, Mangilao #2, Astumbo #1 | B2015 | 72.86 | | | | | | |
| | | B2010 | 52 | | | B2018 | 500 | | |
| | | B2013 | 0.22 | | | | | | |
| PW 12-06 | Tank Replacement Piti & Hyundai | B2015 | 5000 | B2015 | 2,410 | B2018 | 2,590 | | |
| PW 12-07 | Assessment/Replacement of Malojloj Elevated & Yigo Elevated | B2013 | 0 | | | | | | |
| PW 12-08 | Public Water System Asset Inventory/ Condition Assessment | | | | | | | | |
| PW 12-09 | Public Water System GIS & Mapping | | | | | | | | |
| PW 14-01 | Fire Hydrant Replacement Program | IFCIP | 1000 | | | | | | |
| | | B2015 | 1000 | B2015 | 500 | B2015 | 500 | | |
| **TOTAL POTABLE WATER PROJECTS (2010)** | | | 3,057 | | - | | - | - | - |
| **TOTAL POTABLE WATER PROJECTS B2013/FY2014** | | | 8,918 | | - | | - | - | - |
| **TOTAL POTABLE WATER PROJECTS B2015/FY2016** | | | 23,499 | | 16,879 | | 19,878 | - | - |
| **TOTAL POTABLE WATER PROJECTS B2017/FY2018** | | | - | | - | | 27,486 | 28,250 | 10,000 |
| **State Revolving Fund (SRF) Grant Funds** | | | 2,000 | | 3,500 | | - | - | - |
| **System Development Charge (SDC)** | | | 2,000 | | 2,811 | | 500 | - | - |
| **GRANTS** | | | 948 | | - | | - | - | - |
| **IFCIP** | | | 4,000 | | 13,300 | | 7,654 | - | - |

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## Table 10. Wastewater Funding Table

FS - Funding Source

| | | 2016 | | 2017 | | 2018 | | 2019 | | 2020 | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | FS | (x1000) | FS | (x1000) | FS | (x1000) | FS | (x1000) | FS | (x1000) |
| WW 05-04 | Wastewater System Planning | B2015 | 308.3 | | | | | | | | |
| | | B2013 | 0 | | | B2018 | 1000 | B2018 | 0 | | |
| | | SRF | 0 | | | | | | - | | |
| WW 09-01 | Lift station upgrades | B2013 | 0.61 | IFCIP | 1,700 | IFCIP | 500 | | | | |
| | | B2015 | 1,054 | B2015 | 350 | | | | | | |
| | | SRF | 0 | SRF | 3,000 | B2015 | 1,000 | | | | |
| WW 09-02 | Moratorium | | | | | | | | | | |
| WW 09-06 | Wastewater Collection System Repl/ Rehabilitation | B2013 | 48.84 | | | | | | | | |
| | | B2010 | 0.7 | | | B2018 | 100 | | | | |
| | | B2015 | 1,000 | B2015 | 1,920 | | | | | | |
| | | IFCIP | 1,000 | IFCIP | 2,000 | IFCIP | 500 | | | | |
| | | SRF | 900 | SRF | 10000 | SRF | 8000 | | | | |
| WW 09-08 | Facilities Plan/Design/interim for Baza Gardens STP Impr. | | | | | | | | | | |
| WW 09-10 | Facilities Plan/Design/interim for Agat-Santa Rita STP Impr. | B2010 | 0 | | | | | | | | |
| WW 09-11 | WWTP Priority 1 Upgrades | SDC | 1300 | | | | | | | | |
| WW 11-03 | Baza Gardens STP Replacement | B2013 | 2,115 | | | B2018 | 0 | | | | |
| | | B2010 | 985.95 | | | IFCIP | 1146 | | | | |
| | | IFCIP | 0 | B2015 | 18,289.7 | B2015 | 0 | | | | |
| WW 11-04 | Facilities Plan/Design/Interim for Umatac-Merizo STP Impr. | B2015 | 277 | | | | | | | | |
| | | B2013 | 0.0 | | - | | | | | | |
| WW 11-08 | Agat/ Santa Rita STP Replacement | | | B2013 | 383.3 | | | | | | |
| | | B2013 | 0 | B2015 | 2,552.7 | | | | | | |
| WW 12-01 | Northern District WWTP Primary Treatment Upgrades | SDC | 0 | | | | | | | | |
| WW 12-02 | Bio Solids Management Plan | | | | | | | | | | |
| WW 12-03 | Agana WWTP Interim Measures | B2015 | 827 | | | | | | | | |
| | | B2013 | 0.0 | | | | | | | | |

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| | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| WW 12-04 | I&I SSES Southern | | | | | | | | | |
| WW 12-05 | I&I SSES Central | | | | | | | | | |
| WW 12-06 | I&I SSES Northern | SRF | 355 | | | | | | | |
| WW 12-07 | Umatac Merizo STP Replacement | B2015 | 942.7 | SDC | 1500 | B2018 | 0 | | | |
| | | | | B2015 | 19,800 | B2015 | 0 | | | |
| WW 12-09 | Wastewater Facility Back Up Power | SRF | 220 | | | | | | | |
| WW 17-01 | Wastewater Sewer System Expansion | | | SDC | 1683 | | | | | |
| WW 17-02 | Northern District WWTP Secondary Treatment Upgrade | B2010 | 1000 | | | | | | | |
| **TOTAL WASTEWATER PROJECTS (2010)** | | | 1,987 | | - | | - | | - | - |
| **TOTAL WASTEWATER PROJECTS B2013/FY2014** | | | 2,164.3 | | 383 | | - | | - | - |
| **TOTAL WASTEWATER PROJECTS B2015/FY2016** | | | 4,409 | | 42,912 | | 1,000 | | - | - |
| **TOTAL WASTEWATER PROJECTS B2017/FY2018** | | | - | | - | | 1,100 | | - | - |
| **State Revolving Fund (SRF) Grant Funds** | | | 1,475 | | 13,000 | | 8,000 | | - | - |
| **System Development Charge (SDC)** | | | 1,300 | | 3,183 | | - | | - | - |
| **GRANTS** | | | - | | - | | - | | - | - |
| **IFCIP** | | | 1,000 | | 3,700 | | 2,146 | | - | - |

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## Table 11. Electrical Engineering Funding Table

FS - Funding Source

| | | 2016 | | 2017 | | 2018 | | 2019 | | 2020 | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | FS | (x1000) | FS | (x1000) | FS | (x1000) | FS | (x1000) | FS | (x1000) |
| EE 05-02 | SCADA Pilot Project | B2010 | 0 | | | | | | | | |
| EE 09-01 | Wastewater Pumping Station Electrical Upgrade | B2013<br>B2015 | 520<br>100 | | | | | | | | |
| EE 09-02 | Electrical Upgrade - Water Wells | B2010<br>B2015 | 0<br>0 | B2015 | 150 | B2018 | 96 | | | | |
| EE 09-03 | Electrical Upgrade - Water Booster | B2015<br>B2013 | 323<br>2 | | | | | | | | |
| EE 09-04 | Electrical Upgrade -Water Booster | B2013 | 199 | | | B2018 | 150 | | | | |
| EE 09-05 | Electrical Upgrade - Other Water | B2013 | 89.3 | | | B2018 | 100 | | | | |
| EE 09-07 | SCADA Improvements – Phase 2 | B2010 | 0 | SRF | 500 | B2018 | 43 | | | | |
| EE 09-08 | SCADA Improvements – Phase 3 | B2010<br>B2013<br>B2015 | 0<br>0.64<br>1177 | | | B2018 | 25 | | | | |
| EE 09-09 | SCADA Improvements – Phase 4 | B2015 | 1,500 | B2015 | 2500 | B2015 | 2,500 | | | | |
| **TOTAL ELECTRICAL PROJECTS (2010)** | | | - | | - | | - | | - | | - |
| **TOTAL ELECTRICAL PROJECTS B2013/FY2014** | | | 811 | | - | | - | | - | | - |
| **TOTAL ELECTRICAL PROJECTS B2015/FY2016** | | | 3,100 | | 2,650 | | 2,500 | | - | | - |
| **TOTAL ELECTRICAL PROJECTS B2017/FY2018** | | | - | | - | | 414 | | - | | - |
| **State Revolving Fund (SRF) Grant Funds** | | | - | | 500 | | - | | - | | - |
| **System Development Charge (SDC)** | | | - | | - | | - | | - | | - |
| **GRANTS** | | | - | | - | | - | | - | | - |
| **IFCIP** | | | - | | - | | - | | - | | - |

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## Table 12. Miscellaneous Funding Table

FS - Funding Source

| | | 2016 | | 2017 | | 2018 | | 2019 | | 2020 | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | FS | (x1000) | FS | (x1000) | FS | (x1000) | FS | (x1000) | FS | (x1000) |
| MC 05-01 | Laboratory Modernization | B2015 | 0 | | | | | | | | |
| MC 05-02 | Land Survey | B2015 | 1891 | | | | | | | | |
| | | B2013 | 2 | | | | | | | | |
| MC 09-01 | General Plant Improvements | B2010 | 30.5 | | | | | | | | |
| | | B2013 | 26.57 | | | | | | | | |
| | | IFCIP | 0 | IFCIP | 2,000 | IFCIP | 1000 | IFCIP | 1000 | | |
| | | B2015 | 1000 | B2015 | 1295 | | | | | | |
| MC 15-01 | Information Technology Integration Improvements | | | IFCIP | 500 | IFCIP | 200 | IFCIP | 200 | | |
| | | B2015 | 250 | B2015 | 250 | | | | | | |
| **TOTAL MISCELLANEOUS PROJECTS (2010)** | | | 31 | | - | | - | | - | | - |
| **TOTAL MISCELLANEOUS PROJECTS B2013/FY2014** | | | 29 | | - | | - | | - | | - |
| **TOTAL MISCELLANEOUS PROJECTS B2015/FY2016** | | | 3,141 | | 1,545 | | - | | - | | - |
| **TOTAL MISCELLANEOUS PROJECTS B2017/FY2018** | | | - | | - | | - | | - | | - |
| **State Revolving Fund (SRF) Grant Funds** | | | - | | - | | - | | - | | - |
| **System Development Charge (SDC)** | | | - | | - | | - | | - | | - |
| **GRANTS** | | | - | | - | | - | | - | | - |
| **IFCIP** | | | - | | 2,500 | | 1,200 | | 1,200 | | - |

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## F. Department of Defense (DoD) Funding

The following tables illustrate CIP projects related to the military relocation that will have an impact on GWA infrastructure. The projects and funding noted are from the 2015 Record of Decision.

**Table 13. DoD Wastewater Project Description**

| Project Location | Project Details | Related GWA CIP |
|---|---|---|
| Northern District WWTP | Secondary Treatment Upgrade Capacity 12 MGD | WW 12-01 |
| Collection System Improvements | Route 9/Route 3 Sewer Main Upgrade | WW 05-02 |
| Observation Well | Rehabilitation and New NGLA Monitoring wells | |

**Table 14. Estimated DoD Funding(x1,000)**

| CIP | Project Details | 2015 (x1000) | 2016 (x1000) | 2017 (x1000) | 2018 (x1000) | 2019 (x1000) | 2020 (x1000) |
|---|---|---|---|---|---|---|---|
| DoD-01 | Secondary Treatment Upgrade Capacity 12 MGD | | | $20,000 | $114,300 | | |
| DoD-02 | Route 9/Route 3 Sewer Main Upgrade | | | $29,000 | | | |
| DoD-03 | Rehabilitation and New NGLA Monitoring wells | | | $3,000 | | | |
| Total | | | | $52,000 | $114,300 | | |

## G. Project Sheets

# Project Sheet Water

# GWA Capital Improvement Plan
# Project Sheet FY 2016-2020

**Project Number:** **CIP PW 05-03**

**Categorization:** **Project**

**Name of Project:** **Santa Rita Springs Booster Pump Rehabilitation, Phase II**

**Reference Documents:**

a.) Stipulated Order 2006, item 44. Basis of Design Santa Rita Springs Booster Pump Rehabilitation Project, July 2005.

b.) *GWA Engineering Division, Potable Water Production Enhancement Plan*, June 10, 2010.

**Project Description:**

The original construction scope of work for the project intent has been completed. The project now requires completion of incidental work related to the spring impound and facility function controls. It is the intent of this CIP project to be "transitioned" into a project where work is required to address the GEPA pending action related to "Ground Water Under the Direct Influence (GWUDI)".Should GWUDI be designated the project scope will focus on necessary design and improvements to meet GWUDI conditions.

**Project Justification:**

The original project is identified in the Stipulated Order 2006, Item 44.Relative to the GWUDI project scope there are indications from GEPA that water coming from natural springs has a high probability of being designated as GWUDI. This project intends to meet the GWUDI requirements.

**Financing Options & Grants:**

The source of funding for the original scope was under 2005 bond. Additional work will be funded with 2013 bond.

**Project Staffing Implications:**

Contract Administration, Project Management Services, Program Management and Construction Management Services are required.

**Results:**

Project completed. Project continued due to GWUDI pending action by GEPA.

**Project Time Table/Budget:**

| FISCAL YEAR | ACTIVITY | BUDGET (x1000) |
|---|---|---|
| 2016 | | |
| 2017 | | |
| 2018 | | |
| 2019 | | |
| 2020 | | |
| **Project Total** | | **$0** |

# GWA Capital Improvement Plan
# Project Sheet FY 2016-2020

**Project Number:** **CIP PW 05-05**

**Categorization:** **Project**

**Name of Project:** **A-Series Well Transmission Line**

**Reference Documents:**

a) Stipulated Order 2006, Item 38(B), Sinajana Water Transmission Line
b) Amended Stipulated Order 2011, Item 28, Sinajana Water Transmission Line

**Project Description:**

Construction of approximately 24,800-feet of 8, 12, and 24-inch water transmission lines between the Chaot and Agana Heights water storage tanks; the connection of 7 existing A-series wells to the transmission line, and chlorination equipment at each of the two storage tanks has been completed. The new pipeline will be a dedicated transmission line to the storage tanks. This project is broken down to 4 phases. Phase 1, Phase 2a and Phase 2b are completed. Phase 3 entails design services and is completed which resulted in the need for a BPS in Agana Heights. Phase 4 will include construction activities that will provide the water service area with the acceptable pressure once the system as intended is put in service and include SCADA controls.

**Project Justification:**

This project is identified in the Stipulated Order 2006, Item 38(B) and the Amended Stipulated Order 2011, Item 28.

**Financing Options & Grants:**

The source of funding for this project will be the 2010 Bond, and 2013 bond if available and necessary.

**Project Staffing Implications:**

Major Contract Administration, Major Project Management, Program Management, Major Construction Management, Major GIS Support, and Modeling Support are required.

**Results:**

Phase 1, Phase 2a, Phase 2b, and Phase 3 are completed. Phase 4 entails construction of water storage tanks under PW 12-04 and is ongoing.

**Project Time Table/Budget:**

| FISCAL YEAR | ACTIVITY | BUDGET (x1000) |
|---|---|---|
| 2016 | Construction | $0 |
| 2017 | | |
| 2018 | | |
| 2019 | | |
| 2020 | | |
| **Project Total** | | **$0** |

# GWA Capital Improvement Plan
# Project Sheet FY 2016-2020

**Project Number:** **CIP PW 05-06**

**Categorization:** **Project**

**Name of Project:** **Water Booster Pump Station**

**Reference Documents:**

a) MASTER PLAN, VOLUME 2, TABLE 9-13

**Project Description:**

The 2005 hydraulic model for GWA's three water systems identified deficiencies in water booster pump capacity to provide adequate supply to areas in the Northern, Southern and Central water systems. The project will include all improvements necessary to address capacity limitations as well as facility functionality such as motors, controls, valves etc. Additional improvements shall include the use of VFD for better energy efficiency and facility functionality.

**Project Justification:**

This project will provide additional booster pump capacity to ensure adequate supply to affected areas are provided as well as to ensure existing BPS are equipped with efficient pumps, motors, controls, etc. The improvements are to also address the USEPA's "Findings of Significant Deficiencies in the Public Water System"

**Financing Options & Grants:**

The source of funding for this project will be the grant, 2013 bond, 2015 Bond, 2018 Bond and Internally Funded CIP.

**Project Staffing Implications:**

Contract Administration, Project Management Services, Program Management and Construction Management Services are required.

**Project Time Table/Budget:**

| FISCAL YEAR | ACTIVITY | BUDGET (x1000) |
|---|---|---|
| 2016 | Planning/Design/Construction | $2,536 |
| 2017 | Construction | $3,000 |
| 2018 | Construction | $1,000 |
| 2019 | Construction | |
| 2020 | | |
| **Project Total** | | **$6,536** |

# GWA Capital Improvement Plan
# Project Sheet FY 2016-2020

**Project Number:** **CIP PW 05-07**

**Categorization:** **Program / Construction**

**Name of Project:** **Meter Replacement Program**

**Reference Documents:**
a) Stipulated Order 2006, Item 14
b) Amended Stipulated Order 2011, Item 23, Water Meters

**Project Description:**
The project will continue to replace all GWA customer water (mechanical) meters with AMR (automatic meter reading) meters. This project will replace old, underperforming and broken meters, including production meters. The AMR meters will allow data logging and electronic collection of monthly metering data.

This project will develop a water meter improvement program to ensure that each connection to the three public water systems has an accurate and accessible water meter that is GPS and reflected on the GIS, and asset inventory, read monthly and billed more accurately.

**Project Justification:**
Currently, GWA's unaccounted water rate is over 50%. It is believed that a portion of this loss is due to leakage and a portion is attributable to metering problems.

**Financing Options & Grants:**
The source of funding for this project will be the 2010, 2013 and 2015 bonds.

**Project Staffing Implications:**
Major Field Support, Contract Administration, Project Management, Program Management and GIS Support are required.

**Project Time Table/Budget:**

| FISCAL YEAR | ACTIVITY | BUDGET (x1000) |
|---|---|---|
| 2016 | Replacement | $520 |
| 2017 | Replacement | $2,000 |
| 2018 | Replacement | $2,000 |
| 2019 | | |
| 2020 | | |
| **Project Total** | | **$4,520** |

# GWA Capital Improvement Plan
# Project Sheet FY 2016-2020

**Project Number:** **CIP PW 05-08**

**Categorization:** **Project**

**Name of Project:** **Barrigada Tank Repair/Replacement**

**Reference Documents:**

a) Amended Stipulated Order 2011, Item 29 (b) (3) Storage Tank/Reservoir, Repair, Rehabilitation, Replacement and Relocation program

**Project Description:**

This project will replace the 1.0 MG tank that collapsed in 2003 and add new tanks based on modeling studies. The 1.0 MG tank will be located in the same footprint as the previous tank and will include a design analysis for a replacement tank. Additional tanks will be placed as determined by the modeling studies.

**Project Justification:**

The reduction in storage capacity of the Barrigada reservoirs due to the catastrophic failure of the previous 1.0 MG steel tank has negatively impacted the ability of GWA to effectively supply adequate water source to the villages of Barrigada and Maite. Modeling studies may show requirement for constructing additional tanks.

**Financing Options & Grants:**

The source of funding for this project will be the 2010 Bond, 2013 Bond, 2015 Bond, 2018 Bond and Internally Funded CIP.

**Project Staffing Implications:**

Contract Administration, Project Management Services, Program Management and Construction Management Services are required.

**Project Time Table/Budget:**

| FISCAL YEAR | ACTIVITY | BUDGET (x1000) |
|---|---|---|
| 2016 | Design | $1,052 |
| 2017 | Design | $400 |
| 2018 | | |
| 2019 | CM/Construction | $4,000 |
| 2020 | | |
| **Project Total** | | **$5,452** |

# GWA Capital Improvement Plan
# Project Sheet FY 2016-2020

**Project Number:** **CIP PW 05-09**

**Categorization:** **Program / Assessment**

**Name of Project:** **Leak Detection / Line Replacement**

**Reference Documents:**

a) PG Environmental – GWA Master Planning Technical Assessment, January 29, 2010

**Project Description:**

This project will perform system wide leak detection, line location and mapping, leak repair and inspection, leak analysis and control, and training and technology transfer. Line location will be performed where GIS and model data are incomplete. Leak detection will be performed on 450 miles of system pipe, including use of acoustical surveying and water audits. Leaks and repairs will be inspected, standard operating procedures reviewed/revised and material inventories developed. GWA personnel will receive training in leak detection methods and equipment. Pressure, surge and frequency analysis will be conducted, and recommendations developed for pipeline replacement, system reconfiguration, and other adjustments needed to control leakage. Data from leak detection will be used to set line replacement priorities with a goal to design and construct the replacement of approximately 10 miles of distribution mains annually depending on availability of funding.

**Project Justification:**

GWA system consists of hundreds of miles of water distribution mains consisting of numerous different pipe sizes and types. Many of these lines are undersized and/or failing due to improper construction, earthquake damage, and/or material failures. Operating personnel average about 5 distribution main breaks per week. GWA management considers any water loss a priority.

**Financing Options & Grants:**

The source of funding for this project will be the 2015 Bond and Internally Funded CIP.

**Project Staffing Implications:**

Major Contract Administration, Major Project Management Services, Program Management and Major Construction Management Services are required.

**Project Time Table/Budget:**

| FISCAL YEAR | ACTIVITY | BUDGET (x1000) |
|---|---|---|
| 2016 | Planning | $81 |
| 2017 | Planning | $1,100 |
| 2018 | Planning | $100 |
| 2019 | | |
| 2020 | | |
| **Project Total** | | **$1,281** |

# GWA Capital Improvement Plan
# Project Sheet FY 2016-2020

**Project Number:** **CIP PW 05-10**

**Categorization:** **Program / Planning**

**Name of Project:** **Potable Water System Planning**

**Reference Documents:**

a) MASTER PLAN, VOLUME 2, CHAPTER 6
b) GUAM CONSOLIDATED COMMISSION ON UTILITIES RESOLUTION NO. 11
c) Amended Stipulated Order 2011, Item 28 and Item 29

**Project Description:**

This project will include long term planning, system planning, and environmental planning. Specific applications will include potable water hydraulic modeling and the potable water bubble map. This will be used to update a portion of the Master Plan. Hydraulic modeling includes the software, hardware, travel and training. System planning includes but not limited to GIS mapping, asset inventory, asset management, asset management software, GIS software, GIS training, asset management training and asset condition assessment.

**Project Justification:**

Long term planning, system planning, and environmental planning is essential for developing capital improvement programs. Potable Water System Planning ensures that a system approach is used in project development which specifies how specific projects fit into the overall planning goals.

In addition, the 2006 Master Plan requires updating every two years by the Guam Consolidated Commission on Utilities Resolution No. 11 – FY 2007 Relative to Approving the Guam Waterworks Authority Master Plan. The resolution states "The Guam Waterworks Authority is hereby directed to continue refining the Master Plan and every two years from the date of approval of this document to recommend to the Consolidated Commission on Utilities improvements and modifications to the Master Plan and the hydraulic model and to recommend and re-prioritize capital projects resulting from said changes or modifications."

**Financing Options & Grants:**

The source of funding for this project will be the 2013 Bond, 2015 Bond, 2018 Bond, SRF Grant and Internally Funded CIP.

**Project Staffing Implications:**

Major modeling services and GIS support are required.

**Project Time Table/Budget:**

| FISCAL YEAR | ACTIVITY | BUDGET (x1000) |
|---|---|---|
| 2016 | Design Planning | $439 |
| 2017 | Design Planning | $2,000 |
| 2018 | Design Planning | $400 |
| 2019 | Design Planning | |
| 2020 | | |
| **Project Total** | | **$2,839** |

# GWA Capital Improvement Plan
# Project Sheet FY 2016-2020

**Project Number:** **CIP PW 05-11**

**Categorization:** **Program / Construction**

**Name of Project:** **Implement Ground Water Rule**

**Reference Documents:**

a) Implementation of the Groundwater Rule GEPA

**Project Description:**

This project will provide upgrades to the deep wells for the implementation of the Groundwater Rule. This project will install chlorine residual monitors on all GWA wells. The wells will include SCADA equipment to communicate the well chlorine levels to central location.

**Project Justification:**

The Groundwater Rule requires GWA to install chlorine residual monitors on all GWA wells.

**Financing Options & Grants:**

This project will be funded from 2010 Bond, 2013 bond and SRF Grant.

**Project Staffing Implications:**

Major Contract Administration, Major Project Management Services, Program Management and Major Construction Management Services are required. A control system technician will be required to maintain the monitors and related SCADA equipment.

**Project Time Table/Budget:**

| FISCAL YEAR | ACTIVITY | BUDGET (x1000) |
|---|---|---|
| 2016 | | |
| 2017 | | |
| 2018 | | |
| 2019 | | |
| 2020 | | |
| **Project Total** | | **$0** |

Note: Funds encumbered by construction project.

# GWA Capital Improvement Plan
# Project Sheet FY 2014-2018

**Project Number:** **CIP PW 05-12**

**Categorization:** **Project**

**Name of Project:** **Brigade II (Ugum Lift) BPS Upgrade**

**Reference Documents:**

a) GWA Engineering Division, Potable Water Production Enhancement Plan, June 10, 2010.

**Project Description:**

A new Brigade II booster pump station is required to fully utilize the surface supply from the south or the Ugum Treatment Plant. A new pump station, located at the Brigade II BPS site, will serve both the Windward Hills Reservoir and the Pulantat Reservoir. To provide this operational flexibility, the new pump station is to be located on the downstream side of Ugum Reservoir and should be able to overcome the pipe head loss plus the elevation difference (139 feet) between the Pulantat Reservoir and the Ugum Reservoir. Property acquisition is likely. Approximately 1100 feet of pipe is required in addition to the pump station. Additionally, the Brigade booster pump station and Windward Hills booster pump station will be upgraded to increase reliability and energy savings.

**Project Justification:**

Based on GEPA 2009 Annual Production Well Inspection Report, 13 of GWA's wells were required to decrease production due to the chloride levels; and 16 wells were approaching the chloride limit. One approach to supplementing the water supply due to the decrease in production of these 13 wells is to maximize the use of GWA's surface water and ground water. It is estimated that an increase in production of 2 MGD is needed to offset this loss in production. The source water from Ugum WTP is intended to cover the loss in deep well production.

**Financing Options & Grants:**

The source of funding for this project will be the 2010 Bond.

**Project Staffing Implications:**

Major Contract Administration, Major Project Management Services, Program Management and Major Construction Management Services are required.

**Project Time Table/Budget:**

| FISCAL YEAR | ACTIVITY | BUDGET (x1000) |
|---|---|---|
| 2016 | | $1,445 |
| 2017 | | |
| 2018 | | |
| 2019 | | |
| 2020 | | |
| **Project Total** | | **$1,445** |

# GWA Capital Improvement Plan
# Project Sheet FY 2016-2020

**Project Number:** **CIP PW 05-13**

**Categorization:** **Project**

**Name of Project:** **Deep Well Rehabilitation**

**Reference Documents:**

a) GWA Engineering Division, Potable Water Production Enhancement Plan, June 10, 2010.

**Project Description:**

This project will design and construct up to 3 new wells to increase supply and include the design and rehabilitation of seven "down-hard" wells. This project will require a feasibility study to determine the specific approach and cost estimate for each well.

**Project Justification:**

Based on GEPA 2009 Annual Production Well Inspection Report, 13 of GWA's wells were required to decrease production due to the chloride levels; and 16 wells were approaching the chloride limit or other contaminants. One approach to supplementing the water supply due to the decrease in production of these 13 wells is to maximize the use of GWA's surface water and ground water. It is estimated that an increase in production of 2 MGD is needed to offset this loss in production

**Financing Options & Grants:**

The source of funding for this project will be the 2013 Bond, 2015 bond and SRF.

**Project Staffing Implications:**

Major Contract Administration, Major Project Management Services, Program Management and Major Construction Management Services are required.

**Project Time Table/Budget:**

| FISCAL YEAR | ACTIVITY | BUDGET (x1000) |
|---|---|---|
| 2016 | Construction | $2,250 |
| 2017 | | $3,000 |
| 2018 | | $350 |
| 2019 | | |
| 2020 | | |
| **Project Total** | | **$5,600** |

# GWA Capital Improvement Plan
# Project Sheet FY 2016-2020

**Project Number:** **CIP PW 05-14**

**Categorization:** **Project**

**Name of Project:** **New Deep Wells at Down Hard Well Sites**

**Reference Documents:**

a) GWA Engineering Division, Potable Water Production Enhancement Plan, June 10, 2010.

**Project Description:**

This project will provide wells to increase supply and include new source water by drilling new wells adjacent to existing wells. This cost of these new wells will include casing and the transmission line to tie the wells into the system. This project will require a feasibility study to determine the specific approach and cost estimate for each well.

**Project Justification:**

Based on GEPA 2009 Annual Production Well Inspection Report, 13 of GWA's wells were required to decrease production due to the chloride levels; and 16 wells were approaching the chloride limit. One approach to supplementing the water supply due to the decrease in production of these 13 wells is to maximize the use of GWA's surface water and ground water. It is estimated that an increase in production of 2 MGD is needed to offset this loss in production.

**Financing Options & Grants:**

The source of funding for this project will be the 2010 Bond, 2013 bond and 2015 Bond.

**Project Staffing Implications:**

Major Contract Administration, Major Project Management Services, Program Management and Major Construction Management Services are required.

**Project Time Table/Budget:**

| FISCAL YEAR | ACTIVITY | BUDGET (x1000) |
|---|---|---|
| 2016 | Construction | $2,186 |
| 2017 | | |
| 2018 | | $1,100 |
| 2019 | | |
| 2020 | | |
| **Project Total** | | **$3,286** |

# GWA Capital Improvement Plan
# Project Sheet FY 2016-2020

**Project Number:** **CIP PW 05-15**

**Categorization:** **Project**

**Name of Project:** Rehabilitation of Asan Springs Ground Reservoir

**Reference Documents:**

*a) GWA Engineering Division, Potable Water Production Enhancement Plan*, June 10, 2010.

**Project Description:**

This project will include design and construction work to rehabilitate/upgrade the reservoir, treatment/chlorination facility, pump/motors and electrical controls.

**Project Justification:**

Based on GEPA 2009 Annual Production Well Inspection Report, 13 of GWA's wells were required to decrease production due to the chloride levels; and 16 wells were approaching the chloride limit. One approach to supplementing the water supply due to the decrease in production of these 13 wells is to maximize the use of GWA's surface water and ground water. It is estimated that an increase in production of 2 MGD is needed to offset this loss in production.

**Financing Options & Grants:**

The source of funding for this project will be the 2010 Bond and DOI grant.

**Project Staffing Implications:**

Major Contract Administration, Major Project Management Services, Program Management and Major Construction Management Services are required.

**Project Time Table/Budget:**

| FISCAL YEAR | ACTIVITY | BUDGET (x1000) |
|---|---|---|
| 2016 | | $1,157 |
| 2017 | | |
| 2018 | | |
| 2019 | | |
| 2020 | | |
| **Project Total** | | **$1,157** |

# GWA Capital Improvement Plan
# Project Sheet FY 2016-2020

**Project Number:** **CIP PW 05-16**

**Categorization:** **Program / Construction**

**Name of Project:** **Master Metering**

**Reference Documents:**
a) The Bubble Map and Water Service Area Map.

**Project Description:**
This project will provide for the design, installation, and materials for water meters to be installed at major GWA facilities and pressure zones to fully account for water consumption. This project will aid in analyzing and forming a more accurate picture related to leak detection studies and reports. Additionally the hydraulic model will benefit from the data collected.

**Project Justification:**
The project is needed to perform water audits on water service areas (WSA) as required by US EPA. This project will greatly enhance the data from the current leak detection contract.

**Financing Options & Grants:**
The source of funding for this project will be the 2010 Bond, 2013 Bond and 2015 Bond.

**Project Staffing Implications:**
Major Contract Administration, Major Project Management Services, Program Management and Major Construction Management Services are required.

**Project Time Table/Budget:**

| FISCAL YEAR | ACTIVITY | BUDGET (x1000) |
|---|---|---|
| 2016 | Construction | $10 |
| 2017 | Construction | $3,616 |
| 2018 | | |
| 2019 | | |
| 2020 | | |
| **Project Total** | | **$3,626** |

# GWA Capital Improvement Plan
# Project Sheet FY 2016-2020

**Project Number:** **CIP PW 09-01**

**Categorization:** **Project**

**Name of Project:** **Ugum Water Treatment Plant Intake Modifications**

**Reference Documents:**

a) Stipulated Order 2006, item 41, Ugum Surface Water Treatment Plant. Due January 5, 2008.
b) MASTER PLAN, VOLUME 2, TABLE 9-6
c) *GWA Engineering Division, Potable Water Production Enhancement Plan*, June 10, 2010.

**Project Description:**

This project includes an alternative analysis and a design concept report to refine the extent and cost of this critical project. This project will improve the intake structure of the Ugum Water Treatment Plant to minimize siltation and provide more reliable raw water supply during low river flow conditions. This project also includes master planning for future treatment capacity and projects that increase plant capacity. Additionally vehicles, equipment, software, hardware, training for the planning, engineering, operation and maintenance of the treatment plant are part of the scope. This project will cover all related work that fell under PW 05-04.

**Project Justification:**

The existing intake is susceptible to siltation and requires frequent maintenance. The project will allow for GWA to efficiently extract the Ugum water even during high silt periods and operate at low river conditions. More importantly the Ugum WTP is a major source of water for supplying the Southern Water System thus continued water supply is necessary.

**Financing Options & Grants:**

The source of funding for this project will be the 2010 Bond, 2013 Bond, 2015 Bond and IFCIP.

**Project Staffing Implications:**

Contract Administration, Project Management, Program Management and Construction Management Services are required.

**Project Time Table/Budget:**

| FISCAL YEAR | ACTIVITY | BUDGET (x1000) |
|---|---|---|
| 2016 | | $522 |
| 2017 | | $500 |
| 2018 | | |
| 2019 | | |
| 2020 | | |
| **Project Total** | | **$1,022** |

# GWA Capital Improvement Plan
# Project Sheet FY 2016-2020

**Project Number:** **CIP PW 09-02**

**Categorization:** **Program / Construction**

**Name of Project:** **Water Wells**

**Reference Documents:**

a) GWA Needs Assessment for Anticipated Guam Military Buildup 08/2007 and 08/2009 update.
b) *GWA Engineering Division, Potable Water Production Enhancement Plan*, June 10, 2010.

**Project Description:**

GWA projects a need to construct new production wells to produce an estimated 5-7 MGD for natural growth of the island and pending military development. This project will require studying the aquifer with respect to all production wells, water system demand analysis, and development/construction of new well. It is imperative that the site locations of the new wells are executed with a whole-aquifer perspective. This project also includes addressing replacement of pumps, motors, cables, motor controls, meters, and electrical systems at existing wells to meet GWA's production needs.

**Project Justification:**

Water demands for all population residing outside military property will be met by GWA sources. This project will ensure water supply can meet customer demands taking onto account economic, environmental, health and safety factors.

**Financing Options & Grants:**

The source of funding for this project will be the 2013 bond, 2015 Bond, 2018 Bond, System Development Charge, and Internally Funded CIP.

**Project Staffing Implications:**

Major Contract Administration, Major Project Management, Program Management, Major Construction Management, and Modeling Support are required.

**Project Time Table/Budget:**

| FISCAL YEAR | ACTIVITY | BUDGET (x1000) |
|---|---|---|
| 2016 | Planning/Design/Construction | $6,756 |
| 2017 | Construction | $2,660 |
| 2018 | Construction | $500 |
| 2019 | Construction | $1,000 |
| 2020 | | |
| **Project Total** | | **$10,916** |

# GWA Capital Improvement Plan
# Project Sheet FY 2016-2020

**Project Number:** **CIP PW 09-03**

**Categorization:** **Program / Construction**

**Name of Project:** **Water Distribution System Pipe Replacement**

**Reference Documents:**

a) MASTER PLAN, VOLUME 2, TABLE 9-7
b) *GWA Engineering Division, Potable Water Production Enhancement Plan*, June 10, 2010
c) NEIC Finding of Significant Deficiencies in GWA Water System, April 2013

**Project Description:**

In addition to specific pipe replacement projects identified through hydraulic modeling, there is an ongoing need to fund pipe replacement to address leaks, failure and age issues. In addition the 2005 hydraulic model identified deficiencies in pumping capacity and pipe size to provide adequate fire flow and pressure, and reduce high velocities and friction losses throughout the island The basis for this project is to replace 13,500 linear feet of pipe per year through 2015 and 2,000 feet of pipe replacement per year thereafter. Pipe replacement includes but is not limited to replacement of fire hydrants, PRV, valves (isolation valves, air lease valves blow off valves, etc.), vaults, and line segment replacement. In addition these projects include leak detection, leak repair, the mapping and records related to these activities, and valve exercise program.

**Project Justification:**

Under the current leak detection project sites have been identified where substantial leaks are occurring. This pipe replacement project intends to use the information from the leak detection project in prioritizing pipe replacement. The GWA system also has numerous substandard/undersize pipes which would be address through this project. The improvements are to also address the USEPA's "Findings of Significant Deficiencies in the Public Water System"

**Financing Options & Grants:**

The source of funding for this project will be the 2010 Bond, 2013 bond, 2015 Bond, 2018 Bond, Internally Funded CIP, and SDC.

**Project Staffing Implications:**

Major Contract Administration, Major Project Management, Program Management, Major Construction Management, Major GIS Support, and Major Modeling Support are required.

**Project Time Table/Budget:**

| FISCAL YEAR | ACTIVITY | BUDGET (x1000) |
|---|---|---|
| 2016 | Construction | $2,333 |
| 2017 | Construction | $10,260 |
| 2018 | Construction | $3,300 |
| 2019 | Construction | $5,000 |
| 2020 | | |
| **Project Total** | | **$20,893** |

# GWA Capital Improvement Plan
# Project Sheet FY 2016-2020

**Project Number:** **CIP PW 09-04**

**Categorization:** **Program / Construction**

**Name of Project:** **Pressure Zone Realignment/Development 2005 Improvements**

**Reference Documents:**
a) MASTER PLAN, VOLUME 2, TABLE 9-12
b) Water System Hydraulic Analysis Report, May 3, 2013

**Project Description:**
The hydraulic modeling of the water system identified areas with inadequate service pressures and flows. Installation of pressure regulating valve and pressure sustaining valve stations is required at strategic locations to facilitate the development of defined pressure zones, and improve circulation of flow from a higher pressure zone to a lower pressure zone. These projects include repairs of existing PRV and PSV to ensure the water system meets services pressure and flow.

**Project Justification:**
Pressure zone changes needed to improve flow circulation and defined pressure zones.

**Financing Options & Grants:**
The source of funding for this project will be the 2013 bond, and 2015 Bond.

**Project Staffing Implications:**
Major Contract Administration, Major Project Management, Program Management, Major Construction Management, Major GIS Support, and Major Modeling Support are required. The modeling support to achieve this project will be extensive.

**Project Time Table/Budget:**

| FISCAL YEAR | ACTIVITY | BUDGET (x1000) |
|---|---|---|
| 2016 | Design/Construction | $569 |
| 2017 | Construction | $572 |
| 2018 | | |
| 2019 | | |
| 2020 | | |
| **Project Total** | | **$1,141** |

# GWA Capital Improvement Plan
# Project Sheet FY 2016-2020

**Project Number:** **CIP PW 09-06**

**Categorization:** **Program / Construction**

**Name of Project:** **Central Water Distribution System 2005 Improvements**

**Reference Documents:**

a) MASTER PLAN, VOLUME 2, TABLE 9-10

**Project Description:**

There is an ongoing need to fund pipe replacement to address leaks, failure and age issues. In addition the 2005 hydraulic model identified deficiencies pipe size to provide adequate fire flow and pressure, and reduce high velocities and friction losses throughout the island. Pipe replacement includes but is not limited to fire hydrants, PRV, valves, vaults and line segment replacement. These projects include leak detection, leak repair, and the mapping and records related to these activities.

**Project Justification:**

Under the current leak detection project sites have been identified where substantial leaks are occurring. This pipe replacement project intends to use the information from the leak detection project in prioritizing pipe replacement. The GWA system also has numerous substandard/undersize pipes which would be address through this project.

**Financing Options & Grants:**

The source of funding for this project will be the 2010 Bond.

**Project Staffing Implications:**

Contract Administration, Project Management Services, Construction Management Services, GIS Support, and Modeling Support are required.

**Project Time Table/Budget:**

| FISCAL YEAR | ACTIVITY | BUDGET (x1000) |
|---|---|---|
| 2016 | | $75 |
| 2017 | | |
| 2018 | | |
| 2019 | | |
| 2020 | | |
| **Project Total** | | **$75** |

# GWA Capital Improvement Plan
# Project Sheet FY 2016-2020

**Project Number:** **CIP PW 09-08**

**Categorization:** **Program / Construction**

**Name of Project:** **Mechanical/Electrical Equipment Replacement**

**Reference Documents:**

a) MASTER PLAN, VOLUME 2, TABLE 9-8

**Project Description:**

This project will create an equipment reserve for routine mechanical/electrical equipment replacement due to age, capacity, or failure. This reserve includes well pumps, booster pumps, valves, emergency generators and other items associated with the Northern, Central and Southern Water Systems.

**Project Justification:**

Sufficient funds must be reserved to ensure water system mechanical and electrical equipment is replaced in a timely manner.

**Financing Options & Grants:**

The source of funding for this project will be the 2013 Bond and 2015 bond.

**Project Staffing Implications:**

Contract Administration, Project Management Services, and Construction Management Services are required.

**Project Time Table/Budget:**

| FISCAL YEAR | ACTIVITY | BUDGET (x1000) |
|---|---|---|
| 2016 | Procurement/Construction | $102 |
| 2017 | | |
| 2018 | | |
| 2019 | | |
| 2020 | | |
| **Project Total** | | **$102** |

# GWA Capital Improvement Plan
# Project Sheet FY 2016-2020

**Project Number:** **CIP PW 09-09**

**Categorization:** **Program / Assessment**

**Name of Project:** **Water Reservoir Internal/External Corrosion Assessment Program**

**Reference Documents:**

a) MASTER PLAN, VOLUME 2, TABLE 9-2

**Project Description:**

This project will develop and implement a corrosion assessment program for all steel water reservoirs to determine the extent of internal and external reservoir corrosion and necessary course of action to rehabilitate or replace the affected reservoirs.

**Project Justification:**

The failure of the Barrigada Water Reservoir #1 in June 2005 demonstrated the urgent need to internally inspect and carry out a full condition assessment of all steel reservoirs to determine the degree of corrosion damage and establish remedial action or reservoir replacement as appropriate.

**Financing Options & Grants:**

The source of funding for this project will be the 2010 Bond.

**Project Staffing Implications:**

Contract Administration, Project Management, and Construction Inspection are required.

**Project Time Table/Budget:**

| FISCAL YEAR | ACTIVITY | BUDGET (x1000) |
|---|---|---|
| 2016 | | $646 |
| 2017 | | |
| 2018 | | |
| 2019 | | |
| 2020 | | |
| **Project Total** | | **$646** |

Note: Funds encumbered by construction project.

# GWA Capital Improvement Plan
# Project Sheet FY 2016-2020

**Project Number:** **CIP PW 09-10**

**Categorization:** **Program / Construction**

**Name of Project:** **Water Reservoir Internal/External Corrosion Rehabilitation Program**

**Reference Documents:**
a) MASTER PLAN, VOLUME 2, TABLE 9-3

**Project Description:**
This project will program the rehabilitation of designated reservoirs over a four-year period as a phased project based on the results of the corrosion assessment program for all steel water reservoirs.

**Project Justification:**
The failure of the Barrigada Water Reservoir #1 in June 2005 demonstrated the urgent need to internally inspect and carryout a full condition assessment of all steel reservoirs to determine the degree of corrosion damage and establish remedial action or reservoir replacement as appropriate.

**Financing Options & Grants:**
The source of funding for this project will be the 2015 bond.

**Project Staffing Implications:**
Major Contract Administration, Major Project Management, and Major Construction Management are required.

**Project Time Table/Budget:**

| FISCAL YEAR | ACTIVITY | BUDGET (x1000) |
|---|---|---|
| 2016 | Planning/Construction | $800 |
| 2017 | | |
| 2018 | | |
| 2019 | | |
| 2020 | | |
| **Project Total** | | **$800** |

# GWA Capital Improvement Plan
# Project Sheet FY 2016-2020

**Project Number:** **CIP PW 09-11**

**Categorization:** **Program / Construction**

**Name of Project:** **Water System Reservoirs 2005 Improvements**

**Reference Documents:**
a) MASTER PLAN, VOLUME 2, TABLE 9-14 & 15
b) Amended Stipulated Order 2011, Item 29

**Project Description:**
This project will construct additional reservoirs that address deficiencies in water storage capacity.

**Project Justification:**
The 2005 hydraulic model for GWA's three water systems identified deficiencies in reservoir capacity. This project will provide adequate capacity and pressure for fire and customer supply.

**Financing Options & Grants:**
The source of funding for this project will be the 2013 Bond, 2015 Bond, 2018 Bond, and Internally Funded CIP.

**Project Staffing Implications:**
Major Contract Administration, Major Project Management, Program Management and Major Construction Management and Major Modeling are required.

**Project Time Table/Budget:**

| FISCAL YEAR | ACTIVITY | BUDGET (x1000) |
|---|---|---|
| 2016 | Planning/Construction | $8,485 |
| 2017 | Construction | $4,472 |
| 2018 | Construction | $38,178 |
| 2019 | Construction | $18,250 |
| 2020 | Construction | $10,000 |
| **Project Total** | | **$79,385** |

# GWA Capital Improvement Plan
# Project Sheet FY 2016-2020

**Project Number:** **CIP PW 11-01**

**Categorization:** **Program / Construction**

**Name of Project:** **Distribution System Upgrades**

**Reference Documents:**

**Project Description:**
Waterlines from the 2009 Leak Detection Program distribution system upgrades will be identified that are in conformance with the Master Plan but are not scheduled with the current time horizon but need to be repaired sooner.

**Project Justification:**
Water Distribution System Pipe: GWA's system consists of hundreds of miles of water distribution mains consisting of various pipe sizes and types. Many of these lines are undersized and/or failing due to improper construction, earthquake damage, and/or material failures. Additionally, pressure zone changes are needed to improve flow circulation and define pressure zones.

**Financing Options & Grants:**
The source of funding for this project will be the 2010 Bond.

**Project Staffing Implications:**
Major Contract Administration, Major Project Management, Major Construction Management, Major GIS Support, and Modeling Support are required.

**Project Time Table/Budget:**

| FISCAL YEAR | ACTIVITY | BUDGET (x1000) |
|---|---|---|
| 2016 | | $0 |
| 2017 | | |
| 2018 | | |
| 2019 | | |
| 2020 | | |
| **Project Total** | | **$0** |

# GWA Capital Improvement Plan
# Project Sheet FY 2016-2020

**Project Number:** **CIP PW 11-02**

**Categorization:** **Project**

**Name of Project:** **Ugum Water Treatment Plant Reservoir Replacement**

**Reference Documents:**

a) Amended Stipulated Order 2011, Item 29

**Project Description:**

This project will provide a new 2 MG finished water reservoir at the Ugum Water Treatment Plant. The reservoirs will be the sole source of finished water for most of the Southern Water System. Failure of the existing lone reservoir would result in a significant hardship on customers in the system. The new 2 MG reservoir would allow the existing reservoir to be taken off-line and refurbished and ultimately allow for redundancy and maintenance. This may require property acquisition.

**Project Justification:**

To provide redundancy in storage at the treatment plant that will allow for periodic maintenance. The existing reservoir is damaged, but cannot be taken out-of-service for repair because there is no back-up.

**Financing Options & Grants:**

The source of funding for this project will be the 2013 Bond and 2015 Bond.

**Project Staffing Implications:**

Major Contract Administration, Major Project Management, Program Management and Major Construction Management are required.

**Project Time Table/Budget:**

| FISCAL YEAR | ACTIVITY | BUDGET (x1000) |
|---|---|---|
| 2016 | Assessment/Planning/Construction | $90 |
| 2017 | | |
| 2018 | Construction | $5,000 |
| 2019 | | |
| 2020 | | |
| **Project Total** | | **$5,090** |

# GWA Capital Improvement Plan
# Project Sheet FY 2016-2020

**Project Number:** **CIP PW 12-01**

**Categorization:** **Program / Planning**

**Name of Project:** **Water Audit Program & Water Loss Control Plan**

**Reference Documents:**
PUC Docket 09-03

**Project Description:**
This project will perform system wide leak detection, leak repair and inspection, leak analysis and control. Leak detection will be performed on 450 miles of system pipe, including use of acoustical surveying and water audits. The information resulting from the work completed in the project will be used to update the AWWA M-36 Water Audit which will allow GWA to address PUC STIP 4.c.i, apparent losses: a forensic assessment, Customer Service Meter Inaccuracies, PUC STIP 4.c.ii, apparent losses: including potential outsourcing and Unbilled Unmetered, PUC STIP 4.c.iii, apparent losses: unauthorized consumption.

This project will also address the Tiyan properties returned to the original home owner who are not currently meter. This project therefore will include installation of individual residential meters as well as installation of any water distribution system that will improve GWA's ability to serve these customers.

**Project Justification:**
This project will develop a water meter improvement program to ensure that each connection to the three public water systems has an accurate and accessible water meter that is read monthly and billed.

**Financing Options & Grants:**
The source of funding for this project will be the 2010 Bond and 2018 Bond. Line item MC 09-01 within the any bond issuance shall be an alternative source of funding for projects generated through CIP PW 12-01 if GWA engineering can show the project meets MC 09-01 capital project criteria.

**Project Staffing Implications:**
Major Contract Administration, Major Project Management, Program Management and Major Construction Management are required.

**Project Time Table/Budget:**

| FISCAL YEAR | ACTIVITY | BUDGET(x1000) |
|---|---|---|
| 2016 | | $1,022 |
| 2017 | | |
| 2018 | | |
| 2019 | | |
| 2020 | | |
| **Project Total** | | **$1,022** |

# GWA Capital Improvement Plan
# Project Sheet FY 2016-2020

**Project Number:** **CIP PW 12-02**

**Categorization:** **Program / Planning**

**Name of Project:** **Production Plan / Reduce Navy Purchases**

**Reference Documents:**
GWA Production Plan 2010

**Project Description:**
This project will implement the GWA Production plan which includes but not limited to down hard wells that were rehabilitated, development of new well, rehabilitation of springs, and improvements to the Ugum WTP. This project will also include planning and design of transmission mains to move larger volumes of water to areas supplied by Navy water.

**Project Justification:**
Navy water purchase is expensive for GWA for resale. The anticipated growth of the island due to the military buildup will have impacts to GWA if additional Navy purchases were to occur.

**Financing Options & Grants:**
Line item MC 09-01 within the Bond issuance shall be an alternative source of funding for projects generated through CIP PW 12-02 if GWA engineering can show the project meets MC 09-01 capital project criteria.

**Project Staffing Implications:**
Major Contract Administration, Major Project Management, and Major Construction Management are required.

**Project Time Table/Budget:**

| FISCAL YEAR | ACTIVITY | BUDGET (x1000) |
|---|---|---|
| 2016 | | |
| 2017 | | |
| 2018 | | |
| 2019 | | |
| 2020 | | |
| **Project Total** | | **$0** |

# GWA Capital Improvement Plan
# Project Sheet FY 2016-2020

**Project Number:** **CIP PW 12-03**

**Categorization:** **Program / Assessment**

**Name of Project:** **Hydraulic Assessment of Tanks**

**Reference Documents:**

a) Amended Stipulated Order 2011, Item 29 (a)

**Project Description:**

The hydraulic analysis through the use of hydraulic modeling program shall evaluate each service area to identify deficiencies that impact the short and long term water storage and pressure needs of that service area. The analysis will also include at a minimum defining the zones in the Bubble Map, updating Demand (Population).

**Project Justification:**

This is a stipulated order project intended to help GWA understand and manage the water storage capacity throughout the island.

**Financing Options & Grants:**

The source of funding for this project will be the 2010 Bond.

**Project Staffing Implications:**

Major Contract Administration, Major Project Management, and Major Construction Management are required.

**Project Time Table/Budget:**

| FISCAL YEAR | ACTIVITY | BUDGET (x1000) |
|---|---|---|
| 2016 | | |
| 2017 | | |
| 2018 | | |
| 2019 | | |
| 2020 | | |
| **Project Total** | | **$0** |

# GWA Capital Improvement Plan
# Project Sheet FY 2016-2020

**Project Number:** **CIP PW 12-04**

**Categorization:** **Project**

**Name of Project:** **Agana Heights and Chaot Tank Construction**

**Reference Documents:**

a) Amended Stipulated Order 2011, Item 28(c)

**Project Description:**

This project will replace the existing Agana Heights and Chaot steel tanks to concrete tanks. Concrete tank design and construction management will be required.

**Project Justification:**

Results from internal and external corrosion assessment deemed tanks to be replaced. In addition, this is a Court Ordered project. Additionally, this project completes the Sinajana/Agana Heights Water Transmission line project.

**Financing Options & Grants:**

The source of funding for this project will be the 2013 Bond and 2015 Bond.

**Project Staffing Implications:**

Major Contract Administration, Major Project Management, Program Management and Major Construction Management are required.

**Project Time Table/Budget:**

| FISCAL YEAR | ACTIVITY | BUDGET (x1000) |
|---|---|---|
| 2016 | CM/Construction | $4,221 |
| 2017 | | |
| 2018 | | |
| 2019 | | |
| 2020 | | |
| **Project Total** | | **$4,221** |

# GWA Capital Improvement Plan
# Project Sheet FY 2016-2020

**Project Number:** **CIP PW 12-05**

**Categorization:** **Project**

**Name of Project:** **Tank Major Repair Yigo #1, Mangilao #2, Astumbo #1**

**Reference Documents:**

a) Amended Stipulated Order 2011, Item 29
b) Duenas, Camacho & Associates (DCA) "Structural Inspection and Assessment of the Mangilao 2 Tank", April 6 2011
c) DCA "Structural Inspection and Assessment of the Astumbo 1 Tank", April 6, 2011
d) DCA "Structural Inspection and Assessment of the Yigo 1 Tank", April 6, 2011
e) Water System Hydraulic Analysis Report, May 3, 2013

**Project Description:**

This project will replace all deteriorated steel within the existing steel tank for the Mangilao #2 tank. Scope of work includes improvements to the steel floor; steel columns, roof purlins as well as interior and exterior re-coating. This project will also include the replacement of the steel tanks at the Yigo site and Astumbo site with concrete tanks and booster pumps station.

**Project Justification:**

Results from internal and external corrosion assessment deemed the Mangilao tank to require major improvements. As for the Yigo and Astumbo tanks GWA find it is on the best interest of the public to fully replacement the Yigo and Astumbo Tanks as well as build a booster pump station. .

**Financing Options & Grants:**

The source of funding for this project will be the 2010 Bond, 2013 Bond and 2015 Bond.

**Project Staffing Implications:**

Major Contract Administration, Major Project Management, Program Management and Major Construction Management are required.

**Project Time Table/Budget:**

| FISCAL YEAR | ACTIVITY | BUDGET (x1000) |
|---|---|---|
| 2016 | CM/Construction | $125 |
| 2017 | | |
| 2018 | | $500 |
| 2019 | | |
| 2020 | | |
| **Project Total** | | **$625** |

# GWA Capital Improvement Plan
# Project Sheet FY 2016-2020

**Project Number:** **CIP PW 12-06**

**Categorization:** **Project**

**Name of Project:** **Tank Replacement Piti & Hyundai Tanks**

**Reference Documents:**

a) Amended Stipulated Order 2011, Item 29
b) Water System Hydraulic Analysis Report, May 3, 2013

**Project Description:**

This project will include the design and construction of replacement tanks for the Piti and Hyundai steel tanks. The new tanks more than likely will be located in the same footprint as the previous tanks however should the tank assessment project (PW 12-03) indicate otherwise the tanks will be located as recommended. This project will include a design analysis for a replacement tank.

**Project Justification:**

Results from internal and external corrosion assessment deemed tanks to be replaced. In addition, this is a Court Ordered project.

**Financing Options & Grants:**

The source of funding for this project will be the 2015 bond.

**Project Staffing Implications:**

Major Contract Administration, Major Project Management, Program Management and Major Construction Management are required.

**Project Time Table/Budget:**

| FISCAL YEAR | ACTIVITY | BUDGET (x1000) |
|---|---|---|
| 2016 | Planning/Design | $5,000 |
| 2017 | CM/Construction | $2,410 |
| 2018 | | $2,590 |
| 2019 | | |
| 2020 | | |
| **Project Total** | | **$10,000** |

# GWA Capital Improvement Plan
# Project Sheet FY 2016-2020

**Project Number:** **CIP PW 12-07**

**Categorization:** **Project**

**Name of Project:** **Assessment/Replacement of Malojloj Elevated & Yigo Elevated Tanks**

**Reference Documents:**
a) Amended Stipulated Order 2011, Item 29
b) Water System Hydraulic Analysis Report, May 3, 2013

**Project Description:**
This project will include the design and construction of replacement tanks for the Malojloj and Yigo elevated steel tanks. GWA may also assess the abandonment of these thanks and/or replacement with pump stations. The new tanks more than likely will be located in the same footprint as the previous tanks however should the tank assessment project (PW 12-03) indicate otherwise the tanks will be located as recommended. This project will include a design analysis for a replacement tank.

**Project Justification:**
Results from internal and external corrosion assessment deemed tanks to be replaced. In addition, this is a Court Ordered project.

**Financing Options & Grants:**
The source of funding for this project will be the 2010 Bond and 2013 bond.

**Project Staffing Implications:**
Major Contract Administration, Major Project Management, Program Management and Major Construction Management are required.

**Project Time Table/Budget:**

| FISCAL YEAR | ACTIVITY | BUDGET (x1000) |
|---|---|---|
| 2016 | | $0 |
| 2017 | | |
| 2018 | | |
| 2019 | | |
| 2020 | | |
| **Project Total** | | **$0** |

# GWA Capital Im
# provement Plan
# Project Sheet FY 2016-2020

**Project Number:** **CIP PW 12-08**

**Categorization:** **Program / Assessment**

**Name of Project:** **Public Water System Asset Inventory/Condition Assessment**

**Reference Documents:**

a) Work Plan USEPA Region IX – R9 Tracking #11-277 "Water and Wastewater System Improvements

**Project Description:**

This project includes but not limited to water asset inventory development, asset management planning and implementation, asset management software procurement, asset management training and asset condition assessment. The information gathered will also be integrated with the GWA GIS system.

**Project Justification:**

This project is intended to provide GWA with data, information and the ability to understand and manage the water system such as the distribution line, booster pump station, section valves, and treatment facility to ensure planning effort to upgrade the system is done effectively and efficiently.

**Financing Options & Grants:**

The source of funding for this project will be the 2010 Bond.

**Project Staffing Implications:**

Contract Administration and Project Management are required. GWA staff training and management of the asset inventory also required.

**Project Time Table/Budget:**

| FISCAL YEAR | ACTIVITY | BUDGET (x1000) |
|---|---|---|
| 2016 | | |
| 2017 | | |
| 2018 | | |
| 2019 | | |
| 2020 | | |
| **Project Total** | | **$0** |

Note: Funds encumbered by Program Management Office.

# GWA Capital Improvement Plan
# Project Sheet FY 2016-2020

**Project Number:** **CIP PW 12-09**

**Categorization:** **Program / Planning**

**Name of Project:** **Public Water System GIS & Mapping**

**Reference Documents:**

a) Work Plan USEPA Region IX – R9 Tracking #11-277 "Water and Wastewater System Improvements

**Project Description:**

This project intends to improve GWA's GIS data base through improvements with GWA data management system. The improvements will include integration of other data sources into GIS to close the data gaps as well as implement system hardware to ensure use and expansion of GIS is achievable.

**Project Justification:**

Continued update of the GIS system will allow GWA to understand and manage GWA infrastructure more effectively. Accurate GIS information is vital to new development planning as well as system maintenance.

**Financing Options & Grants:**

The source of funding for this project will be the 2010 Bond.

**Project Staffing Implications:**

Major Contract Management for GIS services and GIS support are required

**Project Time Table/Budget:**

| FISCAL YEAR | ACTIVITY | BUDGET (x1000) |
|---|---|---|
| 2016 | | |
| 2017 | | |
| 2018 | | |
| 2019 | | |
| 2020 | | |
| **Project Total** | | **$0** |

# GWA Capital Improvement Plan
# Project Sheet FY 2016-2020

**Project Number:** **CIP PW 14-01**

**Categorization:** **Project**

**Name of Project:** **Fire Hydrant Replacement Program**

**Reference Documents:**

a) Guam Administrative Rules and Regulations, Title 28, Chapter 2, Article 1, 2102 (a)(17)
b) Development Plan for Long-Term Comprehensive Water Distribution System Program, Section 5, Fire Hydrant Exercising, Maintenance, and Replacement Program, April 2013

**Project Description:**

This project intends to replace old, damaged or out-of-commissioned fire hydrants throughout Guam, in accordance with the Guam Administrative Rules and Regulations.

**Project Justification:**

Replacement of damaged or out-of-commission fire hydrants will help GWA remain in compliance with the Guam Administrative Rules and Regulations and increase the emergency response capacity of Guam's water system.

**Financing Options & Grants:**

The source of funding for this project will be the 2015 Bond and Internally Funded CIP.

**Project Staffing Implications:**

Contract Administration, Project Management Services, Program Management and Construction Management Services are required.

**Project Time Table/Budget:**

| FISCAL YEAR | ACTIVITY | BUDGET (x1000) |
|---|---|---|
| 2016 | Planning/Construction | $2,000 |
| 2017 | Construction | $500 |
| 2018 | Construction | $500 |
| 2019 | | |
| 2020 | | |
| **Project Total** | | **$3,000** |

# Project Sheet Wastewater

# GWA Capital Improvement Plan
# Project Sheet FY 2016-2020

**Project Number:** **CIP WW 05-04**

**Categorization:** **Program / Planning**

**Name of Project:** **Wastewater System Planning**

**Reference Documents:**

a) MASTER PLAN, VOLUME 3, CHAPTER 4.7.3
b) GUAM CONSOLIDATED COMMISSION ON UTILITIES RESOLUTION NO. 11-FY2007

**Project Description:**

Wastewater System Planning will include long term planning, system planning, and environmental planning. Specific application would include wastewater hydraulic modeling and the wastewater skeletal basin map. This will be used to update a portion of the Master Plan. Hydraulic modeling includes the software, hardware, travel and training. System planning includes but not limited to GIS mapping, asset inventory, asset management, asset management software, GIS software, GIS training, asset management training and asset condition assessment.

**Project Justification:**

Long term planning, system planning, and environmental planning is essential for developing capital improvement programs. Wastewater System Planning ensures that a system approach is used in project development.

In addition, the 2006 Master Plan requires updating every two years by the Guam Consolidated Commission on Utilities Resolution No. 11 – FY 2007 Relative to Approving the Guam Waterworks Authority Master Plan. The resolution states "The Guam Waterworks Authority is hereby directed to continue refining the Master Plan and every two years from the date of approval of this document to recommend to the Consolidated Commission on Utilities improvements and modifications to the Master Plan and the hydraulic model and to recommend and re-prioritize capital projects resulting from said changes or modifications."

**Financing Options & Grants:**

The source of funding for this project will be the 2013 Bond, 2015 Bond, 2018 Bond and SRF funding.

**Project Staffing Implications:**

Major modeling services and GIS support are required.

**Project Time Table/Budget:**

| FISCAL YEAR | ACTIVITY | BUDGET (x1000) |
|---|---|---|
| 2016 | Assessment/Planning/Design | $308 |
| 2017 | | |
| 2018 | Assessment/Planning/Design | $1,000 |
| 2019 | Assessment/Planning/Design | $0 |
| 2020 | | |
| **Project Total** | | **$1,308** |

# GWA Capital Improvement Plan
# Project Sheet FY 2016-2020

**Project Number:** **CIP WW 09-01**

**Categorization:** **Project**

**Name of Project:** **Lift Station Upgrades**

**Reference Documents:**

a) Performance Management Contract, CIP / PIP Review June 2007

**Project Description:**

Specific rehabilitation and repair capital projects are needed for the sewage pump stations. These projects include: Health and Safety (e.g. overhead crane repair and fall protection barriers, lock, wet well fencing, fans and basic security), Environmental Protection and Compliance (e.g. high level and overflow alarm systems), Energy Optimization Programs (e.g. upgrading electrical controls and motors, add amp meters, add run time meter), and economically beneficial Asset Replacement (e.g. replacement of a pump for $9,000 rather than repair it for $7,600).

**Project Justification:**

Sewage pump stations require ongoing capital upkeep in order to maintain safety, prevent sewer overflows, maintain environmental compliance and optimize energy usage. Installation of control equipment such as amp meters and alarms help maintenance of the pumps and motors. These improvements are to also address the pending USEPA's "Findings of Significant Deficiencies in the Wastewater System" report.

**Financing Options & Grants:**

The main source of funding for this project is the SRF funding, 2013 Bond, 2015 Bond, and Internally Funded CIP.

**Project Staffing Implications:**

Major Contract Administration, Major Project Management, Program Management and Major Construction Management are required.

**Project Time Table/Budget:**

| FISCAL YEAR | ACTIVITY | BUDGET (x1000) |
|---|---|---|
| 2016 | Planning/Design/Construction | $1,055 |
| 2017 | Construction | $5,050 |
| 2018 | Construction | $1,500 |
| 2019 | Construction | |
| 2020 | | |
| **Project Total** | | **$7,605** |

# GWA Capital Improvement Plan
# Project Sheet FY 2016-2020

**Project Number:** **CIP WW 09-02**

**Categorization:** **Project**

**Name of Project:** **Moratorium**

**Reference Documents:**
a) Central Guam Sewer Improvements Functional Design Report, January 2009
b) MASTER PLAN, VOLUME 3, TABLE 9-7, 8, 9, 10, 28, 29, 43, 44

**Project Description:**
The Moratorium project is a collection of specific wastewater projects within the Tamuning and Agana villages. These projects include upgrades to the Mamajanao, Chaot, and Agana Main Pump Stations.

**Project Justification:**
The sewer system in the Central Guam catchment along Marine Corp. Drive and Route 4 close to Agana Bay is stressed. The primary sewers in these locations experience periodic overflows with 2008 flows and by 2025 the system could be completely overwhelmed. This problem is exacerbated by the Mamajanao Sewage Pump Station, which under certain operating conditions is unable to cope with the influent flows without surcharging and locally flooding the downstream system.

**Financing Options & Grants:**
The source of funding for this project will be Short-Term Loan.

**Project Staffing Implications:**
Major Contract Administration, Major Project Management, GIS Support, and Modeling Support, and Major Construction Management are required.

**Project Time Table/Budget:**

| FISCAL YEAR | ACTIVITY | BUDGET (x1000) |
|---|---|---|
| 2016 | | |
| 2017 | | |
| 2018 | | |
| 2019 | | |
| 2020 | | |
| **Project Total** | | **$0** |

# GWA Capital Improvement Plan
# Project Sheet FY 2016-2020

**Project Number:** **CIP WW 09-06**

**Categorization:** **Program / Construction**

**Name of Project:** **Wastewater Collection System Replacement/Rehabilitation Program**

**Reference Documents:**

a) MASTER PLAN, VOLUME 3, TABLE 9-23
b) Southern SSES Rehabilitation Program, December 2013
c) Agana (Central) Collection System Rehabilitation Plan, June 2014

**Project Description:**

Annual recurring design and construction project to replace/rehabilitate 3/4 of the total collection system (~8,600 feet) per year. This would focus on the worst condition pipes not already scheduled for hydraulic related rehab or replacement. Additional work under this CIP includes manhole repair/replacement, manhole collar replacement, and manhole lid seals.

**Project Justification:**

Replacement/rehabilitation program will upgrade sewer collection system as a proactive activity to mitigate catastrophic system failure. These improvements are to also address the pending USEPA's "Findings of Significant Deficiencies in the Wastewater System" report.

**Financing Options & Grants:**

The main source of funding for this project will be 2010 Bond, 2013 bond, 2015 Bond, SRF funding and Internally Funded CIP.

**Project Staffing Implications:**

Major Contract Administration, Major Project Management, Program Management, Major Construction Management, Major GIS Support, and Modeling Support are required.

**Project Time Table/Budget:**

| FISCAL YEAR | ACTIVITY | BUDGET (x1000) |
|---|---|---|
| 2016 | Construction | $2,950 |
| 2017 | Construction | $13,920 |
| 2018 | Construction | $8,600 |
| 2019 | | |
| 2020 | | |
| **Project Total** | | **$25,470** |

# GWA Capital Improvement Plan
# Project Sheet FY 2016-2020

**Project Number:** **CIP WW 09-08**

**Categorization:** **Project**

**Name of Project:** **Facilities Plan/Design/Interim for Baza Gardens STP Improvements**

**Reference Documents:**

a) MASTER PLAN, VOLUME 3, TABLE 9-26
b) Wastewater Facilities Plan, Baza Gardens WWTP, August 2008
c) CIP WW 11-03 Baza Gardens STP Replacement
d) Guam Environmental Protection Agency Requirements meeting minutes, December 19, 2007 and letter, May 13, 2008.

**Project Description:**

This project includes planning, design and implementation for interim improvements at the wastewater treatment facility to meet permit conditions. Due to strict effluent limits imposed by the stream discharge and difficulty in operating complex treatment systems to reliably meet these limits, an alternative means of disposal should be considered in the Facility Plan. Facility Plan process recommendations will be based on the recommended alternative means of disposal. The new facilities will incorporate provisions for redundancy to improve reliability and facilitate operations and maintenance activities. Design and test the concept of utilization of Underground Injection Wells (UIC) for effluent discharge and design a replacement for the existing wastewater treatment plant with a new Membrane Bioreactor plant at the same location.

**Project Justification:**

Existing facilities lack redundancy and reliability, are difficult to operate, and require significant repair. Existing disposal requirements cannot be achieved, so a different effluent disposal system must be identified. The current secondary treatment plant cannot meet the stringent nutrient limits in the receiving stream, and the facility has outlived its design life and has severe operational challenges. A new plant is required that discharges to an Underground Injection Well (pursuant to Guam Environmental Protection Agency requirements).

**Financing Options & Grants:**

The source of funding for this project will be the 2010 Bond.

**Project Staffing Implications:**

Contract Administration, Project Management Services, Program Management and Construction Management Services are required.

**Project Time Table/Budget:**

| FISCAL YEAR | ACTIVITY | BUDGET(x1000) |
|---|---|---|
| 2016 | | |
| 2017 | | |
| 2018 | | |
| 2019 | | |
| 2020 | | |
| **Project Total** | | **$0** |

# GWA Capital Improvement Plan
# Project Sheet FY 2016-2020

**Project Number:** **CIP WW 09-10**

**Categorization:** **Project**

**Name of Project:** **Facilities Plan/Design/Interim Measures for Agat-Santa Rita STP Replacement**

**Reference Documents:**

a) MASTER PLAN, VOLUME 3, TABLE 9-24

**Project Description:**

This project includes planning and design for interim improvements at the wastewater treatment facilities to meet existing and future flow capacity and reliably achieve regulatory compliance. The facilities will incorporate provisions for redundancy to improve reliability and facilitate operations and maintenance activities.

**Project Justification:**

Existing facilities do not have sufficient capacity for current and future flow projections. Existing facilities lack redundancy and reliability, are difficult to operate, and require significant repair.

**Financing Options & Grants:**

The source of funding for this project will be the 2010 Bond.

**Project Staffing Implications:**

Contract Administration, Project Management Services, Program Management and Construction Management Services are required.

**Project Time Table/Budget:**

| FISCAL YEAR | ACTIVITY | BUDGET (x1000) |
|---|---|---|
| 2016 | | $0 |
| 2017 | | |
| 2018 | | |
| 2019 | | |
| 2020 | | |
| **Project Total** | | **$0** |

# GWA Capital Improvements Plan
# Project Sheet FY 2016-2020

**Project Number:** **CIP WW 09-11**

**Categorization:** **Project**

**Name of Project:** **WWTP Priority 1 Upgrades**

**Reference Documents:**

a) Performance Management Contract, CIP / PIP Review June 2007

**Project Description:**

Specific rehabilitation and repair capital projects are needed for the sewage pump stations. These include projects: Health and Safety (e.g. overhead crane repair and fall protection barriers), Environmental Protection and Compliance (e.g. grit removal), Energy Optimization Programs (e.g. upgrading electrical controls and motors), and economically beneficial Asset Replacement (e.g. replacement of a pump for $9000 rather than repair it for $7600).

**Project Justification:**

Aging infrastructure leads to environmental impacts, non-compliance, inefficiencies, and safety problems that must be addressed on an annualized basis.

**Financing Options & Grants:**

The source of funding for this project will be the System Development Charge.

**Project Staffing Implications:**

Major Contract Administration, Major Project Management, and Major Construction Management are required.

**Project Time Table/Budget:**

| FISCAL YEAR | ACTIVITY | BUDGET (x1000) |
|---|---|---|
| 2016 | | $1,300 |
| 2017 | | |
| 2018 | | |
| 2019 | | |
| 2020 | | |
| **Project Total** | | **$1,300** |

# GWA Capital Improvement Plan
# Project Sheet FY 2016-2020

**Project Number:** **CIP WW 11-03**

**Categorization:** **Project**

**Name of Project:** **Baza Gardens STP Replacement**

**Reference Documents:**
a) MASTER PLAN, VOLUME 3, TABLE 9-26 & 27
b) Baza Gardens Wastewater System Evaluation, April 2014

**Project Description:**
Construction of new wastewater treatment facilities that will meet secondary treatment limits. Due to strict effluent limits imposed by the stream discharge and difficulty in operating complex treatment systems to reliably meet these limits, an alternative means of disposal should be considered in the Facility Plan. Facility Plan process recommendations will be based on the recommended alternative means of disposal. The new facilities will incorporate provisions for redundancy to improve reliability and facilitate operations and maintenance activities at the existing facility.

**Project Justification:**
Existing facilities lack redundancy and reliability, are difficult to operate, and require significant repair. Existing disposal requirements cannot be achieved, so a different effluent disposal system must be identified.

**Financing Options & Grants:**
The source of funding for this project will be the 2010 Bond, 2013 Bond, 2015 Bond, 2018 Bond, and Internally Funded CIP.

**Project Staffing Implications:**
Major Contract Administration, Major Project Management, Program Management and Major Construction Management are required.

**Project Time Table/Budget:**

| FISCAL YEAR | ACTIVITY | BUDGET (x1000) |
|---|---|---|
| 2016 | Design/CM/Construction | $3,101 |
| 2017 | Construction | $18,290 |
| 2018 | Construction | $1,146 |
| 2019 | | |
| 2020 | | |
| **Project Total** | | **$22,537** |

# GWA Capital Improvement Plan
# Project Sheet FY 2016-2020

**Project Number:** **WW CIP 11-04**

**Categorization:** **Project**

**Name of Project:** **Facilities Plan/Design/Interim for the Umatac-Merizo STP Improvements**

**Reference Documents:**

a) MASTER PLAN, VOLUME 3, TABLE 9-36
b) Umatac-Merizo Wastewater System Evaluation Report, December 2013

**Project Description:**

Phase 1 of this project is a facility planning to meet permit conditions; phase 2 is the design of the interim improvements. Planning and design for interim improvements such as new mechanically cleaned bar screen facilities to improve reliability and facilitate operations and maintenance requirements.

**Project Justification:**

All interim improvements, including mechanically cleaned bar screens, is intended to improve process performance and reduce O&M requirements.

**Financing Options & Grants**

The source of funding for this project will be the 2010 Bond, 2013 Bond and 2015 Bond.

**Project Staffing Implications:**

Contract Administration, Project Management, Program Management and Construction Inspection are required.

**Project Time Table/Budget:**

| FISCAL YEAR | ACTIVITY | BUDGET (x1000) |
|---|---|---|
| 2016 | Construction | $277 |
| 2017 | | |
| 2018 | | |
| 2019 | | |
| 2020 | | |
| **Project Total** | | **$277** |

# GWA Capital Improvement Plan
# Project Sheet FY 2016-2020

**Project Number:** **CIP WW 11-08**

**Categorization:** **Project**

**Name of Project:** **Agat/Santa Rita STP Replacement**

**Reference Documents:**

a) Agat-Santa Rita Wastewater Systems Evaluation Report, December 2013

**Project Description:**

Construction of new wastewater treatment facilities that will meet secondary treatment limits. The new facilities will incorporate provisions for redundancy to improve reliability and facilitate operations and maintenance activities at the existing facility.

**Project Justification:**

Existing facilities lack redundancy and reliability, are difficult to operate, and require significant repair.

**Financing Options & Grants:**

The source of funding for this project will be the 2010 Bond and 2013 Bond.

**Project Staffing Implications:**

Major Contract Administration, Major Project Management, Program Management and Major Construction Management are required.

**Project Time Table/Budget:**

| FISCAL YEAR | ACTIVITY | BUDGET (x1000) |
|---|---|---|
| 2016 | Design/Construction | |
| 2017 | Construction | $2,936 |
| 2018 | | |
| 2019 | | |
| 2020 | | |
| **Project Total** | | **$2,936** |

# GWA Capital Improvement Plan
# Project Sheet FY 2016-2020

**Project Number:** **CIP WW 12-01**

**Categorization:** **Project**

**Name of Project:** **Northern District WWTP Primary Treatment Upgrades**

**Reference Documents:**

**Project Description:**
The Project is intended to deliver, as closely as possible and subject to the terms and conditions of the Contract, the requirements of the Stipulated Order as set out in 1.2 above including, but not limited to, the design, build and commission of the interim primary treatment improvements works at the NDWWTP that will bring the NDWWTP back into compliance with the current NPDES Permit for the quality parameters of TSS and BOD and also provide additional flow capacity of 7.5 MGD (monthly average daily flow) while still complying with the NPDES Permit concentration limits for TSS and BOD.

**Project Justification:**

The assets at the NDWWTP are not in good condition: sludge stream processes are largely inoperable and the treatment process are compromised, as many of the components are in poor condition or are inoperable.

The assets condition significantly impacts the capacity and performance of the NDWWTP and therefore, the NDWWTP cannot consistently meet the treatment standards required by the National Pollutant Discharge Elimination System (NPDES) discharge permit for the Site (the "NPDES Permit").

**Financing Options & Grants:**
The source of funding for this project will be the 2010 Bond and SDC funds.

**Project Staffing Implications:**
Major Contract Administration, Major Project Management, Program Management and Major Construction Management are required.

**Project Time Table/Budget:**

| FISCAL YEAR | ACTIVITY | BUDGET (x1000) |
|---|---|---|
| 2016 | | $0 |
| 2017 | | |
| 2018 | | |
| 2019 | | |
| 2020 | | |
| **Project Total** | | **$0** |

# GWA Capital Improvement Plan
# Project Sheet FY 2016-2020

**Project Number:** **CIP WW 12-02**

**Categorization:** **Program / Planning**

**Name of Project:** **Bio Solids Management Plan**

**Reference Documents:**

**Project Description:**
This project will allow GWA to plan and management the increased generation of sludge from the wastewater treatment plant throughout the island. The initial focus of the plan would be on the management of GWA's bio-solids (and NDWWTP and Agana WWTP being the primary focus), but in keeping with the spirit of the 'One Guam' utility solution, the plan will develop an island wide bio-solids management plan and include the DoN Apra Harbor Plant bio-solids as well (although it is likely that these bio-solids are likely to contain more constituents of concern than that of GWA bio-solids).

**Project Justification:**
The current cost of bio-solids disposal is becoming a significant financial liability to GWA with the advent of large increase in tipping fees related to GBB management of Ordot and the development of the new landfill. In addition over the coming 5 years there will be a significant increase in bio-solids production volumes.

**Financing Options & Grants:**
The source of funding for this project will be the 2010 Bond.

**Project Staffing Implications:**
Major Contract Administration, Major Project Management, and Major Construction Management are required.

**Project Time Table/Budget:**

| FISCAL YEAR | ACTIVITY | BUDGET (x1000) |
|---|---|---|
| 2016 | | |
| 2017 | | |
| 2018 | | |
| 2019 | | |
| 2020 | | |
| **Project Total** | | **$0** |

# GWA Capital Improvement Plan
# Project Sheet FY 2016-2020

**Project Number:** **CIP WW 12-03**

**Categorization:** **Project**

**Name of Project:** **Agana WWTP Interim Measures**

**Reference Documents:**
a) Amended Stipulated Order 2011, Item 5 and 6
b) Agama WTP Primary Treatment Upgrades, Preliminary Design Report, September 2012

**Project Description:**
This project will include process upgrades to include grit removal; fat, oil and grease (FOG) removal; septage handling facility; prevent back flow from the new outfall; bio-solids treatment; and any additional improvements, rehabilitation or improvements, such as the use of chemically enhanced treatment.

**Project Justification:**
The *Order for Preliminary Relief Re: Deadlines for Outstanding Projects under the Amended Stipulated Order* (ASO), filed on 11th November 2011, contains requirements to upgrade the Agana WWTP achieves consistent compliance with the WWTP's NPDES permit, and comply with the sludge and bio-solids requirements in 40 C.F.R. Part 503 **(Paragraph 5).**

**Financing Options & Grants:**
The source of funding for this project will be the 2010 Bond 2015 Bond.

**Project Staffing Implications:**
Major Contract Administration, Major Project Management, Program Management and Major Construction Management are required.

**Project Time Table/Budget:**

| FISCAL YEAR | ACTIVITY | BUDGET (x1000) |
|---|---|---|
| 2016 | Construction | $827 |
| 2017 | | |
| 2018 | | |
| 2019 | | |
| 2020 | | |
| **Project Total** | | **$827** |

# GWA Capital Improvement Plan
# Project Sheet FY 2016-2020

**Project Number:** **CIP WW 12-04**

**Categorization:** **Program / Planning**

**Name of Project:** **I&I SSES Southern**

**Reference Documents:**

a) Amended Stipulated Order 2011, Item 8 (b) and (d)
b) Southern Sanitary Sewer Evaluation Survey Findings Summary, Technical Memorandum, September 2014
c) Agana, Agat-Santa Rita, Baza Gardens and Umatac-Merizo WWTP Sewer Basins, I&I and SSES Analyses, February 2013

**Project Description:**

This project will include a comprehensive I&I/SSES assessment work to determine the high probable locations where I&I is occurring. The work will include the minor repairs necessary to decrease infiltration and inflow. This will include but is not limited to manhole inspection, manhole mapping, raising manholes, manhole seals, manhole repair to the cover frame, manhole repair to barrel/cone seal, collection line inspection, collection line repair/rehabilitation.

**Project Justification:**

The *Order for Preliminary Relief Re: Deadlines for Outstanding Projects under the Amended Stipulated Order* (ASO), filed on 11th November 2011, contains requirements to conduct I&I/SSES assessment of the southern wastewater system.

**Financing Options & Grants:**

The source of funding for this project will be the 2010 Bond.

**Project Staffing Implications:**

Major Contract Administration, Major Project Management, Program Management and Major Construction Management are required.

**Project Time Table/Budget:**

| FISCAL YEAR | ACTIVITY | BUDGET (x1000) |
|---|---|---|
| 2016 | | |
| 2017 | | |
| 2018 | | |
| 2019 | | |
| 2020 | | |
| **Project Total** | | **$0** |

# GWA Capital Improvement Plan
# Project Sheet FY 2016-2020

**Project Number:** **CIP WW 12-05**

**Categorization:** **Program / Planning**

**Name of Project:** **I&I SSES Central**

**Reference Documents:**

a) Amended Stipulated Order 2011, Item 8 (c) and (e)
b) Agana (Central) Collection System Rehabilitation Plan, June 27, 2014
c) Inflow and Infiltration (I/I) Study for the Agana (Central) Sewer Basin, March 2014

**Project Description:**

This project will include a comprehensive I&I/SSES assessment work to determine the high probable locations where I&I is occurring. The work will include the minor repairs necessary to decrease infiltration and inflow. This will include but is not limited to manhole inspection, manhole mapping, raising manholes, manhole seals, manhole repair to the cover frame, manhole repair to barrel/cone seal, collection line inspection, collection line repair/rehabilitation.

**Project Justification:**

The *Order for Preliminary Relief Re: Deadlines for Outstanding Projects under the Amended Stipulated Order* (ASO), filed on 11th November 2011, contains requirements to conduct I&I/SSES assessment of the central wastewater system.

**Financing Options & Grants:**

The source of funding for this project will be the 2010 Bond and SRF funding.

**Project Staffing Implications:**

Major Contract Administration, Major Project Management, Program Management and Major Construction Management are required.

**Project Time Table/Budget:**

| FISCAL YEAR | ACTIVITY | BUDGET (x1000) |
|---|---|---|
| 2016 | | |
| 2017 | | |
| 2018 | | |
| 2019 | | |
| 2020 | | |
| **Project Total** | | **$0** |

Note: Funds encumbered by design project.

# GWA Capital Improvement Plan
# Project Sheet FY 2016-2020

**Project Number:** **CIP WW 12-06**

**Categorization:** **Program / Planning**

**Name of Project:** **I&I SSES Northern**

**Reference Documents:**

a) Work Plan USEPA Region IX – R9 Tracking #11-277 "Water and Wastewater System Improvements

**Project Description:**

This project will include a comprehensive I&I/SSES assessment work to determine the high probable locations where I&I is occurring. The work will include the minor repairs necessary to decrease infiltration and inflow. This will include but is not limited to manhole inspection, manhole mapping, raising manholes, manhole seals, manhole repair to the cover frame, manhole repair to barrel/cone seal, collection line inspection, collection line repair/rehabilitation.

**Project Justification:**

Continued development in the northern part of the island will contribute to impacts to the existing wastewater collection system. It is the intent of this project is to determine where I&I are occurring and make necessary repairs.

**Financing Options & Grants:**

The source of funding for this project will be the SRF funding.

**Project Staffing Implications:**

Major Contract Administration, Major Project Management, and Major Construction Management are required.

**Project Time Table/Budget:**

| FISCAL YEAR | ACTIVITY | BUDGET (x1000) |
|---|---|---|
| 2016 | | $355 |
| 2017 | | |
| 2018 | | |
| 2019 | | |
| 2020 | | |
| **Project Total** | | **$355** |

# GWA Capital Improvement Plan
# Project Sheet FY 2016-2020

**Project Number:** **CIP WW 12-07**

**Categorization:** **Project**

**Name of Project:** **Umatac-Merizo STP Replacement**

**Reference Documents:**

a) Umatac-Merizo Wastewater System Evaluation Report, December 2013

**Project Description:**

Construction of new wastewater treatment facilities that will meet secondary treatment limits. The new facilities will incorporate provisions for redundancy to improve reliability and facilitate operations and maintenance activities at the existing facility.

**Project Justification:**

Existing facilities lack redundancy and reliability, are difficult to operate, and require significant repair.

**Financing Options & Grants:**

The source of funding for this project will be the 2015 Bond and 2018 Bond.

**Project Staffing Implications:**

Major Contract Administration, Major Project Management, Program Management 23and Major Construction Management are required.

**Project Time Table/Budget:**

| FISCAL YEAR | ACTIVITY | BUDGET (x1000) |
|---|---|---|
| 2016 | Planning | $943 |
| 2017 | | $21,300 |
| 2018 | Design/Construction | |
| 2019 | | |
| 2020 | | |
| **Project Total** | | **$22,243** |

# GWA Capital Improvement Plan
# Project Sheet FY 2016-2020

**Project Number:** **CIP WW 12-09**

**Categorization:** **Program / Equipment**

**Name of Project:** **Wastewater Facility Back Up Power**

**Reference Documents:**

a) Work Plan USEPA Region IX – R9 Tracking #11-277 "Water and Wastewater System Improvements

**Project Description:**

This project will assess back up power needs at critical sewer pump stations and develop criteria for implementation of back-up power installation. This project is also intended to install necessary equipment as called out in the assessment.

**Project Justification:**

Sewer pump station are a critical facility that requires continued operations during power outages to ensure there are no wastewater overflows at sewer manholes or the sewer pump station itself. Compete avoidance of overflows is a high priority of GWA.

**Financing Options & Grants:**

The source of funding for this project will be the SRF funds.

**Project Staffing Implications:**

Major Contract Administration, Major Project Management, and Major Construction Management are required.

**Project Time Table/Budget:**

| FISCAL YEAR | ACTIVITY | BUDGET (x1000) |
|---|---|---|
| 2016 | | $220 |
| 2017 | | |
| 2018 | | |
| 2019 | | |
| 2020 | | |
| **Project Total** | | **$220** |

# GWA Capital Improvement Plan
# Project Sheet FY 2016-2020

**Project Number:** **CIP WW 17-01**

**Categorization:** **Project**

**Name of Project:** **Wastewater Sewer System Expansion**

**Reference Documents:**

**Project Description:**
Construction of sewer system expansions to accommodate new sewer connections and avoid/reduce use of septic tank/leaching field systems.

**Project Justification:**
Sanitary sewer systems are necessary to protect the quality of the island's drinking water resources from septic tank/leaching field systems, particularly over the Northern Guam Lens, which provides most of Guam's drinking water.

**Financing Options & Grants:**
The main source of funding for this project will be SDC funds

**Project Staffing Implications:**
Major Contract Administration, Major Project Management, Program Management, Major Construction Management, Major GIS Support, and Modeling Support are required.

**Project Time Table/Budget:**

| FISCAL YEAR | ACTIVITY | BUDGET (x1000) |
|---|---|---|
| 2016 | | |
| 2017 | | $1,683 |
| 2018 | | |
| 2019 | | |
| 2020 | | |
| **Project Total** | | **$1,683** |

# GWA Capital Improvement Plan
# Project Sheet FY 2016-2020

**Project Number:** **CIP WW 17-02**

**Categorization:** **Project**

**Name of Project:** **Northern District WWTP Secondary Treatment Upgrades**

**Reference Documents:**
Final Guam Water and Wastewater Assessment Report in Support of the Economic Adjustment Committee Implementation Plan

**Project Description:**
Conduct planning, design and construction of any related ancillary capital improvement ahead of the major upgrade to the treatment plant to secondary capacity as part of the Office of Economic Adjustment. The project also includes land acquisition for property to accommodate the expansion of the treatment process foot print.

**Project Justification:**
The WWTP will be required to stay operational during the upgrade work and as such any planning or construction work integral to meeting the functionality of the plant which is necessary but needed ahead of the major construction activities is critical to meet OEA grant timelines.

**Financing Options & Grants:**
The main source of funding for this project will be bond funds

**Project Staffing Implications:**
Major Contract Administration, Major Project Management, Program Management, Major Construction Management, Major GIS Support, and Modeling Support are required.

**Project Time Table/Budget:**

| FISCAL YEAR | ACTIVITY | BUDGET (x1000) |
|---|---|---|
| 2016 | | $1,000 |
| 2017 | | |
| 2018 | | |
| 2019 | | |
| 2020 | | |
| **Project Total** | | **$1,00** |

# Project Sheet Electrical

# GWA Capital Improvement Plan
# Project Sheet FY 2016-2020

**Project Number:** **CIP EE 05-02**

**Name of Project:** **SCADA Pilot Project**

**Reference Documents:**

**Project Description:**
This pilot project will procure communication services and install field instrumentation and a Human-Machine Interface (HMI) to support supervisory control and data acquisition (SCADA) of selected water and wastewater facilities. For this pilot GWA will only make functional real time data acquisition for status monitoring and alarming.

**Project Justification:**
This pilot project is to identify and evaluate proposed solutions and gather information that will be used to develop design standards for the water and wastewater SCADA system.

**Financing Options & Grants:**
The source of funding for this project will be the 2010 Bond.

**Project Staffing Implications:**
Contract Administration, Project Management, Construction Inspection and Technical Support after completion are required.

**Project Time Table/Budget:**

| FISCAL YEAR | ACTIVITY | BUDGET(x1000) |
|---|---|---|
| 2016 | | $0 |
| 2017 | | |
| 2018 | | |
| 2019 | | |
| 2020 | | |
| **Project Total** | | **$0** |

# GWA Capital Improvement Plan
# Project Sheet FY 2016-2020

**Project Number:** **CIP EE 09-01**

**Name of Project:** **Wastewater Pumping Station Electrical Upgrade**

**Reference Documents:**

a) MASTER PLAN, VOLUME 3, TABLE 9-43

**Project Description:**

This project will upgrade and standardize the electrical control system at the wastewater pumping stations as recommended in the GWA Master Plan Report. An initial assessment using a standard checklist will be conducted. Project scope will include the reconnection of the electrical service to a grounded WYE system involve replacement of the electrical meter and service conductors. Transient voltage surge suppression will also be installed at the station main service. The level control system will be standardized with a level transducer to provide level indication and communication with the SCADA unit. The back-up will be a float located out of the wet well. Also included are dry well level sensor alarms that are connected to SCADA, where applicable. The motor starters will be replaced with electronic soft start type to reduce mechanical wear.

**Project Justification:**

It is necessary to improve the electrical reliability at each wastewater pump station and minimize overflows by implementing the recommendations of the GWA Master Plan. Stations that are critical to operations are priority and will be completed first.

**Financing Options & Grants:**

The source of funding for this project will be the 2013 bond and 2015 Bond.

**Project Staffing Implications:**

Major Contract Administration, Major Project Management, Construction Management, and Technical Support after completion are required.

**Project Time Table/Budget:**

| FISCAL YEAR | ACTIVITY | BUDGET (x1000) |
|---|---|---|
| 2016 | | $620 |
| 2017 | | |
| 2018 | | |
| 2019 | | |
| 2020 | | |
| **Project Total** | | **$620** |

# GWA Capital Improvement Plan
# Project Sheet FY 2016-2020

**Project Number:** **CIP EE 09-02**

**Name of Project:** **Electrical Upgrade - Water Wells**

**Reference Documents:**

a) MASTER PLAN, VOLUME 2, TABLE 9-25

**Project Description:**

This project will upgrade the electrical system at each of the water wells as recommended in the Electrical Assessment of the GWA Master Plan. First, a standard electrical checklist and guideline will be developed followed by an assessment of the electrical system at each station. Goals are to change the transformer secondary connection and surge suppression, replace the service conductors, correct the voltage unbalance, prevent water conductor entry, replace the meter socket, install transient voltage surge suppression, install electronic motor protection, install electronic motor starter, install power factor correction equipment, integrate voltage unbalance relays in the auto transfer switch control system, interlock the chlorination controls with the well controls, and interlock with well flush controls.

**Project Justification:**

This project will improve the electrical reliability at each of the water pumping stations by implementing the recommendations of the GWA Master Plan. Stations that are critical to operations and require high maintenance are priority and will be completed first.

**Financing Options & Grants:**

The source of funding for this project will be the 2010 Bond and 2015 Bond.

**Project Staffing Implications:**

Major Contract Administration, Major Project Management, Construction Management, and Technical Support after completion are required.

**Project Time Table/Budget:**

| FISCAL YEAR | ACTIVITY | BUDGET (x1000) |
|---|---|---|
| 2016 | Construction | |
| 2017 | Construction | $150 |
| 2018 | Construction | $96 |
| 2019 | | |
| 2020 | | |
| **Project Total** | | **$246** |

# GWA Capital Improvement Plan
# Project Sheet FY 2016-2020

**Project Number:** **CIP EE 09-03**

**Name of Project:** **Electrical Upgrade - Water Booster Pump Stations**

**Reference Documents:**

a) MASTER PLAN, VOLUME 2, TABLE 9-22

**Project Description:**

This project is primarily for the electrical upgrade at the Pago Bay, Brigade, and Windward Hills water booster stations by replacing the existing motors with premium efficiency motors, improve the system grounding, install transient voltage surge suppression equipment (TVSS), replace the motor control center, replace instrumentation controls, and add power factor correction. This project includes a detailed engineering assessment and preparation of design engineering plans. The improvement work noted above is also applicable to other booster pump stations that operations and engineering determine are in needs of improvements.

**Project Justification:**

The original distribution boards and motor controls have reached their useful lives, have signs of corrosion, and are missing parts. Improvements in motor efficiency and control devices reduce energy consumption costs. The voltage and transient surge suppressions reduce voltage surges within the facility while power factor correction help improve voltage stability.

**Financing Options & Grants:**

The source of funding for this project will be the 2013 bond and 2015 Bond.

**Project Staffing Implications:**

Major Contract Administration, Major Project Management, Construction Management, and Technical Support after completion are required.

**Project Time Table/Budget:**

| FISCAL YEAR | ACTIVITY | BUDGET (x1000) |
|---|---|---|
| 2016 | Construction | $325 |
| 2017 | | |
| 2018 | | |
| 2019 | | |
| 2020 | | |
| **Project Total** | | **$325** |

# GWA Capital Improvement Plan
# Project Sheet FY 2016-2020

**Project Number:** **CIP EE 09-04**

**Name of Project:** **Electrical Upgrade -Water Booster Pump Stations**

**Reference Documents:**

a) MASTER PLAN, VOLUME 2, TABLE 9-23

**Project Description:**

This project is for the electrical upgrade at the water booster stations by replacing the existing motors with premium efficiency motors, improve the system grounding, installation of transient voltage surge suppression equipment (TVSS), replace the motor control center and main distribution board, replace the instrumentation controls, and add power factor correction, where applicable. Included is a detailed engineering assessment and preparation of design engineering plans and specifications.

**Project Justification:**

The original distribution board and motor controls have reached their useful lives, have signs of corrosion, and are missing parts. Improvements in motor efficiency reduce energy costs. The application of transient surge suppressions and power factor capacitors reduce voltage surges and improve stability.

**Financing Options & Grants:**

The source of funding for this project will be the 2013 bond.

**Project Staffing Implications:**

Major Contract Administration, Major Project Management, Construction Management, and Technical Support after completion are required.

**Project Time Table/Budget:**

| FISCAL YEAR | ACTIVITY | BUDGET (x1000) |
|---|---|---|
| 2016 | Planning/Design/Construction | $199 |
| 2017 | | |
| 2018 | Construction | $150 |
| 2019 | | |
| 2020 | | |
| **Project Total** | | **$349** |

# GWA Capital Improvement Plan
# Project Sheet FY 2016-2020

**Project Number:** **CIP EE 09-05**

**Name of Project:** **Electrical Upgrade - Other Water Booster Pump Stations**

**Reference Documents:**

a) MASTER PLAN, VOLUME 2, TABLE 9-24

**Project Description:**

This project is for the electrical upgrade at the other water booster stations such as Yigo Elevated Tank, Pale Kieran, etc. Project scope includes: replacing the existing motors with premium efficiency motors, improve system grounding, install transient voltage surge suppression equipment (TVSS), replace the motor control center and main distribution board, replace instrumentation controls, and add power factor correction, where applicable.

**Project Justification:**

Several stations' original distribution board and motor controls have reached their useful life, have signs of corrosion, and are missing parts. Improvements in motor efficiency reduce energy costs. The voltage and transient surge suppressions and power factor correction also reduce voltage surges and improve voltage stability.

**Financing Options & Grants:**

The source of funding for this project will be the 2013 bond.

**Project Staffing Implications:**

Major Contract Administration, Major Project Management, Construction Management and Technical Support after completion are required.

**Project Time Table/Budget:**

| FISCAL YEAR | ACTIVITY | BUDGET (x1000) |
|---|---|---|
| 2016 | Planning/Design/Construction | $89 |
| 2017 | | |
| 2018 | Construction | $100 |
| 2019 | | |
| 2020 | | |
| **Project Total** | | **$189** |

# GWA Capital Improvement Plan
# Project Sheet FY 2016-2020

**Project Number:** **CIP EE 09-07**

**Name of Project:** **SCADA Improvements – Phase 2**

**Reference Documents:**

a) MASTER PLAN, VOLUME 3, TABLE 9-45

**Project Description:**

In Phase 2 of this project, the critical water and wastewater pumping stations are monitored by activating and updating the existing Motorola SCADA system. In this phase of the project, the balance of the pumping stations and the treatment facilities are updated and incorporated into the GWA SCADA System. The treatment facility alarms would be identified and activated to a digital telephone text messaging unit to call key operations personnel related to that specific area. Phase 2 will also continue any master planning efforts not completed in Phase 1.

**Project Justification:**

This phase is a continuation of this project to improve the efficiency and effective utilization of GWA personnel and performance of the water and wastewater pumping systems.

**Financing Options & Grants:**

The source of funding for this project will be the 2010 Bond.

**Project Staffing Implications:**

Contract Administration, Major Project Management Services, Construction Inspection and Major Technical Support after completion.

**Results**

**Design work is ongoing however related work will be continued under EE 09-08.**

**Project Time Table/Budget:**

| FISCAL YEAR | ACTIVITY | BUDGET (x1000) |
|---|---|---|
| 2016 | | |
| 2017 | | $500 |
| 2018 | | $43 |
| 2019 | | |
| 2020 | | |
| **Project Total** | | **$543** |

# GWA Capital Improvement Plan
# Project Sheet FY 2016-2020

**Project Number:** **CIP EE 09-08**

**Name of Project:** **SCADA Improvements – Phase 3**

**Reference Documents:**

a) MASTER PLAN, VOLUME 3, TABLE 9-46

**Project Description:**

In Phase 3 of this Project, improvements in real time data acquisition for status monitoring and process control is expanded at the treatment facilities through the incorporation of Programmable Logic Controllers (PLCs). The data is conveyed to the GWA Central as well as identified engineering and operations personnel for analysis and process optimization through the use of Virtual Private Networks (VPNs) or other available secured technology. Further improvements and updating of the pumping station SCADA monitoring would be expanded using digital communications (the Gov Guam system is scheduled to be updated during this period) and the radio units would require replacement.

**Project Justification:**

This phase is a continuation of this project to improve the efficiency and effective utilization of GWA personnel and performance of the water and wastewater pumping systems.

**Financing Options & Grants:**

The source of funding for this project will be the 2010 Bond, 2013 Bond and 2015 Bond.

**Project Staffing Implications:**

Contract Administration, Major Project Management Services, Construction Inspection and Major Technical Support after completion.

**Project Time Table/Budget:**

| FISCAL YEAR | ACTIVITY | BUDGET (x1000) |
|---|---|---|
| 2016 | | $1,178 |
| 2017 | | |
| 2018 | | $25 |
| 2019 | | |
| 2020 | | |
| **Project Total** | | **$1,203** |

# GWA Capital Improvement Plan
# Project Sheet FY 2016-2020

**Project Number:** **CIP EE 09-09**

**Name of Project:** **SCADA Improvements – Phase 4**

**Reference Documents:**

a) MASTER PLAN, VOLUME 3, TABLE 9-47

**Project Description:**

In Phase 4 of this project, accounting information such as equipment and parts costs along with the condition data such as equipment operating time and preventive/predictive maintenance programs are to be incorporated into an asset management program. The SCADA system's role will be incorporated into the overall GWA asset management program and the SCADA equipment, hardware, and software will be updated.

**Project Justification:**

This phase is a continuation of this project to improve the efficiency and effective utilization of GWA personnel and performance of the water and wastewater pumping systems.

**Financing Options & Grants:**

The source of funding for this project will be the 2015 Bond.

**Project Staffing Implications:**

Contract Administration, Major Project Management Services, and Major Technical Support after completion.

**Project Time Table/Budget:**

| FISCAL YEAR | ACTIVITY | BUDGET (x1000) |
|---|---|---|
| 2016 | Construction | $1,500 |
| 2017 | Construction | $2,500 |
| 2018 | Construction | $2,500 |
| 2019 | | |
| 2020 | | |
| **Project Total** | | **$6,500** |

# Project Sheet Miscellaneous

# GWA Capital Improvement Plan
# Project Sheet FY 2016-2020

**Project Number:** **CIP MC 05-01**

**Name of Project:** **Laboratory Modernization**

**Reference Documents:**

a) Criteria and specification for Design of the Renovation and Enlargement of the Dededo Laboratory, 4/12/2007.

**Project Description:**

The existing lab is about 2300 square feet and work under this project will enlarge the facility to allow for expanded testing capabilities as well as increased office/storage space. The renovation work to the lab will include increasing testing counter space and modernizing all equipment to maintain Guam EPA certification. The renovation work will also include any improvements to ensure the facilities ability to remain open during typhoon weather conditions.

**Project Justification:**

GWA laboratory tests the quality of the water throughout the water system which is then reported to GEPA and USEPA. The GWA laboratory plays I vital role in ensuring GWA meets the Clean water Act and a modern laboratory is required to do so.

**Financing Options & Grants:**

The source of funding for this project will be the 2013 Bond and 2015 Bond.

**Project Staffing Implications:**

Major Contract Administration, Major Project Management, and Major Construction Management are required.

**Project Time Table/Budget:**

| FISCAL YEAR | ACTIVITY | BUDGET (x1000) |
|---|---|---|
| 2016 | Construction | |
| 2017 | | |
| 2018 | | |
| 2019 | | |
| 2020 | | |
| **Project Total** | | **$0** |

# GWA Capital Improvement Plan
# Project Sheet FY 2016-2020

**Project Number:** **CIP MC 05-02**

**Name of Project:** **Land Survey**

**Reference Documents:**
a) Public Law 22-47, 22-28, 22-18

**Project Description:**
This project will survey GWA property and property to be deeded to GWA and add these properties to GWA assets. A portion of work to be completed with the current contact for professional services as well as subsequent contracts to complete remaining work.

**Project Justification:**
GWA has been granted land from the Government of Guam for the purpose of locating water and wastewater system assets such as water storage tanks and water and wastewater treatment plants. The land was granted under the condition that GWA compete a legal boundary survey of the properties.

**Financing Options & Grants:**
The source of funding for this project will be the 2010 Bond, 2013 bond and 2015 Bond.

**Project Staffing Implications:**
Contract Administration, Project Management, Major GIS Support.

**Project Time Table/Budget:**

| FISCAL YEAR | ACTIVITY | BUDGET (x1000) |
|---|---|---|
| 2016 | Research, Survey | $1,893 |
| 2017 | | |
| 2018 | | |
| 2019 | | |
| 2020 | | |
| **Project Total** | | **$1,893** |

# GWA Capital Improvement Plan
# Project Sheet FY 2016-2020

**Project Number:** CIP MC 09-01

**Name of Project:** General Plant Improvements

**Reference Documents:**

## Project Description:

These capital improvements project will provide GWA with general plant improvements that will enhance operations and maintenance capabilities throughout the utility. The criteria for a project and/or general plant improvement to be considered a capital and eligible for bond funding is the value is greater than $5,000 and has a life span greater than one year. This line item is general in nature to support Operations and Maintenance Program that meet funding criteria noted above. Work items to support O&M includes: replacing failing pipelines, pumps and refurbish PRV to improve the water system pressure zones. Work related to the replacement of failing pipes and pumps includes but is not limited to PRV, valves, vaults, line segment replacement and equipment such as pump rigs to remove, repair and replace pumps. The General Manager will be responsible to generate and update a list of eligible projects for General Plant Improvements. The "General Plant Improvements List" will be approved by the General Manager with concurrence by the Chief Engineer and Chief Financial Officer and submitted to the CCU by the General Manager in the Monthly Report. Additional projects that may be cover under this project sheet includes leak detection, leak repair, and the mapping and records related to these activities as well as contingency funding needs related to CIP projects.

This funding source can be used to complete any 2011 court order project relative to all capital improvements installed in water and wastewater system. Therefore it is also the intent of this CIP to cover two important aspects of planning, 1) hydraulic modeling and 2) system planning. Work under hydraulic modeling includes but not limited to hydraulic modeling training, planning tool software/hardware acquisition, and travel related to hydraulic modeling training. The system planning work will include, but not limited to, GIS mapping, asset inventory, asset management, asset management software, GIS software, GIS training, asset management training and asset condition assessment, updates to CIS and MWMS software and software and equipment GPS in vehicles.

## Project Justification:

Capital improvements project are required to help maintain GWA level of service to its customers, thus the work described above will enhance operations and maintenance capabilities. The water and wastewater system for example consists of hundreds of miles of infrastructure, including facilities that are failing due to improper construction, earthquake damage, and/or material failures. Specifically for the water system GWA needs to change pressure zones to improve flow circulation and define pressure zones.

## Financing Options & Grants:

The source of funding for this CIP line item will be the 2010, 2013 and 2015 bonds as well as Internally Funded CIP.

## Project Staffing Implications:

Contract Administration, Project Management Services, and Construction Management Services are required.

## Project Time Table/Budget:

| FISCAL YEAR | ACTIVITY | BUDGET (x1000) |
|---|---|---|
| 2016 | Planning/Design/Construction | $1,057 |
| 2017 | Planning/Design/Construction | $3,295 |
| 2018 | Planning/Design/Construction | $1,000 |
| 2019 | Planning/Design/Construction | $1,000 |
| 2020 | | |
| **Project Total** | | **$6,352** |

# GWA Capital Improvement Plan
# Project Sheet FY 2016-2020

**Project Number:** CIP MC 15-01

**Name of Project:** Information Technology Integration Improvements

**Reference Documents:**

**Project Description:**
The capital improvement projects describe herein will improve GWA's ability to obtain real time information for customer request, maintain important customer data history more effectively and improve productive of employees through implementation of emerging technology. The projects identified under this CIP include Mobile Work Force Management Solutions, imaging and document management solutions, Desktop computer Replacement Program, Voice Over Internet Protocol (VOIP) solutions, Network Communication and Security System Improvements, Enterprise Information System Upgrades, Customer Information System Implementation, and Virtual Server and Storage Solutions.

**Project Justification:**
Information technology integration improvement projects are required to help maintain GWA level of service to customers as well as improve operations functionality. Current technology systems within GWA are becoming obsolete due to the ever changing/improving computer system and programing platform in the industry that for GWA to meet and maintain expectations of the mission of GWA, the CIP initiative

**Financing Options & Grants:**
The source of funding for this project will be the 2015 bond and Internally Funded CIP.

**Project Staffing Implications:**
Contract Administration and Project Management Services are required.

**Project Time Table/Budget:**

| FISCAL YEAR | ACTIVITY | BUDGET (x1000) |
|---|---|---|
| 2016 | Planning and procurement | $250 |
| 2017 | Planning and procurement | $750 |
| 2018 | Procurement | $200 |
| 2019 | Procurement | $200 |
| 2020 | | |
| **Project Total** | | **$1,400** |

# Project Sheet Department of Defense



Doc. No. 34GL-17-0812.*

# GWA Capital Improvement Plan
# Project Sheet FY 2016-2020

**Project Number:** **CIP DoD-01**

**Name of Project:** **NDWWTP Secondary Treatment Capacity 12MGD**

**Reference Documents:**

a. Record of Decision for the Final Supplement Environmental Impact Statement for Guam and Commonwealth of the Northern Marianas Island Military Relocation August 28, 2015.
b. CIP WW 05-03 and CIP WW 11-07
c. Evaluation of Northern District Wastewater Treatment Plant Capacity, December 2009

**Project Description:**

This project will improve/convert the NDWWTP to a facility that treats wastewater to secondary limits with a capacity of 12 MGD for GWA to meet USEPA NPDES discharge requirements. This project will utilize much of the existing plan structures and add major upgrades and modifications.

**Project Justification:**

This project is a requirement of the Record of Decision for the Final Supplement Environmental Impact Statement for Guam and Commonwealth of the Northern Marianas Island Military Relocation.

**Financing Options & Grants:**

The Department of Navy is responsible for funding this project

**Project Staffing Implications:**

A Program management office will be required for the project.

**Project Time Table/Budget:**

| FISCAL YEAR | ACTIVITY | BUDGET (x1000) |
|---|---|---|
| 2016 | | |
| 2017 | Planning/Design/Construction | $20,000 |
| 2018 | | $114,300 |
| 2019 | | |
| 2020 | | |
| **Project Total** | | **$134,300** |

# GWA Capital Improvement Plan
# Project Sheet FY 2016-2020

**Project Number:** **CIP DoD-02**

**Name of Project:** **Northern Systems Wastewater System**

**Reference Documents:**

a. Record of Decision for the Final Supplement Environmental Impact Statement for Guam and Commonwealth of the Northern Marianas Island Military Relocation August 28, 2015.
b. WW 05-02, WW 05-06, WW 09-0, WW 09-02, WW 09-04, WW 09-06, & W 09-09

**Project Description:**

This project will upgrade the sewer collection system in the Northern District Sewer Basin along Route 9 and Route 3.

**Project Justification:**

This project is a requirement of the Record of Decision for the Mariana Island Range Complex Final Environmental Impact Statement.

**Financing Options & Grants:**

The Department of Navy is responsible for funding this project

**Project Staffing Implications:**

A Program management office will be required for this project

**Project Time Table/Budget:**

| FISCAL YEAR | ACTIVITY | BUDGET (x1000) |
|---|---|---|
| 2016 | | |
| 2017 | Planning/Design/Construction | $29,000 |
| 2018 | | |
| 2019 | | |
| 2020 | | |
| **Project Total** | | **$29,000** |

# GWA Capital Improvement Plan
# Project Sheet FY 2016-2020

**Project Number:** **CIP DoD-03**

**Name of Project:** **Rehabilitation and New NGLA Monitoring Wells**

**Reference Documents:**
a. Record of Decision for the Final Supplement Environmental Impact Statement for Guam and Commonwealth of the Northern Marianas Island Military Relocation August 28, 2015.

**Project Description:**
This project will rehabilitate seven existing monitoring wells and construct 11 new monitoring wells about the Northern Guam Lens Aquifer.

**Project Justification:**
This project is a requirement of the Record of Decision for the Mariana Island Range Complex Final Environmental Impact Statement.

**Financing Options & Grants:**
The Department of Navy is responsible for funding this project

**Project Staffing Implications:**
A Program management office will be required for this project

**Project Time Table/Budget:**

| FISCAL YEAR | ACTIVITY | BUDGET (x1000) |
|---|---|---|
| 2016 | | |
| 2017 | Planning/Design/Construction | $3,000 |
| 2018 | | |
| 2019 | | |
| 2020 | | |
| **Project Total** | | **$3,000** |

# Appendix A:
# Operations Project Nomination Listing

The projects identified in this section are a result of planning efforts between engineering and operations. It is important to understand these nominated projects have the potential to fall under any of the CIP line items noted in the body of this document. The list noted below is also expected to have new project nomination over the coming years.

## Water Operations Project Nomination List:

1. Northern Water System Large Valve Replacement
2. Central Water System Large Valve Replacement
3. Southern Water System Large Valve Replacement
4. Back Flow Prevention Program
5. New Water transmission line between Agat and Umatac
6. Ugum WTP Membrane Replacement
7. Ugum WTP Centrifuge/VFD Replacement Project
8. Island Wide Ground Water Monitoring Well Integration with GWA
9. Island Wide Water Distribution System "Looping" Improvements

## Wastewater Operations Project Nomination List:

1. Hagatna WWTP Digester Improvements
2. Sludge Bind Protection Shelter – Hagatna and Northern District WWTP's
3. New Sewer line connection from Sothern HS to the New Agat Santa Rita WWTP
4. Inarajan WWTP Improvements related to Layon Leachete
5. Pago Socia WWTP Conversion to Pump Station
6. Source Control and Pre-treatment Program
7. Bayside SPS Relocation

# Appendix B:
# CCU Resolution

# EXHIBIT B

GUAM WATERWORKS AUTHORITY

## Proposed 2010, 2013 and 2016 Bond Reallocation Request

| 2010 Bond Reallocation | | | |
|---|---|---|---|
| CIP No. | Name | Addition Funds (x1000) | Reduction Funds (x1000) |
| PW 05-05 | "A" Series Well Transmission Line | | $ 81.856 |
| PW 05-14 | New Deep Wells at Down Hard | | $ 1,134.748 |
| PW 09-03 | Water Distribution System | | $ 25.252 |
| PW 11-01 | Distribution System Upgrades | | $ 25.840 |
| PW 12-05 | Tank Major Repair Yigo#1 Mangilao#2 Agat#2 | | $ 500.000 |
| WW 09-06 | Wastewater Collection System Repl/Rehab | | $ 45.000 |
| WW 09-10 | Facilities Plan/Design for Agat-Santa Rita WWTP | | $ 0.370 |
| WW 11-03 | Baza Gardens STP Replacement | $ 984.947 | |
| WW 17-02 | Northern District WWTP Secondary Treatment Upgrades | $ 1,000.000 | |
| EE 05-02 | SCADA Pilot Project | | $ 8.050 |
| EE 09-02 | Electrical Upgrade - Water Wells | | $ 95.773 |
| EE 09-07 | SCADA Improvements – Phase 2 | | $ 43.014 |
| EE 09-08 | SCADA Improvements – Phase 3 | | $ 25.044 |
| | | $ 1,984.947 | $ 1,984.947 |

| 2013 Bond Reallocation | | | |
|---|---|---|---|
| CIP No. | Name | Addition Funds (x1000) | Reduction Funds (x1000) |
| PW 05-13 | Deep Well Rehabilitation | | $ 350.000 |
| PW 05-16 | Master Meters | | $ 100.000 |
| PW 09-03 | Water Distribution System | | $ 1,300.000 |
| PW 12-07 | Assessment of malojloj Elevetad & Yigo Elevated | | $ 14.883 |
| WW 09-06 | Wastewater Collection System Repl/Rehab | | $ 100.000 |
| WW 11-03 | Baza Gardens STP Replacement | $ 2,114.883 | |
| EE 09-04 | Electrical Upgrade -Water Booster | | $ 150.000 |
| EE 09-05 | Electrical Upgrade - Other Water | | $ 100.000 |
| | | $ 2,114.883 | $ 2,114.883 |

| 2016 Bond Reallocation | | | |
|---|---|---|---|
| CIP No. | Name | Addition Funds (x1000) | Reduction Funds (x1000) |
| PW 09-03 | Water Distribution System Pipe Replacement and Upgrades | | $ 2,000.000 |
| PW 09-11 | Water System Reservoirs 2005 Improvements | | $ 14,000.000 |
| PW 11-02 | Ugum Water Treatment Plant Reservoir | | $ 6,410.000 |
| PW 12-06 | Tank Replacement Piti & Hyundai | | $ 3,090.170 |
| WW 11-03 | Baza Gardens STP Replacement | $ 12,700.170 | |
| WW 12-07 | Umatac Merizo STP Replacement | $ 12,800.000 | |
| | TOTAL | $ 25,500.170 | $ 25,500.170 |
| | | | |
| | Grand Total (2010, 2013 and 2016 Bond) | $ 29,600 | $ 29,600 |

**GUAM CONSOLIDATED COMMISSION ON UTILITIES**

**RESOLUTION NO. 15–FY2017**

**RELATIVE TO APPROVAL OF THE PROGRAM MANAGEMENT / CONSTRUCTION MANAGEMENT CONTRACT FOR THE OFFICE OF ECONOMIC ADJUSTMENT "GUAM WATER AND WASTEWATER INFRASTRUCTURE IMPROVEMENTS"**

**WHEREAS**, under 12 G.C.A. § 14105, the Consolidated Commission on Utilities ("CCU") has plenary authority over financial, contractual, and policy matters relative to the Guam Waterworks Authority ("GWA"); and

**WHEREAS**, the Guam Waterworks Authority ("GWA") is a Guam Public Corporation established and existing under the laws of Guam; and

**WHEREAS**, the U.S. Government determined that the island of Guam was the preferred alternative for the relocation of Marine Corps forces from Japan, and as required under the 2014 National Defense Authorization Act, through the Department of Defense (DoD) Economic Adjustment Committee, an "implementation plan" to address the assistance needed for public infrastructure; and

**WHEREAS**, collaborative discussions between GWA, the CCU, the Office of the Governor of Guam, DoD, USEPA and the Office of Economic Adjustment (OEA) resulted in GWA being deemed the proper entity to serve as "owner and operator" of the Guam civilian water and wastewater projects which are necessary given the impacts associated with the Marines Corps relocation to Guam; and

**WHEREAS,** OEA will grant funding to GWA to manage the implementation of three projects, namely (1) the NDWWTP Treatment Upgrades which will convert the plant from advance primary treatment to secondary treatment, (2) the GWA Interceptor Sewer Refurbishment (AAFB to NDWWTP) to rehabilitate sewer lines ranging in sizes from 18 inches to 42 inches, and (3) the NGLA Monitoring System Expansion/Rehabilitation which is a project that intends to refurbish up to twelve existing monitoring wells and installation of up to seven new monitoring wells; and

**WHEREAS,** an intergovernmental support team consisting of individuals from GWA/CCU, OEA, Department of the Navy, USEPA and the Office of the Governor of Guam will provide support to GWA in their efforts to implement the three above noted projects; and

**WHEREAS,** in addition to the support from the intergovernmental support team, the implementation and execution of the projects through GWA will be managed by a Program Management/Construction Management (PM/CM) team for which funding is allotted from the OEA grant; and

**WHEREAS,** the qualifications for the PM/CM who shall provide support services related to project management, design, construction and operational needs as part of execution of these projects requires the PM/CM to have ten years of experience managing projects delivered under a Design-Bid-Build (D-B-B) and Design-Build (D-B) methodology, and to have successfully completed similar projects at a value of $100 million or higher; and

**WHEREAS,** GWA has advertised the Request for Proposal (RFP-01-ENG-2017) soliciting a statement of qualification from experienced and qualified engineering firms to provide project management/construction management services for the Guam Civilian water and wastewater projects; and

**WHEREAS,** Request for Proposal (RFP) packages were downloaded by over twenty interested parties, from which GWA received proposals from five (5) architecture - engineering (A-E) firms before the RFP submittal deadline; and

**WHEREAS,** the GWA A-E Selection Committee reviewed and evaluated the five (5) proposals (see EXHIBIT A - Evaluation Scores) and generated a short list of the top three (3) firms who were then requested as part of the RFP process to participate in "in-person" interviews to conduct a presentation on their experience and qualifications, as well as answer questions from the GWA A-E Selection Committee; and

**WHEREAS,** the GWA A-E Selection Committee conducted an evaluation of the short listed firms, taking into account their presentation and responses to question, and generated a

ranking list (see EXHIBIT B – Interview Evaluation Scores) for the General Manager, which recommended to award a contract to the firm Brown and Caldwell (see EXHIBIT C – GM Determination); and

**WHEREAS,** GWA and Brown and Caldwell negotiated the scope and fee for the project management / construction management and other related services to be provided in the fixed fee amount of Fourteen Million Seven Hundred Ninety Thousand Three Hundred Forty-Six Dollars and Zero Cents ($14,790,346) (see Exhibit D – Scope and Fee) for the program of improvements contemplated under the OEA grant for all three (3) projects; and

**WHEREAS**, GWA Management seeks CCU approval of the fee proposal amount of Fourteen Million Seven Hundred Ninety Thousand Three Hundred Forty-Six Dollars ($14,790,346.00), plus a five percent (5%) contingency of Seven Hundred Thirty-Nine Thousand Five Hundred Seventeen Dollars and Thirty Cents ($739,517.30) for a total amount of Fifteen Million Five Hundred Twenty-Nine Thousand Eight Hundred Sixty-Three Dollars and Thirty Cents ($15,529,863.30); and

**WHEREAS,** funding for this contract will be from Office of Economic Adjustment grant proceeds and if necessary or applicable the 2010, 2013, and 2016 Bond funds as an alternate funding source; and,

**NOW BE IT THEREFORE RESOLVED**, the Consolidated Commission on Utilities does hereby approve the following:

1. The recitals set forth above hereby constitute the findings of the CCU; and
2. The CCU finds that the terms of the fee proposal submitted by Brown and Caldwell are fair and reasonable (EXHIBIT D).
3. The CCU finds that the terms and conditions set by GWA relative to commencement of work activities are fair and reasonable and serve as a measure of Quality Assurance/Quality Control (QA/QC).
4. The CCU hereby authorizes the management of GWA to enter into a contract with Brown and Caldwell in the amount of Fourteen Million Seven Hundred Ninety Thousand Three Hundred Forty-Six Dollars ($14,790,346.00).

5. The CCU hereby further approves the total funding amount for this project of Fourteen Million Seven Hundred Ninety Thousand Three Hundred Forty-Six Dollars ($14,790,346.00), plus a five percent (5%) contingency of Seven Hundred Thirty-Nine Thousand Five Hundred Seventeen Dollars and Thirty Cents ($739,517.30) for a total amount of Fifteen Million Five Hundred Twenty-Nine Thousand Eight Hundred Sixty-Three Dollars and Thirty Cents ($15,529,863.30).
6. The CCU hereby further approves the funding for this contract will be from Office of Economic Adjustment grant proceeds and if necessary or applicable the 2010, 2013, and 2016 Bond funds as an alternate funding source

**RESOLVED,** that the Chairman certified and the Board Secretary attests to the adoption of this Resolution.

**DULY AND REGULARLY ADOPTED**, this 24th day of January 2017.

Certified by:

**JOSEPH T. DUENAS**
Chairperson

Attested by:

**J. GEORGE BAMBA**
Secretary

I, J. George Bamba, Board Secretary of the Consolidated Commission on Utilities as evidenced by my signature above do hereby certify as follows:

The foregoing is a full, true and accurate copy of the resolution duly adopted at a regular meeting by the members of the Guam Consolidated Commission on Utilities, duly and legally held at a place properly noticed and advertised at which meeting a quorum was present and the members who were present voted as follows:

AYES: 5

NAYS: 0

ABSTENTIONS: 0

ABSENT: 0

# Exhibit A (1 of 1)

**GUAM WATERWORKS AUTHORITY**
Gloria b. Nelson Public Service Building • 688 Route 15 • Mangilao, Guam 96913

November 28, 2016

To: Thomas F. Cruz, P.E., Chief Engineer

From: Gloria P. Bensan
Chairperson, Consultant Selection Board

Subject: RFP-01-ENG-2017
Project Management/Construction Management Services for the Guam Water and Wastewater Infrastructure Improvements
GWA Project No. S17-001-OEA

The following information is intended to document the evaluation process undertaken for the referenced solicitation. The top three (3) firms short listed by the committee for interviews are ranked 1-3 below.

| EVALUATION COMMITTEE MEMBERS | |
|---|---|
| **Name** | **Title** |
| John Davis, P.E. | Engineer Supervisor – CIP Wastewater |
| Mauryn McDonald, P.E. | Engineer Supervisor – Permits and Inspection |
| Evangeline Lujan | Senior Regulatory Analyst |
| Prudencio Aguon | Grants Administrator |
| David Fletcher | Operations and Maintenance Manager |

| GROSS SCORE SUMMARY | | | | | | | |
|---|---|---|---|---|---|---|---|
| **Consultant** | | **Evaluation Score** | | | | **Total** | **Rank** |
| 1. SSFM International Inc. | 85 | 87 | 55 | 78 | 88 | 393 | 5 |
| 2. Brown and Caldwell | 90 | 94 | 96 | 100 | 97 | **477** | **1** |
| 3. HDR | 85 | 92 | 82 | 77 | 89 | **425** | **3** |
| 4. CDM Smith | 80 | 85 | 77 | 87 | 93 | 422 | 4 |
| 5. Duenas, Camacho & Associates | 95 | 95 | 94 | 95 | 95 | **474** | **2** |

Scores were evaluated based on sum of the individual scores. The recommendation of the evaluation committee is shown in the ranking above.

Please review and approve at your earliest convenience so that we may proceed with the notification letters.

# Exhibit B (1 of 1)

**GUAM WATERWORKS AUTHORITY**
Gloria B. Nelson Public Service Building • 688 Route 15 • Mangilao, Guam 96913

December 21, 2016

To: Thomas F. Cruz, P.E. Chief Engineer

From: Gloria P. Bensan
Chairperson, Consultant Selection Board

Subject: RFP-01-ENG-2017
Project Management/Construction Management Services for the Guam Water and Wastewater Infrastructure Improvements
GWA Project No. S17-001-OEA

The following information is intended to document the post evaluation scoring process undertaken for the referenced project.

| EVALUATION COMMITTEE MEMBERS | |
|---|---|
| **Name** | **Title** |
| John Davis, P.E. | Engineer Supervisor – CIP Wastewater |
| Mauryn McDonald, P.E. | Engineer Supervisor – Permits and Inspection |
| Evangeline Lujan | Senior Regulatory Analyst |
| Prudencio Aguon | Grants Administrator |
| David Fletcher | Operations and Maintenance Manager |

| POST PRESENTATION GROSS SCORE SUMMARY(2nd Evaluation) | | | | | | | |
|---|---|---|---|---|---|---|---|
| **Consultant** | **Evaluation Score** | | | | | **Total** | **Rank** |
| 1. Brown and Caldwell | 90 | 97 | 99 | 100 | 99 | 485 | 1 |
| 2. Duenas, Camacho & Associates | 100 | 96 | 94 | 95 | 96 | 481 | 2 |
| 3. HDR | 85 | 92 | 82 | 79 | 89 | 89 | 3 |

Exhibit C (1 of 1)

GUAM WATERWORKS AUTHORITY
"Better Water. Better Lives."
Gloria B. Nelson Public Service Building
688 Route 15, Mangilao, Guam 96913

# MEMORANDUM

To: Miguel C. Bordallo, P.E., General Manager

From: Thomas F. Cruz, P.E., Chief Engineer

Subject: RFP-01-ENG-2017
Project Management/Construction Management Services for the Guam Water and Wastewater Infrastructure Improvements
GWA Project No. S17-001-OEA

Date: December 21, 2016

The Selection Committee has completed all necessary actions for selecting the most qualified consultant for the referenced solicitation. All proposals were reviewed and scored according to the conditions established in the solicitation and shortlisted firms were interviewed. The evaluation summary sheet is attached for your information.

The committee recommends the following top three (3) firms in order of preference for the project:

1. Brown and Caldwell
2. Duenas, Camacho & Associates
3. HDR

Concurred:

For Vincent E Guerrero — 12-21-2016

VINCENT E. GUERRERO
Supply Management Administrator
Date

## GENERAL MANAGER'S DETERMINATION

Consultant Firm Selected:

Brown & Caldwell

Remarks:
Although sufficient reason and justification exists to award to either #1 or #2, and both are highly qualified and acceptable to GWA, I will honor the evaluation and selection committee recommendations. Proposal and fee negotiations will be conducted to give GWA maximum benefit for minimum cost, and there should be no hesitation to press for GWA's termination if no agreement is reached with #1 ranked firm.

MIGUEL C. BORDALLO, P.E.
General Manager

12.21.16
Date

TFC/gb

# Exhibit D (1 of 19)

**PM/CM Scope of Services**
**Guam Waterworks Authority Water and Wastewater Infrastructure Improvements**
**The Brown and Caldwell PM/CM Team**

Develop and implement a comprehensive Project Management and Construction Management (PM/CM) Program, including directions, procedures, coordination, administration, review and expediting required to assist GWA, its consultants and its designers, construction contractors and/or Design/Builders in accomplishing the completion of the design, permitting, construction, testing, commissioning and startup in a timely, economical and acceptable manner to meet the project's cost, schedule, scope, performance, and quality objectives. Collaborate with GWA and in consultation with the Guam Intergovernmental Support Team (GuIST) on:

- Northern District Wastewater Treatment Plant (NDWWTP) - all phases of design, permitting, construction, testing and startup/commissioning of the project to upgrade the NDWWTP to compliant secondary treatment and to complete the installation of a sewer outfall diffuser.
- Interceptor Sewer – all phases of design, permitting, construction, testing and turnover of the project to rehabilitate approximately 45,000 linear feet of the Interceptor Sewer line from AAFB to the NDWWTP.
- Northern Guam Lens Aquifer (NGLA) Monitoring System – all phases of design, permitting, well drilling, completion and repair, construction, testing and turnover of the project to refurbish six (6) existing wells and install four (4) new monitoring wells.

## 010 Program Management

### 010.001 Meetings

Attend, present, prepare for, and take meeting minutes as necessary for:

002. Program Kickoff meeting. Develop a Program Charter, develop Level of Service metrics
003. Bi-Weekly conference calls
004. Quarterly Face-to-Face Workshops with Guam Intergovernmental Support Team (GuIST) held on Guam
005. Component project design and construction kickoff meetings
006. Component project review and progress meetings, and closeout meetings
007. Design review conferences. Present, discuss and resolve design review comments with GWA and designers.

### 010.015 Program Management Plan

Provide a Program Management Plan consisting of sections addressing:

016. Stakeholder Engagement
017. Communication
018. Budget and Cost Monitoring
019. Risk, including an initial Risk Register
020. Quality Management
021. Resource Management Scope
022. Schedule
023. Change Management

## 010.050 Schedule Management

051. Develop, maintain, and update a critical path Master Program Schedule. The Master Schedule will integrate key milestones from the schedules of each individual component project, as prepared and submitted by the selected contractor or Design/Builder.
Record and monitor the progress of all Project designs and regulatory approval activities, construction activities, testing, startup and commissioning, and operational impacts.
Record and monitor the progress of all component projects.
Provide project management and dedicated professional scheduling support, using Primavera P6 software.

## 010.100 Program Management Information System

101. Document Management Plan. Develop and implement a document management plan. Develop a centralized records management procedure to include a system for central receiving of all project documents and the control, storage, distribution, indexing, and tracking of documents with final distribution to GWA. Provide tracking, management and recordkeeping for all project documentation. Monitor and manage receipt, review, comments, and revisions for all project technical and administrative deliverables. Involve GWA, its consultants and the Intergovernmental Support Team as necessary.

102. Reporting. Generate report formats for stakeholder reporting: monthly status report consisting of: critical path schedule, significant deviations and changes, photographic summary, safety status and incidents, total program costs by project, and project completion reports. Below lists required reports:

| Type | Frequency | Context | Recipients |
|---|---|---|---|
| 105. Deviations & Change Orders | Included in Monthly Program Progress Report | Details of issue and resulting deviation; probable impacts to scope, cost and schedule; recommendations. | GWA GM, GWA Engineering |
| 106. Photographic Summary | Included in Monthly Program Progress Report | Photographic documentation of all phases of work on each project, | GWA GM, GWA Engineering, Intergovernmental Support Team, OEA, CCU |
| 107. Schedule updates | Included in Monthly Program Progress Report Monthly | Copies of latest Overall Program Schedule, with notes explaining any deviations from the approved schedule | GWA GM, GWA Engineering, Intergovernmental Support Team, OEA, CCU |
| 108. Safety Incidents | Immediately | Telephonic notification and follow up report with details of injuries, property damage, delays, etc. as soon as info is available | GWA GM, GWA Engineering, Intergovernmental Support Team, OEA, CCU |

| | | | |
|---|---|---|---|
| 110. Safety Status Report | Included in Monthly Program Progress Report | Summary of all safety reviews and findings and recommendations | GWA, Contractor or Design/Builder |
| 111. Program Progress Reports | Monthly | Includes information specified by GWA at Program startup | GWA GM, GWA Engineering, Intergovernmental Support Team |
| 112. Project Completion Report | At each Project's Completion | Provides detailed information to allow GWA to issue the certificate of substantial completion | GWA GM, GWA Engineering, GWA Compliance and Safety, Intergovernmental Support Team, OEA |

113. Budget, Cost and Contract Management consisting of: contract management, contractor invoicing, payment records, budget, expenditures, encumbrances, commitments.

### 010.120 Develop Delivery Strategy

Evaluate alternative delivery strategies as appropriate for

121. NDWWTP upgrade,
122. Interceptor Trunk sewer rehab.

### 010.130 Design standards and equipment standards

131. Use existing GWA standards as appropriate.
132. Confirm applicable design criteria, codes and standards.

### 010.140 Quality Management

Verify deliverables are properly reviewed, comments addressed and shown in final design.

141. Provide Quality Assurance reviews of deliverables.

### 010.150 Program Management Execution

General: Act on behalf of GWA in the coordination of the design process, as the Owner's representative. Serve as the designated point of contact for the designer(s) under the appropriate Owner-Design Agreement or for the Design/Builder under the appropriate Owner-Design/Builder Agreement. Coordinate and help resolve administrative issues that arise during the design process between the appropriate parties.

151. Monitor and report on designer and contractor performance with regard to schedule, quality of work, cost, scope compliance and productivity.
152. Coordinate design submittals and review process: Facilitate and coordinate the distribution of design submittals to the appropriate parties for review, comment, and information, including the Intergovernmental Support Team.
153. Collect, consolidate and coordinate all review comments so that they are addressed and resolved to GWA's satisfaction. Alert GWA and the Intergovernmental Support Team of any concerns.

154. Provide tracking, management and recordkeeping for project documentation. Monitor and coordinate receipt, review, comments, and revisions for project technical and administrative deliverables. Involve GWA, its consultants and the Intergovernmental Support Team as directed.
155. Coordinate and assist GWA in the administration of designer/contractor pay requests, change requests, Requests for Information (RFIs), or change order directives.
156. Coordinate and monitor permitting and approvals required for project execution with local and federal entities, contractors, and GWA.
157. Provide specialized technical support services to GWA and its consultants on a limited basis during project design and construction.
158. Assist GWA in assessing the maintenance and operating costs associated with the O&M plan developed by the contractors for the NDWWTP, outfall diffuser, trunk sewers and monitoring wells.

## 010.170 Cost Management

171. Review Designer's or Design/Builder's detailed estimate of probable construction cost at the 30 and 90 percent working drawing phase for the NDWWTP and Interceptor Trunk sewer projects. Create estimates for the outfall diffuser and the groundwater monitoring wells and the 30% and 90% working drawing phase.

## 010.190 Safety

Optional services listed in the following scope details are recommended as additional services requiring written approval from GWA.

191. **Optional Service** - Engage an independent safety consultant to observe and report once per month on construction safety for the NDWWTP, outfall diffuser, and interceptor trunk sewer projects and report findings on safety conditions and contractor performance to GWA's Compliance and Safety Office. The performance of such services shall not relieve the Contractor or Design/Builder of its responsibility for the safety of persons and property and compliance with all statutes, rules, regulations, and orders applicable to the conduct of the work. Furnish GWA and Contractor or Design/Builder with a copy of the monthly safety status report.

## 010.200 Permitting

201. Monitor, coordinate, and track the permitting process for each component project with local and federal entities so that the Contractor or GWA can obtain the permits. The PM/CM will endeavor to complete the permitting process but final approval and granting of permits is responsibility of the regulating agency and outside the PM/CM's control.
202. Track permits for each component project. Permit tracking consists of application submittal, application completeness determination, progress status and permit approval.
203. Coordinate with design team to monitor that Specific Conditions of each permit are shown in the design/construction drawings. Coordinate with the Contractor and Construction Manager to monitor whether the Specific Conditions of each permit are being constructed as permitted.

### 010.300 Construction Management Plan

301. Develop and implement the Construction Management Plan including guidelines for project organization and coordination in the field, standard daily operations, change order procedures, GWA's safety requirements, quality, schedule, and cost control.

### 010.400 Optional Service

401. PM/CM Team to assist in conducting NEPA and permitting field investigations and surveys (e.g., protected species surveys, wetland delineations, Essential Fish Habitat surveys, water quality surveys and monitoring, etc.) as needed including diving at diffuser. Requires coordination with USEPA and its consultant.

## 110 Project 1 – NDWWTP

### 110.001 Treatment Plant Planning Phase

002. Conduct kickoff meeting, regular periodic, and closeout project management meetings.
003. In collaboration with GWA, develop RFP and Scope of Work in accordance with Guam Procurement Law and applicable grant conditions for selection of Designer to execute the design of the treatment plant upgrade. Coordinate with GuIST to address stakeholder concerns in development of the RFP. Review the BODR, preliminary engineering studies conducted and the AECOM Implementation Plan, evaluate gaps in the engineering, and recommend steps needed to address gaps and deficiencies in the RFP. Review for operability and maintainability and gauge training needs.
004. Assist GWA with soliciting and reviewing proposals to select a highly qualified Designer or Design/Builder. Provide two (2) qualified individuals with appropriate knowledge, experience and expertise during the selection process to review proposals. GWA will make final determination of Designer or Design/Builder.
005. In collaboration with GWA, develop the IFB package meeting Guam procurement laws and regulations. Preferred project delivery method is conventional design-bid-build.
006. Engage with GWA during contractor selection of a highly qualified contractor. Provide qualified individuals with appropriate knowledge, experience and expertise during the selection process to review proposals and bids. GWA will select the Contractor in compliance with GWA procurement standards.
007. Assist GWA and designer with conducting pre-proposal conferences, responding to requests for clarification, requests for information, and issuing amendments in order to obtain complete and responsive proposals.
008. Assist GWA in the negotiation of priced proposals and evaluation of non-priced technical proposals.
009. Assist GWA in reviewing claims and references, using current Engineering Joint Contract Documents published by the Engineers Joint Contract Documents Committee as standard contract forms, and documenting the negotiations.
010. Coordinate with GWA on acquiring boundary and topography from other consultants for acquired property.
011. **Optional Service** - conduct an Environmental Investigation in advance of design activities to include MEC Density and Extent of MEC presence.

## 110.100 NDWWTP Design Oversight and Management Phase

101. Coordinate and monitor the design process acting on behalf of GWA as the Owner's representative.
102. Provide technical and constructability reviews of the design at 30, 60, 90 and 100% percent completion.
103. Perform 30%, 60% and 90% operability and maintainability reviews to assess whether designed facility meets GWA requirements. As needed, the review will include recommended steps for keeping current facility operational during construction. Engage key stakeholders in the review process and keep them informed of critical milestone risks and potential risks to project objectives
104. Provide technical guidance and recommendations for the plant upgrade throughout the design process.
105. **Optional Service** - Develop a Value Engineering strategy to be implemented at key points in the design. Assist in development of full life cycle cost development. Make recommendation on possible repurposing of any of the existing facility
106. Conduct design alternatives evaluations – Conduct Business Case Evaluations (BCE's) on
    - 9 mgd versus 12 mgd
    - Conventional activated sludge versus Extended Air Activated Sludge using Oxidation ditches
107. **Optional Service** - Develop construction contract specifications for startup, commissioning, asset data, and preventive maintenance procedures to transfer in a format for inclusion into Lucity software.
108. **Optional Service** - If requested by GWA, prepare bridging documents based on program and facility planning, to be used for procuring a Design/Build Contractor for the development of the improvements. The bridging documents will include preliminary design plans, specifications, calculations, performance criteria and basis of design documents for a procurement package specific to the project acquisition to be conducted.

## 110.150 NDWWTP Construction Management Phase

151. Observe and monitor the construction process, project correspondence and meetings acting on behalf of GWA as the Owner's representative.
152. Attend kickoff, regular periodic and construction closeout meetings.
153. Develop a CM Quality Assurance Plan.
154. Document site conditions prior to beginning construction
155. Review approved submittals from the Contractor prior to fabrication or installation of materials and equipment
156. Observe, monitor, and document daily field work
157. Review and monitor the Contractor's Quality Control Plan and its implementation
158. Provide in-plant fabrication and/or witness testing at place of manufacture (where applicable)
159. Prepare reports and other record keeping
160. Provide non-conforming and deficient work resolution process
161. Provide recommendations for the administration of construction contracts
162. Develop construction inspection training for GWA staff as requested.

163. Engage key stakeholders during construction and keep them informed of critical milestone risks and risks to project objectives.
164. Prepare for and conduct the Preconstruction Conference
165. Perform Preconstruction Administrative Activities
166. Coordinate regulatory and building department inspections
167. Record progress of project. Prepare daily construction reports. Prepare a progress photo log
168. Review, process and maintain logs for material and QA testing
169. Review, process and coordinate RFI's, submittals, shop drawings and maintain logs
170. Schedule monitoring and updates, work with contractor on developing schedule recovery plans.
171. Coordinate plant operations with construction activities for uninterrupted plant operation in connection with shutdowns, tie-ins, shared facilities, including storage areas, staging areas, contractor areas, contractor access, haul roads, crane and equipment locations and material delivery sequencing.
172. Document and track Change Requests, review changes of scope, estimated costs (additive and/or deductive), provide recommendations as appropriate to GWA. Assist GWA with Contractor requests for equitable adjustment and claims. Provide documentation of all relevant issues, detailed analyses, review and evaluation of requests/claims
173. Progress payments and funding requests
174. Perform QA testing for earthworks, concrete, and survey controls
175. Monitor Contractor Quality Control testing
176. Monitor and track Acceptance Testing, witness testing, test report documentation,
177. Inspection, full-time
    - Site fire protective means; environmental protection plan; storm water protection plan; coordinate traffic and security operations at the site.
    - Punch lists
    - Record Drawing updates are being maintained by Contractor
178. Perform special inspection, electrical, structural.
179. Prepare Substantial Completion Report and Certificate. Final payment recommendation
180. Document O&M Manuals, record drawings, training and training materials, warranties, and certifications
181. Coordinate project closeout, record drawings, and document turnover to GWA.
182. Prepare a final report narrative of significant design and construction events and issues to become a historical record for the project. The Final Report shall include the Record Drawings, warranty information, operation and maintenance information, and other pertinent project data.
183. Implement & Maintain Project Controls Records & Document Management and Communication
184. Provide Videography & Live Video Feed
185. Review Payroll Reports and Monitor Compliance with Labor Laws
186. General and Permit Compliance Monitoring
187. Manage Processing and Implementation of Design Changes
188. Oversee CM staff Safety Program and Monitor Contractor Safety Program

189. Project closeout, Punch List Development, record drawings, final report
190. Coordinate Training and Warranty Period Responses (1 year after construction)
191. **Optional Service** - If requested by GWA, in addition to testing provided by the contractor and/or Design/Builder, material testing during construction of the improvements can be provided, including but not limited to concrete sampling and testing, testing for soil density, paint and weld testing, and others as required by acceptable engineering industry practices.

### 110.200 NDWWTP Testing, Commissioning, Startup and Training Phase

201. Review and comment on Contractor's submittal for a functional, user-friendly operations and maintenance plan. Supplement the plan as needed to address gaps in the contractor's and design consultant's submittals. O&M plans will provide the capability for the plant to sustain compliant secondary treatment for the long-term.
202. Concurrent with construction – Coordinate the development of the WWTP testing, startup and commissioning plans by the contractor. Coordinate scheduling of all travel and testing activities well in advance of construction completion. Include warranty protection measures with maintenance. Execute the plan to meet operational and environmental requirements for the plant.
203. Provide a transition plan that includes training for operational sustainability. This training is in addition to training offered by the contractor and design consultants on specific plant equipment, maintenance and plant function.
204. Concurrent with construction - develop and execute the operations training plan for the plant.
205. Determine training certification and GWA funding necessary for plant staff to sustain compliant secondary treatment through its life cycle. Follow-up training as defined during startup.
206. Concurrent with construction - Develop and execute the maintenance and asset management training plan for the plant. Execute training for other operations and maintenance staff throughout the GWA operations function concurrently with preparation for commissioning.
207. **Optional Service** - If requested by GWA, asset and maintenance data migration into Lucity in preparation of commissioning.

## 210 Project 2 – Outfall Effluent Diffuser

### 210.001 Diffuser Planning Phase

002. Conduct kickoff meeting, regular periodic, and closeout project management meetings.
003. Conduct Materials Integrity Testing of Diffuser
004. Research CCTV, record drawings, and prior design/construction documents to make sure the diffuser is properly installed and anchored and that it will provide the required dilution.
005. Investigate ocean floor and anchoring systems
006. Perform wave force analysis
007. Develop permitting requirements and begin obtaining permits

## 210.100 Outfall Diffuser Design Phase

101. Perform the design of the diffuser. The intent is to place the existing diffuser equipment in place and determine the service life of the equipment for future management.
102. Determine non-functional equipment and address the gaps.
103. Prepare drawings and technical specifications. Issue design submittals for GWA review at 30%, 60% and 90% levels of effort.
104. Perform 30%, 60% and 90% operability and maintainability reviews to assure that the designed facility meets the needs of GWA. The review will include provisions for how the current facility will continue operations during construction.
105. In collaboration with GWA, develop the IFB package meeting Guam procurement laws and regulations. Intent is to deliver this project as conventional design-bid-build.
106. Engage with GWA during contractor selection to obtain a highly qualified contractor. Provide two (2) qualified individuals with appropriate knowledge, experience and expertise during the selection process. GWA to select the Contractor in compliance with GWA procurement standards.
107. **Optional Service** - Prepare Bridging Documents for Design/Build Alternative. If requested by GWA, prepare bridging documents based on program and facility planning, to be used in the acquisition of a Design/Build Contractor for the development of the improvements. The bridging documents will include preliminary design plans, specifications, calculations, performance criteria and basis of design documents sufficient for a procurement package specific to the project acquisition to be conducted.

## 210.150 Outfall Diffuser Construction Management Phase

151. Coordinate the construction process acting on behalf of GWA as the Owner's representative.
152. Attend kickoff, regular periodic and construction closeout meetings.
153. Develop a CM Quality Assurance Plan.
154. Document site conditions prior to beginning construction
155. Review of approved submittals from the Contractor prior to fabrication or installation of materials and equipment
156. Monitor, observe, and document daily field work
157. Review of and Monitoring of the Contractor's Quality Control Plan and its implementation
158. Reports and record keeping
159. Provide non-conforming and deficient work resolution process
160. Provide recommendations for the administration of construction contracts
161. Develop requested construction inspection training for GWA staff.
162. Engage key stakeholders during construction and keep them informed of critical milestone risks and risks to project objectives.
163. Prepare for and conduct the Preconstruction Conference
164. Perform Preconstruction Administrative Activities
165. Record progress of project. Prepare daily construction reports. Prepare a progress photo log
166. Review, process and maintain logs for material and QA testing
167. Review, process and coordinate RFI's, submittals, shop drawings and maintain logs
168. Schedule monitoring and updates, work with contractor on recovery schedules.

169. Coordinate plant operations with construction activities to make sure of uninterrupted plant operation in connection with shutdowns, tie-ins, shared facilities, including storage areas, staging areas, contractor areas, contractor access, haul roads, crane and equipment locations and material delivery sequencing.
170. Document and track Change Requests, review changes of scope, estimated costs (additive and/or deductive), provide recommendations as appropriate to GWA. Assist GWA with Contractor requests for equitable adjustment and claims. Provide documentation of all relevant issues, detailed analysis, review and evaluation of requests/claims
171. Progress payments and funding requests
172. Monitor and track Acceptance Testing, witness testing, test report documentation,
173. Inspection, full-time
    - Punch lists
    - Record Drawing updates are being maintained by Contractor
174. Prepare Substantial Completion Report and Certificate. Final payment recommendation
175. Document O&M Manuals, record drawings, training and training materials, warranties, and certifications
176. Project closeout, record drawings, and document turnover to GWA.
177. Prepare a final report narrative of significant design and construction events and issues to become a historical record for the project. The Final Report shall include the Record Drawings, warranty information, operation and maintenance information, and all other pertinent project data.
178. Review Contractor's Open Waters Safety Plan and monitor adherence to this plan.
179. **Optional Service** - If requested by GWA, in addition to testing provided by the contractor and/or Design/Builder, material testing during construction of the improvements can be provided, including but not limited to concrete sampling and testing, paint and weld testing, and others as required by acceptable engineering practices.

## 310 Project 3 – Interceptor Trunk Sewer

### 310.001 Trunk Sewer Planning Phase

002. Conduct kickoff meeting, regular periodic, and closeout project management meetings.
003. **Optional Service** - Conduct CCTV and Pole Camera investigations, expand on PG Environmental fieldwork
004. **Optional Service** - Conduct Odalog $H_2S$ testing to quantify the significance of $H_2S$. The intent is that if $H_2S$ is a significant contributor to the deterioration of the pipeline, it guides the rehabilitation process.
005. Review existing CCTV, record drawings, and prior design/construction documents.
006. Coordinate with DPW and FHWA on Rt. 3 roadwork
007. **Optional Service** - Conduct field survey, manhole locates (obtain horizontal and vertical survey of manholes)
008. **Optional Service** - Conduct Manhole inspection, assessment and repair recommendations

009. Identify phasing and sequencing requirements. Identify access, temporary construction easements, and staging areas for CIPP rehabilitation
010. In collaboration with GWA, develop RFP, IFB and Scope of Work in accordance with Guam Procurement Law and applicable grant conditions for selection of Design/Build Firm to execute the design and construction of the trunk sewer rehabilitation. Coordinate with GuIST to address stakeholder concerns in development of the solicitation request.
011. Prepare bridging documents based on program and facility planning, to be used in the acquisition of a Design/Build Contractor for the development of the improvements. The bridging documents consist of preliminary design plans, specifications, calculations, performance criteria and basis of design documents. Review preliminary engineering and field studies conducted and the AECOM Implementation Plan, determine gaps in the engineering, and address gaps and deficiencies in the RFP. Assess the PG Environmental-AECOM concepts.
012. Assist GWA in soliciting and reviewing proposals and bids to obtain highly qualified Design/Builder. Provide two (2) qualified individuals with appropriate knowledge, experience and expertise during the selection process to review proposals. GWA to select Design/Build firm.
013. Assist GWA during solicitations for procurement by participation in pre-proposal conferences, addressing RFIs and amendments, evaluating non-priced proposals and priced proposals, verifying claims and references, negotiating final pricing, using Engineering Joint Contract Documents as standard contract forms, and documenting the negotiations.

## 310.100 Phase 1 Upper Trunk Sewer Design Oversight and Management (Rt. 9)

101. Coordinate the design process acting on behalf of GWA as the Owner's representative.
102. Perform 30%, 60% and 90% design reviews. The review will include provisions for how the current pipelines will continue operations during construction. Engage key stakeholders in the review process and keep them informed of critical milestone risks and risks to project objectives
103. Provide technical guidance and direction throughout the rehabilitation design
104. **Optional Service** - Develop construction contract specifications for the appropriate startup, commissioning, asset data, and preventive maintenance procedures transfer in a format for inclusion into Lucity software.
105. Perform review of design submittals, attend design review meetings

## 310.150 Phase 1 Upper Trunk Sewer Construction Management

151. Coordinate the construction process, project correspondence and meetings acting on behalf of GWA as the Owner's representative.
152. Attend kickoff, regular periodic and construction closeout meetings.
153. Develop a CM Quality Assurance Plan.
154. Document site conditions prior to beginning construction
155. Review of approved submittals from the Contractor prior to fabrication or installation of materials and equipment
156. Monitor, observe, and document daily field work

157. Review of and Monitoring of the Contractor's Quality Control Plan and its implementation
158. Reports and record keeping
159. Develop non-conforming and deficient work resolution process
160. Provide recommendations for the administration of construction contracts
161. Develop requested construction inspection training for GWA staff.
162. Engage key stakeholders during construction and keep them informed of critical milestone risks and risks to project objectives.
163. Prepare for and conduct the Preconstruction Conference
164. Perform preconstruction administrative activities
165. Coordinate regulatory and building department inspections
166. Record progress of project. Prepare daily construction reports. Prepare a progress photo log
167. Review, process and maintain logs for Material and QA Testing
168. Review and coordinate RFI's, submittals, shop drawings and maintain logs
169. Schedule monitoring and updates, work with contractor on developing recovery schedule plans.
170. Coordinate flow and bypass sewer operations with construction activities to make sure of uninterrupted sewer system flows. Coordinate roadway operations and new road construction with construction activities. Coordinate WWTP plant operations in connection with shutdowns, tie-ins, shared facilities. Coordinate storage areas, staging areas, contractor areas, contractor access, haul roads, crane and equipment locations and material delivery sequencing.
171. Document and track Change Requests, review changes of scope, estimated costs (additive and/or deductive), provide recommendations as appropriate to GWA. Assist GWA with Contractor requests for equitable adjustment and claims. Provide documentation of all relevant issues, detailed analysis, review and evaluation of requests/claims
172. Progress payments and funding requests
173. Monitor and track Acceptance Testing, witness testing, test report documentation,
174. Inspection, full-time
    - Site fire protective means; environmental protection plan; storm water protection plan; coordinate traffic and security operations at the site.
    - Punch lists
    - Record Drawing updates are being maintained by Contractor
175. Prepare Substantial Completion Report and Certificate. Final payment recommendation
176. Document O&M Manuals, record drawings, training and training materials, warranties, and certifications
177. Project closeout, record drawings, and document turnover to GWA.
178. Review Payroll Reports and Monitor Compliance with Labor Laws
179. Project closeout, Punch List Development, record drawings, final report
180. Prepare a final report narrative of significant design and construction events and issues to become a historical record for the project. The Final Report shall include the Record Drawings, warranty information, operation and maintenance information, and all other pertinent project data.

181. **Optional Service** - If requested by GWA, in addition to testing provided by the contractor and/or Design/Builder, material testing during construction of the improvements can be provided, including but not limited to concrete sampling and testing, testing for soil density, paint and weld testing, and others as required by acceptable engineering practices.

## 410 Project 4 – Groundwater Monitoring Wells

### 410.001 Monitoring Wells Planning Phase

002. Conduct kickoff meeting, regular periodic, and closeout project management meetings
- Kickoff meeting
- Periodic Meetings
- Closeout meeting

003. Review budget and prioritize actions:
- Staff will review list of equipment from client, prior cost estimates and grant proposal submittal to determine what items can be performed.
- One meeting with USGS/WERI/GWA for priority locations and equipment per site

004. New wells: determine how many new wells are possible. Develop list of preferred locations based on available budget and minimizing MEC/UXO work. Prioritize preferred well locations based on data from Dept. of Defense, WERI and USGS.
- No permitting effort is included in this task
- Task will support meetings and reports from Task 003
- One meeting with USGS/WERI/GWA

005. Well rehabilitations: develop priority list based on value of data, or data needs.
- Task will support meetings and reports from Task 003
- Determine if all well rehabilitation work is possible based on available budget and new well plan.
- One meeting with USGS/WERI/GWA

006. Develop implementation plan with schedule, sequence, decision points.
- Draft and final plan will be submitted

007. Conduct MEC initial investigation at the sites selected for new well placement. The intent is to minimize MEC work by identifying the new well locations closest to existing roadway access.
- 4 New Wells on DoD Property require ESS Compliance
- 3 locations (100ft x 100ft screening)
- 1 location (near MSA 2,500 linear feet, 12 feet wide, 100ft x 100ft pad)
- After Action Report for screening/clearance work
- Travel and per diem for UXO Tech II personnel

008. Conduct down-hole CCTV of existing wells to be rehabilitated.
- Rehab wells - 13 each
- Reporting/editing video

009. Determine non-functional equipment on wells to be rehabilitated and develop prioritized list of work required to address the deficiencies.

- Coordinate with WERI/USGS for site visit and equipment check during next quarterly data collection by WERI/USGS
- Review existing analyses
- Report of equipment status
- Performed in conjunction with Task 005

## 410.100 Monitoring Well Design Phase

101. Prepare design drawings for the new monitoring wells. Issue design submittals for GWA review at 30%, 60% and 90% levels of effort.
102. Develop rehabilitation plan for existing wells. Prepare drawings and technical specifications.
103. In collaboration with GWA, develop the IFB package for installation of new wells and rehabilitation of existing wells meeting Guam procurement laws and regulations. Intent is to deliver this project as conventional design-bid-build.
104. Engage with GWA during contractor selection of a highly qualified contractor. Provide two (2) qualified individuals with appropriate knowledge, experience and expertise during the selection process to review proposals and bids. GWA to select the Contractor in compliance with GWA procurement standards.
105. Assist GWA during solicitations for procurement by participation in pre-proposal conferences, addressing RFIs and amendments, evaluating non-priced proposals and priced proposals, verifying claims and references, negotiating final pricing, using Engineering Joint Contract Documents as standard contract forms, and documenting the negotiations.

## 410.150 Monitoring Well Construction Management Phase

151. Coordinate the construction process acting on behalf of GWA as the Owner's representative.
    - Rehab of 6 wells
    - Install 4 new wells
152. Attend kickoff, regular periodic and construction closeout meetings.
    - kickoff meeting
    - Rehab wells periodic meetings
    - New well install periodic meetings
    - closeout meetings
153. Develop a CM Quality Assurance Plan.
    - Assumes development of Draft and Final documents
154. Documentation of site conditions prior to beginning construction
    - Site Survey (6 rehab) -
    - Site Report (technical memo with photos)
    - Site Access coordination (DOD base access)
155. Review of approved submittals from the Contractor prior to fabrication or installation of materials and equipment
    - Rehab wells
    - New wells

156. Coordinate, inspection, observe, and document daily field work Monitor, observe, and document daily field work
    - rehab wells
    - New wells
    - Geologist oversight
157. Review of and Monitoring of the Contractor's Quality Control Plan (QCP) and its implementation
    - Two review phases of Contractor QCP
158. Materials testing
    - Well Materials Testing
    - concrete
    - Coatings testing
159. Reports and record keeping
    - weekly reports
160. Provide non-conforming and deficient work resolution process
    - Vendor/subcontractor compliance issues
161. Provide recommendations for the administration of construction contracts
    - Compliance with contract review/subcontractor
162. Develop any desired construction inspection training for GWA staff. Engage key stakeholders during construction and keep them informed of critical milestone risks and risks to project objectives.
    - Review specs/plans, provide insight on drilling methods, counting supplies/materials, units being used, etc.
163. Coordinate regulatory and building department inspections
    - Monitor contractor's permitting process and inspections with government agencies
164. Record progress of project. Prepare daily construction reports. Prepare a progress photo log
    - Construction inspector and Project Manager (PM) will complete daily reports and photos on selected CM software package and place in PMIS (EADOCS)
165. Review and coordinate RFI's, submittals, shop drawings
166. Schedule monitoring and updates, work with contractor on recovery schedules.
    - PM review of compliance with work schedule
167. Coordinate Base access with Andersen Air Force Base. Coordinate storage areas, staging areas, contractor areas, contractor access, haul roads, crane and equipment locations and material delivery sequencing.
    - Base access coordination
168. Document and track Change Requests, review changes of scope, estimated costs (additive and/or deductive), provide recommendations as appropriate to GWA. Assist GWA with Contractor requests for equitable adjustment and claims. Provide documentation of all relevant issues, detailed analysis, review and evaluation of requests/claims
169. Progress payments and funding requests
170. Monitor and track Acceptance Testing, witness testing, test report documentation,
    - Oversight of testing and reporting

171. Inspection, full-time; Site environmental protection plan; storm water protection plan; coordinate traffic and security operations at the site, Punch lists, Record Drawing updates are being maintained by Contractor
    - Well Rehab
    - New Well Install
172. Prepare Substantial Completion Report and Certificate. Final payment recommendation
173. Document O&M Manuals, record drawings, training and training materials, warranties, and certifications
    - Training and information will be given to operators of wells
174. Project closeout, record drawings, and document turnover to GWA.
175. Prepare a final report narrative of significant design and construction events and issues to become a historical record for the project. The Final Report shall include the Record Drawings, warranty information, operation and maintenance information, and all other pertinent project data.
    - All as-built information will be submitted to GWA for distribution to stakeholders needing the information
    - Up to 5 copies of all documentation will be produced
    - All electronic copies will be on CD
    - Hard copies will be spiral or 3-ring bound
176. **Optional Service** - If requested by GWA, in addition to testing provided by the contractor and/or Design/Builder, material testing during construction of the improvements can be provided, including but not limited to concrete sampling and testing, testing for soil density, paint and weld testing, and others as required by acceptable engineering practices.
    - Placeholder for any necessary testing to be performed by CM or its consultants during construction phase.

## Assumptions:

### Program Management

1. Program duration 58 months
2. Assume 5 working days per week
3. Assume 8 hours per working day
4. Bi-weekly conference calls, assume 116 total
5. Quarterly meetings, assume 20 total
6. There will be four (4) projects: NDWWTP, Outfall Diffuser, Interceptor Trunk Sewer, and Monitoring Wells
7. Program Management Plan will be done to BC typical standards.
8. Schedule will be prepared using Primavera P6 software. Two (2) licenses plus one training class open to GWA and the PM/CM Team.
9. PMIS will be based on SharePoint and EADOCS for document management and Microsoft Office products for reporting and financial management.
10. A monthly report will be issued consisting of: project and budget status, project progress, schedule updates, change orders and deviations, select photographs, and safety status.
11. Project closeout reports will be issued for the four (4) projects

12. Delivery strategy is pre-established at: NDWWTP, Outfall Diffuser, and Monitoring Wells will be design-bid-build, Interceptor Trunk Sewer will be design/build.
13. The PM/CM Team will perform the necessary designs for the Outfall Diffuser and the Monitoring Wells. A designer will be procured for the NDWWTP and Interceptor Trunk Sewer projects.
14. Opinions of probable construction costs by the PM/CM will be based on review of the designer's 30% and 90% design level of effort for the NDWWTP and Interceptor Trunk Sewer.
15. Opinions of probable construction costs by the PM/CM for the Outfall Diffuser and the Monitoring Wells will be prepared at the 30% and 90% design level of effort.
16. The PM/CM will engage the services of an independent safety consultant on a once a month basis through a total of 30 months of construction. Construction period includes the NDWWTP, Outfall Diffuser and the Interceptor Trunk Sewer.
17. All NEPA permitting processes will be done by others (USEPA).
18. Territory and local permitting applications will be prepared and followed-through by the designers. The PM/CM will monitor and track permitting.
19. Environmental impact studies and environmental protection plans for each of the four (4) projects is not required.
20. Negotiations of construction change orders for each of the four (4) projects whose value exceeds $50,000 will be performed as additional services.
21. Construction inspection training for GWA staff is limited to 24 hours of class time per project.
22. Labor compliance and review of certified payroll will be by GWA.

## NDWWTP

23. Land surveying boundary and topography for acquisition property at the NDWWTP will be performed by others. The PM/CM Team will rely on GWA to provide this information prior to designer selection.
24. The NDWWTP construction will be performed in two phases. First phase is Site Preparation, clearing and grading. Duration is 6 months. Second phase is the vertical construction of the plant. Duration is 24 months.
25. Only a single Earthcam - ConstructionCam Lite HD w/shipping and 36 months of service will be provided at the NDWWTP construction site.
26. Selected Designer will use the GWA NDWWTP Facility Plan as the basis for the design.
27. Contractor will conform to the design concept at NDWWTP and no claims elevate to the GWA Attorney regarding possible actions to be taken in the event of non-compliance by the Contractor.

## Outfall Effluent Diffuser

28. Use the existing outfall diffuser piping and appurtenances. The PM/CM team is to design accommodating the existing equipment and materials for Contractor to install.
29. Outfall diffuser will be installed along its original intended alignment with only minor adjustments necessary resulting from preconstruction inspection.
30. Outfall diffuser on-water/in-water construction period is two (2) weeks. Total construction time is seven (7) weeks.

## Interceptor Trunk Sewer

31. Interceptor trunk sewer will be issued for design/build
32. Interceptor trunk sewer will be one project done in two phases with one design/builder
33. Interceptor Trunk Sewer construction period is 23 months.
34. Interceptor Trunk Sewer rehabilitation is 45,000 linear feet. All manholes (approximately 155) are identified, located and cleared for vehicle access.
35. Pipeline condition assessment will be performed by the Design/Builder.
36. Inspection on the Interceptor Trunk Sewer may occasionally occur 24-hours per day for limited periods during CIPP liner wet-out and inversion. There is no need for full-time 24-hours per day inspection during curing.
37. There is no need for 24-hours per day inspection for bypass pumping.
38. Contractor for Interceptor Trunk Sewer will run two simultaneous crews.

## Groundwater Monitoring Wells

39. The PM/CM Team will rely on existing reports provided by GWA as to proposed new well priorities, existing condition of the monitoring wells requiring rehabilitation, and priorities of wells for rehabilitation.
40. Access to well sites is obtained from Anderson Air Force Base.
41. GWA is the lead on rehabilitation and installation of monitoring wells. Comments and suggestions by other stakeholders will be acted upon only at the direction of GWA.
42. Rehabilitation of six (6) wells and installation of four (4) new wells.
43. Monitoring wells installation and rehabilitation construction duration is 7 months.

**Brown and Caldwell PM/CM Fee Estimate** Rev6, 1/12/17
**Summary of Costs**

| | | |
|---|---|---|
| 010 | Program Management | $5,327,239 |
| 110 | Project 1 - NDWWTP | $5,898,900 |
| 210 | Project 2 - Outfall Effluent Diffuser | $406,356 |
| 310 | Project 3 - Interceptor Trunk Sewer | $1,966,089 |
| 410 | Project 4 - Groundwater Monitoring Wells | $600,103 |

| | |
|---|---|
| Subtotal | $14,198,687 |
| GRT Tax @ 4.167% | $591,659 |
| TOTAL | $14,790,346 |

| Optional Work | |
|---|---|
| Program Management | $471,040 |
| NDWWTP | $433,740 |
| Outfall Effluent Diffuser | $108,000 |
| Trunk Sewer | $849,134 |
| Subtotal | $1,861,914 |
| GRT Tax @ 4.167% | $77,586 |
| TOTAL | $1,939,500 |

**GUAM CONSOLIDATED COMMISSION ON UTILITIES**

**RESOLUTION NO. 16–FY2017**

**RELATIVE TO APPROVAL OF CONTRACT AMENDMENT TO THE CONSTRUCTION MANAGEMENT SERVICES FOR THE PW 12-04 CHAOT AND AGANA HEIGHTS DESIGN/BUILD RESERVOIR REPLACEMENT PROJECT; COURT ORDER PARAGRAPH 28(C)**

**WHEREAS**, under 12 G.C.A. § 14105, the Consolidated Commission on Utilities ("CCU") has plenary authority over financial, contractual, and policy matters relative to the Guam Waterworks Authority ("GWA"); and

**WHEREAS**, the Guam Waterworks Authority ("GWA") is a Guam Public Corporation established and existing under the laws of Guam; and

**WHEREAS**, GWA currently has a number of critical Court Order ("CO") projects including the Chaot and Agana Heights Design/Build Reservoir Replacement Project which is Item 28 (c) of the amended stipulated order; and

**WHEREAS**, GWA contracted AMOrient Engineering to provide design review and construction management services for the Chaot and Agana Heights Design/Build Reservoir Replacement project in the amount of $639,316.90; and

**WHEREAS,** Resolution No. 22-FY2013 (Exhibit A) and No. 28-FY2015 (Exhibit B) authorized total funding of $1,281,980.28 for the initial design review and construction management services, and extension of the construction management services due to the contractor's delays; and

**WHEREAS,** GWA issued Change Order No. 1, 2, 3, and 4 to AMOrient Engineering to extend the construction management services to November 2015 due to delays by the construction Contractor; and

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**WHEREAS**, the revised project's construction substantial completion date subsequently moved to December 2016 due to continued delays by the construction Contractor, but which also required continued construction management services from AMOrient Engineering; and

**WHEREAS,** GWA Management has ended on-site construction management services with AMOrient Engineering on December 31, 2016, given that the remaining work to be done by the contractor was minimal and manageable by GWA engineering staff; and

**WHEREAS,** the cost for construction management services for the period of December 2015 to the end of December 2016, was assessed to be Three Hundred Forty-Six Thousand Five Hundred Forty One Dollars ($346,541.00) above approved funding levels (Exhibit C); and

**WHEREAS,** the means of addressing payment for the additional services covered by AMOrient Engineering is intended be through the provisions of the construction contract contained in Section 4: Liquidated Damages, which allows for GWA to assess liquidated damages to the construction Contractor up to the amount of Two Thousand Nine Hundred Dollars ($2,900.00) per day (excluding Sundays and legal holidays) for breach of the Contract; and

**WHEREAS,** GWA has been assessing liquidated damages to the construction Contractor for each unexcused working day starting October 18, 2014 until Final Completion for incurred costs related to construction management services which were due to the construction Contractor delays; and

**WHEREAS,** GWA Management is requesting authorization to modify the construction management contract to cover the period of December 2015 to the end of December 2016 and to increase the funding amount to the contract by Three Hundred Forty-Six Thousand Five Hundred Forty-One Dollars ($346,541.00) to fund the construction management cost; and

**WHEREAS,** the approval of the increase in funding amount would bring the total cost of construction management services from AMOrient Engineering to One Million Six Hundred

Twenty-Eight Thousand Five Hundred Twenty-One Dollars and Twenty Eight Cents ($1,628,521.28); and

**WHEREAS,** the assessed liquidated damages will be applied to fund the additional construction management work upon the closeout of the project and the construction contract; and

**WHEREAS,** in order to minimize any further unnecessary expenses, the finalization and closeout of the construction management contract will occur prior to the completion of the construction contract, and therefore GWA is intending to meet the financial obligation to the CM by funding payment of their remaining invoice through Internally Funded CIP, along with PW 12-04 and PW 05-05 as alternate sources until such time "re-imbursement" from funds held from the contractor as part of liquidated damages is made; and

**NOW BE IT THEREFORE RESOLVED**, the Consolidated Commission on Utilities does hereby approve the following:

1. The recitals set forth above hereby constitute the findings of the CCU; and
2. The CCU hereby authorizes GWA management to amend the construction management contract to cover the period of December 2015 to the end of December 2016 and to increase the amount of Three Hundred Forty Six Thousand Five Hundred Forty-One Dollars ($346,541.00) to fund the additional construction management cost (Exhibit C); and
3. The CCU hereby approves the funding total for the construction management services to be One Million Six Hundred Twenty Eight Thousand Five Hundred Twenty-One Dollars and Twenty Eight Cents ($1,628,521.28); and
4. The CCU further approves funding the construction management invoice through Internal Funded CIP, along with PW 12-04 and PW 05-05 as alternate source until such time "re-imbursement" from funds held from the contractor as part of liquidated damages is made; and
5. The CCU approves that money received from the construction liquidated damages will be applied to funding sources used for the additional construction management work.

**RESOLVED,** that the Chairman certified and the Board Secretary attests to the adoption of this Resolution.

**DULY AND REGULARLY ADOPTED**, this 24th day of January 2017.

Certified by:

**JOSEPH T. DUENAS**
Chairperson

Attested by:

**J. GEORGE BAMBA**
Secretary

I, J. George Bamba, Board Secretary of the Consolidated Commission on Utilities as evidenced by my signature above do hereby certify as follows:

The foregoing is a full, true and accurate copy of the resolution duly adopted at a regular meeting by the members of the Guam Consolidated Commission on Utilities, duly and legally held at a place properly noticed and advertised at which meeting a quorum was present and the members who were present voted as follows:

AYES: 5

NAYS: 0

ABSTENTIONS: 0

ABSENT: 0

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EXHIBIT A

**GUAM CONSOLIDATED COMMISSION ON UTILITIES**

**RESOLUTION NO. 22–FY2013**

**RELATIVE TO APRROVING THE CONSTRUCTION MANAGEMENT CONSULTANT FOR THE PW 12-04 CHAOT AND AGANA HEIGHTS DESIGN/BUILD RESERVOIR REPLACEMENT PROJECT; COURT ORDER PARAGRAPH 28(C)**

**WHEREAS**, under 12 G.C.A. § 14105, the Consolidated Commission on Utilities ("CCU") has plenary authority over financial, contractual and policy matters relative to the Guam Waterworks Authority ("GWA"); and

**WHEREAS**, the Guam Waterworks Authority ("GWA") is a Guam Public Corporation established and existing under the laws of Guam; and

**WHEREAS**, GWA currently has a number of critical Court Order ("CO") projects including the Chaot and Agana Heights Design/Build Reservoir Replacement Project which is Item 28(c) of the amended stipulated order and which must be completed by January 21, 2014; and

**WHEREAS**, the Chaot and Agana Heights Design/Build Reservoir Replacement Project includes the construction of a booster pump station, 500,000 gallon pre-stressed concrete reservoir in Chaot and 500,000 gallon pre-stressed concrete reservoir in Agana Heights and requires specialized inspection and testing services to ensure the construction of the project is completed on schedule, within budget, constructed properly and meets the project design standards with particular attention being paid to the longevity and quality of the crucial public utility structure; and

**WHEREAS,** GWA has advertised the Request For Proposals (RFP-01-ENG-2013) soliciting statement of qualifications from experienced and qualified engineering firms to assist GWA during the design phase and manage the construction activities for the Chaot and Agana Heights Design Build Reservoirs Replacement Project; and

**WHEREAS,** RFP packages were picked up by sixteen (16) engineering firms, from which GWA received proposal submittals from ten (10) of the sixteen (16) firms before the RFP submittal deadline; and

**WHEREAS,** the GWA A-E Selection Committee reviewed and evaluated all ten proposals (see EXHIBIT A- Evaluation Score) and generated a short list of the top three (3) firms with a recommendation to award a contract to the firm AmOrient Engineering (AmOrient and any successor at interest thereto) (see EXHIBIT B – Evaluation Summary and GM Determination); and

**WHEREAS,** AmOrient and GWA negotiated the price for the services to be provided in the total amount of Six Hundred Thirty Nine Thousand Three Hundred Sixteen Dollars and Ninety Cents ($639,316.90) attached hereto as (EXHIBIT C – Fee Proposal); and

**WHEREAS,** GWA management seeks CCU approval of the fee proposal amount of Six Hundred Thirty Nine Thousand Three Hundred Sixteen Dollars and Ninety Cents ($639,316.90) along with a twenty percent (20%) contingency to bring the total authorized funding amount to a maximum of Seven Hundred Sixty Seven Thousand One Hundred Eighty Dollars and Twenty Eight Cents ($767,180.28); and

**WHEREAS,** the source of funding for the construction management services will be from the 2005 Bond under the line item "A Series Well Transmission Line"; and

**WHEREAS,** GWA management recommends that a contract be entered into with AmOrient in the aforementioned amount.

**NOW BE IT THEREFORE RESOLVED,** the Consolidated Commission on Utilities does hereby approve the following:

1. The recitals set forth above hereby constitute the findings of the CCU.
2. The CCU finds that the terms of the fee proposal submitted by "AmOrient" are fair and reasonable.

3. The CCU finds that the terms of the conditions set by GWA relative to commencement of work activities are fair and reasonable and serve as a measure of Quality Assurance/Quality Control (QA/QC).
4. The CCU hereby authorizes the management of GWA to accept the fee proposal (EXHIBIT C) from "AmOrient" which is also incorporated into this Resolution in its entirety.
5. The CCU hereby further authorizes the management to enter into a contract with "AmOrient", in the amount of Six Hundred Thirty Nine Thousand Three Hundred Sixteen Dollars and Ninety Cents ($639,316.90).
6. The CCU hereby further approves funding the total of Six Hundred Thirty Nine Thousand Three Hundred Sixteen and Ninety Cents ($639,316.90) plus a twenty percent (20%) contingency to bring the total authorized funding amount to a maximum of Seven Hundred Sixty Seven Thousand One Hundred Eighty Dollars and Twenty Eight Cents ($767,180.28).

**RESOLVED,** that the Chairman certified and the Board Secretary attests to the adoption of this Resolution.

**DULY AND REGULARLY ADOPTED,** this 23rd day of April 2013.

Certified by:

**SIMON A. SANCHEZ, II**
Chairperson

Attested by:

**JOSEPH T. DUENAS**
Secretary

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I, Joseph T. Duenas, Board Secretary of the Consolidated Commission on Utilities as evidenced by my signature above do hereby certify as follows:

The foregoing is a full, true and accurate copy of the resolution duly adopted at a regular meeting by the members of the Guam Consolidated Commission on Utilities, duly and legally held at a place properly noticed and advertised at which meeting a quorum was present and the members who were present voted as follows:

AYES: 4

NAYS: 0

ABSTENTIONS: 0

ABSENT: 1



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EXHIBIT A
(1 of 1)

# GUAM WATERWORKS AUTHORITY

DNA Building, Suite 502 • 238 Archbishop Flores Street • Hagatna, Guam 96910

February 12, 2013

To: Thomas F. Cruz, P.E, Chief Engineer

From: Chairperson, Consultant Selection Board

Subject: PW 12-04 Construction Management Services for Chaot & Agana Heights Design/Build Reservoir Replacement
GWA Project no. W12-005-BND

This following information is intended to document the evaluation process undertaken for the referenced solicitation.

| EVALUATION COMMITTEE MEMBERS | |
|---|---|
| **Name** | **Title** |
| Menglou Wang, P.E. | Assistant Chief Engineer |
| Brett Railey, P.E. | Engineer Supervisor |
| Julio Morais | Engineer Supevisor |
| Clinton Huntington, II | Senior Engineer |
| Garrett Yeoh | Senior Engineer |

| Consultant | Evaluation Score | | | | | Total | Rank |
|---|---|---|---|---|---|---|---|
| 1. SSFM International | 87 | 74 | 78 | 69 | 80 | 388 | 4 |
| 2. EMPSCO Engineering Consultants | 93 | 83 | 70 | 63 | 70 | 379 | 7 |
| 3. E.M. Chen & Associates, Inc. | 84 | 69 | 83.5 | 73 | 75 | 384.5 | 6 |
| 4. N.C. Macario & Associates, Inc. | 83 | 67 | 83 | 75 | 78 | 386 | 5 |
| 5. LYON Associates | 88 | 86 | 73 | 89 | 92 | 428 | 2 |
| 6. Oyo Corporation Pacific | 87 | 82 | 81.5 | 70 | 83 | 403.5 | 3 |
| 7. Masoud & Company | 77 | 74 | 76 | 57 | 69 | 353 | 9 |
| 8. Juan C. Tenorio, P.E. Consulting Engineer | 78 | 60 | 60.5 | 50 | 67 | 315.5 | 10 |
| 9. AmOrient Engineering | 94 | 88 | 84 | 76 | 90 | 432 | 1 |
| 10. GMP International, LLC | 86 | 69 | 82.5 | 47 | 75 | 359.5 | 8 |

Scores were evaluated based on straight average of the individual scores as well as an average of the scores after eliminating the high and low scores. The results were the same for both and therefore the recommendation of the evaluation committee is shown in the ranking above.

GLORIA P. BENSAN

Exhibit B
(1 of 1)

**GUAM WATERWORKS AUTHORITY**
DNA Building, Suite 502, 238 Archbishop Flores St., Hagatna, Guam 96910 • Tel. (647) 646-7810

# MEMORANDUM

February 12, 2013

To: Martin L. Roush, P.E.
General Manager

From: Thomas F. Cruz, P.E.
Chief Engineer

Subject: RFP-01-ENG-2013 Evaluation Summary
PW 12-04 Construction Management Services for Chaot & Agana Heights Design/Build Reservoir Replacement

The Evaluation Committee has completed all necessary actions for selecting the most qualified consultant for the referenced solicitation. All proposals were reviewed and scored according to the conditions established in the solicitation.

The committee recommends the following top three (3) firms in order of preference:

1. AmOrient Engineering
2. LYON Associates
3. Oyo Corporation Pacific

The evaluation summary sheet is attached for your information.

**GENERAL MANAGER'S DETERMINATION**

Consultant Firm Selected:

AmOrient Engineering 2/20/13

Remarks:

MARTIN L. ROUSH, P.E.
General Manager

AmOrient ENGINEERING

Exhibit C
(1 of 16)

10 April 2013

**Mr. Thomas F. Cruz, PE**
Chief Engineer
Guam Waterworks Authority
DNA Building, Suite 502
238 Archbishop Flores Street
Hagatna, Guam 96910

Attention: **Ms. Gloria P. Bensan**
Engineer III

Subject: **Construction Management Services for the Chaot and Agana Heights Design/Build Reservoir Replacement**

Dear Mr. Cruz:

We are submitting herewith our revised fee proposal for the provision of Construction Management Services for the Chaot and Agana Heights Design/Build Reservoir Replacement based on the revised scope of work provided on 28 March 2013 and discussions on 5 and 9 April 2013 .

Based on the revised SOW, please find below our assumptions for the construction management services:

1. The CM services shall be provided during the 12 month construction duration, 3 months of which will be for design and permit acquisition and 9 months for construction and closeout
2. The Sr. Inspector will provide engineering services during the pre-construction phase, assumed 3 months and Project Manager shall provide oversight during such period
3. Full time inspection shall be provided at 2 sites for 9 months during construction period.
4. $25,000 allowance will be provided for GWA Testing and $10,000 for Construction Survey Services.
5. Review of submittals/shop drawings.
6. Review of DB Contractor's design documents at 60%, 90% and 100% design stages.
7. The Contractor shall provide for field office complete with furnishings, telephones, copying machine, fax machine and internet connectivity/service at no cost to AmOrient.
8. Detail of the assumptions is provided in the attached.

**The proposed Firm Fixed Fee Amount is** **$639,316.90**
**(Six hundred thirty-nine thousand, Three hundred sixteen and 90/100 dollars)**

Please find attached, as required, excel file of our fee proposal.

We thank you for considering our firm for these services. Should you have any question, please give us a call. We look forward in working with you on this project.

Senseramente

AmOrient Engineering

John M Robertson PE
President & Principal Engineer

Attachment: AmOrient Fee Proposal

J.M. Robertson Inc dba AmOrient Engineering • 414 W. Soledad Ave. GCIC Building Suite 906 Hagåtña, GU 96910
P O Box 6247, Tamuning, Guam 96931-6247 • Tel: (671)472-3301 Fax: (671)472-3303 • Email: gm@amorient.com

# Exhibit C (2 of 16)

**GWA PROJECT NO. 01-ENG-2013**
**AMORIENT FEE PROPOSAL**

**Construction Management Services for the Chaot & Agana Heights Design/Build Reservoir Replacement**
**10-Apr-13**

| Phase Letter Task Number | TASK DESCRIPTION | Principal Engin | Proj Mgr/ Resident Engineer | Specialty Inspector - SE | Scheduler/Sr. Project Engineer | Sr. Inspector | Inspector | Admin | AMOUNT | REMARKS |
|---|---|---|---|---|---|---|---|---|---|---|
| | **HOURLY LABOR RATES** | $ 220.00 | $ 196.00 | $ 164.00 | $ 144.00 | $ 144.00 | $ 100.00 | $ 60.00 | | |
| 1.1 | **PRE-CONSTRUCTION PHASE** | | | | | | | | | |
| 1.1.1 | CM QUALITY ASSURANCE | | 8 | | | 40 | | | $ 7,328.00 | 1/4 time during 3 months for Sr Inspector |
| 1.1.2 | CONSTRUCTION MANAGEMENT PLAN | | 8 | | | 40 | | | $ 7,328.00 | |
| 1.1.3 | REVIEW D-B CONTRACTOR'S DESIGN | | | 56 | | | | | $ 9,184.00 | Review at 60%, 90% and 100% design stages |
| 1.1.4 | DELIVERABLES | | | | | | | 30 | $ 1,800.00 | Revised hours |
| 1.2 | **CONSTRUCTION PHASE TASKS** | | | | | | | | | |
| 1.2.1 | IMPLEMENT & MAINTAIN PROJECT CONTROLS | 48 | 20 | | | | | | $ 14,480.00 | 9 month full time for Inspectors, 1440 hrs each |
| 1.2.2 | PROJECT CORRESPONDENCE | | | | | 180 | | | $ 25,920.00 | from July to March 2014 |
| 1.2.3 | DAILY CONSTRUCTION LOGS | | | | | | 72 | | $ 7,200.00 | |
| 1.2.4 | MATERIAL TESTING FORMS | | | | | | 36 | | $ 3,600.00 | |
| 1.2.5 | PROGRESS PHOTO LOG | | | | | | 9 | | $ 900.00 | |
| 1.2.6 | SUBMITTALS & SHOP DRAWINGS | | 30 | | 300 | | | | $ 49,080.00 | Review of estimated 300 submittals at 3 hrs each |
| 1.2.7 | CONTRACTOR PROJECT SCHEDULES | | | | 72 | | | | $ 10,368.00 | |
| 1.2.8 | PAYMENT REQUESTS | | 20 | | | 48 | | | $ 10,832.00 | |
| 1.2.9 | PAYROLL REPORTS | | | | | | 18 | | $ 1,800.00 | |
| 1.2.10 | PROJECT MEETINGS | | | | | | | | $ - | |
| 1.2.10.1 | PRE-CONSTRUCTION PHASE | | 8 | | | 8 | 8 | | $ 3,520.00 | |
| 1.2.10.2 | PROGRESS MEETINGS | | 72 | | | 80 | 72 | | $ 32,832.00 | |
| 1.2.10.3 | AS-BUILT DRAWINGS REVIEWS | | | | | 72 | | | $ 10,368.00 | |
| 1.2.10.4 | OTHER MEETINGS | | 8 | | | 32 | 36 | | $ 9,776.00 | |
| 1.2.11 | RFI | | 8 | | | 8 | | 80 | $ 7,520.00 | |
| 1.2.12 | GENERAL COMPLIANCE MONITORING | | | | | | | | $ - | |
| 1.2.12.1 | REGULATIONS & LAWS | | | | | 40 | | | $ 5,760.00 | |
| 1.2.12.2 | LABOR LAWS | | 9 | | | | | | $ 1,764.00 | |
| 1.2.12.3 | LICENSURE | | | | | 20 | | | $ 2,880.00 | |
| 1.2.12.4 | INSURANCE | | 9 | | | 10 | | | $ 3,204.00 | |
| 1.2.13 | CLAIMS & DISPUTES | | | | | | | | $ - | |
| 1.2.13.1 | CLAIM RECORDS | | 9 | | | | | | $ 1,764.00 | |
| 1.2.13.2 | CLAIMS REVIEWS & INTERPRETATIONS | | 9 | | | | | | $ 1,764.00 | |
| 1.2.13.3 | CHANGE ORDER REVIEW | | 9 | | | | | | $ 1,764.00 | |
| 1.2.13.4 | DESIGN CHANGES | | 9 | | | | | | $ 1,764.00 | |
| 1.2.13.5 | DESIGN CHANGE/VERIFICATION REQUEST | | 9 | | | | | | $ 1,764.00 | |
| 1.2.13.6 | CHANGE ORDER NEGOTIATION WITH CONTRACTOR | | 9 | | | | | | $ 1,764.00 | |
| 1.2.13.7 | CHANGE ORDER DOCUMENTS | | 9 | | | | | | $ 1,764.00 | |
| 1.2.14 | PROJECT RECORDS & DOCUMENT MANAGEMENT/COMMUNICATION | | | | | | | 304 | $ 18,240.00 | |
| 1.2.15 | CONSTRUCTION OBSERVATION, SPECIAL INSPECTION & QUALITY CONTROL MONITORING | | | | | | | | $ - | |
| 1.2.15.1 | ON-SITE OBSERVATION | | | | | 878 | 1125 | | $ 238,932.00 | |
| 1.2.15.2 | SPECIAL INSPECTIONS | | | 160 | | | | | $ 26,240.00 | |
| 1.2.16 | TESTING | | | | | | | | | |
| 1.2.16.1 | CONTRACTOR TESTING | | | | | | | | $ - | |
| 1.2.16.2 | CM/CQA TESTING | | | | | | | | $ 25,000.00 | Revised allowance provided by GWA |
| 1.2.16.3 | GWA TESTING | | | | | | | | $ - | |
| 1.2.16.4 | ACCEPTANCE | | | | | | | | $ - | |
| 1.2.17 | CONSTRUCTION SURVEY SERVICES | | | | | | | | $ 10,000.00 | Revised allowance provided by GWA |
| 1.2.18 | PROJECT CLOSEOUT | | | | | | | | $ - | |
| 1.2.18.1 | PUNCH LIST DEVELOPMENT | | | | | 16 | 40 | | $ 6,304.00 | |
| 1.2.18.2 | PROJECT CLOSEOUT INSPECTIONS | | 16 | | | 24 | 24 | | $ 8,992.00 | |
| 1.2.19 | TRAINING & WARRANTY PERIODS | | | | | | | | $ - | |
| 1.2.19.1 | TRAINING | | | | | 24 | | | $ 3,456.00 | |
| 1.2.19.2 | WARRANTIES | | 8 | | | | | | $ 1,568.00 | |
| 1.3 | **POST CONSTRUCTION SERVICES** | | | | | | | | | |
| 1.3.1 | FINAL REPORT | | 8 | | | 16 | | | $ 3,872.00 | |
| 1.3.2 | RECORD DRAWINGS | | | | | 40 | | | $ 5,760.00 | |
| 1.3.3 | DELIVERABLES | | | | | | | 20 | $ 1,200.00 | |
| 2 | **PROJECT MANAGEMENT** | | | | | | | | $ - | |
| 2.1 | PROGRESS PAYMENT PREPARATION | | 42 | | | | | | $ 8,232.00 | |
| | Profit | | | | | | | | $ - | |
| | SUB-TOTAL | 48 | 337 | 216 | 372 | 1578 | 1440 | 434 | $ 597,588.00 | |
| | **TOTAL DIRECT COST** | | | | | | | | $ 597,588.00 | |
| 3 | **INDIRECT COSTS** | | | | | | | | | |
| | | | | | | | **Units** | **Rate** | **Amount** | |
| 3.1 | Cell Phones/Office support | | | | | | 18 | $ 56.55 | $1,017.90 | 2 cell phone charges for 9 months |
| 3.2 | Vehicles/Mileage | | | | | | 21600 | $ 0.55 | $ 11,880.00 | at 30 miles for 180 days for 2 staff for 2 ways |
| 3.3 | Paper/Reproduction | | | | | | 12 | $ 38.00 | $ 456.00 | |
| 3.4 | Camera | | | | | | 2 | $ 200.00 | $ 400.00 | Will be turned over to GWA upon project completion |
| 3.5 | Laptop | | | | | | 2 | $ 1,200.00 | $ 2,400.00 | Will be turned over to GWA upon project completion |
| | Profit | | | | | | | | $ - | |
| | **Sub-total** | | | | | | | | $16,153.90 | |
| | **TOTAL INDIRECT COST** | | | | | | | | $16,153.90 | |
| | **TOTAL DIRECT & INDIRECT COST** | | | | | | | | **$613,741.90** | |
| | **GRT** | | | | | | 4.17% | | $25,575.00 | |
| | **TOTAL** | | | | | | | | **$639,316.90** | |

# SCOPE OF WORK

## A. CONSTRUCTION MANAGEMENT (CM) DESCRIPTION OF EFFORT:

The proposer will provide CM Agent Services on behalf of GWA for the construction of two 0.5 million gallon water storage tanks at Chaot and Agana Heights, and a booster pump station at Agana Heights.

The existing reservoirs are constructed from welded steel and store approximately 0.5 M gallons each. The new reservoirs will be 0.5 M gallons each and essentially identical in design, constructed from prestressed concrete conforming to ANSI / AWWA D110 for Type 1 Wire- and Strand- Wound, Circular Prestressed Concrete Water Tanks.

## B. TASK 1: PRE-CONSTRUCTION, CONSTRUCTION, AND POST-CONSTRUCTION PHASE SERVICES:

### 1. General CM Scope of Work.

The Construction Manager (CM), will provide services relating to the field observation, testing, supervision, management, coordination, and compliance monitoring for the construction of the Chaot Reservoir & Agana Heights Reservoirs (0.5 Million Gallon capacity each) and the associated booster pump station construction. The project generally consists of geo-technical ground improvements, demolition of existing tank structures, construction of a 0.5 million gallon pre-stressed concrete tank conforming to ANSI / AWWA D110 for Type 1 Wire- and Strand- Wound, Circular Prestressed Concrete Water Tanks (site adapted for each location), electrical and SCADA controls, plus all associated utilities for each site.

The construction management, testing, and field observation services for this dual reservoir replacement project will require general construction management and observation as well as specialized inspection and testing.

### 2. Specialized Scope of Work.

In addition to general construction management duties, the specialized inspection and/or testing identified for this Scope of Work includes the following:

1. Concrete placement
2. Concrete anchors
3. Grading
4. Excavation
5. Compaction grouting
6. Compaction testing
7. Pre-stressing operations
8. Concrete cylinder testing
9. Soil analysis
10. Instrumentation and SCADA
11. Disinfection

In general, the proposer will be the CM as an independent contractor Owner's Representative of GWA whose primary functions are to:

- Keep the GWA advised and informed as to progress and cost
- Manage the change process
- Disclose any information relevant to the GWA's interests
- Make proactive recommendations to the Owner for action to maintain progress and achieve the schedule and budget
- Act in the best interests of the GWA

**C. Task 1.1. PRE-CONSTRUCTION PHASE SERVICES**

**Task 1.1.1 CM Quality Assurance.**

The CM will review, record, and comment on submittal of Quality Control Plan submitted by the DB Construction Contractor. Upon receipt of the final construction drawings, the proposer will: develop, implement and maintain a Quality Assurance Plan for civil, structural, electrical and mechanical elements including specialized work related to the construction of concrete water reservoirs conforming to ANSI / AWWA D110 Type 1 Wire- and Strand- Wound, Circular, Prestressed Concrete Water Tank design and construction standard of similar size.

The proposer will file contractor certifications: review, file and submit inspection test results; and assess substantial completion.

Contents of the Quality Assurance Plan should include the following:

- Documentation of site conditions prior to beginning construction
- Review of approved submittals from the Contractor prior to fabrication or installation of materials and equipment
- Inspection, observation, and documentation of daily field work
- Monitoring of the Contractor's Quality Control Plan
- In-plant fabrication and/or witness testing at place of manufacture
- Reports and record keeping
- Non-conforming and deficient work resolution process
- Monitoring the Construction Contractor's implementation of their Quality Control Plan

It is important to note, the CM is responsible for monitoring the Contractor's compliance with the Contract Documents, but is not responsible for the means and methods, techniques, sequences, or procedures the Contractor may use to perform the work.

**Task 1.1.2: Construction Management Plan.**

The proposer will develop and implement the Construction Management Plan including guidelines for project organization and coordination in the field, standard daily operations, change order procedures, safety, quality, and cost control. This Construction

Management Plan (CM Plan) sets forth the procedures and approach for the construction of the project. The CM Plan will serve the proposer, the Owner's Representatives, and Contractors by defining the project, project team members and their roles, coordination among team members, procedures, and key milestones and schedule constraints. By establishing these parameters early in the project, the CM Plan will help control resources and costs, and establish communication and coordination between the proposer, the Designers and the Contractor.

**Task 1.1.3: Review of the Design-Build Contractor's Design**

The CM shall perform reviews of the DB Contractor's design documents at the 60% and 90% design stages. The CM will provide redline mark-up of the plans and specifications and annotated comments for the contractors EOR's review and implementation at the 60% and 90% design stages.

**Task 1.1.4: Deliverables.**

Two (2) hardcopies and electronic PDF files of the following:

1) Quality Assurance Plan
2) Construction Management Plan
3) 60% design review comments
4) 90% design review comments

**D. Task 1.2. CONSTRUCTION PHASE TASKS:**

**Task 1.2.1: Implement & Maintain Project Controls (PC).**

These services shall be provided to insure that the project is efficiently managed and constructed according to the terms of the Contract and the Request for Proposal. The PC function is concerned with gathering data regarding project progresses, producing progress reports; and monitoring time, cost, and quality.

The Project Controls system will include the following:

- A Cost Management Process that estimates, monitors, predicts, and reports project cost.
- A Planning and Scheduling Management Process that plans project activities, monitors completion of those activities, predicts timing of future activities, and reports schedule status.
- A Change Management Process that estimates the impact of change, enables and documents the change decision, and integrates the change into the project scope of work.

The proposer will use Primavera P6 software for Project Scheduling and Construction Cost/Resource Tracking, Document Management, and Cost Management.

**Task 1.2.2: Project Correspondence (Review & Maintenance).**

The CM shall prepare correspondence, reports, and inspection documentation as required to communicate project activities and issues with GWA and the Contractor. The CM shall develop a format for daily and weekly reports for the approval of GWA. At a minimum, the following reports and inspection documents shall be provided:

- Daily Construction Logs
- Materials Testing Forms
- Progress Photo Log
- Shop Drawing and Submittals Status
- Contractor Progress Schedule
- Request for Information Status
- Change Order Status
- Special Inspection Reports

**Task 1.2.3: Daily Construction Logs.**

The onsite inspector(s) shall maintain a log of material deliveries, daily production, site conditions, field orders, punch lists, progress photos, material testing, documentation of delays, and other material facts and issues regarding prosecution of the work. The Daily Construction Log shall be available to GWA Project Engineer for review at any time.

**Task 1.2.4: Material Testing Forms.**

The CM shall prepare material testing forms for the approval of GWA. The forms shall capture all material testing requirements set forth by the Design Consultant.

**Task 1.2.5: Progress Photo Log.**

The CM shall prepare and retain a construction progress photo log in an organized album with phases of the project clearly labelled. The photo log shall capture all phases of the project pre-construction, during construction, and post-construction.

**Task 1.2.6: Submittals & Shop Drawings.**

The CM shall review and act on (approve or reject) all submittals required by the Contract Documents. The CM shall review and provide recommendations regarding shop drawings, work drawings, traffic control, safety plan, demolition plan, and other submittals for conformance with the Contract. In the event of a Contractor request for a time extension or material or equipment substitution, the CM shall make a recommendation to GWA regarding the substitution. The GWA Chief Engineer will approve substitution. The CM shall monitor and oversee the DB contractor review process.

**Task 1.2.7: Contractor Project Schedules.**

The CM shall review the Contractors work schedule for accuracy and for efficient sequencing of the work. The proposer will direct the Contractor to make any changes deemed necessary and coordinate approval of the revised schedule with GWA. Any delays shall be documented and notified to GWA and the Contractor when actual progress is behind schedule.

**Task 1.2.8: Payment Requests.**

The CM shall receive and process payment requests from the Contractor. Payment requests shall be reviewed for compliance with Bid and Contract requirements and with the actual work completed. Upon completion of the review, the CM shall make any necessary adjustments, certify, and forward the request to GWA for processing of the payment. The CM shall submit their review and recommendations within 5 working days of receipt from the Contractor.

**Task 1.2.9: Payroll Reports.**

The CM shall also review any payroll submittals required by the Contract including prevailing wage submissions. At a minimum, the Contractor and its subcontractors should be providing bi-weekly pay records for each of its employees on the project. The proposer will also conduct random employee interviews to verify the pay request information. Upon completion of the review, the CM shall require the Contractor to make any necessary adjustments, certify, and forward the Payroll report along with the pay request to GWA for processing.

**Task 1.2.10: Project Meetings.**

The CM shall schedule, arrange, and conduct conferences and meetings as required for clear communication of contract requirements and adherence to schedules.

The CM shall schedule, arrange, and conduct monthly project schedule meetings as required in the contract requirements. The CM shall prepare meeting minutes for all project schedule meetings with contractors, sub-contractors, and GWA.

**Task 1.2.10.1: Pre-Construction Conference.**

The CM shall prepare for, chair, and provide meeting minutes for the pre-construction conference. The pre-construction conference shall be arranged to discuss mobilization, prosecution of work, safety, environmental protection, historic preservation, processing payments, material submittals, testing procedure, project schedules, inspections, and all other contract issues as necessary.

**Task 1.2.10.2: Progress Meetings.**

The CM shall arrange for a weekly progress meeting with the Contractor and GWA to discuss progress of work, contract requirements, and other issues related to the administration and prosecution of the work. The CM shall prepare meeting minutes for all progress meetings with contractors, sub-contractors, and GWA. The meeting minutes shall include action items from week to week until it has been completed.

**Task 1.2.10.3: As-Built Drawing Reviews.**

After each weekly meeting, the CM shall review the Contractor's record drawings to ensure that they are current and capture any deviations from the original plan set.

**Task 1.2.10.4: Other Meetings.**

Arrange meeting between the Contractor and GWA, and other parties such as GEPA and DPW as necessary to address project issues that require decisions that cannot be made by the CM or to resolve regulatory concerns.

**Task 1.2.11: Request for Information.**

Track all Requests for Information (RFI) and maintain an RFI log. Coordinate receipt of answers from other sources. Assist GWA with the development of a response to RFIs regarding any aspect of the contract documents.

**Task 1.2.12: General Compliance Monitoring.**

The CM shall evaluate and ensure Contractor compliance with all local and federal labor laws applicable to the Project. Any violations shall be immediately reported to GWA. Compliance monitoring shall include but not be limited to the following:

**Task 1.2.12.1: Regulations and laws.**

Monitor compliance with Territorial and/or Federal laws, regulations and rules.

**Task 1.2.12.2: Labor Laws.**

Monitor contractor and subcontractor procedures to verify legal status of employees on site. Verify bi-weekly compliance with labor requirements for federally funded projects including posting of wage rate schedules at the job site and safety requirements.

**Task 1.2.12.3: Licensure.**

Confirm that the Contractor and its subcontractor and their workers have all required licenses and ensure that said licenses are valid throughout the term of the Contract.

**Task 1.2.12.4: Permit Compliance.**

Monitor and track Contractor's compliance in obtaining required permit and approvals.

**Task 1.2.12.5: Insurance.**

Review Contractor's insurance documents submitted to GWA for compliance with Contract requirements. Track insurance documents, ensure insurance is valid throughout the term of Contract and maintain insurance certificate log.

**Task 1.2.13: Claims and Disputes.**

The CM shall promptly notify the GWA regarding any issues that arise during construction of the project that could result in claims and/or disputes. The CM shall provide the following services to assist GWA with the resolution of claims and disputes:

**Task 1.2.13.1: Claim Records.**

Maintain copies of all verbal and written communications, submittals, testimony, photos, and meetings regarding a potential dispute and promptly submit all originals to the Chief Engineer and Attorney for GWA.

**Task 1.2.13.2: Claims Reviews & Interpretations.**

Review claims submitted by the Contractor, provide GWA with interpretation of contract drawings and specifications and provide written recommendations to GWA regarding the solution of the dispute. At the outset of the Contract, the CM shall work with the Contractor to provide pricing for equipment, material, personnel and other relevant considerations as specified in the bid. Prices agreed upon shall be used in any subsequent Change Order. No amounts shall be paid except for actual losses incurred by the Contractor through no fault of their own or for risks not allocated to the Contractor under the bid.

**Task 1.2.13.3: Change Order Review.**

Track all Change Orders (original to be provided to GWA) and maintain a Change Order Log. Provide change order evaluations, negotiations, and recommendations for approval by GWA. Change orders shall not be made when the Contractor has assumed such risk in the bid. Change Orders may include requests for additional payments for differing site conditions and the CM shall utilize the bid documents to determine if a Change Order is warranted. CM shall submit change order requests and supporting documentation to GWA for approval within 5 working days of receipt from the Contractor wherever practical.

**Task 1.2.13.4: Design Changes.**

As directed by GWA, prepare changes to the Contract technical documents (drawings and specifications) required to address a change order. GWA will direct the CM to make design changes only when changes are deemed by the GWA Chief Engineer to have no material effect on the original intent of the design. All other design changes shall be forwarded to the Engineer of Record for processing.

**Task 1.2.13.5: Design Change/Verification Request (DCVR).**

If the request for a change will materially change the original design, the CM shall coordinate with the design Engineer of Record to accomplish the necessary design changes. The CM shall prepare a DCVR for submission to and for the approval of the design engineer. If the required changes to the design are not covered within the original design scope of service, the CM will prepare a design scope amendment; solicit a fee proposal for the amendment on behalf of GWA, and assist with the negotiations with the Design Consultant.

**Task 1.2.13.6: Change Order Negotiation with Contractor.**

Prepare independent cost estimates and negotiate with Contractor subject to GWA approval (final approval of negotiated change orders can only be made by the GWA General Manager).

**Task 1.2.13.7: Change Order Documents.**

The CM shall maintain copies for all approved change orders (originals to be provided to GWA) and insure that subsequent pay requests accurately represent these change orders. Approved change orders shall be administrated by the CM along with other work elements according to the provisions of this scope of work.

**Task 1.2.14: Project Records & Document Management/Communication.**

The CM shall maintain a project record in a clearly labelled/ tabbed set of 3-ring binders and electronic copies. The project records shall include all project correspondences, photos, daily logs, weekly reports, and other items required to document the construction process. Communicate and coordinate with all stakeholders during the construction phase. Notify GWA of any problems with the work or the Contractors.

**Task 1.2.15: Construction Observation, Special Inspection and Quality Control Monitoring.**

The CM shall provide full time observation and special inspection services as needed of construction to ensure that the work is accomplished in accordance with the Contract documents. A full time Resident Engineer shall be assigned to manage both sites and will be at one of the sites during normal working hours unless attending project related meetings or during holidays, vacation or sick days. [This would apply if both project sites

are active at the same time. If the projects are sequential, this requirement may be modified.]

**Task 1.2.15.1: Onsite Observation.**

The CM shall provide competent on-site field staff to observe the construction. The onsite field staff shall have demonstrable experience (satisfactory to GWA) relative to the discipline and type of work being performed. Project field staff shall review project documents, conduct daily observations, special inspections (where applicable), prepare and submit Daily Observation and Special Inspection Reports; communicate deficiency issues and resolve with Contractor; and update Non-Compliance Log. The Resident Engineer will determine which field staff will be onsite, at which times and for how long and will be supported by additional Special Inspectors as described below.

**Task 1.2.15.2: Special Inspections.**

In addition to general compliance inspections, the CM shall provide Special Inspection services in accordance with IBC 2009, Chapter 17 by a person with demonstrable experience (satisfactory to GWA) related to concrete placement, structural welding, concrete anchoring, reinforcing steel placement, pre-stressing operations, grading, excavation, backfilling, foundation probing and injection, and other operations that require special inspections.

**Task 1.2.16: Testing.**

**Task 1.2.16.1: Contractor Testing.**

Schedule, observe, approve or reject, and document testing required to be performed by the Contractor.

**Task 1.2.16.2: CM/CQA Testing.**

The CM shall provide the following CQA testing to monitor the Contractor's or Owner's independent testing firm:

| SPECIAL TESTING | STD. | FREQUENCY |
|---|---|---|
| Concrete Compression Tests<br>It is assumed there will be approximately 20 concrete placement days and 1,200 cubic yards placed for 7 discreet locations: Pipe Encasements, Floor, Walls, Columns Footings, Columns, Roof, and Shotcrete placement | ASTM C-39 | 14 test cylinders, 2 each for 1 day of each of the 7 distinct locations (approx. 10% of Contractor's, assuming contractor will take 1 slump test per 40 cubic yards or 150 test cylinders tests. |
| Compaction grouting | ASTM C-1019 | 10% of Contractor's |
| Compaction testing | ASTM D-698, D-6938 | 10% of Contractor's |
| Soil & Aggregate Analysis | ASTM C-136, C-117, C-40, D-1140, D-1883, D-4318 | 10% of Contractor's |

| | | |
|---|---|---|
| All other required testing for contract conformance | | |

**Task 1.2.16.3: GWA Testing.**

Coordinate and monitor testing required to be performed by GWA.

**Task 1.2.16.4: Acceptance.**

The CM shall promptly reject, orally, or in writing, any construction work that does not fully comply with Contract documents. Within 24 hours of notification to the Contractor that work elements have been rejected, the CM shall provide a written description of the deficiency to the GWA Chief Engineer for his/her concurrence. When concurrence has been obtained, the Contractor shall be directed to correct the work.

The CM shall promptly advise the GWA Project Manager or the GWA Chief Engineer if the Contractor fails to correct or remove the defective work.

The CM shall issue written stop work orders to the Contractor and immediately provide GWA with a copy for a portion of or the entire project for Contract non-compliance issues as follows:

(1) If condition of work or Contractor actions threaten the health and safety of Contractor¡¦s personnel, GWA representatives, or the public in such cases, stop work orders may be oral depending on the circumstances (with written stop work order to follow).

(2) With prior notification and approval of the GWA Chief Engineer or Project Manager in all other cases.

**Task 1.2.17. Construction Survey Services.**

The CM shall conduct survey and field measurements as necessary to verify that the work is located according to the plans and specifications. Changes to the horizontal and vertical alignments and elevations shall be made only with the approval of the GWA Chief Engineer.

a. Pipeline Alignments and Location of Structures: Spot check Contractor's construction staking to verify the pipeline alignments and structure locations are as called for on the plan and specifications and in order to insure that the work and is location within lawful and approved Rights-of-Way and easements.

b. Elevations: Spot check with Contractor's elevations for foundations, pads, pipeline inverts, backfill thickness, manholes, and other structures for which vertical elevation is a critical design element.

**Task 1.2.18: Project Closeout.**

**Task 1.2.18.1 Punch List Development.**

Throughout the construction of the project, prepare and maintain a list of defects and deficiencies in the work which must be corrected by the Contractor prior to final acceptance of the work. The list shall be provided to all members of the pre-final and final inspection team. The list shall be revised after inspections to reflect additional items identified during the inspection. Coordinate with the Contractor to ensure that all punch list items have been corrected. When all items have been completed, inform GWA in writing recommending that the work be accepted.

**Task 1.2.18.2: Project Closeout Inspections**
Schedule, arrange, and conduct interim, pre-final, and final inspections of work with Contractor, GWA, GEPA, DPW, and other stakeholders in this project.

(1) Preliminary Inspection: Preliminary inspections shall be arranged as necessary for specific work elements that require the certification and approval of other agencies.

(2) Pre-Final Inspection: A pre-final inspection shall be conducted after substantial completion of the work.

(3) Final Inspection: The final inspection shall be conducted after correction of pre-final inspection punch list items.

**Task 1.2.19: Training and Warranty Periods.**

**Task 1.2.19.1 Training.**

The CM shall coordinate with the Contractor to schedule and conduct startup training required by the Contract.

**Task 1.2.19.2: Warranties.**

The CM shall maintain a copy of warranties and compile associated Manufacturer and Contractor warranty documents. Warranty information shall be included in the final report. All original warranty documents shall be provided to GWA along with Lien Release Information from Contractor.

**Task 1.2.20 Deliverables.**

As described in each task.

## E. TASK 1.3. POST CONSTRUCTION SERVICES

### Task 1.3.1: Final Report.

The CM shall prepare a final report after written acceptance of the work by GWA. The final report shall include a narrative documentation of all significant design and construction events and issues and shall become a historical record for the project. The following items shall be included in the appendix to the final report: Project Records: The project record described above shall become a part of and submitted along with the final report.

### Task 1.3.2: Record Drawings.

After the conclusion of the project, the CM shall review and approve the official record drawings prepared by the contractor. It is anticipated that Record drawings shall be generated from the original digital design documents by incorporating all mark-ups on the Contractor's as-built drawings. Record drawings shall be marked and sealed by a professional engineer licensed on Guam in accordance with PEALS Regulations.

### Task 1.3.3 Deliverables.

Two (2) hardcopies and electronic PDF files of the following:

(1) CM Final Report
(2) As-built Record Drawings (1 original and 1 copy for the hard copies);

## F. CLARIFICATIONS.

1. Stop Work Orders: It is understood that the CM may issue written stop work orders to the Contractor in accordance with GWA policies for a portion of or the entire project for Contract non-compliance issues as follows:

    a) If condition of work or Contractor actions threaten the health and safety of Contractor's personnel, GWA representatives, or the public in such cases, stop work orders may be oral depending on the circumstances (with written stop work order to follow).

    b) With prior notification and approval of the GWA Chief Engineer or Project Manager in all other cases.

2. No formal Partnering Program will be provided, but the CM will incorporate partnering to the extent required to ensure a safe jobsite; ensure that environmental commitments are met; complete the project on time by resolving disputes quickly; finish within budget by proactively monitoring costs and facilitating creative

solutions when faced with potential cost increases; ensure that quality is met by adequate oversight by the Contractor.

3. An allowance of $10,000 has been provided for the field survey verification.

4. An allowance of $25,000 has been provided for CQA testing.

5. CQA testing allowance may be used for field survey verification if the field survey verification allowance is expended. Field survey allowance may be used for CQA testing if the CQA testing allowance is expended.

6. No project specific permitting services are included but the CM will assist the GWA, designer, and the Contractor as needed to help facilitate procurement of permits as expeditiously as possible.

7. No Archeological survey, Section 106 Historic Preservation, biological resource monitoring, Section 7 Endangered Species Act or related work is included. Archeological survey and monitoring shall be provided by GWA through a third party. The CM shall assist with coordination of onsite activities.

8. Any and all permit fees are excluded.

9. The proposer will not be required to staff the project during adverse weather delays and can adjust staffing during the course of the project to properly manage the budget.

10. The Construction contract will include requirements that the Construction Contractor pay for overtime inspection outside of the normal 40 hour work week and this requirement will be strictly enforced and supported by GWA with payment coming out of the Contractor's Pay Request and then distributed to the proposer by GWA or by other acceptable terms to the proposer and GWA.

11. The CM services shall be provided for the duration of the project. It is assumed that 3 months will be for the pre-construction phase and 9 months for construction phase.

    a) Design Phase: Work will commence with the Notice to Proceed for DB Contractor and shall correspond with the review periods specified in the contract requirements. It is anticipated that that the pre-construction (design phase) will be 3 months.
    b) Construction Phase: Work will commence on the Notification of Construction Start date and continue throughout the performance period specified in the contract. It is assumed that the project will have a 9 month construction schedule. Full time inspection shall be provided at 2 sites for the duration of the construction period. The intent is for AM Orient to provide the equivalent of 9 months of full time inspection at both sites.

c) Post Construction Phase: The final report and in other post construction activities specified herein shall be completed within thirty (30) calendar after the project has been accepted by GWA in writing.

12. The Sr. Inspector will provide engineering services during the pre-construction phase, assume 3 months and Project Manager shall provide oversight during such period.

13. Resident engineer/project manager shall manage and oversee project equivalent to quarter of time during the construction period.

14. The contractor shall provide for field office complete furnishings, telephone, copying, and fax machine at no cost to the CM.

15. GWA's PMO shall attend and manage the Pre-design Conference, Interim DB review meeting (60%), Pre-final DB review meeting, and Final DB review meeting as well as coordinate between the Design Build Contractor Team, Construction Management Team, and GWA.

16. Laptop (2 each) and camera (2 each) will be turned over to GWA upon project completion. Laptop and camera shall be in good condition.

*These specifications were approved by Martin Roush, P.E., GWA General Manager.*

EXHIBIT B

**GUAM CONSOLIDATED COMMISSION ON UTILITIES**

**RESOLUTION NO. 28 – FY2015**

**RELATIVE TO MODIFICATION OF THE CONSTRUCTION MANAGEMENT SERVICES CONTRACT WITH AMORIENT FOR THE CHAOT AND AGANA HEIGHTS DESIGN/BUILD RESERVOIR REPLACEMENT PROJECT RELATIVE TO PARAGRAPH 28(C) OF THE NOVEMBER 2011 COURT ORDER**

**WHEREAS**, under 12 G.C.A. § 14105, the Consolidated Commission on Utilities ("CCU") has plenary authority over financial, contractual, and policy matters relative to the Guam Waterworks Authority ("GWA"); and

**WHEREAS**, the Guam Waterworks Authority ("GWA") is a Guam Public Corporation established and existing under the laws of Guam; and

**WHEREAS**, GWA currently has a number of critical Court Order ("CO") projects including the Chaot and Agana Heights Design/Build Reservoir Replacement Project which is Item 28 (c) of the amended stipulated order; and

**WHEREAS,** Resolution No. 22 – FY2013 authorized total funding of Six Hundred Thirty Nine Thousand Three Hundred Sixteen Dollars and Ninety Cents ($639,316.90) along with a twenty percent (20%) contingency to bring the total authorized funding amount to a maximum of Seven Hundred Sixty Seven Thousand One Hundred Eighty Dollars and Twenty Eight Cents ($767,180.28) for the design review and construction management services; and

**WHEREAS**, GWA following CCU approval in Resolution 22 – FY2013, GWA contracted with AMOrient Engineering to provide design review and construction management services for the Chaot and Agana Heights Design/Build Reservoir Replacement project in the amount of Six Hundred Thirty Nine Thousand Three Hundred Sixteen Dollars and Ninety Cents ($639,316.90); and

**WHEREAS,** the funding source will be Internal Funded CIP with PW 12-04 and PW 05-05 as alternate sources; and

**WHEREAS,** money received from the liquidated damages will be applied to funding sources used for the additional construction management work; and

**NOW BE IT THEREFORE RESOLVED,** the Consolidated Commission on Utilities does hereby approve the following:

1. The recitals set forth above hereby constitute the findings of the CCU; and
2. The CCU hereby authorizes the additional base contract amount of Four Hundred Sixty Eight Thousand Dollars ($468,000.00) with an additional ten percent (10%) contingency of Forty Six Thousand Eight Hundred Dollars ($46,800.00) for a total amount of Five Hundred Fourteen Thousand Eight Hundred Dollars ($514,800.00) to fund the additional construction management cost for the project; and
3. The CCU hereby approves the total funding of One Million Two Hundred Eighty One Thousand Nine Hundred Eighty Dollars and Twenty Eight Cents ($1,281,980.28) for Construction Management Services relative to the Contract between AMOrient and GWA; and
4. Funding source will be Internal Funded CIP with PW 12-04 and PW 05-05 as alternate sources; and
5. Money received from the liquidated damages will be applied to funding sources used for the additional construction management work.

**RESOLVED,** that the Chairman certified and the Board Secretary attests to the adoption of this Resolution.

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**WHEREAS,** GWA issued Change Order No. 1 to AMOrient Engineering for additional pre-construction management services that were required due to the general construction Contractor delay in starting construction. The total value of the Contract was increased to Seven Hundred Sixty Seven Thousand One Hundred Eighty Dollars and Twenty Eight Cents ($767,180.28) and extended the services to October 17, 2014; and

**WHEREAS,** due to continued delay by the construction Contractor, the revised project construction completion date is projected to be August 31, 2015 (Exhibit A – Contractor's Schedule); and

**WHEREAS,** Section 4: Liquidated Damages of the Contract with the Contractor building the Chaot and Agana Heights water tanks allows for GWA to assess liquidated damages to the Contractor in the amount of Two Thousand Nine Hundred Dollars ($2,900.00) per day (excluding Sundays and legal holidays) for breach of the Contract. GWA intends to assess liquidated damages to the construction Contractor in the amount of One Thousand Eight Hundred Dollars ($1,800.00) for each unexcused working day starting October 18, 2014 until Final Completion to cover the additional cost related to construction management services due to the construction Contractor delays in completing the project on time; and

**WHEREAS,** in order to retain the construction management services to cover October 18, 2014 to August 31, 2015 which involves an additional 260 working days; not including 11 Government of Guam holidays and 46 Sundays that are not included in the Contract, an additional Four Hundred Sixty Eight Thousand Dollars ($468,000.00) is needed to ensure that Construction Management Services are continuously provided for the project; and

**WHEREAS,** GWA Management is requesting authorization to increase the funding amount by Four Hundred Sixty Eight Thousand Dollars ($468,000.00) with an additional ten percent (10%) contingency of Forty Six Thousand Eight Hundred Dollars ($46,800.00) for a total contract amount of Five Hundred Fourteen Thousand Eight Hundred Dollars ($514,800.00) to fund the additional construction management cost; and

**DULY AND REGULARLY ADOPTED**, this 26th day of May 2015.

Certified by:

**JOSEPH T. DUENAS**
Chairperson

Attested by:

**J. GEORGE BAMBA**
Secretary

I, J. George Bamba, Board Secretary of the Consolidated Commission on Utilities as evidenced by my signature above do hereby certify as follows:

The foregoing is a full, true and accurate copy of the resolution duly adopted at a regular meeting by the members of the Guam Consolidated Commission on Utilities, duly and legally held at a place properly noticed and advertised at which meeting a quorum was present and the members who were present voted as follows:

AYES: 4

NAYS: 0

ABSTENTIONS: 0

ABSENT: 1



GUAM WATERWORKS AUTHORITY
"Better Water, Better Lives."
Gloria B. Nelson Public Service Building| 688 Route 15 | Mangilao, Guam 96913
Tel: (671) 300-6846

Issues for Decision

**Resolution 28-FY2015**

**Relative to Modification of the Construction Management Services for the PW 12-04 Chaot and Agana Heights Design/Build Reservoir Replacement Project; Court Order Paragraph 28(C)**

**What is the project's objective? Is it necessary and urgent?**
The objective of this modification is to increase the funding authorization for the project Construction Manager to cover CM services for the period of October 18, 2014 to August 31, 2015 (260 working days; not including 11 Government of Guam holidays and 46 Sundays). CM services are necessary as the CM oversees the construction activities on behalf of GWA thus to continue the concrete tank construction project requires a CM on board. The need for additional services is due to delays by the construction contractor.

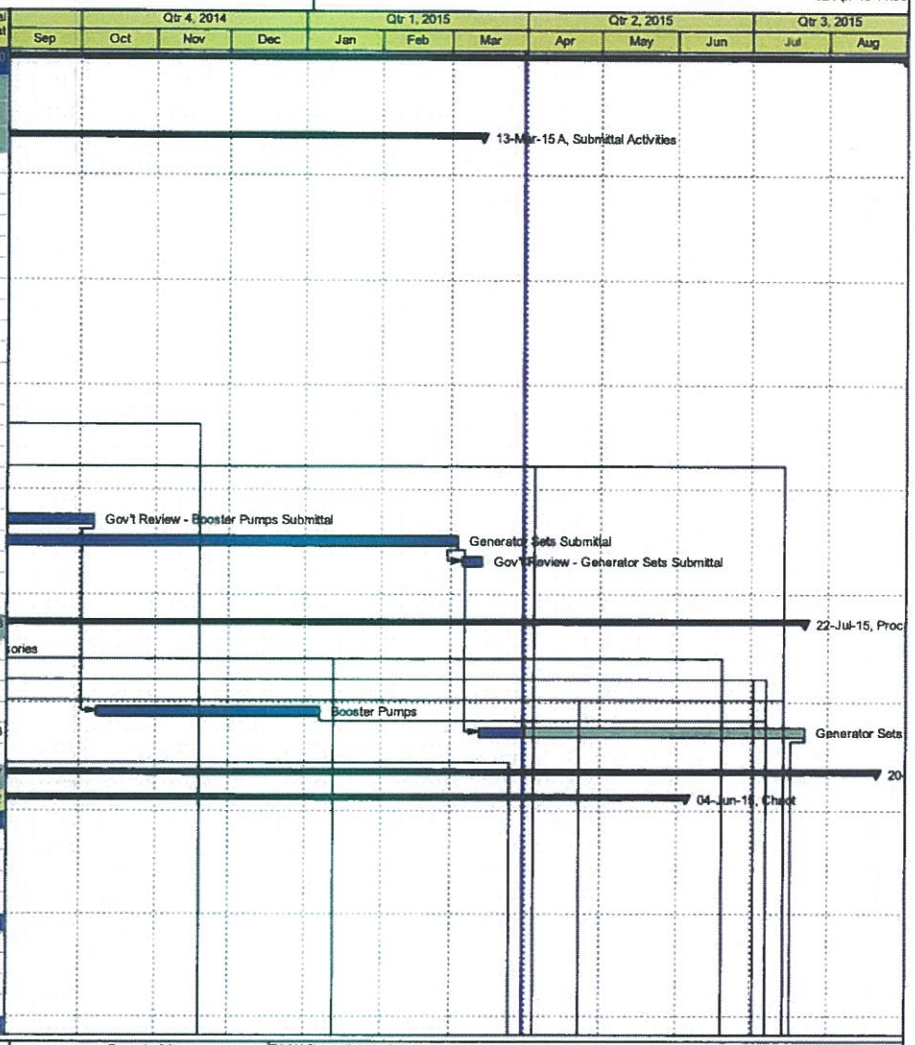
**Where is the location?**
The Construction Management services are for the construction activities related to the Chaot 0.5 MG tank located in the village of Chalan Pago and the Agana Heights 0.5MG tank located in Agana Heights.

**How much will it cost?**
The modification to the CM services contract will increase the funding amount by Four Hundred Sixty Eight Thousand Dollars ($468,000.00). With an additional ten percent (10%) contingency of Forty Six Thousand Eight Hundred Dollars ($46,800.00), the total funding amount will be Five Hundred Fourteen Thousand Eight Hundred Dollars ($514,800.00).

**When will it be completed?**
The CM service is anticipated to be completed at the same time all construction activities are completed or by August 31, 2015. See Exhibit A as part of the resolution.

**What is its funding source?**
The funding source will be Internal Funded CIP with PW 12-04 and PW 05-05 as alternate sources. It should be noted that GWA intends to assess Liquidated Damages to the construction contractor from which funds related to the LD will reimburse the funding source uses.

| Activity ID | Activity Name | Original Duration | Remaining Duration | Schedule % Complete | Start | Finish | Total Float |
|---|---|---|---|---|---|---|---|
| Chaot & Agana Hts Reservoir Replacement Uı | | 614 | 110 | 52.09% | 28-Mar-13 A | 31-Aug-15 | 0 |
| **Preconstruction Activities** | | 223 | 0 | 0% | 24-Apr-13 A | 11-Apr-14 A | |
| **Design Activities** | | 193 | 0 | 100% | 18-Apr-13 A | 04-Feb-14 A | |
| **Submittal Activities** | | 466 | 0 | 0% | 28-Mar-13 A | 13-Mar-15 A | |
| G0236 | Initial Construction Schedule Submittal | 24 | 0 | 100% | 18-Apr-13 A | 20-May-13 A | |
| G0236.1 | Gov't Review - Intial Construction Schedule Subm | 14 | 0 | 100% | 21-May-13 A | 21-May-13 A | |
| G0237 | Design Quality Control Plan Submittal | 24 | 0 | 100% | 18-Apr-13 A | 08-Aug-13 A | |
| G0237.1 | Gov't Review - Design Quality Control Plan Subm | 14 | 0 | 100% | 08-Aug-13 A | 08-Aug-13 A | |
| G0238 | Lead Abatement Submittal | 20 | 0 | 100% | 04-May-13 A | 31-May-13 A | |
| G0238.1 | Gov't Review - Lead Abatement Submittal | 14 | 0 | 100% | 31-May-13 A | 20-Aug-13 A | |
| G0240 | Environmental Protection Plan Submittal | 24 | 0 | 100% | 04-May-13 A | 31-May-13 A | |
| G0240.1 | Gov't Review - Environmental Protection Plan Sut | 14 | 0 | 100% | 31-May-13 A | 16-Jul-13 A | |
| G0241 | Activity Hazard Analysis Submittal | 32 | 0 | 100% | 21-May-13 A | 21-May-13 A | |
| G0241.1 | Gov't Review - Activity Hazard Analysis Submittal | 14 | 0 | 100% | 22-May-13 A | 06-Jun-13 A | |
| G0245 | Tank Accessories Submittals | 7 | 0 | 100% | 02-Apr-14 A | 08-Apr-14 A | |
| G0245.1 | Gov't Review - Tank Accessories Submittal | 28 | 0 | 100% | 09-Apr-14 A | 18-Apr-14 A | |
| G0247 | Under tank Pipes/Fittings Submittal | 8 | 0 | 100% | 07-Jun-13 A | 19-Dec-13 A | |
| G0247.1 | Gov't Review - Under Tank Pipes/Fittings Submitt | 14 | 0 | 100% | 19-Dec-13 A | 24-Dec-13 A | |
| G0248 | Valves and Flow Meters Submittal | 8 | 0 | 100% | 07-Jun-13 A | 05-Mar-14 A | |
| G0248.1 | Gov't Review - Valves and Flow Meters Submittal | 14 | 0 | 100% | 11-Mar-14 A | 18-Mar-14 A | |
| G0250 | Booster Pumps Submittal | 8 | 0 | 100% | 28-Mar-13 A | 10-Jun-14 A | |
| G0250.1 | Gov't Review - Booster Pumps Submittal | 14 | 0 | 100% | 11-Jun-14 A | 07-Oct-14 A | |
| G0254 | Generator Sets Submittal | 15 | 0 | 100% | 07-Jun-13 A | 04-Mar-15 A | |
| G0254.1 | Gov't Review - Generator Sets Submittal | 14 | 0 | 100% | 06-Mar-15 A | 13-Mar-15 A | |
| G0256 | Bearing Pads Submittal | 15 | 0 | 100% | 07-Jun-13 A | 18-Mar-14 A | |
| G0256.1 | Gov't Review - Bearing Pads Submittal | 14 | 0 | 100% | 19-Mar-14 A | 18-Apr-14 A | |
| **Procurement Activities** | | 438 | 82 | 0% | 25-Oct-13 A | 22-Jul-15 | 28 |
| M0325 | Tank Accessories | 50 | 0 | 100% | 21-Apr-14 A | 31-Jul-14 A | |
| M0331 | Under tank Pipes/Fittings | 40 | 0 | 100% | 25-Oct-13 A | 27-Dec-13 A | |
| M0338 | Valves and Flow Meters | 60 | 0 | 100% | 27-Feb-14 A | 06-Jun-14 A | |
| M0341 | Booster Pumps | 84 | 0 | 100% | 08-Oct-14 A | 07-Jan-15 A | |
| M0351 | Generator Sets | 130 | 114 | 23.85% | 13-Mar-15 A | 22-Jul-15 | 28 |
| M0481 | Bearing Pads | 1 | 0 | 100% | 19-Mar-14 A | 23-Apr-14 A | |
| **Construction Activities** | | 564 | 103 | 51.24% | 19-Aug-13 A | 20-Aug-15 | 7 |
| **Chaot** | | 509 | 48 | 82.07% | 19-Aug-13 A | 04-Jun-15 | 62 |
| Access Road | | 59 | 0 | 100% | 19-Aug-13 A | 23-Jan-14 A | |
| CH1000 | CH Mobilization | 3 | 0 | 100% | 19-Aug-13 A | 23-Jan-14 A | |
| CH1010 | CH Clearing | 3 | 0 | 100% | 26-Aug-13 A | 27-Aug-13 A | |
| CH1020 | CH Backfill with Pit Run | 3 | 0 | 100% | 30-Aug-13 A | 05-Sep-13 A | |
| CH1030 | CH Grading and Compaction | 5 | 0 | 100% | 06-Sep-13 A | 12-Sep-13 A | |
| Demolition Works | | 120 | 0 | 100% | 19-Aug-13 A | 21-Feb-14 A | |
| CH1040 | CH Lead Abatement | 5 | 0 | 100% | 19-Aug-13 A | 24-Aug-13 A | |
| CH1050 | CH Demolish Existing Tank | 5 | 0 | 100% | 05-Sep-13 A | 30-Sep-13 A | |
| CH1060 | CH Demolish Existing Foundation | 4 | 0 | 100% | 26-Nov-13 A | 27-Nov-13 A | |
| CH1070 | CH Demolish Existing Pipes and Valves | 4 | 0 | 100% | 05-Sep-13 A | 21-Feb-14 A | |
| Site Works | | 93 | 0 | 100% | 01-Oct-13 A | 06-Jun-14 A | |




Actual Work | Remaining Work | Critical Remaining Work | Milestone | Summary



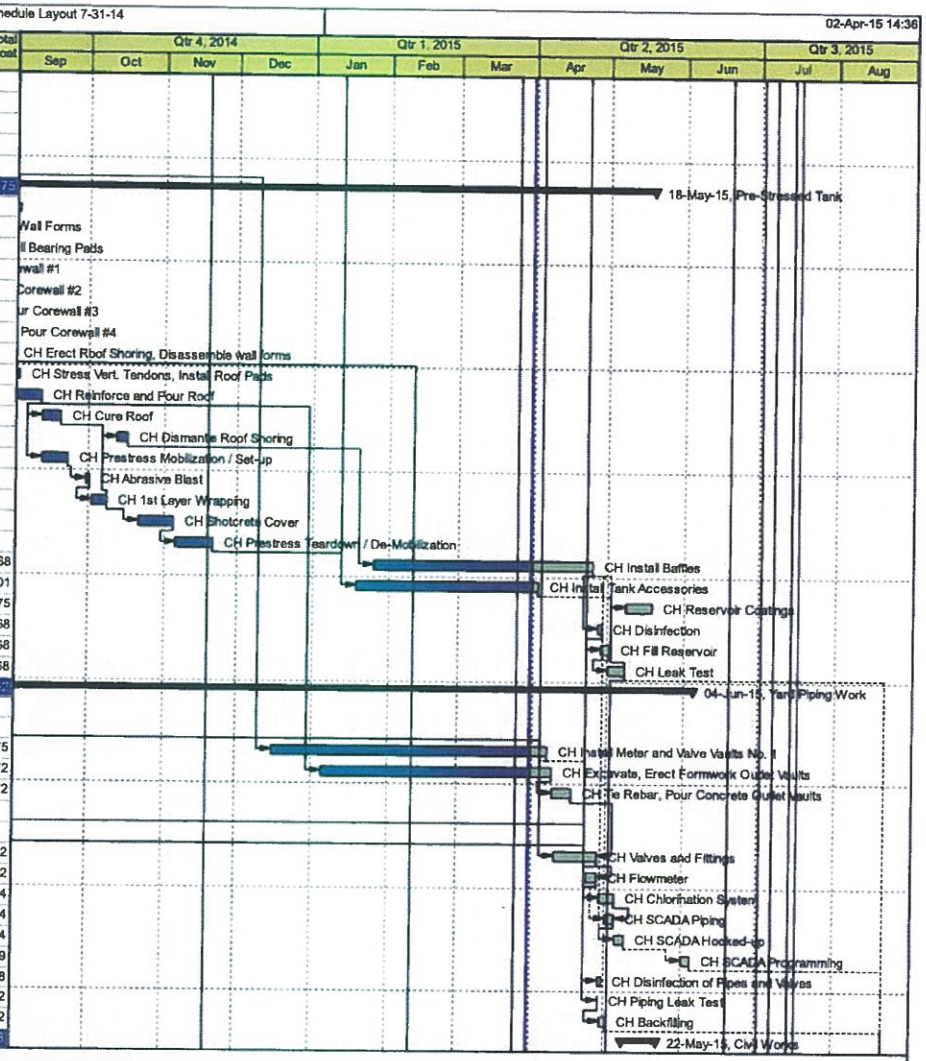
TASK filter: All Activities

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Doc. No. 34GL-17-0812.*

31-Mar-15 | Classic Schedule Layout 7-31-14 | 02-Apr-15 14:36

| Activity ID | Activity Name | Original Duration | Remaining Duration | Schedule % Complete | Start | Finish | Total Float |
|---|---|---|---|---|---|---|---|
| CH1080 | CH Survey/Layout | 2 | 0 | 100% | 26-Nov-13 A | 27-Nov-13 A | |
| CH1090 | CH Excavate Existing Tank Sub-base | 5 | 0 | 100% | 01-Oct-13 A | 19-Nov-13 A | |
| CH2000 | CH Prepare and Backfill new Sub-base | 5 | 0 | 100% | 12-Dec-13 A | 17-Mar-14 A | |
| CH2010 | CH Backfill and Compact new Base | 2 | 0 | 100% | 26-Mar-14 A | 16-Apr-14 A | |
| CH2015 | CH Foundation Repair / Rework | 22 | 0 | 100% | 06-May-14 A | 06-Jun-14 A | |
| Pre-Stressed Tank | | 246 | 35 | 91.04% | 17-Jun-14 A | 18-May-15 | 75 |
| CH2020 | CH Floor and Wall Footing | 7 | 0 | 100% | 17-Jun-14 A | 30-Jun-14 A | |
| CH2030 | CH Assemble Wall Forms | 12 | 0 | 100% | 01-Jul-14 A | 26-Jul-14 A | |
| CH2040 | CH Install Wall Bearing Pads | 1 | 0 | 100% | 28-Jul-14 A | 28-Jul-14 A | |
| CH2050 | CH Pour Corewall #1 | 1 | 0 | 100% | 28-Jul-14 A | 28-Jul-14 A | |
| CH2060 | CH Pour Corewall #2 | 6 | 0 | 100% | 29-Jul-14 A | 05-Aug-14 A | |
| CH2070 | CH Pour Corewall #3 | 6 | 0 | 100% | 06-Aug-14 A | 12-Aug-14 A | |
| CH3000 | CH Pour Corewall #4 | 6 | 0 | 100% | 13-Aug-14 A | 20-Aug-14 A | |
| CH3010 | CH Erect Roof Shoring, Disassemble wall forms | 9 | 0 | 100% | 21-Aug-14 A | 30-Aug-14 A | |
| CH3030 | CH Stress Vert. Tendons, Install Roof Pads | 1 | 0 | 100% | 02-Sep-14 A | 02-Sep-14 A | |
| CH3040 | CH Reinforce and Pour Roof | 9 | 0 | 100% | 02-Sep-14 A | 11-Sep-14 A | |
| CH3050 | CH Cure Roof | 7 | 0 | 100% | 12-Sep-14 A | 19-Sep-14 A | |
| CH3060 | CH Dismantle Roof Shoring | 5 | 0 | 100% | 13-Oct-14 A | 17-Oct-14 A | |
| CH3080 | CH Prestress Mobilization / Set-up | 9 | 0 | 100% | 12-Sep-14 A | 22-Sep-14 A | |
| CH3090 | CH Abrasive Blast | 2 | 0 | 100% | 30-Sep-14 A | 01-Oct-14 A | |
| CH4010 | CH 1st Layer Wrapping | 3 | 0 | 100% | 02-Oct-14 A | 08-Oct-14 A | |
| CH4020 | CH Shotcrete Cover | 3 | 0 | 100% | 22-Oct-14 A | 05-Nov-14 A | |
| CH4030 | CH Prestress Teardown / De-Mobilization | 2 | 0 | 100% | 06-Nov-14 A | 21-Nov-14 A | |
| CH4040 | CH Install Baffles | 15 | 19 | 100% | 26-Jan-15 A | 24-Apr-15 | 68 |
| CH4050 | CH Install Tank Accessories | 8 | 3 | 100% | 19-Jan-15 A | 02-Apr-15 | 101 |
| CH4055 | CH Reservoir Coatings | 7 | 7 | 0% | 08-May-15 | 18-May-15 | 75 |
| CH4070 | CH Disinfection | 2 | 2 | 0% | 27-Apr-15 | 28-Apr-15 | 68 |
| CH4080 | CH Fill Reservoir | 4 | 4 | 0% | 28-Apr-15 | 01-May-15 | 68 |
| CH4090 | CH Leak Test | 5 | 5 | 0% | 01-May-15 | 07-May-15 | 68 |
| Yard Piping Work | | 371 | 48 | 32.05% | 16-Dec-13 A | 04-Jun-15 | 62 |
| CH5010 | CH Excavation for U/ground Pipes | 5 | 0 | 100% | 16-Dec-13 A | 24-Feb-14 A | |
| CH5020 | CH Underground Pipe Installation | 4 | 0 | 100% | 18-Dec-13 A | 26-Mar-14 A | |
| CH5023 | CH Install Meter and Valve Vaults No. 1 | 10 | 5 | 100% | 16-Dec-14 A | 06-Apr-15 | 75 |
| CH5025 | CH Excavate, Erect Formwork Outlet Vaults | 10 | 7 | 30% | 05-Jan-15 A | 08-Apr-15 | 72 |
| CH5030 | CH Tie Rebar, Pour Concrete Outlet Vaults | 6 | 6 | 0% | 09-Apr-15 | 16-Apr-15 | 72 |
| CH5040 | CH Water Outage #1 Notification | 10 | 0 | 100% | 14-Jan-14 A | 24-Jan-14 A | |
| CH5045 | CH Connect to Existing Watermain | 1 | 0 | 100% | 12-Feb-14 A | 12-Feb-14 A | |
| CH5050 | CH Valves and Fittings | 12 | 12 | 0% | 10-Apr-15 | 27-Apr-15 | 72 |
| CH5060 | CH Flowmeter | 3 | 3 | 0% | 23-Apr-15 | 27-Apr-15 | 72 |
| CH5070 | CH Chlorination System | 5 | 5 | 0% | 28-Apr-15 | 04-May-15 | 74 |
| CH5080 | CH SCADA Piping | 2 | 2 | 0% | 01-May-15 | 04-May-15 | 74 |
| CH5090 | CH SCADA Hooked-up | 4 | 4 | 0% | 05-May-15 | 08-May-15 | 74 |
| CH6000 | CH SCADA Programming | 4 | 4 | 0% | 01-Jun-15* | 04-Jun-15 | 59 |
| CH6010 | CH Disinfection of Pipes and Valves | 2 | 2 | 0% | 28-Apr-15 | 29-Apr-15 | 88 |
| CH6020 | CH Piping Leak Test | 1 | 1 | 0% | 28-Apr-15 | 28-Apr-15 | 72 |
| CH6030 | CH Backfilling | 3 | 3 | 0% | 29-Apr-15 | 01-May-15 | 72 |
| Civil Works | | 11 | 11 | 0% | 08-May-15 | 22-May-15 | 63 |




Actual Work | Critical Remaining Work | Summary
Remaining Work | Milestone

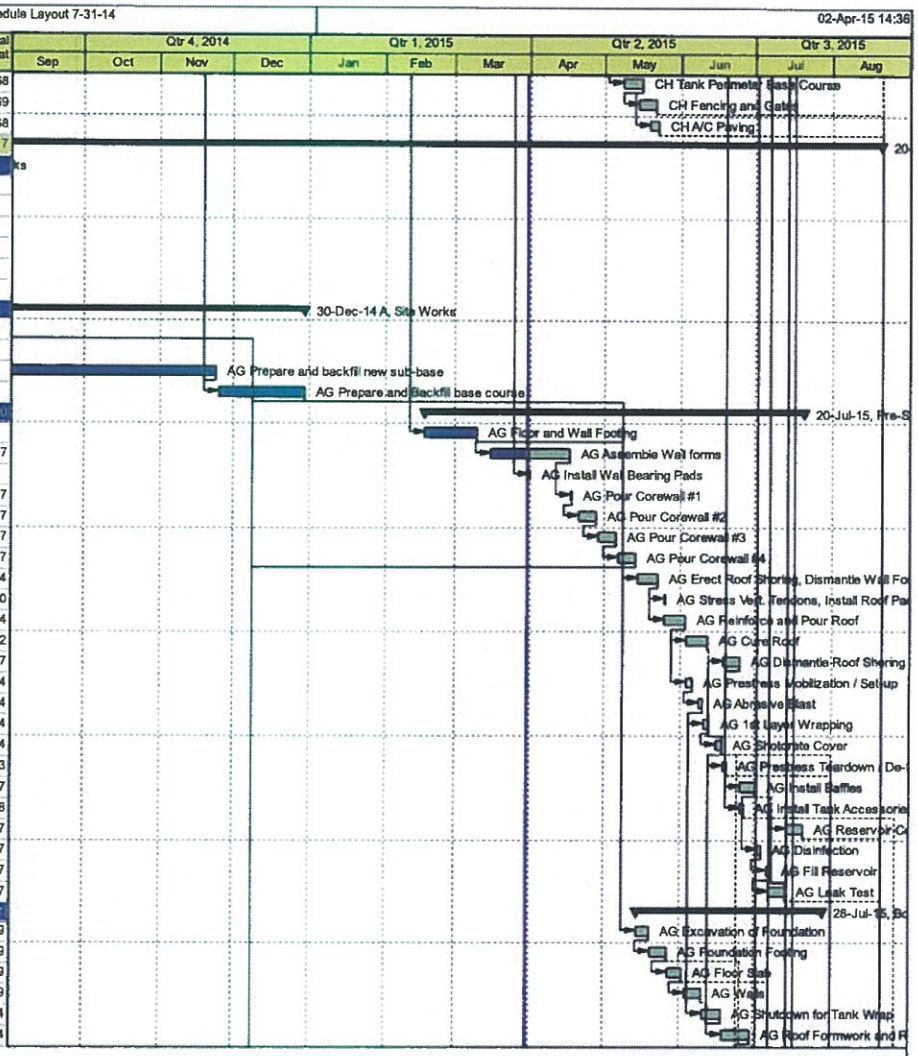


TASK filter: All Activities

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Doc. No. 34GL-17-0812.*

| Activity ID | Activity Name | Original Duration | Remaining Duration | Schedule % Complete | Start | Finish | Total Float |
|---|---|---|---|---|---|---|---|
| CH6040 | CH Tank Perimeter Base Course | 6 | 6 | 0% | 08-May-15 | 15-May-15 | 68 |
| CH6050 | CH Fencing and Gates | 6 | 6 | 0% | 14-May-15 | 21-May-15 | 69 |
| CH6060 | CH A/C Paving | 4 | 4 | 0% | 19-May-15 | 22-May-15 | 68 |
| **Agana Heights** | | 564 | 103 | 24.92% | 28-Aug-13 A | 20-Aug-15 | 7 |
| Demolition Works | | 205 | 0 | 100% | 28-Aug-13 A | 24-Jun-14 A | |
| AG1000 | AG Mobilization | 5 | 0 | 100% | 28-Aug-13 A | 23-Jan-14 A | |
| AG1010 | AG Lead Abatement | 5 | 0 | 100% | 29-Aug-13 A | 09-Sep-13 A | |
| AG1020 | AG Demolish existing tank | 5 | 0 | 100% | 03-Oct-13 A | 28-Oct-13 A | |
| AG1030 | AG Demolish existing foundation | 5 | 0 | 100% | 01-Nov-13 A | 03-Mar-14 A | |
| AG1040 | AG Demolish existing pipes and valves | 5 | 0 | 100% | 04-Mar-14 A | 15-Mar-14 A | |
| AG1050 | AG Demolish existing walls | 6 | 0 | 100% | 10-Mar-14 A | 24-Jun-14 A | |
| Site Works | | 203 | 0 | 100% | 03-Mar-14 A | 30-Dec-14 A | |
| AG1060 | AG Survey/Layout | 2 | 0 | 100% | 17-Mar-14 A | 16-Apr-14 A | |
| AG1070 | AG Excavate existing tank sub-base (Hazmat) | 5 | 0 | 100% | 03-Mar-14 A | 23-Apr-14 A | |
| AG1080 | AG Prepare and backfill new sub-base | 64 | 0 | 100% | 24-Jun-14 A | 24-Nov-14 A | |
| AG1090 | AG Prepare and Backfill base course | 3 | 0 | 100% | 25-Nov-14 A | 30-Dec-14 A | |
| Pre-Stressed Tank | | 101 | 80 | 15.80% | 17-Feb-15 A | 20-Jul-15 | 30 |
| AG2000 | AG Floor and Wall Footing | 12 | 0 | 100% | 17-Feb-15 A | 10-Mar-15 A | |
| AG2010 | AG Assemble Wall forms | 13 | 13 | 0% | 16-Mar-15 A | 16-Apr-15 | 7 |
| AG2020 | AG Install Wall Bearing Pads | 1 | 0 | 0% | 31-Mar-15 A | 31-Mar-15 A | |
| AG2030 | AG Pour Corewall #1 | 1 | 1 | 0% | 17-Apr-15 | 17-Apr-15 | 7 |
| AG2040 | AG Pour Corewall #2 | 6 | 6 | 0% | 20-Apr-15 | 27-Apr-15 | 7 |
| AG2050 | AG Pour Corewall #3 | 6 | 6 | 0% | 28-Apr-15 | 05-May-15 | 7 |
| AG2060 | AG Pour Corewall #4 | 6 | 6 | 0% | 06-May-15 | 13-May-15 | 7 |
| AG2090 | AG Erect Roof Shoring, Dismantle Wall Forms | 7 | 7 | 0% | 14-May-15 | 22-May-15 | 24 |
| AG3010 | AG Stress Vert. Tendons, Install Roof Pads | 1 | 1 | 0% | 25-May-15 | 25-May-15 | 70 |
| AG3020 | AG Reinforce and Pour Roof | 7 | 7 | 0% | 25-May-15 | 02-Jun-15 | 24 |
| AG3030 | AG Cure Roof | 7 | 7 | 0% | 03-Jun-15 | 11-Jun-15 | 32 |
| AG3040 | AG Dismantle Roof Shoring | 5 | 5 | 0% | 18-Jun-15 | 24-Jun-15 | 27 |
| AG3060 | AG Prestress Mobilization / Set-up | 3 | 3 | 0% | 03-Jun-15 | 05-Jun-15 | 24 |
| AG3070 | AG Abrasive Blast | 2 | 2 | 0% | 08-Jun-15 | 09-Jun-15 | 24 |
| AG3090 | AG 1st Layer Wrapping | 3 | 3 | 0% | 10-Jun-15 | 12-Jun-15 | 24 |
| AG4000 | AG Shotcrete Cover | 3 | 3 | 0% | 15-Jun-15 | 17-Jun-15 | 24 |
| AG4010 | AG Prestress Teardown / De-Mobilization (NEW) | 2 | 2 | 0% | 18-Jun-15 | 19-Jun-15 | 43 |
| AG4020 | AG Install Baffles | 5 | 5 | 0% | 25-Jun-15 | 01-Jul-15 | 27 |
| AG4030 | AG Install Tank Accessories | 2 | 2 | 0% | 25-Jun-15 | 26-Jun-15 | 38 |
| AG4035 | AG Reservoir Coatings | 5 | 5 | 0% | 14-Jul-15 | 20-Jul-15 | 27 |
| AG4050 | AG Disinfection | 2 | 2 | 0% | 02-Jul-15 | 03-Jul-15 | 27 |
| AG4060 | AG Fill Reservoir | 2 | 2 | 0% | 06-Jul-15 | 07-Jul-15 | 27 |
| AG4070 | AG Leak Test | 5 | 5 | 0% | 07-Jul-15 | 13-Jul-15 | 27 |
| Booster Pump Building | | 54 | 54 | 0% | 14-May-15 | 28-Jul-15 | 21 |
| AG4090 | AG Excavation of Foundation | 4 | 4 | 0% | 14-May-15 | 19-May-15 | 29 |
| AG4091 | AG Foundation Footing | 5 | 5 | 0% | 20-May-15 | 26-May-15 | 29 |
| AG4092 | AG Floor Slab | 4 | 4 | 0% | 27-May-15 | 01-Jun-15 | 29 |
| AG4097 | AG Walls | 5 | 5 | 0% | 03-Jun-15 | 09-Jun-15 | 29 |
| AG4097a | AG Shutdown for Tank Wrap | 6 | 6 | 0% | 10-Jun-15 | 17-Jun-15 | 24 |
| AG4098 | AG Roof Formwork and Re-bar | 8 | 8 | 0% | 18-Jun-15 | 29-Jun-15 | 24 |




Actual Work | Remaining Work | Critical Remaining Work | Milestone | Summary



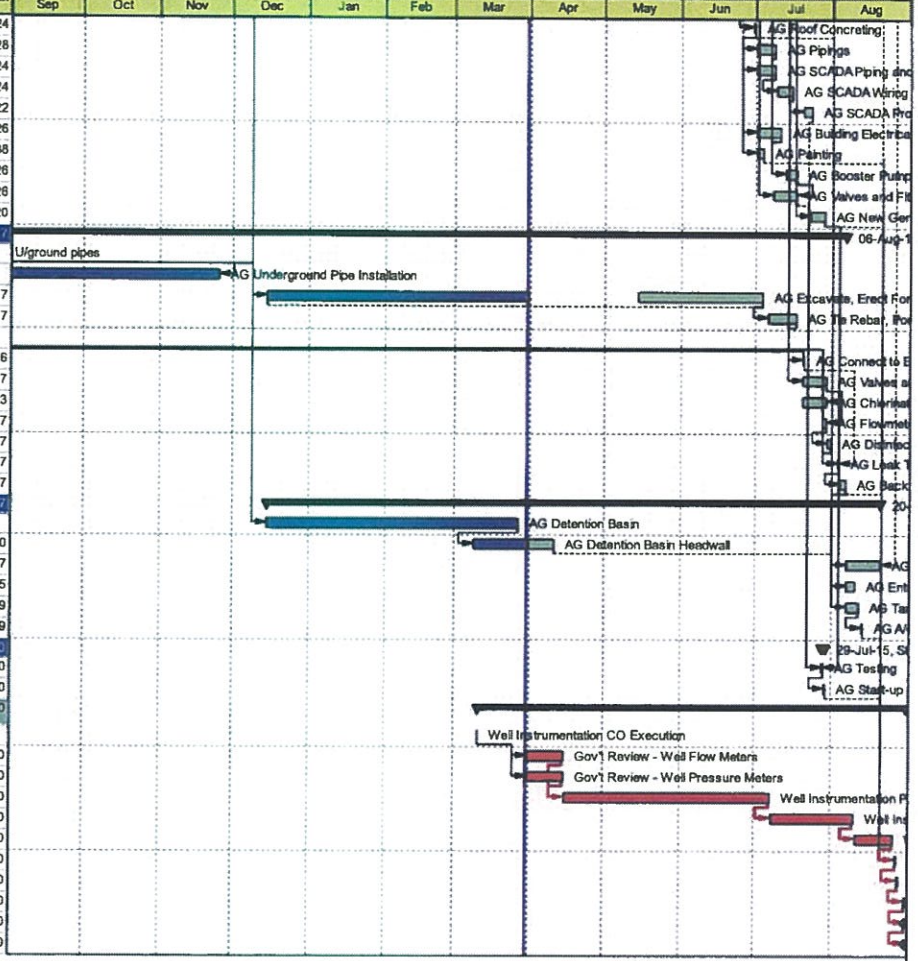
TASK filter: All Activities

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Doc. No. 34GL-17-0812.*

31-Mar-15 | Classic Schedule Layout 7-31-14 | 02-Apr-15 14:36

| Activity ID | Activity Name | Original Duration | Remaining Duration | Schedule % Complete | Start | Finish | Total Float |
|---|---|---|---|---|---|---|---|
| AG4099 | AG Roof Concreting | 1 | 1 | 0% | 30-Jun-15 | 30-Jun-15 | 24 |
| AG5001 | AG Pipings | 6 | 6 | 0% | 01-Jul-15 | 08-Jul-15 | 28 |
| AG5002 | AG SCADA Piping and Panel | 6 | 6 | 0% | 01-Jul-15 | 08-Jul-15 | 24 |
| AG5003 | AG SCADA Wiring and Termination | 5 | 5 | 0% | 09-Jul-15 | 15-Jul-15 | 24 |
| AG5004 | AG SCADA Programming | 4 | 4 | 0% | 20-Jul-15* | 23-Jul-15 | 22 |
| AG5008 | AG Building Electrical | 8 | 8 | 0% | 01-Jul-15 | 10-Jul-15 | 26 |
| AG5050 | AG Painting | 3 | 3 | 0% | 01-Jul-15 | 03-Jul-15 | 38 |
| AG5070 | AG Booster Pump | 5 | 5 | 0% | 13-Jul-15 | 17-Jul-15 | 26 |
| AG5080 | AG Valves and Fittings | 8 | 8 | 0% | 08-Jul-15 | 17-Jul-15 | 26 |
| AG6050 | AG New Generator | 4 | 4 | 0% | 23-Jul-15 | 28-Jul-15 | 20 |
| Yard Piping Work | | 323 | 61 | 38.33% | 24-Mar-14 A | 06-Aug-15 | 17 |
| AG6060 | AG Excavation for U/ground pipes | 5 | 0 | 100% | 15-Jul-14 A | 17-Jul-14 A | |
| AG6065 | AG Underground Pipe Installation | 4 | 0 | 100% | 18-Jul-14 A | 25-Nov-14 A | |
| AG6070 | AG Excavate, Erect Formwork for Vaults | 10 | 37 | 100% | 15-Dec-14 A | 03-Jul-15 | 7 |
| AG6075 | AG Tie Rebar, Pour Concrete Vaults | 10 | 10 | 0% | 06-Jul-15 | 17-Jul-15 | 7 |
| AG6090 | AG Water Outage #1 Notification | 10 | 0 | 100% | 24-Mar-14 A | 18-Apr-14 A | |
| AG7000 | AG Connect to Existing Watermain | 1 | 1 | 0% | 20-Jul-15 | 20-Jul-15 | 16 |
| AG7010 | AG Valves and Fittings | 8 | 8 | 0% | 20-Jul-15 | 29-Jul-15 | 7 |
| AG7020 | AG Chlorination System | 8 | 8 | 0% | 20-Jul-15 | 29-Jul-15 | 23 |
| AG7030 | AG Flowmeters | 2 | 2 | 0% | 28-Jul-15 | 29-Jul-15 | 7 |
| AG7040 | AG Disinfection | 2 | 2 | 0% | 30-Jul-15 | 31-Jul-15 | 7 |
| AG7050 | AG Leak Testing | 1 | 1 | 0% | 03-Aug-15 | 03-Aug-15 | 7 |
| AG7060 | AG Backfilling | 3 | 3 | 0% | 04-Aug-15 | 06-Aug-15 | 7 |
| Civil Works | | 157 | 103 | 35.9% | 15-Dec-14 A | 20-Aug-15 | 7 |
| AG7070 | AG Detention Basin | 9 | 0 | 100% | 15-Dec-14 A | 27-Mar-15 A | |
| AG7080 | AG Detention Basin Headwall | 9 | 9 | 0% | 09-Mar-15 A | 10-Apr-15 | 100 |
| AG7090 | AG Fencing and Gates | 10 | 10 | 0% | 07-Aug-15 | 20-Aug-15 | 7 |
| AG8000 | AG Entrance Base Course/Compaction | 2 | 2 | 0% | 07-Aug-15 | 10-Aug-15 | 15 |
| AG8010 | AG Tank Perimeter | 3 | 3 | 0% | 07-Aug-15 | 11-Aug-15 | 9 |
| AG8020 | AG A/C Paving | 1 | 1 | 0% | 13-Aug-15 | 13-Aug-15 | 9 |
| Start-up and Commissioning | | 21 | 21 | 0% | 28-Jul-15 | 29-Jul-15 | 20 |
| AG8030 | AG Testing | 1 | 1 | 0% | 28-Jul-15 | 28-Jul-15 | 20 |
| AG8040 | AG Start-up and Commissioning | 1 | 1 | 0% | 29-Jul-15 | 29-Jul-15 | 20 |
| **Close-Out Activities** | | 110 | 110 | 0% | 11-Mar-15 A | 31-Aug-15 | 0 |
| C8050 | Well Instrumentation CO Execution | 1 | 0 | 0% | 11-Mar-15 A | 11-Mar-15 A | |
| C8051 | Gov't Review - Well Flow Meters | 15 | 15 | 0% | 31-Mar-15 A | 14-Apr-15 | 0 |
| C8052 | Gov't Review - Well Pressure Meters | 15 | 15 | 0% | 31-Mar-15 A | 14-Apr-15 | 0 |
| C8060 | Well Instrumentation Procurement | 84 | 84 | 0% | 15-Apr-15 | 07-Jul-15 | 0 |
| C8070 | Well Instrumentation Field Installation | 24 | 24 | 0% | 08-Jul-15 | 10-Aug-15 | 0 |
| C8080 | Well Site SCADA Programming | 12 | 12 | 0% | 11-Aug-15 | 26-Aug-15 | 0 |
| C9000 | Pre-Final Inspection | 1 | 1 | 0% | 27-Aug-15 | 27-Aug-15 | 0 |
| C9010 | Punchlist Correction | 1 | 1 | 0% | 28-Aug-15 | 28-Aug-15 | 0 |
| C9020 | Final Inspection | 1 | 1 | 0% | 31-Aug-15 | 31-Aug-15 | 0 |
| C9030 | Project Completion | 0 | 0 | 0% | | 31-Aug-15 | 0 |
| C9040 | Overall Project Completion Date | 0 | 0 | 0% | | 31-Aug-15 | 0 |




Actual Work | Remaining Work | Critical Remaining Work | Milestone | Summary

Page 4 of 4

TASK filter: All Activities

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Doc. No. 34GL-17-0812.*

# Exhibit C

**From:** Garrett Yeoh
**To:** "Brett Bailey"; thomas@guamwaterworks.org
**Subject:** AMO CM Breakdown
**Date:** Wednesday, January 04, 2017 12:58:02 PM
**Attachments:** AMO Breakdown 20170104.xlsx

| Current Contract | | | | |
|---|---|---|---|---|
| | Amount | Execution Date | LD start | LD end |
| Contract | $ 639,316.90 | 05/30/13 | | |
| Change Order No. 1 | $ 127,863.38 | 05/12/14 | | |
| Change Order No. 2 | $ 271,800.00 | 10/07/15 | 10/18/14 | 05/31/15 |
| Change Order No. 3 | $ 149,000.00 | 11/21/15 | 06/01/15 | 09/30/15 |
| Change Order No. 4 | $ 70,200.00 | 02/03/16 | 10/01/15 | 11/30/15 |
| Total | $ 1,258,180.28 | | | |

*Change Order No. 5 will cover 12/1/2016 to 12/31/2017

| CCU Approvals | Amount | Purpose |
|---|---|---|
| Resolution No. 22-FY2013 | $ 767,180.28 | Original contract and contingency approvals |
| Resolution No. 28-FY2015 | $ 514,800.00 | Increased cost covered by liquidated damages |
| Total | $ 1,281,980.28 | |

| Month | AMOrient Billing | |
|---|---|---|
| Oct-14 | $ 18,000.00 | |
| Nov-14 | $ 30,600.00 | |
| Dec-14 | $ 37,800.00 | |
| Jan-15 | $ 36,000.00 | |
| Feb-15 | $ 36,000.00 | |
| Mar-15 | $ 37,800.00 | |
| Apr-15 | $ 39,600.00 | |
| May-15 | $ 36,000.00 | |
| Jun-15 | $ 39,600.00 | |
| Jul-15 | $ 37,800.00 | |
| Aug-15 | $ 33,800.00 | |
| Sep-15 | $ 37,800.00 | |
| Oct-15 | $ 37,800.00 | |
| Nov-15 | $ 32,400.00 | |
| Portion of Dec-15 | $ 23,800.00 | |
| Sub-Total | $ 514,800.00 | Resolution No. 28-FY2015 |
| | | |
| Portion of Dec-15 | $ 15,800.00 | |
| Jan-16 | $ 29,196.00 | |
| Feb-16 | $ 28,377.00 | |
| Mar-16 | $ 27,081.00 | |
| Apr-16 | $ 34,677.00 | |
| May-16 | $ 22,770.00 | |
| Jun-16 | $ 26,100.00 | |
| Jul-16 | $ 33,840.00 | |
| Aug-16 | $ 31,050.00 | |
| Sep-16 | $ 33,750.00 | |
| Oct-16 | $ 30,600.00 | |
| Nov-16 | $ 17,100.00 | |
| Dec-16 | $ 16,200.00 | |
| Sub-Total | $ 346,541.00 | Upcoming Resolution No. -FY2017 |
| | | |
| TOTAL | $ 861,341.00 | |

Regards,
Garrett Yeoh

CONSOLIDATED
COMMISSION ON UTILITIES
Guam Power Authority • Guam Waterworks Authority
P.O.BOX 2977 • Agana,Guam 96932

**GUAM CONSOLIDATED COMMISSION ON UTILITIES**

**GPA RESOLUTION 2017-04**

**GWA RESOLUTION 17-FY2017**

**RELATIVE TO THE AUTHORIZATION FOR GUAM POWER AUTHORITY AND GUAM WATERWORKS AUTHORITY FOR AUTHORIZATION TO SEEK LEGISLATIVE APPROVAL TO CONTRACT FOR HEALTH GROUP INSURANCE FOR THEIR EMPLOYEES AND RETIREES**

**WHEREAS,** the Consolidated Commission on Utilities has undertaken initiatives to identify opportunities for savings for the ratepayers of Guam; and

**WHEREAS,** GPA and GWA have recognized that an opportunity for savings exists if GPA and GWA are authorized to procure separate health group insurance for their employees, and retirees, based on the experience of the Judiciary, which has procured its own health group insurance; and

**WHEREAS**, the CCU has reviewed the proposed draft legislation which would authorize GPA and GWA to procure separate group health insurance, and the CCU recognizes there is an opportunity for savings; and

**NOW, THEREFORE BE IT RESOLVED,** the following policy is adopted by the Consolidated Commission on Utilities;

1. The General Manager of the Guam Power Authority and the General Manager of the Guam Waterworks Authority are authorized to submit the draft legislation to the legislature for consideration, which if enacted would authorize GPA and GWA to procure separate health group insurance for its employees and retirees.

**RESOLVED,** that the Chairman certifies and the Board Secretary attests to the adoption of this Resolution.

**DULY AND REGULARLY ADOPTED AND APPROVED THIS 24th DAY OF JANUARY 2017.**

Certified by:

**JOSEPH T. DUENAS**
Chairperson
Consolidated Commission on Utilities

Attested by:

**J. GEORGE BAMBA**
Secretary
Consolidated Commission on Utilities

SECRETARY'S CERTIFICATE

**I, J. George Bamba**, Secretary for the CCU do hereby certify that the foregoing is a full, true, and correct copy of the resolution duly adopted at a regular meeting of the members of Guam's CCU, duly and legally held at the meeting place thereof on January 24, 2017, at which meeting of all said members had due notice and at which at least a majority thereof were present, and

At said meeting said resolution was adopted by the following vote:

| | |
|---|---|
| Ayes: | 5 |
| Nays: | 0 |
| Absent: | 0 |
| Abstain: | 0 |

As of the date of this certification, said original resolution has not been amended, modified, or rescinded since the date of its adoption, and the same is now in full force and effect.

**SO CERTIFIED** this 24th day of January, 2017.

**J. GEORGE BAMBA**
Secretary, Consolidated Commission on Utilities

CONSOLIDATED
COMMISSION ON UTILITIES
Guam Power Authority • Guam Waterworks Authority
P.O.BOX 2977 • Agana,Guam 96932

**RESOLUTION NO. 2017–01**

**RESOLUTION RELATIVE TO THE APPROVAL OF ENGINEERING, PROCUREMENT AND CONSTRUCTION MANAGEMENT (EPCM) CONTRACT**

**WHEREAS,** in March 2015 the CCU authorized GPA to petition the PUC for approval of Consulting Services for implementing USEPA Compliance Plan and use of $750,000 of the 2014 Bond Funds LNG Initial Startup Project [1]; and

**WHEREAS,** in May 2015 the PUC deferred its approval of the consulting services petition pending its approval of GPA's proposal for 180MW of new Combined Cycle Power Plant[2]; and

**WHEREAS,** on August 31, 2015 GPA experienced catastrophic failure at the Cabras 3&4 Power Plant and caused generation capacity reserve shortfalls to support scheduled maintenance outages for the Cabras 1&2 and MEC baseload power plants. This required GPA to acquire 40 MW of temporary power, establish an Interruptible Load Program, and initiate the repowering of the Dededo CT power plant; and

**WHEREAS,** in October 2015 the PUC considered the impact of the loss of the Cabras 3&4 Power Plant and need for additional generation reserve and, to further support GPA's request for 180MW of new generation capacity, required GPA to provide additional information such as a third party condition assessment of the Cabras 1&2 Power Plant and customer rate impact of new capacity. In addition, the PUC set conditions required GPA to initiate the Demand Side Management Program and to evaluate additional renewables into the GPA generation plan[3]; and

**WHEREAS,** in July 2016 GPA completed its response to the October 2015 PUC Order which included a Life Assessment study of the Cabras 1&2, an expanded Demand Side Management program, a Time of Use Study, Customer Rate Impact summary, updated IRP

[1] CCU Resolution No 2015-21 for approval of Consulting Services for implementing USEPA Compliance Plan was approved on March 24, 2015. GPA submitted its petition to PUC on April 9, 2015 under Docket 15-05.
[2] PUC ordered deferral of approving consulting services on the May 28, 2015 PUC Hearing under Docket 15-05.
[3] PUC ordered GPA to respond to PUC consultant report on IRP and to address several conditions as ordered on the October 29, 2015 PUC Hearing under Docket 15-05.

results reflecting updated fuel and load forecasts, Life Assessment Report of the MEC Power Plant, as well as an update to renewable integration with regards to Phase II, the lease of Navy properties for solar photovoltaic (PV) development and the evaluation of energy storage for increased PV penetration; and

**WHEREAS,** in October 2016, the PUC approved GPA's petition for up to 180MW of new generation capacity subject to the PUC procurement protocol and other conditions set forth in the order. In addition, the PUC also approved the consulting services and funding to support the procurement development for a IPP contract for new generation capacity; and

**WHEREAS,** on November 10, 2016 GPA issued RFP-17-001 for Engineering, Procurement and Construction Management Contract (EPCM) for the procurement development of an IPP contract for new generation capacity and to represent GPA as Owner's engineer support in the construction of the new power plant; and

**WHEREAS,** proposals were received on December 19, 2016 and Stanley Consultants, Inc. was determined to be the most qualified firm; and

**WHEREAS,** GPA has proposed a compliance plan to USEPA for the Cabras 1&2 and MEC Power Plants presently non-compliant with USEPA emissions regulations, specifically the EGU MATS and the RICE MACT. The plan commits GPA to complying by 2021 which would include the fuel conversion to ultra-low sulfur diesel for MEC and retirement of Cabras 1&2 units after the commissioning of new units; and

**WHEREAS,** GPA will task Stanley Consultants, Inc. for the procurement development to meet our compliance plan commitment; and

**WHEREAS,** GPA has acquired initial funding of $750,000 as approved by the PUC in October 2016 to support procurement development which exceeds the General Manager authority; and

**WHEREAS,** GPA will update and obtain additional approvals for additional tasks under the EPCM contract as required.

**NOW, THEREFORE, BE IT RESOLVED, by the CONSOLIDATED COMMISSION ON UTILITIES, the GOVERNING BODY of the GUAM POWER AUTHORITY HEREBY APPROVE AND AUTHORIZE AS FOLLOWS:**

1. The CCU authorizes the GPA General Manager to contract with Stanley Consultants, Inc. up to $750,000 for the procurement development of the new generation IPP contract.

**RESOLVED,** the Chairman certifies and the Board Secretary attests to the adoption of this Resolution.

**DULY AND REGULARLY ADOPTED AND APPROVED THIS 24th DAY OF JANUARY 2017.**

Certified by:

**JOSEPH "JOEY" T. DUENAS**
**Chairperson**

Attested by:

**~~J. GEORGE BAMBA~~**
**~~CCU Board Secretary~~**
Francis K. Sue
Vice-Chairman

## SECRETARY'S CERTIFICATE

I, J. GEORGE BAMBA, Secretary for the Consolidated Commission on Utilities do hereby certify that the foregoing is a full, true, and correct copy of a resolution duly adopted at a regular meeting by the members of Guam Consolidated Commission on Utilities, duly and legally held at a place properly noticed and advertised at which meeting a quorum was present and the members who were present voted as follows:

At said meeting said resolution was adopted by the following vote:

Ayes: 3

Nays: 0

Absent: 0

Abstain: 2

Said original resolution has not been amended, modified, or rescinded since the date of its adoption, and the same is now in full force and effect.

SO CERTIFIED this 24th day of January 2017.

~~J. GEORGE BAMBA~~
~~Secretary~~
Consolidated Commission on Utilities

Francis K. Sue
Vice-Chairman

**CONSOLIDATED COMMISSION ON UTILITIES**

**RESOLUTION NO. 2017 - 03**

***RESOLUTION RELATIVE TO THE CREATION OF THE UTILITY AUDITOR I, II, III, REVENUE PROTECTION UTILITY INVESTIGATOR, AND REVENUE PROTECTION UTILITY ANALYST POSITIONS***

**WHEREAS,** the General Manager, Guam Power Authority petition's the Consolidated Commission on Utilities (CCU) to create a Utility Auditor I, II, III, Revenue Protection Utility Investigator, and Revenue Protection Utility Analyst positions in the classified service; and

**WHEREAS,** Public Law 28-112 and 4 GCA §6303 (d) authorizes the creation of positions in Autonomous Agencies and Public Corporations; and

**WHEREAS,** GPA Personnel Rules and Regulations Section 7.03 (c), authorizes the General Manager to petition the CCU to amend, to include, but not limited to, deleting, adding, or modifying such positions, the approved list of the Authority's Certified, Technical, and Professional positions; and

**WHEREAS,** the Guam Power Authority is a public corporation established and existing under the laws of Guam; and

**WHEREAS,** the creation of the Utility Auditor I, II, and III positions are essential to assist GPA management and the CCU in the effective discharge of their responsibilities and governance by furnishing independent analysis, appraisals, recommendations, counsel and information concerning activities under audit to the utility; and

**WHEREAS,** the creation of the Revenue Protection Utility Investigator and Revenue Protection Utility Analyst positions are essential to institute an effective revenue protection program to minimize the loss of revenue due to meter tampering and unauthorized electrical connections; and

**WHEREAS,** the Guam Power Authority (GPA) management has provided the CCU with a petition (see Exhibit-Staff Report attached hereto) in compliance with the petition requirements

mandated by Guam law which are conditions precedent for the CCU to create any new positions; and

**WHEREAS,** the CCU has the lawful authority under Guam Public Law 28-113 and 28-159, as well as the accompanying rules which were approved by the Guam Legislature, to create a list of certified, technical and professional positions on behalf of the Guam Power Authority;

**WHEREAS,** after further consideration, the CCU does hereby wish to amend the certified, technical and professional job listing which incorporates these new positions approved via this resolution.

**NOW THEREFORE, BE IT RESOLVED,** by the Consolidated Commission on Utilities does hereby approve and authorize as follows:

1. The Utility Auditor I, II and III positions are hereby created in the classified service pursuant to the petition presented to the CCU that is certified by as complying in all pertinent ways with the requirements set forth under Guam law for such petition.
2. The Revenue Protection Utility Investigator and Revenue Protection Utility Analyst positions are hereby created in the classified service pursuant to the petition presented to the CCU that is certified by as complying in all pertinent ways with the requirements set forth under Guam law for such petition.
3. The amendment of the certified, technical and professional job listing which incorporates these new positions approved via this resolution is hereby approved pursuant to the petition presented to the CCU that is certified by as complying in all pertinent ways with the requirements set forth under Guam law for such petition.

**RESOLVED,** that the Chairman certified and the Secretary attests to the adoption of this Resolution.

DULY AND REGULARLY ADOPTED AND APPROVED this 24th day of January, 2017.

Certified by:

JOSEPH T. DUENAS
Chairperson
Consolidated Commission on Utilities

Attested by:

J. GEORGE BAMBA
Secretary
Consolidated Commission on Utilities

# SECRETARY'S CERTIFICATE

**I, J. GEORGE BAMBA**, Secretary for the Consolidated Commission on Utilities do hereby certify that the foregoing is a full, true, and correct copy of a resolution duly adopted at a regular meeting by the members of Guam Consolidated Commission on Utilities, duly and legally held at a place thereof on January 24, 2017, at which meeting of said members had due notice and at which at least a majority thereof were present, and

At said meeting said resolution was adopted by the following vote:

Ayes: 5

Nays: 0

Absent: 0

Abstain: 0

Said original resolution has not been amended, modified, or rescinded since the date of its adoption, and the same is now in full force and effect.

SO CERTIFIED this 24th day of January 2017.

J. GEORGE BAMBA
Secretary
Consolidated Commission on Utilities

CONSOLIDATED
COMMISSION ON UTILITIES
Guam Power Authority • Guam Waterworks Authority
P.O.BOX 2977 • Agana,Guam 96932

**GUAM CONSOLIDATED COMMISSION ON UTILITIES**

**GPA RESOLUTION 2017-04**

**GWA RESOLUTION 17-FY2017**

**RELATIVE TO THE AUTHORIZATION FOR GUAM POWER AUTHORITY AND GUAM WATERWORKS AUTHORITY FOR AUTHORIZATION TO SEEK LEGISLATIVE APPROVAL TO CONTRACT FOR HEALTH GROUP INSURANCE FOR THEIR EMPLOYEES AND RETIREES**

**WHEREAS,** the Consolidated Commission on Utilities has undertaken initiatives to identify opportunities for savings for the ratepayers of Guam; and

**WHEREAS,** GPA and GWA have recognized that an opportunity for savings exists if GPA and GWA are authorized to procure separate health group insurance for their employees, and retirees, based on the experience of the Judiciary, which has procured its own health group insurance; and

**WHEREAS**, the CCU has reviewed the proposed draft legislation which would authorize GPA and GWA to procure separate group health insurance, and the CCU recognizes there is an opportunity for savings; and

**NOW, THEREFORE BE IT RESOLVED,** the following policy is adopted by the Consolidated Commission on Utilities;

1. The General Manager of the Guam Power Authority and the General Manager of the Guam Waterworks Authority are authorized to submit the draft legislation to the legislature for consideration, which if enacted would authorize GPA and GWA to procure separate health group insurance for its employees and retirees.

**RESOLVED,** that the Chairman certifies and the Board Secretary attests to the adoption of this Resolution.

**DULY AND REGULARLY ADOPTED AND APPROVED THIS 24th DAY OF JANUARY 2017.**

Certified by:

**JOSEPH T. DUENAS**
Chairperson
Consolidated Commission on Utilities

Attested by:

**J. GEORGE BAMBA**
Secretary
Consolidated Commission on Utilities

SECRETARY'S CERTIFICATE

**I, J. George Bamba**, Secretary for the CCU do hereby certify that the foregoing is a full, true, and correct copy of the resolution duly adopted at a regular meeting of the members of Guam's CCU, duly and legally held at the meeting place thereof on January 24, 2017, at which meeting of all said members had due notice and at which at least a majority thereof were present, and

At said meeting said resolution was adopted by the following vote:

| | |
|---|---|
| Ayes: | 5 |
| Nays: | 0 |
| Absent: | 0 |
| Abstain: | 0 |

As of the date of this certification, said original resolution has not been amended, modified, or rescinded since the date of its adoption, and the same is now in full force and effect.

**SO CERTIFIED** this 24th day of January, 2017.

**J. GEORGE BAMBA**
Secretary, Consolidated Commission on Utilities

CONSOLIDATED
COMMISSION ON UTILITIES
Guam Power Authority • Guam Waterworks Authority
P.O.BOX 2977 • Agana,Guam 96932

**RESOLUTION NO. 2017–05**

**AUTHORIZING THE MANAGEMENT OF THE GUAM POWER AUTHORITY TO PROCEED WITH THE SOLICITATION TO PROCURE A CONTRACTOR FOR THE SUPPLY OF DIESEL FUEL OIL NO.2 FOR THE BASELOADS AND PEAKING UNITS**

**WHEREAS,** the three (3) year base period for the current contract (GPA-029-14) for the Supply of Diesel Fuel Oil No.2 for the **Baseloads** (Cabras 1&2 and MEC 8&9), and the **Peaking Units** (Tenjo Vista, Fast Tracks: Manenggon and Talofofo, TEMES CT and the Northern Diesel Plants: Dededo CT, Macheche CT, and Yigo CT) will expire on December 31, 2017; and

**WHEREAS,** the aftermath of the Cabras 3&4 incident in August 2015 drastically increased GPA's diesel consumption, overly exceeding the estimated quantities provided in Schedule B of the current contract (Exhibit A); and

**WHEREAS,** GPA has determined that a new solicitation is needed to reflect the necessary changes and update GPA's supply requirement (Exhibit B); and

**WHEREAS,** GPA intends to issue a new Invitation For Bid for the procurement of diesel fuel oil for the Baseload and Peaking Units for a base period of two (2) years, to commence on January 01, 2018 through December 31, 2019, with three (3) additional one-year extension options; and

**WHEREAS,** the draft bid solicitation documents for the procurement of a new diesel fuel oil supply contract is hereby attached as Exhibit C; and

**WHEREAS,** the total cost for the new contract is anticipated to exceed $1.5M requiring GPA to seek authorization for this procurement from the PUC; and

**WHEREAS**, GPA is requesting the approval of the CCU to petition the PUC for the issuance of an Invitation for Bid for a new diesel fuel oil supply contract.

**NOW THEREFORE, BE IT RESOLVED**, by the Consolidated Commission on Utilities, subject to the review and approval of the Public Utilities Commission, as follows:

1. GPA's request to solicit competitive bids for a new Diesel fuel supply contract through a Multi-Step Bid process is reasonable, prudent and beneficial to its customers.

2. GPA is authorized to petition the Public Utilities Commission for approval to issue bids to procure a Contractor for the supply of Diesel Fuel Oil No.2 for the Baseloads and Peaking Units.

**RESOLVED**, that the Chairman of the Commission certifies and the Secretary of the Commission attests the adoption of this Resolution.

**DULY and REGULARLY ADOPTED this 24th day of January 2017.**

**Certified by:**

**JOSEPH T. DUENAS**
**CHAIRMAN**

**Attested by:**

**J. GEORGE BAMBA**
~~**SECRETARY**~~
FRANCIS E. SANTOS
VICE-CHAIRMAN

**SECRETARY'S CERTIFICATE**

**I, J. GEORGE BAMBA,** Secretary for the Consolidated Commission on Utilities do hereby certify that the foregoing is a full, true, and correct copy of the resolution duly adopted at a regular meeting of the members of Guam's Consolidated Commission on Utilities, duly and legally held at the meeting place thereof on January 24, 2017, at which meeting of all said members had due notice and at which at least s majority thereof were present, and

At said meeting said resolution was adopted by the following vote:

Ayes: 4

Nays: 0

Absent: 0

Abstain: 1

As of the date of this certification, said original resolution has not been amended, modified, or rescinded since the date of its adoption, and the same is now in full force and effect.

**SO CERTIFIED** this 24th day of December, 2017.

**J. GEORGE BAMBA**
~~Secretary~~
Consolidated Commission on Utilities

FRANCIS K. SAN NICOLAS
Vice-Chairman

Exhibit A:

Diesel Expenses for Current Contract

| GPA-029-14 EXPENDITURES | 1st year (01/01/15 to 12/31/15) | 2nd Year (01/01/16 to 12/31/16) | 3rd year (01/01/17 to 12/31/17) | 3-Year Contract Period (01/01/15 to 12/31/17) |
|---|---|---|---|---|
| Jan-Sep (Gallons) | 6,253,698 | 28,041,799 | 15,376,040 | |
| Oct-Dec (Gallons) | 9,133,263 | 5,125,347 | 5,125,347 | |
| Total Qty (Gallons) | 15,386,962 | 33,167,145 | 20,501,386 | **69,055,494** |
| Contract Estimate (Gallons) | 4,800,000 | 4,800,000 | 4,800,000 | **14,400,000** |
| Variance | 10,586,962 | 28,367,145 | 15,701,386 | **54,655,494** |
| Remarks | 221% increase | 591% Increase | 327% Increase | **380% Increase** |
| REMARKS | **Actual** (Cabras 3&4 Explosion on 08/31/15) | **Actual** (Cabras 3&4 Offline & forced outages in remaining plants) | **Estimated** (Cabras 3&4 Offline & anticipated overhauls/outages in remaining plants) | Estimated Diesel Expenses |

## EXHIBIT B: CHANGES TO THE CONTRACT REQUIREMENTS

### SCHEDULE B: ESTIMATED ANNUAL FUEL OIL REQUIREMENTS (Gallons/yr)

| Plant Location | Name of Plant | Existing Contract (GPA-029-14) | New Contract |
|---|---|---|---|
| 1. Baseloads | Cabras 1&2, MEC 8&9 | 200,000 | 100,000 – 200,000 |
| 2. Tenjo Vista | Tenjo Vista | 1,500,000 | 5,000,000 - 7,000,000 |
| 3. Fast Tracks | Talofofo | 1,000,000 | 3,000,000 - 4,000,000 |
| | Manengon | | |
| 4. TEMES CT | TEMES CT | 600,000 | 3,000,000 - 5,000,000 |
| 5. Northern Plants | Dededo CT | 1,500,000 | 9,000,000 - 12,000,000 |
| | Macheche CT | | |
| | Yigo CT | | |
| | Aggreko | | |
| TOTAL | | 4,800,000 | 20,060,000 - 28,100,000 |

### SCHEDULE C: 30-DAYS MINIMUM INVENTORY REQUIREMENTS (Gallons)

| Plant Location | Name of Plant | Existing Contract (GPA-029-14) | New Contract |
|---|---|---|---|
| 1. Baseloads | Cabras 1&2, MEC 8&9 | 20,000 | 20,000 |
| 2. Tenjo Vista | Tenjo Vista | 125,000 | 500,000 |
| 3. Fast Tracks | Talofofo | 80,000 | 250,000 |
| | Manengon | | |
| 4. TEMES CT | TEMES CT | 50,000 | 250,000 |
| 5. Northern Plants | Dededo CT | 125,000 | 750,000 |
| | Macheche CT | | |
| | Yigo CT | | |
| | Aggreko | | |
| TOTAL | | 400,000 | 1,770,000 |

**Invitation For Multi-Step Bid**

**No. GPA- -17**

**SUPPLY OF DIESEL FUEL OIL NO.2**

1. **BASELOAD Plants (Cabras 1&2 and MEC 8&9)**
2. **TENJO VISTA**
3. **FAST TRACK Plants (Manenggon and Talofofo)**
4. **TEMES CT Plant**
5. **NORTHERN Plants (Dededo CT, Macheche CT, Yigo CT and Aggreko)**

**Volume II**

**CONTRACT (DRAFT)**

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**CONTRACT**

_____

**(CONTRACTOR)**

**GUAM POWER AUTHORITY**

**2017**

**IFB No. GPA- -17**

**SUPPLY OF DIESEL FUEL OIL NO.2**

**FORMAL CONTRACT**

This Agreement and Formal Contract ("Contract"), is made and entered into on the _____ day of _____, 2017 by and between:

_____, hereinafter referred to as "**CONTRACTOR**", with its principal address at _____;

- and –

**GUAM POWER AUTHORITY**, hereinafter referred to as the "**Authority**" or "**GPA**", a Public Corporation with its office located at the Gloria Nelson Public Service Complex, Fadian Mangilao Guam;

RECITALS

**WHEREAS**, the current contract for the supply of Fuel Oil will expire on December 31, 2017; and

**WHEREAS, GPA** sought to procure a new **CONTRACTOR** for the supply of Fuel Oil to the following plants locations: **Baseloads** (Cabras 1&2 and MEC 8&9), **Tenjo Vista, Fast Tracks** (Manenggon & Talofofo), **TEMES CT**, and **Northern Plants** (Dededo CT, Macheche CT, Yigo CT, and Aggreko); and

**WHEREAS**, GPA issued an Invitation For a Multi-Step Bid for the Supply of Diesel Fuel Oil No.2 under IFB GPA- -17; and

**WHEREAS**, **CONTRACTOR** submitted a bid in response to the Invitation for Bid for the Supply of Diesel Fuel Oil No.2; and

**WHEREAS**, **GPA**, upon evaluation of the submitted bid proposals, determined that **CONTRACTOR**. is the lowest responsive and responsible bidder for the following GPA plant locations: _____; and

**WHEREAS**, the Guam Consolidated Commission on Utilities (CCU) and the Guam Public Utilities Commission (PUC) has determined that the **CONTRACTOR** is the preferred option for **GPA** to supply the Fuel oil requirements for the Authority for those plant locations.

**NOW, THEREFORE**, in consideration of the above premises and the mutual promises set forth herein and the terms and conditions hereinafter set forth and for other good and valuable consideration, receipt of which is hereby acknowledge; **CONTRACTOR** and **GPA** hereby agree as follows:

## SECTION 1. DEFINITIONS

**"$"** refers to currency in U.S. dollars.

**"ASTM"** means the American Society for Testing and Materials, a recognized organization providing globally- accepted standard testing and evaluation methods for petroleum.

**"API"** means the American Petroleum Institute, a recognized- organization providing globally accepted petroleum procedures.

**"Barrel"** means a volume equivalent to 42 U.S. Gallons.

**"Contract"** means this written agreement between **GPA** and **CONTRACTOR** covering the Supply of Fuel oil and any other Contract Documents either attached to the Agreement or made a part thereof by reference therein.

**"Contract Documents"** means the Contract, Bonds (where required), these General Conditions, any Supplementary Conditions, the Specifications, and any other documents specifically identified in the Contract, together with all Modifications issued after execution of the Contract.

**"Contracting Officer"** means the General Manager of the **GPA** and shall include his authorized representatives.

**"CONTRACTOR"** means the party which has duly entered into this Contract with **GPA** to perform the work herein contemplated or his or their authorized assignee.

**"Day"** means a calendar day of twenty-four (24) hours measured from midnight to the next midnight.

**"Month"** means a calendar month.

**"Year"** means a calendar year.

**"Delivery Time"** means the total number of hours or days or the dates stated in this Agreement for furnishing the Fuel Oil.

**"General Manager"** means the Chief Executive Officer of **GPA**. The office and title of General Manager shall apply to any person acting in a regular or in an acting capacity as the Chief Executive Officer of **GPA**.

**"Notice"** means and includes all written notice demands, instructions, claims, approvals and disapprovals required to obtain compliance with Contract requirements. Any written notice by either party to the Contract shall be sufficiently given if delivered to or at the last known business address of the person, firm, or corporation constituting the other party to the contract, or to his,

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their, or its duly authorized agent, representative, or officers, or when enclosed in a postage prepaid envelope addressed to such last known business address and deposited in a United States mail box and file the same with the Contracting Officer.

**"Procurement Officer"** means the General Manager or the General Manager's designee.

**"PURCHASER"** means **GPA**.

**"Seller"** means the **CONTRACTOR**.

**"Territory"** means the Territory of Guam.

**"OPA'90"** means the Oil Pollution Act of 1990 enacted by the U.S. Congress.

**"Platt's Asia-Pacific/ Arab Gulf Marketscan"** refers to the source document for the `Fuel Oil Contract pricing.

**"Metric Ton"** means unit of mass equal to 1,000 kilograms (2,205 pounds)

**"Fuel Oil"** means a liquid hydrocarbon product satisfying the specifications in Section 8 and Schedule A.

**"Gallon"** means a U.S. standard gallon of 231 cubic inches at sixty degrees Fahrenheit.

**"Receiving facility"** means the **GPA** Fuel Oil receiving facility at each plant location identified in Schedule B.

**"CCU"** means the Guam Consolidated Commission on Utilities.

**"PUC"** means the Guam Public Utilities Commission.

**"COQ"** means Certificate of Quality or Quality Certificate, a formal document recording the CONTRACTOR's laboratory determination of quality of a particular sample which represents a specific delivery, said laboratory determinations having been performed in accordance with the test methods specified in Schedule A.

-**"Independent Inspector"** means a qualified third-party petroleum inspection contractor acceptable to both parties providing petroleum sampling, measurement and other services before, during and after a delivery.

**"Receiving Facility"** means any of GPA's generating facilities, storage facilities and/or other facilities used to receive, transport, store, or otherwise handle the Diesel, and/or ULSD located on the island of Guam as designated by GPA.

**"ULSD"** means Ultra-Low Sulfur Diesel produced in conformity with the provisions of the quality in the Specification which are set forth in Schedule A.

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## SECTION 2. FUEL OIL TO BE SUPPLIED

**CONTRACTOR** agrees to furnish and **GPA** agrees to accept and pay for all of **GPA**'s Fuel Oil requirements for power generating plants in Guam identified in Schedule B for the term of the Contract. The **estimated** total Fuel Oil requirement is listed in Schedule B. This information is provided as reference material only. Although every attempt has been made to ensure its accuracy, GPA makes no guarantees that these quantities will be achieved but they may be exceeded. GPA expressly disclaims any liability whatsoever arising from reliance or non-reliance of the data provided.

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Actual quantities may vary depending on the dispatching of the plants. The estimated Fuel Oil requirement provided herein are only approximate values and is subject to change. **GPA** shall reasonably notify the Contractor for any changes in the estimated fuel oil requirements.

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The first delivery of Fuel Oil pursuant to the Contract is anticipated to be on or about **January 01, 2018**.

## SECTION 3. CONTRACT TERM

The Contract term shall be for two (2) years to commence on January 01, 2018 and shall continue until midnight of December 31, 2019 and with **GPA's** option to extend the contract for three (3) additional one (1) year terms, renewable annually, with mutual agreement of both parties.

**SECTION 4. CONTRACT PRICE**

The **CONTRACT PRICE** in U.S. dollars per Gallon ($/gal) for all Fuel Oil delivered to **GPA** shall be inclusive of all costs and liabilities required to fulfill the contract. The **CONTRACT PRICE** is the sum of the **FIXED SERVICE FEE** plus the **REFERENCE PRICE.**

The **CONTRACT PRICE** shall increase or decrease on a cent-for-cent basis with the **REFERENCE PRICE.**

The **REFERENCE PRICE** for the Fuel Oil delivered in any month shall be the mean average of the previous month's daily Mid-of-Platts (MOPS) price postings. MOPS is the average of high and low price assessments reported in the Platt's Asia-Pacific/Arab Gulf Marketscan FOB Singapore Price Assessment for Gasoil 10 ppm.

The **FIXED SERVICE FEE** for all Fuel Oil delivered to certain GPA Plants identified on Schedule B hereto shall be as follows:

| FIXED SERVICE FEE | 2-year Base Period | | 3-Year Extension Options | | |
|---|---|---|---|---|---|
| | 1st year $/gallon (in 3 decimals) | 2nd year $/gallon (in 3 decimals) | 1st yr Extn $/gallon (in 3 decimals) | 1st yr Extn $/gallon (in 3 decimals) | 3rd yr Extn $/gallon (in 3 decimals) |
| 1. Baseload Plants | | | | | |
| 2. Tenjo Vista | | | | | |
| 3. Fast Track Plants (Manenggon & Talofofo) | | | | | |
| 4. TEMES CT | | | | | |

| | | | | | |
|---|---|---|---|---|---|
| **5. Northern Plants (Dededo CT, Macheche CT, Yigo CT & Aggreko)** | | | | | |

Sample calculation of **CONTRACT PRICE:**

Delivery Month: November 2016

(1) Sample Calculation of **REFERENCE PRICE:**

**REFERENCE PRICE**= Average of Previous Month's Daily MOPS

Previous Month: October 2016

Average of the Daily MOPS for October 2016: $61.660 per Barrel

Average Price: $1.468 per Gallon (rounded to three decimal places)

**REFERENCE PRICE** for November 2016: $1.468 per Gallon

(2) Sample **FIXED SERVICE FEE:**

**FIXED SERVICE FEE**= $0.192 per Gallon (sample price)

(3) **CONTRACT PRICE**

**CONTRACT PRICE** = Reference Price + Fixed Service Fee

**CONTRACT PRICE** = ($1.468 + $0.192) per gallon

**CONTRACT PRICE** = $1.660 per gallon

This is the **CONTRACT PRICE** for fuel delivered to GPA for the sample month.

## SECTION 5. FUEL OIL DELIVERY

All Fuel Oil must be delivered to the plant sites covered in this Contract. Title to the Fuel Oil shall pass from the **CONTRACTOR** to **GPA** when the Fuel Oil has passed the **GPA** pipeline flange connecting the tanker truck delivery hose and the **GPA** storage tanks. The **CONTRACTOR** shall be

available to deliver the Fuel Oil to the point of delivery as designated by **GPA** within twenty-four (24) hours notice or less of receiving a request. **CONTRACTOR** must be available to receive and accept delivery requests daily, including weekends and holidays. The **CONTRACTOR** shall provide transfer pumps at its delivery trucks and/or whatever else may be necessary to deliver Fuel Oil to **GPA** storage tanks to the height of 45 feet. Fuel Oil deliveries shall be on an "on call" basis. **CONTRACTOR** must closely coordinate with the plants and shall exercise its best efforts to deliver Fuel Oil to **GPA** to meet operational requirements regardless of the estimates provided by **GPA.**

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All risk of loss, cost and liabilities prior to the time of passage of title of the Fuel Oil shall be on the **CONTRACTOR**.

## SECTION 6. TERMS OF PAYMENT

Invoices for Fuel Oil delivered pursuant to quantity (Fuel Oil receipts) and quality prescribed under the terms of this contract shall be submitted no more frequently than weekly, based on the number of Gallons of Fuel Oil delivered to **GPA** during the preceding period. The invoices must be supported by Fuel Oil receipts or receiving tickets including a receipt acknowledgement from a **GPA** representative. The payment terms are 30 days (net) beginning on the date the invoice is received by the **GPA** accounts payable section. All payments shall be based on the delivered quantity, corrected to volume (net) at 60 °F.

## SECTION 7. WARRANTY AND CLAIMS

**CONTRACTOR** shall represent and warrant as follows:

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a. **Ability to Supply.**

**CONTRACTOR** shall commit to supply Product that ~~warrants that the Fuel Oil shall~~ meet the specification prescribed under Section 8 and Schedule A herein and other pertinent sections. If the Fuel Oil fails to meet the specifications herein, **CONTRACTOR** shall be liable for any direct damages resulting therefrom.

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b. **Ability to Deliver.**

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**CONTRACTOR** shall own, lease or have the right to use tanker trucks, storage tanks, and other facilities sufficient to meet **CONTRACTOR**'s obligations under this Contract.

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**CONTRACTOR** shall be solely responsible for any damages caused by the **CONTRACTOR** or its agents during the process of Fuel Oil supply and delivery.

Claims against the **CONTRACTOR** for direct costs incurred on account of its negligent actions shall be given in writing together with all supporting documents, invoices and correspondence by **GPA** within thirty days (30) from date of delivery of Fuel Oil as specified in Section 4.

## SECTION 8. PRODUCT AND QUALITY

Test Methods shall be in conformance with the prescribed procedures set forth by the American Society for Testing and Materials (ASTM) Standards for Petroleum Products, Lubricants, and Fossil Fuels, or alternative tests acceptable and subject to prior authorization by **GPA**.

The Fuel Oil delivered to **GPA** shall have the physical and chemical characteristics as described in Schedule A.

Quality determination shall be performed and certified by an independent third party laboratory facility acceptable to **GPA**. Certificate of Quality (COQ) shall be representative of the product in the **CONTRACTOR'S** storage facility in Guam.

## SECTION 9. QUANTITY AND QUALITY ASSURANCE

**CONTRACTOR'S** 'Terminal Loading Rack' meters shall be utilized to determine the quantity of Fuel Oil delivered by tanker truck to **GPA** and shall be the basis for the Bill of Lading (BOL). **CONTRACTOR** shall have such meters calibrated no less than annually and shall furnish **GPA** a copy of the certificate of newly calibrated meter(s) within 10 days after the calibration date.
In the event of a dispute over the accuracy of the **CONTRACTOR's** meters, an independent third party mutually agreeable to both parties will be brought in to perform a recalibration. In the event of a miscalibration, the costs shall be borne by the **CONTRACTOR**. Any loss incurred by **GPA** as a result of miscalibration of meters shall be negotiated and returned to **GPA**.

Quantity shall be corrected to the volume at sixty degrees Fahrenheit. Conversion shall be made in accordance with the ASTM-IP Petroleum Measurement Tables (IP-200), Table 6B (latest edition).

Appropriate Certificate of Quality (COQ) reports shall also accompany each delivery and must be presented to the **GPA** receiving facility. Quality must conform with the requirements specified under Section 9 and Schedule A as a condition for acceptance of delivery.

In the event of a dispute over the quality of Fuel Oil received by **GPA**, an inspection of Fuel Oil will be conducted by an appointed third party inspector mutually acceptable to **GPA** and the **CONTRACTOR.**

**CONTRACTOR** is required to install security seals on valves and compartments of the delivery tanker trucks after Fuel Oil loading is completed. Seals shall remain intact upon inspection by the **GPA** receiving facility. Seal numbers shall be recorded in the delivery receipt and initialed by an authorized terminal representative. **GPA** reserves the right to reject deliveries with tampered or missing seals.

**CONTRACTOR** shall provide a comprehensive summary of the Fuel Oil delivery reports. **CONTRACTOR** shall tailor its reports to **GPA's** needs. **CONTRACTOR** shall submit copy(ies) of all Certificates of Quality (COQ) for the delivery month. Reports shall be submitted to the GPA within five (5) working days after each report month. **CONTRACTOR** shall also submit other reports and/or documentations that is relevant to the contract as may be required by the Authority.

**SECTION 10. QUANTITY DETERMINATION**

In the event of the variances between the BOL quantity and the GPA receipts, The **AUTHORITY** shall pay (absorb) a quantity shortfall up to ONE-FOURTH (0.25 %) of the gallons established quantity; shortages beyond the 0.25% tolerance shall be covered by the **CONTRACTOR.**

**GPA** reserves the right to require the intervention of a third party independent inspector for quantity determination. Such inspector shall be mutually acceptable to **GPA** and the **CONTRACTOR.** All quantities shall be corrected to volume at sixty degrees Fahrenheit (60 $^{o}$F) in accordance with the ASTM-IP Petroleum Measurement Table, Table 6B, the latest edition published shall be applicable.

Quantity certification prepared by independent inspector shall be final and binding upon both parties.

**SECTION 11. SECURITY OF SUPPLY**

**CONTRACTOR** is required to maintain a minimum of thirty (30) days inventory at the

**CONTRACTOR'S** ~~own~~ Guam storage facility. A list of the plant requirements is listed in Schedule C.

For security of supply in the event of unexpected, unplanned or forced baseload outages, severe typhoon or other calamities, **CONTRACTOR** shall prioritize delivery to **GPA** and guarantee uninterrupted supply of Fuel Oil up to the maximum daily consumption for each plant location as listed in Schedule D, during the recovery period.

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**CONTRACTOR** reserves the right to supply Fuel Oil meeting **GPA** quality specifications from any source. In the event that supplies are taken from such other places, then the price to Guam will remain the same as established in Section 4 above.

**CONTRACTOR** must submit a month-end Fuel Oil inventory report to **GPA**.

**GPA** reserves the right to audit the **CONTRACTOR** for safety fuel inventory stock compliance. Such audit shall be in accordance with generally accepted accounting practices.

**SECTION 12. GOVERNMENT LAWS AND REGULATIONS**

(a) If at any time during the term of the Contract the Government of the United States or the Territory of Guam enacts laws or issues regulations which would prevent **GPA** from burning the type of Fuel Oil to be supplied hereunder, **GPA** shall use its best efforts to obtain an exemption. In the event **GPA** cannot obtain an exemption from such laws and regulations, **CONTRACTOR** shall use its best efforts to furnish **GPA** substitute Fuel Oil which complies with such governmental laws and regulations at the same price set out herein, or if unreasonable, at a price to be renegotiated by the parties. If the substitute Fuel Oil causes an increase or decrease in **CONTRACTOR** 's cost of performance of the Contract, an equitable adjustment shall be made and the Contract modified in writing accordingly. Any claim of **CONTRACTOR** for adjustment under this section must be asserted in writing within thirty (30) days from date of receipt by **CONTRACTOR** of the notification of substitute Fuel Oil in compliance with Government laws, rules and regulations. Failure to agree to any adjustment shall be a dispute concerning a question of fact within the meaning of the clause of this Contract entitled "Governing Law and Disputes"(Section 20). However, nothing in this clause shall excuse the **CONTRACTOR** from proceeding with the Contract Fuel Oil specifications as changed in order to comply with Government laws, rules and regulations. Only in the event that the

parties cannot mutually agree upon the price at which **CONTRACTOR** is to furnish such substitute Fuel Oil, and **CONTRACTOR** refuses to provide such substitute Fuel Oil at the Contract price set out herein shall **GPA** then have the option of purchasing from other sources Fuel Oil at a lower price than that offered by **CONTRACTOR** in such negotiations which complies with such laws and regulations, but in any event, the **CONTRACTOR** shall have no recourse, other than those specified herein.

(b) **CONTRACTOR** shall at all times comply with all applicable laws and regulations of the Territory of Guam and the Federal Government and their respective agencies.

## SECTION 13. PERMITS AND RESPONSIBILITIES

The **CONTRACTOR** shall, without additional expense to **GPA**, be responsible for obtaining any necessary licenses and permits, and for complying with any applicable Federal and Territorial laws, codes and regulations necessary for performance of the Contract by **CONTRACTOR**.

## SECTION 14. FORCE MAJEURE

No failure or omission by either party to carry out or to observe any of the terms, provisions or conditions of the Contract shall, except in relation to obligations to make payments under the Contract, give rise to any claim by one party against the party in question or be deemed to be a breach of the Contract if such failure or omission arises from any cause reasonably beyond the control of the party, including but without prejudice to the generality of the foregoing:

(a) War, etc. War, hostilities, acts of public enemy or belligerents, sabotage, blockade, revolution, insurrection, riot or disorder;

(b) Restraints. Arrest or restraint of princes, rulers or peoples;

(c) Confiscation. Expropriation, requisition, confiscation or nationalization;

(d) Rationing. Embargoes, export or import restrictions or rationing or allocation, whether imposed by law, decree or regulation or by voluntary cooperation of industry at the insistence or request of any governmental authority or person purporting to act therefor;

(e) Regulations. Interference by restriction or onerous regulations imposed by civil or military authorities, whether legal or de facto and whether purporting to act under some constitution, decree, law or otherwise;

(f) Acts of God. Acts of God, fire, frost or ice, earthquake, storm, lightning, tide, tidal wave, or peril of the sea, accident of navigation or breakdown or injury of vessels;

(g) Loss of Tankers. Loss of tanker tonnage due to sinking by belligerents or to governmental taking whether or not by formal requisition;

(h) Accidents. Accidents to or adjuncts of shipping navigation;

(i) Strikes. Epidemics, quarantine, strikes or combination of workmen, lockouts, or other labor disturbances;

(j) Explosions. Explosion, accidents by fire or otherwise to wells, pipes, storage facilities, refineries, installations, machinery;

(k) Taking by Government. Unavailability of Fuel Oil because of the election of the government of the country of its origin to take royalty product in kind;

(l) Other Events. Any event, matter or thing wherever occurring and whether or not of the same class or kind as those set forth, which shall not be reasonably within the control and without the fault or negligence of the party affected thereby.

No failure or omissions to carry out or to observe any of the terms, provisions or conditions of the Contract shall give rise to any claim by one party against the other, or be deemed to be a breach of the Contract from the time of and to the extent occasioned by the Force Majeure, not from the date of notice of the Force Majeure is received.

## SECTION 15. NOTICE TO OTHER PARTY

Either party whose obligations may be affected by any of the forces or causes set out in Section 14, supra, shall promptly notify the other party in writing, giving full particulars thereof as soon as possible after the occurrence of such force or cause. Such party shall exercise due diligence to remove such cause with all reasonable dispatch and to resume performance at the earliest practicable time.

## SECTION 16. PAYMENT REQUIRED

Notwithstanding the provisions of Section 14, supra, **GPA** shall not be relieved of any obligation to make payments for any Fuel Oil delivered to Guam dock/**GPA** tanks hereunder; however, during the force majeure condition the obligation shall be suspended, except for Fuel Oil deliveries made prior to the force majeure condition.

## SECTION 17. PRORATION OR EQUITABLE ALLOCATION

If any of the events enumerated in Section 14, supra, have occurred, **CONTRACTOR** shall prorate or otherwise allocate in a fair and equitable manner among its customers, including **GPA**, the supplies of Fuel Oil **CONTRACTOR** have available for delivery at the time of the occurrence or for the duration of such event taking into account **GPA**'s unique situation as Guam's total dependence on Fuel Oil. **CONTRACTOR** shall also seek an alternative source of Fuel Oil to fulfill its contractual obligations.

## SECTION 18. ALTERNATE SUPPLY

**CONTRACTOR** reserves the right to supply Fuel Oil meeting **GPA** specifications from any alternate source. In the event that supplies are taken from such other places, then the price to Guam will remain the same as established in Section 4 above.

In the event **CONTRACTOR** is unable to fulfill its obligations under this Contract as a result of Section 14, supra, or if there is a sudden, unexpected increase in fuel demand that CONTRACTOR will be unable to supply at the time needed, **CONTRACTOR** shall seek an alternative source of Fuel Oil so long as such condition shall exist.

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In the event **CONTRACTOR** is unable to fulfill its obligations under this Contract as a result of any negligence on the part of the **CONTRACTOR**, **CONTRACTOR** shall seek an alternative source of Fuel Oil so long as such condition shall exist, without additional cost to **GPA**.

**GPA** may at its sole discretion seek an alternative source of Fuel Oil so long as such condition of negligence shall exist. If the cost of Fuel Oil during such period of negligence shall exceed the

**Comment [ANF1]:** 1.Contractor becomes negligent if they do not comply with last sentence of the 2nd paragraph.
2.Additional verbiage may be needed to be able to implement this clause without violating the Contract or any Procurement Law.

Contract price as provided in Section 4, the **CONTRACTOR** shall be liable to **GPA** for the difference, which may be taken from the Performance Bond.

Comment [ANF2]: Do we need to include any damages?

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**SECTION 19. RESUMPTION OF PERFORMANCE**

If **CONTRACTOR** is prevented from delivering or **GPA** is prevented from receiving all or any Fuel Oil to be sold under the Contract for the reasons which fall within the provisions of Section 14, supra, then the party so prevented shall, as to the remainder of the Fuel Oil not affected thereby, promptly resume performance of the Contract. No curtailment or suspension of deliveries or payment under the causes listed in Section 14, supra, shall operate to extend the term of or terminate the Contract unless the occurrence of force majeure will materially impair, for an indefinite period of time, the parties' ability to perform the Contract.

**SECTION 20. GOVERNING LAW AND DISPUTES**

(a) All controversies between **GPA** and the **CONTRACTOR** which arise under, or are by virtue of, this Contract and which are not resolved by mutual agreement, shall be decided by **GPA** pursuant to Guam Procurement laws and regulations.

(b) **CONTRACTOR** may pursue applicable remedies under the Guam Procurement Law and regulations and the Government Claims Act.

(c) The **CONTRACTOR** shall comply with any decision of **GPA** and proceed diligently with performance of this Contract pending final resolution by the Superior Court of Guam of any controversy arising under, or by virtue of, this Contract; provided, however, that in any event the **CONTRACTOR** shall proceed diligently with the performance of the Contract where the General Manager of **GPA** has made a written determination that continuation of work under the Contract is essential to the welfare of the Territory.

This Contract is made under, and shall be governed and construed in accordance with, the laws, statutes and regulations of the Territory of Guam, to the exclusion of all other legal systems. Wherever a term defined by the Uniform Commercial Code is used in the Contract the definition contained in the Uniform Commercial Code of Guam will control, unless otherwise specified.
The parties expressly submit to the jurisdiction of the Superior Court of the Territory of Guam, for the

resolution of any dispute or difference or claims between the parties in connection with the Contract, and to service of process by registered mail. The **CONTRACTOR** agrees to accept the jurisdiction of the Superior Court of the Territory of Guam for the resolution of any claims including but not limited to, claims for consequential, special or punitive damages. Judgment upon any award rendered by the Superior Court of the Territory of Guam may be entered in any court of any country having jurisdiction, and such award shall be binding upon the parties. The **CONTRACTOR** waives all rights against **GPA** to claim consequential, special or punitive damages.

## SECTION 21. CONTRACTOR'S INSURANCE

**CONTRACTOR** shall not commence work under this Contract until he has obtained all insurance required under this section and such insurance has been approved by **GPA**, nor shall the **CONTRACTOR** allow any Subcontractor to commence work on his subcontract until all similar insurance required of the Subcontractor has been so obtained and approved.

The **CONTRACTOR** shall provide a copy of their Insurance Policy to GPA within the period prescribed by **GPA**. All updates or revisions after contract commencement shall also be forwarded to **GPA**.

Failure on the part of the **CONTRACTOR** to provide the required documents and/or to enter into a contract with **GPA** shall be sufficient grounds for the annulment of the award. **GPA** may determine the bidder to be non-responsive to the bid, and may proceed with sending a Notice of Intent to Award to the next most qualified BIDDER.

A. **WORKMEN'S STATUTORY COMPENSATION INSURANCE AND EMPLOYER'S LIABILITY INSURANCE:** The **CONTRACTOR** shall take out and maintain during the life of this Contract the applicable statutory Workmen's Compensation Insurance with an insurance company authorized to write such insurance and in the applicable State or Territory covering all his employees, and in the case of any work sublet, the **CONTRACTOR** shall require the Subcontractor similarly to provide statutory Workmen's Compensation Insurance for the latter's employees. The **CONTRACTOR** shall secure and maintain, during the life of this Contract, Employer's Liability Insurance with a limit of $500,000 with an insurance company authorized to write such insurance in all states or territories where the Contractor will have employees located in the performance of this Contract. **CONTRACTOR** shall

provide a Waiver of Subrogation in favor of **GPA** via endorsement to the Workers Compensation policy.

**B. COMMERCIAL GENERAL LIABILTY:**

1. The **CONTRACTOR** shall maintain, during the life of this Contract, such Commercial General Liability as shall protect him against claims for damages resulting from (a) bodily injury, including wrongful death, and (b) property damage, which may arise from operations under this Contract whether such operations be by himself or by any Subcontractor or anyone directly or indirectly employed by either of them. The minimum acceptable limits of liability to be provided Liability Insurance shall be as follows:

| | |
|---|---|
| Bodily Injury Limits: | $ 1,000,000 Each Person |
| Property Damage Limits: | $ 1,000,000 Each Occurrence |
| | $ 2,000,000 Aggregate |

2. The Commercial General Liability required by the preceding Subparagraph 1 shall include the following extensions of coverage:

(a) The property damage coverage shall include a Broad Form Property Damage Endorsement.

(b) Contractual Liability coverage shall be included.

(c) Protective Liability coverage shall be included to protect the **CONTRACTOR** against claims arising out of operations performed by his Subcontractors.

(d) Products Liability and/or Completed Operations coverage shall be included.

(e) **GPA** shall be an additional insured on Commercial General Liability policy.

(f) **CONTRACTOR** shall grant Waiver of Subrogation in favor of **GPA.**

**C. AUTOMOBILE LIABILITY INSURANCE:**

The **CONTRACTOR** shall take out and maintain during the life of the Contract, such Automobile Liability insurance as shall protect him against claims for damages resulting from (a) bodily injury, including wrongful death, and (b) property damage, which may arise from the operations of any owned, hired or non-owned automobiles used by or for him in any

capacity in connection with the carrying out of this Contract. **GPA** shall be an additional insured on Auto Liability policy. **CONTRACTOR** will grant Waiver of Subrogation in favor of **GPA**. The minimum acceptable limits of liability to be provided by such Automobile Liability Insurance shall be as follows:

| | |
|---|---|
| Bodily Injury Limits: | $ 1,000,000 Each Person |
| | $ 1,000,000 Each Occurrence |
| Property Damage Limits: | $ 1,000,000 Each occurrence |

**D. POLLUTION LIABILITY INSURANCE:**

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

**E. EXCESS LIABILITY**

Excess Liability with limits of $5,000,000. **GPA** shall be an additional insured. **CONTRACTOR** shall grant Waiver of Subrogation in favor of **GPA**.

**F. CERTIFICATE OF INSURANCE:**

The **CONTRACTOR** shall furnish **GPA** with two (2) copies of a Certificate of Insurance evidencing policies required in Paragraphs B, C, D, E, and F above. Such certificates shall specifically indicate that the Commercial General Liability Insurance includes all extensions of coverage required in Paragraph C., Subparagraph 2. above. Such certificate shall specifically state that the insurance company or companies issuing such insurance policies shall give **GPA** at least thirty (30) days written notice in the event of cancellation of or material change in any of the policies. If coverage on said certificate(s) is shown to expire prior to completion of all terms of this Contract, the **CONTRACTOR** shall furnish a Certificates of Insurance evidencing renewal of such coverage to **GPA**. The Certificates of Insurance shall clearly show this Contract number.

The **CONTRACTOR** shall provide a copy of their Insurance Policy to **GPA** as part of the bid requirements. All updates or revisions after contract commencement shall also be forwarded to **GPA.**

**G. SUBCONTRACTOR'S INSURANCE:**

The **CONTRACTOR** shall require each of his Subcontractors to take out and maintain during the life of his Subcontract, the same insurance coverage required of the **CONTRACTOR** under Paragraphs B, C, D, E, and F above, including the extensions of coverage required under Paragraph C., Subparagraph 2, above. Each Subcontractor shall furnish to the **CONTRACTOR** two (2) copies of a Certificate of Insurance and such certificate shall contain the same information required in Paragraph C. above. The **CONTRACTOR** shall furnish one (1) copy of the certificate to **GPA.**

**H. INSURANCE COMPANY AND AGENT:**

All insurance policies herein required of the **CONTRACTOR** shall be written by a company duly authorized to do business in the Territory where supply under this Contract is being performed and be executed by some agent thereof duly licensed as an agent in said State or Territory.

**SECTION 22. INDEMNITY**

**CONTRACTOR** shall indemnify and hold **GPA** harmless from all damages to persons or property or to receiving facilities and delivery facilities, regardless of ownership, including the cost of enforcement of the indemnity, actually and proximately caused by **CONTRACTOR** or its agents in making deliveries hereunder. **CONTRACTOR** shall be responsible for cleaning up any Fuel Oil spillage caused by it or its agent or **CONTRACTORs** during the process of Fuel Oil delivery. **CONTRACTOR** shall carry at all times appropriate levels of insurance as determined by **GPA** to cover any such damage. The **CONTRACTOR** shall ensure that any transportation owned or leased by the Contractor for deliveries under this agreement shall meet the requirements of the U.S. Oil Pollution Act of 1990 (OPA 90).

**SECTION 23. TRANSPORTATION**

**CONTRACTOR** shall arrange for the transportation of the Fuel Oil to **GPA.**

All risk of loss, cost and liabilities prior to the time of passage of title of the Fuel Oil to shall be on the **CONTRACTOR.**

**CONTRACTOR** 's and **GPA**'s rights and duties under Section 22 and Section 23 do not supersede or control the provisions of Section 14 Force Majeure.

**SECTION 24. FAILURE TO SUPPLY**

If the **CONTRACTOR** refuses or fails to perform any of the provisions of this Contract with such diligence as will ensure the timely delivery of Fuel Oil supply or commits any other substantial breach of this Contract, **GPA** may notify the **CONTRACTOR** in writing of the delay or non-performance and if not cured within THIRTY (30) days of the date of notification, **GPA** may terminate the Contract in whole or such part of the Contract as to which there has been a delay or a failure to properly perform. In the event of termination in whole or in part, **GPA** reserves the right to procure Fuel Oil supply from another source immediately upon issuance of such notification or whenever it deems appropriate.

**SECTION 25. FAILUE TO PAY**

Failure to pay an invoice and any late penalties, if any, within a period of THIRTY (30) days from the due date of such invoice, shall be a default and should such a default not be cured within THIRTY (30) days of default, **CONTRACTOR** may, at its option, do either of the following:

(a) Terminate the Contract forthwith or forthwith suspend delivery under the Contract until further notice, on notifying **GPA** orally or by notice in writing; or

(b) Continue to supply Fuel Oil and bring suit in the Superior Court of Guam for amounts past due and as they become due.

**SECTION 26. FAILURE TO COMPLY WITH LAWS**

In the event the **CONTRACTOR** or any person or entity identified as principals in the offer submitted in connection with the bid shall be found by any court or administrative agency having jurisdiction over the subject matter of the violation, to have violated any law, rule or regulation in connection with **CONTRACTOR** 's performance of the obligations under the Contract in any manner whatsoever directly or indirectly which violation shall constitute a breach of the peace, or an

act involving moral turpitude or otherwise constitute endangerment of the health, safety and welfare of the citizens of the Territory of Guam, **GPA** may at its sole discretion terminate this Contract upon THRITY (30) days written notice.

**SECTION 27. DEFAULT**

If a PARTY refuses or fails to perform any of its obligations under this Contract, the non-breaching PARTY shall notify the PARTY either by e-mail or in writing within thirty (30) days of the breach. If the PARTY does not remedy the breach within thirty (30) days after the date of notification, non-breaching PARTY may by giving notice to the other PARTY terminate the Contract in whole or suspend taking of delivery under the Contract.

In the event of partial termination or suspension under this provision, **GPA** reserves the right to procure Fuel Oil supply from another source upon notification to **CONTRACTOR** either by e-mail or in writing. Fuel Oil to be procured shall be at the prevailing market price at the time of partial termination or suspension.

In the event of termination because of **GPA's** default, the **CONTRACTOR** shall not be liable for the difference between the Contract price and the prevailing market price at the time of termination.

**SECTION 28. ATTORNEYS FEES**

Should a default by either party result in litigation, the successful party shall be entitled to recover its reasonable attorney's fees from the defaulting party.

**SECTION 29. TERMINATION FOR CONVENIENCE**

(a) **Termination**.

The delivery of Fuel Oil supply under this Contract may be terminated by **GPA** in accordance with this clause in whole, or from time to time in part.

Any such termination shall be effected by delivery to the **CONTRACTOR** of a written Notice of Termination specifying the extent to which supply of Fuel Oil under the Contract is terminated, and the Contract shall be terminated effective ~~THREE HUNDRED SIXTY FIVE (365)~~ NINETY (90) days after receipt of notice by **CONTRACTOR**.

**Comment [ANF3]:** 365 days may be too restrictive for GPA.

In the case of termination of this Contract, **GPA** shall reimburse the **CONTRACTOR** of all the expenses related to the period of the Performance Bond that were not used.

(b) **CONTRACTOR's OBLIGATIONS.**

The **CONTRACTOR** shall incur no further obligations in connection with the terminated Fuel Oil supply and delivery and on the date set in the Notice of Termination the **CONTRACTOR** will stop delivery of Fuel Oil to the extent specified. The **CONTRACTOR** shall also terminate outstanding orders and Contracts, if any, as they relate to the terminated Contract for Fuel Oil supply. The **CONTRACTOR** shall settle the liabilities and claims arising out of the termination of orders and Contracts, if any, connected with the terminated Fuel Oil supply. **GPA** may direct the **CONTRACTOR** to assign the **CONTRACTOR'S** right, title and interest under the terminated orders or Contracts to **GPA**. The **CONTRACTOR** must still deliver Fuel Oil where supply is not terminated by the Notice of Termination and may incur obligations as are necessary to do so.

(c) **Compensation.**

(1) The **CONTRACTOR** shall submit a termination claim specifying the amounts due because of the termination for convenience. If the **CONTRACTOR** fails to file a termination claim within ONE (1) year from effective date of termination, **GPA** may pay the **CONTRACTOR**, if at all, an amount set in accordance with subparagraph (3) of this paragraph.

(2) **GPA** and the **CONTRACTOR** may agree to a settlement provided the **CONTRACTOR** has filed a termination claim supported by cost or pricing data to the extent required by Section 3-403 (Cost or Pricing Data) of the Guam Procurement Regulations and that the settlement does not exceed the total Contract price plus settlement costs reduced by payments previously made by **GPA**, the proceeds of any sales of supplies and manufacturing materials under the Uniform Commercial Code of Guam, and the Contract price of the Fuel Oil supply not terminated.

(3) Absent complete agreement under subparagraph (2) of this paragraph, **GPA** may pay the **CONTRACTOR** the following amounts, provided payments agreed to under subparagraph (2) shall not duplicate payments under this subparagraph:

(i) Fuel Oil Contract prices for supplies or services accepted under the Contract by **GPA**;

(ii) Costs incurred in preparing to perform and performing the terminated portion of the delivery of Fuel Oil plus a fair and reasonable profit on such portion of the delivery (such profit shall not include anticipatory profit or consequential damages) less amounts paid or to be paid for accepted Fuel Oil supplies or services; provided, however, that if it appears that the **CONTRACTOR** would have sustained a loss if the entire Contract would have been completed, no profit shall be allowed or included and the amount of compensation shall be reduced to reflect the anticipated rate of loss;

(iii) Costs of settling and paying claims arising out of the termination of Contracts or orders pursuant to paragraph (2) of this clause. These costs must not include costs paid in accordance with subparagraph (3)(ii) of this paragraph;

(iv) The reasonable settlement costs of the **CONTRACTOR** including accounting, legal, clerical, and other expenses reasonably necessary for the preparation of settlement claims and supporting data with respect to the terminated portion of the Contract for the termination and settlement of Contracts thereunder, together with reasonable storage, transportation, and other costs incurred in connection with the protection or disposition of property allocable to the terminated portion of this Contract. The total sum to be paid the **CONTRACTOR** under this subparagraph shall not exceed the total Contract price plus the reasonable settlement costs of the **CONTRACTOR** reduced by the amount of payments otherwise made, the proceeds of any sales of supplies and manufacturing materials under the Uniform Commercial Code.

**SECTION 30. REMEDIES CUMMULATIVE**

Each and all remedies available to a party in the event of the other party's failure to comply timely with any or all the terms and conditions of the Contract may be exercised independently or in combination (such rights being nonexclusive one with the other). The remedies set forth in the Contract are in addition to, and not in lieu of, all of the remedies available at law or in equity.

## SECTION 31. COVENANT AGAINST CONTIGENT FEES

The **CONTRACTOR** warrants no person or selling agency has been employed or retained to solicit or secure the Contract upon agreement or understanding for a commission, percentage, brokerage, or contingent fee, excepting bona fide employees or bona fide established commercial or selling agency maintained by the **CONTRACTOR** for the purpose of securing business. For breach or violation of this warranty, **GPA** shall have the right to annul the Contract without liability or, in its discretion, to deduct from the Contract price or consideration, or otherwise recover, the full amount of such commission, percentage, brokerage, or contingent fee.

## SECTION 32. NOTICE

Except as otherwise expressly specified herein, any notice to be given hereunder by either party to the other shall be deemed sufficiently given if in writing and enclosed in an envelope properly stamped and addressed to the party at the address set forth in this section, and deposited in the United States mail. Either party may change its address by giving fifteen (15) days prior written notice to the other party. Such address until further notice shall be:

**GPA:** General Manager
Guam Power Authority
Post Office Box 2977
Hagatna, Guam 96932-2977
TELEFAX: (671) 648-9225

**CONTRACTOR:** _____
_____
_____
_____
_____
_____

## SECTION 33. INTEREST OF OTHER PARTIES

**CONTRACTOR** warrants that no member of the governing body of **GPA**, and no other officer, employee, or agent of **GPA** who exercises any functions or responsibilities in connection with the work to which the Contract pertains, and no employee, agent or member of the Guam Legislature or other public official of the Government of Guam, has or shall have any personal economic or financial interest, direct or indirect, in the Contract.

## SECTION 34. ASSIGNMENT

**CONTRACTOR** declares that the only persons or parties interested in the Contract as principals are named herein and that the Contract is made without participation by or benefit to any other person, firm or corporation, except as specified herein.

**CONTRACTOR** agrees that it will not assign to nor permit Contract participation in whole or in part by any other person, firm or corporation not specified as a principal without the prior written consent of **GPA**. If such assignment is permitted, **CONTRACTOR** will guarantee the performance of all terms and obligations of the Contract, and such assignment shall not alter **CONTRACTOR**'s obligations hereunder. No assignee of **CONTRACTOR** shall have the right to assign the Contract without **GPA**'s consent which may be given or refused at **GPA**'s absolute discretion.

**CONTRACTOR** and **GPA** shall not transfer or assign its rights and obligations under this contract, in whole or in part, without the prior written consent of the other party. Notwithstanding the foregoing, the **CONTRACTOR** may transfer or assign its rights and obligations under this contract, in whole or in part, to a US based affiliate (as defined hereinafter), with ninety (90) days prior notice to and at the consent of **GPA**. For the purpose of this contract, "US based affiliate" means any company or legal entity based in the United States of America which (a) controls either directly or indirectly a party hereto, or (b) is controlled directly or indirectly by such party, or (c) is directly or indirectly controlled by a company or entity which directly or indirectly controls such party. "Control" for purposes of the previous sentence means the ability to direct the management and policies of a company or legal entity, whether through ownership of securities, by contract or otherwise.

## SECTION 35. TIME

Time is of the essence in the Contract and in every part hereof.

## SECTION 36. SPECIFICATIONS

Should **GPA** wish to alter any of the specifications set out in Section 8 and Schedule A, method and terms of delivery, for good cause, it shall give written notice to **CONTRACTOR** within thirty (30) days. If such changes cause an increase or decrease in **CONTRACTOR**'s cost of performance of Contract, an equitable adjustment shall be made and the Contract modified in writing accordingly. Any claim by **CONTRACTOR** for adjustment under this section must be asserted in writing within thirty (30) days from the date of receipt by **CONTRACTOR** of the notification of changed specifications. **CONTRACTOR** and **GPA** shall, in good faith, negotiate an equitable adjustment pursuant to the change in specifications. If **CONTRACTOR** and **GPA** fail to agree on the adjustment to be made within thirty (30) days after **CONTRACTOR** receives notice of altered specifications, or if **CONTRACTOR** is unwilling to meet the altered specifications, the parties shall be subject to the provisions under Section 20 (Governing Law and Disputes) clause. However, nothing in this clause shall excuse the **CONTRACTOR** from proceeding with the Contract Fuel Oil specifications as changed.

## SECTION 37. AMENDMENT AND WAIVER

Neither the Contract nor any provision hereof may be changed, waived, altered, amended, discharged or terminated orally, but only by an instrument in writing signed by the party against whom enforcement of the change, waiver, alteration, amendment, discharge or termination is sought. For purposes of this Contract, the signature of the Chairman or his designee, of the Consolidated Commission on Utilities is required to bind **GPA**.

Failure by either party to object to any failure of performance by the other party of any provision of the Contract shall not constitute a waiver of, or estoppel against, the right of such party to require such performance by the other. Nor shall any such failure to object constitute a waiver or estoppel with respect to any succeeding failure of performance.

## SECTION 38. DESCRIPTIVE HEADINGS

The descriptive headings of the several sections and subsections in this Contract are inserted for convenience only and shall not be deemed to affect the meaning or construction of any provision hereof.

## SECTION 39. RELATIONSHIP OF PARTIES

Nothing contained in the Contract shall be deemed or construed by the parties or by any third person to create the relationship of principal and agent or of partnership or of joint venture or of any association between **CONTRACTOR** and **GPA**, and no provisions contained in the Contract nor any acts of the parties shall be deemed to create any relationship between **GPA** and **CONTRACTOR**, other than the relationship of buyer and seller.

## SECTION 40. NUMBER AND GENDER

In the Contract the masculine gender includes the feminine and neuter, the singular number includes the plural, and the word "person" includes corporation, partnership, firm or association wherever the context so requires.

## SECTION 41. SUCCESSORS IN INTEREST

Each and all of the covenants, conditions, and restrictions in the Contract shall inure to the benefit of and shall be binding upon the permitted assignees and successors in interest of either party.

## SECTION 42. PARTIAL INVALIDITY

Should any part of the Contract for any reason be declared to be invalid, such decision shall not affect the validity of any remaining portion thereof, which remaining portion shall remain in force and effect as if the Contract had been executed with the invalid portion thereof eliminated, and it is hereby declared the intention of the parties that they would have executed the remaining portion of the Contract without including any such part, parts, or portions which may, for any reason, be hereafter declared invalid.

**SECTION 43. EQUAL OPPORTUNITY CLAUSE**

During the performance of the Contract the **CONTRACTOR** agrees as follows:

(a) The **CONTRACTOR** will not discriminate against any employee or applicant for employment because of race, color, religion, sex, political opinion or affiliation, or national origin. The **CONTRACTOR** will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, sex, political opinion or affiliation, or national origin. Such action shall include, but not be limited to, the following: employment, upgrading, demoting, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The **CONTRACTOR** agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the **GPA** setting forth the provisions of this equal opportunity clause.

(b) The **CONTRACTOR** will, in all solicitations or advertisements for employees placed by or on behalf of the **CONTRACTOR**, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, political opinion or affiliation, or national origin.

**SECTION 44. PROHIBITION AGAINST GRATUITIES, KICKBACKS, AND FAVORS TO THE TERRIRORY.**

5 GCA §5630(c) prohibits the CONSULTANT against gratuities, kickbacks, and favors to the Territory.

**SECTION 45. RESTRICTIONS AGAINST CONTRACTOR EMPLOYING CONVICTED SEX OFFENDERS FROM WORKING AT GOVERNMENT OF GUAM VENUES**

5 GCA §5253(b) restricts the **CONTRACTOR** against employing convicted sex offenders from working at Government of Guam venues. It states:(b) All contracts for services to agencies listed herein shall include the following provisions: (1) warranties that no person providing services on behalf of the **CONTRACTOR** has been convicted of a sex offense under the provisions of Chapter 25 of Title 9 GCA or an offense as defined in Article 2 of Chapter 28, Title 9 GCA, or an offense in another jurisdiction with, at a minimum, the same elements as such offenses, or who is listed on the Sex Offender Registry; and (2) that if any person providing services on behalf of the

**CONTRACTOR** is convicted of a sex offense under the provisions of Chapter 25 of Title 9 GCA or an offense as defined in Article 2 of Chapter 28, Title 9 GCA or an offense in another jurisdiction with, at a minimum, the same elements as such offenses, or who is listed on the Sex Offender Registry, that such person will be immediately removed from working at said agency and that the administrator of said agency be informed of such within twenty-four (24) hours of such conviction.

**SECTION 46. CONTRACT BINDING EFFECT**

All EXHIBITS attached hereto are incorporated herein by reference in its entirety.

This Contract is binding upon the **CONTRACTOR** only if **CONTRACTOR** has been awarded the Contract in response to the **IFB-GPA- -17**. This Contract is subject to the approval of **GPA** and the Public Utilities Commission and it shall not be binding on part of **GPA** until such approval is made as evidenced by the signatories below.

For the **Guam Power Authority (GPA)**:

_____ _____

**John M. Benavente, P.E.** **DATE**
**General Manager**

For **(CONTRACTOR)**: _____.

(Company Seal)

_____ _____

**CONTRACTOR, Duly Authorized** **DATE**
**REPRESENTATIVE OF COMPANY**

**APPROVED AS TO FORM:**

**Graham Botha, Legal Counsel**
**GUAM POWER AUTHORITY**

**DATE**

**SCHEDULE A: PRODUCT QUALITY SPECIFICATION**

**DIESEL FUEL Oil No. 2 [A]**

| Property | ASTM Test Method [B] | Alternate Method ASTM | Unit of Measure | Limits | |
|---|---|---|---|---|---|
| Flash Point | D93 | | °C | 55 | Min |
| Water & Sediment | D2709 | | % vol | 0.05 | Max |
| Distillation Temp, °C | | | | 282 | Min |
| 90%, recovered | D86 | | % vol | 360 | Max |
| Kinematic Viscosity | D-445 | | $mm^2$ at 40°C | 1.9 | Min |
| | | | | 4.1 | Max |
| Ash | D482 | | % mass | 0.01 | Max |
| Sulfur | D5453 | D-7039 | ppm (µg/g) | 12 | Max |
| Copper Strip Corrosion Rating (3hrs min at 50°C) | D130 | | | No.1 | Max |
| Cetane Index | D 613 | D976-80 D 4737 | | 46 | Min |
| Aromaticity | D1319 | | % vol | 15 | Min |
| | | | | 35 | Max |
| Micro Carbon Residue on 10% distillation residue | D524 | D4530 D6371 | % mass | 0.20 | Max |
| Lubricity, HFRR @ 60°C | D6079 | | Micron | 400 | Max |
| Conductivity | D2624 | D4308 | pS/m | 50 | Min |
| Density @ 15°C | D1298 | D4052 | $Kg/m^3$ | 820 | Min |
| | | | | 850 | Max |
| Gravity, API @ 60°F | D1295 | D4052 | | 35 | Min |
| | | | | 41 | Max |
| Color | D1500 | | ASTM | 2.0 | Max |
| Strong Acid No. | D974 | | mg KOH/g | NIL | |
| Total Acid No. | D974 | | mg KOH/g | 0.4 | Max |
| Stability (Oxidation), 16Hrs | D2274 | | mg/L | 25 | Max |
| Appearance @ ambient temp | Visual | | | Report | |
| Guaranteed Heating Value (HHV) | D240 | | MMBTU/bbl | 5.70 | Min |

**Comment [ANF4]:** Limits for adjusted providing allowance to critical parameters to ensure results will still meet ASTM requirements in the event of discrepancies of test results between loadport & discharge port.

**Comment [ANF5]:** Increased from 52

**Comment [ANF6]:** Reduced from 15

**Comment [ANF7]:** Reduced from 460

**Comment [ANF8]:** Increased from 25

**Comment [ANF9]:** Reduced from 0.5

[A] Follows the minimum requirements for **Ultra-Low Diesel Fuel Oils (ULSD)** listed under ASTM 975-10.

[B] These test methods are specified in 40CFR Part 80. Test methods must follow the latest version.

[C] Appearance must be clear at ambient temperature and free from undissolved water and sediment.

The Authority may require the supplier to conduct additional test as may be required for plant's performance/efficiency evaluation.

**SCHEDULE B: ESTIMATED ANNUAL FUEL OIL REQUIREMENTS**

This information is provided as reference material only. Although every attempt has been made to ensure it accuracy, GPA makes no guarantees that these quantities will be achieved but they may be exceeded. GPA expressly disclaims any liability whatsoever arising from reliance or non-reliance of the data provided.

| Plant Location | Name of Plant | Estimated Annual Requirement (Gallons per Year) |
|---|---|---|
| **1. Baseloads** | Cabras 1&2, MEC 8&9 | **100,000 – 200,000** |
| **2. Tenjo Vista** | Tenjo Vista | **5,000,000 - 7,000,000** |
| **3. Fast Tracks** | Talofofo | **3,000,000 - 4,000,000** |
| | Manengon | |
| **4. TEMES CT** | TEMES CT | **3,000,000 - 5,000,000** |
| **5. Northern Plants** | Dededo CT | **9,000,000 - 12,000,000** |
| | Macheche CT | |
| | Yigo CT | |
| | Aggreko | |
| **TOTAL** | | **20,060,000 - 28,100,000** |

Actual quantities may vary depending on the dispatching of the plants. The estimated Fuel Oil requirement provided herein are only approximate values and is subject to change. **GPA** shall reasonably notify the Contractor for any changes in the estimated fuel oil requirements.

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**SCHEDULE C: 30-DAYS MINIMUM INVENTORY REQUIREMENTS**

| Plant Location | Name of Plant | 30-days Minimum Inventory Requirements (Gallons) |
|---|---|---|
| **1. Baseloads** | Cabras 1&2, MEC 8&9 | **20,000** |
| **2. Tenjo Vista** | Tenjo Vista | **500,000** |
| **3. Fast Tracks** | Talofofo | **250,000** |
| | Manengon | |
| **4. TEMES CT** | TEMES CT | **250,000** |
| **5. Northern Plants** | Dededo CT | **750,000** |
| | Macheche CT | |
| | Yigo CT | |
| | Aggreko | |
| **TOTAL** | | **1,770,000** |

The estimated Fuel Oil requirement provided herein is subject to change. **GPA** shall reasonably notify the **CONTRACTOR** for any changes in the Fuel Oil requirements.

**SCHEDULE D: PLANT CONSUMPTION AT MAXIMUM CAPACITIES**

| Plant Location | Name of Plant | Max. Load per Plant (MW) | Plant Efficiency (kwh/gal) | Fuel Consumption per unit (gals/hr) | Fuel Consumption per unit (gals/day) | No. of Units | Total Fuel Consumption at Maximum Capacity (gals/day) | |
|---|---|---|---|---|---|---|---|---|
| **Tenjo Vista** | Tenjo Vista | 4.4 | 13.60 | 324 | 7,765 | 4 | **31,059** | **31,059** |
| **Fast Tracks** | Talofofo | 4.4 | 14.34 | 307 | 7,364 | 2 | **14,728** | **31,999** |
| | Manengon | 5.3 | 14.73 | 360 | 8,635 | 2 | **17,271** | |
| **TEMES CT** | TEMES CT | 40.0 | 9.16 | 4,367 | 104,803 | 1 | **104,803** | **104,803** |
| **Northern CTs** | Dededo CT | 22.0 | 9.56 | 2,301 | 55,230 | 2 | **110,460** | **277,203** |
| | Macheche CT | 22.0 | 10.45 | 2,105 | 50,526 | 1 | **50,526** | |
| | Yigo CT | 22.0 | 11.64 | 1,890 | 45,361 | 1 | **45,361** | |
| | Aggreko | 1.0 | 13.21 | 76 | 1,817 | 39 | **70,855** | |
| **TOTAL** | | | | | | | | **445,064** |

CONSOLIDATED
COMMISSION ON UTILITIES
Guam Power Authority • Guam Waterworks Authority
P.O.BOX 2977 • Agana,Guam 96932

**RESOLUTION NO. 2017-06**

**AUTHORIZING MANAGEMENT OF GUAM POWER AUTHORITY (GPA) TO AWARD THE ENERGY STORAGE PHASE I CONTRACT TO LG CNS**

**WHEREAS**, Guam Power Authority (GPA) issued its 2014 Series A Revenue Bond on September 18, 2014 and a portion of these bonds are reserved for an Energy Storage System (ESS) in the amount of $35,000,000 to help alleviate system frequency issues and support renewable energy integration; and

**WHEREAS**, the Energy Storage System Phase I project involves the design, procurement, installation and interconnection of a 24 MW ESS at the GPA Agana Substation and 16 MW ESS at the Talofofo Substation; and

**WHEREAS**, GPA hired Andriano E. Balajadia, P.E. and his subcontractor Electric Power Systems to assist with the development of the bid documents and provide technical support during the ESS procurement process for $367,219; and

**WHEREAS**, through Invitation for Multi-Step Bid No. GPA-182-15, GPA solicited the services of an Engineer/Procure/Construct (EPC) contractor to provide a "turn-key" project based on the following:

- The ESS projects will be commissioned within 12 months after the award of the contract
- The technology proposed for the ESS will have at least 1 year of commercial operations history in a utility environment
- The ESS will deliver energy directly to the existing GPA transmission system

- The ESS will have a minimum 20-year warranty
- A 25-year performance-based Operations and Maintenance (O&M) contract will be provided with the ESS

**WHEREAS**, upon evaluation of the submitted bid proposals, the GPA Bid Evaluation Committee determined that LG CNS was the lowest, qualified bidder and recommends awarding the contract to LG CNS for the amount of $34,999,070 for the design/construction and annual O&M amounts ranging from $217,040 to $400,997 as indicated in Exhibit A; and

**WHEREAS**, the total cost of the bid development support contract with Andriano E. Balajadia, P.E. ($367,219) and the design/construction contract with LG CNS ($34,999,070) is $35,366,289 which is over the 2014 Series A Revenue Bond funding by $366,289; and

**WHEREAS**, GPA will fund the excess amount of $366,289 through its FY2018 CIP budget and will fund the annual O&M payments through its O&M budget; and

**WHEREAS**, Exhibit B contains the draft contract between GPA and LG CNS for the Energy Storage System Phase I project; and

**WHEREAS**, through GPUC Docket 15-16 in the matter of GPA's request for review and approval of the bid documents, the GPUC ordered GPA to seek prior approval from the GPUC before entering into a final contract with the selected contractor.

**NOW, THEREFORE BE IT RESOLVED,** by the Consolidated Commission on Utilities as follows:

1. The General Manager of the Guam Power Authority is authorized to petition the Guam Public Utilities Commission for review and approval of the contract between GPA and LG CNS for the Energy Storage System Phase I project.

**RESOLVED**, that the Chairman certifies and the Secretary attests to the adoption of this Resolution.

**DULY AND REGULARLY ADOPTED** this 24th day of January, 2017.

| **Certified by:** | **Attested by:** |
|---|---|
| **JOSEPH T. DUENAS** | **J. GEORGE BAMBA** |
| Chairperson | Secretary |
| Consolidated Commission on Utilities | Consolidated Commission on Utilities |

## SECRETARY'S CERTIFICATE

I, **J. George Bamba**, Secretary for the Consolidated Commission on Utilities do hereby certify that the foregoing is a full, true, and correct copy of the resolution duly adopted at a regular meeting of the members of Guam's Consolidated Commission on Utilities, duly and legally held at the meeting place thereof on *January 24, 2017*, at which meeting of all said members had due notice and at which at least a majority thereof were present, and

At said meeting said resolution was adopted by the following vote:

| | |
|---|---|
| Ayes: | 5 |
| Nays: | 0 |
| Absent: | 0 |
| Abstain: | 0 |

As of the date of this certification, said original resolution has not been amended, modified, or rescinded since the date of its adoption, and the same is now in full force and effect.

**SO CERTIFIED** this 24th day of January 2017.

**J. GEORGE BAMBA**
Secretary
Consolidated Commission on Utilities

"EXHIBIT A"

| LG CNS | | | |
|---|---|---|---|
| | 24 MW Agana | 16 MW Talofofo | Total |
| | | | |
| Design & Construction | $ 16,799,554 | $ 18,199,516 | $ 34,999,070 |
| | | | |
| Fixed O&M Annual Fee | | | |
| Year 1 | $ 108,520 | $ 108,520 | $ 217,040 |
| Year 2 | $ 111,259 | $ 111,259 | $ 222,518 |
| Year 3 | $ 114,075 | $ 114,075 | $ 228,150 |
| Year 4 | $ 116,969 | $ 116,969 | $ 233,938 |
| Year 5 | $ 119,943 | $ 119,943 | $ 239,886 |
| Year 6 | $ 123,000 | $ 123,000 | $ 246,000 |
| Year 7 | $ 126,143 | $ 126,143 | $ 252,286 |
| Year 8 | $ 129,373 | $ 129,373 | $ 258,746 |
| Year 9 | $ 132,693 | $ 132,693 | $ 265,386 |
| Year 10 | $ 136,106 | $ 136,106 | $ 272,212 |
| Year 11 | $ 139,615 | $ 139,615 | $ 279,230 |
| Year 12 | $ 143,222 | $ 143,222 | $ 286,444 |
| Year 13 | $ 146,931 | $ 146,931 | $ 293,862 |
| Year 14 | $ 150,744 | $ 150,744 | $ 301,488 |
| Year 15 | $ 154,663 | $ 154,663 | $ 309,326 |
| Year 16 | $ 158,694 | $ 158,694 | $ 317,388 |
| Year 17 | $ 162,837 | $ 162,837 | $ 325,674 |
| Year 18 | $ 167,098 | $ 167,098 | $ 334,196 |
| Year 19 | $ 171,479 | $ 171,479 | $ 342,958 |
| Year 20 | $ 175,984 | $ 175,984 | $ 351,968 |
| Year 21 | $ 180,617 | $ 180,617 | $ 361,234 |
| Year 22 | $ 185,380 | $ 185,380 | $ 370,760 |
| Year 23 | $ 190,279 | $ 190,279 | $ 380,558 |
| Year 24 | $ 195,316 | $ 195,316 | $ 390,632 |
| Year 25 | $ 200,498 | $ 200,499 | $ 400,997 |

"EXHIBIT B"

# INVITATION FOR MULTI-STEP BID

## NO.: GPA-082-15

## ENERGY STORAGE SYSTEM

## PHASE I

## DRAFT CONTRACT

# CONTRACT

(Contractor)

GUAM POWER AUTHORITY

2017

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**FORMAL CONTRACT**

This Agreement and Formal Contract ("Contract"), is made and entered into on the _____ day of _____, 2017 by and between:

_____, hereinafter referred to as CONTRACTOR, duly organized, licensed, registered and qualified to do business in Guam with its principal address at _____

and

Guam Power Authority, hereinafter referred to as the "Authority" or "GPA", a Public Corporation with its office located at Gloria B. Nelson Public Service Building, 688 Route 15, Mangilao, Guam 96913;

**RECITALS**

WHEREAS, GPA desires to design and construct the Energy Storage System Phase I project; and

WHEREAS, GPA has provided adequate public announcement of the need for such services through an Invitation for Multi-Step Bid, GPA-082-15, describing the type of services required and specifying the type of information and data required of each bidder; and

WHEREAS, CONTRACTOR submitted a bid proposal to design and construct the Energy Storage System Phase I project; and

WHEREAS, GPA, upon evaluation of the submitted bid proposal, determined that CONTRACTOR is the most responsive bidder to provide the services set forth in the Multi-Step Bid; and

WHEREAS, CONTRACTOR is fully willing to provide, and is capable of performing the design and construction of the Energy Storage System Phase I project, set forth in the Multi-Step Bid and Agreement in accordance with the terms and conditions thereof; and

WHEREAS, the Consolidated Commission on Utilities has determined that to hire CONTRACTOR to design and construct the Energy Storage System Phase I project is in the best interest of GPA.

NOW, THEREFORE, in consideration of the above premises and the mutual promises set forth herein and the terms and conditions hereinafter set forth and for other good and valuable consideration, receipt of which is hereby acknowledged, CONTRACTOR and GPA hereby agree as follows:

## SECTION 1. PURPOSE AND SCOPE OF SERVICES

### 1.1 Purpose

CONTRACTOR agrees to provide all the services as required under the Contract Documents and GPA agrees to pay for all the services rendered, in the amount of $_____ plus any and all sums to be added and/or deducted resulting from all extra and/or omitted work in connection therewith, to design and construct the Energy Storage System Phase I project on or about 365 Calendar Days after NTP.

### 1.2 Scope of Services

CONTRACTOR agrees to furnish all the necessary labor, supplies and materials, machinery, equipment, facilities, tools and services necessary or proper to perform and complete in a workmanlike manner all the work required for the design and construction of the Energy Storage System Phase I project as required under the Contract Documents and herein. CONTRACTOR shall observe, comply with and be subject to all terms, conditions, requirements, and limitations of the Contract Documents and shall carry on the Contract to the satisfaction of GPA.

## SECTION 2. CONDITIONS PRECEDENT

### 2.1 CONTRACTOR's Submittals

CONTRACTOR shall supply the following to GPA, each in form and substance satisfactory to GPA unless such condition precedent is waived by GPA:

A. Copies of resolutions adopted by CONTRACTOR's Board of Directors authorizing the execution, delivery and performance by CONTRACTOR of this Agreement certified by the company secretary of CONTRACTOR in a manner satisfactory to GPA;
B. Performance Bond as specified in Appendix F of the Multi-Step Bid Documents;
C. Copy of the Articles of the Incorporation of CONTRACTOR certified by the company secretary in a manner satisfactory to GPA;
D. Copy of CONTRACTOR's license to do business in Guam.

### 2.2 GPA's Submittals

GPA shall supply the following, each in form and substance satisfactory to CONTRACTOR unless such condition precedent is waived by CONTRACTOR:

A. Copies of resolutions adopted by the Consolidated Commission on Utilities authorizing the execution, delivery and performance by GPA of this Agreement, each certified by the corporate secretary of the CCU in a manner satisfactory to CONTRACTOR;

## SECTION 3. CONTRACT DOCUMENTS

### 3.1 Documents Included

It is mutually agreed that the following lists of documents which are attached hereto, bound herewith or incorporated herein by reference shall constitute the contract documents, all of which are made a part hereof, and collectively evidence and constitute the contract between the parties hereto, and they

are as fully a part of this Agreement as if they were set out verbatim and in full herein, and are designated as follows in their order of precedence:

A. This Contract
B. Amendments to Multi-Step Bid No.: GPA-082-15
C. Multi-Step Bid No.: GPA-082-15
D. CONTRACTOR's Proposals for Multi-Step Bid No.: GPA-082-15
E. The Performance Bond
F. Affidavit of Disclosure of Major Shareholders
G. Audited financial information on CONTRACTOR's firm and all subcontractors that will be used in the project (if applicable)
H. Certificate of Good Standing to conduct business in jurisdiction of residence
I. Non-collusion Affidavit
J. Declaration Regarding Compliance with DOL Wage Determination
K. No Gratuities or Kickback
L. Ethical Standards Affidavit
M. Restriction against Contractors Employing Sex Offenders from Working at Government of Guam Venues
N. Bid Bond
O. A current Guam Business License. Although it is not required in order to provide a bid for this engagement, obtaining a Guam Business License is a pre–condition for entering into a contract with the Authority.

### 3.2 Discrepancies

In the case of discrepancies or conflicts between the above-referenced contract documents, this Contract shall take precedence over GPA-082-15, and CONTRACTOR's proposal submitted in response to the MULTI-STEP BID. In case of discrepancies or conflicts between the Amendments to GPA-082-15, the Amendments shall take precedent. If CONTRACTOR believes that there is any discrepancy or inconsistency between this Contract and the other contract documents, CONTRACTOR shall bring such discrepancy to the attention of the General Manager before proceeding with the work affected thereby.

### 3.3 Presumption of Familiarity

It will be conclusively presumed that CONTRACTOR has read, examined and agreed to each and every term, condition, provision, covenant or agreement contained within each and every Contract Document. CONTRACTOR is assumed to be familiar with all federal (U.S.) And local laws, ordinances, rules and regulations of Guam that in any manner affect the work. Ignorance of law on the part of CONTRACTOR will not relieve CONTRACTOR from responsibility.

## SECTION 4. CONTRACT TERM

### 4.1 Term

The term of this Contract shall be for three hundred sixty-five calendar (365) days after NTP on _____, 2017 and shall continue until the midnight of _____, 2018.

## SECTION 5. COMPENSATION FOR SERVICES

### 5.1 Schedule of Values

Within three days after receipt of notice to proceed, the CONTRACTOR shall submit for approval a schedule of the estimated values of the main branches of the work totaling the amount of the contract. The format to be used will be furnished by the Contracting Officer. These values will be used for determining partial payments and as a basis for changes in work as outlined in the General Conditions.

### 5.2 Payment

GPA shall pay CONTRACTOR for costs and services rendered hereunder in accordance with this Agreement. Compensation for services performed and provided by CONTRACTOR shall be partial payments on a monthly basis after receipt and approval of the invoice covering the work performed during the preceding calendar month. CONTRACTOR shall invoice GPA once a month, and payment shall be made within 30 days of after receipt of an acceptable invoice. In the event of any dispute with regard to any portion of the invoice, the undisputed portion shall be paid pending settlement of the dispute. Should GPA fail to make any payment due to CONTRACTOR under this Agreement, GPA shall pay interest to CONTRACTOR in accordance with the provisions of the Prompt Payment Act, 5 GCA Sections 22502-22507.

No payments for installed materials on the site will be made unless such request is accompanied by a receipt or certification showing that the CONTRACTOR has made payment in full for such work done. In preparing such estimates, preparatory work done shall not be considered for payment. Materials delivered to site shall be considered for payment subject to the following conditions:

A. The material shall be kept in a safe and enclosed warehouse or area located on site with restricted access.
B. The receipt and issue of material must be controlled by a stock card kept in the warehouse.
C. Insurance coverage required under Volume I, Section 4 shall include insurance of such material and shall include theft insurance.
D. Request for payment must be accompanied with certification and receipts indicating the cost of material and showing that CONTRACTOR has made full payment for such material.

In making such partial payments there shall be retained ten percent (10%) of the estimated amount until final completion and acceptance of all work covered by the contract. However, if the Contracting Officer, at any time after 50 percent of the work has been completed, finds that satisfactory progress is being made, he may authorize payment in full of each progress payment for work performed beyond the 50 percent stage of completion. Also, whenever the work is substantially complete, the Contracting Officer, if he considers the amount retained to be in excess of the amount adequate for the protection of the Government, at his discretion, may release to CONTRACTOR all or a portion of such excess amount.

All materials and work covered by partial payments made shall thereupon become the sole property of GPA, but this provision shall not be construed as relieving CONTRACTOR from the sole responsibility for all materials and work upon which payment have been made, or the restoration of any damaged work or as a waiver of the right of GPA to require the fulfillment of all of the terms of the contract.

### 5.3 Release of Claims

Neither the final payment or any part of the retained percentage shall become due until CONTRACTOR shall deliver to GPA through the Contracting Officer a complete release of all claims against GPA arising under and by virtue of this contract, including claims of all subcontractors and suppliers of either materials or labor, other than such claims, if any, as may be specifically excepted by CONTRACTOR.

### 5.4 Certificate of Completion

Upon completion and acceptance of all work whatsoever required and the release of all claims against GPA as specified, the Contracting Officer shall file a written certificate with GPA and with CONTRACTOR as to the entire amount of work performed and compensation earned by CONTRACTOR, including extra work and compensation thereof.

### 5.5 Total Amounts Paid to CONTRACTOR

The amounts paid or reimbursed to CONTRACTOR shall in no event exceed the dollar amount indicated above except upon prior written agreement by the parties. Prior to incurring any expense not contemplated in the total contract amount, CONTRACTOR shall request prior approval of any such additional cost from GPA. No such expense shall be reimbursable unless approved in advance by GPA.

### 5.6 Final Payment

Final payment shall be made upon delivery and acceptance of all Services as herein specified and performed under this Agreement. Prior to final payment, and as a condition precedent thereto, CONTRACTOR shall execute and deliver to the Authority a release of any claims arising under and by virtue of this Agreement against the Authority except any identified written claims in existence at the time of the final payment.

### 5.7 Guam Gross Receipts Tax

The prices and costs set forth in this Agreement are based on the assumption that the Services performed will be subject to the Guam Gross Receipts Tax. CONTRACTOR is responsible for payment of any applicable taxes.

## SECTION 6. OPERATION OF THIS CONTRACT

The Guam Power Authority's responsibility for the day to day monitoring and enforcement of this Contract resides with the GPA Strategic Planning and Operations Research Manager or his designee. CONTRACTOR shall identify to GPA the person(s) responsible for the implementation of the Contract and who shall act as CONTRACTOR's point of contact.

## SECTION 7. PROTECTION OF WORK AND PROPERTY

CONTRACTOR shall at all times safely guard GPA's property from injury or loss in connection with this contract. He shall at all times safely guard and protect his own work and that of adjacent property (as provided by law and the contract documents) from damage. All passageways, guard

fences, lights and other facilities required for protection by laws and regulations and local conditions must be provided and maintained.

## SECTION 8. DEFECTIVE WORK

No work or material which may be defective in construction or quality or deficient in any of the requirements of the drawings and specifications will be considered accepted as a consequence of the failure of GPA to discover or to point out said defects or deficiencies during the construction; nor will the presence of inspectors on the work relieve CONTRACTOR from the responsibility of securing the quality and progress of work as required by these specifications.

Any defective work that may be discovered before the completion of the work or within such time as required by the bond shall be replaced by work and materials that shall conform to the spirit and intent of the drawings, specifications and contract.

The fact that GPA may have overlooked defective work shall not constitute the acceptance of work. NO PAYMENT WHETHER PARTIAL OR FINAL SHALL BE CONSTRUED TO BE AN ACCEPTANCE OF DEFECTIVE WORK OR IMPROPER MATERIALS.

GPA may at any time by order given in writing stop any work not being done according to drawings and specifications and any order so given shall not in any way relieve CONTRACTOR from completing his contract and shall not in any way terminate, cancel or abrogate the contract or any part thereof, and the Government of Guam shall not in any way be responsible for the delay due to stopping the work as aforesaid.

## SECTION 9. DEFAULT

In the event either party of this Contract fails to perform any of the provisions of this Contract, the other party must notify the party in default in writing of the deficiency or non-performance. The party in default has thirty (30) calendar days in which to remedy such default. If such default is not cured within thirty (30) calendar days, the other party may terminate all or part of the Contract. Events of default include but are not limited to the following:

A. Failure of CONTRACTOR to provide evidence of an acceptable performance bond on specified time.
B. Failure of GPA to pay invoices within 30-days of receipt.
C. Failure of CONTRACTOR to adhere to the terms of the Contract.

## SECTION 10. LICENSES, PERMITS, TAXES, AND RESPONSIBILITIES

CONTRACTOR shall, without additional expense to GPA, be responsible for obtaining any necessary licenses and permits, and for complying with any applicable Federal and Territorial laws, codes, statutes, and regulations necessary for the performance of the Contract by CONTRACTOR.

## SECTION 11. SUBCONTRACTS

Nothing contained in the contract documents shall be construed as creating any contractual relationship between any subcontractor and GPA. The diffusion or sections of the specifications are not intended to control CONTRACTOR in dividing the work among subcontractors or to limit the work performed by any trade.

CONTRACTOR shall be as fully responsible to GPA for the acts and omissions of subcontractors and of persons employed by them, as he is for the acts and omissions of persons directly employed by him.

CONTRACTOR shall be responsible for the coordination of the subcontractors engaged in his work.

CONTRACTOR shall, without additional expense to GPA, utilize the services of specialty subcontractors on those parts of the work which are specified to be performed by specialty subcontractors.

GPA will not undertake to settle any differences between CONTRACTOR and his subcontractors or between subcontractors.

CONTRACTOR shall cause appropriate provisions to be inserted in all subcontracts relative to the work including waiver of mechanics liens to bind subcontractors by the terms of the contract documents insofar as applicable to the work of subcontractors and to give GPA any exercise over CONTRACTOR under any provisions of the contract documents.

## SECTION 12. ASSIGNMENT OF AGREEMENT

CONTRACTOR shall not assign the whole or any part of this contract or any monies due or to become due hereunder without the written consent of GPA and of all the sureties executing any bonds on behalf of CONTRACTOR in connection with said contract. In case CONTRACTOR assigns the whole or any part of said contract or assigns all or any part of any monies due or to become due under said contract, the instrument of assignment shall contain a clause substantially to the effect that it is agreed that the right of the assignee in and to any monies due or to become due CONTRACTOR or otherwise shall be subject to all of the terms and conditions of said contract or supplemental thereto, the rights and remedies of GPA thereunder or arising by operation of the law and to the liens of all persons, firms, and corporations for services rendered or materials supplied in connection with the performance of said contract.

## SECTION 13. EQUAL OPPORTUNITY

CONTRACTOR will not discriminate against any employee or applicant for employment because of race, religion, sex, color, age, economic status, or national origin. CONTRACTOR will take affirmative action to insure that qualified applicants are employed and that employees are treated during employment without regard to their race, religion, sex, color, age, economic status, or national origin. Such action shall include, but not be limited to, the following: Employment, upgrading, demotion or transfer, recruitment or recruitment advertising, layoffs or termination, rates of pay or other forms of compensation, and selection for training including apprenticeship. CONTRACTOR agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by GPA setting forth the provisions of this nondiscrimination clause.

CONTRACTOR will, in all solicitations or advertisements for employees placed by or on behalf of CONTRACTOR, state that all qualified applicants will receive consideration for employment without regard to race, religion, sex, color, age, economic status, or national origin.

CONTRACTOR will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, a notice, to be provided by GPA, advising the said labor union or workers' representative of CONTRACTOR's commitments under Section 202 of Executive Order No. 11246 of September 24, 1965 and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

## SECTION 14. PROHIBITION AGAINST GRATUITIES, KICKBACKS, AND FAVORS

GCA 5 §5630(c) prohibits the CONSULTANT against gratuities, kickbacks, and favors.

## SECTION 15. RESTRICTION AGAINST CONTRACTORS EMPLOYING CONVICTED SEX OFFENDERS FROM WORKING AT GOVERNMENT OF GUAM VENUES

GCA 5 §5253(b) restricts the CONSULTANT against employing convicted sex offenders from working at Government of Guam venues. It states:

> (b) All contracts for services to agencies listed herein shall include the following provisions: (1) warranties that no person providing services on behalf of the contractor has been convicted of a sex offense under the provisions of Chapter 25 of Title 9 GCA or an offense as defined in Article 2 of Chapter 28, Title 9 GCA, or an offense in another jurisdiction with, at a minimum, the same elements as such offenses, or who is listed on the Sex Offender Registry; and (2) that if any person providing services on behalf of the contractor is convicted of a sex offense under the provisions of Chapter 25 of Title 9 GCA or an offense as defined in Article 2 of Chapter 28, Title 9 GCA or an offense in another jurisdiction with, at a minimum, the same elements as such offenses, or who is listed on the Sex Offender Registry, that such person will be immediately removed from working at said agency and that the administrator of said agency be informed of such within twenty-four (24) hours of such conviction.

## SECTION 16. CLAIMS AND DISPUTES

All controversies between GPA and CONTRACTOR which arise under, or are by virtue of, this Contract and which are not resolved by mutual agreement of the parties shall be decided as set forth in 5 G.C.A §5427 of the Guam Procurement Law.

## SECTION 17. TERMINATION FOR CONVENIENCE

GPA may terminate the performance of the services under this Contract in accordance with this clause in whole, or in part, whenever GPA determines that such termination of Contract is in the best interest of the Guam Power Authority and its ratepayers.

Any such termination is effected by delivery to CONTRACTOR a written Notice of Termination specifying the extent to which services in the Contract is terminated in whole or in part. In the event GPA elected to terminate the Contract it shall be effective sixty (60) days after the receipt of such Notice of Termination.

## SECTION 18. SURRENDER OF PREMISES

Upon voluntary or other termination of this Contract or any early termination of the term from whatever cause, CONTRACTOR shall voluntarily surrender and deliver to GPA all materials purchased and paid for by GPA, documents pertinent to the work, and all equipment and materials related to the work at CONTRACTORs possession.

## SECTION 19. FAILURE TO COMPLY WITH LAWS

In the event CONTRACTOR or any person or entity identified as principals in the offer submitted in connection with the bid shall be found by any court or administrative agency having jurisdiction over the subject matter of the violation, to have violated any law, rule or regulation in connection with CONTRACTOR's performance of the obligations under the Contract in any manner whatsoever directly or indirectly which violation shall constitute a breach of the peace, or an act involving moral turpitude or otherwise constitute endangerment of the health, safety and welfare of the citizens of the Guam, GPA may in its sole discretion terminate this Contract upon 30 days written notice.

## SECTION 20. AMENDMENT AND WAIVER

Neither the Contract nor any provision hereof may be changed, waived, altered, amended, discharged or terminated orally, but only by an instrument in writing signed by the party against whom enforcement of the change, waiver, alteration, amendment, discharge or termination is sought.

Failure by either party to object to any failure of performance by the other party of any provision of the Contract shall not constitute a waiver of, or estoppels against, the right of such party to require such performance by the other. Nor shall any such failure to object constitute a waiver or estoppels with respect to any succeeding failure of performance.

## SECTION 21. GOVERNING LAW

This Contract is made under, and shall be governed and construed in accordance with, the laws, statutes and regulations of Guam, to the exclusion of all other legal systems. Wherever a term defined by the Uniform Commercial Code is used in the Contract the definition contained in the Uniform Commercial Code of Guam will control, unless otherwise specified.

The parties expressly submit to the jurisdiction of the Superior Court of Guam, for the resolution of any dispute or difference or claims between the parties in connection with the Contract, and to service of process by registered mail. Judgment upon any award rendered by the Superior Court of Guam may be entered in any court of any country having jurisdiction, and such award shall be binding upon the parties. CONTRACTOR waives all rights against GPA to claim consequential, special or punitive damages.

## SECTION 22. RELATIONSHIP OF PARTIES

Nothing contained in the Contract as awarded to the successful bidder shall be deemed or construed by the parties or by any third person to create the relationship of principal and agent or of partnership or of joint venture or of any association between CONTRACTOR and GPA, and no provisions contained in the Contract nor any acts of the parties shall be deemed to create any

relationship between GPA and CONTRACTOR, other than the relationship of supplier of services and beneficiary.

## SECTION 23. NOTICE TO OTHER PARTY

Either party whose obligations may be affected by any of the forces or causes set out in the preceding section, supra, shall promptly notify the other party in writing, giving full particulars thereof as soon as possible after such occurrence of such force or cause. Such party shall exercise due diligence to remove such cause with all reasonable dispatch and shall exert every efforts to resume performance at the earliest practicable time.

## SECTION 24. ATTORNEY'S FEES AND COSTS

CONTRACTOR agrees that should a default by either party result in litigation, the successful party shall be entitled to recover its costs and reasonable attorney's fees from the defaulting party.

## SECTION 25. CONTRACT BINDING EFFECT

All Contract Documents attached hereto are incorporated herein by reference in its entirety.

IN WITNESS WHEREOF the parties hereto have executed this contract as of the day and year first written.

CONTRACTOR:

_____

_____

Date: _____

OWNER:

**GUAM POWER AUTHORITY**

_____

JOHN M. BENAVENTE, P.E.
General Manager

Date: _____

APPROVED AS TO FORM:

By: _____

D. GRAHAM BOTHA, Esq.,
GPA Staff Attorney