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8/2/2017	8/2/2017	Consolidated Commission on Uitlities	CCU Meeting 7/26/17*	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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0814

Speaker Benjamin J.F. Cruz

AUG 0 2 2017

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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., December 6, 2016

AGENDA

1. CALL TO ORDER

2. APPROVAL OF MINUTES

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

4. NEW BUSINESS
   - 4.1 GWA
   - 4.1.1 GM Report Update
   - 4.1.2 Financials
   - 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
   - 4.1.4 Resolution No. 09-FY2017 Relative to Authorizing GWA to Issue an Invitation to Bid Relative to Procure Commercial General Liability Insurance
   - 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

   - 4.2 GPA
   - 4.2.1 GM Report Update
   - 4.2.2 Financials
   - 4.2.3 Resolution No. 2016-72 LEAC
   - 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

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

6. ANNOUNCEMENTS
   - 6.1 Oath of Office – January 12
   - 6.2 Next CCU Meetings: GWA WS – January 18; GPA WS – January 19; CCU Meeting – January 24

7. 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., November 22, 2016

MINUTES

1. CALL TO ORDER

Chairman Duenas called the Regular CCU Meeting of November 22, 2016 to order at 5:19 p.m. He announced that four (4) Commissioners were present and there was a quorum. He also welcomed Comm. Elect Judi Guthertz and congratulated her on her successful election to the CCU and invited her to continue to attend all future work sessions and meetings leading to her official swearing-in in January 2017. Those present include:

Commissioners:

Joseph T. Duenas	CCU Chairman
Francis Santos	CCU Vice Chairman
George Bamba	CCU Secretary
Simon Sanchez	Member

Executive Mgmt.:

John Benavente	GM / GPA
Miguel Bordallo	GM / GWA
Melinda Mafnas	AGM Operations / GPA
John Kim	CFO / GPA
Greg Cruz	CFO / GWA
Graham Botha	Staff Attorney / GPA

Management & Staff:

Paul Kemp	AGM Compliance & Safety / GWA
Lisa San Augstin	Utility Services Admin. / GWA
Vangie Lujan	Compliance & Safety / GWA
Geigy Salahgon	Revenue Protection / GWA
Ron Topasna	GWA
John Cruz	SPORD Manager / GPA
Art Perez	PIO / GPA
Joyce Sayama	Mgmt. Analyst / GPA 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

2. APPROVAL OF MINUTES

The Minutes of October 25, 2016 was presented for approval.

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

3. COMMUNICATIONS

3.1 Public - None

4. NEW BUSINESS

4.1 GPA

4.1.1 GM Report Update

GM Benavente summarized key activities and events. His report included graphs and charts depicting historical peak demand, kWh sales, heat rate ratios and more not included in these minutes. Original & complete copies in Master File.

- The Macheche combustion turbine unit was returned to service on November 15th thereby adding another 20MW of capacity.
- The Dededo Combustion Turbine Plant is on schedule to be commissioned by March 31st, 2017. The plant would add 40 MW of capacity into the system. The completion of this plant will complete capacity recovery effort.
- The following updates our generation capacity recovery schedule:

IWPS Capacity Recovery Plan (Updated):

17-Nov-16

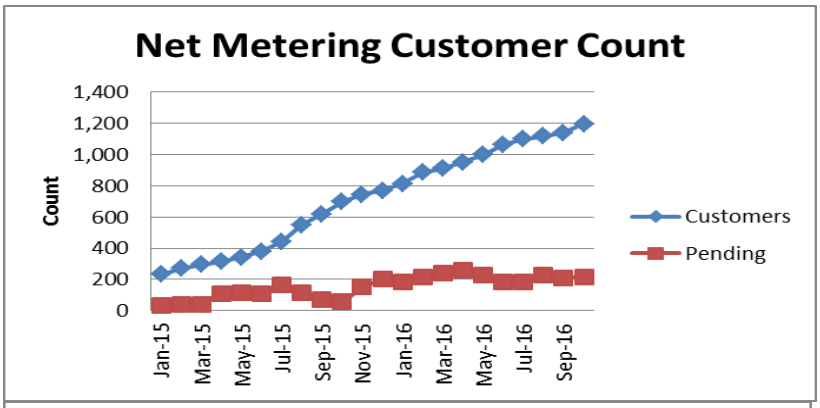
Date	Description (IWPS Capacity)	MW Added	System MW	Peak MW	Reserve MW
14-Nov-16	GPA Total Capacity***		358	255	103
15-Nov-16	**Macheche CT Commissioned**	**20**	**378**	**255**	**123**
28-Feb-17	Dededo CT 2 Commissioned	20	398	255	143
31-Mar-17	**Dededo CT 1 Commissioned**	**20**	**418**	**255**	**163**

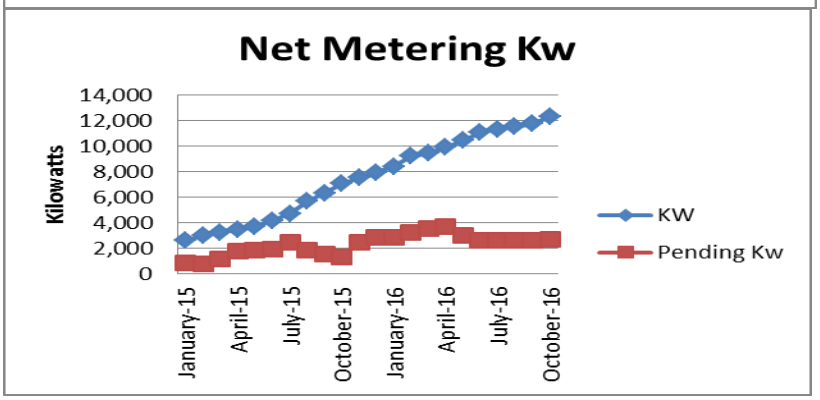
***** Capacity does not include interruptible load, standby generators and Navy capacity.**

1. Net Metering: Updated information on NEM including growth profile.

Net Metering Summary Ending October 16:

Description:	Count	Kw	
Active	**1,196**	**12,303**	
Pending	216	2,697	
Totals:	1,412	15,000	
Service:	**Count**	**KW**	**Kw/Customer**
Residential	**1,129**	**10,123**	**9.0**
Others	67	2,180	32.5
Total:	1,196	12,303	10.3
% Residential	**94.4%**	**82.3%**	
Estimated Revenue Impact:	**$2,293,535**		

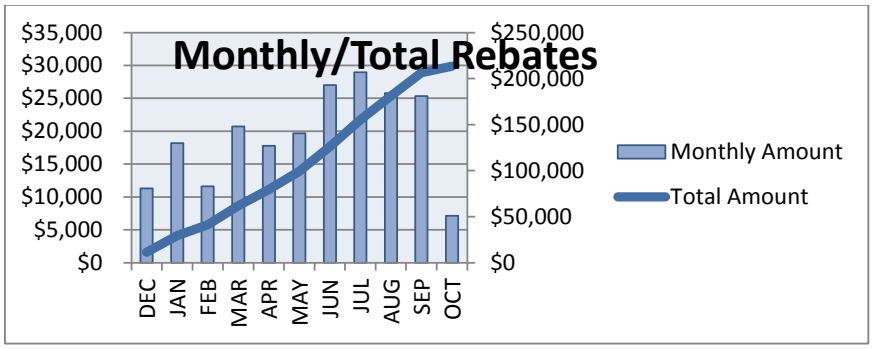




Most NEM Populated Feeders (October 2016)

Feeder	NEM Count	NEM Kw	% of Min Load
P-262 (Talofofo, Ipan)	80	766	48.2%
P-212 (Barrigada)	65	718	44.9%
P-220 (Apra)	9	82	42.1%
P-340 (Merizo, Umatac, Inarajan)	32	325	39.5%
P-294 (Pulantat to Mangilao)	67	727	33.3%
P-087 (Dededo-Ysengsong)	84	752	30.0%
P-005 (Piti)	16	251	29.2%
P-223 (Apra, Santa Rita, Agat)	45	415	24.9%

2.DSM Program Update: The following summarizes rebates thru November 1st 2016. The paid out rebate to date totals $213,550.



2. Phase II Renewables Bid:

- Below is the list of Un-priced Technical Proposals deemed qualified to submit a price proposal for MS GPA-070-16, Renewable Energy Resource Phase II? Seven (7) out of Twelve (12) Proponents were deemed qualified:
  1. Hanwha Energy Corp. /Pacific Petroleum Trading Co. (2 ea. Proposals)
  2. Shanghai Electric Power Co. Ltd / Terra Energy (2.ea. Proposals)
  3. Sean ENC. / NexGeo Consortium
  4. LSIS Co. Ltd. (2. Ea. Proposals)
  5. Quantum/Guam Clean Energy (2 ea. Proposals)
  6. Pacific Solar Storage 1 (Guam) LLC - Solar City
  7. KEPCO-LG CNS (2. Ea. Proposals)
- Priced proposals are due on December 20th, 2016.
- Notification of successful bidder(s) targeted for January 26th, 2017.

.

Comm. Santos asked if any proponents submitted for wind and GM Benavente said yes there was one submittal for wind.

3. Other Key Bid Invitations Updates:

- Energy Storage System Bid opening November 29th, 2016. No additional extensions to be granted.
- Engineering, Procurement, and Construction Management (EPCM) consultant for new power plant advertised on November 10th, 2016.
- Major Engine Overhaul for Diesel Units advertised on November 15, 2016.
- LED Luminaires bid closed on November 10th, 2016. Being evaluated for award at December 2016 CCU Meeting.
- Fuel Oil Tank Farm Performance Management Contractor bid advertised on November 15, 2016.

4. Waste Oil Burning at the Cabras Steam Plant: GPA met with waste oil providers and discussed the following. All agreeable to work towards improving short term issues and finding a long term solution.

1. GPA needs to revise waste oil burning process:
   a. The explosion of Cabras 3&4 make the Cabras 1&2 units critical for system

base load operations.

b. Sludge buildup on boiler tubes exposes units to potential boiler tube leaks causing downtime of 4 days to 1 week.
c. Downtime is costly and could lead to load shedding because of limited reserve capacity.
d. Cabras 1&2 scheduled for retirement in 2021. No other GPA generating unit can burn waste oil.

2. GPA needs to find a way to continue burning waste oil until 2021. However, changes in the system and mode of operations needs to occur:
    a. Efficient schedule of waste oil deliveries has to be put in place.
    b. Waste must exclude as much water as possible
    c. Oil/Water Separator must be operated and maintained efficiently.
    d. GPA/TEMES to design an oil purifier system to remove as much metals as possible before burning waste.
    e. GPA/TEMES to determine best location to inject waste oil into RFO fuel system so as to maintain a consistent feed rate which minimizes operational challenges. This would include installing an injection pump adjustable to RFO flow rate.
    f. TEMES to insure strainers are cleaned more often to avoid operational problems.
3. Waste Oil disposers may have to help pay for the improvements planned. Cost most likely cheaper than sending waste off island.
4. GPA needs to explore incineration technology or other purification process which could possibly combine waste with diesel fuel as a fuel source for existing units. Study must be undertaken because there will always be a need for some on-island disposal because off island disposal will be costly for all parties.

5. **Public Commission on Utilities Dockets:** The following dockets were approved at last month's PUC meeting:
    - GPA Docket 16-01, GPA's LED Streetlight Rate Schedule F and H
    - GPA Docket 15-05, Procurement of up to 180 MW Combined Cycle Plant, Retirement of Cabras 1&2 and procurement of EPCM
    - GPA Docket 17-01, Approval of SCADA Contract,
    - GPA Docket 17-02, Approval of the Cabras 1 Overhaul,
    - GPA Docket 17-03, Approval of Diesel Peaking Units Overhaul,
    - GPA Docket 17-04, Approval of Procurement of PMC for Fuel Farm
    - GPA Docket 17-05, Approval of Contract relative to Engineering and Technical Services Supporting GPA's Resource Plan
    - GPA Docket 17-06, Approval of GPA-Navy Renewables Study
    - GPA Docket 17-07, Approval of Extension of Property Insurance

6. **Key Performance Indicators graph:** The following pages update the information up thru October 2016.

4.1.2 Financials

There was no discussion on financials because it was already discussed at the work session last week.

4.1.3 Resolution 2016-65 Request for Approval to Increase the 3-Year Contract Amount for Supply of Diesel Fuel Oil No. 2 for GPA Power Plants

The original projected expenditures for the 3-year contract period under GPA-029-14 is about 16M gallons at an estimated cost of about $50M (Exhibit A- Schedule 1). At the aftermath of the explosion at the Cabras 3&4 Units in August 31, 2015, and overhauls of the remaining plants, the diesel consumption has significantly increased beyond the estimated expenditures (Exhibit B). The objective is to provide sufficient funding for the increased diesel fuel expenditures to ensure uninterrupted supply of diesel fuel to support the IWPS demand. The revised expenditures for the 3-year contract period is estimated to increase to 70M gallons at a cost of about $120M and will come from Revenue Funds.

SCHEDULE 3: SUMMARY

3-Year Contract Period	Gallons	Total Cost
Schedule 1 (Original Estimate)	15,900,000	$ 50,619,000.00
Schedule 2 (Revised Estimate)	69,055,494	$ 120,010,046.93
Variance	53,155,494 334% Increase	$ 69,391,046.93 137% Increase

Comm. Bamba moved to approve Resolution 2016-65; Comm. Sanchez seconded.

In discussion the GM confirmed that the diesel supply contract is for base load plants and management is amending the volume and amount. It was also mentioned that the contractor is Mobil.

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

4.1.4 Resolution 2016-66 Relative to Authorizing Management to Acquire Harmon Property for New Generation Plant

The Guam Power Authority (GPA) has determined that new 180 MW power plant is necessary to meet future power system needs, and to be able to meet USEPA emission regulations systems. The Guam Power Authority has determined that between 30-40 acres will be needed for the new power plant with space for future expansion and to meet physical security requirements for power systems which require substantial setbacks from adjacent roads. The Guam Power Authority has determined the new power plant should be located in the Harmon area close to the Harmon sub-station and GWA waste water treatment plant. The purchase amount has not been determined. It will go through a procurement bid. The Authority plans to use revenue funds for the acquisition of property in the Harmon area.

The GM confirmed that this matter is related to the approval of the 180MW power plant in the Harmon area. Comm. Bamba recommended amending the resolution to include another Whereas relative to building the facility near the Wastewater Treatment Plant in Harmon.

Comm. Bamba motioned to approve Resolution 2016-66; Comm. Sanchez seconded. There was no further discussion or objection and the motion carried

4.1.5 Resolution 2016-67 Relative to Amending the Classification Standards of the Assistant General Manager, Administration Position

The initial creation of the Assistant General Manager, Administration position was adopted and approved through CCU Resolution No. 2016-54 for the Guam Power Authority. The General Manager of the Guam Power Authority (GPA) requests the Consolidated Commission on Utilities (CCU) to amend the classification standard of the Assistant General Manager, Administration position. The amendment is to add the *Procurement division* as a business unit under the purview of the Assistant General Manager, Administration position. The amendment will also align the job standard with GPAs FY2017 organizational realignment as approved by the CCU through Resolution No. 2016-53. The annual salary for each position will commensurate with experience and qualifications per hire as recommended by the General Manager and approved by the CCU. It was mentioned that the Job Announcement for the position is currently open till 11/21/2016 and that this position is funded with revenue funds.

The GM said that in the classification standard, the procurement division was inadvertently left out. This amendment is to rectify the omission.

Comm. Bamba moved to approve Resolution 2016-67; Comm. Sanchez seconded. There was no further discussion or objection and the motion passed.

4.1.6 Resolution 2016-68 Request Authorization for Cabras 3&4 Plant Cleaning and Unit 3 Engine Cleaning

The GM said the following four (4) resolutions are related and stated that management has a responsibility to preserve and protect the plants. There's a need to pull out engine #4 and to evaluate the foundation and generator. This resolution is for cleaning of the plant. The explosion of Cabras Unit 4 and the subsequent fire have caused significant smoke and suit contamination on the plant building, engine and auxiliary equipment. This project will decontaminate the building and significant engine components to facilitate the preservation of Unit 3. Until such time that the Insurance claim is settled and a final decision is made on Unit 3, GPA has a fiduciary responsibility in preserving Unit 3.

The project will cost **$4,840,538.00**

1	Mobilization	$ 484,053.75
2	Demolition of offices	$ 1,210,134.38
3	Fireproofing removal	$ 1,210,134.38
4	Scaffolding	$ 968,107.51
5	Structural Cleaning	$ 484,053.75
6	Demobilization	$ 484,053.81
		$ 4,840,537.58

The project is expected to be completed 3 months from the Notice to Proceed and funded by insurance proceeds**.** KEWP solicited proposals from 4 vendors and received quotes from BELFOR USA and Tony's Workshop (Royce Power Engineering, Ltd.)

Comm. Santos motioned to approve Resolution 2016-68; Comm. Sanchez seconded. There was no further discussion or objection and the motion passed.

4.1.7 Resolution 2016-69 Request Authorization for Cabras 4 Engine and Auxiliary Removal Inclusive of Generator Dismantling

The explosion of Cabras Unit 4 and the subsequent fire on August 31, 2015 have caused extensive damage on Unit 4. GPA commissioned BWSC to evaluate the loss, and BWSC has produced a report stating that Unit 4 is a total loss. GPA's Insurers agree that Engine 4 is beyond economical repair. Hence, the Insurers have requested GPA to dismantle Generator 4 to allow their consultant to examine and evaluate the extent of damage on the generator. This project will provide the necessary services to remove Engine 4 along with auxiliary equipment as well as to dismantle Generator 4. The project will cost **$5,996,434.78**

1	Engine 4 Dismantling (inclusive of cable trays and oil purifier)	$	3,689,343.00
2	Generator 4 dismantling and reinstallation	$	348,234.00
3	Auxiliary dismantling (inclusive of sump oil tanks)	$	1,327,544.00
		$	5,365,121.00
4	Contingency at 3%	$	160,953.63
5	Bid Bond Insurance 4%	$	214,604.84
6	Risk Insurance 0.6%	$	32,190.72
7	GRT	$	223,564.59
	TOTAL	**$**	**5,996,434.78**

The project is expected to be completed 5 months from the Notice to Proceed and will be funded by insurance proceeds. KEWP solicited proposals from 3 vendors and received quotes from BELFOR USA and Tony's Workshop (Royce Power Engineering, Ltd.)

Comm. Santos motioned to approve Resolution 2016-69; Comm. Sanchez seconded. On the motion there was no further discussion or objection and the motion passed.

4.1.8 Resolution 2016-70 Authorizing Expenditure for Architectural Engineering & Construction Mgmt. Svc.

The Cabras 3&4 Plant was severely damaged by the explosion of Unit 4 and the fire which ensued on August 31, 2015. Architectural and engineering plans as well as subsequent construction management services are required to effectuate the temporary roof supplemental design along with construction management services. The required A&E ($345,866.32) and CM ($292,046.84) services will cost a total of $637,913.16. The estimated completion dates discussed are AE Services – 2 months from NTP; CM Services – 6 months construction. It was also mentioned that the funding source would be insurance proceed. NC Macario & Associates is in the best position to provide the required services as the original designer of the plant's building. GPA also retained NC Macario & Associates for the design and CM for the roof demolition of the plant. Hence, NC Macario is in the unique position as the best qualified firm to perform the required work.

Comm. Santos motioned to approve Resolution 2016-70; Comm. Sanchez seconded. There was no further discussion or objection and the motion passed.

4.1.9 Resolution 2016-71 Authorizing Extension of Performance Mgmt. Contract for Cabras 3 Plant

The objective is to continue preservation efforts at Cabras Unit 3 in order to reduce further degradation of vital engine/generator components. Without contract extension Cabras Unit 3 will continue to degrade at an increased rate. The contract extension will costs a total of $382,173.44 and is further detailed below.

a.	Fixed Management Fee (3-months)	$242,242.44
b.	Reimbursable Preservation Costs	$139,931.00
		$382,173.44

This is a continuing effort. Contract extension will be from January 1, 2017 to March 31, 2017. It was mentioned that Insurance proceeds will fund this extension.

Comm. Sanchez motioned to approve Resolution 2016-71; Comm. Bamba seconded.

It was mentioned in discussion that the PMC for Cabras 3 contract extension is for a fixed management fee.

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

4.2 GWA

4.2.1 GM Report Update

The GM gave a summary of key events which included graphs and charts that may not be a part of these Minutes but can be obtained upon request. Copy in Master File.

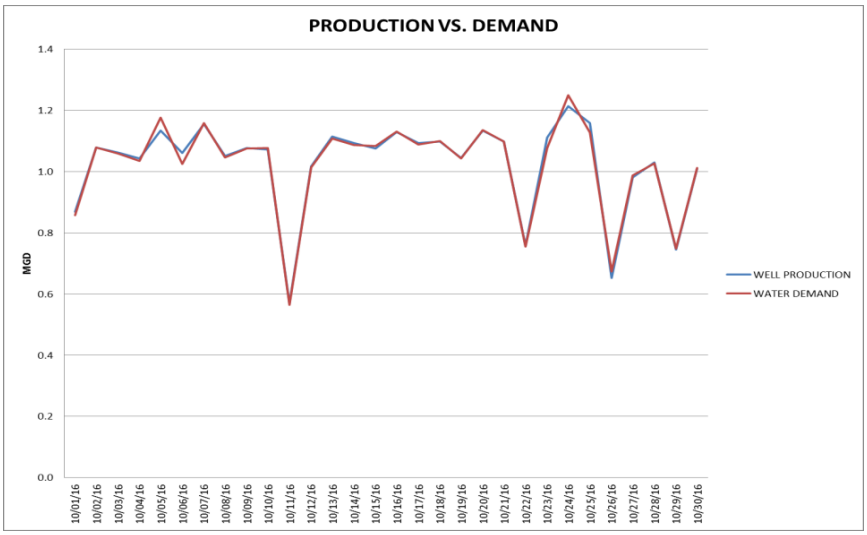
1. TMW License Agreement:
   a. GWA continues operations and maintenance at TMW.
   b. Inspection was completed on October 26 at 2:00 pm. Navy Public Works Department and GWA conducted the inspection. Minor corrections are being addressed by GWA.
   c. Now that *Lucity,* GWA's Asset Management Program, 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:
      1. 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.
      2. Total production in October is 31,846,800 gallons.

1. 2010 MOU Update
a. GWA and NAVFAC completed their work on an updated MOU.
b. Joint Region has not yet reviewed the MOU.

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.



2. 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.

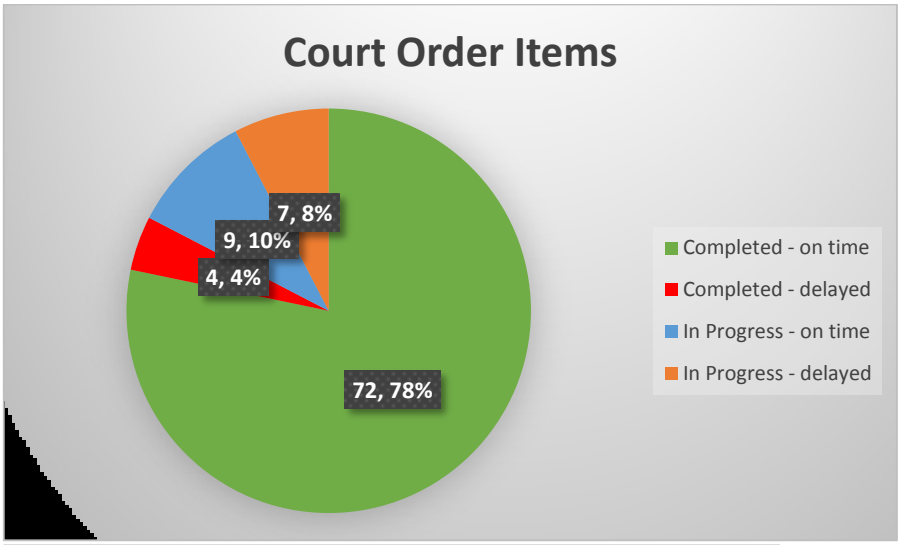
SRF Grant Summary - Projects

	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%		

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

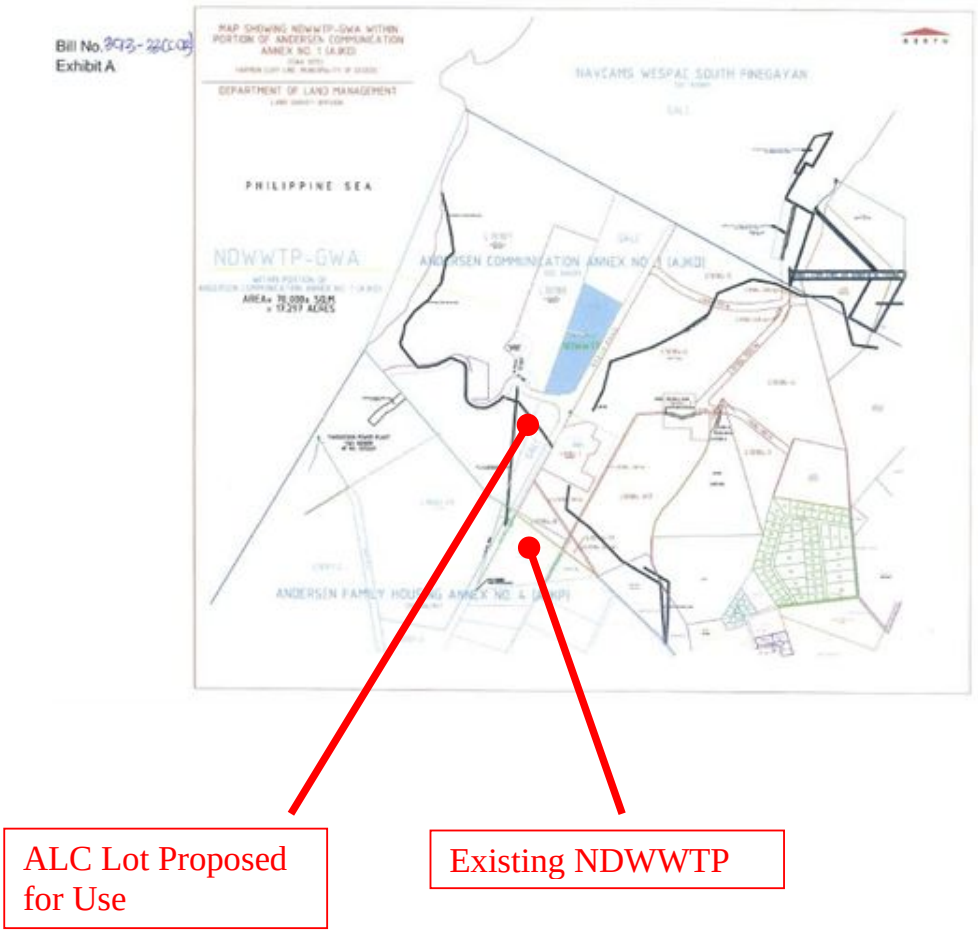
	2010 Bond		2013 Bond		2016 Bond			
	Funded	%	Funded	%	Funded	%	Total CIP Projects	%
Potable Water	$ 43,671,000	50%	$ 60,082,000	43%	$ 90,148,000	65%	$ 193,901,000	53%
Wastewater	$ 34,070,000	39%	$ 71,823,000	52%	$ 34,727,000	25%	$ 140,620,000	38%
Electrical Engineering	$ 1,920,000	2%	$ 3,645,000	3%	$ 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	Gov't. - CLTC	Survey map of property still ongoing. GWA

	Tumon		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.



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 the GEPA on potential sources and responsibility; discussion with DoD ongoing

Actions pending:
Mobil treatment unit – technical specification s under revision; IFB pending

4.2.2 Financials

There was nothing new to report on financials from past work session. Comm. Sanchez asked management to give an update on our revenue picture by 12/6.

4.2.3 Resolution No. 03-FY2017 Relative to Ratification of Services Provided by Hawaiian Rock

This project is related to the repair and maintenance of water lines. This project requires base course and bedding sand which is necessary for backfilling and compaction around the pipe and above it. Existing purchase order no. 298400 is in the amount of $10,872.00. The purchase order amendment will cost $1,399.60.

Invoices that exceeded PO amount:

Invoice No.	Amount	Balance to Pay
249714	$486.69	$486.69
250309	$463.82	$463.82
251058	$266.74	$266.74
251063	$182.35	$182.35
Total		**$1,399.60**

Materials provided in August 2015 and September 2015. And the funding source as been identified as 2-15 O&M funds.

Funding Source	O&M	Approved Amount
GL 5221.62005.417	2015	$10,872.00
GL 5221.62005.417	2015	$1,399.60
Total Funding		$12,271.60

Comm. Bamba motioned to approve Resolution 03-FY2016; Comm. Sanchez seconded. There was no further discussion or objection and the motion passed.

4.2.4 Resolution No. 06-FY2017 Relative to Ratification of Services Provided by Allied Pacific Drilling, Inc.

To cover the contractor's cost for labor, materials and equipment utilized in order to airlift/bail settlements found after GWA's deep well maintenance crew extracts wells piping network, pump and motor. Rust settlements must be removed in order to complete well repair and restore well back in service.

The Purchase order amendment will cost $7,888.50

Invoice Nos	Amount	Paid Amount	Balance to Pay
D12-0113	$8,550.00	$5,000.00	$3,550.00
D12-0119	$19,337.50	$14,999.00	$4,338.50
Total	**$27,887.50**	**$19,999.00**	**$7,888.50**

Contractual services has been completed on January 16, 2016 & May 24, 2016 and the funding source include:

Funding Source	Water Division	Approved Amount
G/L Account no. 6812.950.34011	FY2016	$3,550.00
G/L Account no. 6812.950.34011	FY2016	$4,338.50
Total Funding		**$7,888.50**

Comm. Bamba motioned to approve Resolution 06-FY2016; Comm. Sanchez seconded. There was no further discussion or objection and the motion passed.

4.2.5 Resolution No. 07-FY2017 Relative to Approval of the Guam Waterworks Authority's 2016-2020 Updated Capital Improvements Plan for the Purposes of Planning and Executing Projects in the Near Term

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, some of which may 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.

The CIP is an important and necessary part of GWA's public communication. The CIP gives residents and businesses a view of GWA's direction for capital improvements for the Island, and a better understanding of the Authority'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 an overview of our organization's overall direction and some detail of specific projects GWA plans on implementing to continue improvement of the utility for the Territory of Guam.

The CIP reflects $281,453,900 in planned capital expenditures over the next 4 years and extends to 2020. It was reported that the funding source would be 2010, 2013. 2015 and 2018 State Revolving Funds, Internally Funded CIP, Grants and System Development Charges.

Comm. Bamba motioned to approve Resolution 0FY2017; Comm. Sanchez seconded.

Comm. Simon asked if the management team can summarize what GWA has done since the inception of the Court Order. This request is due after the New Year.

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

5. OLD BUSINESS - None

6. ANNOUNCEMENTS

6.1 Next CCU Meetings

The Chairman announced that the next CCU meeting would be on December 6 at 5:30 p.m. He also said there will be no work session in December.

7. ADJOURNMENT

There was no further business to bring before the Commission and the meeting adjourned at 6:44 p.m.

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bls

Attested:

_____ _____

JOSEPH T. DUENAS, Chairman J. GEORGE BAMBA, Secretary

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. 08-FY2017
Relative to Authorizing GWA to Issue and Invitation to Bid (ITB) to Procure Property Insurance and Authorizing GWA to Petition the Guam Public Utilities Commission for Approval Under the Contract Review Protocol

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

Where is the location?
Agency-wide

How much will it cost?
Based on actual experience, approximately $1 million per year.

When will it be completed?
No later than April 11, 2017

What is the funding source?
Revenue Funds

The RFP/BID responses (if applicable):
N/A

GUAM CONSOLIDATED COMMISSION ON UTILITIES

RESOLUTION NO. 08-FY2017

RELATIVE TO AUTHORIZING GWA TO ISSUE AN INVITATION TO BID (ITB) TO PROCURE PROPERTY INSURANCE AND AUTHORIZING GWA TO PETITION THE GUAM PUBLIC UTILITIES COMMISSION FOR APPROVAL UNDER THE CONTRACT REVIEW PROTOCOL

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, under Section 6.06 (b) Insurance, of the 2005 General Indenture relative to GWA's Water and Wastewater System Revenue Bonds, GWA is required to maintain or cause to be maintained insurance on the "System" with responsible insurer in types and amounts that is usually maintained by prudent operators of systems similar and similarly situated to GWA's system; and

WHEREAS, "System" as defined in the Indenture means the water and sewer systems, now or hereafter existing, owned and or operated by the Authority or its' contractors, agents or subcontractors; and

WHEREAS, GWA currently maintains a five (5) year commercial property insurance policy (See ATTACHMENT "A") whose term will expire on 12:01 am, April 12, 2017; and

WHEREAS, under the current policy, the property covered, limits and perils insured against includes a $30 million blanket on any one occurrence from direct physical loss to all real and personal property owned by GWA due to earthquakes and or typhoons; and

WHEREAS, GWA management desires to procure similar commercial property insurance, adjusted for GWA's current state of condition, upon the expiration of the current policy in force; and

WHEREAS, based on past experience, GWA has found that a three (3) year and or five (5) years term is cost effective and beneficial to GWA; and

WHEREAS, based on GWA's best estimate, the IFB will exceed the General Manager's obligating authority of $250,000 which is the purpose for GWA requesting the CCU's approval to issue the IFB; and

WHEREAS, the IFB is further subject to the Guam Public Utilities Commission under the Contract Review Protocol for Guam Waterworks Authority; and

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 finds that the issuance of an ITB for Property insurance to be prudent.
3. The CCU finds and agrees with the plan to solicit new insurance bids for a three (3) and or five (5) years term as cost effective and beneficial to GWA.
4. The approval authorized in Section 2, is subject to GWA obtaining the approval of the PUC under the Contract Review Protocol, accordingly, the General Manager is authorized to petition the PUCs' approval.
5. The General Manager is authorized to execute all documents and undertake all reasonable actions necessary to issue an Invitation to Bid procurement for commercial property insurance.

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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ATTACHMENT "A"
(Property Insurance)

GUAM WATERWORKS AUTHORITY
ATURIDAT KINALAMTEN HANOM GUAHAN
578 North Marine Corps Drive, Tamuning, GU 96913
Phone: (671) 647-2603 Fax: (671) 646-2335

INVITATION FOR COMPETITIVE SEALED BIDS

FOR

PROPERTY INSURANCE

GWA IFB # 2010-12

SECTION I. INTRODUCTION.

GWA is seeking competitive sealed fixed price bids for insurance for GWA property insurance coverage for fourteen (14) months. GWA will select the lowest responsible and responsive bidder (all in costs). All bids must be received by GWA on or before August 31, 2010, at 10:00 a.m. at the GWA Procurement Office, late bids will not be considered.

On August 17, 2010, a Pre-bid conference will be held at the GWA Conference Room located on the second floor of GWA's main office located at 578 North Marine Corps Drive, Tamuning, Guam at 10:00 a.m.

All questions and inquiries regarding this bid shall be submitted in writing (either letter, fax or e-mail) to the address below not later than August 25, 2010. Oral questions and responses shall be given no effect regardless of whether or not they were responded to or not.

Guam Waterworks Authority
Attention: Vincent Guererro
Procurement Officer
578 North Marine Corps Drive
Tamuning, GU 96913

Fax: (671) 649-3750
Phone (671) 647-7835
e-mail: vincentguerrero@guamwaterworks.org

SECTION II. BID RESPONSE FORM

TO: GENERAL MANAGER, GUAM WATERWORKS AUTHORITY

RE: FIXED BID SUMMARY IN RESPONSE TO GWA'S INVITATION FOR BID NO. 2010-12 FOR PROPERTY INSURANCE

This transmittal is a summary of the bids more fully described in the attached documents.

Coverage	Deductible	Total 14 month premium (including all costs, fees, etc.)
$30,000,000	$1,000,000	$_____

Broker:_____

Underwriter for Property Insurance_____

By:_____Date:_____

Telephone No. _____

List of all participating carriers and ratings:

List of all participating carriers and ratings:

CARRIER	BEST'S RATING

SECTION III: BACKGROUND AND SUMMARY OF SOLICITATION

The Guam Waterworks Authority (GWA), a Guam public corporation, is the civilian monopoly supplier of water and wastewater services to the Island of Guam. GWA operates and maintains about 200 fresh water facilities on Guam providing service to a population of over 157,000 people. It also owns 87 wastewater facilities which are operated and maintained by a private contractor. The Authority has not insured its properties since its inception. The current bond indenture requires purchase of Property insurance. GWA is hereby inviting bids for insurance contracts (policies) for fourteen (14) month term.

SECTION IV: INSTRUCTIONS AND PROCEDURES FOR BIDDERS:

1. BID SCHEDULE.

The deadline for the submission of bids is August 31, 2010, at 10:00 a.m. Five copies of all responsive materials **must be received** (not postmarked) at GWA's Procurement Division located at the warehouse at GWA's Upper Tumon location (behind GTA) not later than the above date and hour. It is advisable to use courier services to expedite delivery of your bid, as Guam is served by several such courier services. It is bidder's responsibility to insure the bid is received as required above. Late bids will not be considered.

2. PREPARATION AND SUBMISSION OF BIDS.

Envelopes containing Bids shall be sealed and marked on the face with the name and address of the Bidder, the Bid Number and the time and date of submission. Telegraphic Bids will not be considered, nor will modifications by telegraph of Bids already submitted be considered. Bids **must** be **received** at the place of opening **on or before the opening date and time**. Bids received through the mail will not be accepted if such mail is received at the address showing after the submission date and time. Facsimile or e-mailed bids will not be accepted. Bids will be opened publicly.

All submittals must strictly conform to the Invitation for Bid and any addenda, non-responsive and non-responsible bids will not be considered.

Five (5) copies of each Bid, consisting of technical and commercial sections, must be submitted including all addenda, if any. Any and all sample documentation, including but not limited to, a complete proposed insurance policy, including exclusions, must be submitted. No submittal shall be considered complete unless accompanied by all items specified in this bid.

The IFB **must** be submitted on or before August 31, 2010 at 10:00 a.m. in a sealed envelope with the IFB number clearly marked and delivered to or addressed as follows:

TO: Guam Waterworks Authority
Attn: Vincent Guererro (or designee)
578 North Marine Corps Drive
Tamuning, GU 96913

Examination of IFB Document: Bidders shall examine the IFB Documents to inform themselves of all conditions and requirements for the execution of the proposed work. Ignorance on the part of Bidder of any part of the IFB will in no way relieve him/her of the obligation and responsibility assumed under the Contract.

Familiarity with Laws: Bidder is assumed to be familiar with Federal and Local laws, ordinances, rules and regulations that in any manner affect the work. Ignorance on the part of Bidder of any part of the IFB will in no way relieve him/her of the obligation and responsibility assumed under the Contract.

3. EXPLANATION TO BIDDERS

No oral explanation in regard to the meaning of the specification will be made and no oral instructions will be given before the award of the Bid. Questions regarding discrepancies, omissions, or doubts as to the meaning of the specifications must be communicated in writing (either e-mail, fax or mail) to Guam Waterworks Authority for interpretation. Bidder should act promptly and allow sufficient time for a reply to reach them before the submission of their Bids. Interpretation, if required, shall be made in the form of an amendment to the specifications, which will be forwarded to all prospective bidders, and its receipt by the Bidder should be acknowledged on the Bid form.

4. CLARIFICATION ON INVITATION FOR BID

Each Bidder must carefully examine the IFB and all amendments or addenda. If any Bidder (a) finds any discrepancies, omission or ambiguities in the IFB documents, (b) is uncertain as to the intent or meaning of any provision of the IFB, or (c) has any question regarding the IFB, the Bidder must promptly notify GWA in writing no later than five (5) working days prior to the closing date of the IFB thereof in writing at the address specified for submission of Bid. Replies to such notices may be made in the form of addenda, which will be issued simultaneously to all prospective Bidder's.

5. FORM.

All bids must be in writing and submitted in a sealed envelope, and must be signed by an officer of the bidder having authority to submit such Bids. The bids should respond in an organized fashion to all requirements of this Invitation for Bidding.

6. MODIFICATION OR WITHDRAWAL OF BIDS.

Bids may be modified or withdrawn prior to submittal date. Any bid withdrawal, or modification received at GWA after the due date is late and, as such, renders the underlying bid in compliance only as to that which is on hand at the submittal date and hour.

7. RECORDING BIDS.

Bids (and requests for bid modifications) shall be submitted to GWA officials on or before August 31, 2010 at 10:00 a.m. at the GWA Procurement Office.

Bidders shall be responsible for insuring its bid is received on or before the due date. Any late bid will not be considered by GWA. After the due date, a Register of Bids shall be prepared which shall include for all initial bids the name of each bidder, the number of modifications received, if any, and an indication of the coverage proposed, i.e. coverage of all risks or perils (a) as requested by GWA, (b) less than GWA request, and/or (c) alternate coverage as requested.

8. CONFIDENTIAL DATA.

Bidders should clearly and specifically designate which portion or portions of the bid contains trade secrets or other proprietary data they propose be kept confidential. GWA shall examine the request and make a determination as to each request. Unclear requests or requests that do not specifically identify the exact portion of the bid which the bidder is requesting to be kept confidential shall not be considered. Guam law shall govern the determination of confidentiality of any document or portion thereof.

9. AWARD.

Award shall be made to the lowest responsive and responsible bidder.

10. CANCELLATION OF INVITATION; DELAYS.

GWA reserves the right to cancel or to withdraw this Invitation for Bids, to delay determination on this Invitation for Bid, or to reject all bids, in whole or in part, at any time prior to final award. The reasons for the cancellation, delay or rejection shall be made a part of the procurement file and shall be available for public inspection.

11. INSPECTION OF GWA PROPERTIES.

Prospective bidders may inspect GWA property to be covered by the insurance in connection with submitting a bid upon request (although such inspections shall occur not later than August 17, 2010). GWA shall be given at least 72 hours advance notice of any request to inspect. No inspection shall occur within 10 days prior to the due date of the bid. GWA will provide a representative to conduct the inspections. Please contact Vince Guerrero, Guam Procurement Administrator at (671) 647-7835 if you desire to inspect GWA facilities.

12. REQUIRED APPROVALS:

A Notice to Award and Proceed are conditioned on GWA obtaining the approval of the, the Guam Consolidated Commission on Utilities and the Public Utilities Commission on Guam.

13. REPRESENTATION REGARDING GRATUITIES AND KICKBACKS.

The bidder or contractor represents that it has not violated, is not violating, and promises that it will not violate the prohibition against gratuities and kickbacks as mandated under the Guam Procurement Regulations. All Bidders shall submit an affidavit indicating that no gratuities or kickbacks have been given or made in connection with the submission of this bid.

14. REPRESENTATION REGARDING CONTINGENT FEES.

The Contractor will provide a certification to GWA in the form supplied with this bid indicating that it has not retained a person to solicit or secure a territorial contract upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee, except for retention of bona fide employees or bona fide established commercial selling agencies for the purpose of securing business.

15. BID BOND.

All bidders shall submit to GWA a bid bond in a stated dollar amount which comprises 15% of the total bid amount. All bid bonds shall be in a form approved by GWA. Forms of security include: (1) a cashiers check made out to GWA; (2) an irrevocable letter of credit issued via a lender with offices on Guam and which can be redeemed on Guam; or (3) a bid bond issued by a surety licensed on Guam in a form acceptable to GWA capable of being presentment on Guam. Bidders with unaccepted bids will have bid bonds returned with written notices of rejection. Bid bonds will be returned in an expeditious manner following the award of the bid to the lowest responsive and responsible bidder.

16. POLICY BINDER.

The provider who is awarded the contract will be required to provide the Authority with a policy binder with the complete policies and endorsements within 10 days from the date the Notice to Proceed is received by the Bidder.

17. ADDENDA TO IFB.

In the event it becomes necessary to revise any part of this IFB, addenda will be provided to all Bidder's who received the basic IFB. Any addenda issued pursuant to this IFB must be acknowledged as being received by the Bidder.

18. AFFIDAVIT OF DISCLOSURE.

Affidavit of Disclosure of Major Shareholders - must comply with the following requirements and failure to submit an affidavit shall be basis for rejection.

(a) Bidder must use form issued by Guam Waterworks Authority
(b) The affidavit must be notarized and dated on the same month as the bid opening and must valid for the 12 months preceding the submission of the bid.
(c) Date signature of the person authorized to sign the bid and the notary date must be the same.
(d) First time affidavit must be an original - if copy; indicate Bid Number/Agency where original can be obtained.

SECTION V: GENERAL INSURANCE SPECIFICATIONS

1. The Bid **must** include all of the following:

   a. Term premiums for the required coverage.
   b. Complete specimen policy form(s) and endorsements.
   c. Information on the claims reporting procedures to be used by each insurance carrier.
   d. Details of a deferred premium payment plan. The rate of interest or finance charges, if any, must be fully disclosed and included in the bid prices.
   e. Completed Brokers Questionnaire.

2. The Authority will not consider the purchase of insurance from any insurance carrier not rated at least A- or higher by A. M. Best, or equivalent. Carriers with lower ratings may apply for consideration if adequately reinsured.

3. The Authority will not consider the purchase of insurance arranged by an individual or entity not licensed as an insurance Agent, Broker, or Surplus Lines Broker in accordance with Guam law (22 G.C.A., Division 2, Insurance Law.)

   The coverages, to the extent practical, should be placed with one carrier. GWA reserves the sole right to determine the acceptability of such a plan. Acceptability will be evaluated as to its overall economic results which include premium (cost), condition, relative reliability of underlying carrier(s) and ability (to include among other things, track record, experience with other assured, personnel to be assigned to the account, experience and training) to service the account for claims, provide safety/loss control services, and otherwise. The above suggests one multiform carrier but does not exclude several carriers.

4. Bid Format. Bidders are free to submit their bids in a convenient format, however, at a minimum; the bids should provide sufficient financial, operational and other details sufficient for GWA to understand fully the nature of the bid. However, all bidders must submit include specimen policies and endorsements they intend to use.

   Bidder shall supply all information requested by GWA concerning the bidder's responsibility. GWA may request additional data or information for the purposes of clarification at any time prior to award. Bidders failing to submit a complete bid package may be deemed to non-responsible.

5. Rating Data. Prospective bidders requiring additional rating data should address their inquiry to the Procurement Officer. Replies with significant data will be furnished to all persons who, of record, have this Invitation For Bid.

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SECTION VI. EVALUATION OF BIDS.

In evaluating the bids, including the capacity of the bidder to perform, GWA will consider which bid provides the best value for insurance coverage. **All costs** must be included in the overall bid. GWA reserves the sole right to determine the acceptability and ranking of bids in any respect in order to provide GWA with the best overall value. In the bid evaluation process, the following factors may be considered:

(a) Extent of hidden costs;
(b) Whether the bidder meets the announced requirements of GWA in all material respects;
(c) Cost of total package;
(d) Terms of proposed insurance policy and contract;
(e) Overall clarity and presentation of Bid;
(f) Ability to provide the requisite services required herein;
(g) Possess the requisite financial strength ;
(h) a satisfactory record of performance;
(i) a satisfactory record of integrity;
(j) qualified legally to contract with GWA; and
(k) supplied all necessary information in connection with their Bid.

SECTION VII. SPECIFIC INSURANCE SPECIFICATIONS

1. NAMED INSURED

Guam Waterworks Authority

2. TERM

_____ a.m. Chamorro Standard Time.

3. TOTAL DECLARED VALUES

Subject	Amount
Above-ground Assets	69,332,375
Below-ground Assets	353,466,300
Miscellaneous Unscheduled Assets, above & below ground	5,000,000
Annual Revenue	55,352,272
TOTAL	**$483,050,947**

4. LOSSES

Other than typhoon damage to water storage tanks, the Authority has no record of what would be considered as insurable losses to its property – there have been some structural failures as a result of age and lack of maintenance. The following typhoon damage has been recorded:

The Ugum tank is a 2 million gallon steel tank, built in 1991. The roof, or crown, was deformed and internal bracing fractured during Super Typhoon Pongsona in 2002. The tank sustained about $411,000 damage but was not taken out of service.

The Mangilao tanks are two interconnected 1.5 million gallon units. One tank was out of service and believed to be empty at the time of loss, the other was torn from its foundation and had to be replaced; total cost $1,930,000.

5. RISK CONTROL

GWA owns 34 water tanks which are in various states of repair. Thirteen of these tanks have been examined[1] and are considered to be in insurable condition, the remainder are in need of structural repairs. An inspection and renovation program has been initiated that will result in the tanks being brought up to American Water Works Association Standard D100-05. This work will be completed and the tanks added to the schedule of insured assets subject to availability of funds.

6. COVERAGES REQUIRED

Coverage	Limits
Blanket Coverage for risks of direct physical loss or damage to All Real and Personal Property belonging to the Insured or in which the Insured has an insurable interest Including: Business Interruption and Extra Expense Extension Boiler and Machinery Breakdown Tidal Wave, Flood, Windstorm, Typhoon, Earthquake Shock	$30,000,000
Sub Limits	
Valuable Papers & Records and Computer Media	$1,000,000
Personal Property in Transit	$250,000
Boiler Explosion and Machinery Breakdown	$5,000,000

[1] Assessment Reference: "Phase 1 – Summary Report for Inspection, Structural Analysis and Repair of Existing Steel Welded Water Storage Tanks," prepared by Duenas, Bordallo, Camacho & Associates dated October 17, 2008.

Automatic Acquisition	$3,000,000
Debris Removal	$1,000,000
Self-Insured Retention	
Each occurrence and in the aggregate, all perils	$1,000,000

7. REQUIRED CONDITIONS

a. Cancellation Clause

If Underwriters desire to cancel this policy other than for non-payment of premium, they shall give not less than ninety (90) days prior written notice by fax and Certified Mail to the GWA General Manager and GWA's Risk Manager designated below (or any other risk manager designated by GWA):

John Benavente, P.E.
GWA General Manager (acting)
578 North Marine Corps Drive
Tamuning, GU 96913

Fax: (671) 646-2335

Michael Moody
Risk Manager
4188 Via Solano
Palos Verdes Estates, CA 90274

Fax: (310) 791-2426

b. Premium Payment Clause

Unless otherwise agreed by endorsement, It is a condition of this policy that the premiums due must be paid to and received by Insurers 50% on or before midnight on each December 1st and 50% on each January 14th following each policy anniversary. If this condition is not complied with, this policy shall terminate on either of the above dates with the Insured hereby agreeing to pay premium calculated at not less than pro rata temporis.

c. Errors & Omissions Clause

The Insured shall not be prejudiced by an unintentional or inadvertent error, omission, incorrect valuation or incorrect description of the interest, risk or property; provided that notice is given to Underwriters as soon as practical after discovery of any such error or omission.

d. Schedules

The schedules of Property included with these Specifications represent, to the best of the Insured's knowledge, a complete listing of the property it wishes to insure and the current replacement values thereof. The schedules are not to be used to establish sub-limits of coverage, nor are they to be considered as any form of valuation. The amount payable under this Policy shall not be limited by individual values shown on the schedules.

e. Valuation

Recovery shall be made on the basis of one hundred percent (100%) of the property's current replacement value at the time and place of loss, subject to the limit of coverage provided by the Policy. The Insured shall not be required to rebuild or replace damaged or destroyed property on the same site nor with like kind and quality.

f. Permission to Add or Delete Property
Permission is granted to add or delete property during the term of the policy. Newly acquired property shall be automatically covered from the date of acquisition until the next policy anniversary. The additional premium for such property, and the return premium for property deleted from coverage, will be determined at each policy anniversary by audit adjustment. The policy anniversary is agreed to occur at 12.01 AM Local Time each 1st October.

g. Business Interruption and Extra Expense Extension
Coverage is extended to include the Actual Loss sustained by the Insured resulting directly from Interruption of Business for a period not to exceed twenty-four (24) calendar months.

Coverage is extended to include the necessary Extra Expense incurred by the Insured in order to continue as nearly as practicable the normal conduct of the Insured's business following loss or damage to property insured by this Policy.

h. Demolition Cost and Increased Time to Rebuild
The cost of demolishing any undamaged portion of the building(s) covered, including the cost of clearing the site caused by loss from any insured peril and resulting from enforcement of any state or municipal law or ordinance regulating the construction or repair of buildings. Underwriters will also be liable for loss due to the additional period of time required for repair or reconstruction, in conformity with the minimum standard of such law or ordinance.

i. Increased Cost of Construction
The amount of insurance includes within the sum insured the actual amount of the increased costs of repair, rebuilding or construction resulting from the enforcements of any applicable law or ordinance regulating the construction or repair of buildings.

j. Denial of Access by Civil Authority
This Policy is extended to cover the actual loss sustained during the period of insurance against, access to real or personal property is impaired in whole or in part due the necessity to comply with Building and other Regulations under or framed in pursuance of any act in force at time of loss of any Public Authority.

k. Waiver of Coinsurance or Average Clause
In the event of loss, there shall be no application of a coinsurance or average clause in determining the recovery due the Insured.

m. Waiver of Subrogation - Tenants
In event of loss, Underwriters waive their rights of subrogation against any tenant occupying, renting or leasing property from the Insured.

n. Underground Piping Damage/Sink Hole Restoration
In the event of loss or damage to underground piping, recovery shall be made on the basis of the actual costs to repair or replace the damaged piping and connected hardware plus an additional amount, not to exceed $500,000, to replace soil and paving removed by action of water or other fluids discharged from the damaged pipe.

o. **Damage to Building Exterior**
Any endorsement or clause that excludes coverage for loss or damage to paint or waterproofing material applied to the exterior of a Building or other property, applied to the exterior surface of the Building or property shall be waived.

p. **Damage to Building Interior**
Any endorsement or clause that excludes coverage for damage to the inside of a Building or property in the Building caused by rain, sand, or dust unless wind first damages the roof or wall and enters through the resulting opening shall be waived.

q. **Earthquake Damage to Buildings**
Any endorsement or clause that limits coverage to damage that weakens the structural frame or therefore the stability of the life of the Building or structure shall be waived.

Any endorsement or clause that excludes loss for plaster cracks between masonry and gypsum board and any other deterioration of cement or plaster, as well as any damage caused by shrinkage, settling, deterioration and/or wear and tear shall be waived.

r. **Jurisdiction**
This insurance shall be governed by and construed in accordance with the laws of Guam and the exclusive jurisdiction Guam's courts. The seat of arbitration, if any, shall be Guam.

s. **Service of Suit Clause**
To be determined.

8. DEFINITIONS & NOTES

a. Booster Pumps are defined as the pump, powering motors, electrical panels, transformers, and switches, the pump base, enclosing structures, fences, and any other related equipment of every kind and description. Booster Pumps are located above ground in concrete enclosures also housing generator rooms.

b. Water Wells are defined as the well casing, the well head, air release valves, check valves, by-pass valves, flow meters, chemical injection units, the pump, powering motors, electrical panels, transformers, and switches, enclosing structures, fences, and any other related equipment of every kind and description. Water wells are considered to be 90% below ground, 10% above; i.e. valves, meters, etc.

c. Manholes are defined as the frame, cover, ladder components, cones, the barrel, bench and any other related equipment of every kind and description. Manhole covers and frames are at grade level, but do not extend above ground.

d. Treatment Plants are defined as pumps, basins, control centers, ancillary buildings, fencing, transformers, electrical panels, power generating facilities, and any other related equipment of every kind and description.

e. Storage Tanks are defined as the tank, its base, retaining rings and clips, lighting, ladders, pumps, their powering motors, transformers, gages, valves, back flow preventers, fences, and any other associated equipment of every kind and description.

9. SCHEDULES (see below)

Building and Contents
Fresh Water System

Booster Pump Stations

Pressure Reducing Valves

Water Storage Tanks

Water Treatment Plant

Underground Piping

Water Wells

Waste Water System

Booster Pumps

Manholes

Sewage Treatment Plants
Underground Piping

GUAM WATERWORKS AUTHORITY
Building and Contents
May 2010

No.	Description	Building	Contents	Area	Sto	Const
1	Admin Building	2,500,000	1,000,000	15,000	2	C
	Annual Revenue	55,252,272				
	Grand Total	**$58,752,272**				

Const. Legend
C - Concrete

Notes:
1. Lighting and fencing attached to buildings are included with stated building values.

GUAM WATERWORKS AUTHORITY
Fresh Water System - Booster Pump Stations
October 2009

		Booster Pumps and Motors					Motor	Total
			Pumps		Unit	Total	Contr Ctr	per
No.	Name	GPM	HP	Quan.	Repl Cost	Repl Cost	Repl Cost	Station
1	Astumbo	5	1.5	1	750	750	563	1,313
2	Gayinero	350	15.0	2	8,100	16,200	6,075	22,275
3	Hyundai	600	50.0	2	15,000	30,000	11,250	41,250
4	Latte Heights	550	15.0	3	6,400	19,200	4,800	24,000
5	Mataguac	300	25.0	3	10,000	30,000	7,500	37,500
6	Northern Treatment Plant	25	15.0	1	3,000	3,000	2,250	5,250
7	Santa Rosa	85	10.0	2	7,500	15,000	5,625	20,625
8	Wusstig	125	15.0	1	5,000	5,000	3,750	8,750
9	Yigo Elevated Tank	100	5.0	2	1,700	3,400	1,275	4,675
10	Adawag	15	7.0	1	2,500	2,500	1,875	4,375
11	Asan Spring (stand by)	280	10.0	3	5,500	16,500	4,125	20,625
12	Camacho	40	3.0	1	1,500	1,500	1,125	2,625
13	MannengonAccesss Road	650	40.0	3	16,500	49,500	12,375	61,875
14	Nimitz Hill (Lower)	50	15.0	2	2,500	5,000	1,875	6,875
15	Pale Kiren	130	5.0	1	2,000	2,000	1,500	3,500
16	Ulloa/Untalan	5	1.5	1	750	750	563	1,313
17	Brigade	800	100.0	3	16,500	49,500	12,375	61,875
18	Geus	400	40.0	3	14,900	44,700	11,175	55,875
19	Malojloj	540	40.0	2	16,500	33,000	12,375	45,375
20	Malojloj	200	20.0	1	16,400	16,400	12,300	28,700
21	Malojloj Elevated Tank	250	10.0	3	9,250	27,750	6,938	34,688
22	Pago Bay	1,100	75.0	3	13,000	39,000	9,750	48,750
23	Pigua	80	5.0	1	2,500	2,500	1,875	4,375
24	Santa Ana Lowar	20	7.5	1	2,500	2,500	1,875	4,375
25	Santa Ana Upper	350	50.0	3	14,250	42,750	10,688	53,438
26	Santa Rita Springs	650	40.0	2	5,600	11,200	34,000	45,200
27	Toguan	350	15.0	2	3,700	7,400	2,775	10,175
28	Truman	180	20.0	1	10,000	10,000	7,500	17,500
29	Truman	200	30.0	1	12,000	12,000	9,000	21,000
30	Truman	400	50.0	1	14,900	14,900	11,175	26,075
31	Umatac#1	80	5.0	1	2,500	2,500	1,875	4,375
32	Umatac#2	250	10.0	2	5,700	11,400	4,275	15,675
33	Windward Hills	400	60.0	3	15,000	45,000	11,250	56,250
						572,800	227,725	800,525
					Total Replacement Cost			**$800,525**

GUAM WATERWORKS AUTHORITY
Fresh Water System - Pressure Reducing Valves
November 2009

No.	Name	Street	Size, in.	Repl. Cost
1	PRVIO_6_12_RTE3	Along Rte 3, S of swamp	10	3,600
2	PRV8_RTE15TAKANO	Rte 15 & Trebor	8	2,200
3	PRV-UNK SIZE-RD INTO TIJMON FM RTE 1	Pale San Vitores	N/A	
4	PRV-12_UPPTUMON	Rte 1 nr Adrian Sanchez St.	12	5,000
5	PRV-6 UPPTUMON1	Rte 1 nr Adrian Sanchez St	6	1,200
6	PRV-10_UPPTUMON2	Andrian Sanchez St nr Rte 1	10	3,600
7	PRV_UKNSIZE-AIRFUELT	Rte 10A, W of Rte 16 inter	12	5,000
8	PRV6 AIRPORT	Rte 10A, NE Chalan Pasaheru	6	1,200
9	PRV6 RTE16	Rte 16 & N Sabana Barrigada	6	1,200
10	PRV8 RTE16	Rte 16 & N Sabana Barrigada	8	2,200
11	PRVIO_4_RTE15	Rte l5 & Street S-3	10	3,600
12	PRVI2_RTE15	Rte 15& Marbo Cave	12	5,000
13	PFJ_UNKSIZE_11YAN	Rte 10, SW inter Sabana Barr	N /A	
14	PRV4_10 MAIMAI RD1	N of Dairy Rd, E of Eging Dr	10	3,600
15	PRVI2 MAIMAI-RD	Dairy Rd, W of Rte 10	12	5,000
16	PRV_12_ORDOT MAYORS	Dero Rd & Judge Sablan St	12	5,000
17	PRV8_RTE15	Rte 15 @Terao	8	2,200
18	PFI_8_MARJANO ST	Jesus Mariano & Rte 10	8	2,200
19	PRV_NIMITZHILL_1 0F3	Nimitz Dr nr Rte 6	6	1,200
20	PRV_NIMITZHILL_2 0F3	Nimitz Dr nr Gualton Cir	6	1,200
21	PRV_NIMITZHILL_3 0F3	Nimitz Dr nr Acho Cir	6	1,200
22	PRI VI 2_SANTA RITA	Rte 12 & Palo Ferdinan Wy	12	5,000
23	PRV6_SANTA RITA	Palo Ferdinan, E of Santa Rosa	6	1,200
24	PRV12_SOUTHERNHIGH	Palo Ferdinan, W of Sumay Mem	12	5,000
25	PRV6_SANTA RITA-NAMO	Rte 12 & Annex	6	1,200
26	PRV8 SANTA-RITA	Pale De Leon St, W of Chalan Pago	8	2,200
27	PRV12_AGAT	Erskin & Duenas	12	5,000
28	PRV-16_NR TRUMAN	Sumay Memorial	16	8,500
29	PRV @SINIFA BPS	Rte. 17	8	2,200
30	PRVI2WINDWARDHILLS	Rte 17, E of Fairway	12	5,000
31	PRV8_AT-SEMINARY	Rte 4 N of Rte 17	8	2,200
32	PRV8 YONA	Rte 4 S of Rte 17	8	2,200
33	PRV6_UMATAC2	Rte 4 S of Jose S. Quinata	6	1,200
34	PRV6_UMATAC2	Rte 4 & Jesus Quidachay	6	1,200
35	PRV6_MERJZO	Chalan J. Cruz N of Rte 4	6	1,200
		Total Replacement Cost		**$98,700**

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GUAM WATERWORKS AUTHORITY
Fresh Water System - Water Storage Tanks
26 October 2009

No.	Reservoir	Capacity (mg)	Height (ft)	Const.	Year Built/Rebuilt	Repl. Cost
1	Kaiser Dededo	2.5	40.0	Steel	1992	1,950,000
2	Mangilao#1	1.0	40.0	Steel	2009	1,400,000
3	Mangilao#2	2.0	40.0	Steel	1991	1,800,000
4	Nissan (Tumon #2)	1.0	40.0	Steel	Unk.	1,350,000
5	Yigo#1	0.5	40.0	Steel	Unk.	900,000
6	Yigo#2	2.5	40.0	Steel	1995	1,950,000
7	Manenggon	2.0	40.0	Steel	1992	1,800,000
8	Nimitz Hill (Upper)	0.010	0.0	Steel	1998	45,000
9	Inarajan (Gura)	0.2	24.0	Steel	1980	700,000
10	Santa Ana Lower (Agat#1)	1.0	40.0	Steel	1981	1,350,000
11	Santa Ana Upper (Agat#2)	0.5	40.0	Steel	1995	900,000
12	Ugum	2.0	40.0	Steel	2009	2,100,000
13	Barrigada#3	3.0	40.0	Steel	1993	2,400,000
					Total Replacement Cost	**$18,645,000**

GUAM WATERWORKS AUTHORITY
Fresh Water System - Water Treatment Plant
December 2009

No.	Component	Repl. Cost
1	Raw Water receiving system and delivery	606,180
2	Water processing system	3,300,000
3	Mixing Basin	40,800
4	Flocculation Basin	20,000
5	Sedimentation Basin	60,000
6	Master Control Center	1,505,000
7	Filter pipe gallery	78,740
8	Chlorination room	352,000
9	Chemical room	100,000
10	Booster pump station	47,930
11	Back wash treatment processing system	150,000
12	Centrifuge room	100,000
13	Laboratory-Control room	277,000
14	Emergency generator room	161,000
	Total Replacement Cost	**$6,798,650**

GUAM WATERWORKS AUTHORITY
Fresh Water System - Underground Piping
January 2010

Type	Diameter*	Length	Unit Cost	Repl. Cost
Class C-900 PVC	4"	2,039,000	80.00	163,120,000

*NOTE: UG pipe diameters range from 2" to 8". 4" diameter pipe buried between 5-10 feet was selected as a reasonable average.

Source: WRMP & GWA Engineering

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GUAM WATERWORKS AUTHORITY
Fresh Water System - Water Wells
November 2009

No.	Name	Municipality	Location	(gpm)	Built/Rebuilt	Repl. Cost
1	A-01	Chalan Pago-Ordot	Ordot after Chaot Bridge	216	Feb. 1965	140,000
2	A-02	Chalan Pago-Ordot	Dairy Rd. next to Sanctuary	241	Sept 1965	140,000
3	A-03	Chalan Pago-Ordot	Ordot along RI 4	180	April 1966	140,000
4	A-04	Chalan Pago-Ordot	Dairy Evangelista St	244	June 1966	140,000
5	A-05	Sinajana	Afame Sinajana	269	August 1966	140,000
6	A-06	Sinajana	Afame Sinajana	241	May 1966	140,000
7	A-08	Chalan Pago-Ordot	Chalan Pago across Gas sta.	206	July 1967	140,000
8	A-09	Mangilao	Dairy Rd. Back DOC	230	April 1967	140,000
9	A-10	Mangilao	Dairy Rd. corner White St.	233	May 1967	140,000
10	A-12	Chalan Pago-Ordot	Ordot across Bautista Church	235	Oct 1973	140,000
11	A-13	Mangilao	Dairy Rd before DCC entrance	237	Oct 1973	140,000
12	A-14	Mangilao	Corner at Rt.10 & 15	147	May 1973	140,000
13	A-15	Barrigada	Rt. 10 Untalan school	231	June 1973	140,000
14	A-17	Mangilao	Rt.10 Public Health	180	August 1973	140,000
15	A-18	Mangilao	Dairy Rd. acr Dept of Agriculture	229	Oct 1973	140,000
16	A-19	Mangilao	Chalan Pago After traffic light	138	Oct 1973	140,000
17	A-21	Mangilao	Mangilao next to Mayor office	213	Feb. 1974	140,000
18	A-23	Agana	Rt 4 after Mac Donald	317	May 1983	140,000
19	A-25	Agana	Rt. 4 after Town House	245	Oct 1983	140,000
20	A-26	Mongmong-Toto-Maite	Mongmong-Toto Softball field	50	May 1983	140,000
21	A-28	Barrigada	Corner at Leyang Manibusan	223	May 1983	140,000
22	A-29	Sinajana	Agana Spring	403	n/d	140,000
23	A-30	Sinajana	Agana Spring	755	n/d	140,000
24	A-31	Agana Heights	Before Cliff hotel	293	n/d	140,000
25	A-32	Agana Heights	Aross Naval Hospital	173	n/d	140,000
26	AG-Ol	Yigo	Machananao inside AAFB	173	n/d	140,000
27	AG-2	Yigo	Machananao Paintball	480	May 2000	140,000
28	D-01	Dededo	Dededo Golf Course	257	Feb. 1965	140,000
29	D-02	Dededo	Dededo Golf Course	187	Feb. 1965	140,000
30	D-03	Dededo	Dededo Golf Course	149	June 1965	140,000
31	D-04	Dededo	Dededo Golf Course	172	May 1965	140,000
32	D-05	Dededo	Dededo Golf Course	166	Dec. 1965	140,000
33	D-06	Dededo	Dededo Golf Course	189	Feb.1966	140,000
34	D-07	Dededo	Y-Sensong Rd	198	Nov.1996	140,000
35	D-08	Dededo	Y-Sensong Rd	185	Sept.1996	140,000
36	D-09	Dededo	Dededo Golf Course	196	Jan. 1996	140,000
37	D-10	Dededo	Butolu St.	351	March 1968	140,000
38	D-11	Dededo	Dededo Golf Course	226	April 1969	140,000
39	D-12	Dededo	Y-Sensong Rd	188	Oct 1971	140,000
40	D-13	Dededo	Swamp Rd. 22	200	Jan.1971	140,000
41	D-14	Dededo	Across Dededo Bio Path	200	Aug. 1973	140,000
42	D-15	Dededo	Benavente Middle School	202	Nov. 1974	140,000
43	D-16	Dededo	Sta Monica next to Public health	161	Oct 1979	140,000
44	D-19	Dededo	Swamp Rd.	227	n/d	140,000
45	D-20	Dededo	Swamp Rd.	207	n/d	140,000

GUAM WATERWORKS AUTHORITY
Fresh Water System - Water Wells
November 2009

No.	Name	Municipality	Location	(gpm)	Built/Rebuilt	Repl. Cost
46	D-21	Dededo	Swamp Rd.	157	n/d	140,000
47	D-22	Dededo	Bonito lane, Y-Sengsong Rd.	200	n/d	140,000
48	D-24	Dededo	Y-Sengsong Rd.	180	n/d	140,000
49	D-25	Dededo	Chn. Natibo, Y-Sengsong Rd.	400	March 1999	140,000
50	D-26	Dededo	Chn. Natibo, Y-Sengsong Rd.	250	March 1999	140,000
51	D-27	Dededo	Swamp Rd.	400	August 1999	140,000
52	D-28	Dededo	Swamp Rd.	200	August 1999	140,000
53	EX-05A	Dededo	Dededo Golf Course	254	n/d	140,000
54	EX-11	Barrigada	Latte Heights back Adacao Sch.	210	n/d	140,000
55	F-01	Dededo	Fenegayan Rt.3 POL	140	Feb. 1969	140,000
56	F-02	Dededo	Fenegayan Rt.3 POL	121	Dec.1971	140,000
57	F-03	Dededo	Fenegayan Rt.3 POL	142	Feb. 1972	140,000
58	F-04	Dededo	Fenegayan Rt.3 POL	137	Feb. 1975	140,000
59	F-05	Dededo	Near Astumbo Com. Center	145	April 1975	140,000
60	F-06	Dededo	Corner Y-sengsong and R13	151	n/d	140,000
61	F-07	Dededo	NCS pipeline	170	n/d	140,000
62	F-08	Dedecio	Corner Y-sengsong & Balaku	149	May 1975	140,000
63	F-09	Dededo	Y-Sensong Rd acr Astumbo Sch.	140	n/d	140,000
64	F-10	Dededo	NCS POL R13	142	n/d	140,000
65	F-11	Dededo	NCS POL Rt.3	142	n/d	140,000
66	F-12	Dededo	Machanao to Piga	148	n/d	140,000
67	F-13	Dededo	Bongbong Machanao	380	Dec. 1996	140,000
68	F-15	Dededo	Corazon Machanao	440	Dec. 1996	140,000
69	F-16	Dededo	Corazon Machanao	230	Dec. 1996	140,000
70	F-17	Dededo	Corazon Machanao	240	Dec. 1995	140,000
71	F-18	Dededo	Corazon Machanao	240	Dec. 1995	140,000
72	F-19	Dededo	Route 3	200	Nov. 1998	140,000
73	F-20	Dededo	Route 3	200	Dec. 1998	140,000
74	G-501	Dededo	GHURA playground	183	n/d	140,000
75	H-01	Tumon	Harmon Two Lvrs pt.	288	n/d	140,000
76	HGC-02	Dededo	Sta Ana Subdivision	444	n/d	140,000
77	M-01	Barrigada	Latte Heights, Plantation	109	April 1965	140,000
78	M-02	Barrigada	Latte Heights, Plantation	184	April 1968	140,000
79	M-03	Barrigada	Latte Heights, Plantation	177	Dec. 1967	140,000
80	M-04	Barrigada	Latte Heights, Plantation	138	March 1968	140,000
81	M-05	Barrigada	Lemon China St Macheche	176	Feb. 1969	140,000
82	M-06	Barrigada	Villa Rosario Condo.	168	August 1969	140,000
83	M-07	Dededo	Butter Cup St. Macheche	175	June 1970	140,000
84	M-08	Barrigada	Carnation St.Latte Heights	158	June 1970	140,000
85	M-09	Barrigada	Mangilao Route 15	162	Sept 1970	140,000
86	M-12	Dededo	Harmon Loop	104	Oct.1973	140,000
87	M-15	Dededo	Lemon China St Macheche	172	March 1982	140,000
88	M-17B	Barrigada	Behind Conwod	153	n/d	140,000
89	M-18	Barrigada	Rt. 15 before Iglicia ni Christo	325	June 1997	140,000
90	M-20A	Barrigada	Behind Conwood	400	Dec. 1995	140,000

GUAM WATERWORKS AUTHORITY
Fresh Water System - Water Wells
November 2009

No.	Name	Municipality	Location	(gpm)	Built/Rebuilt	Repl. Cost
91	M-21	Airport Road DW	Airport Rd next to Gas Station	250	July 1999	140,000
92	M-23	Barrigada	Carnation St. Latte Heights	225	May 2000	140,000
93	NAS-01	Tlyan	Tiyan	200	n/d	140,000
94	Y-01	Yigo	Asardas Drive.	141	Feb. 1967	140,000
95	Y-02	Yigo	Asardas Drive.	161	Jan. 1973	140,000
96	Y-03	Yigo	Beside Yigo Mayor Office	138	n/d	140,000
97	Y-04	Yigo	Back of Ace Hardware, Yigo	220	n/d	140,000
98	Y-05	Yigo	Simon Sanchez High School	148	n/d	140,000
99	Y-06	Yigo	Simon Sanchez High School	136	n/d	140,000
100	Y-07	Yigo	Gayinero Dr. Yigo Elem Sch.	514	n/d	140,000
101	Y-09	Yigo	Gayinero Dr. Yigo Elem Sch.	472	n/d	140,000
102	Y-10	Yigo	Aga Blvd Ypaopao estates	250	July 1997	140,000
103	Y-12	Yigo	Batulo St Dedeo	235	n/d	140,000
104	Y-14	Yigo	Back of Ace Hardware, Yigo	400	July 1997	140,000
105	Y-15	Yigo	Rt.15 UPI Elem. School	600	May 1993	140,000
106	Y-16	Yigo	Before Ace Hardware Yigo Rt. 1	250	Aug. 2000	140,000
107	Y-17	Yigo	Eavngelista St Yigo	350	May 2000	140,000
108	Y-18	Yigo	Before Ace Harware Yigo Rt. 1	250	April 1999	140,000
109	Y-19	Yigo	Andersen South Yigo	500	April 1999	140,000
110	Y-20	Dededo	Andersen South Yigo	500	April 1999	140,000
111	Y-21	Yigo	Before Ace Harware Yigo Rt.1	350	Aug. 2000	140,000
112	Y-22	Dededo	Ypaopao Estate Yigo	300	March 2002	140,000
113	Y-23	Yigo	Chn. Paharo, Yigo	380	Feb. 2000	140,000
114	MJ-01	Malojloj	Malojloj Subdivision	56	n/d	140,000
115	MJ-05	Malojloj	Malojloj Subdivision	58	n/d	140,000
				Total Replacement Cost		**$16,100,000**

NOTES: Wells A-07, D-17, D-18, M-14, MI7A are out of service, require re-drilling
Wells MJ-01 & MJ-05 are on standby as needed

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GUAM WATERWORKS AUTHORITY
Waste Water System - Booster Pump Stations
November 2009

No.	District	Station	HP	Pump Purchase	Remove and Reinstall	Repl. Cost
1	Central District	Leyang	10	8,500	3,000	11,500
2	Central District	Leyang	10	8,500	3,000	11,500
3	Central District	Maite Ejector	10	8,500	3,000	11,500
4	Central District	Maite Ejector	10	8,500	3,000	11,500
5	Central District	Toto Gardens	10	8,500	3,000	11,500
6	Central District	Toto Gardens	10	8,500	3,000	11,500
7	Central District	Cabras Island	5	8,500	3,000	11,500
8	Central District	Cabras Island	5	8,500	3,000	11,500
9	Central District	Namo	5	8,500	3,000	11,500
10	Central District	Namo	5	8,500	3,000	11,500
11	Central District	Alupang Cove	7.5	8,500	3,000	11,500
12	Central District	Alupang Cove	7.5	8,500	3,000	11,500
13	Central District	Flora Gardens	7.5	8,500	3,000	11,500
14	Central District	Flora Gardens	7.5	8,500	3,000	11,500
15	Central District	Casimero	10	8,500	3,000	11,500
16	Central District	Casimero	12	8,500	3,000	11,500
17	Central District	Sinajana	14	8,500	3,000	11,500
18	Central District	Sinajana	14	8,500	3,000	11,500
19	Central District	Piti	14	8,500	3,000	11,500
20	Central District	Chalan Pago 5	15	9,500	3,000	12,500
21	Central District	Chalan Pago 5	15	9,500	3,000	12,500
22	Central District	Ordot	15	9,500	3,000	12,500
23	Central District	Ordot	15	9,500	3,000	12,500
24	Central District	MongMong/Toto	17	9,500	3,000	12,500
25	Central District	MongMong/Toto	17	9,500	3,000	12,500
26	Central District	Bayside	20	12,600	3,000	15,600
27	Central District	Commercial Port	23	12,600	3,000	15,600
28	Central District	Commercial Port	25	16,000	3,000	19,000
29	Central District	Asan	28	16,000	3,000	19,000
30	Central District	Dairy Road	30	17,800	5,000	22,800
31	Central District	Dairy Road	30	17,800	5,000	22,800
32	Central District	Dairy Road	30	17,800	5,000	22,800
33	Central District	Mangilao	39	17,800	5,000	22,800
34	Central District	Mangilao	39	17,800	5,000	22,800
35	Central District	Chalan Pago 3	50	23,200	5,000	28,200
36	Central District	Chalan Pago 3	50	23,200	5,000	28,200
37	Central District	Hagatna	58	23,200	5,000	28,200
38	Central District	Hagatna	58	23,200	5,000	28,200
39	Central District	Hagatna	28	23,200	5,000	28,200
40	Central District	Mamajanao	70	24,800	5,000	29,800
41	Central District	Mamajanao	70	24,800	5,000	29,800
42	Central District	Mamajanao	70	24,800	5,000	29,800
43	Central District	Barrigada	75	34,500	8,000	42,500

GUAM WATERWORKS AUTHORITY
Waste Water System - Booster Pump Stations
November 2009

No.	District	Station	HP	Pump Purchase	Remove and Reinstall	Repl. Cost
44	Central District	Barrigada	75	34,500	8,000	42,500
45	Central District	Pago Double	100	37,100	8,000	45,100
46	Central District	Pago Double	100	37,100	8,000	45,100
47	Central District	Tai Mangilao	115	37,100	8,000	45,100
48	Central District	Tai Mangilao	115	37,100	8,000	45,100
49	Central District	Tai Mangilao	115	37,100	8,000	45,100
50	Central District	Chaot (New)	190	42,000	8,000	50,000
51	Central District	Chaot (New)	190	42,000	8,000	50,000
52	Central District	Chaot (New)	190	42,000	8,000	50,000
53	Northern District	Latte Sun Rise	3	8,500	3,000	11,500
54	Northern District	Latte Sun Rise	3	8,500	3,000	11,500
55	Northern District	Santa Ana	3	8,500	3,000	11,500
56	Northern District	Santa Ana	3	8,500	3,000	11,500
57	Northern District	Latte Plantation	5	8,500	3,000	11,500
58	Northern District	Latte Plantation	5	8,500	3,000	11,500
59	Northern District	Hafa Adai	12	8,500	3,000	11,500
60	Northern District	Hafa Adai	12	8,500	3,000	11,500
61	Northern District	Latte Dbl Trouble	12	8,500	3,000	11,500
62	Northern District	Latte Dbl Trouble	12	8,500	3,000	11,500
63	Northern District	Latte Submarine	12	8,500	3,000	11,500
64	Northern District	Latte Submarine	12	8,500	3,000	11,500
65	Northern District	Astumbo #1	14	8,500	3,000	11,500
66	Northern District	Astumbo #1	14	8,500	3,000	11,500
67	Northern District	Astumbo #2	14	8,500	3,000	11,500
68	Northern District	Astumbo #2	14	8,500	3,000	11,500
69	Northern District	FEMA '96	14	8,500	3,000	11,500
70	Northern District	FEMA '96	14	8,500	3,000	11,500
71	Northern District	Pacific Latte	14	8,500	3,000	11,500
72	Northern District	Pacific Latte	14	8,500	3,000	11,500
73	Northern District	PGD	14	8,500	3,000	11,500
74	Northern District	Macheche	20	12,600	3,000	15,600
75	Northern District	Macheche	20	12,600	3,000	15,600
76	Northern District	Ypaopao Estates	20	12,600	3,000	15,600
77	Northern District	Ypaopao Estates	20	12,600	3,000	15,600
78	Northern District	Ypaopao Estates	25	16,000	3,000	19,000
79	Northern District	Paseo De Oro	30	17,800	5,000	22,800
80	Northern District	Paseo De Oro	30	17,800	5,000	22,800
81	Northern District	PGD	30	17,800	5,000	22,800
82	Northern District	Machanao	47	19,600	5,000	24,600
83	Northern District	Machanao	47	19,600	5,000	24,600
84	Northern District	Ypao	47	19,600	5,000	24,600
85	Northern District	Harmon	47	19,600	5,000	24,600
86	Northern District	Yigo	70	24,800	5,000	29,800

GUAM WATERWORKS AUTHORITY
Waste Water System - Booster Pump Stations
November 2009

No.	District	Station	HP	Pump Purchase	Remove and Reinstall	Repl. Cost
87	Northern District	Fujita SPS	160	42,000	8,000	50,000
88	Northern District	Fujita SPS	160	42,000	8,000	50,000
89	Northern District	Fujita SPS	160	42,000	8,000	50,000
90	Northern District	Route 16	280	42,000	8,000	50,000
91	Northern District	Route 16	280	42,000	8,000	50,000
92	Northern District	Route 16	280	42,000	8,000	50,000
93	Northern District	Route 16	280	42,000	8,000	50,000
94	Northern District	Southern Link	295	42,000	8,000	50,000
95	Northern District	Southern Link	295	42,000	8,000	50,000
96	Northern District	Southern Link	295	42,000	8,000	50,000
97	Northern District	Southern Link	295	42,000	8,000	50,000
98	Southern District	MTL	10	8,500	3,000	11,500
99	Southern District	Ejector #3	2	8,500	3,000	11,500
100	Southern District	Ejector #3	2	8,500	3,000	11,500
101	Southern District	Ejector #4	2	8,500	3,000	11,500
102	Southern District	Ejector #4	2	8,500	3,000	11,500
103	Southern District	Ejector #5	2	8,500	3,000	11,500
104	Southern District	Ejector #5	2	8,500	3,000	11,500
105	Southern District	Ejector #6	2	8,500	3,000	11,500
106	Southern District	Ejector #6	2	8,500	3,000	11,500
107	Southern District	Ejector #7	2	8,500	3,000	11,500
108	Southern District	Ejector #7	2	8,500	3,000	11,500
109	Southern District	Ejector #2	5	8,500	3,000	11,500
110	Southern District	Ejector #2	5	8,500	3,000	11,500
111	Southern District	North Reyes	5	8,500	3,000	11,500
112	Southern District	North Reyes	5	8,500	3,000	11,500
113	Southern District	Pump Station #18	5	8,500	3,000	11,500
114	Southern District	Pump Station #18	5	8,500	3,000	11,500
115	Southern District	Pump Stalion #16	9	8,500	3,000	11,500
116	Southern District	Pump Station #16	9	8,500	3,000	11,500
117	Southern District	Pump Station #17	10	8,500	3,000	11,500
118	Southern District	AgatSTP	12	8,500	3,000	11,500
119	Southern District	AgatSTP	12	8,500	3,000	11,500
120	Southern District	Pagachao	12	8,500	3,000	11,500
121	Southern District	Pump Station #15	12	8,500	3,000	11,500
122	Southern District	Pump Station #15	12	8,500	3,000	11,500
123	Southern District	Pagachao	14	8,500	3,000	11,500
124	Southern District	Pump Station #13	14	8,500	3,000	11,500
125	Southern District	Pump Station #13	14	8,500	3,000	11,500
126	Southern District	Pump Station #14	14	8,500	3,000	11,500
127	Southern District	Pump Station #14	14	8,500	3,000	11,500
128	Southern District	Pump Station #17	14	8,500	3,000	11,500
129	Southern District	Inarajan Lift	20	12,600	3,000	15,600
130	Southern District	Inarajan Lift	20	12,600	3,000	15,600
131	Southern District	Inarajan Main	20	12,600	3,000	15,600

GUAM WATERWORKS AUTHORITY
Waste Water System - Booster Pump Stations
November 2009

No.	District	Station	HP	Pump Purchase	Remove and Reinstall	Repl. Cost
132	Southern District	Pump Station #12	25	12,600	3,000	15,600
133	Southern District	Pump Station #12	25	12,600	3,000	15,600
134	Southern District	Agat SW	25	16,000	3,000	19,000
135	Southern District	Agat SW	25	16,000	3,000	19,000
136	Southern District	Pump Station #11	28	16,000	3,000	19,000
137	Southern District	Pump Station #11	28	16,000	3,000	19,000
138	Southern District	Inarajan Main	30	17,800	5,000	22,800
139	Southern District	Pump Station #19	30	17,800	5,000	22,800
140	Southern District	Pump Station #19	30	17,800	5,000	22,800
141	Southern District	Pump Station #20	31	17,800	5,000	22,800
142	Southern District	Talofofo	47	19,600	5,000	24,600
143	Southern District	Talofofo	47	19,600	5,000	24,600
144	Southern District	Chaligan	100	37,100	8,000	45,100
145	Southern District	Chaligan	100	37,100	8,000	45,100
146	Southern District	Gaan #1	139	42,000	8,000	50,000
147	Southern District	Gaan #1	139	42,000	8,000	50,000
148	Southern District	Gaan #1	139	42,000	8,000	50,000
149	Southern District	Tipalao #2	220	42,000	8,000	50,000
150	Southern District	Tipalao #2	220	42,000	8,000	50,000
151	Southern District	Tipalao #2	220	42,000	8,000	50,000
			Total Replacement Cost			**$3,278,200**

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GUAM WATERWORKS AUTHORITY
Waste Water System - Manholes
January 2010

Quantity	Unit Repl. Cost	Total Repl. Cost
5,770	9,500	$54,815,000

Source: GWA Engineering

GUAM WATERWORKS AUTHORITY
Waste Water System - Sewage Treatment Plants
May 2010

No.	Location	Throughput, MGD	Repl. Cost
1	Agat-SantaRita	1.13	2,200,000
2	Baza Gardens	0.16	1,000,000
3	Hagatna	7.5	14,500,000
4	Inarajan	0.07	1,000,000
5	Northern District	7.8	15,000,000
6	Umatac-Merizo	0.28	1,000,000
7	PagoSocio	off-line	0
	Total Replacement Cost		**$34,700,000**

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GUAM WATERWORKS AUTHORITY
Waste Water System - Underground Piping
January 2010

Type	Diameter*	Length	Unit Cost	Repl. Cost
Class C-900 PVC	8"	1,060,900	114.00	120,942,600

*NOTE: UG pipe diameters range from 2" to 40". 8" diameter pipe buried between 5-10 feet was selected as a reasonable average.
Source: WRMP & GWA Engineering

10. BROKER QUESTIONAIRRE (entire form to be returned with the bid)

Name of Firm: _____

Address: _____

_____

Telephone: _____

Fax: _____

Year Firm Established: _____

Principals: _____

_____

Personnel

Administration: _____

Marketing: _____

Underwriting: _____

Total Personnel: _____

Annual Premium

Personal: _____

Commercial: _____

Total: _____

Largest Account: _____

Contacts

Primary: _____

Email: _____

Alternate: _____

Email: _____

Other: _____

Signed: _____ Date: _____

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. 09-FY2017
Relative to Authorizing GWA to Issue an Invitation to Bid (ITB) to Procure Commercial General Liability Insurance

What is the project's objective and is it necessary and urgent?
Present policy expires April 2017. 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.

Where is the location?
N/A

How much will it cost?
Based on actual experience, approximately $95,000 per year.

When will it be completed?
No later than April 11, 2017

What is the funding source?
Revenue Funds

The RFP/BID responses (if applicable):
N/A

GUAM CONSOLIDATED COMMISSION ON UTILITIES

RESOLUTION NO. 09–FY2017

RELATIVE TO AUTHORIZING GWA TO ISSUE AN INVITATION TO BID (ITB) TO PROCURE COMMERCIAL GENERAL LIABILITY INSURANCE

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, under Section 6.06 (b) Insurance, of the 2005 General Indenture relative to GWA's Water and Wastewater System Revenue Bonds, GWA is required to maintain such other insurance which it shall deem advisable or necessary to protect its interest and interest of the Bond owners, which insurance shall afford protection in such amounts and against such risks as are usually maintained by prudent operators; and

WHEREAS, GWA currently maintains a three (3) year commercial general liability (CGL) insurance policy (See ATTACHMENT "A") whose term will expire on 12:01 am, April 12, 2017; and

WHEREAS, under the current CG policy, included is a $30 million indemnification for bodily injury and property damage liability arising in the conduct of business; and

WHEREAS, GWA management desires to procure similar commercial general liability insurance, adjusted for GWA's current state of condition, upon the expiration of the current policy in force; and

WHEREAS, based on past experience, GWA has found that a three (3) year and or five (5) years term is cost effective and beneficial to GWA; and

WHEREAS, based on GWA's best estimate, the IFB will exceed the General Manager's obligating authority of $250,000 which is the purpose for GWA requesting the CCU's approval to issue the IFB; and

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 finds that the issuance of an ITB for Commercial General Liability insurance to be prudent.
3. The CCU finds and agrees with the plan to solicit new insurance bids for a three (3) and or five (5) years term as cost effective and beneficial to GWA.
4. The General Manager is authorized to execute all documents and undertake all reasonable actions necessary to issue an Invitation to Bid procurement for commercial general liability insurance.

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

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//

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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ATTACHMENT "A"
(General Liability Insurance)

INVITATION TO BID

The GUAM WATERWORKS AUTHORITY will receive sealed bids for **General Liability Insurance, in GWA IFB. NO. 2015 -07.** Bids will be accepted until 10:00 a.m. Chamorro Standard Time, APR 06, 2015 at the GWA Procurement Office 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 security may be bid/performance bond, certified check or cashiers 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 are strongly encouraged to contact or visit GWA Procurement Office to register 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.

Mark G. Miller,
Interim General Manager

GWA STAMP ISSUE DATE:

_____

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GUAM WATERWORKS AUTHORITY

"Better Water. Better Lives"
Gloria B. Nelson Public Service Building
688 Route. 15, Mangilao, Guam 96913

INVITATION FOR COMPETITIVE SEALED BIDS

IFB 2015-07

FOR

GENERAL LIABILITY INSURANCE

SECTION I: INTRODUCTION

The Guam Waterworks Authority ("GWA") is seeking competitive sealed fixed price bids for General Liability Insurance as specified above for a one (1) year period based on the lowest responsive and responsible bid commencing not later than 10 days after a Notice to Proceed from GWA is issued (preferably by **April 10, 2015**. at 12:01 a.m. Guam Time). All bids must be received by GWA on or before **April 6, 2015 at 10:00 a.m.** at the GWA Procurement Office, late bids will not be considered.

All questions and inquiries must be submitted in writing (either via letter, fax or e-mail) to the address below not later than **March 30, 2015**. Oral questions and responses shall be given no effect.

Greg Cruz, Chief Financial Officer
Gloria B. Nelson Public Service Building
688 Route 15 Mangilao, Guam 96913
Fax: (671) 646-2594
Phone: (671) 300-6860
E-mail: gpcruz@guamwaterworks.org

Copies of all inquire must also be transmitted to:

Vince Guerrero, GWA Procurement Administrator
Gloria B. Nelson Public Service Building
688 Route 15 Mangilao, Guam 96913
Fax: (671) 649-3750
Phone: (671) 300-6026/6027
E-mail: vincentguerrero@guamwaterworks.org

SECTION II: BID RESPONSE FORM

BID ITEM 1.0. – GENERAL LIABILITY INSURANCE BID

This transmittal is a premium summary for the coverages outlined in the Insurance Specifications.

Required Coverages – Primary Liability Insurance 1 year term

LIMITS	DEDUCTIBLE	PREMIUM	CARRIER & FINANCIAL RATING
$30,000,000 each occurrence, including Products Liability, $30.000,000 Personal Injury Liability, $30,000,000 Pollution Liability	$300,000		

ALTERNATE QUOTE	PREMIUM	CARRIER & FINANCIAL RATING
As above, 2 year term		

Broker: _____

Date: _____

SECTION III.

BROKER QUESTIONNAIRE
(THIS FORM MUST BE RETURNED WITH THE BID)

Name of Firm: _____

Address: _____

_____

Telephone: _____

Fax: _____

Year Firm Established: _____

Principals: _____

_____

Personnel

Administration: _____

Marketing: _____

Underwriting: _____

Total Personnel: _____

Annual Premium

Personal: _____

Commercial: _____

Total: _____

Largest Account: _____

Contacts

Primary: _____

Email: _____

Alternate: _____

Email: _____

Other: _____

Signed: _____ Date: _____

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SECTION IV: BACKGROUND AND SUMMARY OF SOLICITATION

The Guam Waterworks Authority ("GWA"), a Guam Public Corporation, is the civilian supplier of water and wastewater services to the Island of Guam. GWA operates and maintains about 200 fresh water facilities on Guam providing service to a population of over 157,000 people. It also owns 87 wastewater facilities which are operated and maintained by a private contractor. The Authority did not carry prior insurance prior to October 2010 aside from D&O Insurance and limited property insurance on some of its water tanks. The current bond indenture requires purchase of liability insurance.

The Authority did not carry insurance prior to October 2010. GWA's bond indenture requires the Authority to maintain insurance with responsible insurers in such amounts and against such risks as are usually maintained by prudent operators of- similar systems. In April, 2012, GWA accepted multi-year bids for all lines of its insurance; the current General Liability policy expires on April 12, 2015.

SECTION V: INSTRUCTIONS AND PROCEDURES FOR BIDDERS

1. BID SCHEDULE

The deadline for the submission of bids is **April 6, 2015,** at **10:00 a.m.** Three (3) copies and one (1) original bid **must be physically received** by GWA at the address below (not postmarked) no later than the above date and hour. It is advisable to use courier services to expedite delivery of your bid, as Guam is served by several such courier services. It is bidder's responsibility to insure the bid is received as required above. Late bids will not be considered.

2. PREPARATION AND SUBMISSION OF BIDS

Envelopes containing Bids shall be sealed and marked on the face with the name and address of the Bidder, the Bid Number and the time and date of submission. Telegraphic Bids will not be considered, nor will modifications by telegraph of Bids already submitted be considered. Bids **must be received** at the place of opening **on or before the opening date and time**. Bids received through the mail will not be accepted if such mail is received at the address showing after the submission date and time. Facsimile or e-mailed bids will not be accepted. Bids will be opened publicly.

All submittals must strictly conform to the Invitation for Bid and any addenda, non-responsive and non-responsible bids will not be considered.

Three complete (3) copies and (1) complete original Bid must be submitted to GWA. Any and all sample documentation, including but not limited to, a complete proposed insurance policy, including exclusions, must be submitted. No submittal shall be considered complete unless accompanied by **all** items required in this bid.

The IFB **must** be received by GWA not later than **10:00 a.m. April 6, 2015** in a sealed envelope with the IFB number clearly marked and delivered to or received by the GWA Procurement Administrator or his/her designee at the following address:

TO: Guam Waterworks Authority
Attn: Procurement Administrator
Gloria B. Nelson Public Service Building
First Floor
688 Route 15 Mangilao, Guam 96913

Examination of IFB Documents: Bidders shall examine the IFB Documents to inform themselves of all conditions and requirements for the execution of the proposed work. Ignorance on the part of Bidder of any part of the IFB will in no way relieve him/her of the obligation and responsibility assumed under the Contract.

Familiarity with Laws: Bidder is assumed to be familiar with Federal and Local laws, ordinances, rules and regulations that in any manner affect the work. Ignorance on the part of Bidder of any part of the IFB will in no way relieve him/her of the obligation and responsibility assumed under the Contract.

3. EXPLANATION TO BIDDERS

No oral explanation in regard to the meaning of the specification will be made and no oral instructions will be given before the award of the Bid. Questions regarding discrepancies, omissions, or doubts as to the meaning of the specifications must be communicated in writing (either e-mail, fax or mail) to Guam Waterworks Authority for interpretation. Bidders should act promptly and allow sufficient time for a reply to reach them before the submission of their Bids. Interpretation, if required, shall be made in the form of an amendment to the specifications, which will be forwarded to all prospective bidders, and its receipt by the Bidder should be acknowledged on the Bid form.

4. CLARIFICATION ON INVITATION FOR BID

Each Bidder must carefully examine the IFB and all amendments or addenda. If any Bidder (a) finds any discrepancies, omission or ambiguities in the IFB documents, (b) is uncertain as to the intent or meaning of any provision of the IFB, or (c) has any question regarding the IFB, the Bidder must promptly notify GWA in writing no later than five (5) working days prior to the closing date of the IFB thereof in writing at the address specified for submission of Bid. Replies to such notices may be made in the form of addenda, which will be issued simultaneously to all prospective Bidders.

5. FORM

All bids must be in writing and submitted in a sealed envelope, and must be signed by an officer of the bidder having authority to submit such Bids. The bids should respond in an organized fashion to all requirements of this Invitation for Bidding.

6. MODIFICATION OR WITHDRAWAL OF BIDS

Bids may be modified or withdrawn prior to submittal date. Any bid withdrawal, or modification received at GWA after the due date is late and, as such, renders the underlying bid in compliance only as to that which is on hand at the submittal date and hour.

7. RECORDING BIDS

Bids and modifications shall be submitted to GWA officials by **April 06, 2015** at the GWA Procurement Office.

Bidders shall be responsible for insuring its bid is received on or before the due date. Any late bid will not be considered by GWA. After the due date, a Register of Bids shall be prepared which shall include for all initial bids the name of each bidder, the number of modifications received, if any, and an indication of the coverage proposed, i.e. coverage of all risks or perils (a) as requested by GWA, (b) less than GWA request, and/or (c) alternate coverage as requested.

8. CONFIDENTIAL DATA

Bidders should clearly and specifically designate which portion or portions of the bid contains trade secrets or other proprietary data they propose be kept confidential. GWA shall examine the request and make a determination as to each request. Unclear requests or requests that do not specifically identify the exact portion of the bid which the bidder is requesting to be kept confidential shall not be considered. Guam law shall govern the determination of confidentiality of any document or portion thereof.

9. AWARD

Award will be made to the lowest responsive and responsible bidder.

The bids submitted will be the primary documents for evaluation. GWA reserves the right to waive any minor information or irregularity in bids received. GWA shall have the prerogative to award, amend or reject bids in whole or in part. GWA is not responsible for any and all costs incurred by any person or party incurred in preparing any bid. GWA reserves the right to retain all bids submitted regardless of whether a firm is selected. Submission of a bid indicates acceptance of all terms and conditions by the bidder.

Please note that in the event a bid is submitted by a bona-fide service disabled veteran where the bidder is at least fifty-one percent (51%) owned by a service-disabled veteran and the price for the supply or service does not exceed one hundred five percent (105%) of the lowest price bidder, GWA is required under 5 G.C.A. § 5011 to award the bid to the service-disabled owned business. A service-disabled veteran business must meet all of the following qualifications under 5 G.C.A. § 5012:

i. the business concern is licensed to do business on Guam;
ii. the business concern maintains its headquarters on Guam;
iii. the business concern is at least fifty-one percent (51%) owned by a service-disabled veteran(s) who served in the active U.S. military service, was discharged or released under honorable conditions and whose disability is service-connected as demonstrated by a DD214, and certified by an award letter from the U.S. Department of Veterans Affairs;

iv. the DD214 and Disability award letter from the U.S. Department of Veterans Affairs are submitted to the procuring entity for every service or supply offered; and;

v. the service-disabled veteran(s) owner of the business concern has filed individual tax returns on Guam for a period of at least three (3) consecutive years.

10. CANCELLATION OF INVITATION; REJECTION AND DELAYS

GWA reserves the right to cancel or to withdraw this Invitation to Bid, to delay determination on this Invitation for Bid, or to reject all bids, in whole or in part, at any time prior to final award. The reasons for the cancellation, delay or rejection shall be made a part of the procurement file and shall be available for public inspection.

11. REQUIRED APPROVALS

A Notice to Proceed (contract) may be conditioned on GWA obtaining the approval of the Guam Consolidated Commission on Utilities and the Public Utilities Commission on Guam depending on cost to GWA. This process may take several weeks.

12. REPRESENTATION REGARDING GRATUITIES AND KICKBACKS

The bidder or contractor represents that it has not violated, is not violating, and promises that it will not violate the prohibition against gratuities and kickbacks as mandated under the Guam Procurement Regulations. All Bidders shall submit an affidavit indicating that no gratuities or kickbacks have been given or made in connection with the submission of this bid.

13. REPRESENTATION REGARDING CONTINGENT FEES

The Contractor will provide a certification to GWA in the form supplied with this bid indicating that it has not retained a person to solicit or secure a territorial contract upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee, except for retention of bona fide employees or bona fide established commercial selling agencies for the purpose of securing business.

14. POLICY BINDER

The provider who is awarded the contract will be required to provide the Authority with written evidence that coverage is in place within 72 hours after notice to proceed has been issued.

15. ADDENDA TO IFB

In the event it becomes necessary to revise any part of this IFB, addenda will be provided to all Bidders who received the basic IFB. Any addenda issued pursuant to this IFB must be acknowledged as being received by the Bidder.

16. AFFIDAVIT OF DISCLOSURE

Affidavit of Disclosure of Major Shareholders must comply with the following requirements and failure to submit an affidavit shall be basis for rejection.

(a) Bidder must use the form issued by Guam Waterworks Authority.
(b) The affidavit must be notarized and dated on the same month as the bid opening.
(c) Date signature of the person authorized to sign the bid and the notary date must be the same.
(d) At least one affidavit must be an original.

17. BID AND PERFORMANCE BOND REQUIREMENT

All bidders are required to submit bid security in the amount of 15% of their total bid amount which must also indicate that the security is not only for a bid bond, but also for performance under this Bid as required by 5 G.C.A. 5312. Failure to submit a proper bid bond will cause the bid to be rejected.

As required by law, the bid security shall not be released upon award of the bid, but instead shall continue in full force and effect until after delivery of the supplies or services required in the Invitation for Bid have been provided.

THE BID/PERFORMANCE GUARANTEE MAY BE IN THE FORM OF:

a. Cashier's Check or Certified Check
b. Letter of Credit
c. 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

18. CLAIMS BASED ON ACTS OR OMISSIONS BY GWA.

If any action or omission on the part of GWA requiring performance changes within the scope of the contract constitutes the basis for a claim by the Bidder for additional compensation, damages, or an extension of time for completion, the Bidder shall continue with performance of the contract in compliance with the directions or orders of GWA, but by so doing, the Bidder shall not be deemed to have prejudiced any claim for additional compensation, damages, or an extension of time for completion; provided:

(a) the Bidder shall have given written notice to GWA:

(i) prior to the commencement of the work involved, if at that time the Bidder knows of the occurrence of such action or omission;

(ii) within 30 days after the Bidder knows of the occurrence of such action or omission, if the Bidder did not have such knowledge prior to the

commencement of the work; or

(iii) within such further time as may be allowed by the Procurement Officer in writing.

This notice shall state that the Bidder regards the act or omission as a reason which may entitle the Bidder to additional compensation, damages, or an extension of time. The Procurement Officer or designee of such officer, upon receipt of such notice, may rescind such action, remedy such omission, or take such other steps as may be deemed advisable in the discretion of the Procurement Officer or designee of such officer.

(b) the notice required by Subparagraph (a) of this Paragraph describes as clearly as practicable at the time the reasons why the Bidder believes that additional compensation, damages, or an extension of time may be remedies to which the Bidder is entitled; and

(c) the Bidder maintains and, upon request, makes available to the Procurement Officer within a reasonable time, detailed records to the extent practicable, of the claimed additional costs or basis for an extension of time in connection with such changes.

Nothing herein contained, however, shall excuse the Bidder from compliance with any rules of law precluding any GWA official or its Bidders from acting in collusion or bad faith in issuing or performing change orders which are clearly not within the scope of the contract.

Any adjustment in the contract price made pursuant to this clause shall be determined in accordance with the Price Adjustment Clause of this contract.

19. PRICE ADJUSTMENT CLAUSE.

Any adjustment in contract price pursuant to clauses in this contract shall be made in one or more of the following ways:

(a) by agreement on a fixed price adjustment before commencement of the pertinent performance or as soon thereafter as practicable;

(b) by unit prices specified in the contract or subsequently agreed upon;

(c) by the costs attributable to the event or situation covered by the clause, plus ~~appropriate profit or fee, all as specified in the contract or subsequently agreed upon;~~

(d) in such other manner as the parties may mutually agree; or

(e) in the absence of an agreement between the parties, by a unilateral determination by the GWA General Manager of costs attributable to the event or situation covered by the clause, plus appropriate profit or fee, all as computed by the GWA General Manager in accordance with generally accepted accounting principles and applicable sections under Chapter 7 (Cost Principles) of the Guam Procurement Regulations and subject to the provisions under Title 5, Chapter 5 of the Guam Code Annotated (Legal and

Contractual Remedies).

For any request for a price adjustment, the contractor shall submit cost or pricing data for any price adjustments subject to the provisions of 2 G.A.R. § 3118 of the Guam Procurement Regulations.

20. CONTRACT ISSUED UNDER THIS BID IS BINDING.

It is agreed that any contract under this bid and all the Covenants hereof shall insure to the benefit of and binding upon GWA and the bidder respectively and his parties, successors, assignees and legal representative. Neither GWA nor the Bidder shall have the right to assign, transfer or sublet his interests or obligations hereunder without written consent of the other party.

It is hereby mutually agreed by and between the parties hereto that no mechanic, contractor, subcontractor, material man or other person can or will contract for or in any other manner have or acquire any lien upon the binding or works covered by the contract, or the land upon which the same is situated.

21. BIDDER'S RESPONSIBILITIES.

The Bidder shall be responsible for the professional and technical accuracy of all work and materials furnished under this contract. The Bidder shall, without additional cost to GWA, correct or revise all errors or deficiencies in his/her work.

GWA's review, approval, acceptance of, and payment for goods, fee, or for services required under this contract, shall not be construed to operate as a waiver of any rights under this contract or of any cause of action arising out of the Bidder's failure of performance of this contract and the Bidder shall be and remain liable to the GWA for all costs of any kind which may be incurred by the GWA as a result of the Bidder's negligent or erroneous performance of any of the services performed under this Bid. GWA shall continue to remain liable for its own negligent acts and those of its employees and its failure to perform as provided under this agreement.

22. SCOPE OF AGREEMENT.

Any Agreement issued under this bid, and signed by the GWA General Manager (formal contract or Purchase Order) supersedes any and all other Agreements, either oral or in writing, ~~between the parties hereto with respect to retaining the services of Bidder by the GWA and~~ contains all of the covenants and terms between the parties with respect to such this project. Each party to this Agreement acknowledges that no representation, inducements, promises or agreements, orally or otherwise, have been made by any party, or anyone acting on behalf of any party which are not embodied herein, and that no other agreement, statement, or promise not contained in this Agreement and addenda will be effective only if it is in writing signed by the party to be charged. For the purposes of this paragraph and of the entire agreement, the signature of the General Manager for the Guam Waterworks Authority (or his designee) is the only signature that will bind the GWA.

23. TERMINATION.

A. TERMINATION FOR DEFAULT:

(1). Default. If the Bidder refuses or fails to perform any of the provisions of this contract with such diligence as will ensure its completion within the time specified in this contract, or any extension thereof, otherwise fails to timely satisfy the contract provisions, or commits any other substantial breach of this contract as determined by GWA, then GWA may notify the Bidder in writing of the delay or non-performance and if not cured in ten days or any longer time specified in writing by GWA. GWA may terminate the Bidder's right to proceed with the contract or such part of the contract as to which there has been delay or a failure to properly perform. In the event of termination in whole or in part GWA may procure similar services in a manner and upon terms deemed appropriate by GWA. The Bidder shall continue performance of the contract to the extent it is not terminated and shall be liable for excess costs incurred in procuring similar services.

(2) Bidder's Duties. Notwithstanding termination of the contract and subject to any directions from GWA, the Bidder shall take timely, reasonable, and necessary action to protect and preserve property in the possession of the Bidder in which GWA has an interest.

(3) Compensation. Payment for completed services delivered and accepted by GWA shall be at the contract price. Payment for the protection and preservation of property shall be in an amount agreed upon by the Bidder and GWA; if the parties fail to agree, GWA shall set an amount subject to the Bidder's rights under Chapter 9 (Legal and Contractual Remedies) of the Guam Procurement Regulations. GWA may withhold from amounts due the Bidder such sums as GWA deems to be necessary to protect GWA against loss because of outstanding liens or claims of former lien holders and to reimburse GWA for the excess costs incurred in procuring similar goods and services.

(4) Excuse for Nonperformance or Delayed Performance. Except with respect to defaults of sub-contractor(s) of Bidder, the Bidder shall not be in default by reason of any failure in performance of this contract in accordance with its terms (including any failure by the Bidder to make progress in the prosecution of the work hereunder which endangers such performance) if the Bidder has notified GWA within 15 days after the cause of the delay and the failure arises out of causes such as: acts of God; acts of the public enemy; acts of the government of Guam and any other governmental entity in its sovereign or contractual capacity; fires; floods; epidemics; quarantine restrictions; strikes or other labor disputes; freight embargoes; or unusually severe weather. If the failure to perform or to make progress due to ~~such causes similar to those set forth above, the Bidder shall not be deemed to be in default,~~ unless the services to be furnished by the sub-contractor were reasonably obtainable from other sources in sufficient time to permit the Bidder to meet the contract requirements. Failure of the sub-contractor to perform for reasons other than cited above shall constitute a default of the Bidder unless cured by Bidder with a reasonable time. Upon request of the Bidder, GWA shall ascertain the facts and extent of such failure, and, if GWA determines that any failure to perform was occasioned by any one or more of the excusable causes, and that, but for the excusable cause, the Bidder's progress and performance would have met the terms of the contract, the delivery schedule shall be revised accordingly, subject to the rights of GWA and the government of Guam under the laws of Guam.

(5) Erroneous Termination for Default. If, after notice of termination of the Bidder's right to proceed under the provisions of this clause, it is determined for any reason that the Bidder was not in default under the provisions of this clause, or that the delay was excusable under the provisions of Paragraph (4) (Excuse for Nonperformance or Delayed Performance) of this clause, the rights and obligations of the parties shall be the same as if the notice of termination had been issued pursuant to Subsection C, below.

(6) 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

B. TERMINATION FOR CONVENIENCE:

(1) Termination. GWA may, when the interest of GWA so requires, terminate this contract in whole or in part, for the convenience of GWA. GWA shall give written notice of the termination to the Bidder specifying the part of the contract terminated and when termination becomes effective.

(2) Bidder's Obligations. The Bidder shall incur no further obligations in connection with the terminated work and on the dated set in the notice of termination the Bidder will stop work to the extent specified. The Bidder shall also terminate outstanding orders and subcontracts as they relate to the terminated work. The Bidder shall settle the liabilities and claims arising out of the termination of subcontracts and orders connected with the terminated work. GWA may direct the Bidder to assign the Bidder's right, title, and interest under terminated orders or subcontracts to GWA. The Bidder must still complete the work not terminated by the notice of termination and may incur obligations as are necessary to do so.

(3) Right to Work Product. Upon termination of the contract for the convenience of GWA or for any other reason, Bidder shall transfer title and deliver to GWA all documents and reports, plans, drawings, information and other material produced by Bidder or any of its sub-contractors in connection with the performance of this contract. The Bidder shall protect and preserve property in its possession or in the possession of any of its sub-contractors in which GWA has an interest.

(4) Compensation.

(a) The Bidder shall submit a termination claim specifying the amount due because of the termination for convenience together with cost or pricing data to the extent required by 2 ~~G.A.R. § 3118 (Cost or Pricing Data) of the Guam Procurement Regulations bearing on such~~ claim. If the Bidder fails to file a termination claim within one year from the effective date of termination, GWA may pay the Bidder, if at all, an amount set in accordance with Subparagraph (c) of this Paragraph.

(b) GWA and the Bidder may agree to a settlement provided the Bidder has filed a termination claim supported by cost or pricing data to the extent required by 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 and the contract price of the work not terminated.

(c) Absent complete agreement under Subparagraph (2) of this Paragraph, GWA shall pay the Bidder the following amounts, provided payments agreed to under Subparagraph (2) shall not duplicate payments under this Subparagraph:

(i) contract prices for services accepted under the contract;
(ii) costs incurred in preparing to perform and performing the terminated portion of the work plus a fair and reasonable profit on such portion of the work (such profit shall not include anticipatory profit or consequential damages) less amounts paid or to be paid for accepted supplies or services; provided, however, that if it appears that the Bidder 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 subcontracts or orders pursuant to Subparagraph (b) of this clause:
(iv) the reasonable settlement costs of the Bidder including accounting, 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 subcontracts 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. Attorney's fees if for any reason it files suit against the government must be paid by the Bidder. The total sum to be paid the Bidder under this Subparagraph shall not exceed the total contract price plus the reasonable settlement costs of the Bidder reduced by the amount of payments otherwise made, the proceeds of any sales of supplies and manufacturing materials under Subparagraph (b) of this Paragraph, and the contract price of work not terminated.

(d) Cost claimed, agreed to, or established under Subparagraph (b) and (c) of this Paragraph shall be in accordance with Chapter 7 (Cost Principles) of the Guam Procurement Regulations.

24. SEVERABLE PROVISIONS.

If any provision of this agreement shall be deemed by a court of competent jurisdiction to be invalid, then such provision shall be deemed stricken from the agreement and the agreement ~~shall be enforced according to its valid and subsisting terms and provisions. The terms of this~~ Contract shall control in the event of any conflict between this Contract and any other document incorporated or referenced herein.

25. GOVERNING LAW AND VENUE.

The validity of any agreement entered into under this bid and any of its terms or provisions, as well as the rights and duties of the parties to this agreement, shall be governed by the laws of Guam. Moreover, any and all actions governing this agreement shall be brought in either the Guam Superior Court or the Guam District Court if applicable.

SECTION VI: GENERAL INSURANCE SPECIFICATIONS

1. These specifications describe the minimum coverages required by the Authority. The Broker is encouraged to offer alternate quotes and/or policy wordings as long as the minimum requirements are met.

2. All Bidders must be licensed to transact insurance on Guam in accordance with Guam law.

3. All insurance carriers must be licensed to conduct business on Guam and have a financial rating of at least A- (Excellent) by A. M. Best, or Aa3 (Excellent) by Moody's, or AA- (Strong) by Standard & Poors.

4. Brokers shall arrange a premium payment plan to enable the Authority to pay premiums on an installment basis.

5. Required Documents:
   a) Copy of Bidders current Guam business license,
   b) Copy of Bidders current insurance license,
   c) Evidence of current Professional Liability insurance with limits of at least $1,000,000,
   d) Completed Brokers Questionnaire,
   e) Completed Bid Response Forms,
   f) Specimen copy of the proposed policies, including all endorsements,
   g) Information on the claims reporting procedures to be used by each insurance carrier,
   h) Details of the deferred premium payment plan (See #4., above).

6. Notice to Proceed will be issued **no later than 4:00 PM, Wednesday, April 8, 2015.** The successful Bidder(s) shall provide GWA with written confirmation that 100% of the required coverages have been placed **no later than 12:00 Noon, Thursday, April 9, 2015.** Confirmation shall be in the form of binders or Certificates of Insurance.

SECTION VII: EVALUATION AND AWARD OF BIDS

In evaluating the bids, GWA shall examine all the relevant bid documents in order to determine the capacity of the bidder to perform and for compliance with the bid requirements as well as the price. **All costs** must be included in the overall bid. GWA will award the bid to the lowest responsive and responsible bidder

GWA reserves the sole right to determine the acceptability and ranking of bids. In the bid evaluation process, the following factors may be considered:

(a) Extent of hidden costs (if any).
(b) Whether the bidder meets the announced requirements of GWA in all material respects as required under the Guam Procurement Code.
(c) Cost of total package
(d) Whether the terms of proposed insurance policy meet the requirements set forth herein.
(e) Overall clarity and presentation of Bid.
(g) Ability to provide the requisite services required under the Bid.
(h) Does the bidder possess the requisite financial strength?
(i) If the bidder has a satisfactory record of performance.
(j) Whether the bidder possess a satisfactory record of integrity.
(k) Is the bidder is legally qualified to contract with GWA?
(l) Whether or not the bidder supplied all necessary information required under this Bid?

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SECTION VIII: SPECIFIC INSURANCE SPECIFICATIONS

A. LIABILITY INSURANCE REQUIREMENTS

Named Insured

The Guam Waterworks Authority, any director, officer, elected or appointed official, contract employee, servant, employee or volunteer worker acting for or on behalf of the Authority.

Term – One Year

April 12, 2015 through 2016, both days at 12:01 AM Local Time

Required Coverages

Coverage	Limits
Public Liability, combined single limit, each occurrence, including Products Liability	$30,000,000
Personal Injury Liability	$30,000,000
Pollution Liability	$30,000,000
Self-Insured Retention	
Each and Every loss	$300,000

Alternate Quote – Two Year Term

April 12, 2015 through 2017, both days at 12:01 AM Local Time

NOTE: The above limit may be arranged in any combination of Primary and Excess covers.

Required Conditions

Territory

It is agreed that the following Territorial Limits are applicable: Worldwide in respect of Products. Employees, Officials and Directors of GWA are covered while attending meetings Worldwide subject to the policy terms, conditions and limitations.

Cancellation Clause

If Underwriters desire to cancel this policy other than for non-payment of premium, they shall give not less than ninety (90) days prior written notice by email and Certified Mail to:

Greg P. Cruz, Chief Financial Officer
688 Route 15 Mangilao, Guam 96913
Fax: (671) 646-2594
Phone: (671) 300-6861
E-mail: gpcruz@guamwaterworks.org

Additional Insureds, Waivers of Subrogation

Additional Insureds, Waivers of Subrogation, Indemnities and Contractual Agreements, Hold Harmless Agreements and Cross Liability Clauses shall be "held covered" subject to notification to the Insurers as soon as possible.

Governing Law and Jurisdiction

This insurance shall be governed by and construed in accordance with the laws of Guam and the exclusive jurisdiction of the USA including Guam courts. The seat of arbitration shall be Guam.

Service of Suit Clause

The name of the firm will be advised once the bid selection process is complete.

Notification of Claims

The name of the firm will be advised once the bid selection process is complete.

Special Events

Coverage includes the Insured's liability arising out of any events held throughout the year on the Insured's premises.

Alcoholic Beverages

Coverage under Premises Liability is extended to include the liability of the Insured for Bodily Injury and/or Property Damage caused by an occurrence arising out the giving or serving of alcoholic beverages by the Insured at functions incidental to the Insured's business, subject to a policy limit of $1,000,000 any one occurrence. Such limit is included within and not in addition to the Limit of Liability shown in the policy.

Waiver of Sovereign Immunity

In the event of a claim under this Policy, Insurers waive the right to invoke the legal defense of Sovereign Immunity.

UNDERWRITING INFORMATION

PREMISES

GWA occupies an approximate 15,000 SF Administration Building at 578 North Marine Corps Drive, Tamuning, Guam and approximately 21,000 SF of the Gloria B. Nelson Public Service Building located at 688 Route 15, in Mangilao Guam. They also have the following facilities located throughout Guam:

Fresh Water System

- 1 treatment plant
- 21 reservoirs
- 27 booster pump stations
- 49 pressure relief valve vaults
- 120 water well sites
- 21 owned water storage tanks (13 insured)

- 386 miles of pipe

Wastewater System
- 7 treatment plants
- 151 booster pump stations
- 76 pumping stations
- 6,500 manholes
- 1,420,100 feet of gravity fed sewer pipes
- 240,000 feet of force fed sewer pipes

Approximately 4,100,000 lineal feet of fresh and waste water underground piping.

OPERATIONS

Operations consist principally of administration, routine maintenance and repair work. These operations utilize approximately 300 employees consuming an annual payroll of approximately $21 million.

PRODUCTS

Fresh Water annual revenue:	$53 million
Fresh Water Customers:	41,767
Waste Water annual revenue:	$28 million

The U.S. Navy also supplies water from its system to GWA for sale to non-military customers.

CLAIMS

Note: GWA has incurred the following Property Damage claims during the past three years, but has not submitted any claims to its underwriters.

DATE OF LOSS	NAME OF CLAIMANT	BRIEF DESCRIPTION OF CLAIM	AMOUNT PAID
FY12			
10/31/11 - 12/31/11	PALMRIDGE INN	AMENDMENT ISSUED TO CHANGE / EXTEND	$5,074.30
10/31/11 - 09/30/12	GTA SERVICES, LLC	CABLE DAMAGE	30,143.75
01/31/12	SANTOS, ANTHONY G. & CHRISTINA	GOVERNMENT CLAIM	47,377.70
02/29/12	SANTOS, ANGEL C. & AMANDA L.	GOVERNMENT CLAIM	64,268.00
04/30/12	PAUL F. ALMA	GOVERNMENT CLAIM	10,667.00
	LUJAN, PETER E. & MILLIE I.	GOVERNMENT CLAIM	1,102.86
05/31/12	TAN, NOEL	GOVERNMENT CLAIM	3,000.00
07/31/12	PERALTA, ROSALINDA	GOVERNMENT CLAIM	6,743.00
08/31/12	LIMTIACO, PATRICK	GOVERNMENT CLAIM	19,450.00
	QUICHOCHO, RUDY P. & LOVITA S.	GOVERNMENT CLAIM	26,278.00
		TOTAL FOR FY12	**$214,104.61**
FY13			
11/30/12	GTA SERVICES, LLC	CABLE DAMAGE	$13,336.60
11/30/12	HUNTRAKUL, KEIKO S.	GOVERNMENT CLAIM	3,290.00
	CARLSON, AMORETTA L.P.	GOVERNMENT CLAIM	740.34
12/31/12	DUNN, DAVID N.	GOVERNMENT CLAIM	101.59
03/31/13	LANE, TYLER R.	GOVERNMENT CLAIM	1,000.00
05/28/13	SUNG BO KIM	GOVERNMENT CLAIM	5,600.00
07/31/13	BUSTAMANTE, YSMAEL	GOVERNMENT CLAIM	605.24
09/30/13	CONQUER, ROBERT	GOVERNMENT CLAIM	608.00
	SANTOS, SANDRA F.	GOVERNMENT CLAIM	525.41
		TOTAL FOR FY13	**$25,807.18**
FY14			
11/30/13 - 07/31/14	GTA SERVICES, LLC	CABLE DAMAGE	$18,191.73
12/31/13	O'BRIEN, CHARLES E.M.	GOVERNMENT CLAIM	4,054.67
04/09/14	FLORES, RICKY H.	GOVERNMENT CLAIM	1,600.00
07/31/14	MAHMOUD F.F. EL SAYEH	GOVERNMENT CLAIM	2,088.67
09/30/14	AGUON, MICHAEL D.	GOVERNMENT CLAIM	2,655.19
		TOTAL FOR FY14	**$ 28,590.26**

These specifications were written by and/or approved by Mark Miller, GWA Interim General Manager.

********** **END OF INSURANCE BID** **********

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

22

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 **(if none, so state):**

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 (or other authorized person).

Subscribed and sworn to before me this _____day of _____, 201__.

Notary Public
In and for the Territory of Guam
My commission expires _____

24

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 entities named below:

(a) the Contractor; (b) the Guam Waterworks Authority, or (c) 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)

DRAFT FORMAL CONTRACT

Bidders are notified they will be subject to these terms and conditions and as a condition of the submitting a bid, agree to the terms contained herein

THIS AGREEMENT AND FORMAL CONTRACT is made and entered into this _____day of _____, 2015 by and between the **GUAM WATERWORKS AUTHORITY** ("GWA"), whose business address is 688 Route 15, Mangilao, Guam, 96913, and _____ **("Bidder"),** whose mailing address is _____ licensed to conduct business on Guam and having Guam business license Nos. _____.

WITNESSETH, that whereas, GWA intends to purchase _____ for the purpose of _____ as identified in GWA Bid No. _____.

NOW THEREFORE, GWA and the Bidder for the considerations hereinafter set forth herein and in other documents associated with the performance hereunder, agree as follows:

SECTION 1. THE BIDDER AGREES:

To provide all of the goods and services specified in GWA IFB No. _____ at the prices specified in the bid. Bidder agrees to maintain all time all licenses, labor, insurance, material, equipment, tools and services necessary to perform and comply with this Contract and the Contract Documents as defined in Section 3 herein. Bidder also understands that it is responsible for all taxes and fees which may be due relative to payment or performance hereunder (including but not limited to, all employee, corporate and gross receipt taxes). GWA reserves the right to amend this Agreement or request a change order, but the right is subject to the mutual agreement of both parties and all amendments or change orders shall be in writing signed by both parties.

(a) CONTRACT TIME: The Bidder agrees to commence work under this contract upon written notice to proceed and to provide the services as specified in the Bid Documents in the time, place and manner provided in the Bid Documents (as amended). Bidder agrees by placing their signature hereto that they have been placed on notice that the provision of the goods and services hereunder is necessary to protect the public health and that time is always of the essence.

(b) SUB-BIDDERS: The Bidder agrees to bind every sub-Bidder to the terms of the Contract Documents. Bidder further agrees that no sub-Bidder Bidder may be allowed to perform in any fashion whatsoever under this contract until such time as the express written approval of GWA is obtained. The Contract Documents shall not be construed as creating any contractual relation between a sub-Bidder and the Guam Waterworks Authority.

/

SECTION 2. GWA AGREES:

To pay, and the Bidder agrees to accept in full payment for the performance of this Contract, the amount of _____. (add other explanation if necessary). GWA agrees to pay approved invoices on a net 30 day basis. In the event GWA does not pay an invoice approved by GWA within sixty (60) days, GWA agrees to pay Bidder six (6) percent interest on such overdue payments.

Any adjustment in contract price pursuant to clauses in this contract shall be made in one or more of the following ways:

(a) by agreement on a fixed price adjustment before commencement of the pertinent performance or as soon thereafter as practicable;

(b) by unit prices specified in the contract or subsequently agreed upon;

(c) by the costs attributable to the event or situation covered by the clause, plus appropriate profit or fee, all as specified in the contract or subsequently agreed upon;

(d) in such other manner as the parties may mutually agree; or

(e) in the absence of an agreement between the parties, by a unilateral determination by the GWA General Manager of costs attributable to the event or situation covered by the clause, plus appropriate profit or fee, all as computed by the GWA General Manager in accordance with generally accepted accounting principles and applicable sections under Chapter 7 (Cost Principles) of the Guam Procurement Regulations and subject to the provisions under Title 5, Chapter 5 of the Guam Code Annotated (Legal and Contractual Remedies).

For any request for a price adjustment, the Bidder shall submit cost or pricing data for any price adjustments subject to the provisions of 2 G.A.R. § 3118 of the Guam Procurement Regulations. Please note, fixed price bids of one year or less shall not be modified by GWA except in extreme circumstances (e.g., factory has burned down, massive increases in shipping costs, etc.)

SECTION 3. CONTRACT DOCUMENTS:

It is hereby mutually agreed that the following list of instruments, plans, specifications and 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:

a. Invitation to Bid
b. Instructions to Bidders
c. Bid
d. Form of Non-Collision Affidavit

e. Bid Bond
f. Certification of Bidders Regarding Equal Employment Opportunity
g. Formal Contract (which shall control in the event of conflict between this and any other contract document)
h. Performance Bond
i. Payment Bond
j. General Provisions
k. Special Provisions
l. Technical Specifications
m. Plans
n. Addenda/Amendments
o. Answers to Questions (if GWA determines they are applicable).

SECTION 4. LIQUIDATED DAMAGES:

The Bidder further agrees to pay to GWA the amounts stated in the bid for failing, neglecting or refusing to complete the work within the time herein specified and said sum shall be paid for each consecutive calendar day therefore that the Bidder shall be in default after the time stipulated in the Contract for completing the work, ready for use and/or operations. Sundays and legal holidays will be excluded in determining the number of days in default.

SECTION 5. COVENANT AGAINST CONTINGENT FEES:

The Bidder warrants that he has not employed any person to solicit or secure this contract upon any agreement for a commission, percentage, brokerage, or contingent fee. Breach of this warrant shall give GWA the right to terminate the contract, or at its direction, deduct from the contract price or consideration the amount of such commission, percentage, brokerage or contingent fee. This warranty shall not apply to commissions payable by Bidders upon contracts or sales secured or made through bona fide established commercial or selling agencies maintained by the Bidder for the purpose of securing business.

SECTION 6. OTHER CONTRACTS:

GWA may award other contracts for additional work, and the Bidder shall fully cooperate with such other Bidders and carefully fit his own work to that provided under other contracts as may be directed by the Contracting Officer. The Bidder shall not commit or permit any act which will interfere with the performance of work by any other Bidder.

SECTION 7. DISPUTES:

Except as otherwise specifically provided in this contract, all disputes concerning questions of fact arising under this contract shall be decided by the GWA General Manager whose decision shall be final and conclusive upon the parties thereto. In the meantime, the Bidder shall diligently proceed with the work as directed. However, the final decision of the GWA General Manager is appealable to the Guam Public Auditor as provided under 5 G.C.A. § 5427(e).

SECTION 8. DIFFERING SITE CONDITIONS.

The Bidder accepts the conditions at the work site as they eventually may be found to exist and warrants and represents that the contract can and will be performed under such conditions, and that all materials, equipment, labor and other facilities required because of any unforeseen conditions (physical or otherwise) shall be wholly at the Bidder's own cost and expense, anything in this contract to the contrary notwithstanding.

SECTION 9. CONTRACT BINDING:

It is agreed that this Contract and all the Covenants hereof shall insure to the benefit of and binding upon GWA and the Bidder respectively and his parties, successors, assignees and legal representative. Neither GWA nor the Bidder shall have the right to assign, transfer or sublet his interests or obligations hereunder without written consent of the other party.

It is hereby mutually agreed by and between the parties hereto that no mechanic, Bidder, subBidder, material man or other person can or will contract for or in any other manner have or acquire any lien upon the binding or works covered by this contract, or the land upon which the same is situated.

SECTION 10. GWA NOT LIABLE:

A. GWA, its officers, agents, employees and governing board assumes no liability for any accident or injury that may occur to the Bidder, Bidder's agents, employees, or to Bidder's property while on the job or otherwise en route to or from the job during any travel required by the terms of this agreement.

2. GWA, its officers, agents, employees and governing board shall not be liable to Bidder for any work performed by the Bidder prior to the written and signed approval of this Contract by the General Manager for GWA and the Bidder hereby expressly waives any and all claims for service performed in expectation of this agreement prior to its signature of the General Manager.

SECTION 11. NOTICES:

All notices between the parties shall be in writing and shall be deemed served when personally delivered or when deposited in the mail, registered or certified, first-class postage prepaid, addressed as follows:

To: **GUAM WATERWORKS AUTHORITY**
Mark Miller
GWA Interim General Manager
688 Route 15,
Mangilao, Guam, 96913

To: **BIDDER**

_____
_____
_____
_____

SECTION 12. TERMINATION:

Section 12.1 – Termination For Default:

(1) Default. If the Bidder refuses or fails to perform any of the provisions of this contract with such diligence as will ensure its completion within the time specified in this contract, or any extension thereof, otherwise fails to timely satisfy the contract provisions, or commits any other substantial breach of this contract, GWA may notify the Bidder in writing of the delay or non-performance and if not cured in five (5) working days or any longer time specified in writing by the GWA, GWA may terminate the Bidder's right to proceed with the contract or such part of the contract as to which there has been delay or a failure to properly perform. In the event of termination in whole or in part the GWA may procure similar services in a manner and upon terms deemed appropriate by the GWA. The Bidder shall continue performance of the contract to the extent it is not terminated and shall be liable for excess costs incurred in procuring similar services.

(2) Bidder's Duties. Notwithstanding termination of the contract and subject to any directions from the GWA, the Bidder shall take timely, reasonable, and necessary action to protect and preserve property in the possession of the Bidder in which GWA has an interest.

(3) Compensation. Payment for completed services delivered and accepted by the government and GWA shall be at the contract price. GWA may withhold from amounts due the Bidder such sums as the GWA deems to be necessary to protect GWA against loss because of outstanding liens or claims of former lien holders and to reimburse the GWA for the excess costs incurred in procuring similar goods and services (including the provision of these goods and services by GWA personnel). In addition, in the event of a breach on the part of the Bidder, GWA shall be due liquidated damages in the amount of $4,500 per day to compensate GWA for the costs incurred by attributable to Bidder's delay, breach or non-performance.

(4) Excuse for Nonperformance or Delayed Performance. Except with respect to defaults of sub-Bidder(s) of Bidder, the Bidder shall not be in default by reason of any failure in performance of this contract in accordance with its terms (including any failure by the Bidder to make progress in the prosecution of the work hereunder which endangers such performance) if the Bidder has notified the GWA within fifteen (15) days after the cause of the delay and the failure arises out of causes such as: acts of God; acts of the public enemy; fires; floods; epidemics; quarantine restrictions; strikes or other labor disputes; freight embargoes; or unusually severe weather. If the failure to perform or to make progress due to such causes similar to those set forth above, the Bidder shall not be deemed to be in default, unless the services to be furnished by the Bidder (or sub-Bidder) were reasonably obtainable from other sources in sufficient time to permit the Bidder to meet the contract requirements. Failure of the Bidder (or sub-Bidder) to perform for reasons other than cited above shall constitute a default of the Bidder unless cured by Bidder with a reasonable time. Upon request of the Bidder, GWA shall ascertain the facts and extent of such failure, and, if GWA determines that any failure to perform was occasioned by any one or more of the excusable causes, and that, but for the excusable cause, the Bidder's progress and performance would have met the terms of the

contract, the delivery schedule shall be revised accordingly, subject to the rights of the GWA and the government of Guam under the laws of Guam.

(5) Erroneous Termination for Default. If, after notice of termination of the Bidder's right to proceed under the provisions of this clause, it is determined for any reason that the Bidder was not in default under the provisions of this clause, or that the delay was excusable under the provisions of Paragraph (4) (Excuse for Nonperformance or Delayed Performance) of this clause, the rights and obligations of the parties shall be the same as if the notice of termination had been issued pursuant to Subsection C, below.

(6) 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 12.2 – Termination For Convenience:

(1) Termination. GWA may, when the interest of the government so requires, terminate this contract in whole or in part, for the convenience of the government or GWA (including the provision of services by any sub-Bidder of the Bidder). GWA shall give thirty (30) days advance written notice of the termination to the Bidder specifying the part of the contract terminated and when termination becomes effective.

(2) Bidder's Obligations. The Bidder shall incur no further obligations in connection with the terminated work (except in the case of SubBidders where the Bidder is solely liable to GWA for their acts and/or non-performance or breach under this agreement) and on the date set in the notice of termination the Bidder will stop work to the extent specified. The Bidder shall also terminate outstanding orders and subcontracts as they relate to the terminated work. The Bidder shall settle the liabilities and claims arising out of the termination of subcontracts and orders connected with the terminated work. GWA may direct the Bidder to assign the Bidder's right, title, and interest under terminated orders or subcontracts to GWA. The Bidder must still complete the work not terminated by the notice of termination and may incur obligations as are necessary to do so.

(3) Right to Work Product. Upon termination of the contract for the convenience of the government or GWA or for any other reason, Bidder shall transfer title and deliver to GWA all documents and reports, plans, drawings, information and other material produced by Bidder or any of its sub-Bidders in connection with the performance of this contract. The Bidder shall protect and preserve property in its possession or in the possession of any of its sub-Bidders in which the GWA or the Government of Guam has an interest.

(4) Compensation.

(a) The Bidder shall submit a termination claim specifying the amount due because of the termination for convenience together with cost or pricing data to the extent required by § 3118 (Cost or Pricing Data) of the Guam Procurement Regulations bearing on such claim. If the Bidder fails to file a termination claim within one year from the effective date of termination, GWA may pay the Bidder, if at all, an amount set in accordance with Subparagraph (c) of this Paragraph.

(b) GWA and the Bidder may agree to a settlement provided the Bidder has filed a termination claim supported by cost or pricing data to the extent required by § 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 the GWA and the contract price of the work not terminated.

(c) Absent complete agreement under Subparagraph (2) of this Paragraph, GWA shall pay the Bidder the following amounts, provided payments agreed to under Subparagraph (2) shall not duplicate payments under this Subparagraph:

(v) contract prices for services accepted under the contract;

(vi) costs incurred in preparing to perform and performing the terminated portion of the work plus a fair and reasonable profit on such portion of the work (such profit shall not include anticipatory profit or consequential damages) less amounts paid or to be paid for accepted supplies or services; provided, however, that if it appears that the Bidder 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;

(vii) costs of settling and paying claims arising out of the termination of subcontracts or orders pursuant to Subparagraph (b) of this clause;

(viii) the reasonable settlement costs of the Bidder including accounting, 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 subcontracts 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 the Bidder under this Subparagraph shall not exceed the total contract price plus the reasonable settlement costs of the Bidder reduced by the amount of payments otherwise made, the proceeds of any sales of supplies and manufacturing materials under Subparagraph (b) of this Paragraph, and the contract price of work not terminated.

(d) Cost claimed, agreed to, or established under Subparagraph (b) and (c) of this Paragraph shall be in accordance with Chapter 7 (Cost Principles) of the Guam Procurement Regulations.

SECTION 13. SEVERABLE PROVISIONS:

If any provision of this agreement shall be deemed by a court of competent jurisdiction to be invalid, then such provision shall be deemed stricken from the agreement and the agreement shall be enforced according to its valid and subsisting terms and provisions. The terms of this Contract shall control in the event of any conflict between this Contract and any other document incorporated or referenced herein.

SECTION 14. GOVERNING LAW AND VENUE:

The validity of this agreement, as well as the rights and duties of the parties to this agreement, shall be governed by the laws of Guam. Moreover, any and all actions governing this agreement shall be brought in the Superior Court of Guam or the Guam District Court if applicable.

SECTION 15. OWNERSHIP OF DOCUMENTS:

All briefs, memoranda and other incidental Bidder work or materials furnished hereunder shall be and remain the property of GWA including all publication rights and copyright interests, and may be used by GWA without any additional cost to GWA.

SECTION 16. INDEMNITY:

Bidder agrees to save and hold harmless GWA, its board members, officers, agents, representatives, successors and assigns and other governmental agencies from any and all suits or actions of every nature and kind, which may be brought for or on account of any injury, death, or damage arising or growing out of the acts or omissions of the Bidder, Bidder's officers, agents (including sub-bidders), servants or employees under this Agreement.

SECTION 17. GENERAL COMPLIANCE WITH LAWS:

The Bidder agrees that Bidder is to comply with all Federal and territorial laws, rules, regulations and ordinances applicable to the work being performed hereunder. Bidder shall attach a copy of appropriate business license or an affidavit executed under penalty of perjury that indicates that Bidder is exempt under Guam law (must include legal citations proving exemption).

SECTION 18. ACCESS TO RECORDS AND OTHER REVIEW:

The Bidder, including his sub-bidders, if any, shall maintain copies of all books, documents, papers, accounting records and other evidence pertaining to costs incurred and to make such materials available at their respective offices at all reasonable times during the contract period and for three (3) years from the date of the final payment under the contract, for inspection by the Guam Waterworks Authority. All originals of any documents related to this Contract shall be provided to GWA as soon as possible, but not later than one day prior to the conclusion of this Agreement. Each subcontract by Bidder pursuant to this agreement shall include a provision containing the conditions of this Section.

SECTION 19. SCOPE OF AGREEMENT.

This Agreement supersedes any and all other Agreements, either oral or in writing, between the parties hereto with respect to retaining the services of Bidder by the GWA and contains all of the covenants and terms between the parties with respect to such this project. Each party to this Agreement acknowledges that no representation, inducements, promises or agreements, orally or otherwise, have been made by any party, or anyone acting on behalf of any party which are not embodied herein, and that no other agreement, statement, or promise not contained in this Agreement and addenda will be effective only if it is in writing signed by the party to be charged. For the purposes of this paragraph and of the entire agreement, the signature of the General Manager for the Guam Waterworks Authority (or his designee) is the only signature that will bind the GWA.

SECTION 20. RESPONSIBILITY OF BIDDER.

In addition to the other requirements set forth in the bid and this Contract, the Bidder shall be responsible for the professional and technical accuracy of all work and materials furnished under this contract. The Bidder shall, without additional cost to GWA, correct or revise all errors or deficiencies in his/her work.

GWA's review, approval, acceptance of, and payment for goods, fee, or for services required under this contract, shall not be construed to operate as a waiver of any rights under this contract or of any cause of action arising out of the Bidder's failure of performance of this contract and the Bidder shall be and remain liable to the GWA for all costs of any kind which may be incurred by the GWA as a result of the Bidder's negligent or erroneous performance of any of the services performed under this contract. GWA shall continue to remain liable for its own negligent acts and those of its employees and its failure to perform as provided under this agreement.

SECTION 21. CHANGE ORDERS.

By written order, at any time, and without notice to Bidder's surety, GWA may, subject to all appropriate adjustments, make changes within the general scope of work of this Contract in any one or more of the following:

1. Drawings, designs or specifications, if the supplies, goods or services to be furnished are to be specifically manufactured for GWA in accordance therewith;
2. Method of shipping or packing; or
3. Place of delivery.

If any such change order increases or decreases the Bidder's cost of, or the time required for performance of any part of the work under this contract, whether or not changed by the order, an adjustment shall be made and the contract modified in writing accordingly. Any adjustment in contract price made pursuant to this clause shall be determined in accordance with the Price Adjustment Clause of this Contract.

Failure of the parties to agree to an adjustment shall not excuse the Bidder from proceeding with the Contract as changed, provided that GWA promptly and duly make such provisional adjustments in payment or time for performance as may be reasonable. By proceeding with the work, the Bidder shall not be deemed to have prejudiced any claim for additional compensation, or an extension of time for completion.

Within 30 days after receipt of a written change order, unless such period is extended by GWA in writing, the Bidder shall file notice of intent to assert a claim for an adjustment. Later notification shall not bar the Bidder's claim unless GWA is prejudiced by the delay in notification. No claim by the Bidder for an adjustment hereunder shall be allowed if notice is not given prior to final payment under this Contract.

In the absence of such a change order, nothing in this clause shall be deemed to restrict the Bidder's right to pursue a claim arising under the contract if pursued in accordance with the clause entitled "Claims Based on Acts or Omissions by GWA" of this Contract.

SECTION 22. STOP WORK ORDERS.

GWA may by written order to the Bidder, at any time, and without notice to any surety, require the Bidder to stop all or any part of the work called for in the Contract. This order shall be for a specified period not exceeding ninety (90) days after the order is received by the Bidder, unless the parties agree to any longer period. Upon receipt of the order, the Bidder shall comply with its terms and take all reasonable steps to minimize the occurrence of costs allocable to the work covered by the order during the period of work stoppage. Before the stop work order expires, or within any further period to which the parties have agreed, GWA shall either cancel the work order or terminate the work covered by the order as provided under the Termination for Default or Termination for Convenience Clauses contained in this contract.

If a stop work order issued under this clause is cancelled at any time during the period specified in the order, of the period of the order or any extension thereof expires, the Bidder shall have the right to resume work. An appropriate adjustment shall be made to the delivery schedule or Bidder only if: (a) the stop work order results in an increase in the time required for performance or the Bidder's cost; **and** (b) if the Bidder asserts a claim for such an adjustment within thirty (30) days after the end of the period of work stoppage; provided that, if GWA decides that the facts justify such action, any such claim asserted may be received and acted upon at any time prior to final payment under this Contract. If a stop work order is not cancelled and the work covered by the order is terminated for default or convenience, the reasonable costs resulting from the stop work order shall be allowed pursuant to the price adjustment clause of this Contract.

SECTION 23. CLAIMS BASED ON ACTS OR OMISSIONS BY GWA.

If any action or omission on the part of GWA requiring performance changes within the scope of the contract constitutes the basis for a claim by the Bidder for additional compensation, damages, or an extension of time for completion, the Bidder shall continue with performance of the contract in compliance with the directions or orders of GWA, but by so doing, the Bidder shall not be deemed to have prejudiced any claim for additional compensation, damages, or an extension of time for completion; provided:

(a) the Bidder shall have given written notice to GWA:

(i) prior to the commencement of the work involved, if at that time the Bidder knows of the occurrence of such action or omission;

(ii) within 30 days after the Bidder knows of the occurrence of such action or omission, if the Bidder did not have such knowledge prior to the commencement of the work; or

(iii) within such further time as may be allowed by the Procurement Officer in writing.

This notice shall state that the Bidder regards the act or omission as a reason which may entitle the Bidder to additional compensation, damages, or an extension of time. The Procurement

Officer or designee of such officer, upon receipt of such notice, may rescind such action, remedy such omission, or take such other steps as may be deemed advisable in the discretion of the Procurement Officer or designee of such officer.

(b) the notice required by Subparagraph (a) of this Paragraph describes as clearly as practicable at the time the reasons why the Bidder believes that additional compensation, damages, or an extension of time may be remedies to which the Bidder is entitled; and

(c) the Bidder maintains and, upon request, makes available to the Procurement Officer within a reasonable time, detailed records to the extent practicable, of the claimed additional costs or basis for an extension of time in connection with such changes.
Nothing herein contained, however, shall excuse the Bidder from compliance with any rules of law precluding any GWA official or its Bidders from acting in collusion or bad faith in issuing or performing change orders which are clearly not within the scope of the contract.

Any adjustment in the contract price made pursuant to this clause shall be determined in accordance with the Price Adjustment Clause of this contract.

SECTION 24. EFFECTIVE DATE OF THIS CONTRACT.

This agreement shall take effect upon the date it is signed by both the General Manger and the Bidder and the date of this agreement shall be when the General Manager affixes his signature.

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IN WITNESS WHEREOF the parties hereto have executed this contract as of the day and year first written.

GUAM WATERWORKS AUTHORITY:	**BIDDER:**
_____	_____
Mark Miller GWA General Manager (interim)	Bidder's Authorized Representative
Date:_____	Date:_____
Certified Funds Available:	Approved as to Form:
_____	_____

Certifying Officer Guam Waterworks Authority	Samuel J. Taylor Staff Attorney, GWA
Date:_____	Date:_____

Guam Business License or Certificate of Authorization No.: _____.

Contract No.: _____	Vendor No.:_____
Contract Amount: _____	Certifying Officer: _____
Amount Certified: _____	Date:_____

Source of funding:_____

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CORPORATE OR PARTNERSHIP CERTIFICATION
AS TO AUTHORIZATION TO BIND

I, _____certify that I am the Secretary of the corporation or managing partner named as Bidder herein; that _____ who signed this contract on behalf of the Bidder, was then _____ of said corporation/partnership by authority of said corporation of its governing body, and is within the scope of its corporate/partnership powers to bind said corporation/partnership to the terms and conditions of this Contract.

Signed:_____
Corporate Secretary

Date:_____

(CORPORATE/PARTNERSHIP SEAL)

* * * * * * * **END OF CONTRACT** * * * * *
(RESIDENT GENER

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

Issues for Decision

GPA Resolution No. 2016-73 / GWA Resolution 10-FY2017:

Relative to the Authorization for GPA and GWA for Additional Support for the CC&B System

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

- 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. The report focused on the following areas:

    1. CC&B implementation
    2. CC&B Configuration
    3. Issue Resolution
    4. Business Processes
    5. Billing/Bill Print
    6. Field Activities
    7. To Do's Notifications / Reports
    8. Start / Stop Activities
    9. Collection / Severance Processing
    10. Deposit Processing
    11. Meter Reads Processing
    12. Post Implementation Support

- Based on the GAP Analysis 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. Some of the findings include:

    1. CC&B Functionality not being properly utilized such as Landlord/Tenant Processing.
    2. Manual workarounds for Collection and Severance notification and processing.
    3. Hi/Lo exceptions not being reviewed properly in the system.
    4. Inaccurate late payment charge processing.
    5. Unnecessary manual workarounds for some of the perceived lack of functionality in CC&B.
    6. Improper coding of some field in the CC&B database which will have an impact in future system upgrades such as "One Time Charges."

- 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.

How much will it cost?

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	

What is its funding source?

Revenue Funded

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

GUAM CONSOLIDATED COMMISSION ON UTILITIES

GPA RESOLUTION 2016-73

GWA RESOLUTION 10-FY2017

RELATIVE TO THE AUTHORIZATION FOR GUAM POWER AUTHORITY AND GUAM WATERWORKS AUTHORITY FOR ADDITIONAL SUPPORT FOR THE CUSTOMER CARE AND BILLING (CC&B) SYSTEM.

WHEREAS, the Consolidated Commission on Utilities has undertaken a number of initiatives to identify opportunities within the ratepayers of Guam will be better served if both utilities work together as a consolidated utility; and

WHEREAS, GPA and GWA have planned and implemented the replacement of its previous Customer Information System (CIS) with Oracle's Customer Care & Billing (CC&B) system as of March 2015; and

WHEREAS, the GPA and GWA both realize that there are efficiencies and cost savings in having a consolidated effort in implementing and maintaining a CIS.

WHEREAS, in April of 2016 GPA and GWA procured the services of Prithibi LLC to provide Training for CC&B, a GAP analysis review and ongoing support for the operation and maintenance of the system; and

WHEREAS, in November 2016, the GAP analysis document was presented to both GPA and GWA which listed shortfalls in the implementation of the CC&B system that impacts the short and long term operation of the CC&B System; and

WHEREAS, GPA and GWA need to address and correct these shortfalls to improve the overall functionality and performance of the CC&B system. GPA and GWA are requesting to approve a change request from Prithibi, LLC to address these shortfalls and to also provide extended off site support for the system till June 2018; and

WHEREAS, GPA and GWA's initial contract for training, GAP Analysis and Support was approved for the period May to November 15, 2016 for the total shared cost of $249,000; and

WHEREAS, GPA and GWA now request authorization for additional expenditures to address the GAP analysis ($449,445), application of the UC4 Scheduling tool to manage job scheduling ($157,167), APEX setup and training ($15,675), and extended support from May 2017 to June 2018 ($233,418), with the GPA and GWA share to be split equally; 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 approve the Change Order with Prithibi, LLC, to increase the authorized amount from $249,000 to $1,104,705 to be paid equally by GPA and GWA.
2. The cost share for the additional expenditure for each agency is as follows:
   GPA: $427,853.00
   GWA: $427,852.00

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

DULY AND REGULARLY ADOPTED AND APPROVED THIS 6th DAY OF DECEMBER 2016.

Certified by: Attested by:

_____ _____

JOSEPH T. DUENAS
Chairperson
Consolidated Commission on Utilities

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 December 6, 2016, 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 6th day of December 2016

_____
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

TO: **Consolidated Commission on Utilities**

FROM: **General Manager**

DATE: **December 6, 2016**

SUBJECT: **General Manager's Report**

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**

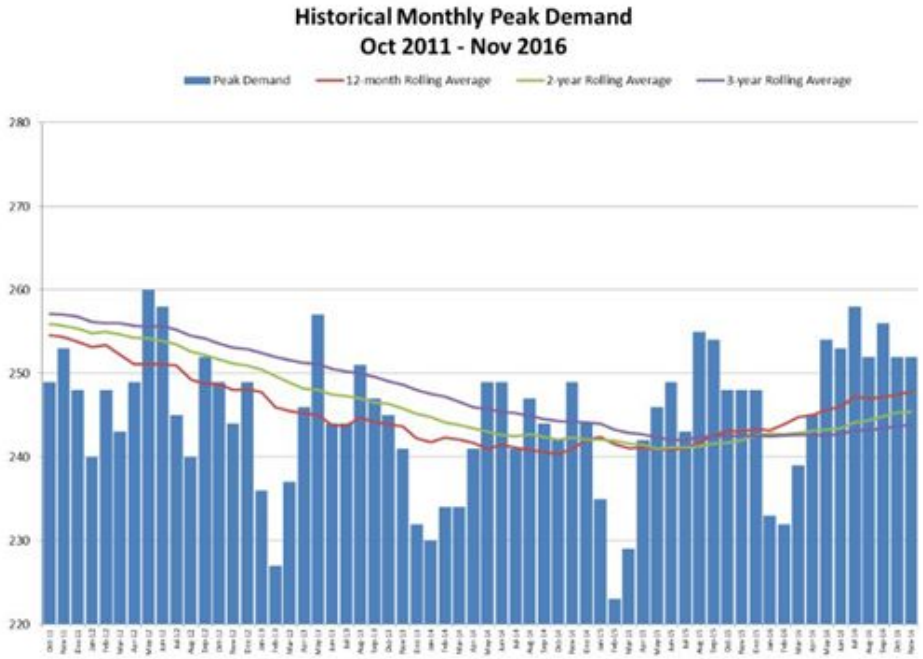
3. **Demand Side Management Program:**

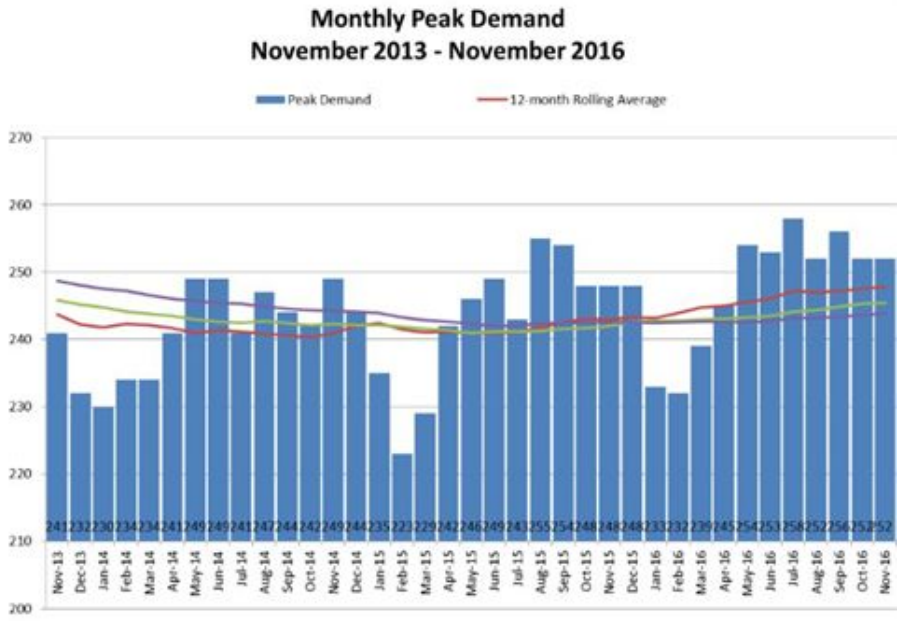


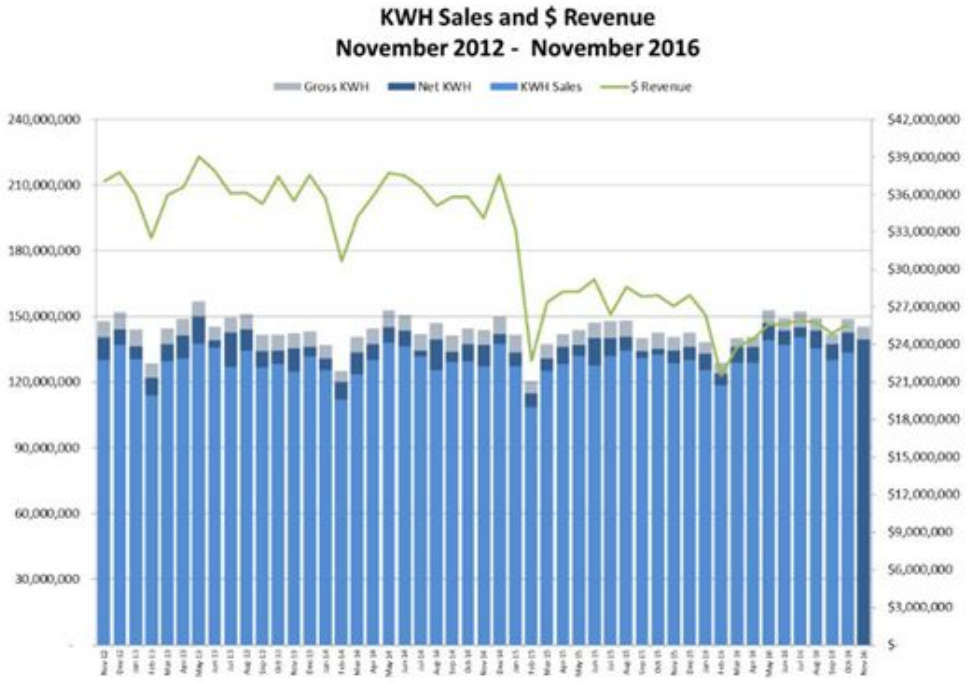
4. **Employee Health Insurance:** Our attorney has determined that GPA will need legislative authority to implement a separate health insurance plan for GPA and GWA employees. With the CCU permission, we can pursue the legislation needed.

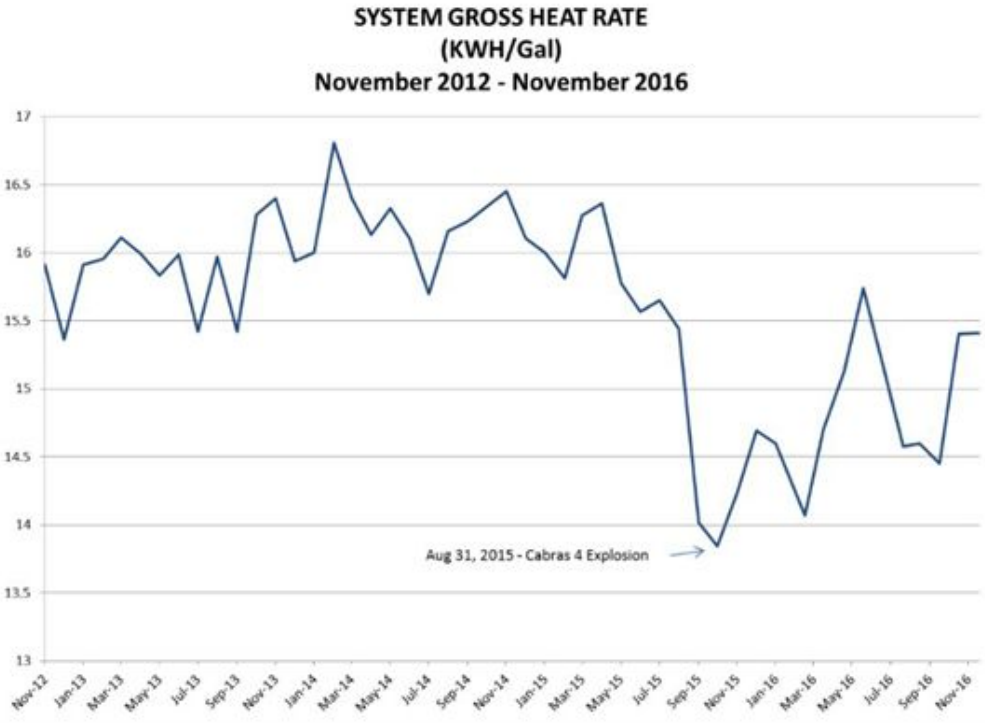
5. **Public Commission on Utilities Dockets:** The following dockets were approved at the November 28th PUC meeting:
   - GPA Docket: Aggreko Lease Extension for four years
   - GPA Docket: Cabras 1&2 PMC extension to September 30, 2020
   - GPA Docket: Cabras 3&4 Engine Room Cleanup
   - GPA Docket: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

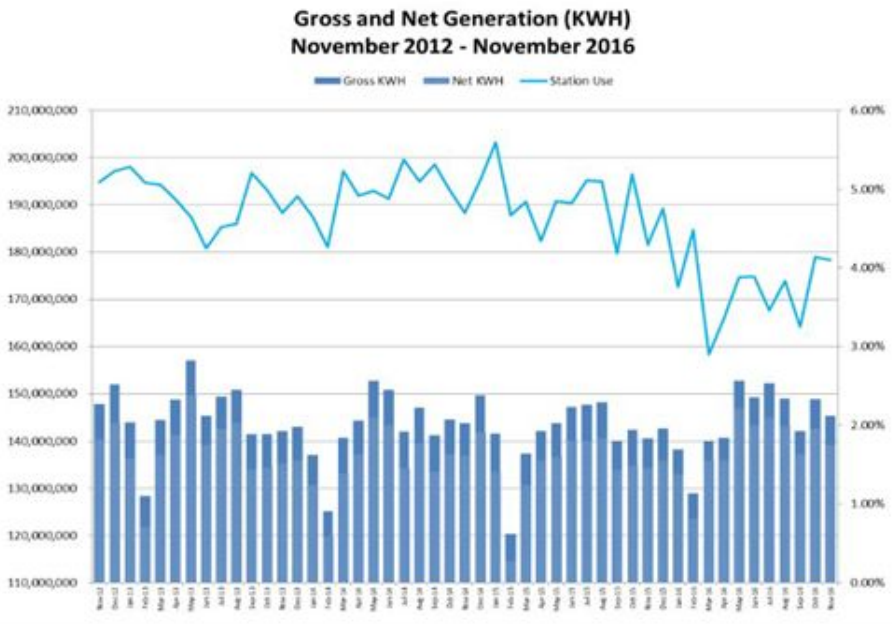
6. **Key Performance Indicators:** The following provides updates thru November 2016.

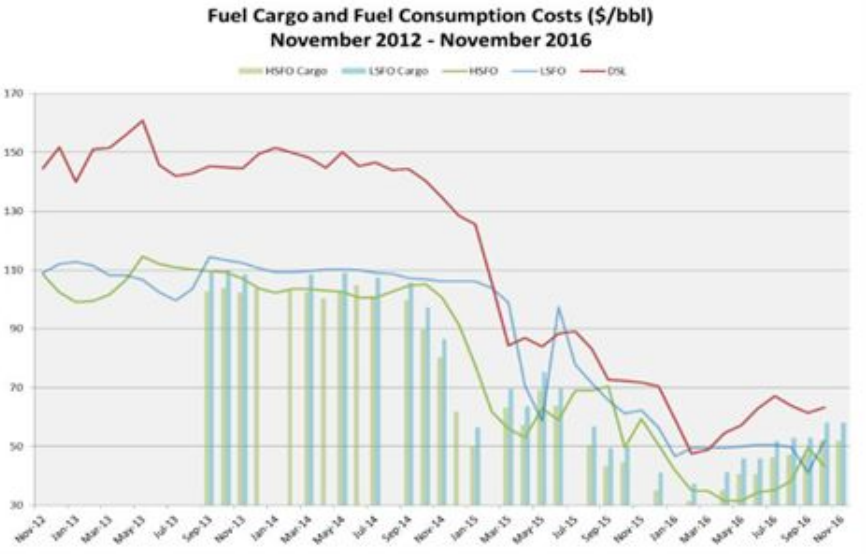


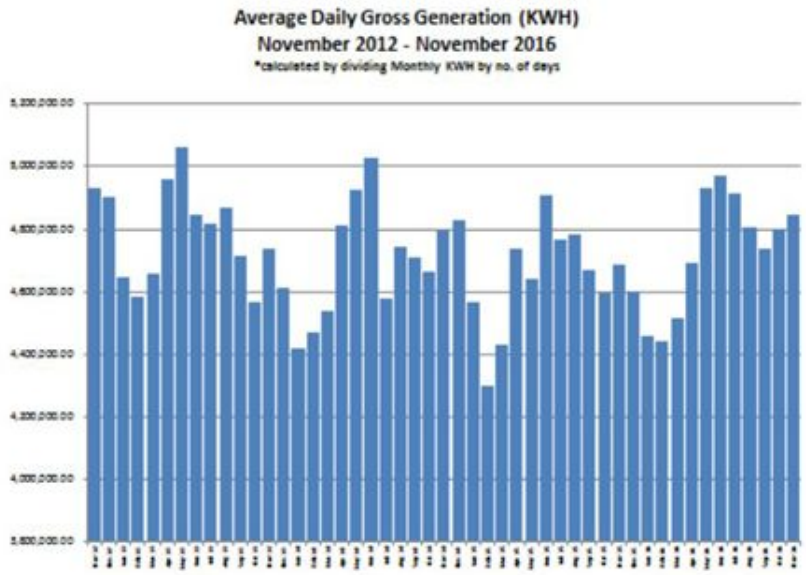



KWH Sales and $ Revenue
November 2012 - November 2016
Gross KWH
Net KWH
KWH Sales
$ Revenue
240,000,000
210,000,000
180,000,000
150,000,000
120,000,000
90,000,000
60,000,000
30,000,000
$42,000,000
$39,000,000
$36,000,000
$33,000,000
$30,000,000
$27,000,000
$24,000,000
$21,000,000
$18,000,000
$15,000,000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



John M. Benavente, P.E.

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

GUAM CONSOLIDATED COMMISSION ON UTILITIES

RESOLUTION NO.: 2016-72

AUTHORIZING THE MANAGEMENT OF THE GUAM POWER AUTHORITY TO PETITION THE GUAM PUBLIC UTILITIES COMMISSION FOR A CHANGE IN THE LEVELIZED ENERGY ADJUSTMENT CLAUSE

WHEREAS, 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); and

WHEREAS, the deadline for the next filing is December 15, 2016; and

WHEREAS, 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; and

WHEREAS, 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.; and

WHEREAS, if the projected average price ending July 31, 2017 is $54.59/bbl, GPA has determined that the Levelized Energy Adjustment Clause 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; and

WHEREAS, if oil price does track the projection of $54.59/bbl. by July 31, 2016, based on this assumption and continuing with the current LEAC rate, an under-recovery of about $17.7M is anticipated by the end of the LEAC period on July 31, 2017; and

WHEREAS, 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; and

WHEREAS, 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; and

WHEREAS, the recent decision by OPEC members to cut production resulted in fuel oil market price spikes to above $50/bbl., but it is uncertain on whether the OPEC countries would be able to sustained such production cuts and if not does oil prices fall again; and

WHEREAS, it is unclear what impact the new policies of President-Elect Trump may have on oil prices when he takes office early next year considering it appears his spoken policies tend to favor fossil fuel; and

WHEREAS, GPA desires to minimize the rate impact resulting from the recent oil market changes and uncertainties; and

WHEREAS, GPA 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 because of the uncertainties of political factors mentioned above; and

WHEREAS, GPA has determined that in a phase in approach the Levelized Energy Adjustment Clause factor for secondary voltage service customers as well as alternative voltage customers will need to be increased from $0.08816/kWh to $0.101372/kWh for the period of February 1, 2017 to July 31, 2017; and

WHEREAS, 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; and

WHEREAS, based on the phase in approach, 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

WHEREAS, GPA now is requesting the Consolidated Commission on Utilities to authorize the Authority to file such petition with the Guam Public Utilities Commission; and

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

The General Manager of the Guam Power Authority is authorized to petition the Guam Public Utilities Commission for an increase in the Levelized Energy Adjustment Clause (LEAC) factor for secondary voltage service customers from $0.086613/kWh to $0.101372/kWh to be effective for the period from February 1, 2017 thru July 31, 2017. (LEAC factors for alternative voltage levels are as reflected in the attached spreadsheets in the attached Exhibit A.)

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

DULY AND REGULARLY ADOPTED AND APPROVED THIS 6th DAY OF DECEMBER 2016

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 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 December 6, 2016 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 6th day of December, 2016

_____
J. GEORGE BAMBA
Secretary
Consolidated Commission on Utilities

1

GPA
Proposed LEAC Rate

		PUC Approved Eff 8/01/2016	@ Full Cost Recovery [2] Proposed Eff 2/01/2017	@ 1/2 Cost Recovery [3] Proposed Eff 2/01/2017
1	Average Price per Bbl-RFO [1]	$ 45.43	$ 54.59	$ 54.59
2	Average Price per Gal-Diesel	$ 65.48	$ 71.72	$ 71.72
3	Number 6 (HSFO/LSFO)	$ 47,559	$ 56,771	$ 56,771
4	Number 2 (Diesel)	14,924	16,580	16,580
5	Renewable (Solar)	4,508	5,405	5,405
6	TOTAL COST	$ 66,991	$ 78,756	$ 78,756
7	Handling Costs	3,361	3,150	3,150
8	Total Current Fuel Expense	$ 70,352	$ 81,906	$ 81,906
9	Civilian Allocation	79.13%	78.90%	78.90%
10	LEAC Current Fuel Expense	$ 55,671	$ 64,621	$ 64,621
11	Deferred Fuel Expense	1,665	9,461	9,461
12	Cabras 3&4 Insurance Proceeds		(4,600)	(4,600)
13	Total LEAC Expense	$ 57,336	$ 69,482	$ 69,482
14	Less: Trans. Level Costs	(3,246)	(4,290)	(3,745)
15	Distribution Level Costs	$ 54,090	$ 65,192	$ 65,738
16	Under recovery at the end of the period	$ (4,626)		$ (8,833)
17	Adjusted Distribution Level Costs	$ 49,464	$ 65,192	$ 56,904
18	Distribution Level Sales (mWh)	571,095	561,343	561,343
19	LEAC Factor Distribution	**0.086613**	**0.116136**	**0.101372**
20	Current LEAC Factor Distribution	0.086613	0.086613	0.086613
21	Increase/(Decrease)	(0.00000)	0.02952	0.01476
22	Monthly Increase/(Decrease) - 1000 kWh	$ (0.00)	$ 29.52	$ 14.76
23	% Increase/(Decrease) in LEAC	0.0%	34.1%	17.0%
24	% Increase/(Decrease) in Total Bill	0.0%	16.3%	8.1%
25	Discount (3%) - Primary 13.8 KV	**0.091370**	**0.112749**	**0.098415**
26	Discount (4%) - 34.5 KV	**0.091107**	**0.112436**	**0.098142**
27	Discount (5%) - 115 KV	**0.089986**	**0.111101**	**0.096976**

Notes:

(1) The price of RFO increased by 20% from the last filing in June 2016.

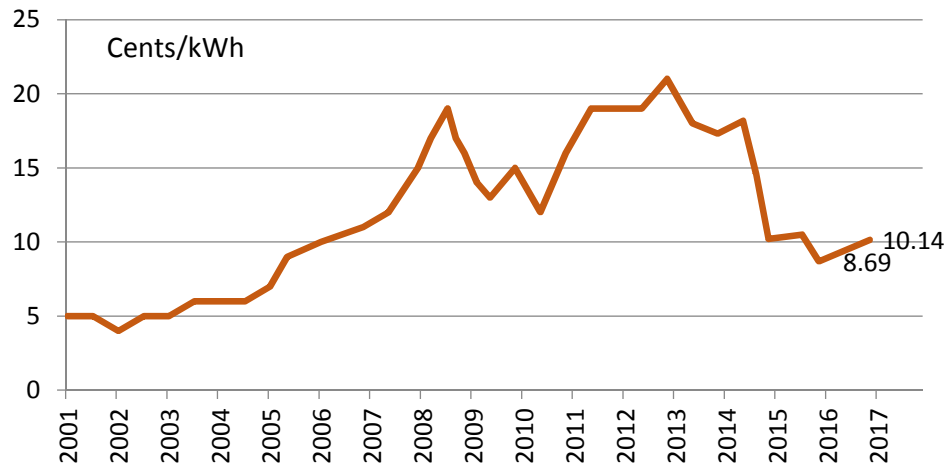
The increase in fuel price is attributable to OPEC's decision to cut production by 1.3 million barrels per day.

(2) If the LEAC rate remains the same in the next LEAC period, the under recovery will be $17.7 million after applying the $4.6M from the Cabras 3&4 insurance proce

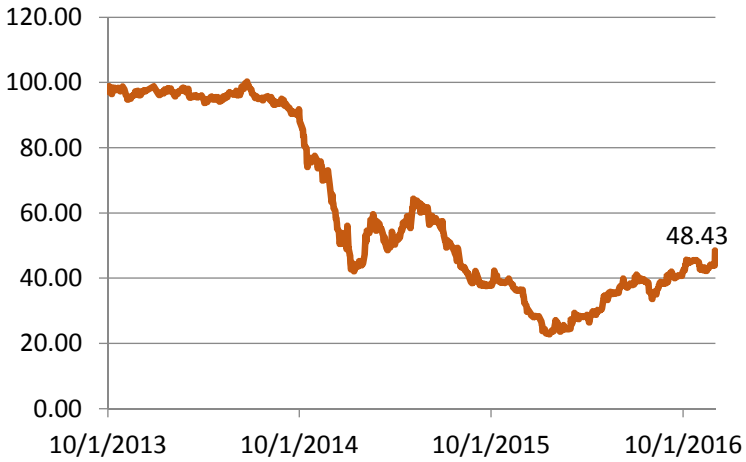
(3) Due to high volatility in the fuel price, GPA is recommending to recover only $8.8 million,1/2 of the $17.7 million estimated under recovery in the upcoming LEAC pe

LEAC & Historical Fuel Price

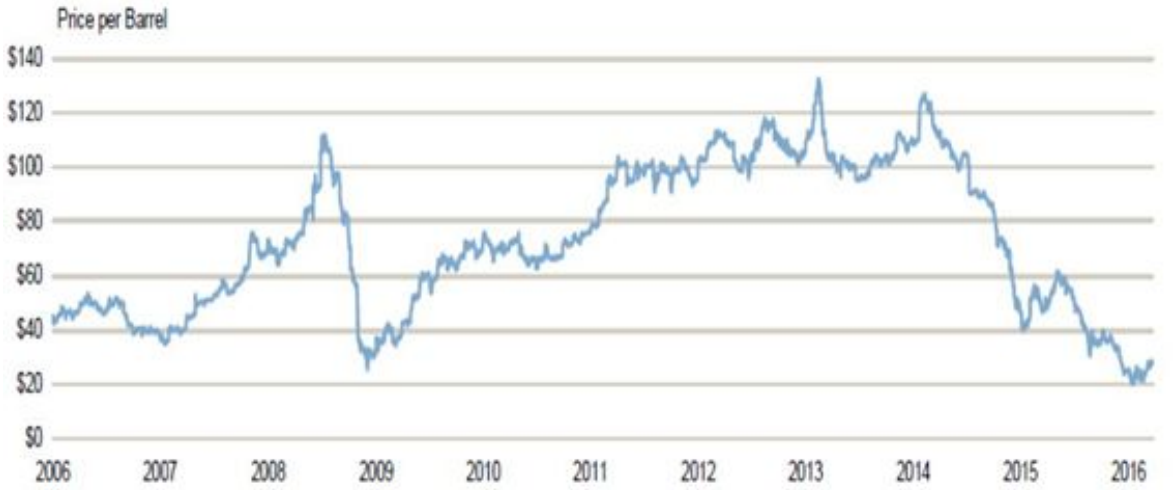
LEAC Adjustments



Historical Prices of Residual Fuel Oil

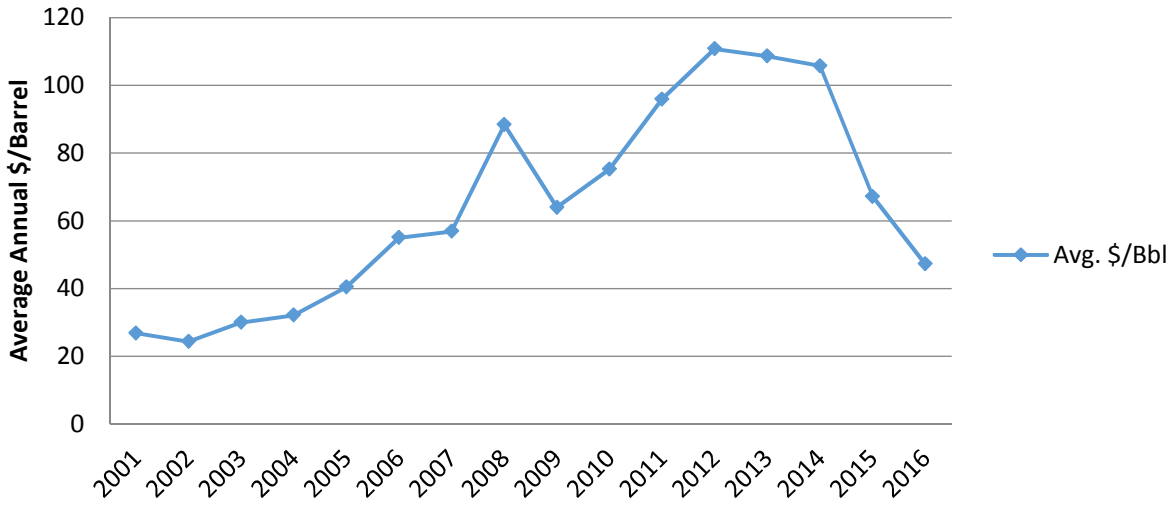


Historical Prices of Residual Fuel Oil No. 6

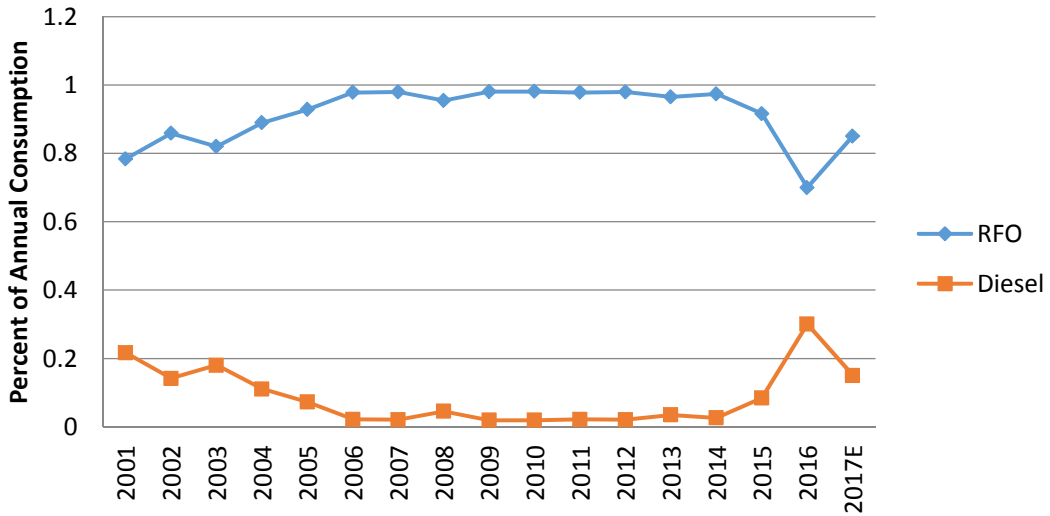


Historical Fuel Cost & Consumption

Average Fuel Cost



Fuel Consumption



Proposed LEAC Rate

		PUC Approved Eff 8/01/2016	@ Current Fuel Price Proposed Eff 2/01/2017	@ 1/2 Cost Recovery Proposed Eff 2/01/2017
1	Average Price per Bbl-RFO	$ 45.43	$ 54.59	$ 54.59
2	Average Price per Gal-Diesel	$ 65.48	$ 71.72	$ 71.72
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12	Cabras 3&4 Insurance Proceeds		(4,600)	(4,600)
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23	% Increase/(Decrease) in LEAC	0.0%	34.1%	17.0%
24	% Increase/(Decrease) in Total Bill	0.0%	16.3%	8.1%
25	Discount (3%) - Primary 13.8 KV	**0.091370**	**0.112749**	**0.098415**
26	Discount (4%) - 34.5 KV	**0.091107**	**0.112436**	**0.098142**
27	Discount (5%) - 115 KV	**0.089986**	**0.111101**	**0.096976**

Residential Billing Illustration – Full Cost Recovery

	Current Rates [1]	Current Bill	Current Bill @ Current Rate	Increase (Decrease)
Customer Charge $/month	$ 15.00	$ 15.00	$ 15.00	$ -
Non Fuel Energy Charges ($/Kwh)				
Lifeline Usage (500 Kwh)	$ 0.0696	$ 34.78	$ 34.78	$ -
Non Lifeline Usage	$ 0.0869	$ 43.44	$ 43.44	$ -
WaterWell Charge				
Lifeline Usage (500 Kwh)	0.00000	$ -	$ -	$ -
Non Lifeline Usage	0.00279	$ 1.40	$ 1.40	$ -
Insurance Charge	0	$ -	$ -	$ -
WCF Surcharge	0	$ -	$ -	$ -
Roll Back Credit (RBC)	0	$ -	$ -	$ -
Fuel Recovery Charge		$ 86.61	$ 116.14	$ 29.52
TOTAL Bill		**$ 181.22**	**$ 210.74**	**$ 29.52**
Increase (Decrease) From Current Bill			$ 29.52	
Percent Increase (Decrease)			**16.29%**	
Increase (Decrease) From Current Leac Factor			$ 29.52	
Percent Increase (Decrease)			**34.09%**	

Residential Billing Illustration – 1/2 Cost Recovery

	Current Rates [1]	Current Bill	Current Bill @ Current Rate	Increase (Decrease)
Customer Charge $/month	$ 15.00	$ 15.00	$ 15.00	$ -
Non Fuel Energy Charges ($/Kwh)				
Lifeline Usage (500 Kwh)	$ 0.0696	$ 34.78	$ 34.78	$ -
Non Lifeline Usage	$ 0.0869	$ 43.44	$ 43.44	$ -
WaterWell Charge				
Lifeline Usage (500 Kwh)	0.00000	$ -	$ -	$ -
Non Lifeline Usage	0.00279	$ 1.40	$ 1.40	$ -
Insurance Charge	0	$ -	$ -	$ -
WCF Surcharge	0	$ -	$ -	$ -
Roll Back Credit (RBC)	0	$ -	$ -	$ -
Fuel Recovery Charge		$ 86.61	$ 101.37	$ 14.76
TOTAL Bill		**$ 181.22**	**$ 195.98**	**$ 14.76**
Increase (Decrease) From Current Bill			$ 14.76	
Percent Increase (Decrease)			**8.14%**	
Increase (Decrease) From Current Leac Factor			$ 14.76	
Percent Increase (Decrease)			**17.04%**	

New LEAC Rate Recommendation

- Due to high volatility in fuel price, GPA is recommending to recover only $8.8 million, ½ of the $17.7 million estimated under recovery at the end of the upcoming LEAC period

- Based on this, the proposed LEAC rate for the period Feb 1, 2016 through July 31, 2017 is $0.101372/kWh

- An increase of 8.1% on total bill or $14.76 on a 1,000 kWh consumption

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

Issues for Decision

GPA Resolution No. 2016-73 / GWA Resolution 10-FY2017:

Relative to the Authorization for GPA and GWA for Additional Support for the CC&B System

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

- 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. The report focused on the following areas:

    1. CC&B implementation
    2. CC&B Configuration
    3. Issue Resolution
    4. Business Processes
    5. Billing/Bill Print
    6. Field Activities
    7. To Do's Notifications / Reports
    8. Start / Stop Activities
    9. Collection / Severance Processing
    10. Deposit Processing
    11. Meter Reads Processing
    12. Post Implementation Support

- Based on the GAP Analysis 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. Some of the findings include:

    1. CC&B Functionality not being properly utilized such as Landlord/Tenant Processing.
    2. Manual workarounds for Collection and Severance notification and processing.
    3. Hi/Lo exceptions not being reviewed properly in the system.
    4. Inaccurate late payment charge processing.
    5. Unnecessary manual workarounds for some of the perceived lack of functionality in CC&B.
    6. Improper coding of some field in the CC&B database which will have an impact in future system upgrades such as "One Time Charges."

- 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.

How much will it cost?

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	

What is its funding source?

Revenue Funded

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

GUAM CONSOLIDATED COMMISSION ON UTILITIES

GPA RESOLUTION 2016-73

GWA RESOLUTION 10-FY2017

RELATIVE TO THE AUTHORIZATION FOR GUAM POWER AUTHORITY AND GUAM WATERWORKS AUTHORITY FOR ADDITIONAL SUPPORT FOR THE CUSTOMER CARE AND BILLING (CC&B) SYSTEM.

WHEREAS, the Consolidated Commission on Utilities has undertaken a number of initiatives to identify opportunities within the ratepayers of Guam will be better served if both utilities work together as a consolidated utility; and

WHEREAS, GPA and GWA have planned and implemented the replacement of its previous Customer Information System (CIS) with Oracle's Customer Care & Billing (CC&B) system as of March 2015; and

WHEREAS, the GPA and GWA both realize that there are efficiencies and cost savings in having a consolidated effort in implementing and maintaining a CIS.

WHEREAS, in April of 2016 GPA and GWA procured the services of Prithibi LLC to provide Training for CC&B, a GAP analysis review and ongoing support for the operation and maintenance of the system; and

WHEREAS, in November 2016, the GAP analysis document was presented to both GPA and GWA which listed shortfalls in the implementation of the CC&B system that impacts the short and long term operation of the CC&B System; and

WHEREAS, GPA and GWA need to address and correct these shortfalls to improve the overall functionality and performance of the CC&B system. GPA and GWA are requesting to approve a change request from Prithibi, LLC to address these shortfalls and to also provide extended off site support for the system till June 2018; and

WHEREAS, GPA and GWA's initial contract for training, GAP Analysis and Support was approved for the period May to November 15, 2016 for the total shared cost of $249,000; and

WHEREAS, GPA and GWA now request authorization for additional expenditures to address the GAP analysis ($449,445), application of the UC4 Scheduling tool to manage job scheduling ($157,167), APEX setup and training ($15,675), and extended support from May 2017 to June 2018 ($233,418), with the GPA and GWA share to be split equally; 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 approve the Change Order with Prithibi, LLC, to increase the authorized amount from $249,000 to $1,104,705 to be paid equally by GPA and GWA.
2. The cost share for the additional expenditure for each agency is as follows:
   GPA: $427,853.00
   GWA: $427,852.00

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

DULY AND REGULARLY ADOPTED AND APPROVED THIS 6th DAY OF DECEMBER 2016.

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 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 December 6, 2016, 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 6th day of December 2016

_____
J. GEORGE BAMBA
Secretary, Consolidated Commission on Utilities

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. 04-FY2017
Relative to Supporting the 2016 Memorandum of Understanding Between the Guam Waterworks Authority and the Department of Defense, Department of the Navy

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

Where is the location?
The MOU is intended to cover the water and wastewater facilities for both systems Island-wide

How much will it cost?
To be determined. Cost depends on individual projects.

When will it be completed?
The 2016 MOU will be executed upon its approval by the CCU. The MOU will be reviewed every three (3) years.

What is the funding source?
GWA Funds and DOD Funds.

The RFP/BID responses (if applicable):
NA

GUAM CONSOLIDATED COMMISSION ON UTILITIES
RESOLUTION NO. 04-FY2017

RELATIVE TO SUPPORTING THE 2016 MEMORANDUM OF UNDERSTANDING BETWEEN THE GUAM WATERWORKS AUTHORITYAND THE DEPARTMENT OF DEFENSE, DEPARTMENT OF THE NAVY

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 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; and

WHEREAS 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; and

WHEREAS it is the desire of both GWA and DOD to facilitate changes to both systems in a manner that is mutually beneficial and maximizes the effectiveness of the overall Department of Defense (DoD) and GWA utility systems as a whole. The goal is sustainable, reliable, compliant and secure water delivery, followed with reliable and compliant wastewater removal.

WHEREAS, 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

WHEREAS, the updated MOU covers issues not identified in the 2010 MOU such as working with the Guam Water and Wastewater Intergovernmental Support Team on projects identified under the Guam Water and Wastewater infrastructure Improvement Program, working to resolve issues related to easements for utility access following all required real estate procedures and protocols, developing cybersecurity procedures to ensure that cybersecurity programs for Industrial Control systems (ICS) exist, and cooperate on other issues related to water and/or wastewater such as development of a coordinated drought response and water conservation plan, and ensuring emergency procedures are appropriately followed when disasters are declared or emergency events occur; and

WHEREAS, the updated MOU has been reviewed and vetted by all parties, and has been confirmed as final and acceptable to all parties thereto.

NOW BE IT THEREFORE RESOLVED, the Consolidated Commission on Utilities does hereby approve and authorize the following:

Section 1. The foregoing recitals hereto are hereby ratified, confirmed, and incorporated herein by reference.

Section 2. The Consolidated Commission on Utilities supports the intent of the Updated Memorandum of Understanding (MOU) between the United States Navy and the Guam Waterworks Authority (GWA) (Exhibit A).

Section 3. The CCU Chairman and GWA General Manager are hereby authorized to execute the MOU.

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

Agreement Number: N61128-20161129-1859

ONE-GUAM WATER

MEMORANDUM OF UNDERSTANDING

(date)

Agreement Number: N61128-20161129-1859

JOINT REGION MARIANAS
NAVAL FACILITIES ENGINEERING COMMAND MARIANAS
GUAM WATERWORKS AUTHORITY
GUAM CONSOLIDATED COMMISSION ON UTILITIES

NFM
4000
Ser N00/

JTREGMARIANAS
4000
Ser J5/

MEMORANDUM OF UNDERSTANDING
BETWEEN
GUAM WATERWORKS AUTHORITY
AND
GUAM CONSOLIDATED COMMISSION ON UTILITIES
AND
NAVAL FACILITIES ENGINEERING COMMAND MARIANAS
AND
JOINT REGION MARIANAS

Subj: MEMORANDUM OF UNDERSTANDING TO EXPLORE MUTUALLY BENEFICIAL OPPORTUNITIES

Ref: (a) MOU between the United States Navy and the Guam Waterworks Authority dated 16 July 2010
(b) Framework for Discussion: Strategy for an Integrated Water System for Guam, March 3, 2016 or later
(c) National Institute of Standards and Technology (NIST) Special Publication (SP) 800-82, Revision 2, May 2016

Encl: (1) 2010 MOU Exhibit A: MOU on the Tumon Maui Well Project dated 6 May 2016
(2) One-Guam Water Functional Overview Charts

1. Purpose. The purpose of this Memorandum of Understanding (MOU) is to define the relationship between Joint Region Marianas (JRM), Naval Facilities Engineering Command Marianas (NAVFAC Marianas), Guam Consolidated Commission on Utilities (CCU), and Guam Waterworks Authority (GWA) (hereafter referred to as the "Parties") while developing the "One-Guam" vision for water and wastewater needs expected to increase as a result of military and civilian population growth. The Parties desire to facilitate changes to both systems in a manner that is mutually beneficial and maximizes the effectiveness of the overall Department of Defense (DoD) and GWA water utility systems as a whole.

Agreement Number: N61128-20161129-1859

Subj: MEMORANDUM OF UNDERSTANDING TO EXPLORE MUTUALLY BENEFICIAL OPPORTUNITIES

2. Background. Reference (a) was developed in response to the pending U.S. Marine Corps relocation from Japan to Guam, and is the precursor to this document. Enclosure (1) is the first exhibit to reference (a) outlining a specific project. It will continue as an exhibit to this MOU for the life of the exhibit. Any future projects under this MOU will also be assigned exhibit identifiers, and will continue on future versions of this MOU for their life. Reference (b) was also developed as a result of reference (a), but as a living document which can be revised at any time. The current version as of the development of this MOU is dated 3 March 2016. The goal of all documents is sustainable, reliable, compliant and secure water delivery, followed with reliable and compliant wastewater removal.

3. Cancellation. MOU between the United States Navy and GWA dated 16 July 2010 (reference (a)).

4. Applicability. This MOU and the objectives, goals, and processes agreed upon are subject to applicable laws and regulations of the United States, the Government of Guam (GovGuam), and the Department of the Navy (DON). The Parties agree that legal requirements applicable to either Party take precedence over any understanding reflected in this MOU.

5. Objectives. To explore opportunities for partnering and integration of the water and wastewater utilities, and to address projected additional requirements and/or re-capitalization efforts needed, objectives related to the implementation of utility service solutions were established as follows:

a. Water

(1) Protect the Northern Guam Lens Aquifer (NGLA) and other drinking water sources from contamination and/or salt water intrusion.

(2) Share information relevant to water-related requirements and proposed solutions. This information may consist of facility technical descriptions, planning studies, requirements, designs, rates, schedules and forecasts.

(3) Support all efforts to improve the well-head protection and enforcement.

(4) Cooperate to improve the NGLA Observation Well System used to study the changes in the NGLA via expansion of the current system, rehabilitation of existing wells, and proper abandonment of wells no longer intended for production to enhance monitoring and management of the NGLA in order to mitigate impacts to potable water resources. Share access to, and responsibilities for the maintenance of those wells.

b. Water and Wastewater

(1) Cooperate and partner on the following initiatives:

(a) Interoperability

(b) Geographic Information Systems (GIS)

(c) Hydraulic Modeling

(d) Cybersecurity

(2) Maintain cooperative and coordinated efforts to facilitate development of water resources and proper maintenance of water and wastewater infrastructures on Guam. Accomplish this in accordance with sound business practices and principles that respect the resource limitations, missions, authorities and responsibilities of the Parties to the MOU.

(3) Evaluate opportunities to integrate military and civilian water utility systems on Guam to meet the needs of the island's population including all population growth from the military buildup. Such integration may involve joint use of production and distribution assets, or future transfer of production, distribution, collection and treatment systems from DoD to GWA. The Parties understand that any transfer would require an agreement of terms and conditions acceptable to both DoD and GWA, subject to GWA meeting reasonable minimum reliability, security, and quality standards and possible legislative authorizations.

(4) Develop and utilize common standards to improve overall quality, security, reliability, interoperability, construction, and performance.

(5) Cooperate with federal and local agencies to resolve challenges and emerging concerns, including funding, for

facility and infrastructure planning decisions to support capability improvements for the potable water and wastewater treatment and collection systems.

c. Wastewater

(1) Jointly work to locate and resolve inflow and infiltration issues for all wastewater collection systems, but particularly related to the Northern District and Hagatna systems that handle both local and military wastewater collections.

(2) Share information reports related to discharge certification or pretreatment permits for all Guam wastewater systems (Northern, Southern, and Hagatna).

(3) Cooperate to implement improvements to the Northern District Wastewater Treatment Plant (NDWWTP) which are expected to reduce negative impacts to near shore marine resources and protect the NGLA.

(4) Cooperate to complete the GWA Interceptor Sewer Refurbishment project for the existing sewer lines from Andersen Air Force Base (AAFB) to the NDWWTP to include manhole rehabilitation as necessary. This is to mitigate impacts to wastewater utilities and groundwater resources and ensure the relocation of military assets to Guam do not adversely affect the civilian infrastructure systems or resources.

d. Other

(1) Work closely with the Guam Water and Wastewater Intergovernmental Support Team (GWWIST) to ensure the timely and effective execution of water and wastewater projects designed to meet the demands associated with the proposed military buildup on Guam which are paid for by the Office of Economic Adjustment (OEA).

(2) Work to resolve issues related to easements for utility access following all required real estate procedures and protocols.

(3) Develop cybersecurity procedures to ensure that cybersecurity programs for Industrial Control Systems (ICS) exist which include the major security objectives. Develop

defense-in-depth strategy and evaluate ICS security posture using reference (c).

(4) Cooperate on other issues related to water and wastewater such as development of a coordinated drought response and water conservation plan, and ensuring emergency procedures are appropriately followed when disasters are declared or emergency events occur.

6. Organizational Components. The following defines the various organizations whose interactions are a result of this MOU. Enclosure (2) aids in following that interaction.

a. Guam CCU is the governing board for GWA. The members are elected by public vote and are responsible to the people of Guam.

b. GWA is the water and wastewater utility purveyor for the civilian community on Guam.

c. JRM provides executive level installation management support to all DoD components on Guam. JRM is also the official interface between DoD and the civilian community for the matter of coordinating utilities. For the purpose of the DoD water utilities, JRM is also known as the landowner. JRM oversees installation support for all military installations, structures and infrastructure in the Marianas to include, but not limited to:

(1) Naval Base Guam (NBG)

(2) AAFB

(3) Marine Corps Base Guam (when established)

d. NAVFAC Marianas is the Engineering Command responsible for planning, designing, constructing, altering, repairing, maintaining, and operating DoD utilities systems on Guam. NAVFAC Marianas delivers environmental, utilities, and other base operations support services in support of DoD commands.

e. NAVFAC Marianas Utilities and Energy Management (UEM) Product Line Coordinator (PLC) is JRM's parallel position to GWA's General Manager position.

f. Public Utilities Commission (PUC). An independent regulatory commission consisting of seven members appointed by the Governor of Guam with confirmation by the Guam Legislature. The commission has oversight on rates for the water utility as well as any contracts it enters that may affect those rates.

g. Senior Advisory Group (SAG). Leaders who provide vision and guidance to the Parties for the development of Guam's water resources and infrastructure. SAG will likely consist of:

(1) JRM Region Commander

(2) JRM Deputy Region Commander

(3) Speaker of the Guam Legislature

(4) Guam Legislative Chair for Utilities and Infrastructure

(5) Consolidated Commission on Utilities Chair

h. One-Guam Water and Wastewater Working Group hereafter referred to as the Working Group (WG). The WG will identify problems, make minor adjustments as needed to water resource sharing, develop a prioritized list of recommendations for SAG on proposed water resource infrastructure projects, and track and facilitate approved projects to meet water production, quality, security, and conservation standards and goals. This group will meet at least quarterly and will be co-chaired by GWA and NAVFAC Marianas. At least one WG member from each Party must be empowered to make decisions on behalf of that Party. If any member is unavailable to attend a meeting, a designated representative should be sent in their stead. WG will consist at a minimum of:

(1) NAVFAC Marianas Commanding Officer

(2) GWA General Manager

(3) 36th Civil Engineering Squadron Commander

(4) Marine Corps Activities Group Planning and Design

(5) NBG Public Works Department

(6) NAVFAC Marianas UEM PLC

(7) GWA Chief Engineer

(8) NAVFAC Marianas Water Utility One-Guam Liaison

(9) Operations, engineering, cybersecurity, and compliance personnel from either/both Parties, as needed.

i. Technical Experts (TE). A group of experts in the field of water and wastewater who will maintain regular communication to share water resource data and raise concerns and issues to the WG. TE will develop and maintain all databases and technical tools to monitor and assess the health of the NGLA, and other fresh water resources of Guam. TE will identify problems and propose solutions to the WG. TE members may attend meetings of the WG by invitation, or by approved request. TE will consist, at a minimum, of:

(1) GWA Engineering/Operational Staff

(2) NAVFAC Marianas UEM/Environmental Staff

(3) Guam Environmental Protection Agency (GEPA)

(4) Water and Environmental Research Institute (WERI)

(5) United States Geological Survey (USGS)

j. GWWIST. This group works to meet the demands associated with the proposed military build-up by ensuring timely and effective execution of water and wastewater projects referred to in paragraph 5d(1). Note: The charts in enclosure (2) do not include this organization. Although this MOU addresses some of the One-Guam related work they bring, GWWIST has a separate agreement, and are not directly covered by this MOU. GWWIST members include:

(1) DoD OEA

(2) GWA/Guam CCU

(3) U.S. Environmental Protection Agency

(4) DON

(5) Office of the Governor of Guam

k. WERI, located at the University of Guam (UOG), is the designated repository of the water-related data the Parties wish to share. GWA and NAVFAC Marianas will maintain separate MOUs with WERI to define accepted protocols for the handling of the data to be shared. Additionally, as experts in the field of water, WERI performs technical studies related to our water resources.

7. Terms of Understanding

a. GWA will:

(1) Develop and/or upgrade water and wastewater distribution, collection, and treatment systems not located on DoD property, but necessary to support the increased DoD load. This will be contingent on appropriate and available funding sources, and must be in compliance with GWA's approved Capital Improvement Program.

(2) Follow all appropriate DoD requirements to obtain identification badges to ensure access to DoD facilities.

(3) Comply with all DoD requirements, policies, and procedures when performing work on DoD property, whether operational or construction in nature. (An example of such a requirement is munitions and explosives procedures.)

b. NAVFAC Marianas will evaluate costs associated with meeting DoD requirements and address them on a case-by-case basis.

c. JRM will provide GWA personnel access to facilities wherein GWA has operational oversight. GWA will follow all appropriate DoD requirements to obtain identification badges (and escort as required) to ensure access to those facilities. DoD reserves the right to restrict access due to operational requirements.

d. All Parties will:

(1) Cooperate in determining the most cost effective and timely source(s) of funding to facilitate solutions proposed by the working group.

(2) Cooperate in completing studies related to meeting the drinking water needs of Guam including NGLA sustainability studies. Future studies will be coordinated between GWA, DoD and other Federal and GovGuam agencies (such as GEPA, USGS and UOG/WERI) that may have a stake or required expertise in these matters. The Parties will coordinate the development of the objectives and methodology to accomplish such studies.

(3) Coordinate the selection of future water well sites with GEPA, USGS, and UOG/WERI.

(4) Cooperate in developing appropriate plans for the integration of new water production and distribution infrastructure with existing water systems.

(5) Share water resources as needed to address urgent needs.

(6) Cooperate to assess potential impacts to other wastewater infrastructure and identify options for mitigating the impacts.

(7) Cooperate in all aspects of drinking water resource development, protection, and management on Guam to ensure the long-term sustainability. In order to accomplish this objective, the Parties will designate representatives to convene an advisory team known as the WG to make recommendations on priorities and issues.

(8) Cooperate to facilitate resolution of mutually agreeable appropriate standards for water quality and water production targets based on current assessment of the aquifer and other water resources; and undertake such other roles and responsibilities deemed appropriate for fostering interagency cooperation.

(9) Evaluate current and proposed laws, service rules, and contracts for DoD contributions to system development and determine if such provisions are adequate and fair to both Parties.

(10) Evaluate and monitor timelines required to implement proposed solutions relative to timelines required to meet demand increases resulting from military and civilian population growth.

(11) Continue to develop agreements to formalize the concepts provided herein.

(12) Communicate concerns, issues and problems in a timely manner to provide Parties the time to pursue reasonable and executable courses of action (COAs) to mitigate adverse impacts.

8. Other Provisions

a. Enforceability

(1) Performance. Performance under this MOU by all Parties is dependent upon lawful appropriation, availability, and allocation of funds by proper authorities. Nothing herein shall constitute nor be considered to constitute an obligation or expenditure of funds in advance of or in excess of proper appropriations for either Party (for DoD: Congress of the United States or otherwise be in violation of the Anti-Deficiency Act, 31 U.S.C. § 1341 et seq.; for GWA: Their management and/or the CCU or the PUC).

(2) Benefits. This MOU is not intended to, and does not create any right or benefit, substantive or procedural, enforceable at law or in equity, by any Party against the United States or GWA, or agencies, instrumentalities, officers, employees, or agents of either.

(3) Contingency Clause. In the event of an emerging national security requirement, DoD can unilaterally exit the MOU for the duration of the situation, as required. Such situation will be validated by military orders and DoD will inform the other Parties to the MOU as soon as practical.

b. Resolution of Disagreements

(1) The Parties shall consult with one another to resolve issues at the WG level and elevate disputes through the respective chains-of-command only if necessary.

(2) Notification of areas of disagreement by any Party will be submitted, in writing, by and between the GWA General Manager and the NAVFAC Marianas UEM PLC.

Agreement Number: N61128-20161129-1859

Subj: MEMORANDUM OF UNDERSTANDING TO EXPLORE MUTUALLY BENEFICIAL OPPORTUNITIES

(3) If there is no resolution at the WG level, the Parties may elevate the issue to their respective leadership for resolution at the SAG level.

9. Modification. Modifications to this agreement may be made with the concurrence of all Parties. Modifications desired by any Party are to be requested, in writing, at least 60 days in advance of the proposed effective date and will become effective only if agreed upon, in writing, by all Parties.

10. Review. This MOU will be reviewed triennially and/or when there is a change in principals to evaluate its effectiveness and determine if any modifications are required.

11. Effective Date. This MOU is effective upon the date of final signature and shall remain in effect for a period of nine years. This MOU may be terminated by any of the Parties upon providing 30 days written notification to all Parties.

APPROVED:

JOSEPH T. DUENAS Chairman Guam Consolidated Commission on Utilities	B. BOLIVAR Rear Admiral, U.S. Navy Commander Joint Region Marianas
Date: _____	Date: _____
MIGUEL C. BORDALLO, P.E. General Manager Guam Waterworks Authority	S. M. JONES Captain, U.S. Navy Commanding Officer Naval Facilities Engineering Command Marianas
Date: _____	Date: _____

2010 MEMORANDUM OF UNDERSTANDING
Exhibit A

May 2016

Enclosure (1)

MEMORANDUM OF UNDERSTANDING
BETWEEN
GUAM WATERWORKS AUTHORITY
AND
THE UNITED STATES NAVY

Subj: MEMORANDUM OF UNDERSTANDING ON THE TUMON MAUI WELL PROJECT

This document details the Tumon Maui Well (TMW) and related interties project developed as part of the "Strategy for an Integrated Water System for Guam" framework and the Memorandum of Understanding (MOU) between the United States Navy and the Guam Waterworks Authority (GWA) dated 16 July 2010.

1. INTRODUCTION

a. The 2010 MOU between the Department of the Navy (DoN, or the Navy) and GWA addresses expected water and wastewater needs for the proposed military buildup. Section V, Future Objectives, of the MOU states that DoN and GWA "...will agree to evaluate opportunities to integrate military and civilian water on Guam. Such integration may involve the future transfer of production, distribution, collection and treatment systems from DoN to GWA. The parties understand that such transfer would require agreement of terms and conditions acceptable to both DoN and GWA, subject to GWA meeting reasonable minimum reliability and quality standards and possible legislative authorizations."

b. Section VII of the 2010 MOU states that the parties agree to have further discussions. Item 5 of that section lists the development of agreements to formalize the concepts of the MOU. Since March 2015, Naval Facilities Engineering Command (NAVFAC) Marianas and GWA have been partnering to evaluate opportunities towards integrating military and civilian water systems on Guam. The joint water working group holds bi-weekly meetings that include the NAVFAC Marianas Commanding Officer, General Manager of GWA, and key members of their utilities, operational, environmental and business staffs.

c. The working group developed a draft "Strategy for an Integrated Water System for Guam" that was coordinated with the Guam Consolidated Commission on Utilities (CCU) in August 2015 and October 2015. The CCU approved the working group's framework document which is a living document that will be periodically updated to address the current objectives. The framework is a plan to lead the organizations through actions working toward a potential future integration of Navy and GWA water systems. This integration effort will require close coordination with Guam EPA and U.S. EPA (Region IX).

Subj: MEMORANDUM OF UNDERSTANDING ON THE TUMON MAUI WELL PROJECT

2. PURPOSE

a. Exhibit A is the detailed agreement between the Navy and GWA related to the Tumon Maui Well license. It specifies the responsibilities and expectations for both parties in the operation and maintenance of the Tumon Maui Well.

b. Exhibit A ensures that all agreed upon services are documented and that all maintenance and operational responsibilities are clearly defined.

c. Navy and GWA will enter into a License Agreement authorizing GWA to operate the Tumon Maui Well to include the extraction of up to 800 gallons per minute (GPM) of water. Requirements for the operation and maintanence of the Tumon Maui Well are contained in the License Agreement.

d. Additionally, the intertie at Route 3 and Potts Junction is a critical component in this water integration pilot in that a trade agreement will be employed to provide an additional water supply to the USMC cantonment facilities (to be located at NCTC Finegayan) via GWA lines from Tumon Maui Well. This exhibit documents GWA's commitment to construct the required infrastucture for a new waterline intertie along Route 3 at Potts Junctions and their commitment to provide a maximum of 210 GPM to Navy via the intertie during the initial license term. The amount may be revisited and subject to change in the future as needs change.

3. BACKGROUND

a. The Tumon Maui Well is a significant component of the water system on Guam. Constructed in 1947, it accounted for a large portion of the water supply until its initial closure in 1995 because of chemical pollution. The Tumon Maui Well has the capacity to provide up to 900 GPM. When the well was in operation, it was one of the highest capacity wells of the Northern Guam Lens Aquifer (NGLA) system. NGLA is the primary source of Guam's fresh water. The well is also significant as an example of a Maui-type water well that operates to skim underground fresh water from the thin basal layer. It is the only Maui-type well on Guam that is capable of producing reliable fresh water. After 1995, it was placed back into service for a short time and then closed again in 1999. As part of the 2010 Military Build Up preparation, the well was rehabilitated. The well is connected to a 24 inch water line (GWA water main) along Marine Corps Drive. Activating the well and putting it into service will require minimal resources for GWA due to the close proximity of their existing infrastructure. Operating the Tumon Maui Well will enable the Navy and GWA to work together in protecting the NGLA, potentially reduce the levels of chlorides in the overall water well systems, mitigate adverse impacts to the NGLA, provide additional water supply for GWA's customers, and support growth and responsible development for the island. This additional capacity will enable GWA to shut down four of its smaller wells where chloride readings have been high.

b. Navy and GWA agree that this effort will improve the island's water system capability by taking advantage of existing infrastructure which will provide interoperability opportunities leading to improved water security for both parties. This project improves Guam's capability to provide an uninterrupted supply of potable water to civilian and military customers by the most cost effective means possible.

c. As part of this agreement, GWA will provide to the Navy a water connection from Route 3 and Potts Junction in support of the USMC cantonement located at NCTS Finegayan. This connection will allow for water to be supplied from an existing GWA waterline to a Navy connection in support of USMC facilities.

d. The issuance of a real estate license without collection of "fair market value" is allowed because the following four conditions are met:

(1) The license is for one year or less.

(2) The license results in minimal costs to the installation.

(3) The license is issued to a not-for-profit organization / charity / service entity / state or local government to support a public interest activity.

(4) The license is advantageous to DoN.

e. Because water resources are considered a public asset on Guam, GWA may withdraw the water from the aquifer at will. GWA will be licensed to operate the existing Navy facilities, but must provide the power to withdraw the water and the means to treat and distribute it. Any water GWA then distributes to the military will be taken in trade for water the Navy distributes to GWA customers located elsewhere on the island.

4. PILOT PROJECT

a. The Tumon Maui Well project provides GWA with an opportunity to demonstrate their ability to operate and maintain DoD owned water treatment facilities and provide sustainable, reliable, compliant and secure potable water generation. Success in the operation of this project will afford Joint Region Marianas several potential benefits which can reinforce the concept of an integrated system to better serve all parties. One benefit is the opportunity for GWA to operate Navy utility assets to produce potable water and deliver it via GWA transmission systems to DoD facilities, specifically the USMC cantonment being constructed at NCTS Finegayan. Another benefit is that with the additional capacity to support GWA customers, GWA will be able to place in standby, four of its existing wells.

(1) Plan of Action and Milestones (POAM). A plan of action and milestones has developed for the transition of operation of the Tumon Maui Well to GWA.

(2) Bi-lateral Use Agreement Documentation. A License Agreement and MOU are required to authorize GWA to operate, maintain and consume water from the Tumon Maui Well. A draft copy of the license with the conditions of agreement was provided by NAVFAC Marianas to GWA on 23 October 2015. The final agreement package will be reviewed and signed by GWA General Manager and NAVFAC Marianas Commanding Officer.

(3) Re-commissioning of the Plant. Because the Tumon Maui Well water treatment plant has not been in operation for over a year, NAVFAC Marianas will make the repairs necessary to get the well operationally compliant to permit standards. GWA operators and maintenance personnel will be engaged during the repair and re-commissioning process to receive hands-on training and gain knowledge and experience with the system equipment.

(4) GWA Staffing Plan. In January 2016, GWA reached an agreement with Guam Environmental Protection Agency (GEPA) to use Level II Certified Water Operators.

(5) Startup and Operational Testing. Prior to official turn-over of the Tumon Maui Well, Navy and GWA will complete a joint inspection and document the condition of the premises as well as compile an inventory of the major items on site.

(6) Connections Between GWA and Navy Water Systems. GWA committed to making the necessary modifications to their delivery system to provide the USMC cantonment site on NCTS Finegayan with an initial supply of a maximum of 210 GPM when required. The water system connection design was developed by GWA, and submitted to the Navy for review and approval.

(7) Water Delivery. The delivery of water to the USMC cantonment will be a water for water trade. The amount GWA delivers to the USMC cantonment will be counted as a credit toward purchases made by GWA from the Navy to provide water service to customers at other locations.

Based On The Representation And Agreement Contained Herein, The Agreed Upon Consideration, The Parties Agreed As Follows:

5. ROLES AND RESPONSIBILITIES.

a. Tumon Maui Well:

(1) GWA:

(a) Pay the initial administrative fee of $4,800 required for the development of the license to NAVFAC Marianas and subsequent annual license fees. The license will be for the period of one year and may be renewed annually for the first five years. The license fee is recurring and must be paid with each renewal.

(b) Provide routine operational preventive maintenance of equipment and replacement of major equipment as required not covered under the manufacturer's warranty as part of the lifecycle of the component.

(c) Provide the Operation and Maintenance Agreement and staffing plan to the Navy for their review and comment. Address issues the Navy may bring up.

(d) Ensure all regulatory permits are kept up to date and current.

(e) Ensure operators working at the site are appropriately certified.

(f) Provide GWA's updated Chlorine Spill Response Plan and Spill Prevention, Control and Countermeasure Plan, to include the chlorine cylinders stored at the site, to the Navy for approval.

(g) Develop and submit to the Navy regular monthly production reports with daily logs, and annual monitoring and performance standards reports.

(h) GWA will record all operational costs and share this data with the Navy for use in possible future rate setting.

(i) Maintain the security of the Tumon Maui Well compound which includes the well, the tunnel, the vent house, and all the property and facilities along Marine Corps Drive and in the area below by the entrance to the tunnel contained within the perimeter of the existing fencing. The property will not be left unsecure for any length of time. GWA will bear any liability for issues relating to security breaches.

(j) Maintain the grass according to Navy requirement between 2 to 12 inches, or less if the GEPA operating permit requires at GWA expense. Any violation of the permit requirement will be the responsibility of GWA.

(k) GWA will not allow the use of any portion of the property in any manner not approved by the Navy.

(l) GWA will not make any modification to the system without prior Navy approval.

(m) Provide up to 210 GPM of potable water, for use at the Marine Corps Cantonment via Potts Junction intertie whenever needed.

(n) Provide open access to the Navy to conduct inspections of the facility.

(2) **Navy:**

(a) Provide GWA a baseline survey of the existing Environmental Condition of the Property (ECP).

(b) Provide GWA with copies of all available as-built drawings, design documents, maintenance records, and so forth related to the facility.

(c) Provide GWA full right of entry to the Tumon Maui Well facility for the duration of the license.

(d) Provide a fully functional and permitted well facility.

(e) Issue a license for the use of the property, to include the facilities and equipment within the specified boundaries.

(f) Allow GWA to operate the Tumon Maui Well system to withdraw water at up to a rate of 800 GPM at GWA expense and for the benefit of GWA customers.

(g) Require the reservation of 210 GPM, potable water, for use at the Marine Corps Cantonment via Potts Junction intertie whenever needed.

(h) Maintain the right to conduct inspections of the facility, and will provide 24-hour courtesy notice to GWA, except in emergencies.

(i) Provide technical support and assistance when requested.

(j) Allow GWA to connect to the existing SCADA system at the facility when GWA's SCADA is operational, provided the existing SCADA units at Tumon Maui Well are compatible with GWA's system.

(k) Assess GWA's operation and maintenance of the system monthly for use in future decision making regarding the Tumon Maui Well.

(3) **Navy and GWA Jointly:**

(a) Perform startup operating and testing of the Tumon Maui Well with NAVFAC Marianas' Base Operating Support (BOS) Contractor, and conduct preliminary dual operation for a period of 60-90 days which includes the 45 days for startup/testing to ensure functionality and understanding of the facility and the equipment in place.

(b) Conduct a joint inspection and inventory assessment to document the condition of the premises after the start up and testing plan is completed; the subsequent Joint Inspection and Inventory Report (JIIR) will be signed by both parties.

(c) Meet quarterly to review and discuss the status of operations and issues related to the operation of the Tumon Maui Well. Within 2 months of the signing of this agreement, the

parties will develop and agree upon the format and the materials to be reviewed during quarterly reviews prior to coming together.

b. Route 3 and Potts Junction Connection:

(1) GWA:

(a) Design, construct, and maintain a water intertie along the federally owned property adjacent to Route 3 and Potts Junction. Provide all material and services to install an appropriate connection valve and lateral line terminating into a fire hydrant, at GWA expense, for future direct connection to Navy's water distribution system. Construction is to be completed during the first year's license.

(b) Install and maintain a meter on the Government of Guam easement adjacent to the federally owned property.

(2) Navy:

(a) Provide and maintain the connection line from the meter to the Navy water system.

(b) Provide and maintain a back flow preventer which meets GWA standards to be placed on DoD property.

The Parties hereby affix signatures of offices duly appointed and authorized to make the commitments contained in this Agreement.

FOR GUAM WATERWORKS AUTHORITY:

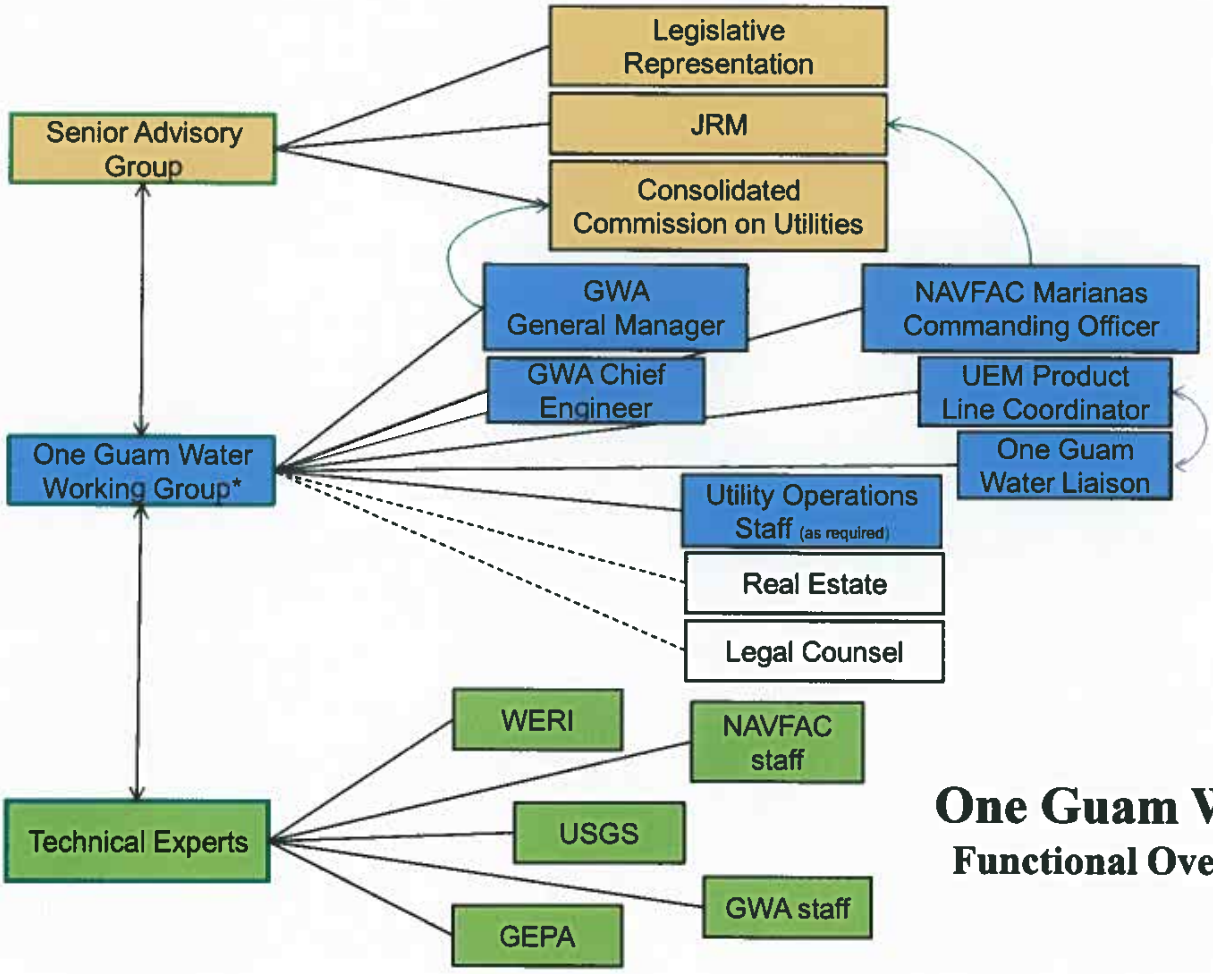
By: _____
Miguel C. Bordallo, P.E.
General Manager

Date: 5.6.16

FOR NAVAL FACILITIES ENGINEERING COMMAND MARIANAS

By: _____
Stephanie M. Jones
Captain, Civil Engineer Corps, U.S. Navy
Commanding Officer

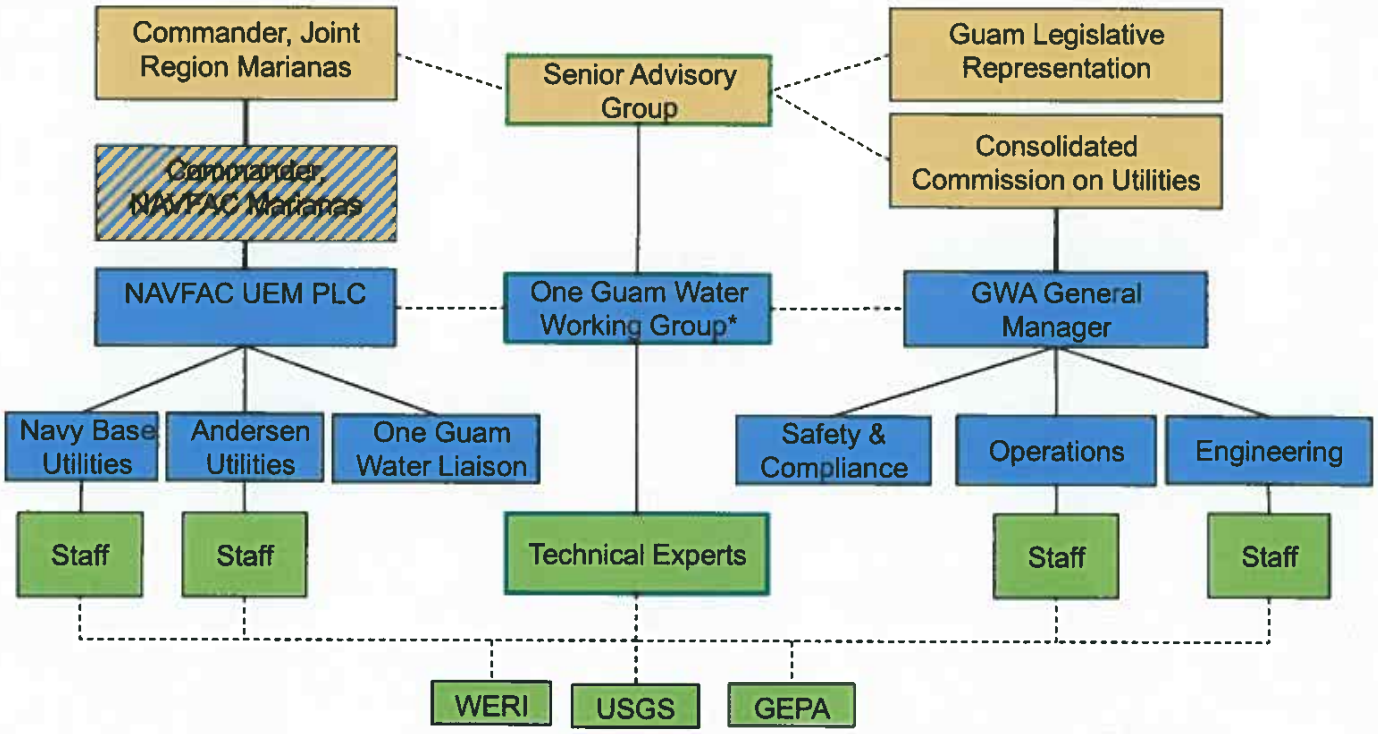
Date: 6 MAY 2016



One Guam Water
Functional Overview

Enclosure (2)

One-Guam Water
Functional Overview



* Note that other subject matter experts not specified above (e.g., Counsel, Real Estate, etc.) from Navy and/or GWA may be called to participate at the working group level as needed.

2

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. 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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EXHIBIT A

GUAM WATERWORKS AUTHORITY
"Better Water. Better Lives."
Gloria B. Nelson Public Service Building | 688 Route 15, Mangilao, Guam 96913
P. O. Box 3010 Hagåtña, Guam 96932
Tel: 671.300-6846/48 | Fax: 671.648-3290

ASSISTANT GENERAL MANAGER OF OPERATIONS (Unclassified)	
	Job Code: xx.xxx
Department: General Manager	Approved Date:
FLSA [X] Exempt[ ] Non-Exempt[ ]	Last Updated: November 2016

MINIMUM EXPERIENCE AND TRAINING:

A. Master's Degree in Engineering, Business or Public Administration 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 or Public Administration 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.

(AGMO, page 3)

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

EXHIBIT B

GUAM WATERWORKS AUTHORITY
"Better Water. Better Lives."
Gloria B. Nelson Public Service Building | 688 Route 15, Mangilao, Guam 96913
P. O. Box 3010 Hagåtña, Guam 96932
Tel: 671.300 6846-48, Fax 671.648.3290

ASSISTANT GENERAL MANAGER OF ADMINISTRATION & SUPPORT (Unclassified)	
	Job Code: xx.xxx
Department: General Manager	**Approved Date:**
FLSA [X] Exempt[ ] Non-Exempt[ ]	**Last Updated: November 2016**

MINIMUM QUALIFICATIONS

A. Master's Degree in Engineering, Public Administration or Management 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, Public Administration or Business Administration 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 setting 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, Assistent General Manegers, 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

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:

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: _____

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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Section I. BACKGROUND AND SUMMARY OF SOLICITATION.

Section II. INSTRUCTIONS, PROCEDURES AND REQUIREMENTS.

Section III. BID BOND REQUIREMENTS.

PART B. BID SUBMITTAL DOCUMENTS

Article I. GWA FLEET FUELS SUPPLY CONTRACT (DIESEL FUEL OIL NO. 2 AND AUTOMOTIVE GASOLINE, REGULAR UNLEADED).

Preamble

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Section 1.02 Term
Section 1.03 Contract Price
Section 1.04 Fleet Fuels to be Purchased – Designated Service Stations
Section 1.05 Terms of Payment
Section 1.06 Warranty and Claims

Section 2

Section 2.01 Product and Quality
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Section 3.09 Alternate Supply
Section 3.10 Resumption of Performance
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Section 3.12 Indemnity
Section 3.13 Insurance
Section 3.14 Restriction Against Sex Offenders

Section 4

Section 4.01 Failure to Supply
Section 4.02 Failure to Pay
Section 4.03 Failure to Comply with Laws
Section 4.04 Default
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Section 5.08 Governing Law
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Article II. BID OFFER.

Article III. BID BOND.

Article IV. DISCLOSURE OF MAJOR SHAREHOLDERS AFFIDAVIT AND NON-COLLUSION AFFIDAVIT.

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 90%, recovered	D86		% vol	282 Min 360 Max
Kinematic Viscosity	D-445		mm^2 at 40^{o}C	1.9 Min 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^{o}C)	D130			No.1 Max

Cetane Index	D 613	D976-80 D 4737		46 Min
Aromaticity	D1319		% vol	35 Max
Carbon Residue on 10% distillation residue	D524	D4530 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 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	0.5 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 10% Evaporation 20% Evaporation 50% Evaporation 90% Evaporation FBP Residue		D-86		Report 70 Max Report 115 Max 180 Max 215 Max 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: _____ Miguel C. Bordallo, P.E. General Manager
Date: _____	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.

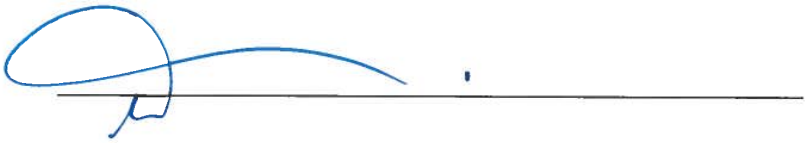
6. Award.

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:

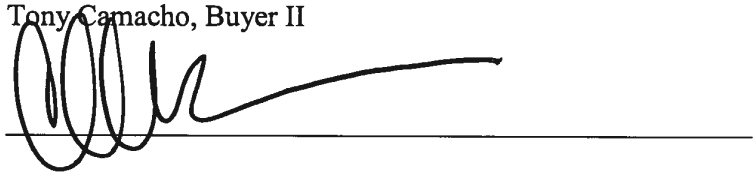
Therefore, the evaluation committee hereby recommends award for Mobile Oil Guam.

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.

4

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

	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	38,487	$ 3.78	$ 362	95	$ 3.78	$ 585,661	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
		$ 258,229	93,661	$ 2.73	$ 130,692	49,783	$ 2.81	$ 165	58	$ 2.75	$ 387,086	143,499		

	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
FY2016	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	$ -	-		$ -	-		$ -	-		$ -	-		
		$ 148,970	67,277	$ 2.19	$ 40,642	19,741	$ 2.07	$ 111	47	$ 2.35	$ 187,723	87,065		
						1,974						8,706		
						23,689.84						104,477.90		0.27
						0.16						0.82		

IP&E	1.32	31,270.32	diesel based on projected FY2016 actuals
	1.526	159,642.23	unleaded based on projected FY2016 actuals
	1.4806	190,912.55	

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 $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 $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	1.336	31,625.66	diesel based on projected FY2016 actuals
	1.623	159,119.84	unleaded based on projected FY2016 actuals
	1.4883	190,745.50	

Composite based on proportional weighting of diesel and unleaded price to respective % of total fuel purchases projected to end of FY2016

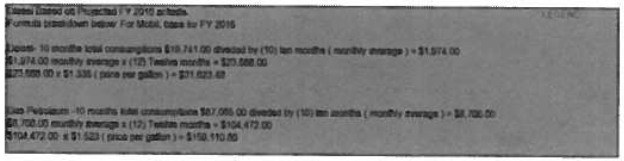


EXHIBIT C

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 MUNDIS
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 **IP&E Holdings LLC,** **Appellant.** **And** **Guam Waterworks Authority,** **Purchasing Agency.**	**Docket OPA PA-16-013** **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
www.guamopa.org • Hotline: ATAUDIT (472-8348)

Suite 401 DNA Building
238 Archbishop Flores St.
Hagåtña, Guam 96910

FAX

To:	**Miguel Bordallo, P.E.** **General Manager** Guam Waterworks Authority Gloria B. Nelson Public Service Building 688 Route 15 Mangilao, Guam 96913	**From:**	**Doris Flores Brooks** **Guam Public Auditor** Office of Public Accountability
Phone: **Fax:**	(671) 300-6846 (671) 648-3290	**Pages:**	2 (including cover page)
CC:	**Steven Carrara** **(Attorney for Appellant IP&E Holdings LLC)** P.O. Box 2881 Barrigada, Guam 96921	**Date:**	September 27, 2016
Phone: **Fax:**	(671) 646-1222 (671) 646-4723	**Phone:** **Fax:**	475-0390 x. 208 472-7951

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: TIME: 1:43
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 IP&E HOLDINGS, LLC, Appellant.	Docket No. OPA-PA-16-013 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;

(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

Regular Board Meeting
CCU Conference Room, Gloria B. Nelson Public Service Building
5:30 p.m., November 22, 2016

MINUTES

1. **CALL TO ORDER**

Chairman Duenas called the Regular CCU Meeting of November 22, 2016 to order at 5:19 p.m. He announced that four (4) Commissioners were present and there was a quorum. He also welcomed Comm. Elect Judi Guthertz and congratulated her on her successful election to the CCU and invited her to continue to attend all future work sessions and meetings leading to her official swearing-in in January 2017. Those present include:

Commissioners:

Joseph T. Duenas	CCU Chairman
Francis Santos	CCU Vice Chairman
George Bamba	CCU Secretary
Simon Sanchez	Member

Executive Mgmt.:

John Benavente	GM / GPA
Miguel Bordallo	GM / GWA
Melinda Mafnas	AGM Operations / GPA
John Kim	CFO / GPA
Greg Cruz	CFO / GWA
Graham Botha	Staff Attorney / GPA

Management & Staff:

Paul Kemp	AGM Compliance & Safety / GWA
Lisa San Augstin	Utility Services Admin. / GWA
Vangie Lujan	Compliance & Safety / GWA
Geigy Salahgon	Revenue Protection / GWA
Ron Topasna	GWA
John Cruz	SPORD Manager / GPA
Art Perez	PIO / GPA
Joyce Sayama	Mgmt. Analyst / GPA 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
Judith Guthertz	Comm.-elect

2. APPROVAL OF MINUTES

The Minutes of October 25, 2016 was presented for approval.

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

3. COMMUNICATIONS

3.1 Public - None

4. NEW BUSINESS

4.1 GPA

4.1.1 GM Report Update

GM Benavente summarized key activities and events. His report included graphs and charts depicting historical peak demand, kWh sales, heat rate ratios and more not included in these minutes. Original & complete copies in Master File.

- The Macheche combustion turbine unit was returned to service on November 15th thereby adding another 20MW of capacity.
- The Dededo Combustion Turbine Plant is on schedule to be commissioned by March 31st, 2017. The plant would add 40 MW of capacity into the system. The completion of this plant will complete capacity recovery effort.
- The following updates our generation capacity recovery schedule:

IWPS Capacity Recovery Plan (Updated):

17-Nov-16

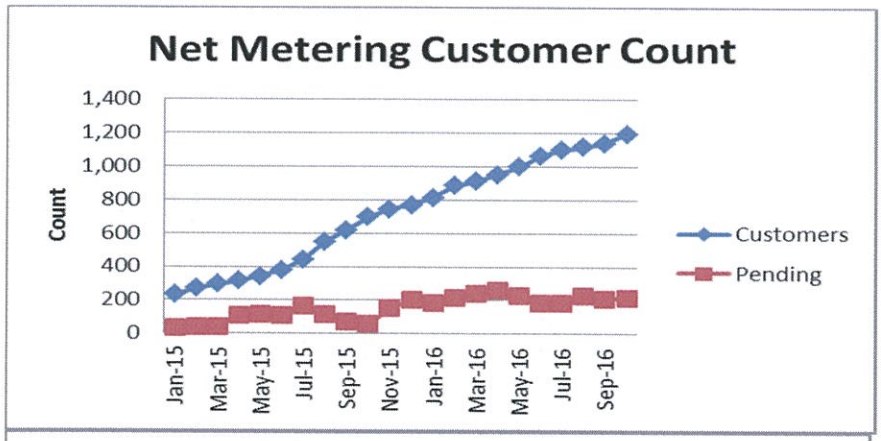
Date	Description (IWPS Capacity)	MW Added	System MW	Peak MW	Reserve MW
14-Nov-16	GPA Total Capacity***		358	255	103
15-Nov-16	**Macheche CT Commissioned**	**20**	**378**	**255**	**123**
28-Feb-17	Dededo CT 2 Commissioned	20	398	255	143
31-Mar-17	**Dededo CT 1 Commissioned**	**20**	**418**	**255**	**163**

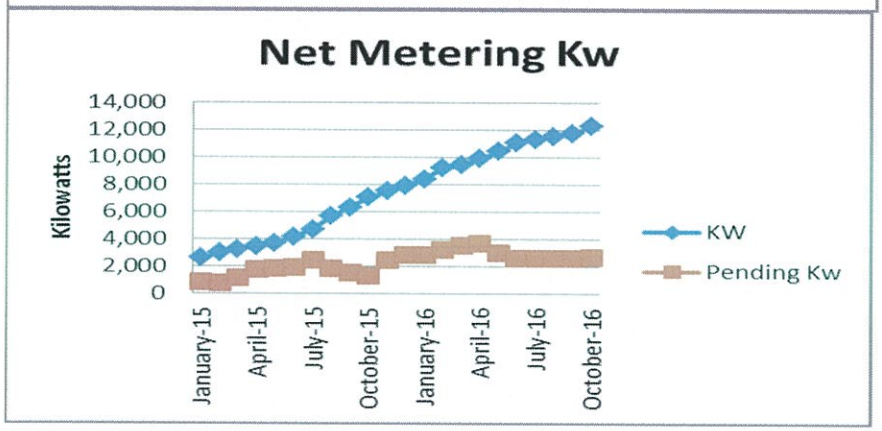
*** Capacity does not include interruptible load, standby generators and Navy capacity.

1. Net Metering: Updated information on NEM including growth profile.

Net Metering Summary Ending October 16:

Description:	Count	Kw	
Active	**1,196**	**12,303**	
Pending	216	2,697	
Totals:	1,412	15,000	
Service:	**Count**	**KW**	**Kw/Customer**
Residential	**1,129**	**10,123**	**9.0**
Others	67	2,180	32.5
Total:	1,196	12,303	10.3
% Residential	**94.4%**	**82.3%**	
Estimated Revenue Impact:	**$2,293,535**		





Most NEM Populated Feeders (October 2016)

Feeder	NEM Count	NEM Kw	% of Min Load
P-262 (Talofofo, Ipan)	80	766	48.2%
P-212 (Barrigada)	65	718	44.9%
P-220 (Apra)	9	82	42.1%
P-340 (Merizo, Umatac, Inarajan)	32	325	39.5%
P-294 (Pulantat to Mangilao)	67	727	33.3%
P-087 (Dededo-Ysengsong)	84	752	30.0%
P-005 (Piti)	16	251	29.2%
P-223 (Apra, Santa Rita, Agat)	45	415	24.9%

2.DSM Program Update: The following summarizes rebates thru November 1st 2016. The paid out rebate to date totals $213,550.



2. Phase II Renewables Bid:

- Below is the list of Un-priced Technical Proposals deemed qualified to submit a price proposal for MS GPA-070-16, Renewable Energy Resource Phase II? Seven (7) out of Twelve (12) Proponents were deemed qualified:
  1. Hanwha Energy Corp. /Pacific Petroleum Trading Co. (2 ea. Proposals)
  2. Shanghai Electric Power Co. Ltd / Terra Energy (2.ea. Proposals)
  3. Sean ENC. / NexGeo Consortium
  4. LSIS Co. Ltd. (2. Ea. Proposals)
  5. Quantum/Guam Clean Energy (2 ea. Proposals)
  6. Pacific Solar Storage 1 (Guam) LLC - Solar City
  7. KEPCO-LG CNS (2. Ea. Proposals)
- Priced proposals are due on December 20th, 2016.
- Notification of successful bidder(s) targeted for January 26th, 2017.

Comm. Santos asked if any proponents submitted for wind and GM Benavente said yes there was one submittal for wind.

3. Other Key Bid Invitations Updates:

- Energy Storage System Bid opening November 29th, 2016. No additional extensions to be granted.
- Engineering, Procurement, and Construction Management (EPCM) consultant for new power plant advertised on November 10th, 2016.
- Major Engine Overhaul for Diesel Units advertised on November 15, 2016.
- LED Luminaires bid closed on November 10th, 2016. Being evaluated for award at December 2016 CCU Meeting.
- Fuel Oil Tank Farm Performance Management Contractor bid advertised on November 15, 2016.

4. Waste Oil Burning at the Cabras Steam Plant: GPA met with waste oil providers and discussed the following. All agreeable to work towards improving short term issues and finding a long term solution.

1. GPA needs to revise waste oil burning process:
   a. The explosion of Cabras 3&4 make the Cabras 1&2 units critical for system

base load operations.

b. Sludge buildup on boiler tubes exposes units to potential boiler tube leaks causing downtime of 4 days to 1 week.
c. Downtime is costly and could lead to load shedding because of limited reserve capacity.
d. Cabras 1&2 scheduled for retirement in 2021. No other GPA generating unit can burn waste oil.

2. GPA needs to find a way to continue burning waste oil until 2021. However, changes in the system and mode of operations needs to occur:
   a. Efficient schedule of waste oil deliveries has to be put in place.
   b. Waste must exclude as much water as possible
   c. Oil/Water Separator must be operated and maintained efficiently.
   d. GPA/TEMES to design an oil purifier system to remove as much metals as possible before burning waste.
   e. GPA/TEMES to determine best location to inject waste oil into RFO fuel system so as to maintain a consistent feed rate which minimizes operational challenges. This would include installing an injection pump adjustable to RFO flow rate.
   f. TEMES to insure strainers are cleaned more often to avoid operational problems.
3. Waste Oil disposers may have to help pay for the improvements planned. Cost most likely cheaper than sending waste off island.
4. GPA needs to explore incineration technology or other purification process which could possibly combine waste with diesel fuel as a fuel source for existing units. Study must be undertaken because there will always be a need for some on-island disposal because off island disposal will be costly for all parties.

5. **Public Commission on Utilities Dockets:** The following dockets were approved at last month's PUC meeting:
   - GPA Docket 16-01, GPA's LED Streetlight Rate Schedule F and H
   - GPA Docket 15-05, Procurement of up to 180 MW Combined Cycle Plant, Retirement of Cabras 1&2 and procurement of EPCM
   - GPA Docket 17-01, Approval of SCADA Contract,
   - GPA Docket 17-02, Approval of the Cabras 1 Overhaul,
   - GPA Docket 17-03, Approval of Diesel Peaking Units Overhaul,
   - GPA Docket 17-04, Approval of Procurement of PMC for Fuel Farm
   - GPA Docket 17-05, Approval of Contract relative to Engineering and Technical Services Supporting GPA's Resource Plan
   - GPA Docket 17-06, Approval of GPA-Navy Renewables Study
   - GPA Docket 17-07, Approval of Extension of Property Insurance

6. **Key Performance Indicators graph:** The following pages update the information up thru October 2016.

4.1.2 Financials

There was no discussion on financials because it was already discussed at the work session last week.

4.1.3 Resolution 2016-65 Request for Approval to Increase the 3-Year Contract Amount for Supply of Diesel Fuel Oil No. 2 for GPA Power Plants

The original projected expenditures for the 3-year contract period under GPA-029-14 is about 16M gallons at an estimated cost of about $50M (Exhibit A- Schedule 1). At the aftermath of the explosion at the Cabras 3&4 Units in August 31, 2015, and overhauls of the remaining plants, the diesel consumption has significantly increased beyond the estimated expenditures (Exhibit B). The objective is to provide sufficient funding for the increased diesel fuel expenditures to ensure uninterrupted supply of diesel fuel to support the IWPS demand. The revised expenditures for the 3-year contract period is estimated to increase to 70M gallons at a cost of about $120M and will come from Revenue Funds.

SCHEDULE 3: SUMMARY

3-Year Contract Period	Gallons	Total Cost
Schedule 1 (Original Estimate)	15,900,000	$ 50,619,000.00
Schedule 2 (Revised Estimate)	69,055,494	$ 120,010,046.93
Variance	53,155,494 334% Increase	$ 69,391,046.93 137% Increase

Comm. Bamba moved to approve Resolution 2016-65; Comm. Sanchez seconded.

In discussion the GM confirmed that the diesel supply contract is for base load plants and management is amending the volume and amount. It was also mentioned that the contractor is Mobil.

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

4.1.4 Resolution 2016-66 Relative to Authorizing Management to Acquire Harmon Property for New Generation Plant

The Guam Power Authority (GPA) has determined that new 180 MW power plant is necessary to meet future power system needs, and to be able to meet USEPA emission regulations systems. The Guam Power Authority has determined that between 30-40 acres will be needed for the new power plant with space for future expansion and to meet physical security requirements for power systems which require substantial setbacks from adjacent roads. The Guam Power Authority has determined the new power plant should be located in the Harmon area close to the Harmon sub-station and GWA waste water treatment plant. The purchase amount has not been determined. It will go through a procurement bid. The Authority plans to use revenue funds for the acquisition of property in the Harmon area.

The GM confirmed that this matter is related to the approval of the 180MW power plant in the Harmon area. Comm. Bamba recommended amending the resolution to include another Whereas relative to building the facility near the Wastewater Treatment Plant in Harmon.

Comm. Bamba motioned to approve Resolution 2016-66; Comm. Sanchez seconded. There was no further discussion or objection and the motion carried

4.1.5 Resolution 2016-67 Relative to Amending the Classification Standards of the Assistant General Manager, Administration Position

The initial creation of the Assistant General Manager, Administration position was adopted and approved through CCU Resolution No. 2016-54 for the Guam Power Authority. The General Manager of the Guam Power Authority (GPA) requests the Consolidated Commission on Utilities (CCU) to amend the classification standard of the Assistant General Manager, Administration position. The amendment is to add the *Procurement division* as a business unit under the purview of the Assistant General Manager, Administration position. The amendment will also align the job standard with GPAs FY2017 organizational realignment as approved by the CCU through Resolution No. 2016-53. The annual salary for each position will commensurate with experience and qualifications per hire as recommended by the General Manager and approved by the CCU. It was mentioned that the Job Announcement for the position is currently open till 11/21/2016 and that this position is funded with revenue funds.

The GM said that in the classification standard, the procurement division was inadvertently left out. This amendment is to rectify the omission.

Comm. Bamba moved to approve Resolution 2016-67; Comm. Sanchez seconded. There was no further discussion or objection and the motion passed.

4.1.6 Resolution 2016-68 Request Authorization for Cabras 3&4 Plant Cleaning and Unit 3 Engine Cleaning

The GM said the following four (4) resolutions are related and stated that management has a responsibility to preserve and protect the plants. There's a need to pull out engine #4 and to evaluate the foundation and generator. This resolution is for cleaning of the plant. The explosion of Cabras Unit 4 and the subsequent fire have caused significant smoke and suit contamination on the plant building, engine and auxiliary equipment. This project will decontaminate the building and significant engine components to facilitate the preservation of Unit 3. Until such time that the Insurance claim is settled and a final decision is made on Unit 3, GPA has a fiduciary responsibility in preserving Unit 3.

The project will cost **$4,840,538.00**

1	Mobilization	$ 484,053.75
2	Demolition of offices	$ 1,210,134.38
3	Fireproofing removal	$ 1,210,134.38
4	Scaffolding	$ 968,107.51
5	Structural Cleaning	$ 484,053.75
6	Demobilization	$ 484,053.81
		$ 4,840,537.58

The project is expected to be completed 3 months from the Notice to Proceed and funded by insurance proceeds. KEWP solicited proposals from 4 vendors and received quotes from BELFOR USA and Tony's Workshop (Royce Power Engineering, Ltd.)

Comm. Santos motioned to approve Resolution 2016-68; Comm. Sanchez seconded. There was no further discussion or objection and the motion passed.

4.1.7 Resolution 2016-69 Request Authorization for Cabras 4 Engine and Auxiliary Removal Inclusive of Generator Dismantling

The explosion of Cabras Unit 4 and the subsequent fire on August 31, 2015 have caused extensive damage on Unit 4. GPA commissioned BWSC to evaluate the loss, and BWSC has produced a report stating that Unit 4 is a total loss. GPA's Insurers agree that Engine 4 is beyond economical repair. Hence, the Insurers have requested GPA to dismantle Generator 4 to allow their consultant to examine and evaluate the extent of damage on the generator. This project will provide the necessary services to remove Engine 4 along with auxiliary equipment as well as to dismantle Generator 4. The project will cost **$5,996,434.78**

1	Engine 4 Dismantling (inclusive of cable trays and oil purifier)	$	3,689,343.00
2	Generator 4 dismantling and reinstallation	$	348,234.00
3	Auxiliary dismantling (inclusive of sump oil tanks)	$	1,327,544.00
		$	5,365,121.00
4	Contingency at 3%	$	160,953.63
5	Bid Bond Insurance 4%	$	214,604.84
6	Risk Insurance 0.6%	$	32,190.72
7	GRT	$	223,564.59
	TOTAL	**$**	**5,996,434.78**

The project is expected to be completed 5 months from the Notice to Proceed and will be funded by insurance proceeds. KEWP solicited proposals from 3 vendors and received quotes from BELFOR USA and Tony's Workshop (Royce Power Engineering, Ltd.)

Comm. Santos motioned to approve Resolution 2016-69; Comm. Sanchez seconded. On the motion there was no further discussion or objection and the motion passed.

4.1.8 Resolution 2016-70 Authorizing Expenditure for Architectural Engineering & Construction Mgmt. Svc.

The Cabras 3&4 Plant was severely damaged by the explosion of Unit 4 and the fire which ensued on August 31, 2015. Architectural and engineering plans as well as subsequent construction management services are required to effectuate the temporary roof supplemental design along with construction management services. The required A&E ($345,866.32) and CM ($292,046.84) services will cost a total of $637,913.16. The estimated completion dates discussed are AE Services – 2 months from NTP; CM Services – 6 months construction. It was also mentioned that the funding source would be insurance proceed. NC Macario & Associates is in the best position to provide the required services as the original designer of the plant's building. GPA also retained NC Macario & Associates for the design and CM for the roof demolition of the plant. Hence, NC Macario is in the unique position as the best qualified firm to perform the required work.

Comm. Santos motioned to approve Resolution 2016-70; Comm. Sanchez seconded. There was no further discussion or objection and the motion passed.

4.1.9 Resolution 2016-71 Authorizing Extension of Performance Mgmt. Contract for Cabras 3 Plant

The objective is to continue preservation efforts at Cabras Unit 3 in order to reduce further degradation of vital engine/generator components. Without contract extension Cabras Unit 3 will continue to degrade at an increased rate. The contract extension will costs a total of $382,173.44 and is further detailed below.

a. Fixed Management Fee (3-months)	$242,242.44
b. Reimbursable Preservation Costs	$139,931.00
	$382,173.44

This is a continuing effort. Contract extension will be from January 1, 2017 to March 31, 2017. It was mentioned that Insurance proceeds will fund this extension.

Comm. Sanchez motioned to approve Resolution 2016-71; Comm. Bamba seconded.

It was mentioned in discussion that the PMC for Cabras 3 contract extension is for a fixed management fee.

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

4.2 GWA

4.2.1 GM Report Update

The GM gave a summary of key events which included graphs and charts that may not be a part of these Minutes but can be obtained upon request. Copy in Master File.

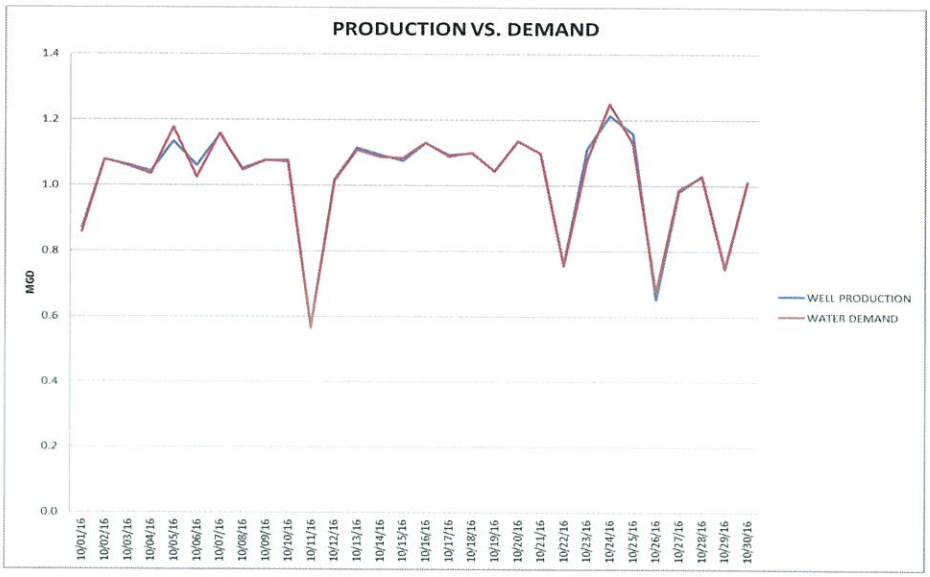
1. TMW License Agreement:
   a. GWA continues operations and maintenance at TMW.
   b. Inspection was completed on October 26 at 2:00 pm. Navy Public Works Department and GWA conducted the inspection. Minor corrections are being addressed by GWA.
   c. Now that *Lucity,* GWA's Asset Management Program, 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:
      1. 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.
      2. Total production in October is 31,846,800 gallons.

1. 2010 MOU Update
   a. GWA and NAVFAC completed their work on an updated MOU.
   b. Joint Region has not yet reviewed the MOU.

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.



2. 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.

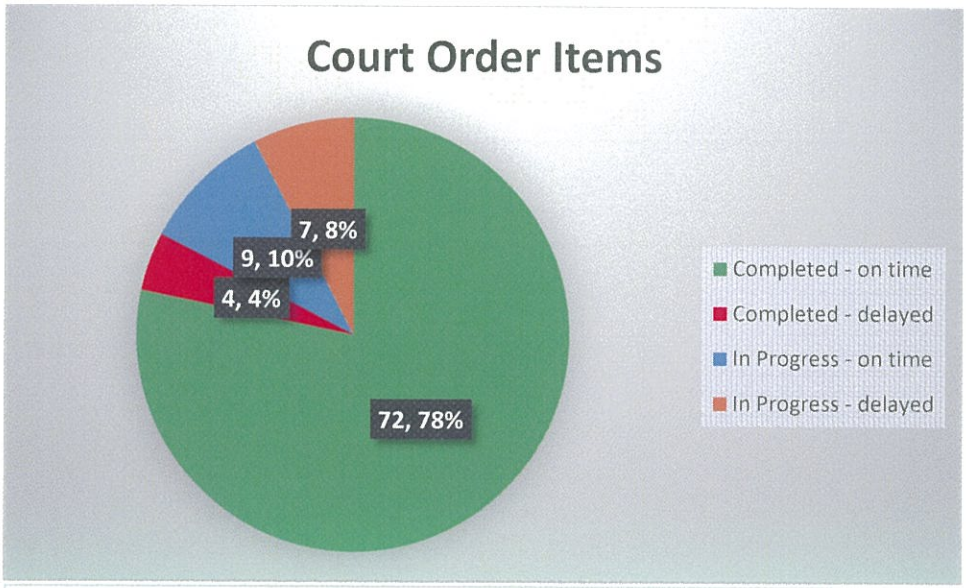
SRF Grant Summary - Projects

	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%		

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

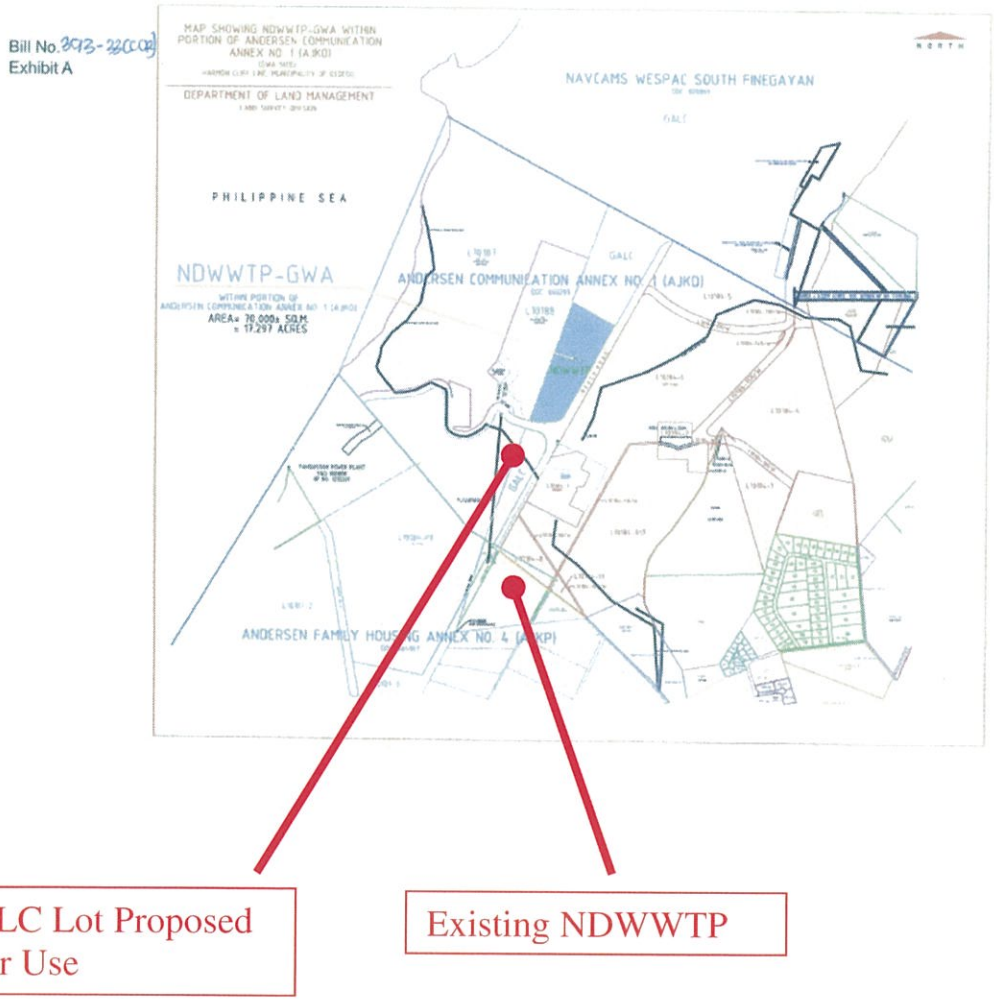
	2010 Bond		2013 Bond		2016 Bond			
	Funded	%	Funded	%	Funded	%	Total CIP Projects	%
Potable Water	$ 43,671,000	50%	$ 60,082,000	43%	$ 90,148,000	65%	$ 193,901,000	53%
Wastewater	$ 34,070,000	39%	$ 71,823,000	52%	$ 34,727,000	25%	$ 140,620,000	38%
Electrical Engineering	$ 1,920,000	2%	$ 3,645,000	3%	$ 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.



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 the GEPA on potential sources and responsibility; discussion with DoD ongoing

Actions pending:
Mobil treatment unit – technical specification s under revision; IFB pending

4.2.2 Financials

There was nothing new to report on financials from past work session. Comm. Sanchez asked management to give an update on our revenue picture by 12/6.

4.2.3 Resolution No. 03-FY2017 Relative to Ratification of Services Provided by Hawaiian Rock

This project is related to the repair and maintenance of water lines. This project requires base course and bedding sand which is necessary for backfilling and compaction around the pipe and above it. Existing purchase order no. 298400 is in the amount of $10,872.00. The purchase order amendment will cost $1,399.60.

Invoices that exceeded PO amount:

Invoice No.	Amount	Balance to Pay
249714	$486.69	$486.69
250309	$463.82	$463.82
251058	$266.74	$266.74
251063	$182.35	$182.35
Total		**$1,399.60**

Materials provided in August 2015 and September 2015. And the funding source as been identified as 2-15 O&M funds.

Funding Source	O&M	Approved Amount
GL 5221.62005.417	2015	$10,872.00
GL 5221.62005.417	2015	$1,399.60
Total Funding		$12,271.60

Comm. Bamba motioned to approve Resolution 03-FY2016; Comm. Sanchez seconded. There was no further discussion or objection and the motion passed.

4.2.4 Resolution No. 06-FY2017 Relative to Ratification of Services Provided by Allied Pacific Drilling, Inc.

To cover the contractor's cost for labor, materials and equipment utilized in order to airlift/bail settlements found after GWA's deep well maintenance crew extracts wells piping network, pump and motor. Rust settlements must be removed in order to complete well repair and restore well back in service.

The Purchase order amendment will cost $7,888.50

Invoice Nos	Amount	Paid Amount	Balance to Pay
D12-0113	$8,550.00	$5,000.00	$3,550.00
D12-0119	$19,337.50	$14,999.00	$4,338.50
Total	**$27,887.50**	**$19,999.00**	**$7,888.50**

Contractual services has been completed on January 16, 2016 & May 24, 2016 and the funding source include:

Funding Source	Water Division	Approved Amount
G/L Account no. 6812.950.34011	FY2016	$3,550.00
G/L Account no. 6812.950.34011	FY2016	$4,338.50
Total Funding		**$7,888.50**

Comm. Bamba motioned to approve Resolution 06-FY2016; Comm. Sanchez seconded. There was no further discussion or objection and the motion passed.

4.2.5 Resolution No. 07-FY2017 Relative to Approval of the Guam Waterworks Authority's 2016-2020 Updated Capital Improvements Plan for the Purposes of Planning and Executing Projects in the Near Term

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, some of which may 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.

The CIP is an important and necessary part of GWA's public communication. The CIP gives residents and businesses a view of GWA's direction for capital improvements for the Island, and a better understanding of the Authority'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 an overview of our organization's overall direction and some detail of specific projects GWA plans on implementing to continue improvement of the utility for the Territory of Guam.

The CIP reflects $281,453,900 in planned capital expenditures over the next 4 years and extends to 2020. It was reported that the funding source would be 2010, 2013. 2015 and 2018 State Revolving Funds, Internally Funded CIP, Grants and System Development Charges.

Comm. Bamba motioned to approve Resolution 0FY2017; Comm. Sanchez seconded.

Comm. Simon asked if the management team can summarize what GWA has done since the inception of the Court Order. This request is due after the New Year.

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

5. OLD BUSINESS - None

6. ANNOUNCEMENTS

6.1 Next CCU Meetings

The Chairman announced that the next CCU meeting would be on December 6 at 5:30 p.m. He also said there will be no work session in December.

7. ADJOURNMENT

There was no further business to bring before the Commission and the meeting adjourned at 6:44 p.m.

\\s\\
bls

Attested:

JOSEPH T. DUENAS, Chairman

J. GEORGE BAMBA, Secretary

GUAM CONSOLIDATED COMMISSION ON UTILITIES

RESOLUTION NO. 08-FY2017

RELATIVE TO AUTHORIZING GWA TO ISSUE AN INVITATION TO BID (ITB) TO PROCURE PROPERTY INSURANCE AND AUTHORIZING GWA TO PETITION THE GUAM PUBLIC UTILITIES COMMISSION FOR APPROVAL UNDER THE CONTRACT REVIEW PROTOCOL

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, under Section 6.06 (b) Insurance, of the 2005 General Indenture relative to GWA's Water and Wastewater System Revenue Bonds, GWA is required to maintain or cause to be maintained insurance on the "System" with responsible insurer in types and amounts that is usually maintained by prudent operators of systems similar and similarly situated to GWA's system; and

WHEREAS, "System" as defined in the Indenture means the water and sewer systems, now or hereafter existing, owned and or operated by the Authority or its' contractors, agents or subcontractors; and

WHEREAS, GWA currently maintains a five (5) year commercial property insurance policy (See ATTACHMENT "A") whose term will expire on 12:01 am, April 12, 2017; and

WHEREAS, under the current policy, the property covered, limits and perils insured against includes a $30 million blanket on any one occurrence from direct physical loss to all real and personal property owned by GWA due to earthquakes and or typhoons; and

WHEREAS, GWA management desires to procure similar commercial property insurance, adjusted for GWA's current state of condition, upon the expiration of the current policy in force; and

WHEREAS, based on past experience, GWA has found that a three (3) year and or five (5) years term is cost effective and beneficial to GWA; and

WHEREAS, based on GWA's best estimate, the IFB will exceed the General Manager's obligating authority of $250,000 which is the purpose for GWA requesting the CCU's approval to issue the IFB; and

WHEREAS, the IFB is further subject to the Guam Public Utilities Commission under the Contract Review Protocol for Guam Waterworks Authority; and

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 finds that the issuance of an ITB for Property insurance to be prudent.
3. The CCU finds and agrees with the plan to solicit new insurance bids for a three (3) and or five (5) years term as cost effective and beneficial to GWA.
4. The approval authorized in Section 2, is subject to GWA obtaining the approval of the PUC under the Contract Review Protocol, accordingly, the General Manager is authorized to petition the PUCs' approval.
5. The General Manager is authorized to execute all documents and undertake all reasonable actions necessary to issue an Invitation to Bid procurement for commercial property insurance.

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: _____

NAYS: _____

ABSTENTIONS: _____

ABSENT: _____

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ATTACHMENT "A"
(Property Insurance)

GUAM WATERWORKS AUTHORITY
ATURIDAT KINALAMTEN HANOM GUAHAN
578 North Marine Corps Drive, Tamuning, GU 96913
Phone: (671) 647-2603 Fax: (671) 646-2335

INVITATION FOR COMPETITIVE SEALED BIDS

FOR

PROPERTY INSURANCE

GWA IFB # 2010-12

SECTION I. INTRODUCTION.

GWA is seeking competitive sealed fixed price bids for insurance for GWA property insurance coverage for fourteen (14) months. GWA will select the lowest responsible and responsive bidder (all in costs). All bids must be received by GWA on or before August 31, 2010, at 10:00 a.m. at the GWA Procurement Office, late bids will not be considered.

On August 17, 2010, a Pre-bid conference will be held at the GWA Conference Room located on the second floor of GWA's main office located at 578 North Marine Corps Drive, Tamuning, Guam at 10:00 a.m.

All questions and inquiries regarding this bid shall be submitted in writing (either letter, fax or e-mail) to the address below not later than August 25, 2010. Oral questions and responses shall be given no effect regardless of whether or not they were responded to or not.

Guam Waterworks Authority
Attention: Vincent Guererro
Procurement Officer
578 North Marine Corps Drive
Tamuning, GU 96913

Fax: (671) 649-3750
Phone (671) 647-7835
e-mail: vincentguerrero@guamwaterworks.org

Doc. No. 34GL-17-0814.*

SECTION II. BID RESPONSE FORM

TO: GENERAL MANAGER, GUAM WATERWORKS AUTHORITY

RE: FIXED BID SUMMARY IN RESPONSE TO GWA'S INVITATION FOR BID NO. 2010-12 FOR PROPERTY INSURANCE

This transmittal is a summary of the bids more fully described in the attached documents.

Coverage	Deductible	Total 14 month premium (including all costs, fees, etc.)
$30,000,000	$1,000,000	$_____

Broker:_____

Underwriter for Property Insurance_____

By:_____Date:_____

Telephone No. _____

List of all participating carriers and ratings:

List of all participating carriers and ratings:

CARRIER	BEST'S RATING

SECTION III: BACKGROUND AND SUMMARY OF SOLICITATION

The Guam Waterworks Authority (GWA), a Guam public corporation, is the civilian monopoly supplier of water and wastewater services to the Island of Guam. GWA operates and maintains about 200 fresh water facilities on Guam providing service to a population of over 157,000 people. It also owns 87 wastewater facilities which are operated and maintained by a private contractor. The Authority has not insured its properties since its inception. The current bond indenture requires purchase of Property insurance. GWA is hereby inviting bids for insurance contracts (policies) for fourteen (14) month term.

SECTION IV: INSTRUCTIONS AND PROCEDURES FOR BIDDERS:

1. BID SCHEDULE.

The deadline for the submission of bids is August 31, 2010, at 10:00 a.m. Five copies of all responsive materials **must be received** (not postmarked) at GWA's Procurement Division located at the warehouse at GWA's Upper Tumon location (behind GTA) not later than the above date and hour. It is advisable to use courier services to expedite delivery of your bid, as Guam is served by several such courier services. It is bidder's responsibility to insure the bid is received as required above. Late bids will not be considered.

2. PREPARATION AND SUBMISSION OF BIDS.

Envelopes containing Bids shall be sealed and marked on the face with the name and address of the Bidder, the Bid Number and the time and date of submission. Telegraphic Bids will not be considered, nor will modifications by telegraph of Bids already submitted be considered. Bids **must** be **received** at the place of opening **on or before the opening date and time**. Bids received through the mail will not be accepted if such mail is received at the address showing after the submission date and time. Facsimile or e-mailed bids will not be accepted. Bids will be opened publicly.

All submittals must strictly conform to the Invitation for Bid and any addenda, non-responsive and non-responsible bids will not be considered.

Five (5) copies of each Bid, consisting of technical and commercial sections, must be submitted including all addenda, if any. Any and all sample documentation, including but not limited to, a complete proposed insurance policy, including exclusions, must be submitted. No submittal shall be considered complete unless accompanied by all items specified in this bid.

The IFB **must** be submitted on or before August 31, 2010 at 10:00 a.m. in a sealed envelope with the IFB number clearly marked and delivered to or addressed as follows:

TO: Guam Waterworks Authority
Attn: Vincent Guererro (or designee)
578 North Marine Corps Drive
Tamuning, GU 96913

Examination of IFB Document: Bidders shall examine the IFB Documents to inform themselves of all conditions and requirements for the execution of the proposed work. Ignorance on the part of Bidder of any part of the IFB will in no way relieve him/her of the obligation and responsibility assumed under the Contract.

Familiarity with Laws: Bidder is assumed to be familiar with Federal and Local laws, ordinances, rules and regulations that in any manner affect the work. Ignorance on the part of Bidder of any part of the IFB will in no way relieve him/her of the obligation and responsibility assumed under the Contract.

3. EXPLANATION TO BIDDERS

No oral explanation in regard to the meaning of the specification will be made and no oral instructions will be given before the award of the Bid. Questions regarding discrepancies, omissions, or doubts as to the meaning of the specifications must be communicated in writing (either e-mail, fax or mail) to Guam Waterworks Authority for interpretation. Bidder should act promptly and allow sufficient time for a reply to reach them before the submission of their Bids. Interpretation, if required, shall be made in the form of an amendment to the specifications, which will be forwarded to all prospective bidders, and its receipt by the Bidder should be acknowledged on the Bid form.

4. CLARIFICATION ON INVITATION FOR BID

Each Bidder must carefully examine the IFB and all amendments or addenda. If any Bidder (a) finds any discrepancies, omission or ambiguities in the IFB documents, (b) is uncertain as to the intent or meaning of any provision of the IFB, or (c) has any question regarding the IFB, the Bidder must promptly notify GWA in writing no later than five (5) working days prior to the closing date of the IFB thereof in writing at the address specified for submission of Bid. Replies to such notices may be made in the form of addenda, which will be issued simultaneously to all prospective Bidder's.

5. FORM.

All bids must be in writing and submitted in a sealed envelope, and must be signed by an officer of the bidder having authority to submit such Bids. The bids should respond in an organized fashion to all requirements of this Invitation for Bidding.

6. MODIFICATION OR WITHDRAWAL OF BIDS.

Bids may be modified or withdrawn prior to submittal date. Any bid withdrawal, or modification received at GWA after the due date is late and, as such, renders the underlying bid in compliance only as to that which is on hand at the submittal date and hour.

7. RECORDING BIDS.

Bids (and requests for bid modifications) shall be submitted to GWA officials on or before August 31, 2010 at 10:00 a.m. at the GWA Procurement Office.

Bidders shall be responsible for insuring its bid is received on or before the due date. Any late bid will not be considered by GWA. After the due date, a Register of Bids shall be prepared which shall include for all initial bids the name of each bidder, the number of modifications received, if any, and an indication of the coverage proposed, i.e. coverage of all risks or perils (a) as requested by GWA, (b) less than GWA request, and/or (c) alternate coverage as requested.

8. CONFIDENTIAL DATA.

Bidders should clearly and specifically designate which portion or portions of the bid contains trade secrets or other proprietary data they propose be kept confidential. GWA shall examine the request and make a determination as to each request. Unclear requests or requests that do not specifically identify the exact portion of the bid which the bidder is requesting to be kept confidential shall not be considered. Guam law shall govern the determination of confidentiality of any document or portion thereof.

9. AWARD.

Award shall be made to the lowest responsive and responsible bidder.

10. CANCELLATION OF INVITATION; DELAYS.

GWA reserves the right to cancel or to withdraw this Invitation for Bids, to delay determination on this Invitation for Bid, or to reject all bids, in whole or in part, at any time prior to final award. The reasons for the cancellation, delay or rejection shall be made a part of the procurement file and shall be available for public inspection.

11. INSPECTION OF GWA PROPERTIES.

Prospective bidders may inspect GWA property to be covered by the insurance in connection with submitting a bid upon request (although such inspections shall occur not later than August 17, 2010). GWA shall be given at least 72 hours advance notice of any request to inspect. No inspection shall occur within 10 days prior to the due date of the bid. GWA will provide a representative to conduct the inspections. Please contact Vince Guerrero, Guam Procurement Administrator at (671) 647-7835 if you desire to inspect GWA facilities.

12. REQUIRED APPROVALS:

A Notice to Award and Proceed are conditioned on GWA obtaining the approval of the, the Guam Consolidated Commission on Utilities and the Public Utilities Commission on Guam.

13. REPRESENTATION REGARDING GRATUITIES AND KICKBACKS.

The bidder or contractor represents that it has not violated, is not violating, and promises that it will not violate the prohibition against gratuities and kickbacks as mandated under the Guam Procurement Regulations. All Bidders shall submit an affidavit indicating that no gratuities or kickbacks have been given or made in connection with the submission of this bid.

14. REPRESENTATION REGARDING CONTINGENT FEES.

The Contractor will provide a certification to GWA in the form supplied with this bid indicating that it has not retained a person to solicit or secure a territorial contract upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee, except for retention of bona fide employees or bona fide established commercial selling agencies for the purpose of securing business.

15. BID BOND.

All bidders shall submit to GWA a bid bond in a stated dollar amount which comprises 15% of the total bid amount. All bid bonds shall be in a form approved by GWA. Forms of security include: (1) a cashiers check made out to GWA; (2) an irrevocable letter of credit issued via a lender with offices on Guam and which can be redeemed on Guam; or (3) a bid bond issued by a surety licensed on Guam in a form acceptable to GWA capable of being presentment on Guam. Bidders with unaccepted bids will have bid bonds returned with written notices of rejection. Bid bonds will be returned in an expeditious manner following the award of the bid to the lowest responsive and responsible bidder.

16. POLICY BINDER.

The provider who is awarded the contract will be required to provide the Authority with a policy binder with the complete policies and endorsements within 10 days from the date the Notice to Proceed is received by the Bidder.

17. ADDENDA TO IFB.

In the event it becomes necessary to revise any part of this IFB, addenda will be provided to all Bidder's who received the basic IFB. Any addenda issued pursuant to this IFB must be acknowledged as being received by the Bidder.

18. AFFIDAVIT OF DISCLOSURE.

Affidavit of Disclosure of Major Shareholders - must comply with the following requirements and failure to submit an affidavit shall be basis for rejection.

(a) Bidder must use form issued by Guam Waterworks Authority
(b) The affidavit must be notarized and dated on the same month as the bid opening and must valid for the 12 months preceding the submission of the bid.
(c) Date signature of the person authorized to sign the bid and the notary date must be the same.
(d) First time affidavit must be an original - if copy; indicate Bid Number/Agency where original can be obtained.

SECTION V: GENERAL INSURANCE SPECIFICATIONS

1. The Bid **must** include all of the following:

   a. Term premiums for the required coverage.
   b. Complete specimen policy form(s) and endorsements.
   c. Information on the claims reporting procedures to be used by each insurance carrier.
   d. Details of a deferred premium payment plan. The rate of interest or finance charges, if any, must be fully disclosed and included in the bid prices.
   e. Completed Brokers Questionnaire.

2. The Authority will not consider the purchase of insurance from any insurance carrier not rated at least A- or higher by A. M. Best, or equivalent. Carriers with lower ratings may apply for consideration if adequately reinsured.

3. The Authority will not consider the purchase of insurance arranged by an individual or entity not licensed as an insurance Agent, Broker, or Surplus Lines Broker in accordance with Guam law (22 G.C.A., Division 2, Insurance Law.)

   The coverages, to the extent practical, should be placed with one carrier. GWA reserves the sole right to determine the acceptability of such a plan. Acceptability will be evaluated as to its overall economic results which include premium (cost), condition, relative reliability of underlying carrier(s) and ability (to include among other things, track record, experience with other assured, personnel to be assigned to the account, experience and training) to service the account for claims, provide safety/loss control services, and otherwise. The above suggests one multiform carrier but does not exclude several carriers.

4. Bid Format. Bidders are free to submit their bids in a convenient format, however, at a minimum; the bids should provide sufficient financial, operational and other details sufficient for GWA to understand fully the nature of the bid. However, all bidders must submit include specimen policies and endorsements they intend to use.

   Bidder shall supply all information requested by GWA concerning the bidder's responsibility. GWA may request additional data or information for the purposes of clarification at any time prior to award. Bidders failing to submit a complete bid package may be deemed to non-responsible.

5. Rating Data. Prospective bidders requiring additional rating data should address their inquiry to the Procurement Officer. Replies with significant data will be furnished to all persons who, of record, have this Invitation For Bid.

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SECTION VI. EVALUATION OF BIDS.

In evaluating the bids, including the capacity of the bidder to perform, GWA will consider which bid provides the best value for insurance coverage. **All costs** must be included in the overall bid. GWA reserves the sole right to determine the acceptability and ranking of bids in any respect in order to provide GWA with the best overall value. In the bid evaluation process, the following factors may be considered:

(a) Extent of hidden costs;
(b) Whether the bidder meets the announced requirements of GWA in all material respects;
(c) Cost of total package;
(d) Terms of proposed insurance policy and contract;
(e) Overall clarity and presentation of Bid;
(f) Ability to provide the requisite services required herein;
(g) Possess the requisite financial strength ;
(h) a satisfactory record of performance;
(i) a satisfactory record of integrity;
(j) qualified legally to contract with GWA; and
(k) supplied all necessary information in connection with their Bid.

SECTION VII. SPECIFIC INSURANCE SPECIFICATIONS

1. NAMED INSURED

Guam Waterworks Authority

2. TERM

_____ a.m. Chamorro Standard Time.

3. TOTAL DECLARED VALUES

Subject	Amount
Above-ground Assets	69,332,375
Below-ground Assets	353,466,300
Miscellaneous Unscheduled Assets, above & below ground	5,000,000
Annual Revenue	55,352,272
TOTAL	**$483,050,947**

4. LOSSES

Other than typhoon damage to water storage tanks, the Authority has no record of what would be considered as insurable losses to its property – there have been some structural failures as a result of age and lack of maintenance. The following typhoon damage has been recorded:

The Ugum tank is a 2 million gallon steel tank, built in 1991. The roof, or crown, was deformed and internal bracing fractured during Super Typhoon Pongsona in 2002. The tank sustained about $411,000 damage but was not taken out of service.

The Mangilao tanks are two interconnected 1.5 million gallon units. One tank was out of service and believed to be empty at the time of loss, the other was torn from its foundation and had to be replaced; total cost $1,930,000.

5. RISK CONTROL

GWA owns 34 water tanks which are in various states of repair. Thirteen of these tanks have been examined[1] and are considered to be in insurable condition, the remainder are in need of structural repairs. An inspection and renovation program has been initiated that will result in the tanks being brought up to American Water Works Association Standard D100-05. This work will be completed and the tanks added to the schedule of insured assets subject to availability of funds.

6. COVERAGES REQUIRED

Coverage	Limits
Blanket Coverage for risks of direct physical loss or damage to All Real and Personal Property belonging to the Insured or in which the Insured has an insurable interest Including: Business Interruption and Extra Expense Extension Boiler and Machinery Breakdown Tidal Wave, Flood, Windstorm, Typhoon, Earthquake Shock	$30,000,000
Sub Limits	
Valuable Papers & Records and Computer Media	$1,000,000
Personal Property in Transit	$250,000
Boiler Explosion and Machinery Breakdown	$5,000,000

[1] Assessment Reference: "Phase 1 – Summary Report for Inspection, Structural Analysis and Repair of Existing Steel Welded Water Storage Tanks," prepared by Duenas, Bordallo, Camacho & Associates dated October 17, 2008.

Automatic Acquisition	$3,000,000
Debris Removal	$1,000,000
Self-Insured Retention	
Each occurrence and in the aggregate, all perils	$1,000,000

7. REQUIRED CONDITIONS

a. Cancellation Clause

If Underwriters desire to cancel this policy other than for non-payment of premium, they shall give not less than ninety (90) days prior written notice by fax and Certified Mail to the GWA General Manager and GWA's Risk Manager designated below (or any other risk manager designated by GWA):

John Benavente, P.E.
GWA General Manager (acting)
578 North Marine Corps Drive
Tamuning, GU 96913

Fax: (671) 646-2335

Michael Moody
Risk Manager
4188 Via Solano
Palos Verdes Estates, CA 90274

Fax: (310) 791-2426

b. Premium Payment Clause

Unless otherwise agreed by endorsement, It is a condition of this policy that the premiums due must be paid to and received by Insurers 50% on or before midnight on each December 1st and 50% on each January 14th following each policy anniversary. If this condition is not complied with, this policy shall terminate on either of the above dates with the Insured hereby agreeing to pay premium calculated at not less than pro rata temporis.

c. Errors & Omissions Clause

The Insured shall not be prejudiced by an unintentional or inadvertent error, omission, incorrect valuation or incorrect description of the interest, risk or property; provided that notice is given to Underwriters as soon as practical after discovery of any such error or omission.

d. Schedules

The schedules of Property included with these Specifications represent, to the best of the Insured's knowledge, a complete listing of the property it wishes to insure and the current replacement values thereof. The schedules are not to be used to establish sub-limits of coverage, nor are they to be considered as any form of valuation. The amount payable under this Policy shall not be limited by individual values shown on the schedules.

e. Valuation

Recovery shall be made on the basis of one hundred percent (100%) of the property's current replacement value at the time and place of loss, subject to the limit of coverage provided by the Policy. The Insured shall not be required to rebuild or replace damaged or destroyed property on the same site nor with like kind and quality.

f. **Permission to Add or Delete Property**
Permission is granted to add or delete property during the term of the policy. Newly acquired property shall be automatically covered from the date of acquisition until the next policy anniversary. The additional premium for such property, and the return premium for property deleted from coverage, will be determined at each policy anniversary by audit adjustment. The policy anniversary is agreed to occur at 12.01 AM Local Time each 1st October.

g. **Business Interruption and Extra Expense Extension**
Coverage is extended to include the Actual Loss sustained by the Insured resulting directly from Interruption of Business for a period not to exceed twenty-four (24) calendar months.

Coverage is extended to include the necessary Extra Expense incurred by the Insured in order to continue as nearly as practicable the normal conduct of the Insured's business following loss or damage to property insured by this Policy.

h. **Demolition Cost and Increased Time to Rebuild**
The cost of demolishing any undamaged portion of the building(s) covered, including the cost of clearing the site caused by loss from any insured peril and resulting from enforcement of any state or municipal law or ordinance regulating the construction or repair of buildings. Underwriters will also be liable for loss due to the additional period of time required for repair or reconstruction, in conformity with the minimum standard of such law or ordinance.

i. **Increased Cost of Construction**
The amount of insurance includes within the sum insured the actual amount of the increased costs of repair, rebuilding or construction resulting from the enforcements of any applicable law or ordinance regulating the construction or repair of buildings.

j. **Denial of Access by Civil Authority**
This Policy is extended to cover the actual loss sustained during the period of insurance against, access to real or personal property is impaired in whole or in part due the necessity to comply with Building and other Regulations under or framed in pursuance of any act in force at time of loss of any Public Authority.

k. **Waiver of Coinsurance or Average Clause**
In the event of loss, there shall be no application of a coinsurance or average clause in determining the recovery due the Insured.

m. **Waiver of Subrogation - Tenants**
In event of loss, Underwriters waive their rights of subrogation against any tenant occupying, renting or leasing property from the Insured.

n. **Underground Piping Damage/Sink Hole Restoration**
In the event of loss or damage to underground piping, recovery shall be made on the basis of the actual costs to repair or replace the damaged piping and connected hardware plus an additional amount, not to exceed $500,000, to replace soil and paving removed by action of water or other fluids discharged from the damaged pipe.

o. **Damage to Building Exterior**
Any endorsement or clause that excludes coverage for loss or damage to paint or waterproofing material applied to the exterior of a Building or other property, applied to the exterior surface of the Building or property shall be waived.

p. **Damage to Building Interior**
Any endorsement or clause that excludes coverage for damage to the inside of a Building or property in the Building caused by rain, sand, or dust unless wind first damages the roof or wall and enters through the resulting opening shall be waived.

q. **Earthquake Damage to Buildings**
Any endorsement or clause that limits coverage to damage that weakens the structural frame or therefore the stability of the life of the Building or structure shall be waived.

Any endorsement or clause that excludes loss for plaster cracks between masonry and gypsum board and any other deterioration of cement or plaster, as well as any damage caused by shrinkage, settling, deterioration and/or wear and tear shall be waived.

r. **Jurisdiction**
This insurance shall be governed by and construed in accordance with the laws of Guam and the exclusive jurisdiction Guam's courts. The seat of arbitration, if any, shall be Guam.

s. **Service of Suit Clause**
To be determined.

8. DEFINITIONS & NOTES

a. Booster Pumps are defined as the pump, powering motors, electrical panels, transformers, and switches, the pump base, enclosing structures, fences, and any other related equipment of every kind and description. Booster Pumps are located above ground in concrete enclosures also housing generator rooms.

b. Water Wells are defined as the well casing, the well head, air release valves, check valves, by-pass valves, flow meters, chemical injection units, the pump, powering motors, electrical panels, transformers, and switches, enclosing structures, fences, and any other related equipment of every kind and description. Water wells are considered to be 90% below ground, 10% above; i.e. valves, meters, etc.

c. Manholes are defined as the frame, cover, ladder components, cones, the barrel, bench and any other related equipment of every kind and description. Manhole covers and frames are at grade level, but do not extend above ground.

d. Treatment Plants are defined as pumps, basins, control centers, ancillary buildings, fencing, transformers, electrical panels, power generating facilities, and any other related equipment of every kind and description.

e. Storage Tanks are defined as the tank, its base, retaining rings and clips, lighting, ladders, pumps, their powering motors, transformers, gages, valves, back flow preventers, fences, and any other associated equipment of every kind and description.

9. SCHEDULES (see below)

Building and Contents
Fresh Water System

Booster Pump Stations

Pressure Reducing Valves

Water Storage Tanks

Water Treatment Plant

Underground Piping

Water Wells

Waste Water System

Booster Pumps

Manholes

Sewage Treatment Plants
Underground Piping

GUAM WATERWORKS AUTHORITY
Building and Contents
May 2010

No.	Description	Building	Contents	Area	Sto	Const
1	Admin Building	2,500,000	1,000,000	15,000	2	C
	Annual Revenue	55,252,272				
	Grand Total	**$58,752,272**				

Const. Legend
C - Concrete

Notes:
1. Lighting and fencing attached to buildings are included with stated building values.

GUAM WATERWORKS AUTHORITY
Fresh Water System - Booster Pump Stations
October 2009

No.	Name	Booster Pumps and Motors GPM	Pumps HP	Quan.	Unit Repl Cost	Total Repl Cost	Motor Contr Ctr Repl Cost	Total per Station
1	Astumbo	5	1.5	1	750	750	563	1,313
2	Gayinero	350	15.0	2	8,100	16,200	6,075	22,275
3	Hyundai	600	50.0	2	15,000	30,000	11,250	41,250
4	Latte Heights	550	15.0	3	6,400	19,200	4,800	24,000
5	Mataguac	300	25.0	3	10,000	30,000	7,500	37,500
6	Northern Treatment Plant	25	15.0	1	3,000	3,000	2,250	5,250
7	Santa Rosa	85	10.0	2	7,500	15,000	5,625	20,625
8	Wusstig	125	15.0	1	5,000	5,000	3,750	8,750
9	Yigo Elevated Tank	100	5.0	2	1,700	3,400	1,275	4,675
10	Adawag	15	7.0	1	2,500	2,500	1,875	4,375
11	Asan Spring (stand by)	280	10.0	3	5,500	16,500	4,125	20,625
12	Camacho	40	3.0	1	1,500	1,500	1,125	2,625
13	MannengonAccesss Road	650	40.0	3	16,500	49,500	12,375	61,875
14	Nimitz Hill (Lower)	50	15.0	2	2,500	5,000	1,875	6,875
15	Pale Kiren	130	5.0	1	2,000	2,000	1,500	3,500
16	Ulloa/Untalan	5	1.5	1	750	750	563	1,313
17	Brigade	800	100.0	3	16,500	49,500	12,375	61,875
18	Geus	400	40.0	3	14,900	44,700	11,175	55,875
19	Malojloj	540	40.0	2	16,500	33,000	12,375	45,375
20	Malojloj	200	20.0	1	16,400	16,400	12,300	28,700
21	Malojloj Elevated Tank	250	10.0	3	9,250	27,750	6,938	34,688
22	Pago Bay	1,100	75.0	3	13,000	39,000	9,750	48,750
23	Pigua	80	5.0	1	2,500	2,500	1,875	4,375
24	Santa Ana Lowar	20	7.5	1	2,500	2,500	1,875	4,375
25	Santa Ana Upper	350	50.0	3	14,250	42,750	10,688	53,438
26	Santa Rita Springs	650	40.0	2	5,600	11,200	34,000	45,200
27	Toguan	350	15.0	2	3,700	7,400	2,775	10,175
28	Truman	180	20.0	1	10,000	10,000	7,500	17,500
29	Truman	200	30.0	1	12,000	12,000	9,000	21,000
30	Truman	400	50.0	1	14,900	14,900	11,175	26,075
31	Umatac#1	80	5.0	1	2,500	2,500	1,875	4,375
32	Umatac#2	250	10.0	2	5,700	11,400	4,275	15,675
33	Windward Hills	400	60.0	3	15,000	45,000	11,250	56,250
						572,800	227,725	800,525
					Total Replacement Cost			**$800,525**

GUAM WATERWORKS AUTHORITY
Fresh Water System - Pressure Reducing Valves
November 2009

No.	Name	Street	Size, in.	Repl. Cost
1	PRVIO_6_12_RTE3	Along Rte 3, S of swamp	10	3,600
2	PRV8_RTE15TAKANO	Rte 15 & Trebor	8	2,200
3	PRV-UNK SIZE-RD INTO TIJMON FM RTE 1	Pale San Vitores	N/A	
4	PRV-12_UPPTUMON	Rte 1 nr Adrian Sanchez St.	12	5,000
5	PRV-6 UPPTUMON1	Rte 1 nr Adrian Sanchez St	6	1,200
6	PRV-10_UPPTUMON2	Andrian Sanchez St nr Rte 1	10	3,600
7	PRV_UKNSIZE-AIRFUELT	Rte 10A, W of Rte 16 inter	12	5,000
8	PRV6 AIRPORT	Rte 10A, NE Chalan Pasaheru	6	1,200
9	PRV6 RTE16	Rte 16 & N Sabana Barrigada	6	1,200
10	PRV8 RTE16	Rte 16 & N Sabana Barrigada	8	2,200
11	PRVIO_4_RTE15	Rte 15 & Street S-3	10	3,600
12	PRVI2_RTE15	Rte 15& Marbo Cave	12	5,000
13	PFJ_UNKSIZE_11YAN	Rte 10, SW inter Sabana Barr	N /A	
14	PRV4_10 MAIMAI RD1	N of Dairy Rd, E of Eging Dr	10	3,600
15	PRVI2 MAIMAI-RD	Dairy Rd, W of Rte 10	12	5,000
16	PRV_12_ORDOT MAYORS	Dero Rd & Judge Sablan St	12	5,000
17	PRV8_RTE15	Rte 15 @ Terao	8	2,200
18	PFI_8_MARJANO ST	Jesus Mariano & Rte 10	8	2,200
19	PRV_NIMITZHILL_1 0F3	Nimitz Dr nr Rte 6	6	1,200
20	PRV_NIMITZHILL_2 0F3	Nimitz Dr nr Gualton Cir	6	1,200
21	PRV_NIMITZHILL_3 0F3	Nimitz Dr nr Acho Cir	6	1,200
22	PRI VI 2_SANTA RITA	Rte 12 & Palo Ferdinan Wy	12	5,000
23	PRV6_SANTA RITA	Palo Ferdinan, E of Santa Rosa	6	1,200
24	PRV12_SOUTHERNHIGH	Palo Ferdinan, W of Sumay Mem	12	5,000
25	PRV6_SANTA RITA-NAMO	Rte 12 & Annex	6	1,200
26	PRV8 SANTA-RITA	Pale De Leon St, W of Chalan Pago	8	2,200
27	PRV12_AGAT	Erskin & Duenas	12	5,000
28	PRV-16_NR TRUMAN	Sumay Memorial	16	8,500
29	PRV @ SINIFA BPS	Rte. 17	8	2,200
30	PRVI2WINDWARDHILLS	Rte 17, E of Fairway	12	5,000
31	PRV8_AT-SEMINARY	Rte 4 N of Rte 17	8	2,200
32	PRV8 YONA	Rte 4 S of Rte 17	8	2,200
33	PRV6_UMATAC2	Rte 4 S of Jose S. Quinata	6	1,200
34	PRV6_UMATAC2	Rte 4 & Jesus Quidachay	6	1,200
35	PRV6_MERJZO	Chalan J. Cruz N of Rte 4	6	1,200
		Total Replacement Cost		**$98,700**

GUAM WATERWORKS AUTHORITY
Fresh Water System - Water Storage Tanks
26 October 2009

No.	Reservoir	Capacity (mg)	Height (ft)	Const.	Year Built/Rebuilt	Repl. Cost
1	Kaiser Dededo	2.5	40.0	Steel	1992	1,950,000
2	Mangilao#1	1.0	40.0	Steel	2009	1,400,000
3	Mangilao#2	2.0	40.0	Steel	1991	1,800,000
4	Nissan (Tumon #2)	1.0	40.0	Steel	Unk.	1,350,000
5	Yigo#1	0.5	40.0	Steel	Unk.	900,000
6	Yigo#2	2.5	40.0	Steel	1995	1,950,000
7	Manenggon	2.0	40.0	Steel	1992	1,800,000
8	Nimitz Hill (Upper)	0.010	0.0	Steel	1998	45,000
9	Inarajan (Gura)	0.2	24.0	Steel	1980	700,000
10	Santa Ana Lower (Agat#1)	1.0	40.0	Steel	1981	1,350,000
11	Santa Ana Upper (Agat#2)	0.5	40.0	Steel	1995	900,000
12	Ugum	2.0	40.0	Steel	2009	2,100,000
13	Barrigada#3	3.0	40.0	Steel	1993	2,400,000
					Total Replacement Cost	**$18,645,000**

GUAM WATERWORKS AUTHORITY
Fresh Water System - Water Treatment Plant
December 2009

No.	Component	Repl. Cost
1	Raw Water receiving system and delivery	606,180
2	Water processing system	3,300,000
3	Mixing Basin	40,800
4	Flocculation Basin	20,000
5	Sedimentation Basin	60,000
6	Master Control Center	1,505,000
7	Filter pipe gallery	78,740
8	Chlorination room	352,000
9	Chemical room	100,000
10	Booster pump station	47,930
11	Back wash treatment processing system	150,000
12	Centrifuge room	100,000
13	Laboratory-Control room	277,000
14	Emergency generator room	161,000
	Total Replacement Cost	**$6,798,650**

GUAM WATERWORKS AUTHORITY
Fresh Water System - Underground Piping
January 2010

Type	Diameter*	Length	Unit Cost	Repl. Cost
Class C-900 PVC	4"	2,039,000	80.00	163,120,000

*NOTE: UG pipe diameters range from 2" to 8". 4" diameter pipe buried between 5-10 feet was selected as a reasonable average.

Source: WRMP & GWA Engineering

GUAM WATERWORKS AUTHORITY
Fresh Water System - Water Wells
November 2009

No.	Name	Municipality	Location	(gpm)	Built/Rebuilt	Repl. Cost
1	A-01	Chalan Pago-Ordot	Ordot after Chaot Bridge	216	Feb. 1965	140,000
2	A-02	Chalan Pago-Ordot	Dairy Rd. next to Sanctuary	241	Sept 1965	140,000
3	A-03	Chalan Pago-Ordot	Ordot along RI 4	180	April 1966	140,000
4	A-04	Chalan Pago-Ordot	Dairy Evangelista St	244	June 1966	140,000
5	A-05	Sinajana	Afame Sinajana	269	August 1966	140,000
6	A-06	Sinajana	Afame Sinajana	241	May 1966	140,000
7	A-08	Chalan Pago-Ordot	Chalan Pago across Gas sta.	206	July 1967	140,000
8	A-09	Mangilao	Dairy Rd. Back DOC	230	April 1967	140,000
9	A-10	Mangilao	Dairy Rd. corner White St.	233	May 1967	140,000
10	A-12	Chalan Pago-Ordot	Ordot across Bautista Church	235	Oct 1973	140,000
11	A-13	Mangilao	Dairy Rd before DCC entrance	237	Oct 1973	140,000
12	A-14	Mangilao	Corner at Rt.10 & 15	147	May 1973	140,000
13	A-15	Barrigada	Rt. 10 Untalan school	231	June 1973	140,000
14	A-17	Mangilao	Rt.10 Public Health	180	August 1973	140,000
15	A-18	Mangilao	Dairy Rd. acr Dept of Agriculture	229	Oct 1973	140,000
16	A-19	Mangilao	Chalan Pago After traffic light	138	Oct 1973	140,000
17	A-21	Mangilao	Mangilao next to Mayor office	213	Feb. 1974	140,000
18	A-23	Agana	Rt 4 after Mac Donald	317	May 1983	140,000
19	A-25	Agana	Rt. 4 after Town House	245	Oct 1983	140,000
20	A-26	Mongmong-Toto-Maite	Mongmong-Toto Softball field	50	May 1983	140,000
21	A-28	Barrigada	Corner at Leyang Manibusan	223	May 1983	140,000
22	A-29	Sinajana	Agana Spring	403	n/d	140,000
23	A-30	Sinajana	Agana Spring	755	n/d	140,000
24	A-31	Agana Heights	Before Cliff hotel	293	n/d	140,000
25	A-32	Agana Heights	Aross Naval Hospital	173	n/d	140,000
26	AG-Ol	Yigo	Machananao inside AAFB	173	n/d	140,000
27	AG-2	Yigo	Machananao Paintball	480	May 2000	140,000
28	D-01	Dededo	Dededo Golf Course	257	Feb. 1965	140,000
29	D-02	Dededo	Dededo Golf Course	187	Feb. 1965	140,000
30	D-03	Dededo	Dededo Golf Course	149	June 1965	140,000
31	D-04	Dededo	Dededo Golf Course	172	May 1965	140,000
32	D-05	Dededo	Dededo Golf Course	166	Dec. 1965	140,000
33	D-06	Dededo	Dededo Golf Course	189	Feb.1966	140,000
34	D-07	Dededo	Y-Sensong Rd	198	Nov.1996	140,000
35	D-08	Dededo	Y-Sensong Rd	185	Sept.1996	140,000
36	D-09	Dededo	Dededo Golf Course	196	Jan. 1996	140,000
37	D-10	Dededo	Butolu St.	351	March 1968	140,000
38	D-11	Dededo	Dededo Golf Course	226	April 1969	140,000
39	D-12	Dededo	Y-Sensong Rd	188	Oct 1971	140,000
40	D-13	Dededo	Swamp Rd. 22	200	Jan.1971	140,000
41	D-14	Dededo	Across Dededo Bio Path	200	Aug. 1973	140,000
42	D-15	Dededo	Benavente Middle School	202	Nov. 1974	140,000
43	D-16	Dededo	Sta Monica next to Public health	161	Oct 1979	140,000
44	D-19	Dededo	Swamp Rd.	227	n/d	140,000
45	D-20	Dededo	Swamp Rd.	207	n/d	140,000

Doc. No. 34GL-17-0814.*

GUAM WATERWORKS AUTHORITY
Fresh Water System - Water Wells
November 2009

No.	Name	Municipality	Location	(gpm)	Built/Rebuilt	Repl. Cost
46	D-21	Dededo	Swamp Rd.	157	n/d	140,000
47	D-22	Dededo	Bonito lane, Y-Sengsong Rd.	200	n/d	140,000
48	D-24	Dededo	Y-Sengsong Rd.	180	n/d	140,000
49	D-25	Dededo	Chn. Natibo, Y-Sengsong Rd.	400	March 1999	140,000
50	D-26	Dededo	Chn. Natibo, Y-Sengsong Rd.	250	March 1999	140,000
51	D-27	Dededo	Swamp Rd.	400	August 1999	140,000
52	D-28	Dededo	Swamp Rd.	200	August 1999	140,000
53	EX-05A	Dededo	Dededo Golf Course	254	n/d	140,000
54	EX-11	Barrigada	Latte Heights back Adacao Sch.	210	n/d	140,000
55	F-01	Dededo	Fenegayan Rt.3 POL	140	Feb. 1969	140,000
56	F-02	Dededo	Fenegayan Rt.3 POL	121	Dec.1971	140,000
57	F-03	Dededo	Fenegayan Rt.3 POL	142	Feb. 1972	140,000
58	F-04	Dededo	Fenegayan Rt.3 POL	137	Feb. 1975	140,000
59	F-05	Dededo	Near Astumbo Corn. Center	145	April 1975	140,000
60	F-06	Dededo	Corner Y-sengsong and R13	151	n/d	140,000
61	F-07	Dededo	NCS pipeline	170	n/d	140,000
62	F-08	Dedecio	Corner Y-sengsong & Balaku	149	May 1975	140,000
63	F-09	Dededo	Y-Sensong Rd acr Astumbo Sch.	140	n/d	140,000
64	F-10	Dededo	NCS POL R13	142	n/d	140,000
65	F-11	Dededo	NCS POL Rt.3	142	n/d	140,000
66	F-12	Dededo	Machanao to Piga	148	n/d	140,000
67	F-13	Dededo	Bongbong Machanao	380	Dec. 1996	140,000
68	F-15	Dededo	Corazon Machanao	440	Dec. 1996	140,000
69	F-16	Dededo	Corazon Machanao	230	Dec. 1996	140,000
70	F-17	Dededo	Corazon Machanao	240	Dec. 1995	140,000
71	F-18	Dededo	Corazon Machanao	240	Dec. 1995	140,000
72	F-19	Dededo	Route 3	200	Nov. 1998	140,000
73	F-20	Dededo	Route 3	200	Dec. 1998	140,000
74	G-501	Dededo	GHURA playground	183	n/d	140,000
75	H-01	Tumon	Harmon Two Lvrs pt.	288	n/d	140,000
76	HGC-02	Dededo	Sta Ana Subdivision	444	n/d	140,000
77	M-01	Barrigada	Latte Heights, Plantation	109	April 1965	140,000
78	M-02	Barrigada	Latte Heights, Plantation	184	April 1968	140,000
79	M-03	Barrigada	Latte Heights, Plantation	177	Dec. 1967	140,000
80	M-04	Barrigada	Latte Heights, Plantation	138	March 1968	140,000
81	M-05	Barrigada	Lemon China St Macheche	176	Feb. 1969	140,000
82	M-06	Barrigada	Villa Rosario Condo.	168	August 1969	140,000
83	M-07	Dededo	Butter Cup St. Macheche	175	June 1970	140,000
84	M-08	Barrigada	Carnation St.Latte Heights	158	June 1970	140,000
85	M-09	Barrigada	Mangilao Route 15	162	Sept 1970	140,000
86	M-12	Dededo	Harmon Loop	104	Oct.1973	140,000
87	M-15	Dededo	Lemon China St Macheche	172	March 1982	140,000
88	M-17B	Barrigada	Behind Conwod	153	n/d	140,000
89	M-18	Barrigada	Rt. 15 before Iglicia ni Christo	325	June 1997	140,000
90	M-20A	Barrigada	Behind Conwood	400	Dec. 1995	140,000

Doc. No. 34GL-17-0814.*

GUAM WATERWORKS AUTHORITY
Fresh Water System - Water Wells
November 2009

No.	Name	Municipality	Location	(gpm)	Built/Rebuilt	Repl. Cost
91	M-21	Airport Road DW	Airport Rd next to Gas Station	250	July 1999	140,000
92	M-23	Barrigada	Carnation St. Latte Heights	225	May 2000	140,000
93	NAS-O	Tlyan	Tiyan	200	n/d	140,000
94	Y-01	Yigo	Asardas Drive.	141	Feb. 1967	140,000
95	Y-02	Yigo	Asardas Drive.	161	Jan. 1973	140,000
96	Y-03	Yigo	Beside Yigo Mayor Office	138	n/d	140,000
97	Y-04	Yigo	Back of Ace Hardware, Yigo	220	n/d	140,000
98	Y-05	Yigo	Simon Sanchez High School	148	n/d	140,000
99	Y-06	Yigo	Simon Sanchez High School	136	n/d	140,000
100	Y-07	Yigo	Gayinero Dr. Yigo Elem Sch.	514	n/d	140,000
101	Y-09	Yigo	Gayinero Dr. Yigo Elem Sch.	472	n/d	140,000
102	Y-10	Yigo	Aga Blvd Ypaopao estates	250	July 1997	140,000
103	Y-12	Yigo	Batulo St Dedeo	235	n/d	140,000
104	Y-14	Yigo	Back of Ace Hardware, Yigo	400	July 1997	140,000
105	Y-15	Yigo	Rt.15 UPI Elem. School	600	May 1993	140,000
106	Y-16	Yigo	Before Ace Hardware Yigo Rt. 1	250	Aug. 2000	140,000
107	Y-17	Yigo	Eavngelista St Yigo	350	May 2000	140,000
108	Y-18	Yigo	Before Ace Harware Yigo Rt. 1	250	April 1999	140,000
109	Y-19	Yigo	Andersen South Yigo	500	April 1999	140,000
110	Y-20	Dededo	Andersen South Yigo	500	April 1999	140,000
111	Y-21	Yigo	Before Ace Harware Yigo Rt.1	350	Aug. 2000	140,000
112	Y-22	Dededo	Ypaopao Estate Yigo	300	March 2002	140,000
113	Y-23	Yigo	Chn. Paharo, Yigo	380	Feb. 2000	140,000
114	MJ-01	Malojloj	Malojloj Subdivision	56	n/d	140,000
115	MJ-05	Malojloj	Malojloj Subdivision	58	n/d	140,000
					Total Replacement Cost	**$16,100,000**

NOTES: Wells A-07, D-17, D-18, M-14, MI7A are out of service, require re-drilling
Wells MJ-01 & MJ-05 are on standby as needed

Doc. No. 34GL-17-0814.*

GUAM WATERWORKS AUTHORITY
Waste Water System - Booster Pump Stations
November 2009

No.	District	Station	HP	Pump Purchase	Remove and Reinstall	Repl. Cost
1	Central District	Leyang	10	8,500	3,000	11,500
2	Central District	Leyang	10	8,500	3,000	11,500
3	Central District	Maite Ejector	10	8,500	3,000	11,500
4	Central District	Maite Ejector	10	8,500	3,000	11,500
5	Central District	Toto Gardens	10	8,500	3,000	11,500
6	Central District	Toto Gardens	10	8,500	3,000	11,500
7	Central District	Cabras Island	5	8,500	3,000	11,500
8	Central District	Cabras Island	5	8,500	3,000	11,500
9	Central District	Namo	5	8,500	3,000	11,500
10	Central District	Namo	5	8,500	3,000	11,500
11	Central District	Alupang Cove	7.5	8,500	3,000	11,500
12	Central District	Alupang Cove	7.5	8,500	3,000	11,500
13	Central District	Flora Gardens	7.5	8,500	3,000	11,500
14	Central District	Flora Gardens	7.5	8,500	3,000	11,500
15	Central District	Casimero	10	8,500	3,000	11,500
16	Central District	Casimero	12	8,500	3,000	11,500
17	Central District	Sinajana	14	8,500	3,000	11,500
18	Central District	Sinajana	14	8,500	3,000	11,500
19	Central District	Piti	14	8,500	3,000	11,500
20	Central District	Chalan Pago 5	15	9,500	3,000	12,500
21	Central District	Chalan Pago 5	15	9,500	3,000	12,500
22	Central District	Ordot	15	9,500	3,000	12,500
23	Central District	Ordot	15	9,500	3,000	12,500
24	Central District	MongMong/Toto	17	9,500	3,000	12,500
25	Central District	MongMong/Toto	17	9,500	3,000	12,500
26	Central District	Bayside	20	12,600	3,000	15,600
27	Central District	Commercial Port	23	12,600	3,000	15,600
28	Central District	Commercial Port	25	16,000	3,000	19,000
29	Central District	Asan	28	16,000	3,000	19,000
30	Central District	Dairy Road	30	17,800	5,000	22,800
31	Central District	Dairy Road	30	17,800	5,000	22,800
32	Central District	Dairy Road	30	17,800	5,000	22,800
33	Central District	Mangilao	39	17,800	5,000	22,800
34	Central District	Mangilao	39	17,800	5,000	22,800
35	Central District	Chalan Pago 3	50	23,200	5,000	28,200
36	Central District	Chalan Pago 3	50	23,200	5,000	28,200
37	Central District	Hagatna	58	23,200	5,000	28,200
38	Central District	Hagatna	58	23,200	5,000	28,200
39	Central District	Hagatna	28	23,200	5,000	28,200
40	Central District	Mamajanao	70	24,800	5,000	29,800
41	Central District	Mamajanao	70	24,800	5,000	29,800
42	Central District	Mamajanao	70	24,800	5,000	29,800
43	Central District	Barrigada	75	34,500	8,000	42,500

GUAM WATERWORKS AUTHORITY
Waste Water System - Booster Pump Stations
November 2009

No.	District	Station	HP	Pump Purchase	Remove and Reinstall	Repl. Cost
44	Central District	Barrigada	75	34,500	8,000	42,500
45	Central District	Pago Double	100	37,100	8,000	45,100
46	Central District	Pago Double	100	37,100	8,000	45,100
47	Central District	Tai Mangilao	115	37,100	8,000	45,100
48	Central District	Tai Mangilao	115	37,100	8,000	45,100
49	Central District	Tai Mangilao	115	37,100	8,000	45,100
50	Central District	Chaot (New)	190	42,000	8,000	50,000
51	Central District	Chaot (New)	190	42,000	8,000	50,000
52	Central District	Chaot (New)	190	42,000	8,000	50,000
53	Northern District	Latte Sun Rise	3	8,500	3,000	11,500
54	Northern District	Latte Sun Rise	3	8,500	3,000	11,500
55	Northern District	Santa Ana	3	8,500	3,000	11,500
56	Northern District	Santa Ana	3	8,500	3,000	11,500
57	Northern District	Latte Plantation	5	8,500	3,000	11,500
58	Northern District	Latte Plantation	5	8,500	3,000	11,500
59	Northern District	Hafa Adai	12	8,500	3,000	11,500
60	Northern District	Hafa Adai	12	8,500	3,000	11,500
61	Northern District	Latte Dbl Trouble	12	8,500	3,000	11,500
62	Northern District	Latte Dbl Trouble	12	8,500	3,000	11,500
63	Northern District	Latte Submarine	12	8,500	3,000	11,500
64	Northern District	Latte Submarine	12	8,500	3,000	11,500
65	Northern District	Astumbo #1	14	8,500	3,000	11,500
66	Northern District	Astumbo #1	14	8,500	3,000	11,500
67	Northern District	Astumbo #2	14	8,500	3,000	11,500
68	Northern District	Astumbo #2	14	8,500	3,000	11,500
69	Northern District	FEMA '96	14	8,500	3,000	11,500
70	Northern District	FEMA '96	14	8,500	3,000	11,500
71	Northern District	Pacific Latte	14	8,500	3,000	11,500
72	Northern District	Pacific Latte	14	8,500	3,000	11,500
73	Northern District	PGD	14	8,500	3,000	11,500
74	Northern District	Macheche	20	12,600	3,000	15,600
75	Northern District	Macheche	20	12,600	3,000	15,600
76	Northern District	Ypaopao Estates	20	12,600	3,000	15,600
77	Northern District	Ypaopao Estates	20	12,600	3,000	15,600
78	Northern District	Ypaopao Estates	25	16,000	3,000	19,000
79	Northern District	Paseo De Oro	30	17,800	5,000	22,800
80	Northern District	Paseo De Oro	30	17,800	5,000	22,800
81	Northern District	PGD	30	17,800	5,000	22,800
82	Northern District	Machanao	47	19,600	5,000	24,600
83	Northern District	Machanao	47	19,600	5,000	24,600
84	Northern District	Ypao	47	19,600	5,000	24,600
85	Northern District	Harmon	47	19,600	5,000	24,600
86	Northern District	Yigo	70	24,800	5,000	29,800

GUAM WATERWORKS AUTHORITY
Waste Water System - Booster Pump Stations
November 2009

No.	District	Station	HP	Pump Purchase	Remove and Reinstall	Repl. Cost
87	Northern District	Fujita SPS	160	42,000	8,000	50,000
88	Northern District	Fujita SPS	160	42,000	8,000	50,000
89	Northern District	Fujita SPS	160	42,000	8,000	50,000
90	Northern District	Route 16	280	42,000	8,000	50,000
91	Northern District	Route 16	280	42,000	8,000	50,000
92	Northern District	Route 16	280	42,000	8,000	50,000
93	Northern District	Route 16	280	42,000	8,000	50,000
94	Northern District	Southern Link	295	42,000	8,000	50,000
95	Northern District	Southern Link	295	42,000	8,000	50,000
96	Northern District	Southern Link	295	42,000	8,000	50,000
97	Northern District	Southern Link	295	42,000	8,000	50,000
98	Southern District	MTL	10	8,500	3,000	11,500
99	Southern District	Ejector #3	2	8,500	3,000	11,500
100	Southern District	Ejector #3	2	8,500	3,000	11,500
101	Southern District	Ejector #4	2	8,500	3,000	11,500
102	Southern District	Ejector #4	2	8,500	3,000	11,500
103	Southern District	Ejector #5	2	8,500	3,000	11,500
104	Southern District	Ejector #5	2	8,500	3,000	11,500
105	Southern District	Ejector #6	2	8,500	3,000	11,500
106	Southern District	Ejector #6	2	8,500	3,000	11,500
107	Southern District	Ejector #7	2	8,500	3,000	11,500
108	Southern District	Ejector #7	2	8,500	3,000	11,500
109	Southern District	Ejector #2	5	8,500	3,000	11,500
110	Southern District	Ejector #2	5	8,500	3,000	11,500
111	Southern District	North Reyes	5	8,500	3,000	11,500
112	Southern District	North Reyes	5	8,500	3,000	11,500
113	Southern District	Pump Station #18	5	8,500	3,000	11,500
114	Southern District	Pump Station #18	5	8,500	3,000	11,500
115	Southern District	Pump Stalion #16	9	8,500	3,000	11,500
116	Southern District	Pump Station #16	9	8,500	3,000	11,500
117	Southern District	Pump Station #17	10	8,500	3,000	11,500
118	Southern District	AgatSTP	12	8,500	3,000	11,500
119	Southern District	AgatSTP	12	8,500	3,000	11,500
120	Southern District	Pagachao	12	8,500	3,000	11,500
121	Southern District	Pump Station #15	12	8,500	3,000	11,500
122	Southern District	Pump Station #15	12	8,500	3,000	11,500
123	Southern District	Pagachao	14	8,500	3,000	11,500
124	Southern District	Pump Station #13	14	8,500	3,000	11,500
125	Southern District	Pump Station #13	14	8,500	3,000	11,500
126	Southern District	Pump Station #14	14	8,500	3,000	11,500
127	Southern District	Pump Station #14	14	8,500	3,000	11,500
128	Southern District	Pump Station #17	14	8,500	3,000	11,500
129	Southern District	Inarajan Lift	20	12,600	3,000	15,600
130	Southern District	Inarajan Lift	20	12,600	3,000	15,600
131	Southern District	Inarajan Main	20	12,600	3,000	15,600

GUAM WATERWORKS AUTHORITY
Waste Water System - Booster Pump Stations
November 2009

No.	District	Station	HP	Pump Purchase	Remove and Reinstall	Repl. Cost
132	Southern District	Pump Station #12	25	12,600	3,000	15,600
133	Southern District	Pump Station #12	25	12,600	3,000	15,600
134	Southern District	Agat SW	25	16,000	3,000	19,000
135	Southern District	Agat SW	25	16,000	3,000	19,000
136	Southern District	Pump Station #11	28	16,000	3,000	19,000
137	Southern District	Pump Station #11	28	16,000	3,000	19,000
138	Southern District	Inarajan Main	30	17,800	5,000	22,800
139	Southern District	Pump Station #19	30	17,800	5,000	22,800
140	Southern District	Pump Station #19	30	17,800	5,000	22,800
141	Southern District	Pump Station #20	31	17,800	5,000	22,800
142	Southern District	Talofofo	47	19,600	5,000	24,600
143	Southern District	Talofofo	47	19,600	5,000	24,600
144	Southern District	Chaligan	100	37,100	8,000	45,100
145	Southern District	Chaligan	100	37,100	8,000	45,100
146	Southern District	Gaan #1	139	42,000	8,000	50,000
147	Southern District	Gaan #1	139	42,000	8,000	50,000
148	Southern District	Gaan #1	139	42,000	8,000	50,000
149	Southern District	Tipalao #2	220	42,000	8,000	50,000
150	Southern District	Tipalao #2	220	42,000	8,000	50,000
151	Southern District	Tipalao #2	220	42,000	8,000	50,000
				Total Replacement Cost		**$3,278,200**

GUAM WATERWORKS AUTHORITY
Waste Water System - Manholes
January 2010

Quantity	Unit Repl. Cost	Total Repl. Cost
5,770	9,500	$54,815,000

Source: GWA Engineering

GUAM WATERWORKS AUTHORITY
Waste Water System - Sewage Treatment Plants
May 2010

No.	Location	Throughput, MGD	Repl. Cost
1	Agat-SantaRita	1.13	2,200,000
2	Baza Gardens	0.16	1,000,000
3	Hagatna	7.5	14,500,000
4	Inarajan	0.07	1,000,000
5	Northern District	7.8	15,000,000
6	Umatac-Merizo	0.28	1,000,000
7	PagoSocio	off-line	0
	Total Replacement Cost		**$34,700,000**

GUAM WATERWORKS AUTHORITY
Waste Water System - Underground Piping
January 2010

Type	Diameter*	Length	Unit Cost	Repl. Cost
Class C-900 PVC	8"	1,060,900	114.00	120,942,600

*NOTE: UG pipe diameters range from 2" to 40". 8" diameter pipe buried between 5-10 feet was selected as a reasonable average.
Source: WRMP & GWA Engineering

10. BROKER QUESTIONAIRRE (entire form to be returned with the bid)

Name of Firm: _____

Address: _____

_____

Telephone: _____

Fax: _____

Year Firm Established: _____

Principals: _____

_____

Personnel

Administration: _____

Marketing: _____

Underwriting: _____

Total Personnel: _____

Annual Premium

Personal: _____

Commercial: _____

Total: _____

Largest Account: _____

Contacts

Primary: _____

Email: _____

Alternate: _____

Email: _____

Other: _____

Signed: _____ Date: _____

GUAM CONSOLIDATED COMMISSION ON UTILITIES

RESOLUTION NO. 09–FY2017

RELATIVE TO AUTHORIZING GWA TO ISSUE AN INVITATION TO BID (ITB) TO PROCURE COMMERCIAL GENERAL LIABILITY INSURANCE

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, under Section 6.06 (b) Insurance, of the 2005 General Indenture relative to GWA's Water and Wastewater System Revenue Bonds, GWA is required to maintain such other insurance which it shall deem advisable or necessary to protect its interest and interest of the Bond owners, which insurance shall afford protection in such amounts and against such risks as are usually maintained by prudent operators; and

WHEREAS, GWA currently maintains a three (3) year commercial general liability (CGL) insurance policy (See ATTACHMENT "A") whose term will expire on 12:01 am, April 12, 2017; and

WHEREAS, under the current CG policy, included is a $30 million indemnification for bodily injury and property damage liability arising in the conduct of business; and

WHEREAS, GWA management desires to procure similar commercial general liability insurance, adjusted for GWA's current state of condition, upon the expiration of the current policy in force; and

WHEREAS, based on past experience, GWA has found that a three (3) year and or five (5) years term is cost effective and beneficial to GWA; and

WHEREAS, based on GWA's best estimate, the IFB will exceed the General Manager's obligating authority of $250,000 which is the purpose for GWA requesting the CCU's approval to issue the IFB; and

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 finds that the issuance of an ITB for Commercial General Liability insurance to be prudent.
3. The CCU finds and agrees with the plan to solicit new insurance bids for a three (3) and or five (5) years term as cost effective and beneficial to GWA.
4. The General Manager is authorized to execute all documents and undertake all reasonable actions necessary to issue an Invitation to Bid procurement for commercial general liability insurance.

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: 4

NAYS: 0

ABSTENTIONS: 0

ABSENT: 1

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ATTACHMENT "A"
(General Liability Insurance)

INVITATION TO BID

The GUAM WATERWORKS AUTHORITY will receive sealed bids for **General Liability Insurance, in GWA IFB. NO. 2015 -07**. Bids will be accepted until 10:00 a.m. Chamorro Standard Time, APR 06, 2015 at the GWA Procurement Office 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 security may be bid/performance bond, certified check or cashiers 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 are strongly encouraged to contact or visit GWA Procurement Office to register 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.

Mark G. Miller,
Interim General Manager

GWA STAMP ISSUE DATE:

GUAM WATERWORKS AUTHORITY

"Better Water. Better Lives"
Gloria B. Nelson Public Service Building
688 Route. 15, Mangilao, Guam 96913

INVITATION FOR COMPETITIVE SEALED BIDS

IFB 2015-07

FOR

GENERAL LIABILITY INSURANCE

SECTION I: INTRODUCTION

The Guam Waterworks Authority ("GWA") is seeking competitive sealed fixed price bids for General Liability Insurance as specified above for a one (1) year period based on the lowest responsive and responsible bid commencing not later than 10 days after a Notice to Proceed from GWA is issued (preferably by **April 10, 2015**. at 12:01 a.m. Guam Time). All bids must be received by GWA on or before **April 6, 2015 at 10:00 a.m.** at the GWA Procurement Office, late bids will not be considered.

All questions and inquiries must be submitted in writing (either via letter, fax or e-mail) to the address below not later than **March 30, 2015**. Oral questions and responses shall be given no effect.

Greg Cruz, Chief Financial Officer
Gloria B. Nelson Public Service Building
688 Route 15 Mangilao, Guam 96913
Fax: (671) 646-2594
Phone: (671) 300-6860
E-mail: gpcruz@guamwaterworks.org

Copies of all inquire must also be transmitted to:

Vince Guerrero, GWA Procurement Administrator
Gloria B. Nelson Public Service Building
688 Route 15 Mangilao, Guam 96913
Fax: (671) 649-3750
Phone: (671) 300-6026/6027
E-mail: vincentguerrero@guamwaterworks.org

SECTION II: BID RESPONSE FORM

BID ITEM 1.0. – GENERAL LIABILITY INSURANCE BID

This transmittal is a premium summary for the coverages outlined in the Insurance Specifications.

Required Coverages – Primary Liability Insurance 1 year term

LIMITS	DEDUCTIBLE	PREMIUM	CARRIER & FINANCIAL RATING
$30,000,000 each occurrence, including Products Liability, $30.000,000 Personal Injury Liability, $30,000,000 Pollution Liability	$300,000		

ALTERNATE QUOTE	PREMIUM	CARRIER & FINANCIAL RATING
As above, 2 year term		

Broker: _____

Date: _____

SECTION III.

BROKER QUESTIONNAIRE
(THIS FORM MUST BE RETURNED WITH THE BID)

Name of Firm: _____

Address: _____

_____

Telephone: _____

Fax: _____

Year Firm Established: _____

Principals: _____

_____

Personnel

Administration: _____

Marketing: _____

Underwriting: _____

Total Personnel: _____

Annual Premium

Personal: _____

Commercial: _____

Total: _____

Largest Account: _____

Contacts

Primary: _____

Email: _____

Alternate: _____

Email: _____

Other: _____

Signed: _____ Date: _____

SECTION IV: BACKGROUND AND SUMMARY OF SOLICITATION

The Guam Waterworks Authority ("GWA"), a Guam Public Corporation, is the civilian supplier of water and wastewater services to the Island of Guam. GWA operates and maintains about 200 fresh water facilities on Guam providing service to a population of over 157,000 people. It also owns 87 wastewater facilities which are operated and maintained by a private contractor. The Authority did not carry prior insurance prior to October 2010 aside from D&O Insurance and limited property insurance on some of its water tanks. The current bond indenture requires purchase of liability insurance.

The Authority did not carry insurance prior to October 2010. GWA's bond indenture requires the Authority to maintain insurance with responsible insurers in such amounts and against such risks as are usually maintained by prudent operators of- similar systems. In April, 2012, GWA accepted multi-year bids for all lines of its insurance; the current General Liability policy expires on April 12, 2015.

SECTION V: INSTRUCTIONS AND PROCEDURES FOR BIDDERS

1. BID SCHEDULE

The deadline for the submission of bids is **April 6, 2015**, at **10:00 a.m.** Three (3) copies and one (1) original bid **must be physically received** by GWA at the address below (not postmarked) no later than the above date and hour. It is advisable to use courier services to expedite delivery of your bid, as Guam is served by several such courier services. It is bidder's responsibility to insure the bid is received as required above. Late bids will not be considered.

2. PREPARATION AND SUBMISSION OF BIDS

Envelopes containing Bids shall be sealed and marked on the face with the name and address of the Bidder, the Bid Number and the time and date of submission. Telegraphic Bids will not be considered, nor will modifications by telegraph of Bids already submitted be considered. Bids **must be received** at the place of opening **on or before the opening date and time**. Bids received through the mail will not be accepted if such mail is received at the address showing after the submission date and time. Facsimile or e-mailed bids will not be accepted. Bids will be opened publicly.

All submittals must strictly conform to the Invitation for Bid and any addenda, non-responsive and non-responsible bids will not be considered.

Three complete (3) copies and (1) complete original Bid must be submitted to GWA. Any and all sample documentation, including but not limited to, a complete proposed insurance policy, including exclusions, must be submitted. No submittal shall be considered complete unless accompanied by **all** items required in this bid.

The IFB **must** be received by GWA not later than **10:00 a.m. April 6, 2015** in a sealed envelope with the IFB number clearly marked and delivered to or received by the GWA Procurement Administrator or his/her designee at the following address:

TO: Guam Waterworks Authority
Attn: Procurement Administrator
Gloria B. Nelson Public Service Building
First Floor
688 Route 15 Mangilao, Guam 96913

Examination of IFB Documents: Bidders shall examine the IFB Documents to inform themselves of all conditions and requirements for the execution of the proposed work. Ignorance on the part of Bidder of any part of the IFB will in no way relieve him/her of the obligation and responsibility assumed under the Contract.

Familiarity with Laws: Bidder is assumed to be familiar with Federal and Local laws, ordinances, rules and regulations that in any manner affect the work. Ignorance on the part of Bidder of any part of the IFB will in no way relieve him/her of the obligation and responsibility assumed under the Contract.

3. EXPLANATION TO BIDDERS

No oral explanation in regard to the meaning of the specification will be made and no oral instructions will be given before the award of the Bid. Questions regarding discrepancies, omissions, or doubts as to the meaning of the specifications must be communicated in writing (either e-mail, fax or mail) to Guam Waterworks Authority for interpretation. Bidders should act promptly and allow sufficient time for a reply to reach them before the submission of their Bids. Interpretation, if required, shall be made in the form of an amendment to the specifications, which will be forwarded to all prospective bidders, and its receipt by the Bidder should be acknowledged on the Bid form.

4. CLARIFICATION ON INVITATION FOR BID

Each Bidder must carefully examine the IFB and all amendments or addenda. If any Bidder (a) finds any discrepancies, omission or ambiguities in the IFB documents, (b) is uncertain as to the intent or meaning of any provision of the IFB, or (c) has any question regarding the IFB, the Bidder must promptly notify GWA in writing no later than five (5) working days prior to the closing date of the IFB thereof in writing at the address specified for submission of Bid. Replies to such notices may be made in the form of addenda, which will be issued simultaneously to all prospective Bidders.

5. FORM

All bids must be in writing and submitted in a sealed envelope, and must be signed by an officer of the bidder having authority to submit such Bids. The bids should respond in an organized fashion to all requirements of this Invitation for Bidding.

6. MODIFICATION OR WITHDRAWAL OF BIDS

Bids may be modified or withdrawn prior to submittal date. Any bid withdrawal, or modification received at GWA after the due date is late and, as such, renders the underlying bid in compliance only as to that which is on hand at the submittal date and hour.

7. RECORDING BIDS

Bids and modifications shall be submitted to GWA officials by **April 06, 2015** at the GWA Procurement Office.

Bidders shall be responsible for insuring its bid is received on or before the due date. Any late bid will not be considered by GWA. After the due date, a Register of Bids shall be prepared which shall include for all initial bids the name of each bidder, the number of modifications received, if any, and an indication of the coverage proposed, i.e. coverage of all risks or perils (a) as requested by GWA, (b) less than GWA request, and/or (c) alternate coverage as requested.

8. CONFIDENTIAL DATA

Bidders should clearly and specifically designate which portion or portions of the bid contains trade secrets or other proprietary data they propose be kept confidential. GWA shall examine the request and make a determination as to each request. Unclear requests or requests that do not specifically identify the exact portion of the bid which the bidder is requesting to be kept confidential shall not be considered. Guam law shall govern the determination of confidentiality of any document or portion thereof.

9. AWARD

Award will be made to the lowest responsive and responsible bidder.

The bids submitted will be the primary documents for evaluation. GWA reserves the right to waive any minor information or irregularity in bids received. GWA shall have the prerogative to award, amend or reject bids in whole or in part. GWA is not responsible for any and all costs incurred by any person or party incurred in preparing any bid. GWA reserves the right to retain all bids submitted regardless of whether a firm is selected. Submission of a bid indicates acceptance of all terms and conditions by the bidder.

Please note that in the event a bid is submitted by a bona-fide service disabled veteran where the bidder is at least fifty-one percent (51%) owned by a service-disabled veteran and the price for the supply or service does not exceed one hundred five percent (105%) of the lowest price bidder, GWA is required under 5 G.C.A. § 5011 to award the bid to the service-disabled owned business. A service-disabled veteran business must meet all of the following qualifications under 5 G.C.A. § 5012:

i. the business concern is licensed to do business on Guam;
ii. the business concern maintains its headquarters on Guam;
iii. the business concern is at least fifty-one percent (51%) owned by a service-disabled veteran(s) who served in the active U.S. military service, was discharged or released under honorable conditions and whose disability is service-connected as demonstrated by a DD214, and certified by an award letter from the U.S. Department of Veterans Affairs;

iv. the DD214 and Disability award letter from the U.S. Department of Veterans Affairs are submitted to the procuring entity for every service or supply offered; and;

v. the service-disabled veteran(s) owner of the business concern has filed individual tax returns on Guam for a period of at least three (3) consecutive years.

10. CANCELLATION OF INVITATION; REJECTION AND DELAYS

GWA reserves the right to cancel or to withdraw this Invitation to Bid, to delay determination on this Invitation for Bid, or to reject all bids, in whole or in part, at any time prior to final award. The reasons for the cancellation, delay or rejection shall be made a part of the procurement file and shall be available for public inspection.

11. REQUIRED APPROVALS

A Notice to Proceed (contract) may be conditioned on GWA obtaining the approval of the Guam Consolidated Commission on Utilities and the Public Utilities Commission on Guam depending on cost to GWA. This process may take several weeks.

12. REPRESENTATION REGARDING GRATUITIES AND KICKBACKS

The bidder or contractor represents that it has not violated, is not violating, and promises that it will not violate the prohibition against gratuities and kickbacks as mandated under the Guam Procurement Regulations. All Bidders shall submit an affidavit indicating that no gratuities or kickbacks have been given or made in connection with the submission of this bid.

13. REPRESENTATION REGARDING CONTINGENT FEES

The Contractor will provide a certification to GWA in the form supplied with this bid indicating that it has not retained a person to solicit or secure a territorial contract upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee, except for retention of bona fide employees or bona fide established commercial selling agencies for the purpose of securing business.

14. POLICY BINDER

The provider who is awarded the contract will be required to provide the Authority with written evidence that coverage is in place within 72 hours after notice to proceed has been issued.

15. ADDENDA TO IFB

In the event it becomes necessary to revise any part of this IFB, addenda will be provided to all Bidders who received the basic IFB. Any addenda issued pursuant to this IFB must be acknowledged as being received by the Bidder.

16. AFFIDAVIT OF DISCLOSURE

Affidavit of Disclosure of Major Shareholders must comply with the following requirements and failure to submit an affidavit shall be basis for rejection.

(a) Bidder must use the form issued by Guam Waterworks Authority.
(b) The affidavit must be notarized and dated on the same month as the bid opening.
(c) Date signature of the person authorized to sign the bid and the notary date must be the same.
(d) At least one affidavit must be an original.

17. BID AND PERFORMANCE BOND REQUIREMENT

All bidders are required to submit bid security in the amount of 15% of their total bid amount which must also indicate that the security is not only for a bid bond, but also for performance under this Bid as required by 5 G.C.A. 5312. Failure to submit a proper bid bond will cause the bid to be rejected.

As required by law, the bid security shall not be released upon award of the bid, but instead shall continue in full force and effect until after delivery of the supplies or services required in the Invitation for Bid have been provided.

THE BID/PERFORMANCE GUARANTEE MAY BE IN THE FORM OF:

a. Cashier's Check or Certified Check
b. Letter of Credit
c. 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

18. CLAIMS BASED ON ACTS OR OMISSIONS BY GWA.

If any action or omission on the part of GWA requiring performance changes within the scope of the contract constitutes the basis for a claim by the Bidder for additional compensation, damages, or an extension of time for completion, the Bidder shall continue with performance of the contract in compliance with the directions or orders of GWA, but by so doing, the Bidder shall not be deemed to have prejudiced any claim for additional compensation, damages, or an extension of time for completion; provided:

(a) the Bidder shall have given written notice to GWA:

(i) prior to the commencement of the work involved, if at that time the Bidder knows of the occurrence of such action or omission;

(ii) within 30 days after the Bidder knows of the occurrence of such action or omission, if the Bidder did not have such knowledge prior to the

commencement of the work; or

(iii) within such further time as may be allowed by the Procurement Officer in writing.

This notice shall state that the Bidder regards the act or omission as a reason which may entitle the Bidder to additional compensation, damages, or an extension of time. The Procurement Officer or designee of such officer, upon receipt of such notice, may rescind such action, remedy such omission, or take such other steps as may be deemed advisable in the discretion of the Procurement Officer or designee of such officer.

(b) the notice required by Subparagraph (a) of this Paragraph describes as clearly as practicable at the time the reasons why the Bidder believes that additional compensation, damages, or an extension of time may be remedies to which the Bidder is entitled; and

(c) the Bidder maintains and, upon request, makes available to the Procurement Officer within a reasonable time, detailed records to the extent practicable, of the claimed additional costs or basis for an extension of time in connection with such changes.

Nothing herein contained, however, shall excuse the Bidder from compliance with any rules of law precluding any GWA official or its Bidders from acting in collusion or bad faith in issuing or performing change orders which are clearly not within the scope of the contract.

Any adjustment in the contract price made pursuant to this clause shall be determined in accordance with the Price Adjustment Clause of this contract.

19. PRICE ADJUSTMENT CLAUSE.

Any adjustment in contract price pursuant to clauses in this contract shall be made in one or more of the following ways:

(a) by agreement on a fixed price adjustment before commencement of the pertinent performance or as soon thereafter as practicable;

(b) by unit prices specified in the contract or subsequently agreed upon;

(c) by the costs attributable to the event or situation covered by the clause, plus ~~appropriate profit or fee, all as specified in the contract or subsequently agreed upon;~~

(d) in such other manner as the parties may mutually agree; or

(e) in the absence of an agreement between the parties, by a unilateral determination by the GWA General Manager of costs attributable to the event or situation covered by the clause, plus appropriate profit or fee, all as computed by the GWA General Manager in accordance with generally accepted accounting principles and applicable sections under Chapter 7 (Cost Principles) of the Guam Procurement Regulations and subject to the provisions under Title 5, Chapter 5 of the Guam Code Annotated (Legal and

Contractual Remedies).

For any request for a price adjustment, the contractor shall submit cost or pricing data for any price adjustments subject to the provisions of 2 G.A.R. § 3118 of the Guam Procurement Regulations.

20. CONTRACT ISSUED UNDER THIS BID IS BINDING.

It is agreed that any contract under this bid and all the Covenants hereof shall insure to the benefit of and binding upon GWA and the bidder respectively and his parties, successors, assignees and legal representative. Neither GWA nor the Bidder shall have the right to assign, transfer or sublet his interests or obligations hereunder without written consent of the other party.

It is hereby mutually agreed by and between the parties hereto that no mechanic, contractor, subcontractor, material man or other person can or will contract for or in any other manner have or acquire any lien upon the binding or works covered by the contract, or the land upon which the same is situated.

21. BIDDER'S RESPONSIBILITIES.

The Bidder shall be responsible for the professional and technical accuracy of all work and materials furnished under this contract. The Bidder shall, without additional cost to GWA, correct or revise all errors or deficiencies in his/her work.

GWA's review, approval, acceptance of, and payment for goods, fee, or for services required under this contract, shall not be construed to operate as a waiver of any rights under this contract or of any cause of action arising out of the Bidder's failure of performance of this contract and the Bidder shall be and remain liable to the GWA for all costs of any kind which may be incurred by the GWA as a result of the Bidder's negligent or erroneous performance of any of the services performed under this Bid. GWA shall continue to remain liable for its own negligent acts and those of its employees and its failure to perform as provided under this agreement.

22. SCOPE OF AGREEMENT.

Any Agreement issued under this bid, and signed by the GWA General Manager (formal contract or Purchase Order) supersedes any and all other Agreements, either oral or in writing, between the parties hereto with respect to retaining the services of Bidder by the GWA and contains all of the covenants and terms between the parties with respect to such this project. Each party to this Agreement acknowledges that no representation, inducements, promises or agreements, orally or otherwise, have been made by any party, or anyone acting on behalf of any party which are not embodied herein, and that no other agreement, statement, or promise not contained in this Agreement and addenda will be effective only if it is in writing signed by the party to be charged. For the purposes of this paragraph and of the entire agreement, the signature of the General Manager for the Guam Waterworks Authority (or his designee) is the only signature that will bind the GWA.

23. TERMINATION.

A. TERMINATION FOR DEFAULT:

(1). Default. If the Bidder refuses or fails to perform any of the provisions of this contract with such diligence as will ensure its completion within the time specified in this contract, or any extension thereof, otherwise fails to timely satisfy the contract provisions, or commits any other substantial breach of this contract as determined by GWA, then GWA may notify the Bidder in writing of the delay or non-performance and if not cured in ten days or any longer time specified in writing by GWA. GWA may terminate the Bidder's right to proceed with the contract or such part of the contract as to which there has been delay or a failure to properly perform. In the event of termination in whole or in part GWA may procure similar services in a manner and upon terms deemed appropriate by GWA. The Bidder shall continue performance of the contract to the extent it is not terminated and shall be liable for excess costs incurred in procuring similar services.

(2) Bidder's Duties. Notwithstanding termination of the contract and subject to any directions from GWA, the Bidder shall take timely, reasonable, and necessary action to protect and preserve property in the possession of the Bidder in which GWA has an interest.

(3) Compensation. Payment for completed services delivered and accepted by GWA shall be at the contract price. Payment for the protection and preservation of property shall be in an amount agreed upon by the Bidder and GWA; if the parties fail to agree, GWA shall set an amount subject to the Bidder's rights under Chapter 9 (Legal and Contractual Remedies) of the Guam Procurement Regulations. GWA may withhold from amounts due the Bidder such sums as GWA deems to be necessary to protect GWA against loss because of outstanding liens or claims of former lien holders and to reimburse GWA for the excess costs incurred in procuring similar goods and services.

(4) Excuse for Nonperformance or Delayed Performance. Except with respect to defaults of sub-contractor(s) of Bidder, the Bidder shall not be in default by reason of any failure in performance of this contract in accordance with its terms (including any failure by the Bidder to make progress in the prosecution of the work hereunder which endangers such performance) if the Bidder has notified GWA within 15 days after the cause of the delay and the failure arises out of causes such as: acts of God; acts of the public enemy; acts of the government of Guam and any other governmental entity in its sovereign or contractual capacity; fires; floods; epidemics; quarantine restrictions; strikes or other labor disputes; freight embargoes; or unusually severe weather. If the failure to perform or to make progress due to such causes similar to those set forth above, the Bidder shall not be deemed to be in default, unless the services to be furnished by the sub-contractor were reasonably obtainable from other sources in sufficient time to permit the Bidder to meet the contract requirements. Failure of the sub-contractor to perform for reasons other than cited above shall constitute a default of the Bidder unless cured by Bidder with a reasonable time. Upon request of the Bidder, GWA shall ascertain the facts and extent of such failure, and, if GWA determines that any failure to perform was occasioned by any one or more of the excusable causes, and that, but for the excusable cause, the Bidder's progress and performance would have met the terms of the contract, the delivery schedule shall be revised accordingly, subject to the rights of GWA and the government of Guam under the laws of Guam.

(5) Erroneous Termination for Default. If, after notice of termination of the Bidder's right to proceed under the provisions of this clause, it is determined for any reason that the Bidder was not in default under the provisions of this clause, or that the delay was excusable under the provisions of Paragraph (4) (Excuse for Nonperformance or Delayed Performance) of this clause, the rights and obligations of the parties shall be the same as if the notice of termination had been issued pursuant to Subsection C, below.

(6) 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

B. TERMINATION FOR CONVENIENCE:

(1) Termination. GWA may, when the interest of GWA so requires, terminate this contract in whole or in part, for the convenience of GWA. GWA shall give written notice of the termination to the Bidder specifying the part of the contract terminated and when termination becomes effective.

(2) Bidder's Obligations. The Bidder shall incur no further obligations in connection with the terminated work and on the dated set in the notice of termination the Bidder will stop work to the extent specified. The Bidder shall also terminate outstanding orders and subcontracts as they relate to the terminated work. The Bidder shall settle the liabilities and claims arising out of the termination of subcontracts and orders connected with the terminated work. GWA may direct the Bidder to assign the Bidder's right, title, and interest under terminated orders or subcontracts to GWA. The Bidder must still complete the work not terminated by the notice of termination and may incur obligations as are necessary to do so.

(3) Right to Work Product. Upon termination of the contract for the convenience of GWA or for any other reason, Bidder shall transfer title and deliver to GWA all documents and reports, plans, drawings, information and other material produced by Bidder or any of its sub-contractors in connection with the performance of this contract. The Bidder shall protect and preserve property in its possession or in the possession of any of its sub-contractors in which GWA has an interest.

(4) Compensation.

(a) The Bidder shall submit a termination claim specifying the amount due because of the termination for convenience together with cost or pricing data to the extent required by 2 ~~G.A.R. § 3118 (Cost or Pricing Data) of the Guam Procurement Regulations bearing on such~~ claim. If the Bidder fails to file a termination claim within one year from the effective date of termination, GWA may pay the Bidder, if at all, an amount set in accordance with Subparagraph (c) of this Paragraph.

(b) GWA and the Bidder may agree to a settlement provided the Bidder has filed a termination claim supported by cost or pricing data to the extent required by 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 and the contract price of the work not terminated.

(c) Absent complete agreement under Subparagraph (2) of this Paragraph, GWA shall pay the Bidder the following amounts, provided payments agreed to under Subparagraph (2) shall not duplicate payments under this Subparagraph:

(i) contract prices for services accepted under the contract;

(ii) costs incurred in preparing to perform and performing the terminated portion of the work plus a fair and reasonable profit on such portion of the work (such profit shall not include anticipatory profit or consequential damages) less amounts paid or to be paid for accepted supplies or services; provided, however, that if it appears that the Bidder 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 subcontracts or orders pursuant to Subparagraph (b) of this clause;

(iv) the reasonable settlement costs of the Bidder including accounting, 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 subcontracts 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. Attorney's fees if for any reason it files suit against the government must be paid by the Bidder. The total sum to be paid the Bidder under this Subparagraph shall not exceed the total contract price plus the reasonable settlement costs of the Bidder reduced by the amount of payments otherwise made, the proceeds of any sales of supplies and manufacturing materials under Subparagraph (b) of this Paragraph, and the contract price of work not terminated.

(d) Cost claimed, agreed to, or established under Subparagraph (b) and (c) of this Paragraph shall be in accordance with Chapter 7 (Cost Principles) of the Guam Procurement Regulations.

24. SEVERABLE PROVISIONS.

If any provision of this agreement shall be deemed by a court of competent jurisdiction to be invalid, then such provision shall be deemed stricken from the agreement and the agreement ~~shall be enforced according to its valid and subsisting terms and provisions. The terms of this~~ Contract shall control in the event of any conflict between this Contract and any other document incorporated or referenced herein.

25. GOVERNING LAW AND VENUE.

The validity of any agreement entered into under this bid and any of its terms or provisions, as well as the rights and duties of the parties to this agreement, shall be governed by the laws of Guam. Moreover, any and all actions governing this agreement shall be brought in either the Guam Superior Court or the Guam District Court if applicable.

SECTION VI: GENERAL INSURANCE SPECIFICATIONS

1. These specifications describe the minimum coverages required by the Authority. The Broker is encouraged to offer alternate quotes and/or policy wordings as long as the minimum requirements are met.

2. All Bidders must be licensed to transact insurance on Guam in accordance with Guam law.

3. All insurance carriers must be licensed to conduct business on Guam and have a financial rating of at least A- (Excellent) by A. M. Best, or Aa3 (Excellent) by Moody's, or AA- (Strong) by Standard & Poors.

4. Brokers shall arrange a premium payment plan to enable the Authority to pay premiums on an installment basis.

5. Required Documents:
   a) Copy of Bidders current Guam business license,
   b) Copy of Bidders current insurance license,
   c) Evidence of current Professional Liability insurance with limits of at least $1,000,000,
   d) Completed Brokers Questionnaire,
   e) Completed Bid Response Forms,
   f) Specimen copy of the proposed policies, including all endorsements,
   g) Information on the claims reporting procedures to be used by each insurance carrier,
   h) Details of the deferred premium payment plan (See #4., above).

6. Notice to Proceed will be issued **no later than 4:00 PM, Wednesday, April 8, 2015.** The successful Bidder(s) shall provide GWA with written confirmation that 100% of the required coverages have been placed **no later than 12:00 Noon, Thursday, April 9, 2015.** Confirmation shall be in the form of binders or Certificates of Insurance.

SECTION VII: EVALUATION AND AWARD OF BIDS

In evaluating the bids, GWA shall examine all the relevant bid documents in order to determine the capacity of the bidder to perform and for compliance with the bid requirements as well as the price. **All costs** must be included in the overall bid. GWA will award the bid to the lowest responsive and responsible bidder

GWA reserves the sole right to determine the acceptability and ranking of bids. In the bid evaluation process, the following factors may be considered:

(a) Extent of hidden costs (if any).
(b) Whether the bidder meets the announced requirements of GWA in all material respects as required under the Guam Procurement Code.
(c) Cost of total package
(d) Whether the terms of proposed insurance policy meet the requirements set forth herein.
(e) Overall clarity and presentation of Bid.
(g) Ability to provide the requisite services required under the Bid.
(h) Does the bidder possess the requisite financial strength?
(i) If the bidder has a satisfactory record of performance.
(j) Whether the bidder possess a satisfactory record of integrity.
(k) Is the bidder is legally qualified to contract with GWA?
(l) Whether or not the bidder supplied all necessary information required under this Bid?

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SECTION VIII: SPECIFIC INSURANCE SPECIFICATIONS

A. LIABILITY INSURANCE REQUIREMENTS

Named Insured

The Guam Waterworks Authority, any director, officer, elected or appointed official, contract employee, servant, employee or volunteer worker acting for or on behalf of the Authority.

Term – One Year

April 12, 2015 through 2016, both days at 12:01 AM Local Time

Required Coverages

Coverage	Limits
Public Liability, combined single limit, each occurrence, including Products Liability	$30,000,000
Personal Injury Liability	$30,000,000
Pollution Liability	$30,000,000
Self-Insured Retention	
Each and Every loss	$300,000

Alternate Quote – Two Year Term

April 12, 2015 through 2017, both days at 12:01 AM Local Time

NOTE: The above limit may be arranged in any combination of Primary and Excess covers.

Required Conditions

Territory

It is agreed that the following Territorial Limits are applicable: Worldwide in respect of Products. Employees, Officials and Directors of GWA are covered while attending meetings Worldwide subject to the policy terms, conditions and limitations.

Cancellation Clause

If Underwriters desire to cancel this policy other than for non-payment of premium, they shall give not less than ninety (90) days prior written notice by email and Certified Mail to:

Greg P. Cruz, Chief Financial Officer
688 Route 15 Mangilao, Guam 96913
Fax: (671) 646-2594
Phone: (671) 300-6861
E-mail: gpcruz@guamwaterworks.org

Additional Insureds, Waivers of Subrogation

Additional Insureds, Waivers of Subrogation, Indemnities and Contractual Agreements, Hold Harmless Agreements and Cross Liability Clauses shall be "held covered" subject to notification to the Insurers as soon as possible.

Governing Law and Jurisdiction

This insurance shall be governed by and construed in accordance with the laws of Guam and the exclusive jurisdiction of the USA including Guam courts. The seat of arbitration shall be Guam.

Service of Suit Clause

The name of the firm will be advised once the bid selection process is complete.

Notification of Claims

The name of the firm will be advised once the bid selection process is complete.

Special Events

Coverage includes the Insured's liability arising out of any events held throughout the year on the Insured's premises.

Alcoholic Beverages

Coverage under Premises Liability is extended to include the liability of the Insured for Bodily Injury and/or Property Damage caused by an occurrence arising out the giving or serving of alcoholic beverages by the Insured at functions incidental to the Insured's business, subject to a policy limit of $1,000,000 any one occurrence. Such limit is included within and not in addition to the Limit of Liability shown in the policy.

Waiver of Sovereign Immunity

In the event of a claim under this Policy, Insurers waive the right to invoke the legal defense of Sovereign Immunity.

UNDERWRITING INFORMATION

PREMISES

GWA occupies an approximate 15,000 SF Administration Building at 578 North Marine Corps Drive, Tamuning, Guam and approximately 21,000 SF of the Gloria B. Nelson Public Service Building located at 688 Route 15, in Mangilao Guam. They also have the following facilities located throughout Guam:

Fresh Water System

- 1 treatment plant
- 21 reservoirs
- 27 booster pump stations
- 49 pressure relief valve vaults
- 120 water well sites
- 21 owned water storage tanks (13 insured)

- 386 miles of pipe

Wastewater System
- 7 treatment plants
- 151 booster pump stations
- 76 pumping stations
- 6,500 manholes
- 1,420,100 feet of gravity fed sewer pipes
- 240,000 feet of force fed sewer pipes

Approximately 4,100,000 lineal feet of fresh and waste water underground piping.

OPERATIONS

Operations consist principally of administration, routine maintenance and repair work. These operations utilize approximately 300 employees consuming an annual payroll of approximately $21 million.

PRODUCTS

Fresh Water annual revenue:	$53 million
Fresh Water Customers:	41,767
Waste Water annual revenue:	$28 million

The U.S. Navy also supplies water from its system to GWA for sale to non-military customers.

CLAIMS

Note: GWA has incurred the following Property Damage claims during the past three years, but has not submitted any claims to its underwriters.

DATE OF LOSS	NAME OF CLAIMANT	BRIEF DESCRIPTION OF CLAIM	AMOUNT PAID
FY12			
10/31/11 - 12/31/11	PALMRIDGE INN	AMENDMENT ISSUED TO CHANGE / EXTEND	$5,074.30
10/31/11 - 09/30/12	GTA SERVICES, LLC	CABLE DAMAGE	30,143.75
01/31/12	SANTOS, ANTHONY G. & CHRISTINA	GOVERNMENT CLAIM	47,377.70
02/29/12	SANTOS, ANGEL C. & AMANDA L.	GOVERNMENT CLAIM	64,268.00
04/30/12	PAUL F. ALMA	GOVERNMENT CLAIM	10,667.00
	LUJAN, PETER E. & MILLIE I.	GOVERNMENT CLAIM	1,102.86
05/31/12	TAN, NOEL	GOVERNMENT CLAIM	3,000.00
07/31/12	PERALTA, ROSALINDA	GOVERNMENT CLAIM	6,743.00
08/31/12	LIMTIACO, PATRICK	GOVERNMENT CLAIM	19,450.00
	QUICHOCHO, RUDY P. & LOVITA S.	GOVERNMENT CLAIM	26,278.00
		TOTAL FOR FY12	**$214,104.61**
FY13			
11/30/12	GTA SERVICES, LLC	CABLE DAMAGE	$13,336.60
11/30/12	HUNTRAKUL, KEIKO S.	GOVERNMENT CLAIM	3,290.00
	CARLSON, AMORETTA L.P.	GOVERNMENT CLAIM	740.34
12/31/12	DUNN, DAVID N.	GOVERNMENT CLAIM	101.59
03/31/13	LANE, TYLER R.	GOVERNMENT CLAIM	1,000.00
05/28/13	SUNG BO KIM	GOVERNMENT CLAIM	5,600.00
07/31/13	BUSTAMANTE, YSMAEL	GOVERNMENT CLAIM	605.24
09/30/13	CONQUER, ROBERT	GOVERNMENT CLAIM	608.00
	SANTOS, SANDRA F.	GOVERNMENT CLAIM	525.41
		TOTAL FOR FY13	**$25,807.18**
FY14			
11/30/13 - 07/31/14	GTA SERVICES, LLC	CABLE DAMAGE	$18,191.73
12/31/13	O'BRIEN, CHARLES E.M.	GOVERNMENT CLAIM	4,054.67
04/09/14	FLORES, RICKY H.	GOVERNMENT CLAIM	1,600.00
07/31/14	MAHMOUD F.F. EL SAYEH	GOVERNMENT CLAIM	2,088.67
09/30/14	AGUON, MICHAEL D.	GOVERNMENT CLAIM	2,655.19
		TOTAL FOR FY14	**$ 28,590.26**

These specifications were written by and/or approved by Mark Miller, GWA Interim General Manager.

********** **END OF INSURANCE BID** **********

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

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 **(if none, so state):**

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 (or other authorized person).

Subscribed and sworn to before me this _____day of _____, 201__.

Notary Public
In and for the Territory of Guam
My commission expires _____

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 entities named below:

(a) the Contractor; (b) the Guam Waterworks Authority, or (c) 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)

DRAFT FORMAL CONTRACT

Bidders are notified they will be subject to these terms and conditions and as a condition of the submitting a bid, agree to the terms contained herein

THIS AGREEMENT AND FORMAL CONTRACT is made and entered into this _____day of _____, 2015 by and between the **GUAM WATERWORKS AUTHORITY** ("GWA"), whose business address is 688 Route 15, Mangilao, Guam, 96913, and _____ **("Bidder")**, whose mailing address is _____ licensed to conduct business on Guam and having Guam business license Nos. _____.

WITNESSETH, that whereas, GWA intends to purchase _____ for the purpose of _____ as identified in GWA Bid No. _____.

NOW THEREFORE, GWA and the Bidder for the considerations hereinafter set forth herein and in other documents associated with the performance hereunder, agree as follows:

SECTION 1. THE BIDDER AGREES:

To provide all of the goods and services specified in GWA IFB No. _____ at the prices specified in the bid. Bidder agrees to maintain all time all licenses, labor, insurance, material, equipment, tools and services necessary to perform and comply with this Contract and the Contract Documents as defined in Section 3 herein. Bidder also understands that it is responsible for all taxes and fees which may be due relative to payment or performance hereunder (including but not limited to, all employee, corporate and gross receipt taxes). GWA reserves the right to amend this Agreement or request a change order, but the right is subject to the mutual agreement of both parties and all amendments or change orders shall be in writing signed by both parties.

(a) CONTRACT TIME: The Bidder agrees to commence work under this contract upon written notice to proceed and to provide the services as specified in the Bid Documents in the time, place and manner provided in the Bid Documents (as amended). Bidder agrees by placing their signature hereto that they have been placed on notice that the provision of the goods and services hereunder is necessary to protect the public health and that time is always of the essence.

(b) SUB-BIDDERS: The Bidder agrees to bind every sub-Bidder to the terms of the Contract Documents. Bidder further agrees that no sub-Bidder Bidder may be allowed to perform in any fashion whatsoever under this contract until such time as the express written approval of GWA is obtained. The Contract Documents shall not be construed as creating any contractual relation between a sub-Bidder and the Guam Waterworks Authority.

/

SECTION 2. GWA AGREES:

To pay, and the Bidder agrees to accept in full payment for the performance of this Contract, the amount of _____. (add other explanation if necessary). GWA agrees to pay approved invoices on a net 30 day basis. In the event GWA does not pay an invoice approved by GWA within sixty (60) days, GWA agrees to pay Bidder six (6) percent interest on such overdue payments.

Any adjustment in contract price pursuant to clauses in this contract shall be made in one or more of the following ways:

(a) by agreement on a fixed price adjustment before commencement of the pertinent performance or as soon thereafter as practicable;

(b) by unit prices specified in the contract or subsequently agreed upon;

(c) by the costs attributable to the event or situation covered by the clause, plus appropriate profit or fee, all as specified in the contract or subsequently agreed upon;

(d) in such other manner as the parties may mutually agree; or

(e) in the absence of an agreement between the parties, by a unilateral determination by the GWA General Manager of costs attributable to the event or situation covered by the clause, plus appropriate profit or fee, all as computed by the GWA General Manager in accordance with generally accepted accounting principles and applicable sections under Chapter 7 (Cost Principles) of the Guam Procurement Regulations and subject to the provisions under Title 5, Chapter 5 of the Guam Code Annotated (Legal and Contractual Remedies).

For any request for a price adjustment, the Bidder shall submit cost or pricing data for any price adjustments subject to the provisions of 2 G.A.R. § 3118 of the Guam Procurement Regulations. Please note, fixed price bids of one year or less shall not be modified by GWA except in extreme circumstances (e.g., factory has burned down, massive increases in shipping costs, etc.)

SECTION 3. CONTRACT DOCUMENTS:

It is hereby mutually agreed that the following list of instruments, plans, specifications and 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:

a. Invitation to Bid
b. Instructions to Bidders
c. Bid
d. Form of Non-Collision Affidavit

e. Bid Bond
f. Certification of Bidders Regarding Equal Employment Opportunity
g. Formal Contract (which shall control in the event of conflict between this and any other contract document)
h. Performance Bond
i. Payment Bond
j. General Provisions
k. Special Provisions
l. Technical Specifications
m. Plans
n. Addenda/Amendments
o. Answers to Questions (if GWA determines they are applicable).

SECTION 4. LIQUIDATED DAMAGES:

The Bidder further agrees to pay to GWA the amounts stated in the bid for failing, neglecting or refusing to complete the work within the time herein specified and said sum shall be paid for each consecutive calendar day therefore that the Bidder shall be in default after the time stipulated in the Contract for completing the work, ready for use and/or operations. Sundays and legal holidays will be excluded in determining the number of days in default.

SECTION 5. COVENANT AGAINST CONTINGENT FEES:

The Bidder warrants that he has not employed any person to solicit or secure this contract upon any agreement for a commission, percentage, brokerage, or contingent fee. Breach of this warrant shall give GWA the right to terminate the contract, or at its direction, deduct from the contract price or consideration the amount of such commission, percentage, brokerage or contingent fee. This warranty shall not apply to commissions payable by Bidders upon contracts or sales secured or made through bona fide established commercial or selling agencies maintained by the Bidder for the purpose of securing business.

SECTION 6. OTHER CONTRACTS:

GWA may award other contracts for additional work, and the Bidder shall fully cooperate with such other Bidders and carefully fit his own work to that provided under other contracts as may be directed by the Contracting Officer. The Bidder shall not commit or permit any act which will interfere with the performance of work by any other Bidder.

SECTION 7. DISPUTES:

Except as otherwise specifically provided in this contract, all disputes concerning questions of fact arising under this contract shall be decided by the GWA General Manager whose decision shall be final and conclusive upon the parties thereto. In the meantime, the Bidder shall diligently proceed with the work as directed. However, the final decision of the GWA General Manager is appealable to the Guam Public Auditor as provided under 5 G.C.A. § 5427(e).

SECTION 8. DIFFERING SITE CONDITIONS.

The Bidder accepts the conditions at the work site as they eventually may be found to exist and warrants and represents that the contract can and will be performed under such conditions, and that all materials, equipment, labor and other facilities required because of any unforeseen conditions (physical or otherwise) shall be wholly at the Bidder's own cost and expense, anything in this contract to the contrary notwithstanding.

SECTION 9. CONTRACT BINDING:

It is agreed that this Contract and all the Covenants hereof shall insure to the benefit of and binding upon GWA and the Bidder respectively and his parties, successors, assignees and legal representative. Neither GWA nor the Bidder shall have the right to assign, transfer or sublet his interests or obligations hereunder without written consent of the other party.

It is hereby mutually agreed by and between the parties hereto that no mechanic, Bidder, subBidder, material man or other person can or will contract for or in any other manner have or acquire any lien upon the binding or works covered by this contract, or the land upon which the same is situated.

SECTION 10. GWA NOT LIABLE:

A. GWA, its officers, agents, employees and governing board assumes no liability for any accident or injury that may occur to the Bidder, Bidder's agents, employees, or to Bidder's property while on the job or otherwise en route to or from the job during any travel required by the terms of this agreement.

2. GWA, its officers, agents, employees and governing board shall not be liable to Bidder for any work performed by the Bidder prior to the written and signed approval of this Contract by the General Manager for GWA and the Bidder hereby expressly waives any and all claims for service performed in expectation of this agreement prior to its signature of the General Manager.

SECTION 11. NOTICES:

All notices between the parties shall be in writing and shall be deemed served when personally delivered or when deposited in the mail, registered or certified, first-class postage prepaid, addressed as follows:

To: **GUAM WATERWORKS AUTHORITY**
Mark Miller
GWA Interim General Manager
688 Route 15,
Mangilao, Guam, 96913

To: **BIDDER**

_____
_____
_____
_____

SECTION 12. TERMINATION:

Section 12.1 – Termination For Default:

(1) Default. If the Bidder refuses or fails to perform any of the provisions of this contract with such diligence as will ensure its completion within the time specified in this contract, or any extension thereof, otherwise fails to timely satisfy the contract provisions, or commits any other substantial breach of this contract, GWA may notify the Bidder in writing of the delay or non-performance and if not cured in five (5) working days or any longer time specified in writing by the GWA, GWA may terminate the Bidder's right to proceed with the contract or such part of the contract as to which there has been delay or a failure to properly perform. In the event of termination in whole or in part the GWA may procure similar services in a manner and upon terms deemed appropriate by the GWA. The Bidder shall continue performance of the contract to the extent it is not terminated and shall be liable for excess costs incurred in procuring similar services.

(2) Bidder's Duties. Notwithstanding termination of the contract and subject to any directions from the GWA, the Bidder shall take timely, reasonable, and necessary action to protect and preserve property in the possession of the Bidder in which GWA has an interest.

(3) Compensation. Payment for completed services delivered and accepted by the government and GWA shall be at the contract price. GWA may withhold from amounts due the Bidder such sums as the GWA deems to be necessary to protect GWA against loss because of outstanding liens or claims of former lien holders and to reimburse the GWA for the excess costs incurred in procuring similar goods and services (including the provision of these goods and services by GWA personnel). In addition, in the event of a breach on the part of the Bidder, GWA shall be due liquidated damages in the amount of $4,500 per day to compensate GWA for the costs incurred by attributable to Bidder's delay, breach or non-performance.

(4) Excuse for Nonperformance or Delayed Performance. Except with respect to defaults of sub-Bidder(s) of Bidder, the Bidder shall not be in default by reason of any failure in performance of this contract in accordance with its terms (including any failure by the Bidder to make progress in the prosecution of the work hereunder which endangers such performance) if the Bidder has notified the GWA within fifteen (15) days after the cause of the delay and the failure arises out of causes such as: acts of God; acts of the public enemy; fires; floods; epidemics; quarantine restrictions; strikes or other labor disputes; freight embargoes; or unusually severe weather. If the failure to perform or to make progress due to such causes similar to those set forth above, the Bidder shall not be deemed to be in default, unless the services to be furnished by the Bidder (or sub-Bidder) were reasonably obtainable from other sources in sufficient time to permit the Bidder to meet the contract requirements. Failure of the Bidder (or sub-Bidder) to perform for reasons other than cited above shall constitute a default of the Bidder unless cured by Bidder with a reasonable time. Upon request of the Bidder, GWA shall ascertain the facts and extent of such failure, and, if GWA determines that any failure to perform was occasioned by any one or more of the excusable causes, and that, but for the excusable cause, the Bidder's progress and performance would have met the terms of the

contract, the delivery schedule shall be revised accordingly, subject to the rights of the GWA and the government of Guam under the laws of Guam.

(5) Erroneous Termination for Default. If, after notice of termination of the Bidder's right to proceed under the provisions of this clause, it is determined for any reason that the Bidder was not in default under the provisions of this clause, or that the delay was excusable under the provisions of Paragraph (4) (Excuse for Nonperformance or Delayed Performance) of this clause, the rights and obligations of the parties shall be the same as if the notice of termination had been issued pursuant to Subsection C, below.

(6) 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 12.2 – Termination For Convenience:

(1) Termination. GWA may, when the interest of the government so requires, terminate this contract in whole or in part, for the convenience of the government or GWA (including the provision of services by any sub-Bidder of the Bidder). GWA shall give thirty (30) days advance written notice of the termination to the Bidder specifying the part of the contract terminated and when termination becomes effective.

(2) Bidder's Obligations. The Bidder shall incur no further obligations in connection with the terminated work (except in the case of SubBidders where the Bidder is solely liable to GWA for their acts and/or non-performance or breach under this agreement) and on the date set in the notice of termination the Bidder will stop work to the extent specified. The Bidder shall also terminate outstanding orders and subcontracts as they relate to the terminated work. The Bidder shall settle the liabilities and claims arising out of the termination of subcontracts and orders connected with the terminated work. GWA may direct the Bidder to assign the Bidder's right, title, and interest under terminated orders or subcontracts to GWA. The Bidder must still complete the work not terminated by the notice of termination and may incur obligations as are necessary to do so.

(3) Right to Work Product. Upon termination of the contract for the convenience of the government or GWA or for any other reason, Bidder shall transfer title and deliver to GWA all documents and reports, plans, drawings, information and other material produced by Bidder or any of its sub-Bidders in connection with the performance of this contract. The Bidder shall protect and preserve property in its possession or in the possession of any of its sub-Bidders in which the GWA or the Government of Guam has an interest.

(4) Compensation.

(a) The Bidder shall submit a termination claim specifying the amount due because of the termination for convenience together with cost or pricing data to the extent required by § 3118 (Cost or Pricing Data) of the Guam Procurement Regulations bearing on such claim. If the Bidder fails to file a termination claim within one year from the effective date of termination, GWA may pay the Bidder, if at all, an amount set in accordance with Subparagraph (c) of this Paragraph.

(b) GWA and the Bidder may agree to a settlement provided the Bidder has filed a termination claim supported by cost or pricing data to the extent required by § 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 the GWA and the contract price of the work not terminated.

(c) Absent complete agreement under Subparagraph (2) of this Paragraph, GWA shall pay the Bidder the following amounts, provided payments agreed to under Subparagraph (2) shall not duplicate payments under this Subparagraph:

(v) contract prices for services accepted under the contract;

(vi) costs incurred in preparing to perform and performing the terminated portion of the work plus a fair and reasonable profit on such portion of the work (such profit shall not include anticipatory profit or consequential damages) less amounts paid or to be paid for accepted supplies or services; provided, however, that if it appears that the Bidder 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;

(vii) costs of settling and paying claims arising out of the termination of subcontracts or orders pursuant to Subparagraph (b) of this clause;

(viii) the reasonable settlement costs of the Bidder including accounting, 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 subcontracts 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 the Bidder under this Subparagraph shall not exceed the total contract price plus the reasonable settlement costs of the Bidder reduced by the amount of payments otherwise made, the proceeds of any sales of supplies and manufacturing materials under Subparagraph (b) of this Paragraph, and the contract price of work not terminated.

(d) Cost claimed, agreed to, or established under Subparagraph (b) and (c) of this Paragraph shall be in accordance with Chapter 7 (Cost Principles) of the Guam Procurement Regulations.

SECTION 13. SEVERABLE PROVISIONS:

If any provision of this agreement shall be deemed by a court of competent jurisdiction to be invalid, then such provision shall be deemed stricken from the agreement and the agreement shall be enforced according to its valid and subsisting terms and provisions. The terms of this Contract shall control in the event of any conflict between this Contract and any other document incorporated or referenced herein.

SECTION 14. GOVERNING LAW AND VENUE:

The validity of this agreement, as well as the rights and duties of the parties to this agreement, shall be governed by the laws of Guam. Moreover, any and all actions governing this agreement shall be brought in the Superior Court of Guam or the Guam District Court if applicable.

SECTION 15. OWNERSHIP OF DOCUMENTS:

All briefs, memoranda and other incidental Bidder work or materials furnished hereunder shall be and remain the property of GWA including all publication rights and copyright interests, and may be used by GWA without any additional cost to GWA.

SECTION 16. INDEMNITY:

Bidder agrees to save and hold harmless GWA, its board members, officers, agents, representatives, successors and assigns and other governmental agencies from any and all suits or actions of every nature and kind, which may be brought for or on account of any injury, death, or damage arising or growing out of the acts or omissions of the Bidder, Bidder's officers, agents (including sub-bidders), servants or employees under this Agreement.

SECTION 17. GENERAL COMPLIANCE WITH LAWS:

The Bidder agrees that Bidder is to comply with all Federal and territorial laws, rules, regulations and ordinances applicable to the work being performed hereunder. Bidder shall attach a copy of appropriate business license or an affidavit executed under penalty of perjury that indicates that Bidder is exempt under Guam law (must include legal citations proving exemption).

SECTION 18. ACCESS TO RECORDS AND OTHER REVIEW:

The Bidder, including his sub-bidders, if any, shall maintain copies of all books, documents, papers, accounting records and other evidence pertaining to costs incurred and to make such materials available at their respective offices at all reasonable times during the contract period and for three (3) years from the date of the final payment under the contract, for inspection by the Guam Waterworks Authority. All originals of any documents related to this Contract shall be provided to GWA as soon as possible, but not later than one day prior to the conclusion of this Agreement. Each subcontract by Bidder pursuant to this agreement shall include a provision containing the conditions of this Section.

SECTION 19. SCOPE OF AGREEMENT.

This Agreement supersedes any and all other Agreements, either oral or in writing, between the parties hereto with respect to retaining the services of Bidder by the GWA and contains all of the covenants and terms between the parties with respect to such this project. Each party to this Agreement acknowledges that no representation, inducements, promises or agreements, orally or otherwise, have been made by any party, or anyone acting on behalf of any party which are not embodied herein, and that no other agreement, statement, or promise not contained in this Agreement and addenda will be effective only if it is in writing signed by the party to be charged. For the purposes of this paragraph and of the entire agreement, the signature of the General Manager for the Guam Waterworks Authority (or his designee) is the only signature that will bind the GWA.

SECTION 20. RESPONSIBILITY OF BIDDER.

In addition to the other requirements set forth in the bid and this Contract, the Bidder shall be responsible for the professional and technical accuracy of all work and materials furnished under this contract. The Bidder shall, without additional cost to GWA, correct or revise all errors or deficiencies in his/her work.

GWA's review, approval, acceptance of, and payment for goods, fee, or for services required under this contract, shall not be construed to operate as a waiver of any rights under this contract or of any cause of action arising out of the Bidder's failure of performance of this contract and the Bidder shall be and remain liable to the GWA for all costs of any kind which may be incurred by the GWA as a result of the Bidder's negligent or erroneous performance of any of the services performed under this contract. GWA shall continue to remain liable for its own negligent acts and those of its employees and its failure to perform as provided under this agreement.

SECTION 21. CHANGE ORDERS.

By written order, at any time, and without notice to Bidder's surety, GWA may, subject to all appropriate adjustments, make changes within the general scope of work of this Contract in any one or more of the following:

1. Drawings, designs or specifications, if the supplies, goods or services to be furnished are to be specifically manufactured for GWA in accordance therewith;
2. Method of shipping or packing; or
3. Place of delivery.

If any such change order increases or decreases the Bidder's cost of, or the time required for performance of any part of the work under this contract, whether or not changed by the order, an adjustment shall be made and the contract modified in writing accordingly. Any adjustment in contract price made pursuant to this clause shall be determined in accordance with the Price Adjustment Clause of this Contract.

Failure of the parties to agree to an adjustment shall not excuse the Bidder from proceeding with the Contract as changed, provided that GWA promptly and duly make such provisional adjustments in payment or time for performance as may be reasonable. By proceeding with the work, the Bidder shall not be deemed to have prejudiced any claim for additional compensation, or an extension of time for completion.

Within 30 days after receipt of a written change order, unless such period is extended by GWA in writing, the Bidder shall file notice of intent to assert a claim for an adjustment. Later notification shall not bar the Bidder's claim unless GWA is prejudiced by the delay in notification. No claim by the Bidder for an adjustment hereunder shall be allowed if notice is not given prior to final payment under this Contract.

In the absence of such a change order, nothing in this clause shall be deemed to restrict the Bidder's right to pursue a claim arising under the contract if pursued in accordance with the clause entitled "Claims Based on Acts or Omissions by GWA" of this Contract.

SECTION 22. STOP WORK ORDERS.

GWA may by written order to the Bidder, at any time, and without notice to any surety, require the Bidder to stop all or any part of the work called for in the Contract. This order shall be for a specified period not exceeding ninety (90) days after the order is received by the Bidder, unless the parties agree to any longer period. Upon receipt of the order, the Bidder shall comply with its terms and take all reasonable steps to minimize the occurrence of costs allocable to the work covered by the order during the period of work stoppage. Before the stop work order expires, or within any further period to which the parties have agreed, GWA shall either cancel the work order or terminate the work covered by the order as provided under the Termination for Default or Termination for Convenience Clauses contained in this contract.

If a stop work order issued under this clause is cancelled at any time during the period specified in the order, of the period of the order or any extension thereof expires, the Bidder shall have the right to resume work. An appropriate adjustment shall be made to the delivery schedule or Bidder only if: (a) the stop work order results in an increase in the time required for performance or the Bidder's cost; **and** (b) if the Bidder asserts a claim for such an adjustment within thirty (30) days after the end of the period of work stoppage; provided that, if GWA decides that the facts justify such action, any such claim asserted may be received and acted upon at any time prior to final payment under this Contract. If a stop work order is not cancelled and the work covered by the order is terminated for default or convenience, the reasonable costs resulting from the stop work order shall be allowed pursuant to the price adjustment clause of this Contract.

SECTION 23. CLAIMS BASED ON ACTS OR OMISSIONS BY GWA.

If any action or omission on the part of GWA requiring performance changes within the scope of the contract constitutes the basis for a claim by the Bidder for additional compensation, damages, or an extension of time for completion, the Bidder shall continue with performance of the contract in compliance with the directions or orders of GWA, but by so doing, the Bidder shall not be deemed to have prejudiced any claim for additional compensation, damages, or an extension of time for completion; provided:

(a) the Bidder shall have given written notice to GWA:

(i) prior to the commencement of the work involved, if at that time the Bidder knows of the occurrence of such action or omission;

(ii) within 30 days after the Bidder knows of the occurrence of such action or omission, if the Bidder did not have such knowledge prior to the commencement of the work; or

(iii) within such further time as may be allowed by the Procurement Officer in writing.

This notice shall state that the Bidder regards the act or omission as a reason which may entitle the Bidder to additional compensation, damages, or an extension of time. The Procurement

Officer or designee of such officer, upon receipt of such notice, may rescind such action, remedy such omission, or take such other steps as may be deemed advisable in the discretion of the Procurement Officer or designee of such officer.

(b) the notice required by Subparagraph (a) of this Paragraph describes as clearly as practicable at the time the reasons why the Bidder believes that additional compensation, damages, or an extension of time may be remedies to which the Bidder is entitled; and

(c) the Bidder maintains and, upon request, makes available to the Procurement Officer within a reasonable time, detailed records to the extent practicable, of the claimed additional costs or basis for an extension of time in connection with such changes.
Nothing herein contained, however, shall excuse the Bidder from compliance with any rules of law precluding any GWA official or its Bidders from acting in collusion or bad faith in issuing or performing change orders which are clearly not within the scope of the contract.

Any adjustment in the contract price made pursuant to this clause shall be determined in accordance with the Price Adjustment Clause of this contract.

SECTION 24. EFFECTIVE DATE OF THIS CONTRACT.

This agreement shall take effect upon the date it is signed by both the General Manger and the Bidder and the date of this agreement shall be when the General Manager affixes his signature.

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IN WITNESS WHEREOF the parties hereto have executed this contract as of the day and year first written.

GUAM WATERWORKS AUTHORITY:	**BIDDER:**
_____	_____
Mark Miller GWA General Manager (interim)	Bidder's Authorized Representative
Date:_____	Date:_____
Certified Funds Available:	Approved as to Form:
_____	_____

Certifying Officer
Guam Waterworks Authority

Date:_____

Samuel J. Taylor
Staff Attorney, GWA

Date:_____

Guam Business License or Certificate of Authorization No.: _____.

Contract No.: _____

Vendor No.:_____

Contract Amount: _____

Certifying Officer: _____

Amount Certified: _____

Date:_____

Source of funding:_____

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CORPORATE OR PARTNERSHIP CERTIFICATION
AS TO AUTHORIZATION TO BIND

I, _____certify that I am the Secretary of the corporation or managing partner named as Bidder herein; that _____ who signed this contract on behalf of the Bidder, was then _____ of said corporation/partnership by authority of said corporation of its governing body, and is within the scope of its corporate/partnership powers to bind said corporation/partnership to the terms and conditions of this Contract.

Signed:_____
Corporate Secretary

Date:_____

(CORPORATE/PARTNERSHIP SEAL)

******* END OF CONTRACT *****
(RESIDENT GENER

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

GUAM CONSOLIDATED COMMISSION ON UTILITIES

GPA RESOLUTION 2016-73

GWA RESOLUTION 10-FY2017

RELATIVE TO THE AUTHORIZATION FOR GUAM POWER AUTHORITY AND GUAM WATERWORKS AUTHORITY FOR ADDITIONAL SUPPORT FOR THE CUSTOMER CARE AND BILLING (CC&B) SYSTEM.

WHEREAS, the Consolidated Commission on Utilities has undertaken a number of initiatives to identify opportunities within the ratepayers of Guam will be better served if both utilities work together as a consolidated utility; and

WHEREAS, GPA and GWA have planned and implemented the replacement of its previous Customer Information System (CIS) with Oracle's Customer Care & Billing (CC&B) system as of March 2015; and

WHEREAS, the GPA and GWA both realize that there are efficiencies and cost savings in having a consolidated effort in implementing and maintaining a CIS.

WHEREAS, in April of 2016 GPA and GWA procured the services of Prithibi LLC to provide Training for CC&B, a GAP analysis review and ongoing support for the operation and maintenance of the system; and

WHEREAS, in November 2016, the GAP analysis document was presented to both GPA and GWA which listed shortfalls in the implementation of the CC&B system that impacts the short and long term operation of the CC&B System; and

WHEREAS, GPA and GWA need to address and correct these shortfalls to improve the overall functionality and performance of the CC&B system. GPA and GWA are requesting to approve a change request from Prithibi, LLC to address these shortfalls and to also provide extended off site support for the system till June 2018; and

WHEREAS, GPA and GWA's initial contract for training, GAP Analysis and Support was approved for the period May to November 15, 2016 for the total shared cost of $249,000; and

WHEREAS, GPA and GWA now request authorization for additional expenditures to address the GAP analysis ($449,445), application of the UC4 Scheduling tool to manage job scheduling ($157,167), APEX setup and training ($15,675), and extended support from May 2017 to June 2018 ($233,418), with the GPA and GWA share to be split equally; 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 approve the Change Order with Prithibi, LLC, to increase the authorized amount from $249,000 to $1,104,705 to be paid equally by GPA and GWA.
2. The cost share for the additional expenditure for each agency is as follows:
   GPA: $427,853.00
   GWA: $427,852.00

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

DULY AND REGULARLY ADOPTED AND APPROVED THIS 6th DAY OF DECEMBER 2016.

Certified by: Attested by:

JOSEPH T. DUENAS
Chairperson
Consolidated Commission on Utilities

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 December 6, 2016, 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: 4

Nays: 0

Absent: 1

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 6th day of December 2016

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

RESOLUTION NO.: 2016-72

AUTHORIZING THE MANAGEMENT OF THE GUAM POWER AUTHORITY TO PETITION THE GUAM PUBLIC UTILITIES COMMISSION FOR A CHANGE IN THE LEVELIZED ENERGY ADJUSTMENT CLAUSE

WHEREAS, 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); and

WHEREAS, the deadline for the next filing is December 15, 2016; and

WHEREAS, 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; and

WHEREAS, 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.; and

WHEREAS, if the projected average price ending July 31, 2017 is $54.59/bbl, GPA has determined that the Levelized Energy Adjustment Clause 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; and

WHEREAS, if oil price does track the projection of $54.59/bbl. by July 31, 2016, based on this assumption and continuing with the current LEAC rate, an under-recovery of about $17.7M is anticipated by the end of the LEAC period on July 31, 2017; and

WHEREAS, 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; and

WHEREAS, 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; and

WHEREAS, the recent decision by OPEC members to cut production resulted in fuel oil market price spikes to above $50/bbl., but it is uncertain on whether the OPEC countries would be able to sustained such production cuts and if not does oil prices fall again; and

WHEREAS, it is unclear what impact the new policies of President-Elect Trump may have on oil prices when he takes office early next year considering it appears his spoken policies tend to favor fossil fuel; and

WHEREAS, GPA desires to minimize the rate impact resulting from the recent oil market changes and uncertainties; and

WHEREAS, GPA 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 because of the uncertainties of political factors mentioned above; and

WHEREAS, GPA has determined that in a phase in approach the Levelized Energy Adjustment Clause factor for secondary voltage service customers as well as alternative voltage customers will need to be increased from $0.08816/kWh to $0.101372/kWh for the period of February 1, 2017 to July 31, 2017; and

WHEREAS, 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; and

WHEREAS, based on the phase in approach, 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

WHEREAS, GPA now is requesting the Consolidated Commission on Utilities to authorize the Authority to file such petition with the Guam Public Utilities Commission; and

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

The General Manager of the Guam Power Authority is authorized to petition the Guam Public Utilities Commission for an increase in the Levelized Energy Adjustment Clause (LEAC) factor for secondary voltage service customers from $0.086613/kWh to $0.101372/kWh to be effective for the period from February 1, 2017 thru July 31, 2017. (LEAC factors for alternative voltage levels are as reflected in the attached spreadsheets in the attached Exhibit A.)

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

DULY AND REGULARLY ADOPTED AND APPROVED THIS 6th DAY OF DECEMBER 2016

Certified by:

JOSEPH T. DUENAS
Chairperson

Attested by:

J. GEORGE BAMBA
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 December 6, 2016 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:	4
Nays:	0
Absent:	1
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 6th day of December, 2016

J. GEORGE BAMBA
Secretary
Consolidated Commission on Utilities

GPA
Proposed LEAC Rate

APPENDIX A

		PUC Approved Eff 8/01/2016	@ Current Fuel Price [2] Proposed Eff 2/01/2017	@ 1/2 Cost Recovery [3] Proposed Eff 2/01/2017
1	Average Price per Bbl-RFO [1]	$ 45.43	$ 54.59	$ 54.59
2	Average Price per Gal-Diesel	$ 65.48	$ 71.72	$ 71.72
3	Number 6 (HSFO/LSFO)	$ 47,559	$ 56,771	$ 56,771
4	Number 2 (Diesel)	14,924	16,580	16,580
5	Renewable (Solar)	4,508	5,405	5,405
6	TOTAL COST	$ 66,991	$ 78,756	$ 78,756
7	Handling Costs	3,361	3,150	3,150
8	Total Current Fuel Expense	$ 70,352	$ 81,906	$ 81,906
9	Civilian Allocation	79.13%	78.90%	78.90%
10	LEAC Current Fuel Expense	$ 55,671	$ 64,621	$ 64,621
11	Deferred Fuel Expense	1,665	9,461	9,461
12	Cabras 3&4 Insurance Proceeds		(4,600)	(4,600)
13	Total LEAC Expense	$ 57,336	$ 69,482	$ 69,482
14	Less: Trans. Level Costs	(3,246)	(4,290)	(3,745)
15	Distribution Level Costs	$ 54,090	$ 65,192	$ 65,738
16	Under recovery at the end of the period	$ (4,626)		$ (8,833)
17	Adjusted Distribution Level Costs	$ 49,464	$ 65,192	$ 56,904
18	Distribution Level Sales (mWh)	571,095	561,343	561,343
19	LEAC Factor Distribution	0.086613	0.116136	0.101372
20	Current LEAC Factor Distribution	0.086613	0.086613	0.086613
21	Increase/(Decrease)	(0.00000)	0.02952	0.01476
22	Monthly Increase/(Decrease) - 1000 kWh	$ (0.00)	$ 29.52	$ 14.76
23	% Increase/(Decrease) in LEAC	0.0%	34.1%	17.0%
24	% Increase/(Decrease) in Total Bill	0.0%	16.3%	8.1%
25	Discount (3%) - Primary 13.8 KV	0.091370	0.112749	0.098415
26	Discount (4%) - 34.5 KV	0.091107	0.112436	0.098142
27	Discount (5%) - 115 KV	0.089986	0.111101	0.096976

Notes:

(1) The price of RFO increased by 20% from the last filing in June 2016.

The increase in fuel price is attributable to OPEC's decision to cut production by 1.3 million barrels per day.

(2) If the LEAC rate remains the same in the next LEAC period, the under recovery will be $17.7 million after applying the $4.6M from the Cabras 3&4 insurance pr

(3) Due to high volatility in the fuel price, GPA is recommending to recover only $8.8 million,1/2 of the $17.7 million estimated under recovery in the upcoming LEA

Doc. No. 34GL-17-0814.*

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GUAM CONSOLIDATED COMMISSION ON UTILITIES

GPA RESOLUTION 2016-73

GWA RESOLUTION 10-FY2017

RELATIVE TO THE AUTHORIZATION FOR GUAM POWER AUTHORITY AND GUAM WATERWORKS AUTHORITY FOR ADDITIONAL SUPPORT FOR THE CUSTOMER CARE AND BILLING (CC&B) SYSTEM.

WHEREAS, the Consolidated Commission on Utilities has undertaken a number of initiatives to identify opportunities within the ratepayers of Guam will be better served if both utilities work together as a consolidated utility; and

WHEREAS, GPA and GWA have planned and implemented the replacement of its previous Customer Information System (CIS) with Oracle's Customer Care & Billing (CC&B) system as of March 2015; and

WHEREAS, the GPA and GWA both realize that there are efficiencies and cost savings in having a consolidated effort in implementing and maintaining a CIS.

WHEREAS, in April of 2016 GPA and GWA procured the services of Prithibi LLC to provide Training for CC&B, a GAP analysis review and ongoing support for the operation and maintenance of the system; and

WHEREAS, in November 2016, the GAP analysis document was presented to both GPA and GWA which listed shortfalls in the implementation of the CC&B system that impacts the short and long term operation of the CC&B System; and

WHEREAS, GPA and GWA need to address and correct these shortfalls to improve the overall functionality and performance of the CC&B system. GPA and GWA are requesting to approve a change request from Prithibi, LLC to address these shortfalls and to also provide extended off site support for the system till June 2018; and

WHEREAS, GPA and GWA's initial contract for training, GAP Analysis and Support was approved for the period May to November 15, 2016 for the total shared cost of $249,000; and

WHEREAS, GPA and GWA now request authorization for additional expenditures to address the GAP analysis ($449,445), application of the UC4 Scheduling tool to manage job scheduling ($157,167), APEX setup and training ($15,675), and extended support from May 2017 to June 2018 ($233,418), with the GPA and GWA share to be split equally; 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 approve the Change Order with Prithibi, LLC, to increase the authorized amount from $249,000 to $1,104,705 to be paid equally by GPA and GWA.
2. The cost share for the additional expenditure for each agency is as follows:
   GPA: $427,853.00
   GWA: $427,852.00

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

DULY AND REGULARLY ADOPTED AND APPROVED THIS 6th DAY OF DECEMBER 2016.

Certified by: Attested by:

JOSEPH T. DUENAS
Chairperson
Consolidated Commission on Utilities

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 December 6, 2016, 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: 4

Nays: 0

Absent: 1

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 6th day of December 2016

J. GEORGE BAMBA
Secretary, Consolidated Commission on Utilities