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

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

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OFFICE OF SPEAKER BENJAMIN J.F. CRUZ

Committee on Appropriations and Adjudication

I Mina'trentai Kuattro na Liheslaturan Guahan

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

T: (671) 477-2520/1 | F: (671) 477-2522 | www.senatorbjcruz.com

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B. Lou Sablan

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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., October 25, 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. 01-FY2017 Approval of the Baza Gardens Wastewater Cross-Island Pumping and Conveyance Phase I Construction Project
   - 4.1.4 Resolution No. 02-FY2017 Approval of the Construction Management Services of the Baza Gardens Wastewater Cross-Island Pumping and Conveyance Project
   - 4.1.5 Resolution No. 04-FY2017 Relative to Supporting the 2016 MOU Between GWA/ DoD & DoN
   - 4.1.6 Resolution No. 05-FY2017 Relative to Change Order No. 7 for the Chlorine Residual Analyzer/Electrical Upgrade Construction Project

   - 4.2 GPA
   - 4.2.1 GM Report Update
   - 4.2.2 Financials
   - 4.2.3 Resolution 2016-60 Relative to Approving the Insurance Bid Renewal
   - 4.2.4 Resolution 2016-61 Relative to Aggrekko Contract Extension
   - 4.2.5 Resolution 2016-62 Relative to the Cabras 1 & 2 PMC Extension
   - 4.2.6 Resolution 2016-63 Relative to Authorizing the Approval of a Bond Issuance Refinancing
   - 4.2.7 Resolution 2016-64 Relative to Authorizing Additional Expenditures for the Dededo CT Return to Service Project

5. OLD BUSINESS

6. ANNOUNCEMENTS
   - 6.1 Next CCU Meetings: Work Session: GWA 11/16; GPA 11/17; CCU Meeting 11/22

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., Sept. 27, 2016

MINUTES

1. CALL TO ORDER

Chairman Duenas called the Regular CCU Meeting of September 27, 2016 to order at 5:48 p.m. He announced that four (3) Commissioners were present and there was a quorum: Comm. Sanchez will be coming from a Legislative Hearing and will be tardy; Pete Guerrero is absent. Those present include:

Commissioners:

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

Executive Mgmt.:

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

Management & Staff:

Paul Kemp	AGM Compliance & Safety / GWA
Julie Quinata	Personnel Services Administrator / GPA, HR
Tom Cruz	Chief Engineer / GWA
Vangie Lujan	Compliance / GWA
Kathy Beleno	Mgmt. Analyst / GWA Ex. Office
Joyce Sayama	Mgmt. Analyst / GPA Ex. Office
Lou Sablan	Board Secretary / CCU

Guest:

Angelica Perez	AM Insurance
Annmarie Muna	AM Insurance
James Y. Kim	PAC Guam
Fred Horecky	PUC
Nestor Licanto	KUAM
Bill Chang	B&C
Susanne Perkins	USEP

2. APPROVAL OF MINUTES

The Minutes of August 23, 2016 was presented for approval.

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

3. COMMUNICATIONS

3.1 Public Comments - None

4. NEW BUSINESS

4.1 GPA

4.1.1 GM Report Update

AGMO Melinda Camacno gave the GM Report and said that Cabras 1 came back on line at 50 megawatts and Cabras 2 at 50 megawatts; Cabras 9 will come down after things are stabilized. The AGMO said 44 megawatts will be lost when Cabras 9 goes down. There was discussion to keep Macheche on before taking down #9 to prevent load shedding.

There was discussion on the Energy Storage bid which is planned for October.

4.1.2 Financials

CFO Kim said fuel revenue is tracking $134M vs. last year $204M; net income is positive by $11M; government receivables are good; DOE just made a payment a week ago. The refunding timeline is the same as GWA – December presentation and sale in January. The Commission said to work with GWA to time the bond matter at the same time.

4.1.3 GPA Resolution 2016-48 & GWA Resolution 60-FY2016 Relative to Approving of SCADA Contract

If approved, Resolution 2016-48 for GPA and Resolution 60-FY2016 for GWA will replace GPA's existing Siemens Power TG EMSYS Energy Management (SCADA) System, which has been in operation since 2006. It will provide GWA a water and wastewater SCADA system to manage its water and wastewater operations in a safe, reliable, responsible and cost effective manner. Through Engineering CIPs, using CIP Bond and grant funds, GWA has been upgrading its water and wastewater facilities to be SCADA ready in anticipation of integrating these facilities with the new SCADA system that will be delivered under this project. GWA anticipates on integrating approximately sixty (60) SCADA-ready water and wastewater facilities by 2018 with remaining facilities planned and added as funding comes available.

The main SCADA system will be located at the Gloria B. Nelson Public Service Building, Mangilao, specifically – the GPWA Data Server Room (2nd Fl), GPA Power Systems Control Center (3rd Fl) with Dispatcher/Operator workstations and a large high definition display at GWA Systems Control Center (3rd Fl), workstations at IT Offices (2nd Fl), a workstation at GWA Engineering Office (2nd Fl). There will also be two (2) remote systems located at the GWA Building, Upper Tumon – Remote Operator Workstations for O&M Water and Wastewater Managers (2nd Fl) and the GWA Wastewater Central Maintenance Office, Hagatna – Remote Operator Workstation for Wastewater Maintenance Supervisor.

The Total System basic design, software, hardware, and implementation cost is $1,951,474.00 to be shared accordingly GPA = $1,518,769.00 and GWA = $432,705.00 and funded by bond funds. Management also mentioned that it requested additive bid proposals not in the base bid and GPA / GWA will bring these separately for CCU's approval.

The two vendors that submitted responses are LSIS Company, Ltd., and Benson Guam Enterprises, Inc. The Bid Evaluation Committee determined Benson Guam Enterprises as the lowest, responsive bidder. The project will be substantially completed by the end of 365 days from Benson Guam Enterprises, Inc.'s receipt date of GPWA's Notice to Proceed, as stipulated in the bid documents

Comm. Bamba motioned to approve Resolution 2014-48 / GWA Resolution 60-FY2016; Comm. Santos seconded. There was no further discussion or objection and the motion passed.

4.1.4 Resolution 2016-49 Relative to Seeking PUC Approval for the Cabras 1 Overhaul

The last boiler overhaul was completed in December 2013, and the last turbine overhaul was completed on July 17, 2010. The Authority would perform turbine major overhauls every 5 years in order to restore plant efficiency, reliability and availability. The overhaul of Unit 1 was scheduled for late 2015 but has since been postponed due to the unexpected explosion of Cabras Unit 4. Because it has been nearly 3 years since the last boiler overhaul, the Authority can expect an increased occurrence of boiler tube leaks, derating of the unit, and mechanical equipment failure.

The major overhaul of Cabras Unit 1 will take about 50 days and is scheduled to begin around July 2017 with completion by September 2017. The anticipated cost is $5,490,000 per following breakdown and will be funded by revenue funds.

PMC - Construction Management	$ 260,000.00
Equipment/Materials	$3,673,000.00
Contract Labor/Equipment	$1,557,000.00
Totals	$5,490,000.00

Comm. Bamba motioned to approve Resolution 2016-49; Comm. Santos seconded. There was no further discussion or objection and the motion passed.

4.1.5 Resolution 2016-50 Relative to Approving Material Procurement for Cabras 1 Overhaul

The last Boiler Overhaul of Cabras Unit 1 was completed in December, 2013, and the last turbine overhaul was completed on July 2010. The Authority would perform turbine major overhauls every 5 years in order to restore plant efficiency, reliability and availability. The overhaul of Unit 1 was scheduled for late 2015 but has since been postponed due to the unexpected explosion of Cabras Unit 4. Because it has been nearly 3 years since the *last boiler overhaul*, the Authority can expect an increased occurrence of boiler tube leaks, derating of the unit, and mechanical equipment failure.

This resolution will allow GPA to procure long lead materials required for the project to be delivered prior to the scheduled July 2017 overhaul of Cabras Unit 1.

- Air Preheater Baskets – 29 Weeks
- Archway Tubes – 36 Weeks
- Inlet Vane Control Assembly – 20 Weeks
- Burner Front System Components – 20 Weeks

It will take about 50 days for the overhaul and will begin around July 2017 with completion by September 2017. The anticipated cost is $1,155,657 and will come from revenue funds.

Air Preheater Baskets	$ 233,390.00
Archway Tubes	$ 294,459.00
Inlet Vane Control	$ 127,808.00
Burner Front System Components	$ 500,000.00
Totals	$ 1,155,657.00

Comm. Bamba motioned to approve Resolution 2016-50; Comm. Santos seconded. There was no further discussion or objection and the motion passed.

4.1.6 Resolution 2016-51 Relative to Seeking PUC Approval for the Diesel Overhaul

The scheduled recommended runtime hours for major overhauls per the manufacturer's recommendation has been exceeded for GPA's Peaking Diesel Units. Major Engine Overhaul of eight (8) stationary Caterpillar Diesel Engines located at Tenjo Vista and Talofofo Diesel Power Plant and two (2) stationary Wartsila Diesel Engines located at Manenggon Diesel Power Plant are required. The work under this project shall include providing all labor, supervision, administration and management, supply all equipment, materials and consumables necessary to perform the services.

Completion of the Peaking Diesel major overhauls will ensure availability and improve reliability of the units. The fast-track diesel units at Tenjo Vista, Talofofo, and Manenggon play a substantial role in supporting the IWPS during peak demands. Their significance is amplified further due to the current generation crisis.

The project will take 36 months to complete; beginning January 2017 thru January 2020. The anticipated cost is $780,000 per unit (10 units total) and will be funded by revenue funds.

Engineering/Construction Management	$ 390,000.00
Equipment/Materials	$5,070,000.00
Contract Labor/Equipment	$2,340,000.00
Total	$7,800,000.00

Comm. Bamba motioned to approve Resolution 2016-51; Comm. Santos seconded. There was no further discussion or objection and the motion carried,

4.1.7 Resolution 2016-52 Relative to Purchasing New T2 Transformer

This project provides the replacement of the Cabras Unit 2 Main Power Transformer that has exceeded its useful lifespan of 30 years. The purchase of the new power transformer will cost $630,000 and will be funded by revenue funds. The expected completion is July 2017. R&D Marketing, Benson Guam, and JMI Edison submitted bids under Bid Invitation No. GPA-071-16. R&D Marketing was determined to be the lowest responsive bidder.

Comm. Bamba motioned to approve Resolution 2016-52; Comm, Santos seconded. There was no further discussion or objection and the motion passed.

4.1.8 Resolution 2016-53 Relative to the Guam Power Authority Organizational Realignment

Rightsizing GPA enables improved operational excellence and affordability by increasing productivity, realigning organizational structure, building better business processes and optimizing its assets and the proposed organizational realignment will streamline the Executive reporting structure and provide the General Manager with a manageable span of control which would allow the delegation of management activities and focus on high level strategic planning.

The proposed organizational realignment will establish two (2) new departments; realign the structure of divisions under these departments, including the Operations Department. This process will improve the reporting structure to the General Manager position, enhance accountability and promote stewardship, integrity and transparency. The oversight of each respective department will be performed by an Assistant General Manager position per department.

The Cash Management section at the Customer Services Division will move under the Finance Division. This will provide greater internal controls and a check and balance system. It will improve identification and responsiveness to discrepancies with customer accounts.

The objective of the organizational realignment is to focus on the organization's core business and values, increase accountability, coordinate, integrate and implement effective business processes and practices to achieve greater affordability. Once approved by the CCU it will be filed with the Guam Legislature with a waiting period of 30 days.

Comm. Bamba motioned to approve Resolution 2016-53; Comm. Santos seconded. There was no further discussion or objection and the motion passed.

4.1.9 Resolution 2016-54 Relative to the Creation of the Assistant General Manager Positions: Engineering / Technical Services and Administration & Amendment of AGMO Position

Resolution 2016-64 requests the Consolidated Commission on Utilities (CCU) to create an Assistant General Manager, Engineering & Technical Services position, and an Assistant General Manager, Administration position in the unclassified service and to amend the Assistant General Manager, Operations position, job specification and Job Evaluation (JE) assignment. The creation and amendment of these Assistant General Manager positions are essential to the realignment of GPA's organizational structure. These positions and the realignment of the reporting structure will streamline the General Manager position's span of control and provide the General Manager the ability to concentrate and focus on higher level management and strategic planning initiatives. The annual salary for each position will be commensurate with experience and qualifications per hire as recommended by the General Manager and approved by the CCU and will be funded by revenue funds. Once approved by the CCU it will be filed with the Guam Legislature with a waiting period of 30 days.

Relative to market percentile re salary range - overall GPA sitting at 5% market percentile since 2009. Just for consistency to keep at 5th market percentile. Other recommendation is to go back to study where we are vs. market.

Legal Counsel Botha recommended to put a range for the positions and that they are unclassified and serve at the pleasure of the board.

After some discussion, Chairman Duenas said to reflect for the record concurrence that the CCU is opting to recognize the 5th percentile as a base for all 3 positions.

Comm. Bamba motioned to approve Resolution 2016-54; Comm. Santos seconded. On the motion, there was no further discussion or objection and the motion passed.

4.1.10 Resolution 2016-55 Relative to Contract for GPA's Fuel Bulk Storage Facility

GPA's current contract for the Management, Operation and Maintenance of GPA's Fuel Bulk Storage Facility is expiring in May 2017. The services are required for the proper operation, maintenance and security of the Fuel Bulk Storage Facility, to ensure uninterrupted, reliable fuel supply to the GPA plants. Several on-island and off-island firms with expertise on areas related to Petroleum Handling and management of Fuel Bulk Storage Facilities can participate in the solicitation. Services currently cost about $700,000 to $1,000,000 a year (fixed fee and additional expenses). The contract is estimated to cost about the same subject to escalation rates and increase in fees for critical requirements such as insurance policies and membership in oil spill companies. These costs do not include expenses related to specific technical services, construction and project management. The contract is planned for an initial period of three years, with the option to extend for two (2) additional one-year terms. Most of the services will be funded through O&M and some through CIP if it involves procurement of equipment, construction, modification and others. The RFP will commence after CCU and PUC approval.

Comm. Bamba motioned to approve Resolution 2016-55; Comm. Santos seconded, there was no further discussion or objection and the motion passed.

4.1.11 Resolution 2016-56 Relative to Solicitation Diesel Fuel Oil No.2 for Water System Distribution

The Guam Power Authority's current contract for Supply of Diesel Fuel Oil No. 2 for the Water Systems Distribution (WSD) sites is expiring in March 2017. The fuel supply contract is necessary to provide uninterrupted supply of fuel for the WSD sites. Diesel Fuel Oil No.2 will be supplied to various GWA water well generators sites. The 2-year contract is estimated to cost about $1M and it is to be funded through fuel revenue funds. The contract is planned for an initial period of two years, with the option to extend for three (3) additional one-year terms. The IFB will commence after CCU approval.

Comm. Bamba motioned to approve Resolution 2016-56; Comm. Santos seconded. There was no further discussion or objection and then motion passed.

4.1.12 Resolution 2016-57 Approval to Dispose of Wooden Poles Located at Dededo Pole Yard

GPA's Pole Yard located along Y-Sengsong Road, Dededo has limited storage area for new concrete poles. About 2,000 poles / 1,700 tons of wood poles and cross arms which have been stored at the facility over the years has taken up valuable space at the Yard. Additionally, GPA needs to comply with Guam Environmental Protection Agency's (GEPA) rules and regulations to eliminate environmental hazards such as that posed by the storage of the old wood poles and cross arms.

In preparation for disposal, the Contractor will cut the pressure treated wooden power poles and cross-arms and remove attached power pole accessories/hardware prior to transport for disposal. All accessories/hardware shall be properly disposed. Contractor shall prepare/setup a safe cutting area at the site complete with environmental protection as specified in the approved disposal plan. In addition, the Contractor will transport/haul the cut wooden power poles and cross-arms to a GEPA permitted hardfill facility or Layon Landfill and coordinate with Guam Solid Waste for disposal. The contractor will not be allowed to dispose the cut poles and cross-arms to the landfill without the first lift of trash in the landfill cell to avoid damaging the liner. A copy of disposal documents/receipt including the tipping fee from the landfill shall be submitted to GPA.

Two bidders submitted bids (Primo's Heavy Equipment Rental Services at $740,650 and Polyphase Inc. at $445,000). GPA proposed to award the contract to Polyphase Inc. at $445,000 and will be funded with revenue funds. The project will take about 180 days and will begin on October 1st.

In discussion, it was confirmed that the Contractor did put up a bid bond.

Comm. Bamba motioned to approve Resolution 2016-57; Comm. Santos seconded. There was no further discussion or objection and the motion passed.

4.1.13 Resolution 2016-58 Relative to Engineering & Technical Services Supporting GPA's Resource Plan

The Guam Power Authority, in its most recent Integrated Resource Plan (IRP), identified that to meet future demand and reliability requirements efficiently and without compromising the compliance with current and upcoming environmental regulations, we would need to transition from the use of RFO to either ULSD or LNG. There are also recommendations to replace existing generating units with more efficient combined cycle combustion turbine units that will meet federal and local standards and regulations. All these plans require construction and installation of new facilities, or modification of current facilities, all of which need to comply with current and future environmental regulations. GPA intends to procure services related to Engineering and Technical Services Supporting GPA Resource Plans in the Areas of Engineering Planning, Environmental Engineering, Feasibility Studies, Design, and

Construction Management. Several off-island firms with expertise on the areas GPA require support on can participate on this procurement.

The services estimated to cost between $100 - $500,000 per year depending on the workload assigned to the consultants and urgency of projects. This does not include expenses related to specific technical services, construction and project management. Funding will be through O&M funds and some through CIP if it involves procurement of equipment, construction, modification etc.

The contract is planned for an initial period of five (5) years, with the option to extend for five (5) additional annual extensions. The RFP will commence after CCU and PUC approval.

Comm. Bamba motioned to approve Resolution 2016-58; Comm. Santos seconded. There was no further discussion or objection and the motion passed.

4.1.14 Resolution 2016-59 GPA/NAVY System Improvement Study for Renewables Integration

Since the commercial operation of the 25.65 MW Solar PV facility in Dandan and the increasing 11 MW net metering program currently on the grid, GPA is concerned about continued integration of intermittent systems without mitigation. As GPA continues to integrate renewables it must evaluate integration without sacrificing grid stability and reliability. Navy has approached GPA about its potential projects of up to 160MW, mainly solar or wind powered, within their facilities of which both GPA and Navy agree that a coordinated effort to evaluate integration is necessary. Since the initial GPA and Navy meeting, Navy has downsized their project listing to about 35MW-50MW excluding Phase III for this study based on their expectation of projects most likely could be approved. With this comprehensive study, GPA intends to holistically evaluate integration of all existing Renewable Energy in the grid including the 1 MW of solar on Navy to date, GPA's Solar and Wind projects (~27 MW), GPA NEM customers (11 MW) and future renewable energy integration projects including 50 MW from Navy, 100 MW from Phase II and Phase III, and an evaluation of projected additional NEM customers. GPA has obtained a scope of work from its consultant, Andriano E. Balajadia, P.E. and his subcontractor, Electric Power Systems, to evaluate renewable integration which is summarized below.

The overall focus of the study will be to assess the impact to the generation, transmission, and distribution systems of GPA and the distribution system of the Navy of the proposed Renewable Energy (RE) projects. The study will:

- Use the identified impacts to evaluate integration requirements for each group of projects on the Navy and GPA systems;
- Evaluate the impacts using several generation plans;
- Analyze a wide array of potential solutions to mitigate the effects of the intermittent generation to the transmission and distribution systems;
- Recommend plans to reliably integrate these renewable resources to the transmission, distribution, and generation systems.

The study will identify the impacts that the renewable energy projects have on the Navy and GPA systems in the short-term and long-term using the projects identified by the Navy and GPA and will recommend mitigation steps that satisfy the short-term needs of the GPA system and keep GPA on track for its long-term goals. It will also study and evaluate various locations of existing and proposed renewable project interconnection points.

The cost of the study is $1,145,377 and will take 3-6 months and Navy has agreed to provide $250,000 to fund their shared portion of the study. GPA is proposing the use of the 2014 Bond Funds – LNG Initial

Startup which was initially for $3M. The table below shows the projects tasked under this bond project and the balance projected:

Project Description	Amount	Running Total	Status
1. GENOPS	$ 255,000	$ 255,000	Completed
2. @Risk Software (Palisades)	$ 15,000	$ 270,000	Completed
3. Demand Side Management & Energy Efficiency Task Order	$ 430,000	$ 700,000	Completed
4. Slow Speed Diesel Fuel Conversion & Catalyst Evaluation	$ 300,000	$ 1,000,000	Completed
5. Engineering, Procurement, & Construction Management Services	$ 750,000	$ 1,750,000	Pending PUC Approval
6. System Improvement Plan Renewables	$ ***895,377***	**$ 2,645,377**	***Proposed***

It was mentioned that is important to determine what the system can handle and this study will help.

Comm. Bamba motioned to pass Resolution 2016-59; Comm. Santos seconded. There was no further discussion or objection and the motion passed.

4.2 GWA

4.2.1 GM Report Update

The GWA GM said there is nothing further to report from his submittal at the GWA work session last week.

4.2.2 Financials

CFO Cruz said they are looking at the market relative to re-funding and the True-up will be discussed with PUC at their Thursday meeting. Financial will be within 1% below target; Expenditures are 20% below budget and collection is still lagging. The Commissioners cautioned him not to let them lag too far behind.

There was discussion on the timing of the re-funding bill the CFO said he's been talking with underwriters to schedule a rating presentation in December and the sale in January. It was mentioned that Interest rates may go up.

4.2.3 Resolution No. 57-FY2016 Creation of Positions for the Water Meter Maintenance and Repair Worker I, Water Meter Maintenance & Repair Worker II, Water Meter Maintenance & Repair Supervisor

GWA has determined a need to create the Water Meter Maintenance and Repair Worker I, Water Meter Maintenance and Repair Worker II and Water Meter Maintenance and Repair Supervisor positions to optimize the operations and maintenance of the water meter test bench facility to ensure water meters are operating efficiently.

Currently, three (3) employees are assigned to the Meter Test Bench Facility: Customer Service Supervisor, Water Sewer Maintenance Worker I and Water Sewer Maintenance Worker II. Their position titles are not appropriate to the work they are performing. Creation of the positions for Water Meter Maintenance and Repair Worker I, Water Meter Maintenance and Repair Worker II and Water Meter Maintenance and Repair Supervisor will be appropriate and in line with the work they are currently performing.

One of the most important components of a water system is the water meter, on whose accuracy the customer and utility depend. Keeping track of meter performance is vital, and the periodic meter testing is the only way to ensure that meters are meeting performance criteria. GWA has a new meter test bench facility that will handle GWA's meter testing and maintenance program. This program will pay for itself many times over enhanced revenues, lowered meter replacement costs, and improved customer relations.

The Water Meter Maintenance and Repair Worker series will be organizationally located within the Operations Division, under the direct supervision and management of the USA. The salary range for the position is as follows and the funding source is revenue funds

Position Title	Job Evaluation Points	Paygrade/Step	Per Annum: Min/Max
Water Meter Maintenance and Repair Worker I	362	E6-A E9-A	$22,669.00 Per Annum $25,544.00 Per Annum
Water Meter Maintenance and Repair Worker II	421	F5-A F8-A	$24,835.00 Per Annum $27,984.00 Per Annum
Water Meter Maintenance and Repair Supervisor	734	J4-D J7-D	$41,530.00 Per Annum $46,797.00 Per Annum

Public Law 28-159, Section 7.0.3 (c) 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.

Comm. Bamba motioned to approve Resolution 57-FY2016; Comm. Santos seconded. There was no further discussion or objection and the motion passed.

4.2.4 Resolution No. 59-FY2016 Approval of CO No. 1 of the Design Build of Emergency Standby Power Generation System for Casimero and Namo Sewer Pump Stations Contract

GWA has a project in place to allow for emergency standby power generation systems at Casimiro and Namo SPS to provide a backup power source in event of a power outage. This project is necessary to prevent hazardous sewage overflow to protect the Northern Guam Lens Aquifer and the health of the people. Currently, both Casimiro and Namo SPS's do not have an emergency standby generator. The project as bid comprise of an emergency standby generator with shelter, an automatic transfer switch, and a fuel storage tank with containment. The project also includes an electrical assessment and rehabilitation to prevent electrical failures to keep the station running. For clarification purposes GWA had already entered into a contract with ProPacific Builder Corporation to build said line items for the amount of $243,672.00.

If approved Resolution 59-FY2016 seeks CCU approval to a proposed Change Order #1 that intends to change/expand the Scope of Work that will result in an increase cost to the contract in place for this project. The change is scope is related to GWA having to change the generator configuration at the Casamiro SPS site due to challenges with property acquisition. The expansion of scope is related to GWA having to increase power generation capacity (larger generator set) due to operations installing a redundant ejector pump at the Namo SPS.

The original contract value is $243,672.00 and with the Change Order proposal the cumulative increase of the contract will be $108,258.23 making the new contract value $351,930.23. GWA management is also seeking a 10% contingency in the amount of $10,825.82 to the $108,258.23, which would then make the total authorized funding to be $362,756.05. The funding source for this contract is the USEPA State Revolving Fund Grant which expires Sept. 30, 2017**.** The current completion date is scheduled for January 23, 2017. Approval of this Change Order will extend the completion day 112 calendar days for May 15, 2017.

Comm. Bamba motioned to approve Resolution 59-FY2016; Comm. Santos seconded. There was no further discussion or objection and the motion passed.

4.2.5 GWA Resolution No. 60-FY2016 & GPA 2016-48 Relative to SCADA Multi-Step Bid

If approved, Resolution 2016-48 for GPA and Resolution 60-FY2016 for GWA will replace GPA's existing Siemens Power TG EMSYS Energy Management (SCADA) System, which has been in operation since 2006. It will provide GWA a water and wastewater SCADA system to manage its water and wastewater operations in a safe, reliable, responsible and cost effective manner. Through Engineering CIPs, using CIP Bond and grant funds, GWA has been upgrading its water and wastewater facilities to be SCADA ready in anticipation of integrating these facilities with the new SCADA system that will be delivered under this project. GWA anticipates on integrating approximately sixty (60) SCADA-ready water and wastewater facilities by 2018 with remaining facilities planned and added as funding comes available.

The main SCADA system will be located at the Gloria B. Nelson Public Service Building, Mangilao, specifically – the GPWA Data Server Room (2nd Fl), GPA Power Systems Control Center (3rd Fl) with Dispatcher/Operator workstations and a large high definition display at GWA Systems Control Center (3rd Fl), workstations at IT Offices (2nd Fl), a workstation at GWA Engineering Office (2nd Fl). There will also be two (2) remote systems located at the GWA Building, Upper Tumon – Remote Operator Workstations for O&M Water and Wastewater Managers (2nd Fl) and the GWA Wastewater Central Maintenance Office, Hagatna – Remote Operator Workstation for Wastewater Maintenance Supervisor.

The Total System basic design, software, hardware, and implementation cost is $1,951,474.00 to be shared accordingly GPA = $1,518,769.00 and GWA = $432,705.00 and funded by bond funds. Management also mentioned that it requested additive bid proposals not in the base bid and GPA / GWA will bring these separately for CCU's approval.

The two vendors that submitted responses are LSIS Company, Ltd., and Benson Guam Enterprises, Inc. The Bid Evaluation Committee determined Benson Guam Enterprises as the lowest, responsive bidder. The project will be substantially completed by the end of 365 days from Benson Guam Enterprises, Inc.'s receipt date of GPWA's Notice to Proceed, as stipulated in the bid documents

Comm. Bamba motioned to approve Resolution 2014-48 / GWA Resolution 60-FY2016; Comm. Santos seconded. There was no further discussion or objection and the motion passed.

4.2.6 Resolution No. 61-FY2016 Relative to Legislation for Land Required Under Guam Ancestral Lands Commission for the Expansion of the NDWWTP

GWA identified property, owned by the Guam Ancestral Lands Commission (GALC), for the purpose of construction of the expansion of the Northern District Wastewater Treatment Plant (NDWWTP) to meet the secondary treatment discharge limits required to comply with the current National Pollution Discharge Elimination Systems (NPDES) permit (GU0020141) and to handle the additional flow due to increased military and civilian population expected for the 2020 relocation of Marines to Guam. The exact location of the property is the Andersen Communication Annex No. 1 (AJKD), Municipality Of Dededo, as

shown on Department Of Land Management Sketch Identified As Northern District Wastewater Treatment Plant (NDWWTP).

GWA received grant funds from the Office of Economic Adjustment (OEA) for the design and construction of the expansion/upgrade of the NDWWTP. The cost for this matter is yet to be determined but will include 2 appraisals per property, the cost of the final survey of the property and the compensation package which will be negotiated.

Due to the time constraints imposed by the OEA grant milestones and deadline, GWA and GALC have discussed the basic terms of the transfer to meet the needs and mandates of both parties, and are committed to addressing any reasonable modifications to the draft legislation that would lead to a finalized compensation to the Guam Ancestral Lands Commission that is mutually agreeable. Expected date of submission to the Guam Legislature is October of 2016.

Comm. Bamba motioned to approve Resolution 61-FY2016; Comm. Santos seconded. There was no further discussion or objection and the motion passed.

4.2.7 Resolution No. 62-FY2016 Ratification of Work Provided by Centrisys Corp. on Hagatna WWTP Centifuges For an Amended Purchase Order Amount to Issue

Resolution 62-FY2016 asks the CCU to approve the complete overhaul of two centrifuge(s) and upgrade of electrical control panels and system. The CEPT (Chemical Enhanced Primary Treatment) upgrades currently under construction at the Hagatna WWTP will result in a significant increase (3 to 4 times current levels) of sludge production. The increased sludge production will in turn put greater loading and operating duration on the two centrifuges. It is imperative that both centrifuges be in excellent condition, with adequate spare parts, to handle the increased loading. The existing panel parts are obsolete. Parts are no longer available for purchase. Replacement of scrolls are for both centrifuge units.

The Purchase order amendment will cost $ 19,711.22

Invoice Nos	Amount	Paid Amount	Balance to Pay
PSI 14852	$63,847.00	$63,847.00	
PSI-16218	$113,235.91	$93,524.69	
Total	**$177,082.91**	**$157,371.69**	**$19,711.22**

The funding for this project will come from the following:
WW 12-036 WWTP Interim Measures, Bond 2013 $ 14,837.50
MC 09-01 General Plants Improvement, Bond 2013 $ 4,873.72

Funding Source	Bond	Approved Amount
WW 12-03, WWTP Interim Measure	2013	$172,209.19
MC 09-01 General Plants Improvement	2013	$4,873.72
Total Funding		**$177,082.91**

Comm. Bamba motioned to approve Resolution 62-FY2016; Comm. Santos seconded. There was no further discussion or objection and the motion passed.

5. OLD BUSINESS - None

6. ANNOUNCEMENTS

7.1 Next CCU Meetings: Work Session: GWA 10/19, GPA 10/20; Meeting 10/25

Chairman Duenas announced that the next meeting would be a work session for GPA on October 19 and GPA on October 20. The October CCU meeting is on October 25th. He also said there is a PUC hearing next week at the PUC Office in Hagatna. He asked management to circulate please send the Commission a reminder

7. ADJOURNMENT

There was no further business to bring before the Commission and the meeting adjourned at approximately 6:20 p.m.

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bls

Attested:

_____ _____

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

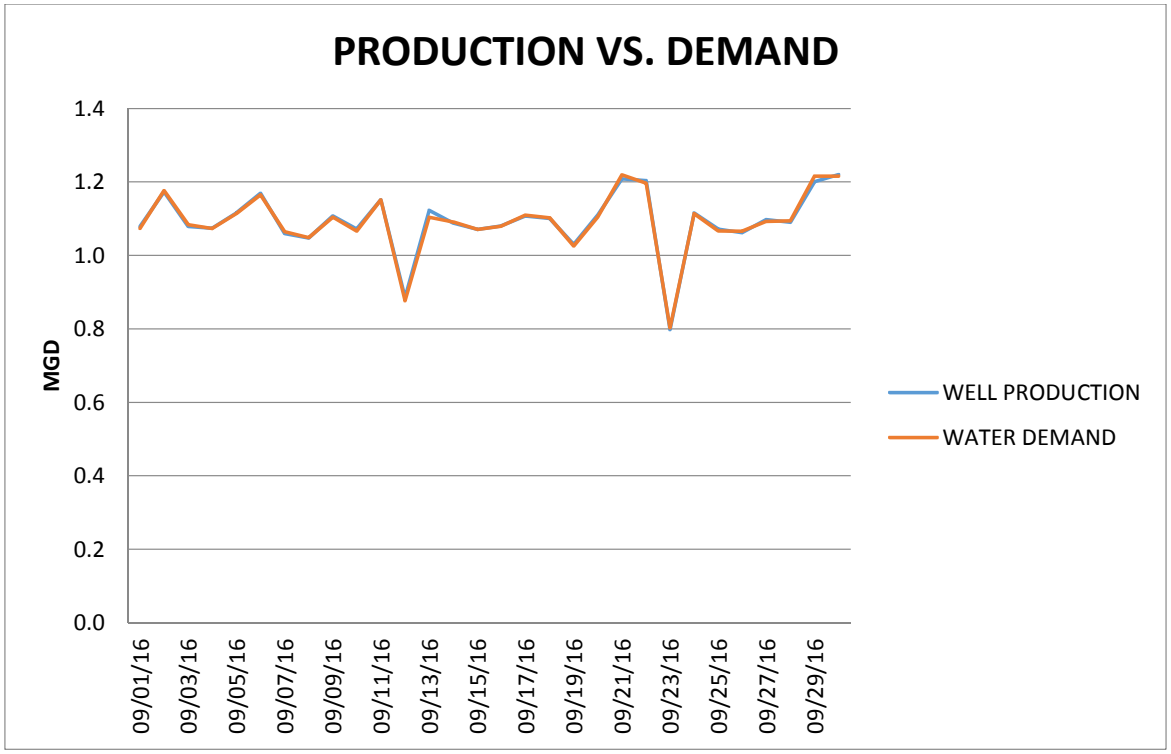
GUAM WATERWORKS AUTHORITY

General Manager's Report

GPWA CCU Board Meeting, October 25, 2016

"One Guam" Initiative – GWA and DoD NAVFAC

1. **TMW License Agreement:**
    a. GWA continues operations and maintenance at TMW
    b. Quarterly report (July-Sep) Submitted on October 17th
    c. Electrical service – GPA to bill GWA based on Navy meter readings; meter/feeder transfer pending Navy processing
    d. Production:
        i. Fairly consistent between 1.0 and 1.2 million gallons per day (MGD) - see chart.
        ii. Total production in September is **32,782,600 gallons**



2. **2010 MOU Update**
    a. GWA and NAVFAC completed their work on an updated MOU.
    b. Admiral's final review should be completed by 10/21.
    c. The Final Draft is included in the Agenda for CCU review and approval.

3. **Drought Plan**
    a. GWA and DOD will be developing a drought plan – this effort will be placed on hold until the updated MOU is finalized.

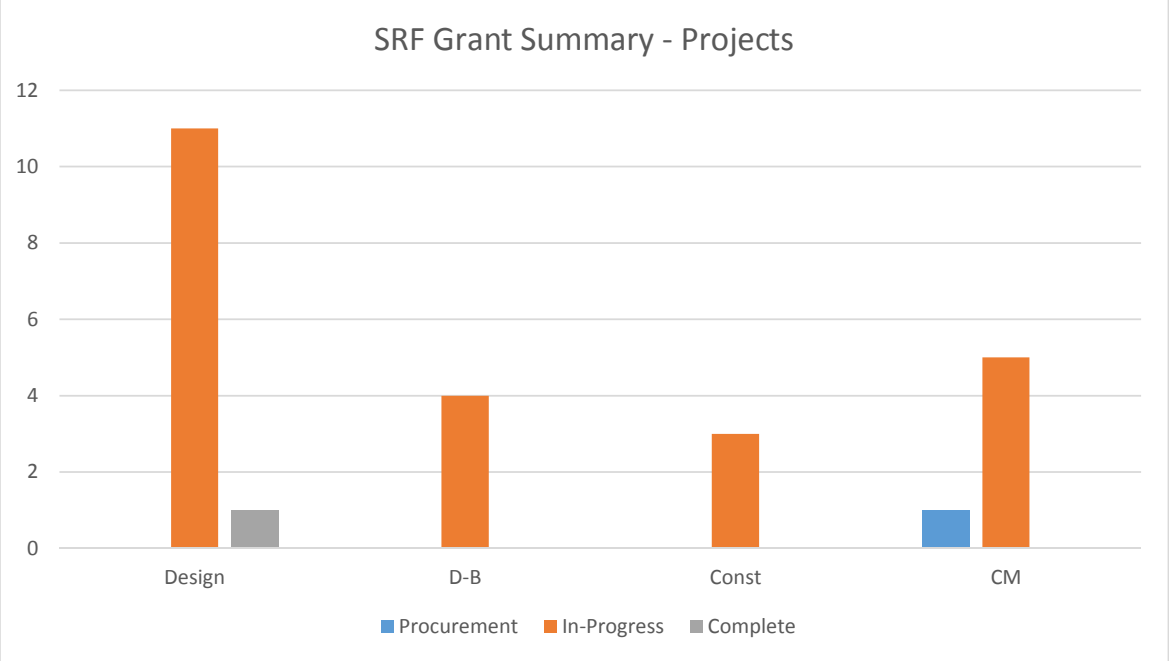
OEA Grants – Guam Water-Wastewater Infrastructure Projects

- OEA grants of $55.3M were awarded on August 30th
    - Interceptor Sewer (Design-Construction)
    - NDWWTP Upgrades (PM/CM, Design, Outfall)
    - NGLA Monitoring Wells (Design-Construction)
- PM/CM scope under development; RFP anticipated to be issued in October
- GWA is providing assistance to USEPA for NEPA process associated with initial project; formal NEPA activities pending contract (USEPA)
- GWWIST meeting scheduled for November.

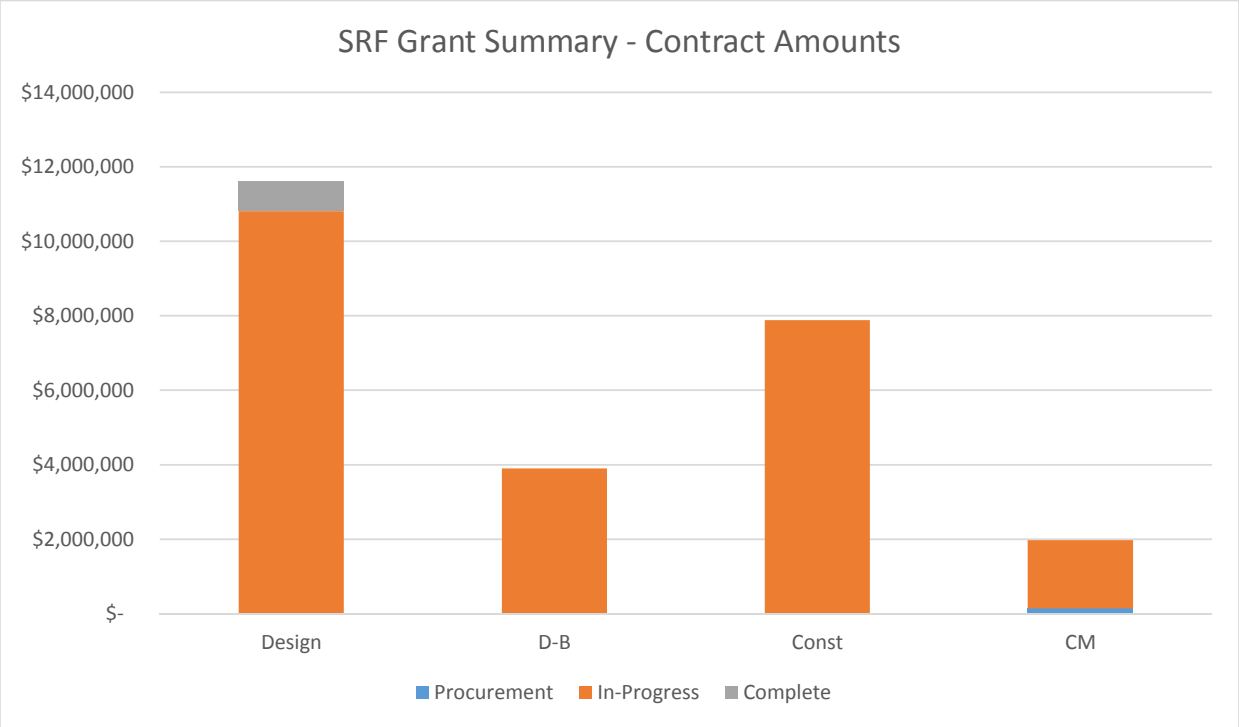
USEPA SRF Projects

- Summary of all SRF grant funded projects are included as Attachment A

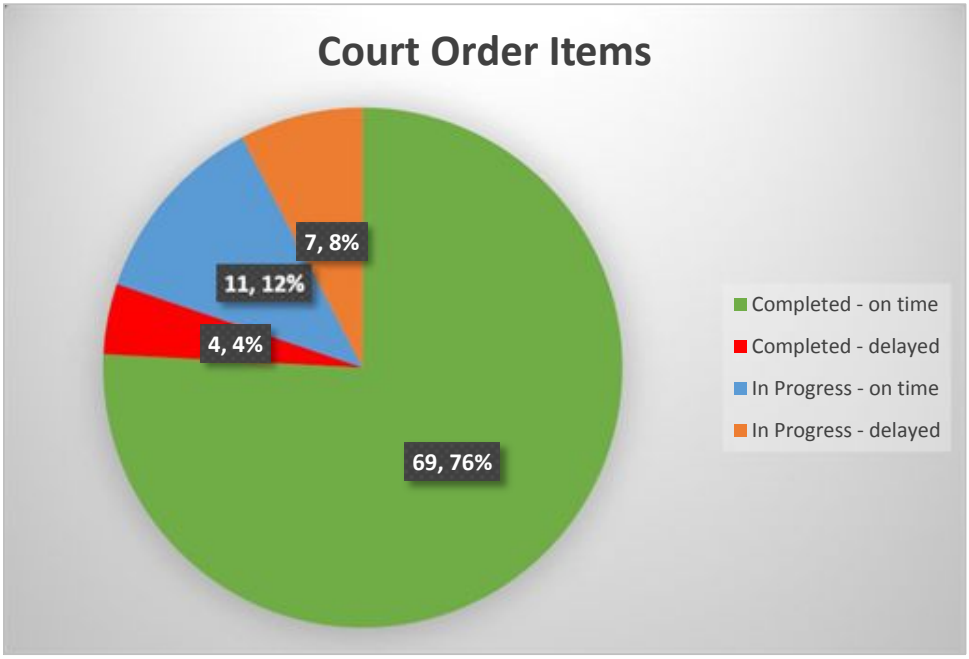
SRF Grant Summary - Projects					
	Procurement	In-Progress	Complete	Totals	%
Design	0	11	1	12	48%
D-B	0	4		4	16%
Const	0	3		3	12%
CM	1	5		6	24%
Totals	1	23	1	25	
%	4%	92%	4%		



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%		
Note: Some projects in procurement have not been assigned values.					



Court Order



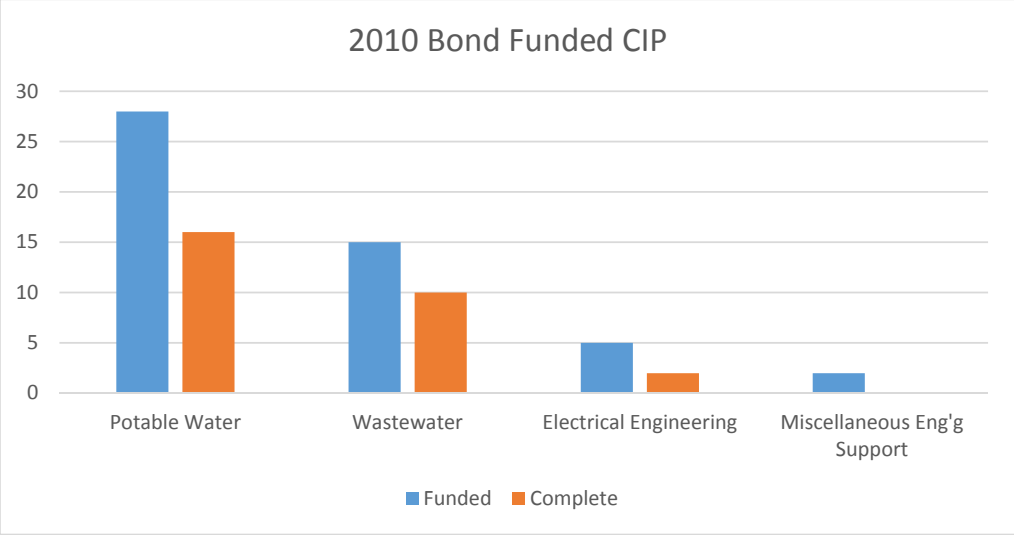
Court Order Summary

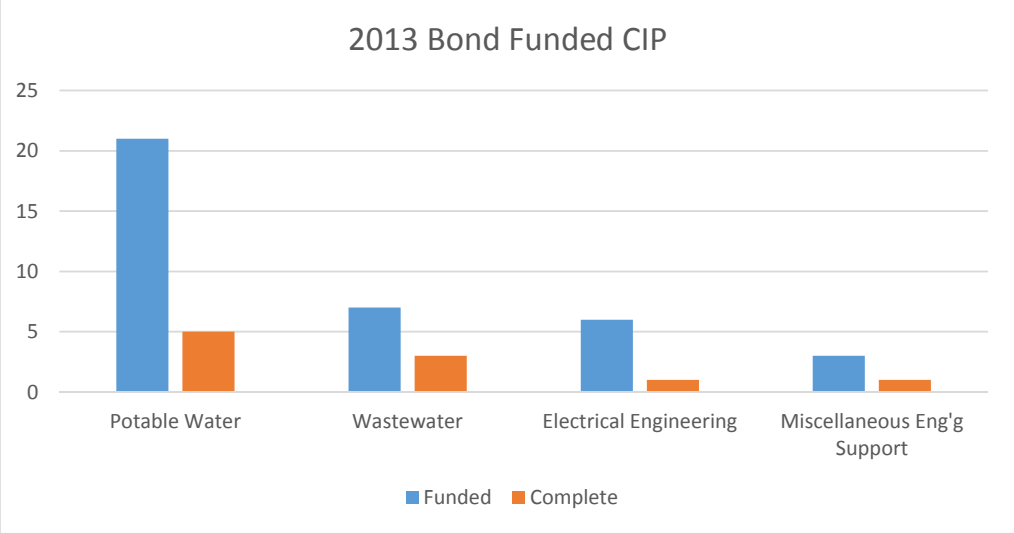
	Court Order Items	%	Performance (on-time or completed)
Completed - on time	69	76%	
Completed - delayed	4	4%	
In Progress - on time	11	12%	
In Progress - delayed	7	8%	92.3%
Totals	91	100%	

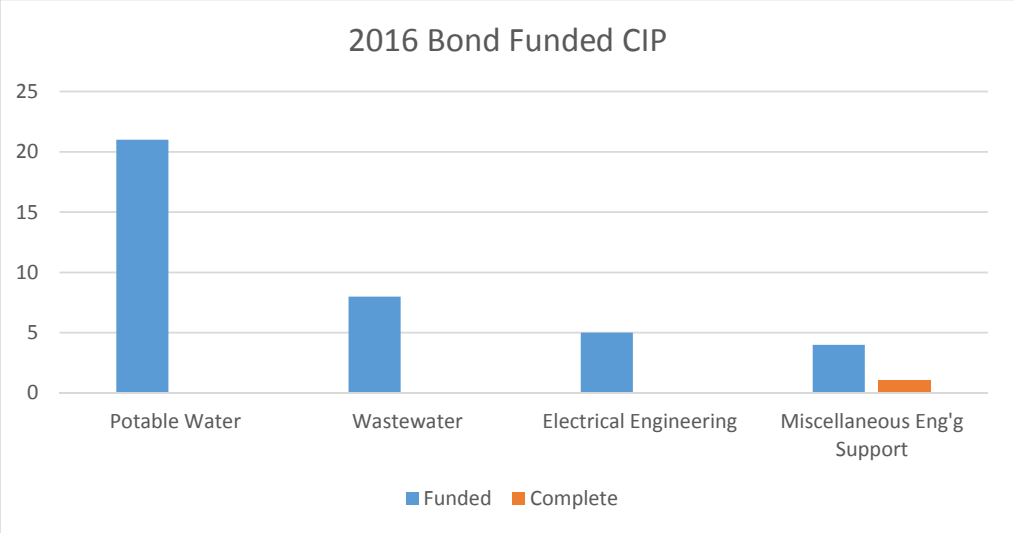
- 7 items delayed
  - SSES (2 items)
  - Agat/SR System Upgrades
  - Sewer Cleaning
  - CCTV
  - Cl Residual Monitors
  - Meters
- Final Date to complete all Court Order items is December 21, 2020.
- Overflow or Bypass events reported to USEPA – 6 events reported in September and October
  - 3 - Pump Station: generator/ATS issues
  - 1 – Infiltration and Inflow
  - 1 – Partial by-pass at Umatac (Lagoon overflow)
  - 1 – Instrument problem

CIP Summary

CIP Summary - Projects								
	2010 Bond		2013 Bond		2015 Bond			
	Funded	Complete	Funded	Complete	Funded	Complete	Total CIP Projects	%
Potable Water	28	16	21	5	21	0	31	53%
Wastewater	15	10	7	3	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	10	38	1	59	100%
% of Total CIP by Fund Source	85%		63%		64%			
% of CIP Funding Completed		56%		27%		3%		

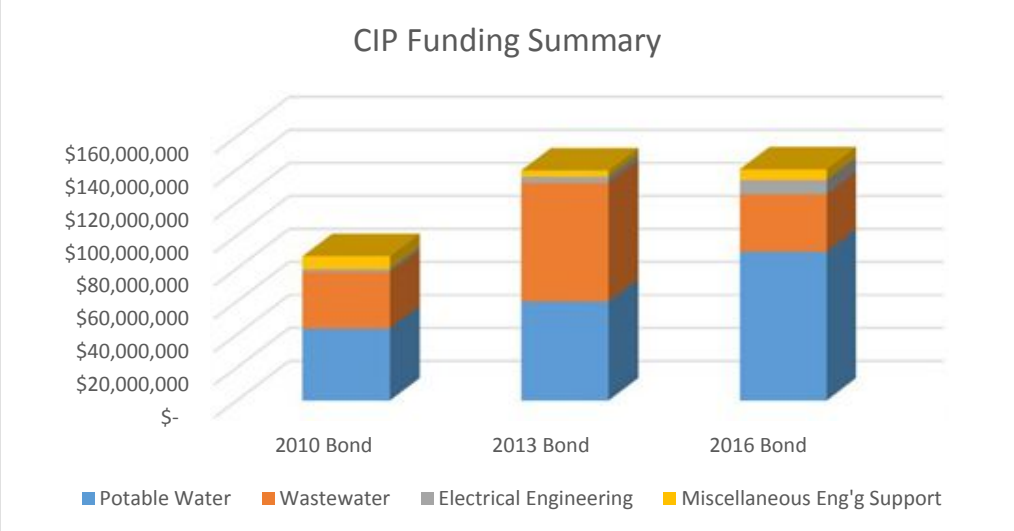






CIP Summary - Contract Amounts

	2010 Bond		2013 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

- CLTC properties: Negotiations pending surveys and appraisals.
- 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	Sinifa	Private	Property acquisition complete, deed of property with GWA.
	Inarajan	Private	Escrow still open, purchase within 1 month due to owner's bankruptcy court order for property owner
	Ugum	Private	Still under legal review
	Manenggon	Private	Survey map of needed property on-going. Contract of sale in process.
	Santa Rita	Gov't. - CLTC	Survey map on-going. Two of two appraisal received and transmitted to DLM. GWA has until December 27, 2016 to finalize service of compensation.
	Astumbo	Gov't. - CLTC	Survey map of property still on-going. Two of Two appraisals received for property and transmitted to DLM. GWA has until December 27, 2016 to finalize service of compensation.
	Upper Tumon	Gov't. - CLTC	Survey map of property still on-going. Two of Two appraisals received for property and transmitted to DLM. GWA has until December 27, 2016 to finalize service of compensation.
	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	Right of Entry agreement recorded with DLM September 13, 2016.
	AG-10	Dept. of Agriculture/Manhita Farms	GWA engineering continuing discussion with Dept. of Agriculture and lessee on property acquisition options.
Booster Pump Station	Brigade	Private	GWA still awaiting Right of Entry agreement sent to lessee via landlord. Survey work for property severance has not begun until Right of Entry is signed off by all parties.

PFOS Issue

A comprehensive report and chronology was provided on September 14th.

Actions taken to date:

- A-Series wells (A-23 and A-25) taken off-line August 5th
- Distribution system adjustments in Tiyan August 5th through August 12th
- Public Advisory sent out on August 11th
- NAS-1 well taken off-line August 12th
- Additional monitoring conducted – lab results received and provided to GEPA/USEPA
- Physical disconnection of A-25 from distribution system complete
- NAS-1 GAC removal completed by GIAA contractor
- GIAA GAC replacement 40% complete; work ongoing.

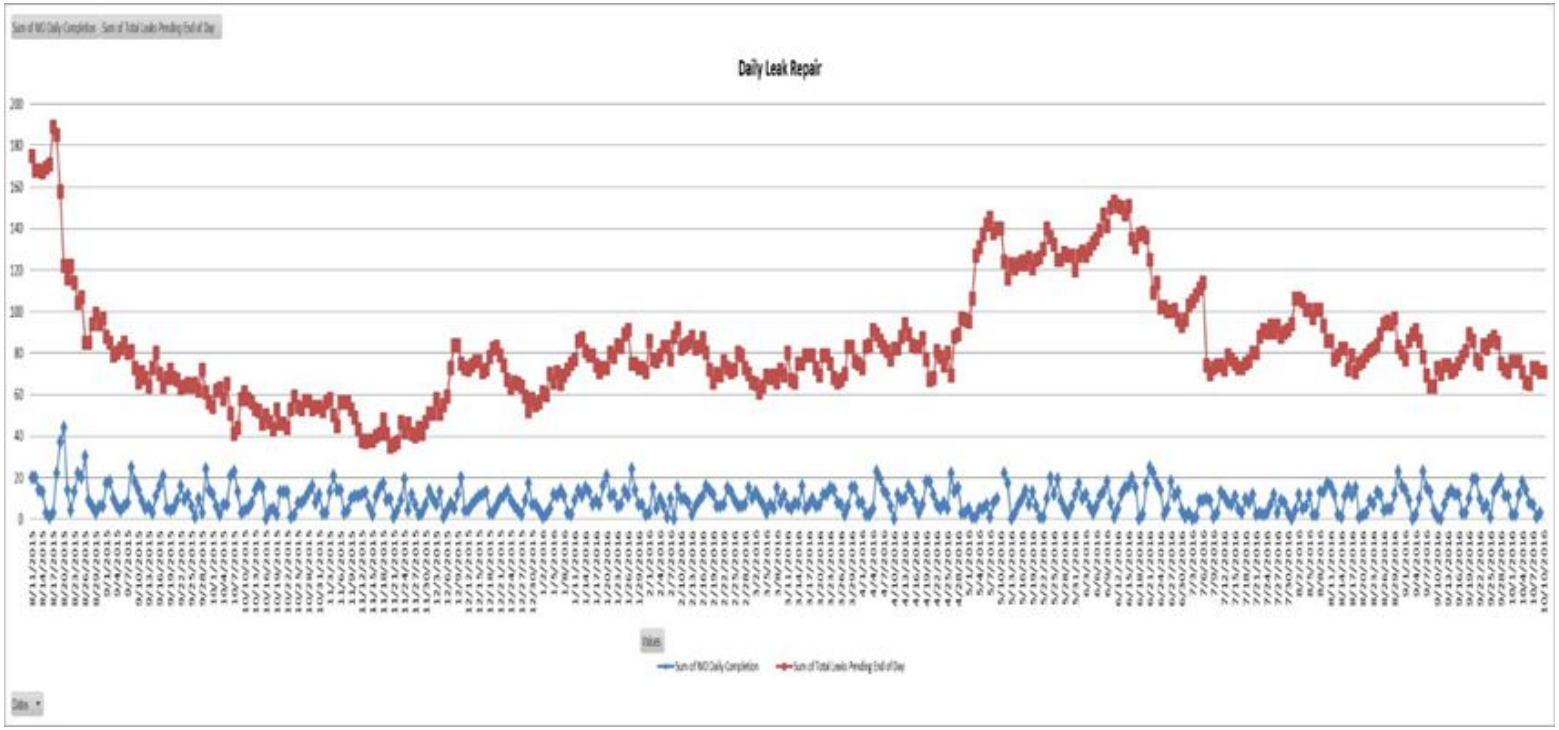
Actions planned:

- Physical disconnection of A-23 from distribution system pending
- Monitoring plan being developed for affected wells moving forward (once back on-line)
- A-Series transmission line / distribution line work – PRV repair to begin this week
- Mobile treatment unit – technical specifications under revision; IFB pending
- Coordinating with GEPA on potential sources and responsibility; discussions with DoD on-going

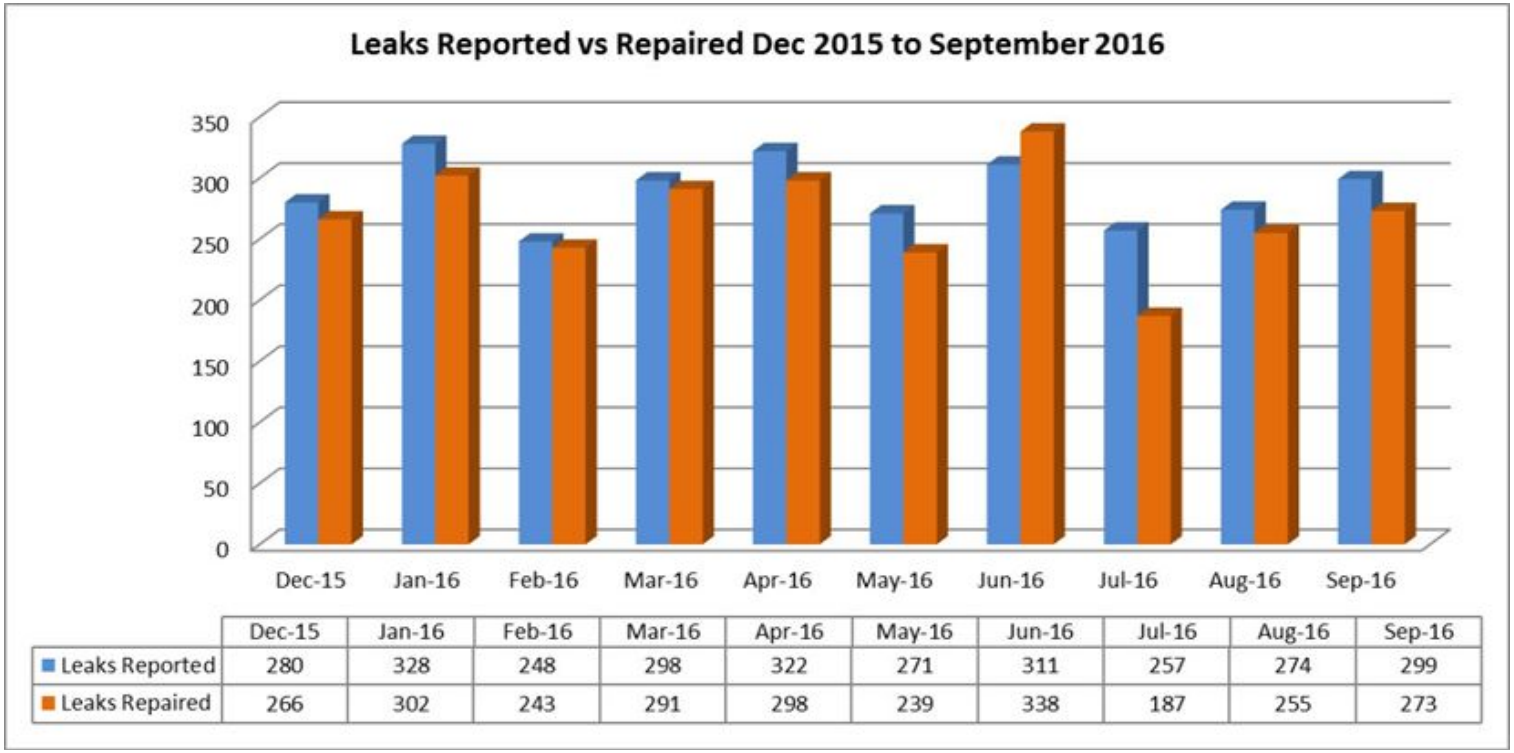
Key Operational Issues

Leak Repair: WOs Completed & Pending (Daily)

(up to October 10, 2016)

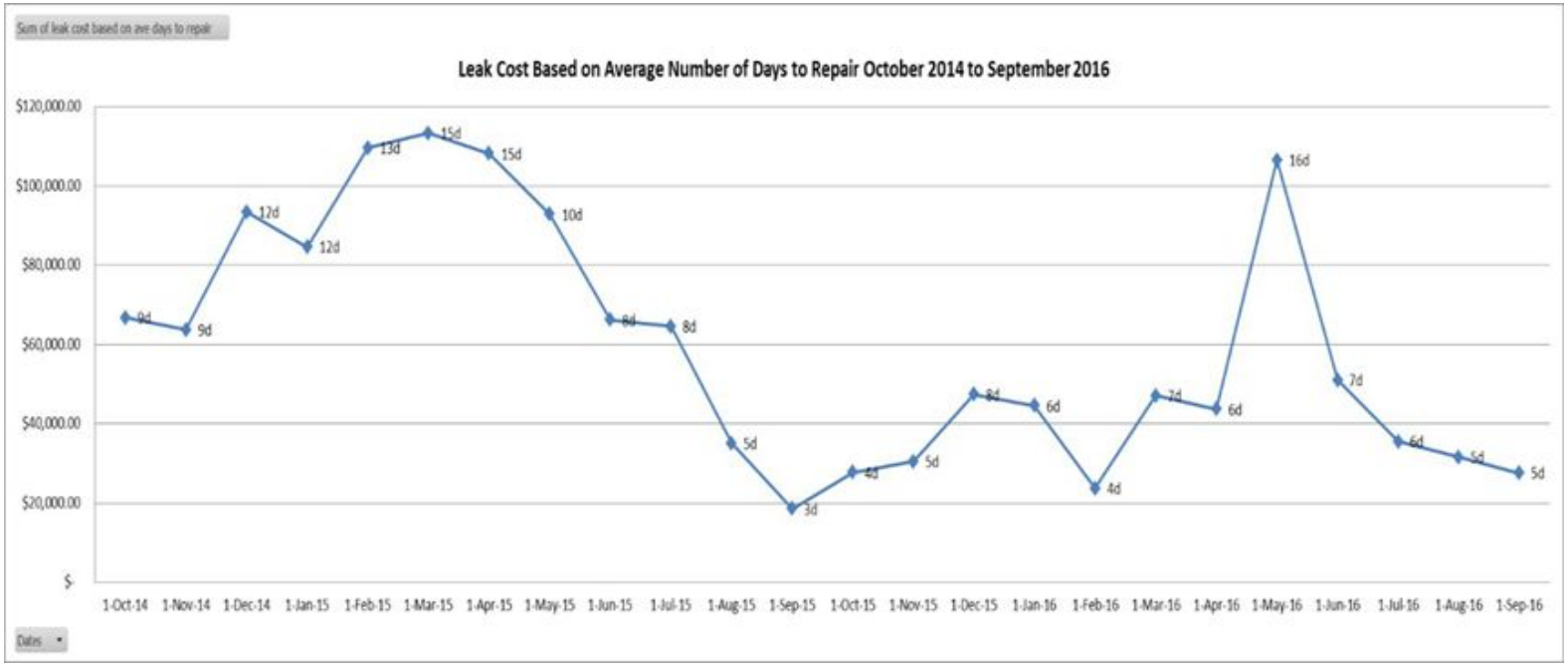


Leak Repair: Leaks Reported and Repaired (Monthly)



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

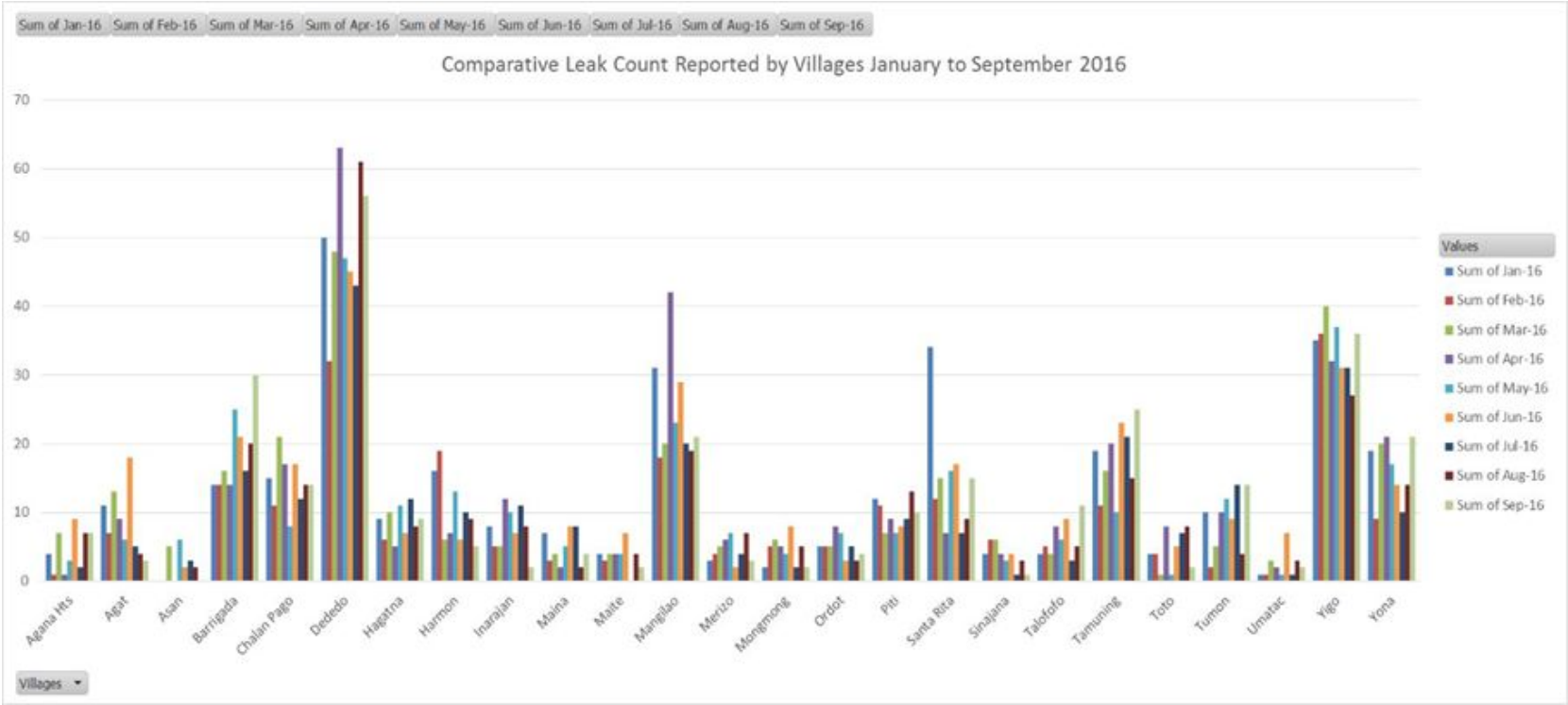
Leak Repair: Cost Savings – Days to Repair (Monthly)



Assumptions:

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

Leak Repair: Reported by Village



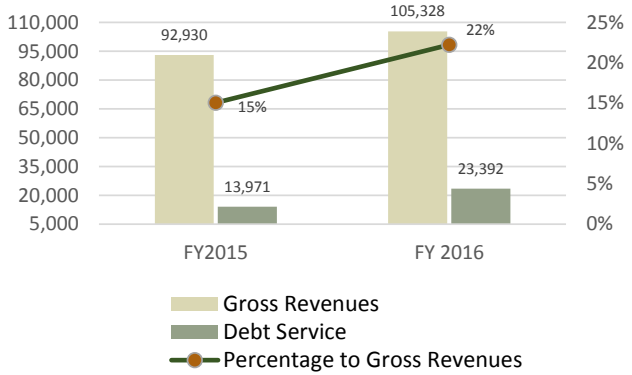
DASHBOARD

FY16 Actual vs FY15 Actual, FY16 Budget Comparisons ($000)

Category	Description	Actual FY16	Actual FY15	Variance (Act16 vs Act15)	Budget FY16	Variance (Act16 vs Bud16)
Rate Based Revenues	Water	$66,521	$58,947	$7,574	$68,007	($1,486)
	Wastewater	$38,287	$33,276	$5,011	$38,377	($90)
	Total	$104,808	$92,223	$12,585	$106,384	($1,575)
O&M	Salaries & Benefits	$16,452	$16,168	$283	$22,667	($6,215)
	Power Purchases	$11,226	$14,026	($2,801)	$17,344	($6,119)
	Water Purchases	$6,374	$5,099	$1,275	$6,257	$117
	A&G	$8,335	$7,415	$920	$13,030	($4,696)
	Contractual	$4,154	$2,793	$1,361	$8,908	($4,754)
	Total	$68,784	$64,949	$3,836	$90,410	($21,626)

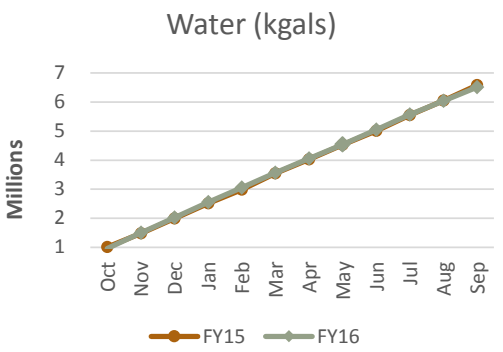
Category	FY16	FY15
Accounts Payable $$/Days	$4,852 / 53 days	$4,113 / 74 days
Accounts Receivable $$/Days	$16,322 / 51 days	$16,801 / 67 days
Days Cash On Hand	178 days	231 days
Annual Debt Service (Revenue Bonds)	$23,392	$16,371
Debt Service Coverage (Bond/PUC)	2.33 / 2.52	2.60 / 2.88

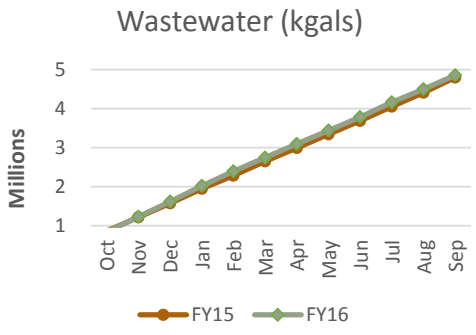
Debt as a Percent to Gross Revenue

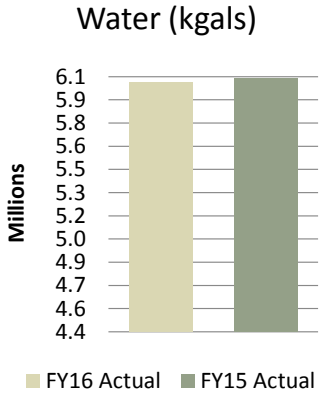


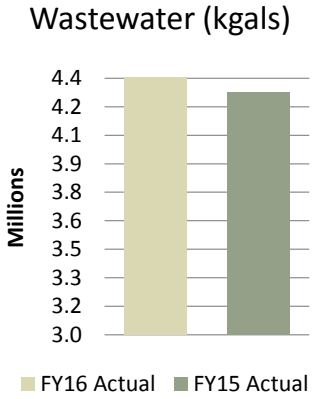
(1) Gross Revenues excludes SDC
(2) Debt Service Excludes Cap I

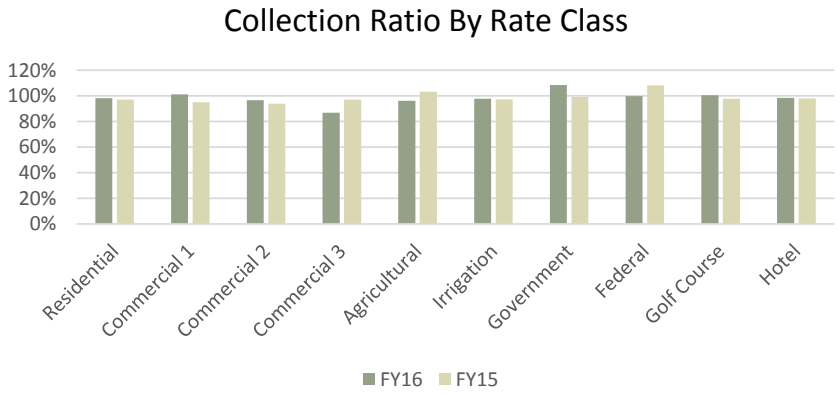
Water & Wastewater Analytics

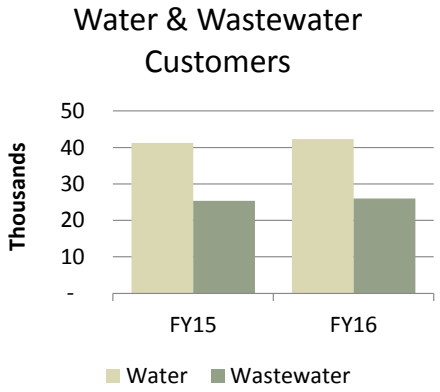


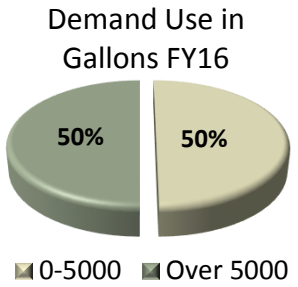


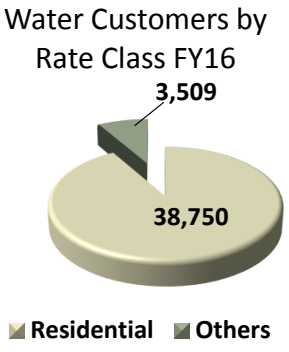


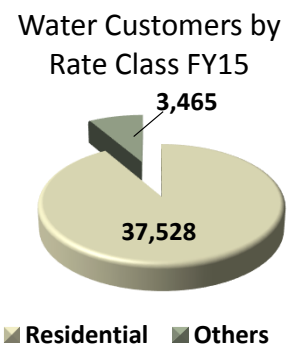


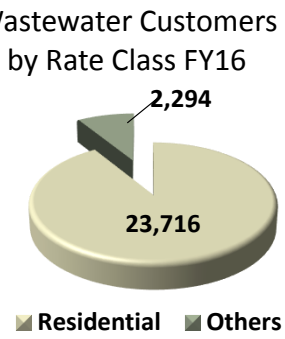


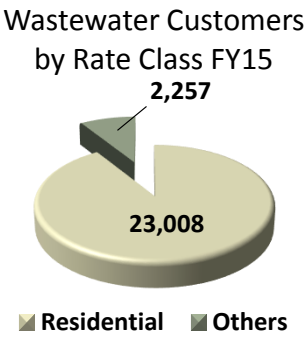


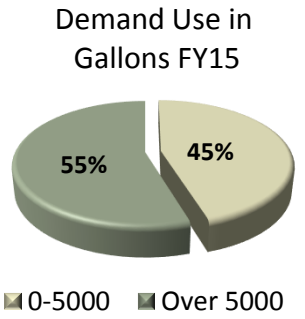










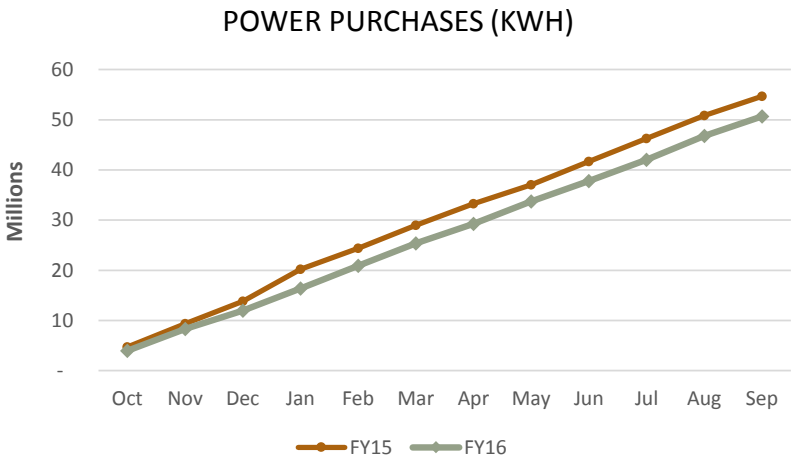


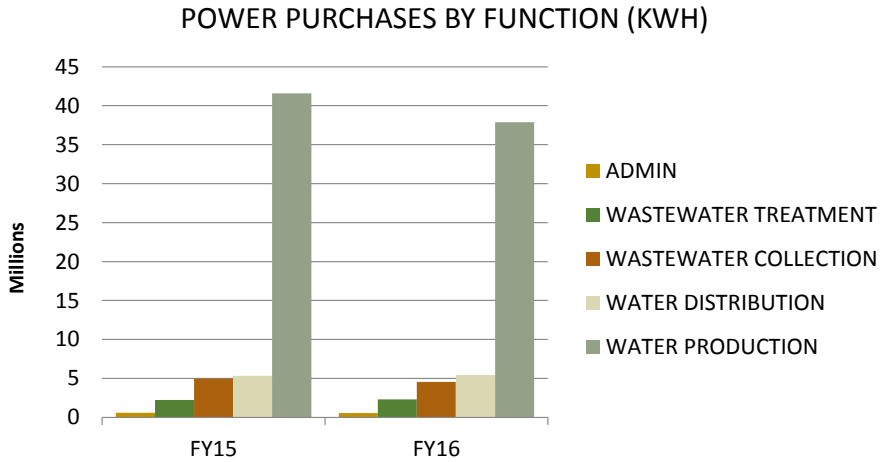
Top Ten Largest Water and Wastewater Customers – FY2016 & FY2015

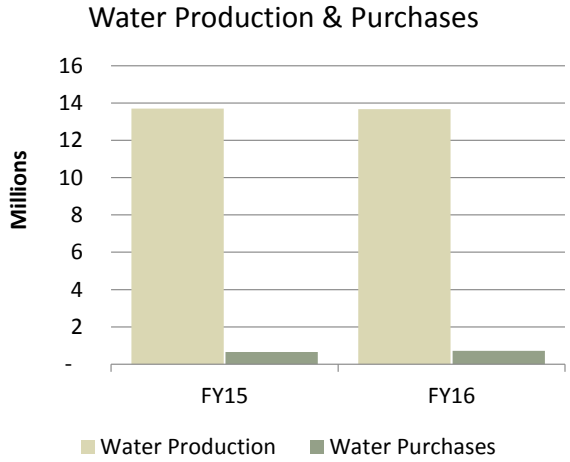
FY2016 Water			FY2015 Water		
Customer Name	FY16 Revenues	% of Total	Customer Name	FY16 Revenues	% of Total
1)MDI GUAM CORPORATION/LEOPALACE	$1,222,035	1.84%	1)MDI GUAM CORPORATION/LeoPalace	$1,241,202	2.11%
2)PACIFIC ISLANDS CLUB	1,084,985	1.63%	2)PACIFIC ISLANDS CLUB	948,289	1.61%
3)HOTELS OF THE MARIANAS INC	1,026,983	1.54%	3)Hotel of the Marianas Inc./Hilton	815,418	1.38%
4)PACIFIC STAR RESORT & SPA	850,076	1.28%	4)EIE CORPORATION/HYATT	734,179	1.25%
5)SHERATON LAGUNA GUAM RESORT	794,407	1.19%	5)MDI GUAM CORPORATION/Westin	667,679	1.13%
6)HYATT	789,528	1.19%	6)HOTEL NIKKO GUAM	662,415	1.12%
7)HOTEL NIKKO GUAM	778,380	1.17%	7)PACIFIC STAR RESORT & SPA	651,187	1.10%
8)OUTRIGGER GUAM RESORT	644,931	0.97%	8)SHERATON LAGUNA GUAM RESORT	639,648	1.09%
9)MDI GUAM CORPORATION/WESTIN	637,657	0.96%	9)OUTRIGGER HOTEL & RESORTS	618,931	1.05%
10)GUAM REEF HOTEL INC	583,729	0.88%	10)ONWARD BEACH RESORT GUAM INC	550,523	0.93%
Total	**$8,412,712**	**12.65%**	**Total**	**$7,529,473**	**12.77%**

FY2016 Wastewater			FY2015 Wastewater		
Customer Name	FY16 Revenues	% of Total	Customer Name	FY16 Revenues	% of Total
1)AIR FORCE DOD	$4,043,806	10.57%	1)AIR FORCE DOD	$3,176,090	9.54%
2)NAVY DOD	2,261,098	5.91%	2)NAVY DOD	1,868,502	5.62%
3)HOTELS OF THE MARIANAS INC	1,098,538	2.87%	3)HOTELS OF THE MARIANAS INC	847,537	2.55%
4)PACIFIC STAR RESORT & SPA	908,545	2.37%	4)EIE CORPORATION/HYATT	720,581	2.17%
5)SHERATON LAGUNA GUAM RESORT	850,152	2.22%	5)MDI GUAM CORPORATION/Westin	694,559	2.09%
6)HYATT	844,912	2.21%	6)HOTEL NIKKO GUAM	687,184	2.07%
7)HOTEL NIKKO GUAM	831,546	2.17%	7)PACIFIC STAR RESORT & SPA	675,725	2.03%
8)OUTRIGGER GUAM RESORT	691,013	1.81%	8)SHERATON LAGUNA GUAM RESORT	663,950	2.00%
9)MDI GUAM CORPORATION/WESTIN	681,806	1.78%	9)OUTRIGGER HOTEL & RESORTS	644,913	1.94%
10)GUAM REEF HOTEL INC	623,890	1.63%	10)ONWARD BEACH RESORT GUAM INC	522,650	1.57%
Total	**$12,835,306**	**33.55%**	**Total**	**$10,501,692**	**31.56%**

Power, Water Purchases and Water Production

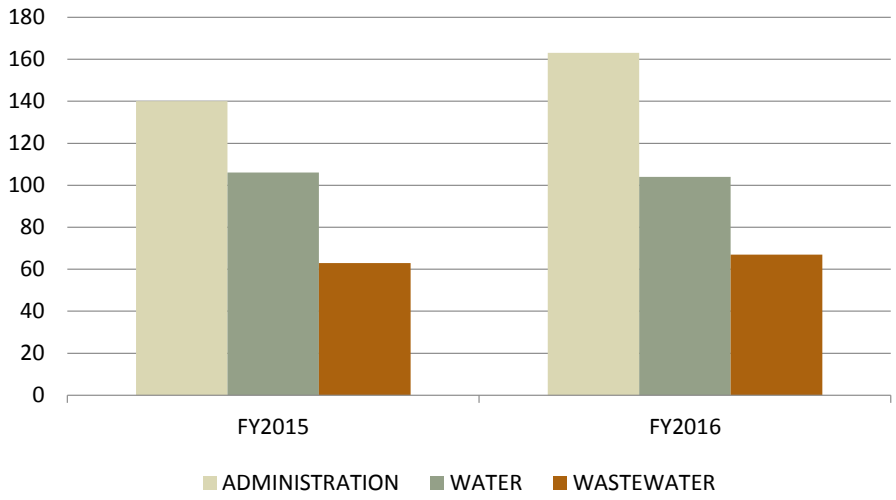




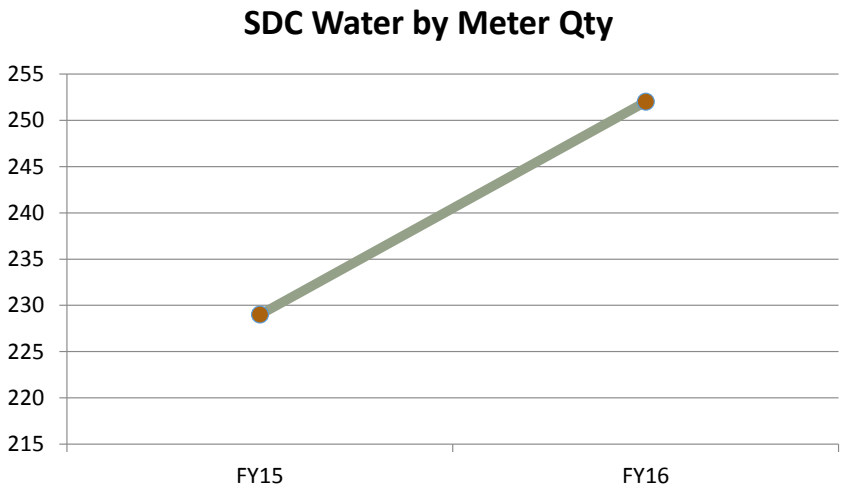


FTE by Major Division

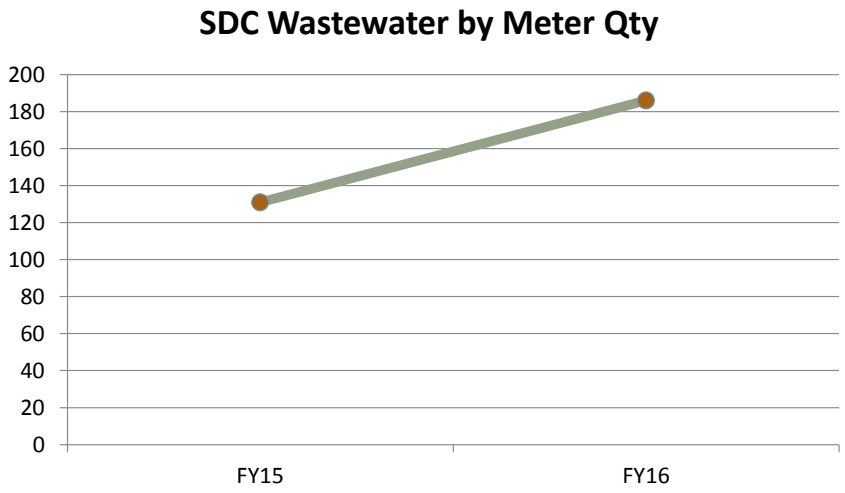
DIVISION	FY2015	FY2016
ADMINISTRATION	140	163
WATER	106	104
WASTEWATER	63	67
TOTAL NUMBER OF STAFF	309	334
Gross Salaries & Wages ($000)	15,805	16,442
Water Customers	41,274	42,259
Staff to Customers Ratio	0.75%	0.79%



SDC Water & Wastewater (Meter Quantity)



Actual Meter Sizes (Inches)	FY 2015	FY 2016
5/8 x 3/4	220	239
1	5	7
1 1/2	1	1
2	2	4
3	-	1
4	1	-
6	-	-
8	-	-
10	-	-
Total SDC by Water	229	252



Actual Meter Sizes (Inches)	FY 2015	FY 2016
5/8 x 3/4	124	179
1	3	2
1 1/2	1	1
2	2	3
3	-	1
4	1	-
6	-	-
8	-	-
10	-	-
Total SDC by Wastewater	131	186

GUAM WATERWORKS AUTHORITY
SEPTEMBER 30, 2016
FINANCIAL AND RELATED REPORTS
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GUAM WATERWORKS AUTHORITY
Balance Sheet
September 30, 2016

SCHEDULE A

ASSETS	Unaudited September 30, 2016	Audited September 30, 2015	Increase (Decrease)
Current Assets:			
Cash:			
Unrestricted (Schedule G)	7,495,476	5,182,776	2,312,701
Restricted Funds (Schedule G)	49,091,129	29,415,932	19,675,198
Accounts Receivable Trade, Net of Allowance for Doubtful Receivables of $11,018,231 at September 30, 2016 and $10,268,231 at Sep. 30, 2015	16,321,980	16,801,081	(479,101)
Other Receivable	1,074,553	747,876	326,677
Materials & Supplies Inventory, Net of Allowance for Obsolescence of $457,370 at Sept. 30, 2015	2,078,338	1,777,241	301,097
Total Current Assets	76,061,477	53,924,905	22,136,572
Property, Plant and Equipment			
Utility plant in service:			
Water system	295,235,922	294,780,104	455,818
Wastewater system	258,852,294	258,799,236	53,058
Non-utility property	21,783,559	21,612,653	170,906
Total property	575,871,775	575,191,993	679,782
Less Accumulated Depreciation	(285,843,708)	(268,037,482)	(17,806,226)
Land	64,288	64,288	0
Construction Work in Progress	95,262,232	52,891,167	42,371,065
Property, Plant and Equipment, net	385,354,586	360,109,966	25,244,620
Other noncurrent assets			
Restricted cash (Schedule G)	285,277,784	161,206,091	124,071,693
Investments (Schedule G)	41,029,262	32,277,981	8,751,281
Other Prepaid Expenses	652,000	646,748	5,253
Total other noncurrent assets	326,959,047	194,130,819	132,828,227
TOTAL ASSETS	788,375,110	608,165,690	180,209,420
Deferred outflows of resources:			
Debt defeasance loss on refunding	1,878,602	2,112,398	(233,796)
Deferred outflows from pension	3,212,553	4,015,691	(803,138)
Total Assets and Deferred Outflows from Pension	**793,466,264**	**614,293,779**	**179,172,486**
LIABILITIES AND NET ASSETS			
Current Liabilities:			
Current maturities of long-term debt			
-Series 2010 Bond	1,590,000	1,590,000	0
-Series 2014 Refunding	3,320,000	3,320,000	0
-Notes Payable	2,737,804	2,737,804	0
Accounts Payable -Trade	4,851,992	4,113,426	738,566
Accrued Expense	42,126	29,118	13,008
Interest Payable	6,748,638	4,957,551	1,791,087
Accrued Payroll and Employee Benefits	2,261,790	1,740,976	520,814
Accrued Annual Leave	1,641,497	1,540,507	100,990
Current portion of employee annual leave	511,267	511,267	0
Contractor's Payable	3,436,908	6,518,638	(3,081,730)
Customer Deposits	2,278,168	1,997,941	280,227
Other Liabilities	-	21,740	(21,740)
Total Current Liabilities	29,420,189	29,078,967	341,222
Long Term Debt, less current maturities			
Series 2010 Revenue Bond	114,590,000	116,180,000	(1,590,000)
Series 2013 Revenue Bond	172,630,000	172,630,000	0
Series 2014 Refunding	76,060,000	79,380,000	(3,320,000)
Series 2016 Revenue Bond	143,310,000	-	143,310,000
Unamortized Discount - Bond 2010	(1,948,205)	(2,028,886)	80,681
Unamortized Discount - Bond 2013	(1,389,850)	(1,440,950)	51,100
Unamortized Premium - Bond 2014	5,071,307	5,337,921	(266,614)
Unamortized Premium - Bond 2016	17,870,470		17,870,470
Notes Payable	8,714,386	11,459,972	(2,745,586)
Unfunded Ret Liability (GASB 67/68)	31,330,546	34,047,740	(2,717,194)
Employee Annual Leave, Less Current Portion	924,662	892,695	31,967
TOTAL LIABILITIES	596,583,505	445,537,459	151,046,046
Deferred inflows from pension	2,854,872	3,568,590	(713,718)
Net Assets	**194,027,888**	**165,187,730**	**28,840,158**
Total Liabilities and Net Assets and Deferred Inflows from Pension	**793,466,264**	**614,293,779**	**179,172,486**

GUAM WATERWORKS AUTHORITY
Statement of Operations and Retained Earnings (Unaudited)
Comparative Budget vs. Actual for the period ending September 30, 2016

SCHEDULE B

	Month to Date Budget September-16	Month to Date Actual (Unaudited) September-16	Variance Increase / (Decrease)
OPERATING REVENUES			
Water Revenues	5,502,025	5,088,461	(413,564)
Wastewater Revenues	3,119,749	3,206,316	86,567
Legislative Surcharge	243,520	239,997	(3,523)
Other Revenues	89,448	42,578	(46,870)
System Development Charge	101,434	55,430	(46,004)
Total Operating Revenues	9,056,177	8,632,781	(423,396)
OPERATING AND MAINTENANCE EXPENSES			
Water Purchases	521,384	496,824	(24,560)
Power Purchases	1,445,365	853,283	(592,082)
Total Utility Costs	1,966,749	1,350,107	(616,642)
Salaries and Wages	1,566,715	1,614,272	47,558
Pension and Benefits	405,518	171,497	(234,021)
Total Salaries and Benefits	1,972,233	1,785,769	(186,464)
Capitalized Labor and Benefits	(83,333)	(1,227,049)	(1,143,715)
Net Salaries and Benefits	1,888,899	558,720	(1,330,179)
Administrative and General Expenses			
Sludge Removal	152,227	126,105	(26,122)
Chemicals	250,082	119,993	(130,089)
Materials & Supplies	418,799	15,423	(403,376)
Transportation	54,997	34,745	(20,252)
Communications	15,946	12,148	(3,799)
Claims	15,500	7,269	(8,231)
Insurance	104,757	101,034	(3,723)
Training & Travel	18,006	68,263	50,257
Advertising	18,527	27,746	9,219
Miscellaneous	37,030	64,775	27,745
Total Administrative and General Expense	1,085,870	577,501	(508,370)
Regulatory Expense	61,376	60,292	(1,084)
Bad Debts Provision (net of recoveries)	62,500	62,495	(5)
Depreciation Expense	1,485,000	1,485,000	0
Contractual Expense			
Audit & Computer Maintenance	105,508	223,500	117,992
Building Rental	51,080	33,435	(17,645)
Equipment Rental	70,651	190,447	119,796
Legal	601	(2,911)	(3,511)
Laboratory	54,122	22,777	(31,345)
Other	460,381	549,439	89,057
Total Contractual Expense	742,343	1,016,687	274,344
Retiree Supp. Annuities and Health Care Costs	193,114	235,723	42,609
Contribution to Government of Guam	48,285	48,667	382
Total Retiree Benefits	241,399	284,389	42,991
Total Operating Expenses	7,534,137	5,395,191	(2,138,945)
Earnings (Loss) from Operations	1,522,040	3,237,590	1,715,550
Interest Income - 2010/13/14/16 Series Bond	1,029	2,833	1,804
Interest Income - Other Funds	642	2,210	1,568
Interest Expense - 2010/13/14/16 Series Bond	(2,335,224)	(2,223,983)	111,241
Interest Expense - ST BOG	(58,305)	28,191	86,496
Federal Expenditures	-	(150,544)	(150,544)
Loss on Asset Disposal	-	-	0
AFUDC	250,000	8,796,241	8,546,241
Amortization of Discount, Premium and Issuance Costs	(291,667)	(283,886)	7,781
Loss on Defeasance Bond 05 Refunding	-	(19,483)	(19,483)
Deferred Outflows from Pension	-	(66,928)	(66,928)
Prior Year Adjustment	-	-	0
Total non-operating revenues (expenses)	(2,433,525)	6,084,651	8,518,176
Net Income (Loss) before capital contributions	(911,485)	9,322,241	10,233,726
Capital Contributions			
Grants from US Government	250,000	1,116,185	866,185
Grants from GovGuam & Others	-	-	0
Other Contributions	-	-	0
Total Capital Contributions	250,000	1,116,185	866,185
Change in Net Assets	(661,485)	10,438,426	11,099,911
Debt Service Calculation			
Earnings From Operations	1,522,040	3,237,590	
System Development Charge	(101,434)	(55,430)	
Interest/Investment Income	642	2,210	
Depreciation	1,485,000	1,485,000	
Balance Available for Debt Service per Section 6.12	2,906,248	4,669,370	
Working Capital Reserve Available for Debt Service	382,083	382,083	
Transfer to Working Capital Debt Service Reserve	-	-	
Balance Available for Debt Service inclusive of reserves	3,288,331	5,051,453	
Debt Service			
Principal	452,703	420,000	
Interest	1,402,897	1,626,858	
Total	1,855,600	2,046,858	
Debt Service Coverage inclusive of reserves (PUC)	1.77	2.47	
Debt Service Coverage (1.25X)- per Section 6.12 (Indenture)	1.57	2.28	

GUAM WATERWORKS AUTHORITY
Statement of Operations and Retained Earnings (Unaudited)
Comparative for the period ending September 30, 2016 and 2015

SCHEDULE C

	Month to Date Actual (Unaudited) September-16	Actual (Audited) September-15	Variance Increase / (Decrease)
OPERATING REVENUES			
Water Revenues	5,088,461	4,728,839	359,622
Wastewater Revenues	3,206,316	2,723,275	483,041
Legislative Surcharge	239,997	233,169	6,828
Other Revenues	42,578	58,888	(16,311)
System Development Charge	55,430	98,438	(43,008)
Total Operating Revenues	8,632,781	7,842,609	790,172
OPERATING AND MAINTENANCE EXPENSES			
Water Purchases	496,824	424,906	71,918
Power Purchases	853,283	1,168,871	(315,587)
Total Utility Costs	1,350,107	1,593,777	(243,670)
Salaries and Wages	1,614,272	1,465,840	148,432
Pension and Benefits	171,497	76,897	94,600
Total Salaries and Benefits	1,785,769	1,542,737	243,032
Capitalized Labor and Benefits	(1,227,049)	(195,390)	(1,031,659)
Net Salaries and Benefits	558,720	1,347,347	(788,627)
Administrative and General Expenses			
Sludge Removal	126,105	111,981	14,125
Chemicals	119,993	166,875	(46,882)
Materials & Supplies	15,423	113,980	(98,557)
Transportation	34,745	38,531	(3,786)
Communications	12,148	16,509	(4,361)
Claims	7,269	5,814	1,455
Insurance	101,034	103,057	(2,023)
Training & Travel	68,263	12,270	55,993
Advertising	27,746	7,464	20,281
Miscellaneous	64,775	41,406	23,369
Total Administrative and General Expense	577,501	617,887	(40,387)
Regulatory Expense	60,292	36,036	24,256
Bad Debts Provision (net of recoveries)	62,495	81,687	(19,192)
Depreciation Expense	1,485,000	1,211,950	273,050
Contractual Expense			
Audit & Computer Maintenance	223,500	35,389	188,111
Building Rental	33,435	3,414	30,021
Equipment Rental	190,447	19,040	171,408
Legal	(2,911)	11	(2,922)
Laboratory	22,777	40,089	(17,312)
Other	549,439	134,830	414,608
Total Contractual Expense	1,016,687	232,772	783,915
Retiree Supp. Annuities and Health Care Costs	235,723	242,258	(6,536)
Contribution to Government of Guam	48,667	48,667	(0)
Total Retiree Benefits	284,389	290,925	(6,536)
Total Operating Expenses	5,395,191	5,412,381	(17,190)
Earnings (Loss) from Operations	3,237,590	2,430,228	807,362
Interest Income - 2010/13/14/16 Series Bond	2,833	1,582	1,251
Interest Income - Other Funds	2,210	375	1,835
Interest Expense - 2010/13/14/16 Series Bond	(2,223,983)	(1,639,914)	(584,070)
Interest Expense - ST BOG	28,191	(98,853)	127,044
Federal Expenditures	(150,544)	(224,303)	73,759
Loss on Asset Disposal	-	(18,501)	18,501
AFUDC	8,796,241	815,988	7,980,253
Amortization of Discount, Premium and Issuance Costs	(283,886)	-	(283,886)
Loss on Defeasance Bond 05 Refunding	(19,483)	-	(19,483)
Deferred Outflows from Pension	(66,928)		(66,928)
Prior Year Adjustment	-	(18,453)	18,453
Total non-operating revenues (expenses)	6,084,651	(1,182,079)	7,266,730
Net Income (Loss) before capital contributions	9,322,241	1,248,149	8,074,092
Capital Contributions			
Grants from US Government	1,116,185	292,219	823,966
Grants from GovGuam & Others	-	6,667	(6,667)
Other Contributions	-	-	-
Total Capital Contributions	1,116,185	298,886	817,299
Change in Net Assets	10,438,426	1,547,035	8,891,391
Debt Service Calculation			
Earnings From Operations	3,237,590	2,430,228	
System Development Charge	(55,430)	(98,438)	
Interest/Investment Income	2,210	375	
Depreciation	1,485,000	1,211,950	
Balance Available for Debt Service per Section 6.12	4,669,370	3,544,115	
Working Capital Reserve Available for Debt Service	382,083	382,083	
Transfer to Working Capital Debt Service Reserve	-		
Balance Available for Debt Service inclusive of reserves	5,051,453	3,926,198	
Debt Service			
Principal	420,000	409,167	
Interest	1,626,858	1,248,244	
Total	2,046,858	1,657,410	
Debt Service Coverage inclusive of reserves (PUC)	2.47	2.37	
Debt Service Coverage (1.25X)- per Section 6.12 (Indenture)	2.28	2.14	

GUAM WATERWORKS AUTHORITY
Statement of Operations and Retained Earnings (Unaudited) **SCHEDULE D**
Comparative Budget vs. Actual for the period ending September 30, 2016

	Year to Date		Variance
	Budget September-16	Actual (Unaudited) September-16	Increase / (Decrease)
OPERATING REVENUES			
Water Revenues	66,024,300	64,551,571	(1,472,729)
Wastewater Revenues	37,436,993	37,369,788	(67,205)
Legislative Surcharge	2,922,245	2,887,167	(35,078)
Other Revenues	1,073,373	519,749	(553,624)
System Development Charge	1,217,210	1,428,332	211,122
Total Operating Revenues	108,674,121	106,756,608	(1,917,513)
OPERATING AND MAINTENANCE EXPENSES			
Water Purchases	6,256,605	6,374,035	117,430
Power Purchases	17,344,384	11,225,884	(6,118,500)
Total Utility Costs	23,600,989	17,599,919	(6,001,070)
Salaries and Wages	18,800,575	16,442,439	(2,358,135)
Pension and Benefits	4,866,217	3,034,146	(1,832,071)
Total Salaries and Benefits	23,666,792	19,476,585	(4,190,207)
Capitalized Labor and Benefits	(1,000,000)	(3,024,974)	(2,024,974)
Net Salaries and Benefits	22,666,792	16,451,611	(6,215,181)
Administrative and General Expenses			
Sludge Removal	1,826,721	1,565,080	(261,641)
Chemicals	3,000,979	2,239,147	(761,833)
Materials & Supplies	5,025,592	1,349,301	(3,676,291)
Transportation	659,962	558,804	(101,157)
Communications	191,356	123,178	(68,178)
Claims	186,000	127,412	(58,588)
Insurance	1,257,079	1,213,327	(43,752)
Training & Travel	216,072	147,446	(68,626)
Advertising	222,320	190,889	(31,431)
Miscellaneous	444,360	820,268	375,908
Total Administrative and General Expense	13,030,442	8,334,852	(4,695,589)
Regulatory Expense	736,511	325,252	(411,259)
Bad Debts Provision (net of recoveries)	750,000	749,962	(38)
Depreciation Expense	17,820,000	17,820,000	0
Contractual Expense			
Audit & Computer Maintenance	1,266,094	1,031,552	(234,542)
Building Rental	612,961	399,343	(213,618)
Equipment Rental	847,810	697,942	(149,868)
Legal	7,207	4,348	(2,859)
Laboratory	649,469	122,810	(526,659)
Other	5,524,577	1,898,239	(3,626,338)
Total Contractual Expense	8,908,119	4,154,234	(4,753,884)
Retiree Supp. Annuities and Health Care Costs	2,317,367	2,764,262	446,895
Contribution to Government of Guam	579,420	584,000	4,580
Total Retiree Benefits	2,896,787	3,348,262	(451,475)
Total Operating Expenses	90,409,639	68,784,093	(22,528,497)
Earnings (Loss) from Operations	18,264,482	37,972,515	19,708,033
Interest Income - 2010/13/14/16 Series Bond	12,344	24,991	12,647
Interest Income - Other Funds	7,702	37,936	30,234
Interest Expense - 2010/13/14/16 Series Bond	(28,022,689)	(23,932,501)	4,090,188
Interest Expense - ST BOG	(699,658)	(709,146)	(9,488)
Federal Expenditures	-	(1,103,333)	(1,103,333)
Loss on Asset Disposal	-	-	0
AFUDC	3,000,000	13,888,550	10,888,550
Amortization of Discount, Premium and Issuance Costs	(3,500,000)	(1,929,740)	1,570,260
Loss on Defeasance Bond 05 Refunding	-	(233,796)	(233,796)
Deferred Outflows from Pension	-	(89,420)	(89,420)
Prior Year Adjustment	-	(619,831)	(619,831)
Total non-operating revenues (expenses)	(29,202,301)	(14,666,290)	14,536,010
Net Income (Loss) before capital contributions	(10,937,819)	23,306,225	34,244,044
Capital Contributions			
Grants from US Government	3,000,000	5,256,115	2,256,115
Grants from GovGuam & Others	-	277,818	277,818
Other Contributions	-	-	0
Total Capital Contributions	3,000,000	5,533,933	2,533,933
Change in Net Assets	(7,937,819)	28,840,158	36,777,977
Debt Service Calculation			
Earnings From Operations	18,264,482	37,972,515	
System Development Charge	(1,217,210)	(1,428,332)	
Interest/Investment Income	7,702	37,936	
Depreciation	17,820,000	17,820,000	
Balance Available for Debt Service per Section 6.12	34,874,974	54,402,119	
Working Capital Reserve Available for Debt Service	4,585,000	4,585,000	
Transfer to Working Capital Debt Service Reserve	-	-	
Balance Available for Debt Service inclusive of reserves	39,459,974	58,987,119	
Debt Service			
Principal	5,432,430	4,942,500	
Interest	16,834,767	18,449,464	
Total	22,267,197	23,391,964	
Debt Service Coverage inclusive of reserves (PUC)	1.77	2.52	
Debt Service Coverage (1.25X)- per Section 6.12 (Indenture)	1.57	2.33	

GUAM WATERWORKS AUTHORITY
Statement of Operations and Retained Earnings (Unaudited)
Comparative for the period ending September 30, 2016 and 2015

SCHEDULE E

	Year to Date ACTUAL (Unaudited) September-16	ACTUAL (Audited) September-15	Variance Increase / (Decrease)
OPERATING REVENUES			
Water Revenues	64,551,571	56,746,066	7,805,505
Wastewater Revenues	37,369,788	32,679,297	4,690,491
Legislative Surcharge	2,887,167	2,798,030	89,137
Other Revenues	519,749	706,657	(186,908)
System Development Charge	1,428,332	1,181,254	247,078
Total Operating Revenues	106,756,608	94,111,304	12,645,304
OPERATING AND MAINTENANCE EXPENSES			
Water Purchases	6,374,035	5,098,872	1,275,163
Power Purchases	11,225,884	14,026,448	(2,800,564)
Total Utility Costs	17,599,919	19,125,320	1,525,401
Salaries and Wages	16,442,439	17,590,080	(1,147,641)
Pension and Benefits	3,034,146	922,764	2,111,382
Total Salaries and Benefits	19,476,585	18,512,844	(963,741)
Capitalized Labor and Benefits	(3,024,974)	(2,344,682)	(680,292)
Net Salaries and Benefits	16,451,611	16,168,162	(283,449)
Administrative and General Expenses			
Sludge Removal	1,565,080	1,343,767	221,313
Chemicals	2,239,147	2,002,505	236,642
Materials & Supplies	1,349,301	1,367,765	(18,464)
Transportation	558,804	462,372	96,432
Communications	123,178	198,103	(74,925)
Claims	127,412	69,765	57,647
Insurance	1,213,327	1,236,685	(23,358)
Training & Travel	147,446	147,240	206
Advertising	190,889	89,572	101,317
Miscellaneous	820,268	496,874	323,394
Total Administrative and General Expense	8,334,852	7,414,648	(920,204)
Regulatory Expense	325,252	432,436	(107,184)
Bad Debts Provision (net of recoveries)	749,962	980,243	(230,281)
Depreciation Expense	17,820,000	14,543,396	3,276,604
Contractual Expense			
Audit & Computer Maintenance	1,031,552	424,662	606,890
Building Rental	399,343	40,965	358,378
Equipment Rental	697,942	228,475	469,467
Legal	4,348	137	4,211
Laboratory	122,810	481,067	(358,257)
Other	1,898,239	1,617,961	280,278
Total Contractual Expense	4,154,234	2,793,267	(1,360,967)
Retiree Supp. Annuities and Health Care Costs	2,764,262	2,907,101	(142,839)
Contribution to Government of Guam	584,000	584,000	0
Total Retiree Benefits	3,348,262	3,491,101	142,839
Total Operating Expenses	68,784,093	64,948,573	(3,835,519)
Earnings (Loss) from Operations	37,972,515	29,162,731	8,809,784
Interest Income - 2010/13/14/16 Series Bond	24,991	18,986	6,005
Interest Income - Other Funds	37,936	4,503	33,433
Interest Expense - 2010/13/14/16 Series Bond	(23,932,501)	(19,678,966)	(4,253,534)
Interest Expense - ST BOG	(709,146)	(1,186,238)	477,091
Federal Expenditures	(1,103,333)	(2,691,636)	1,588,303
Loss on Asset Disposal	-	(222,012)	222,012
AFUDC	13,888,550	9,791,856	4,096,694
Amortization of Discount, Premium and Issuance Costs	(1,929,740)	-	(1,929,740)
Loss on Defeasance Bond 05 Refunding	(233,796)	-	(233,796)
Deferred Outflows from Pension	(89,420)	-	(89,420)
Prior Year Adjustment	(619,831)	(221,438)	(398,393)
Total non-operating revenues (expenses)	(14,666,290)	(14,184,945)	(481,346)
Net Income (Loss) before capital contributions	23,306,225	14,977,786	8,328,439
Capital Contributions			
Grants from US Government	5,256,115	3,506,628	1,749,487
Grants from GovGuam & Others	277,818	80,004	197,814
Other Contributions	-	-	0
Total Capital Contributions	5,533,933	3,586,632	1,947,301
Change in Net Assets	28,840,158	18,564,418	10,275,740
Debt Service Calculation			
Earnings From Operations	37,972,515	29,162,731	
System Development Charge	(1,428,332)	(1,181,254)	
Interest/Investment Income	37,936	4,503	
Depreciation	17,820,000	14,543,396	
Balance Available for Debt Service per Section 6.12	54,402,119	42,529,376	
Working Capital Reserve Available for Debt Service	4,585,000	4,584,996	
Transfer to Working Capital Debt Service Reserve	-	-	
Balance Available for Debt Service inclusive of reserves	58,987,119	47,114,372	
Debt Service			
Principal			
Interest	4,942,500	4,628,750	
Total	18,449,464	11,742,630	
Debt Service Coverage inclusive of reserves (PUC)	23,391,964	16,371,380	
Debt Service Coverage (1.25X)- per Section 6.12 (Indenture)	2.52	2.88	
Debt Service Coverage (1.25X)- per Section 6.12 (Indenture)	2.33	2.60	

SCHEDULE F

Bond Compliance

		($$$) Per Indenture	As of 09/30/16 ($$$) Bond 2010/2013/2014/2016
• Revenues Collected sweep from BOG (Daily) and all banks (Thursdays)	Collections		
• Operation and Maintenance Fund-BOG	*Equivalent to 55 days of the annual O&M budget less depreciation*	$10.5M	$10.5M
• Debt Service Fund - US Bank	*Principal and Interest payment based on the amortization schedule (1/2 of the annual debt service)*	$14.7M	$4.1M
• Bond Reserve Fund - US Bank	*Fully funded- Principal and Interest (Bond Series 2010, 2013, 2014 Refunding and 2016)*	$34.9M	$34.9M
• Operation, Maintenance, Renewal and Replacement Reserve Fund-BOG Trust	*Equivalent to 1/4 of the annual O&M budget & CIP budget to be funded in 5 years ($2M/year)*	$17.4M	$17.4M
• Capital Improvement Fund & BOG Reserves	*Balance remaining in the Revenue Fund after the foregoing deposits*	$3.9K	$3.9K
• Capitalized Interest Fund			$8.9M

GUAM WATERWORKS AUTHORITY
Restricted and Unrestricted Cash Summary
FY 2016

SCHEDULE G

Description	Unaudited September 30, 2016	Audited September 30, 2015	Increase (Decrease)
UNRESTRICTED			
Change Fund	2,000	2,000	0
Petty Cash	5,000	5,000	0
BOG - General Fund	5,026,177	5,120,938	(94,761)
BOG - Credit Card-Sweep	-	-	0
BOG - On Line Payment	0	196	(196)
BOG - PRN Payroll	2,274,253	24,253	2,250,000
BOG - Sweep Account	76	-	76
Bank of Hawaii	121,371	8,247	113,124
ANZ Bank	245	(2,175)	2,420
First Hawaiian Bank	47,741	10,844	36,897
Bank Pacific	13,764	10,581	3,184
Community First FCU	4,849	2,893	1,957
Sub-total Unrestricted	7,495,476	5,182,776	2,312,701
RESTRICTED			
BOG - PRN Moratorium	-	5,455	(5,455)
BOG - Customer Refunds	2,274,599	322,174	1,952,426
Bank Pacific - Surcharge	166,670	276,889	(110,219)
Bank Pacific - Escrow Deposit	845,640	648,433	197,207
BOG Emergency Reserve Fund	6,114	6,107	7
BOG - Revenue Trust	595,751	478,339	117,412
BOG Revenue Trust Fund	8,182,472	6,590,210	1,592,262
BOG Capital Improvement Fund	3,933	3,865	68
BOG-O & M Reserve	4,050,319	1,750,000	2,300,319
BOG-Debt Service Reserve	11,185,610	4,585,000	6,600,610
BOG-CAPEX Reserve	8,710,383	2,900,000	5,810,383
BOG Sewer Hookup Revolving Fund	62,132	84,684	(22,552)
BOG Short Term Loan DSF	-	1,955	(1,955)
BOG Subord. Sec. Fund	859,233	859,233	0
BOG Operation and Maintenance Fund	3,083,482	3,083,482	0
	40,026,338	21,595,825	18,430,513
BOG - SDC Deposit	1,064,792	7,820,107	(6,755,315)
BOG - SDC CDs	8,000,000	-	8,000,000
Total Restricted	49,091,129	29,415,932	19,675,198
Reserve Funds			
BOG Series 05 OMRRRF Fund	17,423,213	14,753,392	2,669,821
BOG Series 10 Construction Fund	11,725,749	17,726,953	(6,001,205)
BOG Series 13 Construction Fund	107,622,618	125,495,989	(17,873,371)
BOG Series 13 CAP I Fund	-	2,334,792	(2,334,792)
BOG Series 14 Refunding Construction Fund	820,529	894,965	(74,435)
BOG Series 16 Construction Fund	138,748,131	-	138,748,131
BOG Series 16 Cap Int Fund	8,937,545	-	8,937,545
BOG Series 16 COI Fund	-	-	0
Total Restricted - Held by Trustee	285,277,784	161,206,091	124,071,693
USB Series 2010 Debt Service Fund	2,016,414	2,016,050	364
USB Series 2010 Debt Service Reserve Fund	7,566,460	7,566,460	0
USB Series 2013 Debt Service Fund	2,333,083	1,165,573	1,167,510
USB Series 2013 Debt Service Reserve Fund	12,031,688	12,031,688	0
USB Series 2014 Refunding Debt Service Fund	1,791,266	1,790,607	658
USB Series 2014 Refunding Debt Service Reserv	7,707,628	7,707,602	25
USB Series 2016 Debt Service Fund	-	-	0
USB Series 2016 Debt Service Reserve Fund	7,582,725	-	7,582,725
Total Investments	41,029,262	32,277,981	8,751,281
Total Restricted and Unrestricted Cash	382,893,652	228,082,779	154,810,873

SCHEDULE H

Guam Waterworks Authority
Statement of Cash Flows (Unaudited)
FY 2016

	YTD September 2016
Increase (decrease) in cash	
Cash flows from operating activities:	
Cash received from trade and others	105,200,472
Cash payments to suppliers/contractors for goods and services	(32,680,953)
Cash payments to employees for services	(18,689,416)
Net cash provided by operating activities	53,830,103
Cash flows from capital and related financing activities:	
Contributed capital received (grants)	4,430,600
Acquisition of utility plant	(32,261,160)
Repayment of Long Term Debt	153,390,051
Interest expense	(24,641,647)
Net cash provided by (used in) capital and related financing activities	100,917,844
Cash flows from investing activities:	
Transfers from (to) restricted fund	(152,498,173)
Interest income received	62,927
Net cash provided by investing activities	(152,435,246)
Net increase (decrease) in cash	2,312,701
Unrestricted cash at beginning of the period	5,182,776
Unrestricted cash at end of period	7,495,476
Reconciliation of operating loss to net cash provided by operating activities:	
Operating Income (loss)	36,544,183
Adjustments to reconcile to net cash provided by operating activities:	
Depreciation expense	17,820,000
Other Expense/income	(1,725,063)
(Increase) decrease in assets:	
Accounts receivable	152,424
Materials and supplies inventory	(301,097)
Other Assets	686,240
Increase (decrease) in liabilities:	
Accounts payable, Contractors, Retention & Escrow Deposit	(870,226)
Accrued payroll	1,243,415
Customer deposits	280,228
Net cash provided by operating activities	53,830,103

Guam Waterworks Authority
Accounts Receivable - Government
September 30, 2016

SCHEDULE I

			AGING				
Customer Name	**No of Accounts**	**Current Balance**	**31-60 days**	**61-90 days**	**91-120 days**	**Over 120 days**	**Outstanding Bal.**
GUAM POWER AUTHORITY	20	745,873	70,279	250	-	-	816,402
GUAM INT'L AIRPORT AUTHORITY	4	42,721	28,715	31,602	25,537	82,853	211,428
PORT AUTHORITY OF GUAM	1	37,141	34,370	310	-	-	71,821
GUAM MEMORIAL HOSPITAL AUTHORITY	5	43,306	-	-	-	-	43,306
UNIVERSITY OF GUAM	4	12,973	-	-	-	-	12,973
GUAM HOUSING & URBAN RENEWAL AUTHORITY	7	2,267	782	22	22	270	3,362
GUAM HOUSING CORPORATION	1	40	-	-	-	-	40
							-
AUTONOMOUS AGENCIES	**42**	**884,320**	**134,147**	**32,183**	**25,559**	**83,123**	**1,159,332**
DEPT OF EDUCATION	48	272,463	108,540	4,624	7,062	482,616	875,305
DEPT OF PARKS & RECREATION	20	37,675	33,594	36,493	49,041	21,119	177,922
GUAM VETERANS AFFAIRS OFFICE	1	160,525	-	-	-	-	160,525
DEPT OF CORRECTIONS	8	104,486	18,904	-	-	13,505	136,895
DEPT OF PUBLIC HEALTH & SOCIAL SERVICES	6	2,937	1,243	657	484	104,114	109,435
DEPT OF CHAMORRO AFFAIRS	9	12,462	11,993	14,231	10,779	4,692	54,158
MAYORS' COUNCIL OF GUAM	46	14,029	8,329	2,368	849	2,678	28,252
OFFICE OF THE GOVERNOR	2	3,667	3,354	1,950	1,287	-	10,258
GUAM FIRE DEPARTMENT	9	6,550	2,506	84	-	-	9,139
DEPT OF PUBLIC WORKS	10	3,554	275	40	40	4,973	8,881
DEPT OF AGRICULTURE	6	3,601	1,329	1,419	-	-	6,349
DEPT OF YOUTH AFFAIRS	4	2,140	39	59	25	309	2,572
DEPT OF MILITARY AFFAIRS/GUARNG	1	1,624	-	-	-	-	1,624
DEPT OF ADMINISTRATION	1	292	181	170	134	563	1,340
GUAM POLICE DEPARTMENT	2	1,283	-	-	-	-	1,283
SANCTUARY INC	1	982	-	-	-	-	982
DIVISON OF SENIOR CITIZENS, DPH&SSS	1	246	400	-	-	-	646
DIVISON OF SENIOR CITIZENS, DPH&SS	1	290	351	-	-	-	641
GUAM COMMUNITY COLLEGE	3	482	-	-	-	-	482
DEPT OF MENTAL HEALTH	1	341	-	-	-	-	341
GUAM ENVIROMENTAL PROTECTION AGENCY	2	248	-	-	-	-	248
OFFICE OF CIVIL DEFENSE	1	236	-	-	-	-	236
GUAM PUBLIC LIBRARY	3	194	25	-	-	-	219
GUAM LEGISLATURE	1	182	-	-	-	-	182
DEPT OF AGRICULTURE-FISHERIES	1	133	-	-	-	-	133
GHURA-AGAFU GUMAS PARK	1	28	34	31	-	-	93
GUAM SOLID WASTE AUTHORITY	2	72	-	-	-	-	72
MERIZO MAYOR	1	23	-	-	-	-	23
							-
LINE AGENCIES	**192**	**630,743**	**191,095**	**62,125**	**69,700**	**634,569**	**1,588,233**
TOTAL SEPTEMBER 30, 2016	**234**	**1,515,063**	**325,242**	**94,308**	**95,259**	**717,692**	**2,747,565**

GUAM WATERWORKS AUTHORITY
2010 Series Bond Project Status
As of Sep 30, 2016

SCHEDULE J

PROJECT NAME	ORIGINAL APPROVED PROJECT COST	Adjusted Project Cost	EXPENDITURES AS OF 09/30/16	OUTSTANDING ENCUMBRANCES	TOTAL EXPENDITURES AND ENCUMBRANCES	UNOBLIGATED PROJECT COST	Construction fund balance AS OF 09/30/16
Ground Water Disinfection	$ -	$ 500,000	$ 438,141	$ 61,859	$ 500,000	$ 0	$ 61,859
"A" Series Well Transmission Line	$ 600,000	$ 600,000	$ 469,130	$ 49,014	$ 518,144	$ 81,856	$ 130,870
Water Booster Pump Station	$ 500,000	$ 500,000	$ 418,844	$ 81,156	$ 500,000	$ (0)	$ 81,156
Meter Replacement Program	$ 2,500,000	$ 10,300,000	$ 10,253,886	$ 19,742	$ 10,273,628	$ 26,372	$ 46,114
Barrigada Tank Repair/Replacement	$ -	$ 5,450,000	$ 5,442,302	$ 7,698	$ 5,450,000	$ 0	$ 7,698
Leak Detection		$ 200,000	$ -	$ 200,000	$ 200,000	$ -	$ 200,000
Potable Water System Planning	$ 200,000	$ 200,000	$ 179,138	$ 20,862	$ 200,000	$ -	$ 20,862
Implement Ground Water Rule		$ 1,700,000	$ 1,444,088	$ 255,911	$ 1,700,000	$ 1	$ 255,912
Brigade II (Ugum Lift) BPS Upgrade	$ 1,200,000	$ 1,700,000	$ 83,395	$ 202,199	$ 285,595	$ 1,414,405	$ 1,616,605
Deep Well Rehabilitation	$ 548,000	$ 548,000	$ 548,000	$ -	$ 548,000	$ -	$ -
New Deep Wells at Down Hard	$ 3,773,000	$ 1,773,000	$ 451,649	$ -	$ 451,649	$ 1,321,351	$ 1,321,351
Rehabilitation of Asan Springs	$ 900,000	$ 900,000	$ 188,771	$ 152,068	$ 340,838	$ 559,162	$ 711,229
Master Meters	$ 1,600,000	$ 1,600,000	$ 1,421,267	$ 68,690	$ 1,489,957	$ 110,043	$ 178,733
Ugum Water Treatment Plant Intake	$ 3,670,000	$ 700,000	$ 543,382	$ 156,618	$ 700,000	$ -	$ 156,618
Water Wells	$ 2,000,000	$ -	$ -		$ -	$ -	$ -
Water Distribution System	$ 384,000	$ 3,200,000	$ 3,174,748	$ (68,298)	$ 3,106,451	$ 93,549	$ 25,252
Pressure Zone Realignment /	$ 3,550,000	$ -	$ -		$ -	$ -	$ -
Northern System Water Distribution	$ 2,725,000	$ -	$ -	$ -	$ -	$ -	$ -
Central Water Distribution System 2005	$ 1,200,000	$ 900,000	$ 578,422	$ 45,730	$ 624,152	$ 275,848	$ 321,578
Southern Water Distribution System	$ 1,800,000	$ -	$ -		$ -	$ -	$ -
Mechanical/Electrical Equipment	$ 1,360,000	$ 1,200,000	$ 1,079,495	$ 120,505	$ 1,200,000	$ (0)	$ 120,505
Water Reservoir Internal/External	$ 500,000	$ 2,000,000	$ 855,242	$ 584,234	$ 1,439,476	$ 560,524	$ 1,144,758
Water Reservoir Internal/External	$ 2,400,000	$ -	$ -		$ -	$ -	$ -
Water System Reservoirs 2005 Improvements	$ 11,697,000	$ 1,050,000	$ 1,050,749	$ (749)	$ 1,050,000	$ -	$ (749)
Distribution System Upgrades	$ 3,182,000	$ 500,000	$ 449,046	$ 25,114	$ 474,160	$ 25,840	$ 50,954
Ugum Water Treatment Plant Reservoir	$ 3,672,000	$ -	$ -		$ -	$ -	$ -
Water Audit Program & Water Loss Control Plan		$ 100,000	$ 15,031	$ 63,428	$ 78,459	$ 21,541	$ 84,970
Production Plan / Reduce Navy Purchases		$ 100,000	$ 94,286	$ 5,714	$ 100,000	$ -	$ 5,714
Hydraulic Asessment of Tank		$ 500,000	$ 460,998	$ 39,002	$ 500,000	$ -	$ 39,002
Agana Heights & Chaot Tanks		$ 4,700,000	$ 3,644,997	$ 1,055,003	$ 4,700,000	$ -	$ 1,055,003
Tank Major Repair Yigo#1 Mangilao#2 Agat#2		$ 2,400,000	$ 1,691,840	$ 156,174	$ 1,848,013	$ 551,987	$ 708,160
Tank Major Repair Yigo#1 Mangilao#2 Agat#2		$ -			$ -	$ -	$ -
Assessment of malojloj Elevetad & Yigo Elevated		$ 200,000	$ 180,098	$ 19,902	$ 200,000	$ -	$ 19,902
Public Water System Asser Inventory/Condition Assesment		$ 100,000	$ 93,862	$ 6,138	$ 100,000	$ -	$ 6,138
Public Water System GIS & Mapping		$ 50,000		$ 50,000	$ 50,000	$ -	$ 50,000
		$ -			$ -	$ -	$ -
Wastewater System Planning	$ 1,500,000	$ 1,500,000	$ 1,464,065	$ 9,935	$ 1,474,000	$ 26,000	$ 35,935
Wastewater Vehicles	$ 235,000	$ 235,000	$ 209,795	$ 25,205	$ 235,000	$ 0	$ 25,205
NDWWTP - Chlorine Tanks	$ 250,000	$ 250,000	$ 250,000	$ -	$ 250,000	$ -	$ -
Tumon Bay Sewer Upgrades	$ 100,000	$ -	$ -		$ -	$ -	$ -
Wastewater Collection System Repl/Rehab		$ 1,150,000	$ 704,597	$ 296,726	$ 1,001,323	$ 148,677	$ 445,403
Facilities Plan/Design for Baza Gardens WWTP	$ 1,250,000	$ 1,250,000	$ 1,129,511	$ 19,759	$ 1,149,269	$ 100,731	$ 120,490
Facilities Plan/Design for Agat-Santa Rita WWTP	$ 900,000	$ 900,000	$ 864,503	$ 35,127	$ 899,630	$ 370	$ 35,497
Priority 1 Sewer Upgrades – Baza Gardens WWTP	$ 650,000	$ -	$ -		$ -	$ -	$ -
Baza Gardens STP Replacement	$ 3,567,000	$ 317,000	$ 149,958	$ 167,042	$ 317,000	$ -	$ 167,042
Facilities Plan/Design for Umatac Merizo WWTP		$ 900,000	$ 185,037	$ 485,754	$ 670,791	$ 229,209	$ 714,963
Agat/Santa Rita STP Replacement	$ 2,968,000	$ 2,218,000	$ 2,068,585	$ 147,393	$ 2,215,978	$ 2,022	$ 149,415
Northern District WWTP Primary Treatment Upgrades	$ -	$ 11,750,000	$ 11,362,272	$ 212,328	$ 11,574,600	$ 175,400	$ 387,728
Biosolids Management Plan		$ 200,000	$ 142,119	$ 57,881	$ 200,000	$ -	$ 57,881
Agana WWTP Interim Measures	$ -	$ 11,500,000	$ 11,236,182	$ 263,818	$ 11,500,000	$ -	$ 263,818
I&I SSES Southern		$ 800,000	$ 444,004	$ 355,997	$ 800,000	$ (0)	$ 355,996
I&I SSES Central		$ 850,000	$ 794,325	$ 55,675	$ 850,000	$ -	$ 55,675
I&I SSES Northern		$ -			$ -	$ -	$ -
Umatac Merizo Replacement		$ 250,000	$ 247,431	$ 2,569	$ 250,000	$ -	$ 2,569
Well Electrical Protection	$ 26,000	$ -	$ -		$ -	$ -	$ -
SCADA Pilot Project	$ 300,000	$ 70,000	$ 19,812	$ 42,138	$ 61,950	$ 8,050	$ 50,188
Electrical Upgrade - Water Wells	$ 3,000,000	$ 450,000	$ 335,378	$ 18,849	$ 354,227	$ 95,773	$ 114,622
Electrical Upgrade - Water Booster	$ 325,000	$ -	$ -		$ -	$ -	$ -
Electrical Upgrade -Water Booster	$ 350,000	$ -	$ -		$ -	$ -	$ -
Electrical Upgrade - Other Water	$ 250,000	$ -			$ -	$ -	$ -
SCADA Improvements – Phase 1	$ 250,000	$ 250,000	$ 193,953	$ 56,047	$ 250,000	$ -	$ 56,047
SCADA Improvements – Phase 2	$ 1,100,000	$ 1,100,000	$ 1,027,388	$ 29,598	$ 1,056,986	$ 43,014	$ 72,612
SCADA Improvements – Phase 3	$ 2,500,000	$ 50,000	$ 24,956	$ -	$ 24,956	$ 25,044	$ 25,044
SCADA Improvements – Phase 4	$ 850,000	$ -	$ -		$ -	$ -	$ -
Laboratory Modernization	$ 1,200,000	$ -	$ -		$ -	$ -	$ -
Land Survey	$ 1,500,000	$ 500,000	$ 360,532	$ 46,125	$ 406,657	$ 93,343	$ 139,468
General Plant Improvements / Water	$ 14,370,000	$ 7,241,000	$ 7,241,000	$ 0	$ 7,241,000	$ 0	$ 0
Interest Earned							$ 29,956
Total Construction Fund (2010 Series Revenue Bond)	**$ 87,402,000**	**$ 87,402,000**	**$ 75,706,207**	**$ 5,705,680**	**$ 81,411,887**	**$ 5,990,113**	**$ 11,725,749**

1.) PUC's Docket 11-01 $29,000,000.00 dated 09/19/11authorized GWA for reallocation
2) PUC's Docket 11-01 Reallocation of $23,246,000.00 dated 07/30/12
3) PUC's Dockect Reallocation dated February 2013

GUAM WATERWORKS AUTHORITY
2013 Series Bond Project Status
As of Sep 30, 2016

SCHEDULE K

PROJECT NAME	ORIGINAL APPROVED PROJECT COST	Adjusted Project Cost	EXPENDITURES AS OF 09/30/16	OUTSTANDING ENCUMBRANCES	TOTAL EXPENDITURES AND ENCUMBRANCES	UNOBLIGATED PROJECT COST	Construction fund balance AS OF 09/30/16
Santa Rita Springs Booster Pump Rehab Phase II	$ 100,000	$ 100,000			$ -	$ 100,000	$ 100,000
"A" Series Well Transmission Line	$ 400,000	$ 400,000	314,479	55,367	$ 369,846	$ 30,154	$ 85,521
Water Booster Pump Station	$ 6,000,000	$ 1,861,000	1,439,426	62,340	$ 1,501,765	$ 359,235	$ 4,560,574
Meter Replacement Program		$ 999,000	996,532	-	$ 996,532	$ 2,468	$ 503,468
Barrigada Tank Repair/Replacement	$ 6,000,000	$ 4,987,000	4,921,482	65,518	$ 4,987,000	$ 0	$ 1,078,518
Leak Detection	$ 100,000	$ 20,000	16,916	-	$ 16,916	$ 3,084	$ 83,084
Potable Water System Planning	$ 800,000	$ 624,000	597,797	26,203	$ 624,000	$ -	$ 602,203
Implement Ground Water Rule	$ 1,000,000	$ 1,000,000	1,000,000	-	$ 1,000,000	$ 0	$ -
Deep Well Rehabilitation	$ 800,000	$ 550,000	189,525	10,475	$ 200,000	$ 350,000	$ 610,475
New Deep Wells at Down Hard	$ 2,000,000	$ 810,000			$ -	$ 810,000	$ 2,000,000
Master Meters	$ 4,000,000	$ 884,000	481,188	230,872	$ 712,060	$ 171,940	$ 3,518,812
Ugum Water Treatment Plant Intake	$ 1,000,000	$ 982,000	458,106	401,695	$ 859,801	$ 122,199	$ 541,894
Water Wells	$ 4,200,000	$ 4,200,000	1,081,541	(116,525)	$ 965,016	$ 3,234,984	$ 3,118,459
Water Distribution System	$ 12,000,000	$ 12,451,000	2,217,739	6,587,621	$ 8,805,360	$ 3,645,640	$ 11,782,261
Pressure Zone Realignment /	$ 1,000,000	$ 431,000	321,145	1,580	$ 322,725	$ 108,275	$ 678,855
Mechanical/Electrical Equipment	$ 430,000	$ 430,000	328,686	98,112	$ 426,798	$ 3,202	$ 101,314
Water Reservoir Internal/External	$ 800,000	$ -			$ -	$ -	$ 800,000
Water System Reservoirs 2005 Improvements	$ 21,000,000	$ 13,878,000	3,233,912	4,472,855	$ 7,706,768	$ 6,171,233	$ 14,766,088
Ugum Water Treatment Plant Reservoir	$ 7,000,000	$ 90,000			$ -	$ 90,000	$ 7,000,000
Agana Heights & Chaot Tanks	$ 4,500,000	$ 3,280,000	232,227	47,022	$ 279,250	$ 3,000,750	$ 4,267,773
Tank Major Repair Yigo#1 Mangilao#2 Agat#2	$ 13,500,000	$ 11,605,000	83,957	1,477,747	$ 1,561,703	$ 10,043,297	$ 13,416,044
Tank Major Repair Yigo#1 Mangilao#2 Agat#2	$ 8,000,000	$ -			$ -	$ -	$ 8,000,000
Assessment of malojloj Elevetad & Yigo Elevated	$ 500,000	$ 500,000	67,369	417,748	$ 485,117	$ 14,883	$ 432,631
Fire Hydrant Replacement Program	$ -	$ -			$ -	$ -	$ 1,000,000
		$ -					
Wastewater System Planning	$ 800,000	$ 651,000	468,160	182,840	$ 651,000	$ (0)	$ 331,840
Lift Station Upgrades	$ 5,000,000	$ 946,000	435,153	92,268	$ 527,421	$ 418,579	$ 1,564,847
Wastewater Collection System Repl/Rehab	$ 6,500,000	$ 880,000	60,204	381,544	$ 441,748	$ 438,253	$ 3,739,796
Baza Gardens STP Replacement		$ 1,000,000	887,524	112,476	$ 1,000,000	$ 0	$ 112,476
Facilities Plan/Design for Umatac-Merizo WWTP		$ 473,000	314,114	7,916	$ 322,030	$ 150,970	$ 685,886
Agat/Santa Rita STP Replacement	$ 19,000,000	$ 67,200,000	8,506,666	58,383,935	$ 66,890,601	$ 309,399	$ 10,493,334
Agana WWTP Interim Measures		$ 673,000	402,679	270,321	$ 673,000	$ (0)	$ 1,097,321
Umatac Merizo Replacement	$ 2,000,000	$ -			$ -	$ -	$ 1,000,000
		$ -					
Wastewater Pump Station Electrical Upgrade	$ 620,000	$ 620,000	91,146	8,854	$ 100,000	$ 520,000	$ 528,854
Electrical Upgrade - Water Wells	$ 1,500,000	$ 1,500,000	1,222,099	277,900	$ 1,500,000	$ 0	$ 277,901
Electrical Upgrade - Water Booster	$ 325,000	$ 2,000			$ -	$ 2,000	$ 325,000
Electrical Upgrade -Water Booster	$ 350,000	$ 350,000	977	(977)	$ -	$ 350,000	$ 349,023
Electrical Upgrade - Other Water	$ 250,000	$ 250,000	60,700	(60,700)	$ -	$ 250,000	$ 189,300
SCADA Improvements – Phase 3	$ 1,850,000	$ 923,000	313,731	408,628	$ 722,359	$ 200,641	$ 1,536,269
SCADA Improvements – Phase 4	$ 500,000	$ -			$ -	$ -	$ 1,200,000
		$ -					
Laboratory Modernization	$ 1,500,000	$ 1,173,000	178,462	74,357	$ 252,819	$ 920,181	$ 1,321,538
Land Survey	$ 2,000,000	$ 2,000		2,000	$ 2,000	$ (0)	$ 2,000,000
General Plant Improvements / Water	$ 2,000,000	$ 2,600,000	1,090,378	1,485,009	$ 2,575,387	$ 24,613	$ 1,509,622
Allowance for COI							$ 275,005
Interest Earned							$ 36,633
Total Construction Fund (2013 Series Revenue Bond)	**$ 139,325,000**	**$ 139,325,000**	**$ 32,014,020**	**$ 75,465,001**	**$ 107,479,021**	**$ 31,845,979**	**$ 107,622,618**

PUC's Docket 14-04 dated February 25, 2014

GUAM WATERWORKS AUTHORITY
2014 Series Refunded Bond Project Status
As of Sep 30, 2016

SCHEDULE L

PROJECT NAME	ORIGINAL APPROVED PROJECT	ADJUSTED PROJECT COST	EXPENDITURES AS OF 09/30/16	OUTSTANDING ENCUMBRANCES	TOTAL EXPENDITURES AND ENCUMBRANCES	UNOBLIGATED PROJECT COST	20% PUC AS OF 09/30/16	Construction fund balance AS OF 09/30/16
Agana Treatment Plant	$ 10,475,000	$ 11,065,512	11,065,512	$ -	$ 11,065,512	$ (0)	$ 2,095,000	$ (0)
								$ -
Agana Outfall	$ 5,030,000	$ 10,127,198	10,127,198	$ -	$ 10,127,198	$ 0	$ 1,006,000	$ 0
								$ -
								$ -
Northern District (Outfall)	$ 4,700,000	$ 10,251,423	10,251,423	$ -	$ 10,251,423	$ 0	$ 940,000	$ 0
Northern District WWTP Upgrade		$ 173,681	173,681		$ 173,681	$ -		$ -
Northern Treatment Plant		$ -	-		$ -	$ -		$ -
Baza Gardens Wastewater Treatment Plant	$ 500,000	$ 297,177	297,177	$ -	$ 297,177	$ (0)	$ 100,000	$ (0)
Interim Disinfection Facilities	$ 581,000	$ 3,437,311	3,408,599	$ 28,712	$ 3,437,311	$ (0)	$ 116,200	$ 28,712
						$ -		$ -
Electrical Protection	$ 1,000,000	$ 1,512,483	1,512,483.3	$ -	$ 1,512,483	$ (0)	$ 200,000	$ (0)
Well Vulnerability Reduction	$ 600,000	$ 185,522	185,522	$ -	$ 185,522	$ 0	$ 120,000	$ 0
Old Agat Wastewater Collection (I/I Reductic	$ 2,155,000	$ 1,931,659	1,931,659	$ -	$ 1,931,659	$ (0)	$ 431,000	$ (0)
				$ -		$ -		$ -
Chaot WW Pump Station/Collection System	$ 410,000	$ 399,120	399,120	$ -	$ 399,120	$ -	$ 82,000	$ -
Lift Station Upgrades	$ 230,000	$ 149,895	149,895	$ -	$ 149,895	$ 0	$ 46,000	$ 0
Collection Line Upgrades	$ 200,000	$ 62,755	62,755	$ -	$ 62,755	$ 0	$ 40,000	$ 0
"A" Well Transmission Line	$ 2,413,000	$ 3,833,175	3,790,888	$ 42,287	$ 3,833,175	$ (0)	$ 482,600	$ 42,287
					$ -	$ -		$ -
Santa Rita Springs - Booster Pump Rehab.	$ 648,000	$ 306,841	306,841	-	$ 306,841	$ (0)	$ 129,600	$ (0)
						$ -	$ -	$ -
Fena Bypass Transmission line		$ 160,913	160,913	$ -	$ 160,913	$ (0)	$ -	$ (0)
Storage Additions	$ 950,000	$ -			$ -	$ -	$ 190,000	$ -
Booster Station Upgrades	$ 390,000	$ 66,734	66,734	$ -	$ 66,734	$ -	$ 78,000	$ -
Mangilao Tank Repair	$ 800,000	$ 398,367	397,933	$ 434	$ 398,367	$ (0)	$ 160,000	$ 434
Ugum Tank Replacement	$ 2,500,000	$ -			$ -	$ -	$ 500,000	$ -
Ugum WTPlant Refurbishment ($1.724,970EPA)		$ 6,588,473	6,531,525	$ 56,949	$ 6,588,473	$ (0)		$ 56,948
Barrigada Tank Repair/Replacement	$ 3,000,000	$ 65,019	65,019	$ -	$ 65,019	$ 0	$ 600,000	$ 0
						$ -		$ -
Water Reservoir Condition Assessment		$ 1,250,000	1,207,250.62	$ 42,749	$ 1,250,000	$ 0	$ -	$ 42,749
EarthTech Well Buyout	$ 5,000,000	$ 5,975,000	5,975,000	$ -	$ 5,975,000	$ -	$ 1,000,000	$ -
Water Wastewater Master Plan	$ 4,900,000	$ 4,881,308	4,881,308	$ -	$ 4,881,308	$ 0	$ 980,000	$ 0
Laboratory Modernization	$ 800,000	$ 135,055	135,055	$ -	$ 135,055	$ 0	$ 160,000	$ 0
Land Survey	$ 800,000	$ 577,836	556,037	$ 21,799	$ 577,836	$ 0	$ 160,000	$ 21,799
Ground Water Disinfection		$ -				$ -		$ -
GWUDI Study		$ 262,234	260,430	1,804	$ 262,234	$ -		$ 1,804
						$ -		$ -
Contingency	$ 12,276,023	$ 154	-	$ -	$ -	$ -		$ 732
						$ -		$ -
						$ -		$ -
						$ -		$ -
						$ -		$ -
						$ -		$ -
Vehicles	$ 1,100,000	$ 1,280,000	2,130,305	$ (850,305)	$ 1,280,000	$ -	$ 220,000	$ -
Generation Equipment	$ 700,000	$ 880,000	2,712	$ 877,288	$ 880,000	$ 0		$ 27,033
Leak Detection/Line Replacement	$ 8,200,000	$ 5,988,494	5,988,494	$ -	$ 5,988,494	$ -	$ 1,640,000	$ -
						$ -		$ -
						$ -		$ -
Automated Meter Reading	$ 12,572,063	$ 17,468,359	16,870,522	$ 537,157	$ 17,468,359.32	$ 0	$ 2,514,413	$ 597,837
Total Construction Fund (2014 Series Refu	$ 82,930,086	$ 89,711,698	88,891,990	$ 758,873.38	$ 89,711,543	$ 1	$ 13,990,813	$ 820,336
Interest Earned	$ 6,781,612	$ (0)				$ (0)		$ 194
Total Project Cost Funding	**$ 89,711,698**	**$ 89,711,698**	**88,891,990**	**$ 758,873.38**	**$ 89,711,543**	**$ 1**	**$ 13,990,813**	**$ 820,530**

GUAM WATERWORKS AUTHORITY
2016 Series Bond Project Status
As of Sep 30, 2016

SCHEDULE M

PROJECT NAME	ORIGINAL APPROVED PROJECT COST	EXPENDITURES AS OF 09/30/16	OUTSTANDING ENCUMBRANCES	TOTAL EXPENDITURES AND ENCUMBRANCES	UNOBLIGATED PROJECT COST	Construction fund balance AS OF 09/30/16
Water Booster Pump Station	$ 4,139,000			$ -	$ 4,139,000	$ 4,139,000
Meter Replacement Program	$ 4,501,000			$ -	$ 4,501,000	$ 4,501,000
Barrigada Tank Repair/Replacement	$ 1,013,000			$ -	$ 1,013,000	$ 1,013,000
Leak Detection	$ 1,180,000			$ -	$ 1,180,000	$ 1,180,000
Potable Water System Planning	$ 2,276,000		126,294	$ 126,294	$ 2,149,706	$ 2,276,000
Deep Well Rehabilitation	$ 250,000			$ -	$ 250,000	$ 250,000
New Deep Wells at Down Hard	$ 1,190,000			$ -	$ 1,190,000	$ 1,190,000
Master Meters	$ 3,616,000			$ -	$ 3,616,000	$ 3,616,000
Ugum Water Treatment Plant Intake	$ 18,000			$ -	$ 18,000	$ 18,000
Water Wells	$ 2,500,000			$ -	$ 2,500,000	$ 2,500,000
Water Distribution System	$ 2,049,000			$ -	$ 2,049,000	$ 2,049,000
Pressure Zone Realignment /	$ 1,141,000			$ -	$ 1,141,000	$ 1,141,000
Mechanical/Electrical Equipment	$ 100,000			$ -	$ 100,000	$ 100,000
Water Reservoir Internal/External	$ 800,000			$ -	$ 800,000	$ 800,000
Water System Reservoirs 2005 Improvements	$ 42,350,000			$ -	$ 42,350,000	$ 42,350,000
Ugum Water Treatment Plant Reservoir	$ 6,410,000			$ -	$ 6,410,000	$ 6,410,000
Water Audit Program & Water Loss Control Plan	$ 1,000,000				$ 1,000,000	$ 1,000,000
Agana Heights & Chaot Tanks	$ 1,220,000			$ -	$ 1,220,000	$ 1,220,000
Tank Major Repair Yigo#1 Mangilao#2 Agat#2	$ 1,895,000			$ -	$ 1,895,000	$ 1,895,000
Tank Major Repair Yigo#1 Mangilao#2 Agat#2	$ 10,500,000			$ -	$ 10,500,000	$ 10,500,000
Fire Hydrant Replacement Program	$ 2,000,000			$ -	$ 2,000,000	$ 2,000,000
Wastewater System Planning	$ 349,000			$ -	$ 349,000	$ 349,000
Lift Station Upgrades	$ 2,404,000			$ -	$ 2,404,000	$ 2,404,000
Wastewater Collection System Repl/Rehab	$ 2,920,000			$ -	$ 2,920,000	$ 2,920,000
Baza Gardens STP Replacement	$ 16,700,000	1,278,868	651,385	$ 1,930,253	$ 14,769,747	$ 15,421,132
Facilities Plan/Design for Umatac-Merizo WWTP	$ 527,000			$ -	$ 527,000	$ 527,000
Agat/Santa Rita STP Replacement	$ 3,000,000			$ -	$ 3,000,000	$ 3,000,000
Agana WWTP Interim Measures	$ 827,000			$ -	$ 827,000	$ 827,000
Umatac Merizo Replacement	$ 8,000,000			$ -	$ 8,000,000	$ 8,000,000
Wastewater Pump Station Electrical Upgrade	$ 100,000			$ -	$ 100,000	$ 100,000
Electrical Upgrade - Water Wells	$ 650,000			$ -	$ 650,000	$ 650,000
Electrical Upgrade - Water Booster	$ 323,000			$ -	$ 323,000	$ 323,000
SCADA Improvements – Phase 3	$ 1,177,000			$ -	$ 1,177,000	$ 1,177,000
SCADA Improvements – Phase 4	$ 6,500,000			$ -	$ 6,500,000	$ 6,500,000
Laboratory Modernization	$ 1,127,000		1,127,000	$ 1,127,000	$ -	$ 1,127,000
Land Survey	$ 1,998,000		107,000	$ 107,000	$ 1,891,000	$ 1,998,000
General Plant Improvements / Water	$ 2,769,463		474,437	$ 474,437	$ 2,295,026	$ 2,769,463
Information Technology Integration Improvements	$ 500,000				$ 500,000	$ 500,000
Interest Earned						$ 7,536
Total Construction Fund (2016 Series Revenue Bond)	**$ 140,019,463**	**$ 1,278,868**	**$ 2,486,116**	**$ 3,764,984**	**$ 136,254,479**	**$ 138,748,131**

GUAM WATERWORKS AUTHORITY
Schedule of Series 2010, 2013, 2014 Refunding and 2016 Bond Bank Accounts
As of September 30, 2016

SCHEDULE N

	9/30/2016
BANK OF GUAM	
BOG - Revenue Account - Acct. no. 71-00-4000-3-02	8,182,472
BOG - Operations and Maintenance Reserve - Acct. no. 71-01-4000-3-02	3,083,482
BOG - Operations, Maintenance, Renewal and Replacement Reserve Fund - Acct. no. 71-03-4000-3-02	17,423,213
BOG - Capital Improvement Fund - Acct. no. 71-05-4000-3-02	3,933
BOG - O & M Reserve - Acct. no. 71-05-4001-3-02	4,050,319
BOG - Debt Service Reserve - Acct. no. 71-05-4002-3-02	11,185,610
BOG - CAPEX Reserve - Acct. no. 71-05-4003-3-02	8,710,383
Total BOG Bank Account Balance	**52,639,411**
Series 2010 Bond:	
BOG - Construction Account - Acct. no. 71-09-4000-3-02	11,725,749
USB - Debt Service Fund - Acct. no. 144541000	2,016,414
USB - Debt Service Reserve Fund - Acct. no. 210860001	7,566,460
Total Series 2010 Bond Bank Balance	**21,308,622**
Series 2013 Bond:	
BOG - Construction Fund - Acct. no. 71-13-4000-3-02	107,622,618
BOG - Capitalized Interest Fund - Acct. no. 71-12-4000-3-02	-
USB - Debt Service Fund - Acct no. 207339000	2,333,083
USB - Debt Service Reserve Fund - Acct no. 210860001	12,031,688
Total Series 2013 Bond Bank Balance	**121,987,388**
Series 2014 Refunding Bond:	
BOG - Construction Fund - Acct. no. 71-08-4000-3-02	820,529
USB - Debt Service Fund - Acct. no. 210860000	1,791,266
USB - Debt Service Reserve Fund - Acct. no. 210860001	7,707,628
Total Series 2014 Refunding Bond Bank Balance	**10,319,423**
Series 2016 Bond:	
BOG - Construction Account - Acct. no. 71-15-4000-3-02	138,748,131
BOG - Capitalized Interest Fund - Acct. no. 71-15-4001-3-02	8,937,545
BOG - Cost of Issuance Fund - Acct. no. 71-15-4002-3-02	-
USB - Debt Service Fund - Acct. no. 264990000	-
USB - Debt Service Reserve Fund - Acct. no. 264990001	7,582,725
Total Series 2016 Bond Bank Balance	**155,268,400**

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

October 25, 2016

MEMORANDUM

TO: Members, Consolidated Commission on Utilities

SUBJECT: Ratification of Polling of Votes: Resolution 01-FY2017 Relative to the Approval of the Baza Gardens Wastewater Pumping and Conveyance Phase I Construction ***(see attached email dated 10/7/2016)***

Commissioner	Y/N	Initials	Time/Date	Comments
Joseph Duenas				
Francis Santos	Y		10/11/2016 9:10 p.m.	Via email
George Bamba	Y		10/11/2016 8:54 a.m.	Via email
Pedro Guerrero				
Simon Sanchez	Y		10/11/2016 3:36 p.m.	Via Email

Concurred by:

_____ _____

Miguel Bordallo, GWA GM **Date**

immediately and return or destroy the information. You may contact sender at (671) 300-6847 or (671) 300-6846. This e-mail transmission and any attachments are believed to have been sent free of any virus or other defect that might affect any computer system into which it is received and opened. It is, however, the recipient's responsibility to ensure that the e-mail transmission and any attachments are virus free, and the sender accepts no responsibility for any damage that may in any way arise from their use.

From: Francis Santos [mailto:fesantos57@gmail.com]
Sent: Tuesday, October 11, 2016 9:10 PM
To: Miguel Bordallo
Cc: Joseph Duenas; J. George Bamba; Simon Sanchez; Pedro SN. Guerrero; Lou Sablan; Greg Cruz; Kelly Clark; Thomas Cruz; Ann Borja; Paul Kemp
Subject: Re: Fw: Draft Resoluiton 01-FY2017 Relative to the Approval fo the Baza Gardens Wastewater Pumping and Conveyance Phase I Construction

Miguel,

This email will serve as my approval on the proposed resolution.

Francis

On Sat, Oct 8, 2016 at 12:01 PM, Miguel Bordallo <mcbordallo@guamwaterworks.org> wrote:

Commissioners:

Attached are the draft resolution, justification sheet and exhibits for the Court-ordered Baza Gardens wastewater pumping and conveyance project for your review and consideration in advance of our October meeting.

This project has a court-ordered deadline of October 31, 2016 for GWA to enter a construction contract for the execution of the work. In order to meet this deadline, I am asking for a poll vote by Wednesday of next week, with ratification at the October meeting, so that if the Commission approves, we may begin processing the contract documents for signing subsequent to ratification but prior to the 31st.

Please advise of any questions or concerns, and Tom, Paul and Kelly will try to get them addressed immediately, while I am off-island next week.

Lou Sablan

From: Bernadette Lou Sablan <siguam2013@gmail.com>
Sent: Monday, October 17, 2016 4:34 PM
To: Lou Sablan
Subject: Fwd: FW: Draft Resoluiton 01-FY2017 Relative to the Approval fo the Baza Gardens Wastewater Pumping and Conveyance Phase I Construction

---------- Forwarded message ----------
From: **Ann Borja** <annborja@guamwaterworks.org>
Date: Mon, Oct 17, 2016 at 10:45 AM
Subject: FW: Draft Resoluiton 01-FY2017 Relative to the Approval fo the Baza Gardens Wastewater Pumping and Conveyance Phase I Construction
To: siguam2013@gmail.com

From Commissioner Sanchez

GUAM WATERWORKS AUTHORITY

Sincerely,

Ann Dueñas Borja, CPM

Management Analyst IV, Assistant to

Miguel C. Bordallo, P.E., General Manager

Guam Waterworks Authority

Gloria B. Nelson Public Service Building

688 Route 15

Mangilao, Guam 96913

Telephone No.: (671) 300-6847 (Direct) or 300-6846
E-mail address: annborja@guamwaterworks.org

The information contained in this message and any accompanying attachments may contain privileged, private and/or confidential information protected by local, state and federal law. This message and any attachments are intended for the designated recipient only. If you have received this information in error, please notify the sender immediately and return or destroy the information. You may contact sender at (671) 300-6847 or (671) 300-6846. This e-mail transmission and any attachments are believed to have been sent free of any virus or other defect that might affect any computer system into which it is received and opened. It is, however, the recipient's responsibility to ensure that the e-mail transmission and any attachments are virus free, and the sender accepts no responsibility for any damage that may in any way arise from their use.

From: Simon Sanchez [mailto:gdcmgr@guamdrycleaners.com]
Sent: Tuesday, October 11, 2016 3:36 PM
To: goergebamba@hotmail.com
Cc: Miguel Bordallo; Joseph Duenas; Francis Santos; Pedro SN. Guerrero; Lou Sablan; Greg Cruz; Kelly Clark; Tom Cruz; Ann Borja - GWA; Paul J. Kemp, M. S.
Subject: Re: Draft Resoluiton 01-FY2017 Relative to the Approval fo the Baza Gardens Wastewater Pumping and Conveyance Phase I Construction

I vote yes

Simon says

On Oct 11, 2016, at 8:54 AM, J. George Bamba <georgebamba@hotmail.com> wrote:

> Hi Miguel, Joey and Colleagues,
>
> After reviewing all the attachments, I do vote yes to the Resolution. We have really tight timelines and it is important to keep the momentum moving forward. Miguel, congratulations to you and your team for your efforts in moving this project forward.
>
> Blessings,
>
> George
>
> ---
>
> Date: Sat, 8 Oct 2016 12:01:06 +1000
> Subject: Fw: Draft Resoluiton 01-FY2017 Relative to the Approval fo the Baza Gardens Wastewater Pumping and Conveyance Phase I Construction
> From: mcbordallo@guamwaterworks.org
> To: jtduenas@hotmail.com; fesantos57@gmail.com; georgebamba@hotmail.com; gdcmgr@guamdrycleaners.com; psnguerrero@gpagwa.com; lsablan@gpagwa.com
> CC: gpcruz@guamwaterworks.org; koclark@guamwaterworks.org; thomas@guamwaterworks.org; annborja@guamwaterworks.org; paulkemp@guamwaterworks.org; mcbordallo@guamwaterworks.org
>
> Commissioners:
>
> Attached are the draft resolution, justification sheet and exhibits for the Court-ordered Baza Gardens wastewater pumping and conveyance project for your review and consideration in advance of our October meeting.

Lou Sablan

From: Bernadette Lou Sablan <siguam2013@gmail.com>
Sent: Monday, October 17, 2016 4:34 PM
To: Lou Sablan
Subject: Fwd: FW: Fw: Draft Resoluiton 01-FY2017 Relative to the Approval fo the Baza Gardens Wastewater Pumping and Conveyance Phase I Construction

Follow Up Flag: Follow up
Flag Status: Completed

---------- Forwarded message ----------
From: **Ann Borja** <annborja@guamwaterworks.org>
Date: Mon, Oct 17, 2016 at 10:46 AM
Subject: FW: Fw: Draft Resoluiton 01-FY2017 Relative to the Approval fo the Baza Gardens Wastewater Pumping and Conveyance Phase I Construction
To: siguam2013@gmail.com

From Commissioner Santos

GUAM WATERWORKS AUTHORITY

Sincerely,

Ann Dueñas Borja, CPM

Management Analyst IV, Assistant to

Miguel C. Bordallo, P.E., General Manager

Guam Waterworks Authority

Gloria B. Nelson Public Service Building

688 Route 15

Mangilao, Guam 96913

Telephone No.: (671) 300-6847 (Direct) or 300-6846
E-mail address: annborja@guamwaterworks.org

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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. 01-FY2017
Relative to Approval of the Baza Gardens Wastewater Cross Island Pumping and Conveyance Phase I Construction Project

What is the project's objective and is it necessary and urgent?
The objective of the overall intent of the "Baza Gardens Wastewater Cross Island Pumping and Conveyance" project is to convey/pump the wastewater treated at the Baza Gardens WWTP to the new Agat-Santa Rita WWTP along Route 17 and Route 5. This construction procurement is Phase I of multiple three phases and which involves constructing one sewer pump station with a design pumping capacity around 550gpm (peak), 14,643 linear feet of gravity line with sizes ranging from 12 to 15 inches in diameter and 2,767 linear feet of 10" diameter force main. The impetus of this project is the 2011 Court Order requirements under Paragraph 13 but which GWA has established deadlines under Paragraph 14. The urgency for this project is that GWA is required to issue an NTP for construction by October 31, 2016.

Where is the project located?
Phase I project is located along Route 17 closest to Santa Rita, Route 5 and Route 2 which are also in the village of Santa Rita.

How much will it cost?
The bid proposal amount for Phase I is Seven Million Eight Hundred Eighty Eight Thousand One Hundred Fifty One Dollars and Nineteen Cents ($7,888,151.19). GWA management is also seeking a five percent (5%) contingency of the bid amount or Three Hundred Ninety Four Thousand Four Hundred Seven Dollars and Fifty Six Cents ($394,407.56) which would bring the total authorized funding amount to Eight Million Two Hundred Eighty Two Thousand Five Hundred Fifty Eight Dollars and Seventy Five Cents ($8,282,558.75)

When will it be completed?
The construction contract length of this project is 360 calendar days after an NTP is issued to the contractor.

What is the funding source?
The funding for this project will be from the 2016 Bond Funds under the line item CIP WW 11-03 "Baza Gardens STP Replacement".

GUAM CONSOLIDATED COMMISSION ON UTILITIES

RESOLUTION NO. 01–FY2017

RELATIVE TO APPROVAL OF THE BAZA GARDENS WASTEWATER CROSS-ISLAND PUMPING AND CONVEYANCE PHASE I CONSTRUCTION PROJECT

WHEREAS, under 12 G.C.A. § 14105, the Consolidated Commission on Utilities ("CCU") has plenary authority over financial, contractual, and policy matters relative to the Guam Waterworks Authority ("GWA"); and

WHEREAS, the Guam Waterworks Authority ("GWA") is a Guam Public Corporation established and existing under the laws of Guam; and

WHEREAS, GWA currently has a number of critical Court Order ("CO") projects including a complete evaluation of the Baza Gardens WWTP to determine what improvements are necessary at the plant to achieve compliance with the WWTP's NDPES permit, as stated in Paragraph 13 of the 2011 Court Order as well as the completion of construction activities that were identified in the approved plan resulting from the evaluation noted above as stated in Paragraph 14 of the 2011 Court Order; and

WHEREAS, the system evaluation report required under Paragraph 13 and completed in April of 2014 by GWA's Program Management Office (PMO), Brown and Caldwell, resulted in a recommendation to GWA and the USEPA that transferring/conveying the Baza Gardens WWTP effluent flow across the Route 17 (Cross Island Road) to a new Agat-Santa Rita WWTP site was the recommended conceptual alternative to which this recommendation was found to be acceptable by all parties; and

WHEREAS, Paragraph 14, subsection (b) of the 2011 Court Order required that GWA "execute a contract and issue a notice to proceed with construction" by October 31, 2016; and

WHEREAS, in September of 2015 GWA began the procurement process to find a consulting engineering team to design the wastewater conveyance system and via Resolution 06-FY2016, approved by the CCU in October of 2015, GWA management was authorized to enter

into a contract with Duenas Camacho and Associates to design the wastewater conveyance and pumping system which would include new Sewer Pump Station (SPS), gravity mains, force mains and all incidentals and appurtenances to these man components; and

WHEREAS, GWA has determined that in an effort to comply with the intent of the Court Order deadline of October 31, 2016 the most expedient process was to break the construction activities into phases with the first phase covering the construction of one sewer pump station, 14,643 linear feet of gravity and 2,767 linear feet of force main which is considered approximately one third of the overall project requirements; and

WHEREAS, GWA has advertised the Invitation For Bid (IFB-08-ENG-2016) for Baza Gardens Wastewater Conveyance and Pumping Phase I Construction project wherein GWA is soliciting bid proposals from experienced and responsive bidders to construct a sewer pump station, sewer gravity and force mains; and

WHEREAS, this phase of work consists of furnishing all labor, tools, equipment and materials including coordination with GWA Wastewater Operations and Engineering and the Construction Manager to construct all components described in the 100% design drawings and technical specifications which include but are not limited to a sewer pump station with generator and wet well, 14,643 linear feet of gravity line with sizes ranging from 12" to 15" in diameter, 2,767 linear feet of 10" diameter gravity main, pavement restoration in affected areas, SPS perimeter fencing, SPS retaining walls, as well as a communication conduit for future by GWA and GPA; and

WHEREAS, IFB packages were picked up by ten (10) interested parties, from which GWA received bid proposals from two (2) of the ten (10) (SEE EXHIBIT A – Abstract of Bids) before the bid proposals deadline of September 30, 2016; and

WHEREAS, GWA's design consultant for the project along with GWA Engineering analyzed the bid proposals received, particularly the lowest bid received and determined that "BME & Son Inc." successfully submitted the lowest bid as a responsive and responsible bidder and met all the bid requirements set forth by GWA (SEE EXHIBIT B – Bid Evaluation); and

WHEREAS, GWA management finds BME & Son Inc.'s bid proposal acceptable and now seeks CCU approval of the bid proposal amount of Seven Million Eight Hundred Eighty Eight Thousand One Hundred Fifty One Dollars and Nineteen Cents ($7,888,151.19) attached hereto (SEE EXHIBIT C – Bid Proposal),

WHEREAS, GWA management further seeks CCU approval of a five percent (5%) contingency to the bid proposal amount or Three Hundred Ninety Four Thousand Four Hundred Seven Dollars and Fifty Six Cents ($394,407.56) to bring the total authorized funding amount to Eight Million Two Hundred Eighty Two Thousand Five Hundred Fifty Eight Dollars and Seventy Five Cents ($8,282,558.75); and

WHEREAS, funding for this project will be from the 2016 Bond Funds under the line items CIP WW 11-03 "Baza Gardens STP Replacement"; and

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

1. The recitals set forth above hereby constitute the findings of the CCU.
2. The CCU finds that the terms of the conditions set by GWA relative to commencement of work activities are fair and reasonable and serve as a measure of Quality Assurance/Quality Control (QA/QC).
3. The CCU hereby authorizes the management of GWA to accept the bid proposal from "BME & Son Inc." attached hereto as Exhibit C and which is incorporated into this Resolution in its entirety.
4. The CCU hereby further authorizes the management of GWA to enter into a contract with "BME & Son Inc." in the amount Seven Million Eight Hundred Eighty Eight Thousand One Hundred Fifty One Dollars and Nineteen Cents ($7,888,151.19).
5. The CCU hereby further approves the funding total of Seven Million Eight Hundred Eighty Eight Thousand One Hundred Fifty One Dollars and Nineteen Cents ($7,888,151.19) plus a five percent (5%) contingency of Three Hundred Ninety Four Thousand Four Hundred Seven Dollars and Fifty Six

Cents ($394,407.56) for a total amount of Eight Million Two Hundred Eighty Two Thousand Five Hundred Fifty Eight Dollars and Seventy Five Cents ($8,282,558.75).

6. The CCU hereby further approves funding for this project to be from the 2016 Bond Funds under the line items CIP WW 11-03"Baza Gardens STP Replacement".

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

DULY AND REGULARLY ADOPTED, this 25th day of October 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: _____

///

///

///

Exhibit A (1 of 1)

ORIGINAL

GUAM WATERWORKS AUTHORITY
ABSTRACT OF BIDS

Project Name: **BAZA GARDENS WASTEWATER CROSS-ISLAND PUMPING AND CONVEYANCE (PHASE I)**
Project Number: **S15-008-BND; IFB-08-ENG-2016**

Bid Opening Date: September 30, 2016
Bid Opening Time: 3:00 p.m.

	Bidders Name	Section A-5 Bid Bond	CERTIFICATIONS												BASIC BID AMOUNT
			Bidder Qualification Form	Non-Collusion Affidavit	EEO Certification	Non-Segregated Facilities	Sex Offender Certification	Wage & Benefit Determination	Major Shareholders Affidavit	Special Instructions to Bidders	Addendum 1	Addendum 2	Addendum 3	Addendum 4	
1.	PERNIX	Fidelity and Deposit Company of Maryland 15% of total bid amount	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	$9,244,644.00
2.	POLYPHASE SYSTEM INC.	no bid													
3.	AMERICAN INTL SUPPLY, INC.	no bid													
4.	BLACK CONSTRUCTION	no bid													
5.	PACIFIC RIM CONSTRUCTORS, INC.	no bid													
6.	KORANDO CORPORATION	no bid													
7.	BME & SONS INC.	Fidelity and Deposit Company of Maryland 15% of accompanying bid	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	$7,888,151.19
8.	SUMITOMO MITSUI CONST. CO., LTD	no bid													
9.	PROPACIFIC BUILDER CORP	no bid													
10.	TG ENGINEERS	no bid													
	GWA Estimate														$9,422,960.00

Bids Opened and Read by:
GLORIA BENSON
(Name and Signature)

Tabulated By:
(Name and Signature)

GWA Procurement Representative:
(Name and Signature)

Witnesses:
N. DEGALA

Exhibit B (1 of 1)

Website: www.dcaguam.com
Email: dca@dcaguam.com

DUEÑAS · CAMACHO

October 7, 2016

Thomas Cruz, PE
Chief Engineer
Guam Waterworks Authority
thomas@guamwaterworks.org
671-300-6036
Hand delivery

Ref: **Baza Gardens Wastewater Cross-Island Pumping and Conveyance System, Phase I**

Subj: **BME & Sons Bid Proposal Review**

Hafa Adai,

Thank you for allowing Duenas, Camacho and Associates, Inc. (DCA) the opportunity to review the September 30th, 2016 Bid Proposal, submitted by BME & Sons (BME) for the referenced project. DCA reviewed the bid proposal provided by BME as well as the past projects provided in appendix G, bidder qualifications form.

The BME bid proposal was compared to the engineers estimate. Overall the BME bid is 16% below the engineers estimate. Detailed review indicates that the sewer-line installations are >25% below the engineers estimate. In addition, the pumps station structure is 32 % below the engineers estimate. BME has experience in utility installation as well as building construction. Based on BME past projects listed in the bidder qualifications form and DCA's past experience working as a construction manger with BME, the low values provided under sewer-line and building construction are more likely than not attributed to the selected means and methods used by BME for construction rather then an error or emission on the bid. Large equipment items such as the generator, pumps and odor control systems are comparable to the equipment quotes reviewed during the design of the referenced project.

Based on our review we have no exceptions with GWA moving forward with contracting BME & Sons for this referenced project.

Thank you,

Kenneth M. Rekdahl, PE
Vice- President and Project Manager
Duenas, Camacho & Associates
671-477-7991
knrekdahl@dcaguam.com

Exhibit C (1 of 4)

SECTION A-3

BID PROPOSAL

To: General Manager
Guam Waterworks Authority
Gloria B. Nelson Public Service Building
688 Route 15, Mangilao, GU 96913

Dear Sir/Madam:

The undersigned ("Bidder"), a Corporation (Corporation or Partnership or Individual) organized and/or licensed to do business under the laws of Guam, hereby proposes and agrees to furnish all the necessary labor, materials, equipment, tools and services necessary for the **BAZA GARDENS WASTEWATER CROSS-ISLAND PUMPING AND CONVEYANCE SYSTEM (PHASE-I).: S15-008-BND** in accordance with the bid documents for the sum of:

$ 7,888,151.19 (Seven Million Eight Hundred Eighty Eight Thousand One Hundred Fifty One Dollars & 19/100)

plus any and all sums to be added and/or deducted resulted from all extra and/or omitted work under a change order or contract amendment under the unit and/or lump sum prices stated in the itemized proposal form attached hereto.

The undersigned has examined the location of the proposed work, the drawings, specifications and other Contract Documents and is familiar with the local conditions at the place where the work is to be performed, agrees to perform all work within the time set forth; herein and the price stated in their bid.

The Bid Guaranty attached hereto without endorsement, in the sum of not less than fifteen percent (15%) of the highest amount the total aggregate bid, is furnished to the Guam Waterworks Authority as a guarantee that the Agreement will be executed and a Performance and Payment Bond and proof of insurance and other requirements set forth in the bid, in forms acceptable to GWA, shall be furnished within twenty (20) days after notification that the undersigned is the lowest responsible bidder. In the event that this Bid is accepted, and the undersigned bidder shall fail to: (1) provide any and all documents requested by GWA that are required under the bid; (2) execute the Contract on terms and conditions acceptable to GWA; and (3) furnish a satisfactory performance and Payment Bond under the conditions and within the time specified in this Proposal, the equivalent amount of the Proposed Guaranty shall be forfeited, as liquidated damages for the delay and additional work and costs caused thereby in obtaining another bidder, said amount being beforehand determined as being reasonable and containing no penalties. If written notice that the bidder is the lowest responsible bidder, and such notice is mailed, telegraphed or delivered to the undersigned within sixty (60) days after the opening thereof, the undersigned agrees to execute the contract on terms and conditions acceptable to GWA, and to furnish a Performance and Payment Bond as a condition

Exhibit C (2 of 4)

precedent to entering into the contract.

The undersigned hereby acknowledges receipt of the following Addenda:

Addendum No.	Dated:
01	09/16/2016
02	09/22/2016
03	09/26/2016
04	09/28/2016

If awarded the Contract, the undersigned agrees to complete the work for the "Basic Bid" within three hundred and sixty (360) calendar days following the execution of the Contract by all parties thereto and the issuance of the Notice to Proceed from GWA.

Attached hereto are the following: (1) an affidavit in proof that the undersigned has not entered into any collusion with any person in respect to this proposal or any other proposal or the submitting of proposals for the Contract for which this bid is submitted; (2) proof of licensure on Guam to conduct the services specified in the bid; (3) proof of insurance in the types and amounts specified in the bid, including certificates and a copy of the complete policies which indicates coverages and exclusions; (4) Certification of Non-Employment of Convicted Sex Offenders; and (5) any other document requested under the bid.

The undersigned understands that the Guam Waterworks Authority reserves the right to reject any or all Proposals or to waive any informality or technicality in any Proposal in the interest of GWA.

RESPECTFULLY SUBMITTED BY:

BME & SONS INC.
(CONTRACTOR)

BERNADETTE MARANAN 9/30/16
(BY)

VICE PRESIDENT
(TITLE)

P.O. BOX 24402 BARRIGADA, GUAM 96921
(BUSINESS ADDRESS)

Exhibit C (3 of 4)

Baza Gardens Wastewater Cross-Island Pumping and Conveyance System (Phase-I)

BID SCHEDULE

Interested Bidders must complete the following Bid Schedules in its entirety. All blanks in each table must be filled out.

BAZA GARDENS WASTEWATER CROSS-ISLAND PUMPING AND CONVEYANCE SYSTEM (PHASE-I)

Bidder will complete the work for the following price(s) as broken down per scope item:

Scope Item	Description	Est. Qty.	Unit	Total
1	Mobilization	1	LS	$84,806.75
2	Project management, coordination, documentation, Insurance, temporary Facilities and site Layout	1	LS	$217,468.74
3	Extended warranty	1	LS	$39,980.33
4	Environmental protection	1	LS	$56,733.57
5	Traffic control	1	LS	$211,023.79
6	Site clearing	1	LS	$40,726.76
7	Pump Station #3 access road and pavement	1	LS	$16,641.60
8	Perimeter fence line	1	LS	$20,508.76
9	Site Retaining Wall	1	LS	$24,659.76
10	Site grading	1	LS	$44,474.11
11	Site drainage improvements	1	LS	$11,520.72
12	Generator and Wetwell structure and finishing's	1	LS	$229,981.49
13	Wastewater pumps	1	LS	$161,724.30
14	Pump station #3 process piping, fittings and flow-meter	1	LS	$61,305.42
15	Pump VFDs, controls and level sensor	1	LS	$253,625.22
16	Sewer-line B	1	LS	$1,129,460.14
17	Sewer-line B road repair	1	LS	$127,234.06
18	Force-main 3	1	LS	$419,681.53

Exhibit C (4 of 4)

19	Force-main 3 road repair	1	LS	$174,016.23
20	Sewer-line C	1	LS	$2,344,241.22
21	Sewer-line C road repair	1	LS	$819,625.12
31	Communication conduit and hand-hole Installation	1	LS	$829,521.45
32	Odor control unit	1	LS	$98,873.91
33	Site electrical improvements	1	LS	$99,801.34
34	Standby generator	1	LS	$71,104.30
35	Wastewater pump station 3 start-up	1	LS	$38,060.06
36	Project closeout.	1	LS	$14,350.51
37	Force account (Allowance)	1	LS	$250,000.00
	Total Basic Bid		LS	$ 7,888,151.19

NOTE:

1. LS = Lump Sum.
2. All other Work not qualified or not listed in the Bid Schedule are considered incidental work and are an obligation of the Contractor under the various Bid Items as specified in the Bid at no additional cost to GWA.
3. Total basic bid shall include sales tax and all applicable taxes and permit fees.

BASIS OF SELECTION

Award will be based on the Total Basic Bid. All bids are subject to availability of funding.

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

October 25, 2016

MEMORANDUM

TO: Members, Consolidated Commission on Utilities

SUBJECT: Ratification of Polling of Votes: Resolution 02-FY2017 Relative to the Approval of the Construction Management for the Baza Gardens Wastewater Pumping and Conveyance ***(see attached email dated 10/19/2016)***

Commissioner	Y/N	Initials	Time/Date	Comments
Joseph Duenas	Y		10/19/16 11:42 p.m.	Via email
Francis Santos				Via email
George Bamba	Y		10/20/16 7:21 a.m.	Via email
Pedro Guerrero				
Simon Sanchez	Y		10/20/16 7:00 a.m.	Via Email

Concurred by:

_____ _____

Miguel Bordallo, GWA GM **Date**

Lou Sablan

From: Lou Sablan
Sent: Wednesday, October 19, 2016 3:09 PM
To: Francis Santos (francis.santos@gpagwa.com); George Bamba; J. George Bamba; Joseph (Joey) Duenas (jtduenas@hotmail.com); Pedro SN. Guerrero; Simon A. Sanchez II
Cc: Miguel C Bordallo (mcbordallo@guamwaterworks.org); Ann Borja - GWA; Greg P. Cruz; Kelly Clark; Tom Cruz (thomas@guamwaterworks.org); 'Paul J. Kemp, M. S.'
Subject: POLL VOTE REQUEST / GWA RESOLUTION 02-FY20117
Attachments: Res. No. 02-FY2017 Justification Summary Sheet.doc; Res. No. 02-FY2017 Rel to Approval of CM for Baza Gardens WW Cross Island Pumping and Conveyance Proj.doc; Res. No. 02-FY2017 Ex. A-Eval. Summ..pdf; Res. No. 02-FY2017 Ex. B-GM Determination.pdf

Importance: High

Dear Commissioners

The GWA GM has asked that I initiate this POLL VOTE relative to:

Resolution 02-FY2017 Approval of the Construction Management Services of the Baza Gardens Wastewater Cross-Island Pumping and Conveyance Project (COPY ATTACHED ALONG WITH JUSTIFICATION AND SUPPORT DOCS)

This resolution is a required component for Resolution 01-FY2016 (which has been passed by POLL VOTE on Sat., Oct. 8th (reference email below). Resolution 02 must accompany Resolution 01 to meet the Court Ordered deadline of October 31, 2016. Thus the necessity for a Poll Vote at this time.

Both Resolution 01 and Resolution 02 will be presented for official ratification at the Oct. 25th CCU meeting.

Date: Sat, 8 Oct 2016 12:01:06 +1000
Subject: Fw: Draft Resoluiton 01-FY2017 Relative to the Approval fo the Baza Gardens Wastewater Pumping and Conveyance Phase I Construction
From: mcbordallo@guamwaterworks.org
To: jtduenas@hotmail.com; fesantos57@gmail.com; georgebamba@hotmail.com; gdcmgr@guamdrycleaners.com; psnguerrero@gpagwa.com; lsablan@gpagwa.com
CC: gpcruz@guamwaterworks.org; koclark@guamwaterworks.org; thomas@guamwaterworks.org; annborja@guamwaterworks.org; paulkemp@guamwaterworks.org; mcbordallo@guamwaterworks.org

Commissioners:

Attached are the draft resolution, justification sheet and exhibits for the Court-ordered Baza Gardens wastewater pumping and conveyance project for your review and consideration in advance of our October meeting.

1

This project has a court-ordered deadline of October 31, 2016 for GWA to enter a construction contract for the execution of the work. In order to meet this deadline, I am asking for a poll vote by Wednesday of next week, with ratification at the October meeting, so that if the Commission approves, we may begin processing the contract documents for signing subsequent to ratification but prior to the 31st.

Please advise of any questions or concerns, and Tom, Paul and Kelly will try to get them addressed immediately, while I am off-island next week.

Regards,

MCB

Sent from my BlackBerry 10 smartphone.

Thank you,

B. Lou Sablan
Board Secretary
Consolidated Commission on Utilities
Admin. Asst., Legal Counsel, GPA
GLORIA B. NELSON PUBLIC SERVICE BLDG.
3rd Floor, Executive Division
688 Route 15, Mangilao, GU 96913
P.O. Box 2977, Hagatna, GU 96932
Tel: (671) 648-3002
Fax: (671) 648-3290
Email: lsablan@gpagwa.com
Website: http://guamccu.org/
www.guampowerauthority.com
www.guamwaterworksauthority.org

Lou Sablan

From: Joseph Duenas <jtduenas@hotmail.com>
Sent: Wednesday, October 19, 2016 11:42 PM
To: Lou Sablan
Cc: Francis Santos (CCU Member); George Bamba; J. George Bamba; Pedro SN. Guerrero; Simon Sanchez; Miguel C Bordallo (mcbordallo@guamwaterworks.org); Ann Borja - GWA; Greg P. Cruz; Kelly Clark; Tom Cruz (thomas@guamwaterworks.org); Paul J. Kemp, M. S.
Subject: Re: POLL VOTE REQUEST / GWA RESOLUTION 02-FY20117
Attachments: image001.jpg

I vote yes. Joey

Sent from my iPad

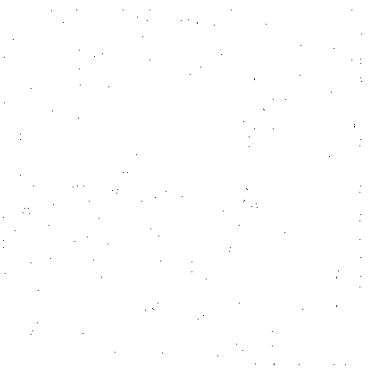
> On Oct 19, 2016, at 3:10 PM, Lou Sablan <lsablan@gpagwa.com> wrote:
>
>
> Dear Commissioners
>
> The GWA GM has asked that I initiate this POLL VOTE relative to:
>
> Resolution 02-FY2017 Approval of the Construction Management Services
> of the Baza Gardens Wastewater Cross-Island Pumping and Conveyance
> Project (COPY ATTACHED ALONG WITH JUSTIFICATION AND SUPPORT DOCS)
>
> This resolution is a required component for Resolution 01-FY2016 (which has been passed by POLL VOTE on Sat., Oct. 8th (reference email below). Resolution 02 must accompany Resolution 01 to meet the Court Ordered deadline of October 31, 2016. Thus the necessity for a Poll Vote at this time.
>
> Both Resolution 01 and Resolution 02 will be presented for official ratification at the Oct. 25th CCU meeting.
>
> Date: Sat, 8 Oct 2016 12:01:06 +1000
> Subject: Fw: Draft Resoluiton 01-FY2017 Relative to the Approval fo
> the Baza Gardens Wastewater Pumping and Conveyance Phase I
> Construction
> From:
> mcbordallo@guamwaterworks.org<mailto:mcbordallo@guamwaterworks.org>
> To: jtduenas@hotmail.com<mailto:jtduenas@hotmail.com>;
> fesantos57@gmail.com<mailto:fesantos57@gmail.com>;
> georgebamba@hotmail.com<mailto:georgebamba@hotmail.com>;
> gdcmgr@guamdrycleaners.com<mailto:gdcmgr@guamdrycleaners.com>;
> psnguerrero@gpagwa.com<mailto:psnguerrero@gpagwa.com>;
> lsablan@gpagwa.com<mailto:lsablan@gpagwa.com>
> CC: gpcruz@guamwaterworks.org<mailto:gpcruz@guamwaterworks.org>;
> koclark@guamwaterworks.org<mailto:koclark@guamwaterworks.org>;
> thomas@guamwaterworks.org<mailto:thomas@guamwaterworks.org>;
> annborja@guamwaterworks.org<mailto:annborja@guamwaterworks.org>;
> paulkemp@guamwaterworks.org<mailto:paulkemp@guamwaterworks.org>;

Lou Sablan

From: J. George Bamba <georgebamba@hotmail.com>
Sent: Thursday, October 20, 2016 7:21 AM
To: Lou Sablan; Francis Santos (CCU Member); George Bamba; Joseph Duenas; Pedro SN. Guerrero; Simon Sanchez
Cc: 'Miguel C Bordallo'; Ann Borja - GWA; Greg P. Cruz; 'Kelly Clark'; 'Tom Cruz'; 'Paul J. Kemp, M. S.'
Subject: Re: POLL VOTE REQUEST / GWA RESOLUTION 02-FY20117

Yes for e also.
Blessings,
George

From: Simon Sanchez <gdcmgr@guamdrycleaners.com>
Sent: Thursday, October 20, 2016 7:00 AM
To: 'Lou Sablan'; 'Francis Santos (CCU Member)'; 'George Bamba'; 'J. George Bamba'; 'Joseph Duenas'; 'Pedro SN. Guerrero'
Cc: 'Miguel C Bordallo'; 'Ann Borja - GWA'; 'Greg P. Cruz'; 'Kelly Clark'; 'Tom Cruz'; 'Paul J. Kemp, M. S.'
Subject: RE: POLL VOTE REQUEST / GWA RESOLUTION 02-FY20117



I vote yes

From: Lou Sablan [mailto:lsablan@gpagwa.com]
Sent: Wednesday, October 19, 2016 3:09 PM
To: Francis Santos (CCU Member); George Bamba; J. George Bamba; Joseph Duenas; Pedro SN. Guerrero; Simon Sanchez
Cc: Miguel C Bordallo (mcbordallo@guamwaterworks.org); Ann Borja - GWA; Greg P. Cruz; Kelly Clark; Tom Cruz (thomas@guamwaterworks.org); 'Paul J. Kemp, M. S.'
Subject: POLL VOTE REQUEST / GWA RESOLUTION 02-FY20117
Importance: High

GUAM WATERWORKS AUTHORITY

"Better Water, Better Lives."
Gloria B. Nelson Public Service Building| 688 Route 15 | Mangilao, Guam 96913
Tel: (671) 300-6846

Issues for Decision

Resolution No. 02-FY2017
Relative to Approval of the Construction Management (CM) for Baza Gardens Wastewater Cross-Island Pumping and Conveyance System Project

What is the project's objective and is it necessary and urgent?
The objective of the project is to provide Construction Management Services for the Baza Gardens Wastewater Cross-Island Pumping and Conveyance System "multiple phased" construction on behalf of GWA. The overall intent of the project is to convey/pump the un-treated wastewater collected from the Baza Gardens WWTP to the new Agat-Santa Rita WWTP along Route 17 and Route 5.

The CM service has multiple phases. Phase I covers the construction management for construction of one sewer pump station (near Aplacho Bridge), installation of 14,643 feet of gravity and 2,767 feet of force main along Route 17 (Cross Island). This phase is approximately one third of the overall project requirements. Construction of Phase II, III & IV is the conversion of the existing Baza Gardens WWTP site to a pretreatment facility that includes headworks (screening and grit removal), Equalization Tank 1 & 2, Baza Pump Station, Operational Structures, as well as a Pump Station 2 (located near Windward Hills Country Club) and laying of force main and gravity line along Route 17.

Phase I construction is expected to be completed by October 26, 2017, with construction cost amounting to $7,888,151.19. Phase II construction is expected to be bid before end of November 2016 with the remaining phases being bid out within three months after the previous phase.

Construction Management Services need to be secured as early as possible to provide better communication and coordination of efforts at the start of the construction activities. The urgency for this project is that GWA is required to issue an NTP for construction by October 31, 2016 thus having a CM at the start of construction is necessary. The engineering consultant team that was ranked highest during the procurement process, and which GWA is currently in negotiations with, is SSFM International.

The project is intended to comply with the 2011 USEPA Court Order requirements under Paragraph 13 but which GWA has established deadlines under Paragraph 14.

Where is the project located?
The project is located at existing Baza Gardens, Route 17 (Cross Island Road), and Route 5 down to new Agat-Santa Rita WWTP on Route 2.

How much will it cost?
The CM services contract is currently being negotiated with a not to exceed amount of $2,6100,000. GWA management is also seeking a 10% contingency to the "not to exceed" amount of $261,000 (not to exceed $2.871M authorized funding total.)

When will it be completed?
The CM services for Phase I is anticipated to be fully completed by October 26, 2017. Phase II, III & IV by April 30, 2018.

What is the funding source?
The funding for this project will be from the 2016 Bond Funds under the line items CIP WW 11-03 "Baza Gardens STP Replacement".

GUAM CONSOLIDATED COMMISSION ON UTILITIES
RESOLUTION NO. 02–FY2017

RELATIVE TO APPROVAL OF THE CONSTRUCTION MANAGEMENT (CM) CONTRACT FOR BAZA GARDENS WASTEWATER CROSS-ISLAND PUMPING AND CONVEYANCE SYSTEM PROJECT

WHEREAS, under 12 G.C.A. § 14105, the Consolidated Commission on Utilities ("CCU") has plenary authority over financial, contractual, and policy matters relative to the Guam Waterworks Authority ("GWA"); and

WHEREAS, the Guam Waterworks Authority ("GWA") is a Guam Public Corporation established and existing under the laws of Guam; and

WHEREAS, GWA currently has a number of critical Court Order ("CO") projects including a complete evaluation of the Baza Gardens WWTP to determine what improvements are necessary at the plant to achieve compliance with the WWTP's NDPES permit, as stated in Paragraph 13 of the 2011 Court Order as well as the completion of construction activities that were identified in the approved plan resulting from the evaluation noted above as stated in Paragraph 14 of the 2011 Court Order; and

WHEREAS, the system evaluation report required under Paragraph 13 and completed in April of 2014 by GWA's Program Management Office (PMO), Brown and Caldwell, resulted in a recommendation to GWA and the USEPA that transferring/conveying the Baza Gardens WWTP effluent flow across the Route 17 (Cross Island Road) to a new Agat-Santa Rita WWTP site was the recommended conceptual alternative to which this recommendation was found to be acceptable by all parties; and

WHEREAS, Paragraph 14, subsection (b) of the 2011 Court Order required that GWA "execute a contract and issue a notice to proceed with construction" by October 31, 2016; and

WHEREAS, in September of 2015 GWA began the procurement process to find a consulting engineering team to design the wastewater conveyance system and via Resolution 06-FY2016, approved by the CCU in October of 2015, GWA management was authorized to enter

into a contract with Duenas Camacho and Associates to design the wastewater conveyance and pumping system which would include new Sewer Pump Station (SPS), gravity mains, force mains and all incidentals and appurtenances to these man components; and

WHEREAS, GWA has determined that in an effort to comply with the intent of the Court Order Paragraph 14(b) deadline of October 31, 2016 the most expedient process was to break the construction activities into four phases with the first phase covering the construction of one sewer pump station located by the Aplacho Bridge, 14,643 linear feet of gravity sewer and 2,767 linear feet of force main which is considered approximately one-third of the overall project requirements; and

WHEREAS, there are other factors that come into play relative to the decision of phasing the project, such as construction funding availability that is tied to bond borrowing as well as overcoming property acquisition issues but wherein GWA anticipates procurement of the construction services for each phase noted within a three months of each other and with the expectation that all phase of the construction project will be completed by April 30, 2018; and

WHEREAS, Construction of Phase II, III & IV is the conversion of the existing Baza Gardens WWTP site to a pretreatment facility that includes headworks (screening and grit removal), Equalization Tanks 1 & 2, Baza Gardens Pump Station, Operations structures, along with Pump Station 2 near Windward Hills Country Club and laying of force main and gravity sewer lines along Route 17; and

WHEREAS, the installation of the new wastewater conveyance/pumping system along Route 17 and the improvement of Baza Gardens Wastewater Treatment Plant requires qualified and experienced engineering/construction management services to oversee all aspects of the construction project that entails a some specialty construction trades, construction activities that can run simultaneously and at multiple locations, and construction costs that may reach Twenty Nine Million Dollars ($29,000,000.00) for all four phases; and

//

//

WHEREAS, GWA has determined that having one construction management team to oversee all construction phases will allow for better construction oversight and control thus is in the best interest of GWA and the rate payers; and

WHEREAS, GWA has advertised the Request for Proposal (RFP-09-ENG-2016) soliciting a statement of qualification from experienced and qualified engineering firms to provide construction management services for the Baza Gardens Wastewater Cross-Island Pumping and Conveyance System Project; and

WHEREAS, Request for Proposal (RFP) packages were downloaded by multiple interested parties, from which GWA received proposals submitted by seven (7) engineering firms before the RFP submittal deadline; and

WHEREAS, the GWA A-E Selection Committee reviewed and evaluated the seven (7) proposals (see EXHIBIT A - Evaluation Scores) and generated a short list of the top three (3) firms with a recommendation to award a contract to the firm SSFM International, (see EXHIBIT B – GM Determination); and

WHEREAS, SSFM International and GWA are currently in the process of negotiating the scope and a reasonable fee for the CM services and expect to come to a conclusion within a week or two; and

WHEREAS, GWA's expectation for construction management service fees with an estimated construction cost of the amount noted, as well as the complexity of the work described, would be in the six to nine percent (6% - 9%) range therefore GWA could expect the estimated high end of the CM serves to be Two Million Six Hundred Ten Thousand Dollars ($2,610,000.00); and

WHEREAS, the on-going procurement for construction management services is necessary to align, as best as possible, the timing of GWA's issuance of the Notice to Proceed for the construction contract by October 31, 2016, with the start of CM services and as such GWA management is seeking the support by the CCU to approve the need and intent of the

construction management services and the estimated high end of the CM range cost of Two Million Six Hundred Ten Thousand Dollars ($2,610,000.00) in advance of the fee negotiations phase; and

WHEREAS, GWA Management further seeks CCU approval of a ten percent (10%) contingency to the final negotiated CM fee amount in which the contingency could be as high as Two Hundred Sixty One Thousand Dollars ($261,000.00); and

WHEREAS, GWA management will provide an update via the GM's Report the results of the procurement process relative to this resolution which will include the final negotiated CM fees; and

WHEREAS, funding for this project will be from 2016 Bond Funds under the CIP line item WW 11-03 "Baza Gardens STP Replacement"; and

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

1. The recitals set forth above hereby constitute the findings of the CCU.
2. The CCU finds that the terms of the conditions set by GWA relative to commencement of work activities are fair and reasonable and serve as a measure of Quality Assurance/Quality Control (QA/QC).
3. The CCU hereby approves the intent of the project and authorizes GWA management to enter into a contract with SSFM International (Exhibits A and B), should fee negotiations meet GWA's expectation that the fee not exceed Two Million Six Hundred Ten Thousand Dollars ($2,610,000.00).
4. The CCU hereby further approves the total funding amount for this project shall not exceed a contract amount of Two Million Six Hundred Ten Thousand Dollars ($2,610,000.00), plus a ten percent (10%) contingency of Two Hundred Sixty One Thousand Dollars ($261,000.00), for a total authorized amount of Two Million Eight Hundred Seventy One Thousand Dollars ($2,871,000.00).

5. The CCU hereby further approves that the funding for the construction management services will be from 2016 Bond Funds under the line item CIP WW 11-03 Baza Gardens STP Replacement.

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

DULY AND REGULARLY ADOPTED, this 25th day of October 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 (1 of 1)

GUAM WATERWORKS AUTHORITY
Gloria B. Nelson Public Service Building • 688 Route 15 • Mangilao, Guam 96913

October 3, 2016

To: Thomas F. Cruz, P.E., Acting General Manager

From: Gloria P. Bensan
Chairperson, Consultant Selection Board

Subject: RFP-09-ENG-2016
Construction Management Services for Baza Gardens Wastewater Cross-Island Pumping and Conveyance
GWA Project No. S15-008-BND

The following information is intended to document the evaluation process undertaken for the referenced solicitation.

EVALUATION COMMITTEE MEMBERS	
Name	**Title**
John Davis, P.E.	CIP Wastewater Engineer Supervisor
Barbara C. Cruz, P.E.	Senior Engineer Supervisor
Rylma Carino	Junior Engineer
Anthony Chargualaf	Operations & Maintenance Manager, Distribution

Consultant	Evaluation Score				Total	Rank
1. EMPSCO Engineering Consultants	67	80	82	81	310	6
2. SSFM	88	91	86	86	351	1
3. AmOrient Engineering	90	76	83	90	339	4
4. E.M. Chen & Associates, Inc.	65	72	81	78	296	7
5. TG Engineers, PC	90	83	85	90	348	2
6. AECOM	90	83	85	89	347	3
7. GHD	80	83	84	84	331	5

Scores were evaluated based on sum of the individual scores. The recommendation of the evaluation committee is shown in the ranking above.

Please review and approve at your earliest convenience so that we may proceed with the notification letters.

Exhibit B (1 of 1)

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

MEMORANDUM

To: Gloria P. Bensan, A-E Selection Committee

From: Thomas F. Cruz, P.E., Acting General Manager

Subject: Evaluation Summary for RFP-09-ENG-2016
Construction Management Services for Baza Gardens Wastewater Cross-Island Pumping and Conveyance
GWA Project No. S15-008-BND

Date: October 3, 2016

The Selection Committee has completed all necessary actions for selecting the most qualified consultant for the referenced solicitation. All proposals were reviewed and scored according to the conditions established in the solicitation and shortlisted firms were interviewed. The evaluation summary sheet is attached for your information.

The committee recommends the following top three (3) firms in order of preference for the project:

1. SSFM
2. TG Engineers, PC
3. AECOM

Concurred:

VINCENT E. GUERRERO
Supply Management Administrator

10/3/2016
Date

GENERAL MANAGER'S DETERMINATION

Consultant Firm Selected:

SSFM

Remarks:

THOMAS F. CRUZ, P.E.
Acting General Manager

10/4/16
Date

TFC/gb

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?
Island-wide

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

When will it be completed?
The MOU will be reviewed every five (5) 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.

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) dated July 2010 (Exhibit A).

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

DULY AND REGULARLY ADOPTED, this 25th day of October, 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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EXHIBIT A

Agreement Number: N61128-XXXXXXXX-XXXX

MEMORANDUM OF UNDERSTANDING

BETWEEN

GUAM WATERWORKS AUTHORITY

AND

JOINT REGION MARIANAS

September 2016

DRAFT

Agreement Number: N61128-XXXXXXXX-XXXX

DEPARTMENT OF THE NAVY
JOINT REGION MARIANAS, 96540
NAVAL FACILITIES ENGINEERING COMMAND MARIANAS, 96540
GUAM WATER AUTHORITY, 96913
GUAM CONSOLIDATED COMMISSION ON UTILITIES, 96932

JTREGMARIANAS
4000
Ser J5/

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

Subj: UPDATE OF THE MEMORANDUM OF UNDERSTANDING (MOU) BETWEEN THE UNITED STATES NAVY AND THE GUAM WATERWORKS AUTHORITY (GWA) DATED 16 JULY 2010

Ref: (a) MOU between the US Navy and GWA signed 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 signed 6 May 2016

1. Purpose. The purpose of this 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), from here forward known 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. It is our 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 utility systems as a whole. The goal is

sustainable, reliable, compliant and secure water delivery, followed with reliable and compliant wastewater removal.

This 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. This MOU is based on reference (a) above. Enclosure (1), 2010 MOU Exhibit A, is the first exhibit to the 2010 MOU [ref. (a)] outlining a specific project. It will continue as an exhibit to this MOU for the life of the document. Any future projects under this MOU will also be assigned Exhibits to this MOU, and will continue for the life of the MOU. From that the MOU, reference (b) above was also developed but as a living document for which the versions may change. The latest version as of the development of this MOU was dated 3 March 2016.

The Parties recognize that this MOU, and the objectives, goals, and processes agreed upon are subject to applicable laws of the United States, the Government of Guam, and the Department of the Navy. Any legal requirements applicable to either Party take precedence over any understanding reflected in this MOU.

2. Objectives. In order to explore opportunities for partnering and integration of the water and wastewater utilities, the objectives of this MOU will include, but are not limited to:

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, estimates, requirements, designs rates, schedules and forecasts.

(3) 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 DoD to GWA. The parties understand that such transfer would require agreement of terms and conditions acceptable to both DoD and GWA, subject to GWA meeting reasonable minimum reliability and quality standards and possible legislative authorizations.

(4) Cooperate to increase the number of observation wells in use to study the changes in the NGLA. Share access to, and maintenance responsibilities for those wells.

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

(6) Cooperate to improve the NGLA Observation Well System via expansion of the current system, rehabilitation of existing wells, and proper abandonment of wells not intended for use to enhance the ability to monitor and manage the NGLA in order to mitigate impacts to potable water resources.

b. Water and Wastewater

(1) Cooperation and partnering on the following initiatives:

(a) Interoperability
(b) Geographic Information Systems (GIS)
(c) Hydraulic modeling
(d) Cybersecurity

(2) Address current and future opportunities in operation and management of the water and wastewater systems with a goal of meeting the needs of the island population as a whole. This includes the military and civilian population growth from the military buildup and beyond. These needs may be met through joint use of production and distribution assets.

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

(4) 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) Cooperate with regulatory agencies to resolve the challenges of providing wastewater services for all Guam.

(2) 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 which handle both local and military wastewater collections.

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

(4) Cooperate to resolve the issues related to those portions of the military collection system which feed GWA treatment plants such as those found in central and northern Guam areas.

(5) 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.

(6) Cooperate to complete the GWA Interceptor Sewer Refurbishment project for the existing sewer lines from 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 on projects identified under the Guam Water and Wastewater infrastructure Improvement Program to ensure the timely and effective execution of water and wastewater projects identified in the Economic Adjustment Committee Implementation Plan in order to meet the demands associated with the proposed military buildup on Guam.

(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/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.

3. Organizational Components.

a. Consolidated Commission on Utilities (CCU) is the governing board for GWA. The members are elected by public vote and are responsible to the people of Guam.

b. Guam Waterworks Authority (GWA) is the water and wastewater utility purveyor for the civilian community on Guam.

c. Joint Region Marianas (JRM) provides executive level installation management support to all DoD components through the Marianas islands. JRM is also the official interface between DoD and the civilian community. For the purpose of the DoD water utilities, JRM is also known as the landowner. JRM overseas all military installations, structures and infrastructure in the Marianas to include, but not limited to:

1) Naval Base Guam (NBG)
2) Naval Support Activity Andersen/Andersen AFB
3) Naval Support Activity Marine Corps Base Guam (when established, separately of NBG)

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

e. NAVFAC Marianas Utilities and Energy Management Product Line Coordinator (UEM 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 with confirmation by the 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) CO, NAVFAC Marianas
2) Commander, Joint Region Marianas

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Subj: UPDATE OF THE MEMORANDUM OF UNDERSTANDING (MOU) BETWEEN THE UNITED STATES NAVY AND THE GUAM WATERWORKS AUTHORITY (GWA) DATED 16 JULY 2010

3) Guam Legislative Chair for Utilities and Infrastructure and/or the Speaker of the Guam Legislature

h. One Guam Water and Wastewater Working Group from here forth 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. 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) CO, NAVFAC Marianas (optional)
2) GWA General Manager
3) NAVFAC Marianas UEM PLC
4) GWA Chief Engineer
5) NAVFAC Marianas Water Utility One-Guam Liaison
6) 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 Engineering/Operational Staff
3) Guam Environmental Protection Agency (GEPA)
4) Water & Environmental Research Institute (WERI)

5) United States Geological Survey (USGS)

j. Guam Water and Wastewater Intergovernmental Support Team (GWWIST). This group works to meet the demands associated with the proposed military building up by ensuring timely and effective execution of water and wastewater projects identified in the Economic Adjustment Committee Implementation Plan. Members according to their MOU include:

1) U.S. Department of Defense Office of Economic Adjustment
2) Guam Waterworks Authority/Guam Consolidated Commission on Utilities
3) United States Environmental Protection Agency
4) Department of the Navy
5) The Office of the Governor of Guam

k. Water and Environmental Research Institute (WERI), located at the University of Guam, is the designated repository of the water related da a 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. are

4. Terms of Understanding.

a. GWA will 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..

b. JRM will provide GWA personnel access to facilities GWA has operational oversight. GWA will follow all appropriate DOD requirements to obtain identification badges to ensure access to those facilities.

c. Costs associated with meeting DoD requirements will be evaluated and addressed on a case by case basis.

d. When performing work on DoD property, whether operational or construction in nature, GWA must comply with all DoD requirements, policies, and procedures. (An example of such a requirement is Munitions and Explosives procedures.)

The Parties will:

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

f. 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 Gov. Guam 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.

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

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

i. Share water resources as needed to address urgent needs.

j. Agree to cooperate to assess potential impacts to other wastewater infrastructure and identify options for mitigating the impacts.

k. 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.

l. Agree upon 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.

m. Evaluate current and proposed applicable laws, service rules and contracts for DoD contributions to system development and determine if such provisions are adequate and fair to both parties.

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

o. Continue to develop agreements to formalize the concepts provided herein.

5. Commitments of the Parties.

a. To maintain cooperative and coordinated efforts to execute water and wastewater systems support in a manner that facilitates the development and proper maintenance of the water resources and water and wastewater infrastructures on Guam in accordance with sound business practices and principles that respect the resource limitations, missions, authorities and responsibilities of the parties to the MOU.

b. To communicate concerns, issues and problems in a timely manner to provide parties to the MOU the time to pursue reasonable and executable COAs to mitigate adverse impacts.

c. To carry out the terms, objectives, and/or courses of action as agreed in this MOU.

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6. Resolution of Disagreements.

a. The Parties shall consult with one another to resolve issues at the working group level and elevate disputes through the respective chains-of-command only if necessary.

b. 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.

c. If there is no resolution at the working group level, the parties may elevate the issue to their respective leadership for resolution at the Senior Advisory Group level.

7. Modifications, Interpretations, Enforceability and Termination.

a. Modifications. Changes, modifications and/or amendments to this MOU may be made at any time upon mutual written consent of the Parties. With regard to all Parties, no oral statement by any person and no written statement by anyone other than the undersigned, or an authorized representative as designated in writing, shall be interpreted as modifying or otherwise affecting the terms of this MOU.

b. Termination. Any Party may propose to terminate this MOU at any time. The termination process starts when a Party provides written notice to the other Parties of its intent to terminate. Termination shall take effect no less than 90 days after this notification. The MOU will be terminated at the end of the 90-day period unless the Parties agree to a different resolution.

c. Cancellation of the previous MOU. This MOU cancels and supersedes the MOU between the parties previously signed on 16 July 2010. Exhibit A to the 2010 MOU will continue to be enforceable under this update.

d. Enforceability - 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 a 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)

e. Enforceability - 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.

f. Disputes. Any disputes relating to this MOU, subject to any applicable law, Executive order, directive or instruction, will be resolved by consultation between the parties.

g. Review. This MOU shall be reviewed every 5 years. Parties will review for termination or reissuance upon expiration.

h. Effective Date. This MOU takes effect beginning the day after the last party signs.

Subj: UPDATE OF THE MEMORANDUM OF UNDERSTANDING (MOU) BETWEEN THE UNITED STATES NAVY AND THE GUAM WATERWORKS AUTHORITY (GWA) DATED 16 JULY 2010

APPROVED:

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

DRAFT

Subj: UPDATE OF THE MEMORANDUM OF UNDERSTANDING (MOU) BETWEEN THE UNITED STATES NAVY AND THE GUAM WATERWORKS AUTHORITY (GWA) DATED 16 JULY 2010

ENCLOSURES

DRAFT

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. 05-FY2017
Relative to Approval of Change Order #7 for the Deep Well Chlorine Residual Analyzer Project

What is the project's objective and is it necessary and urgent?
The objective of this project is to change order in to an existing contract with Asanuma Corporation work necessary to meet Groundwater Rule ("GWR") and Paragraph 22 of the Court Order for several of GWA's production wells. GWA initially intended to address holistically the chlorine residual analyzer requirement and electrical upgrades at all production wells but was not able to do so at the time of the original award due to funding limitation. But due to the additional funding coming available through the 2016 bond GWA now has an opportunity to complete the project scope by change ordering in the remaining work not initially awarded as well as work revealed necessary but related to the original scope.

Where is the project located?
The project involves production wells throughout the northern half of Guam. In general, 18 well sites will see electrical improvements, 15 well sites require roof ventilation needed for cool VFD equipment, 16 wells site require defective chlorine residual analyzers to be replaced and well F-13 requires installation of a VFD.

How much will it cost?
Asanuma Corporation submitted a change order proposal for the scope noted in the amount of Eight Hundred Forty Thousand Dollars ($840,000.00).

When will it be completed?
The additional work will take six (6) months to complete from NTP for Change Order.

What is the funding source?
The funding source for the Change Order will be from CIP PW 09-02 "Water Wells"; and CIP EE 09-02 "Electrical Upgrade-Water Wells".

GUAM CONSOLIDATED COMMISSION ON UTILITIES

RESOLUTION NO. 05-FY2017

RELATIVE TO APPROVAL OF CHANGE ORDER NO. 7 FOR THE DEEP WELL CHLORINE RESIDUAL ANALYZER PROJECT

WHEREAS, under 12 G.C.A. § 14105, the Consolidated Commission on Utilities ("CCU") has plenary authority over financial, contractual and policy matters relative to the Guam Waterworks Authority ("GWA"); and

WHEREAS, the Guam Waterworks Authority ("GWA") is a Guam Public Corporation established and existing under the laws of Guam; and

WHEREAS, GWA currently has a number of critical Court Order ("CO") Projects, including the design, acquisition, installation, maintenance and operation of both continuous chlorine residual monitors and alarms and/or automatic shutoff systems when there is a loss of chlorine residual at all wells as stated in Paragraph 22 of the Court Order; and

WHEREAS, the initial improvements project to install chlorine residual analyzers at production wells identified as being high risk consisted of several different brands and configurations of chlorine residual analyzers intended to allow GWA to assess the reliability and maintainability of the various available alternatives; and

WHEREAS, data gather to date on this initial project revealed 16 well sites, including many of the high risk and moderate risk wells (i.e. the sites that were installed earliest, and with various brands and configurations), have chlorine residual analyzers that are non-functional and problematic for operation staff during maintenance/repair calls; and

WHEREAS, GWA is at high risk of non-compliance with the Groundwater Rule ("GWR"), and will be in non-compliance with the Court Order should well sites be operating without functional chlorine residual analyzers; and

WHEREAS, GWA issued IFB-06-ENG-2014 "Deep Well Chlorine Analyzer Project" to address holistically the chlorine residual analyzer requirement and electrical upgrades at all production wells which Asanuma Corporation was the lowest bidder and which Resolution No. 32-FY2014 (See EXHIBIT A – Resolution No. 32-FY2014) approved GWA to enter into contract with Asanuma to install chlorine residual analyzers and perform electrical improvements necessary for the safe and reliable function of the chlorine residual analyzers at a number of wells; and

WHEREAS, the intent of IFB-06-ENG-2014 was to address all well sites however at the time of the award of the current contract to Asanuma Corporation, portions of the scope identified in the bid schedule were not awarded due to funding limitations, including needed electrical improvements at 18 well sites; and

WHEREAS, in the course of the improvement works by Asanuma per the contract, 15 well sites involving VFDs installation/replacement revealed additional requirements are necessary for the operation of said VFD's, particularly improved cooling of the VFD and electrical equipment through the ventilation fans; and

WHEREAS, the additional bond funding acquired in 2016 now provides GWA the opportunely to complete all the improvements initially bid out as well as address additional requirements related to the project scope which includes the following:

1. Electrical improvements at 18 sites; and
2. Installation of roof ventilation at 15 sites; and
3. Replacement of defective Chlorine Residual Analyzers at 16 sites; and
4. Installation of VFD at well F-13; and

WHEREAS, GWA analyzed the change proposal received from Asanuma Corporation, and finds the change order proposal scope and fee amount of Eight Hundred Forty Thousand Dollars ($840,000.00) to be reasonable (See EXHIBIT B – Change Order Proposal); and

WHEREAS, GWA believes the completion of the remaining work not awarded in the initial contract with Asanuma will help GWA improve the operations and maintenance the of chlorine residual analyzers at all well sites; and

WHEREAS, GWA Management is seeking approval for additional funding of Eight Hundred Forty Thousand Dollars ($840,000.00), on top of the prior approved authorized funding amount of Two Million Nine Hundred Twenty Six Thousand One Hundred Twenty One Dollars ($2,926,121.00) to bring the total requested funding amount to Three Million Seven Hundred Sixty Six Thousand One Hundred Twenty One Dollars ($3,766,121.00) to execute change proposal #7 under the Deep Well Chlorine Residual Analyzer Project with Asanuma Corporation; and

WHEREAS, the funding source for the Change Order will be from CIP PW 09-02 "Water Wells"; and CIP EE 09-02 "Electrical Upgrade-Water Wells"; 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 terms of the change proposal submitted by Asanuma Corporation are fair and reasonable.
3. The CCU finds that the terms of the conditions set by GWA relative to commencement of subsequent work activities are fair and reasonable and serve as a measure of Quality Assurance/Quality Control (QA/QC).
4. The CCU hereby authorizes the management of GWA to accept the change proposal from Asanuma Corporation attached hereto as EXHIBIT B, and which is also incorporated into this Resolution in its entirety.
5. The CCU hereby further authorizes the management to execute change proposal #7 with Asanuma Corporation, in the amount of Eight Hundred Forty Thousand Dollars ($840,000.00).

6. The CCU hereby further approves the total authorized funding amount to a maximum of Three Million Seven Hundred Sixty Six Thousand One Hundred Twenty One Dollars ($3,766,121.00).
7. The CCU hereby approves the use of funding from CIP PW 09-02 "Water Wells"; and CIP EE 09-02 "Electrical Upgrade-Water Wells".

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

DULY AND REGULARLY ADOPTED, this 25th day of October 2016.

Certified by:	Attested by:
_____	_____
JOSEPH T. DUENAS Chairperson	**J. GEORGE BAMBA** Secretary

I, Joseph T. Duenas, Board Secretary and Treasurer 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: _____

///

///

Exhibit A (1 of 4)

GUAM CONSOLIDATED COMMISSION ON UTILITIES

RESOLUTION NO. 32 - FY2014

RELATIVE TO APPROVAL OF THE DEEP WELL CHLORINE ANALYZER CONSTRUCTION CONTRACT

WHEREAS, under 12 G.C.A. § 14105, the Consolidated Commission on Utilities ("CCU") has plenary authority over financial, contractual and policy matters relative to the Guam Waterworks Authority ("GWA"); and

WHEREAS, the Guam Waterworks Authority ("GWA") is a Guam Public Corporation established and existing under the laws of Guam; and

WHEREAS, GWA currently has a number of critical Court Order ("CO") Projects, including installation of Deep Well Chlorine Residual Analyzers at all remaining wells with no history of fecal contamination which is Item 22 (c) of the amended Stipulated Order and which must be completed by November 2014; and

WHEREAS, the Deep Well Chlorine Analyzer Project (Design) has been completed which included provisions to provide design services for eighty (80) well sites with the intent to improve electrical safety and reliability as well as installation of seventy-three (73) Chlorine Residual Analyzers at the various well sites; and

WHEREAS, the electrical improvements are necessary for the safe and reliable operation of the Chlorine Residual Analyzers to effectively monitor chlorine residual levels and to stop water production at the wells should the measurements exceed acceptable boundaries; and

WHEREAS, GWA has advertised an Invitation for Bid ("IFB") soliciting bid proposals from experienced and responsive bidders to provide construction services for the Deep Well Chlorine Analyzer project; and

Exhibit A (2 of 4)

WHEREAS, this phase of work consists of furnishing all labor, tools, equipment and materials necessary for the installation of chlorine residual analyzer units and electrical system upgrades under the provisions of the bid documents and in accordance with applicable GWA standards; and

WHEREAS, IFB packages were picked up by four (4) interested parties, from which GWA received bid proposals from two (2) of the four parties (See EXHIBIT A- Bid Summary) before the bid proposal deadline; and

WHEREAS, GWA Engineering Consultant and GWA Engineering Division project managers analyzed (See EXHIBIT B – Evaluation) the bid proposals received on August 15, 2014 and determined that Asanuma Corporation ("Asanuma"), who submitted the lowest combined bid as the responsive and responsible bidder and met all the bid requirements set forth by GWA; and

WHEREAS, Asanuma submitted the lowest combined bid of Two Million Nine Hundred Seventy Nine Thousand Dollars ($2,979,000.00); and

WHEREAS, the current CIP line items that are applicable to fund this project are limited thus GWA only accepts at this time the bid proposal of Two Million Six Hundred Sixty Thousand One Hundred Ten Dollars ($2,660,110.00) and rejects a portion of the bid in the amount of Three Hundred Eighteen Thousand Eight Hundred Ninety Dollars ($318,890.00) which is further elaborated hereto (see EXHIBIT C – Bid Proposal and Intent of Award); and

WHEREAS, GWA Management seeks CCU approval of the bid proposal amount of Two Million Six Hundred Sixty Thousand One Hundred Ten Dollars ($2,660,110.00) plus a ten percent (10%) contingency of Two Hundred Sixty Six Thousand and Eleven Dollars ($266,011.00) for a total funding amount of Two Million Nine Hundred Twenty Six Thousand One Hundred Twenty One Dollars ($2,926,121.00); and

WHEREAS, the source of funding for the construction project will be from the 2010 and 2013 Bond proceeds under CIP PW 05-11 "Implement Ground Water Rule"; the 2013 Bond CIP PW 09-02 "Water Wells"; and 2013 Bond CIP EE 09-02 "Electrical Upgrade-Water Wells"; and

Exhibit A (3 of 4)

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 terms of the bid proposal submitted by "Asanuma Corporation" are fair and reasonable.
3. The CCU hereby authorizes the management of GWA to accept the bid proposal from "Asanuma Corporation" attached hereto as EXHIBIT C, and which is incorporated into this Resolution in its entirety.
4. The CCU hereby further authorizes the management to enter into a contract with "Asanuma Corporation", in the amount of Two Million Six Hundred Sixty Thousand One Hundred Ten Dollars ($2,660,110.00).
5. The CCU hereby further approves the funding of Two Million Six Hundred Sixty Thousand One Hundred Ten Dollars ($2,660,110.00) plus a ten percent (10%) contingency for a total funding amount of Two Million Nine Hundred Twenty Six Thousand One Hundred Twenty One Dollars ($2,926,121.00).

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

DULY AND REGULARLY ADOPTED, this 26th day of August 2014.

Certified by:

SIMON A. SANCHEZ, II
Chairperson

Attested by:

JOSEPH T. DUENAS
Secretary

3

Exhibit A (4 of 4)

SECRETARY'S CERTIFICATE

I, Joseph T. Duenas, Board Secretary of the Consolidated Commission on Utilities as evidenced by my signature above do hereby certify as follows:

The foregoing is a full, true and accurate copy of the resolution duly adopted at a regular meeting by the members of the Guam Consolidated Commission on Utilities, duly and legally held at a place properly noticed and advertised at which meeting a quorum was present and the members who were present voted as follows:

AYES: 5

NAYS: 0

ABSTENTIONS: 0

ABSENT: 0



4

Exhibit B (1 of 15)

Asanuma Corporation

Guam Branch Office
P.O. Box 22108, GMF
Guam 96921
Tel : 671-646-4243/1071
Fax:671- 646-5180

October 10, 2016

Mr. Miguel C. Bordallo, PE, General Manager
Guam Waterworks Authority
Gloria Nelson Public Service Bldg.
Fadian, Mangilao, GUAM

ATTN: Mr. Delfyn Quitlong, Engineering Division

Subject: PW 05-11 DEEP WELL CHLORINE ANALYZER
GWA PROJECT NO. W13-002-BND

Re: Change Order #7 (construction period)

Dear Mr. Delfyn Quitlong,

We would like to propose the construction period to be 210 calendar days.

We will be very much appreciated if you consider the above mentioned matters.

Sincerely yours,
ASANUMA CORPORATION

Yasuhiro Oikawa
Project Manager

Asanuma

Exhibit B (2 of 15)

ASANUMA CORPORATION

PROJECT NAME: SUMMARY OF ELECTRICAL & MECHANICAL WORK (CO #7)

10/10/16

NO	Description	Qty	Unit	Unit Price	Total	Remarks
	SUMMARY – M & E					
	KINDEN ESTIMATE					
A	Group 4 Deep Well Improvement	1	lot		284,120.00	
	18 Well Sites					
B	Well Site with VFD, Install Ventillation Fan	1	lot		185,200.00	
	15 Well Sites					
	Electrical work					
	Mechanical work					
C	New Chlorine Residual Analyzer Installation	1	lot		166,440.00	
	16 Well Sites					
	Electrical work					
	Mechanical work					
D	New Deep Well Improvement	1	lot		16,228.00	
	1 Site-F13					
	KINDEN TOTAL				651,988.00	
	ASANUMA ESTIMATE					
A	Group 4 Deep Well Improvement	1	LOT		0.00	
B	DOOR HARDWARE $600 X 5 SITES =$3,000.00	1	LOT		3,000.00	
C	CIVIL WORK	1	LOT		19,200.00	
	EXCAVATION, FRENCH DRAIN, BEDDING SAND, BACK FILL					
	$1,200 X 16 EACH = $19,200.00					
D	New Deep Well Improvement	1	LOT		0.00	
	ASANUMA TOTAL	1	LOT		22,200.00	
	DIRECT TOTAL	1	LOT		674,188.00	
	EXPENSES/ OVERHEAD				132,597.63	
	SUB-TOTAL				806,785.63	
	GRT			4.0%	33,600.20	
	TOTAL				840,385.83	
	TOTAL				840,385.83	
				SAY	840,000.00	

Exhibit B (3 of 15)

KINDEN CORPORATION
CLIENT NAME: Asanuma Corporation
PROJECT NAME: SUMMARY OF ELECTRICAL & MECHANICAL WORK

28-Jun-16

Item	Description	Qty	Unit	Unit Price	Total Price	Remarks
	GWA CHANGE ORDER #7 (MECHL. & ELECTL.)					
I	ELECTRICAL WORK					
A	Group 4 Deep Well Improvement	1	lot		284,120.00	see attached
	18 Well Sites					
B	Well Site with VFD, Install Ventillation Fan	1	lot		97,050.00	see attached
	15 Well Sites					
	Electrical work			97,050.00		
C	New Chlorine Residual Analyzer Installation	1	lot		17,632.00	see attached
	16 Well Sites					
	Electrical work			17,632.00		
D	New Deep Well Improvement	1	lot		16,228.00	see attached
	1 Site-F13					
	TOTAL-ELECTRICAL				415,030.00	
II	MECHANICAL WORK					
B	Well Site with VFD, Install Ventillation Fan	1	lot		88,150.00	see attached
	15 Well Sites					
	Mechanical work			88,150.00		
C	New Chlorine Residual Analyzer Installation	1	lot		148,808.00	see attached
	16 Well Sites					
	Mechanical work			148,808.00		
	TOTAL-MECHANICAL				236,958.00	
	GRAND TOTAL-MECHANICAL-ELECTRICAL				651,988.00	

Exhibit B (4 of 15)

KINDEN CORPORATION
CLIENT NAME: Asanuma Corporation Date: 28-Jun-16
PROJECT NAME : GWA Deep Well Chlorine Analizer Change Order #7 (W13-002-BND)

Item	Description	Q'ty	Unit	Unit Price	Total Price	Remarks
A	Electrical Work					
A1	Table 5 : Deep Well Improvement					
	for 18 Total Wells-Change Order #7					
A2	General Requirement					
1	Mobilization/Demobilization	1	LS	4,000.00	4,000.00	
A3	Electrical					
1	Demolition	18	LS/WELL	200.00	3,600.00	
2	Conduits, Wiring, Boxes	18	LS/WELL	1,975.00	35,550.00	
3	Power Distribution	18	LS/WELL	4,225.00	76,050.00	
4	Motor Control System					
5	Constant Speed Starter for Well Pump	10	LS/WELL	8,714.20	87,142.00	
6	VFD for Well Pump	0	LS/WELL	0.00	0.00	
7	Constant Speed Starter for Booster Pump	18	LS/WELL	3,971.00	71,478.00	
8	Subtotal	1	LOT		277,820.00	
9	As-built Prep & Supervision	1	LOT		6,300.00	
	TOTAL				284,120.00	
	A8, A9, A13, A17, A18, A19, A21					
	M4, M6, M7, M8, M12, M5, M15, M17B, M18, M21, M23					

Exhibit B (5 of 15)

KINDEN CORPORATION
CLIENT NAME: Asanuma Corporation **29-Jun-16**
PROJECT NAME: GWA-Deep Well Chlroine Analyzer-Change Order #7
(Ventillation Fan and Power-Mechl & Electl Work)

B.

DESCRIPTION	QTY	UNIT	LABOR & MATERIALS
1. Y-12			
a) Existing door install SSTL door handle with 24"x30" steel louver	1	ea	500.00
b) 34" x 72" install new steel metal door frame, door hardware stainless steel hinges 1-1/2 pairs and schlage lockset,(bet. Gen rm and elec. Rm.) paint to match existing (verify actual size)	1	ea	2,000.00
c) Install Centrifugal Exhaust fan roof mounted, 1/4" diameter SSTL wire rope tie down with SStl turn buckle. Thermostat switch	1	ea	3,918.00
d) Roof opening as per manufacturer recomendation with 4" x 6" concrete curb with #4 rebar dowel secure with epoxy, horizontal #4 rebar, restoration and dust prevention control	1	ea.	1,200.00
e) 3/4" aluminum conduit, boxes, wiring and accessories	1	Ls	$ 6,470.00
a. MDP Branch Breaker 20A, 3P, 480V b. Enclosed Motor Stater Combination D/S with timer and 2 N.O. & 1 N.C. aux contact c. Enclosed Push Button (Indoor) d. Enclosed Push Button (Outdoor) e. NFDS, N4X, 30A. With Unitsrut Channel Bracket SSTL			
Room dimension 87"x 86" x 109 Room temperature 86 degree			**14,088.00**
2. D-25			
a) Existing door install SSTL door handle with 24"x30" steel louver	1	ea	500.00
b) Install Centrifugal Exhaust fan roof mounted, 1/4" diameter SSTL wire rope tie down with SStl turn buckle. Thermostat switch	1	ea.	2,918.00
c) cover the 16" x 21" ac window with 1/4 " thick cement board, both side flush to wall concrete surface, paint to match existing	1	Ls	230.00
d) Roof opening as per manufacturer recomendation with 4" x 6" concrete curb with #4 rebar dowel secure with epoxy, horizontal #4 rebar, restoration and dust prevention control	1	ea.	1,200.00
e) 3/4" aluminum conduit, boxes, wiring and accessories	1	Ls	6,470.00
a. MDP Branch Breaker 20A, 3P, 480V b. Enclosed Motor Stater Combination D/S with timer and 2 N.O. & 1 N.C. aux contact c. Enclosed Push Button (Indoor) d. Enclosed Push Button (Outdoor) e. NFDS, N4X, 30A. With Unitsrut Channel Bracket SSTL			
Room dimension 108"x 92.. X110" Room temperature 89 degree			**11,318.00**

1

Exhibit B (6 of 15)

KINDEN CORPORATION
CLIENT NAME: Asanuma Corporation **29-Jun-16**
PROJECT NAME: GWA-Deep Well Chlroine Analyzer-Change Order #7
(Ventillation Fan and Power-Mechl & Electl Work)

B.

DESCRIPTION	QTY	UNIT	LABOR & MATERIALS
3. D-28			
a) Existing door install SSTL door handle with 24"x30" steel louver	1	ea	500.00
b) Install Centrifugal Exhaust fan roof mounted, 1/4" diameter SSTL wire rope tie down with SStl turn buckle. Thermostat switch	1	ea	2,918.00
c) cover the 16" x 21" ac window with 3/8" cement board, both side flush to wall concrete surface, paint to match existing	1	ea	230.00
d) Roof opening as per manufacturer recomendation with 4" x 6" concrete curb with #4 rebar dowel secure with epoxy, horizontal #4 rebar, restoration and dust prevention control	1	ea.	1,200.00
e) 3/4" aluminum conduit, boxes, wiring and accessories	1	Ls	6,470.00
a. MDP Branch Breaker 20A, 3P, 480V b. Enclosed Motor Stater Combination D/S with timer and 2 N.O. & 1 N.C. aux contact c. Enclosed Push Button (Indoor) d. Enclosed Push Button (Outdoor) e. NFDS, N4X, 30A. With Unitsrut Channel Bracket SSTL			
			11,318.00
Room dimension 108"x 92.. X110" Room temperature 88 degree			
4. F-16			
a) Existing door install SSTL door handle with 24"x30" steel louver	1	ea	500.00
b) Install Centrifugal Exhaust fan rope mounted, 1/4" diameter SSTL wire roof tie down with SStl turn buckle. Thermostat switch	1	ea	2,918.00
c) Roof opening as per manufacturer recomendation with 4" x 6" concrete curb with #4 rebar dowel secure with epoxy, horizontal #4 rebar, restoration and dust prevention control	1	ea.	1,200.00
e) 3/4" aluminum conduit, boxes, wiring and accessories	1	Ls	6,470.00
a. MDP Branch Breaker 20A, 3P, 480V b. Enclosed Motor Stater Combination D/S with timer and 2 N.O. & 1 N.C. aux contact c. Enclosed Push Button (Indoor) d. Enclosed Push Button (Outdoor) e. NFDS, N4X, 30A. With Unitsrut Channel Bracket SSTL			
			11,088.00
Room dimension 88"x92"x112" Room temperature 89 degree			

2

Exhibit B (7 of 15)

KINDEN CORPORATION
CLIENT NAME: Asanuma Corporation **29-Jun-16**
PROJECT NAME: GWA-Deep Well Chlroine Analyzer-Change Order #7
(Ventillation Fan and Power-Mechl & Electl Work)

B.

DESCRIPTION	QTY	UNIT	LABOR & MATERIALS
5. F-18			
a) Existing door install SSTL door handle with 24"x30" steel louver	1	ea	500.00
b) Install Centrifugal Exhaust fan roof mounted, 1/4" diameter SSTL wire rope tie down with SStl turn buckle. Thermostat switch	1	ea.	2,918.00
c) Roof opening as per manufacturer recomendation with 4" x 6" concrete curb with #4 rebar dowel secure with epoxy, horizontal #4 rebar, restoration and dust prevention control	1	ea.	1,200.00
d) 34" x 72" install new steel metal door frame, door hardware stainless steel hinges 1-1/2 pairs and schlage lockset,(bet. Gen rm and elec. Rm.) paint to match existing (verify actual size)	1	ea	2,000.00
e) 3/4" aluminum conduit, boxes, wiring and accessories	1	Ls	6,470.00
a. MDP Branch Breaker 20A, 3P, 480V b. Enclosed Motor Stater Combination D/S with timer and 2 N.O. & 1 N.C. aux contact c. Enclosed Push Button (Indoor) d. Enclosed Push Button (Outdoor) e. NFDS, N4X, 30A. With Unitsrut Channel Bracket SSTL			
			13,088.00
Room dimension 96" x 87" x112"' Room temperature 89 degree			
6. Y-14			
a) Existing door install SSTL door handle with 24"x30" steel louver	1	ea	500.00
b) Install Centrifugal Exhaust fan roof mounted, 1/4" diameter SSTL wire rope tie down with SStl turn buckle. Thermostat switch	1	ea.	3,918.00
c) Roof opening as per manufacturer recomendation with 4" x 6" concrete curb with #4 rebar dowel secure with epoxy, horizontal #4 rebar, restoration and dust prevention control	1	ea.	1,200.00
e) 3/4" aluminum conduit, boxes, wiring and accessories	1	Ls	$ 6,470.00
a. MDP Branch Breaker 20A, 3P, 480V b. Enclosed Motor Stater Combination D/S with timer and 2 N.O. & 1 N.C. aux contact c. Enclosed Push Button (Indoor) d. Enclosed Push Button (Outdoor) e. NFDS, N4X, 30A., SSTL unistrut channel 1-5/8" bracket support			
e) 32" x 85" install new metal door frame, door hardware stainless steel hinges 1-1/2 pairs and schlage lockset,(bet. Gen rm and elec. Rm.) paint to match existing (verify actual size)	1	ea	2,000.00
			14,088.00
Room dimension 108 x 80" x112"' Room temperature 96 degree			

3

Exhibit B (8 of 15)

KINDEN CORPORATION
CLIENT NAME: Asanuma Corporation **29-Jun-16**
PROJECT NAME: GWA-Deep Well Chlroine Analyzer-Change Order #7
(Ventillation Fan and Power-Mechl & Electl Work)

B.

DESCRIPTION	QTY	UNIT	LABOR & MATERIALS
7. Y-16			
a) Existing door install SSTL door handle with 24"x30" steel louver	1	ea	500.00
b) Install Centrifugal Exhaust fan roof mounted, 1/4" diameter SSTL wire rope tie down with SStl turn buckle. Thermostat switch	1	ea.	3,918.00
c) Roof opening as per manufacturer recomendation with 4" x 6" concrete curb with #4 rebar dowel secure with epoxy, horizontal #4 rebar, restoration and dust prevention control	1	ea.	1,200.00
e) 3/4" aluminum conduit, boxes, wiring and accessories	1	Ls	6,470.00
a. MDP Branch Breaker 20A, 3P, 480V b. Enclosed Motor Stater Combination D/S with timer and 2 N.O. & 1 N.C. aux contact c. Enclosed Push Button (Indoor) d. Enclosed Push Button (Outdoor) e. NFDS, N4X, 30A. With Unitsrut Channel Bracket SSTL			
Room dimension 80" x110" x 112"' Room temperature 93 degree			**12,088.00**
8. Y-7			
a) Existing door install SSTL door handle with 24"x30" steel louver	1	ea	- NOT NEEDED
b) Roof opening as per manufacturer recomendation with 4" x 6" concrete curb with #4 rebar dowel secure with epoxy, horizontal #4 rebar, restoration and dust prevention control	1	ea.	1,200.00
c) Install Centrifugal Exhaust fan roof mounted, 1/4" diameter SSTL wire rope tie down with SStl turn buckle. Thermostat switch	1	ea.	3,918.00
d) 35" x 85" install new steel metal door frame, door hardware stainless steel hinges 1-1/2 pairs and schlage lockset,(bet. Gen rm and elec. Rm.) paint to match existing (verify actual size)	1	ea	2,000.00
e) 3/4" aluminum conduit, boxes, wiring and accessories	1	Ls	6,470.00
a. MDP Branch Breaker 20A, 3P, 480V b. Enclosed Motor Stater Combination D/S with timer and 2 N.O. & 1 N.C. aux contact c. Enclosed Push Button (Indoor) d. Enclosed Push Button (Outdoor) e. NFDS, N4X, 30A. With Unitsrut Channel Bracket SSTL			
Room dimension 80" x110" x 112"' Room temperature 93 degree			**13,588.00**

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Exhibit B (9 of 15)

KINDEN CORPORATION
CLIENT NAME: Asanuma Corporation **29-Jun-16**
PROJECT NAME: GWA-Deep Well Chlroine Analyzer-Change Order #7
(Ventillation Fan and Power-Mechl & Electl Work)

B.

DESCRIPTION	QTY	UNIT	LABOR & MATERIALS
9. Y-21A			
a) Existing door install SSTL door handle with 24"x30" steel louver	1	ea	500.00
b) Install Centrifugal Exhaust fan roof mounted, 1/4" diameter SSTL wire rope tie down with SStl turn buckle. Thermostat switch	1	ea.	2,918.00
c) Roof opening as per manufacturer recomendation with 4" x 6" concrete curb with #4 rebar dowel secure with epoxy, horizontal #4 rebar, restoration and dust prevention control	1	ea.	1,200.00
e) 3/4" aluminum conduit, boxes, wiring and accessories	1	Ls	6,470.00
a. MDP Branch Breaker 20A, 3P, 480V b. Enclosed Motor Stater Combination D/S with timer and 2 N.O. & 1 N.C. aux contact c. Enclosed Push Button (Indoor) d. Enclosed Push Button (Outdoor) e. NFDS, N4X, 30A. With Unitsrut Channel Bracket SSTL			
			11,088.00
Room dimension 80" x110" x 112"' Room temperature 93 degree			
10. Y-18			
a) Existing door install SSTL door handle with 24"x30" steel louver	1	ea	500.00
b) Install Centrifugal Exhaust fan roof mounted, 1/4" diameter SSTL wire rope tie down with SStl turn buckle. Thermostat switch	1	ea.	3,918.00
c) Roof opening as per manufacturer recomendation with 4" x 6" concrete curb with #4 rebar dowel secure with epoxy, horizontal #4 rebar, restoration and dust prevention control	1	ea.	1,200.00
d) cover the 16" x 21" ac window with 1/4 " thick cement board, both side flush to wall concrete surface, paint to match existing	1	Ls	230.00
e) 3/4" aluminum conduit, boxes, wiring and accessories	1	Ls	6,470.00
a. MDP Branch Breaker 20A, 3P, 480V b. Enclosed Motor Stater Combination D/S with timer and 2 N.O. & 1 N.C. aux contact c. Enclosed Push Button (Indoor) d. Enclosed Push Button (Outdoor) e. NFDS, N4X, 30A. With Unitsrut Channel Bracket SSTL			
			12,318.00
Room dimension 91" x 110"X110" Room temperature 99 degree			

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Exhibit B (10 of 15)

KINDEN CORPORATION
CLIENT NAME: Asanuma Corporation 29-Jun-16
PROJECT NAME: GWA-Deep Well Chlroine Analyzer-Change Order #7
(Ventillation Fan and Power-Mechl & Electl Work)

B.

DESCRIPTION	QTY	UNIT	LABOR & MATERIALS
11. Y-19			
a) Existing door install SSTL door handle with 24"x30" steel louver	1	ea	500.00
b) Install Centrifugal Exhaust fan roof mounted, 1/4" diameter SSTL wire rope tie down with SStl turn buckle. Thermostat switch	1	ea.	3,918.00
c) Roof opening as per manufacturer recomendation with 4" x 6" concrete curb with #4 rebar dowel secure with epoxy, horizontal #4 rebar, restoration and dust prevention control	1	ea.	1,200.00
d) cover the 16" x 21" ac window with 1/4 " thick cement board, both side flush to wall concrete surface, paint to match existing	1	Ls	230.00
e) 3/4" aluminum conduit, boxes, wiring and accessories	1	Ls	6,470.00
a. MDP Branch Breaker 20A, 3P, 480V b. Enclosed Motor Stater Combination D/S with timer and 2 N.O. & 1 N.C. aux contact c. Enclosed Push Button (Indoor) d. Enclosed Push Button (Outdoor) e. NFDS, N4X, 30A. With Unitsrut Channel Bracket SSTL			
			12,318.00
Room dimension 91" x 110"X110" Room temperature 91 degree			
12. Y-20			
a) Existing door install SSTL door handle with 24"x30" steel louver	1	ea	500.00
b) Install Centrifugal Exhaust fan roof mounted, 1/4" diameter SSTL wire rope tie down with SStl turn buckle. Thermostat switch	1	ea.	3,918.00
c) Roof opening as per manufacturer recomendation with 4" x 6" concrete curb with #4 rebar dowel secure with epoxy, horizontal #4 rebar, restoration and dust prevention control	1	ea.	1,200.00
d) cover the 16" x 21" ac window with 1/4 " thick cement board, both side flush to wall concrete surface, paint to match existing	1	Ls	230.00
e) 3/4" aluminum conduit, boxes, wiring and accessories	1	Ls	6,470.00
a. MDP Branch Breaker 20A, 3P, 480V b. Enclosed Motor Stater Combination D/S with timer and 2 N.O. & 1 N.C. aux contact c. Enclosed Push Button (Indoor) d. Enclosed Push Button (Outdoor) e. NFDS, N4X, 30A. With Unitsrut Channel Bracket SSTL			
			12,318.00
Room dimension 91" x 110"X110" Room temperature 100 degree			

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Exhibit B (11 of 15)

KINDEN CORPORATION
CLIENT NAME: Asanuma Corporation **29-Jun-16**
PROJECT NAME: GWA-Deep Well Chlroine Analyzer-Change Order #7
(Ventillation Fan and Power-Mechl & Electl Work)

B.

DESCRIPTION	QTY	UNIT	LABOR & MATERIALS
13. Y-22			
a) Existing door install SSTL door handle with 24"x30" steel louver	1	ea	500.00
b) Install Centrifugal Exhaust fan roof mounted, 1/4" diameter SSTL wire rope tie down with SStl turn buckle. Thermostat switch	1	ea.	2,918.00
c) Roof opening as per manufacturer recomendation with 4" x 6" concrete curb with #4 rebar dowel secure with epoxy, horizontal #4 rebar, restoration and dust prevention control	1	ea.	1,200.00
d) cover the 16" x 21" ac window with 1/4 " thick cement board, both side flush to wall concrete surface, paint to match existing	1	Ls	230.00
e) 3/4" aluminum conduit, boxes, wiring and accessories	1	Ls	6,470.00
a. MDP Branch Breaker 20A, 3P, 480V b. Enclosed Motor Stater Combination D/S with timer and 2 N.O. & 1 N.C. aux contact c. Enclosed Push Button (Indoor) d. Enclosed Push Button (Outdoor) e. NFDS, N4X, 30A. With Unitsrut Channel Bracket SSTL			
			11,318.00
Room dimension 91" x 110"X110" Room temperature 92 degree			
14. M-20A			
a) Existing door install SSTL door handle with 24"x30" steel louver	1	ea	500.00
b) Install Centrifugal Exhaust fan roof mounted, 1/4" diameter SSTL wire rope tie down with SStl turn buckle. Thermostat switch	1	ea.	3,918.00
c) Roof opening as per manufacturer recomendation with 4" x 6" concrete curb with #4 rebar dowel secure with epoxy, horizontal #4 rebar, restoration and dust prevention control	1	ea.	1,200.00
e) 3/4" aluminum conduit, boxes, wiring and accessories	1	Ls	6,470.00
a. MDP Branch Breaker 20A, 3P, 480V b. Enclosed Motor Stater Combination D/S with timer and 2 N.O. & 1 N.C. aux contact c. Enclosed Push Button (Indoor) d. Enclosed Push Button (Outdoor) e. NFDS, N4X, 30A. With Unitsrut Channel Bracket SSTL			
f) install new steel metal door frame, door hardware stainless steel hinges 1-1/2 pairs and schlage lockset,(bet. Gen rm and elec. Rm.) paint to match existing (verify actual size)	1	ea	2,000.00
			14,088.00

7

Exhibit B (12 of 15)

KINDEN CORPORATION
CLIENT NAME: Asanuma Corporation **29-Jun-16**
PROJECT NAME: GWA-Deep Well Chiroine Analyzer-Change Order #7
(Ventillation Fan and Power-Mechl & Electl Work)

B.

DESCRIPTION	QTY	UNIT	LABOR & MATERIALS
15. F-13			
a) Existing door install SSTL door handle with 24"x30" steel louver	1	ea	500.00
b) Install Centrifugal Exhaust fan rope mounted, 1/4" diameter SSTL wire roof tie down with SStl turn buckle. Thermostat switch	1	ea	2,918.00
c) Roof opening as per manufacturer recomendation with 4" x 6" concrete curb with #4 rebar dowel secure with epoxy, horizontal #4 rebar, restoration and dust prevention control	1	ea.	1,200.00
e) 3/4" aluminum conduit, boxes, wiring and accessories	1	Ls	6,470.00
a. MDP Branch Breaker 20A, 3P, 480V b. Enclosed Motor Stater Combination D/S with timer and 2 N.O. & 1 N.C. aux contact c. Enclosed Push Button (Indoor) d. Enclosed Push Button (Outdoor) e. NFDS, N4X, 30A. With Unitsrut Channel Bracket SSTL			
			11,088.00
Room dimension 88"x92"x112" Room temperature 89 degree			
TOTAL			**185,200.00**

8

Exhibit B (13 of 15)

KINDEN CORPORATION
CLIENT NAME: Asanuma Corp.
PROJECT NAME: GWA Chlorine Analyzer-Change Order No. 7
C-ELECTL

Date: 28-Jun-16

Item	Description	Qty	Unit	Unit Price	Total Price	Remarks
C	**Chlorine Residual Analyzer-Electrical Work**					
c1	#12 awg solid and connectors	1	lot		200.00	
c2	#16X3 SJ Cord with Plug	1	lot		80.00	
c3	3/4" alum conduit and fitting	1	lot		502.00	
c4	FS Box 2x4 with cover	2	ea	25.00	50.00	
c5	Single Receptacle 15A, 120V w/ cover while in use-WP	1	ea		150.00	
c6	Supporting materials	1	lot		70.00	
c7	Miscellaneous materials	1	lot		50.00	
	TOTAL per Well Site				**1,102.00**	
	GRAND TOTAL	**16**	**sites**	**1,102.00**	**17,632.00**	
	A5, A6, A23, A25					
	D7, D19					
	F3, F20					
	M1, M5, M9, M20A					
	Y2, Y3, Y9, Y15					

Exhibit B (14 of 15)

KINDEN CORPORATION
CLIENT NAME: ASANUMA CORP.
PROJECT NAME : GWA Deepwell Chlorine Analyzer Change order #7 (16wells)
C-MECHL

Date: 28-Jun-16

Item	Description	QTY	UNIT	Unit Price	Total Price	Remarks
C	Chlorine Residual Analyzer-Mechl Work					
1	Bubble Trap	16	ea	588.00	9,408.00	
2	CL2 Analyzer CLF10sc	16	ea	6,228.00	99,648.00	
3	3/4" Tee PVC sch 80 ,slip	50	ea	4.41	220.50	
4	3/4" x90deg ell PVC sch80,slip	80	ea	2.29	183.20	
5	PVC bell reducer 3"x 1- 1/2"slip	32	ea	18.25	584.00	
6	Reducer Bushing 1-1/2" x 3/4" Pvc slip	32	ea	19.71	630.72	
7	3/4"dia x 45deg ell PVC sch 80	50	ea	4.41	220.50	
8	3/4"dia pvc pipes sch 80	10	ea	27.53	275.30	
9	1/4"dia x 2-1/2" wedgeanchor/50ea/box	3	box	49.41	148.23	
10	G.I Unitrut Channel 2"x2"x10ft	2	ea	47.05	94.10	
11	1/2"dia pipes cpvc sch80	45	ea	26.47	1,191.15	
12	1/2"dia x90deg ell cpvc sch80	130	ea	2.82	366.60	
13	1/2"dia x45deg ell cpvc sch80	32	ea	3.47	111.04	
14	1/2"dia coupling cpvc sch80 slip	32	ea	2.76	88.32	
15	Cpvc Tee x 3/4"x3/4"x1/2" slip	16	ea	17.05	272.80	
16	1/2"dia Ball valve bronze body threaded end	16	ea	12.65	202.40	
17	1/2"dia Needle Valve bronze threaded end	16	ea	128.00	2,048.00	
18	Plastic anchor with screw	2	box	58.82	117.64	
19	1/2" dia pvc male	16	ea	5.29	84.64	
20	Tube adaptor 1/2"NPTF to 3/8"dia O.D.Tube John Guest	65	ea	7.35	477.75	
21	Tube adaptor 1/4"NPTF to 3/8"dia O.D.Tube John Guest	35	ea	5.00	175.00	
22	3/4"NPT male 1/2"NPT female pvc fitting	50	ea	6.47	323.50	
23	3/8"dia O.D.Tubing x 200ft	1	roll	234.61	234.61	
24	Misc, Transport, Support	1	lot		700.00	
25	Freight Cost-Guam	1	lot		650.00	
26	Test & Commissioning	1	lot		4,000.00	
27	Labor Cost	16	ea	1,647.00	26,352.00	
	TOTAL				148,808.00	

Exhibit B (15 of 15)

KINDEN CORPORATION
CLIENT NAME: Asanuma Corporation
PROJECT NAME: Deep Well Improvement for F13 Retrofit Work (Booster Starter, VFD, CP-1)
Date: 28-Jun-16

Item	Description	Qty	Unit	Unit Price	Total Price	TOTAL
D	F-13					
a	Mobilization/Demobilization	1	lot	250.00	250.00	
b	Demolition	1	lot	200.00	200.00	
c	Wires, Conduit, Boxes					
	Wires & Connectors	1	lot	1,479.00	1,479.00	
	Conduit, Boxes & Fittings	1	lot	1,475.94	1,475.94	
	Ground Copper Bar with Lugs	1	ea	230.00	230.00	
	Ground Rod with Clamp 3/4"x10Ft	1	ea	340.00	340.00	
	Ground Test Well	1	ea	405.00	405.00	
d	Power Distribution					
	Switchboard/MDP (OFCI)	1	assy	1,208.62	1,208.62	Fr: D5
	Molded Case Breaker 150A, 3P, 600V	1	ea	470.00	470.00	
	Relocate Existing PLC to CP-1	1	ea	240.00	240.00	
	Circuit Breaker 20A-1P, 120V	1	ea	40.00	40.00	
	Duplex Receptacle 15A, 125V, WP-While-In-Use	1	ea	85.00	85.00	
e	Motor Control System					
	Deep Well -ABB-VFD-90KW-480V (OFCI)	1	assy	1,100.00	1,100.00	Fr: GWA WHSE
	ABB On-site tech-testing/commissioning	1	lot	5,012.00	5,012.00	
f	MCC-Booster Pump					
	Booster Pump Motor Starter-Constant Speed (OFCI)	1	assy	500.00	500.00	Fr: D5
g	Control Circuit Interlock/Interconnection					
	Termination at Booster, flow switch	1	lot	120.00	120.00	
	Termination at Deep Well, flow switch	1	lot	120.00	120.00	
	Termination at Chlorine Analyzer, no flow alarm	1	lot	125.56	125.56	
	Termination at Leak Sensor, alarm	1	lot	120.00	120.00	
h	Control Panel					
	CP-1 Panel 120V power supply (OFCI)	1	assy	922.22	922.22	Fr: D5
i	Removal D5 equipment					
	MDP Panel	1	assy	300.00	300.00	
	Booster Panel	1	assy	250.00	250.00	
	CP-1 Panel 120V power supply	1	assy	394.66	394.66	
j	As-built drawing & Supervision	1	lot	900.00	900.00	
	TOTAL				16,288.00	

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: **October 25, 2016**

SUBJECT: **General Manager's Report**

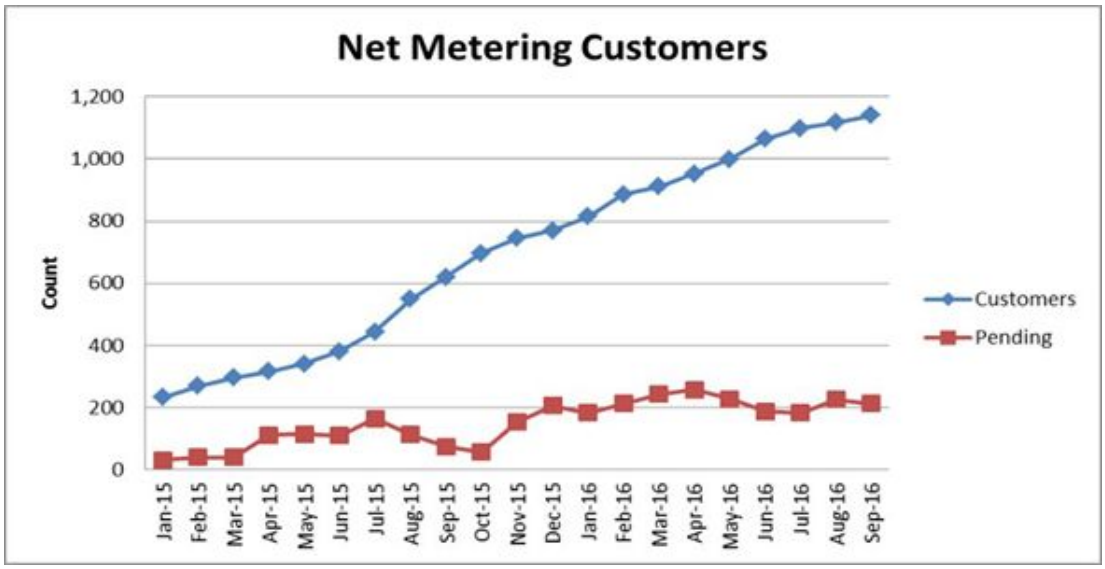
This report provides an update on key issues.

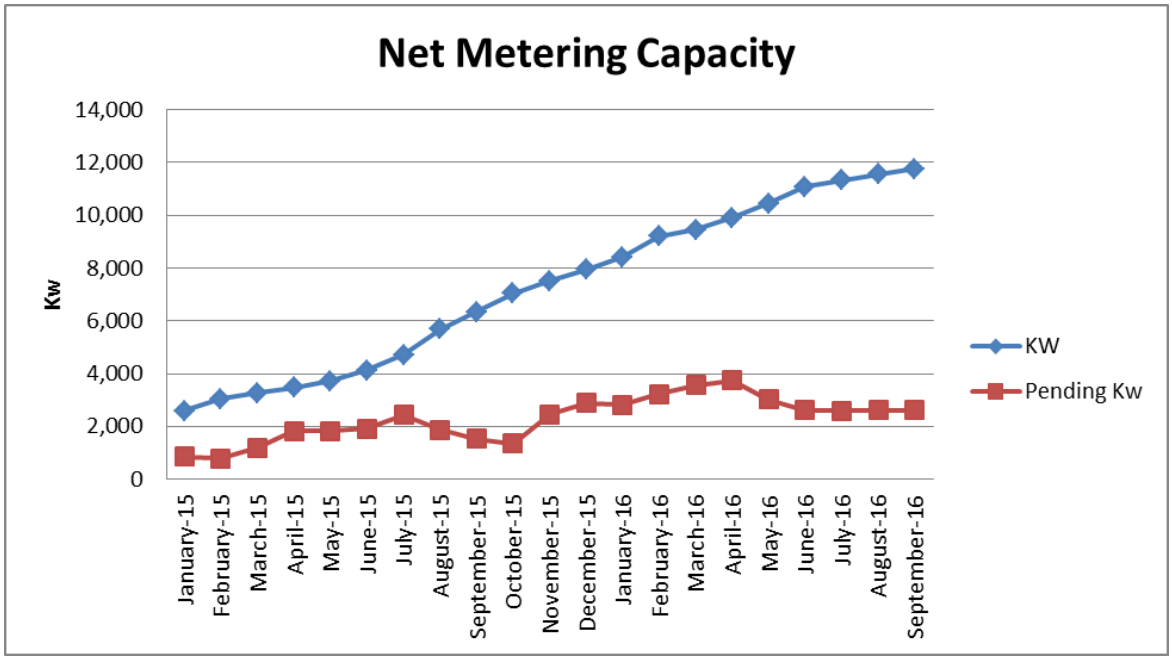
1. **Net Metering: Updated information on NEM including growth profile.**

Net Metering Summary Ending September 2016:

Description:	**Count**	**Kw**	
Active	**1,140**	**11,766**	
Pending	212	2,602	
Totals:	1,352	14,368	
Service:	**Count**	**KW**	**Kw/Customer**
Residential	**1,073**	**9,586**	**8.9**
Others	67	2,180	32.5
Total:	1,140	11,766	10.3
% Residential	**94.1%**	**81.5%**	
Estimated Revenue Impact:	**$2,200,794**		

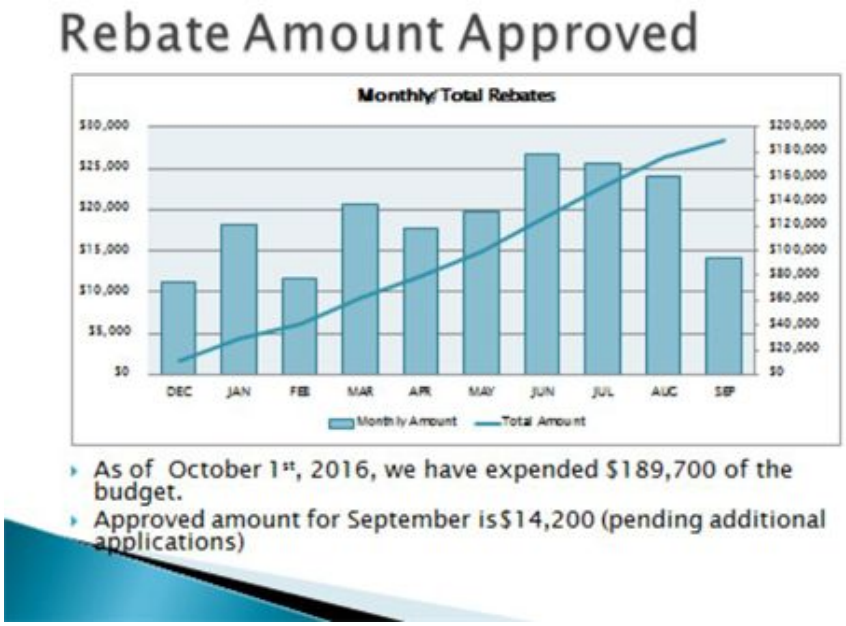
NEMS Renewables Work Session is scheduled for Thursday 10/27/2016 from 10:00 am – 11:30 am here at the CCU Conference Room.





The above does not include the GDOE project for the schools. We have not heard back from either the GDOE or it power purchase agreement partner since we sent them the CCU resolution approving the project. The GDOE project consists of four (4) schools totaling about 3,500 Kw of solar PV capacity.

2. DSM Program Update:



3. Key Procurements Underway:

- Phase II Renewables Bid: Below is a list of those Un-Priced Technical Proposals received for MS GPA-070-16, Renewable Energy Resource Phase II:
  1. Hecate Energy
  2. Hanwha Energy Corp.
  3. Terra Energy
  4. Global Sourcing USA
  5. Sean/NexGeo Consortium
  6. LSIS Co. Ltd.
  7. Terra Solar, LLC
  8. Green Globe Solutions
  9. Pacific Progress LLC
  10. Quantum/Guam Clean Energy
  11. Solar City
  12. LGCNS
      a. Notification date of short list November 16th, 2016
      b. Priced proposal due on December 20th, 2016.
      c. Notification of successful bidder(s) expected January 26th, 2017.

4. Public Hearing on Bill 361-33 for property for the Energy Storage System for NRG Solar PV plant:

a. Bill 361-33, An act to transfer a portion of Lot 421-R26, tentatively identified as "portion 421-77" Municipality of Talofofo with an area of 2,100± square meters from the Chamorro Land Trust inventory to the Guam Power Authority for the purpose of expanding the Talofofo

substation is being heard tomorrow Wednesday October 26th at 9:30am at the Legislature.

b. Additionally, the Legislature would be conducting an information hearing on GPA at same time.

5. **Waste Oil Burning at the Cabras Steam Plant:** GPA has put a stop on burning waste oil at the Cabras 1&2 steam plant about 3 months ago. However, GPA will again begin accepting waste oil for a period of six months in order to allow the private sector some time to find alternate ways of disposing of the waste oil.
   a. The program started back in the late eighties and was deemed at the time to be a short term solution.
   b. Sludge built up on boiler tubes from waste oil burning resulting in some boiler tube leaks
   c. Cabras 1&2 are deemed critical base load units now that the Cabras 3&4 units are not available.
   d. The reliability of the steam units are crucial to providing reliable power over the next few years until the new combined cycle units are commissioned.
   e. When the Cabras steam plant is retired, GPA can't burn the fuel in other units and therefore alternate solutions would need to be implemented anyways.
6. **System Capacity Recovery Plan Update:**
   - The Macheche combustion turbine replacement unit should be on island by October 31st. The unit is targeted to be commissioned by November 7th thereby adding about 22MW of reserve capacity.
   - The Dededo Combustion Turbine Plant is now programmed to be commissioned by March 31st, 2017. All the long lead time equipment has been ordered. The plant would add 40 MW of reserve capacity into the system.
   - The following updates our generation capacity recovery schedule:

IWPS Capacity Recovery Plan (Updated):

24-Oct-16

Date	Description (IWPS Capacity)	MW Added	System MW	Peak MW	Reserve MW
24-Oct-16	**Current**		**319**	**255**	**64**
26-Oct-16	MEC 9 Liner Repair Completed	10	329	255	74
7-Nov-16	Macheche CT Commissioned	22	351	255	96
28-Feb-17	Dededo CT 2 Commissioned	20	371	255	116
31-Mar-17	Dededo CT 1 Commissioned	20	391	255	136

7. **Public Commission on Utilities public hearings:** The PUC conducted public hearings on the new generation plant and the streetlight tariff change this month. GPA attended the hearings as well as our Chairman.
8. **Public Commission on Utilities Dockets:** The following dockets are on the agenda for this Thursday's PUC meeting.
   - GPA Docket 16-01, GPA's Streetlight Rate Schedule F and H Filing, ALJ Report, and Proposed Order

- GPA Docket 15-05, Petition for Approval of Procurement of New Generation Combined Cycle Units, ALJ Report, and Proposed Order
- GPA Docket 17-01, Petition for Approval of SCADA Contract, PUC Counsel Report, and Proposed Order
- GPA Docket 17-02, Petition for Approval of the Cabras 1 Overhaul, PUC Counsel Report, and Proposed Order
- GPA Docket 17-03, Petition for Approval of Diesel Peaking Units Overhaul, PUC Counsel Report, and Proposed Order
- GPA Docket 17-04, Petition for Approval of Procurement of PMC for Fuel Farm, PUC Counsel Report, and Proposed Order
- GPA Docket 17-05, Petition for Approval of Contract relative to Engineering & Technical Services Supporting GPA's Resource Plan, PUC Counsel Report, and Proposed Order
- GPA Docket 17-06, Petition for Approval of GPA-Navy Renewables Study, PUC Counsel Report, and Proposed Order
- GPA Docket 17-07, GPA Petition for Extension of Property Insurance Contract, PUC Counsel Report, and Proposed Order

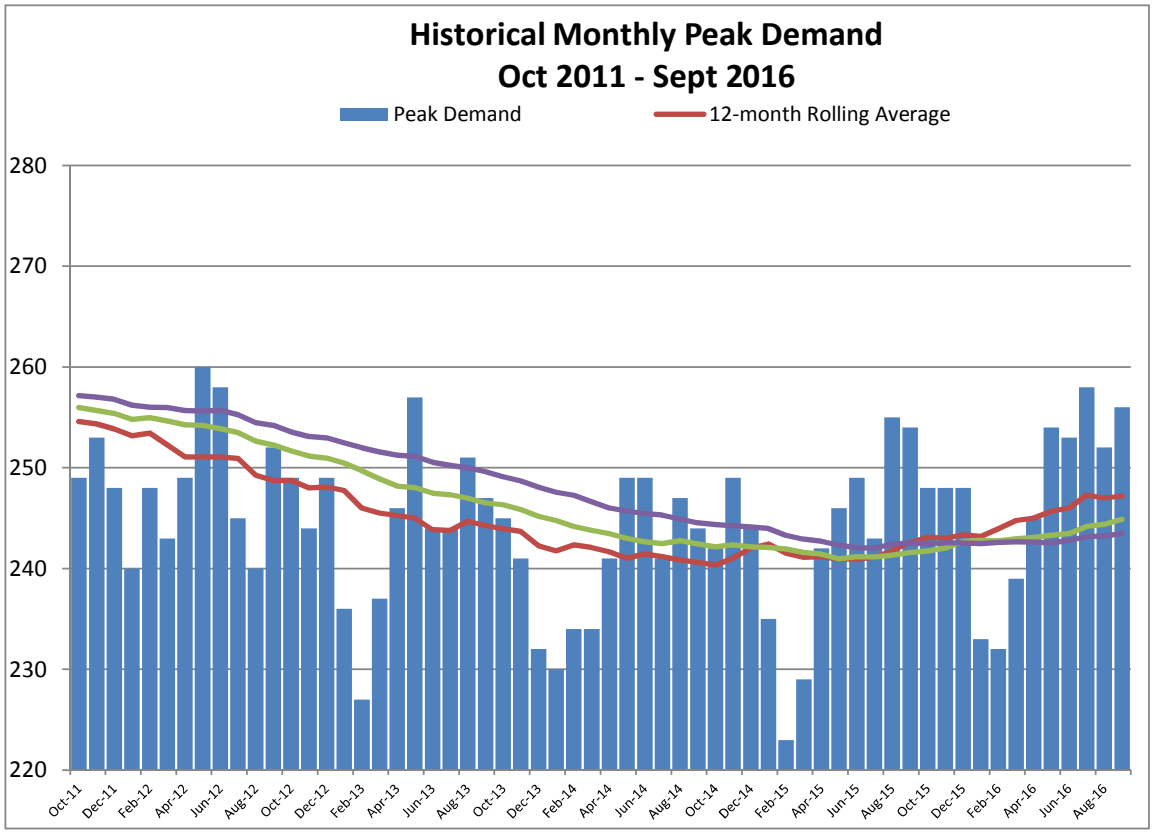
9. **Customer Payment Demographics:** The following provides the information on customer payments as requested by Commissioner Santos.

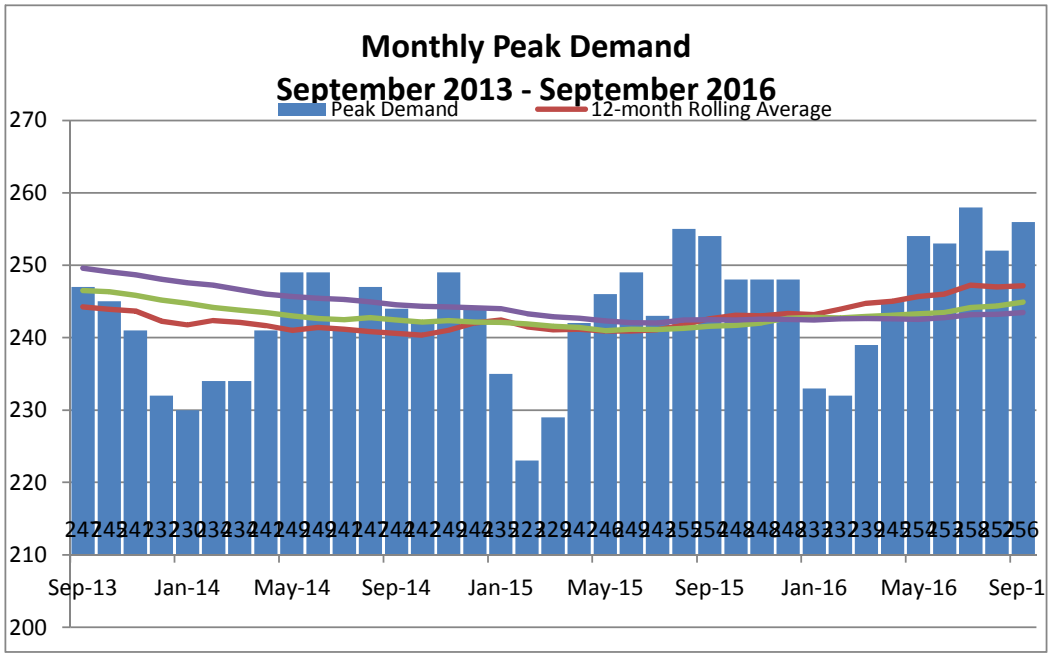
Demographics of Customer Payment:

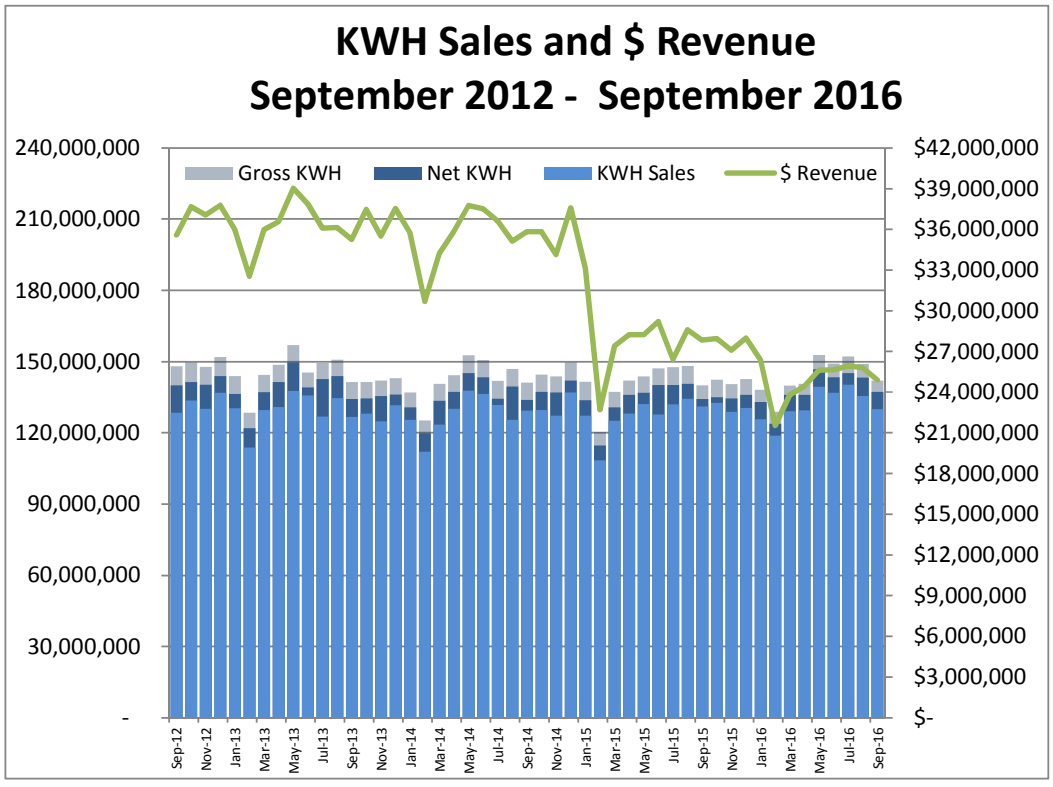
		Monthly Customer Total		
BOOK NBR	**PAYMENT LOCATI**	**16-Jul**	**16-Aug**	**16-Sep**
400-459	HAGATNA	2,383	2,574	2,458
400-459	FADIAN	1,334	1,456	1,365
151-169/300-370/460-468	UPPER TUMON	6,753	7,724	7,371

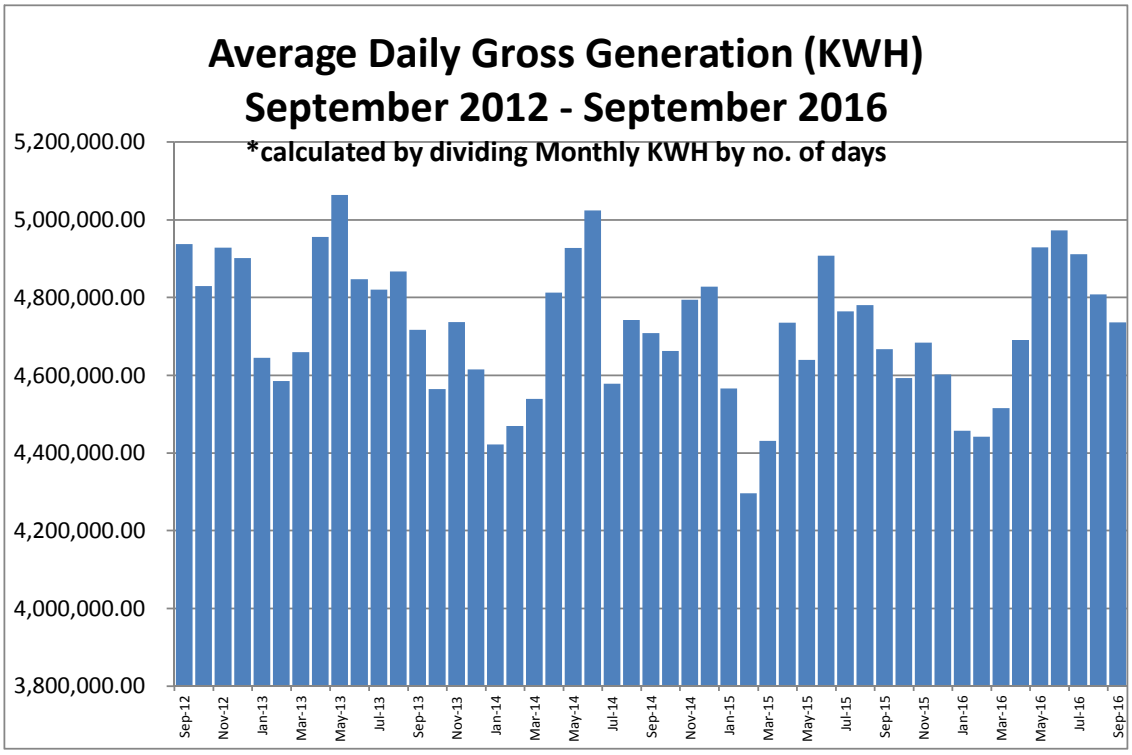
400-459 (Umatac, Malessao, Inarajan, Malojloj, Talofofo, Ipan, Yona, Windward Hills, Santa Rita, Agat, Nimitz Hill
151 – 169 (Tamuning, Upper Tamuning)
300 – 370 (Dededo, Yigo, Latte Heights)
460 -468 (Tumon, Upper Tumon, Harmon)

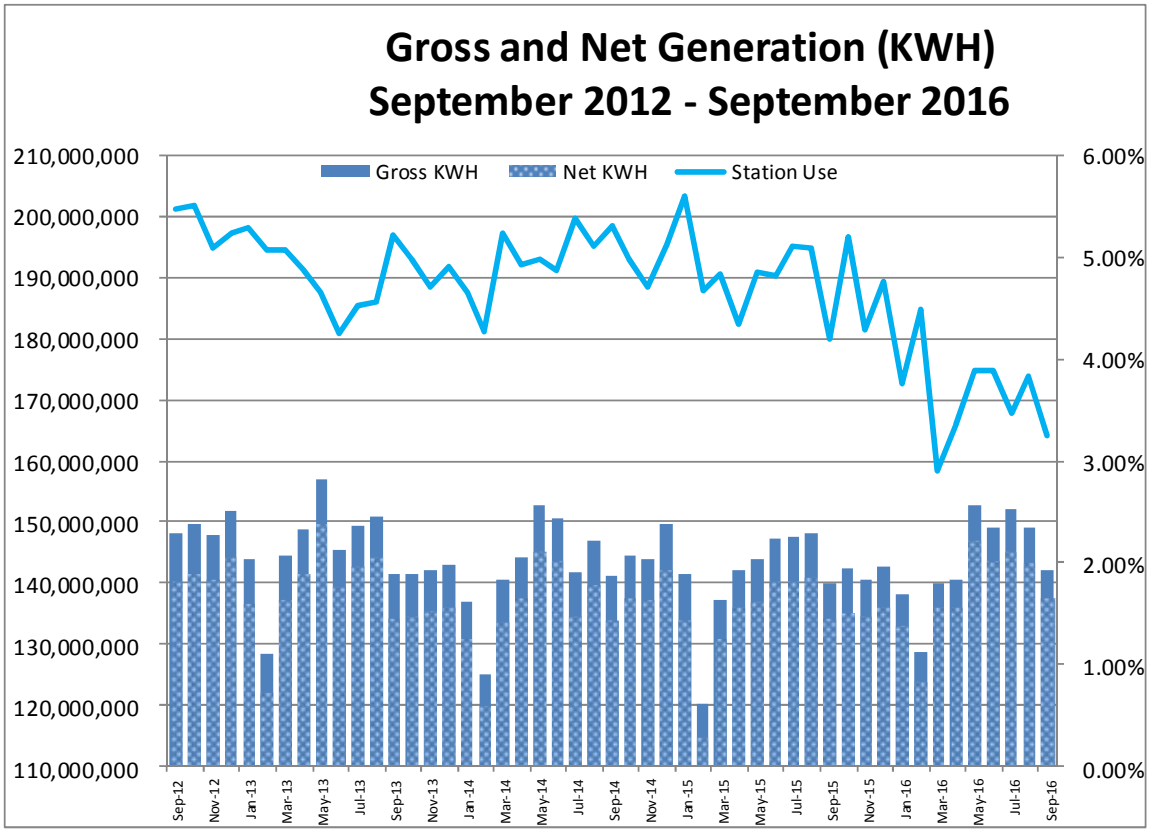
10. **Key Performance Indicators graphs:**

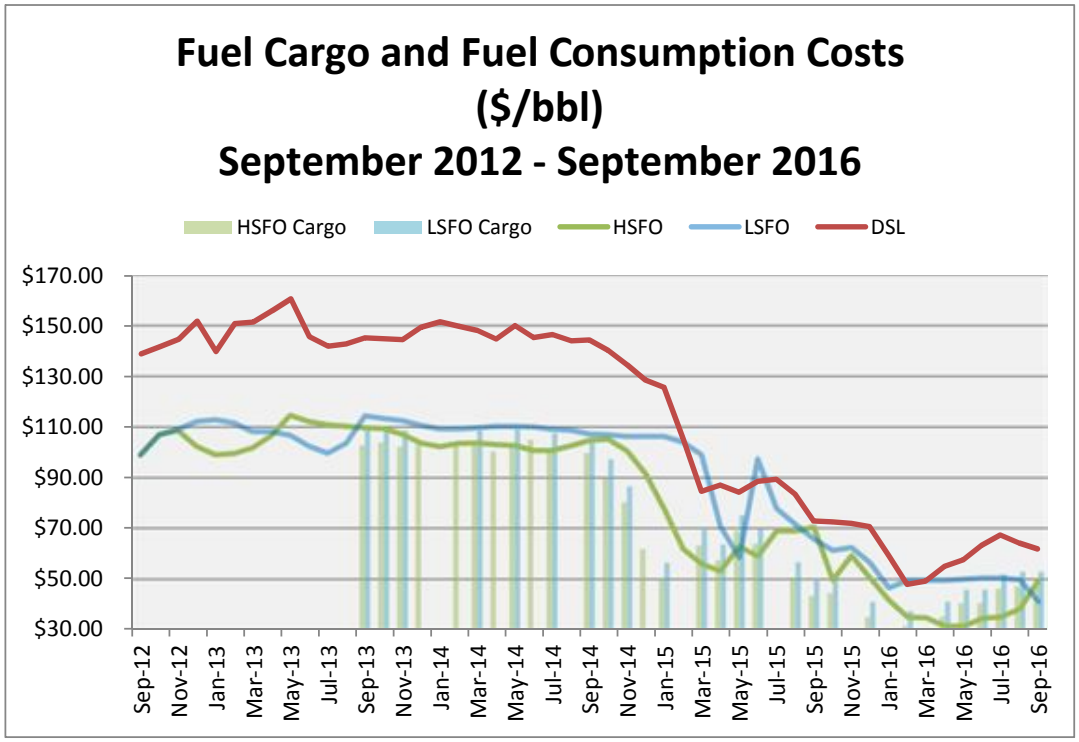

Historical Monthly Peak Demand
Oct 2011 - Sept 2016
Peak Demand
12-month Rolling Average
280
270
260
250
240
230
220
Oct-11
Dec-11
Feb-12
Apr-12
Jun-12
Aug-12
Oct-12
Dec-12
Feb-13
Apr-13
Jun-13
Aug-13
Oct-13
Dec-13
Feb-14
Apr-14
Jun-14
Aug-14
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Apr-16
Jun-16
Aug-16

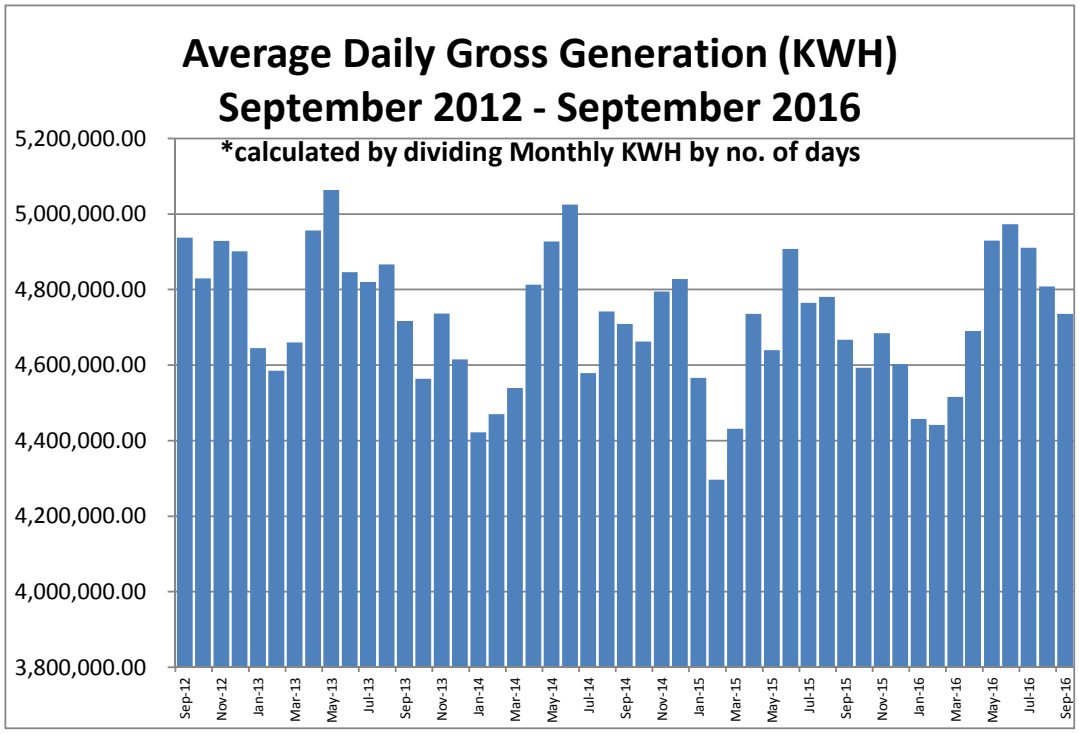

Monthly Peak Demand
September 2013 - September 2016
Peak Demand
12-month Rolling Average
270
260
250
240
230
220
210
200
Sep-13
Jan-14
May-14
Sep-14
Jan-15
May-15
Sep-15
Jan-16
May-16
Sep-1


KWH Sales and $ Revenue
September 2012 - September 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
$-
Sep-12
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


Average Daily Gross Generation (KWH)
September 2012 - September 2016
*calculated by dividing Monthly KWH by no. of days
5,200,000.00
5,000,000.00
4,800,000.00
4,600,000.00
4,400,000.00
4,200,000.00
4,000,000.00
3,800,000.00
Sep-12
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


Gross and Net Generation (KWH)
September 2012 - September 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%
Sep-12
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





John Benavente, P.E.

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

Issues for Decision

Resolution No. 2016-60:

Relative to the Authorization of the Guam Power Authority to Renew the Current Property Insurance for Two (2) One-Year Policy Renewal

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

The Guam Power Authority's Bond Indenture agreement requires GPA to "secure and maintain property insurance on all facilities constituting the system against risks of loss or damage to the extent that such insurance is obtainable at reasonable cost."

The indenture further requires GPA to carry insurance "of a scope and nature as that usually carried in the industry," and GPA's current Property Insurance policy is set to expire on November 1, 2016. GPA management has been in close communication with its insurance adjuster, broker and underwriters regarding the claim on its property insurance policy for the incident and the effect it has on future premiums.

The insurance broking team has configured, with the goal in mind of improving, to the greatest extent possible, the terms and conditions of GPA's property insurance policy for the next two years; assuming that GPA is now in a position to confirm agreement to these two years, and accordingly will commit to keeping the current policy in place until November 1, 2018.

How much will it cost?

The property insurance premiums will be $6,450,000 annually for the next two years. An annual savings of $212,309 compared to the present premium. Also, insurers agreed to add Cyber security coverage with $5 million sub-limit.

When will it be completed?
The policy renewal term is for two years from November 1, 2016 until October 31, 2018.

What is its funding source?
GPA revenues

The RFP/BID responses:
N/A, this is to exercise the option to extend the insurance policy for two more years.

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

RESOLUTION NO. 2016-60

RELATIVE TO THE AUTHORIZATION OF THE GUAM POWER AUTHORITY TO RENEW THE CURRENT PROPERTY INSURANCE FOR TWO ONE-YEAR POLICY PERIODS

WHEREAS, the Consolidated Commission on Utilities has determined that it is a prudent and reasonable business practice to maintain insurance coverage on GPA's assets to the extent practical; and

WHEREAS, the Guam Power Authority's Bond Indenture agreement requires GPA to "secure and maintain property insurance on all facilities constituting the system against risks of loss or damage to the extent that such insurance is obtainable at reasonable cost"; and

WHEREAS, the indenture further requires GPA to carry insurance "of a scope and nature as that usually carried in the industry"; and

WHEREAS, GPA's current Property Insurance policy is set to expire on November 1, 2016; and

WHEREAS, in light of the incident on August 31, 2015 that left the Cabras 3 & 4 Power Plants heavily damaged and inoperable; and

WHEREAS, GPA management has been in close communication with its insurance adjuster, broker and underwriters regarding the claim on its property insurance policy for the incident and the effect it has on future premiums; and

WHEREAS, the insurance broking team has configured, with the goal in mind of improving, to the greatest extent possible, the terms and conditions of GPA's property insurance policy for the next two years; and

WHEREAS, assuming that GPA is now in a position to confirm agreement to these two years, and accordingly will commit to keeping the current policy in place until November 1, 2018, underwriters are prepared to offer the following:

1. The next two annual installment premiums will be billed at $6,450,000.00 representing a cost reduction of $212,309.

WHEREAS, GPA now brings these matters before the Consolidated Commission on Utilities.

NOW THEREFORE, BE IT RESOLVED BY THE CONSOLIDATED COMMISSION ON UTILITIES, SUBJECT TO THE APPROVAL OF THE GUAM PUBLIC UTILITES COMMISSION, AS THE GOVERNING BODY OF THE GUAM POWER AUTHORITY, AS FOLLOWS:

1. The GPA General Manager is authorized to accept the terms of the annual renewal premiums offered by the insurance underwriters at a cost of $6,450,000.00 for each of the next two policy periods covered between November 1, 2016 and November 1, 2018.
2. The GPA General Manager is authorized to pay each annual premium as it becomes due without any financing arrangements.

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

DULY AND REGULARLY ADOPTED AND APPROVED THIS 25th **DAY OF October, 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 October 25, 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 25th day of October, 2016

_____
J. GEORGE BAMBA
Secretary
Consolidated Commission on Utilities

Moylan's Insurance Underwriters, Inc.
Home of the Good Guys and Gals
424 W OBrien Dr Ste 102 Hagåtña GU 96910
Phone: (671) 477-8613/8616/7500
Fax: (671) 477-1837
E-mail: agana@moylans.net

October 12, 2016

Ms. Annmarie T. Muna
AM Insurance
215-A Chalan Santo Papa
J&G Commercial Bldg. F
Hagatna, Guam 96910

RE: GPA 2016 Renewal

Hafa Adai, Ms. Muna:

In response to the email we received from AM Insurance on October 3, 2106, we confirm receipt of GPA's instructions to renew the property insurance for the two year extension option effective November 1, 2016.

We offer the following terms for the 2 year extension offer:

1. Keeping the current policy in place until November 1, 2018

2. The two remaining annual installment premiums was reduced by $212,309; from $6,662,309 to $6,450,000; which will be billed.

3. Endorsement #16 in your policy, that imposes four stipulations on the operation of all power generating assets, that could increase the deductible from $2,500,000 to between $5,000,000 and $10,000,000, depending on replacement cost value, will be rewritten. The new endorsement will have only one stipulation, and it will now apply only to Cabras1/2 (and Cabras3/4, if repaired or replaced and operating prior to November 1, 2018). The stipulation in the new endorsement will be that for the next two years, PMC personnel shall be incorporated into the shift supervision of the Insured's personnel at all times during the operation of these power generating assets. Furthermore, GPA will have 60 days from November 1, 2016, to confirm to underwriters that this integration has taken place.

4. Subject to 1) and 2) above, underwriters offer the following options for the remaining two years of coverage:

   - If the stipulation in the new endorsement is not satisfied, the policy deductible increases to $5,000,000, for all locations with a replacement cost value greater than $40,000,000, and to $2,500,000 for locations with a replacement value between $10,000,000 and $40,000,000, or
   - If the stipulation in the new endorsement is satisfied, the policy deductible reverts to the original wording for all locations, which is $2,500,000 for locations with a replacement cost value greater than $10,000,000, and $1,000,000 for locations with a replacement cost value less than $10,000,000, and all transformers and substations.

In addition, subject to receipt of a completed application and necessary supporting and backup detail and documentation, Cyber Coverage will be added to your policy, with a $5MM sub-limit with no additional premiums. We will send a sample wording, that would attach to the policy, for your review and comment, along with the associated application that is necessary in order to bind coverage.

And, finally, we want to remind you that the attached NOTICE OF CANCELLATION and POLICY PERIOD clauses, both added to the policy by Endorsement Note #A091629-688099, remain in full force and effect until November 1, 2018; verbatim below:

"POLICY PERIOD: It is understood and agreed that the policy period is from November 1, 2015 to November 1, 2018, and further, that the annual premiums for this policy will remain unchanged at the 2016 and 2017 anniversaries, so long as there is no further deterioration in the loss record. A worsening of the loss record and/or failure to extend the program to 2018, will permit underwriters to increase rates/premiums and/or change coverage terms for the current and future years.

ENDORSEMENT NUMBER 11, NOTICE OF CANCELLATION

It is understood and agreed that, notwithstanding anything to the contrary in this policy or its endorsements, if Underwriters desire to cancel this policy, they shall give Thirty (30) days prior written notice, except for non-payment of premium, which shall be fifteen (15) days, by Certified Mail R.R.R. to:

GUAM POWER AUTHORITY, etal, PO Box 2977, Agana, Guam.

In the event the Insured desires to cancel this policy, they may do so by surrendering the policy to Underwriters, or by giving written notice to Underwriters stating when such cancellation will take effect, and further, if the Insured cancels, all remaining premiums to expiration shall be earned on the customary short rate basis and shall include all additional amounts due as allowed for in the revised POLICY PERIOD clause above."

Again, thank you for allowing Moylan's Insurance Underwriters, Inc. (Managing General Agent for Dongbu Insurance Co., Ltd) the opportunity to insure the authority and we are looking forward to a continued mutually rewarding business relationship.

Sincerely Yours,

NARCISSA ROSARIO, AINS
Regional Production Manager
(Guam, CNMI & Micronesia)
Operations Associate.

Cc: File, Dongbu Insurance Co., Ltd.

Acceptance of the two year option to include all conditions mentioned in the above

Acknowledge & Accepted: By: _____
Signature

_____
Date

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

Issues for Decision

Resolution No. 2016-61

Relative to Authorizing Management to Extend the Aggreko 40 MW Temporary Power Plant Lease Contract

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

Cabras 3&4 power plant is still not available and the power system remains short of 78.6 MW of base load capacity placing GPA in the position of having difficulty meeting system demand upon an additional base load maintenance outage or large emergency unit outage. The Authority is interested in pursuing the extension of the (Aggreko) 40 MW Temporary Power Plant Lease Contract for an additional 4 years with the option to own the units to ensure GPA has sufficient and reliable reserves until the commissioning of new baseload units.

Where is it at?

Yigo

How much will it cost?

The contract price projected for the four (4) year extension with a purchase option is $49,732,365. The Authority plans to use the revenue funds for the lease, and would like to use $3M from the Cabras 3&4 insurance cash advance for emission compliance costs.

When will it be completed?

The Authority is currently working with Aggreko on the required air permit for operations beyond the initial 1 year period.

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

RESOLUTION NO. 2016–61

AUTHORIZING MANAGEMENT OF THE GUAM POWER AUTHORITY TO EXTEND THE (AGGREKO) 40 MW TEMPORARY POWER PLANT LEASE CONTRACT

WHEREAS, the Guam Power Authority (GPA) experienced a major failure of its base load units at the Cabras 3&4 power plant when an explosion and a fire occurred in the Cabras 4 engine on August 31, 2015; and

WHEREAS, Cabras 3&4 power plant is still not available and the power system remains short of 78.6 MW of base load capacity placing GPA in the position of having difficulty meeting system demand upon an additional base load maintenance outage or large emergency unit outage; and

WHEREAS, the Authority is interested in pursuing the extension of the (Aggreko) 40 MW Temporary Power Plant Lease Contract for an additional 4 years with the option to purchase the units to ensure GPA has sufficient and reliable reserves until the commissioning of new baseload units; and

WHEREAS, the Authority plans to use the revenue funds for the lease; and

WHEREAS, the Authority would like to use $3M from the Cabras 3&4 insurance cash advance for emission compliance costs; and

WHEREAS, the Authority is currently working with Aggreko on the required air permit for operations beyond the initial 1 year period; and

WHEREAS, approval is requested to allow the General Manager to petition the PUC to authorize the extension of the (Aggreko) 40 MW Temporary Power Plant Lease Contract for an additional 4 years.

NOW, THEREFORE, BE IT RESOLVED, by the CONSOLIDATED COMMISSION ON UTILITIES subject to the review and approval of the Public Utilities Commission as follows:

1. The General Manager is authorized to extend the (Aggreko) 40 MW Temporary Power Plant Lease Contract for an additional 4 years with an option to own the units to ensure sufficient generation capacity reserve to support a loss to two of its largest units.
2. The contract price projected total for the four (4) year extension with a purchase option is $ 49,732,365 as shown in Exhibit A attached.

3. The General Manager is authorized to use $3M from the Cabras 3&4 insurance cash advance for emission compliance costs.

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

DULY and REGULARY ADOPTED this 25th day of October 2016.

Certified by:	**Attested by:**
JOSEPH T. DUENAS **CHAIRMAN**	**J. GEORGE BAMBA** **SECRETARY**

SECRETARY'S CERTIFICATE

I, J. George Bamba, Secretary for the Consolidated Commission on Utilities do hereby certify that the foregoing is a full, true, and correct copy of the resolution duly adopted at a regular meeting of the members of Guam's Consolidated Commission on Utilities, duly and legally held at the meeting place thereof on October 25, 2016, at which meeting of all said members had due notice and at which at least s majority thereof were present, and

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

Ayes: _____

Nays: _____

Absent: _____

Abstain: _____

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

SO CERTIFIED this 25th day of October, 2016.

J. GEORGE BAMBA
Secretary
Consolidated Commission on Utilities

EXHIBIT A

REVISED PROPOSAL (10/24):	CURRRENT	2017	2018	2019	2020	4 Year TOTAL
Extension for 40 MW Rent to Own (Per Annum Fixed Fees)	**$ 11,789,832**	**$ 12,991,952**	**$ 9,991,952**	**$ 11,291,952**	**$ 11,491,952**	**$ 45,767,808**
Capacity Charge	*$ 8,308,800*	*$ 6,979,392*	*$ 6,979,392*	*$ 6,979,392*	*$ 6,979,392*	*$ 27,917,568*
Shipping Charge	*$ 1,253,472*					*$ -*
Fixed O&M Charge	*$ 2,227,560*	*$ 2,227,560*	*$ 2,227,560*	*$ 2,227,560*	*$ 2,227,560*	*$ 8,910,240*
Emission Control Charge		*$ 285,000*	*$ 285,000*	*$ 285,000*	*$ 285,000*	*$ 1,140,000*
Emission Control Moblization		*$ 3,000,000*	*$ -*	*$ -*	*$ -*	*$ 3,000,000*
Rent-To-Own		*$ 500,000*	*$ 500,000*	*$ 1,800,000*	*$ 2,000,000*	*$ 4,800,000*
Estimated Energy Charge - Per Annum (Based on current average of 97171 MWH per annum @ $4.4/MWH)		**$ 427,550**	**$ 427,550**	**$ 427,550**	**$ 427,550**	**$ 1,710,201**
Estimated Urea Cost - Per Annum (Based on current average of 97171 MWH per annum @ **$5.8/MWH**)		**$ 563,589**	**$ 563,589**	**$ 563,589**	**$ 563,589**	**$ 2,254,356**
Total Estimate (Per Annum)		**$ 13,983,091**	**$ 10,983,091**	**$ 12,283,091**	**$ 12,483,091**	**$ 49,732,365**
Annual Savings *		$ 9,377,000	$ 9,377,000	$ 9,377,000	$ 9,377,000	$ 37,508,000
Net Annual Costs		$ 4,606,091	$ 1,606,091	$ 2,906,091	$ 3,106,091	$ 12,224,365

**Annual Savings are projected from Cabras 3&4 PMC, CIP, O&M and labor savings. It also includes fuel savings from fuel efficiencies gained over CT operations.*

GUAM POWER AUTHORITY
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Issues for Decision

Resolution No. 2016-62:

Relative to Authorizing the Management of Guam Power Authority to Extend the Performance Management Contract for the Cabras Steam Turbine Plant (Cabras 1&2) currently awarded to TEMES, Inc.

What is the project's objective? Is it necessary and urgent?
The Guam Power Authority awarded a five-year Performance Management Contract for GPA's Cabras Steam Turbine Units, which commenced on September 1, 2010. In June 2015, GPA issued one (1) Performance Management Contract for both the Cabras Steam Turbine Units and Slow Speed Diesel Units, in the interest of cost savings and streamlined management process. Along with the solicitation, a request for extending the current contract was approved by the CCU and PUC up to December 31, 2015. However, due to the incident on August 31, 2015 at the Cabras 3&4 Plant, the slow speed diesel units will be unavailable for operation for the next year and GPA cancelled the solicitation. In November 2015, CCU and PUC approved further extension of the PMC contract with TEMES CT up to December 31, 2016.

Cabras 1&2 are now the 3rd and 4th most efficient units in GPA's generating fleet, providing at least 87 MW and up to 132 MW of baseload capacity. Demand is currently between 230 to 260 MW at peak hours.

GPA has evaluated its option and finds that extending the Cabras 1&2 PMC Contract to be a more practical approach, given TEMES' experience and familiarity with the power plant.

GPA and TEMES have discussed key issues and goals in order to improve the current contract. Additionally, plans are being made to ensure that critical repairs and major maintenance activities are planned with sufficient lead time and effort.

Where is the location?
The PMC will operate and maintain the Cabras Steam Turbine Units.

How much will it cost?
GPA and TEMES are currently in discussions to determine the cost for the contract. Reasonable escalation rates (consistent with current contract escalation rates) are applied, and adjustments to O&M budget are being evaluated to ensure that key repairs and maintenance work are adequately funded.

When will it be completed?
The extension period is from **January 1, 2017 to December 31, 2020 with a 1-year additional extension period from January 1, 2021 to December 31, 2021**.

What is its funding source?
Fixed Management Fee and O&M Budget will both be revenue-funded.

The RFP/BID responses:
TEMES was determined to be the most qualified, responsive and responsible bidder during the solicitation in 2010 for the PMC Contract.

CONSOLIDATED COMMISSION ON UTILITIES
Guam Power Authority • Guam Waterworks Authority
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RESOLUTION NO. 2016–62

AUTHORIZING THE MANAGEMENT OF THE GUAM POWER AUTHORITY TO EXTEND THE PERFORMANCE MANAGEMENT CONTRACTS FOR THE CABRAS 1&2 POWER PLANT

WHEREAS, the Guam Power Authority (GPA) has a five-year Performance Management Contracts for the management, operations, and maintenance of the Cabras 1&2 Plant awarded to TEMES, that commenced in October 2010; and

WHEREAS, the Performance Management Contract between GPA and TEMES for Cabras 1 & 2 expired on September 30, 2015 and through Resolution 2015-35 was approved for extension up to December 31, 2015 for an amount not to exceed $723,279.44; and

WHEREAS, through Resolution 2015-15, GPA issued a Multi-Step Bid for a Single Performance Management Contract for the Cabras 1&2 and the Cabras 3&4 Power Plants, which was subsequently cancelled due to the explosion of Cabras 3&4 Power Plant; and

WHEREAS, the Performance Management Contract between GPA and TEMES for Cabras 1&2 through Resolution 2015-62A was approved for extension up to December 31, 2016 for a total cost of $2,754,374.29; and

WHEREAS, GPA's current resource plans and regulatory compliance measures filed with the PUC for approval, indicate the retirement of the Cabras 1&2 units by 2021; and

WHEREAS, the PMC provides GPA assistance in the continued operation and maintenance of the plants, including completion of life-extension projects, and meeting availability, reliability, and efficiency standards; and

WHEREAS, the Cabras 1&2 Units provide up to 132 MW capacity, about 50% of current estimated peak demand, and it is important for GPA to ensure its availability and reliability, to ensure adequate MW capacity to support the island's energy requirements with minimal power supply interruption; and

WHEREAS, GPA believes extending the contract period for the current PMC Contract, currently awarded to TEMES, Inc., is a more practical approach given TEMES's experience in the management, operation and maintenance of Cabras 1&2 Units as well as experience working with GPA; and

WHEREAS, the GPA and TEMES have begun evaluating and improving key contract requirements and objectives; and

WHEREAS, the Authority requests for the extension of the contract from January 1, 2017 to December 31, 2020 with an additional one-year extension option from January 1, 2021 to December 31,2021, for a total of five (5) years extension period for the Cabras 1&2 PMC Contract; and

WHEREAS, approval is requested to allow the General Manager to petition the PUC to pursue a four-year extension, with additional one-year extension option, for a total of five (5) years extension period for the Cabras 1&2 PMC Contract.

NOW, THEREFORE, BE IT RESOLVED, by the CONSOLIDATED COMMISSION ON UTILITIES subject to the review and approval of the Public Utilities Commission as follows:

1. The Consolidated Commission on Utilities finds extending the current PMC Contract for Cabras 1&2 to be reasonable, prudent, and necessary for the reliable operations of the Cabras 1&2 Power Plant.

2. The General Manager is authorized to extend the contract with TEMES CT for a base extension period of four years from January 1, 2017 to December 31, 2020, with an option to extend for one additional year from January 1, 2021 to December 31, 2021, for an amount not exceeding $13,562,200 for the base period of four (4) Contract Years, and an additional $3,622,700 for the Optional one-year extension.

DULY and REGULARLY ADOPTED this 25th day of October 2016.

Certified by:	**Attested by:**
JOSEPH T. DUENAS	**J. GEORGE BAMBA**
Chairman	**Secretary**

SECRETARY'S CERTIFICATE

I, J. George Bamba, Secretary for the Consolidated Commission on Utilities do hereby certify that the foregoing is a full, true, and correct copy of the resolution duly adopted at a regular meeting of the members of Guam's Consolidated Commission on Utilities, duly and legally held at the meeting place thereof on October 25, 2016, at which meeting of all said members had due notice and at which at least s majority thereof were present, and

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

Ayes: _____

Nays: _____

Absent: _____

Abstain: _____

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 25th day of October 2016.

_____

J. George Bamba
Secretary
Consolidated Commission on Utilities

GUAM POWER AUTHORITY
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Issues for Decision

Resolution No. 2016-63:

Relative to authorizing the approval of a Bond issuance to re-finance a portion of the Outstanding Revenue Bonds

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

The objective of refunding the outstanding revenue bonds is to take advantage of low interest rates, hence reduce debt service payments. This will be beneficial to our ratepayers in the form of potential savings.

How much will it cost?
The refunding will result in cost savings to the Authority.

When will it be completed?
It is estimated that the process will require assistance and bond review from Barclays, GPA Bond Counsel, GEDA, inclusive of the approval of the Public Utilities Commission / Guam Legislature and the Governor.

What is its funding source?
Cost of issuance will be covered by the proceeds from the refunding. The new debt service is already covered by the existing revenues in the Authority's revenue requirement.

The RFP/BID responses: Not Applicable

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GUAM CONSOLIDATED COMMISSION ON UTILITIES
GPA RESOLUTION NO.: 2016-63

RELATIVE TO AUTHORIZING THE APPROVAL OF A BOND ISSUANCE TO REFINANCE A PORTION OF THE OUTSTANDING REVENUE BONDS

WHEREAS, the Consolidated Commission on Utilities is a body corporate a politic, organized and existing under the laws of the Government of Guam; and

WHEREAS, the Consolidated Commission on Utilities is the governing body of the Guam Power Authority ("GPA"); and

WHEREAS, GPA has been pursuing strategies for reducing debt service payments; and

WHEREAS, one strategy that has emerged as a result of historically low interest rates has been the concept of refunding portion of GPA's 2010 Series A revenue bonds for interest rate savings; and

WHEREAS, GPA expects that opportunities will arise from time to time to refund all or a portion of its other then outstanding revenue bonds for debt service savings, which is expected to result in potential savings to ratepayers; and

WHEREAS, low interest rate warrants action from the CCU; and

WHEREAS, after several months of reviewing this strategy with Barclays, GPA Bond Counsel, and GEDA, GPA believes this strategy has potential for providing significant benefit for GPA ratepayers; and

WHEREAS, this transaction will still need the approval of the Guam Legislature, GEDA, the PUC, and the Governor; and

WHEREAS, the CCU desires to pursue this plan for refund GPA's debt service costs in order to provide a net present value savings to ratepayers; and

WHEREAS, the present value of debt service on the refunding bonds shall be at least two percent (2%) less than the present value of debt service on the prior bonds, using the yield on the refunding bonds as the discount rate; and

NOW THEREFORE, BE IT RESOLVED BY THE CONSOLIDATED COMMISSION ON UTLITIES, AS THE GOVERNING BODY OF THE GUAM POWER AUTHORITY, AS FOLLOWS:

1. The General Manager and the CCU Chairman are authorized to proceed forward with the refund of outstanding revenue bonds.
2. The General Manager and CCU Chairman are authorized to petition the Public Utilities Commission for authorization to complete the bond refunding initiative.
3. The General Manager and CCU Chairman are authorized to submit the proposed bond refunding legislation to the Guam Legislature for their approval.
4. The General Manager and CCU are authorized to seek approval from the Governor and GEDA to proceed with the proposed bond refunding.

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

DULY AND REGULARLY ADOPTED AND APPROVED THIS 25TH DAY OF OCTOBER, 2016.

Certified by:	Attested by:
_____	_____
JOSEPH "JOEY" T. DUENAS	**J. GEORGE BAMBA**
Chairperson	**CCU Board Secretary**

SECRETARY'S CERTIFICATE

I, J. George Bamba, Secretary for the CCU do hereby certify that the foregoing is a full, true, and correct copy of the resolution duly adopted at a regular meeting of the members of Guam's CCU, duly and legally held at the meeting place thereof on October 25, 2016 at which meeting of all said members had due notice and at which at least a majority thereof were present;

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 25th day of October 2016

_____

J. GEORGE BAMBA
Secretary
Consolidated Commission on Utilities

GUAM POWER AUTHORITY
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Issues for Decision

Resolution No. 2016 - 64:

Relative to Authorizing Additional Expenditures for the Dededo CT Return to Service Project

What is the project's objective and is it necessary and urgent?
The project's objective is to return the Dededo CT Units 1 and 2 to service. The project is necessary and urgent to ease the current generation shortfall by adding 45 MW of capacity to the system.

Where is it at?
Dededo Combustion Turbine Plant

How much will it cost?
The Dededo CT Return to Service project is estimated at $9.7 million. The breakdown of costs is as follows:

Description	Budget
1. Combustion Turbine (CT) Overhaul	$2,070,000
2. CT Generator Rotor Repair #2, Megger & Testing of Generator #1	$2,270,000
3. CT Air Intake System Repair	$371,370
4. Water System Upgrade	$1,041,128
5. Air Cooling Tower System Replacement	$717,068
6. Outdoor BOP pipe, fitting and valve replacement and pump/motor maintenance for fuel oil and raw water system	$255,683
7. Control System Upgrade	$1,080,000
8. Unit #1 Replace 13.8 kV Switchgear. Unit #2 PM for existing switchboard	$1,210,000
9. Black Start Diesel Generator Repair	$70,000
10. Replace DC Batteries	$50,000
11. I &C Equipment of Balance of Plant Repair and Maintenance	$70,000
12. Fire Protection System Repair	$300,000
13. CT#1 & #2 Lube Oil Material (Purchase)	$80,000
14. Switchyard MTR (Bushing & DS)	$85,000
15. Crane Repair	$28,000
TOTAL	$9,698,249

Reallocated BF	$6,355,128
2014 BF	$736,000
Revenue Funds	$2,607,121

When will it be completed?
Anticipated completion is December, 2016 for Dededo CT Unit 2 and February, 2017 for Dededo CT Unit 1.

What is its funding source?
1999, 2010, 2014 bond funds and 2017 revenue funds

The RFP/BID responses:
The services will be provided through TEMES (CT PMC)

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Resolution No. 2016-64

Relative to Authorizing Additional Expenditures for the Dededo CT Return to Service Project

WHEREAS, the Dededo Combustion Turbine (DCT) Units 1 and 2 have not been operational since the generators failed in 2010 and 2004 respectively; and

WHEREAS, the IWPS is at a vulnerable state, lacking adequate generation reserve capacity to support the outage of a large generation unit; and

WHEREAS, the Dededo CT plant upon its rehabilitation will be used to support peak loads and base load unit outages; and

WHEREAS, the United States Air Force funded and constructed an underground transmission line to directly tie in the Dededo CT plant to the Andersen Air Force base substation to provide improved reliability; and

WHEREAS, GPA has issued a Performance Management Contract with TEMES for the rehabilitation and improved operations of GPA's combustion turbines; and

WHEREAS, TEMES has conducted an assessment of the Dededo CT Units 1 and 2 and identified the projects necessary to return the units to service for an estimated total cost of $9.7M; and

WHEREAS, rehabilitation work includes the overhaul of the generators, rotor and stator repair, water system upgrade, air cooling tower replacement, control system upgrade, switchgear replacement, black start generator repair, new DC batteries, and repair of the fire protection system; and

WHEREAS, GPA received approval from the CCU and PUC to utilize $6.36M from 1999 and 2010 bond funds and $736,000 from the 2014 bond funds for the Dededo CT Return to Service project; and

WHEREAS, an additional $2.607M has been budgeted in FY 2017 revenue CIP funds for the balance of the work necessary to restore Dededo CT units 1 and 2; and

WHEREAS, the restoration of the Dededo CT units 1 and 2 results in an average expenditure of approximately $243/kW for standby capacity which is reasonable and prudent; and

WHEREAS, the return to service is expected to be completed by March 2017 in adequate time to support the next major baseload overhaul in July 2017; and

WHEREAS, the Consolidated Commission on Utilities fully supports GPA's efforts in the recovery of the Dededo CT plant; and

WHEREAS, approval is requested to allow the General Manager to petition the PUC to approve the additional work needed for the Dededo CT return to service project at an estimated cost of $2.607 million.

NOW, THEREFORE, BE IT RESOLVED, by the CONSOLIDATED COMMISSION ON UTILITIES, subject to the review and approval of the Public Utilities Commission as FOLLOWS:

1. After careful review of the attached documents, the Consolidated Commission on Utilities finds the Dededo CT Return to Service project to be reasonable, prudent and necessary.
2. The General Manager is authorized an increase in obligating authority in the amount of $2.607 million as additional CIP revenue funds allotted to Dededo CT for FY 2017 to return the units to service. The total authority for this project increase now is $9.7M.

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

DULY and REGULARLY ADOPTED AND APPROVED THIS 25th DAY OF OCTOBER, 2016.

Certified by: Attested By:

JOSEPH T. DUENAS	**J. GEORGE BAMBA**
CHAIRMAN	**SECRETARY**
Date: _____	Date: _____

SECRETARY'S CERTIFICATE

I, **J. George Bamba** Secretary, Consolidated Commission on Utilities hereby certifies as follows:

The foregoing is a full, true and correct copy of a resolution duly adopted at a regular meeting of the members of Guam's Consolidated Commission on Utilities, duly and legally held at the meeting place thereof on October 25, 2016, at which meeting all of said members had due notice and at which at least a majority thereof were present;

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

Ayes:

Nays:

Absent:

Abstain:

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

SO CERTIFIED this 25th day of October, 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

Regular Board Meeting
CCU Conference Room, Gloria B. Nelson Public Service Building
5:30 p.m., Sept. 27, 2016

MINUTES

1. **CALL TO ORDER**

Chairman Duenas called the Regular CCU Meeting of September 27, 2016 to order at 5:48 p.m. He announced that four (3) Commissioners were present and there was a quorum: Comm. Sanchez will be coming from a Legislative Hearing and will be tardy; Pete Guerrero is absent. Those present include:

Commissioners:

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

Executive Mgmt.:

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

Management & Staff:

Paul Kemp	AGM Compliance & Safety / GWA
Julie Quinata	Personnel Services Administrator / GPA, HR
Tom Cruz	Chief Engineer / GWA
Vangie Lujan	Compliance / GWA
Kathy Beleno	Mgmt. Analyst / GWA Ex. Office
Joyce Sayama	Mgmt. Analyst / GPA Ex. Office
Lou Sablan	Board Secretary / CCU

Guest:

Angelica Perez	AM Insurance
Annmarie Muna	AM Insurance
James Y. Kim	PAC Guam
Fred Horecky	PUC
Nestor Licanto	KUAM
Bill Chang	B&C
Susanne Perkins	USEP

2. **APPROVAL OF MINUTES**

The Minutes of August 23, 2016 was presented for approval.

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

10/25/16 – Approved subject to verification & written correction

3. **COMMUNICATIONS**

3.1 Public Comments - None

4. **NEW BUSINESS**

4.1 GPA

4.1.1 GM Report Update

AGMO Melinda Camacno gave the GM Report and said that Cabras 1 came back on line at 50 megawatts and Cabras 2 at 50 megawatts; Cabras 9 will come down after things are stabilized. The AGMO said 44 megawatts will be lost when Cabras 9 goes down. There was discussion to keep Macheche on before taking down #9 to prevent load shedding.

There was discussion on the Energy Storage bid which is planned for October.

4.1.2 Financials

CFO Kim said fuel revenue is tracking $134M vs. last year $204M; net income is positive by $11M; government receivables are good; DOE just made a payment a week ago. The refunding timeline is the same as GWA – December presentation and sale in January. The Commission said to work with GWA to time the bond matter at the same time.

4.1.3 GPA Resolution 2016-48 & GWA Resolution 60-FY2016 Relative to Approving of SCADA Contract

If approved, Resolution 2016-48 for GPA and Resolution 60-FY2016 for GWA will replace GPA's existing Siemens Power TG EMSYS Energy Management (SCADA) System, which has been in operation since 2006. It will provide GWA a water and wastewater SCADA system to manage its water and wastewater operations in a safe, reliable, responsible and cost effective manner. Through Engineering CIPs, using CIP Bond and grant funds, GWA has been upgrading its water and wastewater facilities to be SCADA ready in anticipation of integrating these facilities with the new SCADA system that will be delivered under this project. GWA anticipates on integrating approximately sixty (60) SCADA-ready water and wastewater facilities by 2018 with remaining facilities planned and added as funding comes available.

The main SCADA system will be located at the Gloria B. Nelson Public Service Building, Mangilao, specifically – the GPWA Data Server Room (2nd Fl), GPA Power Systems Control Center (3rd Fl) with Dispatcher/Operator workstations and a large high definition display at GWA Systems Control Center (3rd Fl), workstations at IT Offices (2nd Fl), a workstation at GWA Engineering Office (2nd Fl). There will also be two (2) remote systems located at the GWA Building, Upper Tumon – Remote Operator Workstations for O&M Water and Wastewater Managers (2nd Fl) and the GWA Wastewater Central Maintenance Office, Hagatna – Remote Operator Workstation for Wastewater Maintenance Supervisor.

The Total System basic design, software, hardware, and implementation cost is $1,951,474.00 to be shared accordingly GPA = $1,518,769.00 and GWA = $432,705.00 and funded by bond funds. Management also mentioned that it requested additive bid proposals not in the base bid and GPA / GWA will bring these separately for CCU's approval.

The two vendors that submitted responses are LSIS Company, Ltd., and Benson Guam Enterprises, Inc. The Bid Evaluation Committee determined Benson Guam Enterprises as the lowest, responsive bidder. The project will be substantially completed by the end of 365 days from Benson Guam Enterprises, Inc.'s receipt date of GPWA's Notice to Proceed, as stipulated in the bid documents

Comm. Bamba motioned to approve Resolution 2014-48 / GWA Resolution 60-FY2016; Comm. Santos seconded. There was no further discussion or objection and the motion passed.

4.1.4 Resolution 2016-49 Relative to Seeking PUC Approval for the Cabras 1 Overhaul

The last boiler overhaul was completed in December 2013, and the last turbine overhaul was completed on July 17, 2010. The Authority would perform turbine major overhauls every 5 years in order to restore plant efficiency, reliability and availability. The overhaul of Unit 1 was scheduled for late 2015 but has since been postponed due to the unexpected explosion of Cabras Unit 4. Because it has been nearly 3 years since the last boiler overhaul, the Authority can expect an increased occurrence of boiler tube leaks, derating of the unit, and mechanical equipment failure.

The major overhaul of Cabras Unit 1 will take about 50 days and is scheduled to begin around July 2017 with completion by September 2017. The anticipated cost is $5,490,000 per following breakdown and will be funded by revenue funds.

PMC - Construction Management	$ 260,000.00
Equipment/Materials	$3,673,000.00
Contract Labor/Equipment	$1,557,000.00
Totals	$5,490,000.00

Comm. Bamba motioned to approve Resolution 2016-49; Comm. Santos seconded. There was no further discussion or objection and the motion passed.

4.1.5 Resolution 2016-50 Relative to Approving Material Procurement for Cabras 1 Overhaul

The last Boiler Overhaul of Cabras Unit 1 was completed in December, 2013, and the last turbine overhaul was completed on July 2010. The Authority would perform turbine major overhauls every 5 years in order to restore plant efficiency, reliability and availability. The overhaul of Unit 1 was scheduled for late 2015 but has since been postponed due to the unexpected explosion of Cabras Unit 4. Because it has been nearly 3 years since the *last boiler overhaul*, the Authority can expect an increased occurrence of boiler tube leaks, derating of the unit, and mechanical equipment failure.

This resolution will allow GPA to procure long lead materials required for the project to be delivered prior to the scheduled July 2017 overhaul of Cabras Unit 1.

- Air Preheater Baskets – 29 Weeks
- Archway Tubes – 36 Weeks
- Inlet Vane Control Assembly – 20 Weeks
- Burner Front System Components – 20 Weeks

It will take about 50 days for the overhaul and will begin around July 2017 with completion by September 2017. The anticipated cost is $1,155,657 and will come from revenue funds.

Air Preheater Baskets	$ 233,390.00
Archway Tubes	$ 294,459.00
Inlet Vane Control	$ 127,808.00
Burner Front System Components	$ 500,000.00
Totals	$ 1,155,657.00

Comm. Bamba motioned to approve Resolution 2016-50; Comm. Santos seconded. There was no further discussion or objection and the motion passed.

10/25/16 – Approved subject to verification & written correction

4.1.6 Resolution 2016-51 Relative to Seeking PUC Approval for the Diesel Overhaul

The scheduled recommended runtime hours for major overhauls per the manufacturer's recommendation has been exceeded for GPA's Peaking Diesel Units. Major Engine Overhaul of eight (8) stationary Caterpillar Diesel Engines located at Tenjo Vista and Talofofo Diesel Power Plant and two (2) stationary Wartsila Diesel Engines located at Manenggon Diesel Power Plant are required. The work under this project shall include providing all labor, supervision, administration and management, supply all equipment, materials and consumables necessary to perform the services.

Completion of the Peaking Diesel major overhauls will ensure availability and improve reliability of the units. The fast-track diesel units at Tenjo Vista, Talofofo, and Manenggon play a substantial role in supporting the IWPS during peak demands. Their significance is amplified further due to the current generation crisis.

The project will take 36 months to complete; beginning January 2017 thru January 2020. The anticipated cost is $780,000 per unit (10 units total) and will be funded by revenue funds.

Engineering/Construction Management	$ 390,000.00
Equipment/Materials	$5,070,000.00
Contract Labor/Equipment	$2,340,000.00
Total	$7,800,000.00

Comm. Bamba motioned to approve Resolution 2016-51; Comm. Santos seconded. There was no further discussion or objection and the motion carried,

4.1.7 Resolution 2016-52 Relative to Purchasing New T2 Transformer

This project provides the replacement of the Cabras Unit 2 Main Power Transformer that has exceeded its useful lifespan of 30 years. The purchase of the new power transformer will cost $630,000 and will be funded by revenue funds. The expected completion is July 2017. R&D Marketing, Benson Guam, and JMI Edison submitted bids under Bid Invitation No. GPA-071-16. R&D Marketing was determined to be the lowest responsive bidder.

Comm. Bamba motioned to approve Resolution 2016-52; Comm, Santos seconded. There was no further discussion or objection and the motion passed.

4.1.8 Resolution 2016-53 Relative to the Guam Power Authority Organizational Realignment

Rightsizing GPA enables improved operational excellence and affordability by increasing productivity, realigning organizational structure, building better business processes and optimizing its assets and the proposed organizational realignment will streamline the Executive reporting structure and provide the General Manager with a manageable span of control which would allow the delegation of management activities and focus on high level strategic planning.

The proposed organizational realignment will establish two (2) new departments; realign the structure of divisions under these departments, including the Operations Department. This process will improve the reporting structure to the General Manager position, enhance accountability and promote stewardship, integrity and transparency. The oversight of each respective department will be performed by an Assistant General Manager position per department.

The Cash Management section at the Customer Services Division will move under the Finance Division. This will provide greater internal controls and a check and balance system. It will improve identification and responsiveness to discrepancies with customer accounts.

The objective of the organizational realignment is to focus on the organization's core business and values, increase accountability, coordinate, integrate and implement effective business processes and practices to achieve greater affordability. Once approved by the CCU it will be filed with the Guam Legislature with a waiting period of 30 days.

Comm. Bamba motioned to approve Resolution 2016-53; Comm. Santos seconded. There was no further discussion or objection and the motion passed.

4.1.9 Resolution 2016-54 Relative to the Creation of the Assistant General Manager Positions: Engineering / Technical Services and Administration & Amendment of AGMO Position

Resolution 2016-64 requests the Consolidated Commission on Utilities (CCU) to create an Assistant General Manager, Engineering & Technical Services position, and an Assistant General Manager, Administration position in the unclassified service and to amend the Assistant General Manager, Operations position, job specification and Job Evaluation (JE) assignment. The creation and amendment of these Assistant General Manager positions are essential to the realignment of GPA's organizational structure. These positions and the realignment of the reporting structure will streamline the General Manager position's span of control and provide the General Manager the ability to concentrate and focus on higher level management and strategic planning initiatives. The annual salary for each position will be commensurate with experience and qualifications per hire as recommended by the General Manager and approved by the CCU and will be funded by revenue funds. Once approved by the CCU it will be filed with the Guam Legislature with a waiting period of 30 days.

Relative to market percentile re salary range - overall GPA sitting at 5% market percentile since 2009. Just for consistency to keep at 5th market percentile. Other recommendation is to go back to study where we are vs. market.

Legal Counsel Botha recommended to put a range for the positions and that they are unclassified and serve at the pleasure of the board.

After some discussion, Chairman Duenas said to reflect for the record concurrence that the CCU is opting to recognize the 5th percentile as a base for all 3 positions.

Comm. Bamba motioned to approve Resolution 2016-54; Comm. Santos seconded. On the motion, there was no further discussion or objection and the motion passed.

4.1.10 Resolution 2016-55 Relative to Contract for GPA's Fuel Bulk Storage Facility

GPA's current contract for the Management, Operation and Maintenance of GPA's Fuel Bulk Storage Facility is expiring in May 2017. The services are required for the proper operation, maintenance and security of the Fuel Bulk Storage Facility, to ensure uninterrupted, reliable fuel supply to the GPA plants. Several on-island and off-island firms with expertise on areas related to Petroleum Handling and management of Fuel Bulk Storage Facilities can participate in the solicitation. Services currently cost about $700,000 to $1,000,000 a year (fixed fee and additional expenses). The contract is estimated to cost about the same subject to escalation rates and increase in fees for critical requirements such as insurance policies and membership in oil spill companies. These costs do not include expenses related to specific technical services, construction and project management. The contract is planned for an initial period of three years, with the option to extend for two (2) additional one-year terms. Most of the services will be funded through O&M and some through CIP if it involves procurement of equipment, construction, modification and others. The RFP will commence after CCU and PUC approval.

Comm. Bamba motioned to approve Resolution 2016-55; Comm. Santos seconded, there was no further discussion or objection and the motion passed.

4.1.11 Resolution 2016-56 Relative to Solicitation Diesel Fuel Oil No.2 for Water System Distribution

The Guam Power Authority's current contract for Supply of Diesel Fuel Oil No. 2 for the Water Systems Distribution (WSD) sites is expiring in March 2017. The fuel supply contract is necessary to provide uninterrupted supply of fuel for the WSD sites. Diesel Fuel Oil No.2 will be supplied to various GWA water well generators sites. The 2-year contract is estimated to cost about $1M and it is to be funded through fuel revenue funds. The contract is planned for an initial period of two years, with the option to extend for three (3) additional one-year terms. The IFB will commence after CCU approval.

Comm. Bamba motioned to approve Resolution 2016-56; Comm. Santos seconded. There was no further discussion or objection and then motion passed.

4.1.12 Resolution 2016-57 Approval to Dispose of Wooden Poles Located at Dededo Pole Yard

GPA's Pole Yard located along Y-Sengsong Road, Dededo has limited storage area for new concrete poles. About 2,000 poles / 1,700 tons of wood poles and cross arms which have been stored at the facility over the years has taken up valuable space at the Yard. Additionally, GPA needs to comply with Guam Environmental Protection Agency's (GEPA) rules and regulations to eliminate environmental hazards such as that posed by the storage of the old wood poles and cross arms.

In preparation for disposal, the Contractor will cut the pressure treated wooden power poles and cross-arms and remove attached power pole accessories/hardware prior to transport for disposal. All accessories/hardware shall be properly disposed. Contractor shall prepare/setup a safe cutting area at the site complete with environmental protection as specified in the approved disposal plan. In addition, the Contractor will transport/haul the cut wooden power poles and cross-arms to a GEPA permitted hardfill facility or Layon Landfill and coordinate with Guam Solid Waste for disposal. The contractor will not be allowed to dispose the cut poles and cross-arms to the landfill without the first lift of trash in the landfill cell to avoid damaging the liner. A copy of disposal documents/receipt including the tipping fee from the landfill shall be submitted to GPA.

Two bidders submitted bids (Primo's Heavy Equipment Rental Services at $740,650 and Polyphase Inc. at $445,000). GPA proposed to award the contract to Polyphase Inc. at $445,000 and will be funded with revenue funds. The project will take about 180 days and will begin on October 1st.

In discussion, it was confirmed that the Contractor did put up a bid bond.

Comm. Bamba motioned to approve Resolution 2016-57; Comm. Santos seconded. There was no further discussion or objection and the motion passed.

4.1.13 Resolution 2016-58 Relative to Engineering & Technical Services Supporting GPA's Resource Plan

The Guam Power Authority, in its most recent Integrated Resource Plan (IRP), identified that to meet future demand and reliability requirements efficiently and without compromising the compliance with current and upcoming environmental regulations, we would need to transition from the use of RFO to either ULSD or LNG. There are also recommendations to replace existing generating units with more efficient combined cycle combustion turbine units that will meet federal and local standards and regulations. All these plans require construction and installation of new facilities, or modification of current facilities, all of which need to comply with current and future environmental regulations. GPA intends to procure services related to Engineering and Technical Services Supporting GPA Resource Plans in the Areas of Engineering Planning, Environmental Engineering, Feasibility Studies, Design, and

Construction Management. Several off-island firms with expertise on the areas GPA require support on can participate on this procurement.

The services estimated to cost between $100 - $500,000 per year depending on the workload assigned to the consultants and urgency of projects. This does not include expenses related to specific technical services, construction and project management. Funding will be through O&M funds and some through CIP if it involves procurement of equipment, construction, modification etc.

The contract is planned for an initial period of five (5) years, with the option to extend for five (5) additional annual extensions. The RFP will commence after CCU and PUC approval.

Comm. Bamba motioned to approve Resolution 2016-58; Comm. Santos seconded. There was no further discussion or objection and the motion passed.

4.1.14 Resolution 2016-59 GPA/NAVY System Improvement Study for Renewables Integration

Since the commercial operation of the 25.65 MW Solar PV facility in Dandan and the increasing 11 MW net metering program currently on the grid, GPA is concerned about continued integration of intermittent systems without mitigation. As GPA continues to integrate renewables it must evaluate integration without sacrificing grid stability and reliability. Navy has approached GPA about its potential projects of up to 160MW, mainly solar or wind powered, within their facilities of which both GPA and Navy agree that a coordinated effort to evaluate integration is necessary. Since the initial GPA and Navy meeting, Navy has downsized their project listing to about 35MW-50MW excluding Phase III for this study based on their expectation of projects most likely could be approved. With this comprehensive study, GPA intends to holistically evaluate integration of all existing Renewable Energy in the grid including the 1 MW of solar on Navy to date, GPA's Solar and Wind projects (~27 MW), GPA NEM customers (11 MW) and future renewable energy integration projects including 50 MW from Navy, 100 MW from Phase II and Phase III, and an evaluation of projected additional NEM customers. GPA has obtained a scope of work from its consultant, Andriano E. Balajadia, P.E. and his subcontractor, Electric Power Systems, to evaluate renewable integration which is summarized below.

The overall focus of the study will be to assess the impact to the generation, transmission, and distribution systems of GPA and the distribution system of the Navy of the proposed Renewable Energy (RE) projects. The study will:

- Use the identified impacts to evaluate integration requirements for each group of projects on the Navy and GPA systems;
- Evaluate the impacts using several generation plans;
- Analyze a wide array of potential solutions to mitigate the effects of the intermittent generation to the transmission and distribution systems;
- Recommend plans to reliably integrate these renewable resources to the transmission, distribution, and generation systems.

The study will identify the impacts that the renewable energy projects have on the Navy and GPA systems in the short-term and long-term using the projects identified by the Navy and GPA and will recommend mitigation steps that satisfy the short-term needs of the GPA system and keep GPA on track for its long-term goals. It will also study and evaluate various locations of existing and proposed renewable project interconnection points.

The cost of the study is $1,145,377 and will take 3-6 months and Navy has agreed to provide $250,000 to fund their shared portion of the study. GPA is proposing the use of the 2014 Bond Funds – LNG Initial

Startup which was initially for $3M. The table below shows the projects tasked under this bond project and the balance projected:

Project Description	Amount	Running Total	Status
1. GENOPS	$ 255,000	$ 255,000	Completed
2. @Risk Software (Palisades)	$ 15,000	$ 270,000	Completed
3. Demand Side Management & Energy Efficiency Task Order	$ 430,000	$ 700,000	Completed
4. Slow Speed Diesel Fuel Conversion & Catalyst Evaluation	$ 300,000	$ 1,000,000	Completed
5. Engineering, Procurement, & Construction Management Services	$ 750,000	$ 1,750,000	Pending PUC Approval
6. System Improvement Plan Renewables	***$ 895,377***	**$ 2,645,377**	***Proposed***

It was mentioned that is important to determine what the system can handle and this study will help.

Comm. Bamba motioned to pass Resolution 2016-59; Comm. Santos seconded. There was no further discussion or objection and the motion passed.

4.2 GWA

4.2.1 GM Report Update

The GWA GM said there is nothing further to report from his submittal at the GWA work session last week.

4.2.2 Financials

CFO Cruz said they are looking at the market relative to re-funding and the True-up will be discussed with PUC at their Thursday meeting. Financial will be within 1% below target; Expenditures are 20% below budget and collection is still lagging. The Commissioners cautioned him not to let them lag too far behind.

There was discussion on the timing of the re-funding bill the CFO said he's been talking with underwriters to schedule a rating presentation in December and the sale in January. It was mentioned that Interest rates may go up.

4.2.3 Resolution No. 57-FY2016 Creation of Positions for the Water Meter Maintenance and Repair Worker I, Water Meter Maintenance & Repair Worker II, Water Meter Maintenance & Repair Supervisor

GWA has determined a need to create the Water Meter Maintenance and Repair Worker I, Water Meter Maintenance and Repair Worker II and Water Meter Maintenance and Repair Supervisor positions to optimize the operations and maintenance of the water meter test bench facility to ensure water meters are operating efficiently.

Currently, three (3) employees are assigned to the Meter Test Bench Facility: Customer Service Supervisor, Water Sewer Maintenance Worker I and Water Sewer Maintenance Worker II. Their position titles are not appropriate to the work they are performing. Creation of the positions for Water Meter Maintenance and Repair Worker I, Water Meter Maintenance and Repair Worker II and Water Meter Maintenance and Repair Supervisor will be appropriate and in line with the work they are currently performing.

One of the most important components of a water system is the water meter, on whose accuracy the customer and utility depend. Keeping track of meter performance is vital, and the periodic meter testing is the only way to ensure that meters are meeting performance criteria. GWA has a new meter test bench facility that will handle GWA's meter testing and maintenance program. This program will pay for itself many times over enhanced revenues, lowered meter replacement costs, and improved customer relations.

The Water Meter Maintenance and Repair Worker series will be organizationally located within the Operations Division, under the direct supervision and management of the USA. The salary range for the position is as follows and the funding source is revenue funds

Position Title	Job Evaluation Points	Paygrade/Step	Per Annum: Min/Max
Water Meter Maintenance and Repair Worker I	362	E6-A E9-A	$22,669.00 Per Annum $25,544.00 Per Annum
Water Meter Maintenance and Repair Worker II	421	F5-A F8-A	$24,835.00 Per Annum $27,984.00 Per Annum
Water Meter Maintenance and Repair Supervisor	734	J4-D J7-D	$41,530.00 Per Annum $46,797.00 Per Annum

Public Law 28-159, Section 7.0.3 (c) 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.

Comm. Bamba motioned to approve Resolution 57-FY2016; Comm. Santos seconded. There was no further discussion or objection and the motion passed.

4.2.4 Resolution No. 59-FY2016 Approval of CO No. 1 of the Design Build of Emergency Standby Power Generation System for Casimero and Namo Sewer Pump Stations Contract

GWA has a project in place to allow for emergency standby power generation systems at Casimiro and Namo SPS to provide a backup power source in event of a power outage. This project is necessary to prevent hazardous sewage overflow to protect the Northern Guam Lens Aquifer and the health of the people. Currently, both Casimiro and Namo SPS's do not have an emergency standby generator. The project as bid comprise of an emergency standby generator with shelter, an automatic transfer switch, and a fuel storage tank with containment. The project also includes an electrical assessment and rehabilitation to prevent electrical failures to keep the station running. For clarification purposes GWA had already entered into a contract with ProPacific Builder Corporation to build said line items for the amount of $243,672.00.

If approved Resolution 59-FY2016 seeks CCU approval to a proposed Change Order #1 that intends to change/expand the Scope of Work that will result in an increase cost to the contract in place for this project. The change is scope is related to GWA having to change the generator configuration at the Casamiro SPS site due to challenges with property acquisition. The expansion of scope is related to GWA having to increase power generation capacity (larger generator set) due to operations installing a redundant ejector pump at the Namo SPS.

The original contract value is $243,672.00 and with the Change Order proposal the cumulative increase of the contract will be $108,258.23 making the new contract value $351,930.23. GWA management is also seeking a 10% contingency in the amount of $10,825.82 to the $108,258.23, which would then make the total authorized funding to be $362,756.05. The funding source for this contract is the USEPA State Revolving Fund Grant which expires Sept. 30, 2017. The current completion date is scheduled for January 23, 2017. Approval of this Change Order will extend the completion day 112 calendar days for May 15, 2017.

Comm. Bamba motioned to approve Resolution 59-FY2016; Comm. Santos seconded. There was no further discussion or objection and the motion passed.

4.2.5 GWA Resolution No. 60-FY2016 & GPA 2016-48 Relative to SCADA Multi-Step Bid

If approved, Resolution 2016-48 for GPA and Resolution 60-FY2016 for GWA will replace GPA's existing Siemens Power TG EMSYS Energy Management (SCADA) System, which has been in operation since 2006. It will provide GWA a water and wastewater SCADA system to manage its water and wastewater operations in a safe, reliable, responsible and cost effective manner. Through Engineering CIPs, using CIP Bond and grant funds, GWA has been upgrading its water and wastewater facilities to be SCADA ready in anticipation of integrating these facilities with the new SCADA system that will be delivered under this project. GWA anticipates on integrating approximately sixty (60) SCADA-ready water and wastewater facilities by 2018 with remaining facilities planned and added as funding comes available.

The main SCADA system will be located at the Gloria B. Nelson Public Service Building, Mangilao, specifically – the GPWA Data Server Room (2nd Fl), GPA Power Systems Control Center (3rd Fl) with Dispatcher/Operator workstations and a large high definition display at GWA Systems Control Center (3rd Fl), workstations at IT Offices (2nd Fl), a workstation at GWA Engineering Office (2nd Fl). There will also be two (2) remote systems located at the GWA Building, Upper Tumon – Remote Operator Workstations for O&M Water and Wastewater Managers (2nd Fl) and the GWA Wastewater Central Maintenance Office, Hagatna – Remote Operator Workstation for Wastewater Maintenance Supervisor.

The Total System basic design, software, hardware, and implementation cost is $1,951,474.00 to be shared accordingly GPA = $1,518,769.00 and GWA = $432,705.00 and funded by bond funds. Management also mentioned that it requested additive bid proposals not in the base bid and GPA / GWA will bring these separately for CCU's approval.

The two vendors that submitted responses are LSIS Company, Ltd., and Benson Guam Enterprises, Inc. The Bid Evaluation Committee determined Benson Guam Enterprises as the lowest, responsive bidder. The project will be substantially completed by the end of 365 days from Benson Guam Enterprises, Inc.'s receipt date of GPWA's Notice to Proceed, as stipulated in the bid documents

Comm. Bamba motioned to approve Resolution 2014-48 / GWA Resolution 60-FY2016; Comm. Santos seconded. There was no further discussion or objection and the motion passed.

4.2.6 Resolution No. 61-FY2016 Relative to Legislation for Land Required Under Guam Ancestral Lands Commission for the Expansion of the NDWWTP

GWA identified property, owned by the Guam Ancestral Lands Commission (GALC), for the purpose of construction of the expansion of the Northern District Wastewater Treatment Plant (NDWWTP) to meet the secondary treatment discharge limits required to comply with the current National Pollution Discharge Elimination Systems (NPDES) permit (GU0020141) and to handle the additional flow due to increased military and civilian population expected for the 2020 relocation of Marines to Guam. The exact location of the property is the Andersen Communication Annex No. 1 (AJKD), Municipality Of Dededo, as

shown on Department Of Land Management Sketch Identified As Northern District Wastewater Treatment Plant (NDWWTP).

GWA received grant funds from the Office of Economic Adjustment (OEA) for the design and construction of the expansion/upgrade of the NDWWTP. The cost for this matter is yet to be determined but will include 2 appraisals per property, the cost of the final survey of the property and the compensation package which will be negotiated.

Due to the time constraints imposed by the OEA grant milestones and deadline, GWA and GALC have discussed the basic terms of the transfer to meet the needs and mandates of both parties, and are committed to addressing any reasonable modifications to the draft legislation that would lead to a finalized compensation to the Guam Ancestral Lands Commission that is mutually agreeable. Expected date of submission to the Guam Legislature is October of 2016.

Comm. Bamba motioned to approve Resolution 61-FY2016; Comm. Santos seconded. There was no further discussion or objection and the motion passed.

4.2.7 Resolution No. 62-FY2016 Ratification of Work Provided by Centrisys Corp. on Hagatna WWTP Centifuges For an Amended Purchase Order Amount to Issue

Resolution 62-FY2016 asks the CCU to approve the complete overhaul of two centrifuge(s) and upgrade of electrical control panels and system. The CEPT (Chemical Enhanced Primary Treatment) upgrades currently under construction at the Hagatna WWTP will result in a significant increase (3 to 4 times current levels) of sludge production. The increased sludge production will in turn put greater loading and operating duration on the two centrifuges. It is imperative that both centrifuges be in excellent condition, with adequate spare parts, to handle the increased loading. The existing panel parts are obsolete. Parts are no longer available for purchase. Replacement of scrolls are for both centrifuge units.

The Purchase order amendment will cost $ 19,711.22

Invoice Nos	Amount	Paid Amount	Balance to Pay
PSI 14852	$63,847.00	$63,847.00	
PSI-16218	$113,235.91	$93,524.69	
Total	**$177,082.91**	**$157,371.69**	**$19,711.22**

The funding for this project will come from the following:
WW 12-036 WWTP Interim Measures, Bond 2013 $ 14,837.50
MC 09-01 General Plants Improvement, Bond 2013 $ 4,873.72

Funding Source	Bond	Approved Amount
WW 12-03, WWTP Interim Measure	2013	$172,209.19
MC 09-01 General Plants Improvement	2013	$4,873.72
Total Funding		**$177,082.91**

Comm. Bamba motioned to approve Resolution 62-FY2016; Comm. Santos seconded. There was no further discussion or objection and the motion passed.

5. **OLD BUSINESS - None**

6. **ANNOUNCEMENTS**

7.1 Next CCU Meetings: Work Session: GWA 10/19, GPA 10/20; Meeting 10/25

Chairman Duenas announced that the next meeting would be a work session for GPA on October 19 and GPA on October 20. The October CCU meeting is on October 25th. He also said there is a PUC hearing next week at the PUC Office in Hagatna. He asked management to circulate please send the Commission a reminder

7. **ADJOURNMENT**

There was no further business to bring before the Commission and the meeting adjourned at approximately 6:20 p.m.

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bls

Attested:

JOSEPH T. DUENAS, Chairman

J. GEORGE BAMBA, Secretary

GUAM CONSOLIDATED COMMISSION ON UTILITIES

RESOLUTION NO. 01–FY2017

RELATIVE TO APPROVAL OF THE BAZA GARDENS WASTEWATER CROSS-ISLAND PUMPING AND CONVEYANCE PHASE I CONSTRUCTION PROJECT

WHEREAS, under 12 G.C.A. § 14105, the Consolidated Commission on Utilities ("CCU") has plenary authority over financial, contractual, and policy matters relative to the Guam Waterworks Authority ("GWA"); and

WHEREAS, the Guam Waterworks Authority ("GWA") is a Guam Public Corporation established and existing under the laws of Guam; and

WHEREAS, GWA currently has a number of critical Court Order ("CO") projects including a complete evaluation of the Baza Gardens WWTP to determine what improvements are necessary at the plant to achieve compliance with the WWTP's NDPES permit, as stated in Paragraph 13 of the 2011 Court Order as well as the completion of construction activities that were identified in the approved plan resulting from the evaluation noted above as stated in Paragraph 14 of the 2011 Court Order; and

WHEREAS, the system evaluation report required under Paragraph 13 and completed in April of 2014 by GWA's Program Management Office (PMO), Brown and Caldwell, resulted in a recommendation to GWA and the USEPA that transferring/conveying the Baza Gardens WWTP effluent flow across the Route 17 (Cross Island Road) to a new Agat-Santa Rita WWTP site was the recommended conceptual alternative to which this recommendation was found to be acceptable by all parties; and

WHEREAS, Paragraph 14, subsection (b) of the 2011 Court Order required that GWA "execute a contract and issue a notice to proceed with construction" by October 31, 2016; and

WHEREAS, in September of 2015 GWA began the procurement process to find a consulting engineering team to design the wastewater conveyance system and via Resolution 06-FY2016, approved by the CCU in October of 2015, GWA management was authorized to enter

into a contract with Duenas Camacho and Associates to design the wastewater conveyance and pumping system which would include new Sewer Pump Station (SPS), gravity mains, force mains and all incidentals and appurtenances to these man components; and

WHEREAS, GWA has determined that in an effort to comply with the intent of the Court Order deadline of October 31, 2016 the most expedient process was to break the construction activities into phases with the first phase covering the construction of one sewer pump station, 14,643 linear feet of gravity and 2,767 linear feet of force main which is considered approximately one third of the overall project requirements; and

WHEREAS, GWA has advertised the Invitation For Bid (IFB-08-ENG-2016) for Baza Gardens Wastewater Conveyance and Pumping Phase I Construction project wherein GWA is soliciting bid proposals from experienced and responsive bidders to construct a sewer pump station, sewer gravity and force mains; and

WHEREAS, this phase of work consists of furnishing all labor, tools, equipment and materials including coordination with GWA Wastewater Operations and Engineering and the Construction Manager to construct all components described in the 100% design drawings and technical specifications which include but are not limited to a sewer pump station with generator and wet well, 14,643 linear feet of gravity line with sizes ranging from 12" to 15" in diameter, 2,767 linear feet of 10" diameter gravity main, pavement restoration in affected areas, SPS perimeter fencing, SPS retaining walls, as well as a communication conduit for future by GWA and GPA; and

WHEREAS, IFB packages were picked up by ten (10) interested parties, from which GWA received bid proposals from two (2) of the ten (10) (SEE EXHIBIT A – Abstract of Bids) before the bid proposals deadline of September 30, 2016; and

WHEREAS, GWA's design consultant for the project along with GWA Engineering analyzed the bid proposals received, particularly the lowest bid received and determined that "BME & Son Inc." successfully submitted the lowest bid as a responsive and responsible bidder and met all the bid requirements set forth by GWA (SEE EXHIBIT B – Bid Evaluation); and

WHEREAS, GWA management finds BME & Son Inc.'s bid proposal acceptable and now seeks CCU approval of the bid proposal amount of Seven Million Eight Hundred Eighty Eight Thousand One Hundred Fifty One Dollars and Nineteen Cents ($7,888,151.19) attached hereto (SEE EXHIBIT C – Bid Proposal),

WHEREAS, GWA management further seeks CCU approval of a five percent (5%) contingency to the bid proposal amount or Three Hundred Ninety Four Thousand Four Hundred Seven Dollars and Fifty Six Cents ($394,407.56) to bring the total authorized funding amount to Eight Million Two Hundred Eighty Two Thousand Five Hundred Fifty Eight Dollars and Seventy Five Cents ($8,282,558.75); and

WHEREAS, funding for this project will be from the 2016 Bond Funds under the line items CIP WW 11-03 "Baza Gardens STP Replacement"; and

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

1. The recitals set forth above hereby constitute the findings of the CCU.
2. The CCU finds that the terms of the conditions set by GWA relative to commencement of work activities are fair and reasonable and serve as a measure of Quality Assurance/Quality Control (QA/QC).
3. The CCU hereby authorizes the management of GWA to accept the bid proposal from "BME & Son Inc." attached hereto as Exhibit C and which is incorporated into this Resolution in its entirety.
4. The CCU hereby further authorizes the management of GWA to enter into a contract with "BME & Son Inc." in the amount Seven Million Eight Hundred Eighty Eight Thousand One Hundred Fifty One Dollars and Nineteen Cents ($7,888,151.19).
5. The CCU hereby further approves the funding total of Seven Million Eight Hundred Eighty Eight Thousand One Hundred Fifty One Dollars and Nineteen Cents ($7,888,151.19) plus a five percent (5%) contingency of Three Hundred Ninety Four Thousand Four Hundred Seven Dollars and Fifty Six

Cents ($394,407.56) for a total amount of Eight Million Two Hundred Eighty Two Thousand Five Hundred Fifty Eight Dollars and Seventy Five Cents ($8,282,558.75).

6. The CCU hereby further approves funding for this project to be from the 2016 Bond Funds under the line items CIP WW 11-03"Baza Gardens STP Replacement".

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

DULY AND REGULARLY ADOPTED, this 25th day of October 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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Exhibit A (1 of 1) ORIGINAL

GUAM WATERWORKS AUTHORITY
ABSTRACT OF BIDS

Project Name: **BAZA GARDENS WASTEWATER CROSS-ISLAND PUMPING AND CONVEYANCE (PHASE I)**
Project Number: **S15-008-BND; IFB-08-ENG-2016**

Bid Opening Date: September 30, 2016
Bid Opening Time: 3:00 p.m.

	Bidders Name	Section A-5 Bid Bond	CERTIFICATIONS												BASIC BID AMOUNT
			Bidder Qualification Form	Non-Collusion Affidavit	EEO Certification	Non-Segregated Facilities	Sex Offender Certification	Wage & Benefit Determination	Major Shareholders Affidavit	Special Instructions to Bidders	Addendum 1	Addendum 2	Addendum 3	Addendum 4	
1.	PERNIX	Fidelity and Deposit Company of Maryland 15% of total bid amount	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	$9,244,644.00
2.	POLYPHASE SYSTEM INC.	no bid													
3.	AMERICAN INTL SUPPLY, INC.	no bid													
4.	BLACK CONSTRUCTION	no bid													
5.	PACIFIC RIM CONSTRUCTORS, INC.	no bid													
6.	KORANDO CORPORATION	no bid													
7.	BME & SONS INC.	Fidelity and Deposit Company of Maryland 15% of accompanying bid	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	$7,888,151.19
8.	SUMITOMO MITSUI CONST. CO., LTD	no bid													
9.	PROPACIFIC BUILDER CORP	no bid													
10.	TG ENGINEERS	no bid													
	GWA Estimate														$9,422,960.00

Bids Opened and Read by:
GLORIA BENSON
(Name and Signature)

Tabulated By:
(Name and Signature)

GWA Procurement Representative:
(Name and Signature)

Witnesses:
N. DEGALA

Doc. No. 34GL-17-0816.*

Exhibit B (1 of 1)

Website: www.dcaguam.com
Email: dca@dcaguam.com

DUEÑAS · CAMACHO & ASSOCIATES, INC.

October 7, 2016

Thomas Cruz, PE
Chief Engineer
Guam Waterworks Authority
thomas@guamwaterworks.org
671-300-6036
Hand delivery

Ref: **Baza Gardens Wastewater Cross-Island Pumping and Conveyance System, Phase I**

Subj: **BME & Sons Bid Proposal Review**

Hafa Adai,

Thank you for allowing Duenas, Camacho and Associates, Inc. (DCA) the opportunity to review the September 30th, 2016 Bid Proposal, submitted by BME & Sons (BME) for the referenced project. DCA reviewed the bid proposal provided by BME as well as the past projects provided in appendix G, bidder qualifications form.

The BME bid proposal was compared to the engineers estimate. Overall the BME bid is 16% below the engineers estimate. Detailed review indicates that the sewer-line installations are >25% below the engineers estimate. In addition, the pumps station structure is 32 % below the engineers estimate. BME has experience in utility installation as well as building construction. Based on BME past projects listed in the bidder qualifications form and DCA's past experience working as a construction manger with BME, the low values provided under sewer-line and building construction are more likely than not attributed to the selected means and methods used by BME for construction rather then an error or emission on the bid. Large equipment items such as the generator, pumps and odor control systems are comparable to the equipment quotes reviewed during the design of the referenced project.

Based on our review we have no exceptions with GWA moving forward with contracting BME & Sons for this referenced project.

Thank you,

Kenneth M. Rekdahl, PE
Vice- President and Project Manager
Duenas, Camacho & Associates
671-477-7991
knrekdahl@dcaguam.com

Exhibit C (1 of 4)

SECTION A-3

BID PROPOSAL

To: General Manager
Guam Waterworks Authority
Gloria B. Nelson Public Service Building
688 Route 15, Mangilao, GU 96913

Dear Sir/Madam:

The undersigned ("Bidder"), a Corporation (Corporation or Partnership or Individual) organized and/or licensed to do business under the laws of Guam, hereby proposes and agrees to furnish all the necessary labor, materials, equipment, tools and services necessary for the **BAZA GARDENS WASTEWATER CROSS-ISLAND PUMPING AND CONVEYANCE SYSTEM (PHASE-I).: S15-008-BND** in accordance with the bid documents for the sum of:

$ 7,888,151.19 (Seven Million Eight Hundred Eighty Eight Thousand One Hundred Fifty One Dollars & 19/100)

plus any and all sums to be added and/or deducted resulted from all extra and/or omitted work under a change order or contract amendment under the unit and/or lump sum prices stated in the itemized proposal form attached hereto.

The undersigned has examined the location of the proposed work, the drawings, specifications and other Contract Documents and is familiar with the local conditions at the place where the work is to be performed, agrees to perform all work within the time set forth; herein and the price stated in their bid.

The Bid Guaranty attached hereto without endorsement, in the sum of not less than fifteen percent (15%) of the highest amount the total aggregate bid, is furnished to the Guam Waterworks Authority as a guarantee that the Agreement will be executed and a Performance and Payment Bond and proof of insurance and other requirements set forth in the bid, in forms acceptable to GWA, shall be furnished within twenty (20) days after notification that the undersigned is the lowest responsible bidder. In the event that this Bid is accepted, and the undersigned bidder shall fail to: (1) provide any and all documents requested by GWA that are required under the bid; (2) execute the Contract on terms and conditions acceptable to GWA; and (3) furnish a satisfactory performance and Payment Bond under the conditions and within the time specified in this Proposal, the equivalent amount of the Proposed Guaranty shall be forfeited, as liquidated damages for the delay and additional work and costs caused thereby in obtaining another bidder, said amount being beforehand determined as being reasonable and containing no penalties. If written notice that the bidder is the lowest responsible bidder, and such notice is mailed, telegraphed or delivered to the undersigned within sixty (60) days after the opening thereof, the undersigned agrees to execute the contract on terms and conditions acceptable to GWA, and to furnish a Performance and Payment Bond as a condition

precedent to entering into the contract.

The undersigned hereby acknowledges receipt of the following Addenda:

Addendum No.	Dated:
01	09/16/2016
02	09/22/2016
03	09/26/2016
04	09/28/2016

If awarded the Contract, the undersigned agrees to complete the work for the "Basic Bid" within three hundred and sixty (360) calendar days following the execution of the Contract by all parties thereto and the issuance of the Notice to Proceed from GWA.

Attached hereto are the following: (1) an affidavit in proof that the undersigned has not entered into any collusion with any person in respect to this proposal or any other proposal or the submitting of proposals for the Contract for which this bid is submitted; (2) proof of licensure on Guam to conduct the services specified in the bid; (3) proof of insurance in the types and amounts specified in the bid, including certificates and a copy of the complete policies which indicates coverages and exclusions; (4) Certification of Non-Employment of Convicted Sex Offenders; and (5) any other document requested under the bid.

The undersigned understands that the Guam Waterworks Authority reserves the right to reject any or all Proposals or to waive any informality or technicality in any Proposal in the interest of GWA.

RESPECTFULLY SUBMITTED BY:

BME & SONS INC.
(CONTRACTOR)

BERNADETTE MARANAN 9/30/16
(BY)

VICE PRESIDENT
(TITLE)

P.O. BOX 24402 BARRIGADA, GUAM 96921
(BUSINESS ADDRESS)

BID SCHEDULE

Interested Bidders must complete the following Bid Schedules in its entirety. All blanks in each table must be filled out.

BAZA GARDENS WASTEWATER CROSS-ISLAND PUMPING AND CONVEYANCE SYSTEM (PHASE-I)

Bidder will complete the work for the following price(s) as broken down per scope item:

Scope Item	Description	Est. Qty.	Unit	Total
1	Mobilization	1	LS	$84,806.75
2	Project management, coordination, documentation, Insurance, temporary Facilities and site Layout	1	LS	$217,468.74
3	Extended warranty	1	LS	$39,980.33
4	Environmental protection	1	LS	$56,733.57
5	Traffic control	1	LS	$211,023.79
6	Site clearing	1	LS	$40,726.76
7	Pump Station #3 access road and pavement	1	LS	$16,641.60
8	Perimeter fence line	1	LS	$20,508.76
9	Site Retaining Wall	1	LS	$24,659.76
10	Site grading	1	LS	$44,474.11
11	Site drainage improvements	1	LS	$11,520.72
12	Generator and Wetwell structure and finishing's	1	LS	$229,981.49
13	Wastewater pumps	1	LS	$161,724.30
14	Pump station #3 process piping, fittings and flow-meter	1	LS	$61,305.42
15	Pump VFDs, controls and level sensor	1	LS	$253,625.22
16	Sewer-line B	1	LS	$1,129,460.14
17	Sewer-line B road repair	1	LS	$127,234.06
18	Force-main 3	1	LS	$419,681.53

19	Force-main 3 road repair	1	LS	$174,016.23
20	Sewer-line C	1	LS	$2,344,241.22
21	Sewer-line C road repair	1	LS	$819,625.12
31	Communication conduit and hand-hole Installation	1	LS	$829,521.45
32	Odor control unit	1	LS	$98,873.91
33	Site electrical improvements	1	LS	$99,801.34
34	Standby generator	1	LS	$71,104.30
35	Wastewater pump station 3 start-up	1	LS	$38,060.06
36	Project closeout.	1	LS	$14,350.51
37	Force account (Allowance)	1	LS	$250,000.00
	Total Basic Bid		LS	$ 7,888,151.19

NOTE:

1. LS = Lump Sum.
2. All other Work not qualified or not listed in the Bid Schedule are considered incidental work and are an obligation of the Contractor under the various Bid Items as specified in the Bid at no additional cost to GWA.
3. Total basic bid shall include sales tax and all applicable taxes and permit fees.

BASIS OF SELECTION

Award will be based on the Total Basic Bid. All bids are subject to availability of funding.

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

October 25, 2016

MEMORANDUM

TO: Members, Consolidated Commission on Utilities

SUBJECT: Ratification of Polling of Votes: Resolution 01-FY2017 Relative to the Approval of the Baza Gardens Wastewater Pumping and Conveyance Phase I Construction ***(see attached email dated 10/7/2016)***

Commissioner	Y/N	Initials	Time/Date	Comments
Joseph Duenas	Y			
Francis Santos	Y		10/11/2016 9:10 p.m.	Via email
George Bamba	Y		10/11/2016 8:54 a.m.	Via email
Pedro Guerrero				
Simon Sanchez	Y		10/11/2016 3:36 p.m.	Via Email

Concurred by:

Miguel Bordallo, GWA GM — **Date** 10.26.16

immediately and return or destroy the information. You may contact sender at (671) 300-6847 or (671) 300-6846. This e-mail transmission and any attachments are believed to have been sent free of any virus or other defect that might affect any computer system into which it is received and opened. It is, however, the recipient's responsibility to ensure that the e-mail transmission and any attachments are virus free, and the sender accepts no responsibility for any damage that may in any way arise from their use.

From: Francis Santos [mailto:fesantos57@gmail.com]
Sent: Tuesday, October 11, 2016 9:10 PM
To: Miguel Bordallo
Cc: Joseph Duenas; J. George Bamba; Simon Sanchez; Pedro SN. Guerrero; Lou Sablan; Greg Cruz; Kelly Clark; Thomas Cruz; Ann Borja; Paul Kemp
Subject: Re: Fw: Draft Resoluiton 01-FY2017 Relative to the Approval fo the Baza Gardens Wastewater Pumping and Conveyance Phase I Construction

Miguel,

This email will serve as my approval on the proposed resolution.

Francis

On Sat, Oct 8, 2016 at 12:01 PM, Miguel Bordallo <mcbordallo@guamwaterworks.org> wrote:

Commissioners:

Attached are the draft resolution, justification sheet and exhibits for the Court-ordered Baza Gardens wastewater pumping and conveyance project for your review and consideration in advance of our October meeting.

This project has a court-ordered deadline of October 31, 2016 for GWA to enter a construction contract for the execution of the work. In order to meet this deadline, I am asking for a poll vote by Wednesday of next week, with ratification at the October meeting, so that if the Commission approves, we may begin processing the contract documents for signing subsequent to ratification but prior to the 31st.

Please advise of any questions or concerns, and Tom, Paul and Kelly will try to get them addressed immediately, while I am off-island next week.

Lou Sablan

From: Bernadette Lou Sablan <siguam2013@gmail.com>
Sent: Monday, October 17, 2016 4:34 PM
To: Lou Sablan
Subject: Fwd: FW: Draft Resoluiton 01-FY2017 Relative to the Approval fo the Baza Gardens Wastewater Pumping and Conveyance Phase I Construction

---------- Forwarded message ----------
From: **Ann Borja** <annborja@guamwaterworks.org>
Date: Mon, Oct 17, 2016 at 10:45 AM
Subject: FW: Draft Resoluiton 01-FY2017 Relative to the Approval fo the Baza Gardens Wastewater Pumping and Conveyance Phase I Construction
To: siguam2013@gmail.com

From Commissioner Sanchez

GUAM WATERWORKS AUTHORITY

Sincerely,

Ann Dueñas Borja, CPM

Management Analyst IV, Assistant to

Miguel C. Bordallo, P.E., General Manager

Guam Waterworks Authority

Gloria B. Nelson Public Service Building

688 Route 15

Mangilao, Guam 96913

Telephone No.: (671) 300-6847 (Direct) or 300-6846
E-mail address: annborja@guamwaterworks.org

The information contained in this message and any accompanying attachments may contain privileged, private and/or confidential information protected by local, state and federal law. This message and any attachments are intended for the designated recipient only. If you have received this information in error, please notify the sender immediately and return or destroy the information. You may contact sender at (671) 300-6847 or (671) 300-6846. This e-mail transmission and any attachments are believed to have been sent free of any virus or other defect that might affect any computer system into which it is received and opened. It is, however, the recipient's responsibility to ensure that the e-mail transmission and any attachments are virus free, and the sender accepts no responsibility for any damage that may in any way arise from their use.

From: Simon Sanchez [mailto:gdcmgr@guamdrycleaners.com]
Sent: Tuesday, October 11, 2016 3:36 PM
To: goergebamba@hotmail.com
Cc: Miguel Bordallo; Joseph Duenas; Francis Santos; Pedro SN. Guerrero; Lou Sablan; Greg Cruz; Kelly Clark; Tom Cruz; Ann Borja - GWA; Paul J. Kemp, M. S.
Subject: Re: Draft Resoluiton 01-FY2017 Relative to the Approval fo the Baza Gardens Wastewater Pumping and Conveyance Phase I Construction

I vote yes

Simon says

On Oct 11, 2016, at 8:54 AM, J. George Bamba <georgebamba@hotmail.com> wrote:

> Hi Miguel, Joey and Colleagues,
>
> After reviewing all the attachments, I do vote yes to the Resolution. We have really tight timelines and it is important to keep the momentum moving forward. Miguel, congratulations to you and your team for your efforts in moving this project forward.
>
> Blessings,
>
> George

Date: Sat, 8 Oct 2016 12:01:06 +1000
Subject: Fw: Draft Resoluiton 01-FY2017 Relative to the Approval fo the Baza Gardens Wastewater Pumping and Conveyance Phase I Construction
From: mcbordallo@guamwaterworks.org
To: jtduenas@hotmail.com; fesantos57@gmail.com; georgebamba@hotmail.com; gdcmgr@guamdrycleaners.com; psnguerrero@gpagwa.com; lsablan@gpagwa.com
CC: gpcruz@guamwaterworks.org; koclark@guamwaterworks.org; thomas@guamwaterworks.org; annborja@guamwaterworks.org; paulkemp@guamwaterworks.org; mcbordallo@guamwaterworks.org

Commissioners:

Attached are the draft resolution, justification sheet and exhibits for the Court-ordered Baza Gardens wastewater pumping and conveyance project for your review and consideration in advance of our October meeting.

Lou Sablan

From: Bernadette Lou Sablan <siguam2013@gmail.com>
Sent: Monday, October 17, 2016 4:34 PM
To: Lou Sablan
Subject: Fwd: FW: Fw: Draft Resoluiton 01-FY2017 Relative to the Approval fo the Baza Gardens Wastewater Pumping and Conveyance Phase I Construction

Follow Up Flag: Follow up
Flag Status: Completed

---------- Forwarded message ----------
From: **Ann Borja** <annborja@guamwaterworks.org>
Date: Mon, Oct 17, 2016 at 10:46 AM
Subject: FW: Fw: Draft Resoluiton 01-FY2017 Relative to the Approval fo the Baza Gardens Wastewater Pumping and Conveyance Phase I Construction
To: siguam2013@gmail.com

From Commissioner Santos

GUAM WATERWORKS AUTHORITY

Sincerely,

Ann Dueñas Borja, CPM

Management Analyst IV, Assistant to

Miguel C. Bordallo, P.E., General Manager

Guam Waterworks Authority

Gloria B. Nelson Public Service Building

688 Route 15

Mangilao, Guam 96913

Telephone No.: (671) 300-6847 (Direct) or 300-6846
E-mail address: annborja@guamwaterworks.org

The information contained in this message and any accompanying attachments may contain privileged, private and/or confidential information protected by local, state and federal law. This message and any attachments are intended for the designated recipient only. If you have received this information in error, please notify the sender

GUAM CONSOLIDATED COMMISSION ON UTILITIES
RESOLUTION NO. 02–FY2017

RELATIVE TO APPROVAL OF THE CONSTRUCTION MANAGEMENT (CM) CONTRACT FOR BAZA GARDENS WASTEWATER CROSS-ISLAND PUMPING AND CONVEYANCE SYSTEM PROJECT

WHEREAS, under 12 G.C.A. § 14105, the Consolidated Commission on Utilities ("CCU") has plenary authority over financial, contractual, and policy matters relative to the Guam Waterworks Authority ("GWA"); and

WHEREAS, the Guam Waterworks Authority ("GWA") is a Guam Public Corporation established and existing under the laws of Guam; and

WHEREAS, GWA currently has a number of critical Court Order ("CO") projects including a complete evaluation of the Baza Gardens WWTP to determine what improvements are necessary at the plant to achieve compliance with the WWTP's NDPES permit, as stated in Paragraph 13 of the 2011 Court Order as well as the completion of construction activities that were identified in the approved plan resulting from the evaluation noted above as stated in Paragraph 14 of the 2011 Court Order; and

WHEREAS, the system evaluation report required under Paragraph 13 and completed in April of 2014 by GWA's Program Management Office (PMO), Brown and Caldwell, resulted in a recommendation to GWA and the USEPA that transferring/conveying the Baza Gardens WWTP effluent flow across the Route 17 (Cross Island Road) to a new Agat-Santa Rita WWTP site was the recommended conceptual alternative to which this recommendation was found to be acceptable by all parties; and

WHEREAS, Paragraph 14, subsection (b) of the 2011 Court Order required that GWA "execute a contract and issue a notice to proceed with construction" by October 31, 2016; and

WHEREAS, in September of 2015 GWA began the procurement process to find a consulting engineering team to design the wastewater conveyance system and via Resolution 06-FY2016, approved by the CCU in October of 2015, GWA management was authorized to enter

into a contract with Duenas Camacho and Associates to design the wastewater conveyance and pumping system which would include new Sewer Pump Station (SPS), gravity mains, force mains and all incidentals and appurtenances to these man components; and

WHEREAS, GWA has determined that in an effort to comply with the intent of the Court Order Paragraph 14(b) deadline of October 31, 2016 the most expedient process was to break the construction activities into four phases with the first phase covering the construction of one sewer pump station located by the Aplacho Bridge, 14,643 linear feet of gravity sewer and 2,767 linear feet of force main which is considered approximately one-third of the overall project requirements; and

WHEREAS, there are other factors that come into play relative to the decision of phasing the project, such as construction funding availability that is tied to bond borrowing as well as overcoming property acquisition issues but wherein GWA anticipates procurement of the construction services for each phase noted within a three months of each other and with the expectation that all phase of the construction project will be completed by April 30, 2018; and

WHEREAS, Construction of Phase II, III & IV is the conversion of the existing Baza Gardens WWTP site to a pretreatment facility that includes headworks (screening and grit removal), Equalization Tanks 1 & 2, Baza Gardens Pump Station, Operations structures, along with Pump Station 2 near Windward Hills Country Club and laying of force main and gravity sewer lines along Route 17; and

WHEREAS, the installation of the new wastewater conveyance/pumping system along Route 17 and the improvement of Baza Gardens Wastewater Treatment Plant requires qualified and experienced engineering/construction management services to oversee all aspects of the construction project that entails a some specialty construction trades, construction activities that can run simultaneously and at multiple locations, and construction costs that may reach Twenty Nine Million Dollars ($29,000,000.00) for all four phases; and

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//

WHEREAS, GWA has determined that having one construction management team to oversee all construction phases will allow for better construction oversight and control thus is in the best interest of GWA and the rate payers; and

WHEREAS, GWA has advertised the Request for Proposal (RFP-09-ENG-2016) soliciting a statement of qualification from experienced and qualified engineering firms to provide construction management services for the Baza Gardens Wastewater Cross-Island Pumping and Conveyance System Project; and

WHEREAS, Request for Proposal (RFP) packages were downloaded by multiple interested parties, from which GWA received proposals submitted by seven (7) engineering firms before the RFP submittal deadline; and

WHEREAS, the GWA A-E Selection Committee reviewed and evaluated the seven (7) proposals (see EXHIBIT A - Evaluation Scores) and generated a short list of the top three (3) firms with a recommendation to award a contract to the firm SSFM International, (see EXHIBIT B – GM Determination); and

WHEREAS, SSFM International and GWA are currently in the process of negotiating the scope and a reasonable fee for the CM services and expect to come to a conclusion within a week or two; and

WHEREAS, GWA's expectation for construction management service fees with an estimated construction cost of the amount noted, as well as the complexity of the work described, would be in the six to nine percent (6% - 9%) range therefore GWA could expect the estimated high end of the CM serves to be Two Million Six Hundred Ten Thousand Dollars ($2,610,000.00); and

WHEREAS, the on-going procurement for construction management services is necessary to align, as best as possible, the timing of GWA's issuance of the Notice to Proceed for the construction contract by October 31, 2016, with the start of CM services and as such GWA management is seeking the support by the CCU to approve the need and intent of the

construction management services and the estimated high end of the CM range cost of Two Million Six Hundred Ten Thousand Dollars ($2,610,000.00) in advance of the fee negotiations phase; and

WHEREAS, GWA Management further seeks CCU approval of a ten percent (10%) contingency to the final negotiated CM fee amount in which the contingency could be as high as Two Hundred Sixty One Thousand Dollars ($261,000.00); and

WHEREAS, GWA management will provide an update via the GM's Report the results of the procurement process relative to this resolution which will include the final negotiated CM fees; and

WHEREAS, funding for this project will be from 2016 Bond Funds under the CIP line item WW 11-03 "Baza Gardens STP Replacement"; and

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

1. The recitals set forth above hereby constitute the findings of the CCU.
2. The CCU finds that the terms of the conditions set by GWA relative to commencement of work activities are fair and reasonable and serve as a measure of Quality Assurance/Quality Control (QA/QC).
3. The CCU hereby approves the intent of the project and authorizes GWA management to enter into a contract with SSFM International (Exhibits A and B), should fee negotiations meet GWA's expectation that the fee not exceed Two Million Six Hundred Ten Thousand Dollars ($2,610,000.00).
4. The CCU hereby further approves the total funding amount for this project shall not exceed a contract amount of Two Million Six Hundred Ten Thousand Dollars ($2,610,000.00), plus a ten percent (10%) contingency of Two Hundred Sixty One Thousand Dollars ($261,000.00), for a total authorized amount of Two Million Eight Hundred Seventy One Thousand Dollars ($2,871,000.00).

5. The CCU hereby further approves that the funding for the construction management services will be from 2016 Bond Funds under the line item CIP WW 11-03 Baza Gardens STP Replacement.

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

DULY AND REGULARLY ADOPTED, this 25th day of October 2016.

Certified by:

JOSEPH T. DUENAS
Chairperson

Attested by:

J. GEORGE BAMBA
Secretary

I, J. George Bamba, Board Secretary of the Consolidated Commission on Utilities as evidenced by my signature above do hereby certify as follows:

The foregoing is a full, true and accurate copy of the resolution duly adopted at a regular meeting by the members of the Guam Consolidated Commission on Utilities, duly and legally held at a place properly noticed and advertised at which meeting a quorum was present and the members who were present voted as follows:

AYES: 3

NAYS: 0

ABSTENTIONS: 0

ABSENT: 1

///

///

///

///

Exhibit A (1 of 1)

GUAM WATERWORKS AUTHORITY
Gloria B. Nelson Public Service Building • 688 Route 15 • Mangilao, Guam 96913

October 3, 2016

To: Thomas F. Cruz, P.E., Acting General Manager

From: Gloria P. Bensan
Chairperson, Consultant Selection Board

Subject: RFP-09-ENG-2016
Construction Management Services for Baza Gardens Wastewater Cross-Island Pumping and Conveyance
GWA Project No. S15-008-BND

The following information is intended to document the evaluation process undertaken for the referenced solicitation.

EVALUATION COMMITTEE MEMBERS	
Name	**Title**
John Davis, P.E.	CIP Wastewater Engineer Supervisor
Barbara C. Cruz, P.E.	Senior Engineer Supervisor
Rylma Carino	Junior Engineer
Anthony Chargualaf	Operations & Maintenance Manager, Distribution

Consultant	Evaluation Score				Total	Rank
1. EMPSCO Engineering Consultants	67	80	82	81	310	6
2. SSFM	88	91	86	86	351	1
3. AmOrient Engineering	90	76	83	90	339	4
4. E.M. Chen & Associates, Inc.	65	72	81	78	296	7
5. TG Engineers, PC	90	83	85	90	348	2
6. AECOM	90	83	85	89	347	3
7. GHD	80	83	84	84	331	5

Scores were evaluated based on sum of the individual scores. The recommendation of the evaluation committee is shown in the ranking above.

Please review and approve at your earliest convenience so that we may proceed with the notification letters.

Exhibit B (1 of 1)

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

MEMORANDUM

To: Gloria P. Bensan, A-E Selection Committee

From: Thomas F. Cruz, P.E., Acting General Manager

Subject: Evaluation Summary for RFP-09-ENG-2016
Construction Management Services for Baza Gardens Wastewater Cross-Island Pumping and Conveyance
GWA Project No. S15-008-BND

Date: October 3, 2016

The Selection Committee has completed all necessary actions for selecting the most qualified consultant for the referenced solicitation. All proposals were reviewed and scored according to the conditions established in the solicitation and shortlisted firms were interviewed. The evaluation summary sheet is attached for your information.

The committee recommends the following top three (3) firms in order of preference for the project:

1. SSFM
2. TG Engineers, PC
3. AECOM

Concurred:

VINCENT E. GUERRERO
Supply Management Administrator

10/3/2016
Date

GENERAL MANAGER'S DETERMINATION

Consultant Firm Selected:

SSFM

Remarks:

THOMAS F. CRUZ, P.E.
Acting General Manager

10/4/16
Date

TFC/gb

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

October 25, 2016

MEMORANDUM

TO: Members, Consolidated Commission on Utilities

SUBJECT: Ratification of Polling of Votes: Resolution 02-FY2017 Relative to the Approval of the Construction Management for the Baza Gardens Wastewater Pumping and Conveyance ***(see attached email dated 10/19/2016)***

Commissioner	Y/N	Initials	Time/Date	Comments
Joseph Duenas	Y		10/19/16 11:42 p.m.	Via email
Francis Santos				Via email
George Bamba	Y		10/20/16 7:21 a.m.	Via email
Pedro Guerrero				
Simon Sanchez	Y		10/20/16 7:00 a.m.	Via Email

Concurred by:

Miguel Bordallo, GWA GM — **Date** 10.26.16

Lou Sablan

From: Lou Sablan
Sent: Wednesday, October 19, 2016 3:09 PM
To: Francis Santos (francis.santos@gpagwa.com); George Bamba; J. George Bamba; Joseph (Joey) Duenas (jtduenas@hotmail.com); Pedro SN. Guerrero; Simon A. Sanchez II
Cc: Miguel C Bordallo (mcbordallo@guamwaterworks.org); Ann Borja - GWA; Greg P. Cruz; Kelly Clark; Tom Cruz (thomas@guamwaterworks.org); 'Paul J. Kemp, M. S.'
Subject: POLL VOTE REQUEST / GWA RESOLUTION 02-FY20117
Attachments: Res. No. 02-FY2017 Justification Summary Sheet.doc; Res. No. 02-FY2017 Rel to Approval of CM for Baza Gardens WW Cross Island Pumping and Conveyance Proj.doc; Res. No. 02-FY2017 Ex. A-Eval. Summ..pdf; Res. No. 02-FY2017 Ex. B-GM Determination.pdf

Importance: High

Dear Commissioners

The GWA GM has asked that I initiate this POLL VOTE relative to:

> **Resolution 02-FY2017 Approval of the Construction Management Services of the Baza Gardens Wastewater Cross-Island Pumping and Conveyance Project (COPY ATTACHED ALONG WITH JUSTIFICATION AND SUPPORT DOCS)**

This resolution is a required component for Resolution 01-FY2016 (which has been passed by POLL VOTE on Sat., Oct. 8th (reference email below). Resolution 02 must accompany Resolution 01 to meet the Court Ordered deadline of October 31, 2016. Thus the necessity for a Poll Vote at this time.

Both Resolution 01 and Resolution 02 will be presented for official ratification at the Oct. 25th CCU meeting.

> Date: Sat, 8 Oct 2016 12:01:06 +1000
> Subject: Fw: Draft Resoluiton 01-FY2017 Relative to the Approval fo the Baza Gardens Wastewater Pumping and Conveyance Phase I Construction
> From: mcbordallo@guamwaterworks.org
> To: jtduenas@hotmail.com; fesantos57@gmail.com; georgebamba@hotmail.com; gdcmgr@guamdrycleaners.com; psnguerrero@gpagwa.com; lsablan@gpagwa.com
> CC: gpcruz@guamwaterworks.org; koclark@guamwaterworks.org; thomas@guamwaterworks.org; annborja@guamwaterworks.org; paulkemp@guamwaterworks.org; mcbordallo@guamwaterworks.org
>
> Commissioners:
>
> Attached are the draft resolution, justification sheet and exhibits for the Court-ordered Baza Gardens wastewater pumping and conveyance project for your review and consideration in advance of our October meeting.

This project has a court-ordered deadline of October 31, 2016 for GWA to enter a construction contract for the execution of the work. In order to meet this deadline, I am asking for a poll vote by Wednesday of next week, with ratification at the October meeting, so that if the Commission approves, we may begin processing the contract documents for signing subsequent to ratification but prior to the 31st.

Please advise of any questions or concerns, and Tom, Paul and Kelly will try to get them addressed immediately, while I am off-island next week.

Regards,

MCB

Sent from my BlackBerry 10 smartphone.

Thank you,

B. Lou Sablan
Board Secretary
Consolidated Commission on Utilities
Admin. Asst., Legal Counsel, GPA
GLORIA B. NELSON PUBLIC SERVICE BLDG.
3rd Floor, Executive Division
688 Route 15, Mangilao, GU 96913
P.O. Box 2977, Hagatna, GU 96932
Tel: (671) 648-3002
Fax: (671) 648-3290
Email: lsablan@gpagwa.com
Website: http://guamccu.org/
www.guampowerauthority.com
www.guamwaterworksauthority.org

Lou Sablan

From: Joseph Duenas <jtduenas@hotmail.com>
Sent: Wednesday, October 19, 2016 11:42 PM
To: Lou Sablan
Cc: Francis Santos (CCU Member); George Bamba; J. George Bamba; Pedro SN. Guerrero; Simon Sanchez; Miguel C Bordallo (mcbordallo@guamwaterworks.org); Ann Borja - GWA; Greg P. Cruz; Kelly Clark; Tom Cruz (thomas@guamwaterworks.org); Paul J. Kemp, M. S.
Subject: Re: POLL VOTE REQUEST / GWA RESOLUTION 02-FY20117
Attachments: image001.jpg

I vote yes. Joey

Sent from my iPad

> On Oct 19, 2016, at 3:10 PM, Lou Sablan <lsablan@gpagwa.com> wrote:
>
>
> Dear Commissioners
>
> The GWA GM has asked that I initiate this POLL VOTE relative to:
>
> Resolution 02-FY2017 Approval of the Construction Management Services
> of the Baza Gardens Wastewater Cross-Island Pumping and Conveyance
> Project (COPY ATTACHED ALONG WITH JUSTIFICATION AND SUPPORT DOCS)
>
> This resolution is a required component for Resolution 01-FY2016 (which has been passed by POLL VOTE on Sat., Oct. 8th (reference email below). Resolution 02 must accompany Resolution 01 to meet the Court Ordered deadline of October 31, 2016. Thus the necessity for a Poll Vote at this time.
>
> Both Resolution 01 and Resolution 02 will be presented for official ratification at the Oct. 25th CCU meeting.
>
> Date: Sat, 8 Oct 2016 12:01:06 +1000
> Subject: Fw: Draft Resoluiton 01-FY2017 Relative to the Approval fo
> the Baza Gardens Wastewater Pumping and Conveyance Phase I
> Construction
> From:
> mcbordallo@guamwaterworks.org<mailto:mcbordallo@guamwaterworks.org>
> To: jtduenas@hotmail.com<mailto:jtduenas@hotmail.com>;
> fesantos57@gmail.com<mailto:fesantos57@gmail.com>;
> georgebamba@hotmail.com<mailto:georgebamba@hotmail.com>;
> gdcmgr@guamdrycleaners.com<mailto:gdcmgr@guamdrycleaners.com>;
> psnguerrero@gpagwa.com<mailto:psnguerrero@gpagwa.com>;
> lsablan@gpagwa.com<mailto:lsablan@gpagwa.com>
> CC: gpcruz@guamwaterworks.org<mailto:gpcruz@guamwaterworks.org>;
> koclark@guamwaterworks.org<mailto:koclark@guamwaterworks.org>;
> thomas@guamwaterworks.org<mailto:thomas@guamwaterworks.org>;
> annborja@guamwaterworks.org<mailto:annborja@guamwaterworks.org>;
> paulkemp@guamwaterworks.org<mailto:paulkemp@guamwaterworks.org>;

Lou Sablan

From: J. George Bamba <georgebamba@hotmail.com>
Sent: Thursday, October 20, 2016 7:21 AM
To: Lou Sablan; Francis Santos (CCU Member); George Bamba; Joseph Duenas; Pedro SN. Guerrero; Simon Sanchez
Cc: 'Miguel C Bordallo'; Ann Borja - GWA; Greg P. Cruz; 'Kelly Clark'; 'Tom Cruz'; 'Paul J. Kemp, M. S.'
Subject: Re: POLL VOTE REQUEST / GWA RESOLUTION 02-FY20117

Yes for e also.
Blessings,
George

From: Simon Sanchez <gdcmgr@guamdrycleaners.com>
Sent: Thursday, October 20, 2016 7:00 AM
To: 'Lou Sablan'; 'Francis Santos (CCU Member)'; 'George Bamba'; 'J. George Bamba'; 'Joseph Duenas'; 'Pedro SN. Guerrero'
Cc: 'Miguel C Bordallo'; 'Ann Borja - GWA'; 'Greg P. Cruz'; 'Kelly Clark'; 'Tom Cruz'; 'Paul J. Kemp, M. S.'
Subject: RE: POLL VOTE REQUEST / GWA RESOLUTION 02-FY20117

I vote yes

From: Lou Sablan [mailto:lsablan@gpagwa.com]
Sent: Wednesday, October 19, 2016 3:09 PM
To: Francis Santos (CCU Member); George Bamba; J. George Bamba; Joseph Duenas; Pedro SN. Guerrero; Simon Sanchez
Cc: Miguel C Bordallo (mcbordallo@guamwaterworks.org); Ann Borja - GWA; Greg P. Cruz; Kelly Clark; Tom Cruz (thomas@guamwaterworks.org); 'Paul J. Kemp, M. S.'
Subject: POLL VOTE REQUEST / GWA RESOLUTION 02-FY20117
Importance: High

GUAM CONSOLIDATED COMMISSION ON UTILITIES
RESOLUTION NO. 03-FY2017

RELATIVE TO RATIFICATION OF THE SERVICES PROVIDED BY HAWAIIAN ROCK PRODUCTS FOR THE REPAIR AND MAINTENANCE OF WATER LINES ISLAND-WIDE FOR AN AMENDED PURCHASE ORDER AMOUNT TO ISSUE

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 Consolidated Commission on Utilities under Section 5452 of Title 5 of the Guam Code Annotated has the authority to ratify the procurement of goods and services if there is no indication that the company who was awarded the procurement acted in bad faith and there is a finding that the procurement is for GWA's use and is in the best interest of the Territory of Guam; and

WHEREAS, GWA Management entered into purchase order no. 298400 with Hawaiian Rock Products on August 13, 2015 for base course and bedding sand to be used for the repair and maintenance of water lines island-wide; and

WHEREAS, during this period, purchase order no. 298400 exceeded the amount of Ten Thousand Eight Hundred Seventy Two Dollars ($10,872.00) (see Exhibit A) by One Thousand Three Hundred Ninety Nine Dollars and Sixty Cents ($1,399.60); and

WHEREAS, the Consolidated Commission on Utilities under Section 5452 of Title 5 of the Guam Code Annotated has the authority to ratify the procurement of goods and services if there is no indication that the person who was awarded the procurement acted in bad faith and there is a finding that the procurement is for GWA's use and is in the best interest of the people of Guam and GWA management is now seeking ratification from the CCU for the work.

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 hereby ratifies and approves the payment be made to Hawaiian Rock Products for purchase order number 298400 (Exhibit A) in the amended amount of One Thousand Three Hundred Ninety Nine Dollars and Sixty Cents ($1,399.60) on the following grounds:

a. There was no indication of bad faith or fraud in any of the procurements contained herein.

b. According to GWA management, the material is required for the ongoing repair and maintenance of water lines. Material is used for backfilling and compaction around the pipe and above it.

c. All of the procurements herein are in the best interest of the Territory of Guam and the Guam Waterworks Authority.

d. Only a reasonable profit was given in those instances where the profit was given.

Section 3. This Resolution is hereby determined to be a declaration of official intent of the Consolidated Commission on Utilities.

Section 4. All actions heretofore taken by the GWA or the officers thereof or on their behalf not inconsistent herewith related to these purchases are hereby ratified, approved, and confirmed.

Section 5. Based on the forgoing, the CCU authorizes GWA management to pay the amended amount owed between GWA and Hawaiian Rock Products in the total amount due of One Thousand Three Hundred Ninety Nine Dollars and Sixty Cents ($1,399.60).

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

DULY AND REGULARLY ADOPTED, this 22nd day of November, 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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EXHIBIT A

GUAM WATERWORKS AUTHORITY

1 : Page
5220: B/U
08/13/15: Date
FOB GWA: F.O.B.

PURCHASE ORDER
GUAM WATERWORKS AUTHORITY

P.O. Box 3010, Hagatna, Guam 96932
PHONE: (671) 647-7818 FAX: (671) 649-3750

No. 298400-000 OP

THIS PURCHASE ORDER MUST APPEAR ON ALL INVOICES PACKING SLIPS, PACKAGES, B/L CORRESPONDENCE, ETC.

Payment Terms: Net 30 Days

VENDOR:

HAWAIIAN ROCK PRODUCTS
1402 ROUTE 15
MANGILAO GU 96913

SHIP TO:

GUAM WATERWORKS AUTHORITY
578 N. Marine Corps. Dr.
ATTENTION: P & S WAREHOUSE
Tamuning GU 96913

AUTHORITY	IFB / REFERENCE	TIME FOR DELIVERY	EXPIRATION
PL 16-124 / PL 21-148			09/30/2015

ARTICLES OR SERVICES	QTY	UNIT	UNIT PRICE		AMOUNT
COURSE *** NOTE: TO BE PICKED UP BY GWA DUMP TRUCK OR APPROVED HEAVY EQUIPMENT. *** FOR: WATER/PRESSURE/F. SANCHEZ GPP: 3-204.03.1 DELIVERY: AS NEEDED G.L:5220.62005.417 OQ# 26220 / OR# 26268 PETER					
2" MINUS AGGREGRATED BASE SAND 3/8"	400	TN	20.79	TN	8,316.00
BEDDING SAND/MANFACTURED	100	TN	25.56	TN	2,556.00

NOTE: "SUBJECT TO THE GUAM PROCUREMENT CODE AND ACCOMPANYING REGULATIONS"

SPECIAL INSTRUCTIONS TO VENDOR:
Send certified original and three (3) copies of invoice to Guam Waterworks Authority, Government of Guam, at the address shown above.

Payment upon receipt of merchandise in Guam in good condition.

SEE BACK FOR TERMS AND CONDITIONS

DO NOT FILL THIS ORDER if your total cost exceeds this total. >>

TOTAL $ 10,872.00

SIGNATURE:

Mark G. Miller - General Manager, Interim
NAME TITLE

ACKNOWLEDGED BY: _____ DATE: _____
SIGNATURE OF VENDOR

RETURN TO PROCUREMENT DIVISION AT THE ABOVE ADDRESS

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:

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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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.

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.

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).

Doc. No. 34GL-17-0816.*

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:

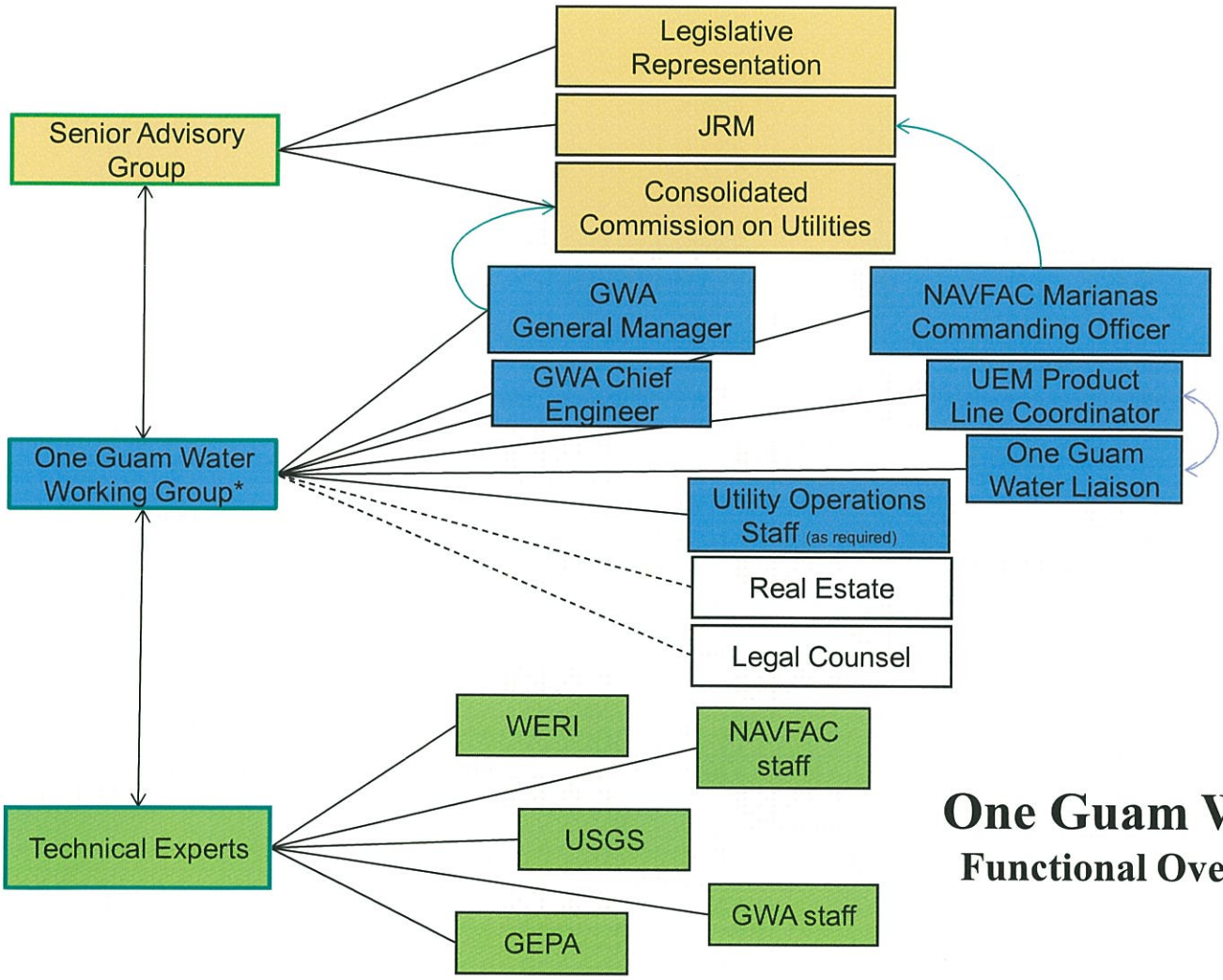
By: _____
Miguel C. Bordallo, P.E.
General Manager

Date: 5.6.16

FOR NAVAL FACILITIES ENGINEERING COMMAND MARIANAS

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

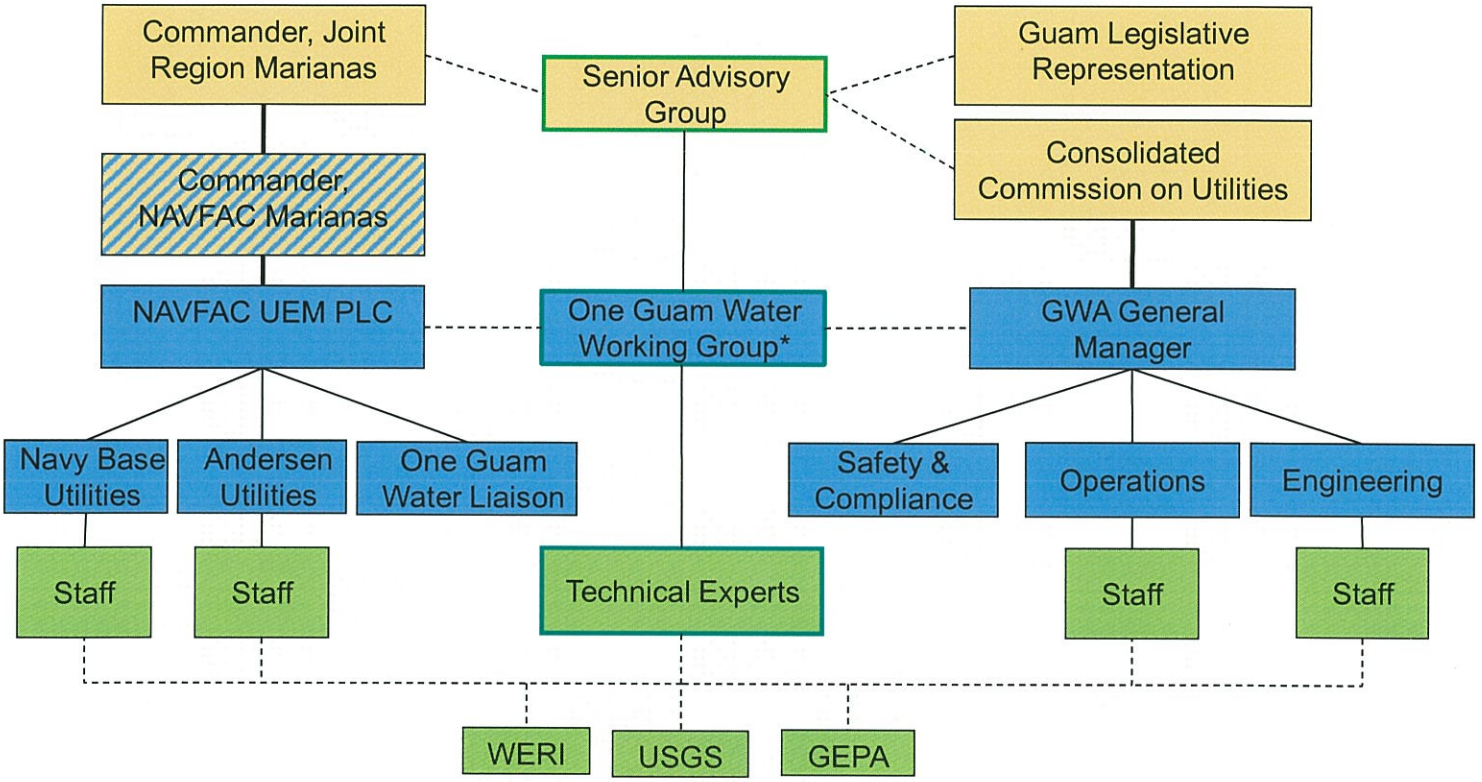
Date: 6 MAY 2016



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.

GUAM CONSOLIDATED COMMISSION ON UTILITIES

RESOLUTION NO. 05-FY2017

RELATIVE TO APPROVAL OF CHANGE ORDER NO. 7 FOR THE DEEP WELL CHLORINE RESIDUAL ANALYZER PROJECT

WHEREAS, under 12 G.C.A. § 14105, the Consolidated Commission on Utilities ("CCU") has plenary authority over financial, contractual and policy matters relative to the Guam Waterworks Authority ("GWA"); and

WHEREAS, the Guam Waterworks Authority ("GWA") is a Guam Public Corporation established and existing under the laws of Guam; and

WHEREAS, GWA currently has a number of critical Court Order ("CO") Projects, including the design, acquisition, installation, maintenance and operation of both continuous chlorine residual monitors and alarms and/or automatic shutoff systems when there is a loss of chlorine residual at all wells as stated in Paragraph 22 of the Court Order; and

WHEREAS, the initial improvements project to install chlorine residual analyzers at production wells identified as being high risk consisted of several different brands and configurations of chlorine residual analyzers intended to allow GWA to assess the reliability and maintainability of the various available alternatives; and

WHEREAS, data gather to date on this initial project revealed 16 well sites, including many of the high risk and moderate risk wells (i.e. the sites that were installed earliest, and with various brands and configurations), have chlorine residual analyzers that are non-functional and problematic for operation staff during maintenance/repair calls; and

WHEREAS, GWA is at high risk of non-compliance with the Groundwater Rule ("GWR"), and will be in non-compliance with the Court Order should well sites be operating without functional chlorine residual analyzers; and

WHEREAS, GWA issued IFB-06-ENG-2014 "Deep Well Chlorine Analyzer Project" to address holistically the chlorine residual analyzer requirement and electrical upgrades at all production wells which Asanuma Corporation was the lowest bidder and which Resolution No. 32-FY2014 (See EXHIBIT A – Resolution No. 32-FY2014) approved GWA to enter into contract with Asanuma to install chlorine residual analyzers and perform electrical improvements necessary for the safe and reliable function of the chlorine residual analyzers at a number of wells; and

WHEREAS, the intent of IFB-06-ENG-2014 was to address all well sites however at the time of the award of the current contract to Asanuma Corporation, portions of the scope identified in the bid schedule were not awarded due to funding limitations, including needed electrical improvements at 18 well sites; and

WHEREAS, in the course of the improvement works by Asanuma per the contract, 15 well sites involving VFDs installation/replacement revealed additional requirements are necessary for the operation of said VFD's, particularly improved cooling of the VFD and electrical equipment through the ventilation fans; and

WHEREAS, the additional bond funding acquired in 2016 now provides GWA the opportunely to complete all the improvements initially bid out as well as address additional requirements related to the project scope which includes the following:

1. Electrical improvements at 18 sites; and
2. Installation of roof ventilation at 15 sites; and
3. Replacement of defective Chlorine Residual Analyzers at 16 sites; and
4. Installation of VFD at well F-13; and

WHEREAS, GWA analyzed the change proposal received from Asanuma Corporation, and finds the change order proposal scope and fee amount of Eight Hundred Forty Thousand Dollars ($840,000.00) to be reasonable (See EXHIBIT B – Change Order Proposal); and

WHEREAS, GWA believes the completion of the remaining work not awarded in the initial contract with Asanuma will help GWA improve the operations and maintenance the of chlorine residual analyzers at all well sites; and

WHEREAS, GWA Management is seeking approval for additional funding of Eight Hundred Forty Thousand Dollars ($840,000.00), on top of the prior approved authorized funding amount of Two Million Nine Hundred Twenty Six Thousand One Hundred Twenty One Dollars ($2,926,121.00) to bring the total requested funding amount to Three Million Seven Hundred Sixty Six Thousand One Hundred Twenty One Dollars ($3,766,121.00) to execute change proposal #7 under the Deep Well Chlorine Residual Analyzer Project with Asanuma Corporation; and

WHEREAS, the funding source for the Change Order will be from CIP PW 09-02 "Water Wells"; and CIP EE 09-02 "Electrical Upgrade-Water Wells"; 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 terms of the change proposal submitted by Asanuma Corporation are fair and reasonable.
3. The CCU finds that the terms of the conditions set by GWA relative to commencement of subsequent work activities are fair and reasonable and serve as a measure of Quality Assurance/Quality Control (QA/QC).
4. The CCU hereby authorizes the management of GWA to accept the change proposal from Asanuma Corporation attached hereto as EXHIBIT B, and which is also incorporated into this Resolution in its entirety.
5. The CCU hereby further authorizes the management to execute change proposal #7 with Asanuma Corporation, in the amount of Eight Hundred Forty Thousand Dollars ($840,000.00).

6. The CCU hereby further approves the total authorized funding amount to a maximum of Three Million Seven Hundred Sixty Six Thousand One Hundred Twenty One Dollars ($3,766,121.00).
7. The CCU hereby approves the use of funding from CIP PW 09-02 "Water Wells"; and CIP EE 09-02 "Electrical Upgrade-Water Wells".

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

DULY AND REGULARLY ADOPTED, this 25th day of October 2016.

Certified by:

JOSEPH T. DUENAS
Chairperson

Attested by:

J. GEORGE BAMBA
Secretary

I, Joseph T. Duenas, Board Secretary and Treasurer 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

///

///

Exhibit A (1 of 4)

GUAM CONSOLIDATED COMMISSION ON UTILITIES

RESOLUTION NO. 32 - FY2014

RELATIVE TO APPROVAL OF THE DEEP WELL CHLORINE ANALYZER CONSTRUCTION CONTRACT

WHEREAS, under 12 G.C.A. § 14105, the Consolidated Commission on Utilities ("CCU") has plenary authority over financial, contractual and policy matters relative to the Guam Waterworks Authority ("GWA"); and

WHEREAS, the Guam Waterworks Authority ("GWA") is a Guam Public Corporation established and existing under the laws of Guam; and

WHEREAS, GWA currently has a number of critical Court Order ("CO") Projects, including installation of Deep Well Chlorine Residual Analyzers at all remaining wells with no history of fecal contamination which is Item 22 (c) of the amended Stipulated Order and which must be completed by November 2014; and

WHEREAS, the Deep Well Chlorine Analyzer Project (Design) has been completed which included provisions to provide design services for eighty (80) well sites with the intent to improve electrical safety and reliability as well as installation of seventy-three (73) Chlorine Residual Analyzers at the various well sites; and

WHEREAS, the electrical improvements are necessary for the safe and reliable operation of the Chlorine Residual Analyzers to effectively monitor chlorine residual levels and to stop water production at the wells should the measurements exceed acceptable boundaries; and

WHEREAS, GWA has advertised an Invitation for Bid ("IFB") soliciting bid proposals from experienced and responsive bidders to provide construction services for the Deep Well Chlorine Analyzer project; and

Exhibit A (2 of 4)

WHEREAS, this phase of work consists of furnishing all labor, tools, equipment and materials necessary for the installation of chlorine residual analyzer units and electrical system upgrades under the provisions of the bid documents and in accordance with applicable GWA standards; and

WHEREAS, IFB packages were picked up by four (4) interested parties, from which GWA received bid proposals from two (2) of the four parties (See EXHIBIT A- Bid Summary) before the bid proposal deadline; and

WHEREAS, GWA Engineering Consultant and GWA Engineering Division project managers analyzed (See EXHIBIT B – Evaluation) the bid proposals received on August 15, 2014 and determined that Asanuma Corporation ("Asanuma"), who submitted the lowest combined bid as the responsive and responsible bidder and met all the bid requirements set forth by GWA; and

WHEREAS, Asanuma submitted the lowest combined bid of Two Million Nine Hundred Seventy Nine Thousand Dollars ($2,979,000.00); and

WHEREAS, the current CIP line items that are applicable to fund this project are limited thus GWA only accepts at this time the bid proposal of Two Million Six Hundred Sixty Thousand One Hundred Ten Dollars ($2,660,110.00) and rejects a portion of the bid in the amount of Three Hundred Eighteen Thousand Eight Hundred Ninety Dollars ($318,890.00) which is further elaborated hereto (see EXHIBIT C – Bid Proposal and Intent of Award); and

WHEREAS, GWA Management seeks CCU approval of the bid proposal amount of Two Million Six Hundred Sixty Thousand One Hundred Ten Dollars ($2,660,110.00) plus a ten percent (10%) contingency of Two Hundred Sixty Six Thousand and Eleven Dollars ($266,011.00) for a total funding amount of Two Million Nine Hundred Twenty Six Thousand One Hundred Twenty One Dollars ($2,926,121.00); and

WHEREAS, the source of funding for the construction project will be from the 2010 and 2013 Bond proceeds under CIP PW 05-11 "Implement Ground Water Rule"; the 2013 Bond CIP PW 09-02 "Water Wells"; and 2013 Bond CIP EE 09-02 "Electrical Upgrade-Water Wells"; 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 terms of the bid proposal submitted by "Asanuma Corporation" are fair and reasonable.
3. The CCU hereby authorizes the management of GWA to accept the bid proposal from "Asanuma Corporation" attached hereto as EXHIBIT C, and which is incorporated into this Resolution in its entirety.
4. The CCU hereby further authorizes the management to enter into a contract with "Asanuma Corporation", in the amount of Two Million Six Hundred Sixty Thousand One Hundred Ten Dollars ($2,660,110.00).
5. The CCU hereby further approves the funding of Two Million Six Hundred Sixty Thousand One Hundred Ten Dollars ($2,660,110.00) plus a ten percent (10%) contingency for a total funding amount of Two Million Nine Hundred Twenty Six Thousand One Hundred Twenty One Dollars ($2,926,121.00).

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

DULY AND REGULARLY ADOPTED, this 26th day of August 2014.

Certified by:

SIMON A. SANCHEZ, II
Chairperson

Attested by:

JOSEPH T. DUENAS
Secretary

Exhibit A (4 of 4)

SECRETARY'S CERTIFICATE

I, Joseph T. Duenas, Board Secretary of the Consolidated Commission on Utilities as evidenced by my signature above do hereby certify as follows:

The foregoing is a full, true and accurate copy of the resolution duly adopted at a regular meeting by the members of the Guam Consolidated Commission on Utilities, duly and legally held at a place properly noticed and advertised at which meeting a quorum was present and the members who were present voted as follows:

AYES: 5

NAYS: 0

ABSTENTIONS: 0

ABSENT: 0



Exhibit B (1 of 15)

Asanuma Corporation

Guam Branch Office
P.O. Box 22108, GMF
Guam 96921
Tel : 671-646-4243/1071
Fax:671- 646-5180

October 10, 2016

Mr. Miguel C. Bordallo, PE, General Manager
Guam Waterworks Authority
Gloria Nelson Public Service Bldg.
Fadian, Mangilao, GUAM

ATTN: Mr. Delfyn Quitlong, Engineering Division

Subject: PW 05-11 DEEP WELL CHLORINE ANALYZER
GWA PROJECT NO. W13-002-BND

Re: Change Order #7 (construction period)

Dear Mr. Delfyn Quitlong,

We would like to propose the construction period to be 210 calendar days.

We will be very much appreciated if you consider the above mentioned matters.

Sincerely yours,
ASANUMA CORPORATION

Yasuhiro Oikawa
Project Manager

Asanuma

Exhibit B (2 of 15)

ASANUMA CORPORATION 10/10/16

PROJECT NAME: SUMMARY OF ELECTRICAL & MECHANICAL WORK (CO #7)

NO	Description	Qty	Unit	Unit Price	Total	Remarks
	SUMMARY – M & E					
	KINDEN ESTIMATE					
A	Group 4 Deep Well Improvement 18 Well Sites	1	lot		284,120.00	
B	Well Site with VFD, Install Ventillation Fan 15 Well Sites Electrical work Mechanical work	1	lot		185,200.00	
C	New Chlorine Residual Analyzer Installation 16 Well Sites Electrical work Mechanical work	1	lot		166,440.00	
D	New Deep Well Improvement 1 Site-F13	1	lot		16,228.00	
	KINDEN TOTAL				651,988.00	
	ASANUMA ESTIMATE					
A	Group 4 Deep Well Improvement	1	LOT		0.00	
B	DOOR HARDWARE $600 X 5 SITES =$3,000.00	1	LOT		3,000.00	
C	CIVIL WORK	1	LOT		19,200.00	
	EXCAVATION, FRENCH DRAIN, BEDDING SAND, BACK FILL $1,200 X 16 EACH = $19,200.00					
D	New Deep Well Improvement	1	LOT		0.00	
	ASANUMA TOTAL	1	LOT		22,200.00	
	DIRECT TOTAL	1	LOT		674,188.00	
	EXPENSES/ OVERHEAD				132,597.63	
	SUB-TOTAL				806,785.63	
	GRT			4.0%	33,600.20	
	TOTAL				840,385.83	
	TOTAL				840,385.83	
				SAY	840,000.00	

Exhibit B (3 of 15)

KINDEN CORPORATION
CLIENT NAME: Asanuma Corporation
PROJECT NAME: SUMMARY OF ELECTRICAL & MECHANICAL WORK

28-Jun-16

Item	Description	Qty	Unit	Unit Price	Total Price	Remarks
	GWA CHANGE ORDER #7 (MECHL. & ELECTL.)					
I	ELECTRICAL WORK					
A	Group 4 Deep Well Improvement 18 Well Sites	1	lot		284,120.00	see attached
B	Well Site with VFD, Install Ventillation Fan 15 Well Sites	1	lot		97,050.00	see attached
	Electrical work			97,050.00		
C	New Chlorine Residual Analyzer Installation 16 Well Sites	1	lot		17,632.00	see attached
	Electrical work			17,632.00		
D	New Deep Well Improvement 1 Site-F13	1	lot		16,228.00	see attached
	TOTAL-ELECTRICAL				415,030.00	
II	MECHANICAL WORK					
B	Well Site with VFD, Install Ventillation Fan 15 Well Sites	1	lot		88,150.00	see attached
	Mechanical work			88,150.00		
C	New Chlorine Residual Analyzer Installation 16 Well Sites	1	lot		148,808.00	see attached
	Mechanical work			148,808.00		
	TOTAL-MECHANICAL				236,958.00	
	GRAND TOTAL-MECHANICAL-ELECTRICAL				651,988.00	

Exhibit B (4 of 15)

KINDEN CORPORATION
CLIENT NAME: Asanuma Corporation
PROJECT NAME : GWA Deep Well Chlorine Analizer Change Order #7 (W13-002-BND)
Date: 28-Jun-16

Item	Description	Q'ty	Unit	Unit Price	Total Price	Remarks
A	Electrical Work					
A1	Table 5 : Deep Well Improvement					
	for 18 Total Wells-Change Order #7					
A2	General Requirement					
1	Mobilization/Demobilization	1	LS	4,000.00	4,000.00	
A3	Electrical					
1	Demolition	18	LS/WELL	200.00	3,600.00	
2	Conduits, Wiring, Boxes	18	LS/WELL	1,975.00	35,550.00	
3	Power Distribution	18	LS/WELL	4,225.00	76,050.00	
4	Motor Control System					
5	Constant Speed Starter for Well Pump	10	LS/WELL	8,714.20	87,142.00	
6	VFD for Well Pump	0	LS/WELL	0.00	0.00	
7	Constant Speed Starter for Booster Pump	18	LS/WELL	3,971.00	71,478.00	
8	Subtotal	1	LOT		277,820.00	
9	As-built Prep & Supervision	1	LOT		6,300.00	
	TOTAL				284,120.00	
	A8, A9, A13, A17, A18, A19, A21					
	M4, M6, M7, M8, M12, M5, M15, M17B, M18, M21, M23					

KINDEN CORPORATION
CLIENT NAME: Asanuma Corporation 29-Jun-16
PROJECT NAME: GWA-Deep Well Chlroine Analyzer-Change Order #7
(Ventillation Fan and Power-Mechl & Electl Work)

B.

DESCRIPTION	QTY	UNIT	LABOR & MATERIALS
1. Y-12			
a) Existing door install SSTL door handle with 24"x30" steel louver	1	ea	500.00
b) 34" x 72" install new steel metal door frame, door hardware stainless steel hinges 1-1/2 pairs and schlage lockset,(bet. Gen rm and elec. Rm.) paint to match existing (verify actual size)	1	ea	2,000.00
c) Install Centrifugal Exhaust fan roof mounted, 1/4" diameter SSTL wire rope tie down with SStl turn buckle. Thermostat switch	1	ea	3,918.00
d) Roof opening as per manufacturer recomendation with 4" x 6" concrete curb with #4 rebar dowel secure with epoxy, horizontal #4 rebar, restoration and dust prevention control	1	ea.	1,200.00
e) 3/4" aluminum conduit, boxes, wiring and accessories	1	Ls	$ 6,470.00
a. MDP Branch Breaker 20A, 3P, 480V b. Enclosed Motor Stater Combination D/S with timer and 2 N.O. & 1 N.C. aux contact c. Enclosed Push Button (Indoor) d. Enclosed Push Button (Outdoor) e. NFDS, N4X, 30A. With Unitsrut Channel Bracket SSTL			
Room dimension 87"x 86" x 109 Room temperature 86 degree			**14,088.00**
2. D-25			
a) Existing door install SSTL door handle with 24"x30" steel louver	1	ea	500.00
b) Install Centrifugal Exhaust fan roof mounted, 1/4" diameter SSTL wire rope tie down with SStl turn buckle. Thermostat switch	1	ea.	2,918.00
c) cover the 16" x 21" ac window with 1/4 " thick cement board, both side flush to wall concrete surface, paint to match existing	1	Ls	230.00
d) Roof opening as per manufacturer recomendation with 4" x 6" concrete curb with #4 rebar dowel secure with epoxy, horizontal #4 rebar, restoration and dust prevention control	1	ea.	1,200.00
e) 3/4" aluminum conduit, boxes, wiring and accessories	1	Ls	6,470.00
a. MDP Branch Breaker 20A, 3P, 480V b. Enclosed Motor Stater Combination D/S with timer and 2 N.O. & 1 N.C. aux contact c. Enclosed Push Button (Indoor) d. Enclosed Push Button (Outdoor) e. NFDS, N4X, 30A. With Unitsrut Channel Bracket SSTL			
Room dimension 108"x 92.. X110" Room temperature 89 degree			**11,318.00**

KINDEN CORPORATION
CLIENT NAME: Asanuma Corporation **29-Jun-16**
PROJECT NAME: GWA-Deep Well Chlroine Analyzer-Change Order #7
(Ventillation Fan and Power-Mechl & Electl Work)
B.

DESCRIPTION	QTY	UNIT	LABOR & MATERIALS
3. D-28			
a) Existing door install SSTL door handle with 24"x30" steel louver	1	ea	500.00
b) Install Centrifugal Exhaust fan roof mounted, 1/4" diameter SSTL wire rope tie down with SStl turn buckle. Thermostat switch	1	ea	2,918.00
c) cover the 16" x 21" ac window with 3/8" cement board, both side flush to wall concrete surface, paint to match existing	1	ea	230.00
d) Roof opening as per manufacturer recomendation with 4" x 6" concrete curb with #4 rebar dowel secure with epoxy, horizontal #4 rebar, restoration and dust prevention control	1	ea.	1,200.00
e) 3/4" aluminum conduit, boxes, wiring and accessories	1	Ls	6,470.00
a. MDP Branch Breaker 20A, 3P, 480V b. Enclosed Motor Stater Combination D/S with timer and 2 N.O. & 1 N.C. aux contact c. Enclosed Push Button (Indoor) d. Enclosed Push Button (Outdoor) e. NFDS, N4X, 30A. With Unitsrut Channel Bracket SSTL			
Room dimension 108"x 92.. X110" Room temperature 88 degree			**11,318.00**
4. F-16			
a) Existing door install SSTL door handle with 24"x30" steel louver	1	ea	500.00
b) Install Centrifugal Exhaust fan rope mounted, 1/4" diameter SSTL wire roof tie down with SStl turn buckle. Thermostat switch	1	ea	2,918.00
c) Roof opening as per manufacturer recomendation with 4" x 6" concrete curb with #4 rebar dowel secure with epoxy, horizontal #4 rebar, restoration and dust prevention control	1	ea.	1,200.00
e) 3/4" aluminum conduit, boxes, wiring and accessories	1	Ls	6,470.00
a. MDP Branch Breaker 20A, 3P, 480V b. Enclosed Motor Stater Combination D/S with timer and 2 N.O. & 1 N.C. aux contact c. Enclosed Push Button (Indoor) d. Enclosed Push Button (Outdoor) e. NFDS, N4X, 30A. With Unitsrut Channel Bracket SSTL			
Room dimension 88"x92"x112" Room temperature 89 degree			**11,088.00**

KINDEN CORPORATION
CLIENT NAME: Asanuma Corporation 29-Jun-16
PROJECT NAME: GWA-Deep Well Chlroine Analyzer-Change Order #7
(Ventillation Fan and Power-Mechl & Electl Work)

B.

DESCRIPTION	QTY	UNIT	LABOR & MATERIALS
5. F-18			
a) Existing door install SSTL door handle with 24"x30" steel louver	1	ea	500.00
b) Install Centrifugal Exhaust fan roof mounted, 1/4" diameter SSTL wire rope tie down with SStl turn buckle. Thermostat switch	1	ea.	2,918.00
c) Roof opening as per manufacturer recomendation with 4" x 6" concrete curb with #4 rebar dowel secure with epoxy, horizontal #4 rebar, restoration and dust prevention control	1	ea.	1,200.00
d) 34" x 72" install new steel metal door frame, door hardware stainless steel hinges 1-1/2 pairs and schlage lockset,(bet. Gen rm and elec. Rm.) paint to match existing (verify actual size)	1	ea	2,000.00
e) 3/4" aluminum conduit, boxes, wiring and accessories	1	Ls	6,470.00
a. MDP Branch Breaker 20A, 3P, 480V b. Enclosed Motor Stater Combination D/S with timer and 2 N.O. & 1 N.C. aux contact c. Enclosed Push Button (Indoor) d. Enclosed Push Button (Outdoor) e. NFDS, N4X, 30A. With Unitsrut Channel Bracket SSTL			
Room dimension 96" x 87" x112"' Room temperature 89 degree			**13,088.00**
6. Y-14			
a) Existing door install SSTL door handle with 24"x30" steel louver	1	ea	500.00
b) Install Centrifugal Exhaust fan roof mounted, 1/4" diameter SSTL wire rope tie down with SStl turn buckle. Thermostat switch	1	ea.	3,918.00
c) Roof opening as per manufacturer recomendation with 4" x 6" concrete curb with #4 rebar dowel secure with epoxy, horizontal #4 rebar, restoration and dust prevention control	1	ea.	1,200.00
e) 3/4" aluminum conduit, boxes, wiring and accessories	1	Ls	$ 6,470.00
a. MDP Branch Breaker 20A, 3P, 480V b. Enclosed Motor Stater Combination D/S with timer and 2 N.O. & 1 N.C. aux contact c. Enclosed Push Button (Indoor) d. Enclosed Push Button (Outdoor) e. NFDS, N4X, 30A., SSTL unistrut channel 1-5/8" bracket support			
e) 32" x 85" install new metal door frame, door hardware stainless steel hinges 1-1/2 pairs and schlage lockset,(bet. Gen rm and elec. Rm.) paint to match existing (verify actual size)	1	ea	2,000.00
Room dimension 108 x 80" x112"' Room temperature 96 degree			**14,088.00**

KINDEN CORPORATION
CLIENT NAME: Asanuma Corporation 29-Jun-16
PROJECT NAME: GWA-Deep Well Chlroine Analyzer-Change Order #7
(Ventillation Fan and Power-Mechl & Electl Work)

B.

DESCRIPTION	QTY	UNIT	LABOR & MATERIALS
7. Y-16			
a) Existing door install SSTL door handle with 24"x30" steel louver	1	ea	500.00
b) Install Centrifugal Exhaust fan roof mounted, 1/4" diameter SSTL wire rope tie down with SStl turn buckle. Thermostat switch	1	ea.	3,918.00
c) Roof opening as per manufacturer recomendation with 4" x 6" concrete curb with #4 rebar dowel secure with epoxy, horizontal #4 rebar, restoration and dust prevention control	1	ea.	1,200.00
e) 3/4" aluminum conduit, boxes, wiring and accessories	1	Ls	6,470.00
a. MDP Branch Breaker 20A, 3P, 480V b. Enclosed Motor Stater Combination D/S with timer and 2 N.O. & 1 N.C. aux contact c. Enclosed Push Button (Indoor) d. Enclosed Push Button (Outdoor) e. NFDS, N4X, 30A. With Unitsrut Channel Bracket SSTL			
Room dimension 80" x110" x 112"' Room temperature 93 degree			**12,088.00**
8. Y-7			
a) Existing door install SSTL door handle with 24"x30" steel louver	1	ea	- NOT NEEDED
b) Roof opening as per manufacturer recomendation with 4" x 6" concrete curb with #4 rebar dowel secure with epoxy, horizontal #4 rebar, restoration and dust prevention control	1	ea.	1,200.00
c) Install Centrifugal Exhaust fan roof mounted, 1/4" diameter SSTL wire rope tie down with SStl turn buckle. Thermostat switch	1	ea.	3,918.00
d) 35" x 85" install new steel metal door frame, door hardware stainless steel hinges 1-1/2 pairs and schlage lockset,(bet. Gen rm and elec. Rm.) paint to match existing (verify actual size)	1	ea	2,000.00
e) 3/4" aluminum conduit, boxes, wiring and accessories	1	Ls	6,470.00
a. MDP Branch Breaker 20A, 3P, 480V b. Enclosed Motor Stater Combination D/S with timer and 2 N.O. & 1 N.C. aux contact c. Enclosed Push Button (Indoor) d. Enclosed Push Button (Outdoor) e. NFDS, N4X, 30A. With Unitsrut Channel Bracket SSTL			
Room dimension 80" x110" x 112"' Room temperature 93 degree			**13,588.00**

KINDEN CORPORATION
CLIENT NAME: Asanuma Corporation **29-Jun-16**
PROJECT NAME: GWA-Deep Well Chlroine Analyzer-Change Order #7
(Ventillation Fan and Power-Mechl & Electl Work)

B.

DESCRIPTION	QTY	UNIT	LABOR & MATERIALS
9. Y-21A			
a) Existing door install SSTL door handle with 24"x30" steel louver	1	ea	500.00
b) Install Centrifugal Exhaust fan roof mounted, 1/4" diameter SSTL wire rope tie down with SStl turn buckle. Thermostat switch	1	ea.	2,918.00
c) Roof opening as per manufacturer recomendation with 4" x 6" concrete curb with #4 rebar dowel secure with epoxy, horizontal #4 rebar, restoration and dust prevention control	1	ea.	1,200.00
e) 3/4" aluminum conduit, boxes, wiring and accessories	1	Ls	6,470.00
a. MDP Branch Breaker 20A, 3P, 480V b. Enclosed Motor Stater Combination D/S with timer and 2 N.O. & 1 N.C. aux contact c. Enclosed Push Button (Indoor) d. Enclosed Push Button (Outdoor) e. NFDS, N4X, 30A. With Unitsrut Channel Bracket SSTL			
Room dimension 80" x110" x 112"' Room temperature 93 degree			**11,088.00**
10. Y-18			
a) Existing door install SSTL door handle with 24"x30" steel louver	1	ea	500.00
b) Install Centrifugal Exhaust fan roof mounted, 1/4" diameter SSTL wire rope tie down with SStl turn buckle. Thermostat switch	1	ea.	3,918.00
c) Roof opening as per manufacturer recomendation with 4" x 6" concrete curb with #4 rebar dowel secure with epoxy, horizontal #4 rebar, restoration and dust prevention control	1	ea.	1,200.00
d) cover the 16" x 21" ac window with 1/4 " thick cement board, both side flush to wall concrete surface, paint to match existing	1	Ls	230.00
e) 3/4" aluminum conduit, boxes, wiring and accessories	1	Ls	6,470.00
a. MDP Branch Breaker 20A, 3P, 480V b. Enclosed Motor Stater Combination D/S with timer and 2 N.O. & 1 N.C. aux contact c. Enclosed Push Button (Indoor) d. Enclosed Push Button (Outdoor) e. NFDS, N4X, 30A. With Unitsrut Channel Bracket SSTL			
Room dimension 91" x 110"X110" Room temperature 99 degree			**12,318.00**

KINDEN CORPORATION
CLIENT NAME: Asanuma Corporation 29-Jun-16
PROJECT NAME: GWA-Deep Well Chlroine Analyzer-Change Order #7
(Ventillation Fan and Power-Mechl & Electl Work)

B.

DESCRIPTION	QTY	UNIT	LABOR & MATERIALS
11. Y-19			
a) Existing door install SSTL door handle with 24"x30" steel louver	1	ea	500.00
b) Install Centrifugal Exhaust fan roof mounted, 1/4" diameter SSTL wire rope tie down with SStl turn buckle. Thermostat switch	1	ea.	3,918.00
c) Roof opening as per manufacturer recomendation with 4" x 6" concrete curb with #4 rebar dowel secure with epoxy, horizontal #4 rebar, restoration and dust prevention control	1	ea.	1,200.00
d) cover the 16" x 21" ac window with 1/4 " thick cement board, both side flush to wall concrete surface, paint to match existing	1	Ls	230.00
e) 3/4" aluminum conduit, boxes, wiring and accessories	1	Ls	6,470.00
a. MDP Branch Breaker 20A, 3P, 480V b. Enclosed Motor Stater Combination D/S with timer and 2 N.O. & 1 N.C. aux contact c. Enclosed Push Button (Indoor) d. Enclosed Push Button (Outdoor) e. NFDS, N4X, 30A. With Unitsrut Channel Bracket SSTL			
Room dimension 91" x 110"X110" Room temperature 91 degree			**12,318.00**
12. Y-20			
a) Existing door install SSTL door handle with 24"x30" steel louver	1	ea	500.00
b) Install Centrifugal Exhaust fan roof mounted, 1/4" diameter SSTL wire rope tie down with SStl turn buckle. Thermostat switch	1	ea.	3,918.00
c) Roof opening as per manufacturer recomendation with 4" x 6" concrete curb with #4 rebar dowel secure with epoxy, horizontal #4 rebar, restoration and dust prevention control	1	ea.	1,200.00
d) cover the 16" x 21" ac window with 1/4 " thick cement board, both side flush to wall concrete surface, paint to match existing	1	Ls	230.00
e) 3/4" aluminum conduit, boxes, wiring and accessories	1	Ls	6,470.00
a. MDP Branch Breaker 20A, 3P, 480V b. Enclosed Motor Stater Combination D/S with timer and 2 N.O. & 1 N.C. aux contact c. Enclosed Push Button (Indoor) d. Enclosed Push Button (Outdoor) e. NFDS, N4X, 30A. With Unitsrut Channel Bracket SSTL			
Room dimension 91" x 110"X110" Room temperature 100 degree			**12,318.00**

KINDEN CORPORATION
CLIENT NAME: Asanuma Corporation 29-Jun-16
PROJECT NAME: GWA-Deep Well Chlroine Analyzer-Change Order #7
(Ventillation Fan and Power-Mechl & Electl Work)

B.

DESCRIPTION	QTY	UNIT	LABOR & MATERIALS
13. Y-22			
a) Existing door install SSTL door handle with 24"x30" steel louver	1	ea	500.00
b) Install Centrifugal Exhaust fan roof mounted, 1/4" diameter SSTL wire rope tie down with SStl turn buckle. Thermostat switch	1	ea.	2,918.00
c) Roof opening as per manufacturer recomendation with 4" x 6" concrete curb with #4 rebar dowel secure with epoxy, horizontal #4 rebar, restoration and dust prevention control	1	ea.	1,200.00
d) cover the 16" x 21" ac window with 1/4 " thick cement board, both side flush to wall concrete surface, paint to match existing	1	Ls	230.00
e) 3/4" aluminum conduit, boxes, wiring and accessories	1	Ls	6,470.00
a. MDP Branch Breaker 20A, 3P, 480V b. Enclosed Motor Stater Combination D/S with timer and 2 N.O. & 1 N.C. aux contact c. Enclosed Push Button (Indoor) d. Enclosed Push Button (Outdoor) e. NFDS, N4X, 30A. With Unitsrut Channel Bracket SSTL			
			11,318.00
Room dimension 91" x 110"X110" Room temperature 92 degree			
14. M-20A			
a) Existing door install SSTL door handle with 24"x30" steel louver	1	ea	500.00
b) Install Centrifugal Exhaust fan roof mounted, 1/4" diameter SSTL wire rope tie down with SStl turn buckle. Thermostat switch	1	ea.	3,918.00
c) Roof opening as per manufacturer recomendation with 4" x 6" concrete curb with #4 rebar dowel secure with epoxy, horizontal #4 rebar, restoration and dust prevention control	1	ea.	1,200.00
e) 3/4" aluminum conduit, boxes, wiring and accessories	1	Ls	6,470.00
a. MDP Branch Breaker 20A, 3P, 480V b. Enclosed Motor Stater Combination D/S with timer and 2 N.O. & 1 N.C. aux contact c. Enclosed Push Button (Indoor) d. Enclosed Push Button (Outdoor) e. NFDS, N4X, 30A. With Unitsrut Channel Bracket SSTL			
f) install new steel metal door frame, door hardware stainless steel hinges 1-1/2 pairs and schlage lockset,(bet. Gen rm and elec. Rm.) paint to match existing (verify actual size)	1	ea	2,000.00
			14,088.00

KINDEN CORPORATION
CLIENT NAME: Asanuma Corporation 29-Jun-16
PROJECT NAME: GWA-Deep Well Chlroine Analyzer-Change Order #7
(Ventillation Fan and Power-Mechl & Electl Work)

B.

DESCRIPTION	QTY	UNIT	LABOR & MATERIALS
15. F-13			
a) Existing door install SSTL door handle with 24"x30" steel louver	1	ea	500.00
b) Install Centrifugal Exhaust fan rope mounted, 1/4" diameter SSTL wire roof tie down with SStl turn buckle. Thermostat switch	1	ea	2,918.00
c) Roof opening as per manufacturer recomendation with 4" x 6" concrete curb with #4 rebar dowel secure with epoxy, horizontal #4 rebar, restoration and dust prevention control	1	ea.	1,200.00
e) 3/4" aluminum conduit, boxes, wiring and accessories	1	Ls	6,470.00
a. MDP Branch Breaker 20A, 3P, 480V b. Enclosed Motor Stater Combination D/S with timer and 2 N.O. & 1 N.C. aux contact c. Enclosed Push Button (Indoor) d. Enclosed Push Button (Outdoor) e. NFDS, N4X, 30A. With Unitsrut Channel Bracket SSTL			
			11,088.00
Room dimension 86"x92"x112" Room temperature 89 degree			
TOTAL			**185,200.00**

KINDEN CORPORATION
CLIENT NAME: Asanuma Corp.
PROJECT NAME: GWA Chlorine Analyzer-Change Order No. 7
C-ELECTL

Date: 28-Jun-16

Item	Description	Qty	Unit	Unit Price	Total Price	Remarks
C	**Chlorine Residual Analyzer-Electrical Work**					
c1	#12 awg solid and connectors	1	lot		200.00	
c2	#16X3 SJ Cord with Plug	1	lot		80.00	
c3	3/4" alum conduit and fitting	1	lot		502.00	
c4	FS Box 2x4 with cover	2	ea	25.00	50.00	
c5	Single Receptacle 15A, 120V w/ cover while in use-WP	1	ea		150.00	
c6	Supporting materials	1	lot		70.00	
c7	Miscellaneous materials	1	lot		50.00	
	TOTAL per Well Site				1,102.00	
	GRAND TOTAL	16	sites	1,102.00	17,632.00	
	A5, A6, A23, A25					
	D7, D19					
	F3, F20					
	M1, M5, M9, M20A					
	Y2, Y3, Y9, Y15					

Exhibit B (14 of 15)

KINDEN CORPORATION
CLIENT NAME: ASANUMA CORP.
PROJECT NAME : GWA Deepwell Chlorine Analyzer Change order #7 (16wells)
C-MECHL

Date: 28-Jun-16

Item	Description	QTY	UNIT	Unit Price	Total Price	Remarks
C	Chlorine Residual Analyzer-Mechl Work					
1	Bubble Trap	16	ea	588.00	9,408.00	
2	CL2 Analyzer CLF10sc	16	ea	6,228.00	99,648.00	
3	3/4" Tee PVC sch 80 ,slip	50	ea	4.41	220.50	
4	3/4" x90deg ell PVC sch80,slip	80	ea	2.29	183.20	
5	PVC bell reducer 3"x 1- 1/2"slip	32	ea	18.25	584.00	
6	Reducer Bushing 1-1/2" x 3/4" Pvc slip	32	ea	19.71	630.72	
7	3/4"dia x 45deg ell PVC sch 80	50	ea	4.41	220.50	
8	3/4"dia pvc pipes sch 80	10	ea	27.53	275.30	
9	1/4"dia x 2-1/2" wedgeanchor/50ea/box	3	box	49.41	148.23	
10	G.I Unitrut Channel 2"x2"x10ft	2	ea	47.05	94.10	
11	1/2"dia pipes cpvc sch80	45	ea	26.47	1,191.15	
12	1/2"dia x90deg ell cpvc sch80	130	ea	2.82	366.60	
13	1/2"dia x45deg ell cpvc sch80	32	ea	3.47	111.04	
14	1/2"dia coupling cpvc sch80 slip	32	ea	2.76	88.32	
15	Cpvc Tee x 3/4"x3/4"x1/2" slip	16	ea	17.05	272.80	
16	1/2"dia Ball valve bronze body threaded end	16	ea	12.65	202.40	
17	1/2"dia Needle Valve bronze threaded end	16	ea	128.00	2,048.00	
18	Plastic anchor with screw	2	box	58.82	117.64	
19	1/2" dia pvc male	16	ea	5.29	84.64	
20	Tube adaptor 1/2"NPTF to 3/8"dia O.D.Tube John Guest	65	ea	7.35	477.75	
21	Tube adaptor 1/4"NPTF to 3/8"dia O.D.Tube John Guest	35	ea	5.00	175.00	
22	3/4"NPT male 1/2"NPT female pvc fitting	50	ea	6.47	323.50	
23	3/8"dia O.D.Tubing x 200ft	1	roll	234.61	234.61	
24	Misc, Transport, Support	1	lot		700.00	
25	Freight Cost-Guam	1	lot		650.00	
26	Test & Commissioning	1	lot		4,000.00	
27	Labor Cost	16	ea	1,647.00	26,352.00	
	TOTAL				148,808.00	

KINDEN CORPORATION
CLIENT NAME: Asanuma Corporation
PROJECT NAME: Deep Well Improvement for F13 Retrofit Work (Booster Starter, VFD, CP-1)
Date: 28-Jun-16

Item	Description	Qty	Unit	Unit Price	Total Price	TOTAL
D	F-13					
a	Mobilization/Demobilization	1	lot	250.00	250.00	
b	Demolition	1	lot	200.00	200.00	
c	Wires, Conduit, Boxes					
	Wires & Connectors	1	lot	1,479.00	1,479.00	
	Conduit, Boxes & Fittings	1	lot	1,475.94	1,475.94	
	Ground Copper Bar with Lugs	1	ea	230.00	230.00	
	Ground Rod with Clamp 3/4"x10Ft	1	ea	340.00	340.00	
	Ground Test Well	1	ea	405.00	405.00	
d	Power Distribution					
	Switchboard/MDP (OFCI)	1	assy	1,208.62	1,208.62	Fr: D5
	Molded Case Breaker 150A, 3P, 600V	1	ea	470.00	470.00	
	Relocate Existing PLC to CP-1	1	ea	240.00	240.00	
	Circuit Breaker 20A-1P, 120V	1	ea	40.00	40.00	
	Duplex Receptacle 15A, 125V, WP-While-In-Use	1	ea	85.00	85.00	
e	Motor Control System					
	Deep Well -ABB-VFD-90KW-480V (OFCI)	1	assy	1,100.00	1,100.00	Fr: GWA WHSE
	ABB On-site tech-testing/commissioning	1	lot	5,012.00	5,012.00	
f	MCC-Booster Pump					
	Booster Pump Motor Starter-Constant Speed (OFCI)	1	assy	500.00	500.00	Fr: D5
g	Control Circuit Interlock/Interconnection					
	Termination at Booster, flow switch	1	lot	120.00	120.00	
	Termination at Deep Well, flow switch	1	lot	120.00	120.00	
	Termination at Chlorine Analyzer, no flow alarm	1	lot	125.56	125.56	
	Termination at Leak Sensor, alarm	1	lot	120.00	120.00	
h	Control Panel					
	CP-1 Panel 120V power supply (OFCI)	1	assy	922.22	922.22	Fr: D5
i	Removal D5 equipment					
	MDP Panel	1	assy	300.00	300.00	
	Booster Panel	1	assy	250.00	250.00	
	CP-1 Panel 120V power supply	1	assy	394.66	394.66	
j	As-built drawing & Supervision	1	lot	900.00	900.00	
	TOTAL				16,288.00	

CONSOLIDATED COMMISSION ON UTILITIES

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

RESOLUTION NO. 2016-60

RELATIVE TO THE AUTHORIZATION OF THE GUAM POWER AUTHORITY TO RENEW THE CURRENT PROPERTY INSURANCE FOR TWO ONE-YEAR POLICY PERIODS

WHEREAS, the Consolidated Commission on Utilities has determined that it is a prudent and reasonable business practice to maintain insurance coverage on GPA's assets to the extent practical; and

WHEREAS, the Guam Power Authority's Bond Indenture agreement requires GPA to "secure and maintain property insurance on all facilities constituting the system against risks of loss or damage to the extent that such insurance is obtainable at reasonable cost"; and

WHEREAS, the indenture further requires GPA to carry insurance "of a scope and nature as that usually carried in the industry"; and

WHEREAS, GPA's current Property Insurance policy is set to expire on November 1, 2016; and

WHEREAS, in light of the incident on August 31, 2015 that left the Cabras 3 & 4 Power Plants heavily damaged and inoperable; and

WHEREAS, GPA management has been in close communication with its insurance adjuster, broker and underwriters regarding the claim on its property insurance policy for the incident and the effect it has on future premiums; and

WHEREAS, the insurance broking team has configured, with the goal in mind of improving, to the greatest extent possible, the terms and conditions of GPA's property insurance policy for the next two years; and

WHEREAS, assuming that GPA is now in a position to confirm agreement to these two years, and accordingly will commit to keeping the current policy in place until November 1, 2018, underwriters are prepared to offer the following:

1. The next two annual installment premiums will be billed at $6,450,000.00 representing a cost reduction of $212,309.

WHEREAS, GPA now brings these matters before the Consolidated Commission on Utilities.

NOW THEREFORE, BE IT RESOLVED BY THE CONSOLIDATED COMMISSION ON UTILITIES, SUBJECT TO THE APPROVAL OF THE GUAM PUBLIC UTILITES COMMISSION, AS THE GOVERNING BODY OF THE GUAM POWER AUTHORITY, AS FOLLOWS:

1. The GPA General Manager is authorized to accept the terms of the annual renewal premiums offered by the insurance underwriters at a cost of $6,450,000.00 for each of the next two policy periods covered between November 1, 2016 and November 1, 2018.
2. The GPA General Manager is authorized to pay each annual premium as it becomes due without any financing arrangements.

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

DULY AND REGULARLY ADOPTED AND APPROVED THIS 25th DAY OF October, 2016.

Certified by:

JOSEPH T. DUENAS
Chairperson
Consolidated Commission on Utilities

Attested by:

J. GEORGE BAMBA
Secretary
Consolidated Commission on Utilities

SECRETARY'S CERTIFICATE

I, J. George Bamba, Secretary for the CCU do hereby certify that the foregoing is a full, true, and correct copy of the resolution duly adopted at a regular meeting of the members of Guam's CCU, duly and legally held at the meeting place thereof on October 25, 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 25th day of October, 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

RESOLUTION NO. 2016–61

AUTHORIZING MANAGEMENT OF THE GUAM POWER AUTHORITY TO EXTEND THE (AGGREKO) 40 MW TEMPORARY POWER PLANT LEASE CONTRACT

WHEREAS, the Guam Power Authority (GPA) experienced a major failure of its base load units at the Cabras 3&4 power plant when an explosion and a fire occurred in the Cabras 4 engine on August 31, 2015; and

WHEREAS, Cabras 3&4 power plant is still not available and the power system remains short of 78.6 MW of base load capacity placing GPA in the position of having difficulty meeting system demand upon an additional base load maintenance outage or large emergency unit outage; and

WHEREAS, the Authority is interested in pursuing the extension of the (Aggreko) 40 MW Temporary Power Plant Lease Contract for an additional 4 years with the option to purchase the units to ensure GPA has sufficient and reliable reserves until the commissioning of new baseload units; and

WHEREAS, the Authority plans to use the revenue funds for the lease; and

WHEREAS, the Authority would like to use $3M from the Cabras 3&4 insurance cash advance for emission compliance costs; and

WHEREAS, the Authority is currently working with Aggreko on the required air permit for operations beyond the initial 1 year period; and

WHEREAS, approval is requested to allow the General Manager to petition the PUC to authorize the extension of the (Aggreko) 40 MW Temporary Power Plant Lease Contract for an additional 4 years.

NOW, THEREFORE, BE IT RESOLVED, by the CONSOLIDATED COMMISSION ON UTILITIES subject to the review and approval of the Public Utilities Commission as follows:

1. The General Manager is authorized to extend the (Aggreko) 40 MW Temporary Power Plant Lease Contract for an additional 4 years with an option to own the units to ensure sufficient generation capacity reserve to support a loss to two of its largest units.
2. The contract price projected total for the four (4) year extension with a purchase option is $ 49,732,365 as shown in Exhibit A attached.

3. The General Manager is authorized to use $3M from the Cabras 3&4 insurance cash advance for emission compliance costs.

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

DULY and REGULARY ADOPTED this 25th day of October 2016.

Certified by:

JOSEPH T. DUENAS
CHAIRMAN

Attested by:

J. GEORGE BAMBA
SECRETARY

SECRETARY'S CERTIFICATE

I, J. George Bamba, Secretary for the Consolidated Commission on Utilities do hereby certify that the foregoing is a full, true, and correct copy of the resolution duly adopted at a regular meeting of the members of Guam's Consolidated Commission on Utilities, duly and legally held at the meeting place thereof on October 25, 2016, at which meeting of all said members had due notice and at which at least s majority thereof were present, and

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

Ayes: 3

Nays: 1

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 25th day of October, 2016.

J. GEORGE BAMBA
Secretary
Consolidated Commission on Utilities

EXHIBIT A

REVISED PROPOSAL (10/24):	CURRRENT	2017	2018	2019	2020	4 Year TOTAL
Extension for 40 MW Rent to Own (Per Annum Fixed Fees)	**$ 11,789,832**	**$ 12,991,952**	**$ 9,991,952**	**$ 11,291,952**	**$ 11,491,952**	**$ 45,767,808**
Capacity Charge	*$ 8,308,800*	*$ 6,979,392*	*$ 6,979,392*	*$ 6,979,392*	*$ 6,979,392*	*$ 27,917,568*
Shipping Charge	*$ 1,253,472*					$ -
Fixed O&M Charge	*$ 2,227,560*	*$ 2,227,560*	*$ 2,227,560*	*$ 2,227,560*	*$ 2,227,560*	*$ 8,910,240*
Emission Control Charge		*$ 285,000*	*$ 285,000*	*$ 285,000*	*$ 285,000*	*$ 1,140,000*
Emission Control Moblization		*$ 3,000,000*	*$ -*	*$ -*	*$ -*	*$ 3,000,000*
Rent-To-Own		*$ 500,000*	*$ 500,000*	*$ 1,800,000*	*$ 2,000,000*	*$ 4,800,000*
Estimated Energy Charge - Per Annum (Based on current average of 97171 MWH per annum @ $4.4/MWH)		**$ 427,550**	**$ 427,550**	**$ 427,550**	**$ 427,550**	**$ 1,710,201**
Estimated Urea Cost - Per Annum (Based on current average of 97171 MWH per annum @ **$5.8/MWH**)		**$ 563,589**	**$ 563,589**	**$ 563,589**	**$ 563,589**	**$ 2,254,356**
Total Estimate (Per Annum)		**$ 13,983,091**	**$ 10,983,091**	**$ 12,283,091**	**$ 12,483,091**	**$ 49,732,365**
Annual Savings *		$ 9,377,000	$ 9,377,000	$ 9,377,000	$ 9,377,000	$ 37,508,000
Net Annual Costs		$ 4,606,091	$ 1,606,091	$ 2,906,091	$ 3,106,091	$ 12,224,365

**Annual Savings are projected from Cabras 3&4 PMC, CIP, O&M and labor savings. It also includes fuel savings from fuel efficiencies gained over CT operations.*

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

RESOLUTION NO. 2016–62

AUTHORIZING THE MANAGEMENT OF THE GUAM POWER AUTHORITY TO EXTEND THE PERFORMANCE MANAGEMENT CONTRACTS FOR THE CABRAS 1&2 POWER PLANT

WHEREAS, the Guam Power Authority (GPA) has a five-year Performance Management Contracts for the management, operations, and maintenance of the Cabras 1&2 Plant awarded to TEMES, that commenced in October 2010; and

WHEREAS, the Performance Management Contract between GPA and TEMES for Cabras 1 & 2 expired on September 30, 2015 and through Resolution 2015-35 was approved for extension up to December 31, 2015 for an amount not to exceed $723,279.44; and

WHEREAS, through Resolution 2015-15, GPA issued a Multi-Step Bid for a Single Performance Management Contract for the Cabras 1&2 and the Cabras 3&4 Power Plants, which was subsequently cancelled due to the explosion of Cabras 3&4 Power Plant; and

WHEREAS, the Performance Management Contract between GPA and TEMES for Cabras 1&2 through Resolution 2015-62A was approved for extension up to December 31, 2016 for a total cost of $2,754,374.29; and

WHEREAS, GPA's current resource plans and regulatory compliance measures filed with the PUC for approval, indicate the retirement of the Cabras 1&2 units by 2021; and

WHEREAS, the PMC provides GPA assistance in the continued operation and maintenance of the plants, including completion of life-extension projects, and meeting availability, reliability, and efficiency standards; and

WHEREAS, the Cabras 1&2 Units provide up to 132 MW capacity, about 50% of current estimated peak demand, and it is important for GPA to ensure its availability and reliability, to ensure adequate MW capacity to support the island's energy requirements with minimal power supply interruption; and

WHEREAS, GPA believes extending the contract period for the current PMC Contract, currently awarded to TEMES, Inc., is a more practical approach given TEMES's experience in the management, operation and maintenance of Cabras 1&2 Units as well as experience working with GPA; and

WHEREAS, the GPA and TEMES have begun evaluating and improving key contract requirements and objectives; and

WHEREAS, the Authority requests for the extension of the contract from January 1, 2017 to December 31, 2020 with an additional one-year extension option from January 1, 2021 to December 31,2021, for a total of five (5) years extension period for the Cabras 1&2 PMC Contract; and

WHEREAS, approval is requested to allow the General Manager to petition the PUC to pursue a four-year extension, with additional one-year extension option, for a total of five (5) years extension period for the Cabras 1&2 PMC Contract.

NOW, THEREFORE, BE IT RESOLVED, by the CONSOLIDATED COMMISSION ON UTILITIES subject to the review and approval of the Public Utilities Commission as follows:

1. The Consolidated Commission on Utilities finds extending the current PMC Contract for Cabras 1&2 to be reasonable, prudent, and necessary for the reliable operations of the Cabras 1&2 Power Plant.

2. The General Manager is authorized to extend the contract with TEMES CT for a base extension period of four years from January 1, 2017 to December 31, 2020, with an option to extend for one additional year from January 1, 2021 to December 31, 2021, for an amount of $13,562,200 for the base period of four (4) Contract Years, and an additional $3,622,700 for the Optional one-year extension.

DULY and REGULARLY ADOPTED this 25th day of October 2016.

Certified by:

JOSEPH T. DUENAS
Chairman

Attested by:

J. GEORGE BAMBA
Secretary

SECRETARY'S CERTIFICATE

I, J. George Bamba, Secretary for the Consolidated Commission on Utilities do hereby certify that the foregoing is a full, true, and correct copy of the resolution duly adopted at a regular meeting of the members of Guam's Consolidated Commission on Utilities, duly and legally held at the meeting place thereof on October 25, 2016, at which meeting of all said members had due notice and at which at least s majority thereof were present, and

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

Ayes: 4

Nays: 0

Absent: 1

Abstain: 0

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

SO CERTIFIED this 25th day of October 2016.

J. George Bamba
Secretary
Consolidated Commission on Utilities

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COMMISSION ON UTILITIES
Guam Power Authority • Guam Waterworks Authority
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GUAM CONSOLIDATED COMMISSION ON UTILITIES

GPA RESOLUTION NO.: 2016-63

RELATIVE TO AUTHORIZING THE APPROVAL OF A BOND ISSUANCE TO REFINANCE A PORTION OF THE OUTSTANDING REVENUE BONDS

WHEREAS, the Consolidated Commission on Utilities is a body corporate a politic, organized and existing under the laws of the Government of Guam; and

WHEREAS, the Consolidated Commission on Utilities is the governing body of the Guam Power Authority ("GPA"); and

WHEREAS, GPA has been pursuing strategies for reducing debt service payments; and

WHEREAS, one strategy that has emerged as a result of historically low interest rates has been the concept of refunding portion of GPA's 2010 Series A revenue bonds for interest rate savings; and

WHEREAS, GPA expects that opportunities will arise from time to time to refund all or a portion of its other then outstanding revenue bonds for debt service savings, which is expected to result in potential savings to ratepayers; and

WHEREAS, low interest rate warrants action from the CCU; and

WHEREAS, after several months of reviewing this strategy with Barclays, GPA Bond Counsel, and GEDA, GPA believes this strategy has potential for providing significant benefit for GPA ratepayers; and

WHEREAS, this transaction will still need the approval of the Guam Legislature, GEDA, the PUC, and the Governor; and

WHEREAS, the CCU desires to pursue this plan for refund GPA's debt service costs in order to provide a net present value savings to ratepayers; and

WHEREAS, the present value of debt service on the refunding bonds shall be at least two percent (2%) less than the present value of debt service on the prior bonds, using the yield on the refunding bonds as the discount rate; and

NOW THEREFORE, BE IT RESOLVED BY THE CONSOLIDATED COMMISSION ON UTLITIES, AS THE GOVERNING BODY OF THE GUAM POWER AUTHORITY, AS FOLLOWS:

1. The General Manager and the CCU Chairman are authorized to proceed forward with the refund of outstanding revenue bonds.
2. The General Manager and CCU Chairman are authorized to petition the Public Utilities Commission for authorization to complete the bond refunding initiative.
3. The General Manager and CCU Chairman are authorized to submit the proposed bond refunding legislation to the Guam Legislature for their approval.
4. The General Manager and CCU are authorized to seek approval from the Governor and GEDA to proceed with the proposed bond refunding.

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

DULY AND REGULARLY ADOPTED AND APPROVED THIS 25TH DAY OF OCTOBER, 2016.

Certified by:

JOSEPH "JOEY" T. DUENAS
Chairperson

Attested by:

J. GEORGE BAMBA
CCU Board Secretary

SECRETARY'S CERTIFICATE

I, J. George Bamba, Secretary for the CCU do hereby certify that the foregoing is a full, true, and correct copy of the resolution duly adopted at a regular meeting of the members of Guam's CCU, duly and legally held at the meeting place thereof on October 25, 2016 at which meeting of all said members had due notice and at which at least a majority thereof were present;

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 25th day of October 2016

J. GEORGE BAMBA
Secretary
Consolidated Commission on Utilities

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Resolution No. 2016-64

Relative to Authorizing Additional Expenditures for the Dededo CT Return to Service Project

WHEREAS, the Dededo Combustion Turbine (DCT) Units 1 and 2 have not been operational since the generators failed in 2010 and 2004 respectively; and

WHEREAS, the IWPS is at a vulnerable state, lacking adequate generation reserve capacity to support the outage of a large generation unit; and

WHEREAS, the Dededo CT plant upon its rehabilitation will be used to support peak loads and base load unit outages; and

WHEREAS, the United States Air Force funded and constructed an underground transmission line to directly tie in the Dededo CT plant to the Andersen Air Force base substation to provide improved reliability; and

WHEREAS, GPA has issued a Performance Management Contract with TEMES for the rehabilitation and improved operations of GPA's combustion turbines; and

WHEREAS, TEMES has conducted an assessment of the Dededo CT Units 1 and 2 and identified the projects necessary to return the units to service for an estimated total cost of $9.7M; and

WHEREAS, rehabilitation work includes the overhaul of the generators, rotor and stator repair, water system upgrade, air cooling tower replacement, control system upgrade, switchgear replacement, black start generator repair, new DC batteries, and repair of the fire protection system; and

WHEREAS, GPA received approval from the CCU and PUC to utilize $6.36M from 1999 and 2010 bond funds and $736,000 from the 2014 bond funds for the Dededo CT Return to Service project; and

WHEREAS, an additional $2.607M has been budgeted in FY 2017 revenue CIP funds for the balance of the work necessary to restore Dededo CT units 1 and 2; and

WHEREAS, the restoration of the Dededo CT units 1 and 2 results in an average expenditure of approximately $243/kW for standby capacity which is reasonable and prudent; and

WHEREAS, the return to service is expected to be completed by March 2017 in adequate time to support the next major baseload overhaul in July 2017; and

WHEREAS, the Consolidated Commission on Utilities fully supports GPA's efforts in the recovery of the Dededo CT plant; and

WHEREAS, approval is requested to allow the General Manager to petition the PUC to approve the additional work needed for the Dededo CT return to service project at an estimated cost of $2.607 million.

NOW, THEREFORE, BE IT RESOLVED, by the CONSOLIDATED COMMISSION ON UTILITIES, subject to the review and approval of the Public Utilities Commission as FOLLOWS:

1. After careful review of the attached documents, the Consolidated Commission on Utilities finds the Dededo CT Return to Service project to be reasonable, prudent and necessary.
2. The General Manager is authorized an increase in obligating authority in the amount of $2.607 million as additional CIP revenue funds allotted to Dededo CT for FY 2017 to return the units to service. The total authority for this project increase now is $9.7M.

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

DULY and REGULARLY ADOPTED AND APPROVED THIS 25th DAY OF OCTOBER, 2016.

Certified by:

JOSEPH T. DUENAS
CHAIRMAN

Date: _____

Attested By:

J. GEORGE BAMBA
SECRETARY

Date: _____

SECRETARY'S CERTIFICATE

I, **J. George Bamba** Secretary, Consolidated Commission on Utilities hereby certifies as follows:

The foregoing is a full, true and correct copy of a resolution duly adopted at a regular meeting of the members of Guam's Consolidated Commission on Utilities, duly and legally held at the meeting place thereof on October 25, 2016, at which meeting all of said members had due notice and at which at least a majority thereof were present;

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

Ayes: 4

Nays: 0

Absent: 1

Abstain: 0

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

SO CERTIFIED this 25th day of October, 2016.

J. George Bamba
Secretary, Consolidated Commission on Utilities