EDDIE BAZA CALVO
Governor

RAY TENORIO
Lieutenant Governor

Office of the Governor of Guam

MAY 17 2018

The Honorable Benjamin J.F. Cruz
Speaker
I Mina'trentai Kuåttro Na
Liheslaturan Guåhan
Guam Congress Building
163 Chalan Santo Papa
Hagåtña, Guam 96910

GL# 34-18 - 1900
Speaker Benjamin J.F. Cruz

MAY 17 2018
Time: 2:46 [ ] AM [X] PM File No. 34-1946
Received By:

Dear Mr. Speaker:

Transmitted herewith is Bill No. 223-34 (COR), **"AN ACT TO CONSOLIDATE AND REZONE LOT NOS. 5010-1NEW, 5042-1, AND 5042-R1 IN THE MUNICIPALITY OF *DEDEDO* FROM MULTIPLE DWELLING ZONE (R2) TO LIGHT INDUSTRIAL ZONE (M1) TO ALLOW FOR THE CONSTRUCTION AND OPERATION OF A POWER GENERATION PLANT ON BEHALF OF THE GUAM POWER AUTHORITY OR ITS SUCCESSOR,"** which lapsed into law on May 16, 2018, as **Public Law 34-102.**

2018 MAY 17 PM 3:32

Senseramente,

EDDIE BAZA CALVO
Governor of Guam

I MINA'TRENTAI KUÅTTRO NA LIHESLATURAN GUÅHAN
2018 (SECOND) Regular Session

CERTIFICATION OF PASSAGE OF AN ACT TO *I MAGA'LÅHEN GUÅHAN*

This is to certify that **Bill No. 223-34 (COR), "AN ACT TO CONSOLIDATE AND REZONE LOT NOS. 5010-1NEW, 5042-1, AND 5042-R1 IN THE MUNICIPALITY OF *DEDEDO* FROM MULTIPLE DWELLING ZONE (R2) TO LIGHT INDUSTRIAL ZONE (M1) TO ALLOW FOR THE CONSTRUCTION AND OPERATION OF A POWER GENERATION PLANT ON BEHALF OF THE GUAM POWER AUTHORITY OR ITS SUCCESSOR,"** was on the 1st day of May 2018, duly and regularly passed.

Benjamin J.F. Cruz
Speaker

Attested:

Régine Biscoe Lee
Legislative Secretary

This Act was received by *I Maga'låhen Guåhan* this 3RD day of May, 2018, at 11:50 o'clock A.M.

Assistant Staff Officer
Maga'låhi's Office

APPROVED:

EDWARD J.B. CALVO
I Maga'låhen Guåhan

Date: MAY 16 2018

Public Law No. 34-102

I MINA'TRENTAI KUÅTTRO NA LIHESLATURAN GUÅHAN
2017 (FIRST) Regular Session

Bill No. 223-34 (COR)
As amended by the Committee on Environment,
Land, Agriculture, and Procurement Reform.

Introduced by: Thomas C. Ada
FRANK B. AGUON, JR.
William M. Castro
B. J.F. Cruz
James V. Espaldon
Fernando Barcinas Esteves
Régine Biscoe Lee
Tommy Morrison
Louise B. Muña
Telena Cruz Nelson
Dennis G. Rodriguez, Jr.
Joe S. San Agustin
Michael F.Q. San Nicolas
Therese M. Terlaje
Mary Camacho Torres

AN ACT TO CONSOLIDATE AND REZONE LOT NOS. 5010-1NEW, 5042-1, AND 5042-R1 IN THE MUNICIPALITY OF *DEDEDO* FROM MULTIPLE DWELLING ZONE (R2) TO LIGHT INDUSTRIAL ZONE (M1) TO ALLOW FOR THE CONSTRUCTION AND OPERATION OF A POWER GENERATION PLANT ON BEHALF OF THE GUAM POWER AUTHORITY OR ITS SUCCESSOR.

BE IT ENACTED BY THE PEOPLE OF GUAM:

Section 1. Legislative Findings and Intent. *I Liheslaturan Guåhan* finds that the Guam Power Authority (GPA) needs to have constructed a new power plant to replace aging and damaged power plants, and GPA has determined that the new power plant should be built in northern Guam.

I Liheslaturan Guåhan further finds that GPA has located a suitable site for a new power generation plant (plant) in the *Ukudu* area in the municipality of *Dededo*. The new plant will be best sited within a specific section of the *Ukudu* area due to the proximity of the GPA Harmon Substation and the Northern District Wastewater Treatment Plant, terrain characteristics, environmental considerations, and other unique factors. The plant's proximity to the Northern District Wastewater Treatment Plant will eliminate the need of up to three million (3,000,000) gallons of water daily by utilizing treated wastewater from the nearby GWA Wastewater Treatment Plant. The proposed site will reduce the significant costs related to transmission lines, construction, operations, and maintenance, and it will provide maximum reliability by also being in the proximity of the GPA *Harmon* Substation.

Although the purchase of real property is not subject to the Guam Procurement Law, GPA initially attempted to procure real property via the process prescribed in 5 GCA § 5211.

I Liheslaturan Guåhan further finds that in June 2017, GPA issued a Statement of Interest to acquire real property with certain criteria within a prescribed area of *Ukudu*. The Statement of Interest was advertised in both Guam newspapers, posted on the GPA webpage, and announced to the Guam Association of Realtors. As a result, five (5) responses were received, and two (2) were subsequently disqualified. The three (3) remaining responses were evaluated based on the criteria contained in the original Statement of Interest. GPA reviewed the responses, discussed the acquisition process, and allowed open dialogue with the remaining owners or representatives of owners. Discussions included title and appraisal information on Lot Nos. 5010-1NEW, 5042-1, and 5042-R1 in the municipality of *Dededo*, and a Purchase Contract was subsequently negotiated.

I Liheslaturan Guåhan further finds that on October 13, 2017, the Consolidated Commission on Utilities (CCU) adopted Resolution No. 2017-42, Relative to Authorizing GPA to Acquire Real Property for a 180MW Power

Generation Plant. The CCU had authorized the General Manager of GPA to execute the real property purchase agreement up to Ten Million Eight Hundred Seventy Thousand Dollars ($10,870,000), to commence rezoning efforts, and to petition the Public Utilities Commission (PUC) for approval to purchase the real property.

I Liheslaturan Guåhan further finds that all of the GPA power plants, except for one (1) of the nine (9) power plants that GPA currently operates, were constructed on military property where there are no zoning requirements, or were allowed to be built as a conditional use of the property regardless of the zoning designation. One (1) location was rezoned to Industrial Zone (M2).

Therefore, *I Liheslaturan Guåhan* intends to consolidate and rezone the properties described as Lot No. 5010-1NEW, Lot No. 5042-1, and Lot No. 5042-R1 in the municipality of *Dededo* from Multiple Dwelling Zone (R2) to Light Industrial Zone (M1) to allow for the construction and operation of GPA's new power generation plant thereon solely on behalf of the Guam Power Authority or its successor.

Section 2. Consolidation and Rezoning of Lot No. 5010-1NEW, Lot No. 5042-1, and Lot No. 5042-R1 in the Municipality of *Dededo*.

Lot No. 5010-1NEW, Lot No. 5042-1, and Lot No. 5042-R1 in the municipality of *Dededo* are hereby consolidated and rezoned from Multiple Dwelling Zone (R2) to Light Industrial Zone (M1) to allow for the construction and operation of a power generation plant solely on behalf of the Guam Power Authority or its successor.

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