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Thu, Nov 7, 2019 at 9:41 AM

11-7-19	8:00 AM	11-06-19	Meeting Materials, Minutes and Resolutions Ratified during the October 29, 2019 CCU Meeting	Consolidated Commission on Utilities	35GL-19-1208

Sinseru yan Minagåhet,

Office of the Speaker • Tina Rose Muña Barnes
Committee on Public Accountability, Human Resources & the Guam Buildup

35th Guam Legislature
I Mina'trentai Singko na Liheslaturan Guåhan

Guam Congress Building | 163 Chalan Santo Papa | Hagatna, GU 96910
T: (671) 477-2520/1
speaker@guamlegislature.org

35GL-19-1208
Speaker Tina Rose Muña Barnes

NOV 0 7 2019
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Gumai pribilehu yan konfedensia este siha na mensåhi. Solo espesiåtmente para hågu ma entensioña pat ma aturisa para unrisibi. Sen prubidu kumu ti un ma aturisa para manribisa, na'serbe, pat mandespatcha. Yanggen lachi rinisibu-mu nu este na mensåhi , put fabot ago' guatu gi I numa'huyong gi as speaker@guamlegislature.org yan despues destrosa todu siha I kopian mensåhi. Si Yu'os ma'åse'.

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Dear Governor & Speaker:

Pursuant to P.L. 31-233, attached are copies of meeting materials, minutes and resolutions that were discussed and ratified at the October 29, 2019 CCU meeting.

Respectfully,
B. Lou Sablan
CCU Board Secretary

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8 items

CCU 10.29.19_A.pdf
5.08 MB

Minutes July 18, 2019_Special GWA.pdf
364 KB

Resolution 01-FY2020 Approval of New Sigatories for GWA.pdf
63.6 KB

Resolution 02-FY2020 Approval of Creation of Utility Compliance Laboratory Administrator Position.pdf

1208

138 KB

Resolution 04-FY2020 Approval of Production Well Meter Relacement Project.pdf
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8 attachments

Resolution 2019-14 Approval of Consent Decree with USEPA.pdf
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Minutes July 18, 2019_Special GWA.pdf
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Resolution 06-FY2020 Approval of Fund Increase for Construction Mgmt. Cotract for Baza Gardens Wastewater Cross Island Pumping Conveyance System.pdf
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Resolution 05-FY2020 Approval of Tamuning Sewer Hot Spots Construciton Project.pdf
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Doc. No. 35GL-19-1208.

CONSOLIDATED COMMISSION ON UTILITIES
Guam Power Authority | Guam Waterworks Authority
P.O. Box 2977 Hagatna, Guam 96932 | (671) 648-3002 | guamccu.org

Regular Board Meeting
CCU Conference Room, Gloria B. Nelson Public Service Building
5:30 p.m., October 29, 2019

AGENDA

1. **CALL TO ORDER**

2. **APPROVAL OF MINUTES**

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

4. **GWA**
   - 4.1 GM Report
   - 4.2 Financials
   - 4.3 Resolution No. 01-FY2020 Approval of New Signatories for Guam Waterworks Authority
   - 4.4 Resolution No. 02-FY2020 Approval of the Creation of Utility Compliance Laboratory Administrator Position
   - 4.5 Resolution No. 03-FY2020 Approval of the 20th Market Percentile and GM Authority for FY2020
   - 4.6 Resolution No. 04-FY2020 Approval of Production Well Meter Replacement Project
   - 4.7 Resolution No. 05-FY2020 Approval of Tamuning Sewer Hot Spots Construction Project
   - 4.8 Resolution No. 06-FY2020 Approval of Fund Increase for Construction Mgmt. Contract for the Baza Gardens Wastewater Cross Island Pumping/Conveyance System

5. **GPA**
   - 5.1 GM Report
   - 5.2 Financials
   - 5.3 Resolution 2019-14 USEPA Consent Decree

6. **ANNOUNCEMENTS**
   - 6.1 Next CCU Meetings: GWA Work Session – 11/19/19; GPA Work Session 11/21/19; CCU Meeting – 11/26/19

7. **EXECUTIVE SESSION**
   - 7.1 Potential Litigation Matter

8. **ADJOURNMENT**

CONSOLIDATED COMMISSION ON UTILITIES
Guam Power Authority | Guam Waterworks Authority
P.O. Box 2977 Hagatna, Guam 96932 | (671) 648-3002 | guamccu.org

Special Board Meeting
CCU Conference Room, Gloria B. Nelson Public Service Building
9:00 a.m., July 18, 2019

MINUTES

1. CALL TO ORDER

The Chairman called the CCU / GWA Special Meeting of the Consolidated Commission on Utilities for July 18, 2019 to order at 9 a.m. He said four (4) Commissioners were present and that Comm. Santos was running late. This meeting was recessed several times, reconvening at these dates and times July 24, 2019 at 5 p.m., July 30, 2019 at 8 a.m., August 1, 2019 at 4:30 p.m. August 6 at 4:30 p.m. and was finally adjourned on August 9, 2019.

Others in attendance include:

Commissioners:

Joseph T. Duenas	CCU Chairman
Francis E. Santos	CCU Vice Chairman
Michael T. Limtiaco	CCU Secretary
Judith P. Guthertz	CCU Treasurer

Executive Mgmt.:

Miguel Bordallo	GM / GWA
Kelly Clark	Legal Counsel / GWA

Management & Staff:

Zina Pangelinan	Personnel Admin / GWA HR
Lou Sablan	Board Secretary / CCU

At the onset of the July 18, 2019 meeting, the Chairman announced that the purpose of the meeting is to conduct interviews and working towards the appointment of the Chief Financial Officer [CFO] for Guam Waterworks Authority. A written recommendation prepared by GWA Counsel Kelly Clark; the Chairman noted that the recommendation cited the relative law and then asked for a motion to move to Executive Session to proceed with the interviews of the CFO candidates.

Comm. Santos motioned to move to Executive Session second by Comm. Limtiaco. The vote was unanimous 4 ayes, 1 absent.

[For the record, Comm. Sanchez arrived sometime during executive session]

2. COMMUNICATIONS

2.1 Public Comments - None

2. NEW BUSINESS – None

4. ANNOUNCEMENTS

4.1 Next CCU Meetings: GPA WS; Thurs., July 18 @ 4:30 p.m.; July 23 – CCU Regular Monthly Mtg. @ 5:30 p.m.

5. EXECUTIVE SESSION

5.1 Personnel Matter: GWA CFO Interviews / Appointment

At the end of executive session, the meeting was moved back to regular session where It was discussed to recess the meeting until 5 pm., Wednesday, July 24th. The chairman called for a motion to recess.

Comm. Sanchez motioned to recess this meeting until 5 p.m., Wed., July 24th, second by Comm. Santos. The vote was unanimous – 5 ayes.

CONTINUATION of Special Board Meeting of July 18, 2019
CCU Conference Room, Gloria B. Nelson Public Service Building
Reconvened at 5:00 p.m., July 24, 2019

The Chairman called the meeting to order at 5:45 p.m. He said this meeting is a continuation meeting from July 18th which was recessed until today. He asked for a motion to move to executive session to conduct the last CFO interview

Comm. Santos motioned to move to executive session; second by Comm. Sanchez. The vote was unanimous.

Those present include:

Commissioners:

Joseph T. Duenas	CCU Chairman
Francis E. Santos	CCU Vice Chairman
Michael T. Limtiaco	CCU Secretary
Judith P. Guthertz	CCU Treasurer
Simon A. Sanchez	Commissioner

Executive Mgmt.:

Miguel Bordallo	GM / GWA

Management & Staff:

Lou Sablan	Board Secretary / CCU

After executive session, the meeting moved back to open session where the Chairman asked for the pleasure of the Commission.

There was discussion on the next steps. The Commission all agreed that they would like the GM's opinion on ranking of all the CFO candidates, in writing. It was noted that GM Bordallo was scheduled to go off island for meetings next week. Comm. Limitaco also mentioned that he would like to request for a 2nd Skype interview with

the off-island candidate. After more discussion, it was decided to ask GM Bordallo to prepare his written opinion of the all the CFO candidates and provide it to the CCU for review in his absence. It was also decided to recess this meeting and to reconvene at 8 a.m., Tues., July 30th and asked management to schedule the 2nd interview with the off-island candidate at that meeting. The Chairman called for a motion to recess.

Comm. Sanchez motioned to recess this meeting and to reconvene at 8 a.m., Tues., July 30th, second by Comm Guthertz. The motion was unanimous.

CONTINUATION of Special Board Meeting of July 18, 2019
CCU Conference Room, Gloria B. Nelson Public Service Building
Reconvened at 8:00 a.m., July 30, 2019

The Chairman called the meeting to order at 8:47 a.m. He welcomed the off island CFO candidate who was waiting to be interviewed via Skype. The Chairman said that this is a continuation of a Special Meeting of July 18, 2019 which was recessed and resumed on July 24th and then recessed and reconvened again today, July 30 .

Comm. Sanchez stated, for the record, that GWA Counsel Clark has provided at the July 18th meeting, a written recommendation, citing 5 G.C.A, Section 8111 as a basis for his recommendation to move the meeting to executive session for the purpose of the CFO interviews and that this legal recommendation is still in effect.

Comm. Sanchez motioned to move the meeting to executive session, second by Comm. Guthertz. All were in favor 4 ayes and 1 absent and the meeting moved to executive session.

Commissioners:

Joseph T. Duenas	CCU Chairman
Francis E. Santos	CCU Vice Chairman
Michael T. Limtiaco	CCU Secretary
Judith P. Guthertz	CCU Treasurer
Simon A. Sanchez	Commissioner

Management & Staff:

Lou Sablan	Board Secretary / CCU

After executive session, the meeting was moved back to open session. Comm. Sanchez said that he recommends that Legal Counsel Clark be called to join the meeting for further guidance going forward.

Comm. Santos moved for a brief recess second by Comm. Sanchez. The vote was unanimous.

After the brief recess, the meeting continued in regular session and the Chairman confirmed that all CFO candidates have been interviewed and discussion followed relative to next steps. The Chairman said we should set a date for our next continuation, where rankings will be done in executive session, with absolutely no discussion on compensation. And, for the record, the Chairman said Counsel Clark will provide a statement signed by all Commissioners to attest that compensation was not discussed in the various executive sessions related to this special meeting. Further, he said after the ranking process held in executive session, the meeting will then move back to open session where the Commission will work on a draft proposed contract to determine terms and compensation. The Chairman said this is the

methodology that will be followed and if everyone was comfortable with it. Comm. Sanchez said he had questions.

Comm Sanchez said the most important piece is the potential compensation which will be discussed in open session for any or all of the candidates. If the CCU obtains an acceptance then the CCU can work on a contract. He added that this can be the beginning of creating a standardized contract that can be used for all other (7) CCU employees. His thought re the process is to rank, reach a consensus on a leading candidate in executive session and then in open session discuss a dollar figure to offer and then authorize the Chairman to reach out to the leading candidate. The Chairman will then report back to the Commission, in a subsequent open session, to advise the body whether or not the candidate accepted, rejected or made a counter offer. Comm. Santos recommended that perhaps the Chairman could be equipped with a salary range for each of the candidates and the term of the contract/s. Comm. Limtiaco asked confirmation if the salary range to be offered the same as the one noted with the published range at the job posting and the Commissioners said it could be different. There was discussion on the salary range and the rationale for offering a different salary range for each candidate dependent on their ranking and outcome of their respective interviews – each candidate have unique strengths and experience which should tie in to the salary range being offered.

Counsel Clark said he already has a template of the contract with blanks for the salary and terms. It was mentioned that CEU's are ok to include to enable candidates to maintain their professional status, as needed. Relative to relocation costs, Comm. Sanchez said that usually this is offered only to off-island candidates and the cost is the responsibility of GWA. The discussion continued covering different aspects of the contract i.e. leave and benefits, including retirement. Relative to leave the standard offer is 30 working days. Comm. Guthertz asked if the Commission is within the law with these benefits and the response was yes with exception of health benefit which is optional. Relative to retirement, the candidate needs to participate.

It was mentioned that GM Bordallo has provided his written opinion / feedback already.

There was discussion on setting the meeting for the next continuation of this meeting. It was decided to recess this meeting and reconvene this Thurs., Aug. 1 at 4:00 p.m. for the purpose of ranking the candidates and then work on the contract.

Comm. Santos motioned to recess this meeting and reconvene on Thursday, 8/1/19 at 4 p.m., second by Comm. Guthertz.

CONTINUATION of Special Board Meeting of July 18, 2019
CCU Conference Room, Gloria B. Nelson Public Service Building
Reconvened at 4:00 p.m., August 1, 2019

The Chairman called the meeting to order at 4:09 p.m. and said that this is a continuation meeting for the CCU Special Meeting of July 18, 2019, that has been recessed and reconvened several times.

Comm Sanchez said today we will evaluate and discuss ranking with review of resume's and interviews with absolutely no discussion of any level of compensation in executive session. The ranking will develop an order of candidates where the #1 candidate will be identified.

There was discussion on the procedure to determine what to offer the leading candidate and that the chairman would approach the leading candidate with the offer and the lead time for a response. It was mentioned that the job announcement did mention a salary range. Comm. Sanchez said what if he wanted to offer the candidate more and Comm. Duenas said then this option can be discussed.

Comm. Guthertz asked that when working on the contract that what ever is noted there is conforms with the law in all aspects.

Comm. Sanchez motioned to move the meeting to executive session, second by Comm. Guthertz. The vote was unanimous.

Those present included:

Commissioners:

Joseph T. Duenas	CCU Chairman
Francis E. Santos	CCU Vice Chairman
Michael T. Limtiaco	CCU Secretary
Judith P. Guthertz	CCU Treasurer
Simon A. Sanchez	Commissioner

Executive Mgmt.:

Miguel Bordallo	GM / GWA
Kelly Clark	Legal Counsel

Management & Staff:

Zina Pangelinan	Personnel Admin. / GWA HR
Lou Sablan	Board Secretary / CCU

After executive session, the meeting was moved back to open session. The Chairman announced that the meeting is now back in regular session said that the Commission has a leading candidate for CFO for GWA. The next phase will now be to discuss salary and contract.

Comm. Sanchez said the job announcement listed the pay at $129,762 min. - $135,031 max per annum at the 10th percentile. The Chairman pointed to a sheet provided by HR that indicates the 15th, 20th and 25th percentile. The chairman said that both GPA and GWA has committed to move to the 50th percentile but there was never a timeframe defined. Comm. Sanchez said back in 2008 GWA was at the 5th percentile. The policy goal was that over an unspecified time and balancing the need to keep rates affordable for ratepayers, and be able to attract and retain professionals, the Commission wanted to create a wage plan and a path forward. Today, 10 years later, we have migrated the average wage to the 10th percentile at GWA and 15th percentile for GPA. Getting to the 50th percentile is a migration process – wage surveys are done periodically and the process is a policy call. That said, we do have a wage plan. Chairman said for the record that the former CFO for GWA was slightly over the 25th percentile at $147, 950k.

Comm. Guthertz asked how much time does it take to gravitate to these percentiles. Comm. Sanchez said it's been creeping up since 2008. He said pay for performance was the basis initially and what's morphed is that after the annual review an adjustment was initiated and added to their base pay. Having done this, we have since migrated from the 5th to the 10th percentile by just having these

periodic reviews. Many of the senior management is way above the 10th percentile and some others were way below. For FY2019 the Commission then asked GWA management to bring everyone below 10th percentile; those at the 10th percentile remained. With GPA everyone below 15th percentile was brought up; everyone at the 15th percentile stayed.

Comm. Guthertz asked why can't we offer the minimum and the response was this is an option.

Comm. Limtiaco said re GWA's 5-year rate plan, what was the salary range indicated there and the Chairman responded that the former predecessors base pay of $147,950 was budgeted for this position, base pay only, not including benefits.

Discussion followed on the salary range for the lead CFO. Comm. Guthertz recommended to begin with the 15th percentile; Comm. Limtiaco said another consideration could be the high end of the 10th percentile. Comm. Guthertz asked what level was the GPA CFO the response was $137k.

Comm. Guthertz moved to offer the advertised minimum of $129,762, second by Comm Limtiaco. Vote was taken by show of hands. There were 2 ayes and the motion failed.

Comm. Sanchez said he is looking at the high end of the 15th percentile at $137,745. This moves this position to the 15th percentile.

Comm. Sanchez motioned to offer the lead CFO candidate $137,745, second by Comm. Santos

In discussion Comm. Limtiaco said that these positions had job announcement and there was a known range of salaries noted there. That said, the expectation of something other than this range does not exist. Comm. Sanchez said he picked $137.745 because it is close to GPA's CFO.

On the motion, by show of hands, there were three (3) ayes and the vote was in favor. The motion to offer the lead CFO candidate $137,745 passed.

The Commission then discussed the contract for the lead candidate. The body worked with the template of a contract section by section. Some Key parts of the contract that were discussed include the following:

Term of contract – 3 years and may be renewed subject to mutual consent and could be terminated by the parties.

Employee agrees to give 40 hours a week minimum to the business of GWA

The CFO will manage the day to day financial operations of GWA and help set the priorities of GWA in ccordination with the General Manager

The employee shall take the Ethics in Government Class every two (2) years

The employee serves at the pleasure of the CCU and shall receive direction and report administratively to the General Manager

CFO benefits include compensation, incentives and the standard government benefits as provided by law

Personal leave is 30 working days

All leave requests must be approved by the General Manager with concurrence of the Chairman of the CCU

Termination of contract may be by mutual agreement, early termination or for cause

Severance is negotiable

Upon termination, any breech of work products proprietary to GWA will forfeit severance

Effective start date is 30 days

It was decided that a letter of offer will be drafted by Legal Counsel for the Chairman to present to the lead candidate. Counsel will also amend the contract as discussed for ratification at the next meeting.

Comm. Limtiaco motioned to recess this meeting until 4:30 p.m., August 6th; second by Comm. Sanchez. There was no further discussion or objection and the meeting was recessed.

Continuation of Special Board Meeting of July 18, 2019
CCU Conference Room, Gloria B. Nelson Public Service Building
Reconvened at 4:30 p.m., August 6, 2019

The Chairman called the meeting to order at 4:43 p.m. He stated for the record that this is a continuation of the Special Meeting of July 18, 2019 which has been recessed and reconvened several times.

Commissioners:

Joseph T. Duenas	CCU Chairman
Francis E. Santos	CCU Vice Chairman
Michael T. Limtiaco	CCU Secretary
Judith P. Guthertz	CCU Treasurer
Simon A. Sanchez	Commissioner

Executive Mgmt.:

Miguel Bordallo	GM / GWA
Kelly Clark	Legal Counsel / GWA

Management & Staff:
Lou Sablan Board Secretary / CCU

The Chairman said that he presented an offer letter to the GWA CFO lead candidate which he sent To all 5 commissioners. He reported that the candidate has accepted the offer and with one specific request – to report to work on Sept. 30 – the start off the pay period for GWA. The offer letter noted the report date as 30 days. He told the candidate that a contract was being drafted and there was an offer and an acceptance but nothing is binding until contract is signed.

There was discussion on how to proceed. Comm. Sanchez said today the Commission will outlay the final terms of the contract and any changes to the offer.

At this point Legal Counsel presented the amended draft based on the discussion from the last meeting. The Commission reviewed the contract section by section to ensure that all the requested changes are correctly made.

Relative to the start date of the lead candidate, Comm. Guthertz moved to accept the counter offer by the lead candidate of Sept. 30; second by Comm. Limtiaco.

In discussion, Comm. Sanchez said he agrees that this is reasonable that even if the Commission considers to move to the next highest candidate, that candidate would not be able to be on Guam before Sept. 30th anyway. He asked if management can wait for Sept. 30th as the start date for the new CFO. Discussion followed on the pending financial matters at GWA the GM confirmed that waiting until Sept 30 will not jeopardize any financial matters at GWA.

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

The Commission continued to review the contract and made other minor changes.
Comm. Limtiaco motioned to add to the section under salary that any adjustment to the salary of the employee shall be based on annual performance evaluation to be conducted in open session of the CCU as prescribed by CCU Policy and shall be documented by this agreement; second by Comm. Sanchez.

Comm. Guthertz said she has a problem with this amendment and thinks this may be against the law because evaluations are private and should not be released to the public.

Comm Sanchez said if the candidate agrees to waive their right then this will satisfy any issues relative to law. He said he wants the public to know the reasons why we think our managers deserve a raise or if no raise, why.

Legal Counsel said he spoke to outside counsel about this they are of the opinion that the waiver clause should not be in the contract because it infringes on one's statutory privacy right.

There was very lengthy discussion relative to evaluations and whether they should be released in open session at the end of the discussion the Commission did not reach a consensus. It was decided to finish review of the draft contract and resume relative discussion at another meeting.

Comm. Chairman said he withdrew his amendment to the motion relative to waiving of employee statutory rights.

On the main motion the vote was 2 yes, 3 no and the motion failed.

Upon completion of the review of the contract, Legal Counsel was tasked to make the additional amendments to the contract.

Comm. Guthertz motioned to recess meeting until 5:00 p.m., August 9; second by Comm. Sanchez. There was no objection and the motion passed unanimously.

Special Board Meeting July 18, 2019
CCU Conference Room, Gloria B. Nelson Public Service Building
Reconvened at 5:00 p.m., August 9, 2019

Chairman Duenas called the meeting to order at 5:10 p.m. He said that this is the continuation of the July 18th Special Meeting. He called for a motion to move the meeting to executive session to discuss a matter that has come up since the last meeting.

Those present include:

Commissioners:	
Joseph T. Duenas	CCU Chairman
Francis E. Santos	CCU Vice Chairman
Michael T. Limtiaco	CCU Secretary
Judith P. Guthertz	CCU Treasurer
Simon A. Sanchez	Commissioner
Executive Mgmt.:	
Miguel Bordallo	GM / GWA
Kelly Clark	**Legal Counsel**

Comm. Santos motioned to move the meeting to Executive Session, second by Comm. Guthertz. There was no objection.

After executive session discussion the meeting moved back to regular session. It was 5:27 p.m.

The Chairman said all suggested changes were made to the contract as discussed and needs a motion to adopt contract for the GWA CFO.

Comm. Guthertz moved to adopt the contract as amended, second by Comm. Santos. On the motion there were 4 ayes and 1 absent. The motioned carried.

The contract was adopted and the Chairman said he would get it signed by the CFO candidate tomorrow and make the announcement shortly thereafter.

6. ADJOURNMENT

There being no other business to bring before the Commission, the meeting adjourned at 5:28 p.m.

\\s\\
Bls

Attested

_____ _____

JOSEPH T. DUENAS, Chairman MICHAEL T. LIMTIACO Secretary

GUAM WATERWORKS AUTHORITY
SEPTEMBER 30, 2019
FINANCIAL AND RELATED REPORTS
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GUAM WATERWORKS AUTHORITY
Balance Sheet
September 30, 2019

SCHEDULE A

ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	Unaudited September 30, 2019	Audited September 30, 2018	Increase (Decrease)
Current Assets			
Cash			
Unrestricted (Schedule F)	4,962,086	3,094,379	1,867,707
Restricted Funds (Schedule F)	86,441,373	84,228,994	2,212,379
Accounts Receivable Trade, Net of Allowance for Doubtful Receivables of $7,789,943 at Sep 30, 2019 and $5,516,077 at Sep 30, 2018	14,102,594	16,610,663	(2,508,069)
Federal Receivable	3,711,435	3,837,148	(125,713)
Other Receivable	1,800,184	1,330,798	469,386
Materials & Supplies Inventory, Net of Allowance for Obsolescence of $64,131 at Sep 30, 2019 and $64,131 at Sep 30, 2018	3,897,068	3,342,557	554,511
Total Current Assets	114,914,739	112,444,539	2,470,201
Property, Plant and Equipment			
Utility plant in service			
Water system	378,813,928	348,812,303	30,001,625
Wastewater system	300,467,162	300,053,427	413,735
Non-utility property	22,412,576	21,720,023	692,553
Total property	701,693,666	670,585,753	31,107,913
Less Accumulated Depreciation	(324,318,849)	(303,019,447)	(21,299,402)
Land	3,914,815	3,681,120	233,695
Construction Work in Progress	237,909,919	178,443,926	59,465,993
Property, Plant and Equipment, net	619,199,551	549,691,353	69,508,198
Other noncurrent assets			
Restricted cash (Schedule F)	109,937,511	159,753,667	(49,816,155)
Investments (Schedule F)	43,808,664	43,097,913	710,751
Other Prepaid Expenses	1,547,424	677,828	869,596
Total other noncurrent assets	155,293,599	203,529,408	(48,235,808)
Total Assets	889,407,889	865,665,300	23,742,591
Deferred outflows of resources			
Debt defeasance due to bond refunding	11,976,385	12,810,787	(834,402)
Deferred outflows from pension	4,233,025	4,220,075	12,950
Deferred outflows from OPEB	9,070,814	9,070,814	(0)
Total Assets and Deferred Outflows of Resources	**914,688,113**	**891,766,976**	**22,921,139**
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET ASSETS			
Current Liabilities			
Current maturities of long-term debt			
Series 2010 Bond	1,895,000	1,800,000	95,000
Series 2013 Bond	2,695,000	-	2,695,000
Series 2014 Refunding	3,760,000	3,620,000	140,000
Series 2016 Bond	420,000	-	420,000
Series 2017 Refunding	-	295,000	(295,000)
Notes Payable	2,319,108	3,203,870	(884,762)
Accounts Payable -Trade	3,988,567	4,467,102	(478,535)
Accrued and Other Liabilities	1,120,603	1,081,895	38,708
Interest Payable	6,359,303	6,427,669	(68,366)
Accrued Payroll and Employee Benefits	1,585,164	1,608,219	(23,056)
Accrued Annual Leave	1,054,545	1,059,161	(4,616)
Current portion of employee annual leave	584,204	607,382	(23,178)
Contractors' Payable	18,995,122	25,680,792	(6,685,670)
Customer and Other Deposits	2,329,296	2,131,242	198,054
Total Current Liabilities	47,105,912	51,982,332	(4,876,420)
		-	-
Long Term Debt, less current maturities			
Series 2010 Revenue Bond	-	1,895,000	(1,895,000)
Series 2013 Revenue Bond	169,935,000	172,630,000	(2,695,000)
Series 2014 Refunding Bond	65,140,000	68,900,000	(3,760,000)
Series 2016 Revenue Bond	142,890,000	143,310,000	(420,000)
Series 2017 Refunding Bond	107,365,000	107,365,000	-
Unamortized Bond Premium/Discount	31,863,590	33,300,619	(1,437,028)
Notes Payable	0	2,325,154	(2,325,154)
Net pension liability	45,451,352	45,451,352	-
Net OPEB obligation	88,950,661	88,950,661	-
Employee Annual Leave, Less Current Portion	838,545	822,821	15,723
Total Liabilities	699,540,059	716,932,939	(17,392,879)
Deferred inflows of resources:			
Deferred inflows from pension	1,870,115	1,857,164	12,951
Deferred inflows from OPEB	8,741,900	8,741,900	(0)
Total Liabilities and Deferred Inflows of Resources	710,152,074	727,532,003	(17,379,929)
Net Assets	**204,536,039**	**164,234,973**	**40,301,066**
Total Liabilities, Deferred Inflows of Resources and Net Assets	**914,688,113**	**891,766,976**	**22,921,138**

GUAM WATERWORKS AUTHORITY
Statement of Operations and Retained Earnings **SCHEDULE B**
Comparative Budget vs. Actual for the period ending September 30, 2019

	Month to Date		Variance
	Budget September-19	Actual (Unaudited) September-19	Favorable / (Unfavorable)
OPERATING REVENUES			
Water Revenues	5,813,246	6,210,084	396,838
Wastewater Revenues	3,247,265	3,613,739	366,474
Legislative Surcharge	294,667	323,549	28,883
Other Revenues	38,254	71,844	33,590
System Development Charge	97,773	95,301	(2,472)
Total Operating Revenues	9,491,205	10,314,517	823,312
OPERATING AND MAINTENANCE EXPENSES			
Water Purchases	550,577	549,616	961
Power Purchases	1,368,315	1,402,841	(34,526)
Total Utility Costs	1,918,892	1,952,457	(33,564)
Salaries and Wages	1,782,365	1,380,626	401,739
Pension and Benefits	562,238	440,599	121,639
Total Salaries and Benefits	2,344,603	1,821,225	523,378
Capitalized Labor and Benefits	(308,333)	(312,703)	4,369
Net Salaries and Benefits	2,036,269	1,508,522	527,747
Administrative and General Expenses			
Sludge removal	67,771	67,566	205
Chemicals	185,801	436,950	(251,149)
Materials & Supplies	168,006	167,972	34
Transportation	132,248	176,001	(43,753)
Communications	9,454	8,721	733
Claims	14,017	13,964	53
Insurance	79,461	77,860	1,601
Training & Travel	30,417	64,679	(34,262)
Advertising	12,500	8,679	3,821
Miscellaneous	105,632	105,048	584
Regulatory Expense	25,029	55,366	(30,337)
Bad Debts Provision	144,148	199,068	(54,920)
Total Administrative and General Expense	974,483	1,381,873	(407,390)
Depreciation Expense	1,759,065	1,928,015	(168,950)
Contractual Expense			
Audit & Computer Maint.	58,783	248,791	(190,008)
Building rental	38,361	47,180	(8,819)
Equipment rental	79,980	265,060	(185,080)
Legal	512	1,200	(688)
Laboratory	34,862	31,734	3,128
Other	213,458	577,102	(363,645)
Total Contractual Expense	425,956	1,171,067	(745,111)
Retiree Supp. Annuities and health care costs	249,871	243,570	6,300
Contribution to Government of Guam	51,975	50,000	1,975
Total Retiree Benefits	301,846	293,570	8,275
Total Operating Expenses	7,416,512	8,235,504	(818,993)
Earnings (Loss) from Operations	2,074,693	2,079,013	4,320
Interest Income-2010/13/14/16/17 Series Bond	84,943	227,104	142,161
Interest Income-Other Funds	13,856	57,446	43,589
Interest Income-SDC	2,072	13,473	11,401
Interest Expense- 2010/13/14/16/17 Series Bond	(2,387,785)	(2,117,099)	270,686
Interest Expense- ST BOG	(19,762)	(18,823)	939
Federal Expenditures	-	-	-
Loss on Asset Disposal	-	-	-
AFUDC	1,157,306	1,157,306	0
Amortization of Discount, Premium and Issuance Costs	(17,798)	119,970	137,768
Defeasance due to bond refunding	(16,201)	(69,534)	(53,333)
Deferred outflows from pension	-	-	-
Prior Year Adjustment	-	(396,187)	(396,187)
Total non-operating revenues (expenses)	(1,183,369)	(1,026,344)	157,025
Net Income (Loss) before capital contributions	891,324	1,052,669	161,345
Capital Contributions			
Grants from US Government	5,533,205	6,683,444	1,150,239
Grants from GovGuam & Others	-	109,962	109,962
Total Capital Contributions	5,533,205	6,793,406	1,260,201
Change in Net Assets	6,424,529	7,846,075	1,421,546
Debt Service Calculation			
Earnings From Operations	2,074,693	2,079,013	
System Development Charge	(97,773)	(95,301)	
Retiree COLA	51,975	50,000	
Interest/Investment Income	13,856	57,446	
Depreciation	1,759,065	1,928,015	
Balance Available for Debt Service per Section 6.12	3,801,817	4,019,172	
Working Capital Reserve Available for Debt Service	934,811	963,645	
Transfer to Working Capital- Debt Service Reserve	-	-	
Transfer to Working Capital- O&M Reserve	-	-	
Balance Available for Debt Service inclusive of reserves	4,736,628	4,982,817	
Debt Service			
Principal	476,250	476,250	
Interest	2,137,785	2,137,785	
Total	2,614,035	2,614,035	
Debt Service Coverage (1.25X)- per Section 6.12 (Indenture)	1.45	1.54	
Debt Service Coverage (1.75X) inclusive of reserves (PUC)	1.81	1.91	

GUAM WATERWORKS AUTHORITY
Statement of Operations and Retained Earnings
Comparative for the period ending September 30, 2019 and 2018

SCHEDULE C

	Month to Date		Variance
	Actual (Unaudited) September-19	Actual (Audited) September-18	Increase / (Decrease)
OPERATING REVENUES			
Water Revenues	6,210,084	5,531,297	678,787
Wastewater Revenues	3,613,739	3,191,784	421,955
Legislative Surcharge	323,549	289,209	34,340
Other Revenues	71,844	43,294	28,550
System Development Charge	95,301	89,249	6,052
Total Operating Revenues	10,314,517	9,144,833	1,169,684
OPERATING AND MAINTENANCE EXPENSES			
Water Purchases	549,616	723,748	(174,132)
Power Purchases	1,402,841	1,223,874	178,967
Total Utility Costs	1,952,457	1,947,622	4,835
Salaries and Wages	1,380,626	1,464,423	(83,797)
Pension and Benefits	440,599	376,266	64,333
Total Salaries and Benefits	1,821,225	1,840,689	(19,464)
Capitalized Labor and Benefits	(312,703)	(296,147)	(16,556)
Net Salaries and Benefits	1,508,522	1,544,542	(36,020)
Administrative and General Expenses			
Sludge removal	67,566	125,638	(58,071)
Chemicals	436,950	182,625	254,325
Materials & Supplies	167,972	180,995	(13,023)
Transportation	176,001	64,001	112,000
Communications	8,721	14,756	(6,034)
Claims	13,964	10,803	3,160
Insurance	77,860	76,005	1,855
Training & Travel	64,679	22,652	42,027
Advertising	8,679	14,226	(5,547)
Miscellaneous	105,048	84,564	20,484
Regulatory Expense	55,366	22,121	33,245
Bad Debts Provision	199,068	180,246	18,822
Total Administrative and General Expense	1,381,873	978,632	403,241
Depreciation Expense	1,928,015	1,606,687	321,327
Contractual Expense			
Audit & Computer Maint.	248,791	58,815	189,976
Building rental	47,180	36,603	10,577
Equipment rental	265,060	89,207	175,853
Legal	1,200	-	1,200
Laboratory	31,734	34,441	(2,707)
Other	577,102	200,655	376,447
Total Contractual Expense	1,171,067	419,721	751,346
Retiree Supp. Annuities and health care costs	243,570	662,581	(419,010)
Contribution to Government of Guam	50,000	49,833	167
Total Retiree Benefits	293,570	712,414	(418,844)
Total Operating Expenses	8,235,504	7,209,618	1,025,886
Earnings (Loss) from Operations	2,079,013	1,935,214	143,798
Interest Income-2010/13/14/16/17 Series Bond	227,104	255,374	(28,270)
Interest Income-Other Funds	57,446	45,645	11,801
Interest Income-SDC	13,473	13,852	(379)
Interest Expense- 2010/13/14/16/17 Series Bond	(2,117,099)	(2,177,468)	60,369
Interest Expense- ST BOG	(18,823)	(30,702)	11,879
Federal Expenditures	-	(62,220)	62,220
Loss on Asset Disposal	-	(162,136)	162,136
AFUDC	1,157,306	1,041,766	115,540
Amortization of Discount, Premium and Issuance Costs	119,970	(42,691)	162,661
Defeasance due to bond refunding	(69,534)	(62,043)	(7,490)
Deferred outflows from pension	-	32,592	(32,592)
Prior Year Adjustment	(396,187)	13,219	(409,406)
Total non-operating revenues (expenses)	(1,026,344)	(1,134,813)	108,469
Net Income (Loss) before capital contributions	1,052,669	800,402	252,267
Capital Contributions			
Grants from US Government	6,683,444	1,244,712	5,438,733
Grants from GovGuam & Others	109,962	22,681	87,282
Total Capital Contributions	6,793,406	1,267,392	5,526,014
Change in Net Assets	7,846,075	2,067,794	5,778,281
Debt Service Calculation			
Earnings From Operations	2,079,013	1,935,214	
System Development Charge	(95,301)	(89,249)	
Retiree COLA	50,000	49,833	
Interest/Investment Income	57,446	45,645	
Depreciation	1,928,015	1,606,687	
Balance Available for Debt Service per Section 6.12	4,019,172	3,548,131	
Working Capital Reserve Available for Debt Service	963,645	945,164	
Transfer to Working Capital- Debt Service Reserve	-	-	
Transfer to Working Capital- O&M Reserve	-	-	
Balance Available for Debt Service inclusive of reserves	4,982,817	4,493,295	
Debt Service			
Principal	476,250	433,333	
Interest	2,137,785	1,794,910	
Total	2,614,035	2,228,243	
Debt Service Coverage (1.25X)- per Section 6.12 (Indenture)	1.54	1.59	
Debt Service Coverage (1.75X) inclusive of reserves (PUC)	1.91	2.02	

GUAM WATERWORKS AUTHORITY
Statement of Operations and Retained Earnings **SCHEDULE D**
Comparative Budget vs. Actual for the period ending September 30, 2019

	Year to Date		Variance
	Budget September-19	Actual (Unaudited) September-19	Favorable / (Unfavorable)
OPERATING REVENUES			
Water Revenues	69,758,957	67,982,729	(1,776,228)
Wastewater Revenues	38,967,180	39,509,408	542,228
Legislative Surcharge	3,536,002	3,557,886	21,884
Other Revenues	459,046	679,022	219,976
System Development Charge	1,173,270	885,513	(287,757)
Total Operating Revenues	113,894,455	112,614,558	(1,279,897)
OPERATING AND MAINTENANCE EXPENSES			
Water Purchases	6,850,926	6,277,864	573,062
Power Purchases	16,175,781	16,150,781	25,000
Total Utility Costs	23,026,707	22,428,645	598,062
Salaries and Wages	21,388,381	19,236,842	2,151,539
Pension and Benefits	6,746,853	6,143,580	603,272
Total Salaries and Benefits	28,135,234	25,380,423	2,754,811
Capitalized Labor and Benefits	(3,700,000)	(3,342,006)	(357,994)
Net Salaries and Benefits	24,435,234	22,038,417	2,396,817
Administrative and General Expenses			
Sludge removal	1,335,255	1,333,887	1,368
Chemicals	2,484,617	2,483,616	1,001
Materials & Supplies	2,238,267	2,237,778	488
Transportation	768,771	767,508	1,262
Communications	180,650	161,837	18,813
Claims	101,000	196,334	(95,334)
Insurance	928,530	915,426	13,104
Training & Travel	365,000	331,631	33,368
Advertising	150,000	122,077	27,923
Miscellaneous	1,111,581	1,010,924	100,657
Regulatory Expense	300,348	238,159	62,189
Bad Debts Provision	1,729,779	2,217,121	(487,342)
Total Administrative and General Expense	11,693,797	12,016,299	(322,502)
Depreciation Expense	21,108,780	21,299,402	(190,622)
Contractual Expense			
Audit & Computer Maint.	921,400	921,082	318
Building rental	423,832	423,622	210
Equipment rental	1,042,755	1,339,391	(296,635)
Legal	12,145	11,954	191
Laboratory	149,849	148,551	1,298
Other	2,561,490	2,995,169	(433,679)
Total Contractual Expense	5,111,471	5,839,769	(728,298)
Retiree Supp. Annuities and health care costs	2,998,450	2,857,156	141,294
Contribution to Government of Guam	623,700	600,000	23,700
Total Retiree Benefits	3,622,150	3,457,156	164,994
Total Operating Expenses	88,998,139	87,079,688	1,918,451
Earnings (Loss) from Operations	24,896,316	25,534,870	638,554
Interest Income-2010/13/14/16/17 Series Bond	1,019,316	3,944,340	2,925,024
Interest Income-Other Funds	166,274	829,754	663,479
Interest Income-SDC	24,862	179,291	154,429
Interest Expense- 2010/13/14/16/17 Series Bond	(28,653,415)	(25,591,358)	3,062,057
Interest Expense- ST BOG	(237,144)	(203,775)	33,369
Federal Expenditures	-	-	-
Loss on Asset Disposal	-	-	-
AFUDC	13,887,666	13,887,672	6
Amortization of Discount, Premium and Issuance Costs	(213,575)	1,437,028	1,650,603
Defeasance due to bond refunding	(194,412)	(834,407)	(639,995)
Deferred outflows from pension	-	-	-
Prior Year Adjustment	-	(683,787)	(683,787)
Total non-operating revenues (expenses)	(14,200,427)	(7,035,242)	7,165,185
Net Income (Loss) before capital contributions	10,695,889	18,499,628	7,803,738
Capital Contributions			
Grants from US Government	66,398,461	21,610,198	(44,788,263)
Grants from GovGuam & Others	-	191,241	191,241
Total Capital Contributions	66,398,461	21,801,439	(44,597,022)
Change in Net Assets	77,094,350	40,301,066	(36,793,284)
Debt Service Calculation			
Earnings From Operations	24,896,316	25,534,870	
System Development Charge	(1,173,270)	(885,513)	
Retiree COLA	623,700	600,000	
Interest/Investment Income	166,274	829,754	
Depreciation	21,108,780	21,299,402	
Balance Available for Debt Service per Section 6.12	45,621,800	47,378,513	
Working Capital Reserve Available for Debt Service	11,217,733	11,563,736	
Transfer to Working Capital- Debt Service Reserve	-	-	
Transfer to Working Capital- O&M Reserve	-	-	
Balance Available for Debt Service inclusive of reserves	56,839,534	58,942,249	
Debt Service			
Principal	5,715,000	5,715,000	
Interest	25,653,415	25,653,415	
Total	31,368,415	31,368,415	
Debt Service Coverage (1.25X)- per Section 6.12 (Indenture)	1.45	1.51	
Debt Service Coverage (1.75X) inclusive of reserves (PUC)	1.81	1.88	

GUAM WATERWORKS AUTHORITY
Statement of Operations and Retained Earnings
Comparative for the period ending September 30, 2019 and 2018

SCHEDULE E

	Year to Date Actual (Unaudited) September-19	Actual (Audited) September-18	Variance Increase / (Decrease)
OPERATING REVENUES			
Water Revenues	67,982,729	66,375,564	1,607,166
Wastewater Revenues	39,509,408	38,301,405	1,208,003
Legislative Surcharge	3,557,886	3,470,508	87,378
Other Revenues	679,022	519,529	159,493
System Development Charge	885,513	1,070,985	(185,472)
Total Operating Revenues	112,614,558	109,737,991	2,876,567
OPERATING AND MAINTENANCE EXPENSES			
Water Purchases	6,277,864	8,684,974	(2,407,110)
Power Purchases	16,150,781	14,686,486	1,464,295
Total Utility Costs	22,428,645	23,371,460	(942,815)
Salaries and Wages	19,236,842	17,573,080	1,663,762
Pension and Benefits	6,143,580	4,515,192	1,628,388
Total Salaries and Benefits	25,380,423	22,088,272	3,292,151
Capitalized Labor and Benefits	(3,342,006)	(3,553,764)	211,758
Net Salaries and Benefits	22,038,417	18,534,508	3,503,909
Administrative and General Expenses			
Sludge removal	1,333,887	1,507,654	(173,766)
Chemicals	2,483,616	2,191,505	292,111
Materials & Supplies	2,237,778	2,171,938	65,840
Transportation	767,508	768,010	(502)
Communications	161,837	177,066	(15,229)
Claims	196,334	129,641	66,692
Insurance	915,426	912,061	3,365
Training & Travel	331,631	271,825	59,806
Advertising	122,077	170,709	(48,632)
Miscellaneous	1,010,924	1,014,769	(3,845)
Regulatory Expense	238,159	265,454	(27,295)
Bad Debts Provision	2,217,121	2,162,950	54,171
Total Administrative and General Expense	12,016,299	11,743,583	272,716
Depreciation Expense	21,299,402	19,280,249	2,019,153
Contractual Expense			
Audit & Computer Maint.	921,082	705,780	215,302
Building rental	423,622	439,236	(15,614)
Equipment rental	1,339,391	1,070,482	268,909
Legal	11,954	-	11,954
Laboratory	148,551	413,296	(264,745)
Other	2,995,169	2,407,858	587,311
Total Contractual Expense	5,839,769	5,036,651	803,118
Retiree Supp. Annuities and health care costs	2,857,156	7,950,967	(5,093,811)
Contribution to Government of Guam	600,000	598,000	2,000
Total Retiree Benefits	3,457,156	8,548,967	(5,091,811)
Total Operating Expenses	87,079,688	86,515,419	564,270
Earnings (Loss) from Operations	25,534,870	23,222,572	2,312,298
Interest Income-2010/13/14/16/17 Series Bond	3,944,340	3,064,490	879,850
Interest Income-Other Funds	829,754	547,738	282,016
Interest Income-SDC	179,291	166,221	13,070
Interest Expense- 2010/13/14/16/17 Series Bond	(25,591,358)	(26,129,613)	538,255
Interest Expense- ST BOG	(203,775)	(368,427)	164,652
Federal Expenditures	-	(746,644)	746,644
Loss on Asset Disposal	-	(1,945,630)	1,945,630
AFUDC	13,887,672	12,501,196	1,386,476
Amortization of Discount, Premium and Issuance Costs	1,437,028	(512,295)	1,949,323
Defeasance due to bond refunding	(834,407)	(744,522)	(89,886)
Deferred outflows from pension	-	391,104	(391,104)
Prior Year Adjustment	(683,787)	158,629	(842,416)
Total non-operating revenues (expenses)	(7,035,242)	(13,617,752)	6,582,510
Net Income (Loss) before capital contributions	18,499,628	9,604,820	8,894,808
Capital Contributions			
Grants from US Government	21,610,198	14,936,541	6,673,656
Grants from GovGuam & Others	191,241	272,166	(80,925)
Total Capital Contributions	21,801,439	15,208,707	6,592,731
Change in Net Assets	40,301,066	24,813,527	15,487,539
Debt Service Calculation			
Earnings From Operations	25,534,870	23,222,572	
System Development Charge	(885,513)	(1,070,985)	
Retiree COLA	600,000	598,000	
Interest/Investment Income	829,754	547,738	
Depreciation	21,299,402	19,280,249	
Balance Available for Debt Service per Section 6.12	47,378,513	42,577,574	
Working Capital Reserve Available for Debt Service	11,563,736	11,341,967	
Transfer to Working Capital- Debt Service Reserve	-	-	
Transfer to Working Capital- O&M Reserve	-	-	
Balance Available for Debt Service inclusive of reserves	58,942,249	53,919,541	
Debt Service			
Principal	5,715,000	5,200,000	
Interest	25,653,415	21,538,920	
Total	31,368,415	26,738,920	
Debt Service Coverage (1.25X)- per Section 6.12 (Indenture)	1.51	1.59	
Debt Service Coverage (1.75X) inclusive of reserves (PUC)	1.88	2.02	

GUAM WATERWORKS AUTHORITY
Restricted and Unrestricted Cash Summary
FY2019

SCHEDULE F

Description	Unaudited September 30, 2019	Audited September 30, 2018	Increase (Decrease)
UNRESTRICTED			
Change Fund	2,000	2,000	-
Petty Cash	4,450	5,000	(550)
BOG Deposit Accounts	4,955,636	3,087,379	1,868,257
Sub-total Unrestricted	**4,962,086**	**3,094,379**	**1,867,707**
RESTRICTED			
ANZ Bank	368	-	368.18
Bank Pacific	12,321	11,864	457
Bank of Hawaii	220,486	189,144	31,341
Community First FCU	2,530	4,392	(1,862)
First Hawaiian Bank	11,761	22,105	(10,344)
Bank Pacific Surcharge	302,801	298,898	3,903
Bank Pacific Escrow Deposit	836,425	660,254	176,171
BOG Customer Refunds	1,871,553	1,860,120	11,432
BOG Emergency Reserve Fund	6,237	6,229	7
BOG Sewer Hookup Revolving Fund	67,094	65,499	1,595
BOG Subordinate Security Fund	859,233	859,233	-
BOG Operation and Maintenance Fund	3,083,482	3,083,482	-
BOG OMRRRF Fund	17,423,213	17,423,213	-
BOG Revenue Trust	1,113,329	360,569	752,760
BOG Revenue Trust Fund	7,613,000	6,535,779	1,077,221
BOG Capital Improvement Revenue Fund	1,001,292	1,582,278	(580,986)
BOG O & M Reserve	13,933,323	13,666,109	267,214
BOG Debt Service Reserve	11,563,736	11,341,967	221,770
BOG CapEx Fund	17,244,823	16,073,011	1,171,812
	77,167,007	**74,044,146**	**3,122,861**
BOG - SDC Deposit	2,024,365	2,934,848	(910,482)
BOG - SDC CDs	7,250,000	7,250,000	-
Total SDC	**9,274,365**	**10,184,848**	**(910,482)**
Total Restricted	**86,441,373**	**84,228,994**	**2,212,379**
Reserve Funds			
BOG Series 2013 Construction Fund	14,170,759	36,222,062	(22,051,303)
BOG Series 2014 Refunding Construction Fund	217,448	741,895	(524,447)
BOG Series 2016 Construction Fund	89,235,554	116,036,000	(26,800,446)
BOG Series 2017 Refunding Construction Fund	6,313,750	6,753,709	(439,959)
Total Restricted - Held by Trustee	**109,937,511**	**159,753,667**	**(49,816,155)**
USB Series 2013 Debt Service Fund	3,082,212	2,360,451	721,761
USB Series 2013 Debt Service Reserve Fund	12,031,688	12,031,688	-
USB Series 2014 Refunding Debt Service Fund	1,885,637	1,833,235	52,402
USB Series 2014 Refunding Debt Service Reserve Fund	7,798,212	7,972,243	(174,031)
USB Series 2016 Debt Service Fund	1,946,774	1,805,556	141,219
USB Series 2016 Debt Service Reserve Fund	7,591,999	7,594,603	(2,603)
USB Series 2010 Debt Service Fund	523,353	503,751	19,601
USB Series 2017 Refunding Debt Service Reserve Fund	7,566,460	7,566,460	-
USB Series 2017 Debt Service Fund	1,382,329	1,429,927	(47,597)
Total Investments	**43,808,664**	**43,097,913**	**710,751**
Total Restricted and Unrestricted Cash	**245,149,634**	**290,174,953**	**(45,025,319)**

Guam Waterworks Authority
Accounts Receivable - Government (Active)
September 30, 2019

SCHEDULE G

		AGING					
Customer Name	**No. of Accounts**	**Current**	**31 - 60 days**	**61 - 90 days**	**91 - 120 days**	**Over 120 days**	**Total**
Guam Int'l Airport Authority	5	$ 60,644	$ 54,432	$ 22,203	$ 9,045	$ 232,828	$ 379,152
Guam Power Authority	24	190,135	16,899	-	-	-	207,035
Port Authority of Guam	3	16,489	-	-	-	-	16,489
Guam Memorial Hospital Authority	2	3,121	2,054	-	-	-	5,176
Guam Housing & Urban Renewal Authority	5	2,481	-	-	-	-	2,481
Total Autonomous Agencies	**39**	**$ 272,871**	**$ 73,385**	**$ 22,203**	**$ 9,045**	**$ 232,828**	**$ 610,332**
Dept of Education	33	$ 194,174	$ 90,073	$ 11,770	$ 4,693	$ 107,988	408,698
Mayors Council of Guam	41	10,368	1,941	1,807	46	49,909	64,071
Dept of Parks & Recreation	14	37,125	-	-	-	-	37,125
Office of The Governor	2	16,466	758	-	-	-	17,225
Guam Fire Department	11	6,303	5,054	232	-	-	11,589
Dept of Public Works	9	10,502	-	-	-	-	10,502
University of Guam	1	4,778	4,085	-	-	-	8,863
Dept of Chamorro Affairs	6	7,750	557	-	-	-	8,307
Dept of Public Health & Social Services	6	1,560	662	246	-	-	2,468
Dept of Agriculture	2	2,316	-	-	-	-	2,316
Dept of Military Affairs/Guarng	1	1,695	-	-	-	-	1,695
Sanctuary Inc	1	1,682	-	-	-	-	1,682
Dept of Youth Affairs	3	1,599	-	-	-	-	1,599
Guam Police Department	2	1,201	-	-	-	-	1,201
Division of Senior Citizens, DPH&SS	2	607	250	101	-	-	958
Dept of Administration	2	396	223	-	-	-	620
Guam Public Library	4	564	-	-	-	-	564
Guam Veterans Affairs Office	2	545	-	-	-	-	545
Dept of Mental Health	1	290	-	-	-	-	290
The Office of The Dededo Mayor	1	133	-	-	-	-	133
Merizo Mayor	1	62	50	-	-	-	113
Dept of Corrections	2	107	-	-	-	-	107
Vietnam Veteran of America	1	25	-	-	-	-	25
Total Line Agencies	**148**	**$ 300,250**	**$ 103,654**	**$ 14,156**	**$ 4,739**	**$ 157,897**	**$ 580,696**
Total as of September 30, 2019	**187**	**$ 573,121**	**$ 177,040**	**$ 36,359**	**$ 13,784**	**$ 390,725**	**$ 1,191,028**

Guam Waterworks Authority
System Development Charges Project Status **SCHEDULE H**
As of September 30, 2019

Funding Summary		
Total available project funds		12,321,605
Total project expenditures and encumbrances		10,450,654
Total unobligated project funds	**$**	**1,870,951**

Project Description	**Expenditures**	**Outstanding Encumbrances**	**Expenditures and Encumbrances**
Agat-Santa Rita Wastewater Treatment Plant Replacement	910,794	709,249	1,620,043
Baza Gardens Wastewater Cross Island Pumping & Conveyance	944,549	209,422	1,153,971
Central Guam Reservoirs		280,040	280,040
Line Replacement Phase IV		256,937	256,937
Northern DWWTP		5,422,599	5,422,599
Northern DWWTP (Land Purchase)	1,000,000		1,000,000
Route 4 Relief Sewerline Rehab & Replacement		399,869	399,869
South Paulino Heights Waterline Upgrade	70,244	5,810	76,054
Talofofo Sewer Improvement		241,142	241,142
Total	**$ 2,925,587**	**$ 7,525,067**	**$ 10,450,654**

Future planned projects	**FY2019**
Water Wells	485,000
Water Dist Sys Pipe Replacement & Upgrades	485,000
WWTP Priority 1 Upgrades	260,000
Umatac Merizo STP Replacement	260,000
Wastewater Sewer System Expansion	260,000
Total	**$ 1,750,000**

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-FY2020
Relative to New Signatories that May Authorize Payments on Behalf of Guam Waterworks Authority

What is the project's objective and is it necessary and urgent?
To update signatories based on recent changes in management.

Where is the location?
Various financial institutions including but not limited to the Bank of Guam, Bank of Hawaii, First Hawaiian Bank, Community First, Coast360, ANZ Guam, Bank Pacific, etc.

How much will it cost?
No cost.

When will it be completed?
Immediately upon adoption of this resolution.

What is the funding source?
N/A

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

CONSOLIDATED COMMISSION ON UTILITIES
Guam Power Authority | Guam Waterworks Authority
P.O. Box 2977 Hagatna, Guam 96932 | (671)649-3002 | guamccu.org

GWA RESOLUTION NO. 01-FY2020

RELATIVE TO NEW SIGNATORIES THAT MAY AUTHORIZE PAYMENTS ON BEHALF OF GUAM WATERWORKS AUTHORITY

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/or "Authority"); and

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

WHEREAS, GWA maintains a variety of bank accounts, letter of credit facilities and other financial instruments and accounts at institutions including but not limited to the Bank of Guam, Bank of Hawaii, First Hawaiian Bank, Community First, Coast360, ANZ Guam, Bank Pacific, etc.; and

WHEREAS, GWA has designated certain employees to sign checks and financial instruments including, but not limited to, letters of credit as well as for the authorization of electronic transactions on behalf of the Authority; and

WHEREAS it has been determined that recent changes in management has necessitated an update of signatories for the GWA financial instruments; and

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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 following GWA personnel are authorized to sign financial instruments including checks, letters of credit, bank transfers and other transaction documents and to authorize other types of payments on behalf of GWA.

   MIGUEL C. BORDALLO, P.E., General Manager
   TALING M. TAITANO, Chief Financial Officer
   GILDA M. MAFNAS, Assistant Chief Financial Officer
   CHRISTOPHER M. BUDASI, Assistant General Manager – Administration & Support
   THOMAS F. CRUZ, P.E., Chief Engineer
   SANDRA J. SANTOS, Controller

3. Transaction amounts of $10,000 or less will require a single signatory. All other transactions will require two signatories.

4. Transaction amounts in excess of $250,000 will require the General Manager's signature or his designee.

5. The Chairman and Secretary of the CCU are authorized to sign resolutions which are considered consistent with the authorizations granted in this resolution as may be required from time to time by specific financial institutions with which GWA conducts financial transactions.

6. All transactions must be in accordance with delegations of contracting authority approved by the CCU and the GWA General Manager.

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

DULY AND REGULARLY ADOPTED, this 29th day of October, 2019.

Certified by:

_____
JOSEPH T. DUENAS
Chairperson

Attested by:

_____
MICHAEL T. LIMTIACO
Secretary

//

SECRETARY'S CERTIFICATE

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

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

AYES: _____

NAYS: _____

ABSTENTIONS: _____

ABSENT: _____

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GUAM 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-FY2020
Relative to the Creation of the Utility Compliance Laboratory Administrator Position at the Guam Waterworks Authority.

What is the project's objective and is it necessary and urgent?
Creation of the Utility Compliance Laboratory Administrator position is to update the duties and responsibilities of the position and align it with modern water and wastewater standards to enable the efficient and effective performance of duties and functions of the Guam Waterworks Authority's Laboratory section. The creation of this position is necessary to help direct and manage GWA's wide sampling activities in connection with water and wastewater operations.

The job specifications that GWA is currently utilizing are inconsistent with the rigorous operating procedures and practices of our laboratory operations. GWA Utility Compliance Laboratory operations are unique in duties and responsibilities compared to other government of Guam agencies.

GWA laboratory operations collect and analyze water samples from a wide variety of sources for a number of different reasons. Samples include shorelines, wastewater treatment plants and various rivers to evaluate impacts on the local environment. Drinking water samples are also taken to ensure safe water quality is maintained from source to each customer. Analyzes, assessed in laboratory samples include Calcium and Total Hardness, Chlorides, Alkalinity, Conductivity, pH, Temperature, Turbidity and Bacteria. Further, special samples are collected for contract laboratory evaluations for special contaminants of concerns such as pesticide, herbicide, synthetic organic chemical, volatile organic chemical content, and the results of which must be evaluated by the compliance laboratory staff. This makes the Utility Compliance Laboratory unique from other Government of Guam agencies.

The position is needed to explicitly identify Utility based job specifications for the Laboratory. Keeping in mind growth and increased productivity with an emphasis on more stringent required protocols by regulatory agencies such as USEPA.

Where is the location?
The Utility Compliance Laboratory Administrator position will be organizationally located within the Compliance and Safety Department, under the general direction of the General Manager and the Assistant General Manager - Compliance and Safety.

How much will it cost?
There is no cost to create the position.

When will it be completed?
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.

What is the funding source?
GWA will certify funding for the position available for the filling and retention of its certified, technical and professional newly created position. The funding of this position does not have an impact on the General Fund.

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

CONSOLIDATED COMMISSION ON UTILITIES
Guam Power Authority | Guam Waterworks Authority
P.O. Box 2977 Hagatna, Guam 96932 | (671)649-3002 | guamccu.org

RESOLUTION NO. 02-FY2020

RELATIVE TO THE APPROVAL OF THE CREATION OF THE UTILITY COMPLIANCE LABORATORY ADMISTRATOR JOB CLASSIFICATION STANDARD

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 GWA General Manager requests the CCU to approve the creation of the Utility Compliance Laboratory Administrator position (Appendix A); and

WHEREAS, the GWA General Manager requests the CCU to approve the job classification standards of the Utility Compliance Laboratory Administrator position in the classified status; and

WHEREAS, Public Law 34-131, Section 2, §6303(e) as added and 4 GCA §6303 (d) & (2C) authorizes the creation of positions in Autonomous Agencies and Public Corporations; and

WHEREAS, GWA Personnel Rules and Regulations as amended by Public Law 28-159 Section 3 (C) authorizes the CCU to amend, modify or add a position to the list of certified, technical and professional positions;

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NOW BE IT THEREFORE RESOLVED, the Consolidated Commission on Utilities, as the Governing Body of the Guam Waterworks Authority, does hereby approve and authorize the following:

1. The recitals set forth above hereby constitute the findings of the CCU.
2. The creation of the job classification standard for the Utility Compliance Laboratory Administrator position in the classified status is hereby approved and attached herein as Appendix A.
3. The Utility Compliance Laboratory Administrator position is hereby added to the certified, technical and professional (CTP) list of positions and testing designated positions (TDP) list at GWA.

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

DULY AND REGULARLY ADOPTED, this 29th day of October 2019.

Certified by:	Attested by:
_____	_____
JOSEPH T. DUENAS	**MICHAEL T. LIMTIACO**
Chairperson	Secretary

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SECRETARY'S CERTIFICATE

I, Michael T. Limtiaco, 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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APPENDIX - A

Utility Compliance Laboratory Administrator

NATURE OF WORK:

Administer an island-wide monitoring strategy in providing field and laboratory data on chemical, physical and microbiological analysis and knowledge and experience with GEPA and USEPA Laboratory Certification Processes.

Employees in this class administer strategies in providing complex techniques and methodologies in collecting and analyzing water and wastewater samples for chemical and micro-biological content in accordance with Standard Methods for the Examination of water and wastewater, the Safe Drinking Water Act (SDWA), the Guam Primary Drinking Water Regulations (GPDWR), the Clean Water Act (CWA), the Clean Air Act (CAA) and National Pollutant Discharge Elimination System (NPDES) Program.

Employees in this class perform the full range of complex work to provide strategic analysis and decisions in the collection and analysis of water and wastewater samples.

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

Administers the operations and ensures compliance with all laboratory local and federal policies, procedures, rules and regulations.

Administers the compliance in the development and implementation of an island-wide water and wastewater monitoring services strategy in accordance with Authority goals and objectives, and compliance with local and federal policies, procedures, rules and regulations.

Oversees and approves all laboratory related investigations, collection and sampling, analysis and testing results.

Oversees the maintenance of all laboratory equipment performance by ensuring the compliance with quality control standards.

Oversees and directs the quality control and quality assurance (QA/QC) policies, procedures and practice in compliance with program standards.

Develops, implements and maintains policies and procedures for the use of Laboratory Information Management Systems (LIMS); including identification of needs and issues to provide resolutions to problems. Maintains security and integrity of information based on a need to know basis.

Develops operations, quality, and troubleshoots procedures; ensures staff compliance; certifies instrument performance; arranges equipment maintenance, service, and repair or replacement. Implements new programs, tests, methods, instrumentation, and procedures.

Oversees the development, training and succession of laboratory staff to insure that proficiency in their assigned functions and performance expectations are met.

Performs other related duties as assigned.

MINIMUM KNOWLEDGE, ABILITIES AND SKILLS:

Knowledge of state and federal regulatory rules, regulations, policies, procedures, and operations specific to water and/or wastewater laboratory operations to ensure compliance with program activities.

Knowledge of the policies, procedures and regulations relative to obtaining and maintaining Laboratory Certification as locally and federally regulated.

Knowledge of laboratory testing procedures, principles, techniques, terminology, protocols and equipment of a variety of standardized laboratory tests.

Knowledge of laboratory equipment maintenance, calibration and troubleshooting and laboratory safety protocols, including, but not limited to, use of personal protective equipment (PPE's), proper laboratory techniques, disposal of bio-hazard, operating sterilization equipment, etc.

Knowledge of Laboratory Information Management System (LIMS) or similar computer systems and multiple software programs as required, according to the needs of company and departmental procedures.

Knowledge to perform complex laboratory tests requiring technical judgment in selecting and using appropriate/proper procedures and interpreting results. Identify problems and develop possible solutions.

Knowledge of monitoring strategy changes based on regulatory updates, statistical evaluation of data, division staff recommendations, and periodic reviews with other division and agency administrators

Knowledge of principles of the physical and biological sciences, as applied to particular laboratory assignments.

Knowledge of the principles of organic, inorganic, and physical chemistry, as well as knowledge of bacteriology and microscopic procedures.

Ability to read, interpret, analyze and implement complex local and federal regulatory guidelines to ensure compliance related to the utility's areas of responsibilities.

Ability to develop budget plans for operations, staff needs, training to support the continued operations and maintenance of the laboratory.

Ability to assimilate and analyze data and prepare and clearly present reports.

Ability to supervise the work of others.

Ability to communicate effectively, orally and in writing, clearly and concisely.

Ability to make good judgments and sound decisions in accordance with appropriate program guidelines.

Skill in the safe operation of a motor vehicle.

MINIMUM EXPERIENCE AND TRAINING:

A. Six (6) years of professional experience in environmental monitoring with emphasis in field and laboratory analysis and data interpretation, and two (2) years of supervisory experience AND graduation from a recognized college or university with a Bachelor's degree in chemistry, biology, biochemistry, physical science or closely related field; or

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

Necessary Special Qualifications:

Possession of a valid driver's license.

Demonstrated experience and knowledge of the laboratory certification processes that illustrates successful achievement in obtaining required certification of a laboratory, inclusive of QA/QC standards and the ability to prepare and execute a Quality Assurance Project Plan (QAPP) for special projects.

Creation: August 2019

JE Points: 1074
Paygrade/Step: Minimum O2B $87,613
Maximum O3B $91,170

Joseph T. Duenas, Chairman
Consolidated Commission on Utilities

PROPOSED

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 04-FY2020
Relative to Approval of Groundwater Production Meter Replacement Project, GWA Project No. W19-001-BND

What is the project's objective and is it necessary and urgent?
The objective of the project is for GWA to replace faulty groundwater production meters and well head "above-ground" discharge piping. The reason for this project is 60 existing well head flowmeters were field tested and the results showed inaccuracies of existing meter gpm readings. The sum of the flowmeter readings for all the tested wells was approximately 1,800 gpm less than the sum of the existing meter readings. The deficiencies in meter readings are attributed to propeller-style meters that were not installed with proper upstream and downstream unobstructed clearances.

The production well meter reading deficiencies are resulting in either under-or-over report total production which affects non-revenue water calculations, making it difficult to track distribution losses. Replacement of production meters will require unobstructed straight run, and full pipe for the length of three or more pipe diameters upstream of the meter and two or more diameters downstream to be accurate. In addition to replacement of flow meters, this project includes replacement of above-ground discharge piping which are in poor condition.

Where is the project located?
The 60 well sites are scattered in northern and central Guam. Majority of the wells are located in Yigo, Dededo, Mangilao, Hagatna, and Sinajana.

How much will it cost?
The bid proposal amount for Basic Bid is One Million Three Hundred Seventy-Nine Thousand Four Hundred Five Dollars ($1,379,405.00). GWA management is also seeking a ten percent (10%) contingency of the bid amount or One Hundred Thirty-Seven Thousand Nine Hundred Forty Dollars and Fifty Cents ($137,940.50) to bring the total authorized funding request to One Million Five Hundred Seventeen Thousand Three Hundred Forty-Five Dollars and Fifty Cents ($1,517,345.50).

When will it be completed?
The construction contract length of this project is 365 calendar days after an NTP is issued to the contractor.

What is the funding source?
Funding for this project will be from the CIP Line Item PW 05-07 Meter Replacement Program, IFCIP or any other CIP line item applicable to the project intent.

The FRP/BID responses (if applicable)
7 IFB packages picked-up, 1 bid proposal submitted.

CONSOLIDATED COMMISSION ON UTILITIES
Guam Power Authority | Guam Waterworks Authority
P.O. Box 2977 Hagatna, Guam 96932 | (671)649-3002 | guamccu.org

RESOLUTION NO. 04–FY2020

RELATIVE TO APPROVAL OF GROUNDWATER PRODUCTION METER REPLACEMENT PROJECT
GWA PROJECT NO. W19-001-BND

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 operates approximately 100 groundwater production wells that range in production capacity from 50 to 755 gallons per minute and given GWA's efforts to better account for water system losses, the measured volume of the ground water production wells will play an important role in the water audit; and

WHEREAS, GWA is working to improve measurement the volume of groundwater that is produced from the wells through properly functioning flow meters to ensure under-or-over reported total production volumes are mitigated; and

WHEREAS, these deficiencies affect non-revenue water calculations, making it difficult to track distribution system losses; and

WHEREAS, replacement of production meters will require unobstructed, straight run, and full pipe for the length of three or more pipe diameters upstream of the meter and two or more diameters downstream to be accurate; and

WHEREAS, the condition of well head discharge piping at many well sites are also in poor condition due to excessive corrosion; and

WHEREAS, well head discharge piping needs to be standardized to reduce the number of meters, valves, fittings, and accessories to be stored resulting to cost savings; and

WHEREAS, in June 2017, GWA retained Brown and Caldwell (BC) to field test 60 existing wellhead flowmeters and to develop bid-ready plans and specifications to replace faulty flowmeters and to standardize well head discharge piping; and

WHEREAS, results of Brown and Caldwell (BC) meter tests using clamp on meter showed gpm values were generally less than the existing meter's gpm values, with some reading by 50 gpm or more; and

WHEREAS, GWA has advertised on August 2019 the Invitation For Bids (IFB-05-ENG-2019) for Groundwater Production Meter Replacement Project wherein GWA is soliciting bid proposals from experienced and responsive bidders for construction of the project; and

WHEREAS, this phase of work consists of furnishing all labor, tools, equipment and materials including coordination with GWA Water Production Operations and Engineering to construct all components described in the final design drawings and technical specifications which include but are not limited to replacement of water meter and above ground well discharge piping for 60 critical wells; and

WHEREAS, the bid schedule was divided into Basic Bid, Additive Bid No.1 and Additive Bid No.2 due availability of funds; and

WHEREAS, the bid schedule states if the total Basic Bid is within the amount of funds available, then award will be made to the responsive and responsible bidder submitting the lowest Basic Bid Price and in the event the lowest responsive and responsible Bid exceeds the available budget, GWA may reject individual Bid items until the Bid Amount fits within the

available budget, and if additional funding is obtained after the contract is executed, any or all deleted Bid items may be restored via Change Order; and

WHEREAS, IFB packages were picked up by seven (7) interested parties, from which GWA received bid proposal from one (1) of the seven (7) (SEE EXHIBIT A – Abstract of Bids) before the bid proposals deadline of September 27, 2019; and

WHEREAS, GWA Engineering analyzed the bid proposal received and determined that the bid package submitted by Giant Construction Corporation, the sole bidder, was responsive and responsible, and met all the bid requirements set forth by GWA (SEE EXHIBIT B – Bid Evaluation); and

WHEREAS, GWA Management finds Giant Construction Corporation Basic Bid Price acceptable and now seeks CCU approval of the bid proposal amount of One Million Three Hundred Seventy-Nine Thousand Four Hundred Five Dollars ($1,379,405.00) attached hereto (SEE EXHIBIT C – Bid Proposal); and

WHEREAS, GWA Management further seeks CCU approval of a ten percent (10%) contingency to the Basic Bid proposal amount or One Hundred Thirty-Seven Thousand Nine Hundred Forty Dollars and Fifty Cents ($137,940.50) to bring the total authorized funding amount to One Million Five Hundred Seventeen Thousand Three Hundred Forty-Five Dollars and Fifty Cents ($1,517,345.50); and

WHEREAS, GWA Management further seeks CCU approval to petition the Public Utilities Commission approval of the contract given this project meets the Contract Review Protocol requirements for GWA projects for which the use of Bond funds is intended; and

WHEREAS, funding for this project will be from the CIP Line Item PW 05-07 Meter Replacement Program, IFCIP or any other CIP line item applicable to the project intent; 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 "Giant Construction Corporation." 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 "Giant Construction Corporation" in the amount One Million Three Hundred Seventy-Nine Thousand Four Hundred Five Dollars ($1,379,405.00).
5. The CCU hereby further approves the funding total of One Million Three Hundred Seventy-Nine Thousand Four Hundred Five Dollars ($1,379,405.00) plus a ten percent (10%) contingency of One Hundred Thirty-Seven Thousand Nine Hundred Forty Dollars and Fifty Cents ($137,940.50) for a total funding amount of One Million Five Hundred Seventeen Thousand Three Hundred Forty-Five Dollars and Fifty Cents ($1,517,345.50).
6. The CCU hereby further approves funding for this project to be from the CIP Line Item PW 05-07 "Meter Replacement Program", IFCIP or any other CIP line item applicable to the project intent

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

DULY AND REGULARLY ADOPTED, this 29th day of October 2019.

Certified by:

_____

JOSEPH T. DUENAS
Chairperson

Attested by:

_____

MICHAEL T. LIMTIACO
Secretary

SECRETARY'S CERTIFICATE

I, Michael T. Limtiaco, 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 (Page 1 of 1)

ORIGINAL

GUAM WATERWORKS AUTHORITY
ABSTRACT OF BIDS

Project Name: GROUNDWATER WELL PRODUCTION METER REPLACEMENT
Project Number: W19-001-BND IFB NO.: IFB-05-ENG-2019

Bid Opening Date: September 27, 2019
Bid Opening Time: 3:00 PM

	Bidders Name	Section A-5 Bid Bond	CERTIFICATIONS									BASE BID	ADDITIVE BID NO. 1	ADDITIVE BID NO. 2
			Qualification Statement	Non Collusion Affidavit	EEO Certification	Non Segregated Facilities	Sex Offender Certification	Wage and Benefit Determination	Major Shareholder Affidavit	Special Instructions to Bidders	Addendum 1			
1.	UTILITIES SERVICES SPECIALISTS INC. (USSI)	----------												
2.	MCS CONTRACTORS	----------												
3.	FRONTIER SUPPLY CO.	----------												
4.	GIANT CONSTRUCTION CORPORATION	CASHIER CHECK $ 415,500	✓	✓	✓	✓	✓	✓	✓	✓	✓	$1,379,405.00	$ 687,960.00	$ 698,565.00
5.	JMI	----------												
6.	PROPACIFIC BUILDER CORPORATION	----------												
7.	HAWAII ENGINEERING SERVICES	----------												
	GWA ESTIMATE	$ 3,112,500												

TOTAL = $2,765,930.00

Bids Opened and Read by:
SYLVIA Y. MERCADO
(Name and Signature)

Tabulated By:
ERNESTO VILLARIN
(Name and Signature)

GWA Procurement Representative:
ROLAND LUMONGSUD
(Name and Signature)

Witnesses:
Mary D Torres 9.27.19.

Exhibit B (Page 1 of 1)

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

SUMMARY EVALUATION DATA AND AWARD RECOMMENDATION

1. Project: Groundwater Well Production Meter Replacement

2. Bid Submission Date: September 27, 2019, 3:00 p.m.

3. Bid Evaluation Summary:

No.	Bidder	Opening Bid Price	Substantially Responsive (Yes or No.)	Evaluated/ Corrected Bid Price	Rank	Remarks
1.	Giant Construction Corporation	$2,765,930.00	Yes	$2,765,930.00		No arithmetic errors found. Submitted required documents listed in the Abstract of Bids
a.	**Basic Bid**	**$1,379,405.00**		**$1,379,405.00**		
b.	Additive Bid No. 1	$ 687,960.00		$ 687,960.00		
c.	Additive Bid. No. 2	$ 698,565.00		$ 698,565.00		

GWA/Engineers Estimate	-	$3,112,500.00
Basic Bid	-	**$1,556,250.00**
Additive Bid No. 1	-	$ 778,125.00
Additive Bid No. 2	-	$ 778,125.00

4. The sole bidder (Giant Construction Corporation) bid package included all the required bidding forms as described on the procurement checklist as part of the solicitation. No arithmetic errors found in the bid prices. The Basic Bid Price (which is the basis of award) submitted by the bidder is lower than GWA/Engineer's estimate. The same is true for Additive Bid 1 and 2. Giant Construction Company has satisfactorily completed several projects with GWA.

5. On the basis of the evaluation which was carried out in accordance with the Bidding Documents, I recommend accepting the bid of the sole bidder (Giant Construction Corporation), which has been determined as qualified and capable of performing the contract, in accordance with the Bidding Document.

Evaluated By:

Ernesto Villarin, Project Engineer
(name)

(signature)

10/08/19
(date)

Exhibit C (Page 1 of 8)

ARTICLE 1 – BID RECIPIENT

1.01 This Bid is submitted to:

Guam Waterworks Authority
Miguel C. Bordallo, PE, General Manager
Gloria B. Nelson Public Service Building
688 Route 15, Mangilao, GU 96913

1.02 The undersigned Bidder proposes and agrees, if this Bid is accepted, to enter into an Agreement with Owner in the form included in the Bidding Documents to perform all Work as specified or indicated in the Bidding Documents for the prices and within the times indicated in this Bid and in accordance with the other terms and conditions of the Bidding Documents.

ARTICLE 2 – BIDDER'S ACKNOWLEDGEMENTS

2.01 Bidder accepts all of the terms and conditions of the Instructions to Bidders, including without limitation those dealing with the disposition of Bid security. This Bid will remain subject to acceptance for 60 days after the Bid opening, or for such longer period of time that Bidder may agree to in writing upon request of Owner.

ARTICLE 3 – BIDDER'S REPRESENTATIONS

3.01 In submitting this Bid, Bidder represents that:

A. Bidder has examined and carefully studied the Bidding Documents, and any data and reference items identified in the Bidding Documents, and hereby acknowledges receipt of the following Addenda:

Addendum No.	Addendum, Date
Addendum NO.1	Sep. 09. 2019

B. Bidder has visited the Sites, conducted a thorough, alert visual examination of the Sites and adjacent areas, and become familiar with and satisfied itself as to the general, local, and Site conditions that may affect cost, progress, and performance of the Work.

C. Bidder is familiar with and has satisfied itself as to all Laws and Regulations that may affect cost, progress, and performance of the Work.

D. Bidder has carefully studied, considered, and correlated the information known to Bidder; information commonly known to sellers of similar goods doing business in the locality of the Point of Destination and the site where the Goods will be installed or where Special Services will be provided; information and observations obtained from Bidder's visits, if any, to the Point of Destination and the site where the Goods will be installed or Special Services will be provided; and any reports and drawings identified in the Bidding Documents regarding the Point of Destination and the site where the Goods will be installed or where Special Services will be provided, with respect to the effect of such information, observations, and documents on the cost, progress, and performance of Seller's obligations under the Bidding Documents.

Exhibit C (Page 2 of 8)

Addendum No. 1

Groundwater Well Production Meter Replacement GWA Project No. W19-001-BND					
BASIC BID					
Item No.	**Description**	**Unit**	**Est. Quantity**	**Unit Price**	**Bid Price**
1	Mobilization and Demobilization (Maximum of 5% of the sum of Bid Price Items 2 thru 31)	LS	1	$ 64,905.-	$ 64,905.00
2	Well Y-15	LS	1	$ 43,800.00	$ 43,800.00
3	Well Y-07	LS	1	$ 44,800.00	$ 44,800.00
4	Well Y-20	LS	1	$ 43,800.00	$ 43,800.00
5	Well Y-19	LS	1	$ 43,800.00	$ 43,800.00
6	Well AG-02A	LS	1	$ 43,800.00	$ 43,800.00
7	Well Y-09	LS	1	$ 43,800.00	$ 43,800.00
8	Well HGC-2	LS	1	$ 43,800.00	$ 43,800.00
9	Well F-15	LS	1	$ 44,800.00	$ 44,800.00
10	Well H-01	LS	1	$ 49,800.00	$ 49,800.00
11	Well Y-14	LS	1	$ 44,200.00	$ 44,200.00
12	Well D-25	LS	1	$ 39,500.00	$ 39,500.00
13	Well D-27	LS	1	$ 44,200.00	$ 44,200.00
14	Well F-13	LS	1	$ 44,200.00	$ 44,200.00
15	Well Y-21A	LS	1	$ 43,200.00	$ 43,200.00
16	Well M-18	LS	1	$ 44,200.00	$ 44,200.00
17	Well Y-22	LS	1	$ 43,200.00	$ 43,200.00
18	Well Y-23	LS	1	$ 41,500.00	$ 41,500.00

Exhibit C (Page 3 of 8)

Addendum No. 1

19	Well Y-17	LS	1	$ 44,500.00	$ 44,500.00
20	Well D-01	LS	1	$ 49,800.00	$ 49,800.00
21	Well EX-05	LS	1	$ 40,800.00	$ 40,800.00
22	Well Y-18	LS	1	$ 43,600.00	$ 43,600.00
23	Well AG-01	LS	1	$ 39,800.00	$ 39,800.00
24	Well Y-10	LS	1	$ 40,500.00	$ 40,500.00
25	Well D-26	LS	1	$ 42,600.00	$ 42,600.00
26	Well A-04	LS	1	$ 49,400.00	$ 49,400.00
27	Well F-17	LS	1	$ 39,500.00	$ 39,500.00
28	Well F-18	LS	1	$ 39,500.00	$ 39,500.00
29	Well A-13	LS	1	$ 48,800.00	$ 48,800.00
30	Well Y-12	LS	1	$ 39,500.00	$ 39,500.00
31	Well A-10	LS	1	$ 49,800.00	$ 49,800.00
				TOTAL BASE BID	$ 1,379,405.00

Exhibit C (Page 4 of 4)

Addendum No. 1

Groundwater Well Production Meter Replacement GWA Project No. W19-001-BND					
ADDITIVE BID NO. 1					
Item No.	**Description**	**Unit**	**Est. Quantity**	**Unit Price**	**Bid Price**
1	Mobilization and Demobilization (Maximum of 5% of the sum of Bid Price Items 2 thru 16)	LS	1	$ 32,760.00	$ 32,760.00
2	Well A-15	LS	1	$ 48,800.00	$ 48,800.00
3	Well F-16	LS	1	$ 40,500.00	$ 40,500.00
4	Well D-19	LS	1	$ 47,800.00	$ 47,800.00
5	Well M-23	LS	1	$ 40,500.00	$ 40,500.00
6	Well A-21	LS	1	$ 42,200.00	$ 42,200.00
7	Well EX-11	LS	1	$ 42,200.00	$ 42,200.00
8	Well A-08	LS	1	$ 47,800.00	$ 47,800.00
9	Well D-15	LS	1	$ 42,200.00	$ 42,200.00
10	Well F-19	LS	1	$ 42,200.00	$ 42,200.00
11	Well F-20	LS	1	$ 42,200.00	$ 42,200.00
12	Well M-21	LS	1	$ 40,500.00	$ 40,500.00
13	Well D-28	LS	1	$ 42,200.00	$ 42,200.00
14	Well D-07	LS	1	$ 40,500.00	$ 40,500.00
15	Well D-06	LS	1	$ 47,800.00	$ 47,800.00
16	Well D-02	LS	1	$ 47,800.00	$ 47,800.00
				TOTAL ADDITIVE BID NO. 1	$ 687,960.00

Exhibit C (Page 5 of 8)

Addendum No. 1

Groundwater Well Production Meter Replacement GWA Project No. W19-001-BND					
ADDITIVE BID NO. 2					
Item No.	**Description**	**Unit**	**Est. Quantity**	**Unit Price**	**Bid Price**
1	Mobilization and Demobilization (Maximum of 5% of the sum of Bid Price Items 2 thru 16)	LS	1	$ 33,265.00	$ 33,265.00
2	Well M-02	LS	1	$ 49,300.00	$ 49,300.00
3	Well D-24	LS	1	$ 43,200.00	$ 43,200.00
4	Well M-03	LS	1	$ 48,800.00	$ 48,800.00
5	Well M-05	LS	1	$ 40,500.00	$ 40,500.00
6	Well M-07	LS	1	$ 40,500.00	$ 40,500.00
7	Well F-07	LS	1	$ 43,200.00	$ 43,200.00
8	Well F-06	LS	1	$ 43,200.00	$ 43,200.00
9	Well F-08	LS	1	$ 43,200.00	$ 43,200.00
10	Well F-11	LS	1	$ 43,200.00	$ 43,200.00
11	Well A-14	LS	1	$ 40,500.00	$ 40,500.00
12	Well F-04	LS	1	$ 40,500.00	$ 40,500.00
13	Well F-02	LS	1	$ 40,800.00	$ 40,800.00
14	Well M-01	LS	1	$ 48,800.00	$ 48,800.00
15	Well X-XX	LS	1	$ 49,800.00	$ 49,800.00
16	Well X-XX	LS	1	$ 49,800.00	$ 49,800.00
				TOTAL ADDITIVE BID NO. 2	$ 698,565.00

Groundwater Well Production Meter Replacement GWA Project No. W19-001-BND	
BID SUMMARY	
TOTAL BASIC BID AMOUNT	$ 1,379,405.00
TOTAL ADDITIVE BID NO. 1	$ 687,960.00
TOTAL ADDITIVE BID NO. 2	$ 698,565.00
GRAND TOTAL (BASIC BID + ADDITIVE BID 1 + ADDITIVE BID 2) Two Million Seven Hundred Sixty Five Thousand Nine Hundred Thirty Only (Price in Words)	$ 2,765,930.00

(If the Total Base Bid is within the amount of funds available, then the award will be made to the responsive and responsible bidder submitting the lowest Base Bid Price. In the event the lowest responsive and responsible Bid exceeds the available budget, GWA may reject individual Bid Items until the Bid Amount fits within the available budget. If additional funding is obtained after the contract is executed, any or all deleted Bid items may be restored via Change Order.)

A) Where lump sum prices are in the bidding schedule, they shall include all labor, materials and equipment necessary to produce a complete and finished job.

B) When no specific item is listed in the bidding schedule for work required, the cost of such work shall be included in the price bid for the item which most appropriately covers the work.

ARTICLE 6 – TIME OF COMPLETION

6.01 Bidder agrees that the Work will be substantially complete and will be completed and ready for final payment in accordance with Paragraph 15.06 of the General Conditions on or before the dates or within the number of calendar days indicated in the Agreement.

6.02 Bidder accepts the provisions of the Agreement as to liquidated damages.

ARTICLE 7 – ATTACHMENTS TO THIS BID

7.01 The following documents are submitted with and made a condition of this Bid:

A. Required Bid security;

B. List of Proposed Subcontractors;

C. List of Proposed Suppliers;

D. List of Project References;

E. Evidence of authority to do business in the state of the Project; or a written covenant to obtain such license within the time for acceptance of Bids;

F. Contractor's License No.: 4096

G. Required Bidder Qualification Statement with supporting data; and

H. Certificates, Affidavits and Forms listed in Section 00 90 00 as required by Laws and Regulations.

ARTICLE 8 – DEFINED TERMS

8.01 The terms used in this Bid with initial capital letters have the meanings stated in the Instructions to Bidders, the General Conditions, and the Supplementary Conditions.

ARTICLE 9 – BID SUBMITTAL

BIDDER: *[Indicate correct name of bidding entity]*

Giant Construction Corp.

By:
[Signature] 

[Printed name] Chung, In Chul

(If Bidder is a corporation, a limited liability company, a partnership, or a joint venture, attach evidence of authority to sign.)

Exhibit C (Page 8 of 8)

Attest:
[Signature] D. C Chung

[Printed name] Chung, Duk Choon

Title: President

Submittal Date:

Address for giving notices:

308 E. Harmon Industrial Park Harmon Guam 96913

Telephone Number: 489-2711, 646-2375

Fax Number:

Contact Name and e-mail address: giantconst@gmail.com

Bidder's License No.: 4096
(where applicable)

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

Issues for Decision

Resolution No. 05-FY2020
Relative to Approving the Construction Contract for the Tamuning "Hot Spots" Sewer System Rehabilitation and Replacement Project (Re-Bid)

What is the project's objective and is it necessary and urgent?
Sewer system "Hot Spot" locations are areas where GWA wastewater operations have to constantly return to the sewer manhole or gravity main segment to conduct cleaning or pumping activities because at these locations there exist infrastructure defects such as a sag or low spot in the gravity main that causes wastewater to surge in the sewer main and manholes upstream of the Hot Spot location. Rehabilitation or replacement of defects at the Hot Spot location is necessary to remove the defects and allow wastewater to flow unrestricted and prevent Sanitary Sewer Overflows (SSO).

Where is the project located?
There are several Hot Spot locations in Tamuning however this project will address only the following:

- 440 linear feet of gravity sewer and manholes along Winner Apartments
- 50 linear feet of gravity sewer along Pancoso Palting Street
- 450 linear feet of gravity sewer and manholes adjacent to New Plaza Market
- 20 linear feet of gravity sewer along Jalaguac Way

How much will it cost?
The Base bid proposal submitted by Ian Corporation is One Million Ninety-Three Thousand Nine Hundred Fifty-Five Dollars and Eighty-Seven Cents ($1,093,955.87). GWA management seeks approval of the base bid plus a ten percent (10%) contingency of One Hundred Nine Thousand Three Hundred Ninety-Five Dollars and Fifty-Eight Cents ($109,395.58) to bring the authorized funding amount to a maximum of One Million Two Hundred Three Thousand Three Hundred Fifty-One Dollars and Forty-Five Cents ($1,203,351.45).

When will it be completed?
The project is to be completed 300 calendar days from Notice to Proceed.

What is the funding source?
Funding for this project will be from the USEPA State Revolving Fund and, if necessary, GWA Bond funds applicable to the project intent

The RFP/BID responses (if applicable):
Five (5) parties pick up Bid packages, only one (1) bid was submitted prior to bid deadline.

CONSOLIDATED COMMISSION ON UTILITIES
Guam Power Authority | Guam Waterworks Authority
P.O. Box 2977 Hagatna, Guam 96932 | (671)649-3002 | guamccu.org

RESOLUTION NO. 05-FY2020

RELATIVE TO APPROVING CONSTRUCTION CONTRACT FOR THE TAMUNING "HOT SPOTS" SEWER SYSTEM REHABILITATION AND REPLACEMENT PROJECT (RE-BID)
GWA PROJECT NO. S16-003-EPA/S16-001-EPA

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 is a Guam Public Corporation established and existing under the laws of Guam; and

WHEREAS, GWA has received a grant from USEPA under the State Revolving Fund program to improve the sewer collection system, particularly at a few locations that have been identified as "Hot Spots" in the Tamuning area; and

WHEREAS, the Hot Spot locations are areas where GWA wastewater operations have to constantly return to the sewer manhole or gravity main segment to conduct cleaning or pumping activities because at these locations there exist infrastructure defects such as a sag or low spot and/or blockage in the gravity main as well as inflow and infiltration in the system that causes wastewater to surge in the sewer main and manholes upstream of the Hot Spot location; and

WHEREAS, the intent of this project is to rehabilitate, repair or replace these infrastructure defects along with associate roadway surface improvements; and

WHEREAS, GWA and USEPA agree that efforts to rehabilitate, repair or replace these sewer lines are necessary to properly maintain and operate the sewer collection system, and the

first order to do so is through scope of services that includes general civil engineering, geotechnical engineering, and archeological investigation for wastewater collection system evaluation, analysis and design; and

WHEREAS, in April 2016 GWA Management began the procurement process to find a consulting engineering team to design the sewer Hot Spots rehabilitation and replacement, and via Resolution No. 55-FY2016, approved by the CCU in August 2016, GWA Management was authorized to enter into a contract with TG Engineers, PC to design the sewer rehabilitation and replacement related to Hot Spot locations; and

WHEREAS, in September of 2016 GWA Management entered into a design contract with TG Engineers, PC to design the sewer Hot Spot Rehabilitation and Replacement for the Tamuning area, and in January 2018 the final design was completed; and

WHEREAS, in May of 2018, GWA advertised the Invitation to Bid (IFB-06-ENG-2018) for the Tumon and Tamuning Hot Spots Sewer Rehabilitation and Replacement soliciting bid proposals from experienced and responsive bidders to repair and/or replace segments of gravity sewer lines and manholes subjected to infrastructure deficiencies, but unfortunately GWA received bids that were twice the budgeted estimates thus GWA rejects all bids; and

WHEREAS, following the initial Invitation to Bid, GWA and the design engineer re-evaluated the bid package as well as reviewed the bid prices submitted and decided the best way forward with the project was to further split the work in the Tamuning area and defer all Hot Spot Work in the Tumon area until further funding can be identified; and

WHEREAS, on August 10, 2019, GWA advertised the Invitation to Re-bid (IFB-04-ENG-2019) for the Tumon and Tamuning Hot Spots Sewer Rehabilitation and Replacement soliciting bid proposals from experienced and responsive bidders to repair and/or replace segments of gravity sewer lines and manholes where exists defects such as a sag or low spot in the gravity main in the village of Tamuning; and

WHEREAS, this project consists of furnishing all labor, tools, equipment and materials, necessary to replace and/or repair gravity sewer along identified Hot Spots in Tamuning, including coordination with GWA Wastewater Operations, GWA Engineering, the Construction Manager, the project Design Engineer, and the Department of Public Works; and

WHEREAS, IFB packages were obtained by five (5) interested parties, from which GWA received bid proposals from only one (1) parties (SEE EXHIBIT A – Abstract of Bids) before the bid proposal deadline; and

WHEREAS, the project Design Engineer, in conjunction with GWA, analyzed (SEE EXHIBIT B – Evaluation) the bid proposal received on September 20, 2019 and determined that the bid proposal submitted by Ian Corporation was a responsive and responsible bid and met all the bid requirements set forth by GWA and as such GWA Management finds Ian Corporation's bid proposal acceptable; and

WHEREAS, GWA management seeks CCU approval of Ian Corporations Base Bid proposal (SEE EXHIBIT C) in the amount of One Million Ninety-Three Thousand Nine Hundred Fifty-Five Dollars and Eighty-Seven Cents **(**$1,093,955.87), plus a ten percent (10%) contingency of One Hundred Nine Thousand Three Hundred Ninety-Five Dollars and Fifty-Eight Cents **(**$109,395.58) to bring the authorized funding amount to a maximum of One Million Two Hundred Three Thousand Three Hundred Fifty-One Dollars and Forty-Five Cents ($1,203,351.45); and

WHEREAS, funding for this project will be from the USEPA State Revolving Fund and, if necessary, GWA Bond funds applicable to the project intent; 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 and conditions set by GWA relative to commencement of work activities are fair and reasonable and serve as a measure of Quality Assurance/Quality Control (QA/QC).

3. The CCU hereby authorizes the management of GWA to accept the bid proposals from "Ian Corporation".
4. The CCU hereby further authorizes the management of GWA to enter into a contract with "Ian Corporation" in the amount of One Million Ninety-Three Thousand Nine Hundred Fifty-Five Dollars and Eighty-Seven Cents ($1,093,955.87) for the Base Bid proposal (Exhibit C).
5. The CCU hereby further approves the funding of One Million Ninety-Three Thousand Nine Hundred Fifty-Five Dollars and Eighty-Seven Cents ($1,093,955.87), plus a ten percent (10%) contingency of One Hundred Nine Thousand Three Hundred Ninety-Five Dollars and Fifty-Eight Cents ($109,395.58) to bring the total authorized funding amount to a maximum of One Million Two Hundred Three Thousand Three Hundred Fifty-One Dollars and Forty-Five Cents ($1,203,351.45).
6. The CCU hereby further approves the funding for this project will be from the USEPA State Revolving Fund and, if necessary, GWA Bond funds applicable to the project.

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

DULY AND REGULARLY ADOPTED, this 29th day of October 2019.

Certified by:

_____
JOSEPH T. DUENAS
Chairperson

Attested by:

_____
MICHAEL T. LIMTIACO
Secretary

//

//

//

SECRETARY'S CERTIFICATE

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

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

AYES: _____

NAYS: _____

ABSTENTIONS: _____

ABSENT: _____

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GUAM WATERWORKS AUTHORITY
ABSTRACT OF BIDS

ORIGINAL

Project Name: **TUMON AND TAMUNING HOT SPOTS SEWERLINE REHABILITATION AND REPLACEMENT (RE-BID)**
Project Number: S16-001/003-EPA IFB NO.: IFB-04-ENG-2019

Bid Opening Date: September 20, 2019
Bid Opening Time: 3:00 PM

	Bidders Name	Section A-5 Bid Bond	CERTIFICATIONS									BASE BID	ADDITIVE BID NO. 1	ADDITIVE BID NO. 2
			Qualification Statement	Non Collusion Affidavit	EEO Certification	Non Segregated Facilities	Sex Offender Certification	Wage and Benefit Determination	Major Shareholder Affidavit	Special Instructions to Bidders	Addendum 1			
1.	POLYPHASE SYSTEM INC.	----------	NO BID								-			
2.	ARS ALEUT CONSTRUCTION	----------	NO BID								-			
3.	HDCC GUAM	----------	NO BID								-			
4.	FRONTIER SUPPLY INC.	----------	NO BID								-	$1,093,955.97 98.		
5.	IAN CORPORATION	15% of Total Bid Amount LEXON Insurance Co.	✓	✓	✓	✓	✓	✓	✓	✓	✓	~~$900,609~~	$2,566,129	$1,969,226
	GWA ESTIMATE											$2,958,130	$1,799,695	$1,903,229

Bids Opened and Read by:
SYLVIA Y. MERCADO
(Name and Signature)

Tabulated By:
GERALD GATTOC
(Name and Signature) G. Gattoc

GWA Procurement Representative:
ROLAND LUMONGSUD
(Name and Signature)

Witnesses:

TG ENGINEERS, PC

October 21, 2019

Mr. Gerald Gattoc
Engineering Division
Guam Waterworks Authority
ggattoc@guamwaterworks.org

Subject: IFB-04-ENG-2019; Tumon and Tamuning Hot Spots Sewer Line Rehabilitation and Replacement (Re-Bid): **BID EVALUATION**

Dear Mr. Gattoc,

TGE has evaluated the single bid received (Ian Corporation) on September 20, 2019, for the subject IFB.

This IFB is a re-bid due to the prices of the original bidding process (total of two received) exceeding GWA's budget. The scope of work for this re-bid project has been reduced, primarily by eliminating CIPP rehabilitation work.

The Engineer's Estimate for this re-bid is a range based on the unit prices provided in the original IFB. The complete spreadsheet of bid prices and EngEst are attached. The following table provides the totals of the Engineer's Estimate (EngEst) range of values and the re-bid (Ian) prices:

	ENG. ESTIMATE	IAN
BASE BID	$2.9 - $4.2M	$1.1M
ADD NO. 01	$2.0 – 5.4M	$2.5M
ADD NO. 02	$1.9 - $6.5M	$2.0M

Base Bid

Ian's Base Bid is much lower than the lower amount of the EngEst, and is the result of the contractor significantly reducing unit costs compared to the original bid. However, unit costs have *increased* for the following items:

- No. 9: 6-in PVC Pipe ($418 vs. $75);
- No. 12: Flow control ($118,000,not included in original bid):
- No. 16: Manhole rehab ($58,000 vs. $7,000).

TG Engineers, PC
101 First St., Tiyan
Barrigada, GU 96913

Phone: (671) 647-0808
Fax: (671) 647-0886
http://www.tg-engr.com

TG ENGINEERS, PC

The reason for the high unit price for 6-in PVC is not clear. If change orders are required for more piping, 8-in pipe would be more economical to install. The "flow control" item is likely predominately associated with labor costs for 24-hour operations. A breakdown of costs (labor, equipment, supplies) for the schedule of values (after contract award) might help to limit extra flow control costs if a longer construction duration is approved. The higher price for manhole rehabilitation appears reasonable.

Additive Bid No. 1

The new bid amount is within the EngEst range, and is less than half the amount that this contractor bid "originally", that is, using original unit costs. Inexplicably, the unit costs for the re-bid pipe work (Items 7 and 9) are 3 to 4 times greater than the unit costs used in the re-bid Base Bid. Also, the price of Bid Item 16 has significantly increased from the original bid amount ($7,000) to the re-bid amount ($107,700.)

Additive Bid No. 2

The new bid amount is within the EngEst range. It is essentially identical to the contractor's "original" bid amount. (Again, "original" bid amount here indicates the cost associated with the original bid unit costs as applied to the revised quantities.) However, most of the unit costs are less than the original bid, except for Item 5: Asphalt demolition; and Item 9: 8-inch PVC pipe.

Discussion

It is always preferred that at least two to three bids are received for any IFB in order to receive a competitive price. The fact that only one bid was received is indicative of the high level of activity currently in the Guam construction sector, and the less likelihood of obtaining a "good" price.

The re-bid pricing of:

- $1.1M for 930-feet of sewer pipe (Base Bid);
- $2.6M for 800-feet of sewer pipe (Add Bid 1); and
- $2.0M for 1684-feet of sewer pipe (Add Bid 2);

is very steep. However, these prices total less than half of the total prices (based on original unit costs and re-bid quantities)) originally submitted for the Base Bid and Additive Bid No. 1.

Recommendation

TGE finds the bid documentation to be responsive and responsible.

TGE recommends that, based on a budget of $3M, the Base Bid and the Additive Bid No. 2 be accepted.

Sincerely,

John Davis, PE

TG Engineers, PC
101 First St., Tiyan
Barrigada, GU 96913

Phone: (671) 647-0808
Fax: (671) 647-0886
http://www.tg-engr.com

BID FORM

BID RECIPIENT

This Bid is submitted to:

Guam Waterworks Authority
Gloria B. Nelson Public Service Building
688 Route 15
Mangilao, Guam 96913

The undersigned Bidder proposes and agrees, if this Bid is accepted, to enter into a Contract with Buyer in the form included in the Bidding Documents to furnish the Goods and Special Services as specified or indicated in the Bidding Documents, for the prices and within the times indicated in this Bid, and in accordance with the other terms and conditions of the Bidding Documents.

BIDDER'S ACKNOWLEDGMENTS

Bidder accepts all of the terms and conditions of the Instructions to Bidders, including without limitation those dealing with the disposition of Bid security. This Bid will remain subject to acceptance for 60 days after the Bid opening, or for such longer period of time that Bidder may agree to in writing upon request of Buyer.

BIDDER'S REPRESENTATIONS

In submitting this Bid, Bidder represents that:

Bidder has examined and carefully studied the Bidding Documents, the related data identified in the Bidding Documents, and the following Addenda, receipt of which is hereby acknowledged:

Addendum No.	Addendum Date
01	09/06/2019

Bidder has visited the Point of Destination and site where the Goods are to be installed or Special Services will be provided and become familiar with and is satisfied as to the observable local conditions that may affect cost, progress, or the furnishing of Goods and Special Services, if required to do so by the Bidding Documents, or if, in Bidder's

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judgment, any local condition may affect cost, progress, or the furnishing of Goods and Special Services.

Bidder is familiar with and is satisfied as to all Laws and Regulations in effect as of the date of the Bid that may affect cost, progress, and the furnishing of Goods and Special Services.

Bidder has carefully studied, considered, and correlated the information known to Bidder; information commonly known to sellers of similar goods doing business in the locality of the Point of Destination and the site where the Goods will be installed or where Special Services will be provided; information and observations obtained from Bidder's visits, if any, to the Point of Destination and the site where the Goods will be installed or Special Services will be provided; and any reports and drawings identified in the Bidding Documents regarding the Point of Destination and the site where the Goods will be installed or where Special Services will be provided, with respect to the effect of such information, observations, and documents on the cost, progress, and performance of Seller's obligations under the Bidding Documents.

Bidder has given Engineer written notice of all conflicts, errors, ambiguities, and discrepancies that Bidder has discovered in the Bidding Documents, and the written resolution (if any) thereof by Engineer is acceptable to Bidder.

The Bidding Documents are generally sufficient to indicate and convey understanding of all terms and conditions for furnishing the Goods and Special Services for which this Bid is submitted.

BIDDER'S CERTIFICATIONS

Bidder certifies that:

This Bid is genuine and not made in the interest of or on behalf of any undisclosed individual or entity and is not submitted in conformity with any collusive agreement or rules of any group, association, organization, or corporation;

Bidder has not directly or indirectly induced or solicited any other Bidder to submit a false or sham Bid;

Bidder has not solicited or induced any individual or entity to refrain from bidding; and

Bidder has not engaged in corrupt, fraudulent, collusive, or coercive practices in competing for the Contract. For the purposes of this Paragraph 4.01.D:

1. "corrupt practice" means the offering, giving, receiving, or soliciting of anything of value likely to influence the action of a public official in the bidding process;

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2. "fraudulent practice" means an intentional misrepresentation of facts made (a) to influence the bidding process to the detriment of Buyer, (b) to establish bid prices at artificial non-competitive levels, or (c) to deprive Buyer of the benefits of free and open competition;

3. "collusive practice" means a scheme or arrangement between two or more Bidders, with or without the knowledge of Buyer, a purpose of which is to establish bid prices at artificial, non-competitive levels; and

4. "coercive practice" means harming or threatening to harm, directly or indirectly, persons or their property to influence their participation in the bidding process.

BASIS OF BID

Bidder will furnish the Goods and Special Services in accordance with the Contract Documents for the following price(s).

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Base Bid Description of Work: TAMUNING HOT SPOTS

Work consists as per following items:

Work consists of replacement of 6-inch – 8-inch Asbestos Cement pipe with 6-inch – 10-inch PVC pipe, construction of precast concrete manholes, sewer manhole rehabilitation with epoxy coating, channel construction, disconnection and re-connection of lateral sewer pipes, abandoning existing sewer pipes and providing temporary bypass and traffic control as necessary to complete the rehabilitation and replacement work.

The included segments are shown on the Scope Overview Maps Fig-1A to Fig-1C which are included as Exhibit A to this Bid Form.

			Base Bid		
Item No.	Description	Unit	Unit Price	Qty	Bid Amount
1	Permits	LS	$ 23,079.74	1	$ 23,079.74
2	Mobilization and Demobilization (10% Maximum)	LS	$ 31,472.37	1	$ 31,472.37
3	Insurance and Bonds	LS	$ 15,386.49	1	$ 15,386.49
4	Traffic Control	LS	$ 37,067.45	1	$ 37,067.45
5	Demolition of Asphalt Concrete (AC) Pavement including all labor, materials, equipment and all incidentals for AC sawcutting, removal of AC pavement and hauling and disposal to an approved landfill disposal facility.	SY	$ 43.78	516	$ 22,590.48
6	Erosion Control	LS	$ 12,141.34	1	$ 12,141.34
7	Trench Excavation including all labor, materials, supplies, equipment and incidentals for the trench shoring, hauling and disposal of excavated materials, disposal fee, protection and support of structures and facilities, and dewatering.	CY	$ 265.77	352	$ 93,551.04
8	Removal of existing Asbestos Cement Pipes including all labor, materials, equipment and incidentals for the packaging and off-island shipping of Asbestos Cement pipe	LF	$ 167.85	515	$ 86,442.75
9	Installation of 6-inch diameter PVC pipe, installed by open trench, including installation of PVC pipe, fittings, warning/identification tape, cleaning, connections to existing manholes, adjustment of existing channel and bench, testing, and all incidentals, in place complete.	LF	$ 418.23	19	$ 7,946.37

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10	Installation of 8-inch diameter PVC pipe, installed by open trench, including installation of PVC pipe, fittings, warning/identification tape, cleaning, connections to existing manholes, adjustment of existing channel and bench, testing, and all incidentals, in place complete.	LF	$ 172.05	612	$ 105,294.60
11	Installation of 10-inch diameter PVC pipe, installed by open trench, including installation of PVC pipe, fittings, warning/identification tape, cleaning, connections to existing manholes, adjustment of existing channel and bench, testing, and all incidentals, in place complete.	LF	$ 181.84	297	$ 54,006.48
12	Sewer Flow Control including Flow Management Plan, Temporary Bypass Piping, and Pumps, pipe plugs, bypassing at sewer laterals (including locating and exposing cleanouts), temporary trenches (including pavement demolition, excavation, backfill, trench covers, temporary and permanent AC, muck handling, and disposal), electrical and standby power/pumps, monitoring, spill containment/mitigation	LS	$ 118,895.61	1	$ 118,895.61
13	Concreting of abandoned Asbestos Cement pipes in place including all labor, materials, equipment and incidentals, in-place complete.	CY	$ 699.39	2	$ 1,398.78
14	Trench Backfilling including all labor, materials, supplies, equipment and incidentals for the supply and placement of bedding sand and flowable fill.	CY	$ 316.12	352	$ 111,274.24
15	Asphalt Concrete (AC) pavement restoration (2-inch thick) including prime coat and all necessary labor, materials, and equipment, in place complete.	SY	$ 302.13	516	$ 155,899.08
16	Repair and rehabilitation of Manholes including all labor, materials, equipment and incidentals for raising manhole frames & covers, grouting of joints & chimneys, cleaning of manholes, sealing of manhole and replacing manhole lids.	LS	$ 58,748.42	1	$ 58,748.42

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17	Construct new manholes including all labor, materials, equipment and all incidentals for the placement & compaction of base course, backfilling & compaction and manhole accessories, in place complete.	EA	$ 23,079.74	5	$ 115,398.70
18	Archaeological Monitoring (Allowance)	LS	$ 6,000	1	$ 6,000
19	As-Built drawings	LS	$ 37,361.93	1	$ 37,361.93
BASE BID (TOTAL Items 1 through 19, inclusive)					$ 1,093,955.87

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Description of Work: TAMUNING HOT SPOTS - ADDITIVE BID NO.1
Work consists as per following items:
Work consists of replacement of 8-inch Asbestos Cement pipe with 8-inch PVC pipe, construction of precast concrete manholes, sewer manhole rehabilitation with epoxy coating, channel construction, disconnection and re-connection of lateral sewer pipes, abandoning existing sewer pipes and providing temporary bypass and traffic control as necessary to complete the rehabilitation and replacement work.
The included segments are shown on the Scope Overview Maps Fig-1A to Fig-1C which are included as Exhibit A to this Bid Form.

			Additive Bid		
Item No.	Description	Unit	Unit Price	Qty	Bid Amount
1	Permits	LS	$ 35,668.68	1	$ 35,668.68
2	Mobilization and Demobilization (10% Maximum)	LS	$ 31,472.37	1	$ 31,472.37
3	Insurance and Bonds	LS	$ 23,779.12	1	$ 23,779.12
4	Traffic Control	LS	$ 111,901.75	1	$ 111,901.75
5	Demolition of Asphalt Concrete (AC) Pavement including all labor, materials, equipment and all incidentals for AC sawcutting, removal of AC pavement and hauling and disposal to an approved landfill disposal facility.	SY	$ 104.91	668	$ 70,079.88
6	Erosion Control	LS	$ 2,867.48	1	$ 2,867.48
7	Trench Excavation including all labor, materials, supplies, equipment and incidentals for the trench shoring, hauling and disposal of excavated materials, disposal fee, protection and support of structures and facilities, and dewatering.	CY	$ 951.16	606	$ 576,402.96
8	Removal of existing Asbestos Cement pipes including all labor, materials, equipment and incidentals for the packaging and off-island shipping of Asbestos Cement pipe	LF	$ 167.85	323	$ 54,215.55
9	Installation of 8-inch diameter PVC pipe, installed by open trench, including installation of PVC pipe, fittings, warning/identification tape, cleaning, connections to existing manholes, adjustment of existing channel and bench, testing, and all incidentals, in place complete.	LF	$ 741.35	802	$ 594,562.70

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10	Sewer Flow Control including Flow Management Plan, Temporary Bypass Piping, and Pumps, pipe plugs, bypassing at sewer laterals (including locating and exposing cleanouts), temporary trenches (including pavement demolition, excavation, backfill, trench covers, temporary and permanent AC, muck handling, and disposal), electrical and standby power/pumps, monitoring, spill containment/mitigation	LS	$209,815.78	1	$ 209,815.78
11	Concreting of abandoned Asbestos Cement pipes in place including all labor, materials, equipment and incidentals, in-place complete.	CY	$ 699.39	6	$ 4,196.34
12	Trench Backfilling including all labor, materials, supplies, equipment and incidentals for the supply and placement of bedding sand and flowable fill.	CY	$ 447.61	606	$ 271,251.66
13	Asphalt Concrete (AC) pavement restoration (2-inch thick) including prime coat and all necessary labor, materials, and equipment, in place complete.	SY	$ 302.13	662	$ 200,010.06
14	Asphalt Concrete (AC) Friction Course (1" thick)	SY	$ 293.74	460	$ 135,120.40
16	Repair and rehabilitation of Manholes including all labor, materials, equipment and incidentals for raising manhole frames & covers, grouting of joints & chimneys, cleaning of manholes, sealing of manhole and replacing manhole lids.	LS	$ 107,705.43	1	$ 107,705.43
17	Construct new manholes including all labor, materials, equipment and all incidentals for the placement & compaction of base course, backfilling & compaction and manhole accessories, in place complete.	EA	$ 25,177.89	4	$ 100,711.56
18	Archaeological Monitoring	LS		1	$ 6,000.00
19	As-Built drawings	LS	$ 30,368.07	1	$ 30,368.07
ADDITIVE BID NO. 1 (TOTAL Items 1 through 19, inclusive)					$ 2,566,129.79

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Description of Work: TAMUNING HOT SPOTS - ADDITIVE BID NO.2
Work consists as per following items:
Work consists of replacement of 8-inch Asbestos Cement pipe with 8-inch PVC pipe, disconnection and re-connection of lateral sewer pipes, sewer manhole rehabilitation with epoxy coating, and providing temporary bypass and traffic control as necessary to complete the rehabilitation and replacement work. The included segments are shown on the Scope Overview Maps Fig-1A to Fig-1C which are included as Attachment A to this Bid Form.

				Additive Bid	
Item No.	Description	Unit	Unit Price	Qty	Bid Amount
1	Permits	LS	$ 36,088.31	1	$ 36,088.31
2	Mobilization and Demobilization (10% Maximum)	LS	$ 20,981.58	1	$ 20,981.58
3	Insurance and Bonds	LS	$ 24,058.88	1	$ 24,058.88
4	Traffic Control	LS	$ 58,049.03	1	$ 58,049.03
5	Demolition of Asphalt Concrete (AC) Pavement including all labor, materials, equipment and all incidentals for AC sawcutting, removal of AC pavement and hauling and disposal to an approved landfill disposal facility.	SY	$ 48.96	936	$ 45,826.56
6	Erosion Control	LS	$ 14,743.06	1	$ 14,743.06
7	Trench Excavation including all labor, materials, supplies, equipment and incidentals for the trench shoring, hauling and disposal of excavated materials, disposal fee, protection and support of structures and facilities, and dewatering.	CY	$ 307.73	750	$ 230,797.50
8	Removal of existing Asbestos Cement Pipes including all labor, materials, equipment and incidentals for the packaging and off-island shipping of Asbestos Cement pipe	LF	$ 167.85	1684	$ 282,659.40
9	Installation of 8-inch diameter PVC pipe, installed by open trench, including installation of PVC pipe, fittings, warning/identification tape, cleaning, connections to existing manholes, adjustment of existing channel and bench, testing, and all incidentals, in place complete.	LF	$ 338.50	1684	$ 570,034.00

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10	Sewer Flow Control including Flow Management Plan, Temporary Bypass Piping, and Pumps, pipe plugs, bypassing at sewer laterals (including locating and exposing cleanouts), temporary trenches (including pavement demolition, excavation, backfill, trench covers, temporary and permanent AC, muck handling, and disposal), electrical and standby power/pumps, monitoring, spill containment/mitigation	LS	$111,901.75	1	$ 111,901.75
11	Trench Backfilling including all labor, materials, supplies, equipment and incidentals for the supply and placement of bedding sand and flowable fill.	CY	$ 351.09	750	$ 263,317.50
12	Asphalt Concrete (AC) pavement restoration (2-inch thick) including prime coat and all necessary labor, materials, and equipment, in place complete.	SY	$ 302.13	936	$ 282,793.68
13	As-Built drawings	LS	$ 27,975.44	1	$ 27,975.44
ADDITIVE BID NO. 2 (TOTAL Items 1 through 13, inclusive)					$ 1,969,226.69

Bidder acknowledges that estimated quantities are not guaranteed, and are solely for the purpose of comparison of Bids, and final payment for all unit price Bid items will be based on actual quantities, determined as provided in the Contract Documents. Bidder also acknowledges that each unit price includes an amount considered by Bidder to be adequate to cover Bidder's overhead and profit for each separately identified item.

TIME OF COMPLETION

Bidder agrees that the furnishing of Goods and Special Services will conform to the schedule set forth in Article 5 of the Agreement.

Bidder accepts the provisions of the Agreement as to liquidated damages.

ATTACHMENTS TO THIS BID

The following documents are attached to and made a condition of this Bid:

Required Bid security in the form of Bid Bond.

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List of Proposed Major Suppliers;

Required Bidder Qualification Statement with Supporting Data; and

[List other documents as pertinent]

DEFINED TERMS

The terms used in this Bid with initial capital letters have the meanings stated in the Instructions to Bidders, the General Conditions, and the Supplementary Conditions.

BID SUBMITTAL

This Bid submitted by:

If Bidder is:

An Individual

Name (typed or printed): _____

By: _____
(Individual's signature)

Doing business as: _____

Business address: _____

_____

Phone: _____ Facsimile: _____

E-mail address: _____

A Partnership

Partnership Name: _____

(SEAL)

By: _____
(Signature of general partner - attach evidence of authority to sign)

Name (typed or printed): _____

Business address: _____

_____

Phone: _____ Facsimile: _____

E-mail address: _____

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A Corporation

Corporation Name: IAN CORPORATION

State of Incorporation: Guam, U.S.A.

Type (General Business, Professional, Service, other): General Contractor

By: _____

(Signature - attach evidence of authority to sign)

Name (typed or printed): Ian J. Chong

Title: President

(CORPORATE SEAL)

Attest _____

(Signature of Corporate Secretary)

Business address: 210 East Route 8 Barrigada, Guam 96913

Phone: 671-734-3939 Facsimile: 671-734-7762

E-mail address: ian@ianconstruction.com

A Limited Liability Company (LLC)

LLC Name: _____

State in which organized: _____

By: _____

(Signature - attach evidence of authority to sign)

Name (typed or printed): _____

Title: _____

Business address: _____

Phone: _____ Facsimile: _____

E-mail address: _____

A Joint Venture

First Joint Venturer Name: _____ (SEAL)

By: _____

(Signature - attach evidence of authority to sign)

Name (typed or printed): _____

Title: _____

Business address: _____

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Phone: _____ Facsimile: _____

E-mail address: _____

Second Joint Venturer Name: _____ (SEAL)

By: _____

(Signature - attach evidence of authority to sign)

Name (typed or printed): _____

Title: _____

Business address: _____

Phone: _____ Facsimile: _____

E-mail address: _____

Phone and Facsimile Number, and Address for receipt of official communications to Joint Venture: _____

(Each joint venturer must sign. The manner of signing for each individual, partnership, corporation, and limited liability company that is a party to the joint venture should be in the manner indicated above.)

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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. 06-FY2020
Relative to Approval of Fund Increase to the Construction Management Contract for the Baza Gardens Wastewater Cross Island Pumping and Conveyance System. (Phase I, II & III)

What is the project's objective and is it necessary and urgent?
The overall construction project for the Baza Gardens wastewater conveyance project to date still has minor close out items for the Phase II contractor as well as minor work at the existing clarify, civil works and SCADA for the Phase III contractor which requires continued Construction Management services that GWA anticipates will extend to November 2019.

Where is the location?
Majority of the remaining work is at the new Baza Gardens Pump Station which is the Phase III contractor.

How much will it cost?
GWA management still seeks CCU approval of additional funding not to exceed the amount of One Hundred Thirty Thousand Dollars ($130,000.00) for the extended contract performance period from September 2019 through November 2019 including documentation of the project close out. Notwithstanding the fund increase request GWA will be negotiating down the fee proposal given the level of staffing and construction activities will ramp down towards the end of the construction period.

The approval of the One Hundred Thirty Thousand Dollars ($130,000.00), which GWA will view on a Time and Materials basis, will bring the total authorized funding for the Construction Management contract to Three Million Four Hundred Sixty-Two Thousand Five Hundred Sixty-Four Dollars and Fifty-Nine Cents ($3,462,564.59).

When will it be completed?
The actual construction completion is projected to be by October 2019 however GWA anticipates the CM services will extend to November 15, 2019.

What is the funding source?
Funding for any Change Order to SSFM's contract moving forward will be from any available bond funds under the line item - WW 11-03 "Baza Gardens STP Replacement", System Development Charge funds and Internally Funded CIP funds as well as Liquidated Damages of $3,000 per day from the contractor.

The RFP/BID responses (if applicable):
Not Applicable.

CONSOLIDATED COMMISSION ON UTILITIES
Guam Power Authority | Guam Waterworks Authority
P.O. Box 2977 Hagatna, Guam 96932 | (671)649-3002 | guamccu.org

RESOLUTION NO. 06-FY2020

RELATIVE TO APPROVAL OF FUND INCREASE TO THE CONSTRUCTION MANAGEMENT CONTRACT FOR THE BAZA GARDENS WASTEWATER CROSS-ISLAND PUMPING AND CONVEYANCE SYSTEM (PHASES I, II&III)

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 Baza Gardens WWTP was a Court Order project that converted the treatment facility to a sewer pumping station to transfer/convey wastewater flows from the Baza Gardens/Talofofo wastewater basin across the Route 17 (Cross Island Road) to a new Agat-Santa Rita WWTP site; and

WHEREAS, GWA management executed three separate construction contracts (Phases I, II&III) to construct the new conveyance system as well as a contract with SSFM, Inc. (SSFM) to provide construction management services in the amount not to exceed Two Million Eight Hundred Seventy-One Thousand Dollars ($2,871,000.00); and

WHEREAS, GWA had subsequently executed the original contract with SSFM for an amount of Two Million Two Hundred Eighty-Five Thousand Two Hundred Sixty-Eight Dollars ($2,285,268.00) as well as allotted Two Hundred Twenty-Eight Thousand Five Hundred Twenty-Six Dollars and Eighty Cents ($228,526.80) as a 10% contingency to the contract; and

WHEREAS, GWA further executed Change Order No. 1 to the Construction Management contract in the amount of One Hundred Eighty-Five Thousand Six Hundred Ninety-One Dollars ($185,691.00) which was covered under the original 10% contingency; and

WHEREAS, CCU further authorized via Resolution 09-FY2019 in November 2018 an increase of fund authorization in the amount of Three Hundred One Thousand Five Hundred Sixty-Four Dollars and Fifty-Nine Cents ($301,564.59) to bring the total authorized funding of Three Million One Hundred Seventy-Two Thousand Five Hundred Sixty-Four Dollars and Fifty-Nine Cents ($3,172.564.59) to address continued Construction Management services past the original construction period date; and

WHEREAS, GWA had executed Change Order No. 2 in the amount of Six Hundred Two Thousand Seven Hundred Dollars and Fifty-Seven Cents ($602,700.57) to bring the total contract value to Three Million Seventy-Three Thousand Six Hundred Fifty-Nine Dollars and Fifty-Seven Cents ($3,073,659.57) which provided CM services up until April 30, 2019; and

WHEREAS, the overall construction project to date still has minor close out items for the Phase II contractor as well as minor work at the existing clarify, civil works and SCADA for the Phase III contractor which still requires Construction Management services; and

WHEREAS, the CCU further approved Resolution 25-FY2019 in November 2018 that increased funding authorization to Three Million Three Hundred Thirty-Two Thousand Five Hundred Sixty-Four Dollars and Fifty Nine Cents ($3,332,564.59) to the Construction Management contract after which GWA executed Change Order Nos. 3, 4 & 5 for the Construction Manager in the amount of Two Hundred Twenty Eight Thousand Eight Hundred Seven Dollars and Ninety -Three Cents ($228,807.93) to bring the total contract value to Three Million Three Hundred Two Thousand Four Hundred Sixty Seven Dollars and Fifty Cents ($3,302,467.50) which provided CM services up until July 31, 2019; and

WHEREAS, the contractor for Phase III, SMCC, has to date continues to experience delays for various reason and as such the CM has been required to stay on until potentially November 2019 to handle remaining construction work and close out of the entire project; and

WHEREAS, GWA is negotiating with SSFM for a fee proposal to provide continued construction management services from September 2019 to November 2019 on a Time and Materials basis and part of this negotiation is for SSFM to take into account a reduction in staffing levels as the project reaches the end of the construction period; and

WHEREAS, to ensure timely execution of any forthcoming Change Order so that services are not stalled GWA is seeking CCU approval of additional funding to a not to-exceed the amount of One Hundred Thirty Thousand Dollars ($130,000.00) for the extended contract performance period from September to November 2019 which is an average of Forty Three Thousand Dollars ($43,000.00) per month; and

WHEREAS, funding for any Change Order to SSFM moving forward will be from any available bond funds under the line item - WW 11-03 "Baza Gardens STP Replacement", System Development Charge funds and Internally Funded CIP funds as well as Liquidated Damages of $3,000 per day from the contractor; 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 hereby approves the funding increase for construction management services an additional amount not to exceed One Hundred Thirty Thousand Dollars ($130,000.00).
3. The CCU further approves the total funding authorization for the contract with SSFM to an amount not to exceed Three Million Four Hundred Sixty -Two Thousand Five Hundred Sixty-Four Dollars and Fifty-Nine Cents ($3,462,564.59)
4. The source of funding for any Change Order to SSFM moving forward will be from any available bond funds under the line item - WW 11-03 "Baza Gardens STP Replacement", System Development Charge funds and Internally Funded CIP funds as well as Liquidated Damages of $3,000 per day from the contractor.

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

DULY AND REGULARLY ADOPTED, this 29th day of October 2019.

Certified by: Attested by:

_____ _____

JOSEPH T. DUENAS **MICHAEL T. LIMTIACO**
Chairperson Secretary

SECRETARY'S CERTIFICATE

I, Michael T. Limtiaco, 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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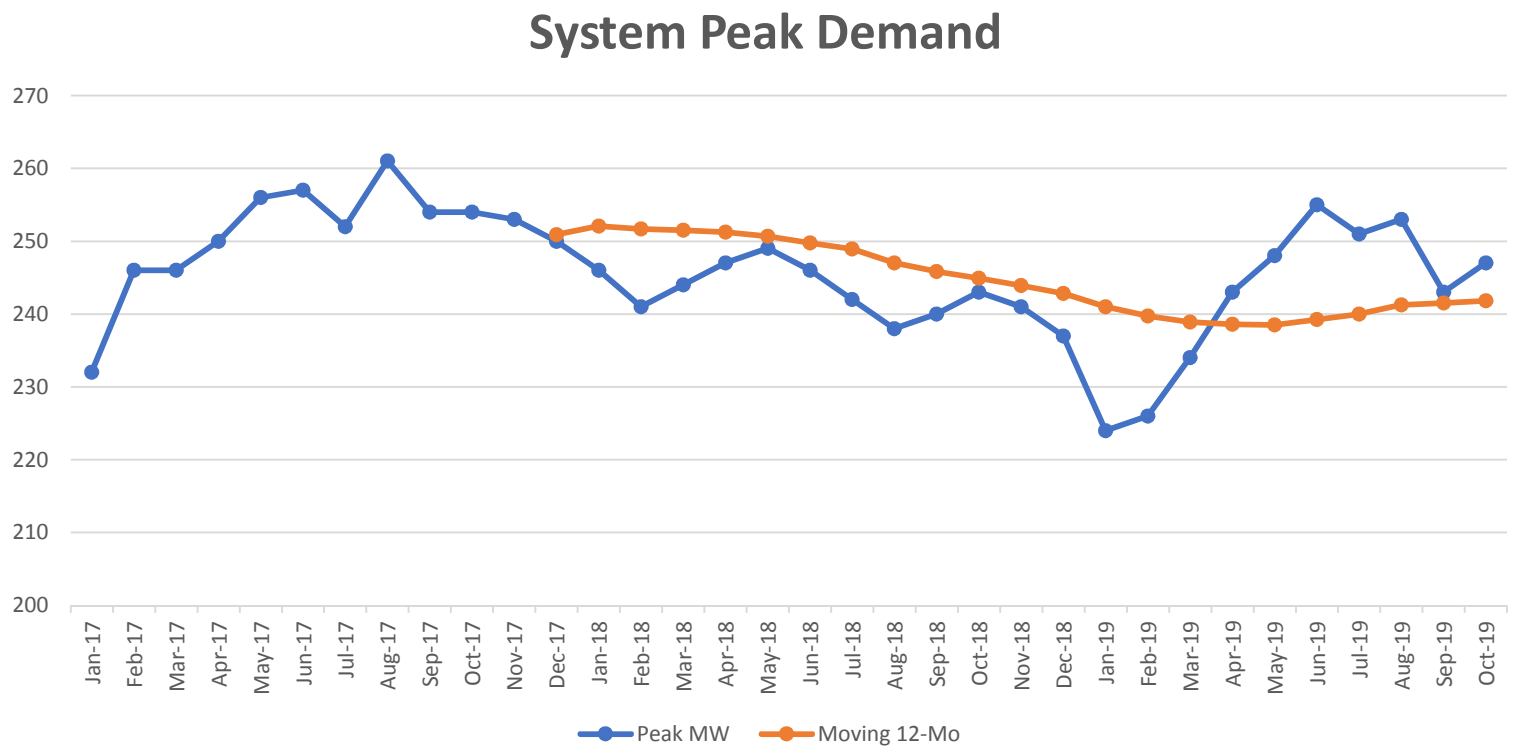
GENERAL MANAGER'S REPORT

OCTOBER 2019

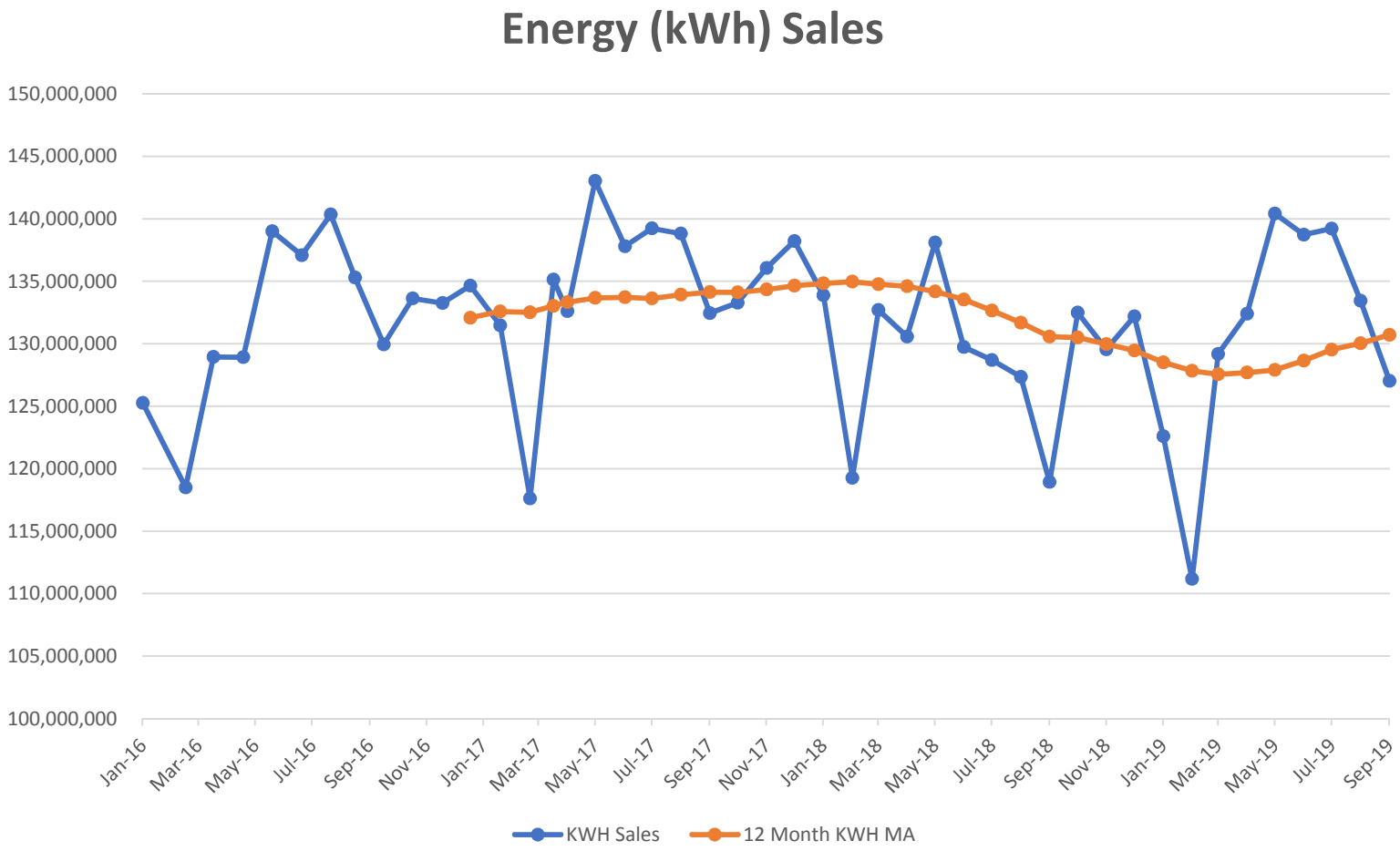
1. **Generation System:** The following is the generation forecast for November 2019:

   Projected Available Capacity: 381 MW
   Projected Demand: 245 MW
   Anticipated Reserve Margin: 136 MW

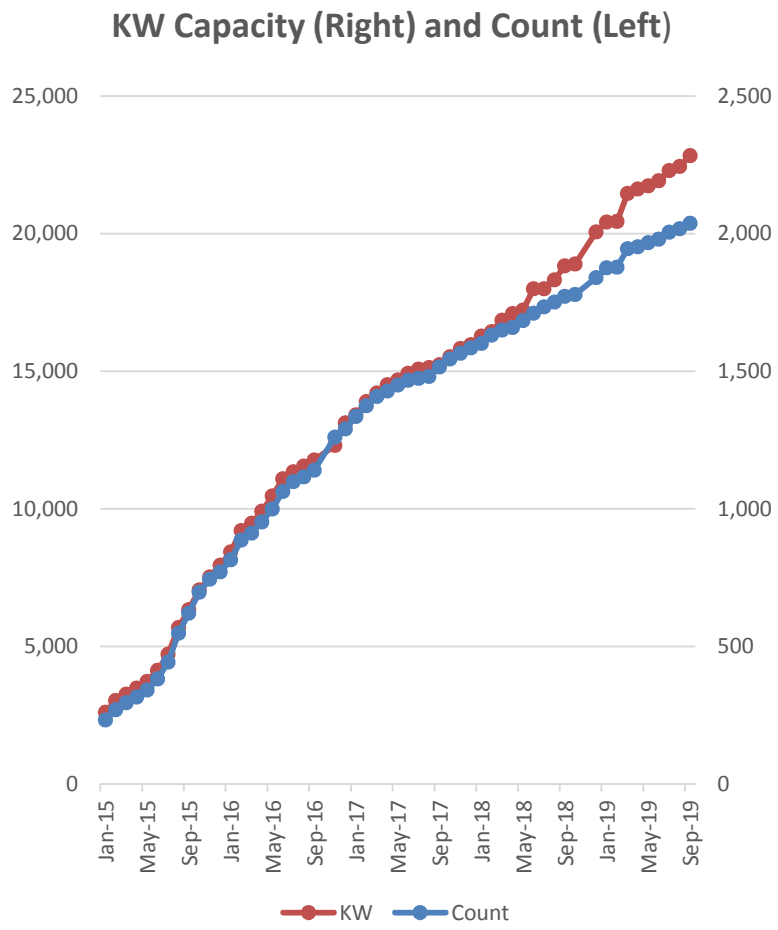
- The following updates monthly peak demands ending October 2019 to date:

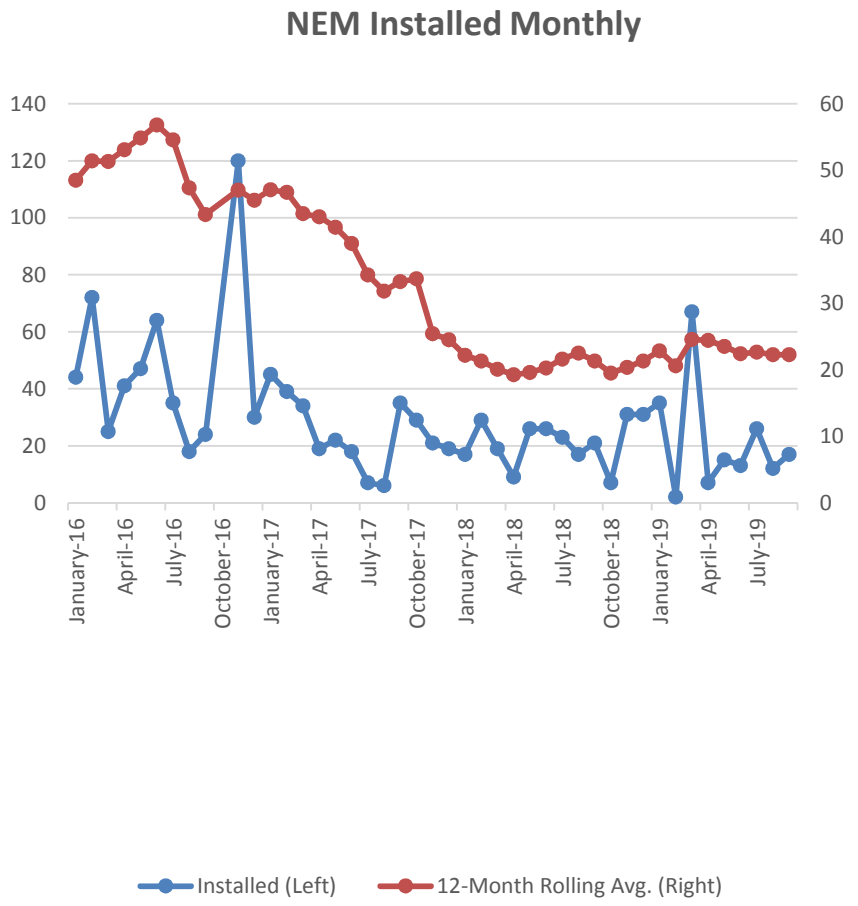


2. Energy Sales thru September 2019: Sales trending upwards. Significant drop upon increase in LEAC in 2018.



3. Net Metering (NEM) Growth thru September 2019:





Demand Side Management (DSM)

4. Program directly reduces energy cost to customer at a one time fixed rebate. Funded $3.9M from base rate

DSM PROGRAM SUMMARY

Description	FY16	FY17	FY18	FY19 thru 9/30/19*	Total to Date
Regular/OT Pay	$11,348.80	$22,256.00	$26,121.83	$50,715.19	$110,441.82
Other Contractual	$28,278.50	$85,550.05	$116,977.50	$3,025.00	$233,831.05
Ads & Radio Announcements	-	-	-	$7,500.00	$7,500.00
Paid Rebates-Split AC	$154,700.00	$557,275.00	$1,349,825.00	$1,156,875.00	$3,218,675.00
Paid Rebates-Central AC	$3,400.00	$8,200.00	$4,400.00	$6,000.00	$22,000.00
Paid Rebates-Washer/Dryer	$2,800.00	$7,425.00	$57,200.00	$93,200.00	$160,625.00
Total Expenses	**$200,527.30**	**$680,706.05**	**$1,554,524.33**	**$1,317,315.19**	**$3,753,072.87**

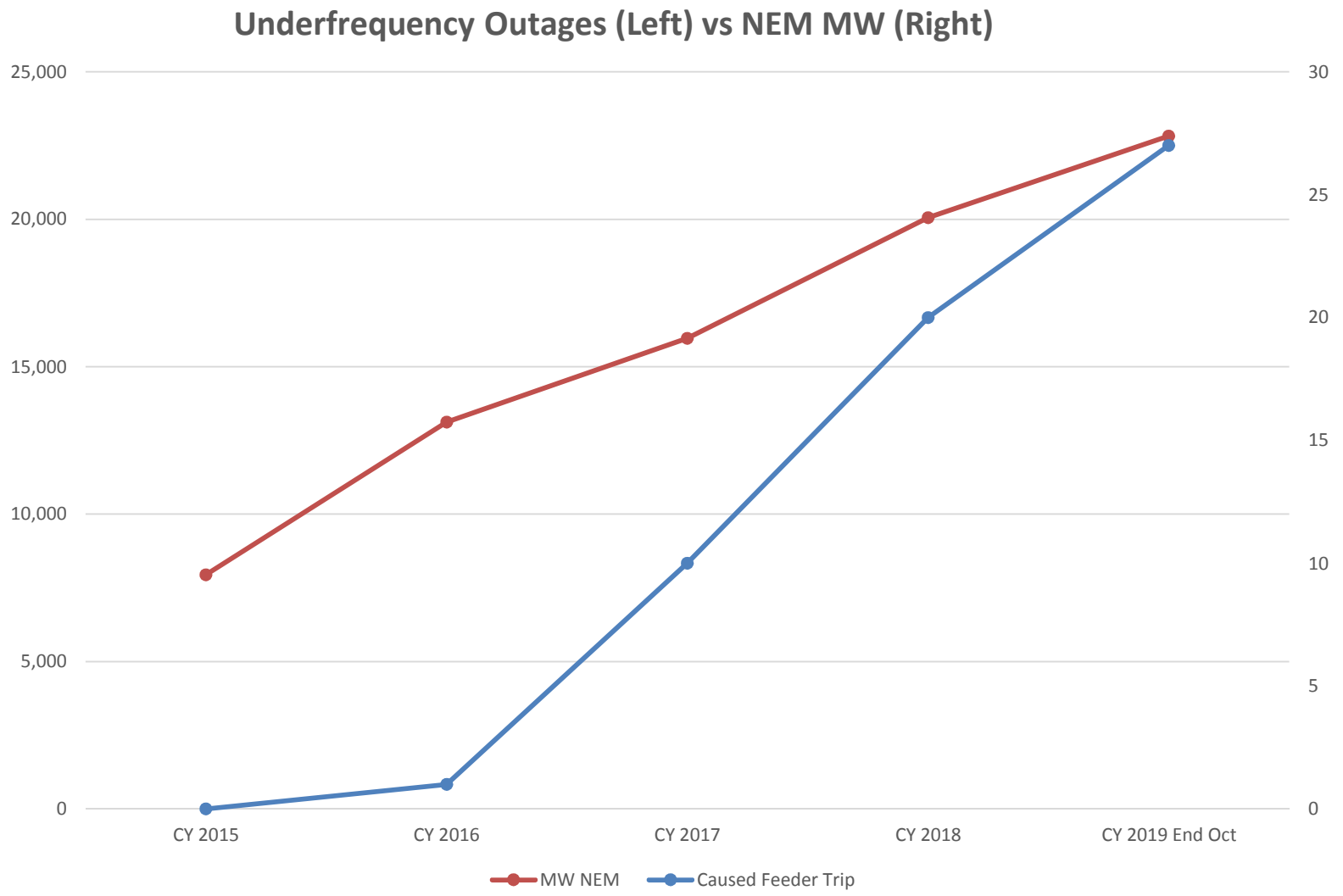
5. PUC DOCKETS:
   - GPA Docket 19-13: Petition to approve the ECA with KEPCO for the 198MW Power Plant is on the PUC agenda for this Thursday, October 31, 2019. The PUC has conducted three public hearings on the request.
6. Legislative Bills:
   - Bill 80-35 (COR), *An Act to Amend § 8311 of Article 3, Chapter 8, Title 12, Guam Code Annotated, Relative to Raising the Renewable Portfolio Standards (RPS) of the Guam Power Authority. GPA supported the bill as introduced which increased the Renewable Portfolio Standard (RPS) to 50%. However, bill was amended to increase the RPS to 100% along with amendments prescribing how to get there. Please see my letter (attached) to the Legislature asking them to reconsider the amendments which I believe will negatively impact ratepayers.*
   - Bill 196-35 (COR), *An Act to Amend § 7116(a) and (d), both of Chapter 7, Division 2, Title 17, GCA Relative to Authorizing Guam DOE to enter into Power Purchase Agreements to Purchase Solar Energy from Qualified Provider(s). This bill is being amended to transfer procurement authority from GSA to GDOE.*
7. Informational Briefings Conducted:
   - Powering the Future 2019-2024 to Members, Guam Chamber of Commerce & Society of American Military Engineers (SAME)
8. Award of Phase III: Notice of Intent to Award, subject to CCU and PUC approvals to Engie Solar was made on October 4, 2019. A protest was filed by GlidePath on October 9, 2019. GPA is in the process of making a decision on the protest.

9. Solar PV Reliability Cost:

- Please see the following cost estimate on Solar PV production and reliability. There is a perception in the community that renewables, in particular solar PV is the cheapest energy for Guam and that we should eliminate conventional fossil fuel production. Please note the following:

    - Solar PV production is intermittent and requires an accompanying energy storage system such as a battery to provide a fairly smooth energy into the home or grid. GPA is purchasing energy from a 25 MW solar farm. In addition, there are about 22 MW of net metering customers tied into the grid without batteries. The result of all these intermittent production has degrade the reliability of the system. The number of under frequency automatic load shedding due to solar PV systems has increased substantially over the past few years. Additionally GPA is purchasing Net metering energy for $0.25 /kWh which it could produce at $0.154 /kWh.
    - The new GPA 40 MW frequency control batteries is coming on line by end of the year and would decrease these outages. However, we can't continue to add intermittent energy production into the grid which will degrade reliability again. GPA is evaluating this issue and will make a recommendation soon to require all future customer owned solar PV systems to have frequency control capability or Energy Storage System (ESS).
    - System Provided Frequency Control ESS cost about $0.002 /kWh
    - An ESS to provide one standby day of reliability cost $0.076 /kWh. Each additional standby day is the same, therefore for two days of reliability it cost $0.152 /kWh. The new power plant provides 365 days of reliability at $0.050 /kWh.
    - A hybrid of renewables and the new power plant will provide the lowest and most stable cost for the ratepayers. GPA will update the system Integrated Resource Plan by June 2020. The plan will have stakeholders input.

Uncontrolled Solar PV Energy Degrades System Reliability!



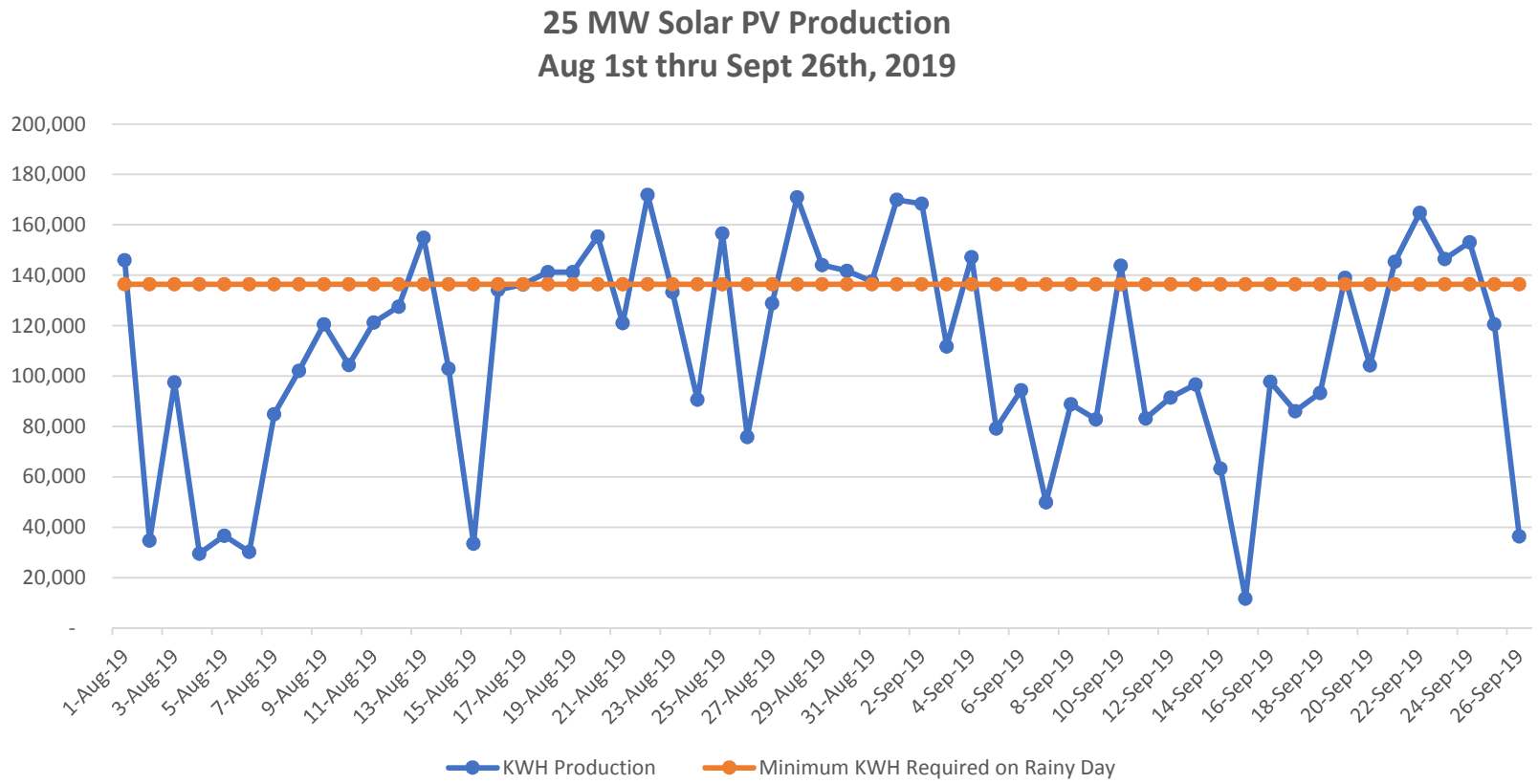
Solar PV Cost for 1-Day Supply

Description	Existing GPS	Phase II	Phase III	TOTAL	100% Renewables
Capacity kW	**25,000**	**120,000**	**40,000**	**185,000**	**792,428**
Approximate Acres (233kW/Acre)	**107**	**515**	**172**	**794**	**3,401**
Estimated Annual Energy kWh	52,560,000	283,824,000	84,096,000	420,480,000	
Estimated System Annual Energy kWh	1,666,000,000	1,666,000,000	1,666,000,000	1,666,000,000	1,666,000,000
Capacity Factor	24.0%	27.0%	24.0%	24.0%	24.0%
Percentage of System Delivery	3.2%	17.0%	5.0%	25.2%	
Estimated Sales	1,549,380,000	1,549,380,000	1,549,380,000	1,549,380,000	1,549,380,000
RPS	3.4%	18.3%	5.4%	27.1%	
System Heat Rate kWh/Gal	15.3	15.3	15.3	15.3	
Total Barrels Fuel Avoided	**81,793**	**441,681**	**130,868**	**654,342**	
Fuel Cost Amount Avoided @$55/BBL.	$4,498,599	$24,292,437	$7,197,759	$35,988,796	
Contract $/kWh	$0.198	$0.085	$0.120 **estimated*		$0.120
Annual Cost	$10,406,880	$24,125,040	$10,091,520	$44,623,440	$199,920,000
Average $/kWh				$0.106	
$/kW	$4,000	$4,000	$5,000		
Investment Required	**$100,000,000**	**$480,000,000**	**$200,000,000**	**$780,000,000**	**$3,777,138,508**
$/kW				$4,216	$4,766

All projects beyond Phase II requires energy storage systems (ESS) for load shifting.

The ESS provided is for only one day operation.

Solar PV Production is Inconsistent and Requires Substantial Battery Reserves



Energy Storage System Cost for 1-Day Supply

ENERGY STORAGE SYSTEM			
FREQUENCY CONTROL		**LOAD SHIFTING**	
Battery Size kW	40,000	Peak Demand kW	256,000
Investment	$35,000,000	Battery Size kW	40,000
Annual Debt Service 5%, 20 yrs	$2,006,065	Daily Net kWh	5,000,000
Annual O&M	$300,000	Max 10 hour Storage of 40MW Battery	14
Total Annual Cost	$2,306,065	<u>Estimated Battery Cost for 1-Day Reserve:</u>	
GPA Total Sales kWh	1,650,000,000	$/kWh USA	$209
$/kWh Sold		$/kWh Guam	$314
Monthly Cost/1,000 kWh Customer	$1.40	Investment for System Daily 5,000,000 kWh	$1,567,500,000
Annual Cost/1,000 kWh Customer	$16.77	Annual Cost 5%, 20 yrs	$125,780,255
		$/kWh for 1,650,000 kWh	$0.076
		Monthly Cost/1,000 kWh Customer	$76.23

$ 8.8B for 100% Renewables plus 1-Day Reserve Capacity

KW Capacity Required for 1-Day to Full Charge	868,056
$/KW Investment	$4,000
Total Investment:	**$3,472,222,222**

Daily use	**$3,777,138,508**
Recharge Capacity for 1-Day Recharging	**$3,472,222,222**
One Day Battery Reserve Capacity	**$1,567,500,000**
Total:	**$8,816,860,731**

Annual Cost; 20 year life	$440,843,036.53
Annual kWh	1,666,000,000
Annual $/kWh	**$0.265**
Base Rate less $0.03/kWh Avoided with Retirement of Conventional Units	$0.070
$/kWh 100% Renewables Plus 1-Day Storage and 1-Day Recharge:	**$0.335**

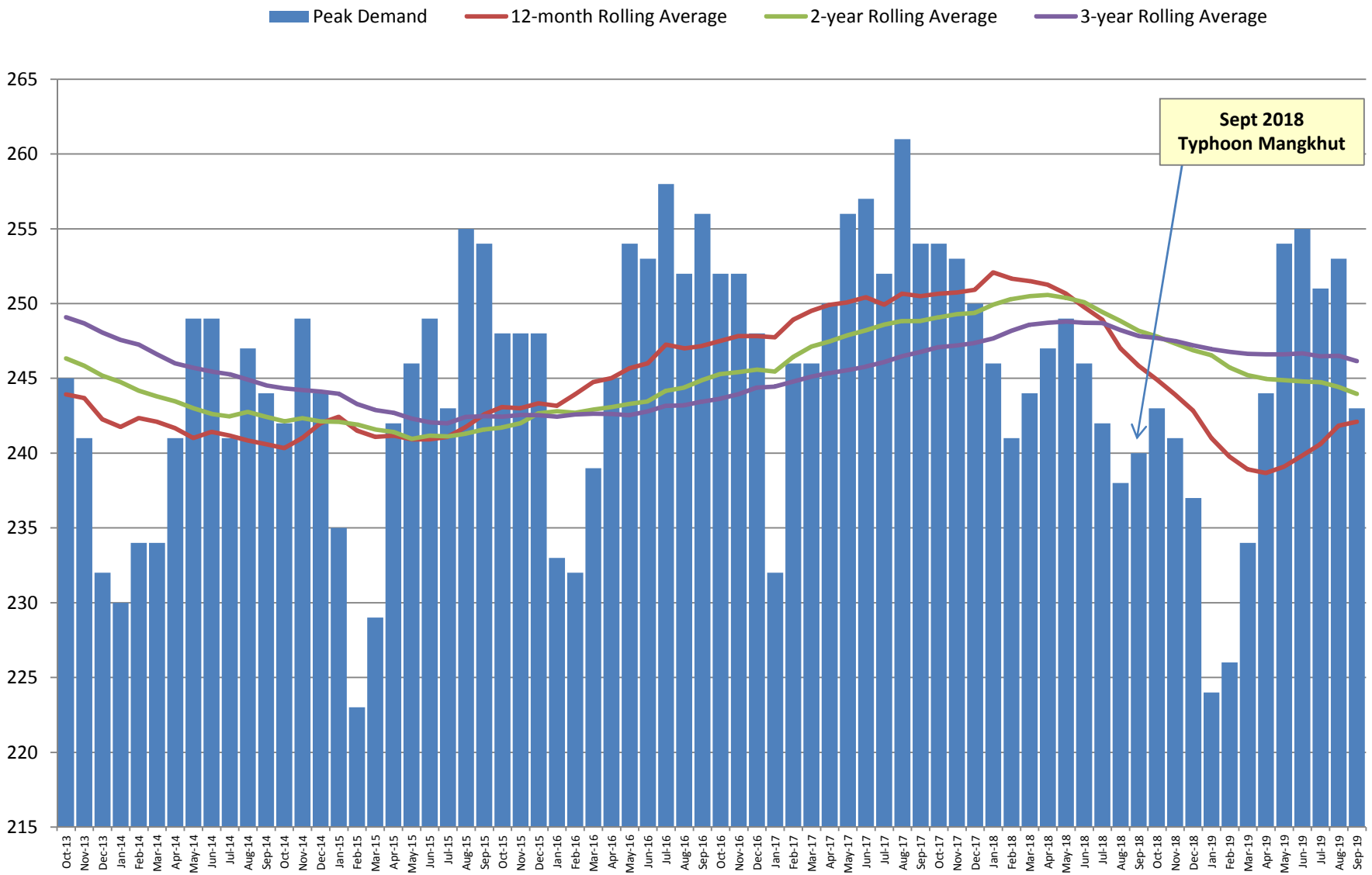
$0.6B for 24/7 Reliable and Lower Cost Power

DESCRIPTION	PITI 8 & 9 (MEC)	UKUDU (KEPCO)
Annual Fixed Capacity Fee	$18,000,000	$40,000,000
Total KW Capacity	88,000	198,000
$/KW	**$205**	**$202**
Annual All-In Cost Excluding Fuel:	$15,000,000	$70,000,000
Annual Capacity Factor	80.0%	80.0%
Annual Net kWH	598,202,880.0	1,387,584,000.0
Annual Net $/kWh ULSD	**$0.025**	**$0.050**
Annual Net $/kWh LNG	**$0.025**	**$0.043**
Thermal Efficiency	39.4%	$51.3%
Net Heat Rate kWh/gal ULSD	15.7	20.5
$/BBL ULSD	$90.00	$90.00
$/kWh ULSD Fuel Cost	**$0.136**	**$0.105**
$/kWh LNG Fuel Cost	**$0.105**	**$0.080**
Total Production Cost ULSD	**$0.1616**	**$0.1550**
Total Production Cost LNG	**$0.1297**	**$0.1234**
Age (years)	20	0
Annual Availability	90%	96%
Self Back Up	None	64MW Diesels; 25MW ESS
Forced Outage Rate	5%	2%

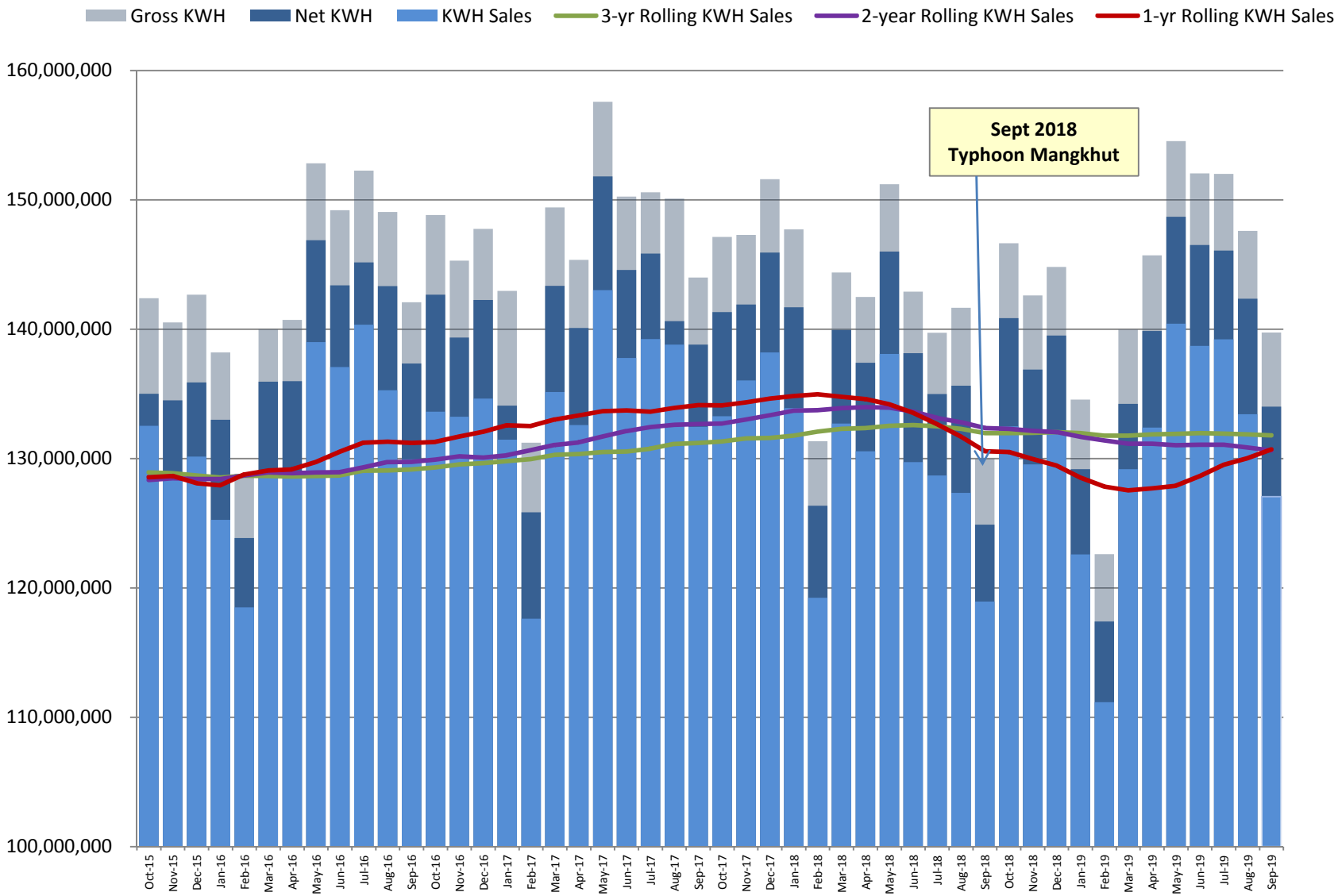
Updated Key Metrics:

September 2019

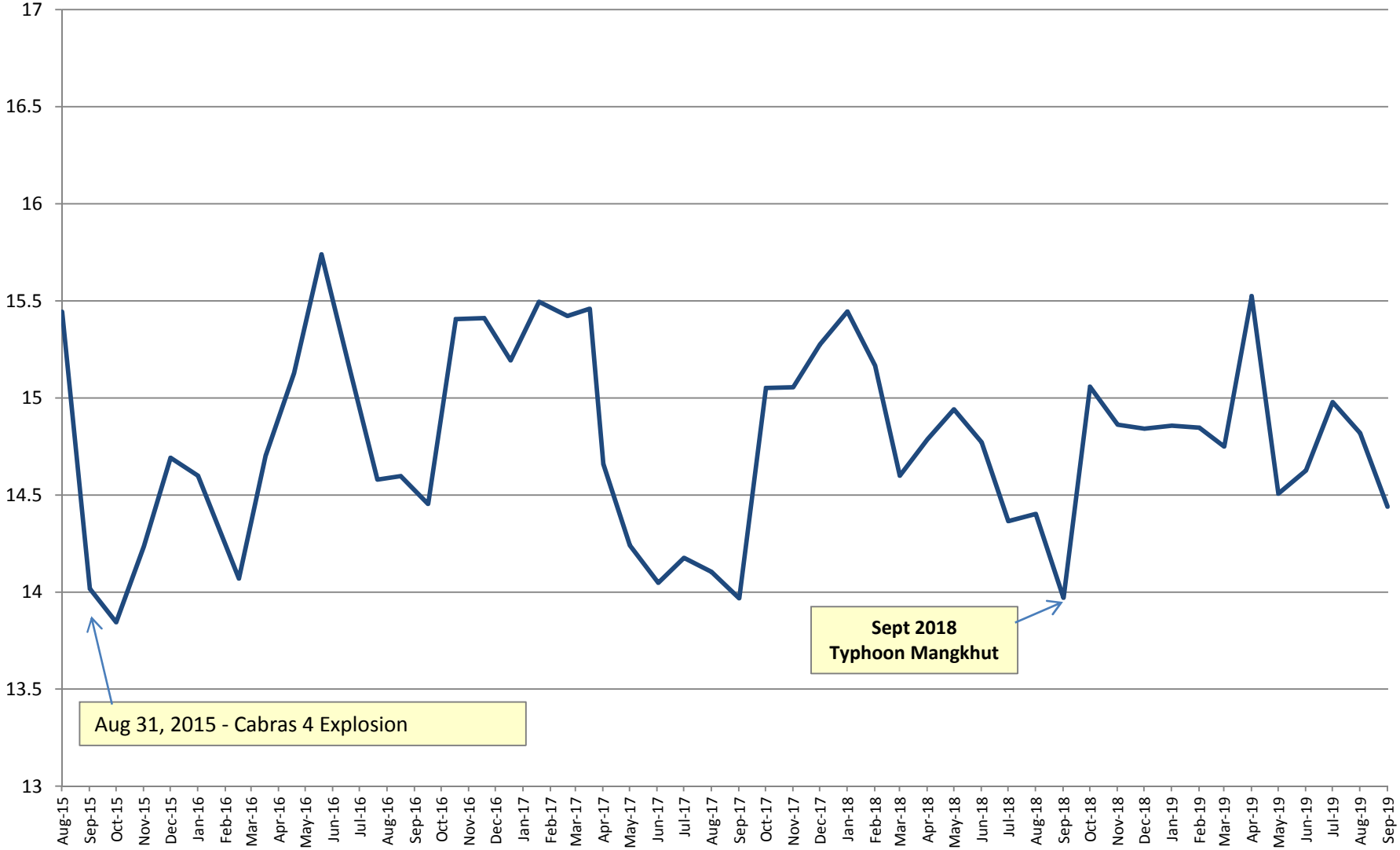
Historical Monthly Peak Demand
October 2013 - September 2019



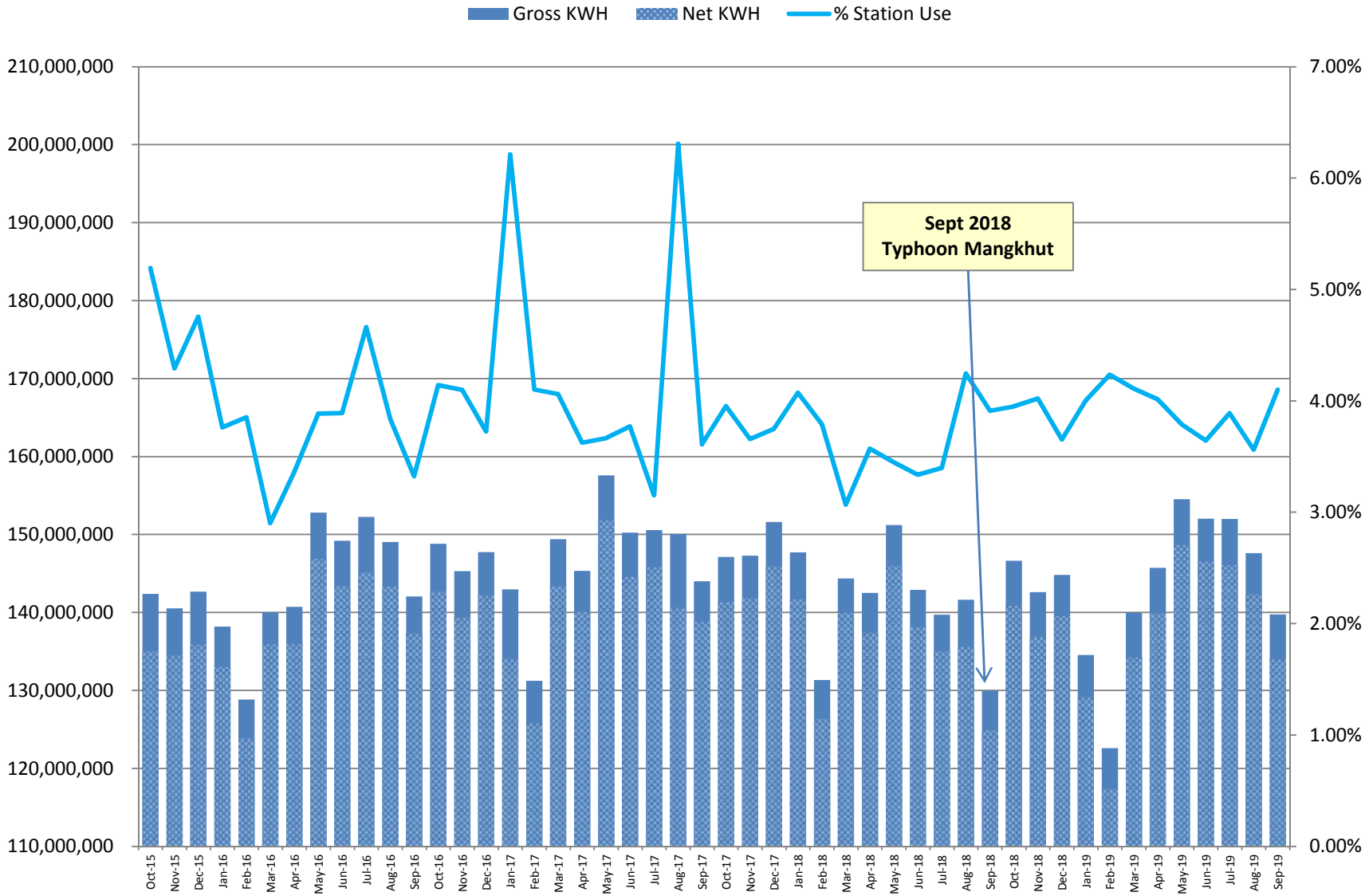
Historical KWH Sales
October 2015 - September 2019



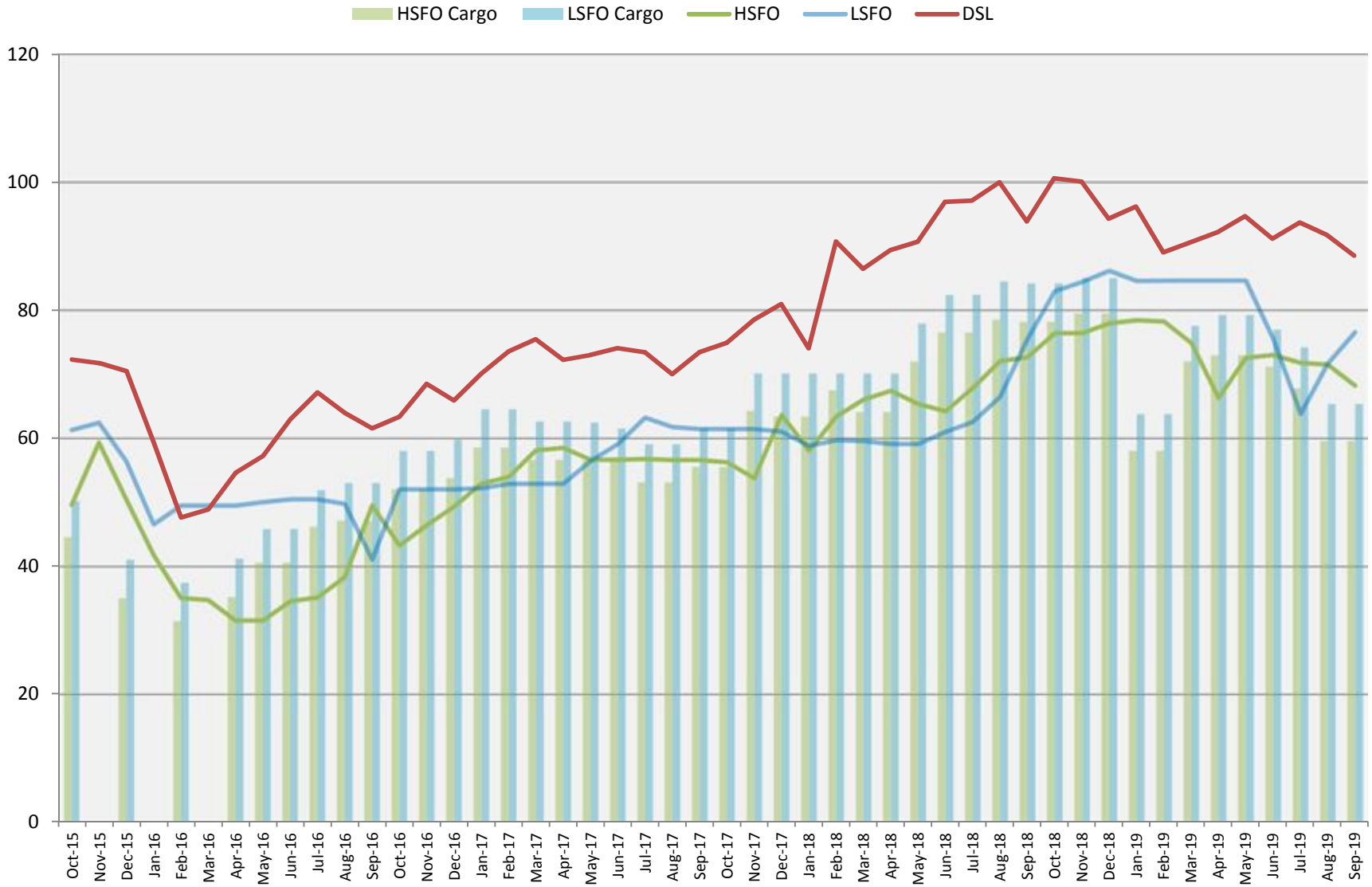
SYSTEM GROSS HEAT RATE
(KWH/Gal)
Aug 2015 - Sept 2019



Gross and Net Generation (KWH)
Oct 2015 - Sept 2019



Fuel Cargo and Fuel Consumption Costs ($/bbl)
Oct 2015 - Sept 2019



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

October 28, 2019

Honorable Clynton E. Ridgell
Chairman
Committee on Economic Development, Agriculture, Maritime Transportation, Power and Energy Utilities, and Energy Response
I Mina' Trentai Singko Na Liheslaturan Guåhan
238 Archbishop Flores St., Ste. 906
Hagåtña, Guam 96910
Via Email: clyntridgell@guamlegislature.org

Honorable Amanda L. Shelton
I Mina' Trentai Singko Na Liheslaturan Guåhan
163 Chalan Santo Papa
Hagåtña, Guam 96910
Via Email: officeofsenatorshelton@guamlegislature.org

RE: Bill 80-35
An Act to Amend § 8311 of Article 3, Chapter 8, Title 12, Guam Code Annotated, Relative to Raising the Renewable Portfolio Standards (RPS) of the Guam Power Authority

Håfa Adai Senators Ridgell & Shelton:

I am writing to you concerning Bill 80-35 *An Act to Amend § 8311 of Article 3, Chapter 8, Title 12, Guam Code Annotated, Relative to Raising the Renewable Portfolio Standards (RPS) of the Guam Power Authority*.

GPA supported Bill 80-35 *as introduced*, and testified to its support at the October 14, 2019 public hearing.

Bill 80-35 **was amended in Committee** to increase the RPS to 100% by 2045. In addition, there is very specific language in the amended bill that mandates a substantial amount of Distributed Energy to be met along with the RPS. These amendments significantly change the original Bill, should be discussed further with GPA and the public because it will result in substantial, negative impacts to the reliability of the island wide power system and result in substantially higher rates to ratepayers especially non-renewable owners (i.e. non-NEM customers).

Guam Power Authority is updating its Integrated Resource Plan (IRP), including providing electric transportation alternatives with input from all stakeholders. We plan to have the study completed by Summer 2020. We believe the IRP and related studies are needed to ensure that the expanded use of renewable energy does not negatively impact the grid or cause rate increases to our ratepayers.

Increasing the RPS to achieve 100% renewables without knowing its potential impact to the system including infrastructure upgrades necessary to maintain reliability and all its associated cost is not prudent especially when it comes to the energy lifeline of our completely islolated island. This legislation has a significant impact on rates and should be vetted through the process which includes additional public hearings.

Thank you for your consideration.

Si Yu'os Ma'åse',

JOHN M. BENAVENTE, P.E.
General Manager

Cc: Consolidate Commission on Utilities
Public Utilities Commission
Senators, 35th Guam Legislature

GUAM POWER AUTHORITY
ATURIDAT ILEKTRESEDAT GUAHAN
P O BOX 2977, AGANA, GUAM 96932-2977
Telephone: (671) 648-3066 Fax: (671) 648-3168

GUAM POWER AUTHORITY
FINANCIAL STATEMENT OVERVIEW
August 2019

Attached are the financial statements and supporting schedules for the month and fiscal year ended August 31, 2019.

Summary
The increase in net assets for the month ended was $1.3 million as compared to the anticipated net increase of $1.0 million projected at the beginning of the year. The total kWh sales for the month were 4.03% less than projected and non-fuel revenues were $0.7 million less than the estimated amount. O & M expenses for the month were $6.3 million which was $0.3 million less than our projections for the month. Other expenses for the month such as interest expense, IPP costs, (net of interest income and other income) totaled to $3.2 million, which was $0.4 less than the projected amounts. There were no other significant departures from the budget during the period.

Analysis

Description	Previous Month	Current Month	Target
Quick Ratio	2.66	2.40	2
Days in Receivables	42	39	52
Days in Payables	26	30	30
LEAC (Over)/Under Recovery Balance -YTD	$10,225,349	$9,721,856	$10,060,660
T&D Losses	5.34%	5.35%	<7.00%
Debt Service Coverage	1.62	1.63	1.75
Long-term equity ratio	0.13%	0.36%	30 – 40%
Days in Cash	212	215	60

The Quick Ratio has been a challenge for GPA historically. However, the influx of cash from insurance proceeds continued to improve this ratio. GPA has current obligations of approximately $82 million and approximately $196 million in cash and current receivables. The LEAC over recovery for the month is nearly $0.5 million. Debt Service Coverage ratio is calculated using the methodology in use before the Fiscal Year 2002 change in accounting practice.

Financial Statements
August 2019

Significant Assumptions

The significant assumptions in the financial statements are as follows:

- Accrual cutoff procedures were performed at month end
- An inventory valuation is performed at year-end only
- Accounts Receivable includes accruals based on prior months' usage.

Prepared by:	Reviewed by:	Approved by:
Lenora M. Sanz Controller	John J.E. Kim Chief Financial Officer	John M. Benavente, P.E. General Manager

GUAM POWER AUTHORITY
(A COMPONENT UNIT OF THE GOVERNMENT OF GUAM)
Statements of Net Position
August 31, 2019 and September 30, 2018

	Unaudited August 2019	Audited September 2018	Change from Sept 30 2018
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES			
Current assets:			
Cash and cash equivalents:			
Held by trustee for restricted purposes:			
Interest and principal funds	$ 28,857,813	$ 17,997,927	$ 10,859,886
Bond indenture funds	30,537,620	49,970,719	(19,433,099)
Held by Guam Power Authority:			
Bond indenture funds	153,384,703	142,583,470	10,801,233
Self insurance fund-restricted	19,330,274	19,258,353	71,921
Energy sense fund	266,576	1,085,472	(818,896)
Total cash and cash equivalents	232,376,986	230,895,941	1,481,045
Accounts receivable, net	41,048,681	37,851,906	3,196,775
Total current receivables	41,048,681	37,851,906	3,196,775
Materials and supplies inventory	12,678,670	12,812,072	(133,402)
Fuel inventory	52,674,677	67,993,103	(15,318,426)
Prepaid expenses	2,570,417	979,828	1,590,589
Total current assets	341,349,431	350,532,850	(9,183,419)
Utility plant, at cost:			
Electric plant in service	1,080,337,667	1,063,192,955	17,144,712
Construction work in progress	38,216,482	28,021,290	10,195,192
Total	1,118,554,149	1,091,214,245	27,339,904
Less: Accumulated depreciation	(630,166,397)	(597,426,905)	(32,739,492)
Total utility plant	488,387,752	493,787,340	(5,399,588)
Other non-current assets:			
Investment - bond reserve funds held by trustee	48,571,534	48,600,660	(29,126)
Unamortized debt issuance costs	2,244,684	2,503,448	(258,764)
Total other non-current assets	50,816,218	51,104,108	(287,890)
Total assets	880,553,401	895,424,298	(14,870,897)
Deferred outflow of resources:			
Deferred fuel revenue	9,721,856	8,370,542	1,351,314
Unamortized loss on debt refunding	24,929,815	27,093,636	(2,163,821)
Pension	8,932,987	8,932,987	0
Other post employment benefits	13,798,017	13,798,017	0
Unamortized forward delivery contract costs	331,918	477,998	(146,080)
Total deferred outflows of resources	57,714,593	58,673,180	(958,587)
	$ 938,267,994	$ 954,097,478	$ (15,829,484)

GUAM POWER AUTHORITY
(A COMPONENT UNIT OF THE GOVERNMENT OF GUAM)
Statement of Net Position, Continued
August 31, 2019 and September 30, 2018

	Unaudited August 2019	Audited September 2018	Change from Sept 30 2018
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION			
Current liabilities:			
Current maturities of long-term debt	$ 16,130,000	$ 1,630,000	$ 14,500,000
Current obligations under capital leases	3,304,531	13,613,066	(10,308,535)
Accounts payable			
Operations	32,773,651	47,761,928	(14,988,277)
Others	3,912,044	662,541	3,249,503
Accrued payroll and employees' benefits	2,175,143	1,949,080	226,063
Current portion of employees' annual leave	2,141,811	2,101,168	40,643
Interest payable	12,291,921	14,745,285	(2,453,364)
Customer deposits	9,140,287	9,387,519	(247,232)
Total current liabilities	81,869,388	91,850,587	(9,981,199)
Regulatory liabilities:			
Provision for self insurance	19,345,291	19,345,291	0
Total regulatory liabilities	19,345,291	19,345,291	0
Long term debt, net of current maturities	585,215,527	604,881,434	(19,665,907)
Obligations under capital leases, net of current portion	8,293,521	10,808,951	(2,515,430)
Net Pension liability	73,140,711	76,554,735	(3,414,024)
Other post employment benefits liability	145,955,861	145,955,861	0
DCRS sick leave liability	1,331,151	1,331,151	0
Employees' annual leave net of current portion	1,204,085	1,204,085	0
Customer advances for construction	394,540	385,293	9,247
Total liabilities	916,750,075	952,317,388	(35,567,313)
Deferred inflows of resources:			
Unearned forward delivery contract revenue	1,216,704	1,752,053	(535,349)
Pension	3,532,642	3,532,642	0
Other post employment benefits	14,804,043	14,804,043	0
Total deferred inflows of resources	19,553,389	20,088,738	(535,349)
Commitments and contigencies			
Net Position:			
Net investment in capital assets	(45,841,214)	(38,960,024)	(6,881,189)
Restricted	47,487,703	47,856,103	(368,400)
Unrestricted	318,040	(27,204,727)	27,522,767
Total net position	1,964,529	(18,308,648)	20,273,179
	$ 938,267,994	$ 954,097,478	$ (15,829,484)

GUAM POWER AUTHORITY
(A COMPONENT UNIT OF THE GOVERNMENT OF GUAM
Statement of Revenues, Expenses and Changes in Net Assets

	August 31			Eleven Months Ended August 31		
	Unaudited 2019	Audited 2018	% of change Inc (dec)	Unaudited 2019	Audited 2018	% of change Inc (dec)
Revenues						
Sales of electricity	$ 33,925,751	$ 32,643,674	4	$ 367,725,220	$ 347,231,234	6
Miscellaneous	220,282	214,456	3	2,906,181	2,023,100	44
Total	34,146,033	32,858,130	4	370,631,401	349,254,334	6
Bad debt expense	(91,500)	(97,419)	(6)	(1,006,500)	(933,249)	8
Total revenues	34,054,533	32,760,711	4	369,624,901	348,321,085	6
Operating and maintenance expenses						
Production fuel	20,330,852	19,602,715	4	219,933,649	198,934,230	11
Other production	1,772,521	1,378,498	29	14,749,825	15,403,114	(4)
	22,103,373	20,981,213	5	234,683,474	214,337,344	9
Depreciation	3,061,427	3,146,207	(3)	34,203,282	35,320,567	(3)
Energy conversion cost	1,068,570	1,378,073	(22)	12,963,156	16,138,059	(20)
Transmission & distribution	1,432,836	1,033,595	39	12,065,575	11,839,468	2
Customer accounting	557,615	556,229	0	5,068,904	4,968,195	2
Administrative & general	2,566,120	2,894,784	(11)	28,267,609	28,413,623	(1)
Total operating and maintenance expenses	30,789,941	29,990,101	3	327,252,000	311,017,256	5
Operating income	3,264,592	2,770,610	18	42,372,901	37,303,829	14
Other income (expenses)						
Interest income	350,410	372,698	(6)	4,103,581	2,736,095	50
Interest expense and amortization	(2,438,409)	(2,538,375)	(4)	(26,646,875)	(29,120,559)	(8)
Bond issuance costs	88,022	67,464	30	967,242	(1,776,737)	(154)
Allowance for funds used during construction	0	123,910		0	1,563,317	
Losses due to typhoon	(3,389)	0		(692,001)	(787,899)	(12)
Other expense	(4,289)	(4,291)	(0)	(47,206)	(47,201)	0
Total other income (expenses)	(2,007,655)	(1,978,594)	1	(22,315,259)	(27,432,984)	(19)
Income (loss) before capital contributions	1,256,937	792,016	59	20,057,642	9,870,845	103
Capital contributions	0	13,503	0	215,537	116,175	0
Increase (decrease) in net assets	1,256,937	805,519	56	20,273,179	9,987,020	103
Total net assets at beginning of period (restated)	707,592	119,358,058	0	(18,308,650)	110,176,557	(117)
Total net assets at end of period	$ 1,964,529	$ 120,163,577	(98)	$ 1,964,529	$ 120,163,577	(98)

GUAM POWER AUTHORITY
(A COMPONENT UNIT OF THE GOVERNMENT OF GUAM)
Statements of Cash Flows
Period Ended August 31, 2019

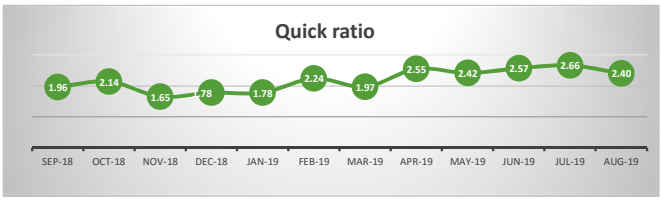
	Month Ended 8/31/2019	YTD Ended 8/31/2019
Increase(decrease) in cash and cash equivalents		
Cash flows from operating activities:		
Cash received from customers	$37,104,335	$ 366,453,569
Cash payments to suppliers and employees for goods and services	25,455,456	292,608,066
Net cash provided by operating activities	$11,648,879	73,845,503
Cash flows from investing activities:		
Interest and dividends on investments and bank accounts	350,410	4,103,581
Net cash provided by investing activities	350,410	4,103,581
Cash flows from non-capital financing activities		
Interest paid on short term debt	(8,019)	(77,045)
Provision for self insurance funds	-	(71,921)
Net cash provided by noncapital financing activities	(8,019)	(148,966)
Cash flows from capital and related financing activities		
Acquisition of utility plant	(3,962,367)	(28,803,691)
Principal paid on bonds and other long-term debt	-	(1,630,000)
Interest paid on bonds(net of capitalized interest)	-	(28,066,875)
Interest paid on capital lease obligations	(102,742)	(956,323)
Interest & principal funds held by trustee	(3,680,954)	(10,859,886)
Reserve funds held by trustee	(36,396)	29,126
Bond funds held by trustee	(51,549)	19,433,099
Principal payment on capital lease obligations	(628,858)	(12,823,965)
Grant from DOI/FEMA	-	215,537
Debt issuance costs/loss on defeasance	(321,537)	(3,535,907)
Net cash provided by (used in) capital and related financing activities	(8,784,403)	(66,998,885)
Net (decrease) increase in cash and cash equivalents	3,206,866	10,801,233
Cash and cash equivalents, beginning	150,177,837	142,583,470
Cash and cash equivalents-Funds held by GPA, August 31, 2019	**$ 153,384,703**	**$ 153,384,703**

GUAM POWER AUTHORITY
(A COMPONENT UNIT OF THE GOVERNMENT OF GUAM)
Statements of Cash Flows, continued
Period Ended August 31, 2019

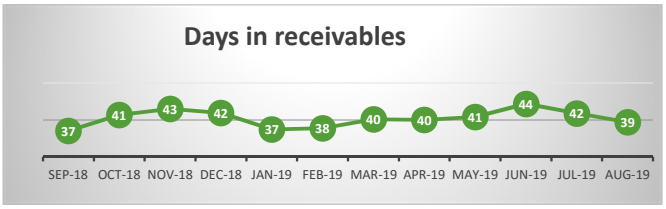
	Month Ended 8/31/2019	YTD Ended 8/31/2019
Reconciliation of operating earnings to net cash provided by operating activities:		
Operating earnings net of depreciation expense and excluding interest income	$3,264,592	$42,372,901
Adjustments to reconcile operating earnings to net cash provided by operating activities:		
Depreciation and amortization	3,061,427	34,203,282
Other expense	80,344	228,035
(Increase) decrease in assets:		
Accounts receivable	3,046,992	(3,196,775)
Materials and inventory	333,837	133,402
Fuel inventory	(6,382,776)	15,318,426
Prepaid expenses	1,961,541	(1,590,589)
Unamortized debt issuance cost	23,524	258,764
Deferred fuel revenue	503,493	(1,351,314)
Unamortized loss on debt refunding	196,711	2,163,821
Unamortized forward delivery contract costs	13,280	146,080
Increase (decrease) in liabilities:		
Accounts payable-operations	1,923,484	(14,988,277)
Accounts payable-others	3,733,027	4,068,399
Accrued payroll and employees' benefits	284,416	226,063
Net pension liability	(421,013)	(3,414,024)
Employees' annual leave	(40,989)	40,643
Customers deposits	115,657	(247,232)
Customer advances for construction	-	9,247
Unearned forward delivery contract revenue	(48,668)	(535,349)
Net cash provided by operating activities	**$11,648,879**	**$ 73,845,503**

Guam Power Authority
Financial Analysis
08/31/19

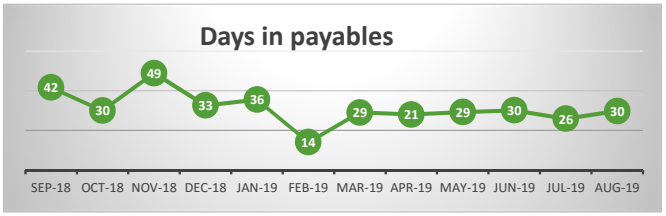
	Quick Ratio		
A	Reserve Funds Held by GPA		153,384,703
B	Current Accounts Receivable		42,990,774
C	Total Cash and A/R (A+B)		196,375,477
D	Total Current Liabilities		81,869,388
E	**Quick Ratio (F/G)**		**2.40**



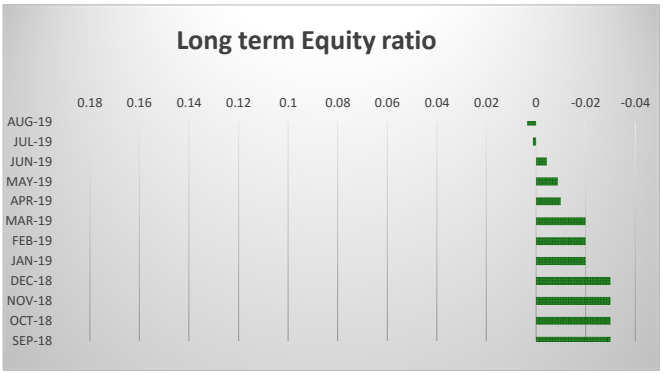
	Days in Receivables		
A	FY 18 Moving 12 Mos.-Actual		398,822,857
B	No. of Days		365
C	Average Revenues per day (A/B)		1,092,665
D	Current Accounts Receivable		42,990,774
E	**Days in Receivables (D/C)**		**39**



	Days in Payables		
A	FY 18 Moving 12 Months-Actual		450,185,762
B	No. of Days		365
C	Average Payables per day (A/B)		1,233,386
D	Current Accounts Payables		36,685,696
E	**Days in Payables (D/C)**		**30**

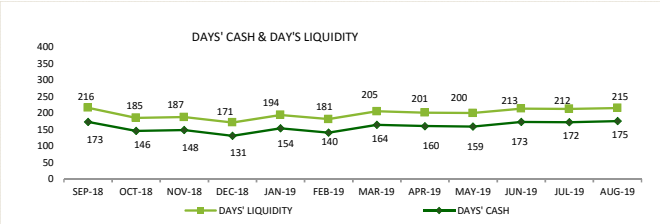


	Long term equity ratio		
A	Equity	$	1,964,529.00
B	Total Long term Liability	$	547,806,153.00
C	Total Equity and liability	$	549,770,682.00
D	**Long term equity ratio (A/C)**		**0.36%**



	Days cash on hand		
A	Unresctricted cash & cash equivalents		153,385
B	No. of Days -YTD		335
C	A x B		51,383,876
D	Total Operating expenses excluding depreciation		293,049
E	**Days cash on hand**		**175**

	Days' Liquidity		
A	Unresctricted cash , cash equivalents & revolving Credit		188,385
B	No. of Days -YTD		335
C	A x B		63,108,876
D	Total Operating expenses excluding depreciation		293,049
E	**Days liquidity**		**215**



GPA 302
12-Sep-19

GUAM POWER AUTHORITY
ACCRUED REVENUE
AUGUST 2019

	FOR THE MONTH ENDED AUGUST		ELEVEN MONTHS ENDED AUGUST	
	2019	2018	2019	2018
KWH SALES:				
Residential	41,847,978	39,748,314	456,922,039	458,139,237
Small Gen. Non Demand	5,043,909	6,737,467	70,819,614	75,290,906
Small Gen. Demand	16,546,802	15,283,605	171,605,801	170,586,991
Large General	25,901,704	24,724,982	276,878,779	283,795,009
Independent Power Producer	31,920	30,251	350,667	450,006
Private St. Lights	34,326	33,511	363,752	368,123
Sub-total	89,406,638	86,558,130	976,940,650	988,630,272
Government Service:				
Small Non Demand	792,642	1,205,730	12,037,006	13,237,197
Small Demand	8,790,473	7,641,330	89,194,117	85,863,776
Large	6,328,596	6,179,381	65,956,299	68,776,531
Street Lighting	864,386	842,364	8,529,792	8,311,252
Sub-total	16,776,096	15,868,805	175,717,214	176,188,757
Total	106,182,735	102,426,935	1,152,657,864	1,164,819,030
U. S. Navy	27,239,150	24,921,140	288,613,820	283,298,305
GRAND TOTAL	133,421,884	127,348,076	1,441,271,684	1,448,117,335
REVENUE:				
Residential	10,470,951	9,971,178	114,458,917	108,487,456
Small Gen. Non Demand	1,492,266	1,962,561	20,726,049	20,885,432
Small Gen. Demand	4,572,505	4,192,538	47,045,540	44,361,361
Large General	6,671,085	6,427,049	71,259,545	68,748,114
Independent Power Producer	9,248	7,924	96,451	108,718
Private St. Lights	26,038	26,189	284,092	282,647
Sub-total	23,242,093	22,587,439	253,870,593	242,873,729
Government Service:				
Small Non Demand	250,901	366,623	3,686,202	3,822,167
Small Demand	2,527,222	2,213,718	25,639,953	23,435,788
Large	1,754,837	1,733,549	18,291,985	18,172,081
Street Lighting	503,316	499,032	5,337,830	5,079,845
Sub-total	5,036,276	4,812,921	52,955,970	50,509,881
Total	28,278,369	27,400,361	306,826,563	293,383,609
U. S. Navy	5,647,382	5,243,314	60,898,655	53,847,624
GRAND TOTAL	33,925,751	32,643,674	367,725,218	347,231,234
NUMBER OF CUSTOMERS:				
Residential	44,497	44,005	44,203	44,017
Small Gen. Non Demand	4,122	4,185	4,181	4,158
Small Gen. Demand	1,086	984	995	985
Large General	121	118	119	119
Independent Power Producer	2	2	2	2
Private St. Lights	518	525	522	529
Sub-total	50,346	49,819	50,022	49,809
Government Service:				
Small Non Demand	648	683	674	686
Small Demand	382	354	358	351
Large	44	47	43	47
Street Lighting	618	614	624	477
Sub-total	1,692	1,698	1,699	1,561
Total	52,038	51,517	51,721	51,369
US Navy	1	1	1	1
	52,039	51,518	51,722	51,370

GPA403
12-Sep-19

GUAM POWER AUTHORITY
ACCRUED REVENUE

	TWELVE MONTHS ENDING	AUGUST 2019	JULY 2019	JUNE 2019	MAY 2019	APRIL 2019	MARCH 2019	FEBRUARY 2019	JANUARY 2019	DECEMBER 2018	NOVEMBER 2018	OCTOBER 2018	SEPTEMBER 2018
KWH SALES:													
Residential	494,129,550	41,847,978	45,512,584	46,454,816	45,901,332	42,026,049	40,399,698	33,484,048	36,661,215	41,291,151	41,148,899	42,194,270	37,207,511
Small General Non Demand	76,948,312	5,043,909	6,192,199	7,135,817	6,785,836	7,066,118	6,549,399	5,421,847	6,252,665	6,871,789	6,712,433	6,787,602	6,128,698
Small General Demand	185,623,962	16,546,802	17,132,421	16,196,923	16,473,837	15,551,604	15,250,813	13,414,678	14,926,054	15,425,672	15,054,686	15,632,311	14,018,162
Large General	300,452,019	25,901,704	25,960,590	25,905,882	25,831,230	24,717,184	24,793,966	22,118,423	24,846,497	25,790,483	26,074,017	24,938,803	23,573,240
Private Outdoor Lighting	398,685	34,326	31,882	34,779	33,473	30,560	32,171	32,766	32,878	33,401	33,984	33,531	34,933
Independent Power Producer	380,375	31,920	34,342	33,644	31,329	28,130	34,407	25,891	36,117	28,494	35,867	30,526	29,708
Sub-Total	1,057,932,903	89,406,638	94,864,018	95,761,862	95,057,036	89,419,645	87,060,454	74,497,653	82,755,426	89,440,990	89,059,886	89,617,042	80,992,253
Government Service:	976,940,650												
Small Non Demand	13,126,793	792,642	745,870	1,225,034	1,265,906	1,195,401	1,192,582	1,019,279	1,066,520	1,218,540	1,096,422	1,218,809	1,089,787
Small Demand	96,276,277	8,790,473	8,806,768	7,970,826	8,650,402	8,019,578	8,144,760	7,207,579	7,752,635	8,107,721	7,758,614	7,984,760	7,082,161
Large	71,830,075	6,328,596	6,026,050	5,952,146	6,344,614	5,914,002	5,983,823	5,273,740	5,782,397	6,098,140	5,989,384	6,263,407	5,873,776
Street Lighting (Agencies)	9,264,758	864,386	763,574	710,958	838,818	763,841	710,856	791,792	714,935	805,684	744,605	820,343	734,966
Sub-Total	190,497,904	16,776,096	16,342,261	15,858,964	17,099,740	15,892,823	16,032,021	14,292,390	15,316,487	16,230,084	15,589,026	16,287,320	14,780,690
Total	1,248,430,806	106,182,735	111,206,280	111,620,826	112,156,776	105,312,468	103,092,475	88,790,044	98,071,914	105,671,074	104,648,912	105,904,362	95,772,942
U.S. Navy	311,775,687	27,239,150	27,997,548	27,082,742	28,255,054	27,083,234	26,077,843	22,368,909	24,517,651	26,518,827	24,888,490	26,584,373	23,161,867
Grand Total	1,560,206,493	133,421,884	139,203,828	138,703,568	140,411,830	132,395,702	129,170,318	111,158,952	122,589,564	132,189,902	129,537,402	132,488,734	118,934,809
REVENUE:													
Residential	123,794,893	10,470,951	11,397,991	11,569,285	11,457,009	10,559,992	10,171,326	8,491,117	9,109,499	10,347,514	10,286,420	10,597,812	9,335,975
Small General Non Demand	22,519,456	1,492,266	1,835,976	2,060,263	1,943,284	2,086,044	1,927,366	1,599,494	1,844,100	2,002,603	1,938,660	1,995,993	1,793,407
Small General Demand	50,938,128	4,572,505	4,665,289	4,374,426	4,442,708	4,275,919	4,237,399	3,714,204	4,135,462	4,234,344	4,091,967	4,301,317	3,892,588
Large General	77,430,492	6,671,085	6,607,718	6,673,278	6,615,844	6,321,363	6,456,767	5,778,637	6,433,966	6,618,506	6,715,109	6,367,272	6,170,948
Private Outdoor Lighting	310,484	26,038	25,412	26,200	25,670	25,155	25,651	25,784	26,100	25,860	26,021	26,201	26,392
Independent Power Producer	104,843	9,248	8,337	8,701	8,600	7,310	9,896	7,681	10,117	7,355	10,699	8,507	8,392
Sub-Total	275,098,296	23,242,093	24,540,723	24,712,154	24,493,115	23,275,783	22,828,405	19,616,918	21,559,243	23,236,182	23,068,875	23,297,103	21,227,703
Government Service:													
Small Non Demand	4,021,925	250,901	235,628	373,461	383,585	361,853	364,404	311,171	328,284	373,332	335,403	368,179	335,723
Small Demand	27,744,424	2,527,222	2,494,451	2,319,401	2,465,281	2,284,016	2,363,416	2,065,940	2,248,023	2,372,119	2,230,742	2,269,343	2,104,471
Large	19,972,515	1,754,837	1,655,430	1,659,702	1,743,611	1,632,794	1,668,683	1,492,275	1,614,932	1,688,786	1,646,650	1,734,285	1,680,530
Street Lighting (Agencies)	5,815,467	503,316	482,461	471,543	497,965	482,529	472,435	488,836	465,560	498,967	479,197	495,021	477,638
Sub-Total	57,554,332	5,036,276	4,867,971	4,824,107	5,090,441	4,761,191	4,868,938	4,358,222	4,656,799	4,933,204	4,691,993	4,866,827	4,598,362
Total	332,652,628	28,278,369	29,408,694	29,536,261	29,583,556	28,036,974	27,697,343	23,975,139	26,216,042	28,169,387	27,760,868	28,163,930	25,826,065
U.S. Navy	66,170,229	5,647,382	5,623,735	6,373,008	5,183,974	4,925,354	5,245,421	5,307,473	5,221,857	5,266,617	6,152,798	5,951,036	5,271,574
Grand Total	398,822,857	33,925,751	35,032,429	35,909,269	34,767,531	32,962,328	32,942,764	29,282,613	31,437,899	33,436,004	33,913,666	34,114,966	31,097,639
NUMBER OF CUSTOMERS:													
Residential	44,177	44,497	44,408	44,329	44,640	44,200	44,144	44,018	44,091	43,920	43,876	44,112	43,887
Small General Non Demand	4,179	4,122	4,197	4,211	4,213	4,185	4,183	4,173	4,180	4,166	4,176	4,183	4,159
Small General Demand	994	1,086	1,014	971	983	985	985	984	986	987	981	984	982
Large General	119	121	120	119	119	118	121	119	119	118	119	117	118
Private Outdoor Lighting	522	518	519	520	520	522	523	521	522	523	524	527	525
Independent Power Producer	2	2	2	2	2	2	2	2	2	2	3	3	3
Sub-Total	49,993	50,346	50,260	50,152	50,477	50,012	49,958	49,817	49,900	49,716	49,679	49,926	49,674
Government Service:													
Small Non Demand	674	648	671	676	676	672	675	678	679	683	667	686	677
Small Demand	358	382	381	356	355	356	357	357	356	360	327	352	353
Large	43	44	43	43	42	42	42	42	42	47	38	47	47
Street Lighting (Agencies)	624	618	619	618	618	621	629	628	628	628	628	629	627
Sub-Total	1,699	1,692	1,714	1,693	1,691	1,691	1,703	1,705	1,705	1,718	1,660	1,714	1,704
Total	51,692	52,038	51,974	51,845	52,168	51,703	51,661	51,522	51,605	51,434	51,339	51,640	51,378
U.S. Navy	1	1	1	1	1	1	1	1	1	1	1	1	1
Grand Total	51,693	52,039	51,975	51,846	52,169	51,704	51,662	51,523	51,606	51,435	51,340	51,641	51,379

GPA303

GUAM POWER AUTHORITY
ACCRUED REVENUE
AUGUST 2019

RATE	NUMBER OF CUSTOMERS	KWH SALES	TOTAL REVENUE AMOUNT	TOTAL REVENUE C/KWH	BASE RATE REVENUE C/KWH	BASE RATE REVENUE AMOUNT	AVERAGE PER CUSTOMER KWH	AVERAGE PER CUSTOMER REVENUE	NON-FUEL C/KWH	NON-FUEL AMOUNT	0.154242 OIL C/KWH	0.154242 OIL AMOUNT
Month												
R Residential	44,497	41,847,978	$ 10,470,951	$ 25.02	$ 25.02	$ 10,470,951	940	$ 235	$ 9.60	$ 4,016,236	$ 15.42	$ 6,454,716
G Small Gen. Non Demand	4,122	5,043,909	$ 1,492,266	$ 29.59	$ 29.59	$ 1,492,266	1,224	$ 362	$ 14.16	$ 714,283	$ 15.42	$ 777,983
J Small Gen. Demand	1,086	16,546,802	$ 4,572,505	$ 27.63	$ 27.63	$ 4,572,505	15,236	$ 4,210	$ 12.22	$ 2,021,435	$ 15.42	$ 2,551,069
P Large General	121	25,901,704	$ 6,671,085	$ 25.76	$ 25.76	$ 6,671,085	214,064	$ 55,133	$ 10.40	$ 2,693,848	$ 15.36	$ 3,977,237
I Independent Power Producer	2	31,920	$ 9,248	$ 28.97	$ 28.97	$ 9,248	15,960	$ 4,624	$ 14.08	$ 4,496	$ 14.89	$ 4,752
H Private St. Lights	518	34,326	$ 26,038	$ 75.86	$ 75.86	$ 26,038	66	$ 50	$ 60.43	$ 20,744	$ 15.42	$ 5,295
Sub-Total	50,346	89,406,638	$ 23,242,093	$ 26.00	$ 26.00	$ 23,242,093	1,776	$ 462	$ 10.59	$ 9,471,041	$ 15.40	$ 13,771,051
Government Service:												
S Small Non Demand	648	792,642	$ 250,901	$ 31.65	$ 31.65	$ 250,901	1,223	$ 387	$ 16.23	$ 128,642	$ 15.42	$ 122,259
K Small Demand	382	8,790,473	$ 2,527,222	$ 28.75	$ 28.75	$ 2,527,222	23,012	$ 6,616	$ 13.33	$ 1,171,362	$ 15.42	$ 1,355,860
L Large	44	6,328,596	$ 1,754,837	$ 27.73	$ 27.73	$ 1,754,837	143,832	$ 39,883	$ 12.49	$ 790,533	$ 15.24	$ 964,305
F Street Lighting (Agencies)	618	864,386	$ 503,316	$ 58.23	$ 58.23	$ 503,316	1,399	$ 814	$ 42.80	$ 369,991	$ 15.42	$ 133,325
Sub-Total	1,692	16,776,096	$ 5,036,276	$ 30.02	$ 30.02	$ 5,036,276	9,915	$ 2,977	$ 14.67	$ 2,460,529	$ 15.35	$ 2,575,748
	52,038	106,182,735	$ 28,278,369	$ 26.63	$ 26.63	$ 28,278,369	2,040	$ 543	$ 11.24	$ 11,931,570	$ 15.39	$ 16,346,799
U.S. Navy	1	27,239,150	$ 5,647,382	$ 20.73	$ 20.73	$ 5,647,382			$ 6.11	$ 1,663,330	$ 14.63	$ 3,984,053
TOTAL	**52,039**	**133,421,884**	**$ 33,925,751**	**$ 25.43**	**$ 25.43**	**$ 33,925,751**	**2,564**	**$ 652**	**$ 10.19**	**$ 13,594,900**	**$ 15.24**	**$ 20,330,852**
Eleven Months Ended August 2019												
R Residential	44,203	456,922,039	$ 114,458,917	$ 25.05	$ 25.05	$ 114,458,917	10,337	$ 2,589	$ 9.63	$ 43,982,348	$ 15.42	$ 70,476,569
G Small Gen. Non Demand	4,181	70,819,614	$ 20,726,049	$ 29.27	$ 29.27	$ 20,726,049	16,939	$ 4,957	$ 13.84	$ 9,802,690	$ 15.42	$ 10,923,359
J Small Gen. Demand	995	171,605,801	$ 47,045,540	$ 27.41	$ 27.41	$ 47,045,540	172,452	$ 47,278	$ 12.00	$ 20,588,285	$ 15.42	$ 26,457,255
P Large General	119	276,878,779	$ 71,259,545	$ 25.74	$ 25.74	$ 71,259,545	2,324,936	$ 598,363	$ 10.38	$ 28,753,396	$ 15.35	$ 42,506,149
I Independent Power Producer	2	350,667	$ 96,451	$ 27.50	$ 27.50	$ 96,451	160,722	$ 44,207	$ 12.62	$ 44,261	$ 14.88	$ 52,189
H Private St. Lights	522	363,752	$ 284,092	$ 78.10	$ 78.10	$ 284,092	697	$ 545	$ 62.68	$ 227,986	$ 15.42	$ 56,106
Sub-Total	50,022	976,940,650	$ 253,870,593	$ 25.99	$ 25.99	$ 253,870,593	19,530	$ 5,075	$ 10.58	$ 103,398,967	$ 15.40	$ 150,471,626
Government Service:												
S Small Non Demand	674	12,037,006	$ 3,686,202	$ 30.62	$ 30.62	$ 3,686,202	17,859	$ 5,469	$ 15.20	$ 1,829,590	$ 15.42	$ 1,856,612
K Small Demand	358	89,194,117	$ 25,639,953	$ 28.75	$ 28.75	$ 25,639,953	249,378	$ 71,687	$ 13.32	$ 11,882,474	$ 15.42	$ 13,757,479
L Large	43	65,956,299	$ 18,291,985	$ 27.73	$ 27.73	$ 18,291,985	1,525,001	$ 422,936	$ 12.50	$ 8,242,029	$ 15.24	$ 10,049,956
F Street Lighting (Agencies)	624	8,529,792	$ 5,337,830	$ 62.58	$ 62.58	$ 5,337,830	13,664	$ 8,551	$ 47.15	$ 4,022,178	$ 15.42	$ 1,315,652
Sub-Total	1,699	175,717,214	$ 52,955,970	$ 30.14	$ 30.14	$ 52,955,970	103,414	$ 31,166	$ 14.78	$ 25,976,271	$ 15.35	$ 26,979,699
	51,721	1,152,657,864	$ 306,826,563	$ 26.62	$ 26.62	$ 306,826,563			$ 11.22	$ 129,375,238	$ 15.39	$ 177,451,325
U.S. Navy	1	288,613,820	$ 60,898,655	$ 21.10	$ 21.10	$ 60,898,655			$ 6.38	$ 18,416,331	$ 14.72	$ 42,482,324
TOTAL	**51,722**	**1,441,271,684**	**$ 367,725,218**	**$ 25.51**	**$ 25.51**	**$ 367,725,218**	**27,866**	**$ 7,110**	**$ 10.25**	**$ 147,791,569**	**$ 15.26**	**$ 219,933,649**
Twelve Months Ended August 2019												
R Residential	44,177	494,129,550	$ 123,794,893	$ 25.05	$ 25.05	$ 123,794,893	11,185	$ 2,802	$ 9.63	$ 47,579,363	$ 15.42	$ 76,215,530
G Small Gen. Non Demand	4,179	76,948,312	$ 22,519,456	$ 29.27	$ 29.27	$ 22,519,456	18,413	$ 5,389	$ 13.84	$ 10,650,795	$ 15.42	$ 11,868,662
J Small Gen. Demand	994	185,623,962	$ 50,938,128	$ 27.44	$ 27.44	$ 50,938,128	186,744	$ 51,246	$ 12.02	$ 22,319,435	$ 15.42	$ 28,618,693
P Large General	119	300,452,019	$ 77,430,492	$ 25.77	$ 25.77	$ 77,430,492	2,524,807	$ 650,676	$ 10.42	$ 31,302,448	$ 15.35	$ 46,128,045
I Independent Power Producer	2	380,375	$ 104,843	$ 27.56	$ 27.56	$ 104,843	169,055	$ 46,597	$ 12.68	$ 48,219	$ 14.89	$ 56,624
H Private St. Lights	522	398,685	$ 310,484	$ 77.88	$ 77.88	$ 310,484	764	$ 595	$ 62.45	$ 248,990	$ 15.42	$ 61,494
Sub-Total	49,993	1,057,932,903	$ 275,098,296	$ 26.00	$ 26.00	$ 275,098,296	21,162	$ 5,503	$ 10.60	$ 112,149,249	$ 15.40	$ 162,949,047
Government Service:												
S Small Non Demand	674	13,126,793	$ 4,021,925	$ 30.64	$ 30.64	$ 4,021,925	19,476	$ 5,967	$ 15.21	$ 1,997,223	$ 15.42	$ 2,024,703
K Small Demand	358	96,276,277	$ 27,744,424	$ 28.82	$ 28.82	$ 27,744,424	269,179	$ 77,571	$ 13.39	$ 12,894,579	$ 15.42	$ 14,849,846
L Large	43	71,830,075	$ 19,972,515	$ 27.81	$ 27.81	$ 19,972,515	1,660,811	$ 461,792	$ 12.57	$ 9,027,078	$ 15.24	$ 10,945,436
F Street Lighting (Agencies)	624	9,264,758	$ 5,815,467	$ 62.77	$ 62.77	$ 5,815,467	14,841	$ 9,316	$ 47.35	$ 4,386,453	$ 15.42	$ 1,429,015
Sub-Total	1,699	190,497,904	$ 57,554,332	$ 30.21	$ 30.21	$ 57,554,332	112,113	$ 33,872	$ 14.86	$ 28,305,332	$ 15.35	$ 29,249,000
	51,692	1,248,430,806	$ 332,652,628	$ 26.65	$ 26.65	$ 332,652,628	24,151	$ 39,375	$ 11.25	$ 140,454,581	$ 15.40	$ 192,198,047
U.S. Navy	1	311,775,687	$ 66,170,229	$ 21.22	$ 21.22	$ 66,170,229			$ 6.43	$ 20,038,799	$ 14.80	$ 46,131,430
TOTAL	**51,693**	**1,560,206,493**	**$ 398,822,857**	**$ 25.56**	**$ 25.56**	**$ 398,822,857**	**30,182**	**$ 7,715**	**$ 10.29**	**$ 160,493,380**	**$ 15.28**	**$ 238,329,477**

GPA-318
318Aug19

ENERGY ACCOUNT
FY 2019 Versus FY 2018

FOR INTERNAL USE ONLY

Gross Generation	August 2019		August 2018		Y T D 2019		Y T D 2018		MOVING TWELVE MONTHS	
Number of days in Period	31		31		335		61		365	
Peak demand	253		238		254		254		254	
Date	08/01/19		08/13/18		05/30/19		10/30/17		05/30/19	
	KWH	% change	KWH	% change	KWH	% change	KWH	% change	KWH	% change
Energy Account:										
Kilowatt hours GPA:										
Cabras 1 & 2	52,846,000		67,247,000		684,809,000		611,688,000		724,356,000	
Cabras No. 3	0		0		0		0		0	
Cabras No. 4	0		0		0		0		0	
MEC (ENRON) Piti 8 (IPP)	24,764,700		23,443,700		254,118,300		291,335,100		281,157,100	
MEC (ENRON) Piti 9 (IPP)	30,769,600		25,437,500		281,143,970		298,487,700		306,492,170	
TEMES Piti 7 (IPP)	2,436,946		8,343,197		47,055,557		31,518,845		55,850,209	
Tanguisson 2	0		0		0		0		0	
Tanguisson 1	0		0		0		0		0	
Diesels/CT's & Others:							0			
MDI 10MW	0		14,231		702,690		985,867		1,017,081	
NRG Solar Dandan	3,504,357		3,269,947		44,749,304		42,957,691		48,092,959	
Dededo CT #1	7,420		292,070		4,891,810		7,515,290		9,182,590	
Dededo CT #2	65,370		341,500		7,591,670		7,409,430		12,408,710	
Macheche CT	4,097,688		85,781		48,860,024		45,441,915		51,772,850	
Yigo CT (Leased)	3,876,947		3,416,266		45,349,827		42,426,166		51,836,826	
Tenjo	2,507,420		607,500		25,377,010		38,983,230		27,891,910	
Talofofo 10 MW	1,486,130		14,580		8,238,410		13,311,900		8,238,410	
Aggreko	21,211,183		9,125,854		135,244,466		155,847,554		140,125,002	
Wind Turbine*	0		0		124,743		311,967		125,080	
Orote	0		0		0		0		0	
Marbo	0		0		0		0		0	
	147,573,762		**141,639,127**		**1,588,256,779**		**1,588,220,654**		**1,718,546,896**	
Ratio to last year		104.19		93.77		100.00		**98.14**		**99.16**
Station use	5,195,995		5,899,456		61,153,478		58,010,378		65,859,040	
Ratio to Gross generation		3.52		4.17		3.85		3.65		**3.83**
Net send out	142,377,767		135,739,671		1,527,103,301		1,530,210,276		1,652,687,855	
Ratio to last year		104.89		92.49		99.80		**98.24**		**98.97**
KWH deliveries:										
Sales to Navy (@34.5kv)	**27,239,150**		**24,921,140**		**288,613,821**		**283,298,305**		**311,775,688**	
Ratio to last year		109.30		93.66		101.88		**97.13**		**100.51**
GPA-metered	**115,138,617**		**110,818,531**		**1,238,489,480**		**1,246,911,971**		**1,340,912,167**	
Ratio to last year		103.90		92.23		99.32		**98.50**		**98.62**
Power factor adj.	0		0		0		0		0	
Adjusted	115,138,617		110,818,531		1,238,489,480		1,246,911,971		1,340,912,167	
GPA KWH Accountability:										
Sales to civilian customers-accrual basis	**106,182,735**		**102,426,935**		**1,152,657,865**		**1,164,819,028**		**1,248,430,807**	
Ratio to last year		103.67		91.30		98.96		**98.26**		**98.23**
GPA use-KWH	342,187		332,032		3,796,543		3,597,756		4,086,356	
Unaccounted For	8,613,695		8,059,564		82,035,072		78,495,187		88,395,005	
Ratio to deliveries		7.48		7.27		6.62		6.30		6.59
Ratio to Gross Generation		5.84		5.69		5.17		4.94		5.14
Ratio to Net Send Out		6.05		5.94		5.37		5.13		5.35

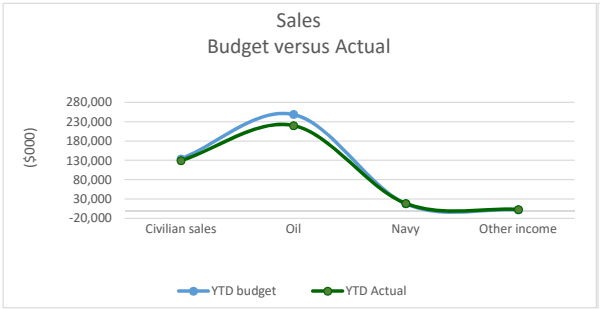
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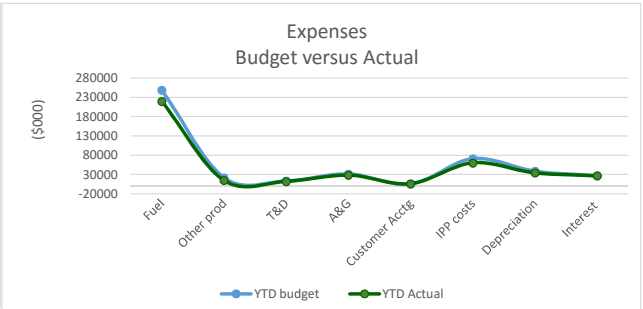
Guam Power Authority
Fuel Consumption
FY 2019

Description	August 2019 BARRELS	August 2019 AMOUNT	YEAR-TO-DATE BARRELS	YEAR-TO-DATE AMOUNT	MOVING 12 MONTHS BARREL S	MOVING 12 MONTHS AMOUNT
FUEL FURNISHED:						
NAVY:						
Diesel	0	0	0	0	0	0
Low Sulfur	0	0	0	0	0	0
	0	**0**	**0**	**0**	**0**	**0**
GPA:						
RFO	93,539	$6,688,896	1,289,503	$ 94,998,355	1,365,037	$ 100,488,774
Diesel	71,447	$6,557,364	677,352	$ 63,944,474	761,470	$ 71,838,618
Low Sulfur	70,805	$5,076,101	576,800	$ 45,955,731	637,766	$ 50,561,401
Deferred Fuel Costs	0	$503,494	0	$ (1,351,314)	0	$ (2,408,775)
Fuel Adjustments	0	$0		$ 54,766	0	$ 50,094
Fuel Handling Costs	0	$1,504,998	0	$ 16,331,637	0	$ 17,793,828
	235,791	**$20,330,852**	**2,543,655**	**$ 219,933,649**	**2,764,273**	**$ 238,323,939**
IWPS:						
GPA RFO	93,539	$6,688,896	1,289,503	$ 94,998,355	1,365,037	$ 100,488,774
Diesel	71,447	$6,557,364	677,352	$ 63,944,474	761,470	$ 71,838,618
Low Sulfur	70,805	$5,076,101	576,800	$ 45,955,731	637,766	$ 50,561,401
Deferred Fuel Costs	0	$503,494	0	$ (1,351,314)	0	$ (2,408,775)
Fuel Variance	0	$0	0	$ 54,766		$ 50,094
Fuel Handling Costs	0	$1,504,998	0	$ 16,331,637	0	$ 17,793,828
	235,791	**$20,330,852**	**2,543,655**	**$ 219,933,649**	**2,764,273**	**$ 238,323,939**
AVERAGE COST/Bbl.						
GPA RFO		**$71.51**		**$73.67**		**$73.62**
Diesel		**$91.78**		**$94.40**		**$94.34**
Low Sulfur		**$71.69**		**$79.67**		**$79.28**
AS BURNED						
Cabras 1 & 2						
RFO	48,725	$ 3,484,031	876,165	$ 65,037,158	912,934	$ 67,722,281
Low Sulfur	41,733	$ 3,064,469	276,254	$ 21,515,551	306,858	$ 23,839,890
Diesel	221	$ 19,849	1,705	$ 160,660	1,981	$ 188,460
	90,679	$ 6,568,349	1,154,124	$ 86,713,369	1,221,773	$ 91,750,630
Cabras 3 & 4						
RFO	0	$ -	0	$ -	0	$ -
Low Sulfur	0	$ -	0	$ -	0	$ -
Diesel	0	$ -	0	$ -	0	$ -
	0	$ -	0	$ -	0	$ -
MEC (Piti Units 8&9)						
RFO	44,814	$ 3,204,865	413,337	$ 29,961,197	452,103	$ 32,766,493
Low Sulfur	29,071	$ 2,011,631	300,546	$ 24,440,180	330,908	$ 26,721,511
Diesel	4	$ 263	39	$ 2,731	44	$ 3,139
	73,889	$ 5,216,759	713,922	$ 54,404,108	783,056	$ 59,491,143
Diesel & CT's - GPA:						
MDI Dsl	0	$ -	1,072	$ 89,260	1,670	$ 133,716
Macheche CT	9,129	$ 879,325	106,217	$ 9,957,750	112,456	$ 10,548,228
Yigo CT	8,689	$ 788,115	98,525	$ 9,217,755	112,108	$ 10,520,908
Talofofo 10 MW	2,724	$ 241,546	14,590	$ 1,335,445	14,590	$ 1,335,445
Aggreko	39,300	$ 3,494,249	250,023	$ 23,081,849	258,962	$ 23,941,790
Tenjo	4,383	$ 475,778	44,771	$ 4,747,552	49,273	$ 5,199,449
TEMES (IPP)	6,671	$ 626,714	121,704	$ 11,667,484	144,563	$ 13,812,677
GWA Generators	34	$ 4,337	955	$ 123,076	1,648	$ 204,556
	71,222	$ 6,537,252	675,608	$ 63,781,083	759,444	$ 71,647,019
Deferred Fuel Costs	0	$ 503,494		$ (1,351,314)		$ (2,408,775)
Adjustment		$ -		$ 54,766		$ 50,094
Fuel Handling Costs	0	$ 1,504,998		$ 16,331,637		$ 17,793,828
TOTAL	**235,791**	**$ 20,330,852**	**2,543,655**	**$ 219,933,649**	**2,764,273**	**$ 238,323,939**

Statement of operations
Comparison-Budget versus Actual
For the month and year to date ended August 31, 2019

	Budget	Actual August-19	Variance	YTD Budget	YTD Actual	Variance
KwH Sales-Civilian	113,189	106,183	7,006	1,195,592	1,152,658	42,934
Non-fuel yield	$ 0.105421	$ 0.112372	$ (0.006951)	$ 0.105421	$ 0.112241	$ (0.006821)
KwH Sales-Navy	25,841	27,239	(1,398)	283,262	288,614	(5,352)
Non-fuel yield	$ 0.062350	$ 0.061052	$ 0.001298	$ 0.062350	$ 0.063812	$ (0.001462)
Operating revenue						
Civilian sales	$ 12,668	$ 11,932	$ 736	$ 133,750	$ 129,376	$ 4,374
Oil	24,457	20,331	4,126	248,589	219,935	28,654
Navy	1,611	1,663	(52)	17,661	18,417	(756)
Other income	168	220	(52)	1,852	2,906	(1,055)
	$ 38,905	$ 34,146	$ 4,759	$ 401,852	$ 370,634	$ 31,218
Bad debts expense	92	92	-	1,007	1,007	-
Total operating revenues	$ 38,813	$ 34,055	$ 4,759	$ 400,845	$ 369,628	$ 31,218
Operating expenses:						
Production fuel	$ 24,457	$ 20,331	$ 4,126	$ 248,589	$ 219,934	$ 28,655
O & M expenses:						
Other production	1,866	1,773	94	21,816	14,750	7,066
Transmission distribution	1,275	1,433	(158)	13,327	12,066	1,262
Administrative expense	3,068	2,566	502	31,142	28,268	2,875
Customer accounting	439	558	(119)	4,501	5,069	(568)
	6,648	6,329	319	70,787	60,152	10,635
IPP costs	1,347	1,069	279	14,820	12,963	1,857
Depreciation	3,501	3,061	440	38,515	34,203	4,311
	$ 35,954	$ 30,790	$ 5,164	$ 372,710	$ 327,252	$ 45,458
Operating income	$ 2,860	$ 3,265	$ (405)	$ 28,135	$ 42,376	$ (14,241)
Other revenue (expenses):						
Investment income	177	350	(173)	1,947	4,104	(2,157)
Interest expense	(2,414)	(2,438)	25	(26,710)	(26,647)	(64)
AFUDC	202	-	202	2,218	-	2,218
Bid bond forfeiture	-	-	-	-	-	-
Losses due to typhoon	-	(3)	3	-	(692)	692
Bond issuance costs/Other expenses	142	84	59	1,566	920	646
Net income before capital contribution	967	1,257	(291)	7,156	20,060	(12,906)
Grants from the U.S. Government	-	-	-	-	216	(216)
Increase (decrease) in net assets	$ 967	$ 1,257	$ (291)	$ 7,156	$ 20,276	$ (13,121)





Guam Power Authority
Debt service coverage
August 31, 2019

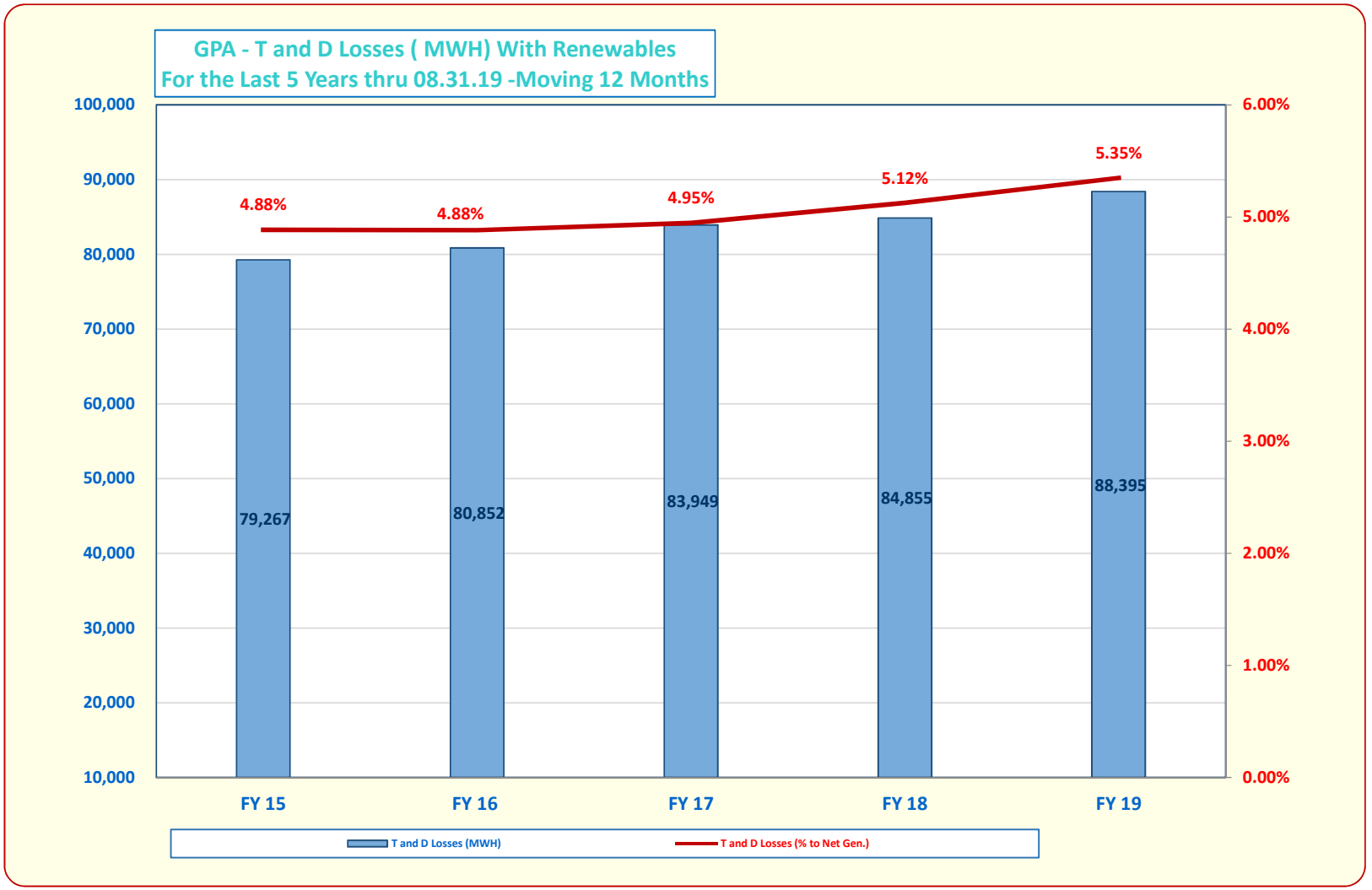
	2015	2016	Restated 2017	Audited 2018	YTD Unaudited 2019
Funds Available for Debt Service					
Earnings from Operations	$ 48,758	$ 37,981	$ 36,522	$ 38,164	$ 42,373
Interest Income	256	57	122	620	3,044
Depreciation Expense	41,766	44,240	44,292	37,184	34,203
Balance Available for Debt Service	$ 90,780	$ 82,278	$ 80,936	$ 75,968	$ 79,620
IPP - Capital Costs					
Principal	$ 18,144	$ 14,819	$ 20,796	$ 23,210	$ 12,842
Interest	8,478	5,970	5,609	3,159	993
Total IPP Payments	$ 26,622	$ 20,789	$ 26,400	$ 26,369	$ 13,835
Bond Debt Service					
Principal (1993 & 1999 Revenue Bond)	$ -	$ -	$ -	$ -	$ -
Interest (1993 & 1999 Revenue Bond)	-	-	-	-	-
Principal and Interest (2010 Subordinate Bond)	9,605	-	-	-	-
Principal and Interest (2010 Senior TE Bond)	7,999	7,999	7,999	2,000	-
Principal and Interest (2012 Senior TE Bond)	17,096	17,098	17,449	17,086	28,845
Principal and Interest (2014 Senior TE Bond)	-	10	5,084	5,083	4,660
Principal and Interest (2017 Senior TE Bond)				5,916	6,973
Total	$ 34,700	$ 25,107	$ 30,532	$ 30,086	$ 40,478
Debt Service Coverage (DSC) Calculation					
Existing DSC Methodology (Senior)	2.56 x	2.45 x	1.79 x	1.65 x	1.63 x
Existing DSC Methodology (Senior+Subordinate)	1.85 x	2.45 x	1.79 x	1.65 x	1.63 x
Bond Covenant DSC	3.62 x	3.28 x	2.65 x	2.53 x	1.97 x
Debt Service Coverage Requirements					
Existing Ratemaking DSC Target	1.75 x	1.75 x	1.75 x	1.75 x	1.75 x
Minimum Bond Covenant Requirement (Senior Bond)	1.30 x	1.30 x	1.30 x	1.30 x	1.30 x
Minimum Bond Covenant Requirement (Subordinate Bond)	1.20 x	1.20 x	1.20 x	1.20 x	1.20 x

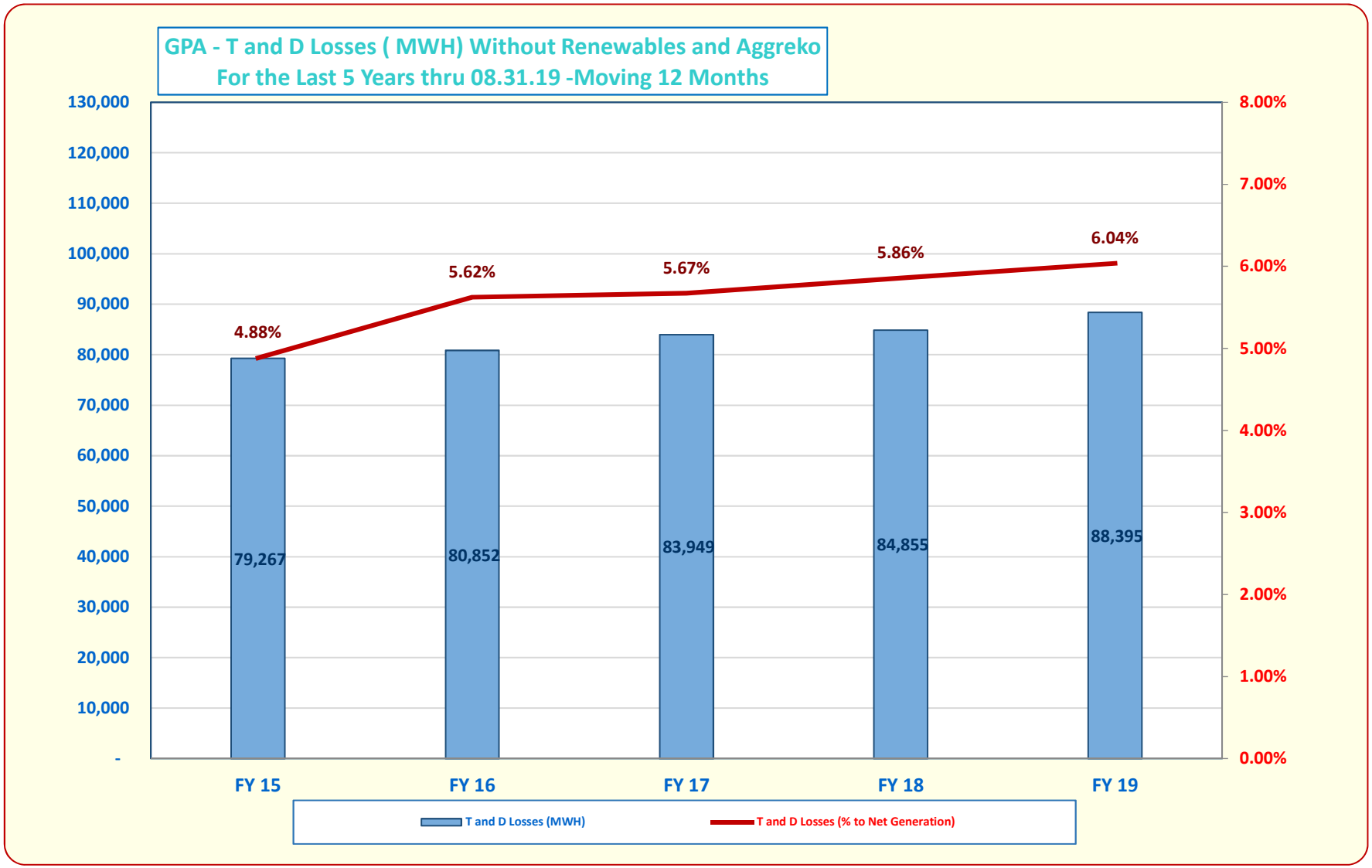
Notes:
(1) Source: Guam Power Authority, 2014 - 2018 Audited Financial Statements
(2) Interest income is net of interest earnings in the Construction Fund and the amortization of deferred credit.
(3) Existing DSC Methodology (Rating Agency Method):
(Operating Earnings + Depreciation Expense - IPP Principal & Interest Payments)/
(Senior and Subordinate Bond Principal & Interest Payments)
(4) Bond Covenant DSC Methodology: (Operating Earnings + Depreciation Expense)/
(Senior and Subordinate Bond Principal & Interest Payments)

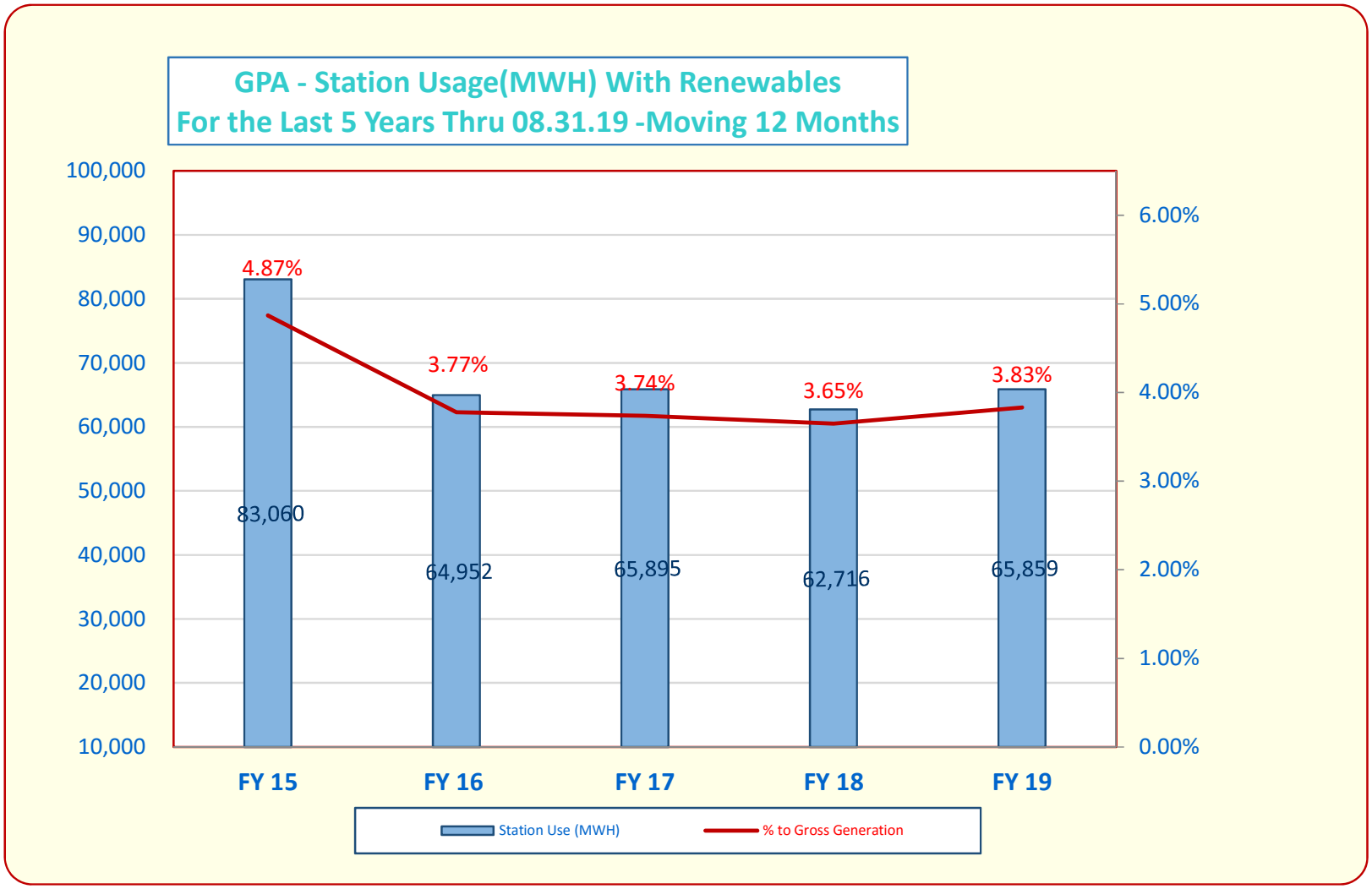
REVENUES-ACTUAL VS PROJECTIONS

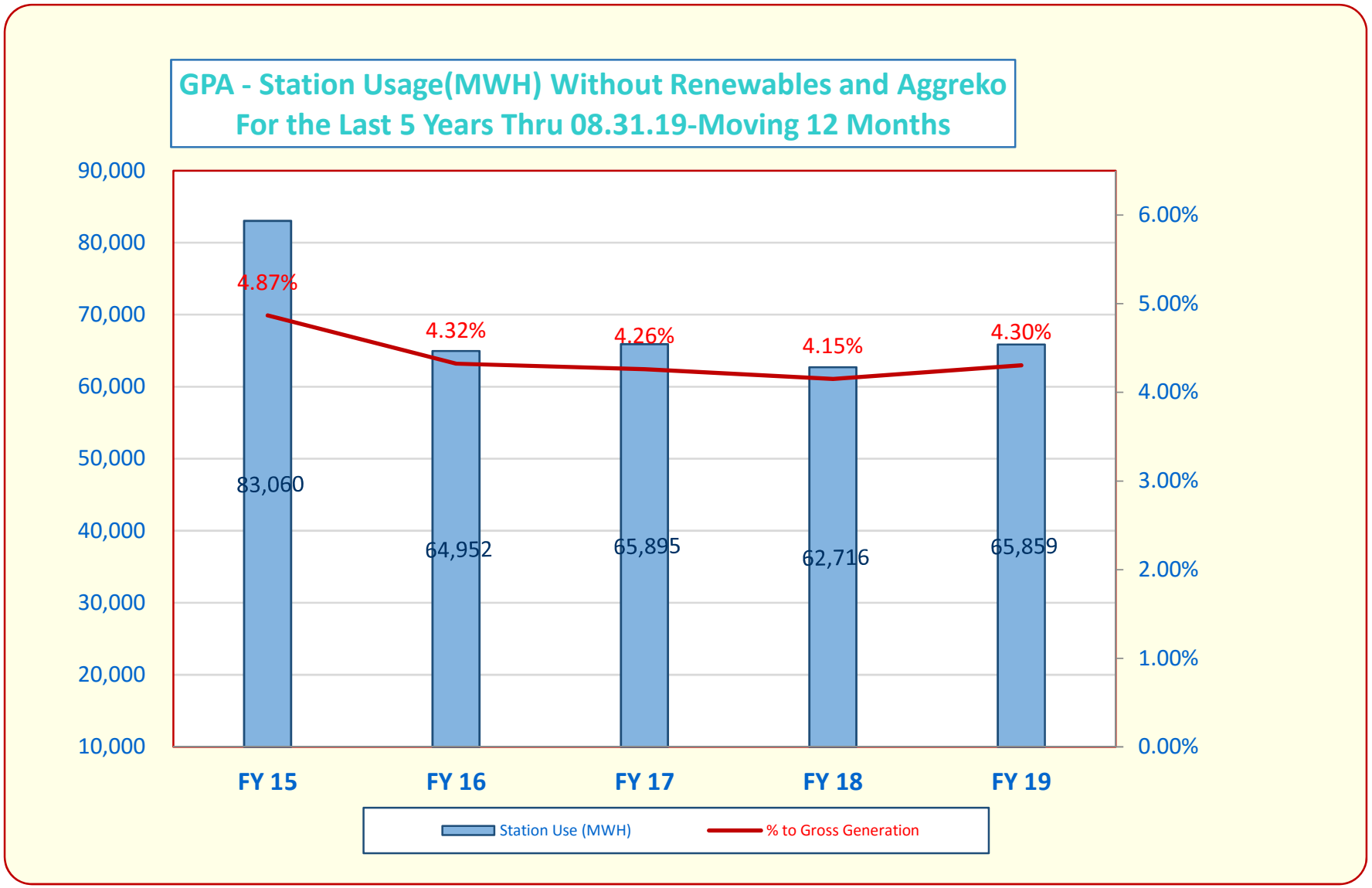
	MONTHLY - AUGUST 2019				YTD THRU 08/31/19			
	PROJECTIONS	ACTUAL	VARIANCE	% VARIANCE	PROJECTIONS	ACTUAL	VARIANCE	% VARIANCE
KWH								
Residential	45,263,011	41,847,978	(3,415,033)	-7.54%	473,509,588	456,922,039	(16,587,549)	-3.50%
Small General-Non-Demand	7,496,432	5,043,909	(2,452,523)	-32.72%	78,436,537	70,819,614	(7,616,924)	-9.71%
Small General-Demand	16,156,156	16,546,802	390,645	2.42%	171,025,961	171,605,801	579,840	0.34%
Large	27,361,540	25,901,704	(1,459,836)	-5.34%	292,600,949	276,878,779	(15,722,170)	-5.37%
Independent Power Producers	47,809	31,920	(15,889)	-33.23%	511,261	350,667	(160,595)	-31.41%
Private St. Lites	28,082	34,326	6,244	22.24%	350,454	363,752	13,298	3.79%
Sub-total	**96,353,030**	**89,406,638**	**(6,946,392)**	**-7.21%**	**1,016,434,751**	**976,940,650**	**(39,494,101)**	**-3.89%**
Government								
Small_Non Demand	1,295,487	792,642	(502,845)	-38.82%	13,185,395	12,037,006	(1,148,389)	-8.71%
Small-Demand	8,087,512	8,790,473	702,961	8.69%	88,141,690	89,194,117	1,052,427	1.19%
Large	6,649,698	6,328,596	(321,102)	-4.83%	69,757,774	65,956,299	(3,801,474)	-5.45%
Public St. Lites	802,954	864,386	61,432	7.65%	8,071,930	8,529,792	457,862	5.67%
Sub-total	**16,835,651**	**16,776,096**	**(59,555)**	**-0.35%**	**179,156,789**	**175,717,214**	**(3,439,575)**	**-1.92%**
Total-Civilian	**113,188,681**	**106,182,735**	**(7,005,947)**	**-6.19%**	**1,195,591,539**	**1,152,657,864**	**(42,933,675)**	**-3.59%**
USN	25,840,827	27,239,150	1,398,322	5.41%	283,262,085	288,613,820	5,351,735	1.89%
Grand Total	**139,029,508**	**133,421,884**	**(5,607,624)**	**-4.03%**	**1,478,853,624**	**1,441,271,684**	**(37,581,940)**	**-2.54%**
					-	-		
Non-Oil Yield								
Residential	0.096102	0.095972	(0.000130)	-0.14%	0.096102	0.096258	0.000156	0.16%
Small General-Non-Demand	0.136352	0.141613	0.005261	3.86%	0.136352	0.138418	0.002066	1.51%
Small General-Demand	0.119289	0.122165	0.002876	2.41%	0.119289	0.119974	0.000685	0.57%
Large	0.103671	0.104003	0.000332	0.32%	0.103671	0.103848	0.000177	0.17%
Independent Power Producers	0.120485	0.140839	0.020354	0.00%	0.120485	0.126220	0.005735	0.00%
Private St. Lites	0.568458	0.604314	0.035856	6.31%	0.568458	0.626764	0.058306	10.26%
Sub-total	**0.105421**	**0.105932**	**0.000512**	**0.49%**	**0.105463**	**0.105840**	**0.000376**	**0.36%**
Government					-			
Small_Non Demand	0.150024	0.162295	0.012271	8.18%	0.150024	0.151997	0.001973	1.32%
Small-Demand	0.134359	0.133254	(0.001105)	-0.82%	0.134359	0.133220	(0.001139)	-0.85%
Large	0.126658	0.124914	(0.001744)	-1.38%	0.126658	0.124962	(0.001696)	-1.34%
Public St. Lites	0.482817	0.428040	(0.054777)	-11.35%	0.482817	0.471545	(0.011272)	-2.33%
Sub-total	**0.149142**	**0.146669**	**(0.002473)**	**-1.66%**	**0.148213**	**0.147830**	**(0.000383)**	**-0.26%**
Total-Civilian	**0.175911**	**0.112368**	**(0.063543)**	**-36.12%**	**0.168125**	**0.112241**	**(0.055885)**	**-33.24%**
USN	0.062350	0.061064	(0.001286)	-2.06%	0.062350	0.063810	0.001460	2.34%
Grand Total	**0.102710**	**0.101894**	**(0.000816)**	**-0.79%**	**0.102384**	**0.102542**	**0.000158**	**0.15%**
Non-Oil Revenues								
Residential	4,349,866	4,016,236	(333,630)	-7.67%	45,505,218	43,982,348	(1,522,870)	-3.35%
Small General-Non-Demand	1,022,153	714,283	(307,870)	-30.12%	10,694,979	9,802,690	(892,289)	-8.34%
Small General-Demand	1,927,252	2,021,435	94,184	4.89%	20,401,516	20,588,285	186,769	0.92%
Large	2,836,598	2,693,848	(142,750)	-5.03%	30,334,233	28,753,396	(1,580,837)	-5.21%
Independent Power Producers	5,760	4,496	(1,265)	-21.96%	61,599	44,261	(17,338)	-28.15%
Private St. Lites	15,963	20,744	4,780	29.95%	199,218	227,986	28,768	14.44%
Sub-total	**10,157,593**	**9,471,041**	**(686,552)**	**-6.76%**	**107,196,764**	**103,398,967**	**(3,797,797)**	**-3.54%**
Government								
Small_Non Demand	194,354	128,642	(65,712)	-33.81%	1,978,126	1,829,590	(148,536)	-7.51%
Small-Demand	1,086,630	1,171,362	84,732	7.80%	11,842,629	11,882,474	39,845	0.34%
Large	842,238	790,533	(51,705)	-6.14%	8,835,380	8,242,029	(593,351)	-6.72%
Public St. Lites	387,680	369,991	(17,688)	-4.56%	3,897,265	4,022,178	124,912	3.21%
Sub-total	**2,510,901**	**2,460,529**	**(50,373)**	**-2.01%**	**26,553,400**	**25,976,271**	**(577,129)**	**-2.17%**
Total-Civilian	**12,668,495**	**11,931,570**	**(736,924)**	**-5.82%**	**133,750,164**	**129,375,238**	**(4,374,926)**	**-3.27%**
USN	1,611,176	1,663,330	52,154	3.24%	17,661,391	18,416,331	754,940	4.27%
Grand Total	**14,279,670**	**13,594,900**	**(684,771)**	**-4.80%**	**151,411,555**	**147,791,569**	**(3,619,986)**	**-2.39%**
% of Total Revenues	36.86%	40.07%			37.85%	40.19%		
Oil Revenues								
Residential	7,962,278	6,454,716	(1,507,563)	-18.93%	79,681,829	70,476,569	(9,205,259)	-11.55%
Small General-Non-Demand	1,318,708	777,983	(540,725)	-41.00%	13,193,665	10,923,359	(2,270,306)	-17.21%
Small General-Demand	2,842,052	2,551,069	(290,983)	-10.24%	28,745,288	26,457,255	(2,288,033)	-7.96%
Large	4,813,206	3,977,237	(835,969)	-17.37%	49,153,320	42,506,149	(6,647,171)	-13.52%
Independent Power Producers	8,410	4,752	(3,658)	-43.50%	85,886	52,190	(33,695)	-39.23%
Private St. Lites	4,940	5,295	355	7.18%	58,393	56,106	(2,287)	-3.92%
Sub-total	**16,949,594**	**13,771,051**	**(3,178,542)**	**-18.75%**	**170,918,380**	**150,471,627**	**(20,446,753)**	**-11.96%**
Government								
Small_Non Demand	227,891	122,259	(105,632)	-46.35%	2,217,385	1,856,612	(360,773)	-16.27%
Small-Demand	1,422,685	1,355,860	(66,825)	-4.70%	14,797,774	13,757,479	(1,040,295)	-7.03%
Large	1,169,758	964,305	(205,453)	-17.56%	11,723,857	10,049,955	(1,673,902)	-14.28%
Public St. Lites	141,249	133,325	(7,924)	-5.61%	1,351,931	1,315,652	(36,278)	-2.68%
Sub-total	**2,961,583**	**2,575,748**	**(385,835)**	**-13.03%**	**30,090,947**	**26,979,698**	**(3,111,248)**	**-10.34%**
Total-Civilian	**19,911,176**	**16,346,799**	**(3,564,377)**	**-17.90%**	**201,009,327**	**177,451,326**	**(23,558,001)**	**-11.72%**
USN	4,545,695	3,984,053	(561,643)	-12.36%	47,579,297	42,482,324	(5,096,973)	-10.71%
Grand Total	**24,456,872**	**20,330,852**	**(4,126,020)**	**-16.87%**	**248,588,623**	**219,933,650**	**(28,654,974)**	**-11.53%**
% of Total Revenues	63.14%	59.93%			62.15%	59.81%		
Grand Total								
Residential	12,312,144	10,470,951	(1,841,193)	-14.95%	125,187,047	114,458,917	(10,728,130)	-8.57%
Small General-Non-Demand	2,340,861	1,492,266	(848,596)	-36.25%	23,888,644	20,726,049	(3,162,595)	-13.24%
Small General-Demand	4,769,303	4,572,505	(196,799)	-4.13%	49,146,803	47,045,540	(2,101,264)	-4.28%
Large	7,649,804	6,671,085	(978,719)	-12.79%	79,487,553	71,259,545	(8,228,008)	-10.35%
Independent Power Producers	14,170	9,248	(4,923)	-34.74%	147,485	96,451	(51,033)	-34.60%
Private St. Lites	20,903	26,038	5,135	24.57%	257,612	284,092	26,480	10.28%
Sub-total	**27,107,187**	**23,242,093**	**(3,865,094)**	**-14.26%**	**278,115,144**	**253,870,594**	**(24,244,550)**	**-8.72%**
Government					-			
Small_Non Demand	422,245	250,901	(171,344)	-40.58%	4,195,511	3,686,202	(509,309)	-12.14%
Small-Demand	2,509,315	2,527,222	17,907	0.71%	26,640,403	25,639,953	(1,000,450)	-3.76%
Large	2,011,995	1,754,837	(257,158)	-12.78%	20,559,237	18,291,984	(2,267,253)	-11.03%
Public St. Lites	528,929	503,316	(25,613)	-4.84%	5,249,196	5,337,830	88,634	1.69%
Sub-total	**5,472,484**	**5,036,276**	**(436,208)**	**-7.97%**	**56,644,347**	**52,955,969**	**(3,688,377)**	**-6.51%**
Total-Civilian	**32,579,671**	**28,278,369**	**(4,301,302)**	**-13.20%**	**334,759,491**	**306,826,564**	**(27,932,927)**	**-8.34%**
USN	6,156,871	5,647,382	(509,489)	-8.28%	65,240,688	60,898,655	(4,342,033)	-6.66%
Grand Total	**38,736,542**	**33,925,751**	**(4,810,791)**	**-12.42%**	**400,000,178**	**367,725,219**	**(32,274,960)**	**-8.07%**
	-	-	-					

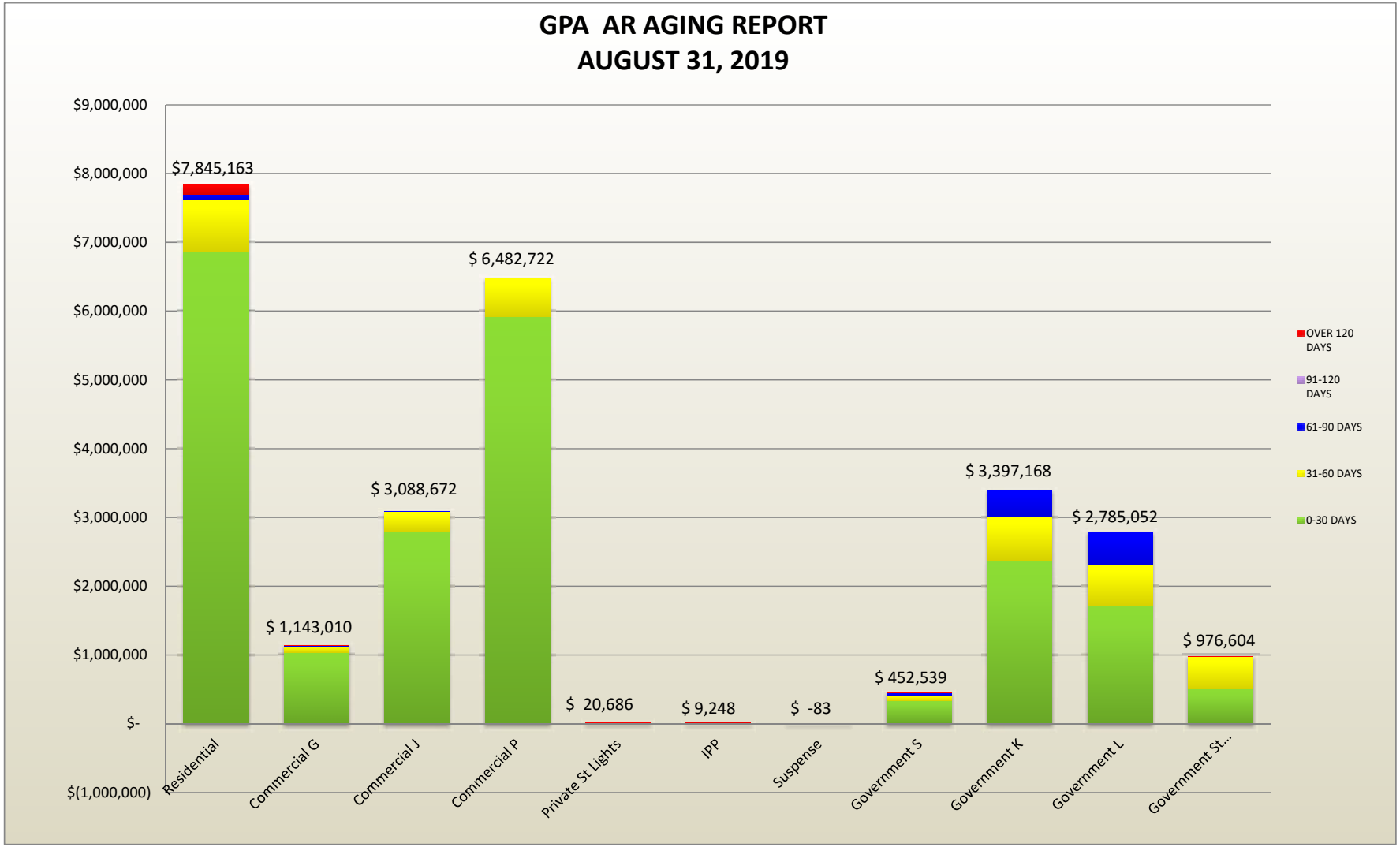
	YTD REVENUES - CURRENT YEAR VS PRIOR YEAR				MTD REVENUES - CURRENT YEAR VS PRIOR YEAR			
	ACTUALS - 11 MONTHS ENDED AUGUST 31				ACTUALS - MONTH ENDED AUGUST 31			
	2019	2018	VARIANCE	% VARIANCE	2019	2018	VARIANCE	% VARIANCE
KWH								
Residential	456,922,039	458,139,237	(1,217,199)	-0.27%	41,847,978	39,748,314	2,099,664	5.28%
Small General-Non-Demand	70,819,614	75,290,906	(4,471,292)	-5.94%	5,043,909	6,737,467	(1,693,558)	-25.14%
Small General-Demand	171,605,801	170,586,991	1,018,809	0.60%	16,546,802	15,283,605	1,263,197	8.27%
Large	276,878,779	283,795,009	(6,916,230)	-2.44%	25,901,704	24,724,982	1,176,722	4.76%
Independent Power Producers	350,667	450,006	(99,340)	-22.08%	31,920	30,251	1,669	5.52%
Private St. Lites	363,752	368,123	(4,372)	-1.19%	34,326	33,511	815	2.43%
Sub-total	**976,940,650**	**988,630,272**	**(11,689,622)**	**-1.18%**	**89,406,638**	**86,558,130**	**2,848,508**	**3.29%**
Government								
Small_Non Demand	12,037,006	13,237,197	(1,200,192)	-9.07%	792,642	1,205,730	(413,089)	-34.26%
Small-Demand	89,194,117	85,863,776	3,330,340	3.88%	8,790,473	7,641,330	1,149,142	15.04%
Large	65,956,299	68,776,531	(2,820,232)	-4.10%	6,328,596	6,179,381	149,216	2.41%
Public St. Lites	8,529,792	8,311,252	218,540	2.63%	864,386	842,364	22,022	2.61%
Sub-total	**175,717,214**	**176,188,757**	**(471,543)**	**-0.27%**	**16,776,096**	**15,868,805**	**907,291**	**5.72%**
Total-Civilian	**1,152,657,864**	**1,164,819,030**	**(12,161,165)**	**-1.04%**	**106,182,735**	**102,426,935**	**3,755,799**	**3.67%**
USN	288,613,820	283,298,305	5,315,515	1.88%	27,239,150	24,921,140	2,318,010	9.30%
Grand Total	**1,441,271,684**	**1,448,117,335**	**(6,845,651)**	**-0.47%**	**133,421,884**	**127,348,076**	**6,073,809**	**4.77%**
Non-Oil Yield								
Residential	0.096258	0.096231	0.000027	0.03%	0.095972	0.096616	-0.000644	-0.67%
Small General-Non-Demand	0.138418	0.136754	0.001664	1.22%	0.141613	0.137049	0.004564	3.33%
Small General-Demand	0.119974	0.119771	0.000203	0.17%	0.122165	0.120133	0.002031	1.69%
Large	0.103848	0.103882	-0.000034	-0.03%	0.104003	0.106342	-0.002340	-2.20%
Independent Power Producers	0.126220	0.113722	0.012499	10.99%	0.140839	0.113049	0.027790	24.58%
Private St. Lites	0.626764	0.628853	-0.002089	-0.33%	0.604314	0.627267	-0.022953	-3.66%
Sub-total	**0.105840**	**0.105781**	**0.000058**	**0.05%**	**0.105932**	**0.106905**	**-0.000973**	**-0.91%**
Government								
Small_Non Demand	0.151997	0.150211	0.001786	1.19%	0.162295	0.149825	0.012471	8.32%
Small-Demand	0.133220	0.134412	-0.001192	-0.89%	0.133254	0.135461	-0.002208	-1.63%
Large	0.124962	0.127360	-0.002398	-1.88%	0.124914	0.128109	-0.003194	-2.49%
Public St. Lites	0.471545	0.471456	0.000088	0.02%	0.428040	0.438177	-0.010137	-2.31%
Sub-total	**0.147830**	**0.148746**	**-0.000916**	**-0.62%**	**0.146669**	**0.149759**	**-0.003090**	**-2.06%**
Total-Civilian	**0.112241**	**0.112280**	**-0.000039**	**-0.04%**	**0.112368**	**0.113544**	**-0.001176**	**-1.04%**
USN	0.063810	0.061830	0.001979	3.20%	0.061064	0.056839	0.004224	7.43%
Grand Total	**0.102542**	**0.102411**	**0.000132**	**0.13%**	**0.101894**	**0.102448**	**-0.000553**	**-0.54%**
Non-Oil Revenues								
Residential	43,982,348	44,087,286	(104,938)	-0.24%	4,016,236	3,840,319	175,917	4.58%
Small General-Non-Demand	9,802,690	10,296,337	(493,647)	-4.79%	714,283	923,361	(209,078)	-22.64%
Small General-Demand	20,588,285	20,431,354	156,931	0.77%	2,021,435	1,836,069	185,366	10.10%
Large	28,753,396	29,481,143	(727,747)	-2.47%	2,693,848	2,629,314	64,534	2.45%
Independent Power Producers	44,261	51,176	(6,914)	-13.51%	4,496	3,420	1,076	31.45%
Private St. Lites	227,986	231,495	(3,509)	-1.52%	20,744	21,021	(277)	-1.32%
Sub-total	**103,398,967**	**104,578,791**	**(1,179,824)**	**-1.13%**	**9,471,041**	**9,253,504**	**217,538**	**2.35%**
Government								
Small_Non Demand	1,829,590	1,988,374	(158,784)	-7.99%	128,642	180,648	(52,006)	-28.79%
Small-Demand	11,882,474	11,541,159	341,315	2.96%	1,171,362	1,035,104	136,259	13.16%
Large	8,242,029	8,759,365	(517,335)	-5.91%	790,533	791,633	(1,100)	-0.14%
Public St. Lites	4,022,178	3,918,392	103,786	2.65%	369,991	369,104	887	0.24%
Sub-total	**25,976,271**	**26,207,289**	**(231,018)**	**-0.88%**	**2,460,529**	**2,376,489**	**84,039**	**3.54%**
Total-Civilian	**129,375,238**	**130,786,080**	**(1,410,842)**	**-1.08%**	**11,931,570**	**11,629,993**	**301,577**	**2.59%**
USN	18,416,331	17,516,468	899,863	5.14%	1,663,330	1,416,504	246,825	17.42%
Grand Total	**147,791,569**	**148,302,548**	**(510,979)**	**-0.34%**	**13,594,900**	**13,046,497**	**548,402**	**4.20%**
% of Total Revenues								
Oil Revenues								
Residential	70,476,569	64,400,170	6,076,399	9.44%	6,454,716	6,130,859	323,856	5.28%
Small General-Non-Demand	10,923,359	10,589,095	334,263	3.16%	777,983	1,039,200	(261,218)	-25.14%
Small General-Demand	26,457,255	23,930,007	2,527,248	10.56%	2,551,069	2,356,468	194,601	8.26%
Large	42,506,149	39,266,971	3,239,178	8.25%	3,977,237	3,797,734	179,503	4.73%
Independent Power Producers	52,190	57,543	(5,352)	-9.30%	4,752	4,504	248	5.50%
Private St. Lites	56,106	51,152	4,954	9.68%	5,295	5,169	126	2.43%
Sub-total	**150,471,627**	**138,294,937**	**12,176,690**	**8.80%**	**13,771,051**	**13,333,936**	**437,116**	**3.28%**
Government								
Small_Non Demand	1,856,612	1,833,793	22,819	1.24%	122,259	185,974	(63,716)	-34.26%
Small-Demand	13,757,479	11,894,629	1,862,850	15.66%	1,355,860	1,178,614	177,246	15.04%
Large	10,049,955	9,412,716	637,239	6.77%	964,305	941,916	22,389	2.38%
Public St. Lites	1,315,652	1,161,454	154,199	13.28%	133,325	129,928	3,397	2.61%
Sub-total	**26,979,698**	**24,302,592**	**2,677,106**	**11.02%**	**2,575,748**	**2,436,432**	**139,316**	**5.72%**
Total-Civilian	**177,451,326**	**162,597,529**	**14,853,796**	**9.14%**	**16,346,799**	**15,770,368**	**576,431**	**3.66%**
USN	42,482,324	36,331,156	6,151,168	16.93%	3,984,053	3,826,809	157,243	4.11%
Grand Total	**219,933,650**	**198,928,685**	**21,004,964**	**10.56%**	**20,330,852**	**19,597,177**	**733,675**	**3.74%**
% of Total Revenues								
Grand Total								
Residential	114,458,917	108,487,456	5,971,462	5.50%	10,470,951	9,971,178	499,773	5.01%
Small General-Non-Demand	20,726,049	20,885,432	(159,384)	-0.76%	1,492,266	1,962,561	(470,296)	-23.96%
Small General-Demand	47,045,540	44,361,361	2,684,179	6.05%	4,572,505	4,192,538	379,967	9.06%
Large	71,259,545	68,748,114	2,511,431	3.65%	6,671,085	6,427,049	244,037	3.80%
Independent Power Producers	96,451	108,718	(12,267)	-11.28%	9,248	7,924	1,324	16.70%
Private St. Lites	284,092	282,647	1,445	0.51%	26,038	26,189	(151)	-0.58%
Sub-total	**253,870,594**	**242,873,729**	**10,996,866**	**4.53%**	**23,242,093**	**22,587,439**	**654,653**	**2.90%**
Government								
Small_Non Demand	3,686,202	3,822,167	(135,964)	-3.56%	250,901	366,623	(115,722)	-31.56%
Small-Demand	25,639,953	23,435,788	2,204,165	9.41%	2,527,222	2,213,718	313,505	14.16%
Large	18,291,984	18,172,081	119,904	0.66%	1,754,837	1,733,549	21,288	1.23%
Public St. Lites	5,337,830	5,079,845	257,985	5.08%	503,316	499,032	4,284	0.86%
Sub-total	**52,955,969**	**50,509,881**	**2,446,089**	**4.84%**	**5,036,276**	**4,812,921**	**223,355**	**4.64%**
Total-Civilian	**306,826,564**	**293,383,609**	**13,442,954**	**4.58%**	**28,278,369**	**27,400,361**	**878,008**	**3.20%**
USN	60,898,655	53,847,624	7,051,031	13.09%	5,647,382	5,243,314	404,069	7.71%
Grand Total	**367,725,219**	**347,231,234**	**20,493,985**	**5.90%**	**33,925,751**	**32,643,674**	**1,282,077**	**3.93%**


GPA - T and D Losses (MWH) With Renewables
For the Last 5 Years thru 08.31.19 -Moving 12 Months
100,000
90,000
80,000
70,000
60,000
50,000
40,000
30,000
20,000
10,000
6.00%
5.00%
4.00%
3.00%
2.00%
1.00%
0.00%
4.88%
4.88%
4.95%
5.12%
5.35%
79,267
80,852
83,949
84,855
88,395
FY 15
FY 16
FY 17
FY 18
FY 19
T and D Losses (MWH)
T and D Losses (% to Net Gen.)


GPA - T and D Losses (MWH) Without Renewables and Aggreko
For the Last 5 Years thru 08.31.19 -Moving 12 Months
130,000
120,000
110,000
100,000
90,000
80,000
70,000
60,000
50,000
40,000
30,000
20,000
10,000
-
8.00%
7.00%
6.00%
5.00%
4.00%
3.00%
2.00%
1.00%
0.00%
4.88%
5.62%
5.67%
5.86%
6.04%
79,267
80,852
83,949
84,855
88,395
FY 15
FY 16
FY 17
FY 18
FY 19
T and D Losses (MWH)
T and D Losses (% to Net Generation)


GPA - Station Usage(MWH) With Renewables
For the Last 5 Years Thru 08.31.19 -Moving 12 Months
100,000
90,000
80,000
70,000
60,000
50,000
40,000
30,000
20,000
10,000
6.00%
5.00%
4.00%
3.00%
2.00%
1.00%
0.00%
4.87%
3.77%
3.74%
3.65%
3.83%
83,060
64,952
65,895
62,716
65,859
FY 15
FY 16
FY 17
FY 18
FY 19
Station Use (MWH)
% to Gross Generation


GPA - Station Usage(MWH) Without Renewables and Aggreko
For the Last 5 Years Thru 08.31.19-Moving 12 Months
90,000
80,000
70,000
60,000
50,000
40,000
30,000
20,000
10,000
6.00%
5.00%
4.00%
3.00%
2.00%
1.00%
0.00%
4.87%
4.32%
4.26%
4.15%
4.30%
83,060
64,952
65,895
62,716
65,859
FY 15
FY 16
FY 17
FY 18
FY 19
Station Use (MWH)
% to Gross Generation


GPA AR AGING REPORT
AUGUST 31, 2019
$9,000,000
$8,000,000
$7,000,000
$6,000,000
$5,000,000
$4,000,000
$3,000,000
$2,000,000
$1,000,000
$-
$(1,000,000)
$7,845,163
$ 1,143,010
$ 3,088,672
$ 6,482,722
$ 20,686
$ 9,248
$ -83
$ 452,539
$ 3,397,168
$ 2,785,052
$ 976,604
Residential
Commercial G
Commercial J
Commercial P
Private St Lights
IPP
Suspense
Government S
Government K
Government L
Government St...
OVER 120 DAYS
91-120 DAYS
61-90 DAYS
31-60 DAYS
0-30 DAYS

GUAM POWER AUTHORITY
GOVERNMENT ACCOUNTS RECEIVABLE
Billing as of 09/30/2019 and Payments as of 10/21/2019

CC&B ACCT NUMBER	CC&B New Acct Numer	DEPARTMENT
		Line Agencies
0237100000	1073430238	Dept. of Corrections
0437100000	0040515913	Dept. of Parks & Rec.
0537100000	0453170939	Guam Fire Department
6995000000	8564647941	DOA Supply Mgmt (NET METERED)
7895000000	4211873236	Dept. of Administration
1337100000	4554808900	Nieves Flores Library
2206200000	9541109130	General Services Agency
2237100000	1621790133	DOA-Data Processing
2337100000	1896187753	Dept. of PH&SS
3237100000	7252821074	Dept. of Education
3337100000	0266069082	Guam Police Department
3569100000	6069461950	Dept of Youth Affairs (Federal)
4437100000	2913461537	Dept. of Youth Affair* (Local)
4737100000	3404311949	Guam Environmental Protect
5437100000	3227759982	Mental Health/Subst.
	6841080463	Guam Behavioral Health & Wellness
7200300000	0070861777	Veteran Affairs
	6243861917	Guam Veterans Affairs Office
7437100000	8300435373	Civil Defense (Military Affairs)
7463300000	7813165805	Pacific Energy Resource Center
8137100000	1595188609	Dept. of Agriculture
8337100000	2535590089	DPW-FAC Adm Account
8437100000	7928924534	Guam Visitors Bureau
8446300000	7663706771	Yona Senior Citizen Center
9437100000	4129948191	Dept of Chamorro Affairs/Chamorro Village
	3558733700	Dept of Chamorro Affairs/Chamorro Village (NET METERED)
5247210000	5247210000	Mayors Council
6293410000	6293410000	Office of the Governor
8555858369	8555858369	Dept of Chamorro Affairs (Guam Museum)
	1099514147	Dept of Chamorro Affairs/Repository
		Sub Total
		MAYORS
0637100000	3832327736	Santa Rita Mayor
0737100000	9351070242	Ordot/Chalan Pago Mayor
1537100000	6393530237	Hagatna Mayor
1637100000	3293808984	Piti Mayor
1737100000	8715052935	Mongmong/Toto/Maite Mayor

2637100000	0492244686	Asan/Maina/Adelup Mayor
2737100000	8433959204	Sinajana Mayor
3637100000	8041715847	Dededo Mayor
4637100000	7037924246	Yigo Mayor
5637100000	7202265287	Umatac Mayor
6537100000	8472200165	Agana Hts. Mayor
6637100000	4469579998	Merizo Mayor
6737100000	5763167341	Barrigada Mayors Office
7537100000	7247791682	Agat Mayor
7637100000	6078244037	Inarajan Mayor
8537100000	6957205325	Tamuning Mayor
8637100000	1880297633	Talofofo Mayor
9537100000	3631627996	Mangilao Mayor
9637100000	1837525565	Yona Mayor
		Sub Total
		DPW ACCOUNTS
4337100000	3045433600	DPW-Village St. Lights
5337100000	0930959866	DPW- Primary St. Lights
6337100000	3088040552	DPW-Sec/Coll St. Lights
7337100000	0832698062	DPW-Signal Lights
		Sub Total
		(B) AUTONOMOUS/PUBLIC CORP
1437100000	1540692986	Retirement Fund
1915500000	0563872892	Guam Housing Corp Rental Division
2437100000	5434075703	University of Guam
4237100000	7736362694	Guam Airport Authority
5357510000	5357510000	University of Guam (NET METERED)
6237100000	1699407298	G H U R A
6437100000	6518220019	Guam Community College
7237100000	8302337726	Guam Memorial Hospital
8426836906	8426836906	Guam Memorial Hospital (NET METERED)
9137100000	4474308144	Port Authority of Guam
9157510000	9157510000	Guam Community College (NET METERED)
9173210000	9173210000	Guam Solid Waste Authority
9337100000	0838495949	Guam Waterworks Authority
8237100000	4075914809	GPA
		Sub Total
		(C) OTHERS
0337100000	7541928173	Guam Legislature
9503154359	9503154359	Guam Legislature (NET METERED)
1237100000	8353274954	Superior Court of Guam
2537100000	8108458168	Guam Post Office (Agana)
2570200000	8972267005	Customs & Quarantine Agency
3537100000	4530787043	U.S. Post Office

5537100000	8607446612	Dept. of Military Affairs
3209463043	3209463043	Dept. of Military Affairs (NET METERED)
5737100000	6000770566	KGTF
7281000000	6602566745	Tamuning Post Office

Sub Total

Total

Current (09/19 Billing due 10/31/19)
30 days Arrears (8/31/19 due 09/30/19)
60 days and over Arrears (07/19 billing due 8/3

CC&B BALANCE 09/30/2019	CANCEL/REBILL/ SPEC CHARGE Sept 2019	BILLING 09/30/2019	PAYMENT UP TO 10/21/2019
79,194.70		78,657.41	(157,852.11)
21,092.26		20,241.70	(21,092.26)
16,762.14		17,362.14	(34,124.28)
1,487.38	11.16	1,315.61	(2,814.15)
3,480.90	26.11	3,474.51	(6,981.52)
11,275.02		10,895.44	(11,275.02)
538.86	4.04	257.29	(800.19)
8,983.03	0.56	9,184.82	(18,168.41)
66,719.78		68,863.95	(132,827.09)
3,095,123.65	8,216.29	1,127,051.19	(1,999,626.60)
50,005.99		48,499.10	(50,005.99)
668.84		637.70	(1,306.54)
11,883.45		11,803.32	(23,686.77)
7,001.23	52.51	6,951.18	(14,004.92)
48,300.63	2.98	49,534.43	(97,838.04)
1,533.78		1,667.93	(3,201.71)
2,288.23	11.40	2,085.12	(4,384.75)
11.40	(11.40)		
35,642.85	86.10	12,152.49	(35,642.85)
723.57		707.11	(723.57)
9,678.22		9,800.28	(19,478.50)
30,504.22		30,987.27	(30,504.22)
4,357.77		4,343.18	(8,700.95)
1,001.84		1,159.84	(1,001.84)
3,423.96	25.67	3,438.33	(3,423.96)
140.85	1.06	140.85	(140.85)
10,017.29		6,563.66	(10,017.29)
31,612.24	334.81	24,668.41	(56,615.46)
47,113.96	353.35	22,477.42	(69,944.73)
601.07	2.20	398.23	(1,001.50)
3,601,169.11	**9,116.84**	**1,575,319.91**	**(2,817,186.07)**

3,693.27		3,602.10	(3,693.27)
1,120.72		1,117.33	(1,120.72)
772.17		696.72	(772.17)
1,501.53		1,107.68	(1,501.53)
1,731.66		1,690.69	(1,731.66)

621.70		638.68	(621.70)
4,330.88		3,846.27	(4,330.88)
6,738.18		6,170.24	(6,738.18)
4,491.77		4,639.60	(4,491.77)
1,209.55		1,357.76	(1,209.55)
4,195.90		3,884.14	(4,195.90)
1,081.29	43.37	1,109.02	(1,081.29)
2,451.79		2,158.60	(2,451.79)
3,151.74	(209.41)	2,865.79	(3,151.74)
5,010.45	37.59	2,294.04	(5,010.45)
6,382.99		6,597.76	(6,382.99)
1,562.23		2,191.21	(1,562.23)
4,317.09	(1,423.34)	5,842.08	(4,317.09)
1,291.45		1,363.36	(1,291.45)
$ 55,656.36	**$ (1,551.79)**	**$ 53,173.07**	**$ (55,656.36)**
			-
384,803.09		358,016.83	(384,803.09)
89,631.76	672.24	84,154.18	(1,645.22)
26,989.50	202.43	25,424.40	(26,989.50)
10,169.96		10,455.10	(10,169.96)
$ 511,594.31	**$ 874.67**	**$ 478,050.51**	**$ (423,607.77)**

6,519.32		6,633.58	(13,152.90)
1,309.58	61.03	1,367.40	(1,313.82)
178,682.43	124.45	187,797.06	(366,603.94)
554,139.89		529,454.08	(554,139.89)
79,647.30		83,156.21	(162,803.51)
14,901.43	(24.80)	25,713.61	(26,445.69)
54,340.47		55,279.35	(109,619.82)
38,741.33		39,980.94	(78,722.27)
160,974.89		154,367.30	(315,342.19)
93,802.94		92,555.45	(93,802.94)
36,636.20		39,055.67	(75,691.87)
6,988.43		7,061.41	(14,049.84)
1,379,385.11	4,920.98	1,397,945.05	(2,782,251.14)
-		100,428.30	(100,428.30)
$ 2,606,069.32	**$ 5,081.66**	**$ 2,720,795.41**	**$ (4,694,368.12)**

381.85		516.12	(381.85)
8,477.87		8,304.59	(8,477.87)
67,984.81		67,623.84	(67,984.81)
6,502.62		6,545.82	(13,048.44)
610.75		571.74	(1,182.49)
39,126.15		41,590.92	(80,717.07)

78,575.29	589.32	78,806.33	(78,575.29)
17,822.37	133.67	17,922.37	(17,822.37)
14,377.77	5.71	6,777.79	(13,615.88)
4,996.24		5,103.61	(10,099.85)
$ 238,855.72	**$ 728.70**	**$ 233,763.13**	**$ (291,905.92)**

$ 7,013,344.82 $ 14,250.08 $ 5,061,102.03 $ (8,282,724.24)

31/19)

CC&B BALANCE 10/21/2019
-
20,241.70
-
-
-
10,895.44
-
-
2,756.64
2,230,764.53
48,499.10
-
-
-
-
-
-
0.00
12,238.59
707.11
-
30,987.27
-
1,159.84
3,464.00
141.91
6,563.66
-
-
-
2,368,419.79

3,602.10
1,117.33
696.72
1,107.68
1,690.69

	638.68
	3,846.27
	6,170.24
	4,639.60
	1,357.76
	3,884.14
	1,152.39
	2,158.60
	2,656.38
	2,331.63
	6,597.76
	2,191.21
	4,418.74
	1,363.36
$	**51,621.28**

	358,016.83
	172,812.96
	25,626.83
	10,455.10
$	**566,911.72**

	-
	1,424.19
	-
	529,454.08
	-
	14,144.55
	-
	-
	-
	92,555.45
	-
	-
	-
	-
$	**637,578.27**

	516.12
	8,304.59
	67,623.84
	-
	-
	-

	79,395.65
	18,056.04
	7,545.39
	-
$	**181,441.63**

$ 3,805,972.69

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

Issues for Decision

Resolution No. 2019-014:

Relative to Approving the Consent Decree with the United States Environmental Protection Agency (EPA) and Authorizing the Guam Power Authority (GPA) to Petition the Guam Public Utilities Commission (GPUC) to Approve the Consent Decree with EPA

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

The U.S. Environmental Protection Agency (EPA) alleges that GPA has been in violation of the EPA National Emission Standards for Hazardous Air Pollutants (NESHAP) standards for oil-fired electric steam generating units at Cabras Units 1 and 2 since April 2015, and the standards for stationary reciprocating internal combustion engines at Cabras Units 3 and 4 from May 2013 to September 2015, and Piti Units 8 and 9 since May 2013. The Guam Power Authority (GPA) and the U.S. Environmental Protection Agency (EPA) have reached an agreement in principle to resolve alleged violations of the Clean Air Act at GPA's Cabras and Piti generating plants, the details of which are contained in the draft consent decree, which is submitted to the Consolidated Commission on Utilities (CCU) and the Guam Public Utilities Commission (GPUC) for review and approval.

To resolve the EPA's alleged violations, the settlement requires that GPA pay a civil penalty of $400,000; construct and operate a new 180MW power plant burning ultra-low sulfur diesel (ULSD) by October 31, 2022; convert GPA's fuel delivery system from residual fuel oil (RFO) to ULSD, which will include refurbishing the main fuel bulk storage tanks; construct a new ULSD pipeline; run Piti Units 8 and 9 on ULSD by December 31, 2021; use low-sulfur RFO in Cabras 1 and 2 and permanently shut down Cabras 1 and 2 by October 31, 2022; build 100MW of additional utility scale solar power; and install and operate a new energy storage system by December 31, 2019. EPA has alleged that the GPA units have not been compliant with the applicable NESHAP regulations since May 2013 (Cabras 3 and 4, Piti 8 and 9) and since April 2015 (Cabras 1 and 2), which, without a settlement, would subject GPA to potential fines in the hundreds of millions of dollars in civil penalties, in addition to the cost of substantial investments to reduce emissions, with a much more aggressive compliance schedule required by EPA. The proposed consent decree requires GPA to pay a nominal civil penalty which takes into account GPA's limited economic resources, and allows GPA to focus its expenditures on a new efficient power plant, and cost-effective emission reduction measures.

Based on all the additional information provided by GPA over the course of the extensive negotiation process with the U.S. Environmental Protection Agency (EPA) and the US Department of Justice (DOJ), the CCU determines that is in the best interest of the ratepayers of Guam to proceed with the proposed Consent Decree with EPA and DOJ.

Cost to GPA: The settlement requires that GPA pay a civil penalty of **$400,000;**
Without a settlement, it would subject GPA to **potential fines in the hundreds of millions of dollars in civil penalties,** in addition to the cost of substantial investments to reduce emissions, with a much more aggressive compliance schedule required by EPA.

CONSOLIDATED COMMISSION ON UTILITIES
Guam Power Authority | Guam Waterworks Authority
P.O. Box 2977 Hagatna, Guam 96932 | (671)649-3002 | guamccu.org

RESOLUTION NO. 2019-014

Relative to Approving the Consent Decree with the United States Environmental Protection Agency (EPA) and Authorizing the Guam Power Authority (GPA) to Petition the Guam Public Utilities Commission (GPUC) to Approve the Consent Decree with EPA

WHEREAS, the U.S. Environmental Protection Agency (EPA) alleges that GPA has been in violation of the EPA National Emission Standards for Hazardous Air Pollutants (NESHAP) standards for oil-fired electric steam generating units at Cabras Units 1 and 2 since April 2015, and the standards for stationary reciprocating internal combustion engines at Cabras Units 3 and 4 from May 2013 to September 2015, and Piti Units 8 and 9 since May 2013; and

WHEREAS, the Guam Power Authority (GPA) and the U.S. Environmental Protection Agency (EPA) have reached an agreement in principle to resolve alleged violations of the Clean Air Act at GPA's Cabras and Piti generating plants, the details of which are contained in the draft consent decree, which is submitted to the Consolidated Commission on Utilities (CCU) and the Guam Public Utilities Commission (GPUC) for review and approval; and

WHEREAS, to resolve the EPA's alleged violations, the settlement requires that GPA pay a civil penalty of $400,000; construct and operate a new 180MW power plant burning ultra-low sulfur diesel (ULSD) by October 31, 2022; convert GPA's fuel delivery system from residual fuel oil (RFO) to ULSD, which will include refurbishing the main fuel bulk storage tanks; construct a new ULSD pipeline; run Piti Units 8 and 9 on ULSD by December 31, 2021; use low-sulfur RFO in Cabras 1 and 2 and permanently shut down Cabras 1 and 2 by October 31, 2022; build 100MW of additional utility scale solar power; and install and operate a new energy storage system by December 31, 2019; and

WHEREAS, GPA has worked diligently to obtain the necessary CCU and GPUC approvals required to implement the settlement; the GPUC on July 25, 2019 approved a contract between GPA and AYM International, Inc. for construction of a ULSD pipeline; the PUC on August 29, 2019, approved a contract between GPA and Tristar Agility for bulk storage fuel tanks inspection and refurbishment; the CCU on September 13, 2019, approved an Energy Conversion Agreement (ECA) between GPA and Korea Electric Power Company (KEPCO) for

the 198MW power plant; the ECA was filed with the GPUC on September 5, 2019, and the GPUC is expected to vote on the ECA on October 31, 2019; and

WHEREAS, the proposed settlement will provide a fair and reasonable resolution of the violations alleged by EPA, environmental benefits, and needed enhancements to Guam's energy security and reliability; and

WHEREAS, EPA has alleged that the GPA units have not been compliant with the applicable NESHAP regulations since May 2013 (Cabras 3 and 4, Piti 8 and 9) and since April 2015 (Cabras 1 and 2), which, without a settlement, would subject GPA to potential fines in the hundreds of millions of dollars in civil penalties, in addition to the cost of substantial investments to reduce emissions, with a much more aggressive compliance schedule required by EPA. The proposed consent decree requires GPA to pay a nominal civil penalty which takes into account GPA's limited economic resources, and allows GPA to focus its expenditures on a new efficient power plant, and cost-effective emission reduction measures; and

WHEREAS, the settlement will improve air quality by requiring that GPA retire some older units upon completion of the new power plant and convert all remaining units to ULSD, which will reduce emissions of pollutants such as sulfur dioxide; and

WHEREAS, the proposed resolution will also increase Guam's energy security by allowing for the expansion of GPA's renewable energy portfolio with the construction of the new 198MW power plant and provide increased reliability with the retirement of the Cabras 1 and 2 units. The new power plant will complement the additional proposed solar power, providing the necessary support for the intermittent production of renewable energy during the day with the capacity to serve peak loads at night; and

WHEREAS, in addition to CCU and GPUC approval, the settlement must be authorized by the Assistant Attorney General for the Environment and Natural Resources Division of the Department of Justice. Once the Department of Justice (DOJ) files the consent decree with the United States District Court of Guam, a public notice will be published in the Federal Register, after which the public will have 30 days in which to submit comments. After the close of the public comment period, the DOJ, in coordination with EPA, will respond to any

comments submitted and request that the Court approve the settlement as an order of the court.

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

1. For all the reasons listed herein, and based on all the additional information provided by GPA over the course of the extensive negotiation process with the U.S. Environmental Protection Agency (EPA) and the US Department of Justice (DOJ), the CCU determines that is in the best interest of the ratepayers of Guam to proceed with the proposed Consent Decree with EPA and DOJ.

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

DULY and REGULARLY ADOPTED this 29th day of October, 2019.

Certified by:	**Attested by:**
JOSEPH T. DUENAS Chairperson Consolidated Commission on Utilities	**MICHAEL LIMTIACO** Secretary Consolidated Commission on Utilities

I, Michael Limtiaco, Secretary for the Consolidated Commission on Utilities (CCU), as evidenced by my signature above do certify as follows:

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

Ayes: _____

Nays: _____

Absent: _____

Abstain: _____

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Attorneys for Plaintiff United States of America

UNITED STATES DISTRICT COURT
FOR THE TERRITORY OF GUAM

UNITED STATES OF AMERICA,	)	
	)	
Plaintiff,	)	Case No.
	)	
v.	)	CONSENT DECREE
	)	
GUAM POWER AUTHORITY and	)	
MARIANAS ENERGY COMPANY, L.L.C.,	)	
	)	
Defendants.	)	
	)	

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WHEREAS, Plaintiff United States of America, on behalf of the United States Environmental Protection Agency ("EPA"), has filed a complaint in this action concurrently with the lodging of this Consent Decree, alleging that Defendants Guam Power Authority ("GPA") and Marianas Energy Company, L.L.C. ("MEC") (collectively the "Defendants") have violated and are violating Section 112 of the Clean Air Act ("Act"), 42 U.S.C. § 7412, and the regulations promulgated under that Section;

WHEREAS, the Complaint alleges claims relating to the National Emission Standards for Hazardous Air Pollutants ("NESHAP") for Coal- and Oil-Fired Electric Utility Steam Generating Units, referred to as the Mercury and Air Toxics Standards ("MATS"), set forth at 40 C.F.R. Part 63, subpart UUUUU, at the Cabras Power Plant, and the NESHAP for Stationary Reciprocating Internal Combustion Engines, set forth at 40 C.F.R. Part 63, subpart ZZZZ ("RICE NESHAP"), at the Cabras Power Plant and the Piti Power Plant;

WHEREAS, the Complaint alleges that GPA has operated and continues to operate its two baseload electric generating units known as Cabras Units 1 and 2 in violation of the MATS since the MATS' effective date of April 16, 2015;

WHEREAS, the Complaint also alleges that GPA has operated its two baseload electric generating units known as Cabras Units 3 and 4 in violation of the RICE NESHAP since the RICE NESHAP's effective date of May 3, 2013, until Units 3 and 4 were damaged in an explosion at the Cabras Power Plant on August 31, 2015;

WHEREAS, the Complaint further alleges that MEC has operated and continues to operate its two baseload electric generating units known as Piti Units 8 and 9 in violation of the RICE NESHAP since the RICE NESHAP's effective date of May 3, 2013;

WHEREAS, MEC operated Piti Units 8 and 9 pursuant to a contract that ceded ownership of Piti Units 8 and 9 back to GPA on or around January 29, 2019; and required GPA to supply and deliver all fuel used by Piti Units 8 and 9 to produce electric power;

WHEREAS, Cabras Units 1 and 2 are powered by boilers that have been fueled with Residual Fuel Oil; Cabras Units 3 and 4 were powered before the August 31, 2015 explosion by slow-speed diesel engines that were fueled with Residual Fuel Oil; and Piti Units 8 and 9

are powered by slow-speed diesel engines that have been fueled with Residual Fuel Oil;

WHEREAS, GPA plans to build a new power plant, with up to 180 megawatts in generating capacity, which will initially be fueled by Ultra-Low Sulfur Diesel ("ULSD");

WHEREAS, the United States reviewed Financial Information and determined GPA has a limited ability to pay a civil penalty in this matter;

WHEREAS, Defendants do not admit any liability to the United States arising out of the transactions or occurrences alleged in the Complaint;

WHEREAS, the Parties have agreed to resolve the United States' claims arising out of the transactions or occurrences alleged in the Complaint by entering into this Consent Decree;

WHEREAS, the Parties recognize, and the Court by entering this Consent Decree finds, that this Consent Decree has been negotiated by the Parties in good faith and will avoid litigation among the Parties, and that this Consent Decree is fair, reasonable, and in the public interest;

NOW, THEREFORE, before the taking of any testimony, without the adjudication or admission of any issue of fact or law except as provided in Section I, and with the consent of the Parties, IT IS HEREBY ADJUDGED, ORDERED, AND DECREED as follows:

I. JURISDICTION AND VENUE

1. This Court has jurisdiction over the subject matter of this action, pursuant to 28 U.S.C. §§ 1331, 1345, and 1355, and Section 113(b) of the Act, 42 U.S.C. § 7413(b), and over the Parties. Venue lies in this District pursuant to 42 U.S.C. § 7413(b), and 28 U.S.C. §§ 1391(b) and (c) and 1395(a), because the violations alleged in the Complaint are alleged to have occurred in, and Defendants conduct business in, this judicial district. For purposes of this Decree, or any action to enforce this Decree, Defendants consent to the Court's jurisdiction over this Decree and any such action and over Defendants and consent to venue in this judicial district.

2. For purposes of this Consent Decree, Defendants agree that the Complaint states claims upon which relief may be granted pursuant to 42 U.S.C. § 7413(b).

II. APPLICABILITY

3. The obligations of this Consent Decree apply to and are binding upon the United States, and upon Defendants and any successors, assigns, or other entities or persons otherwise bound by law.

4. At least 60 Days prior to any transfer of ownership or operation of any Facility, the Defendant who owns or operates that Facility shall provide a copy of this Consent Decree to the proposed transferee and shall simultaneously provide written notice of the prospective transfer, together with a copy of the proposed written agreement, to EPA and the United States in accordance with Section XVI (Notices). No transfer of ownership or operation of any Facility, whether in compliance with the procedures of this Paragraph or otherwise, shall relieve Defendant of its obligation to ensure that the terms of the Decree are implemented, unless: (1) the transferee agrees to undertake the obligations required by this Decree and to be substituted for the Defendant as a Party under the Decree and thus be bound by the terms thereof; and (2) the United States consents in writing to relieve that Defendant of its obligations for that Facility. Any attempt to transfer ownership or operation of the Facility without complying with this Paragraph constitutes a violation of this Decree.

5. The requirements of Paragraph 4 do not apply to the transfer of ownership of Piti Units 8 and 9 from MEC to GPA that occurred pursuant to contract between MEC and GPA in January 2019. By entering into this Consent Decree, GPA agrees to accept all obligations applicable to Piti Units 8 and 9 created by this Consent Decree. By entering into this Consent Decree, MEC agrees to continuing responsibility for all obligations applicable to Piti Units 8 and 9 if MEC continues to have any operational role over those Units subsequent to the transfer of MEC's ownership interest in Piti Units 8 and 9 to GPA in January 2019. Any other transfer of ownership or operation of any Facility shall be subject to the requirements of Paragraph 4.

6. Defendants shall provide a copy of this Consent Decree to all officers, employees, and agents whose duties might reasonably include compliance with any provision of this Decree, as well as to any contractor retained to perform work required under this

Consent Decree. Defendants shall condition any such contract upon performance of the work in conformity with the terms of this Consent Decree.

7. In any action to enforce this Consent Decree, Defendants shall not raise as a defense the failure by any of its officers, directors, employees, agents, or contractors to take any actions necessary to comply with the provisions of this Consent Decree.

III. OBJECTIVES

8. The objectives of this Consent Decree are to:

a. permanently Retire Cabras Units 1 and 2;

b. bring Piti Units 8 and 9 into compliance with the RICE NESHAP by switching from Residual Fuel Oil to ULSD and installing oxidation catalysts;

c. permanently Retire Cabras Units 3 and 4;

d. construct a new power plant that will comply with the requirements of the Clean Air Act; and

e. establish a compliance schedule in Section VI (Compliance Requirements) of this Consent Decree that allows for adequate time to accomplish these objectives while not disrupting electric service on Guam.

IV. DEFINITIONS

9. Terms used in this Consent Decree that are defined in the Act or in regulations promulgated pursuant to the Act shall have the meanings assigned to them in the Act or such regulations, unless otherwise provided in this Decree. Whenever the terms set forth below are used in this Consent Decree, the following definitions shall apply:

"Cabras Power Plant" shall mean, collectively, Cabras Units 1 and 2, both of which are steam turbine electricity generating units with each unit having 66 megawatts ("MW") of capacity, and Cabras 3 and 4, both of which are slow-speed diesel electricity generating units with each unit having 40 MW of capacity, all of which are located on Cabras Island, Municipality of Piti, on Guam.

"Complaint" shall mean the complaint filed by the United States in this action.

"Consent Decree" or "Decree" shall mean this Decree.

"Day" shall mean a calendar day unless expressly stated to be a business day. In computing any period of time under this Consent Decree, where the last day would fall on a Saturday, Sunday, or federal holiday, the period shall run until the close of business of the next business day.

"Defendants" shall mean Guam Power Authority ("GPA") and Marianas Energy Company, L.L.C. ("MEC").

"Deliverable" shall mean any written document required to be prepared and/or submitted by or on behalf of a Defendant pursuant to this Consent Decree.

"EPA" shall mean the United States Environmental Protection Agency and any of its successor departments or agencies.

"Effective Date" shall have the definition provided in Section XVII.

"Facilities" shall mean the Cabras Power Plant and the Piti Power Plant, each of which shall also be referred to as a "Facility."

"Financial Information" shall mean balance sheets, tax returns, financial statements, cash flow statements, projections, and all other financial information that GPA made available to the United States prior to the date of lodging of this Consent Decree.

"Fuel Delivery System" shall mean all piping, pumps, tanks, valves, and control equipment in GPA's system for delivery and storage of fuel from the Navy tie-in in the Apra Harbor to tanks and associated equipment at the facility known as the "Peterra Tank Farm," and from the Peterra Tank Farm to and including the day fuel storage tanks at the Cabras Power Plant and the Piti Power Plant.

"Low Sulfur Residual Fuel Oil" shall mean Residual Fuel Oil that has a sulfur content of less than 1.19 percent by weight.

"MATS" shall mean the NESHAP for Coal- and Oil-Fired Electric Utility Steam Generating Units, referred to as the Mercury and Air Toxics Standards, set forth at 40 C.F.R. Part 63, subpart UUUUU.

"Paragraph" shall mean a portion of this Decree identified by an Arabic numeral.

"Parties" shall mean the United States and Defendants.

"Piti Power Plant" shall mean, collectively, Piti Units 8 and 9, both of which are slow-speed diesel electricity generating units with each unit having 44 MW of capacity, and are located in the Municipality of Piti on Guam.

"Residual Fuel Oil" or "RFO" shall mean a general classification for heavier oils that remain after distillate fuel oils and lighter hydrocarbons are distilled away in refinery operations. Residual Fuel Oil is used for the production of electric power, space heating, vessel bunkering, and various industrial processes.

"Retire" or "Retired" shall mean to permanently shut down a Unit such that the Unit cannot physically operate by removing the fuel injectors from any Unit subject to the RICE NESHAP or removing the burner oil guns from any Unit subject to the MATS, and to comply with applicable Guam and federal requirements for permanently ceasing operation of the Unit, including removing the Unit from Guam's air emissions inventory, and amending all applicable permits so as to reflect the permanent shutdown status of such Unit.

"RICE NESHAP" shall mean the NESHAP for Stationary Reciprocating Internal Combustion Engines, set forth at 40 C.F.R. Part 63, subpart ZZZZ.

"Section" shall mean a portion of this Decree identified by a Roman numeral.

"Ultra-Low Sulfur Diesel" or "ULSD" shall mean diesel with no greater than 15 parts per million of sulfur as determined using ASTM D2622.

"Unit" shall mean one of the electric generating units that are part of the Facilities.

"United States" shall mean the United States of America, acting on behalf of EPA.

V. CIVIL PENALTY

10. Within 30 Days after the Effective Date of this Consent Decree, GPA shall pay the sum of $400,000 as a civil penalty, together with interest accruing from the date on which the Consent Decree is lodged with the Court, at the rate specified in 28 U.S.C. § 1961 as of the date of lodging.

11. GPA shall pay the civil penalty due by FedWire Electronic Funds Transfer ("EFT") to the U.S. Department of Justice account, in accordance with instructions provided to GPA by the Financial Litigation Unit ("FLU") of the United States Attorney's Office for the

District of Guam after the Effective Date of this Consent Decree. The payment instructions provided by the FLU will include a Consolidated Debt Collection System ("CDCS") number, which GPA shall use to identify all payments required to be made in accordance with this Consent Decree. The FLU will provide the payment instructions to:

John J. Kim
Chief Financial Officer
Guam Power Authority
P.O. Box 2977
Hagatna, GU 96932
671-648-3120
jjekim@gpagwa.com

on behalf of GPA. GPA may change the individual to receive payment instructions on its behalf by providing written notice of such change to the United States and EPA in accordance with Section XVI (Notices).

At the time of payment, GPA shall send notice that payment has been made: (i) to EPA via email at cinwd_acctsreceivable@epa.gov or via regular mail at EPA Cincinnati Finance Office, 26 W. Martin Luther King Drive, Cincinnati, Ohio 45268; (ii) to the United States via email or regular mail in accordance with Section XVI (Notices); and (iii) to EPA in accordance with Section XVI (Notices). Such notice shall state that the payment is for the civil penalty owed pursuant to the Consent Decree in United States v. Guam Power Authority, et al., and shall reference the civil action number, CDCS Number, and DOJ case number 90-5-2-1-11000.

VI. COMPLIANCE REQUIREMENTS

A. Fuel Delivery System

12. Within 60 Days after the Effective Date of this Consent Decree, GPA shall submit a schedule for completion of the Fuel Delivery System inspections described in Paragraph 13.

13. Within 180 Days after the Effective Date of this Consent Decree, GPA shall inspect the entire Fuel Delivery System. These inspections shall include, but not necessarily be limited to, all piping, pumps, tanks, valves, and control equipment in the Fuel Delivery System, and shall be conducted to determine: (a) the overall condition of the existing Fuel Delivery System; and (b) the nature and extent of any modification, repairs, rehabilitation or

replacements necessary for the Fuel Delivery System to deliver ULSD to the Facilities. The inspection of piping shall be consistent with American Petroleum Institute Standard API 570, "Piping Inspection Code: In-service Inspection, Rating, Repair, and Alteration of Piping Systems." The inspection of tanks shall be consistent with Steel Tank Institute "SP001 Standard for the Inspection of Aboveground Storage Tanks, 6th Edition." The inspection of the entire Fuel Delivery System shall be done under the supervision of a licensed professional engineer.

14. Within 60 Days after completion of the inspections described in Paragraph 13, GPA shall submit an Inspection Report to EPA summarizing the findings, conclusions, and recommendations related to the Fuel Delivery System inspections. The Inspection Report shall be prepared and certified by a licensed professional engineer.

15. Within 60 Days after submission of the Inspection Report described in Paragraph 14, GPA shall submit a proposed Construction Report to EPA for review and approval.

16. The Construction Report shall include a determination of specific modifications, or repairs, rehabilitation or replacements that are needed for the existing Fuel Delivery System, based on the findings, conclusions, and recommendation of the Inspection Report. Such specific modifications, repairs, or replacements shall include, at a minimum, the construction of new pipelines to convey ULSD from the Navy tie-in at Apra Harbor, through one of the two main tanks (designated as #1934 and #1935) at the Peterra Tank Farm, to Piti Units 8 and 9, and refurbishment of the tank used to store and convey ULSD to Piti Units 8 and 9. GPA shall also include in the Construction Report: (1) a plan to complete all modifications, repairs, rehabilitation, replacements, or new construction that are needed for the existing Fuel Delivery System to deliver ULSD to the Facilities; and (2) a proposed schedule for installing the new ULSD pipelines that meets the deadlines set forth in Paragraphs 17 and 18 below.

17. Within 30 Days of the Effective Date, GPA shall enter into a binding contract for construction of the new ULSD pipelines described in Paragraph 16.

18. By May 1, 2021, construction of the new ULSD pipelines described in

Paragraph 16 shall be completed.

19. By January 1, 2021, GPA shall enter a binding contract for the purchase and delivery of ULSD to Guam.

B. Piti Units 8 and 9

20. By March 1, 2020, for Piti Units 8 and 9, GPA shall submit complete applications for all permits and approvals necessary to: (1) accomplish the fuel switch to ULSD; and (2) install oxidation catalysts.

21. By July 1, 2020, GPA shall enter into a binding contract for performance of all work necessary to accomplish the fuel switch to ULSD and to install oxidation catalysts at Piti Units 8 and 9.

22. By December 31, 2021, and continuing thereafter, GPA shall: (1) complete the installation of oxidation catalysts at Piti Units 8 and 9; (2) use only ULSD as a fuel to power Piti Units 8 and 9; and (3) otherwise comply with all requirements of the RICE NESHAP at those Units.

23. Beginning December 31, 2021, and continuing thereafter, GPA shall test the sulfur content of all fuels used at Piti Units 8 and 9. GPA shall arrange for such tests by sampling and analyzing each shipment of fuel to be used at these Units, both before it leaves its location of origin (e.g., Singapore) and after it arrives at the Apra Harbor unloading dock on Guam. GPA shall use the test methods contained in ASTM D2880 in ascertaining the sulfur content of these fuels, and shall maintain records of the fuel sulfur content as part of the recordkeeping obligations established in Paragraphs 24 and 25.

24. By December 31, 2021, and continuing thereafter, as long as MEC operates Piti Units 8 and 9 and the requirements of Paragraph 22 have not yet been met, MEC shall create and maintain for at least five years, in a form suitable for inspections, a daily record showing the amount(s) (e.g., gallons) and type(s) of fuel (e.g., ULSD or RFO) used to power Piti Units 8 and 9.

25. By December 31, 2021, and continuing thereafter, if at any time GPA operates, directly or through a third party, Piti Units 8 and 9, and the requirements of Paragraph 22 have

not yet been met, GPA shall create and maintain for at least five years, in a form suitable for inspections, a daily record showing the amount(s) (e.g., gallons) and type(s) of fuel (e.g., ULSD or RFO) used to power Piti Units 8 and 9.

C. New Power Plant

26. Within 30 Days of the Effective Date, GPA shall enter into a contract to construct and operate 180 MW of new generation utilizing ULSD, at least initially, but capable of burning natural gas. The contract shall provide that startup and shakedown of the new power plant must commence no later than October 1, 2022.

27. On-site construction activities for the new power plant described in Paragraph 26 shall meet the following interim milestones: (1) all concrete foundations and pads shall be poured and completed by July 31, 2021; (2) a complete engineering report for the entire project shall be completed by January 31, 2021; and (3) installation of the new generating units shall commence by April 1, 2022.

28. By October 31, 2021, GPA shall operate 180 MW of new generation utilizing only ULSD, at least initially, but capable of burning natural gas.

D. Cabras Units 1 and 2

29. At the time one of the two main tanks at the Peterra Tank Farm is removed from service so that it can be refurbished to handle ULSD, GPA shall submit a notification to EPA setting forth the identification of the tank removed from service (#1934 or #1935) and the date it was removed from service ("Tank Refurbishment Date"). Beginning no later than the date the Tank Refurbishment Date and continuing thereafter, GPA shall use only Low Sulfur Residual Fuel Oil as a fuel to power Cabras Units 1 and 2.

30. Beginning on the Tank Refurbishment Date and continuing thereafter until GPA, or a third party on behalf of GPA, no longer operates Cabras Units 1 and 2, GPA shall test the sulfur content of all fuels used at Cabras Units 1 and 2. GPA shall arrange for such tests by sampling and analyzing each shipment of fuel to be used at these Units, both before it leaves its location of origin (e.g., Singapore) and after it arrives at the Apra Harbor unloading dock on Guam. GPA shall use the test methods contained in ASTM D2880 in ascertaining the

sulfur content of these fuels, and shall maintain records of the fuel sulfur content as part of the recordkeeping obligations established in Paragraph 31.

31. Beginning on the Tank Refurbishment Date and continuing thereafter until GPA, or a third party on behalf of GPA, no longer operates Cabras Units 1 and 2, GPA shall create and maintain for at least five years, in a form suitable for inspections, a daily record showing the amount(s) (e.g., gallons) and type(s) of fuel (e.g., Low Sulfur Residual Fuel Oil or RFO) used to power Cabras Units 1 and 2.

32. By October 31, 2022, GPA shall permanently Retire Cabras Units 1 and 2.

E. Cabras Units 3 and 4

33. Within 30 Days after the Effective Date of this Consent Decree, GPA shall permanently Retire Cabras Units 3 and 4.

F. Tanguisson Units 1 and 2

34. Within 30 Days after the Effective Date of this Consent Decree, GPA shall permanently Retire Tanguisson Units 1 and 2.

G. Review and Approval of Deliverables

35. After review of Deliverables required to be submitted by GPA pursuant to this Section VI (Compliance Requirements), EPA shall in writing: (a) approve the submission; (b) approve the submission upon specified conditions; (c) approve part of the submission and disapprove the remainder; or (d) disapprove the submission.

36. If the submission is approved pursuant to Paragraph 35, GPA shall take all actions required by the plan, report, or other document, in accordance with the schedules and requirements of the plan, report, or other document, as approved. If the submission is conditionally approved or approved only in part pursuant to Paragraph 35(b) or (c), GPA shall, upon written direction from EPA, take all actions required by the approved plan, report, or other item that EPA determines are technically severable from any disapproved portions, subject to GPA's right to dispute only the specified conditions or the disapproved portions, under Section XII (Dispute Resolution).

37. If the submission is disapproved in whole or in part pursuant to Paragraph 35(c)

or (d), GPA shall, within 60 Days or such other time as the Parties agree to in writing, correct all deficiencies and resubmit the plan, report, or other item, or disapproved portion thereof, for approval, in accordance with the preceding Paragraphs. If the resubmission is approved in whole or in part, GPA shall proceed in accordance with the preceding Paragraph.

38. Any stipulated penalties applicable to the original submission, as provided in Section X (Stipulated Penalties), shall accrue during the 60-Day period or other specified period, but shall not be payable unless the resubmission is untimely or is disapproved in whole or in part; provided that, if the original submission was so deficient as to constitute a material breach of GPA's obligations under this Decree, the stipulated penalties applicable to the original submission shall be due and payable notwithstanding any subsequent resubmission.

39. If a resubmitted plan, report, or other item, or portion thereof, is disapproved in whole or in part, EPA may again require GPA to correct any deficiencies, in accordance with the preceding Paragraphs, or may itself correct any deficiencies subject to Defendant's right to invoke the dispute resolution procedures set forth in Section XII (Dispute Resolution) and the right of EPA to seek stipulated penalties as provided in the preceding Paragraphs.

H. Permits

40. Where any compliance obligation under this Section VI (Compliance Requirements) requires a Defendant to obtain a federal, state, or local permit or approval, the Defendant shall submit timely and complete applications and take all other actions necessary to obtain all such permits or approvals. The Defendant may seek relief under the provisions of Section XI (Force Majeure) for any delay in the performance of any such obligation resulting from a failure to obtain, or a delay in obtaining, any permit or approval required to fulfill such obligation, if the Defendant has submitted timely and complete applications and has taken all other actions necessary to obtain all such permits or approvals.

I. Applicable Implementation Plan

41. Within 60 Days of the Effective Date, GPA shall submit a request to the Guam Environmental Protection Agency to revise the applicable implementation plan for Guam. GPA shall request that the following requirements of this Consent Decree be made part of the

applicable implementation plan for Guam: (1) the use of Low Sulfur Residual Fuel Oil at Cabras Units 1 and 2 by July 1, 2021; (2) that Cabras Units 1 and 2 be permanently Retired by December 31, 2021; and (3) the use of either ULSD or natural gas and the installation of oxidation catalysts at Piti Units 8 and 9 by December 31, 2021.

VII. ADDITIONAL INJUNCTIVE RELIEF

42. Within 30 Days of the Effective Date, GPA shall award a contract for at least 100 MW of solar power, with construction to be completed by December 31, 2021. This 100 MW of power is in addition to 25 MW of solar power that GPA has already installed at the Dandan facility.

43. Within 30 Days of the Effective Date, GPA shall complete installation and operation of a 40 MW energy storage system. The energy storage system shall consist of: (1) a renewable integration system at the Talofofo Substation with an instantaneous delivery capacity of 16 MW and a storage capacity of 16 MW hours; and (2) a frequency regulating system at the Agana Substation with an instantaneous delivery capacity of 24 MW and a storage capacity of 6 MW hours.

VIII. PROHIBITION ON NETTING CREDITS OR OFFSETS

44. Emission reductions that result from actions to be taken by Defendants after the Effective Date of this Consent Decree to comply with the requirements of this Consent Decree shall not be considered as a creditable contemporaneous emission decrease for the purpose of obtaining a netting credit or offset under the Clean Air Act's Nonattainment New Source Review and Prevention of Significant Deterioration ("PSD") programs.

45. Nothing in this Consent Decree is intended to preclude the emission reductions generated under this Consent Decree from being considered by the Guam Environmental Protection Agency or EPA as creditable contemporaneous emission decreases for the purpose of attainment demonstrations submitted pursuant to Section 110 of the Act, 42 U.S.C. § 7410, or in determining impacts on National Ambient Air Quality Standards, PSD increment, or air quality related values, including visibility, in a Class I area.

IX. REPORTING REQUIREMENTS

46. GPA shall submit the following reports:

a. By July 31st and January 31st of each year after the lodging of this Consent Decree, until termination of this Decree pursuant to Section XX (Termination), GPA shall submit to EPA by email a complete and accurate semi-annual report for the preceding six months that shall include (i) the status of any construction or compliance measures; (ii) any milestones completed; (iii) any problems encountered or anticipated, together with implemented or proposed solutions; (iv) a list of all necessary permits and the status of the application for each permit; and, (v) beginning on December 31, 2021, a summary of daily records of fuel usage for Piti Units 8 and 9; and (vi) beginning on the Tank Refurbishment Date established pursuant to Paragraph 29, a summary of daily records of fuel usage for Cabras Units 1 and 2.

b. The report shall also include a description of any non-compliance with the requirements of this Consent Decree, an explanation of the violation's likely cause, and of the remedial steps taken, or to be taken, to prevent or minimize such violation. If GPA violates, or has reason to believe that it may violate, any requirement of this Consent Decree, GPA shall notify the United States of such violation and its likely duration, in writing, within fifteen business days of the Day GPA first becomes aware of the violation, with an explanation of the violation's likely cause and of the remedial steps taken, or to be taken, to prevent or minimize such violation. If the cause of a violation cannot be fully explained at the time the report is due, GPA shall so state in the report. GPA shall investigate the cause of the violation and shall then submit an amendment to the report, including a full explanation of the cause of the violation, within 30 Days of the Day GPA becomes aware of the cause of the violation. Nothing in this Paragraph or the following Paragraph relieves GPA of its obligation to provide the notice required by Section XI (Force Majeure).

47. Whenever any violation of this Consent Decree or any other event affecting a Defendant's or the Defendants' performance under this Decree, or the performance of their Facilities, may pose an immediate threat to the public health or welfare or the environment, Defendant(s) shall notify EPA orally or by electronic or facsimile transmission as soon as

possible, but no later than 24 hours after Defendant(s) first knew of the violation or event. This procedure is in addition to the requirements set forth in the preceding Paragraph.

48. All reports shall be submitted to the persons designated in Section XVI (Notices).

49. Each report submitted by GPA under this Section shall be signed by an official of GPA and include the following certification:

> I certify under penalty of law that this document and all attachments were prepared under my direction or supervision in accordance with a system designed to assure that qualified personnel properly gather and evaluate the information submitted. Based on my inquiry of the person or persons who manage the system, or those persons directly responsible for gathering the information, the information submitted is, to the best of my knowledge and belief, true, accurate, and complete. I have no personal knowledge that the information submitted is other than true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment for knowing violations.

50. This certification requirement does not apply to emergency or similar notifications where compliance would be impractical.

51. The reporting requirements of this Consent Decree do not relieve Defendants of any reporting obligations required by the Act or implementing regulations, or by any other federal, state, or local law, regulation, permit, or other requirement.

52. Any information provided pursuant to this Consent Decree may be used by the United States in any proceeding to enforce the provisions of this Consent Decree and as otherwise permitted by law.

X. STIPULATED PENALTIES

53. GPA shall be liable for stipulated penalties to the United States for violations of this Consent Decree as specified below, unless excused under Section XI (Force Majeure). A violation includes failing to perform any obligation required by the terms of this Decree, including any work plan or schedule approved under this Decree, according to all applicable

requirements of this Decree and within the specified time schedules established by or approved under this Decree.

54. Late Payment of Civil Penalty. If GPA fails to pay the civil penalty required to be paid under Section V (Civil Penalty) when due, GPA shall pay a stipulated penalty of $1,500 per Day for each Day that the payment is late.

55. Compliance Milestones. The following stipulated penalties shall accrue per violation per Day for each violation of the requirements specified below:

a. Failure to meet interim deadlines or to timely submit Deliverables as set forth in Paragraphs 12 through 17 relating to the Fuel Delivery System, $500 per Day.

b. Failure to meet final construction deadline in Paragraph 18 relating to the Fuel Delivery System, $1,000 per Day.

c. Failure to complete installation of oxidation catalysts at Piti Units 8 and 9 pursuant to Paragraph 22, $1,000 per Day.

d. Failure to convert Piti Units 8 and 9 to ULSD pursuant to Paragraph 22, $1,000 per Day.

e. Failure to use only ULSD at Piti Units 8 and 9 after December 31, 2021, pursuant to Paragraph 22, $1,000 per Day for the first 30 Days of noncompliance, $3,000 per Day for the 31st through 60th Day of noncompliance, and $5,000 per Day thereafter for either Unit or both Units.

f. Failure to meet interim deadlines or to timely submit Deliverables as set forth in Paragraphs 26 and 27 relating to the new power plant, $500 per Day.

g. Failure to commence operation of 180 MW of new generating power at the new power plant by October 31, 2022, pursuant to Paragraph 28, $1,000 per Day for the first 30 Days of noncompliance, $1,500 per Day for the 31st through 60th Day of noncompliance, and $2,000 per Day thereafter.

h. Failure to use only Low Sulfur Residual Fuel Oil at Cabras Units 1 and 2 after the Tank Refurbishment Date pursuant to Paragraph 29, $1,000 per Day for the first 30 Days of noncompliance, $2,000 per Day for the 31st through 60th Day of noncompliance, and

$5,000 per Day thereafter for either Unit or both Units.

i. Failure to Retire Cabras Units 1 and 2 by October 31, 2022, pursuant to Paragraph 32, $1,000 per Day for the first 30 Days of noncompliance, $3,000 per Day for the 31st through 60th Day of noncompliance, and $5,000 per Day thereafter for either Unit or both Units.

j. Failure to Retire Cabras Units 3 and 4 pursuant to Paragraph 33, $1,000 per Day for either Unit or both Units.

k. Failure to Retire Tanguisson Units 1 and 2 pursuant to Paragraph 34, $1,000 per Day for either Unit or both Units.

l. Failure to submit a complete application for permits required pursuant to Paragraph 40, $250 per Day for the first 30 Days of noncompliance, $500 per Day for the 31st through 60th Day of noncompliance, and $1,000 per Day thereafter for each application.

m. Failure to create or keep complete and accurate records as required by Section VI (Compliance Requirements), $250 per Day for the first 30 Days of noncompliance, $500 per Day for the 31st through 60th Day of noncompliance, and $1,000 per Day thereafter.

n. Failure to submit a semi-annual report under Section IX (Reporting Requirements), $250 per Day for the first 30 Days of noncompliance, $500 per Day for the 31st through 60th Day of noncompliance, and $1,000 per Day thereafter.

o. Failure to implement the solar power project required pursuant to Section VII (Additional Injunctive Relief), $500 per Day for the failure to implement for the first 30 Days, and $1,500 per Day thereafter.

p. Failure to implement the energy storage project required pursuant to Section VII (Additional Injunctive Relief), $500 per Day for the failure to implement for the first 30 Days, and $1,500 per Day thereafter.

56. Stipulated penalties under this Section shall begin to accrue on the Day after performance is due or on the Day a violation occurs, whichever is applicable, and shall continue to accrue until performance is satisfactorily completed or until the violation ceases. Stipulated penalties shall accrue simultaneously for separate violations of this Consent Decree.

57. GPA shall pay any stipulated penalty within 30 Days of receiving the United States' written demand.

58. The United States may, in the unreviewable exercise of its discretion, reduce or waive stipulated penalties otherwise due it under this Consent Decree.

59. Stipulated penalties shall continue to accrue as provided in Paragraph 56, during any Dispute Resolution, but need not be paid until the following:

a. If the dispute is resolved by agreement or by a decision of EPA that is not appealed to the Court, GPA shall pay accrued penalties determined to be owing, together with interest, to the United States within 30 Days of the effective date of the agreement or the receipt of EPA's decision or order.

b. If the dispute is appealed to the Court and the United States prevails in whole or in part, GPA shall pay all accrued penalties determined by the Court to be owing, together with interest, within 60 Days of receiving the Court's decision or order, except as provided in subparagraph c, below.

c. If any Party appeals the District Court's decision, GPA shall pay all accrued penalties determined to be owing, together with interest, within 15 Days of receiving the final appellate court decision.

60. GPA shall pay stipulated penalties owing to the United States in the manner set forth and with the confirmation notices required by Paragraph 11, except that the transmittal letter shall state that the payment is for stipulated penalties and shall state for which violation(s) the penalties are being paid.

61. If GPA fails to pay stipulated penalties according to the terms of this Consent Decree, GPA shall be liable for interest on such penalties, as provided for in 28 U.S.C. § 1961, accruing as of the date payment became due. Nothing in this Paragraph shall be construed to limit the United States from seeking any remedy otherwise provided by law for GPA's failure to pay any stipulated penalties.

62. The payment of penalties and interest, if any, shall not alter in any way Defendants' obligation to complete the performance of the requirements of this Consent

Decree.

63. Non-Exclusivity of Remedy. Stipulated penalties are not the United States' exclusive remedy for violations of this Consent Decree. Subject to the provisions of Section XIV (Effect of Settlement/Reservation of Rights), the United States expressly reserves the right to seek any other relief it deems appropriate for GPA's violation of this Decree or applicable law, including, but not limited to, an action against GPA for statutory penalties, additional injunctive relief, mitigation or offset measures, and/or contempt. However, the amount of any statutory penalty assessed for a violation of this Consent Decree shall be reduced by an amount equal to the amount of any stipulated penalty assessed and paid pursuant to this Consent Decree.

XI. FORCE MAJEURE

64. "Force majeure," for purposes of this Consent Decree, is defined as any event arising from causes beyond the control of Defendant(s), of any entity controlled by a Defendant, or of Defendant's contractors, that delays or prevents the performance of any obligation under this Consent Decree despite best efforts of Defendant(s) to fulfill the obligation. The requirement that the Defendants exercise "best efforts to fulfill the obligation" includes using best efforts to anticipate any potential force majeure event and best efforts to address the effects of any potential force majeure event (a) as it is occurring and (b) following the potential force majeure, such that the delay and any adverse effects of the delay are minimized. "Force Majeure" does not include Defendants' financial inability to perform any obligation under this Consent Decree.

65. If any event occurs or has occurred that may delay the performance of any obligation under this Consent Decree, whether or not caused by a force majeure event, the Defendant(s) shall provide an initial notice orally or by electronic or facsimile transmission to the United States and EPA as soon as practicable, but in any event within 72 hours of when that Defendant first knew that the event might cause a delay. Within fourteen Days thereafter, the Defendant(s) shall provide in writing to the United States and EPA an explanation and description of the reasons for the delay; the anticipated duration of the delay; all actions taken

or to be taken to prevent or minimize the delay; a schedule for implementation of any measures to be taken to prevent or mitigate the delay or the effect of the delay; Defendant's/Defendants' rationale for attributing such delay to a force majeure event if it intends to assert such a claim; and a statement as to whether, in the opinion of the Defendant(s), such event may cause or contribute to an endangerment to public health, welfare or the environment. The Defendant(s) shall include with any notice all available documentation supporting the claim that the delay was attributable to a force majeure. Failure to comply with the above requirements shall preclude the Defendant(s) from asserting any claim of force majeure for that event for the period of time of such failure to comply, and for any additional delay caused by such failure. A Defendant shall be deemed to know of any circumstance of which the Defendant, any entity controlled by Defendant, or Defendant's contractors knew or should have known.

66. If EPA agrees that the delay or anticipated delay is attributable to a force majeure event, the time for performance of the obligations under this Consent Decree that are affected by the force majeure event will be extended by EPA for such time as is necessary to complete those obligations. An extension of the time for performance of the obligations affected by the force majeure event shall not, of itself, extend the time for performance of any other obligation. EPA will notify the Defendant(s) in writing of the length of the extension, if any, for performance of the obligations affected by the force majeure event.

67. If EPA does not agree that the delay or anticipated delay has been or will be caused by a force majeure event, EPA will notify the Defendant(s) in writing of its decision.

68. If a Defendant elects to invoke the dispute resolution procedures set forth in Section XII (Dispute Resolution), it shall do so no later than 15 Days after receipt of EPA's notice. In any such proceeding, the Defendant shall have the burden of demonstrating by clear and convincing evidence that the delay or anticipated delay has been or will be caused by a force majeure event, that the duration of the delay or the extension sought was or will be warranted under the circumstances, that best efforts were exercised to avoid and mitigate the effects of the delay, and that the Defendant complied with the requirements of Paragraphs 64 and 65. If the Defendant carries this burden, the delay at issue shall be deemed not to be a

violation by the Defendant of the affected obligation of this Consent Decree identified to EPA and the Court.

XII. DISPUTE RESOLUTION

69. Unless otherwise expressly provided for in this Consent Decree, the dispute resolution procedures of this Section shall be the exclusive mechanism to resolve disputes arising under or with respect to this Consent Decree. A Defendant's failure to seek resolution of a dispute under this Section shall preclude the Defendant from raising any such issue as a defense to an action by the United States to enforce any obligation of the Defendant arising under this Decree.

70. Informal Dispute Resolution. Any dispute subject to Dispute Resolution under this Consent Decree shall first be the subject of informal negotiations. The dispute shall be considered to have arisen when a Defendant sends the United States a written Notice of Dispute. Such Notice of Dispute shall state clearly the matter in dispute. The period of informal negotiations shall not exceed 30 Days from the date the dispute arises, unless that period is modified by written agreement by the relevant Parties. If the relevant Parties cannot resolve a dispute by informal negotiations, then the position advanced by the United States shall be considered binding unless, within 30 Days after the conclusion of the informal negotiation period, the notifying Defendant invokes formal dispute resolution procedures as set forth below.

71. Formal Dispute Resolution. The notifying Defendant shall invoke formal dispute resolution procedures, within the time period provided in the preceding Paragraph, by serving on the United States a written Statement of Position regarding the matter in dispute. The Statement of Position shall include, but need not be limited to, any factual data, analysis, or opinion supporting the Defendant's position and any supporting documentation relied upon by the Defendant.

72. The United States shall serve its Statement of Position within 45 Days of receipt of the notifying Defendant's Statement of Position. The United States' Statement of Position shall include, but need not be limited to, any factual data, analysis, or opinion supporting that

position and any supporting documentation relied upon by the United States. The United States' Statement of Position shall be binding on the Defendant, unless the Defendant files a motion for judicial review of the dispute in accordance with the following Paragraph.

73. The notifying Defendant may seek judicial review of the dispute by filing with the Court and serving on the United States, in accordance with Section XVI (Notices), a motion requesting judicial resolution of the dispute. The motion must be filed within ten Days of receipt of the United States' Statement of Position pursuant to the preceding Paragraph. The motion shall contain a written statement of the notifying Defendant's position on the matter in dispute, including any supporting factual data, analysis, opinion, or documentation, and shall set forth the relief requested and any schedule within which the dispute must be resolved for orderly implementation of the Consent Decree.

74. The United States shall respond to the notifying Defendant's motion within the time period allowed by the Local Rules of this Court. Defendant may file a reply memorandum, to the extent permitted by the Local Rules.

75. Standard of Review.

a. Disputes Concerning Matters Accorded Record Review. Except as otherwise provided in this Consent Decree, in any dispute brought under Paragraph 71 pertaining to the adequacy or appropriateness of plans, procedures to implement plans, schedules or any other items requiring approval by EPA under this Consent Decree; the adequacy of the performance of work undertaken pursuant to this Consent Decree; and all other disputes that are accorded review on the administrative record under applicable principles of administrative law, the notifying Defendant shall have the burden of demonstrating, based on the administrative record, that the position of the United States is arbitrary and capricious or otherwise not in accordance with law.

b. Other Disputes. Except as otherwise provided in this Consent Decree, in any other dispute brought under Paragraph 71, the notifying Defendant shall bear the burden of demonstrating that its position complies with this Consent Decree and better furthers the Objectives of the Consent Decree.

76. The invocation of dispute resolution procedures under this Section shall not, by itself, extend, postpone, or affect in any way any obligation of the Defendant(s) under this Consent Decree, unless and until final resolution of the dispute so provides. Stipulated penalties with respect to the disputed matter shall continue to accrue from the first Day of noncompliance, but payment shall be stayed pending resolution of the dispute as provided in Paragraph 59. If the Defendant does not prevail on the disputed issue, stipulated penalties shall be assessed and paid as provided in Section X (Stipulated Penalties).

XIII. INFORMATION COLLECTION AND RETENTION

77. The United States and its representatives, including attorneys, contractors, and consultants, shall have the right of entry into any facility covered by this Consent Decree, at all reasonable times, upon presentation of credentials, to:

a. monitor the progress of activities required under this Consent Decree;

b. verify any data or information submitted to the United States in accordance with the terms of this Consent Decree;

c. obtain samples and, upon request, splits of any samples taken by a Defendant or its representatives, contractors, or consultants;

d. obtain documentary evidence, including photographs and similar data; and

e. assess a Defendant's compliance with this Consent Decree.

78. Upon request, the Defendants shall provide EPA or its authorized representatives splits of any samples taken by the Defendants. Upon request, EPA shall provide the Defendants splits of any samples taken by EPA.

79. Until five years after the termination of this Consent Decree, each Defendant shall retain, and shall instruct its contractors and agents to preserve, all non-identical copies of all documents, records, or other information (including documents, records, or other information in electronic form) in its or its contractors' or agents' possession or control, or that come into its or its contractors' or agents' possession or control, and that relate in any manner to the Defendant's performance of its obligations under this Consent Decree. This

information-retention requirement shall apply regardless of any contrary corporate or institutional policies or procedures. At any time during this information-retention period, upon request by the United States, a Defendant shall provide copies of any documents, records, or other information required to be maintained under this Paragraph.

80. At the conclusion of the information-retention period provided in the preceding Paragraph, each Defendant shall notify the United States at least 90 Days prior to the destruction of any documents, records, or other information subject to the requirements of the preceding Paragraph and, upon request by the United States, the Defendant shall deliver any such documents, records, or other information to EPA. The Defendant may assert that certain documents, records, or other information are privileged under the attorney-client privilege or any other privilege recognized by federal law. If a Defendant asserts such a privilege, it shall provide the following: (a) the title of the document, record, or information; (b) the date of the document, record, or information; (c) the name and title of each author of the document, record, or information; (d) the name and title of each addressee and recipient; (e) a description of the subject of the document, record, or information; and (f) the privilege asserted by the Defendant. However, no documents, records, or other information created or generated pursuant to the requirements of this Consent Decree shall be withheld on grounds of privilege.

81. A Defendant may also assert that information required to be provided under this Section is protected as Confidential Business Information ("CBI") under 40 C.F.R. Part 2. As to any information that a Defendant seeks to protect as CBI, the Defendant shall follow the procedures set forth in 40 C.F.R. Part 2.

82. This Consent Decree in no way limits or affects any right of entry and inspection, or any right to obtain information, held by the United States pursuant to applicable federal laws, regulations, or permits, nor does it limit or affect any duty or obligation of a Defendant to maintain documents, records, or other information imposed by applicable federal or Guam laws, regulations, or permits.

XIV. EFFECT OF SETTLEMENT/RESERVATION OF RIGHTS

83. This Consent Decree resolves the civil claims of the United States for the

violations alleged in the Complaint filed in this action through the date of lodging.

84. The United States reserves all legal and equitable remedies available to enforce the provisions of this Consent Decree. This Consent Decree shall not be construed to limit the rights of the United States to obtain penalties or injunctive relief under the Act or implementing regulations, or under other federal laws, regulations, or permit conditions, except as expressly specified in Paragraph 83. The United States further reserves all legal and equitable remedies to address any imminent and substantial endangerment to the public health or welfare or the environment arising at, or posed by, the Defendants' Facilities, whether related to the violations addressed in this Consent Decree or otherwise.

85. In any subsequent administrative or judicial proceeding initiated by the United States for injunctive relief, civil penalties, other appropriate relief relating to the Facilities or a Defendant's violations, the Defendant shall not assert, and may not maintain, any defense or claim based upon the principles of waiver, res judicata, collateral estoppel, issue preclusion, claim preclusion, claim-splitting, or other defenses based upon any contention that the claims raised by the United States in the subsequent proceeding were or should have been brought in the instant case, except with respect to claims that have been specifically resolved pursuant to Paragraph 83.

86. This Consent Decree is not a permit, or a modification of any permit, under any federal, State, or local laws or regulations. The Defendants are responsible for achieving and maintaining complete compliance with all applicable federal, State, and local laws, regulations, and permits; and the Defendants' compliance with this Consent Decree shall be no defense to any action commenced pursuant to any such laws, regulations, or permits, except as set forth herein. The United States does not, by its consent to the entry of this Consent Decree, warrant or aver in any manner that the Defendants' compliance with any aspect of this Consent Decree will result in compliance with provisions of the Act, 42 U.S.C. § 7401, *et seq*., or with any other provisions of federal, State, or local laws, regulations, or permits.

87. This Consent Decree does not limit or affect the rights of the Defendants or of the United States against any third parties, not party to this Consent Decree, nor does it limit

the rights of third parties, not party to this Consent Decree, against the Defendants, except as otherwise provided by law.

88. This Consent Decree shall not be construed to create rights in, or grant any cause of action to, any third party not party to this Consent Decree.

XV. COSTS

89. The Parties shall bear their own costs of this action, including attorneys' fees, except that the United States shall be entitled to collect the costs (including attorneys' fees) incurred in any action necessary to collect any portion of the civil penalty or any stipulated penalties due but not paid by GPA.

XVI. NOTICES

90. Unless otherwise specified in this Decree, whenever notifications, submissions, or communications are required by this Consent Decree, they shall be made in writing and addressed as follows:

As to the United States by email:	eescdcopy.enrd@usdoj.gov Re: DJ #90-5-2-1-11000
As to the United States by mail:	EES Case Management Unit Environment and Natural Resources Division U.S. Department of Justice P.O. Box 7611 Washington, D.C. 20044-7611 Re: DJ #90-5-2-1-11000
As to EPA:	Section Chief Air & TRI Section Enforcement Division (ENF-2-1) U.S. Environmental Protection Agency, Region IX 75 Hawthorne Street San Francisco, CA 94015
As to GPA:	John M. Benavente, P.E. General Manager Guam Power Authority P.O. Box 2977 Hagatna, GU 96932
	and

Graham Botha
General Counsel
Guam Power Authority
P.O. Box 2977
Hagatna, GU 96932

As to MEC: Rino T. Manzano
Marianas Energy Company, L.L.C.
180 Cabras Highway
Piti, GU 96915

91. Any Party may, by written notice to the other Parties, change its designated notice recipient or notice address provided above.

92. Notices submitted pursuant to this Section shall be deemed submitted upon mailing, unless otherwise provided in this Consent Decree or by mutual agreement of the Parties in writing.

XVII. EFFECTIVE DATE

93. The Effective Date of this Consent Decree shall be the date upon which this Consent Decree is entered by the Court or a motion to enter the Consent Decree is granted, whichever occurs first, as recorded on the Court's docket.

XVIII. RETENTION OF JURISDICTION

94. The Court shall retain jurisdiction over this case until termination of this Consent Decree, for the purpose of resolving disputes arising under this Decree or entering orders modifying this Decree, pursuant to Sections XII (Dispute Resolution) and XIX (Modification), or effectuating or enforcing compliance with the terms of this Decree.

XIX. MODIFICATION

95. The terms of this Consent Decree may be modified only by a subsequent written agreement signed by all the Parties. Where the modification constitutes a material change to this Decree, it shall be effective only upon approval by the Court.

96. Any disputes concerning modification of this Decree shall be resolved pursuant to Section XII (Dispute Resolution), provided, however, that, instead of the burden of proof provided by Paragraph 75, the Party seeking the modification bears the burden of

demonstrating that it is entitled to the requested modification in accordance with Federal Rule of Civil Procedure 60(b).

XX. TERMINATION

97. This Consent Decree shall terminate with respect to MEC when either one of the following conditions have been met:

a. ownership and operation of Piti Units 8 and 9 revert to GPA; or

b. MEC has exclusively used ULSD or natural gas as the fuel powering Piti Units 8 and 9 for a period of twelve (12) consecutive months.

98. MEC shall initiate termination of this Consent Decree with respect to MEC by submitting a notification to the United States that either of the two conditions for termination pursuant to Paragraph 97 has been satisfied. If the United States agrees with MEC's notification, then MEC and the United States shall file a joint motion or stipulation for termination of this Consent Decree with regard to MEC. If the United States does not agree that the Consent Decree may be terminated, MEC may invoke Dispute Resolution under Section XII of this Consent Decree.

99. This Consent Decree shall terminate with respect to GPA when all of the following conditions have been met:

a. GPA has satisfactorily complied with all of the requirements set forth in Section VI (Compliance Requirements) for a period of not less than twelve (12) consecutive months; and

b. all of the applicable requirements set forth in Paragraph 41 have been included in the applicable implementation plan for Guam; and

c. GPA has completed all of the actions required by Section VII (Additional Injunctive Relief); and

d. GPA has paid the civil penalty as set forth in Section V (Civil Penalty), and any stipulated penalties demanded, as specified in Section X (Stipulated Penalties);

100. GPA shall initiate termination of this Consent Decree by submitting a notification to the United States that all conditions for termination pursuant to Paragraph 99

have been satisfied. If the United States agrees with GPA's notification, then GPA and the United States shall file a joint motion or stipulation for termination of this Consent Decree with regard to GPA. If the United States does not agree that the Consent Decree may be terminated, GPA may invoke Dispute Resolution under Section XII of this Consent Decree.

101. Following receipt by the United States of a Defendant's Request for Termination, the Parties shall confer informally concerning the Request and any disagreement that the Parties may have as to whether that Defendant has satisfactorily complied with the requirements for termination of this Consent Decree. If the United States agrees that the Decree may be terminated as to that Defendant, the relevant Parties shall submit, for the Court's approval, a joint motion or stipulation terminating the Decree as to that Defendant.

102. If the United States does not agree that the Decree may be terminated, the requesting Defendant may invoke Dispute Resolution under Section XII. However, the requesting Defendant shall not seek Dispute Resolution of any dispute regarding termination until 60 Days after service of its Request for Termination or receipt of an adverse decision from the United States, whichever is earlier.

XXI. PUBLIC PARTICIPATION

103. This Consent Decree shall be lodged with the Court for a period of not less than 30 Days for public notice and comment in accordance with 28 C.F.R. § 50.7. The United States reserves the right to withdraw or withhold its consent if the comments regarding the Consent Decree disclose facts or considerations indicating that the Consent Decree is inappropriate, improper, or inadequate. The Defendants consent to entry of this Consent Decree without further notice and agree not to withdraw from or oppose entry of this Consent Decree by the Court or to challenge any provision of the Decree, unless the United States has notified the Defendants in writing that it no longer supports entry of the Decree.

XXII. SIGNATORIES/SERVICE

104. Each undersigned representative of the Defendants and the Assistant Attorney General for the Environment and Natural Resources Division of the Department of Justice certifies that he or she is fully authorized to enter into the terms and conditions of this Consent

Decree and to execute and legally bind the Party he or she represents to this document.

105. This Consent Decree may be signed in counterparts, and its validity shall not be challenged on that basis. The Defendants agree to accept service of process by mail with respect to all matters arising under or relating to this Consent Decree and to waive the formal service requirements set forth in Rules 4 and 5 of the Federal Rules of Civil Procedure and any applicable Local Rules of this Court including, but not limited to, service of a summons. Defendants need not file an answer to the complaint in this action unless or until the Court expressly declines to enter this Consent Decree.

XXIII. INTEGRATION

106. This Consent Decree constitutes the final, complete, and exclusive agreement and understanding among the Parties with respect to the settlement embodied in the Decree and supersedes all prior agreements and understandings, whether oral or written, concerning the settlement embodied herein. Other than Deliverables that are subsequently submitted and approved pursuant to this Decree, the Parties acknowledge that there are no representations, agreements, or understandings relating to the settlement other than those expressly contained in this Consent Decree.

XXIV. FINAL JUDGMENT

107. Upon approval and entry of this Consent Decree by the Court, this Consent Decree shall constitute a final judgment of the Court as to the United States and the Defendants.

Dated and entered this ____ day of _____, 20__.

_____
UNITED STATES DISTRICT JUDGE

Signature page for United States of America v. Guam Power Authority and Marianas Energy Company, L.L.C. Consent Decree, subject to the public notice and comment provisions of 28 C.F.R. § 50.7:

FOR THE UNITED STATES OF AMERICA:

_____ _____

Date

JEFFREY BOSSERT CLARK
Assistant Attorney General
Environment and Natural Resources Division
U.S. Department of Justice

_____ _____

Date

VALERIE K. MANN
Environmental Enforcement Section
Environment and Natural Resources Division
U.S. Department of Justice

Signature page for United States of America v. Guam Power Authority and Marianas Energy Company, L.L.C. Consent Decree, subject to the public notice and comment provisions of 28 C.F.R. § 50.7:

FOR THE U.S. ENVIRONMENTAL PROTECTION AGENCY:

_____
Date

_____
SYLVIA QUAST
Regional Counsel
U.S. Environmental Protection Agency, Region IX

OF COUNSEL:
ALLAN ZABEL
Senior Counsel, Air & Toxics Section II
Office of Regional Counsel
U.S. Environmental Protection Agency, Region IX

Signature page for United States of America v. Guam Power Authority and Marianas Energy Company, L.L.C. Consent Decree

FOR GUAM POWER AUTHORITY

_____	_____
Date	JOHN M. BENAVENTE, P.E. General Manager Guam Power Authority P.O. Box 2977 Hagatna, GU 96932
_____	_____
Date	D. GRAHAM BOTHA General Counsel Guam Power Authority P.O. Box 2977 Hagatna, GU 96932

Signature page for United States of America v. Guam Power Authority and Marianas Energy Company, L.L.C. Consent Decree

FOR MARIANAS ENERGY COMPANY, L.L.C.

_____
Date

_____
TAKAHIRO FUJIOKA
MEC Management Committee Chairman
Marianas Energy Company, L.L.C.
180 Cabras Highway
Piti, GU 96915

CONSOLIDATED COMMISSION ON UTILITIES
Guam Power Authority | Guam Waterworks Authority
P O Box 2977 Hagatna, Guam 96932 | (671) 648-3002 | guamccu.org

Special Board Meeting
CCU Conference Room, Gloria B. Nelson Public Service Building
9:00 a.m., July 18, 2019

MINUTES

1. CALL TO ORDER

The Chairman called the CCU / GWA Special Meeting of the Consolidated Commission on Utilities for July 18, 2019 to order at 9 a.m. He said four (4) Commissioners were present and that Comm. Santos was running late. This meeting was recessed several times, reconvening at these dates and times July 24, 2019 at 5 p.m., July 30, 2019 at 8 a.m., August 1, 2019 at 4:30 p.m. August 6 at 4:30 p.m. and was finally adjourned on August 9, 2019.

Others in attendance include:

Commissioners:

Joseph T. Duenas	CCU Chairman
Francis E. Santos	CCU Vice Chairman
Michael T. Limtiaco	CCU Secretary
Judith P. Guthertz	CCU Treasurer

Executive Mgmt.:

Miguel Bordallo	GM / GWA
Kelly Clark	Legal Counsel / GWA

Management & Staff:

Zina Pangelinan	Personnel Admin / GWA HR
Lou Sablan	Board Secretary / CCU

At the onset of the July 18, 2019 meeting, the Chairman announced that the purpose of the meeting is to conduct interviews and working towards the appointment of the Chief Financial Officer [CFO] for Guam Waterworks Authority. A written recommendation prepared by GWA Counsel Kelly Clark; the Chairman noted that the recommendation cited the relative law and then asked for a motion to move to Executive Session to proceed with the interviews of the CFO candidates.

Comm. Santos motioned to move to Executive Session second by Comm. Limtiaco. The vote was unanimous 4 ayes, 1 absent.

[For the record, Comm. Sanchez arrived sometime during executive session]

2. COMMUNICATIONS

2.1 Public Comments – None

3. NEW BUSINESS – None

4. ANNOUNCEMENTS

4.1 Next CCU Meetings: GPA WS; Thurs., July 18 @ 4:30 p.m.; July 23 – CCU Regular Monthly Mtg. @ 5:30 p.m.

5. EXECUTIVE SESSION

5.1 Personnel Matter: GWA CFO Interviews / Appointment

At the end of executive session, the meeting was moved back to regular session where It was discussed to recess the meeting until 5 pm., Wednesday, July 24th. The chairman called for a motion to recess.

Comm. Sanchez motioned to recess this meeting until 5 p.m., Wed., July 24th, second by Comm. Santos. The vote was unanimous – 5 ayes.

CONTINUATION of Special Board Meeting of July 18, 2019
CCU Conference Room, Gloria B. Nelson Public Service Building
Reconvened at 5:00 p.m., July 24, 2019

The Chairman called the meeting to order at 5:45 p.m. He said this meeting is a continuation meeting from July 18th which was recessed until today. He asked for a motion to move to executive session to conduct the last CFO interview

Comm. Santos motioned to move to executive session; second by Comm. Sanchez. The vote was unanimous.

Those present include:

Commissioners:

Joseph T. Duenas	CCU Chairman
Francis E. Santos	CCU Vice Chairman
Michael T. Limtiaco	CCU Secretary
Judith P. Guthertz	CCU Treasurer
Simon A. Sanchez	Commissioner

Executive Mgmt.:

Miguel Bordallo	GM / GWA

Management & Staff:

Lou Sablan	Board Secretary / CCU

After executive session, the meeting moved back to open session where the Chairman asked for the pleasure of the Commission.

There was discussion on the next steps. The Commission all agreed that they would like the GM's opinion on ranking of all the CFO candidates, in writing. It was noted that GM Bordallo was scheduled to go off island for

meetings next week. Comm. Limitaco also mentioned that he would like to request for a 2nd Skype interview with the off-island candidate. After more discussion, it was decided to ask GM Bordallo to prepare his written opinion of the all the CFO candidates and provide it to the CCU for review in his absence. It was also decided to recess this meeting and to reconvene at 8 a.m., Tues., July 30th and asked management to schedule the 2nd interview with the off-island candidate at that meeting. The Chairman called for a motion to recess.

Comm. Sanchez motioned to recess this meeting and to reconvene at 8 a.m., Tues., July 30th, second by Comm Guthertz. The motion was unanimous.

CONTINUATION of Special Board Meeting of July 18, 2019
CCU Conference Room, Gloria B. Nelson Public Service Building
Reconvened at 8:00 a.m., July 30, 2019

The Chairman called the meeting to order at 8:47 a.m. He welcomed the off island CFO candidate who was waiting to be interviewed via Skype. The Chairman said that this is a continuation of a Special Meeting of July 18, 2019 which was recessed and resumed on July 24th and then recessed and reconvened again today, July 30 .

Comm. Sanchez stated, for the record, that GWA Counsel Clark has provided at the July 18th meeting, a written recommendation, citing 5 G.C.A, Section 8111 as a basis for his recommendation to move the meeting to executive session for the purpose of the CFO interviews and that this legal recommendation is still in effect.

Comm. Sanchez motioned to move the meeting to executive session, second by Comm. Guthertz. All were in favor 4 ayes and 1 absent and the meeting moved to executive session.

Commissioners:

Joseph T. Duenas	CCU Chairman
Francis E. Santos	CCU Vice Chairman
Michael T. Limtiaco	CCU Secretary
Judith P. Guthertz	CCU Treasurer
Simon A. Sanchez	Commissioner

Management & Staff:

Lou Sablan	Board Secretary / CCU

After executive session, the meeting was moved back to open session. Comm. Sanchez said that he recommends that Legal Counsel Clark be called to join the meeting for further guidance going forward.

Comm. Santos moved for a brief recess second by Comm. Sanchez. The vote was unanimous.

After the brief recess, the meeting continued in regular session and the Chairman confirmed that all CFO candidates have been interviewed and discussion followed relative to next steps. The Chairman said we should set a date for our next continuation, where rankings will be done in executive session, with absolutely no discussion on compensation. And, for the record, the Chairman said Counsel Clark will provide a statement signed by all Commissioners to attest that compensation was not discussed in the various executive sessions related to this special meeting. Further, he said after the ranking process

held in executive session, the meeting will then move back to open session where the Commission will work on a draft proposed contract to determine terms and compensation. The Chairman said this is the methodology that will be followed and if everyone was comfortable with it. Comm. Sanchez said he had questions.

Comm Sanchez said the most important piece is the potential compensation which will be discussed in open session for any or all of the candidates. If the CCU obtains an acceptance then the CCU can work on a contract. He added that this can be the beginning of creating a standardized contract that can be used for all other (7) CCU employees. His thought re the process is to rank, reach a consensus on a leading candidate in executive session and then in open session discuss a dollar figure to offer and then authorize the Chairman to reach out to the leading candidate. The Chairman will then report back to the Commission, in a subsequent open session, to advise the body whether or not the candidate accepted, rejected or made a counter offer. Comm. Santos recommended that perhaps the Chairman could be equipped with a salary range for each of the candidates and the term of the contract/s. Comm. Limtiaco asked confirmation if the salary range to be offered the same as the one noted with the published range at the job posting and the Commissioners said it could be different. There was discussion on the salary range and the rationale for offering a different salary range for each candidate dependent on their ranking and outcome of their respective interviews – each candidate have unique strengths and experience which should tie in to the salary range being offered.

Counsel Clark said he already has a template of the contract with blanks for the salary and terms. It was mentioned that CEU's are ok to include to enable candidates to maintain their professional status, as needed. Relative to relocation costs, Comm. Sanchez said that usually this is offered only to off-island candidates and the cost is the responsibility of GWA. The discussion continued covering different aspects of the contract i.e. leave and benefits, including retirement. Relative to leave the standard offer is 30 working days. Comm. Guthertz asked if the Commission is within the law with these benefits and the response was yes with exception of health benefit which is optional. Relative to retirement, the candidate needs to participate.

It was mentioned that GM Bordallo has provided his written opinion / feedback already.

There was discussion on setting the meeting for the next continuation of this meeting. It was decided to recess this meeting and reconvene this Thurs., Aug. 1 at 4:00 p.m. for the purpose of ranking the candidates and then work on the contract.

Comm. Santos motioned to recess this meeting and reconvene on Thursday, 8/1/19 at 4 p.m., second by Comm. Guthertz.

CONTINUATION of Special Board Meeting of July 18, 2019
CCU Conference Room, Gloria B. Nelson Public Service Building
Reconvened at 4:00 p.m., August 1, 2019

The Chairman called the meeting to order at 4:09 p.m. and said that this is a continuation meeting for the CCU Special Meeting of July 18, 2019, that has been recessed and reconvened several times.

Comm Sanchez said today we will evaluate and discuss ranking with review of resume's and interviews with absolutely no discussion of any level of compensation in executive session. The ranking will develop an order of candidates where the #1 candidate will be identified.

There was discussion on the procedure to determine what to offer the leading candidate and that the chairman would approach the leading candidate with the offer and the lead time for a response. It was mentioned that the job announcement did mention a salary range. Comm. Sanchez said what if he wanted to offer the candidate more and Comm. Duenas said then this option can be discussed.

Comm. Guthertz asked that when working on the contract that what ever is noted there is conforms with the law in all aspects.

Comm. Sanchez motioned to move the meeting to executive session, second by Comm. Guthertz. The vote was unanimous.

Those present included:

Commissioners:	
Joseph T. Duenas	CCU Chairman
Francis E. Santos	CCU Vice Chairman
Michael T. Limtiaco	CCU Secretary
Judith P. Guthertz	CCU Treasurer
Simon A. Sanchez	Commissioner
Executive Mgmt.:	
Miguel Bordallo	GM / GWA
Kelly Clark	Legal Counsel
Management & Staff:	
Zina Pangelinan	Personnel Admin. / GWA HR
Lou Sablan	Board Secretary / CCU

After executive session, the meeting was moved back to open session. The Chairman announced that the meeting is now back in regular session said that the Commission has a leading candidate for CFO for GWA. The next phase will now be to discuss salary and contract.

Comm. Sanchez said the job announcement listed the pay at $129,762 min. - $135,031 max per annum at the 10th percentile. The Chairman pointed to a sheet provided by HR that indicates the 15th, 20th and 25th percentile. The chairman said that both GPA and GWA has committed to move to the 50th percentile but there was never a timeframe defined. Comm. Sanchez said back in 2008 GWA was at the 5th percentile. The policy goal was that over an unspecified time and balancing the need to keep rates affordable for ratepayers, and be able to attract and retain professionals, the Commission wanted to create a wage plan and a path forward. Today, 10 years later, we have migrated the average wage to the 10th percentile at GWA and 15th percentile for GPA. Getting to the 50th percentile is a migration process – wage surveys are done periodically and the process is a policy call. That said, we do have a wage plan. Chairman said for the record that the former CFO for GWA was slightly over the 25th percentile at $147, 950k.

Comm. Guthertz asked how much time does it take to gravitate to these percentiles. Comm. Sanchez said it's been creeping up since 2008. He said pay for performance was the basis initially and what's morphed is that after the annual review an adjustment was initiated and added to their base pay. Having done this, we have since migrated from the 5th to the 10th percentile by just having these periodic reviews. Many of the senior management is way above the 10th percentile and some others were way below. For FY2019 the Commission then asked GWA management to bring everyone below 10th percentile; those at the 10th percentile remained. With GPA everyone below 15th percentile was brought up; everyone at the 15th percentile stayed.

Comm. Guthertz asked why can't we offer the minimum and the response was this is an option.

Comm. Limtiaco said re GWA's 5-year rate plan, what was the salary range indicated there and the Chairman responded that the former predecessors base pay of $147,950 was budgeted for this position, base pay only, not including benefits.

Discussion followed on the salary range for the lead CFO. Comm. Guthertz recommended to begin with the 15th percentile; Comm. Limtiaco said another consideration could be the high end of the 10th percentile. Comm. Guthertz asked what level was the GPA CFO the response was $137k.

Comm. Guthertz moved to offer the advertised minimum of $129,762, second by Comm Limtiaco. Vote was taken by show of hands. There were 2 ayes and the motion failed.

Comm. Sanchez said he is looking at the high end of the 15th percentile at $137,745. This moves this position to the 15th percentile.

Comm. Sanchez motioned to offer the lead CFO candidate $137,745, second by Comm. Santos

In discussion Comm. Limtiaco said that these positions had job announcement and there was a known range of salaries noted there. That said, the expectation of something other than this range does not exist. Comm. Sanchez said he picked $137.745 because it is close to GPA's CFO.

On the motion, by show of hands, there were three (3) ayes and the vote was in favor. The motion to offer the lead CFO candidate $137,745 passed.

The Commission then discussed the contract for the lead candidate. The body worked with the template of a contract section by section. Some Key parts of the contract that were discussed include the following:

Term of contract – 3 years and may be renewed subject to mutual consent and could be terminated by the parties.

Employee agrees to give 40 hours a week minimum to the business of GWA

The CFO will manage the day to day financial operations of GWA and help set the priorities of GWA in coordination with the General Manager

The employee shall take the Ethics in Government Class every two (2) years

The employee serves at the pleasure of the CCU and shall receive direction and report administratively to the General Manager

CFO benefits include compensation, incentives and the standard government benefits as provided by law

Personal leave is 30 working days

All leave requests must be approved by the General Manager with concurrence of the Chairman of the CCU

Termination of contract may be by mutual agreement, early termination or for cause

Severance is negotiable

Upon termination, any breech of work products proprietary to GWA will forfeit severance

Effective start date is 30 days

It was decided that a letter of offer will be drafted by Legal Counsel for the Chairman to present to the lead candidate. Counsel will also amend the contract as discussed for ratification at the next meeting.

Comm. Limtiaco motioned to recess this meeting until 4:30 p.m., August 6th; second by Comm. Sanchez. There was no further discussion or objection and the meeting was recessed.

CONTINUATION of Special Board Meeting of July 18, 2019
CCU Conference Room, Gloria B. Nelson Public Service Building
Reconvened at 4:30 p.m., August 6, 2019

The Chairman called the meeting to order at 4:43 p.m. He stated for the record that this is a continuation of the Special Meeting of July 18, 2019 which has been recessed and reconvened several times.

Commissioners:

Joseph T. Duenas	CCU Chairman
Francis E. Santos	CCU Vice Chairman
Michael T. Limtiaco	CCU Secretary
Judith P. Guthertz	CCU Treasurer
Simon A. Sanchez	Commissioner

Executive Mgmt.:

Miguel Bordallo	GM / GWA
Kelly Clark	Legal Counsel / GWA

Management & Staff:

Lou Sablan	Board Secretary / CCU

The Chairman said that he presented an offer letter to the GWA CFO lead candidate which he sent to all 5 commissioners. He reported that the candidate has accepted the offer and with one specific request – to report to work on Sept. 30 – the start off the pay period for GWA. The offer letter noted the report date as 30 days. He told the candidate that a contract was being drafted and there was an offer and an acceptance but nothing is binding until contract is signed.

There was discussion on how to proceed. Comm. Sanchez said today the Commission will outlay the final terms of the contract and any changes to the offer.

At this point Legal Counsel presented the amended draft based on the discussion from the last meeting. The Commission reviewed the contract section by section to ensure that all the requested changes are correctly made.

Relative to the start date of the lead candidate, Comm. Guthertz moved to accept the counter offer by the lead candidate of Sept. 30; second by Comm. Limtiaco.

In discussion, Comm. Sanchez said he agrees that this is reasonable that even if the Commission considers to move to the next highest candidate, that candidate would not be able to be on Guam before Sept. 30th anyway. He asked if management can wait for Sept. 30th as the start date for the new CFO. Discussion followed on the pending financial matters at GWA the GM confirmed that waiting until Sept 30 will not jeopardize any financial matters at GWA.

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

The Commission continued to review the contract and made other minor changes.

Comm. Limtiaco motioned to add to the section under salary that any adjustment to the salary of the employee shall be based on annual performance evaluation to be conducted in open session of the CCU as prescribed by CCU Policy and shall be documented by this agreement; second by Comm. Sanchez.

Comm. Guthertz said she has a problem with this amendment and thinks this may be against the law because evaluations are private and should not be released to the public.

Comm Sanchez said if the candidate agrees to waive their right then this will satisfy any issues relative to law. He said he wants the public to know the reasons why we think our managers deserve a raise or if no raise, why.

Legal Counsel said he spoke to outside counsel about this they are of the opinion that the waiver clause should not be in the contract because it infringes on one's statutory privacy right.

There was very lengthy discussion relative to evaluations and whether they should be released in open session at the end of the discussion the Commission did not reach a consensus. It was decided to finish review of the draft contract and resume relative discussion at another meeting.

Comm. Chairman said he withdrew his amendment to the motion relative to waiving of employee statutory rights.

On the main motion the vote was 2 yes, 3 no and the motion failed.

Upon completion of the review of the contract, Legal Counsel was tasked to make the additional amendments to the contract.

Comm. Guthertz motioned to recess meeting until 5:00 p.m., August 9; second by Comm. Sanchez. There was no objection and the motion passed unanimously.

CONTINUATION of Special Board Meeting July 18, 2019
CCU Conference Room, Gloria B. Nelson Public Service Building
Reconvened at 5:00 p.m., August 9, 2019

Chairman Duenas called the meeting to order at 5:10 p.m. He said that this is the continuation of the July 18th Special Meeting. He called for a motion to move the meeting to executive session to discuss a matter that has come up since the last meeting.

Those present include:

Commissioners:	
Joseph T. Duenas	CCU Chairman
Francis E. Santos	CCU Vice Chairman
Michael T. Limtiaco	CCU Secretary
Judith P. Guthertz	CCU Treasurer
Simon A. Sanchez	Commissioner
Executive Mgmt.:	
Miguel Bordallo	GM / GWA
Kelly Clark	Legal Counsel

Comm. Santos motioned to move the meeting to Executive Session, second by Comm. Guthertz. There was no objection.

After executive session discussion the meeting moved back to regular session. It was 5:27 p.m.

The Chairman said all suggested changes were made to the contract as discussed and needs a motion to adopt contract for the GWA CFO.

Comm. Guthertz moved to adopt the contract as amended, second by Comm. Santos. On the motion there were 4 ayes and 1 absent. The motioned carried.

The contract was adopted and the Chairman said he would get it signed by the CFO candidate tomorrow and make the announcement shortly thereafter.

6. ADJOURNMENT

There being no other business to bring before the Commission, the meeting adjourned at 5:28 p.m.

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Attested

JOSEPH T. DUENAS, Chairman

MICHAEL T. LIMTIACO Secretary

CONSOLIDATED COMMISSION ON UTILITIES
Guam Power Authority | Guam Waterworks Authority
P.O. Box 2977 Hagatna, Guam 96932 | (671)649-3002 | guamccu.org

GWA RESOLUTION NO. 01-FY2020

RELATIVE TO NEW SIGNATORIES THAT MAY AUTHORIZE PAYMENTS ON BEHALF OF GUAM WATERWORKS AUTHORITY

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/or "Authority"); and

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

WHEREAS, GWA maintains a variety of bank accounts, letter of credit facilities and other financial instruments and accounts at institutions including but not limited to the Bank of Guam, Bank of Hawaii, First Hawaiian Bank, Community First, Coast360, ANZ Guam, Bank Pacific, etc.; and

WHEREAS, GWA has designated certain employees to sign checks and financial instruments including, but not limited to, letters of credit as well as for the authorization of electronic transactions on behalf of the Authority; and

WHEREAS it has been determined that recent changes in management has necessitated an update of signatories for the GWA financial instruments; and

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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 following GWA personnel are authorized to sign financial instruments including checks, letters of credit, bank transfers and other transaction documents and to authorize other types of payments on behalf of GWA.

   MIGUEL C. BORDALLO, P.E., General Manager
   TALING M. TAITANO, Chief Financial Officer
   GILDA M. MAFNAS, Assistant Chief Financial Officer
   CHRISTOPHER M. BUDASI, Assistant General Manager – Administration & Support
   THOMAS F. CRUZ, P.E., Chief Engineer
   SANDRA J. SANTOS, Controller

3. Transaction amounts of $10,000 or less will require a single signatory. All other transactions will require two signatories.

4. Transaction amounts in excess of $250,000 will require the General Manager's signature or his designee.

5. The Chairman and Secretary of the CCU are authorized to sign resolutions which are considered consistent with the authorizations granted in this resolution as may be required from time to time by specific financial institutions with which GWA conducts financial transactions.

6. All transactions must be in accordance with delegations of contracting authority approved by the CCU and the GWA General Manager.

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

DULY AND REGULARLY ADOPTED, this 29th day of October, 2019.

Certified by:

JOSEPH T. DUENAS
Chairperson

Attested by:

MICHAEL T. LIMTIACO
Secretary

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SECRETARY'S CERTIFICATE

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

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

AYES: 5

NAYS: 0

ABSTENTIONS: 0

ABSENT: 0



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CONSOLIDATED COMMISSION ON UTILITIES
Guam Power Authority | Guam Waterworks Authority
P.O. Box 2977 Hagatna, Guam 96932 | (671)649-3002 | guamccu.org

RESOLUTION NO. 02-FY2020

RELATIVE TO THE APPROVAL OF THE CREATION OF THE UTILITY COMPLIANCE LABORATORY ADMISTRATOR JOB CLASSIFICATION STANDARD

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 GWA General Manager requests the CCU to approve the creation of the Utility Compliance Laboratory Administrator position (Appendix A); and

WHEREAS, the GWA General Manager requests the CCU to approve the job classification standards of the Utility Compliance Laboratory Administrator position in the classified status; and

WHEREAS, Public Law 34-131, Section 2, §6303(e) as added and 4 GCA §6303 (d) & (2C) authorizes the creation of positions in Autonomous Agencies and Public Corporations; and

WHEREAS, GWA Personnel Rules and Regulations as amended by Public Law 28-159 Section 3 (C) authorizes the CCU to amend, modify or add a position to the list of certified, technical and professional positions;

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NOW BE IT THEREFORE RESOLVED, the Consolidated Commission on Utilities, as the Governing Body of the Guam Waterworks Authority, does hereby approve and authorize the following:

1. The recitals set forth above hereby constitute the findings of the CCU.
2. The creation of the job classification standard for the Utility Compliance Laboratory Administrator position in the classified status is hereby approved and attached herein as Appendix A.
3. The Utility Compliance Laboratory Administrator position is hereby added to the certified, technical and professional (CTP) list of positions and testing designated positions (TDP) list at GWA.

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

DULY AND REGULARLY ADOPTED, this 29th day of October 2019.

Certified by:

JOSEPH T. DUENAS
Chairperson

Attested by:

MICHAEL T. LIMTIACO
Secretary

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SECRETARY'S CERTIFICATE

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

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

AYES: 5

NAYS: 0

ABSTENTIONS: 0

ABSENT: 0

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Utility Compliance Laboratory Administrator

NATURE OF WORK:

Administer an island-wide monitoring strategy in providing field and laboratory data on chemical, physical and microbiological analysis and knowledge and experience with GEPA and USEPA Laboratory Certification Processes.

Employees in this class administer strategies in providing complex techniques and methodologies in collecting and analyzing water and wastewater samples for chemical and micro-biological content in accordance with Standard Methods for the Examination of water and wastewater, the Safe Drinking Water Act (SDWA), the Guam Primary Drinking Water Regulations (GPDWR), the Clean Water Act (CWA), the Clean Air Act (CAA) and National Pollutant Discharge Elimination System (NPDES) Program.

Employees in this class perform the full range of complex work to provide strategic analysis and decisions in the collection and analysis of water and wastewater samples.

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

Administers the operations and ensures compliance with all laboratory local and federal policies, procedures, rules and regulations.

Administers the compliance in the development and implementation of an island-wide water and wastewater monitoring services strategy in accordance with Authority goals and objectives, and compliance with local and federal policies, procedures, rules and regulations.

Oversees and approves all laboratory related investigations, collection and sampling, analysis and testing results.

Oversees the maintenance of all laboratory equipment performance by ensuring the compliance with quality control standards.

Oversees and directs the quality control and quality assurance (QA/QC) policies, procedures and practice in compliance with program standards.

Develops, implements and maintains policies and procedures for the use of Laboratory Information Management Systems (LIMS); including identification of needs and issues to provide resolutions to problems. Maintains security and integrity of information based on a need to know basis.

Develops operations, quality, and troubleshoots procedures; ensures staff compliance; certifies instrument performance; arranges equipment maintenance, service, and repair or replacement. Implements new programs, tests, methods, instrumentation, and procedures.

Oversees the development, training and succession of laboratory staff to insure that proficiency in their assigned functions and performance expectations are met.

Performs other related duties as assigned.

MINIMUM KNOWLEDGE, ABILITIES AND SKILLS:

Knowledge of state and federal regulatory rules, regulations, policies, procedures, and operations specific to water and/or wastewater laboratory operations to ensure compliance with program activities.

Knowledge of the policies, procedures and regulations relative to obtaining and maintaining Laboratory Certification as locally and federally regulated.

Knowledge of laboratory testing procedures, principles, techniques, terminology, protocols and equipment of a variety of standardized laboratory tests.

Knowledge of laboratory equipment maintenance, calibration and troubleshooting and laboratory safety protocols, including, but not limited to, use of personal protective equipment (PPE's), proper laboratory techniques, disposal of bio-hazard, operating sterilization equipment, etc.

Knowledge of Laboratory Information Management System (LIMS) or similar computer systems and multiple software programs as required, according to the needs of company and departmental procedures.

Knowledge to perform complex laboratory tests requiring technical judgment in selecting and using appropriate/proper procedures and interpreting results. Identify problems and develop possible solutions.

Knowledge of monitoring strategy changes based on regulatory updates, statistical evaluation of data, division staff recommendations, and periodic reviews with other division and agency administrators

Knowledge of principles of the physical and biological sciences, as applied to particular laboratory assignments.

Knowledge of the principles of organic, inorganic, and physical chemistry, as well as knowledge of bacteriology and microscopic procedures.

Ability to read, interpret, analyze and implement complex local and federal regulatory guidelines to ensure compliance related to the utility's areas of responsibilities.

Ability to develop budget plans for operations, staff needs, training to support the continued operations and maintenance of the laboratory.

Ability to assimilate and analyze data and prepare and clearly present reports.

Ability to supervise the work of others.

Ability to communicate effectively, orally and in writing, clearly and concisely.

Ability to make good judgments and sound decisions in accordance with appropriate program guidelines.

Skill in the safe operation of a motor vehicle.

MINIMUM EXPERIENCE AND TRAINING:

A. Six (6) years of professional experience in environmental monitoring with emphasis in field and laboratory analysis and data interpretation, and two (2) years of supervisory experience AND graduation from a recognized college or university with a Bachelor's degree in chemistry, biology, biochemistry, physical science or closely related field; or

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

Necessary Special Qualifications:

Possession of a valid driver's license.

Demonstrated experience and knowledge of the laboratory certification processes that illustrates successful achievement in obtaining required certification of a laboratory, inclusive of QA/QC standards and the ability to prepare and execute a Quality Assurance Project Plan (QAPP) for special projects.

Creation: August 2019

JE Points: 1074
Paygrade/Step: Minimum O2B $87,613
Maximum O3B $91,170

Joseph T. Duenas, Chairman
Consolidated Commission on Utilities

CONSOLIDATED COMMISSION ON UTILITIES
Guam Power Authority | Guam Waterworks Authority
P.O. Box 2977 Hagatna, Guam 96932 | (671)649-3002 | guamccu.org

RESOLUTION NO. 04–FY2020

RELATIVE TO APPROVAL OF GROUNDWATER PRODUCTION METER REPLACEMENT PROJECT GWA PROJECT NO. W19-001-BND

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 operates approximately 100 groundwater production wells that range in production capacity from 50 to 755 gallons per minute and given GWA's efforts to better account for water system losses, the measured volume of the ground water production wells will play an important role in the water audit; and

WHEREAS, GWA is working to improve measurement the volume of groundwater that is produced from the wells through properly functioning flow meters to ensure under-or-over reported total production volumes are mitigated; and

WHEREAS, these deficiencies affect non-revenue water calculations, making it difficult to track distribution system losses; and

WHEREAS, replacement of production meters will require unobstructed, straight run, and full pipe for the length of three or more pipe diameters upstream of the meter and two or more diameters downstream to be accurate; and

WHEREAS, the condition of well head discharge piping at many well sites are also in poor condition due to excessive corrosion; and

WHEREAS, well head discharge piping needs to be standardized to reduce the number of meters, valves, fittings, and accessories to be stored resulting to cost savings; and

WHEREAS, in June 2017, GWA retained Brown and Caldwell (BC) to field test 60 existing wellhead flowmeters and to develop bid-ready plans and specifications to replace faulty flowmeters and to standardize well head discharge piping; and

WHEREAS, results of Brown and Caldwell (BC) meter tests using clamp on meter showed gpm values were generally less than the existing meter's gpm values, with some reading by 50 gpm or more; and

WHEREAS, GWA has advertised on August 2019 the Invitation For Bids (IFB-05-ENG-2019) for Groundwater Production Meter Replacement Project wherein GWA is soliciting bid proposals from experienced and responsive bidders for construction of the project; and

WHEREAS, this phase of work consists of furnishing all labor, tools, equipment and materials including coordination with GWA Water Production Operations and Engineering to construct all components described in the final design drawings and technical specifications which include but are not limited to replacement of water meter and above ground well discharge piping for 60 critical wells; and

WHEREAS, the bid schedule was divided into Basic Bid, Additive Bid No.1 and Additive Bid No.2 due availability of funds; and

WHEREAS, the bid schedule states if the total Basic Bid is within the amount of funds available, then award will be made to the responsive and responsible bidder submitting the lowest Basic Bid Price and in the event the lowest responsive and responsible Bid exceeds the available budget, GWA may reject individual Bid items until the Bid Amount fits within the

available budget, and if additional funding is obtained after the contract is executed, any or all deleted Bid items may be restored via Change Order; and

WHEREAS, IFB packages were picked up by seven (7) interested parties, from which GWA received bid proposal from one (1) of the seven (7) (SEE EXHIBIT A – Abstract of Bids) before the bid proposals deadline of September 27, 2019; and

WHEREAS, GWA Engineering analyzed the bid proposal received and determined that the bid package submitted by Giant Construction Corporation, the sole bidder, was responsive and responsible, and met all the bid requirements set forth by GWA (SEE EXHIBIT B – Bid Evaluation); and

WHEREAS, GWA Management finds Giant Construction Corporation Basic Bid Price acceptable and now seeks CCU approval of the bid proposal amount of One Million Three Hundred Seventy-Nine Thousand Four Hundred Five Dollars ($1,379,405.00) attached hereto (SEE EXHIBIT C – Bid Proposal); and

WHEREAS, GWA Management further seeks CCU approval of a ten percent (10%) contingency to the Basic Bid proposal amount or One Hundred Thirty-Seven Thousand Nine Hundred Forty Dollars and Fifty Cents ($137,940.50) to bring the total authorized funding amount to One Million Five Hundred Seventeen Thousand Three Hundred Forty-Five Dollars and Fifty Cents ($1,517,345.50); and

WHEREAS, GWA Management further seeks CCU approval to petition the Public Utilities Commission approval of the contract given this project meets the Contract Review Protocol requirements for GWA projects for which the use of Bond funds is intended; and

WHEREAS, funding for this project will be from the CIP Line Item PW 05-07 Meter Replacement Program, IFCIP or any other CIP line item applicable to the project intent; 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 "Giant Construction Corporation." 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 "Giant Construction Corporation" in the amount One Million Three Hundred Seventy-Nine Thousand Four Hundred Five Dollars ($1,379,405.00).
5. The CCU hereby further approves the funding total of One Million Three Hundred Seventy-Nine Thousand Four Hundred Five Dollars ($1,379,405.00) plus a ten percent (10%) contingency of One Hundred Thirty-Seven Thousand Nine Hundred Forty Dollars and Fifty Cents ($137,940.50) for a total funding amount of One Million Five Hundred Seventeen Thousand Three Hundred Forty-Five Dollars and Fifty Cents ($1,517,345.50).
6. The CCU hereby further approves funding for this project to be from the CIP Line Item PW 05-07 "Meter Replacement Program", IFCIP or any other CIP line item applicable to the project intent

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

DULY AND REGULARLY ADOPTED, this 29th day of October 2019.

Certified by:

JOSEPH T. DUENAS
Chairperson

Attested by:

MICHAEL T. LIMTIACO
Secretary

SECRETARY'S CERTIFICATE

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

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

AYES: 5

NAYS: 0

ABSTENTIONS: 0

ABSENT: 0



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ORIGINAL

GUAM WATERWORKS AUTHORITY
ABSTRACT OF BIDS

Project Name: GROUNDWATER WELL PRODUCTION METER REPLACEMENT
Project Number: W19-001-BND IFB NO.: IFB-05-ENG-2019

Bid Opening Date: September 27, 2019
Bid Opening Time: 3:00 PM

	Bidders Name	Section A-5 Bid Bond	CERTIFICATIONS									BASE BID	ADDITIVE BID NO. 1	ADDITIVE BID NO. 2
			Qualification Statement	Non Collusion Affidavit	EEO Certification	Non Segregated Facilities	Sex Offender Certification	Wage and Benefit Determination'	Major Shareholder Affidavit	Special Instructions to Bidders	Addendum 1			
1.	UTILITIES SERVICES SPECIALISTS INC. (USSI)													
2.	MCS CONTRACTORS													
3.	FRONTIER SUPPLY CO.													
4.	GIANT CONSTRUCTION CORPORATION	CASHIER CHECK $ 415,500	✓	✓	✓	✓	✓	✓	✓	✓	✓	$1,379,405.00	$ 687,960.00	$ 698,565.00
5.	JMI													
6.	PROPACIFIC BUILDER CORPORATION													
7.	HAWAII ENGINEERING SERVICES													
	GWA ESTIMATE	$ 3,112,500												

TOTAL = $2,765,930.00

Bids Opened and Read by:
SYLVIA Y. MERCADO
(Name and Signature)

Tabulated By:
ERNESTO VILLARIN
(Name and Signature)

GWA Procurement Representative:
ROLAND LUMONGSUD
(Name and Signature)

Witnesses:
Mary D Torres 9.27.19

Doc. No. 35GL-19-1208.*

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

SUMMARY EVALUATION DATA AND AWARD RECOMMENDATION

1. Project: Groundwater Well Production Meter Replacement

2. Bid Submission Date: September 27, 2019, 3:00 p.m.

3. Bid Evaluation Summary:

No.	Bidder	Opening Bid Price	Substantially Responsive (Yes or No.)	Evaluated/ Corrected Bid Price	Rank	Remarks
1.	Giant Construction Corporation	$2,765,930.00	Yes	$2,765,930.00		No arithmetic errors found. Submitted required documents listed in the Abstract of Bids
a.	**Basic Bid**	**$1,379,405.00**		**$1,379,405.00**		
b.	Additive Bid No. 1	$ 687,960.00		$ 687,960.00		
c.	Additive Bid. No. 2	$ 698,565.00		$ 698,565.00		

GWA/Engineers Estimate	-	$3,112,500.00
Basic Bid	-	**$1,556,250.00**
Additive Bid No. 1	-	$ 778,125.00
Additive Bid No. 2	-	$ 778,125.00

4. The sole bidder (Giant Construction Corporation) bid package included all the required bidding forms as described on the procurement checklist as part of the solicitation. No arithmetic errors found in the bid prices. The Basic Bid Price (which is the basis of award) submitted by the bidder is lower than GWA/Engineer's estimate. The same is true for Additive Bid 1 and 2. Giant Construction Company has satisfactorily completed several projects with GWA.

5. On the basis of the evaluation which was carried out in accordance with the Bidding Documents, I recommend accepting the bid of the sole bidder (Giant Construction Corporation), which has been determined as qualified and capable of performing the contract, in accordance with the Bidding Document.

Evaluated By:

Ernesto Villarin, Project Engineer
(name)

(signature)

10/08/19
(date)

ARTICLE 1 – BID RECIPIENT

1.01 This Bid is submitted to:

Guam Waterworks Authority
Miguel C. Bordallo, PE, General Manager
Gloria B. Nelson Public Service Building
688 Route 15, Mangilao, GU 96913

1.02 The undersigned Bidder proposes and agrees, if this Bid is accepted, to enter into an Agreement with Owner in the form included in the Bidding Documents to perform all Work as specified or indicated in the Bidding Documents for the prices and within the times indicated in this Bid and in accordance with the other terms and conditions of the Bidding Documents.

ARTICLE 2 – BIDDER'S ACKNOWLEDGEMENTS

2.01 Bidder accepts all of the terms and conditions of the Instructions to Bidders, including without limitation those dealing with the disposition of Bid security. This Bid will remain subject to acceptance for 60 days after the Bid opening, or for such longer period of time that Bidder may agree to in writing upon request of Owner.

ARTICLE 3 – BIDDER'S REPRESENTATIONS

3.01 In submitting this Bid, Bidder represents that:

A. Bidder has examined and carefully studied the Bidding Documents, and any data and reference items identified in the Bidding Documents, and hereby acknowledges receipt of the following Addenda:

Addendum No.	Addendum, Date
Addendum NO.1	Sep. 09. 2019

B. Bidder has visited the Sites, conducted a thorough, alert visual examination of the Sites and adjacent areas, and become familiar with and satisfied itself as to the general, local, and Site conditions that may affect cost, progress, and performance of the Work.

C. Bidder is familiar with and has satisfied itself as to all Laws and Regulations that may affect cost, progress, and performance of the Work.

D. Bidder has carefully studied, considered, and correlated the information known to Bidder; information commonly known to sellers of similar goods doing business in the locality of the Point of Destination and the site where the Goods will be installed or where Special Services will be provided; information and observations obtained from Bidder's visits, if any, to the Point of Destination and the site where the Goods will be installed or Special Services will be provided; and any reports and drawings identified in the Bidding Documents regarding the Point of Destination and the site where the Goods will be installed or where Special Services will be provided, with respect to the effect of such information, observations, and documents on the cost, progress, and performance of Seller's obligations under the Bidding Documents.

Groundwater Well Production Meter Replacement GWA Project No. W19-001-BND					
BASIC BID					
Item No.	**Description**	**Unit**	**Est. Quantity**	**Unit Price**	**Bid Price**
1	Mobilization and Demobilization (Maximum of 5% of the sum of Bid Price Items 2 thru 31)	LS	1	$ 64,905.-	$ 64,905.00
2	Well Y-15	LS	1	$ 43,800.00	$ 43,800.00
3	Well Y-07	LS	1	$ 44,800.00	$ 44,800.00
4	Well Y-20	LS	1	$ 43,800.00	$ 43,800.00
5	Well Y-19	LS	1	$ 43,800.00	$ 43,800.00
6	Well AG-02A	LS	1	$ 43,800.00	$ 43,800.00
7	Well Y-09	LS	1	$ 43,800.00	$ 43,800.00
8	Well HGC-2	LS	1	$ 43,800.00	$ 43,800.00
9	Well F-15	LS	1	$ 44,800.00	$ 44,800.00
10	Well H-01	LS	1	$ 49,800.00	$ 49,800.00
11	Well Y-14	LS	1	$ 44,200.00	$ 44,200.00
12	Well D-25	LS	1	$ 39,500.00	$ 39,500.00
13	Well D-27	LS	1	$ 44,200.00	$ 44,200.00
14	Well F-13	LS	1	$ 44,200.00	$ 44,200.00
15	Well Y-21A	LS	1	$ 43,200.00	$ 43,200.00
16	Well M-18	LS	1	$ 44,200.00	$ 44,200.00
17	Well Y-22	LS	1	$ 43,200.00	$ 43,200.00
18	Well Y-23	LS	1	$ 41,500.00	$ 41,500.00

19	Well Y-17	LS	1	$ 44,500.00	$ 44,500.00
20	Well D-01	LS	1	$ 49,800.00	$ 49,800.00
21	Well EX-05	LS	1	$ 40,800.00	$ 40,800.00
22	Well Y-18	LS	1	$ 43,600.00	$ 43,600.00
23	Well AG-01	LS	1	$ 39,800.00	$ 39,800.00
24	Well Y-10	LS	1	$ 40,500.00	$ 40,500.00
25	Well D-26	LS	1	$ 42,600.00	$ 42,600.00
26	Well A-04	LS	1	$ 49,400.00	$ 49,400.00
27	Well F-17	LS	1	$ 39,500.00	$ 39,500.00
28	Well F-18	LS	1	$ 39,500.00	$ 39,500.00
29	Well A-13	LS	1	$ 48,800.00	$ 48,800.00
30	Well Y-12	LS	1	$ 39,500.00	$ 39,500.00
31	Well A-10	LS	1	$ 49,800.00	$ 49,800.00
				TOTAL BASE BID	$ 1,379,405.00

Groundwater Well Production Meter Replacement GWA Project No. W19-001-BND					
ADDITIVE BID NO. 1					
Item No.	**Description**	**Unit**	**Est. Quantity**	**Unit Price**	**Bid Price**
1	Mobilization and Demobilization (Maximum of 5% of the sum of Bid Price Items 2 thru 16)	LS	1	$ 32,760.00	$ 32,760.00
2	Well A-15	LS	1	$ 48,800.00	$ 48,800.00
3	Well F-16	LS	1	$ 40,500.00	$ 40,500.00
4	Well D-19	LS	1	$ 47,800.00	$ 47,800.00
5	Well M-23	LS	1	$ 40,500.00	$ 40,500.00
6	Well A-21	LS	1	$ 42,200.00	$ 42,200.00
7	Well EX-11	LS	1	$ 42,200.00	$ 42,200.00
8	Well A-08	LS	1	$ 47,800.00	$ 47,800.00
9	Well D-15	LS	1	$ 42,200.00	$ 42,200.00
10	Well F-19	LS	1	$ 42,200.00	$ 42,200.00
11	Well F-20	LS	1	$ 42,200.00	$ 42,200.00
12	Well M-21	LS	1	$ 40,500.00	$ 40,500.00
13	Well D-28	LS	1	$ 42,200.00	$ 42,200.00
14	Well D-07	LS	1	$ 40,500.00	$ 40,500.00
15	Well D-06	LS	1	$ 47,800.00	$ 47,800.00
16	Well D-02	LS	1	$ 47,800.00	$ 47,800.00
				TOTAL ADDITIVE BID NO. 1	$ 687,960.00

Groundwater Well Production Meter Replacement GWA Project No. W19-001-BND					
ADDITIVE BID NO. 2					
Item No.	**Description**	**Unit**	**Est. Quantity**	**Unit Price**	**Bid Price**
1	Mobilization and Demobilization (Maximum of 5% of the sum of Bid Price Items 2 thru 16)	LS	1	$ 33,265.00	$ 33,265.00
2	Well M-02	LS	1	$ 49,300.00	$ 49,300.00
3	Well D-24	LS	1	$ 43,200.00	$ 43,200.00
4	Well M-03	LS	1	$ 48,800.00	$ 48,800.00
5	Well M-05	LS	1	$ 40,500.00	$ 40,500.00
6	Well M-07	LS	1	$ 40,500.00	$ 40,500.00
7	Well F-07	LS	1	$ 43,200.00	$ 43,200.00
8	Well F-06	LS	1	$ 43,200.00	$ 43,200.00
9	Well F-08	LS	1	$ 43,200.00	$ 43,200.00
10	Well F-11	LS	1	$ 43,200.00	$ 43,200.00
11	Well A-14	LS	1	$ 40,500.00	$ 40,500.00
12	Well F-04	LS	1	$ 40,500.00	$ 40,500.00
13	Well F-02	LS	1	$ 40,800.00	$ 40,800.00
14	Well M-01	LS	1	$ 48,800.00	$ 48,800.00
15	Well X-XX	LS	1	$ 49,800.00	$ 49,800.00
16	Well X-XX	LS	1	$ 49,800.00	$ 49,800.00
				TOTAL ADDITIVE BID NO. 2	$ 698,565.00

Groundwater Well Production Meter Replacement GWA Project No. W19-001-BND	
BID SUMMARY	
TOTAL BASIC BID AMOUNT	$ 1,379,405.00
TOTAL ADDITIVE BID NO. 1	$ 687,960.00
TOTAL ADDITIVE BID NO. 2	$ 698,565.00
GRAND TOTAL (BASIC BID + ADDITIVE BID 1 + ADDITIVE BID 2) Two Million Seven Hundred Sixty Five Thousand Nine Hundred Thirty Only (Price in Words)	$ 2,765,930.00

(If the Total Base Bid is within the amount of funds available, then the award will be made to the responsive and responsible bidder submitting the lowest Base Bid Price. In the event the lowest responsive and responsible Bid exceeds the available budget, GWA may reject individual Bid Items until the Bid Amount fits within the available budget. If additional funding is obtained after the contract is executed, any or all deleted Bid items may be restored via Change Order.)

A) Where lump sum prices are in the bidding schedule, they shall include all labor, materials and equipment necessary to produce a complete and finished job.

B) When no specific item is listed in the bidding schedule for work required, the cost of such work shall be included in the price bid for the item which most appropriately covers the work.

ARTICLE 6 – TIME OF COMPLETION

6.01 Bidder agrees that the Work will be substantially complete and will be completed and ready for final payment in accordance with Paragraph 15.06 of the General Conditions on or before the dates or within the number of calendar days indicated in the Agreement.

6.02 Bidder accepts the provisions of the Agreement as to liquidated damages.

ARTICLE 7 – ATTACHMENTS TO THIS BID

7.01 The following documents are submitted with and made a condition of this Bid:

A. Required Bid security;

B. List of Proposed Subcontractors;

C. List of Proposed Suppliers;

D. List of Project References;

E. Evidence of authority to do business in the state of the Project; or a written covenant to obtain such license within the time for acceptance of Bids;

F. Contractor's License No.: 4096

G. Required Bidder Qualification Statement with supporting data; and

H. Certificates, Affidavits and Forms listed in Section 00 90 00 as required by Laws and Regulations.

ARTICLE 8 – DEFINED TERMS

8.01 The terms used in this Bid with initial capital letters have the meanings stated in the Instructions to Bidders, the General Conditions, and the Supplementary Conditions.

ARTICLE 9 – BID SUBMITTAL

BIDDER: *[Indicate correct name of bidding entity]*

Giant Construction Corp.

By:
[Signature] 

[Printed name] Chung, In Chul

(If Bidder is a corporation, a limited liability company, a partnership, or a joint venture, attach evidence of authority to sign.)

Attest:
[Signature] D. C Chung

[Printed name] Chung, Duk Choon

Title: President

Submittal Date:

Address for giving notices:

308 E. Harmon Industrial Park Harmon Guam 96913

Telephone Number: 489-2711, 646-2375

Fax Number:

Contact Name and e-mail address: giantconst@gmail.com

Bidder's License No.: 4096
(where applicable)

CONSOLIDATED COMMISSION ON UTILITIES
Guam Power Authority | Guam Waterworks Authority
P.O. Box 2977 Hagatna, Guam 96932 | (671)649-3002 | guamccu.org

RESOLUTION NO. 05-FY2020

RELATIVE TO APPROVING CONSTRUCTION CONTRACT FOR THE TAMUNING "HOT SPOTS" SEWER SYSTEM REHABILITATION AND REPLACEMENT PROJECT (RE-BID) GWA PROJECT NO. S16-003-EPA/S16-001-EPA

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 is a Guam Public Corporation established and existing under the laws of Guam; and

WHEREAS, GWA has received a grant from USEPA under the State Revolving Fund program to improve the sewer collection system, particularly at a few locations that have been identified as "Hot Spots" in the Tamuning area; and

WHEREAS, the Hot Spot locations are areas where GWA wastewater operations have to constantly return to the sewer manhole or gravity main segment to conduct cleaning or pumping activities because at these locations there exist infrastructure defects such as a sag or low spot and/or blockage in the gravity main as well as inflow and infiltration in the system that causes wastewater to surge in the sewer main and manholes upstream of the Hot Spot location; and

WHEREAS, the intent of this project is to rehabilitate, repair or replace these infrastructure defects along with associate roadway surface improvements; and

WHEREAS, GWA and USEPA agree that efforts to rehabilitate, repair or replace these sewer lines are necessary to properly maintain and operate the sewer collection system, and the

first order to do so is through scope of services that includes general civil engineering, geotechnical engineering, and archeological investigation for wastewater collection system evaluation, analysis and design; and

WHEREAS, in April 2016 GWA Management began the procurement process to find a consulting engineering team to design the sewer Hot Spots rehabilitation and replacement, and via Resolution No. 55-FY2016, approved by the CCU in August 2016, GWA Management was authorized to enter into a contract with TG Engineers, PC to design the sewer rehabilitation and replacement related to Hot Spot locations; and

WHEREAS, in September of 2016 GWA Management entered into a design contract with TG Engineers, PC to design the sewer Hot Spot Rehabilitation and Replacement for the Tamuning area, and in January 2018 the final design was completed; and

WHEREAS, in May of 2018, GWA advertised the Invitation to Bid (IFB-06-ENG-2018) for the Tumon and Tamuning Hot Spots Sewer Rehabilitation and Replacement soliciting bid proposals from experienced and responsive bidders to repair and/or replace segments of gravity sewer lines and manholes subjected to infrastructure deficiencies, but unfortunately GWA received bids that were twice the budgeted estimates thus GWA rejects all bids; and

WHEREAS, following the initial Invitation to Bid, GWA and the design engineer re-evaluated the bid package as well as reviewed the bid prices submitted and decided the best way forward with the project was to further split the work in the Tamuning area and defer all Hot Spot Work in the Tumon area until further funding can be identified; and

WHEREAS, on August 10, 2019, GWA advertised the Invitation to Re-bid (IFB-04-ENG-2019) for the Tumon and Tamuning Hot Spots Sewer Rehabilitation and Replacement soliciting bid proposals from experienced and responsive bidders to repair and/or replace segments of gravity sewer lines and manholes where exists defects such as a sag or low spot in the gravity main in the village of Tamuning; and

WHEREAS, this project consists of furnishing all labor, tools, equipment and materials, necessary to replace and/or repair gravity sewer along identified Hot Spots in Tamuning, including coordination with GWA Wastewater Operations, GWA Engineering, the Construction Manager, the project Design Engineer, and the Department of Public Works; and

WHEREAS, IFB packages were obtained by five (5) interested parties, from which GWA received bid proposals from only one (1) parties (SEE EXHIBIT A – Abstract of Bids) before the bid proposal deadline; and

WHEREAS, the project Design Engineer, in conjunction with GWA, analyzed (SEE EXHIBIT B – Evaluation) the bid proposal received on September 20, 2019 and determined that the bid proposal submitted by Ian Corporation was a responsive and responsible bid and met all the bid requirements set forth by GWA and as such GWA Management finds Ian Corporation's bid proposal acceptable; and

WHEREAS, GWA management seeks CCU approval of Ian Corporations Base Bid proposal (SEE EXHIBIT C) in the amount of One Million Ninety-Three Thousand Nine Hundred Fifty-Five Dollars and Eighty-Seven Cents ($1,093,955.87), plus a ten percent (10%) contingency of One Hundred Nine Thousand Three Hundred Ninety-Five Dollars and Fifty-Eight Cents ($109,395.58) to bring the authorized funding amount to a maximum of One Million Two Hundred Three Thousand Three Hundred Fifty-One Dollars and Forty-Five Cents ($1,203,351.45); and

WHEREAS, funding for this project will be from the USEPA State Revolving Fund and, if necessary, GWA Bond funds applicable to the project intent; 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 and conditions set by GWA relative to commencement of work activities are fair and reasonable and serve as a measure of Quality Assurance/Quality Control (QA/QC).

3. The CCU hereby authorizes the management of GWA to accept the bid proposals from "Ian Corporation".
4. The CCU hereby further authorizes the management of GWA to enter into a contract with "Ian Corporation" in the amount of One Million Ninety-Three Thousand Nine Hundred Fifty-Five Dollars and Eighty-Seven Cents ($1,093,955.87) for the Base Bid proposal (Exhibit C).
5. The CCU hereby further approves the funding of One Million Ninety-Three Thousand Nine Hundred Fifty-Five Dollars and Eighty-Seven Cents ($1,093,955.87), plus a ten percent (10%) contingency of One Hundred Nine Thousand Three Hundred Ninety-Five Dollars and Fifty-Eight Cents ($109,395.58) to bring the total authorized funding amount to a maximum of One Million Two Hundred Three Thousand Three Hundred Fifty-One Dollars and Forty-Five Cents ($1,203,351.45).
6. The CCU hereby further approves the funding for this project will be from the USEPA State Revolving Fund and, if necessary, GWA Bond funds applicable to the project.

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

DULY AND REGULARLY ADOPTED, this 29th day of October 2019.

Certified by:

JOSEPH T. DUENAS
Chairperson

Attested by:

MICHAEL T. LIMTIACO
Secretary

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SECRETARY'S CERTIFICATE

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

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

AYES: 5

NAYS: 0

ABSTENTIONS: 0

ABSENT: 0



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GUAM WATERWORKS AUTHORITY
ABSTRACT OF BIDS

ORIGINAL

Project Name: **TUMON AND TAMUNING HOT SPOTS SEWERLINE REHABILITATION AND REPLACEMENT (RE-BID)**
Project Number: S16-001/003-EPA IFB NO.: IFB-04-ENG-2019

Bid Opening Date: September 20, 2019
Bid Opening Time: 3:00 PM

	Bidders Name	Section A-5 Bid Bond	CERTIFICATIONS									BASE BID	ADDITIVE BID NO. 1	ADDITIVE BID NO. 2
			Qualification Statement	Non Collusion Affidavit	EEO Certification	Non Segregated Facilities	Sex Offender Certification	Wage and Benefit Determination	Major Shareholder Affidavit	Special Instructions to Bidders	Addendum 1			
1.	POLYPHASE SYSTEM INC.	----------	NO BID								-			
2.	ARS ALEUT CONSTRUCTION	----------	NO BID								-			
3.	HDCC GUAM	----------	NO BID								-			
4.	FRONTIER SUPPLY INC.	----------	NO BID								-	$1,093,955.87 g.g.		
5.	IAN CORPORATION	15% of Total Bid Amount LEXON Insurance Co.	✓	✓	✓	✓	✓	✓	✓	✓	✓	~~1,900,609~~	$2,566,129	$1,969,226
	GWA ESTIMATE											$2,958,130	$1,799,695	$1,903,229

Bids Opened and Read by:
SYLVIA Y. MERCADO
(Name and Signature)

Tabulated By:
GERALD GATTOC
(Name and Signature) G. Gattoc

GWA Procurement Representative:
ROLAND LUMONGSUD
(Name and Signature)

Witnesses:

TG ENGINEERS, PC

October 21, 2019

Mr. Gerald Gattoc
Engineering Division
Guam Waterworks Authority
ggattoc@guamwaterworks.org

Subject: IFB-04-ENG-2019; Tumon and Tamuning Hot Spots Sewer Line Rehabilitation and Replacement (Re-Bid): **BID EVALUATION**

Dear Mr. Gattoc,

TGE has evaluated the single bid received (Ian Corporation) on September 20, 2019, for the subject IFB.

This IFB is a re-bid due to the prices of the original bidding process (total of two received) exceeding GWA's budget. The scope of work for this re-bid project has been reduced, primarily by eliminating CIPP rehabilitation work.

The Engineer's Estimate for this re-bid is a range based on the unit prices provided in the original IFB. The complete spreadsheet of bid prices and EngEst are attached. The following table provides the totals of the Engineer's Estimate (EngEst) range of values and the re-bid (Ian) prices:

	ENG. ESTIMATE	IAN
BASE BID	$2.9 - $4.2M	$1.1M
ADD NO. 01	$2.0 – 5.4M	$2.5M
ADD NO. 02	$1.9 - $6.5M	$2.0M

Base Bid

Ian's Base Bid is much lower than the lower amount of the EngEst, and is the result of the contractor significantly reducing unit costs compared to the original bid. However, unit costs have *increased* for the following items:

- No. 9: 6-in PVC Pipe ($418 vs. $75);
- No. 12: Flow control ($118,000,not included in original bid):
- No. 16: Manhole rehab ($58,000 vs. $7,000).

The reason for the high unit price for 6-in PVC is not clear. If change orders are required for more piping, 8-in pipe would be more economical to install. The "flow control" item is likely predominately associated with labor costs for 24-hour operations. A breakdown of costs (labor, equipment, supplies) for the schedule of values (after contract award) might help to limit extra flow control costs if a longer construction duration is approved. The higher price for manhole rehabilitation appears reasonable.

Additive Bid No. 1

The new bid amount is within the EngEst range, and is less than half the amount that this contractor bid "originally", that is, using original unit costs. Inexplicably, the unit costs for the re-bid pipe work (Items 7 and 9) are 3 to 4 times greater than the unit costs used in the re-bid Base Bid. Also, the price of Bid Item 16 has significantly increased from the original bid amount ($7,000) to the re-bid amount ($107,700.)

Additive Bid No. 2

The new bid amount is within the EngEst range. It is essentially identical to the contractor's "original" bid amount. (Again, "original" bid amount here indicates the cost associated with the original bid unit costs as applied to the revised quantities.) However, most of the unit costs are less than the original bid, except for Item 5: Asphalt demolition; and Item 9: 8-inch PVC pipe.

Discussion

It is always preferred that at least two to three bids are received for any IFB in order to receive a competitive price. The fact that only one bid was received is indicative of the high level of activity currently in the Guam construction sector, and the less likelihood of obtaining a "good" price.

The re-bid pricing of:

- $1.1M for 930-feet of sewer pipe (Base Bid);
- $2.6M for 800-feet of sewer pipe (Add Bid 1); and
- $2.0M for 1684-feet of sewer pipe (Add Bid 2);

is very steep. However, these prices total less than half of the total prices (based on original unit costs and re-bid quantities)) originally submitted for the Base Bid and Additive Bid No. 1.

Recommendation

TGE finds the bid documentation to be responsive and responsible.

TGE recommends that, based on a budget of $3M, the Base Bid and the Additive Bid No. 2 be accepted.

Sincerely,

John Davis, PE

TG Engineers, PC
101 First St., Tiyan
Barrigada, GU 96913

Phone: (671) 647-0808
Fax: (671) 647-0886
http://www.tg-engr.com

BID FORM

BID RECIPIENT

This Bid is submitted to:

Guam Waterworks Authority
Gloria B. Nelson Public Service Building
688 Route 15
Mangilao, Guam 96913

The undersigned Bidder proposes and agrees, if this Bid is accepted, to enter into a Contract with Buyer in the form included in the Bidding Documents to furnish the Goods and Special Services as specified or indicated in the Bidding Documents, for the prices and within the times indicated in this Bid, and in accordance with the other terms and conditions of the Bidding Documents.

BIDDER'S ACKNOWLEDGMENTS

Bidder accepts all of the terms and conditions of the Instructions to Bidders, including without limitation those dealing with the disposition of Bid security. This Bid will remain subject to acceptance for 60 days after the Bid opening, or for such longer period of time that Bidder may agree to in writing upon request of Buyer.

BIDDER'S REPRESENTATIONS

In submitting this Bid, Bidder represents that:

Bidder has examined and carefully studied the Bidding Documents, the related data identified in the Bidding Documents, and the following Addenda, receipt of which is hereby acknowledged:

Addendum No.	Addendum Date
01	09/06/2019

Bidder has visited the Point of Destination and site where the Goods are to be installed or Special Services will be provided and become familiar with and is satisfied as to the observable local conditions that may affect cost, progress, or the furnishing of Goods and Special Services, if required to do so by the Bidding Documents, or if, in Bidder's

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judgment, any local condition may affect cost, progress, or the furnishing of Goods and Special Services.

Bidder is familiar with and is satisfied as to all Laws and Regulations in effect as of the date of the Bid that may affect cost, progress, and the furnishing of Goods and Special Services.

Bidder has carefully studied, considered, and correlated the information known to Bidder; information commonly known to sellers of similar goods doing business in the locality of the Point of Destination and the site where the Goods will be installed or where Special Services will be provided; information and observations obtained from Bidder's visits, if any, to the Point of Destination and the site where the Goods will be installed or Special Services will be provided; and any reports and drawings identified in the Bidding Documents regarding the Point of Destination and the site where the Goods will be installed or where Special Services will be provided, with respect to the effect of such information, observations, and documents on the cost, progress, and performance of Seller's obligations under the Bidding Documents.

Bidder has given Engineer written notice of all conflicts, errors, ambiguities, and discrepancies that Bidder has discovered in the Bidding Documents, and the written resolution (if any) thereof by Engineer is acceptable to Bidder.

The Bidding Documents are generally sufficient to indicate and convey understanding of all terms and conditions for furnishing the Goods and Special Services for which this Bid is submitted.

BIDDER'S CERTIFICATIONS

Bidder certifies that:

This Bid is genuine and not made in the interest of or on behalf of any undisclosed individual or entity and is not submitted in conformity with any collusive agreement or rules of any group, association, organization, or corporation;

Bidder has not directly or indirectly induced or solicited any other Bidder to submit a false or sham Bid;

Bidder has not solicited or induced any individual or entity to refrain from bidding; and

Bidder has not engaged in corrupt, fraudulent, collusive, or coercive practices in competing for the Contract. For the purposes of this Paragraph 4.01.D:

1. "corrupt practice" means the offering, giving, receiving, or soliciting of anything of value likely to influence the action of a public official in the bidding process;

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2. "fraudulent practice" means an intentional misrepresentation of facts made (a) to influence the bidding process to the detriment of Buyer, (b) to establish bid prices at artificial non-competitive levels, or (c) to deprive Buyer of the benefits of free and open competition;

3. "collusive practice" means a scheme or arrangement between two or more Bidders, with or without the knowledge of Buyer, a purpose of which is to establish bid prices at artificial, non-competitive levels; and

4. "coercive practice" means harming or threatening to harm, directly or indirectly, persons or their property to influence their participation in the bidding process.

BASIS OF BID

Bidder will furnish the Goods and Special Services in accordance with the Contract Documents for the following price(s).

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Base Bid Description of Work: TAMUNING HOT SPOTS

Work consists as per following items:

Work consists of replacement of 6-inch – 8-inch Asbestos Cement pipe with 6-inch – 10-inch PVC pipe, construction of precast concrete manholes, sewer manhole rehabilitation with epoxy coating, channel construction, disconnection and re-connection of lateral sewer pipes, abandoning existing sewer pipes and providing temporary bypass and traffic control as necessary to complete the rehabilitation and replacement work.

The included segments are shown on the Scope Overview Maps Fig-1A to Fig-1C which are included as Exhibit A to this Bid Form.

			Base Bid		
Item No.	Description	Unit	Unit Price	Qty	Bid Amount
1	Permits	LS	$ 23,079.74	1	$ 23,079.74
2	Mobilization and Demobilization (10% Maximum)	LS	$ 31,472.37	1	$ 31,472.37
3	Insurance and Bonds	LS	$ 15,386.49	1	$ 15,386.49
4	Traffic Control	LS	$ 37,067.45	1	$ 37,067.45
5	Demolition of Asphalt Concrete (AC) Pavement including all labor, materials, equipment and all incidentals for AC sawcutting, removal of AC pavement and hauling and disposal to an approved landfill disposal facility.	SY	$ 43.78	516	$ 22,590.48
6	Erosion Control	LS	$ 12,141.34	1	$ 12,141.34
7	Trench Excavation including all labor, materials, supplies, equipment and incidentals for the trench shoring, hauling and disposal of excavated materials, disposal fee, protection and support of structures and facilities, and dewatering.	CY	$ 265.77	352	$ 93,551.04
8	Removal of existing Asbestos Cement Pipes including all labor, materials, equipment and incidentals for the packaging and off-island shipping of Asbestos Cement pipe	LF	$ 167.85	515	$ 86,442.75
9	Installation of 6-inch diameter PVC pipe, installed by open trench, including installation of PVC pipe, fittings, warning/identification tape, cleaning, connections to existing manholes, adjustment of existing channel and bench, testing, and all incidentals, in place complete.	LF	$ 418.23	19	$ 7,946.37

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10	Installation of 8-inch diameter PVC pipe, installed by open trench, including installation of PVC pipe, fittings, warning/identification tape, cleaning, connections to existing manholes, adjustment of existing channel and bench, testing, and all incidentals, in place complete.	LF	$ 172.05	612	$ 105,294.60
11	Installation of 10-inch diameter PVC pipe, installed by open trench, including installation of PVC pipe, fittings, warning/identification tape, cleaning, connections to existing manholes, adjustment of existing channel and bench, testing, and all incidentals, in place complete.	LF	$ 181.84	297	$ 54,006.48
12	Sewer Flow Control including Flow Management Plan, Temporary Bypass Piping, and Pumps, pipe plugs, bypassing at sewer laterals (including locating and exposing cleanouts), temporary trenches (including pavement demolition, excavation, backfill, trench covers, temporary and permanent AC, muck handling, and disposal), electrical and standby power/pumps, monitoring, spill containment/mitigation	LS	$ 118,895.61	1	$ 118,895.61
13	Concreting of abandoned Asbestos Cement pipes in place including all labor, materials, equipment and incidentals, in-place complete.	CY	$ 699.39	2	$ 1,398.78
14	Trench Backfilling including all labor, materials, supplies, equipment and incidentals for the supply and placement of bedding sand and flowable fill.	CY	$ 316.12	352	$ 111,274.24
15	Asphalt Concrete (AC) pavement restoration (2-inch thick) including prime coat and all necessary labor, materials, and equipment, in place complete.	SY	$ 302.13	516	$ 155,899.08
16	Repair and rehabilitation of Manholes including all labor, materials, equipment and incidentals for raising manhole frames & covers, grouting of joints & chimneys, cleaning of manholes, sealing of manhole and replacing manhole lids.	LS	$ 58,748.42	1	$ 58,748.42

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17	Construct new manholes including all labor, materials, equipment and all incidentals for the placement & compaction of base course, backfilling & compaction and manhole accessories, in place complete.	EA	$ 23,079.74	5	$ 115,398.70
18	Archaeological Monitoring (Allowance)	LS	$ 6,000	1	$ 6,000
19	As-Built drawings	LS	$ 37,361.93	1	$ 37,361.93
BASE BID (TOTAL Items 1 through 19, inclusive)					$ 1,093,955.87

EJCDC P-400, Suggested Bid Form for Procurement Contracts.
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Description of Work: TAMUNING HOT SPOTS - ADDITIVE BID NO.1

Work consists as per following items:

Work consists of replacement of 8-inch Asbestos Cement pipe with 8-inch PVC pipe, construction of precast concrete manholes, sewer manhole rehabilitation with epoxy coating, channel construction, disconnection and re-connection of lateral sewer pipes, abandoning existing sewer pipes and providing temporary bypass and traffic control as necessary to complete the rehabilitation and replacement work.

The included segments are shown on the Scope Overview Maps Fig-1A to Fig-1C which are included as Exhibit A to this Bid Form.

			Additive Bid		
Item No.	Description	Unit	Unit Price	Qty	Bid Amount
1	Permits	LS	$ 35,668.68	1	$ 35,668.68
2	Mobilization and Demobilization (10% Maximum)	LS	$ 31,472.37	1	$ 31,472.37
3	Insurance and Bonds	LS	$ 23,779.12	1	$ 23,779.12
4	Traffic Control	LS	$ 111,901.75	1	$ 111,901.75
5	Demolition of Asphalt Concrete (AC) Pavement including all labor, materials, equipment and all incidentals for AC sawcutting, removal of AC pavement and hauling and disposal to an approved landfill disposal facility.	SY	$ 104.91	668	$ 70,079.88
6	Erosion Control	LS	$ 2,867.48	1	$ 2,867.48
7	Trench Excavation including all labor, materials, supplies, equipment and incidentals for the trench shoring, hauling and disposal of excavated materials, disposal fee, protection and support of structures and facilities, and dewatering.	CY	$ 951.16	606	$ 576,402.96
8	Removal of existing Asbestos Cement pipes including all labor, materials, equipment and incidentals for the packaging and off-island shipping of Asbestos Cement pipe	LF	$ 167.85	323	$ 54,215.55
9	Installation of 8-inch diameter PVC pipe, installed by open trench, including installation of PVC pipe, fittings, warning/identification tape, cleaning, connections to existing manholes, adjustment of existing channel and bench, testing, and all incidentals, in place complete.	LF	$ 741.35	802	$ 594,562.70

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10	Sewer Flow Control including Flow Management Plan, Temporary Bypass Piping, and Pumps, pipe plugs, bypassing at sewer laterals (including locating and exposing cleanouts), temporary trenches (including pavement demolition, excavation, backfill, trench covers, temporary and permanent AC, muck handling, and disposal), electrical and standby power/pumps, monitoring, spill containment/mitigation	LS	$209,815.78	1	$ 209,815.78
11	Concreting of abandoned Asbestos Cement pipes in place including all labor, materials, equipment and incidentals, in-place complete.	CY	$ 699.39	6	$ 4,196.34
12	Trench Backfilling including all labor, materials, supplies, equipment and incidentals for the supply and placement of bedding sand and flowable fill.	CY	$ 447.61	606	$ 271,251.66
13	Asphalt Concrete (AC) pavement restoration (2-inch thick) including prime coat and all necessary labor, materials, and equipment, in place complete.	SY	$ 302.13	662	$ 200,010.06
14	Asphalt Concrete (AC) Friction Course (1" thick)	SY	$ 293.74	460	$ 135,120.40
16	Repair and rehabilitation of Manholes including all labor, materials, equipment and incidentals for raising manhole frames & covers, grouting of joints & chimneys, cleaning of manholes, sealing of manhole and replacing manhole lids.	LS	$ 107,705.43	1	$ 107,705.43
17	Construct new manholes including all labor, materials, equipment and all incidentals for the placement & compaction of base course, backfilling & compaction and manhole accessories, in place complete.	EA	$ 25,177.89	4	$ 100,711.56
18	Archaeological Monitoring	LS		1	$ 6,000.00
19	As-Built drawings	LS	$ 30,368.07	1	$ 30,368.07
ADDITIVE BID NO. 1 (TOTAL Items 1 through 19, inclusive)					$ 2,566,129.79

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Description of Work: TAMUNING HOT SPOTS - ADDITIVE BID NO.2

Work consists as per following items:

Work consists of replacement of 8-inch Asbestos Cement pipe with 8-inch PVC pipe, disconnection and re-connection of lateral sewer pipes, sewer manhole rehabilitation with epoxy coating, and providing temporary bypass and traffic control as necessary to complete the rehabilitation and replacement work. The included segments are shown on the Scope Overview Maps Fig-1A to Fig-1C which are included as Attachment A to this Bid Form.

				Additive Bid	
Item No.	Description	Unit	Unit Price	Qty	Bid Amount
1	Permits	LS	$ 36,088.31	1	$ 36,088.31
2	Mobilization and Demobilization (10% Maximum)	LS	$ 20,981.58	1	$ 20,981.58
3	Insurance and Bonds	LS	$ 24,058.88	1	$ 24,058.88
4	Traffic Control	LS	$ 58,049.03	1	$ 58,049.03
5	Demolition of Asphalt Concrete (AC) Pavement including all labor, materials, equipment and all incidentals for AC sawcutting, removal of AC pavement and hauling and disposal to an approved landfill disposal facility.	SY	$ 48.96	936	$ 45,826.56
6	Erosion Control	LS	$ 14,743.06	1	$ 14,743.06
7	Trench Excavation including all labor, materials, supplies, equipment and incidentals for the trench shoring, hauling and disposal of excavated materials, disposal fee, protection and support of structures and facilities, and dewatering.	CY	$ 307.73	750	$ 230,797.50
8	Removal of existing Asbestos Cement Pipes including all labor, materials, equipment and incidentals for the packaging and off-island shipping of Asbestos Cement pipe	LF	$ 167.85	1684	$ 282,659.40
9	Installation of 8-inch diameter PVC pipe, installed by open trench, including installation of PVC pipe, fittings, warning/identification tape, cleaning, connections to existing manholes, adjustment of existing channel and bench, testing, and all incidentals, in place complete.	LF	$ 338.50	1684	$ 570,034.00

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10	Sewer Flow Control including Flow Management Plan, Temporary Bypass Piping, and Pumps, pipe plugs, bypassing at sewer laterals (including locating and exposing cleanouts), temporary trenches (including pavement demolition, excavation, backfill, trench covers, temporary and permanent AC, muck handling, and disposal), electrical and standby power/pumps, monitoring, spill containment/mitigation	LS	$111,901.75	1	$ 111,901.75
11	Trench Backfilling including all labor, materials, supplies, equipment and incidentals for the supply and placement of bedding sand and flowable fill.	CY	$ 351.09	750	$ 263,317.50
12	Asphalt Concrete (AC) pavement restoration (2-inch thick) including prime coat and all necessary labor, materials, and equipment, in place complete.	SY	$ 302.13	936	$ 282,793.68
13	As-Built drawings	LS	$ 27,975.44	1	$ 27,975.44
ADDITIVE BID NO. 2 (TOTAL Items 1 through 13, inclusive)					$ 1,969,226.69

Bidder acknowledges that estimated quantities are not guaranteed, and are solely for the purpose of comparison of Bids, and final payment for all unit price Bid items will be based on actual quantities, determined as provided in the Contract Documents. Bidder also acknowledges that each unit price includes an amount considered by Bidder to be adequate to cover Bidder's overhead and profit for each separately identified item.

TIME OF COMPLETION

Bidder agrees that the furnishing of Goods and Special Services will conform to the schedule set forth in Article 5 of the Agreement.

Bidder accepts the provisions of the Agreement as to liquidated damages.

ATTACHMENTS TO THIS BID

The following documents are attached to and made a condition of this Bid:

Required Bid security in the form of Bid Bond.

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List of Proposed Major Suppliers;

Required Bidder Qualification Statement with Supporting Data; and

[List other documents as pertinent]

DEFINED TERMS

The terms used in this Bid with initial capital letters have the meanings stated in the Instructions to Bidders, the General Conditions, and the Supplementary Conditions.

BID SUBMITTAL

This Bid submitted by:

If Bidder is:

An Individual

Name (typed or printed): _____

By: _____
(Individual's signature)

Doing business as: _____

Business address: _____

_____

Phone: _____ Facsimile: _____

E-mail address: _____

A Partnership

Partnership Name: _____

(SEAL)

By: _____
(Signature of general partner - attach evidence of authority to sign)

Name (typed or printed): _____

Business address: _____

_____

Phone: _____ Facsimile: _____

E-mail address: _____

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A Corporation

Corporation Name: IAN CORPORATION

State of Incorporation: Guam, U.S.A.

Type (General Business, Professional, Service, other): General Contractor

By: _____

(Signature - attach evidence of authority to sign)

Name (typed or printed): Ian J. Chong

Title: President

(CORPORATE SEAL)

Attest _____

(Signature of Corporate Secretary)

Business address: 210 East Route 8 Barrigada, Guam 96913

Phone: 671-734-3939 Facsimile: 671-734-7762

E-mail address: ian@ianconstruction.com

A Limited Liability Company (LLC)

LLC Name: _____

State in which organized: _____

By: _____

(Signature - attach evidence of authority to sign)

Name (typed or printed): _____

Title: _____

Business address: _____

Phone: _____ Facsimile: _____

E-mail address: _____

A Joint Venture

First Joint Venturer Name: _____ (SEAL)

By: _____

(Signature - attach evidence of authority to sign)

Name (typed or printed): _____

Title: _____

Business address: _____

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Phone: _____ Facsimile: _____

E-mail address: _____

Second Joint Venturer Name: _____ (SEAL)

By: _____

(Signature - attach evidence of authority to sign)

Name (typed or printed): _____

Title: _____

Business address: _____

_____

Phone: _____ Facsimile: _____

E-mail address: _____

Phone and Facsimile Number, and Address for receipt of official communications to Joint Venture: _____

_____

(Each joint venturer must sign. The manner of signing for each individual, partnership, corporation, and limited liability company that is a party to the joint venture should be in the manner indicated above.)

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CONSOLIDATED COMMISSION ON UTILITIES
Guam Power Authority | Guam Waterworks Authority
P.O. Box 2977 Hagatna, Guam 96932 | (671)649-3002 | guamccu.org

RESOLUTION NO. 06-FY2020

RELATIVE TO APPROVAL OF FUND INCREASE TO THE CONSTRUCTION MANAGEMENT CONTRACT FOR THE BAZA GARDENS WASTEWATER CROSS-ISLAND PUMPING AND CONVEYANCE SYSTEM (PHASES I, II&III)

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 Baza Gardens WWTP was a Court Order project that converted the treatment facility to a sewer pumping station to transfer/convey wastewater flows from the Baza Gardens/Talofofo wastewater basin across the Route 17 (Cross Island Road) to a new Agat-Santa Rita WWTP site; and

WHEREAS, GWA management executed three separate construction contracts (Phases I, II&III) to construct the new conveyance system as well as a contract with SSFM, Inc. (SSFM) to provide construction management services in the amount not to exceed Two Million Eight Hundred Seventy-One Thousand Dollars ($2,871,000.00); and

WHEREAS, GWA had subsequently executed the original contract with SSFM for an amount of Two Million Two Hundred Eighty-Five Thousand Two Hundred Sixty-Eight Dollars ($2,285,268.00) as well as allotted Two Hundred Twenty-Eight Thousand Five Hundred Twenty-Six Dollars and Eighty Cents ($228,526.80) as a 10% contingency to the contract; and

WHEREAS, GWA further executed Change Order No. 1 to the Construction Management contract in the amount of One Hundred Eighty-Five Thousand Six Hundred Ninety-One Dollars ($185,691.00) which was covered under the original 10% contingency; and

WHEREAS, CCU further authorized via Resolution 09-FY2019 in November 2018 an increase of fund authorization in the amount of Three Hundred One Thousand Five Hundred Sixty-Four Dollars and Fifty-Nine Cents ($301,564.59) to bring the total authorized funding of Three Million One Hundred Seventy-Two Thousand Five Hundred Sixty-Four Dollars and Fifty-Nine Cents ($3,172.564.59) to address continued Construction Management services past the original construction period date; and

WHEREAS, GWA had executed Change Order No. 2 in the amount of Six Hundred Two Thousand Seven Hundred Dollars and Fifty-Seven Cents ($602,700.57) to bring the total contract value to Three Million Seventy-Three Thousand Six Hundred Fifty-Nine Dollars and Fifty-Seven Cents ($3,073,659.57) which provided CM services up until April 30, 2019; and

WHEREAS, the overall construction project to date still has minor close out items for the Phase II contractor as well as minor work at the existing clarify, civil works and SCADA for the Phase III contractor which still requires Construction Management services; and

WHEREAS, the CCU further approved Resolution 25-FY2019 in November 2018 that increased funding authorization to Three Million Three Hundred Thirty-Two Thousand Five Hundred Sixty-Four Dollars and Fifty Nine Cents ($3,332,564.59) to the Construction Management contract after which GWA executed Change Order Nos. 3, 4 & 5 for the Construction Manager in the amount of Two Hundred Twenty Eight Thousand Eight Hundred Seven Dollars and Ninety -Three Cents ($228,807.93) to bring the total contract value to Three Million Three Hundred Two Thousand Four Hundred Sixty Seven Dollars and Fifty Cents ($3,302,467.50) which provided CM services up until July 31, 2019; and

WHEREAS, the contractor for Phase III, SMCC, has to date continues to experience delays for various reason and as such the CM has been required to stay on until potentially November 2019 to handle remaining construction work and close out of the entire project; and

WHEREAS, GWA is negotiating with SSFM for a fee proposal to provide continued construction management services from September 2019 to November 2019 on a Time and Materials basis and part of this negotiation is for SSFM to take into account a reduction in staffing levels as the project reaches the end of the construction period; and

WHEREAS, to ensure timely execution of any forthcoming Change Order so that services are not stalled GWA is seeking CCU approval of additional funding to a not to-exceed the amount of One Hundred Thirty Thousand Dollars ($130,000.00) for the extended contract performance period from September to November 2019 which is an average of Forty Three Thousand Dollars ($43,000.00) per month; and

WHEREAS, funding for any Change Order to SSFM moving forward will be from any available bond funds under the line item - WW 11-03 "Baza Gardens STP Replacement", System Development Charge funds and Internally Funded CIP funds as well as Liquidated Damages of $3,000 per day from the contractor; 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 hereby approves the funding increase for construction management services an additional amount not to exceed One Hundred Thirty Thousand Dollars ($130,000.00).
3. The CCU further approves the total funding authorization for the contract with SSFM to an amount not to exceed Three Million Four Hundred Sixty -Two Thousand Five Hundred Sixty-Four Dollars and Fifty-Nine Cents ($3,462,564.59)
4. The source of funding for any Change Order to SSFM moving forward will be from any available bond funds under the line item - WW 11-03 "Baza Gardens STP Replacement", System Development Charge funds and Internally Funded CIP funds as well as Liquidated Damages of $3,000 per day from the contractor.

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

DULY AND REGULARLY ADOPTED, this 29th day of October 2019.

Certified by:

JOSEPH T. DUENAS
Chairperson

Attested by:

MICHAEL T. LIMTIACO
Secretary

SECRETARY'S CERTIFICATE

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

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

AYES: 5

NAYS: 0

ABSTENTIONS: 0

ABSENT: 0



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///

///

CONSOLIDATED COMMISSION ON UTILITIES
Guam Power Authority | Guam Waterworks Authority
P.O. Box 2977 Hagatna, Guam 96932 | (671)649-3002 | guamccu.org

RESOLUTION NO. 2019-014

Relative to Approving the Consent Decree with the United States Environmental Protection Agency (EPA)

WHEREAS, the U.S. Environmental Protection Agency (EPA) alleges that GPA has been in violation of the EPA National Emission Standards for Hazardous Air Pollutants (NESHAP) standards for oil-fired electric steam generating units at Cabras Units 1 and 2 since April 2015, and the standards for stationary reciprocating internal combustion engines at Cabras Units 3 and 4 from May 2013 to September 2015, and Piti Units 8 and 9 since May 2013; and

WHEREAS, the Guam Power Authority (GPA) and the U.S. Environmental Protection Agency (EPA) have reached an agreement in principle to resolve alleged violations of the Clean Air Act at GPA's Cabras and Piti generating plants, the details of which are contained in the draft consent decree, which is submitted to the Consolidated Commission on Utilities (CCU) for review and approval; and

WHEREAS, to resolve the EPA's alleged violations, the settlement requires that GPA pay a civil penalty of $400,000; construct and operate a new 180MW power plant burning ultra-low sulfur diesel (ULSD) by October 31, 2022; convert GPA's fuel delivery system from residual fuel oil (RFO) to ULSD, which will include refurbishing the main fuel bulk storage tanks; construct a new ULSD pipeline; run Piti Units 8 and 9 on ULSD by December 31, 2021; use low-sulfur RFO in Cabras 1 and 2 and permanently shut down Cabras 1 and 2 by October 31, 2022; build 100MW of additional utility scale solar power; and install and operate a new energy storage system by December 31, 2019; and

WHEREAS, GPA has worked diligently to obtain the necessary CCU and GPUC approvals required to implement the settlement; the GPUC on July 25, 2019 approved a contract between GPA and AYM International, Inc. for construction of a ULSD pipeline; the PUC on August 29, 2019, approved a contract between GPA and Tristar Agility for bulk storage fuel tanks inspection and refurbishment; the CCU on September 13, 2019, approved an Energy Conversion Agreement (ECA) between GPA and Korea Electric Power Company (KEPCO) for

the 198MW power plant; the ECA was filed with the GPUC on September 5, 2019, and the GPUC is expected to vote on the ECA on October 31, 2019; and

WHEREAS, the proposed settlement will provide a fair and reasonable resolution of the violations alleged by EPA, environmental benefits, and needed enhancements to Guam's energy security and reliability; and

WHEREAS, EPA has alleged that the GPA units have not been compliant with the applicable NESHAP regulations since May 2013 (Cabras 3 and 4, Piti 8 and 9) and since April 2015 (Cabras 1 and 2), which, without a settlement, would subject GPA to potential fines in the hundreds of millions of dollars in civil penalties, in addition to the cost of substantial investments to reduce emissions, with a much more aggressive compliance schedule required by EPA. The proposed consent decree requires GPA to pay a nominal civil penalty which takes into account GPA's limited economic resources, and allows GPA to focus its expenditures on a new efficient power plant, and cost-effective emission reduction measures; and

WHEREAS, the settlement will improve air quality by requiring that GPA retire some older units upon completion of the new power plant and convert all remaining units to ULSD, which will reduce emissions of pollutants such as sulfur dioxide; and

WHEREAS, the proposed resolution will also increase Guam's energy security by allowing for the expansion of GPA's renewable energy portfolio with the construction of the new 198MW power plant and provide increased reliability with the retirement of the Cabras 1 and 2 units. The new power plant will complement the additional proposed solar power, providing the necessary support for the intermittent production of renewable energy during the day with the capacity to serve peak loads at night; and

WHEREAS, in addition to CCU approval, the settlement must be authorized by the Assistant Attorney General for the Environment and Natural Resources Division of the Department of Justice. Once the Department of Justice (DOJ) files the consent decree with the United States District Court of Guam, a public notice will be published in the Federal Register, after which the public will have 30 days in which to submit comments. After the close of the public comment period, the DOJ, in coordination with EPA, will respond to any

comments submitted and request that the Court approve the settlement as an order of the court.

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

1. For all the reasons listed herein, and based on all the additional information provided by GPA over the course of the extensive negotiation process with the U.S. Environmental Protection Agency (EPA) and the US Department of Justice (DOJ), the CCU determines that is in the best interest of the ratepayers of Guam to proceed with the proposed Consent Decree with EPA and DOJ.

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

DULY and REGULARLY ADOPTED this 29th day of October, 2019.

Certified by:

JOSEPH T. DUENAS
Chairperson
Consolidated Commission on Utilities

Attested by:

MICHAEL LIMTIACO
Secretary
Consolidated Commission on Utilities

I, Michael Limtiaco, Secretary for the Consolidated Commission on Utilities (CCU), as evidenced by my signature above do certify as follows:

The foregoing is a full, true, and correct copy of the resolution duly adopted at a regular meeting of the members of Guam Consolidated Commission on Utilities, duly and legally held at the meeting 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

Absent: 0

Abstain: 0

JEFFREY BOSSERT CLARK
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Attorneys for Plaintiff United States of America

UNITED STATES DISTRICT COURT
FOR THE TERRITORY OF GUAM

UNITED STATES OF AMERICA,	)	
	)	
Plaintiff,	)	Case No.
	)	
v.	)	CONSENT DECREE
	)	
GUAM POWER AUTHORITY and	)	
MARIANAS ENERGY COMPANY, L.L.C.,	)	
	)	
Defendants.	)	
	)	

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WHEREAS, Plaintiff United States of America, on behalf of the United States Environmental Protection Agency ("EPA"), has filed a complaint in this action concurrently with the lodging of this Consent Decree, alleging that Defendants Guam Power Authority ("GPA") and Marianas Energy Company, L.L.C. ("MEC") (collectively the "Defendants") have violated and are violating Section 112 of the Clean Air Act ("Act"), 42 U.S.C. § 7412, and the regulations promulgated under that Section;

WHEREAS, the Complaint alleges claims relating to the National Emission Standards for Hazardous Air Pollutants ("NESHAP") for Coal- and Oil-Fired Electric Utility Steam Generating Units, referred to as the Mercury and Air Toxics Standards ("MATS"), set forth at 40 C.F.R. Part 63, subpart UUUUU, at the Cabras Power Plant, and the NESHAP for Stationary Reciprocating Internal Combustion Engines, set forth at 40 C.F.R. Part 63, subpart ZZZZ ("RICE NESHAP"), at the Cabras Power Plant and the Piti Power Plant;

WHEREAS, the Complaint alleges that GPA has operated and continues to operate its two baseload electric generating units known as Cabras Units 1 and 2 in violation of the MATS since the MATS' effective date of April 16, 2015;

WHEREAS, the Complaint also alleges that GPA has operated its two baseload electric generating units known as Cabras Units 3 and 4 in violation of the RICE NESHAP since the RICE NESHAP's effective date of May 3, 2013, until Units 3 and 4 were damaged in an explosion at the Cabras Power Plant on August 31, 2015;

WHEREAS, the Complaint further alleges that MEC has operated and continues to operate its two baseload electric generating units known as Piti Units 8 and 9 in violation of the RICE NESHAP since the RICE NESHAP's effective date of May 3, 2013;

WHEREAS, MEC operated Piti Units 8 and 9 pursuant to a contract that ceded ownership of Piti Units 8 and 9 back to GPA on or around January 29, 2019; and required GPA to supply and deliver all fuel used by Piti Units 8 and 9 to produce electric power;

WHEREAS, Cabras Units 1 and 2 are powered by boilers that have been fueled with Residual Fuel Oil; Cabras Units 3 and 4 were powered before the August 31, 2015 explosion by slow-speed diesel engines that were fueled with Residual Fuel Oil; and Piti Units 8 and 9

are powered by slow-speed diesel engines that have been fueled with Residual Fuel Oil;

WHEREAS, GPA plans to build a new power plant, with up to 180 megawatts in generating capacity, which will initially be fueled by Ultra-Low Sulfur Diesel ("ULSD");

WHEREAS, the United States reviewed Financial Information and determined GPA has a limited ability to pay a civil penalty in this matter;

WHEREAS, Defendants do not admit any liability to the United States arising out of the transactions or occurrences alleged in the Complaint;

WHEREAS, the Parties have agreed to resolve the United States' claims arising out of the transactions or occurrences alleged in the Complaint by entering into this Consent Decree;

WHEREAS, the Parties recognize, and the Court by entering this Consent Decree finds, that this Consent Decree has been negotiated by the Parties in good faith and will avoid litigation among the Parties, and that this Consent Decree is fair, reasonable, and in the public interest;

NOW, THEREFORE, before the taking of any testimony, without the adjudication or admission of any issue of fact or law except as provided in Section I, and with the consent of the Parties, IT IS HEREBY ADJUDGED, ORDERED, AND DECREED as follows:

I. JURISDICTION AND VENUE

1. This Court has jurisdiction over the subject matter of this action, pursuant to 28 U.S.C. §§ 1331, 1345, and 1355, and Section 113(b) of the Act, 42 U.S.C. § 7413(b), and over the Parties. Venue lies in this District pursuant to 42 U.S.C. § 7413(b), and 28 U.S.C. §§ 1391(b) and (c) and 1395(a), because the violations alleged in the Complaint are alleged to have occurred in, and Defendants conduct business in, this judicial district. For purposes of this Decree, or any action to enforce this Decree, Defendants consent to the Court's jurisdiction over this Decree and any such action and over Defendants and consent to venue in this judicial district.

2. For purposes of this Consent Decree, Defendants agree that the Complaint states claims upon which relief may be granted pursuant to 42 U.S.C. § 7413(b).

II. APPLICABILITY

3. The obligations of this Consent Decree apply to and are binding upon the United States, and upon Defendants and any successors, assigns, or other entities or persons otherwise bound by law.

4. At least 60 Days prior to any transfer of ownership or operation of any Facility, the Defendant who owns or operates that Facility shall provide a copy of this Consent Decree to the proposed transferee and shall simultaneously provide written notice of the prospective transfer, together with a copy of the proposed written agreement, to EPA and the United States in accordance with Section XVI (Notices). No transfer of ownership or operation of any Facility, whether in compliance with the procedures of this Paragraph or otherwise, shall relieve Defendant of its obligation to ensure that the terms of the Decree are implemented, unless: (1) the transferee agrees to undertake the obligations required by this Decree and to be substituted for the Defendant as a Party under the Decree and thus be bound by the terms thereof; and (2) the United States consents in writing to relieve that Defendant of its obligations for that Facility. Any attempt to transfer ownership or operation of the Facility without complying with this Paragraph constitutes a violation of this Decree.

5. The requirements of Paragraph 4 do not apply to the transfer of ownership of Piti Units 8 and 9 from MEC to GPA that occurred pursuant to contract between MEC and GPA in January 2019. By entering into this Consent Decree, GPA agrees to accept all obligations applicable to Piti Units 8 and 9 created by this Consent Decree. By entering into this Consent Decree, MEC agrees to continuing responsibility for all obligations applicable to Piti Units 8 and 9 if MEC continues to have any operational role over those Units subsequent to the transfer of MEC's ownership interest in Piti Units 8 and 9 to GPA in January 2019. Any other transfer of ownership or operation of any Facility shall be subject to the requirements of Paragraph 4.

6. Defendants shall provide a copy of this Consent Decree to all officers, employees, and agents whose duties might reasonably include compliance with any provision of this Decree, as well as to any contractor retained to perform work required under this

Consent Decree. Defendants shall condition any such contract upon performance of the work in conformity with the terms of this Consent Decree.

7. In any action to enforce this Consent Decree, Defendants shall not raise as a defense the failure by any of its officers, directors, employees, agents, or contractors to take any actions necessary to comply with the provisions of this Consent Decree.

III. OBJECTIVES

8. The objectives of this Consent Decree are to:

a. permanently Retire Cabras Units 1 and 2;

b. bring Piti Units 8 and 9 into compliance with the RICE NESHAP by switching from Residual Fuel Oil to ULSD and installing oxidation catalysts;

c. permanently Retire Cabras Units 3 and 4;

d. construct a new power plant that will comply with the requirements of the Clean Air Act; and

e. establish a compliance schedule in Section VI (Compliance Requirements) of this Consent Decree that allows for adequate time to accomplish these objectives while not disrupting electric service on Guam.

IV. DEFINITIONS

9. Terms used in this Consent Decree that are defined in the Act or in regulations promulgated pursuant to the Act shall have the meanings assigned to them in the Act or such regulations, unless otherwise provided in this Decree. Whenever the terms set forth below are used in this Consent Decree, the following definitions shall apply:

"Cabras Power Plant" shall mean, collectively, Cabras Units 1 and 2, both of which are steam turbine electricity generating units with each unit having 66 megawatts ("MW") of capacity, and Cabras 3 and 4, both of which are slow-speed diesel electricity generating units with each unit having 40 MW of capacity, all of which are located on Cabras Island, Municipality of Piti, on Guam.

"Complaint" shall mean the complaint filed by the United States in this action.

"Consent Decree" or "Decree" shall mean this Decree.

"Day" shall mean a calendar day unless expressly stated to be a business day. In computing any period of time under this Consent Decree, where the last day would fall on a Saturday, Sunday, or federal holiday, the period shall run until the close of business of the next business day.

"Defendants" shall mean Guam Power Authority ("GPA") and Marianas Energy Company, L.L.C. ("MEC").

"Deliverable" shall mean any written document required to be prepared and/or submitted by or on behalf of a Defendant pursuant to this Consent Decree.

"EPA" shall mean the United States Environmental Protection Agency and any of its successor departments or agencies.

"Effective Date" shall have the definition provided in Section XVII.

"Facilities" shall mean the Cabras Power Plant and the Piti Power Plant, each of which shall also be referred to as a "Facility."

"Financial Information" shall mean balance sheets, tax returns, financial statements, cash flow statements, projections, and all other financial information that GPA made available to the United States prior to the date of lodging of this Consent Decree.

"Fuel Delivery System" shall mean all piping, pumps, tanks, valves, and control equipment in GPA's system for delivery and storage of fuel from the Navy tie-in in the Apra Harbor to tanks and associated equipment at the facility known as the "Peterra Tank Farm," and from the Peterra Tank Farm to and including the day fuel storage tanks at the Cabras Power Plant and the Piti Power Plant.

"Low Sulfur Residual Fuel Oil" shall mean Residual Fuel Oil that has a sulfur content of less than 1.19 percent by weight.

"MATS" shall mean the NESHAP for Coal- and Oil-Fired Electric Utility Steam Generating Units, referred to as the Mercury and Air Toxics Standards, set forth at 40 C.F.R. Part 63, subpart UUUUU.

"Paragraph" shall mean a portion of this Decree identified by an Arabic numeral.

"Parties" shall mean the United States and Defendants.

"Piti Power Plant" shall mean, collectively, Piti Units 8 and 9, both of which are slow-speed diesel electricity generating units with each unit having 44 MW of capacity, and are located in the Municipality of Piti on Guam.

"Residual Fuel Oil" or "RFO" shall mean a general classification for heavier oils that remain after distillate fuel oils and lighter hydrocarbons are distilled away in refinery operations. Residual Fuel Oil is used for the production of electric power, space heating, vessel bunkering, and various industrial processes.

"Retire" or "Retired" shall mean to permanently shut down a Unit such that the Unit cannot physically operate by removing the fuel injectors from any Unit subject to the RICE NESHAP or removing the burner oil guns from any Unit subject to the MATS, and to comply with applicable Guam and federal requirements for permanently ceasing operation of the Unit, including removing the Unit from Guam's air emissions inventory, and amending all applicable permits so as to reflect the permanent shutdown status of such Unit.

"RICE NESHAP" shall mean the NESHAP for Stationary Reciprocating Internal Combustion Engines, set forth at 40 C.F.R. Part 63, subpart ZZZZ.

"Section" shall mean a portion of this Decree identified by a Roman numeral.

"Ultra-Low Sulfur Diesel" or "ULSD" shall mean diesel with no greater than 15 parts per million of sulfur as determined using ASTM D2622.

"Unit" shall mean one of the electric generating units that are part of the Facilities.

"United States" shall mean the United States of America, acting on behalf of EPA.

V. CIVIL PENALTY

10. Within 30 Days after the Effective Date of this Consent Decree, GPA shall pay the sum of $400,000 as a civil penalty, together with interest accruing from the date on which the Consent Decree is lodged with the Court, at the rate specified in 28 U.S.C. § 1961 as of the date of lodging.

11. GPA shall pay the civil penalty due by FedWire Electronic Funds Transfer ("EFT") to the U.S. Department of Justice account, in accordance with instructions provided to GPA by the Financial Litigation Unit ("FLU") of the United States Attorney's Office for the

District of Guam after the Effective Date of this Consent Decree. The payment instructions provided by the FLU will include a Consolidated Debt Collection System ("CDCS") number, which GPA shall use to identify all payments required to be made in accordance with this Consent Decree. The FLU will provide the payment instructions to:

John J. Kim
Chief Financial Officer
Guam Power Authority
P.O. Box 2977
Hagatna, GU 96932
671-648-3120
jjekim@gpagwa.com

on behalf of GPA. GPA may change the individual to receive payment instructions on its behalf by providing written notice of such change to the United States and EPA in accordance with Section XVI (Notices).

At the time of payment, GPA shall send notice that payment has been made: (i) to EPA via email at cinwd_acctsreceivable@epa.gov or via regular mail at EPA Cincinnati Finance Office, 26 W. Martin Luther King Drive, Cincinnati, Ohio 45268; (ii) to the United States via email or regular mail in accordance with Section XVI (Notices); and (iii) to EPA in accordance with Section XVI (Notices). Such notice shall state that the payment is for the civil penalty owed pursuant to the Consent Decree in United States v. Guam Power Authority, et al., and shall reference the civil action number, CDCS Number, and DOJ case number 90-5-2-1-11000.

VI. COMPLIANCE REQUIREMENTS

A. Fuel Delivery System

12. Within 60 Days after the Effective Date of this Consent Decree, GPA shall submit a schedule for completion of the Fuel Delivery System inspections described in Paragraph 13.

13. Within 180 Days after the Effective Date of this Consent Decree, GPA shall inspect the entire Fuel Delivery System. These inspections shall include, but not necessarily be limited to, all piping, pumps, tanks, valves, and control equipment in the Fuel Delivery System, and shall be conducted to determine: (a) the overall condition of the existing Fuel Delivery

System; and (b) the nature and extent of any modification, repairs, rehabilitation or replacements necessary for the Fuel Delivery System to deliver ULSD to the Facilities. The inspection of piping shall be consistent with American Petroleum Institute Standard API 570, "Piping Inspection Code: In-service Inspection, Rating, Repair, and Alteration of Piping Systems." The inspection of tanks shall be consistent with Steel Tank Institute "SP001 Standard for the Inspection of Aboveground Storage Tanks, 6th Edition." The inspection of the entire Fuel Delivery System shall be done under the supervision of a licensed professional engineer.

14. Within 60 Days after completion of the inspections described in Paragraph 13, GPA shall submit an Inspection Report to EPA summarizing the findings, conclusions, and recommendations related to the Fuel Delivery System inspections. The Inspection Report shall be prepared and certified by a licensed professional engineer.

15. Within 60 Days after submission of the Inspection Report described in Paragraph 14, GPA shall submit a proposed Construction Report to EPA for review and approval.

16. The Construction Report shall include a determination of specific modifications, or repairs, rehabilitation or replacements that are needed for the existing Fuel Delivery System, based on the findings, conclusions, and recommendation of the Inspection Report. Such specific modifications, repairs, or replacements shall include, at a minimum, the construction of new pipelines to convey ULSD from the Navy tie-in at Apra Harbor, through one of the two main tanks (designated as #1934 and #1935) at the Peterra Tank Farm, to Piti Units 8 and 9, and refurbishment of the tank used to store and convey ULSD to Piti Units 8 and 9. GPA shall also include in the Construction Report: (1) a plan to complete all modifications, repairs, rehabilitation, replacements, or new construction that are needed for the existing Fuel Delivery System to deliver ULSD to Piti 8 and 9; and (2) a proposed schedule for installing the new ULSD pipelines that meets the deadlines set forth in Paragraphs 17 and 18 below.

17. Within 60 Days of EPA's Approval of the Construction Report, GPA shall enter into a binding contract for construction of the new ULSD pipelines described in Paragraph 16.

18. By May 1, 2021, construction of the new ULSD pipelines described in Paragraph 16 shall be completed.

19. By January 1, 2021, GPA shall enter a binding contract for the purchase and delivery of ULSD to Guam.

B. Piti Units 8 and 9

20. By March 1, 2020, for Piti Units 8 and 9, GPA shall submit complete applications for all permits and approvals necessary to: (1) accomplish the fuel switch to ULSD; and (2) install oxidation catalysts.

21. By July 1, 2020, GPA shall enter into a binding contract for performance of all work necessary to accomplish the fuel switch to ULSD and to install oxidation catalysts at Piti Units 8 and 9.

22. By December 31, 2021, and continuing thereafter, GPA shall: (1) complete the installation of oxidation catalysts at Piti Units 8 and 9; (2) use only ULSD as a fuel to power Piti Units 8 and 9; and (3) otherwise comply with all requirements of the RICE NESHAP at those Units.

23. Beginning December 31, 2021, and continuing thereafter, GPA shall test the sulfur content of all fuels used at Piti Units 8 and 9. GPA shall arrange for such tests by sampling and analyzing each shipment of fuel to be used at these Units, both before it leaves its location of origin (e.g., Singapore) and after it arrives at the Apra Harbor unloading dock on Guam. GPA shall use the test methods contained in ASTM D2880 in ascertaining the sulfur content of these fuels, and shall maintain records of the fuel sulfur content as part of the recordkeeping obligations established in Paragraphs 24 and 25.

24. By December 31, 2021, and continuing thereafter, as long as MEC operates Piti Units 8 and 9 and the requirements of Paragraph 22 have not yet been met, MEC shall create and maintain for at least five years, in a form suitable for inspections, a daily record showing the amount(s) (e.g., gallons) and type(s) of fuel (e.g., ULSD or RFO) used to power Piti Units 8 and 9.

25. By December 31, 2021, and continuing thereafter, if at any time GPA operates,

directly or through a third party, Piti Units 8 and 9, and the requirements of Paragraph 22 have not yet been met, GPA shall create and maintain for at least five years, in a form suitable for inspections, a daily record showing the amount(s) (e.g., gallons) and type(s) of fuel (e.g., ULSD or RFO) used to power Piti Units 8 and 9.

C. New Power Plant

26. Within 30 Days of the Effective Date, GPA shall enter into a contract to construct and operate 180 MW of new generation utilizing ULSD, at least initially, but capable of burning natural gas. The contract shall provide that startup and shakedown of the new power plant must commence no later than October 1, 2022.

27. On-site construction activities for the new power plant described in Paragraph 26 shall meet the following interim milestones: (1) all concrete foundations and pads shall be poured and completed by July 31, 2021; (2) a complete engineering report for the entire project shall be completed by January 31, 2021; and (3) installation of the new generating units shall commence by April 1, 2022.

28. By October 31, 2022, GPA shall operate 180 MW of new generation utilizing only ULSD, at least initially, but capable of burning natural gas.

D. Cabras Units 1 and 2

29. At the time one of the two main tanks at the Peterra Tank Farm is removed from service so that it can be refurbished to handle ULSD, GPA shall submit a notification to EPA setting forth the identification of the tank removed from service (#1934 or #1935) and the date it was emptied and removed from service ("Tank Refurbishment Date"). Beginning no later than the Tank Refurbishment Date and continuing thereafter, GPA shall use only Low Sulfur Residual Fuel Oil as a fuel to power Cabras Units 1 and 2.

30. Beginning on the Tank Refurbishment Date and continuing thereafter until GPA, or a third party on behalf of GPA, no longer operates Cabras Units 1 and 2, GPA shall test the sulfur content of all fuels used at Cabras Units 1 and 2. GPA shall arrange for such tests by sampling and analyzing each shipment of fuel to be used at these Units, both before it leaves its location of origin (e.g., Singapore) and after it arrives at the Apra Harbor unloading

dock on Guam. GPA shall use the test methods contained in ASTM D2880 in ascertaining the sulfur content of these fuels, and shall maintain records of the fuel sulfur content as part of the recordkeeping obligations established in Paragraph 31.

31. Beginning on the Tank Refurbishment Date and continuing thereafter until GPA, or a third party on behalf of GPA, no longer operates Cabras Units 1 and 2, GPA shall create and maintain for at least five years, in a form suitable for inspections, a daily record showing the amount(s) (e.g., gallons) and type(s) of fuel (e.g., Low Sulfur Residual Fuel Oil or RFO) used to power Cabras Units 1 and 2.

32. By October 31, 2022, GPA shall permanently Retire Cabras Units 1 and 2.

E. Cabras Units 3 and 4

33. Within 30 Days after the Effective Date of this Consent Decree, GPA shall permanently Retire Cabras Units 3 and 4.

F. Tanguisson Units 1 and 2

34. Within 30 Days after the Effective Date of this Consent Decree, GPA shall permanently Retire Tanguisson Units 1 and 2.

G. Review and Approval of Deliverables

35. After review of Deliverables required to be submitted by GPA pursuant to this Section VI (Compliance Requirements), EPA shall in writing: (a) approve the submission; (b) approve the submission upon specified conditions; (c) approve part of the submission and disapprove the remainder; or (d) disapprove the submission.

36. If the submission is approved pursuant to Paragraph 35, GPA shall take all actions required by the plan, report, or other document, in accordance with the schedules and requirements of the plan, report, or other document, as approved. If the submission is conditionally approved or approved only in part pursuant to Paragraph 35(b) or (c), GPA shall, upon written direction from EPA, take all actions required by the approved plan, report, or other item that EPA determines are technically severable from any disapproved portions, subject to GPA's right to dispute only the specified conditions or the disapproved portions, under Section XII (Dispute Resolution).

37. If the submission is disapproved in whole or in part pursuant to Paragraph 35(c) or (d), GPA shall, within 60 Days or such other time as the Parties agree to in writing, correct all deficiencies and resubmit the plan, report, or other item, or disapproved portion thereof, for approval, in accordance with the preceding Paragraphs. If the resubmission is approved in whole or in part, GPA shall proceed in accordance with the preceding Paragraph.

38. Any stipulated penalties applicable to the original submission, as provided in Section X (Stipulated Penalties), shall accrue during the 60-Day period or other specified period, but shall not be payable unless the resubmission is untimely or is disapproved in whole or in part; provided that, if the original submission was so deficient as to constitute a material breach of GPA's obligations under this Decree, the stipulated penalties applicable to the original submission shall be due and payable notwithstanding any subsequent resubmission.

39. If a resubmitted plan, report, or other item, or portion thereof, is disapproved in whole or in part, EPA may again require GPA to correct any deficiencies, in accordance with the preceding Paragraphs, or may itself correct any deficiencies subject to GPA's right to invoke the dispute resolution procedures set forth in Section XII (Dispute Resolution) and the right of EPA to seek stipulated penalties as provided in the preceding Paragraphs.

H. Permits

40. Where any compliance obligation under this Section VI (Compliance Requirements) requires a Defendant to obtain a federal, state, or local permit or approval, the Defendant shall submit timely and complete applications and take all other actions necessary to obtain all such permits or approvals. The Defendant may seek relief under the provisions of Section XI (Force Majeure) for any delay in the performance of any such obligation resulting from a failure to obtain, or a delay in obtaining, any permit or approval required to fulfill such obligation, if the Defendant has submitted timely and complete applications and has taken all other actions necessary to obtain all such permits or approvals.

I. Applicable Implementation Plan

41. Within 60 Days of the Effective Date, GPA shall submit a request to the Guam Environmental Protection Agency to revise the applicable implementation plan for Guam.

GPA shall request that the following requirements of this Consent Decree be made part of the applicable implementation plan for Guam: (1) the use of Low Sulfur Residual Fuel Oil at Cabras Units 1 and 2 by the Tank Refurbishment Date; (2) that Cabras Units 1 and 2 be permanently Retired by October 31, 2022; and (3) the use of either ULSD or natural gas and the installation of oxidation catalysts at Piti Units 8 and 9 by December 31, 2021.

VII. ADDITIONAL INJUNCTIVE RELIEF

42. Within 30 Days of the Effective Date, GPA shall award a contract for at least 100 MW of solar power, with construction to be completed by December 31, 2021. This 100 MW of power is in addition to 25 MW of solar power that GPA has already installed at the Dandan facility.

43. Within 30 Days of the Effective Date, GPA shall complete installation and operation of a 40 MW energy storage system. The energy storage system shall consist of: (1) a renewable integration system at the Talofofo Substation with an instantaneous delivery capacity of 16 MW and a storage capacity of 16 MW hours; and (2) a frequency regulating system at the Agana Substation with an instantaneous delivery capacity of 24 MW and a storage capacity of 6 MW hours.

VIII. PROHIBITION ON NETTING CREDITS OR OFFSETS

44. Emission reductions that result from actions to be taken by Defendants after the Effective Date of this Consent Decree to comply with the requirements of this Consent Decree shall not be considered as a creditable contemporaneous emission decrease for the purpose of obtaining a netting credit or offset under the Clean Air Act's Nonattainment New Source Review and Prevention of Significant Deterioration ("PSD") programs.

45. Nothing in this Consent Decree is intended to preclude the emission reductions generated under this Consent Decree from being considered by the Guam Environmental Protection Agency or EPA as creditable contemporaneous emission decreases for the purpose of attainment demonstrations submitted pursuant to Section 110 of the Act, 42 U.S.C. § 7410, or in determining impacts on National Ambient Air Quality Standards, PSD increment, or air quality related values, including visibility, in a Class I area.

IX. REPORTING REQUIREMENTS

46. GPA shall submit the following reports:

a. By July 31st and January 31st of each year after the lodging of this Consent Decree, until termination of this Decree pursuant to Section XX (Termination), GPA shall submit to EPA by email a complete and accurate semi-annual report for the preceding six months that shall include (i) the status of any construction or compliance measures; (ii) any milestones completed; (iii) any problems encountered or anticipated, together with implemented or proposed solutions; (iv) a list of all necessary permits and the status of the application for each permit; and, (v) beginning on December 31, 2021, a summary of daily records of fuel usage for Piti Units 8 and 9; and (vi) beginning on the Tank Refurbishment Date established pursuant to Paragraph 29, a summary of daily records of fuel usage for Cabras Units 1 and 2.

b. The report shall also include a description of any non-compliance with the requirements of this Consent Decree, an explanation of the violation's likely cause, and of the remedial steps taken, or to be taken, to prevent or minimize such violation. If GPA violates, or has reason to believe that it may violate, any requirement of this Consent Decree, GPA shall notify the United States of such violation and its likely duration, in writing, within fifteen business days of the Day GPA first becomes aware of the violation, with an explanation of the violation's likely cause and of the remedial steps taken, or to be taken, to prevent or minimize such violation. If the cause of a violation cannot be fully explained at the time the report is due, GPA shall so state in the report. GPA shall investigate the cause of the violation and shall then submit an amendment to the report, including a full explanation of the cause of the violation, within 30 Days of the Day GPA becomes aware of the cause of the violation. Nothing in this Paragraph or the following Paragraph relieves GPA of its obligation to provide the notice required by Section XI (Force Majeure).

47. Whenever any violation of this Consent Decree or any other event affecting a Defendant's or the Defendants' performance under this Decree, or the performance of their Facilities, may pose an immediate threat to the public health or welfare or the environment,

Defendant(s) shall notify EPA orally or by electronic or facsimile transmission as soon as possible, but no later than 24 hours after Defendant(s) first knew of the violation or event. This procedure is in addition to the requirements set forth in the preceding Paragraph.

48. All reports shall be submitted to the persons designated in Section XVI (Notices).

49. Each report submitted by GPA under this Section shall be signed by an official of GPA and include the following certification:

> I certify under penalty of law that this document and all attachments were prepared under my direction or supervision in accordance with a system designed to assure that qualified personnel properly gather and evaluate the information submitted. Based on my inquiry of the person or persons who manage the system, or those persons directly responsible for gathering the information, the information submitted is, to the best of my knowledge and belief, true, accurate, and complete. I have no personal knowledge that the information submitted is other than true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment for knowing violations.

50. This certification requirement does not apply to emergency or similar notifications where compliance would be impractical.

51. The reporting requirements of this Consent Decree do not relieve Defendants of any reporting obligations required by the Act or implementing regulations, or by any other federal, state, or local law, regulation, permit, or other requirement.

52. Any information provided pursuant to this Consent Decree may be used by the United States in any proceeding to enforce the provisions of this Consent Decree and as otherwise permitted by law.

X. STIPULATED PENALTIES

53. GPA shall be liable for stipulated penalties to the United States for violations of this Consent Decree as specified below, unless excused under Section XI (Force Majeure). A violation includes failing to perform any obligation required by the terms of this Decree,

including any work plan or schedule approved under this Decree, according to all applicable requirements of this Decree and within the specified time schedules established by or approved under this Decree.

54. Late Payment of Civil Penalty. If GPA fails to pay the civil penalty required to be paid under Section V (Civil Penalty) when due, GPA shall pay a stipulated penalty of $1,500 per Day for each Day that the payment is late.

55. Compliance Milestones. The following stipulated penalties shall accrue per violation per Day for each violation of the requirements specified below:

a. Failure to meet interim deadlines or to timely submit Deliverables as set forth in Paragraphs 12 through 17 relating to the Fuel Delivery System, $500 per Day.

b. Failure to meet final construction deadline in Paragraph 18 relating to the Fuel Delivery System, $1,000 per Day.

c. Failure to complete installation of oxidation catalysts at Piti Units 8 and 9 pursuant to Paragraph 22, $1,000 per Day.

d. Failure to convert Piti Units 8 and 9 to ULSD pursuant to Paragraph 22, $1,000 per Day.

e. Failure to use only ULSD at Piti Units 8 and 9 after December 31, 2021, pursuant to Paragraph 22, $1,000 per Day for the first 30 Days of noncompliance, $3,000 per Day for the 31st through 60th Day of noncompliance, and $5,000 per Day thereafter for either Unit or both Units.

f. Failure to meet interim deadlines or to timely submit Deliverables as set forth in Paragraphs 26 and 27 relating to the new power plant, $500 per Day.

g. Failure to commence operation of 180 MW of new generating power at the new power plant by October 31, 2022, pursuant to Paragraph 28, $1,000 per Day for the first 30 Days of noncompliance, $1,500 per Day for the 31st through 60th Day of noncompliance, and $2,000 per Day thereafter.

h. Failure to use only Low Sulfur Residual Fuel Oil at Cabras Units 1 and 2 after the Tank Refurbishment Date pursuant to Paragraph 29, $1,000 per Day for the first 30

Days of noncompliance, $2,000 per Day for the 31st through 60th Day of noncompliance, and $5,000 per Day thereafter for either Unit or both Units.

i. Failure to Retire Cabras Units 1 and 2 by October 31, 2022, pursuant to Paragraph 32, $1,000 per Day for the first 30 Days of noncompliance, $3,000 per Day for the 31st through 60th Day of noncompliance, and $5,000 per Day thereafter for either Unit or both Units.

j. Failure to Retire Cabras Units 3 and 4 pursuant to Paragraph 33, $1,000 per Day for either Unit or both Units.

k. Failure to Retire Tanguisson Units 1 and 2 pursuant to Paragraph 34, $1,000 per Day for either Unit or both Units.

l. Failure to submit a complete application for permits required pursuant to Paragraph 40, $250 per Day for the first 30 Days of noncompliance, $500 per Day for the 31st through 60th Day of noncompliance, and $1,000 per Day thereafter for each application.

m. Failure to create or keep complete and accurate records as required by Section VI (Compliance Requirements), $250 per Day for the first 30 Days of noncompliance, $500 per Day for the 31st through 60th Day of noncompliance, and $1,000 per Day thereafter.

n. Failure to submit a semi-annual report under Section IX (Reporting Requirements), $250 per Day for the first 30 Days of noncompliance, $500 per Day for the 31st through 60th Day of noncompliance, and $1,000 per Day thereafter.

o. Failure to implement the solar power project required pursuant to Section VII (Additional Injunctive Relief), $500 per Day for the failure to implement for the first 30 Days, and $1,500 per Day thereafter.

p. Failure to implement the energy storage project required pursuant to Section VII (Additional Injunctive Relief), $500 per Day for the failure to implement for the first 30 Days, and $1,500 per Day thereafter.

56. Stipulated penalties under this Section shall begin to accrue on the Day after performance is due or on the Day a violation occurs, whichever is applicable, and shall continue to accrue until performance is satisfactorily completed or until the violation ceases.

Stipulated penalties shall accrue simultaneously for separate violations of this Consent Decree.

57. GPA shall pay any stipulated penalty within 30 Days of receiving the United States' written demand.

58. The United States may, in the unreviewable exercise of its discretion, reduce or waive stipulated penalties otherwise due it under this Consent Decree.

59. Stipulated penalties shall continue to accrue as provided in Paragraph 56, during any Dispute Resolution, but need not be paid until the following:

a. If the dispute is resolved by agreement or by a decision of EPA that is not appealed to the Court, GPA shall pay accrued penalties determined to be owing, together with interest, to the United States within 30 Days of the effective date of the agreement or the receipt of EPA's decision or order.

b. If the dispute is appealed to the Court and the United States prevails in whole or in part, GPA shall pay all accrued penalties determined by the Court to be owing, together with interest, within 60 Days of receiving the Court's decision or order, except as provided in subparagraph c, below.

c. If any Party appeals the District Court's decision, GPA shall pay all accrued penalties determined to be owing, together with interest, within 15 Days of receiving the final appellate court decision.

60. GPA shall pay stipulated penalties owing to the United States in the manner set forth and with the confirmation notices required by Paragraph 11, except that the transmittal letter shall state that the payment is for stipulated penalties and shall state for which violation(s) the penalties are being paid.

61. If GPA fails to pay stipulated penalties according to the terms of this Consent Decree, GPA shall be liable for interest on such penalties, as provided for in 28 U.S.C. § 1961, accruing as of the date payment became due. Nothing in this Paragraph shall be construed to limit the United States from seeking any remedy otherwise provided by law for GPA's failure to pay any stipulated penalties.

62. The payment of penalties and interest, if any, shall not alter in any way

Defendants' obligation to complete the performance of the requirements of this Consent Decree.

63. Non-Exclusivity of Remedy. Stipulated penalties are not the United States' exclusive remedy for violations of this Consent Decree. Subject to the provisions of Section XIV (Effect of Settlement/Reservation of Rights), the United States expressly reserves the right to seek any other relief it deems appropriate for GPA's violation of this Decree or applicable law, including, but not limited to, an action against GPA for statutory penalties, additional injunctive relief, mitigation or offset measures, and/or contempt. However, the amount of any statutory penalty assessed for a violation of this Consent Decree shall be reduced by an amount equal to the amount of any stipulated penalty assessed and paid pursuant to this Consent Decree.

XI. FORCE MAJEURE

64. "Force majeure," for purposes of this Consent Decree, is defined as any event arising from causes beyond the control of Defendant(s), of any entity controlled by a Defendant, or of Defendant's contractors, that delays or prevents the performance of any obligation under this Consent Decree despite best efforts of Defendant(s) to fulfill the obligation. The requirement that the Defendants exercise "best efforts to fulfill the obligation" includes using best efforts to anticipate any potential force majeure event and best efforts to address the effects of any potential force majeure event (a) as it is occurring and (b) following the potential force majeure, such that the delay and any adverse effects of the delay are minimized. "Force Majeure" does not include Defendants' financial inability to perform any obligation under this Consent Decree.

65. If any event occurs or has occurred that may delay the performance of any obligation under this Consent Decree, whether or not caused by a force majeure event, the Defendant(s) shall provide an initial notice orally or by electronic or facsimile transmission to the United States and EPA as soon as practicable, but in any event within 72 hours of when that Defendant first knew that the event might cause a delay. Within fourteen Days thereafter, the Defendant(s) shall provide in writing to the United States and EPA an explanation and

description of the reasons for the delay; the anticipated duration of the delay; all actions taken or to be taken to prevent or minimize the delay; a schedule for implementation of any measures to be taken to prevent or mitigate the delay or the effect of the delay; Defendant's/Defendants' rationale for attributing such delay to a force majeure event if it intends to assert such a claim; and a statement as to whether, in the opinion of the Defendant(s), such event may cause or contribute to an endangerment to public health, welfare or the environment. The Defendant(s) shall include with any notice all available documentation supporting the claim that the delay was attributable to a force majeure. Failure to comply with the above requirements shall preclude the Defendant(s) from asserting any claim of force majeure for that event for the period of time of such failure to comply, and for any additional delay caused by such failure. A Defendant shall be deemed to know of any circumstance of which the Defendant, any entity controlled by Defendant, or Defendant's contractors knew or should have known.

66. If EPA agrees that the delay or anticipated delay is attributable to a force majeure event, the time for performance of the obligations under this Consent Decree that are affected by the force majeure event will be extended by EPA for such time as is necessary to complete those obligations. An extension of the time for performance of the obligations affected by the force majeure event shall not, of itself, extend the time for performance of any other obligation. EPA will notify the Defendant(s) in writing of the length of the extension, if any, for performance of the obligations affected by the force majeure event.

67. If EPA does not agree that the delay or anticipated delay has been or will be caused by a force majeure event, EPA will notify the Defendant(s) in writing of its decision.

68. If a Defendant elects to invoke the dispute resolution procedures set forth in Section XII (Dispute Resolution), it shall do so no later than 15 Days after receipt of EPA's notice. In any such proceeding, the Defendant shall have the burden of demonstrating by clear and convincing evidence that the delay or anticipated delay has been or will be caused by a force majeure event, that the duration of the delay or the extension sought was or will be warranted under the circumstances, that best efforts were exercised to avoid and mitigate the effects of the delay, and that the Defendant complied with the requirements of Paragraphs 64

and 65. If the Defendant carries this burden, the delay at issue shall be deemed not to be a violation by the Defendant of the affected obligation of this Consent Decree identified to EPA and the Court.

XII. DISPUTE RESOLUTION

69. Unless otherwise expressly provided for in this Consent Decree, the dispute resolution procedures of this Section shall be the exclusive mechanism to resolve disputes arising under or with respect to this Consent Decree. A Defendant's failure to seek resolution of a dispute under this Section shall preclude the Defendant from raising any such issue as a defense to an action by the United States to enforce any obligation of the Defendant arising under this Decree.

70. Informal Dispute Resolution. Any dispute subject to Dispute Resolution under this Consent Decree shall first be the subject of informal negotiations. The dispute shall be considered to have arisen when a Defendant sends the United States a written Notice of Dispute. Such Notice of Dispute shall state clearly the matter in dispute. The period of informal negotiations shall not exceed 30 Days from the date the dispute arises, unless that period is modified by written agreement by the relevant Parties. If the relevant Parties cannot resolve a dispute by informal negotiations, then the position advanced by the United States shall be considered binding unless, within 30 Days after the conclusion of the informal negotiation period, the notifying Defendant invokes formal dispute resolution procedures as set forth below.

71. Formal Dispute Resolution. The notifying Defendant shall invoke formal dispute resolution procedures, within the time period provided in the preceding Paragraph, by serving on the United States a written Statement of Position regarding the matter in dispute. The Statement of Position shall include, but need not be limited to, any factual data, analysis, or opinion supporting the Defendant's position and any supporting documentation relied upon by the Defendant.

72. The United States shall serve its Statement of Position within 45 Days of receipt of the notifying Defendant's Statement of Position. The United States' Statement of Position

shall include, but need not be limited to, any factual data, analysis, or opinion supporting that position and any supporting documentation relied upon by the United States. The United States' Statement of Position shall be binding on the Defendant, unless the Defendant files a motion for judicial review of the dispute in accordance with the following Paragraph.

73. The notifying Defendant may seek judicial review of the dispute by filing with the Court and serving on the United States, in accordance with Section XVI (Notices), a motion requesting judicial resolution of the dispute. The motion must be filed within ten Days of receipt of the United States' Statement of Position pursuant to the preceding Paragraph. The motion shall contain a written statement of the notifying Defendant's position on the matter in dispute, including any supporting factual data, analysis, opinion, or documentation, and shall set forth the relief requested and any schedule within which the dispute must be resolved for orderly implementation of the Consent Decree.

74. The United States shall respond to the notifying Defendant's motion within the time period allowed by the Local Rules of this Court. Defendant may file a reply memorandum, to the extent permitted by the Local Rules.

75. Standard of Review.

a. Disputes Concerning Matters Accorded Record Review. Except as otherwise provided in this Consent Decree, in any dispute brought under Paragraph 71 pertaining to the adequacy or appropriateness of plans, procedures to implement plans, schedules or any other items requiring approval by EPA under this Consent Decree; the adequacy of the performance of work undertaken pursuant to this Consent Decree; and all other disputes that are accorded review on the administrative record under applicable principles of administrative law, the notifying Defendant shall have the burden of demonstrating, based on the administrative record, that the position of the United States is arbitrary and capricious or otherwise not in accordance with law.

b. Other Disputes. Except as otherwise provided in this Consent Decree, in any other dispute brought under Paragraph 71, the notifying Defendant shall bear the burden of demonstrating that its position complies with this Consent Decree and better furthers the

Objectives of the Consent Decree.

76. The invocation of dispute resolution procedures under this Section shall not, by itself, extend, postpone, or affect in any way any obligation of the Defendant(s) under this Consent Decree, unless and until final resolution of the dispute so provides. Stipulated penalties with respect to the disputed matter shall continue to accrue from the first Day of noncompliance, but payment shall be stayed pending resolution of the dispute as provided in Paragraph 59. If the Defendant does not prevail on the disputed issue, stipulated penalties shall be assessed and paid as provided in Section X (Stipulated Penalties).

XIII. INFORMATION COLLECTION AND RETENTION

77. The United States and its representatives, including attorneys, contractors, and consultants, shall have the right of entry into any facility covered by this Consent Decree, at all reasonable times, upon presentation of credentials, to:

a. monitor the progress of activities required under this Consent Decree;

b. verify any data or information submitted to the United States in accordance with the terms of this Consent Decree;

c. obtain samples and, upon request, splits of any samples taken by a Defendant or its representatives, contractors, or consultants;

d. obtain documentary evidence, including photographs and similar data; and

e. assess a Defendant's compliance with this Consent Decree.

78. Upon request, the Defendants shall provide EPA or its authorized representatives splits of any samples taken by the Defendants. Upon request, EPA shall provide the Defendants splits of any samples taken by EPA.

79. Until five years after the termination of this Consent Decree, each Defendant shall retain, and shall instruct its contractors and agents to preserve, all non-identical copies of all documents, records, or other information (including documents, records, or other information in electronic form) in its or its contractors' or agents' possession or control, or that come into its or its contractors' or agents' possession or control, and that relate in any manner

to the Defendant's performance of its obligations under this Consent Decree. This information-retention requirement shall apply regardless of any contrary corporate or institutional policies or procedures. At any time during this information-retention period, upon request by the United States, a Defendant shall provide copies of any documents, records, or other information required to be maintained under this Paragraph.

80. At the conclusion of the information-retention period provided in the preceding Paragraph, each Defendant shall notify the United States at least 90 Days prior to the destruction of any documents, records, or other information subject to the requirements of the preceding Paragraph and, upon request by the United States, the Defendant shall deliver any such documents, records, or other information to EPA. The Defendant may assert that certain documents, records, or other information are privileged under the attorney-client privilege or any other privilege recognized by federal law. If a Defendant asserts such a privilege, it shall provide the following: (a) the title of the document, record, or information; (b) the date of the document, record, or information; (c) the name and title of each author of the document, record, or information; (d) the name and title of each addressee and recipient; (e) a description of the subject of the document, record, or information; and (f) the privilege asserted by the Defendant. However, no documents, records, or other information created or generated pursuant to the requirements of this Consent Decree shall be withheld on grounds of privilege.

81. A Defendant may also assert that information required to be provided under this Section is protected as Confidential Business Information ("CBI") under 40 C.F.R. Part 2. As to any information that a Defendant seeks to protect as CBI, the Defendant shall follow the procedures set forth in 40 C.F.R. Part 2.

82. This Consent Decree in no way limits or affects any right of entry and inspection, or any right to obtain information, held by the United States pursuant to applicable federal laws, regulations, or permits, nor does it limit or affect any duty or obligation of a Defendant to maintain documents, records, or other information imposed by applicable federal or Guam laws, regulations, or permits.

XIV. EFFECT OF SETTLEMENT/RESERVATION OF RIGHTS

83. This Consent Decree resolves the civil claims of the United States for the violations alleged in the Complaint filed in this action through the date of lodging.

84. The United States reserves all legal and equitable remedies available to enforce the provisions of this Consent Decree. This Consent Decree shall not be construed to limit the rights of the United States to obtain penalties or injunctive relief under the Act or implementing regulations, or under other federal laws, regulations, or permit conditions, except as expressly specified in Paragraph 83. The United States further reserves all legal and equitable remedies to address any imminent and substantial endangerment to the public health or welfare or the environment arising at, or posed by, the Defendants' Facilities, whether related to the violations addressed in this Consent Decree or otherwise.

85. In any subsequent administrative or judicial proceeding initiated by the United States for injunctive relief, civil penalties, other appropriate relief relating to the Facilities or a Defendant's violations, the Defendant shall not assert, and may not maintain, any defense or claim based upon the principles of waiver, res judicata, collateral estoppel, issue preclusion, claim preclusion, claim-splitting, or other defenses based upon any contention that the claims raised by the United States in the subsequent proceeding were or should have been brought in the instant case, except with respect to claims that have been specifically resolved pursuant to Paragraph 83.

86. This Consent Decree is not a permit, or a modification of any permit, under any federal, State, or local laws or regulations. The Defendants are responsible for achieving and maintaining complete compliance with all applicable federal, State, and local laws, regulations, and permits; and the Defendants' compliance with this Consent Decree shall be no defense to any action commenced pursuant to any such laws, regulations, or permits, except as set forth herein. The United States does not, by its consent to the entry of this Consent Decree, warrant or aver in any manner that the Defendants' compliance with any aspect of this Consent Decree will result in compliance with provisions of the Act, 42 U.S.C. § 7401, *et seq*., or with any other provisions of federal, State, or local laws, regulations, or permits.

87. This Consent Decree does not limit or affect the rights of the Defendants or of

the United States against any third parties, not party to this Consent Decree, nor does it limit the rights of third parties, not party to this Consent Decree, against the Defendants, except as otherwise provided by law.

88. This Consent Decree shall not be construed to create rights in, or grant any cause of action to, any third party not party to this Consent Decree.

XV. COSTS

89. The Parties shall bear their own costs of this action, including attorneys' fees, except that the United States shall be entitled to collect the costs (including attorneys' fees) incurred in any action necessary to collect any portion of the civil penalty or any stipulated penalties due but not paid by GPA.

XVI. NOTICES

90. Unless otherwise specified in this Decree, whenever notifications, submissions, or communications are required by this Consent Decree, they shall be made in writing and addressed as follows:

As to the United States by email:	eescdcopy.enrd@usdoj.gov Re: DJ #90-5-2-1-11000
As to the United States by mail:	EES Case Management Unit Environment and Natural Resources Division U.S. Department of Justice P.O. Box 7611 Washington, D.C. 20044-7611 Re: DJ #90-5-2-1-11000
As to EPA:	Section Chief Air & TRI Section Enforcement Division (ENF-2-1) U.S. Environmental Protection Agency, Region IX 75 Hawthorne Street San Francisco, CA 94015
As to GPA:	John M. Benavente, P.E. General Manager Guam Power Authority P.O. Box 2977 Hagatna, GU 96932

and

Graham Botha
General Counsel
Guam Power Authority
P.O. Box 2977
Hagatna, GU 96932

As to MEC:

Rino T. Manzano
Marianas Energy Company, L.L.C.
180 Cabras Highway
Piti, GU 96915

91. Any Party may, by written notice to the other Parties, change its designated notice recipient or notice address provided above.

92. Notices submitted pursuant to this Section shall be deemed submitted upon mailing, unless otherwise provided in this Consent Decree or by mutual agreement of the Parties in writing.

XVII. EFFECTIVE DATE

93. The Effective Date of this Consent Decree shall be the date upon which this Consent Decree is entered by the Court or a motion to enter the Consent Decree is granted, whichever occurs first, as recorded on the Court's docket.

XVIII. RETENTION OF JURISDICTION

94. The Court shall retain jurisdiction over this case until termination of this Consent Decree, for the purpose of resolving disputes arising under this Decree or entering orders modifying this Decree, pursuant to Sections XII (Dispute Resolution) and XIX (Modification), or effectuating or enforcing compliance with the terms of this Decree.

XIX. MODIFICATION

95. The terms of this Consent Decree may be modified only by a subsequent written agreement signed by all the Parties. Where the modification constitutes a material change to this Decree, it shall be effective only upon approval by the Court.

96. Any disputes concerning modification of this Decree shall be resolved pursuant to Section XII (Dispute Resolution), provided, however, that, instead of the burden of proof

provided by Paragraph 75, the Party seeking the modification bears the burden of demonstrating that it is entitled to the requested modification in accordance with Federal Rule of Civil Procedure 60(b).

XX. TERMINATION

97. This Consent Decree shall terminate with respect to MEC when either one of the following conditions have been met:

a. ownership and operation of Piti Units 8 and 9 revert to GPA; or

b. MEC has exclusively used ULSD or natural gas as the fuel powering Piti Units 8 and 9 for a period of twelve (12) consecutive months.

98. MEC shall initiate termination of this Consent Decree with respect to MEC by submitting a notification to the United States that either of the two conditions for termination pursuant to Paragraph 97 has been satisfied. If the United States agrees with MEC's notification, then MEC and the United States shall file a joint motion or stipulation for termination of this Consent Decree with regard to MEC. If the United States does not agree that the Consent Decree may be terminated, MEC may invoke Dispute Resolution under Section XII of this Consent Decree.

99. This Consent Decree shall terminate with respect to GPA when all of the following conditions have been met:

a. GPA has satisfactorily complied with all of the requirements set forth in Section VI (Compliance Requirements) for a period of not less than twelve (12) consecutive months; and

b. all of the applicable requirements set forth in Paragraph 41 have been included in the applicable implementation plan for Guam; and

c. GPA has completed all of the actions required by Section VII (Additional Injunctive Relief); and

d. GPA has paid the civil penalty as set forth in Section V (Civil Penalty), and any stipulated penalties demanded, as specified in Section X (Stipulated Penalties);

100. GPA shall initiate termination of this Consent Decree by submitting a

notification to the United States that all conditions for termination pursuant to Paragraph 99 have been satisfied. If the United States agrees with GPA's notification, then GPA and the United States shall file a joint motion or stipulation for termination of this Consent Decree with regard to GPA. If the United States does not agree that the Consent Decree may be terminated, GPA may invoke Dispute Resolution under Section XII of this Consent Decree.

101. Following receipt by the United States of a Defendant's Request for Termination, the Parties shall confer informally concerning the Request and any disagreement that the Parties may have as to whether that Defendant has satisfactorily complied with the requirements for termination of this Consent Decree. If the United States agrees that the Decree may be terminated as to that Defendant, the relevant Parties shall submit, for the Court's approval, a joint motion or stipulation terminating the Decree as to that Defendant.

102. If the United States does not agree that the Decree may be terminated, the requesting Defendant may invoke Dispute Resolution under Section XII. However, the requesting Defendant shall not seek Dispute Resolution of any dispute regarding termination until 60 Days after service of its Request for Termination or receipt of an adverse decision from the United States, whichever is earlier.

XXI. PUBLIC PARTICIPATION

103. This Consent Decree shall be lodged with the Court for a period of not less than 30 Days for public notice and comment in accordance with 28 C.F.R. § 50.7. The United States reserves the right to withdraw or withhold its consent if the comments regarding the Consent Decree disclose facts or considerations indicating that the Consent Decree is inappropriate, improper, or inadequate. The Defendants consent to entry of this Consent Decree without further notice and agree not to withdraw from or oppose entry of this Consent Decree by the Court or to challenge any provision of the Decree, unless the United States has notified the Defendants in writing that it no longer supports entry of the Decree.

XXII. SIGNATORIES/SERVICE

104. Each undersigned representative of the Defendants and the Assistant Attorney General for the Environment and Natural Resources Division of the Department of Justice

certifies that he or she is fully authorized to enter into the terms and conditions of this Consent Decree and to execute and legally bind the Party he or she represents to this document.

105. This Consent Decree may be signed in counterparts, and its validity shall not be challenged on that basis. The Defendants agree to accept service of process by mail with respect to all matters arising under or relating to this Consent Decree and to waive the formal service requirements set forth in Rules 4 and 5 of the Federal Rules of Civil Procedure and any applicable Local Rules of this Court including, but not limited to, service of a summons. Defendants need not file an answer to the complaint in this action unless or until the Court expressly declines to enter this Consent Decree.

XXIII. INTEGRATION

106. This Consent Decree constitutes the final, complete, and exclusive agreement and understanding among the Parties with respect to the settlement embodied in the Decree and supersedes all prior agreements and understandings, whether oral or written, concerning the settlement embodied herein. Other than Deliverables that are subsequently submitted and approved pursuant to this Decree, the Parties acknowledge that there are no representations, agreements, or understandings relating to the settlement other than those expressly contained in this Consent Decree.

XXIV. FINAL JUDGMENT

107. Upon approval and entry of this Consent Decree by the Court, this Consent Decree shall constitute a final judgment of the Court as to the United States and the Defendants.

Dated and entered this ____ day of _____, 20__.

_____
UNITED STATES DISTRICT JUDGE

Signature page for United States of America v. Guam Power Authority and Marianas Energy Company, L.L.C. Consent Decree, subject to the public notice and comment provisions of 28 C.F.R. § 50.7:

FOR THE UNITED STATES OF AMERICA:

_____ _____

Date

JEFFREY BOSSERT CLARK
Assistant Attorney General
Environment and Natural Resources Division
U.S. Department of Justice

_____ _____

Date

VALERIE K. MANN
Environmental Enforcement Section
Environment and Natural Resources Division
U.S. Department of Justice

Signature page for United States of America v. Guam Power Authority and Marianas Energy Company, L.L.C. Consent Decree, subject to the public notice and comment provisions of 28 C.F.R. § 50.7:

FOR THE U.S. ENVIRONMENTAL PROTECTION AGENCY:

_____	_____
Date	SYLVIA QUAST Regional Counsel U.S. Environmental Protection Agency, Region IX

OF COUNSEL:
ALLAN ZABEL
Senior Counsel, Air & Toxics Section II
Office of Regional Counsel
U.S. Environmental Protection Agency, Region IX

Signature page for United States of America v. Guam Power Authority and Marianas Energy Company, L.L.C. Consent Decree

FOR GUAM POWER AUTHORITY

_____
Date

_____
JOHN M. BENAVENTE, P.E.
General Manager
Guam Power Authority
P.O. Box 2977
Hagatna, GU 96932

_____
Date

_____
D. GRAHAM BOTHA
General Counsel
Guam Power Authority
P.O. Box 2977
Hagatna, GU 96932

Signature page for United States of America v. Guam Power Authority and Marianas Energy Company, L.L.C. Consent Decree

FOR MARIANAS ENERGY COMPANY, L.L.C.

_____	_____
Date	TAKAHIRO FUJIOKA MEC Management Committee Chairman Marianas Energy Company, L.L.C. 180 Cabras Highway Piti, GU 96915