



# CONSOLIDATED COMMISSION ON UTILITIES

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

## Regular Board Meeting

**CCU Conference Room, Gloria B. Nelson Public Service Building**

**5:30 p.m., November 22, 2016**

## MINUTES

### 1. CALL TO ORDER

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

#### Commissioners:

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

#### Executive Mgmt.:

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

#### Management & Staff:

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

#### Guest:

Angelica Perez	AM Insurance
Annamarie Muna	AM Insurance
Andy Nivens	PUC
Nestor Licanto	KUAM
Bill Chang	B&C
Fred Horecky	PUC

**2. APPROVAL OF MINUTES**

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

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

**3. COMMUNICATIONS**

**3.1 Public - None**

**4. NEW BUSINESS**

**4.1 GPA**

**4.1.1 GM Report Update**

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

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

**IWPS Capacity Recovery Plan (Updated):**

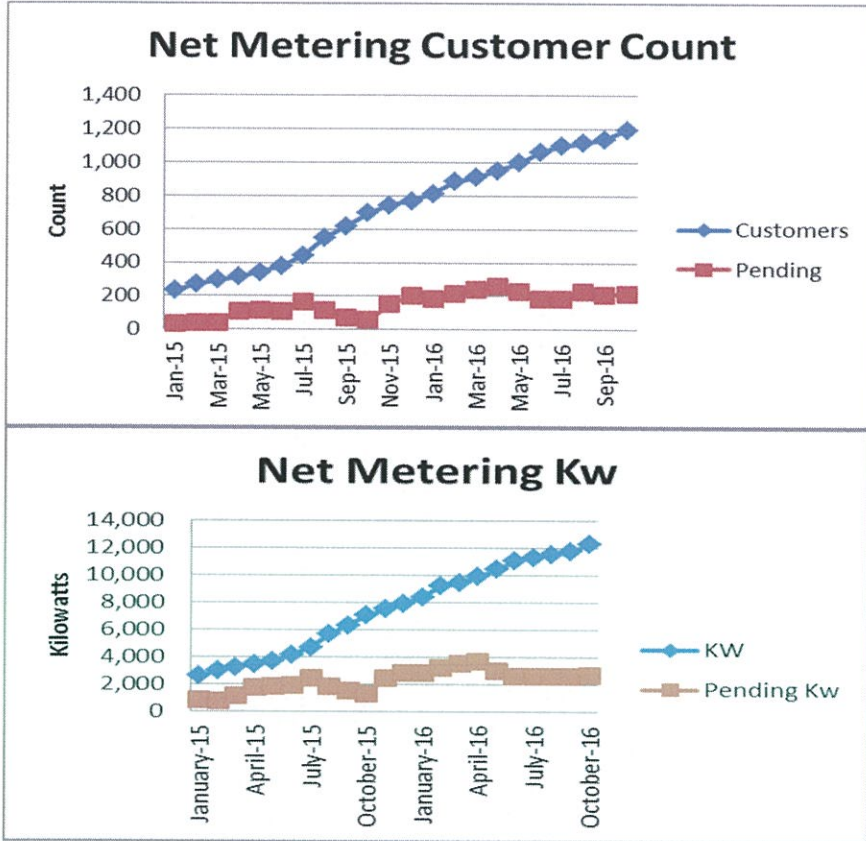
Date	Description ( IWPS Capacity)	MW Added	System MW	Peak MW	Reserve MW
14-Nov-16	GPA Total Capacity***		358	255	103
15-Nov-16	Macheche CT Commissioned	20	378	255	123
28-Feb-17	Dededo CT 2 Commissioned	20	398	255	143
31-Mar-17	Dededo CT 1 Commissioned	20	418	255	163

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

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

Net Metering Summary Ending October 16:

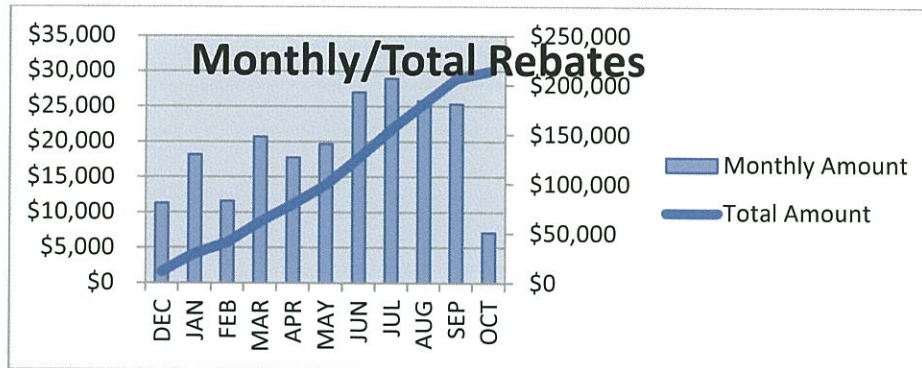
Description:	Count	Kw	
<b>Active</b>	<b>1,196</b>	<b>12,303</b>	
Pending	216	2,697	
Totals:	1,412	15,000	
Service:	Count	KW	Kw/Customer
<b>Residential</b>	<b>1,129</b>	<b>10,123</b>	<b>9.0</b>
Others	67	2,180	32.5
Total:	1,196	12,303	10.3
<b>% Residential</b>	<b>94.4%</b>	<b>82.3%</b>	
<b>Estimated Revenue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



**Most NEM Populated Feeders (October 2016)**

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

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



**2. Phase II Renewables Bid:**

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

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

**3. Other Key Bid Invitations Updates:**

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

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

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

- base load operations.
- b. Sludge buildup on boiler tubes exposes units to potential boiler tube leaks causing downtime of 4 days to 1 week.
  - c. Downtime is costly and could lead to load shedding because of limited reserve capacity.
    - d. Cabras 1&2 scheduled for retirement in 2021. No other GPA generating unit can burn waste oil.
2. GPA needs to find a way to continue burning waste oil until 2021. However, changes in the system and mode of operations needs to occur:
    - a. Efficient schedule of waste oil deliveries has to be put in place.
    - b. Waste must exclude as much water as possible
    - c. Oil/Water Separator must be operated and maintained efficiently.
    - d. GPA/TEMES to design an oil purifier system to remove as much metals as possible before burning waste.
    - e. GPA/TEMES to determine best location to inject waste oil into RFO fuel system so as to maintain a consistent feed rate which minimizes operational challenges. This would include installing an injection pump adjustable to RFO flow rate.
    - f. TEMES to insure strainers are cleaned more often to avoid operational problems.
  3. Waste Oil disposers may have to help pay for the improvements planned. Cost most likely cheaper than sending waste off island.
  4. GPA needs to explore incineration technology or other purification process which could possibly combine waste with diesel fuel as a fuel source for existing units. Study must be undertaken because there will always be a need for some on-island disposal because off island disposal will be costly for all parties.
- 5. Public Commission on Utilities Dockets:** The following dockets were approved at last month's PUC meeting:
- GPA Docket 16-01, GPA's LED Streetlight Rate Schedule F and H
  - GPA Docket 15-05, Procurement of up to 180 MW Combined Cycle Plant, Retirement of Cabras 1&2 and procurement of EPCM
  - GPA Docket 17-01, Approval of SCADA Contract,
  - GPA Docket 17-02, Approval of the Cabras 1 Overhaul,
  - GPA Docket 17-03, Approval of Diesel Peaking Units Overhaul,
  - GPA Docket 17-04, Approval of Procurement of PMC for Fuel Farm
  - GPA Docket 17-05, Approval of Contract relative to Engineering and Technical Services Supporting GPA's Resource Plan
  - GPA Docket 17-06, Approval of GPA-Navy Renewables Study
  - GPA Docket 17-07, Approval of Extension of Property Insurance
- 6. Key Performance Indicators graph:** The following pages update the information up thru October 2016.

#### **4.1.2 Financials**

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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



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

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

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

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

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

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

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

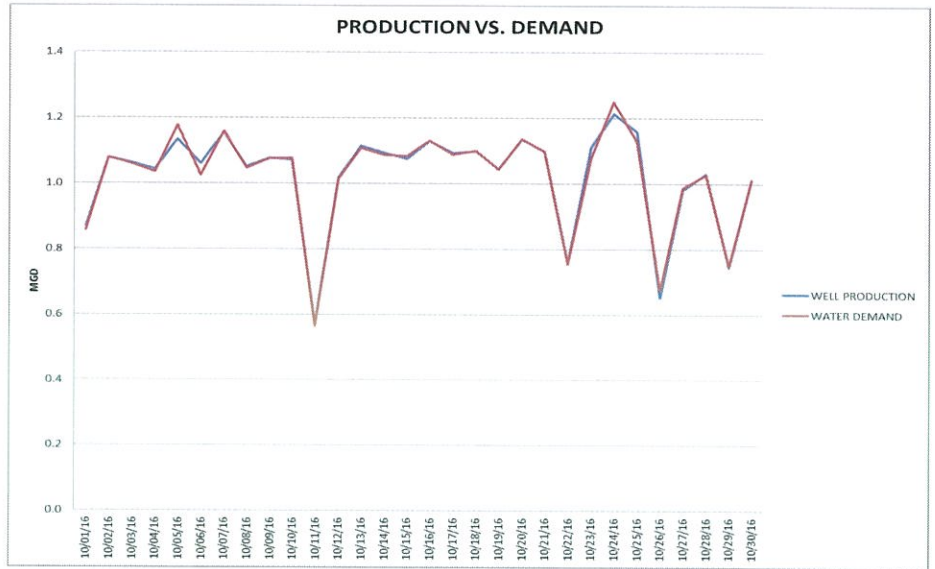
**4.2 GWA**

**4.2.1 GM Report Update**

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

1. TMW License Agreement:
  - a. GWA continues operations and maintenance at TMW.
  - b. Inspection was completed on October 26 at 2:00 pm. Navy Public Works Department and GWA conducted the inspection. Minor corrections are being addressed by GWA.
  - c. Now that *Lucity*, GWA's Asset Management Program, is up and running, status reports will be submitted to DoD NAVFAC more often.
  - d. GWA is still waiting on DoD to respond to the final drawings for the Potts Junction intertie.
  - e. Production:
    1. Fairly consistent between 1.0 and 1.2 million gallons per day (MGD), with the exception of several events tripped equipment events - see chart below.
    2. Total production in October is 31,846,800 gallons.
      1. 2010 MOU Update
        - a. GWA and NAVFAC completed their work on an updated MOU.
        - b. Joint Region has not yet reviewed the MOU.
      2. Easement Request for Agat WWTP Project
        - a. NBG Installation Commanding Officer approved the easement grant at no cost.
        - b. Still waiting on Commander Navy Installation Command on the term and type of request approval.

- c. GWA is willing to do 50% of the maintenance of the easement as part of the contribution.
- d. GWA will pay for appraisal and survey for legal meets and bounds if needed for the agreement.



2. Interoperability Options – future projects
  - a. Santa Rosa.
  - b. Route 15 line connection.
  - c. Agana Heights tanks (GWA and Naval Hospital).
  - d. Urunao and the Wildlife Refuge

OEA Grants – Guam Water-Wastewater Infrastructure Projects

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

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

### Asset Management

- CMMS system went live on October 3, 2016.
- Functionality testing completed September 2016; 13 mobile routers expected to arrive in November to improve real-time mobile management.
- AM & Operations meet weekly on:
  - Compliance with process and work flow
  - Inventory management and monitoring
  - Critical asset redundancy
  - Training needs
  - Development of policy for records management
  - QA/QC Performance on PM and CM
- AM Steering Committee meets monthly on:
  - Discussion of weekly maintenance meetings
  - Resources needed to sustain AM program
- Over 1,000 Work Orders issued so far.
- Over 300 Work Orders completed.
- PM/CM ratio is less than 0.5 (roughly 16% / 84%).
- WO Report Summary

### USEPA SRF Projects

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

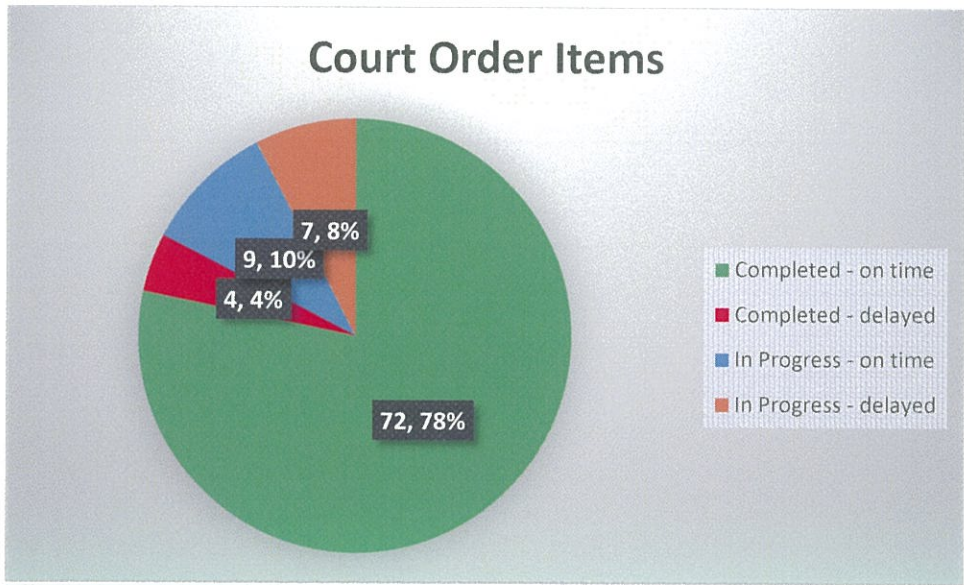
#### SRF Grant Summary - Projects

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

#### SRF Grant Summary - Contract Amounts

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

Court Order



Court Order Summary			
	Court Order Items	%	Performance (on-time or completed)
Completed - on time	72	78%	
Completed - delayed	4	4%	
In Progress - on time	9	10%	
In Progress - delayed	7	8%	
<b>Totals</b>	92	100%	

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

CIP Summary

CIP Summary - Project Encumbrance

	2010 Bond		2013 Bond		2016 Bond		Total CIP Projects	%
	Funded	Complete	Funded	Complete	Funded	Complete		
Potable Water	28	16	21	6	21	0	31	53%
Wastewater	15	10	7	4	8	0	16	27%
Electrical Engineering	5	2	6	1	5	0	9	15%

Miscellaneous Eng'g Support	2	0	3	1	4	1	3	5%
Totals	50	28	37	12	38	1	59	100%
% of Total CIP by Fund Source	85%		63%		64%			
% of CIP Funding Completed		56%		32%		3%		

CIP Summary - Project Amounts

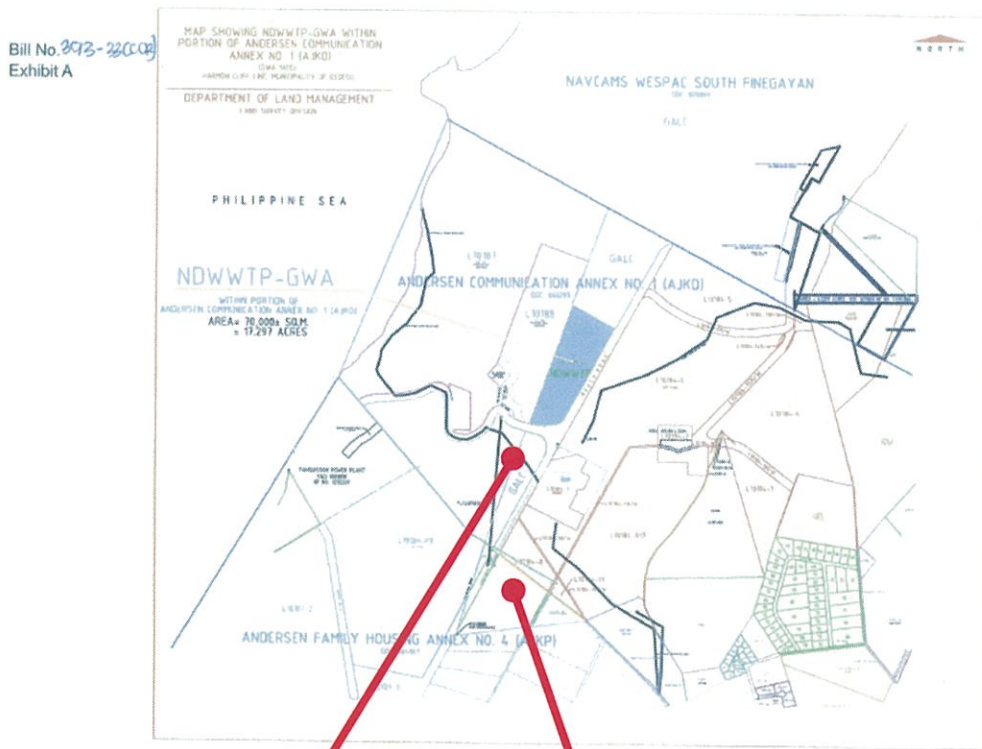
	2010 Bond		2013 Bond		2016 Bond		Total CIP Projects	
	Funded	%	Funded	%	Funded	%		%
Potable Water	\$ 43,671,000	50%	\$ 60,082,000	43%	\$ 90,148,000	65%	\$ 193,901,000	53%
Wastewater	\$ 34,070,000	39%	\$ 71,823,000	52%	\$ 34,727,000	25%	\$ 140,620,000	38%
Electrical Engineering	\$ 1,920,000	2%	\$ 3,645,000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

Land Acquisition Status

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

GWA Facility	Location	Gov. or Private Property	Land Acquisition Status
Tanks	Inarajan	Private	Property acquisition complete, deed of property with GWA.
	Ugum	Private	Still under legal review.
	Manenggong	Private	Survey map ongoing. Contract of sale transmitted to property owner.
	Santa Rita	Gov't. - CLTC	Survey map and appraisal documents sent to DLM. GWA and DLM agree in concept to purchase property based on fair market value.
	Astumbo	Gov't. - CLTC	Survey map of property still ongoing. GWA

			and DLM agree in concept to purchase property based on fair market value.
	Upper Tumon	Gov't. - CLTC	Survey map of property still ongoing. GWA and DLM agree in concept to outright purchase property based on fair market value.
	Piti	Private	Engineering currently reviewing options for relocating the Piti tank from current location to area east of the Nimitz Estate Subdivision.
Deep Well	Y-8	Gov't. - CLTC	GWA engineering working to obtain appraisal and survey serves.
	AG-12	Dept. of Agriculture/ Manhita Farms	GWA engineering working to obtain appraisal and survey serves.
Booster Pump Station	Brigade	Private	GWA received Right of Entry agreement from landlord. Survey work for property severance has begun.



ALC Lot Proposed for Use

Existing NDWWTP

Status Update:

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

Actions pending:

Mobil treatment unit – technical specifications under revision; IFB pending

**4.2.2 Financials**

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

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

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

Invoices that exceeded PO amount:

Invoice No.	Amount	Balance to Pay
249714	\$486.69	\$486.69
250309	\$463.82	\$463.82
251058	\$266.74	\$266.74
251063	\$182.35	\$182.35
<b>Total</b>		<b>\$1,399.60</b>

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

Funding Source	O&M	Approved Amount
GL 5221.62005.417	2015	\$10,872.00
GL 5221.62005.417	2015	\$1,399.60
<b>Total Funding</b>		<b>\$12,271.60</b>

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

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

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



The Purchase order amendment will cost \$7,888.50

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

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

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

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

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

The CIP is GWA's five-year blueprint for creating, maintaining, renewing, and replacing the crucial infrastructure that will support Guam's sustainable and continued growth. This CIP covers a five-year period to account primarily for Court Order projects, some of which may have a start time outside of a five-year period from 2015, but which required funding appropriation from the anticipated 2015 and 2018 bond issuances, which are reflected in this updated CIP.

The CIP is an important and necessary part of GWA's public communication. The CIP gives residents and businesses a view of GWA's direction for capital improvements for the Island, and a better understanding of the Authority's ongoing need for stable revenue sources to fund large or multi-year capital projects.

The CIP is also an important operational document, providing GWA Engineering, Maintenance & Operation (M&O), Finance, and support staff with an overview of our organization's overall direction and some detail of specific projects GWA plans on implementing to continue improvement of the utility for the Territory of Guam.

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

Comm. Bamba motioned to approve Resolution 07-FY2017; Comm. Sanchez seconded.

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

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

5. OLD BUSINESS - None

6. ANNOUNCEMENTS

6.1 Next CCU Meetings

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

7. ADJOURNMENT

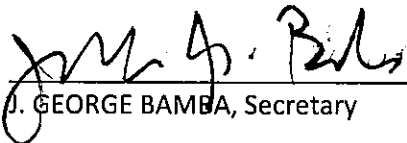
There was no further business to bring before the Commission and the meeting adjourned at 6:44 p.m.

\\s\\

b/s

Attested:

  
\_\_\_\_\_  
JOSEPH T. DUENAS, Chairman

  
\_\_\_\_\_  
J. GEORGE BAMBA, Secretary