



CONSOLIDATED COMMISSION ON UTILITIES

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

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

MINUTES

1. CALL TO ORDER

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

Commissioners:

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

Executive Mgmt.:

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

Management & Staff:

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

Guest:

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

2. APPROVAL OF MINUTES

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

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

3. **COMMUNICATIONS**
3.1 **Public Comments - None**

4. **NEW BUSINESS**

4.1 **GPA**

4.1.1 **GM Report Update**

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

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

4.1.2 **Financials**

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

4.1.7 Resolution 2016-52 Relative to Purchasing New T2 Transformer

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

4.2 GWA

4.2.1 GM Report Update

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

4.2.2 Financials

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

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

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

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

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

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

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

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

Public Law 28-159, Section 7.0.3 (c) requires GPA and GWA to post a petition on their websites for ten (10) days (not including Saturdays, Sundays and government of Guam holidays). After the 10 days posting, the petition can then be forwarded to the CCU for their disposition at any regularly scheduled meeting. GWA has met the posting requirements. Additionally, Guam law requires notice of such posting to each newspaper of general circulation and broadcasting station which airs regular news programs within Guam.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

The Purchase order amendment will cost \$ 19,711.22

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

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

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

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

5. **OLD BUSINESS - None**

6. **ANNOUNCEMENTS**

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

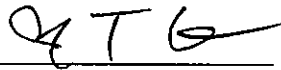
Chairman Duenas announced that the next meeting would be a work session for GPA on October 19 and GPA on October 20. The October CCU meeting is on October 25th. He also said there is a PUC hearing next week at the PUC Office in Hagatna. He asked management to circulate please send the Commission a reminder

7. **ADJOURNMENT**

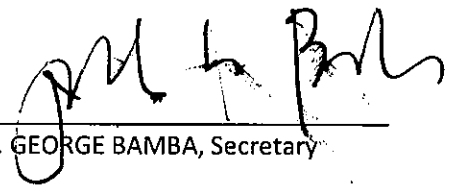
There was no further business to bring before the Commission and the meeting adjourned at approximately 6:20 p.m.

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Attested:



JOSEPH T. DUENAS, Chairman



J. GEORGE BAMBA, Secretary