GUAM CONSOLIDATED COMMISSION ON UTILITIES
RESOLUTION NO. 06-FY2017
RELATIVE TO RATIFICATION OF WORK PROVIDED BY ALLIED PACIFIC DRILLING, INC. ON GWA'S DEEP WELLS FOR AN AMENDED PURCHASE ORDER AMOUNT TO ISSUE

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

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

WHEREAS, the Consolidated Commission on Utilities under Section 5452 of Title 5 of the Guam Code Annotated has the authority to ratify the procurement of goods and services if there is no indication that the company who was awarded the procurement acted in bad faith and there is a finding that the procurement is for GWA’s use and is in the best interest of the Territory of Guam; and

WHEREAS, GWA Management entered into two (2) purchase orders with Allied Pacific Drilling, Inc. - purchase order no. 298647 was on October 22, 2015 and purchase order no. 299090 was on February 26, 2016 for work provided on GWA’s deep well facilities; and

WHEREAS, during this period, purchase order no. 298647 exceeded the amount of Eight Thousand Five Hundred Fifty Dollars ($8,550.00) (see Exhibit A) by Three Thousand Five Hundred Fifty Dollars ($3,550.00); and purchase order no. 299090 exceeded the amount of Nineteen Thousand Three Hundred Thirty Seven Dollars and Fifty Cents ($19,337.50) (See Exhibit B) by Four Thousand Three Hundred Thirty Eight Dollars and Fifty Cents ($4,338.50); and

WHEREAS, the Consolidated Commission on Utilities under Section 5452 of Title 5 of the Guam Code Annotated has the authority to ratify the procurement of goods and services if there is no indication that the person who was awarded the procurement acted in bad faith
and there is a finding that the procurement is for GWA's use and is in the best interest of the
people of Guam and GWA management is now seeking ratification from the CCU for the
work.

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

Section 1. The foregoing recitals hereto are hereby ratified, confirmed, and
incorporated herein by reference.

Section 2. The Consolidated Commission on Utilities hereby ratifies and approves
payment be made to Allied Pacific Drilling, Inc. for purchase order number 298647 (Exhibit
A) in the amount of Three Thousand Five Hundred Fifty Dollars ($3,550.00) and purchase
order number 299090 (Exhibit B) in the amount of Four Thousand Three Hundred Thirty Eight
Dollars and Fifty Cents ($4,338.50) on the following grounds:

a. There was no indication of bad faith or fraud in any of the procurements
   contained herein.

b. According to GWA management, the work conducted by Allied Pacific
   Drilling, Inc. was necessary to complete the repairs and restore the wells
   back in operation.

c. All of the procurements herein are in the best interest of the Territory of
   Guam and the Guam Waterworks Authority.

d. Only a reasonable profit was given in those instances where the profit
   was given.

Section 3. This Resolution is hereby determined to be a declaration of official intent of
the Consolidated Commission on Utilities.

Section 4. All actions heretofore taken by the GWA or the officers thereof or on their
behalf not inconsistent herewith related to these purchases are hereby ratified, approved, and
confirmed.

Section 5. Based on the forgoing, the CCU authorizes GWA management to pay the
amended amount owed between GWA and Allied Pacific Drilling, Inc. in the total amount due
of Seven Thousand Eight Hundred Eighty Eight Dollars and Fifty Cents ($7,888.50).
RESOLVED, that the Chairman certified and the Board Secretary attests to the adoption of this Resolution.

DULY AND REGULARLY ADOPTED, this 22\textsuperscript{nd} day of November, 2016.

Certified by:  

\begin{center}
\textbf{JOSEPH T. DUENAS}  
Chairperson
\end{center}

Attested by: 

\begin{center}
\textbf{J. GEORGE BAMBA}  
Secretary
\end{center}

I, J. George Bamba, Board Secretary of the Consolidated Commission on Utilities, as evidenced by my signature above do hereby certify as follows:

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

\begin{itemize}

\item \textbf{AYES:} \hspace{1cm} 4
\item \textbf{NAYS:} \hspace{1cm} 0
\item \textbf{ABSTENTIONS:} \hspace{1cm} 0
\item \textbf{ABSENT:} \hspace{1cm} 1
\end{itemize}
ALL PURCHASE ORDERS FROM THE GUAM WATERWORKS AUTHORITY
ARE SUBJECT TO THE FOLLOWING TERMS AND CONDITIONS.

1. In the shipments are connected with a bid or RFP issued by GWA, this purchase order shall be governed by the Terms and Conditions of the bid or RFP as well as the Guam Procurement Law and the Guam Procurement Regulations.

2. An acknowledged and dated copy of this purchase order must be returned to GWA.

3. GWA will only be responsible for the total amount indicated in this Purchase Order and any amount in excess of that amount will not be paid by GWA.

4. All invoices (original/s and duplicate/s) must be forwarded to Accounts Payable Department of the Guam Waterworks Authority. These invoices must be properly endorsed or signed by authorized GWA personnel as indicated in the Purchase Order. And invoices should be provided to GWA within the month in which the purchases and/or services were rendered.

5. All vendors with an outstanding unpaid invoice at the end of the month after the goods or services were rendered must provide monthly vendor statements to the Accounts Payable Supervisor at GWA.

6. No variation in any of the terms, conditions, delivery dates, prices, quality, quantity or specifications under this order, regardless of the conditions or terms of the seller’s acceptance, will be effective without the written consent of a person specifically authorized by GWA to make such changes.

7. Packing lists must accompany each shipment which indicate the order number and a detailed description and goods or services provided, including, but not limited to, the part number and serial number for each item delivered.

8. Shipments must be identified as either "PARTIAL" or "COMPLETE."

9. All goods delivered are subject to GWA’s inspection and acceptance within a reasonable time after delivery. If the specifications are not met and are rejected by GWA, the goods shall be returned at the seller’s expense.

10. In connection with any prompt payment discount offered the time will be computed from date of delivery and acceptance at destination or from the date the correct invoice or voucher is received in by the Guam Waterworks Authority, if the latter is later than date of delivery and acceptance. Payment is deemed to be made, for the purpose of earning any discount on the date the check is mailed.

11. Shipments in excess of the amount stated in the order will not be accepted unless specifically approved by a GWA official authorized to make such changes.
PURCHASE ORDER
GUAM WATERWORKS AUTHORITY
P.O. Box 3090, Hagatna, Guam 96932
PHONE: (671) 649-7818 FAX: (671) 649-3750

GUAM WATERWORKS AUTHORITY
P.O. Box 3411
HAGATNA, GUAM 96932

VENDOR:
ALLIED PACIFIC DRILLING INC.
P.O. BOX 3411
HAGATNA, GUAM 96932

SHIP TO:
GUAM WATERWORKS AUTHORITY
378. N. MARINE CORPS. DR.
ATTENTION: P&S WAREHOUSE

AUTHORITY PL 16-134 / PL 21-148
IFR / REFERENCE
TIME FOR DELIVERY
EXPIRATION
09/30/2016

ARTICLES OR SERVICES
CITY UNIT
UNIT PRICE
AMOUNT

IMPORTANT MESSAGE TO VENDOR:
GWA WILL NOT BE LIABLE FOR ANY UNAUTHORIZED SERVICES THAT
IS NOT LISTED IN THE PURCHASES ORDER, ONLY THE SERVICES
LISTED IN THE PURCHASE ORDER WILL BE PAYED BY GWA.

***
ONLY THE AUTHORIZED NAMES LISTED ON THE P.O ARE ALLOWED
HONORED BY GWA, VENDOR MUST INDICATE ON THE SERVICE INVOICE
THE EMPLOYEE'S NAME, BADGE NUMBER AND MUST SIGN AND PRINT
CLEARLY.

***
AGREEMENT TO COVER COST FOR LABOR, MATERIALS AND EQUIPMENTS
FOR REDEVELOPMENT AND BLOWING/ AILIFT/BAILING FOR VARIOUS GWA
DEEPWELL SITES.

***
DEEPWELL SITES 500 FEET DEEP OR LESS: (MONDAY THRU FRIDAY):
$2,750.00 PER DAY
DEEPWELL SITES MORE 500 FEET DEEP: (MONDAY THRU FRIDAY):
$3,050.00 PER DAY
DEEPWELL SITES 500 FEET DEEP OR LESS: (WEEKENDS & HOLIDAYS)
$3,250.00 PER DAY
DEEPWELL SITES MORE 500 FEET DEEP: (WEEKENDS & HOLIDAYS):
$3,550.00 PER DAY

***
AUTHORIZED PERSONNEL:
*** RON TOPASNA/ PAT SIQUENZA/ GARRET TAITAGUE/ IGNACIO CASTRO
FOR: WATER/ GROUND DEEPWELL
GPR: 3-204.97
DELIVERY: AS NEEDED
G.L.: 6812.950.34000
O/N / OR: TONY CAMACHO #962

NOTE: "SUBJECT TO THE GUAM PROCUREMENT CODE AND ACCOMPANYING REGULATIONS"

SPECIAL INSTRUCTIONS TO VENDOR:
Send certified original and three (3) copies of invoices to Guam Waterworks
Authority, Government of Guam, at the address above shown.

Payment upon receipt of invoices to Guam to good conditions.

SEE BACK FOR TERMS AND CONDITIONS

ACKNOWLEDGED BY: DATE: 1/13/16

SIGNATURE OF VENDOR

RETURN TO DOCUMENT DIVISION AT THE ABOVE ADDRESS

TOTAL
$5,000.00

SIGNATURE:

NAME: MARK G. MILLER - INTERIM GENERAL MANAGER

TITLE:

ORIGINAL
**Allied Pacific Drilling, Inc.**
P.O. Box 3411  
Hagatna, Guam 96932

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**Invoice**

<table>
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<tr>
<th>Date</th>
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<td>2/26/2016</td>
<td>DI2-0113</td>
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**Bill To**

Guam Waterworks  
578 N. Marine Corps Drive  
Tamuning  
GU 96913

**Ship To**

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<th>P.O. Number</th>
<th>Terms</th>
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<th>Ship</th>
<th>Via</th>
<th>F.O.B.</th>
<th>Project</th>
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<th>Description</th>
<th>Price Each</th>
<th>Amount</th>
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<td>2,750.00</td>
<td>2,750.00</td>
</tr>
<tr>
<td>Airlift/Blow out well F-13 on date 01/14/16, Thursday, Bottom well at 481'</td>
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<td>2,750.00</td>
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<td>Airlift/Blow out wells F-13 and F-17 on date 1/15/2016, Friday</td>
<td>3,050.00</td>
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<tr>
<td>Airlift/Blow out well F-17 on date 1/16/16, Saturday, Bottom well at 523', charged at regular day</td>
<td>3,050.00</td>
<td>3,050.00</td>
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</table>

Work authorization attachments:
1. GWA PO #298647 dated 10/22/2015  
2. APDI Daily Production Reports consisting of 3 pages.

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**GUAM WATERWORKS AUTHORITY**  
**CONFIRMED ITEM RECEIVED & RENDERED**

**NAME:** Ron  
**SIGNATURE:** [Signature]  
**DATE:** 10/13/2016

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Thank you for your business.

**Total**  
A $8,550.00

A: Invoice total  
B: Excess Unauthorized Amount  $ (3,550.00)  
C: PO Authorized Amount  $ 5,000.00
EXHIBIT B
ALL PURCHASE ORDERS FROM THE GUAM WATERWORKS AUTHORITY
ARE SUBJECT TO THE FOLLOWING TERMS AND CONDITIONS.

1. In the shipments are connected with a bid or RFP issued by GWA, this purchase order shall be governed by the Terms and Conditions of the bid or RFP as well as the Guam Procurement Law and the Guam Procurement Regulations.

2. An acknowledged and dated copy of this purchase order must be returned to GWA.

3. GWA will only be responsible for the total amount indicated in this Purchase Order and any amount in excess of that amount will not be paid by GWA.

4. All invoices (original/s and duplicate/s) must be forwarded to Accounts Payable Department of the Guam Waterworks Authority. These invoices must be properly endorsed or signed by authorized GWA personnel as indicated in the Purchase Order. And invoices should be provided to GWA within the month in which the purchases and/or services were rendered.

5. All vendors with an outstanding unpaid invoice at the end of the month after the goods or services were rendered must provide monthly vendor statements to the Accounts Payable Supervisor at GWA.

6. No variation in any of the terms, conditions, delivery dates, prices, quality, quantity or specifications under this order, regardless of the conditions or terms of the seller's acceptance, will be effective without the written consent of a person specifically authorized by GWA to make such changes.

7. Packing lists must accompany each shipment which indicate the order number and a detailed description and goods or services provided, including, but not limited to, the part number and serial number for each item delivered.

8. Shipments must be identified as either "PARTIAL" or "COMPLETE."

9. All goods delivered are subject to GWA's inspection and acceptance within a reasonable time after delivery. If the specifications are not met and are rejected by GWA, the goods shall be returned at the seller's expense.

10. In connection with any prompt payment discount offered the time will be computed from date of delivery and acceptance at destination or from the date the correct invoice or voucher is received by the Guam Waterworks Authority, if the latter is later than date of delivery and acceptance. Payment is deemed to be made, for the purpose of earning any discount on the date the check is mailed.

11. Shipments in excess of the amount stated in the order will not be accepted unless specifically approved by a GWA official authorized to make such changes.
GUAM WATERWORKS AUTHORITY
P.O. Box 3101, Hagatna, Guam 96932
PHONE: (671) 647-7818  FAX: (671) 649-3750

PURCHASE ORDER
GUAM WATERWORKS AUTHORITY

SHIP TO:
GUAM WATERWORKS AUTHORITY
578 N. Marine Corps. Dr.
ATTENTION: F & S WAREHOUSE
Tamuning GU 96913

Payment Terms: Net 30 Days

VENDOR:
ALLIED PACIFIC DRILLING, I
P.O. BOX 3411
Agana GU 96932

AUTHORITY
PL 16-124 / PL 22-148

IFB / REFERENCE

TIME FOR DELIVERY

EXPIRATION
09/30/2016

CONDITIONS:
GER: 3-204.07
Requested by: Water/Deepwell/R. Topasna
Authorized Personnel: Patrick Siquenza or Garrick Taitague
or Ron Topasna or Ignacio Castro
Business unit: 5812
G/L Account no: 5812.950.34011
Funding source: Revenue
OQ# 26954 / OR# 25706
Buyer: Peter

* IMPORTANT NOTICE TO VENDORS LABOR, MATERIALS AND EQUIPMENTS
" All invoices must indicate P.O. Number for payment
" All invoices must indicate on the invoice the Employee's
 Name, Badge Number that must be signed and printed clearly
 " Submit signed & dated P.O. acknowledgement with invoice
 " GWA will not be liable for any unauthorized services that
 are not listed in the Purchase Order - only the services
 listed on the Purchase Order will be paid by GWA.
 * Only the authorized names listed on the Purchase Order are
 allowed to transact. Unauthorized ND MUST SIGN AND PRINT
 person(s) will not be honored by GWA

* AGREEMENT TO COVER COST FOR LABOR, MATERIALS AND EQUIPMENTS
FOR REDEVELOPMENT AND BLOWING/ AIRLIFT/BAILING FOR VARIOUS
GWA DEEPWELL SITES

* LISTED BELOW ARE THE 120 DEEPWELL FACILITIES FOR AIR
LIFTING SERVICES:
A-1, A-6, A-12, A-18, A-26, A-32, F-04, F-9, F-15, F-20,
F-6, F-11, F-17, H-1, M-4, M-9, A-4, A-9, A-15, A-23, A-30,
D-1, F-7, F-12, F-18, HGC-2, M-5, M-12, A-5, A-10, A-17,
A-25, A-31, D-2, F-8, F-13, F-29, M-1, M-6, M-14, D-3, D-8,

NOTE: "SUBJECT TO THE GUAM PROCUREMENT CODE AND ACCOMPANYING REGULATIONS"

SPECIAL INSTRUCTIONS TO VENDOR:
Send certified original and three (3) copies of invoice to Guam Waterworks
Authority, Government of Guam, at the address above shown.

Payment upon receipt of merchandise is Guam in good condition.

SEE BACK FOR TERMS AND CONDITIONS

ACKNOWLEDGED BY: [Signature of Vendor]
DATE: 3/01/16

RETURN TO PROCUREMENT DIVISION AT THE ABOVE ADDRESS

SPECIAL INSTRUCTIONS TO VENDOR:

DO NOT FILL THIS ORDER
If your total costs exceeds this total. >>

SIGNATURE:
Miguel C. Bordallo - General Manager
NAME: TITLE

ACKNOWLEDGEMENT COPY

14
**PURCHASE ORDER**

GUAM WATERWORKS AUTHORITY
P.O. Box 2010, Hagatna, Guam 96932
PHONE: (671) 647-7618 FAX: (671) 649-3750

GUAM WATERWORKS AUTHORITY

**SHIP TO:**
GUAM WATERWORKS AUTHORITY
576 M. Marine Corps. Dr.
ATTENTION: P & S WAREHOUSE
Tumon GU 96913

**PAYMENT TERMS:** Net 30 Days

**VENDOR:** ALLIED PACIFIC DRILLING, I
P.O. BOX 3411
Agana GU 96932

**AUTHORITY**
PL 15-124 / PL 21-148

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<th>ARTICLES OR SERVICES</th>
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<th>UNIT</th>
<th>UNIT PRICE</th>
<th>AMOUNT</th>
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*CHARGES FOR EDEVELOPMENT AND BLOWING/ AIRLIFT BAILING FOR VARIOUS GWA DEEPWELL SITES*

**DEEPWELL SITES 500 FEET DEEP OR LESS:** (MONDAY THRU FRIDAY): $2,975.00
**DEEPWELL SITES MORE 500 FEET DEEP:** (MONDAY THRU FRIDAY): 3,275.00
**DEEPWELL SITES 500 FEET DEEP OR LESS:** (WEEKENDS & HOLIDAYS): $3,475.00
**DEEPWELL SITES MORE 500 FEET DEEP** (WEEKENDS & HOLIDAYS): $3,775.00

**HEAVY EQUIPMENT RENTAL**

| EA | .00 | EA | 14,999.00 |

**TOTAL**

$14,999.00

**SPECIAL INSTRUCTIONS TO VENDOR:**
Send original original, and three (3) copies of invoice to Guam Waterworks Authority, department of finance, at the address above.

Payment upon receipt of merchandise in good condition.

**SIGNATURES:**
Miguel C. Borrero - General Manager

**RETURN TO PROCUREMENT DIVISION AT THE ABOVE ADDRESS**

**ADDRESS A COPY**

**NOTE:** "SUBJECT TO THE GUAM PROCUREMENT CODE AND ACCOMPANYING REGULATIONS"
Allied Pacific Drilling, Inc.
P.O. Box 3411
Hagatna, Guam 96932

Bill To
Guam Waterworks
578 N. Marine Corps Drive
Tamuning
GU 96913

<table>
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<tr>
<th>P.O. Number</th>
<th>Terms</th>
<th>Rep</th>
<th>Ship</th>
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<th>Price Each</th>
<th>Amount</th>
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<tr>
<td>2</td>
<td>Airlifting Well</td>
<td>Airlift/Blow out wells GWA well #s F-4, D-10 and M-14, F-4 on date 05/12/16, Thursday, Bottom well at 496'</td>
<td>2,975.00</td>
<td>5,950.00</td>
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<tr>
<td>1.5</td>
<td>Airlifting Well</td>
<td>Airlift/Blow out wells D-10 on date 5/20/2016, Friday, Bottom well at 448.5'</td>
<td>2,975.00</td>
<td>4,462.50</td>
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<tr>
<td>3</td>
<td>Airlifting Well</td>
<td>Airlift/Blow out well M-4 on date 5/24/16, Tuesday, Bottom well at 476'</td>
<td>2,975.00</td>
<td>8,925.00</td>
</tr>
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</table>

Work authorization attachments:
1. GWA PO #299090 dated 02/26/2016
2. APDI Daily Production Reports consisting of 3 pages

Thank you for your business.

Total: $19,337.50

A: Invoice total
B: Excess amount unauthorized
C: PO amount authorized

A (19,337.50)
B (4,338.50)
C (14,999.00)

Reviewed & verified PDF completeness & accuracy.

10/13/16
ACCOUNTING