GUAM CONSOLIDATED COMMISSION ON UTILITIES
RESOLUTION NO. 14 - FY2016

RELATIVE TO APPROVAL OF THE CONTRACT WITH TOTAL CHEMICAL
FOR THE PURCHASE OF CHEMICALS
FOR THE UGUM WATER TREATMENT FACILITY

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 Chemically Enhanced Treatment at the Ugum Water Treatment Plant
requires the purchase of chemicals for the application of the treatment process; and

WHEREAS, GWA has advertised by an Invitation For Bid (IFB) 2015-14 soliciting
bid proposals from experienced and responsive bidders to provide the chemicals needed to
continue to operate the Ugum Water Treatment Plant in compliance with § II A Paragraph 3(a)
of the CO; and

WHEREAS, there was 1 responsive and responsible bidder who offered chemicals
meeting the requirements of IFB 2015-14 [EXHIBIT A]; and

WHEREAS, the IFB 2015-14 offers were evaluated by GWA’s review committee;
and

WHEREAS, GWA’s review committee determined that the best offer for chemicals
was made by Total Chemical [EXHIBIT B]; and
WHEREAS, GWA accepts Total Chemical’s bid proposal of estimated three (3) year contract cost of Five Hundred Eighty Five Thousand Nine Hundred Twenty Six and 85/100 Dollars ($585,926.85) for a three (3) year contract, with the option to renew for an additional two (2) one (1) year terms.; and

WHEREAS, GWA Management seeks CCU approval of the fee proposal amount of Five Hundred Eighty Five Thousand Nine Hundred Twenty Six and 85/100 Dollars ($585,926.85) for a three (3) year contract, with the option to renew for an additional two (2) one (1) year terms.; and

WHEREAS, the bid documents have been reviewed by the Special Assistant Attorney General; and

WHEREAS, the source of funding for the chemical purchases will be from the FY2016 GWA Water Operations Budget.

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

1. The recitals set forth above hereby constitute the findings of the CCU.
2. The CCU finds that the terms of the bid proposal submitted by “Total Chemical,” are fair and reasonable.
3. The CCU finds that the terms of the conditions set by GWA relative to providing necessary chemicals are fair and reasonable.
4. The CCU hereby authorizes the management of GWA to proceed based on the notice of award to “Total Chemical” attached hereto as EXHIBIT C, and which is incorporated into this Resolution in its entirety.
5. The CCU hereby further authorizes the management to enter into a contract with “Total Chemical”, to purchase chemicals in the amount of Five Hundred Eighty Five Thousand Nine Hundred Twenty Six and 85/100 Dollars ($585,926.85) for a three (3) year contract, with the option to renew for an additional two (2) one (1) year terms.
RESOLVED, that the Chairman certified and the Board Secretary attests to the adoption of this Resolution.

DULY AND REGULARLY ADOPTED, this 10th day of December 2015.

Certified by:

Joel T. Duenas
Chairperson

Attested by:

J. George Bamba
Secretary

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:

AYES: 5

NAYS: 0

ABSTENTIONS: 0

ABSENT: 0
EXHIBIT A
GUAM WATERWORKS AUTHORITY
Gloria B. Nelson Public Services Building
688 Route 15, Mangilao, Guam 96913

GWA IFB No. 2015-14 relative to Ugum Chemicals
GWA Amendment No. 10

SEP 29 2015

Prospective Bidders are hereby notified of the following:

1. Under Bid Amendment #7, entitled I. BID ITEMS AND TECHNICAL
   SPECIFICATIONS Subsection A. Estimated use Rates and Bidders’ Offered Costs,
   has been deleted and replaced with a new 2nd amended version below.

I. BID ITEMS AND TECHNICAL SPECIFICATIONS

A. Estimated use Rates and Bidders’ Offered Costs

<table>
<thead>
<tr>
<th>Item No</th>
<th>Description</th>
<th>Container Size</th>
<th>Initial QTY (3 Months)</th>
<th>Est. Annual Qty</th>
<th>Per Container Price ($)</th>
<th>Bid Qty (3 years)</th>
<th>Bid (3 year) total Cost ($)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Aluminum Chlorhydrate 50%</td>
<td>IBC Tote 275 Gal</td>
<td>21</td>
<td>83</td>
<td>$2,057.65</td>
<td>249</td>
<td>$512,354.85</td>
</tr>
<tr>
<td>2</td>
<td>Sulfuric Acid 50%</td>
<td>55 Gal Drum</td>
<td>1</td>
<td>3</td>
<td>$585.00</td>
<td>9</td>
<td>$5,355.00</td>
</tr>
<tr>
<td>3</td>
<td>Sodium Hydroxide 50%</td>
<td>55 Gal Drum</td>
<td>8</td>
<td>32</td>
<td>$506.00</td>
<td>96</td>
<td>$48,480.00</td>
</tr>
<tr>
<td>4</td>
<td>Poly DADMAC 40%</td>
<td>5 Gal Pail</td>
<td>3</td>
<td>11</td>
<td>$269.00</td>
<td>33</td>
<td>$8,877.00</td>
</tr>
<tr>
<td></td>
<td>Citric Acid 50%</td>
<td>55 Gal Drum</td>
<td>2</td>
<td>4</td>
<td>$905.00</td>
<td>12</td>
<td>$10,880.00</td>
</tr>
<tr>
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<td>------------</td>
</tr>
<tr>
<td>6</td>
<td>Sodium Metabisulfite 30%</td>
<td>55 Gal Drum</td>
<td>6</td>
<td>24</td>
<td>$NO BID</td>
<td>72</td>
<td>$NO BID</td>
</tr>
</tbody>
</table>

**Total Bid Amount for all items (amount the 15% bid bond is based on) upon** $585,926.85

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End of bid amendment

Jerry A. Moers - CFO
Date 10/1/15

Mark Miller
Interim General Manager

Date 9/29/2015

Total Chemical Resources, Inc.
EXHIBIT B
MEMORANDUM

TO: General Manager
VIA: Supply Management Administrator
FROM: Evaluation Committee Members
SUBJECT: Invitation to Bid No. GWA 2015-14
Ref: Ugum Treatment Chemicals

Invitation for Bid No: GWA 2015-14 was officially announced and advertised in the Pacific Daily News, Marianas Variety and Guam Waterworks Authority Website on August 28, 2015 and open as scheduled on October 06, 2015 @ 10:00 am nineteen (19) prospective bidders expressed their interests by acknowledging receipt of the bid package thru GWA’s website.

Bidders Register:

1. Total Chemical Resources, Inc.
2. Canton Construction Corp.
3. Matrix Design Group
4. Chem Solutions INT.
5. JMI-Edison
6. Island Equipment Co.
7. Pacific Petroleum Trading Corp.
8. HycoTech Environmental Chem Co. Ltd
9. BEI Hawaii
10. M.D. Wholesale.
11. VMB Trading Co.
12. Culligan Pacific
13. Guam Pacific Enterprises
14. Gulbrandsen Technologies
15. Damon Harper (Monhar Construction)
16. Isla Coating & Roofing
17. SUB RAG DEO
18. SS
19. CMS

Of the nineteen (19) three (3) submitted their bid package, namely:

- Total Chemical Resources
- JMI-Edison
- Island Equipment Company

An evaluation committee was formally assembled and met on October 12, 2015 @ 9:00am in GPWA conference room 1st floor to review/discuss and evaluate the bid.

Ref: IFB 2015-14 Ugum Chemicals
Committee members consist of:

- Paul Kemp
- Antonio Camacho
- Ron Topasna

The committee members reviewed all three bid proposals and have determined JMI Edison submitted a higher cost than Total Chemical Resources and Island Equipment Company. Both prospective bidders respectfully submitted a reasonable and fair cost, although Island Equipment Company did not submit a Guam business license as required for this bid, so the committee members have agreed to deem them as a non-responsive bidder. Therefore, the members recommends Total Chemical to be awarded based on the lowest submitted cost for each Item No. as specified below.

**GENERAL SPECIFICATIONS SUMMARY:**

Bids will be evaluated on an item-by-item basis to determine the lowest responsible bidder (i.e., lowest responsive and responsible bidder for each of the bid items listed). Bidders may bid on any or all of the items listed above.

**Total Chemical to be awarded as follows: Item No’s. 1, 2, 3, 4 and 5.**

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<thead>
<tr>
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<tr>
<td>5</td>
<td>Cure Acid 50%</td>
<td>55 Gal Drum</td>
<td>2</td>
<td>4</td>
<td>$905.00</td>
<td>12</td>
<td>$10,860.00</td>
</tr>
</tbody>
</table>

**Grand total: $585,926.85**

In reference to Item No. 6, Sodium Metabisulfite 30%, Total Chemical Resources and JMI Edison did not submit a cost and whereas with Island Equipment did submit a cost, although the

Ref: IFB 2013-14 Ugum Chemicals
committee members carefully reviewed Island Equipment's submitted specification H0174530.pdf is for Brenntag 30% sodium bisulfite NaHSO₃ and have determined they did not submit the correct material specified on the bid Certified for use up to 15 mg/L as Na₂S₂O₅. Therefore, the committee members have agreed to reject and recommend rebidding this chemical.

After a thorough evaluation the committee members agreed and accepted the bid offer from Total Chemical Resources for each of the bid items listed and have determined they complied with all specifications and requirements and are deemed as a responsive and responsible bidder set forth in the IFB.

**Bid Summary:**

This is an "Indefinite Quantity Bid" pursuant to the Guam Procurement Regulations. The quantities reflected in the bid are estimated requirements only and not guaranteed minimums.

**Delivery:**

The vendor will be responsible for all cost and all risks associated with the provision of these goods until delivery is made and the items are formally accepted by GWA. All goods shall be delivered in its manufacturer's original factory sealed containers to Guam Waterworks Authority Ugum Treatment Plant. Delivery time is 60 days from the date on the Notice to Proceed.

**Contract Term:**

GWA and the lowest responsible bidder may enter into a contract (which may be in the form of a Purchase Order) on terms acceptable to GWA and which shall in all cases incorporate the terms of this bid whether stated on the Purchase Order or not, which shall commence upon vendor's acknowledged receipt of a Notice to Proceed from GWA. The initial term of the contract is for three (3) years fixed price term with option to renew for additional two (2) one (1) year term(s), all prices shall be fixed for the initial one (1) year term. All purchases are subject to availability of funds.

Concurred and accepted by the committee members:

[Signature]

Paul Kemp, Assistant General Manager Compliance & Safety

[Signature]

Ref: IFB 2015-14 Ugum Chemicals
Ron Topasna, Operation Maintenance Manager

Antonio Camacho, Buyer Procurement

Your approval is greatly appreciated.

Peter Salas

NOTE: Attached Certification Review Form signed & approved dated on August 05, 2015
Funding Source: C1; 5311.61/02.400. Estimated cost annually reflecting FY 2016.
$220,944.24

In consideration of the foregoing, please indicate your approval of this recommendation by your signature below.

[ ] CONCURRED [ ] UNCONCURRED

VINCENT ED. GUERRERO, SMA

[ ] APPROVED [ ] DISAPPROVED

GREGY. GROZ, ACTING GENERAL MANAGER

Ref: IFB 2015-14 Ugum Chemicals
GUAM WATERWORKS AUTHORITY

Gloria B. Nelson Public Services Building
688 Route 15, Mangilao, Guam 96913

REVIEW FORM

This IFB 2015-14 Ugum Treatment Chemicals will be acquired by means of competitive bid process through GWA Procurement Office. Below are the following divisions who concurred and agree to proceed.

Requested by: Paul Kemp
Date: 07/27/2015

Concurred By:

Supply Management Admin: Date: 7/22/2015

Review by Budget: Date: 8/5/15

G.L. #5311 61802 .430

Estimated cost annually reflecting FY 2016: $220,944.24
EXHIBIT C
NOTICE OF CONDITIONAL AWARD

Date NOV 25 2015

Mr. Jerry A. Flores
Total Chemical Resources
P.O. Box 20730
Barrigada, Guam 96921
Phone: 646-4742
Fax: 649-0447

Re: Invitation for Bid Number: IFB 2015-14 Ugum Treatment Chemicals

Hafa Adai,

The Guam Waterworks Authority ("GWA") has considered the bid submitted by Total Chemical Resources for the above described reference in response to its Advertisement for Bids dated August 28, 2015 and you are hereby notified that the submitted bid cost for Item No. 1, 2, 3, 4 and 5 has been accepted by GWA. Please be advised that you must now deliver all other documents required by the bid, including, but not limited to, proof of insurance and the Performance and Payment Bond (which must remain in full force and effect until all performance has ended, which includes all warranty periods).

You are also advised that any obligation incurred by your firm prior to execution of the contract is entirely at your own risk and GWA shall have no obligation to reimburse costs incurred prior to execution of the contract.

Please note this Notice of Award is conditional on obtaining the approval of the Guam Consolidated Commission on Utilities for any award over $250,000 and the approval of the Guam Public Utilities Commission where the total value over the life of the contract could exceed $1M. Also, award is conditional upon providing any documents such as proof of licensure, proof of insurance or other documents required to be submitted to GWA under the Bid or Guam law.

/ 
/
You are required to return an acknowledged copy of this Conditional Notice of Award to the Procurement Administrator.

Sincerely,

[Signature]

Greg F. Cruz
Acting General Manager

ACCEPTANCE OF CONDITIONAL NOTICE OF AWARD

Receipt of the above Notice of Conditional Award for GWA IFB No. 2015-14 is hereby acknowledged

By: ___________________________ Title: ___________________________ (please print)

Signature

Dated this _____ day of ____________________________, 2015.

******** END OF CONDITIONAL NOTICE OF AWARD ********