RESOLUTION NO. 2016-52

RESOLUTION TO AUTHORIZE EXPENDITURE FOR THE PROCUREMENT OF A
NEW 80 MVA POWER TRANSFORMER FOR CABRAS UNIT 2

WHEREAS, the Cabras Unit 2 main power transformer, which was manufactured in 1974 has
surpassed its useful lifespan of 30 years; and

WHEREAS, in the event that Cabras Unit 2 transformer fails, no spare transformers are
available to replace it; and

WHEREAS, the IWPS is at a vulnerable state, lacking adequate generation reserve capacity
to support the outage of a large generating unit; and

WHEREAS, the IWPS will be susceptible to outages, under frequency load-shedding, and
blackouts with the main power transformer failure of Cabras Unit 2; and

WHEREAS, GPA desires to replace the antiquated power transformer for Cabras Unit 2 to
improve system reliability; and

WHEREAS, the Procurement Officer has provided adequate public announcement to
procure an 80 MVA power transformer for Cabras Unit 2 through Bid Invitation No. GPA-071-16
describing the specifications of the power transformer and information required of each
offeror; and

WHEREAS, R&D Marketing, Benson Guam Enterprises Inc., and JMI Edison Inc. submitted
bids for GPA’s consideration; and

WHEREAS, GPA’s Evaluation Committee has determined R&D Marketing to be the lowest
responsive bidder after consideration of the operational costs of the transformer inclusive of
the NO LOAD and LOAD Losses as required in the specifications; and

WHEREAS, the award of the Purchase Order to R&D Marketing has been made pursuant to
a written finding by the Procurement Officer that R&D Marketing’s offer meets the
requirements of GPA’s specifications and has been determined to be fair and reasonable.
NOW, THEREFORE, BE IT RESOLVED, by the Consolidated Commission on Utilities as follows:

1. After careful review of the attached documents, the Consolidated Commission on Utilities finds the purchase of 80 MVA power transformer for Cabras Unit 2 to be reasonable, prudent and necessary for the use of GPA Revenue funds.

2. The General Manager of GPA is hereby authorized an increase in obligating authority up to $630,000.00 for the purpose of procuring the Cabras Unit 2 power transformer.

RESOLVED, That the Chairman of the Commission certifies and the Secretary of the Commission attests the adoption of this resolution.

DULY and REGULARLY ADOPTED AND APPROVED THIS 27TH DAY OF SEPTEMBER 2016

Certified By:

JOSEPH T. DUENAS
CHAIRMAN

DATE: 9/27/16

Attested By:

J. GEORGE BAMBA
SECRETARY

DATE: 9/27/16

SECRETARY'S CERTIFICATE

I, George Bamba, Secretary, Consolidated Commission on Utilities hereby certifies as follows:

The foregoing is a full, true and correct copy of a resolution duly adopted at a regular meeting of the members of Guam's Consolidated Commission on Utilities, duly and legally held at the meeting place thereof on September 27, 2016, at which meeting all of said members had due notice and at which at least a majority thereof were present;

At said meeting said resolution was adopted by the following vote:

Ayes: 3
Nays: 0
Absent: 2
Said original resolution has not been amended, modified, or rescinded since the date of its adoption, and the same is now in full force and effect.

SO CERTIFIED this 27th day of September, 2016.

[Signature]

J. George Bamba
Secretary, Consolidated Commission on Utilities