



1           **WHEREAS**, the CCU approved Resolution No. 21-FY2016 on the License Agreement  
2 at the February 23, 2016 meeting; however, DOD updated the License Agreement to include  
3 required information that clarifies sections related to TERM, IMPROVEMENT AND  
4 RESTORATION AND STORAGE OF TOXIC OR HAZARDOUS CHEMICALS. The updated  
5 license also includes the Hazardous Materials List and the Environmental Condition of the  
6 Property (ECP) Checklist; and

7  
8           **WHEREAS**, the additional details of this agreement are captured in License  
9 Agreement (See Attachment 1) as well as through "Exhibit A to the 2010 Memorandum of  
10 Understanding between the Guam Waterworks Authority and the United States Navy" on the  
11 Tumon Maui Well Project (See Attachment 2).

12  
13           **NOW BE IT THEREFORE RESOLVED**, the Consolidated Commission on Utilities  
14 does hereby approve and authorize the following:

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

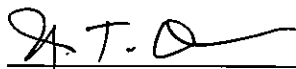
17           **Section 2.** The Consolidated Commission on Utilities approves the updated attached  
18 Tumon Maui Well License (Attachment 1).

19           **Section 3.** The CCU approves GWA management executing Exhibit A to the 2010  
20 Memorandum of Understanding between GWA and the U.S. Navy regarding the Tumon Maui  
21 Well project (Attachment 2).

22  
23           **RESOLVED**, that the Chairman certified and the Board Secretary attests to the  
24 adoption of this Resolution.

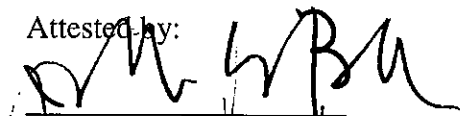
25  
26           **DULY AND REGULARLY ADOPTED**, this 26<sup>th</sup> day of April 2016.

27  
28           Certified by:

29           

30           **JOSEPH T. DUENAS**  
31           Chairperson

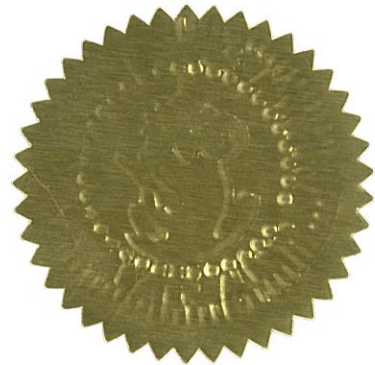
32           Attested by:

33             
34           **J. GEORGE BAMBA**  
35           Secretary

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

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

6 AYES: 5  
7  
8 NAYS: 0  
9  
10 ABSTENTIONS: 0  
11  
12 ABSENT: 0



13 ///

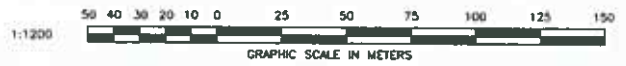
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19 ///

22 ///

# ATTACHMENT 1

<b>LICENSE FOR NONFEDERAL USE OF DEPARTMENT OF THE NAVY REAL PROPERTY</b>  THIS LICENSE TO USE THE U.S. GOVERNMENT PROPERTY HEREIN DESCRIBED IS ISSUED BY THE DEPARTMENT OF THE NAVY TO THE LICENSEE NAMED BELOW FOR THE PURPOSE HEREIN SPECIFIED UPON THE TERMS AND CONDITIONS SET FORTH BELOW AND IN THE ATTACHED GENERAL PROVISIONS. BY ITS EXECUTION, THE LICENSEE AGREES TO COMPLY WITH ALL THOSE TERMS, CONDITIONS, AND GENERAL PROVISIONS.		<b>1a. WORK ORDER NO: 1391697</b>  ALL CORRESPONDENCE MUST REFERENCE: <b>1b. FILE NO: N/A</b>  <b>1c. LICENSE (CONTRACT) NO: N40192-16-RP-00001</b>	
<b>2. PROPERTY LOCATION</b> ( <i>Installation Name and Address</i> )  Tumon Maui Well, Tumon, Naval Base Guam		<b>3. DATES COVERED</b> <b>FROM: 31 MARCH 2016</b> <b>THROUGH: 31 MARCH 2017</b> Provided Licensee has delivered the required insurance certificates to the Licensor.	
<b>4. DESCRIPTION OF PREMISES</b> ( <i>Room and building numbers where appropriate</i> ) Property with an area of 7.50 Acres. The Premise includes a water well facility.			
<b>5. PURPOSE AND USE AUTHORIZED</b> ( <i>Specific use, times and recurring/part-time basis, and land use controls</i> ) For operation of Tumon Maui Well to include the extraction of water limited to 800 gallons per minute (GPM).			
<b>6. LICENSOR</b> UNITED STATES OF AMERICA BY THE SECRETARY OF THE NAVY		<b>6a. NAVY/USMC LOCAL REPRESENTATIVE</b> ( <i>Name, Title, Address, Telephone, Email</i> ) Cynthia Jackson Blas, Realty Specialist AM1, PSC 455 Box 195 FPO AP 96540-2937; Tel: (671)339-6415, Email: <a href="mailto:cynthia.jackson@fe.navy.mil">cynthia.jackson@fe.navy.mil</a>	
<b>7. LICENSEE</b> ( <i>Name, Address, Telephone Email</i> ) Guam Waterworks Authority, Gloria B. Nelson Public Service Building 688 Route 15 Mangilao, Guam 96913		<b>7a. LOCAL REPRESENTATIVE OF LICENSEE</b> ( <i>Name, Title, Address, Telephone, Email</i> ) Miguel Bordallo, General Manager, Gloria B. Nelson Public Service Building 688 Route 15 Mangilao, Guam 96913; (671)300-6845. <a href="mailto:mcbordallo@guamwaterworks.org">mcbordallo@guamwaterworks.org</a>	
<b>8. CASH PAYMENT BY LICENSEE - DUE IN ADVANCE</b>			
<b>a. AMOUNT</b> ( <i>Each payment</i> ) N/A as per SECNAVINST 11011.47C and ASN (EI&E) Memo, dtd 6 MAR 15	<b>b. FREQUENCY</b> <b>PAYMENTS DUE</b> N/A	<b>c. FIRST DUE DATE</b> N/A	<b>d. SEND PAYMENT TO:</b> ( <i>Name and Mailing Address</i> ) N/A
<b>9. EXHIBITS: The following are attached and incorporated into this License –</b> <b>A. MAP/DRAWING/OTHER DESCRIPTION OF LICENSED PREMISES</b> <span style="float: right;"><b>E. 2010 MOU-Exhibit A</b></span> <b>B. GENERAL PROVISIONS</b> <b>C. ENVIRONMENTAL CONDITION OF PROPERTY – RECEIPT HEREBY ACKNOWLEDGED</b> <b>D. JOINT INSPECTION AND INVENTORY REPORT (NON-ENVIRONMENTAL)</b>			
<b>10. EXECUTION OF LICENSE</b>			
<b>FOR THE SECRETARY OF THE NAVY</b>	<b>NAME: JEFFERY K. JACKSON</b>  Real Estate Contracting Officer	<b>SIGNATURE:</b>  	<b>DATE:</b>  
<b>NAME, ADDRESS AND EMAIL OF NAVFAC REAL ESTATE POINT OF CONTACT:</b>			
<b>LICENSEE</b> <b>I represent that I am authorized to bind Licensee</b>	<b>NAME: MIGUEL C. BORDALLO</b>  General Manager	<b>SIGNATURE:</b>  	<b>DATE:</b>  



DRAWN BY: A. BRUNER CHECKED BY: A. BRUNER APPROVED BY: A. BRUNER SUPERVISOR BY: A. BRUNER SPECIAL AGENT: A. BRUNER	DEPT OF THE NAVY, NAVAL FACILITIES ENGINEERING COMMAND  <b>TUMON MAUI WELL LICENSE LICENSE</b>  DATE: 14 OCT 88 SCALE: 1:200 SHEET 1 OF 1	REAL ESTATE DRAWING NO. <b>RE 18-02</b>
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EXHIBIT A

EXHIBIT "B"

GENERAL PROVISIONS TO LICENSE FOR NON-FEDERAL USE OF REAL PROPERTY

1. **USE OF AND ACCESS BY LICENSEE.** The Licensor grants to the Licensee the right to use the premises or facilities described in block 4 and Exhibit "A" ("Premises"), together with the necessary rights of ingress and egress authorized by the Installation Commanding Officer. Any parking that accompanies the use of and any routes of access to and from, the Premises are subject to change at the sole discretion of the Installation Commanding Officer.
2. **TERM.** This License shall be effective for the period stated in block 3 and is revocable at any time, **without notice** at the option and discretion of the Licensor or its authorized representative.
3. **USE OF PREMISES.** The use of the Premises shall be limited to the purposes specified in block 5, and no other.
4. **ASSIGNMENT/TRANSFER OF RIGHTS.** This License is neither assignable nor transferable by the Licensee, and grants no interest in the real property of the Licensor.
5. **UTILITIES AND SERVICES.** If utilities and services are furnished to the Premises, the Licensee agrees to reimburse the Licensor for the cost as determined by the Licensor in accordance with applicable statutes and regulations.

Reimbursement for Utilities and Services			
Amount (Each Payment)	Frequency Payments Due:	First Due Date	To (Mailing Address)
As billed	Monthly, as billed	As billed	NAVFAC MARIANAS PSC 455 Box 195 FPO AP 96540-2937 ATTN: FM SECTION
Utilities / Services Furnished Are:		<input type="checkbox"/> None	<input type="checkbox"/> HVAC/ Steam Heat
<input checked="" type="checkbox"/> Electricity	<input type="checkbox"/> Gas/Oil	<input type="checkbox"/> Water/Sewer	<input type="checkbox"/> Garbage/Refuse/Recycling
<input type="checkbox"/> Telephone	<input type="checkbox"/> Internet	<input type="checkbox"/> Other:	

6. **PROTECTION AND MAINTENANCE OF PREMISES.** The Licensee, at its own cost and expense, shall protect, maintain, and keep the Premises under its control in good order. Licensee is responsible for repairing any damage to the Premises caused by Licensee, or its agents, employees, contractors, guests or invitees.
7. **IMPROVEMENTS AND RESTORATION.** No additions to, or alterations of the Premises shall be made without the prior consent of the Licensor and in accordance with Section 106 of the National Historic Preservation Act. Upon revocation or surrender of this License and to the extent directed by the Licensor, the Licensee shall remove all alterations, additions, betterments and improvements made, or installed, and restore the Premises to the same or as good condition as existed on the date of entry under this License, reasonable wear and tear excepted.
8. **INDEMNIFICATION.**
  - a. The Licensee releases the Licensor and its employees from liability for death or injury to persons at the Premises.
  - b. The Licensee, to the extent allowed by law, agrees to release and hold the Licensor and its employees harmless from, and to indemnify and defend them against, loss or damage to property caused by or arising from its use of the Premises, regardless of any contributory fault of the Licensor.
  - c. The Licensee shall indemnify and save harmless the Licensor, its officers, agents, servants and employees from, and defend it and them against, all liability under the Federal Tort Claims Act (28 U.S.C. §§ 2671 and 2680) or otherwise, for death or injury to all persons, or loss or damage to the property of all persons resulting from its use of the Premises.



**EXHIBIT "B"**

**GENERAL PROVISIONS TO LICENSE FOR NON-FEDERAL USE OF REAL PROPERTY**

d. The Licensee agrees that the Licensor, its officers, agents and employees shall be released from all liability on all suits, claims, actions or demands in any way related to or arising under the Licensee's use of the property. This release includes, but is not limited to, all environmental suits, claims, and enforcement actions, whether arising during the Licensee's construction on or use of the property, or after such use has ended.

9. **INSURANCE.** The Licensee shall procure and keep continuously in effect during the term of this License the insurance required as follows on terms and conditions satisfactory to the Licensor, with an insurer whose rating is acceptable to the Licensor.

Insurance Required from Licensee (If any or all insurance requirements have been waived, enter "None" as appropriate)			
Type	Amount (Per Occurrence)	Type	Amount (Per State Law)
Commercial General Liability (Occurrence Policy Only)	\$3,000,000	Worker's Compensation	
Bodily Injury (Single Limit)	\$100,000		
Property Damage			
Fire/Legal Liability			
Deductible			

- Licensor shall be named as additional insured.
- The insurer must be authorized to write insurance in the state where the Premises is located.
- Proceeds of policies shall be made payable to "Treasurer of the United States".
- Each policy of insurance covering bodily injuries and third party property damage shall contain an endorsement waiving the insurer's right of subrogation against the United States of America.
- No cancellation, reduction in amount, or material change in coverage shall be effective until at least sixty (60) days after receipt by the Licensor of written notice.
- Notwithstanding the foregoing, any cancellation of insurance coverage based on nonpayment of the premium shall be effective only upon thirty (30) days' written notice to the Licensor.
- The Licensee shall provide proof of insurance to the Licensor throughout the term of this License.

The Licensee will not be allowed entry on the Premises until it first delivers a certificate or certificates of required insurance to the Licensor.

**10. DAMAGE TO THE PREMISES.**

a. In the event of damage, including damage by contamination, to any Government property by the Licensee, its officers, agents, servants, employees, or invitees, the Licensee, at the election of the Licensor, shall promptly repair, replace, or make monetary compensation for the repair or replacement of that property to the satisfaction of the Licensor. That obligation includes any damage discovered from the physical condition and environmental condition inspections notwithstanding the expiration or earlier termination or revocation of this License.

b. In the event that any item or part of the Premises shall require repair, rebuilding or replacement (collectively, "repair") resulting from loss or damage, the risk of which is assumed under this License, the Licensee shall promptly give notice to the Licensor and, to the extent of its liability as provided in this paragraph, shall either compensate the Licensor for any loss or damage within thirty (30) days of receipt of a statement, or repair the lost or damaged item or items of the Premises, as the Licensor may elect. If the cost of repair exceeds the liability of the Licensee for any loss or damage, the Licensee shall effect the repair if required to do so by the Licensor, and the excess of cost shall be reimbursed to the Licensee by the Licensor within thirty (30) days of receipt of a statement provided that appropriations are available for that purpose. In the event the Licensee shall have effected any repair that the Licensee is required to effect, the Licensor shall direct payment to the Licensee of so much of the proceeds of any



EXHIBIT "B"

GENERAL PROVISIONS TO LICENSE FOR NON-FEDERAL USE OF REAL PROPERTY

insurance carried by the Licensee and made available to the Licensor on account of loss of or damage to any item or part of the Premises that may be necessary to enable the Licensee to effect the repair. In the event the Licensee shall not have been required to effect the repair, and the insurance proceeds allocable to the loss or damage that has created the need for the repair have been paid to the Licensee, the Licensee shall promptly refund to the Licensor the amount of the proceeds.

11. OFFICIALS NOT TO BENEFIT. No member of, or Delegate to Congress, or Resident Commissioner shall be admitted to any share or part of this License or to any benefit that may arise from it; but this provision shall not be construed to extend to this License if made with a corporation for its general benefit.

12. COVENANT AGAINST CONTINGENT FEES. The Licensee warrants that it has not employed any person to solicit or obtain this License upon any agreement for a commission, percentage, brokerage or contingent fee. Breach of this warranty shall give the Licensor the right to annul this License or in its discretion to recover from the Licensee the amount of that commission, percentage, brokerage or contingent fee in addition to the consideration for this license. This warranty shall not apply to commissions payable by the Licensee upon contracts or sales obtained or made through *bona fide* established commercial or selling agencies maintained by the Licensee for the purpose of acquiring business.

13. NON-DISCRIMINATION. In connection with the performance of work under this License, the Licensee agrees not to discriminate against any employee or applicant for employment because of race, religion, color, or national origin. Non-discrimination shall include, but not be limited to, the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Licensee agrees to post in conspicuous places available for employees and applicants for employment, notices to be provided by the Licensor setting forth the provisions of the nondiscrimination clause. The Licensee further agrees to insert the foregoing provision in all subcontracts for work under this License, except subcontracts for standard commercial supplies or raw materials.

14. APPLICABLE RULES AND REGULATIONS.

a. All activities authorized under this License shall be subject to rules and regulations regarding supervision or otherwise, that may, from time to time, be prescribed by the local representative of the Licensor.

b. Upon request, the Licensee shall submit to the Licensor evidence of compliance with local, state, and Federal environmental laws and regulations.

15. FEDERAL FUNDS. This License does not obligate the Licensor to expend any appropriated funds. Nothing in this License is intended or should be interpreted to require any obligation or expenditure of funds in violation of the Anti-Deficiency Act (31 U.S.C. § 1341).

16. STORAGE OF TOXIC OR HAZARDOUS CHEMICALS. Storage, treatment, or disposal of toxic or hazardous materials on the Premises is prohibited except as authorized by the Licensor in accordance with 10 U.S.C. § 2692. Any hazardous materials that the Licensor authorizes the storage, treatment, or disposal of in connection with the use of the Premises shall be identified on a Hazardous Materials List and made a part of this License. Any such approved storage, treatment, or disposal of toxic or hazardous material by Licensee on the Premises shall be strictly limited to that material required or generated in connection with the authorized and compatible use of the Premises and shall be conducted in a manner consistent with the best interest of national defense as determined by the Secretary of the Navy and applicable law and regulations. As and to the extent caused by or attributable to the Licensee, Licensee shall have continued financial and environmental responsibility or liability for any and all direct or indirect consequences of the storage, treatment, or disposal of toxic or hazardous material within the Premises. Licensee will manage, control and dispose of its hazardous waste and hazardous materials in accordance with Federal, state, and local laws. In addition, Licensee shall implement the environmental requirements of applicable facility plans including but not limited to Spill Plans, Emergency Response Plans, and Hazardous Waste Management Plans. In the event the

EXHIBIT "B"

GENERAL PROVISIONS TO LICENSE FOR NON-FEDERAL USE OF REAL PROPERTY

Licensor approves the storage, treatment, or disposal of toxic or hazardous materials; the Licensee shall obtain insurance or post a bond in an amount sufficient to cover possible cleanup costs.

17. ENVIRONMENTAL CONDITION OF PREMISES. Exhibit "C", Environmental Condition of Property, sets forth the existing environmental condition of the Premises as represented by a baseline survey conducted by the Licensor. Licensee is hereby made aware of the notifications contained in Exhibit "C" and shall comply with all restrictions set forth therein.

18. JOINT INSPECTION AND INVENTORY REPORT (NON-ENVIRONMENTAL). A Joint Inspection and Inventory Report (JIIR) has been conducted by representatives of the Licensor and the Licensee documenting the condition of the Premises. The report is attached to this License and made a part hereof as Exhibit "D". The Premises shall be delivered to the Licensee on an "As Is, Where Is" basis, and, as such, Licensor makes no warranty relative to the Premises as to its usability generally or as to its fitness for any particular purpose. Any safety and/or health hazards identified and listed as such in the JIIR shall be corrected at the Licensee's expense prior to use and occupancy of the relevant portion of the Premises. Such safety and/or health hazards shall be limited to those identified in the JIIR. In the event this License is terminated and the parties have not agreed to enter into a new License, or another agreement, Licensee shall return the Premises to the Licensor in the same condition in which it was received, reasonable wear and tear and Acts of God excepted. Licensee may, at its expense and with prior written approval of the Licensor: (a) replace any personal property with personal property of like kind and utility, (b) replace any personal property in a good and workmanlike manner, and (c) dispose of any worn out, obsolete or non-functioning personal property, in accordance with applicable laws and regulations. Licensor shall not unreasonably withhold or delay granting its approval to Licensee's request for such actions.

19. ADMINISTRATIVE COSTS. At the termination or expiration of this License, at the Licensor's discretion, Licensee shall be responsible for administrative costs associated with completing a final inspection of the premises and updating the Environmental Condition of Property.

20. NOTICES. Correspondence concerning this License shall be provided to both the Local Representative identified in Block 6a. and the Real Estate Contracting Officer identified in Block 10.

21. STATEMENT OF COMPLIANCE. Pursuant 10 U.S.C. § 2662:

a. This license is not subject to the requirements of this section; or,

~~b. This license is subject to the requirements of this section and said requirements have been met.~~

22. ADDITIONS, MODIFICATIONS AND DELETIONS. Prior to the execution of this License, the following provisions were added, modified or deleted:

ADDED:

2a. TERM. The Licensor will work with the Licensee to allow sufficient time of thirty (30) days for transition of services to the extent possible. Should additional time be requested, it may be provided at the discretion of the Licensor

7a. IMPROVEMENTS AND RESTORATIONS. Licensor reserves the right to request any or all alterations, additions, betterments and improvements made, or installed to remain on the Premises upon revocation, surrender or termination of this License.

16a. STORAGE OF TOXIC OR HAZARDOUS CHEMICALS. Licensee shall develop and submit a Hazardous Material List for approval of and authorization by Licensor. The approved Hazardous Materials List will be an exhibit for this License.

EXHIBIT "B"

GENERAL PROVISIONS TO LICENSE FOR NON-FEDERAL USE OF REAL PROPERTY

- 23a. Licensors reserves the right to terminate this license within 30 days based on need for the use of Tumon Maui Well.
- b. Licensors agrees to amend their current Guam EPA issued operator's permit to include Licensee as an operator.
- c. Licensors reserves the right to limit the extraction capacity of the Tumon Maui Well to prevent adverse groundwater availability conditions.
- d. A Performance Work Statement (PWS) between Licensors and Licensee must be agreed upon prior to execution of this license. PWS will be in effect for the duration of this License term.
- e. Licensed property has been determined to be eligible for listing on the National Register of Historic Places. Any non-routine repair or alteration is subject to the Navy approval in compliance with Section 106 of the National Historic Preservation Act. Any maintenance activity that alters damages, destroys or compromises the integrity of the property may be grounds for revocation.
- f. Licensee shall be responsible for the maintenance, monitoring, and operation of the Tumon Maui Emergency Generator Emissions Unit Identification (EUID) #477, 400kW. Licensee is responsible for repairing any damage to the emergency generator caused by Licensee, or its agents, employees, contractors, guests or invitees.
- g. Licensee shall be responsible for obtaining and complying with the appropriate air pollution control permit from Guam Environmental Protection Agency, the 22GAR Division, Chapter 1 Guam Air Pollution Control Standards and Regulations, and all applicable Federal regulations.
- h. Licensors agrees to transfer the Guam EPA air permit for the Emergency Generator to the Licensee. The Licensee shall be designated as the Responsible Official on the transfer application. Guam EPA Administrator approval is required for the transfer of the permit.
- i. Licensee shall comply with the requirements of the Clean Air Act Section 112 (r) (1) General Duty Clause.
- j. Licensee shall update their Chlorine Spill Response Plan and Spill Pollution Control and Countermeasure Plan to include the Chlorine cylinders being stored on the Premises.
- k. Additional use and access for the ancillary tunnel and vent house located outside the Licensed Premises and within the Navy's easement is understood and acknowledged.

DELETED:

1. USE OF AND ACCESS BY LICENSEE ... "The Licensee and its invitees and contractors agree to absorb all costs, including time and expense, associated with gaining access to the Installation under the RAPIDGATE or similar program."
2. TERM ..... "and is revocable at any time, without notice"...

21. STATEMENT OF COMPLIANCE.

- b. This license is subject to the requirements of this section and said requirements have been met.

# Hazardous Materials List

## For Tumon Maui Well Property

- |   |              |                                  |
|---|--------------|----------------------------------|
| 1 | Chlorine Gas | 150 pound cylinders - three each |
| 2 | Fluoride     | 100 # fiber drums - two each     |

**ENVIRONMENTAL CONDITION OF PROPERTY (ECP) CHECKLIST****Installation: Andersen Air Force Base (AAFB)****Parcel/Site Location and Description: Andersen Water Supply Annex (aka Tumon Maui Well)****Proposed Real Estate Action Description: License for Guam Waterworks Authority to Operate****SITE SUMMARY INFORMATION**

1. Information regarding site uses and any hazardous materials, contamination, or conditions. All available and pertinent files, records, reports and aerial photographs were reviewed and, where necessary, a site inspection and/or personal interviews were conducted to document the environmental conditions of the property to support the proposed real estate action. A summary of the conditions, sources of information (including location), and any required use restrictions are provided for each environmental condition.

o CONTAMINANT TRENDS AND CONCLUSIONS REV. AUGUST 2015

o SEPTEMBER 2009, FINAL ENVIRONMENTAL CONDITION OF PROPERTY REPORT

**A. Parcel/Site Uses:**

Prior Uses: The Andersen Water Supply Annex, also known as Tumon Maui, is a 55-acre parcel of land located south from the Tumon Tank Farm and approximately one mile north of the Guam International Airport. Below the cliff line is access to the Tumon-Maui Well which is currently closed. The Tumon Maui Well (TMW) has the largest ground water production capability on the island of Guam. The well was dug in the late 1940's and had been in continuous use up until March 1998. The horizontal well is located in upper Tumon and consists of a 1000 foot long shaft, which skims the uppermost surface of the fresh water lens and directs the flow to a concrete vault which houses two (2) turbine pumps, each capable of producing 900 gallons per minute (900 gpm) TMW was shut down in 1998 and recently underwent a construction rehabilitation that was completed as of July 26, 2014. Purpose of the rehabilitation (The Tumon Maui Well Repair Project) was to restore the well facilities back into service to support the immediate water demands for the military build-up. TMW is currently inactive and can be re-activated consistent with the conditions of the Guam Well Operating Permit, issued by Guam Environmental Protection Agency (Guam EPA).

Current Uses: CLOSED

Future Uses: Navy to issue initial one year license to Guam Waterworks Authority (GWA) with succeeding one year renewals for a total of 5 years. License will be issued at no-cost to GWA, additionally GWA will extract water at no cost. GWA will be operating well under Navy's permit and will be responsible for all utilities costs and maintenance of TMW. Standards of Operations will be developed by UEM to identify all operational oversight issues. Proposed use action is in support of "One Guam" proposition by Guam Government Officials.

**B. Contaminants:**  Yes  No  Unknown

If yes, identify contaminant and media: Perchloroethylene (PCE) and Trichloroethylene (TCE)

Source of information: Section 4, Contaminants and Conclusions, Rev. August 2015

Restrictions or Land Use Controls:  Yes  No

If yes, please identify and explain in detail in Section 2 below.

**C. Hazardous Materials Use:**  Yes  No  Unknown

**Hazardous Materials Storage:**  Yes  No  Unknown

Type of HM: \_\_\_\_\_

Type of Use and/or Storage: \_\_\_\_\_

Source of information: October 1, 2015 site inspection

Restrictions or Land Use Controls:  Yes  No

If yes, please identify and explain in detail in Section 2 below.

**D. Treatment, Storage, Disposal of Hazardous Waste:**  Yes  No  Unknown

Source of information: October 1, 2015 site inspection

Restrictions or Land Use Controls:  Yes  No

If yes, please identify and explain in detail in Section 2 below.



# ENVIRONMENTAL CONDITION OF PROPERTY (ECP) CHECKLIST

**E. Underground Storage Tanks:**  Yes  No  Unknown

UST No. Gals.

Source of information: October 1, 2015 site inspection

Restrictions or Land Use Controls:  Yes  No

If yes, please identify and explain in detail in Section 2 below.

**F. Above-Ground Storage Tanks:**  Yes  No

AST No. Gals.

Source of information: October 1, 2015 site inspection

Restrictions or Land Use Controls:  Yes  No

If yes, please identify and explain in detail in Section 2 below.

**G. Presence of Polychlorinated Biphenyl's (PCB's):**  Yes  No  Unknown

Source of information: Section 4: Contaminants and Conclusions, Rev. August 2015

Restrictions or Land Use Controls:  Yes  No

If yes, please identify and explain in detail in Section 2 below.

**H. Asbestos:**  Yes  No  Unknown

If yes:  Friable  Non-friable  Unknown

Source of information: Section 4: Contaminants and Conclusions, Rev. August 2015

Restrictions or Land Use Controls:  Yes  No

If yes, please identify and explain in detail in Section 2 below.

**I. Lead Paint:**  Yes  No  Unknown

Source of information: Section 4: Contaminants and Conclusions, Rev. August 2015

Restrictions or Land Use Controls:  Yes  No

If yes, please identify and explain in detail in Section 2 below.

**J. Radon:**  Yes  No  Unknown

Source of information: Section 4: Contaminants and Conclusions, Rev. August 2015

Restrictions or Land Use Controls:  Yes  No

If yes, please identify and explain in detail in Section 2 below.

**K. Radiological Materials:**  Yes  No  Unknown

Source of information: Section 4: Contaminants and Conclusions, Rev. August 2015

Restrictions or Land Use Controls:  Yes  No

If yes, please identify and explain in detail in Section 2 below.

**L. Solid/Bio-Hazardous Waste:**  Yes  No  Unknown

Source of information: Section 4: Contaminants and Conclusions, Rev. August 2015

Restrictions or Land Use Controls:  Yes  No

If yes, please identify and explain in detail in Section 2 below.

**M. Munitions and Explosives of Concern:**  Yes  No  Unknown

Source of information: Section 4: Contaminants and Conclusions, Rev. August 2015

Restrictions or Land Use Controls:  Yes  No

If yes, please identify and explain in detail in Section 2 below.

**N. Threatened or Endangered Species:**  Yes  No  Unknown

Source of information: Section 4: Contaminants and Conclusions, Rev. August 2015

Restrictions or Land Use Controls:  Yes  No

If yes, please identify and explain in detail in Section 2 below.

**O. Natural or Cultural Resources:**  Yes  No  Unknown

Source of information: Groundwater

Restrictions or Land Use Controls:  Yes  No

If yes, please identify and explain in detail in Section 2 below.

# ENVIRONMENTAL CONDITION OF PROPERTY (ECP) CHECKLIST

## P. Use of Adjacent Property:

Current Commercial and Industrial use

Past Commercial and Industrial use

Source of information: October 1, 2015 site inspection.

Restrictions or Land Use Controls:  Yes  No

If yes, please identify and explain in detail in Section 2 below.

## Q. Has the site had any Notices of Violation? Yes No.

If yes, please explain:

Source of information:

Restrictions or Land Use Controls:  Yes  No

If yes, please identify and explain in detail in Section 2 below.

## R. Additional information or comments regarding questions shown above (attach sheet(s) if additional room is needed):

NONE

Restrictions or Land Use Controls:  Yes  No

If yes, please identify and explain in detail in Section 2 below.

## 2. List of Land Use Controls required for Real Estate Action:

A- "Chlorinated solvent (perchloroethylene, trichloroethylene) contamination has been observed historically in the groundwater produced at this well. The source of this contamination has not been discovered, but is not the result of past DoD operations. While DoD continues to periodically monitor the groundwater, the tenant is responsible for operating the on-site treatment (as needed) per the operating agreement as well as ensuring that any water produced at this site complies with Safe Drinking Water Act requirements.

E- The Aboveground Fuel Storage Tank (AST) meets the minimum threshold under 40 C.F.R. Part 112 requirements; therefore, the Licensee is responsible to ensure that the AST is in compliance with federal and local laws, rules and regulations. The Licensee must develop and submit a Spill Prevention, Control and Countermeasures Plan (SPCC) to the US Environmental Protection Agency, the Guam Environmental Protection Agency and the Andersen Air Force Base Installation Environmental Program Manager.

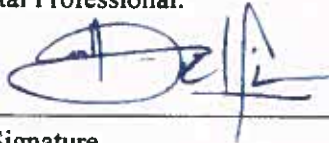
M-Guam was the scene of numerous battles during World War II. Unexploded Ordnance and other Munitions and Explosives of Concern may be present at this site. The Explosive Safety Submittal (latest revision) specifies procedures to follow to address this hazard. Prior to conducting any intrusive (e.g. excavation) work at this site, the licensee shall notify the Navy and obtain written authorization to proceed.



**3. Signature:**

Based on records reviews, site inspections, and interviews, the environmental professional(s) certify that the environmental conditions of the property are as stated in this document and this property is suitable for outgrant.

Environmental Professional:



Signature

Environmental Engineer

Title

Oscar L. Delfin

Print Name

October 14, 2015

Date

The real estate professional(s) acknowledge these restrictions and/or LUCs identified above and will ensure they are made a part of the outgrant document.

Real Estate Professional:



Signature

Realty Specialist

Title

Cynthia Jackson Blas

Print Name

October 14, 2015

Date

Property Owner (Activity or Region) acknowledges and accepts the foregoing statement of environmental conditions and the land use controls (if any) that will be required for this real estate outgrant:

Installation Environmental Program Director

By Direction of the Commanding Officer

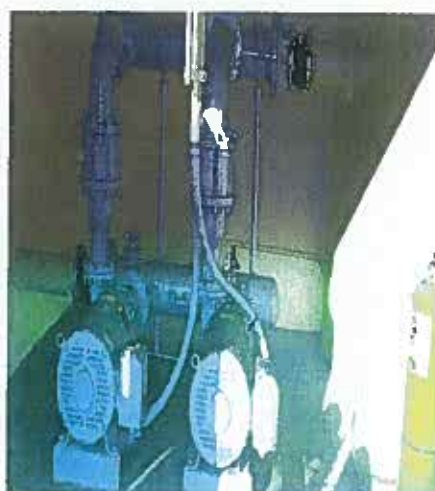
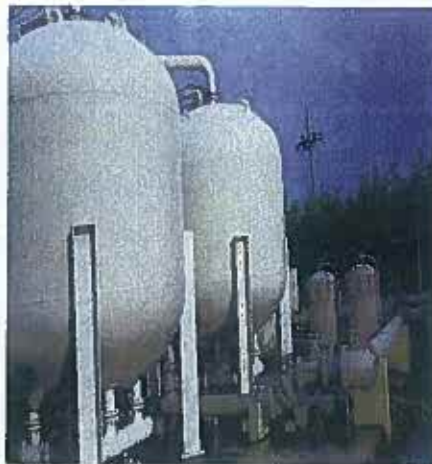
Signature

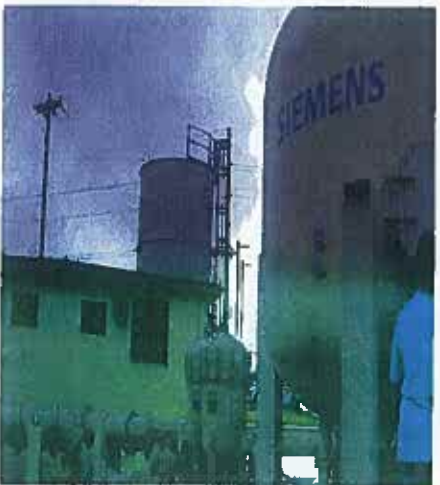
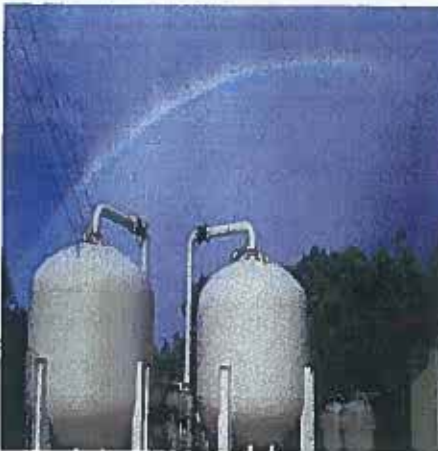
Title

Edward E. Moon

Print Name

Date















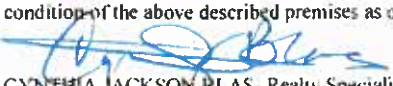

<b>CONDITION SURVEY REPORT</b>		PAGE 1 OF 1 PAGES	
		DATE OF SURVEY 01 OCT 2015	
		CHECK ONE: <input checked="" type="checkbox"/> INITIAL <input type="checkbox"/> FINAL	
LOCATION NAME AND ADDRESS Tumon Maui Well, Tumon, Naval Base Guam		LICENSEE'S NAME AND ADDRESS Guam Waterworks Authority Gloria B. Nelson Public Service Building 688 Route 15 Mangilao, Guam 96913	
ROOM NUMBERS OR OTHER IDENTIFICATION Facilities Nos. 1,2,8030 and 10089		CONTRACT NUMBER N40192-16-RP-00001	
SUGGESTED ITEMS <i>(Incomplete list)</i>		NARRATIVE REPORT	
<ol style="list-style-type: none"> <li>1. BUILDING EXTERIOR</li> <li>2. BUILDING ENTRANCES</li> <li>3. CEILING <ol style="list-style-type: none"> <li>a. MATERIAL</li> <li>b. PAINT</li> </ol> </li> <li>4. CORRIDORS</li> <li>5. DOORS <ol style="list-style-type: none"> <li>a. MATERIAL</li> <li>b. LOCKS</li> <li>c. TRANSOMS</li> </ol> </li> <li>6. ELECTRICAL SYSTEM <ol style="list-style-type: none"> <li>a. LIGHT FIXTURES (number and type)</li> <li>b. SWITCHES</li> <li>c. OUTLETS</li> </ol> </li> <li>7. ELEVATORS (NUMBER AND TYPE)</li> <li>8. FIRE ESCAPES</li> <li>9. FIRE PROTECTION EQUIPMENT <ol style="list-style-type: none"> <li>a. FIRE EXTINGUISHERS (TYPE)</li> <li>b. HOSE RACKS AND/OR REELS</li> <li>c. FIRE ALARM SYSTEM (TYPE)</li> <li>d. SPRINKLERS</li> </ol> </li> <li>10. FLOORS <ol style="list-style-type: none"> <li>a. MATERIAL</li> <li>b. COVERING</li> </ol> </li> <li>11. HEATING AND AIR CONDITIONING SYSTEMS <ol style="list-style-type: none"> <li>a. HEATING PLANT (TYPE)</li> <li>b. RADIATORS</li> <li>c. SPACE HEATERS</li> <li>d. AIR DUCTS AND OUTLETS</li> <li>e. FANS</li> </ol> </li> <li>12. LAVATORIES (OFFICE)</li> <li>13. REST ROOM FACILITIES <ol style="list-style-type: none"> <li>a. LAVATORIES</li> <li>b. WATER CLOSETS</li> <li>c. URINALS</li> <li>d. MIRRORS</li> <li>e. WASTE RECEPTACLES</li> <li>f. TOWEL DISPENSERS</li> <li>g. TOILET PAPER DISPENSERS</li> <li>h. SANITARY PAD DISPENSERS</li> </ol> </li> <li>14. SKYLIGHTS</li> <li>15. STAIRS</li> <li>16. VENTILATORS</li> <li>17. WALLS <ol style="list-style-type: none"> <li>a. MATERIAL</li> <li>b. PAINT</li> </ol> </li> <li>18. WINDOWS <ol style="list-style-type: none"> <li>a. FRAME</li> <li>b. SASH</li> <li>c. VENETIAN BLINDS</li> <li>d. ROLLER SHADES</li> <li>e. SCREENS</li> <li>f. AWNINGS</li> </ol> </li> </ol>		<p>REPORT ON ALL PERTINENT ITEMS, COMMENTING AS TO THEIR GENERAL CONDITION AND APPEARANCE, TYPE OF CONSTRUCTION, CONDITION OF PAINT OR OTHER FINISH, ETC. USE REVERSE OF THIS FORM IF MORE SPACE IS NEEDED.</p> <p>Condition Survey Report site inspection was conducted on October 1, 2015. Attendees for these inspection were:</p> <p>Cynthia Jackson Blas (NFM AM1- Realty Specialist) Oscar Delfin (NFM EV –Environmental Engineer) Maria Lewis (NFM EV –Environmental Protection Specialist)</p> <p>Subject premise is 7.50 Acres of fee simple land owned by the U.S. Government and facilities includes a water well, a pump house; a generator building and a water treatment building.</p> <p>Tumon Maui Well is currently not operational and the presence of chlorine tanks was not present at the time of this inspection. However when operational, the presence of chlorine tanks will be required. Grounds surrounding the pump house, filter tanks, the generator bldg. and exposed pump lines are maintained and the fence line is in good condition. Grounds that are part of these premises and were previously licensed for St. John's use as parking lot were not maintained within its fenced area. At this inspection, there was no evidence of solid waste or debris within the subject premises.</p> <p>Photos documenting the site condition of Building are shown in the attached Exhibit C- Environmental Condition of Property Checklist</p> <p>This Condition Survey Report serves as Exhibit D- JOINT INSPECTION AND INVENTORY REPORT (NON-ENVIRONMENTAL).</p>	
		<p>We, the undersigned, do hereby certify that this report represents our opinion of the true and correct condition of the above described premises as of October 1, 2015.</p> <p> CYNTHIA JACKSON BLAS- Realty Specialist       OSCAR DELFIN- Environmental Engineer</p> <p>SIGNATURE AND TITLE OF U.S. GOVERNMENT REPRESENTATIVE (Realty Specialist and Environmental Specialist)</p>	
		SIGNATURE AND TITLE OF LICENSEE REPRESENTATIVE	

EXHIBIT D



**JOINT SURVEY AND INSPECTION OF CONDITION OF GOVERNMENT LEASED PROPERTY**

*(ER 405-1-12)*

**INSTRUCTIONS**

1. If considered necessary, use a separate ENG Form 3143a for each room surveyed

2. Additional sheets may be attached for physical characteristics of land and buildings: exterior

and interior details of buildings; service facilities; inventory of machinery and equipment; miscellaneous items and general remarks not otherwise covered in section II of this form or on ENG Form 3143a.

ADDED INSTRUCTIONS *(Overprint, if desired)*

**SECTION I - PROPERTY DATA AND CONDITION AGREEMENT**

DATE OF SURVEY	LEASE NO.	LEASE COMMENCEMENT DATE	DATE POSSESSION TAKEN
ACTIVITY	TOTAL LEASED BUILDING AREA <i>(Square feet)</i>		

DESCRIPTION AND LOCATION OF PROPERTY

**JOINT AGREEMENT ON THE CONDITION OF THE PROPERTY**

We, the undersigned, jointly made a survey and inspection of the condition of the property mentioned above. We agree that as of the date of survey, the condition of the property is as described herein.

THE CONDITION OF THE EXTERIOR OF THE PROPERTY IS INDICATED ON THE REVERSE SIDE OF THIS FORM. ROOM CONDITIONS ARE INDICATED ON ATTACHED ENG FORM 3143A.

NO. OF ATTACHMENTS

NAME AND SIGNATURE OF <input type="checkbox"/> OWNER <input type="checkbox"/> LESSOR/ LESSEE <input type="checkbox"/> AGENT	NAME, TITLE, AND SIGNATURE OF U.S. GOVERNMENT REPRESENTATIVE
RESS	ORGANIZATION

# ATTACHMENT 2

**2010 MEMORANDUM OF UNDERSTANDING  
Exhibit A**

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**April 2016**

**DRAFT FINAL**

**MEMORANDUM OF UNDERSTANDING  
BETWEEN  
GUAM WATERWORKS AUTHORITY  
AND  
THE UNITED STATES NAVY**

Subj: MEMORANDUM OF UNDERSTANDING ON THE TUMON MAUI WELL PROJECT

This document details the Tumon Maui Well (TMW) and related interties project developed as part of the "Strategy for an Integrated Water System for Guam" framework and the Memorandum of Understanding (MOU) between the United States Navy and the Guam Waterworks Authority (GWA) dated 16 July 2010.

**1. INTRODUCTION**

a. The 2010 MOU between the Department of the Navy (DoN, or the Navy) and GWA addresses expected water and wastewater needs for the proposed military buildup. Section V, Future Objectives, of the MOU states that DoN and GWA "...will agree to evaluate opportunities to integrate military and civilian water on Guam. Such integration may involve the future transfer of production, distribution, collection and treatment systems from DoN to GWA. The parties understand that such transfer would require agreement of terms and conditions acceptable to both DoN and GWA, subject to GWA meeting reasonable minimum reliability and quality standards and possible legislative authorizations."

b. Section VII of the 2010 MOU states that the parties agree to have further discussions. Item 5 of that section lists the development of agreements to formalize the concepts of the MOU. Since March 2015, Naval Facilities Engineering Command (NAVFAC) Marianas and GWA have been partnering to evaluate opportunities towards integrating military and civilian water systems on Guam. The joint water working group holds bi-weekly meetings that include the NAVFAC Marianas Commanding Officer, General Manager of GWA, and key members of their utilities, operational, environmental and business staffs.

c. The working group developed a draft "Strategy for an Integrated Water System for Guam" that was coordinated with the Guam Consolidated Commission on Utilities (CCU) in August 2015 and October 2015. The CCU approved the working group's framework document which is a living document that will be periodically updated to address the current objectives. The framework is a plan to lead the organizations through actions working toward a potential future integration of Navy and GWA water systems. This integration effort will require close coordination with Guam EPA and U.S. EPA (Region IX).

## **2. PURPOSE**

a. Exhibit A is the detailed agreement between the Navy and GWA related to the Tumon Maui Well license. It specifies the responsibilities and expectations for both parties in the operation and maintenance of the Tumon Maui Well.

b. Exhibit A ensures that all agreed upon services are documented and that all maintenance and operational responsibilities are clearly defined.

c. Navy and GWA will enter into a License Agreement authorizing GWA to operate the Tumon Maui Well to include the extraction of up to 800 gallons per minute (GPM) of water. Requirements for the operation and maintenance of the Tumon Maui Well are contained in the License Agreement.

d. Additionally, the intertie at Route 3 and Potts Junction is a critical component in this water integration pilot in that a trade agreement will be employed to provide an additional water supply to the USMC cantonment facilities (to be located at NCTC Finegayan) via GWA lines from Tumon Maui Well. This exhibit documents GWA's commitment to construct the required infrastructure for a new waterline intertie along Route 3 at Potts Junctions and their commitment to provide a maximum of 210 GPM to Navy via the intertie during the initial license term. The amount may be revisited and subject to change in the future as needs change.

## **3. BACKGROUND**

a. The Tumon Maui Well is a significant component of the water system on Guam. Constructed in 1947, it accounted for a large portion of the water supply until its initial closure in 1995 because of chemical pollution. The Tumon Maui Well has the capacity to provide up to 900 GPM. When the well was in operation, it was one of the highest capacity wells of the Northern Guam Lens Aquifer (NGLA) system. NGLA is the primary source of Guam's fresh water. The well is also significant as an example of a Maui-type water well that operates to skim underground fresh water from the thin basal layer. It is the only Maui-type well on Guam that is capable of producing reliable fresh water. After 1995, it was placed back into service for a short time and then closed again in 1999. As part of the 2010 Military Build Up preparation, the well was rehabilitated. The well is connected to a 24 inch water line (GWA water main) along Marine Corps Drive. Activating the well and putting it into service will require minimal resources for GWA due to the close proximity of their existing infrastructure. Operating the Tumon Maui Well will enable the Navy and GWA to work together in protecting the NGLA, potentially reduce the levels of chlorides in the overall water well systems, mitigate adverse impacts to the NGLA, provide additional water supply for GWA's customers, and support growth and responsible development for the island. This additional capacity will enable GWA to shut down four of its smaller wells where chloride readings have been high.

Subj: MEMORANDUM OF UNDERSTANDING ON THE TUMON MAUI WELL PROJECT

b. Navy and GWA agree that this effort will improve the island's water system capability by taking advantage of existing infrastructure which will provide interoperability opportunities leading to improved water security for both parties. This project improves Guam's capability to provide an uninterrupted supply of potable water to civilian and military customers by the most cost effective means possible.

c. As part of this agreement, GWA will provide to the Navy a water connection from Route 3 and Potts Junction in support of the USMC cantonment located at NCTS Finegayan. This connection will allow for water to be supplied from an existing GWA waterline to a Navy connection in support of USMC facilities.

d. The issuance of a real estate license without collection of "fair market value" is allowed because the following four conditions are met:

(1) The license is for one year or less.

(2) The license results in minimal costs to the installation.

(3) The license is issued to a not-for-profit organization / charity / service entity / state or local government to support a public interest activity.

(4) The license is advantageous to DoN.

e. Because water resources are considered a public asset on Guam, GWA may withdraw the water from the aquifer at will. GWA will be licensed to operate the existing Navy facilities, but must provide the power to withdraw the water and the means to treat and distribute it. Any water GWA then distributes to the military will be taken in trade for water the Navy distributes to GWA customers located elsewhere on the island.

#### 4. PILOT PROJECT

a. The Tumon Maui Well project provides GWA with an opportunity to demonstrate their ability to operate and maintain DoD owned water treatment facilities and provide sustainable, reliable, compliant and secure potable water generation. Successful in this operation will afford Joint Region Marianas several potential benefits which can reinforce the concept of an integrated system to better serve all parties. One benefit is the opportunity for GWA to operate Navy utility assets to produce potable water and deliver it via GWA transmission systems to DoD facilities, specifically the USMC cantonment being constructed at NCTS Finegayan. Another benefit is that with the additional capacity to support GWA customers, GWA will be able to place in standby, four of its existing wells.

(1) Plan of Action and Milestones (POAM). A plan of action and milestones has developed for the transition of operation of the Tumon Maui Well to GWA.

Subj: MEMORANDUM OF UNDERSTANDING ON THE TUMON MAUI WELL PROJECT

(2) Bi-lateral Use Agreement Documentation. A License Agreement and MOU are required to authorize GWA to operate, maintain and consume water from the Tumon Maui Well. A draft copy of the license with the conditions of agreement was provided by NAVFAC Marianas to GWA on 23 October 2015. The final agreement package will be reviewed and signed by GWA General Manager and NAVFAC Marianas Commanding Officer.

(3) Re-commissioning of the Plant. Because the Tumon Maui Well water treatment plant has not been in operation for over a year, NAVFAC Marianas will make the repairs necessary to get the well operationally compliant to permit standards. GWA operators and maintenance personnel will be engaged during the repair and re-commissioning process to receive hands-on training and gain knowledge and experience with the system equipment.

(4) GWA Staffing Plan. In January 2016, GWA reached an agreement with Guam Environmental Protection Agency (GEPA) to use Level II Certified Water Operators.

(5) Startup and Operational Testing. Prior to official turn-over of the Tumon Maui Well, Navy and GWA will complete a joint inspection and document the condition of the premises as well as compile an inventory of the major items on site.

(6) Connections Between GWA and Navy Water Systems. GWA committed to making the necessary modifications to their delivery system to provide the USMC cantonment site on NCTS Finegayan with an initial supply of a maximum of 210 GPM when required. The water system connect design was developed by GWA, and submitted to the Navy for review and approval.

(7) Water Delivery. The delivery of water to the USMC cantonment will be a water for water trade. The amount GWA delivers to the USMC cantonment will be counted as a credit toward purchases made by GWA from the Navy to provide water service to customers at other locations.

**Based On The Representation And Agreement Contained Herein, The Agreed Upon Consideration, The Parties Agreed As Follows:**

## **5. ROLES AND RESPONSIBILITIES.**

### **a. Tumon Maui Well:**

#### **(1) GWA:**

(a) Pay the initial administrative fee of \$4,800 required for the development of the license to NAVFAC Marianas and subsequent annual license fees. The license will be for the period of one year and may be renewed annually for the first five years. The license fee is recurring and must be paid with each renewal.



Subj: MEMORANDUM OF UNDERSTANDING ON THE TUMON MAUI WELL PROJECT

(b) Provide routine operational preventive maintenance to of equipment and replacement of major equipment as required not covered under the manufacturer's warranty as part of the lifecycle of the component.

(c) Provide the Operation and Maintenance Agreement and staffing plan to the Navy for their review and comment. Address issues the Navy may bring up.

(d) Ensure all regulatory permits are kept up to date and current.

(e) Ensure operators working at the site are appropriately certified.

(f) Provide GWA's updated Chlorine Spill Response Plan and Spill Prevention, Control and Countermeasure Plan, to include the chlorine cylinders stored at the site, to the Navy for approval.

(g) Develop and submit to the Navy regular monthly production reports with daily logs, and annual monitoring and performance standards reports.

(h) GWA will record all operational costs and share this data with the Navy for use in possible future rate setting.

(i) Maintain the security of the Tumon Maui Well compound which includes the well, the tunnel, the vent house, and all the property and facilities along Marine Corps Drive and in the area below by the entrance to the tunnel contained within the perimeter of the existing fencing. The property will not be left unsecure for any length of time. GWA will bear any liability for issues relating to security breaches.

(j) Maintain the grass according to Navy requirement between 2 to 12 inches, or less if the GEPA operating permit requires at GWA expense. Any violation of the permit requirement will be the responsibility of GWA.

(k) GWA will not allow the use of any portion of the property in any manner not approved by the Navy.

(l) GWA will not make any modification to the system without prior Navy approval.

(m) Provide up to 210 GPM of potable water, for use at the Marine Corps Cantonment via Potts Junction intertie whenever needed.

(n) Provide open access to the Navy to conduct inspections of the facility.

**(2) Navy:**

(a) Provide GWA a baseline survey of the existing Environmental Condition of the Property (ECP).

Subj: MEMORANDUM OF UNDERSTANDING ON THE TUMON MAUI WELL PROJECT

(b) Provide GWA with copies of all available as-built drawings, design documents, maintenance records, and so forth related to the facility.

(c) Provide GWA full right of entry to the Tumon Maui Well facility for the duration of the license.

(d) Provide a fully functional and permitted well facility.

(e) Issue a license for the use of the property, to include the facilities and equipment within the specified boundaries.

(f) Allow GWA to operate the Tumon Maui Well system to withdraw water at up to a rate of 800 GPM at GWA expense and for the benefit of GWA customers.

(g) Require the reservation of 210 GPM, potable water, for use at the Marine Corps Cantonment via Potts Junction intertie whenever needed.

(h) Maintain the right to conduct inspections of the facility, and will provide 24-hour courtesy notice to GWA, except in emergencies.

(i) Provide technical support and assistance when requested.

(j) Allow GWA to connect to the existing SCADA system at the facility when GWA's SCADA is operational, provided the existing SCADA units at Tumon Maui Well are compatible with GWA's system.

(k) Assess GWA's operation and maintenance of the system monthly for use in future decision making regarding the Tumon Maui Well.

**(3) Navy and GWA Jointly:**

(a) Perform startup operating and testing of the Tumon Maui Well with NAVFAC Marianas' Base Operating Support (BOS) Contractor and conduct preliminary dual operation for a period of 60-90 days which includes the 45 days for startup/testing to ensure functionality and understanding of the facility and the equipment in place.

(b) Conduct a joint inspection and inventory assessment to document the condition of the premises after the start up and testing plan is completed; the subsequent Joint Inspection and Inventory Report (JIIR) will be signed by both parties.

(c) Meet quarterly to review and discuss the status of operations and issues related to the operation of the Tumon Maui Well. Within 2 months of the signing of this agreement, the

Subj: MEMORANDUM OF UNDERSTANDING ON THE TUMON MAUI WELL PROJECT

parties will develop and agree upon the format and the materials to be reviewed during quarterly reviews prior to coming together.

**b. Route 3 and Potts Junction Connection:**

**(1) GWA:**

(a) Design, construct, and maintain a water intertie along the federally owned property adjacent to Route 3 and Potts Junction. Provide all material and services to install an appropriate connection valve and lateral line terminating into a fire hydrant, at GWA expense, for future direct connection to Navy's water distribution system. Construction is to be completed during the first year's license.

(b) Install and maintain a meter on the Government of Guam easement adjacent to the federally owned property.

**(2) Navy:**

(a) Provide and maintain the connection line from the meter to the Navy water system.

(b) Provide and maintain a back flow preventer which meets GWA standards to be placed on DoD property.

**The Parties hereby affix signatures of offices duly appointed and authorized to make the commitments contained in this Agreement.**

**FOR GUAM WATERWORKS AUTHORITY:**

By: \_\_\_\_\_  
Miguel C. Bordallo, P.E.  
General Manager

Date: \_\_\_\_\_

**FOR NAVAL FACILITIES ENGINEERING COMMAND MARIANAS**

By: \_\_\_\_\_  
Stephanie M. Jones  
Captain, Civil Engineer Corps, U.S. Navy  
Commanding Officer

Date: \_\_\_\_\_