



CONSOLIDATED COMMISSION ON UTILITIES
Guam Power Authority | Guam Waterworks Authority
P.O. Box 2977 Hagatna, Guam 96932 | (671)649-3002 | guamccu.org

RESOLUTION NO. 39-FY2017

**RELATIVE TO APPROVING THE TERMS OF THE PROPOSED SETTLEMENT IN
THE CLAIM AGAINST THE GUAM WATERWORKS AUTHORITY BY
ANGEL M.D. CRUZ AND JOSEPH M.M. CRUZ ALSO REFERENCED
AS GWA GOVERNMENT CLAIM NO. 2017-001**

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 Government Claims Act 5 G.C.A. §6206 requires approval of the Board for all other claims in excess of Three Thousand Dollars (\$3,000.00), excluding motor vehicle damage and personal injury claims less than \$15,000; and

WHEREAS, on December 30, 2016 manhole number 3634 was surcharging. GWA personnel arrived at approximately 4:30 p.m. to attempt clear the line. Detry Plumbing was then contacted to assist GWA personnel to clear the sewer line of the obstruction later identified as grease and rag buildup. Detry Plumbing utilized a combination truck and jetted the sewer line from manhole number 3638 upstream (approximately 50 feet) where the obstruction was located. As a result of this obstruction, sewage overflowed into the Cruz Pablo residence (110 S. San Miguel St. Talofofu Guam) via the two bathrooms in the home causing real property damage, Exhibit “A”; and

1 **WHEREAS**, on February 22, 2017 Mr. Joseph M.M. Cruz and Angel M.D. Cruz
2 (“Claimant”), legal homeowners of 110 S. San Miguel Street Talofofo, Guam filed a claim
3 against GWA in the amount of One Hundred Fifty Thousand Dollars (\$150,000.00) for real
4 property damages, Exhibit “B”; in their claim, the Cruz’s submitted three quotes, which GWA
5 found to be excessive as certain line items (e.g. replacement of typhoon shutters, installation of
6 new floor ceramic tiles for the whole house, replace panel box, wires, switches, outlets/with
7 covers, and smoke alarms, light fixtures), which were not directly affected by the December 30,
8 2016 incident, Exhibit “C”, the lowest quote received from the claimants was One Hundred
9 Thirty Nine Thousand Nine Hundred Dollars (\$139,900.00); and

10
11 **WHEREAS**, GWA has provided the family housing accommodations commencing
12 January 26, 2017 and continues to do so, Exhibit “D.” A small storage unit has also been
13 provided by GWA to properly store some of the family’s personal belongings, Exhibit “E”; and
14

15 **WHEREAS**, GWA has sought the assistance on an independent quantity surveyor, Rider
16 Levett and Bucknall (RLB) to provide cost estimates on the repairs of the home based on the
17 scope of work GWA prepared and in accordance with ANSI/IICRC S500-2015 Standard and
18 Reference Guide for Professional Water Damage Restoration, Exhibit “F.” The cost of the
19 repairs GWA has accepted as appropriate is Eighty-Seven Thousand Nine Hundred Ninety-Three
20 Dollars (\$87,993.00). GWA has determined that claimant’s should be compensated for real
21 property damages sustained as a result of the sewer overflow (inclusive of direct to vendor
22 payments for housing accommodations and rental expenses for storage) in the total amount of
23 One Hundred Nine Thousand Nine Hundred Ninety Four Dollars (\$109,994.00) which shall be
24 paid upon signing of the Release & Settlement Agreement by all parties; and
25

26
27 **WHEREAS**, GWA has offered as part of the June 7th final settlement offer issuance of
28 Three Thousand Dollars (\$3,000.00) before July 16, 2017 to assist the family with initial home
29 repairs, Exhibit “G.” This amount of \$3,000.00 will be reduced from the One Hundred Nine
30 Thousand Nine Hundred Ninety Four Dollars (\$109,994.00).
31
32

1 **WHEREAS**, GWA has made payments directly to vendors for the family's housing
2 accommodations and rental of storage unit. Following the execution of the Release and
3 Settlement Agreement by all parties, the final payment to claimants is Eighty Four Thousand
4 Nine Hundred Ninety Three and 00/100 Dollars (\$84,993.00).

5
6 **WHEREAS**, GWA believes the proposed settlement and method of payment to be fair
7 and reasonable; and

8
9 **WHEREAS**, the Consolidated Commission on Utilities finds that this proposed
10 settlement is just and reasonable considering the circumstances.

11
12 **NOW THEREFORE, BE IT RESOLVED**, the Consolidated Commission on Utilities
13 does hereby find, authorize and approve the following:

- 14 1. Mr. Angel M.D. Cruz and Joseph M.M. Cruz sustained real property damages as a
15 result of a sewage over flow into their residence, 110 S. San Miguel Street Talofofu,
16 Guam on December 30, 2016.
- 17 2. Based on the cost estimate received from Rider Levitt and Bucknall (RLB), GWA has
18 proposed offer of One Hundred Nine Thousand Nine Hundred Ninety Four Dollars
19 (\$109,994.00) to include the costs to repair the home, housing accommodations to
20 allow for the completion of the home repairs (through August 31, 2017), and rental
21 expenses for storage (through August 31, 2017) as indicated in GWA's final
22 settlement offer dated June 7, 2017 to Angel M.D. Cruz and Joseph M.M. Cruz,
23 Exhibit G.
- 24 3. Claimants have agreed and accepted the proposed settlement offer dated June 7, 2017
25 by GWA, Exhibit H.
- 26 4. That GWA issue a check in the amount of Three Thousand Dollars (\$3,000.00) as
27 part of the final settlement offer on or before July 16, 2017 to assist the family with
28 initial home repairs.
- 29 5. That GWA may pay the Claimant's an amount of Eighty Four Thousand Nine
30 Hundred Ninety-Three and 00/100 Dollars (\$84,993.00) following the execution of a
31 Release and Settlement Agreement by all parties.
32

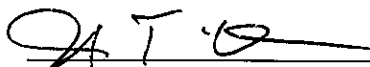
1 6. The CCU finds the offer fair and reasonable under the circumstances.

2 7. The GWA GM is authorized to sign all documents necessary to settle the claim
3 as
4 approved by the CCU.


5
6 **RESOLVED**, that the Chairman certifies and Board Secretary attests to the adoption of the
7 Resolution.

8
9 **DULY AND REGULARLY ADOPTED AND APPROVED** this 6th day of July, 2017.

10
11 Certified by:

12
13 
14 JOSEPH T. DUENAS
15 Chairperson

11 Attested by:

12
13 
14 J. GEORGE BAMBA FRANCIS E. SOROTAS
15 ~~Secretary~~ VICE - CHAIRMAN

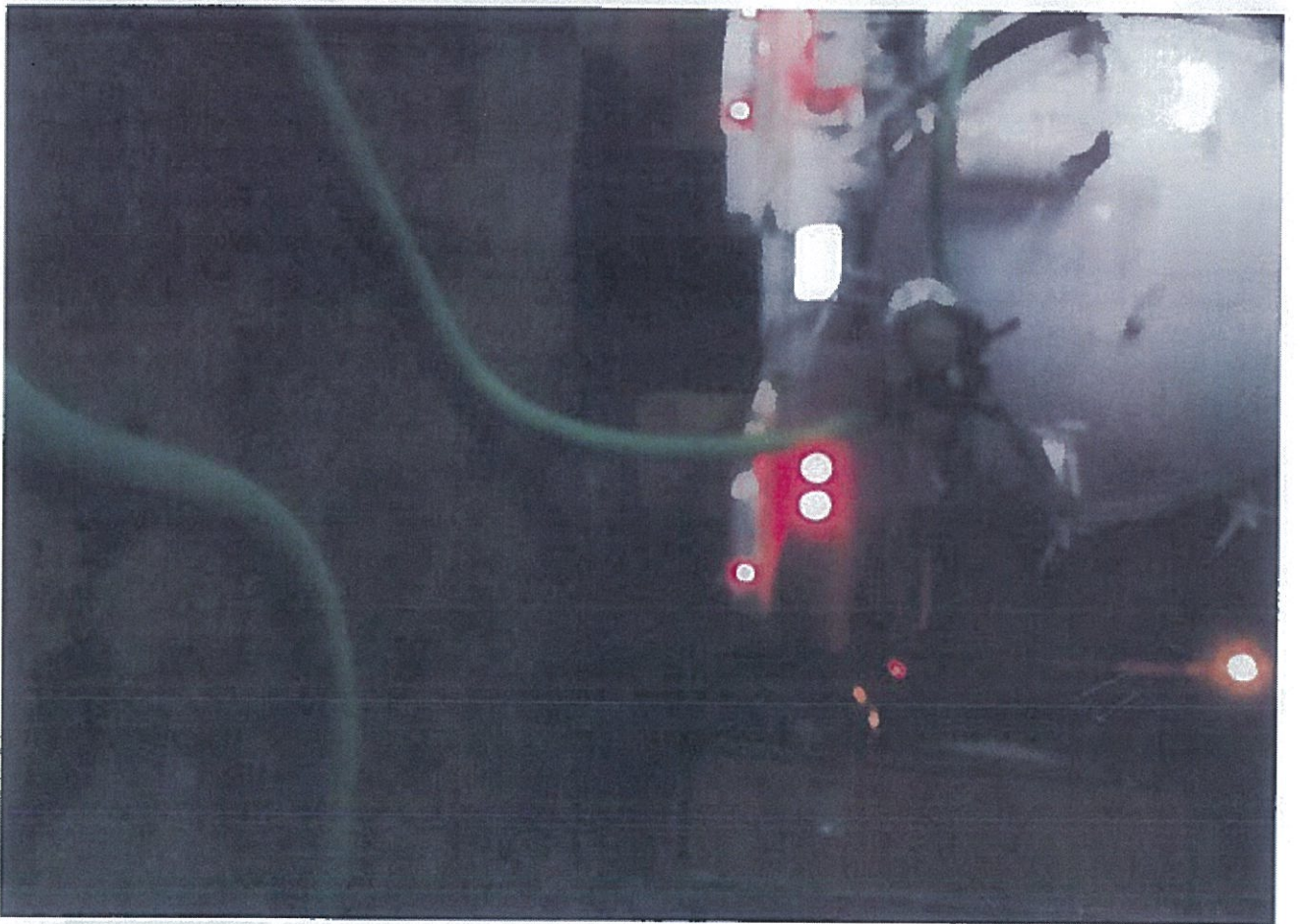
16
17 I, J. George Bamba, Board Secretary for the Consolidated Commission on Utilities, as
18 evidenced by my signature above do hereby certify as follows:

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

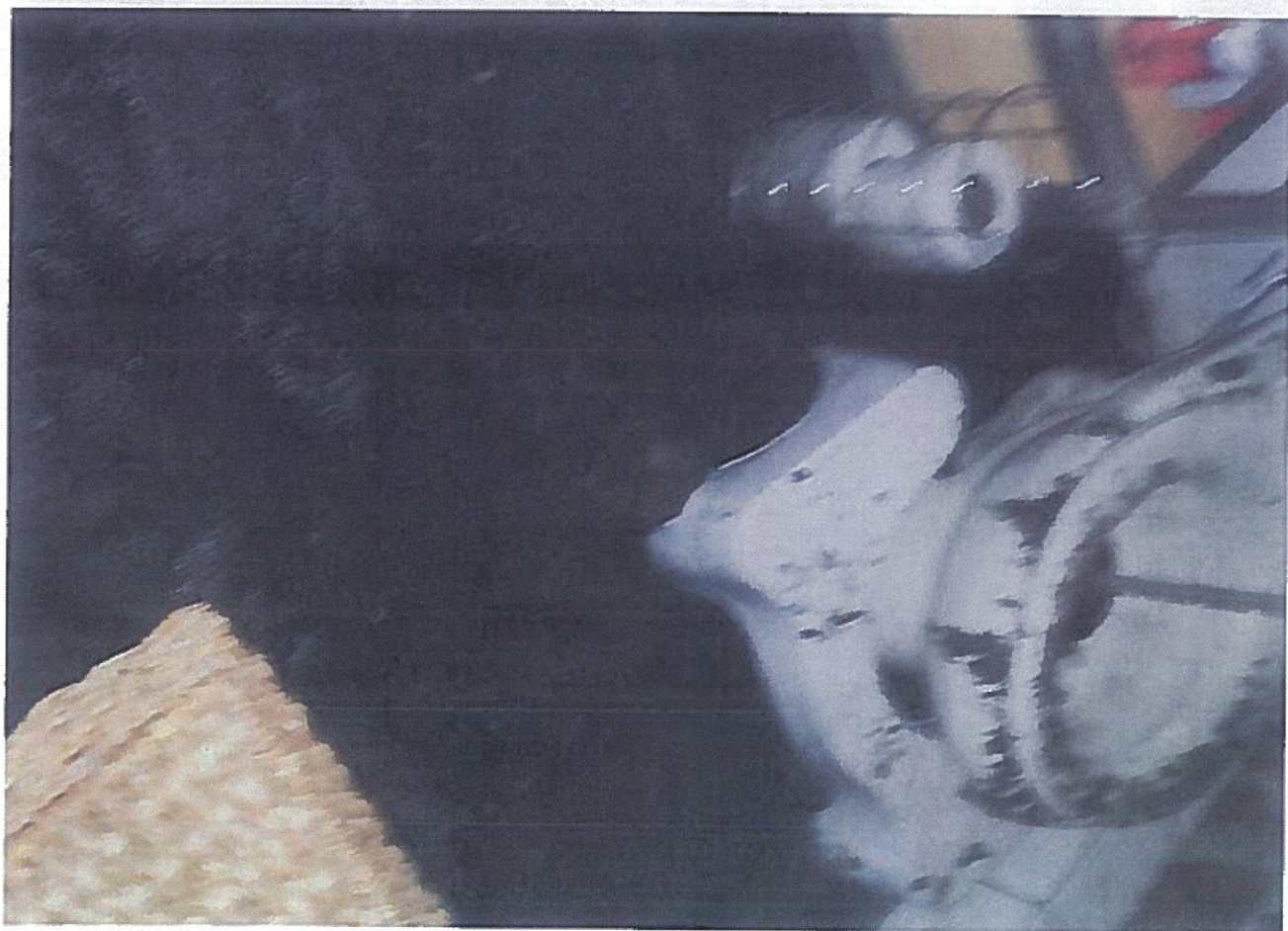
22 AYES: 4
23 NAYS: 0
24 ABSTENTIONS: 0
25 ABSENT: 1

26
27
28
29 ///

30
31 ///



2

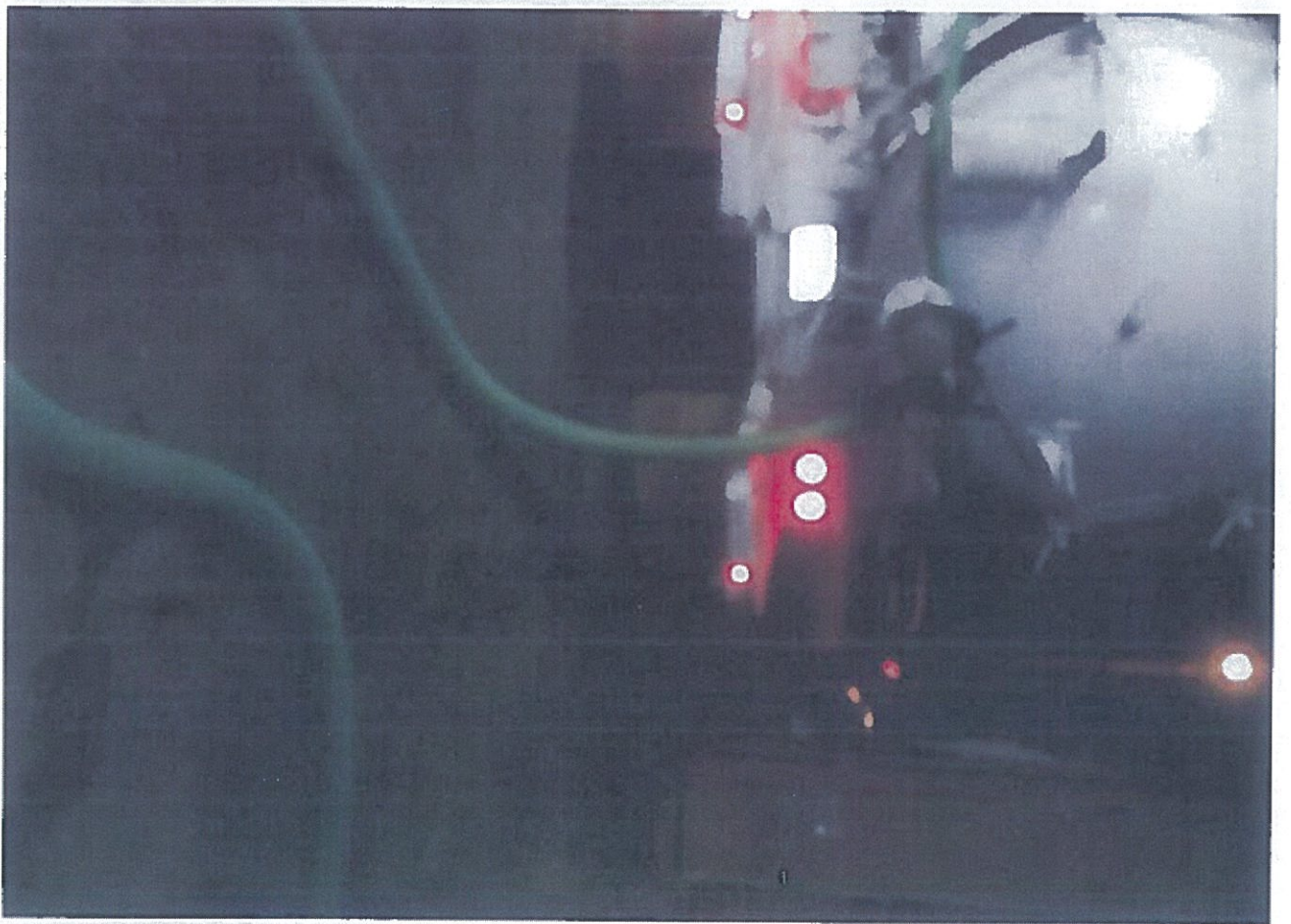






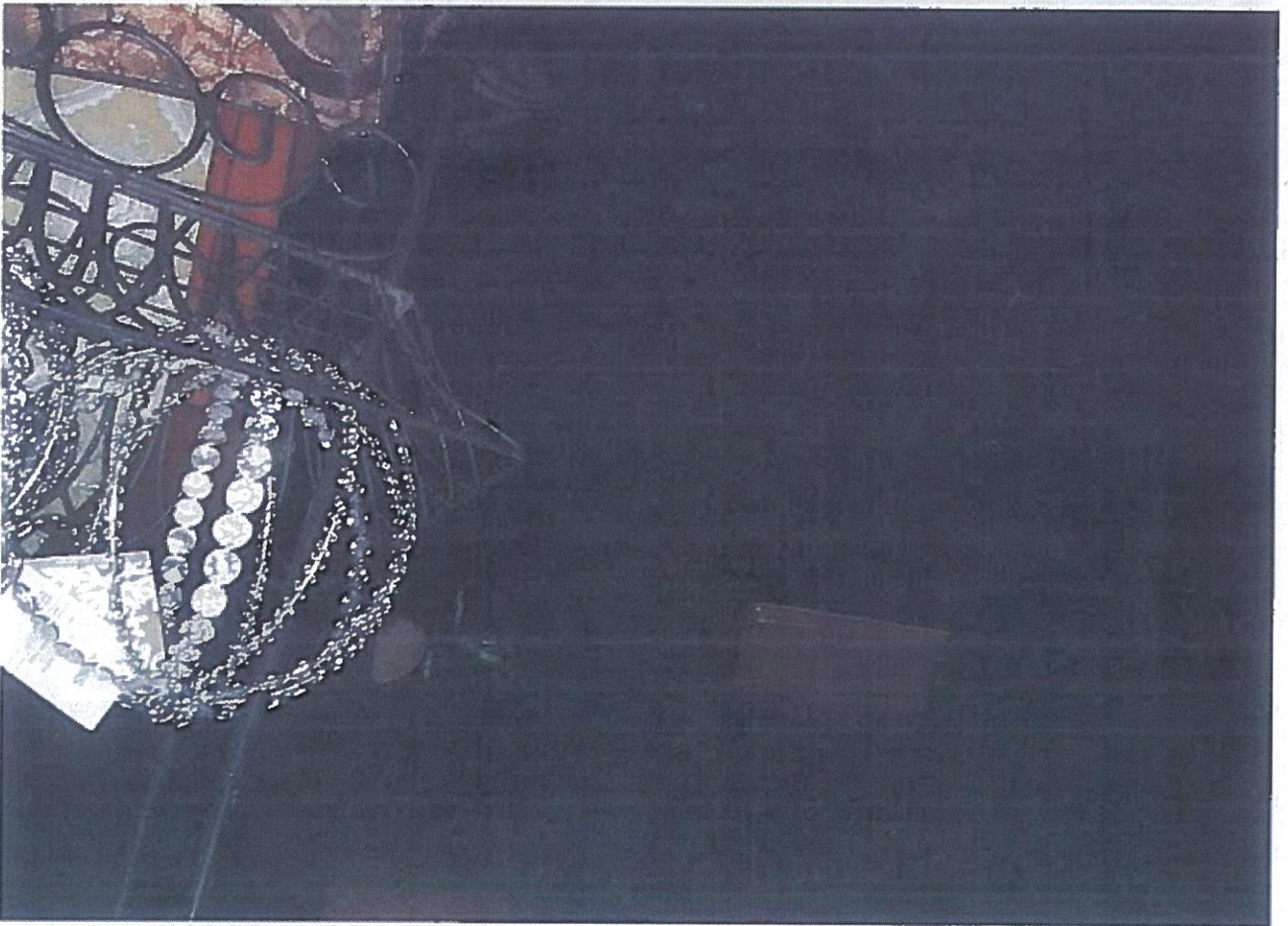












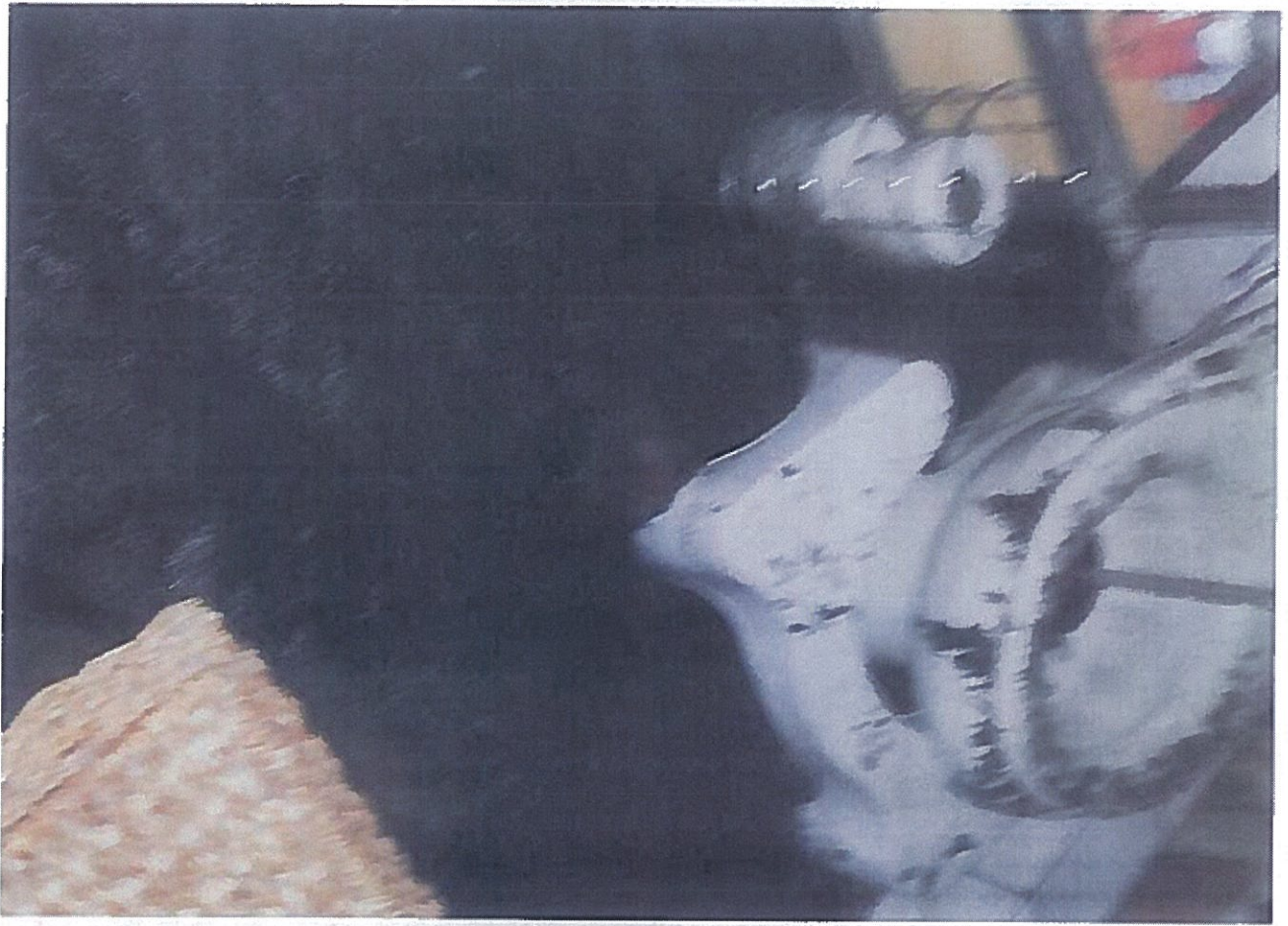








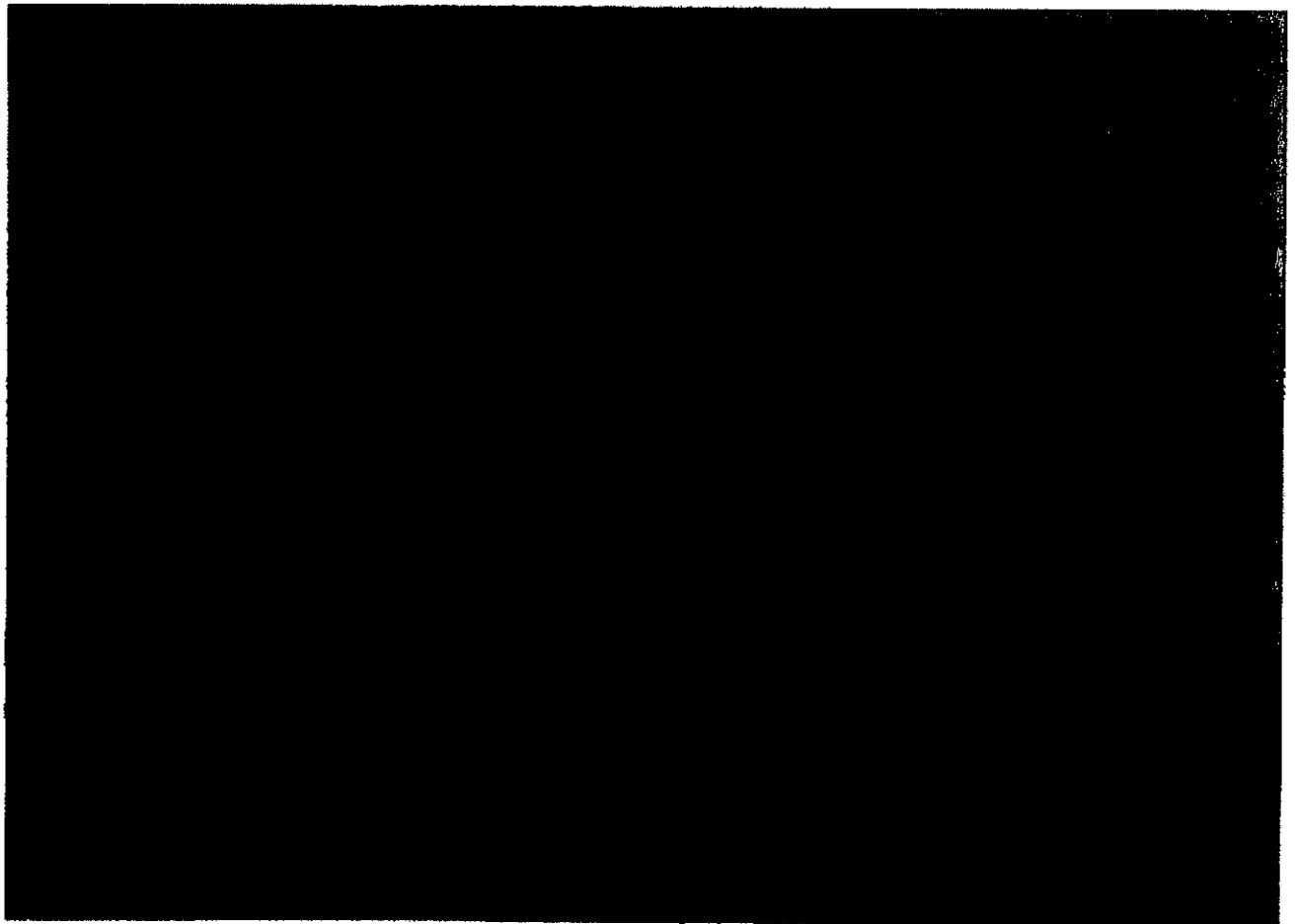
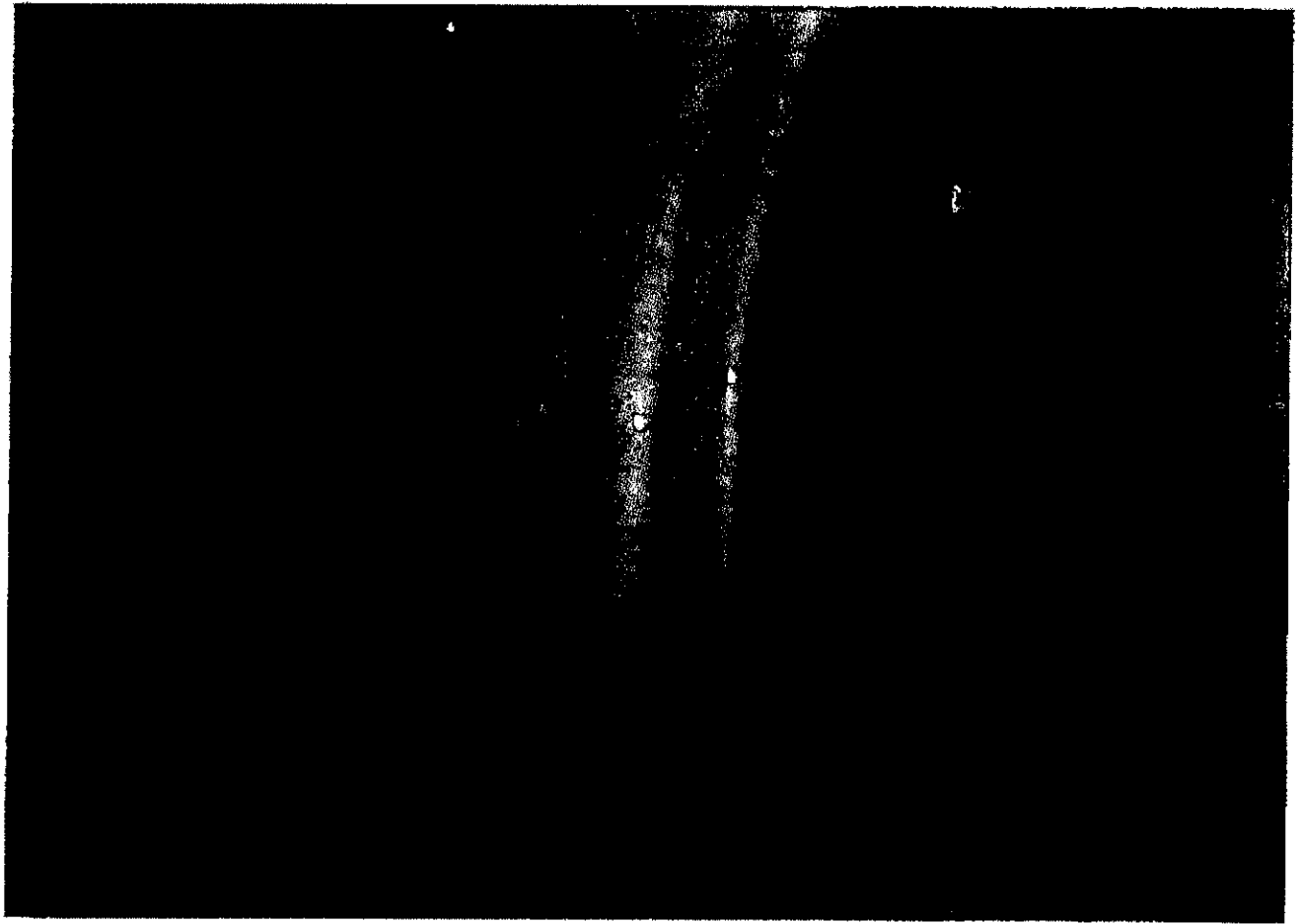


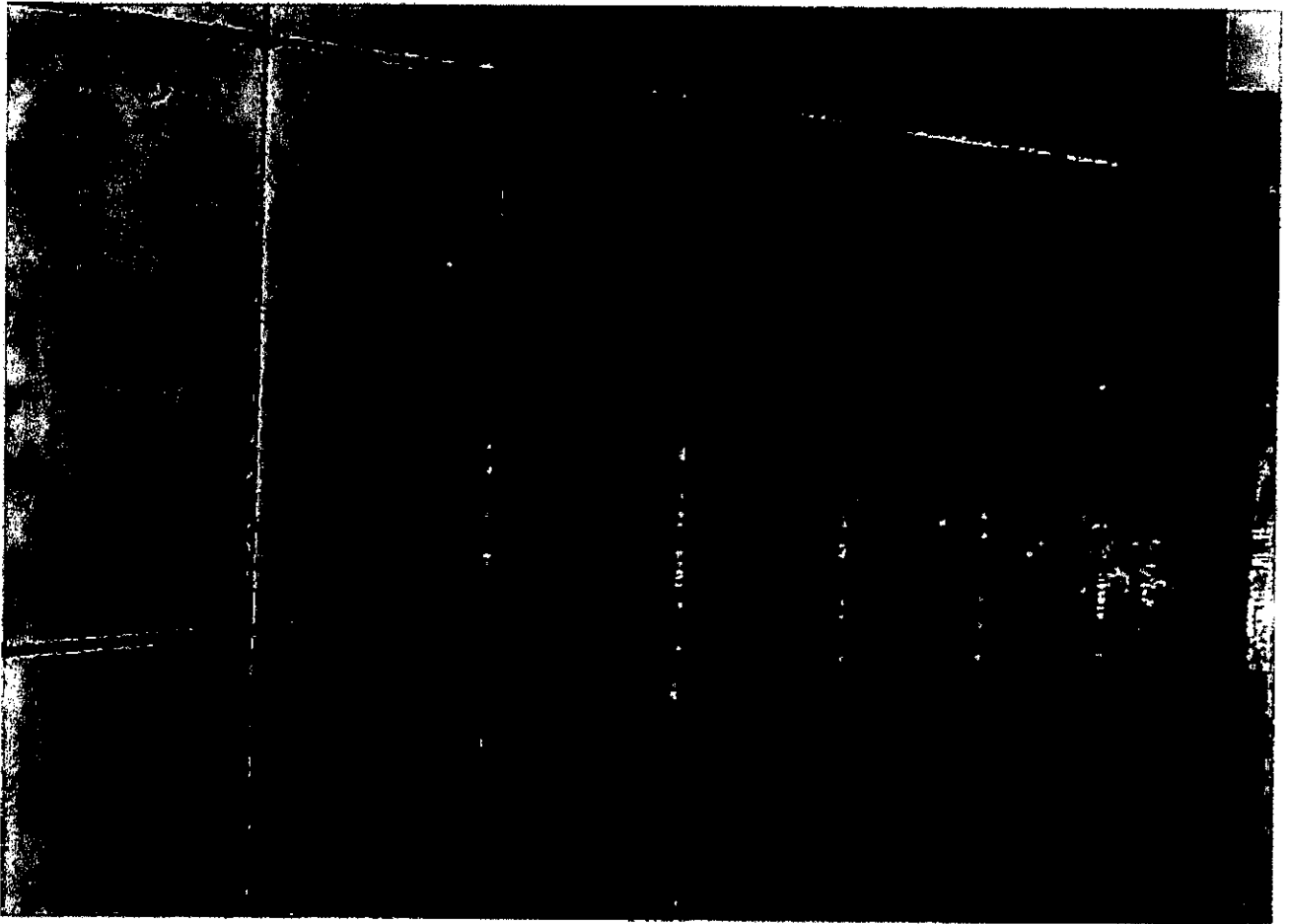
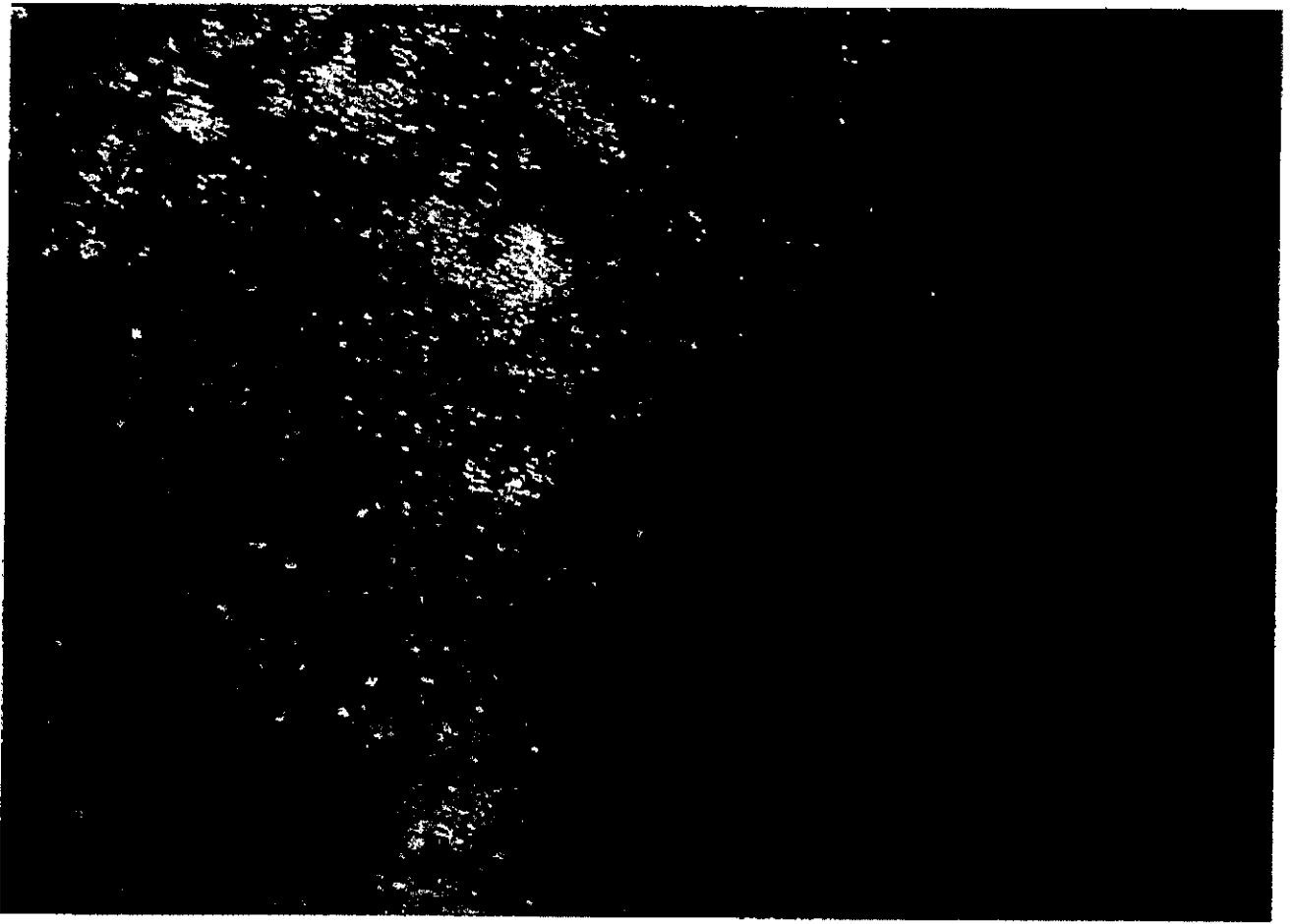






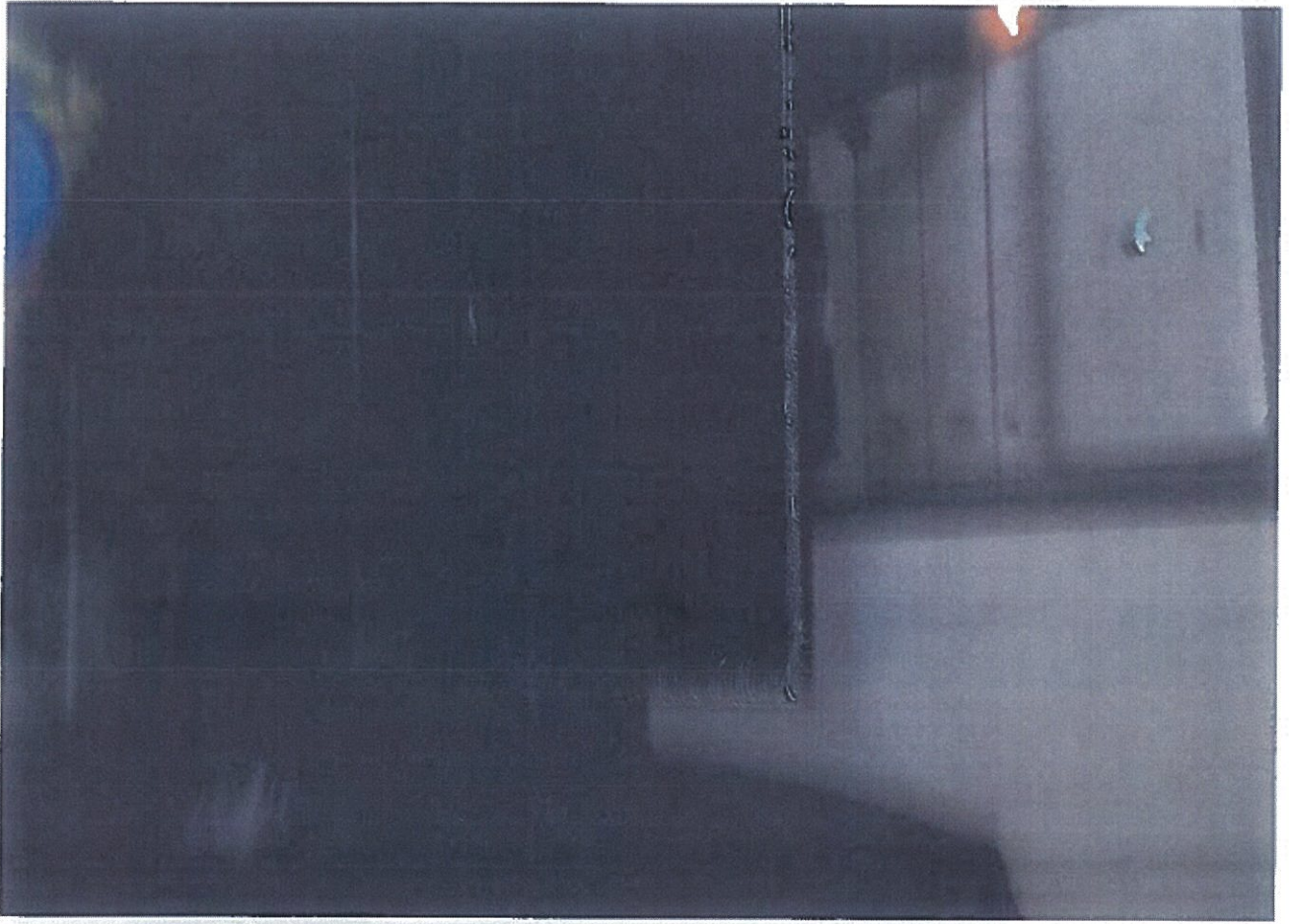






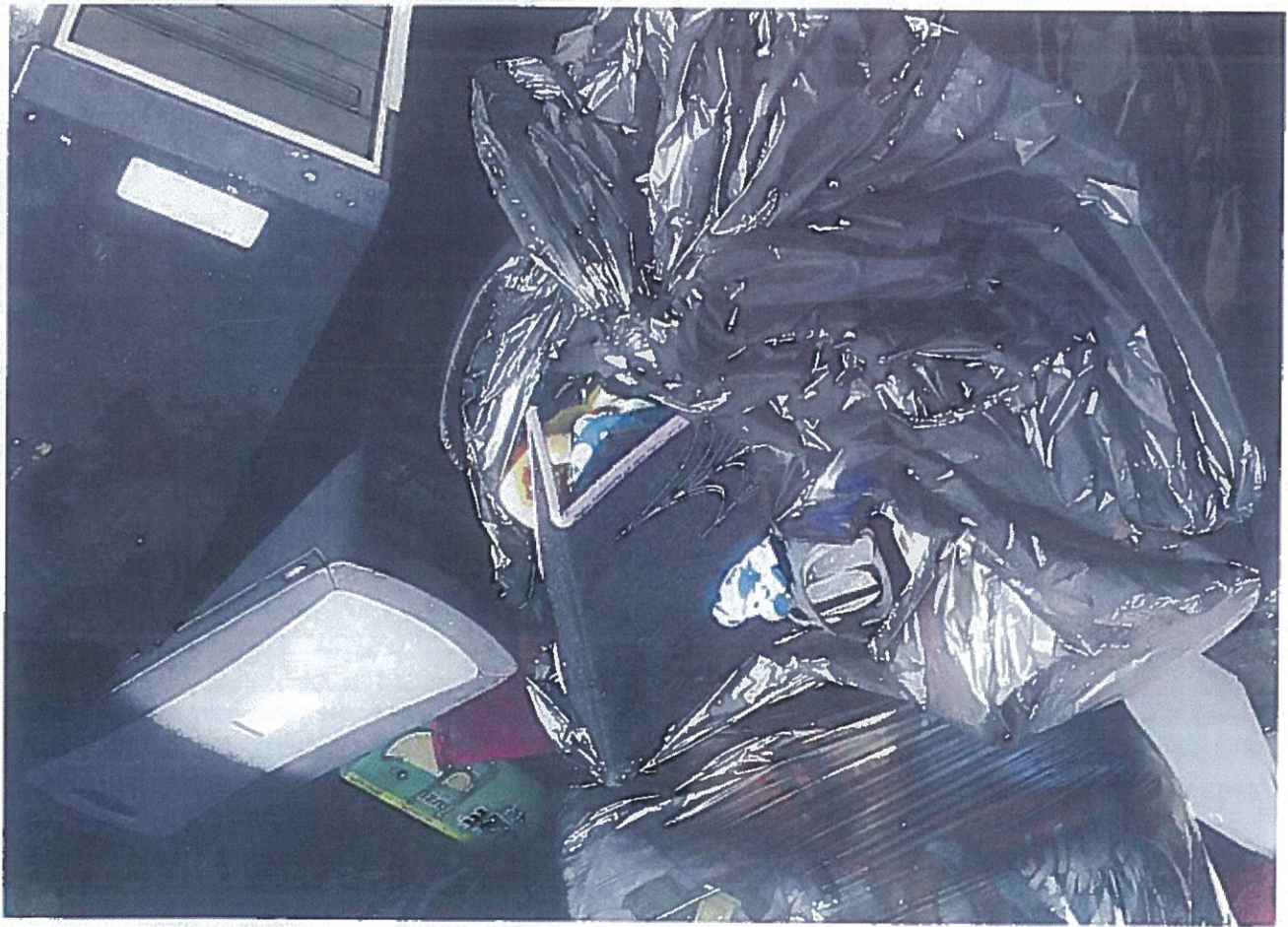
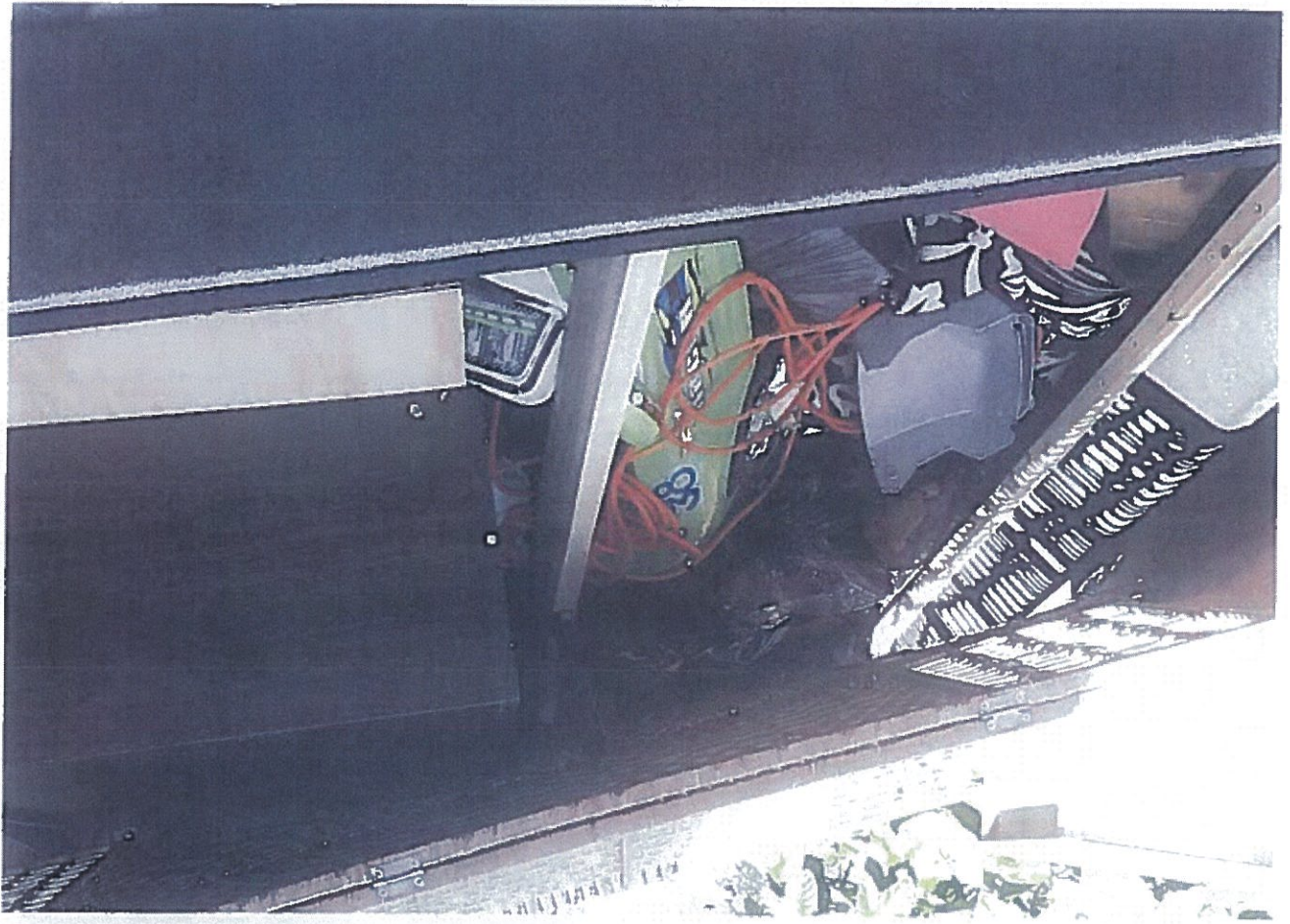




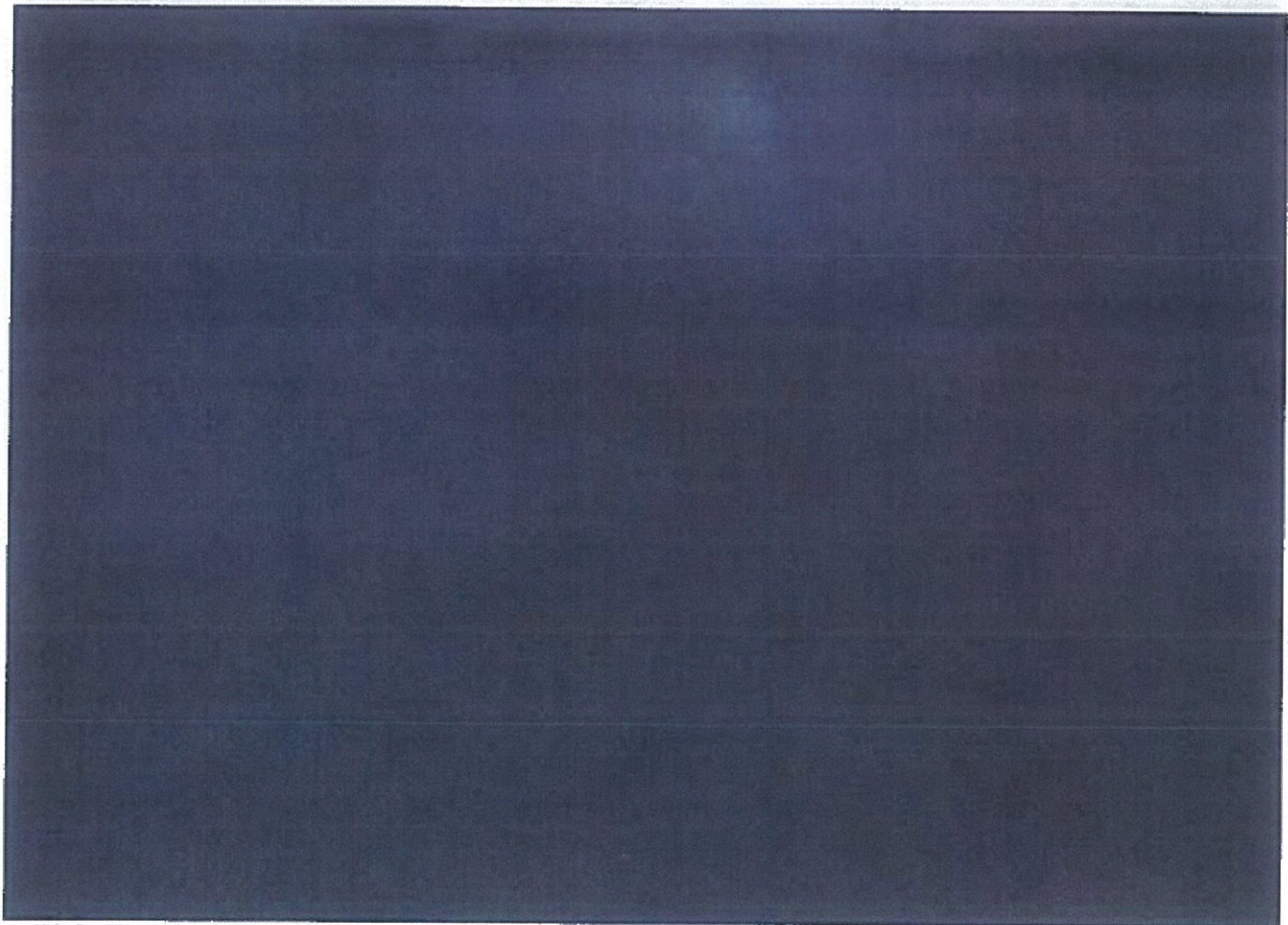


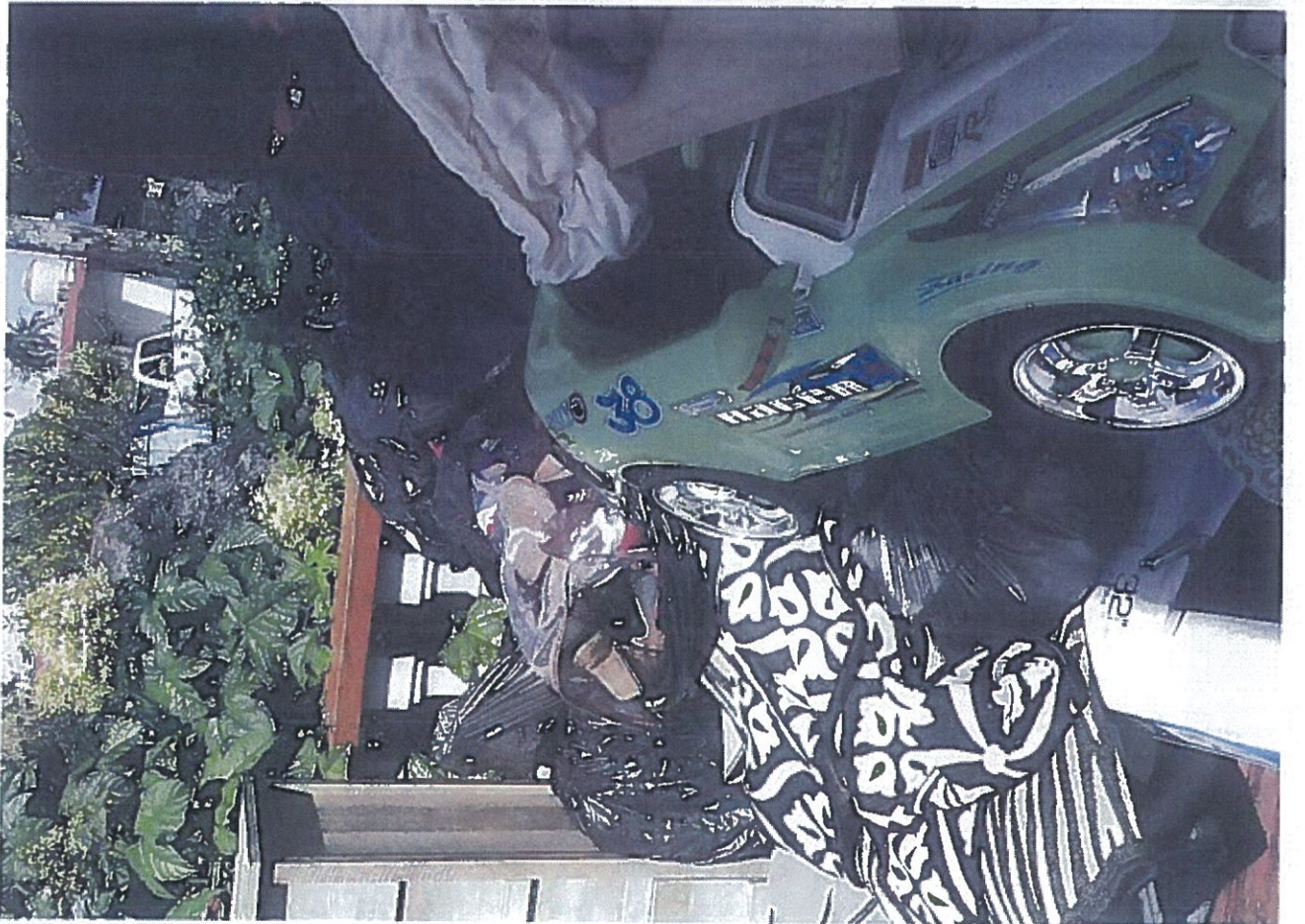




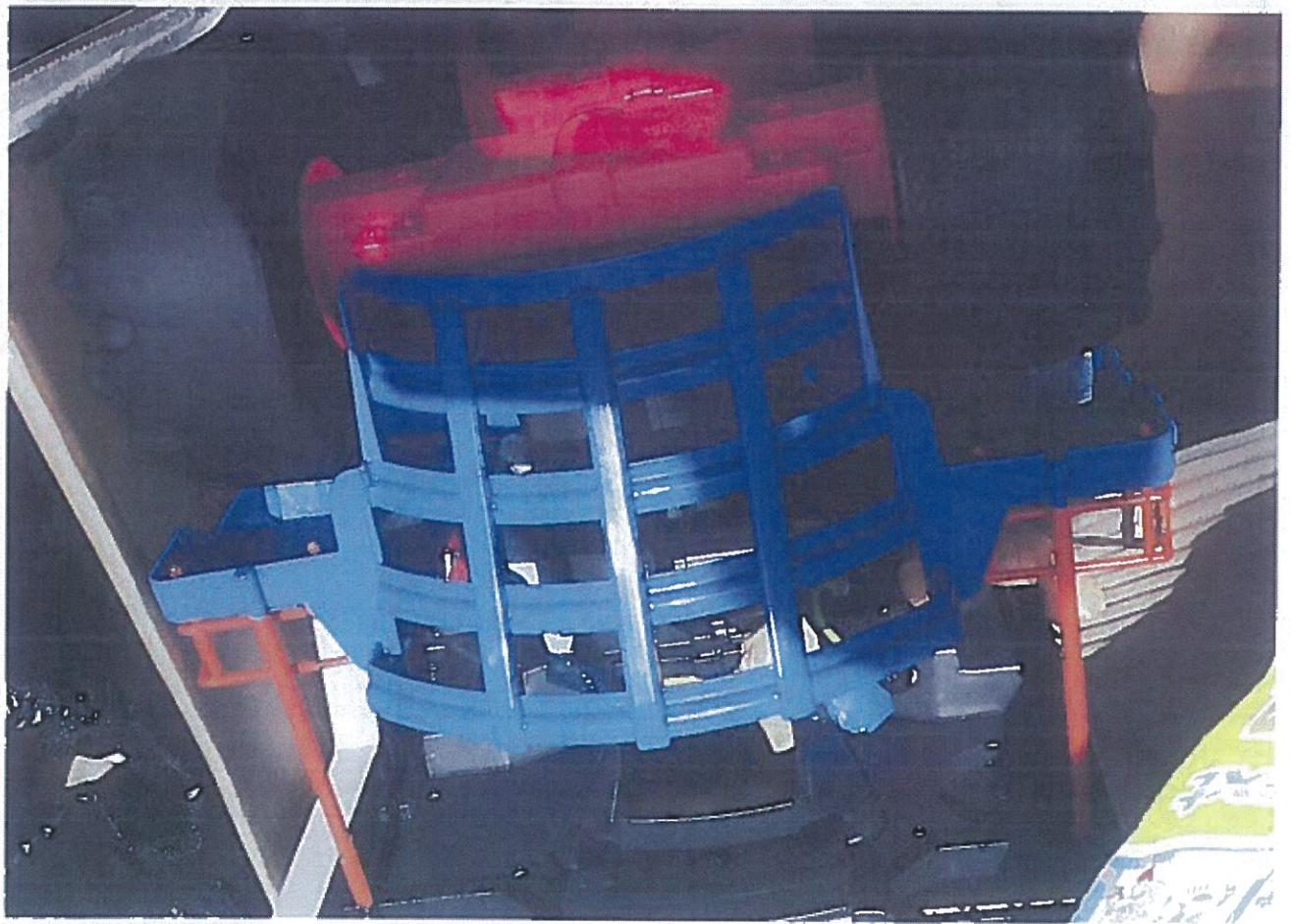
















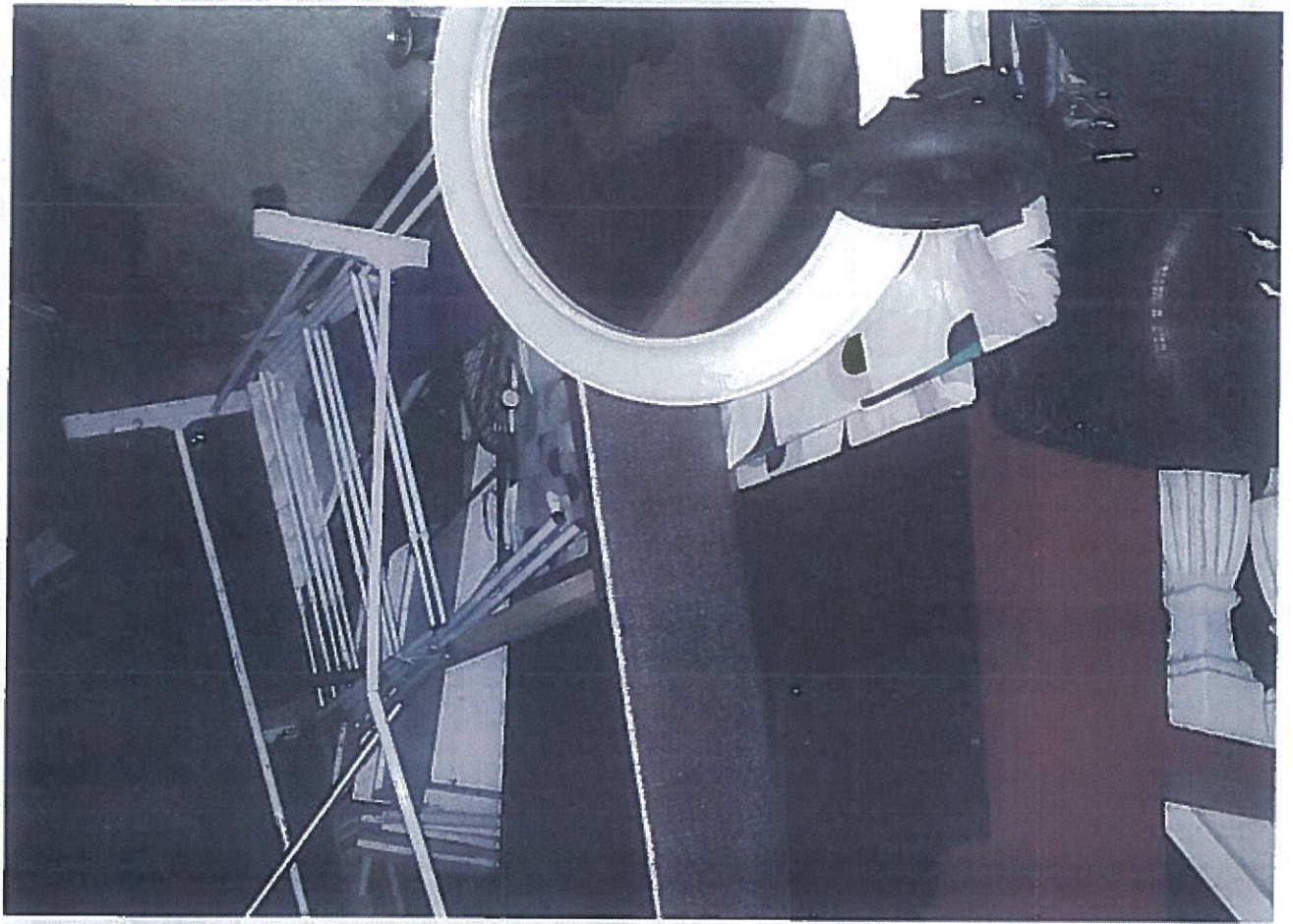


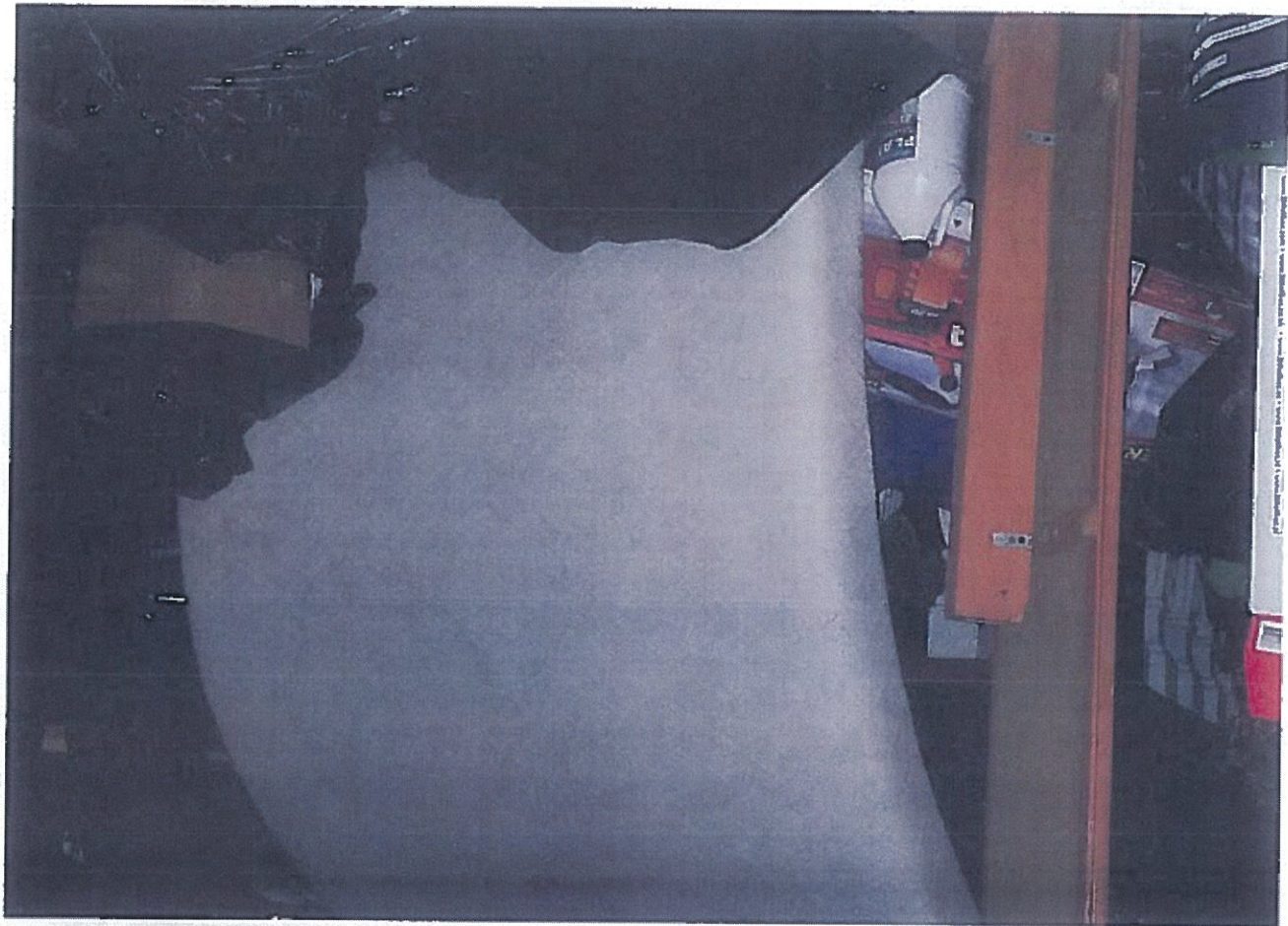








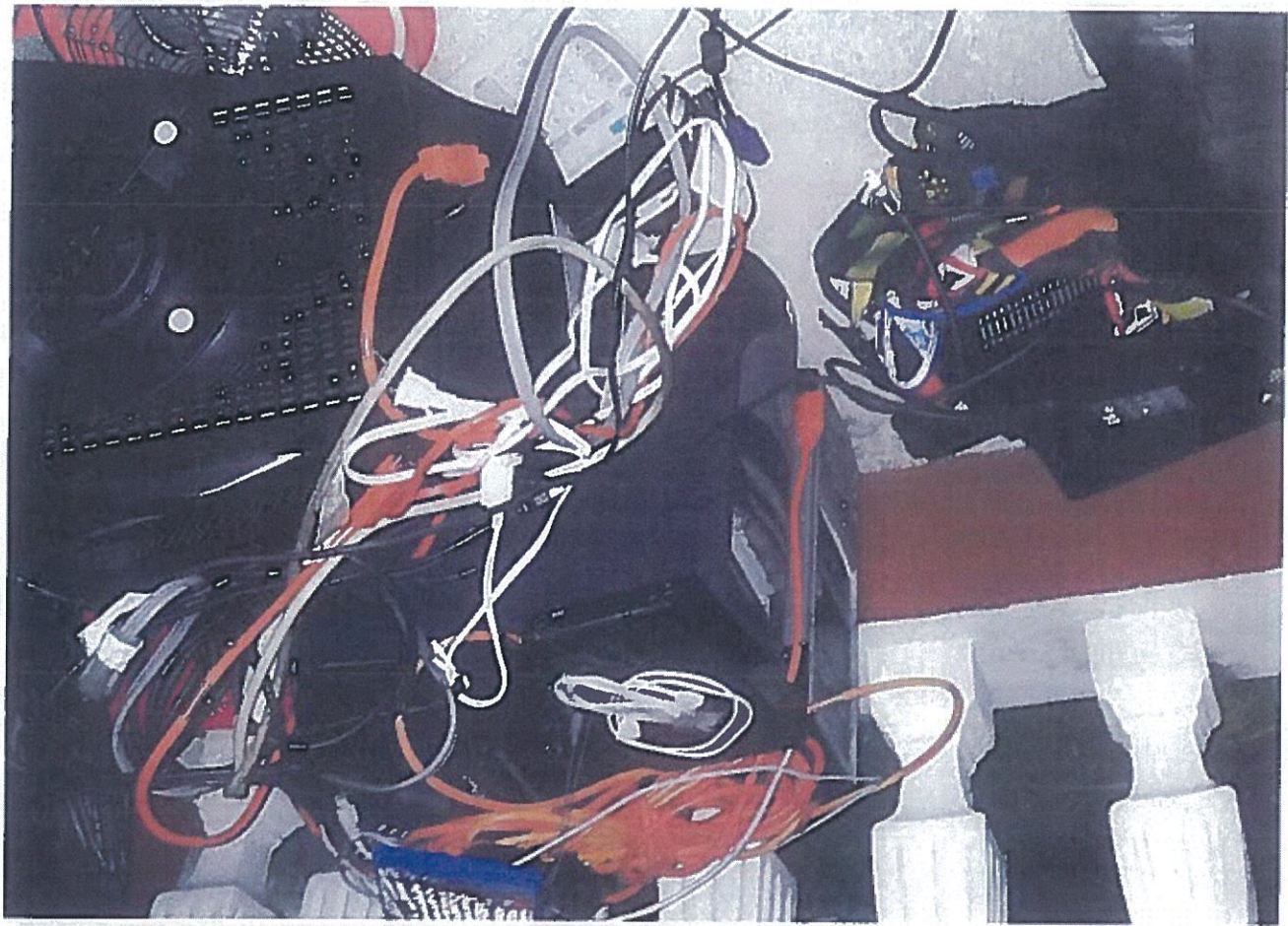


















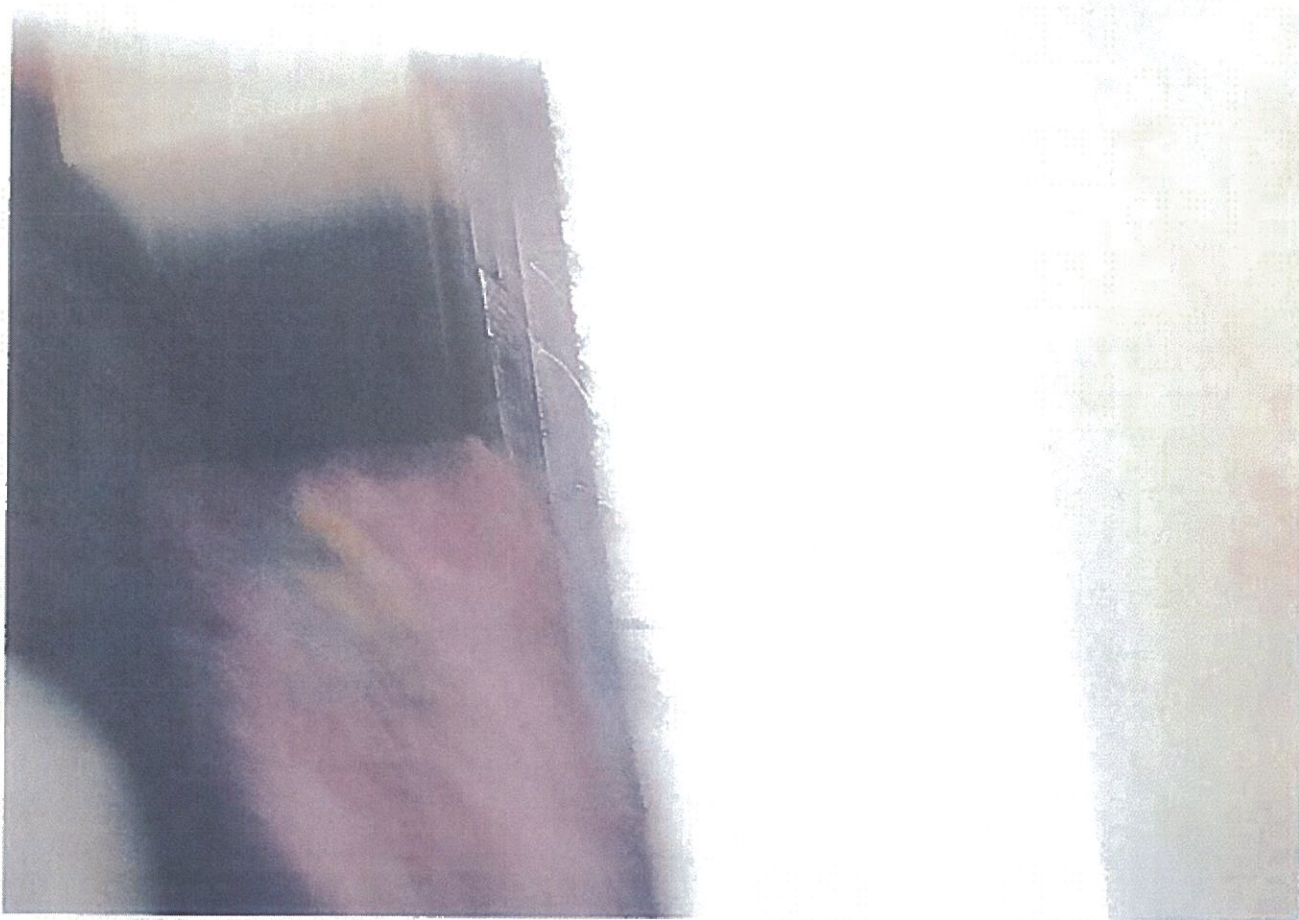










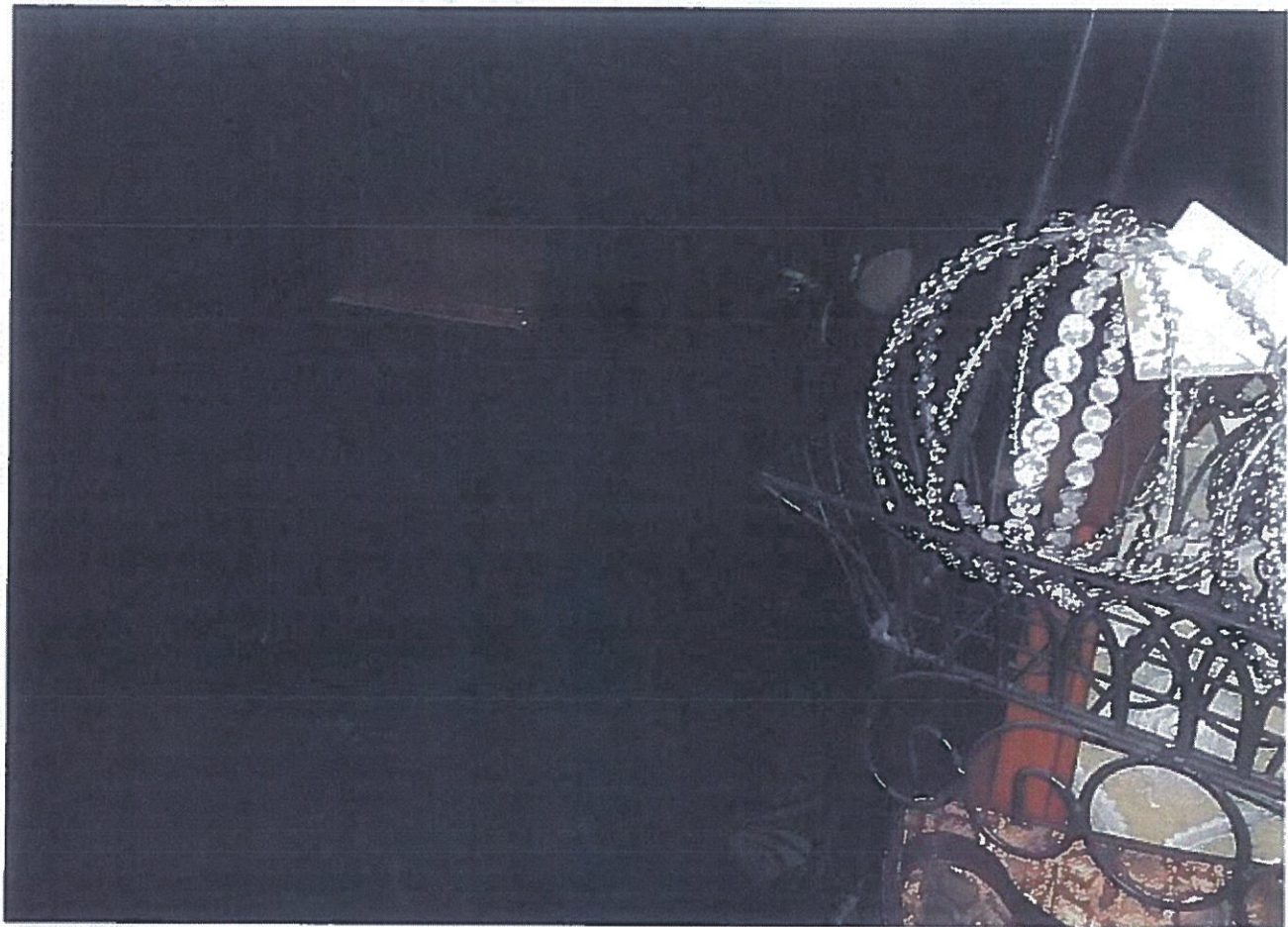








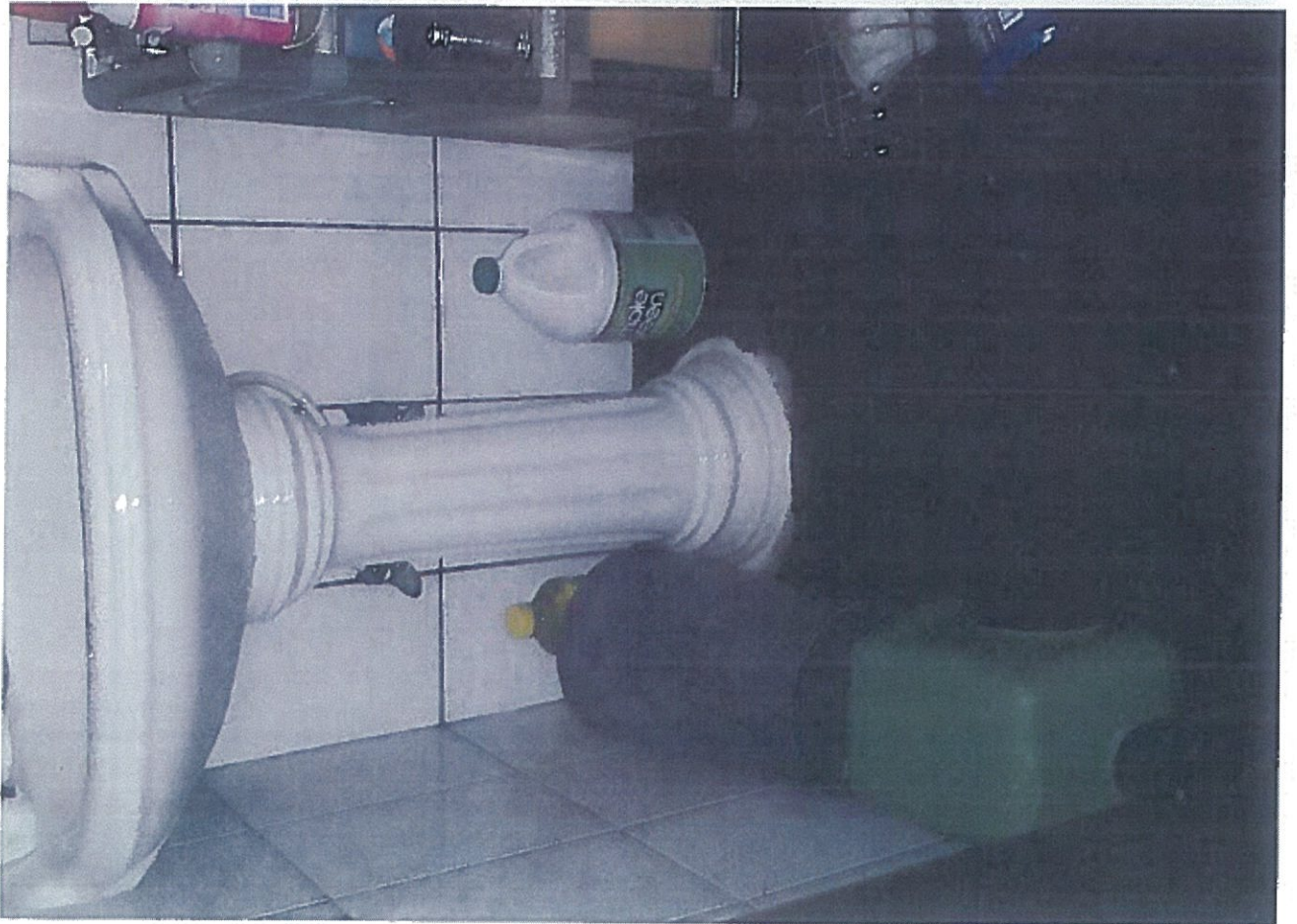












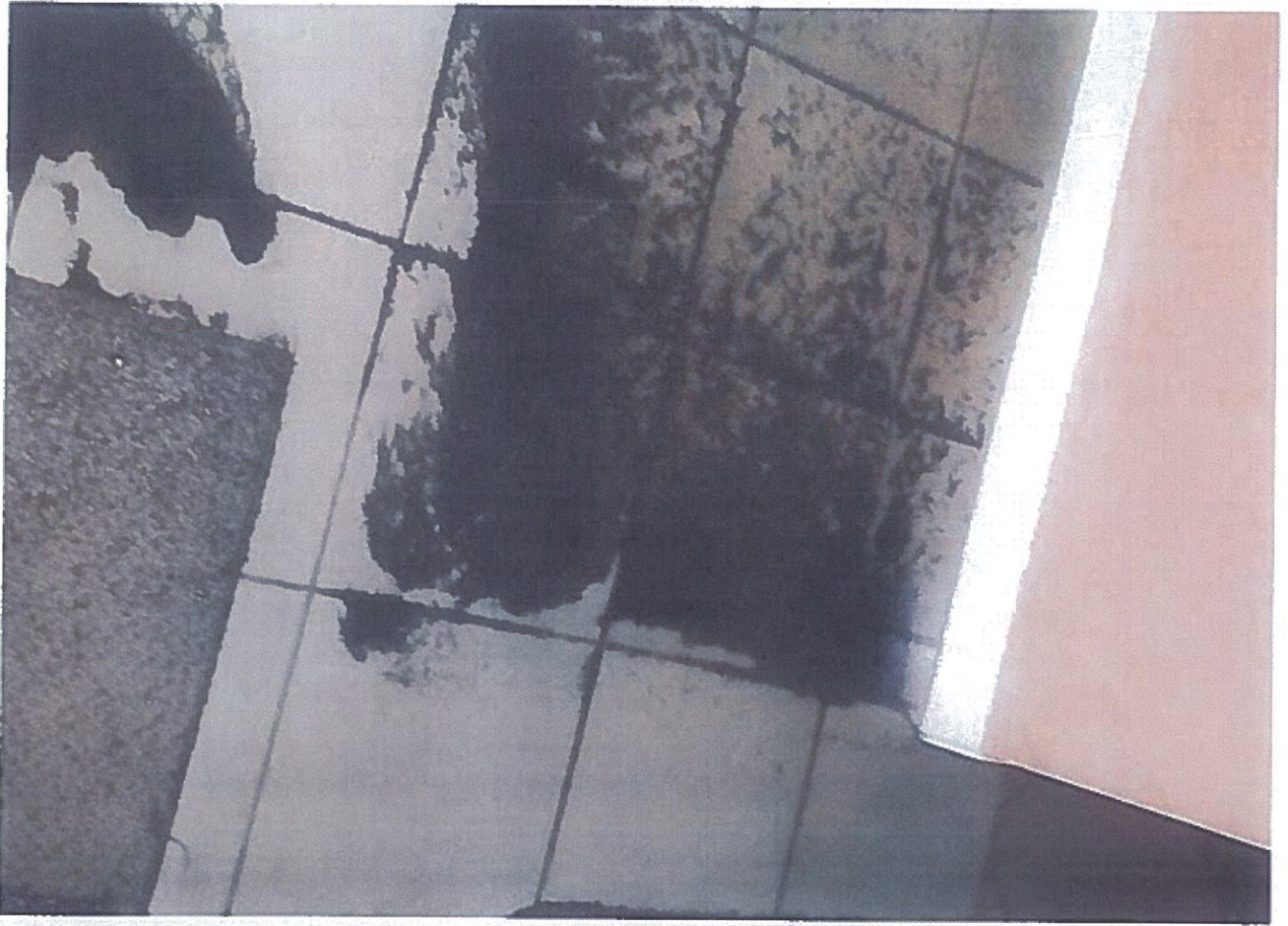








EXHIBIT B



Office of the Attorney General of Guam

590 S. Marine Corps Dr., Ste. 706, Tamuning, Guam 96913



FILING A CLAIM AGAINST THE GOVERNMENT

Please be advised that under the Government Claims Act (5 G.C.A., Chapter 6), the government has **SIX (06) MONTHS** in which to investigate and either grant, settle, or deny your claim.

If your claim involves a **traffic accident**, you need to submit:

1. A copy of the police report;
2. A copy of the vehicle registration;
3. Two to three estimates of repair from a licensed auto repair shop
4. Pictures of the damages

If your claim involves **wages**, you need to submit:

- Any documents of proof of wages owed.

If your claim involves a **dormant bank account**, you need to submit:

- Account name, account number, address, social security number, and proof of authorized access to account funds.

Please provide copies of all documents. We are unable to make copies due to budgetary cuts. If you have any questions, please call our office at 475-3324.

Please read, sign and return the letter on the reverse side of this sheet. Thank you.





Office of the Attorney General of Guam

590 S. Marine Corps Dr., Ste. 706, Tamuning, Guam 96913



Dear Claimant:

Pursuant to the Government Claims Act (Public Law 17-29), the government has six (06) months to investigate and either grant, settle or deny your claim. If you are claiming property damage to a motor vehicle involved in an accident, we will make a determination on this part of your claim within thirty (30) days pursuant to Public Law 25-130, provided you furnish us with all the documents necessary to process your claim.

Although most claims require the full six (06) months for review and final decision, smaller claims usually take less time than larger ones; however, they are considered equally. If after six (06) months your claim has not been settled or you have not been notified by our office that your claim was denied, you may institute an action in the Superior Court of Guam for money damages.

Additional questions on the status of this claim should be directed to the undersigned.

Thank you in advance for your cooperation.

Sincerely,

DONALD V. SAN AGUSTIN
Assistant Claims Officer

I have read and fully understand the above.

Print Name: Joseph Cruz Angel MD Cruz

Signature: Angel M.D. Cruz

Date: 2/22/17



Office of the Attorney General of Guam

590 S. Marine Corps Dr., Ste. 706, Tamuning, Guam 96913



CLAIM AGAINST THE GOVERNMENT

(Please complete the form in its entirety. **DO NOT** leave any portions blank. Write 'N/A' or 'None' where appropriate.)

- Name of Claimant: Joseph MM Cruz / Angel MD Cruz
- Mailing Address: PO Box 3634 Hagatna GU 96932
Home/Work Address: 110 South San Miguel St. Tafelberg GU 96915
- Home Telephone: 964-1873 488-3106 Work Telephone: _____
- Amount of Damages you are claiming: \$ 150,000 -
- Any other relief you are claiming: N/A
- Government Agency Responsible: GWA Guam Water Works Authority
- Date Claim arose: Dec. 30, 2016
- Your statement of facts upon which you base your claim. Attach extra sheet(s) if necessary.
Dec. 30, 2016 raw sewage submerged car entire home.
See attached document

- Attach a copy of all documents pertaining to your claim, such as a police report, accident report or a contract.
- The lowest estimate of repair is \$ 139,900.-
- I have the following insurance covering this claim: Insurance Denied Claim per attached
- I am the real party in interest except for the following parties who have an interest in this claim:
N/A
- I have received the following compensation/repairs from other parties: N/A
- Name, address, and telephone of attorney representing claimant, if any:
N/A

All notices will be sent to your mailing address above or if you have an attorney, to your attorney's address. If you want to change the address at which you will receive notices, you must file, in writing, a change of address with the Claims Officer.

I, Joseph Cruz & Angel MD Cruz, declare under penalty of perjury that the foregoing is true and correct.
Date: 2/2/17 Claimant's Signature: Angel MD Cruz

Golden Bay Inc.

P.O.Box 11044 Tamuning Guam 96931

Cell 489-4336

Quote on Repair of Residence of Joseph MM Cruz/Sandra M.Pablo Located at
110 South SanMiguel St. Talofofo Guam 96815

Work Scope

1 Plan fee	3100
2 Building permit fee	2700
3 Remove and dispose the existing wooden ceiling, partation walls windows,doors cabinets,walland floor tiles ,facilities for the two bath room, kitchen cabinets, counter, and all kitchen facilities, and the tiles for the whole house.	16750
4 Install new cellings	18100
5 Install new floor siremic tiles for the whole house	14578
6 Repair the existing concrete walls	3500
7 Replace windows (10 ea.) interior doors(5 ea.) entrance doors (2 ea.) including door frames and door thresholds locks and all metal accessories.	5475
8 Install gypsum board walls , decoration board, and closets for the 3 bedrooms	9500
9 Replace kitchen cabinets , counter, sink, valves	8200
10 Replace floor tile ,wall tiles, two toilets,two lavatories with accessories, shower head and hand valves and all other accessories for the two bathrooms	9830
11 Replace panelbox, wires, switches, outlets/with covers,and smoke alarms, light fixtures	19700
12 Replace all water supply system ,sewer system, vetilation pipe	14750
13 Replace typhoon shutters for 2 windows and two entrance doors	2100
14 Interior painting	4300
15 Exterior painting	2050
16 GRT	5267

Total labor, material and equipment cost:

\$139,900

Yi Ping Wu/Vice president

 1/21/2017



YONG FA CONSTRUCTION CO.

Proposal Construction Cost Breakdown

Date: February 2, 2017

Owner: Joseph MM Cruz/Sandra N. Pablo

Project: Repair Residence

Location: 110 South SanMiguel St. Talofoto 96815

Scope of work and cost breakdown:

- | | |
|--|-------------|
| 1. Provide engineering and design plan | \$3,800.00 |
| 2. Provide building permit | \$4,200.00 |
| 3. Install gypsum board walls, decoration board, and closets for the 3 bedrooms | \$9,520.00 |
| 4. Remove and dispose the existing wooden ceiling, partition walls windows, doors cabinets , wall and floor tiles ,facilities for the two bath room, kitchen cabinets, counter, and all kitchen facilities, and the tiles for the whole house. | \$18,623.00 |
| 5. Provide and install kitchen cabinets, counter, sink, valves | \$9,800.00 |
| 6. provide and install floor tile, wall tiles, two toilets, two lavatories with accessories, shower head and hand valves and all other accessories for the two bathrooms | \$11,255.00 |
| 7. Provide and install new ceilings | \$21,786.00 |
| 8. Provide and install panel box, wires, switches, outlets/with covers, and smoke alarms, light fixtures. | \$21,500.00 |
| 9. Provide and install new floor sirmic tiles for the whole house | \$16,299.00 |
| 10. Replace all water supply system ,sewer system, ventilation pipe and water heater | \$18,920.00 |
| 11. Replace all typhoon shutters for 10 windows and three entrance doors | \$5,635.00 |
| 12. Repair the existing concrete walls | \$2,487.00 |
| 13. Provide and install new windows(10 ea.) interior doors(5 ea.) entrance doors (3 ea.) including door frames and door thresh holds locks and all metal accessories | \$6,675.00 |
| 14. Interior painting | \$4,520.00 |
| 15. Exterior painting | \$3,500.00 |
| 16. GRT 4% | \$6,340.80 |

Total construction cost is: 164,860.80

The cost included all materials, equipment and labor

Contractor: Yong Fa Construction Co.

Owner:

Date: 2-2-17

By: Charles Y. Wang (General Manager)

Owner

Date

P.O. Box 26783 Barrigada, Guam 96921 U.S.A. • Tel: (671) 734-5698 • Fax: (671) 478-5698

STANDTION INC.

General Building Licensed Contractor & Developer
P. O. Box 10401, Tamuning, Guam 96931 · Tel:(671)477-6868 · Fax:(671)478-6868
E-mail:standtion@gmail.com

Project: Repair and renovation of one story 3 bedrooms 2 bathrooms residence

Owner: Joseph MM Cruz and Sandra M. Pablo,

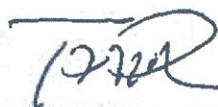
Location: 110 South San Miguel St. Talofofo, Guam 96915

Scope of Work and Cost Breakdown:

1. Provide engineering and design blue plan	\$4,000
2. Provide to apply required building permit	\$3,100
3. Remove and disposed the existing wooden ceiling, partition walls, all windows, door, kitchen cabinet with countertop & all the kitchen & bath facilities; all the floor & wall tiles for the entire house.	\$17,200
4. Provide and install new ceilings	\$19,200
5. Provide and install new ceramic floor tiles for the entire house	\$15,890
6. Repair the existing concrete walls	\$2,300
7. Provide and install total new 10 each windows; Seach interior doors; 3each entrance doors that including door frames & door thresholds, locks with hardware	\$6,480
8. Provide new gypsum drywalls, decoration board, and closets for total 3 bedrooms	\$8,750
9. Provide new kitchen cabinets, countertop, sink & faucet with valves	\$8,534
10. Provide and install floor & wall tiles, two toilets, two lavatories, shower faucet with all other accessories for the two bathrooms.	\$10,200
11. Provide and install new electrical panel-box, re-wire and all new outlets with covers, Smoke alarms, lights fixtures with switch finish.	\$20,300
12. Replace all new water & sewer system, ventilation pipe and new water heater.	\$15,279
13. Replace all typhoon shutters for total 10 windows and three entrance doors	\$5,387
14. Interior painting work	\$5,200
15. Exterior painting work	\$2,400
16. GRT	\$5,768

Total Labor, Material and Equipment Cost:

\$149,988



Feb 4th 2017
Date:

Contractor: Yangming OU

EXHIBIT C

Golden Bay Inc.

P.O.Box 11044 Tamuning Guam 96931

Cell 489-4336

**Quote on Repair of Residence of Joseph MM Cruz/Sandra M.Pablo Located at
110 South SanMiguel St. Talofoto Guam 96815**

Work Scope

1 Plan fee	3100
2 Building permit fee	2700
3 Remove and dispose the existing wooden ceiling, partation walls windows,doors cabinets,walland floor tiles ,facilities for the two bath room, kitchen cabinets, counter, and all kitchen facilities, and the tiles for the whole house.	16750
4 Install new ceilings	18100
5 Install new floor siremic tiles for the whole house	14578
6 Repair the existing concrete walls	3500
7 Replace windows (10 ea.) interior doors(5 ea.) entrance doors (2 ea.) including door frames and door thresholds locks and all metal accessories.	5475
8 Install gypsum board walls , decoration board, and closets for the 3 bedrooms	9500
9 Replace kitchen cabinets , counter, sink, valves	8200
10 Replace floor tile ,wall tiles, two toilets,two lavatories with accessories, shower head and hand valves and all other accessories for the two bathrooms	9830
11 Replace panelbox, wires, switches, outlets/with covers,and smoke alarms, light fixtures	19700
12 Replace all water supply system ,sewer system, vetilation pipe	14750
13 Replace typhoon shutters for 2 windows and two entrance doors	2100
14 Interior painting	4300
15 Exterior painting	2050
16 GRT	5267

Total labor, material and equipment cost:

\$139,900

Yi Ping Wu/Vice president

 1/21/2017