



RESOLUTION NO. 2018 -20

Relative to Authorizing the Bid for Bulk Storage Fuel Tanks and Internal Inspection and Refurbishment

WHEREAS, the Guam Power Authority (GPA) operates and maintains the bulk storage fuel tanks located at Piti, Guam, which are managed by the Performance Management Contractor, Isla Petroleum and Energy Holdings, LLC (IP&E) and are used to supply fuel to GPA’s base load units; and

WHEREAS, the bulk storage fuel tanks last underwent internal inspection and refurbishment in 2007; and

WHEREAS, the tanks appurtenances including auxiliary equipment are required to be assessed, recalibrated and refurbished to comply with USEPA regulatory requirements; and

WHEREAS, upon completion of the out of service/internal inspection and refurbishment of the bulk storage fuel tanks, they will be utilized to store ULSD fuel to supply Piti Power Plant 7 and upon ULSD conversion for Piti Power Plants 8 and 9 and the proposed 180 MW power plant; and

WHEREAS, funding for this project will be programmed under the Cabras 3&4 Insurance Proceeds with an estimated total cost of \$8,000,000.00 (attached Exhibit “A”); and

WHEREAS, GPA intends to issue an Invitation for Bid for the Bulk Storage Fuel Tanks Out of Service/Internal Inspection and Refurbishment, to commence on FY2019.

WHEREAS, the total cost exceeds the \$1.5M threshold requiring GPA to seek procurement authorization from PUC; and

WHEREAS, GPA is requesting the approval of the CCU to petition the PUC for the issuance of an Invitation for Bid; and

33 **NOW, THEREFORE, BE IT RESOLVED**, by the Consolidated Commission on Utilities, subject to the
34 review and approval of the Public Utilities Commission, as follows:

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- 36 1. GPA's request to solicit competitive bids for the Bulk Storage Fuel Tanks Out of Service/ Internal
37 Inspection and Refurbishment through an Invitation for Bid process is reasonable and prudent.
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 - 39 2. GPA is authorized to petition the Public Utilities Commission for approval to issue bids to procure a
40 Contractor for the Bulk Storage Fuel Tanks Out of Service/Internal Inspection and Refurbishment.

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42 **RESOLVED**, that the Chairman of the Commission certifies and the Secretary of the
43 Commission attests the adoption of this Resolution.

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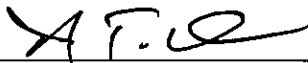
45 **DULY and REGULARLY ADOPTED** this 25th day of September 2018.

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49 **Certified by:**



JOSEPH T. DUENAS
CHAIRMAN

Attested by:



J. GEORGE BAMBA
SECRETARY

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SECRETARY'S CERTIFICATE

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I, **J. GEORGE BAMBA**, Secretary for the Consolidated Commission on Utilities do hereby certify that the foregoing is a full, true, and correct copy of the resolution duly adopted at a regular meeting of the members of Guam's 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:	<u>4</u>
Nays:	<u>0</u>
Absent:	<u>0</u>
Abstain:	<u>1</u>



EXHIBIT "A"**PROJECT COST BREAKDOWN****GPA BULK STORAGE FUEL TANKS
OUT OF SERVICE INSPECTION AND REFURBISHMENT (DESIGN-BUILD)****1.1 PRICE FOR ENTIRE WORK RELATED TO TANK 1935**

Item	Description	Qty.	Total
1	Mobilization	1 LS	\$175,100
2	Tank Draining	1 LS	\$992,000
3	Interior Tank Cleaning	1 LS	\$583,500
4	Tank Surface Preparation	1 LS	\$350,100
5	API 653 Integrity Testing/Inspection	1 LS	\$87,500
6	Tank Defects Repairs		\$0
a	Interior bottom plate and shell defects	100 SF	\$110,900
b	Exterior shell wall defects	100 SF	\$110,900
c	Roof exterior surface	100 SF	\$110,900
d	Bottom projection plate defects	100 SF	\$110,900
e	Tank stairway and handrail	100 SF	\$110,900
f	Tank external piping	50 LF	\$87,500
7	Install Tank New Roof Railing	1 LS	\$320,900
8	Tank Hydrostatic Testing	1 LS	\$23,300
9	Tank Calibration	1 LS	\$17,500
10	Tank Painting	1 LS	\$437,600
11	Tank Clean-up	1 LS	\$40,800
12	Demobilization	1 LS	\$58,400
SUB TOTAL			\$3,728,700

1.2 PRICE FOR ENTIRE WORK RELATED TO TANK 1935

Item	Description	Qty.	Total
1	Mobilization	1 LS	\$175,100
2	Tank Draining	1 LS	\$992,000
3	Interior Tank Cleaning	1 LS	\$583,500
4	Tank Surface Preparation	1 LS	\$350,100
5	API 653 Integrity Testing/Inspection	1 LS	\$87,500
6	Tank Defects Repairs		
a	Interior bottom plate and shell defects	100 SF	\$110,900
b	Exterior shell wall defects	100 SF	\$110,900
c	Roof exterior surface	100 SF	\$110,900

d	Bottom projection plate defects	100 SF	\$110,900
e	Tank stairway and handrail	100 SF	\$110,900
f	Tank external piping	50 LF	\$87,500
7	Install Tank New Roof Railing	1 LS	\$320,900
8	Tank Hydrostatic Testing	1 LS	\$23,300
9	Tank Calibration	1 LS	\$17,500
10	Tank Painting	1 LS	\$437,600
11	Tank Clean-up	1 LS	\$40,800
12	Demobilization	1 LS	\$58,400
SUB TOTAL			\$3,728,700

1.3 PRICE FOR ENTIRE WORK RELATED TO TANK FARM SYSTEM

Item	Description	Qty.	Total
1	Tank Farm Cathodic Protection System Assessment	1 LS	\$58,400
2	Tanks Leak Detection System Assessment	1 LS	\$58,400
3	Tanks Liquid Level Sensors Upgrade	1 LS	\$93,400
4	Tank Farm Oil Water Separator Repairs	1 LS	\$110,900
5	Replace 5,000 Gallon ULSD Tank	1 LS	\$204,200
6	Final Completion Report	1 LS	\$17,500
SUB TOTAL			\$542,800

COST SUMMAR Y			
1.1	Tank 1935		\$3,728,700
1.2	Tank 1934		\$3,728,700
1.3	Tank Farm System		\$542,800
TOTAL			\$8,000,200