



RESOLUTION NO. 2018-21

**AUTHORIZING THE MANAGEMENT OF GUAM POWER AUTHORITY
TO PROCEED WITH THE SOLICITATION FOR THE NEW ULSD PIPELINE SYSTEM**

WHEREAS, the Guam Power Authority (GPA) is mandated by United States Environmental Protection Agency (USEPA) to use Ultra Low Sulfur Diesel (ULSD) oil to fuel power plants by 2021; and

WHEREAS, GPA will comply with the USEPA requirements, GPA will build and use a pipeline system to supply ULSD oil to the Piti Tank Farm, Piti Power Plants 7, 8 and 9; and

WHEREAS, the ULSD pipeline system consists of 8-, 12- and 24-inch diameter pipes with supports/pedestals, pipe manifolds, valves, and pumping station to include motor, pumps, concrete roof, berms and pads; and

WHEREAS, the 24-inch ULSD pipeline will be interconnected from the US Navy tie-in to tanks 1934 and 1935, the 12-inch pipeline will be interconnected from tanks 1934 and 1935 to the pumping station and the 6-inch pipeline will be interconnected from pumping station to the Piti Power Plants 7, 8, and 9; and

WHEREAS, the ULSD pipeline system will be operated and maintained under United States Environmental Protection Agency (USEPA) and American Petroleum Institute (API) guidelines and regulations; and

WHEREAS, funding for this project will be programmed under the FY 2019 and FY 2020 Cabras 3&4 Insurance Proceeds with an estimated cost of \$5,900,000.00 (Attached Exhibit "A"); and

WHEREAS, GPA intends to issue an Invitation for Bid for the New ULSD Pipeline System, to commence in FY2019.

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

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

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

1. GPA's request to solicit competitive bids for the New ULSD Pipeline System through an Invitation for Bid process is reasonable and prudent.
2. GPA is authorized to petition the Public Utilities Commission for approval to issue bids to procure a Contractor for the construction of the New ULSD Pipeline System.

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

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

Certified by:



**JOSEPH T. DUENAS
CHAIRMAN**

Attested by:



**J. GEORGE BAMBA
SECRETARY**

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SECRETARY'S CERTIFICATE

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 TANK FARM NEW ULSD PIPELINE SYSTEM (DESIGN-BUILD)

PRICE FOR ENTIRE WORK

Item No.	Description	Qty.	Total
1	Design	1 LS	\$ 875,000.00
2	Construction		
a	Mobilization/Demobilization	1 LS	\$ 200,000.00
b	24" Pipeline & Fittings	1 LS	\$ 460,000.00
c	12" Pipeline & Fittings	1 LS	\$ 435,000.00
d	6" Pipeline & Fittings	1 LS	\$ 410,000.00
e	24" Gate Valves & Fittings	1 LS	\$ 375,000.00
f	12" Gate Valves & Fittings	1 LS	\$ 350,000.00
g	6" Gate Valves & Fittings	1 LS	\$ 300,000.00
h	Pipeline Pedestals & Supports	1 LS	\$ 350,000.00
i	Pumping Station & Accessories	1 LS	\$ 1,700,000.00
j	Painting	1 LS	\$ 360,000.00
3	Testing & Commissioning	1 LS	\$ 85,000.00
GRAND TOTAL			\$5,900,000.00