



RESOLUTION NO. 2019-01

AUTHORIZING THE MANAGEMENT OF THE GUAM POWER AUTHORITY TO PETITION THE PUBLIC UTILITIES COMMISSION FOR THE EXTENSION OF THE EXISTING CONTRACT FOR THE MANAGEMENT, OPERATION AND MAINTENANCE OF THE GUAM POWER AUTHORITY'S FUEL BULK STORAGE FACILITY WITH ISLA PETROLEUM & ENERGY, LLC. (IP&E)

WHEREAS, the 2-Year based period of the contract with IP&E for the Management, Operation, and Maintenance of the GPA Fuel Bulk Storage Facility under GPA-014-17 is set to expire on September 30, 2019, with three optional one-year extension; and

WHEREAS, GPA negotiated and mutually agreed for the first (1st) year extension of the existing contract with IP&E for a term of one (1) year commencing in October 1, 2019; and

WHEREAS, the total requirement for the first (1st) year contract extension is estimated to cost of about \$859,329.00 (Exhibit A); and

WHEREAS, GPA has determined that the 3% increase in the contract fee is reasonable; and

WHEREAS, GPA is requesting for the approval of the first (1st) year extension of the contract.

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


1. The Guam Power Authority is hereby authorized to enter into a contract extension for the Management, Operation, and Maintenance of the GPA Fuel Bulk Storage Facility with IP&E for a period of 1 year commencing October 01, 2019.
2. The Guam Power Authority is hereby authorized to execute an agreement for the extension of the contract.
3. The General Manager of the Guam Power Authority is hereby authorized an increase in obligating authority to the annual value of the contract over \$750,000.00 and execute such agreements and documents necessary for a contract extension with IP&E.

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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 22nd day of January 2019.

Certified by:



JOSEPH T. DUENAS
CHAIRMAN

Attested by:



MICHAEL T. LIMTIACO
SECRETARY

SECRETARY'S CERTIFICATE

I, **Michael T. Limtiaco**, Secretary for the Consolidated Commission on Utilities (CCU), as evidenced by my signature above do certify as follows:

The foregoing is a full, true, and accurate copy of the resolution duly adopted at a regular meeting of the members of Guam 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: 4
Nays: 0
Absent: 1
Abstain: 0





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

EXHIBIT A

GPA-014-17: GPA BULK FUEL FARM MANAGEMENT, OPERATION, AND MAINTENANCE CONTRACT

| IP & E Contract Price | 2 YEAR BASE PERIOD (MANDATORY) | | | 3-YEAR EXTENSION OPTION (RENEWABLE ANNUALLY) | | | | 2 YEAR BASE + 3 YEAR EXTENSION OPTION |
|-------------------------------|--------------------------------|-----------------------------|------------------------|--|--------------------------------|--------------------------------|------------------------|---|
| | 1st Year Oct2017-Sep2018 | 2nd Year Oct2018-Sep2019 | Total | 1st Yr Extn Oct2019-Sep2020 | 2nd Yr Extn Oct2020-Sep2021 | 3rd Yr Extn Oct2021-Sep2022 | Total | |
| Item 1 | \$ 516,560.00 | \$ 532,056.80 | \$ 1,048,616.80 | \$ 548,018.50 | \$ 564,459.06 | \$ 581,392.83 | \$ 1,693,870.39 | \$ 2,742,487.19 |
| Item 2 | \$ 144,540.00 | \$ 148,876.20 | \$ 293,416.20 | \$ 153,342.49 | \$ 157,942.76 | \$ 162,681.04 | \$ 473,966.29 | \$ 767,382.49 |
| Item 3 | \$ 35,000.00 | \$ 36,050.00 | \$ 71,050.00 | \$ 37,131.50 | \$ 38,245.45 | \$ 39,392.81 | \$ 114,769.76 | \$ 185,819.76 |
| Item 4 | \$ 20,400.00 | \$ 21,012.00 | \$ 41,412.00 | \$ 21,642.36 | \$ 22,291.63 | \$ 22,960.38 | \$ 66,894.37 | \$ 108,306.37 |
| Item 5 | \$ 2,500.00 | \$ 2,575.00 | \$ 5,075.00 | \$ 2,652.25 | \$ 2,731.82 | \$ 2,813.77 | \$ 8,197.84 | \$ 13,272.84 |
| Item 6 | \$ 91,000.00 | \$ 93,730.00 | \$ 184,730.00 | \$ 96,541.90 | \$ 99,438.16 | \$ 102,421.30 | \$ 298,401.36 | \$ 483,131.36 |
| TOTAL (Items 1 thru 6) | \$ 810,000.00 | \$ 834,300.00 | \$ 1,644,300.00 | \$ 859,329.00 | \$ 885,108.88 | \$ 911,662.13 | \$ 2,656,100.01 | \$ 4,300,400.01 |

Variance vs. Previous year 3%

Contract Status

Completed

In Progress

3%

For Approval

3%

Legend: Bid Price Proposal Parameters for Mandatory Items

| | | | |
|--------|--|-------------------|----------|
| Item 1 | Management and Administration Fees (Include all expenses for staffing, office maintenance, expenses for utilities and communications, management fees and administration fees) | Fixed Cost | Remarks: |
| Item 2 | Security Contractor | Fixed Cost | |
| Item 3 | Spill Response Company Membership Fees | Fixed Cost | |
| Item 4 | Insurance Fees (Volume I - 5.41A) | Fixed Cost | |
| Item 5 | Inventory - Environmental / Oil Spill Equipment *Oil Spill Response & Environmental Compliance (OPA 90, SPCC and FRP, etc.) | Fixed Cost | |
| Item 6 | Operation and Maintenance Budget | Reimbursible Cost | |